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## RAILROAD **FINANCIAL DESK BOOK**

2025

**/ 14** GROWTH POSSIBILITIES  
By David Nahass, Financial Editor

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# DOES GROWTH LOOK LIKE A BOXCAR?

BY DAVID NAHASS, FINANCIAL EDITOR

**W**elcome to *Railway Age's* 2025 Railroad Financial Desk Book. If one is not concerned about the tawdrier aspects of certain bed (sorry) boardroom antics in the rail industry, summer has been fairly calm and uneventful. Uneventful is not always good, as tepid carloadings, the ongoing, unresolved strike in Canada, and the threat of a longshoremen's strike on both the East and West Coasts do not suggest a year to remember.

In September 2024's *Railway Age* ("Boxcar Requiem," p. 44), Editor-in-Chief William C. Vantuono looked at the current state of the boxcar market. The boxcar remains a more complicated railcar market. Why? It projects the possibility of growth: Let's face it, a boxcar looks like a modified version of a 53-foot trailer. Boxcars haul multitudinous

products including some bagged commodities found in a bulk railcar. It has survived and evolved several forecasted premature deaths due to the "end of paper" and the "end of reading." It is a market that can generate growth and get more loads off trucks and the roads and onto the rails.

It is also a market of contention in recent years. Why would something so seemingly straightforward become so controversial? To bring the issues to the foreground and directly tackle them, I reached out to several industry veterans involved in the boxcar market to discuss challenges being faced by the boxcar fleet and hurdles to investment, and to propose some solutions to the problems the rail industry is facing today.

For this boots-on-the-ground knowledge and market presence, Ross Corthell, Vice President Transportation, Packaging Corporation of America; Eric Monger,

Vice President, KBX Logistics; and Paul Titterton, Executive Vice President and President – Rail North America, GATX spoke about the boxcar market and their impressions of the current market and the market's future needs.

**Fleet Dