



Support, Connection, Advocacy

**University of Illinois
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**Thomas D. Simpson,
President**

The Railway Supply Institute acts on behalf of suppliers to North American freight and passenger railroads. We represent a diverse group of rail suppliers involved in the manufacture of products and services in the freight car, locomotive, maintenance-of-way, communications and signaling, and passenger rail industries

Founded in 1908, RSI has 100 years in serving the railway supply industry. With over 80 years of experience in Washington DC and in association management, the RSI staff is trusted in the railway supply industry.



About RSI Membership

RSI Members:

- Build All New Locomotives
- Build All New Railroad Freight Cars
- Supply the component parts to build these products
- Own and provide for lease over 700,000 freight cars – more than half the nation's freight car fleet
- Own and provide for lease over 200,000 railroad tank cars – over 70% of the tank car fleet
- Provide Maintenance of Way vehicles and products to our nation's railroads
- Provide Communication and Signaling Technology and products to our nation's railroads
- Build all types of passenger cars for transit, Amtrak and the emerging high speed rail networks
- Do business worldwide including Europe, Asia, South America and Australia



RSI Industry Committees

RSI's goals are accomplished through the work of its committees which serve member companies and interface with our railroad customers, federal regulators, and Capitol Hill. Our seven project committees encompass the many facets of the industry and provide members with an opportunity to get involved by supporting and advancing railway supply industry goals in both the public and private sector.

Washington Affairs Committee

- Communications & Signaling Working Group
- Passenger Transportation Working Group
- Maintenance of Way Working Group

Quality Assurance Committee

Freight Car Focused Committees

- American Railway Car Institute
- Equipment Leasing Committee
- Standard Coupler Manufacturer Committee
- State Taxation Committee
- Committee on Tank Cars



About RSI Membership

RSI members represent a large base of large and small rail supply companies representing the manufacture of products and services in the freight car, locomotive, leasing, maintenance-of-way, communications and signaling, and passenger rail industries.

<i>Segment of Membership</i>	<i>Number of RSI Members</i>
Communications & Signaling	26
Freight Car / Locomotive Repair	23
Freight Car Component Parts	74
Freight Car Leasing	13
Freight Car Manufacturer	7
Locomotive Manufacturers / Component Parts	78
Maintenance of Way	13
Passenger Manufacturer / Component Parts	15
Trade Association	5
Industry Publications / Press	4
Banks / Financial Institutions	7
Other Rail Related	22

* Note: Data taken from primary business section of 2011 RSI membership forms. Some members represent more than one segment of the industry.

About RSI Membership

Leasing Companies

- American Railcar Leasing
- Chicago Freight Car Leasing Co.
- CIT Rail
- First Union Rail
- GATX Corporation
- GE Rail Services Corporation
- GLNX Corporation
- Greenbrier Companies
- Macquarie Rail Inc
- Trinity Rail Group LLC
- TTX Company
- Union Tank Car Company

Locomotive Builders

- Electro-Motive Diesel
- GE Rail Services Corporation
- Lean & Green Locomotive
- Progress Rail Services
- Wabtec Corporation

Freight Car Builders

- American Railcar Industries, Inc
- Ebenezer Railcar Services
- FreightCar America, Inc.
- Greenbrier Companies
- National Steel Car
- Limited Trinity Rail Group LLC
- Union Tank Car Company

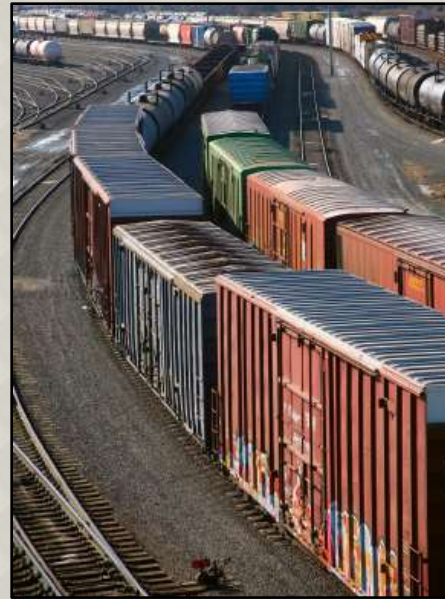


Employee at FreightCar America welding locomotive parts.



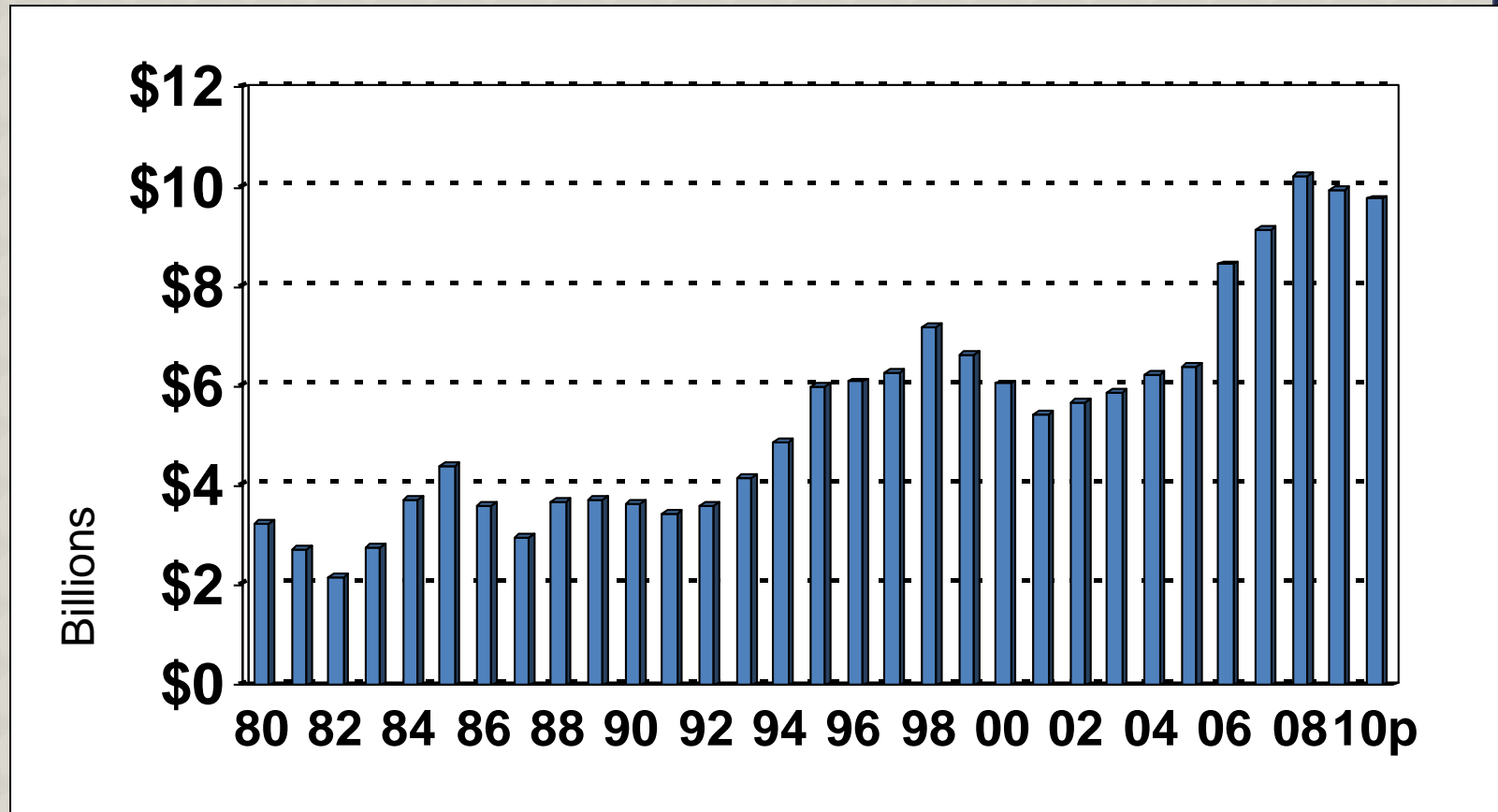
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Freight Railroads Drive the Supply Industry



Railroad Capital Expenditures

Class 1 Railroads



Source: *Railroad Facts & Analysis of Class I Railroads*, AAR

Rail Industry Historical Railcar Shipment Summary

(1964 – 2010)

AVG ANNUAL PRODUCTION

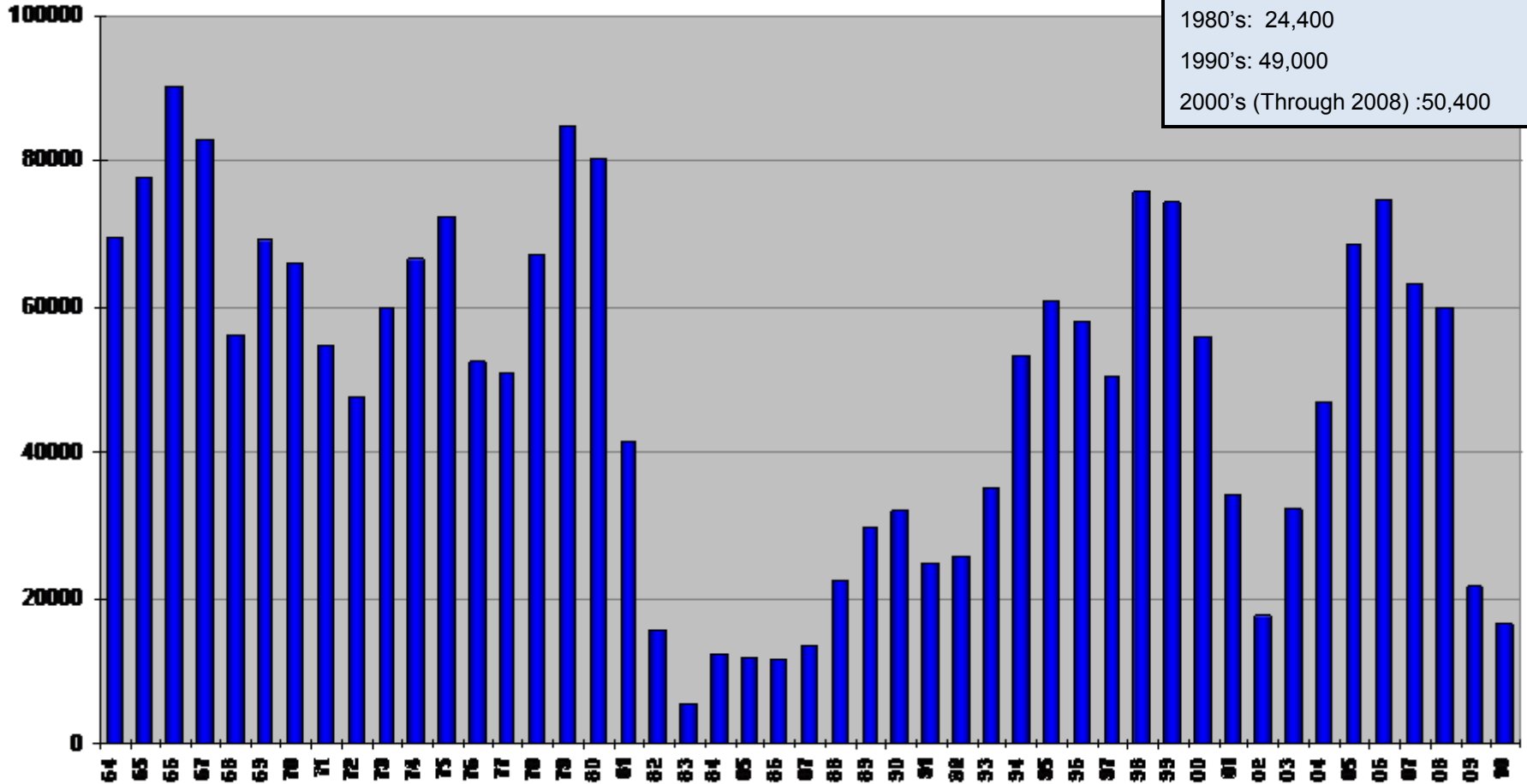
1960's: 61,600

1970's: 62,600

1980's: 24,400

1990's: 49,000

2000's (Through 2008) :50,400



Source: ARCI



RSI Work In Washington, DC

The Railway Supply Institute is the only independent advocate of the railway supplier in Washington, DC. The association works tirelessly to represent its membership and to promote the primary interests of the industry. With access to decision makers in the United States Congress and the Obama Administration, RSI works with regulatory agencies, Congressional lawmakers and staff to promote rail supply industry interests.



The Supplier Voice In Washington, DC

With Regulatory Agencies

The US Department of Transportation

- Federal Railroad Administration
 - Railroad Safety Advisory Committee
- Federal Transit Administration
- Federal Highway Administration
- Pipeline and Hazardous Materials Safety Administration
- Research & Innovative Technology Administration

Department of Homeland Security

- Transportation Security Administration

Surface Transportation Board

National Transportation Safety Board



Representation on Capitol Hill

Legislative issues RSI follows and advocates on behalf of its membership and the rail supply industry.



Reauthorization of Surface Transportation Bill

- Grade Crossing Safety Program
- Operation Lifesaver
- Truck Sizes & Weights
- Rail Capacity & Infrastructure Funding

Amtrak & High Speed Rail

Rail Safety & Security

Tank Car Safety & Security

Surface Transportation Board Reauthorization

Railway Supply Industry Washington Issues

Issues	Affect on Rail & Rail Supply Industry
STB Reauthorization	\$5 - 6 Billion revenue loss to rails
97,000 lb trucks	20% loss of traffic - \$6 billion revenue loss
Amtrak and High Speed Rail	Proposed \$53 billion in federal investment
Section 130 program	\$220 million per year in federal aid to states
Short Line Tax Credit	\$165.5 million tax credit to short lines to invest in infrastructure
TIGER Grants	\$2.1 billion total available. Majority targeted for rail and transit
Passenger Liability	Individual Companies at risk
FRA Regulations	Many adversely affect railroads and their suppliers – Positive Train Control; training; dark territory; tank cars

Issues with Bigger Trucks

Truck size and weight limits on federal highways have been frozen by Congress since 1991 to a gross vehicle weight of no more than 80,000 pounds. Proponents of heavier trucks are now asking Congress to raise the national cap on truck size by 20 percent to 97,000 pounds.



Safety

- Rollover, braking, crash severity

Infrastructure

- Dramatic increase to bridge costs

Underpayment

- 80,000 pound, five-axle trucks pay 80% of their costs
- 97,000 pound, six-axle trucks pay only 50%

Illinois Example of Affect of Bigger Trucks

In Illinois, 4,002 bridges are already structurally deficient or functionally obsolete.

The Illinois Department of Transportation analysis of 97,000 pound, six-axle trucks would mean:

- \$162 million in Interstate bridge improvement costs which includes replacement of bridge between St. Louis and Illinois
- 9,000 additional bridges within five miles of an Interstate would need evaluated before trucks could be allowed



Rail Associations In Washington, DC

- American Public Transportation Association
- American Short Line & Regional Railroad Association
- Association of American Railroads
- American Railway Engineering and Maintenance-of-Way
- Coalition Against Bigger Trucks
- National Association of Railroad Passengers
- National Railroad Construction & Maintenance Association
- OneRail Coalition
- Operation Lifesaver, Inc.
- Railway Engineering-Maintenance Suppliers Association
- States for Passenger Rail Coalition
- Surface Transportation Policy Partnership

Suppliers Poised to Help Railroad Customers

Summary of Top Railway Supply States

State	Number of Companies	Number of Facilities	Total # of Employees	Total Sales (Millions)
Illinois	137	166	19,600	\$8,300
Pennsylvania	100	122	27,700	\$7,100
New York	70	84	7,500	\$1,900
Texas	59	91	8,600	\$1,700
Ohio	56	62	7,500	\$800
California	47	69	4,600	\$700
Florida	44	53	2,400	\$700
Missouri	42	55	2,600	\$900
Georgia	39	44	3,100	\$600
Indiana	33	36	2,000	\$100
Virginia	27	33	2,400	\$100
TOTAL	654	815	88,000	\$22,900

Note: TOTAL does not equal the sum of the number of companies due to companies having locations in multiple states.



Marketing Activities

RSI strives to provide well attended and relevant marketing events for its membership. RSI's largest events are trade shows held in conjunction with educational sessions.

Railroad customers such as the Class 1 Railroads, Shortline Railroads, and other suppliers attend RSI tradeshow to see the newest technologies in the industry and to keep current on changing rail technologies.

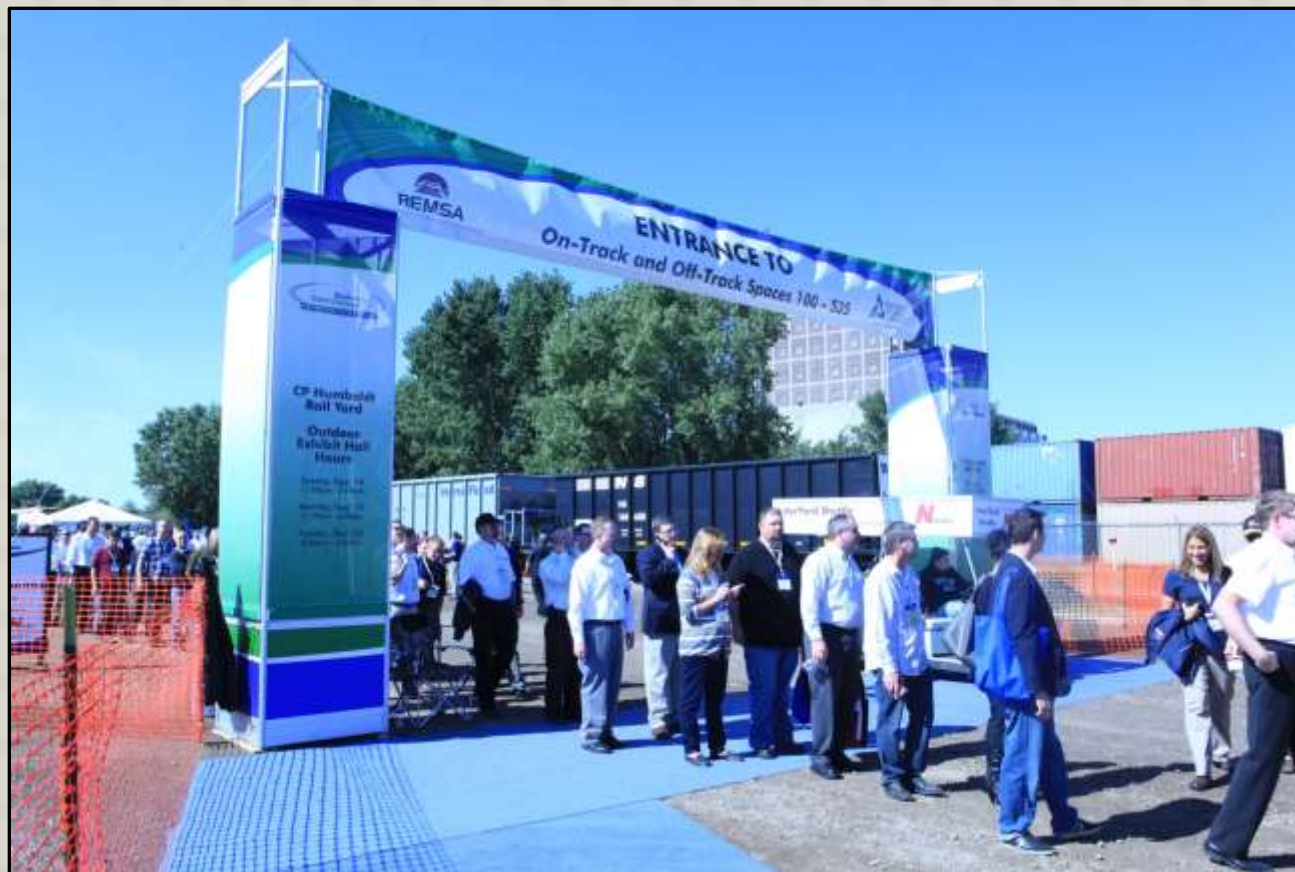
RSI's most recent tradeshow, Railway Interchange 2011 was held in Minneapolis, Minnesota and brought in nearly 9,000 attendees. It was the largest rail supply trade shows since the 1960s.

Photos from Railway Interchange 2011



Indoor Exhibits were held at the Minneapolis Convention Center – there were over 600 exhibitors and 300,000 square feet of exhibits space was sold.

Photos from Railway Interchange 2011



Outdoor exhibits were held at Canadian Pacific's Humboldt Yard. The equivalent of 1.5 miles of outdoor displays included the latest, greenest technology displayed on new rolling stock.

Upcoming RSI Trade Shows

- **RSI/CMA Exhibition**

September 22 – September 25, 2012 in Chicago, Illinois

Join the Railway Supply Institute in 2012 as we host our annual trade show with technical sessions being sponsored by the Coordinated Mechanical Associations (ABA, IAROO, LMOA, MARTS). Exhibit space will go on sale in early 2012.



Downtown Chicago

- **Railway Interchange 2013**

September 29 – October 2, 2013 in Indianapolis, Indiana

The industry will collide again in 2013 as the Railway Supply Institute, the Railway Engineering & Maintenance Suppliers Association (REMSA), Railway Systems Suppliers, Inc. (RSSI) and the American Railway Engineering and Maintenance-of-Way Association (AREMA) host another joint exhibition with hundreds of exhibits and technical sessions. Exhibit space will go on sale in the summer of 2012.



Indiana Convention Center



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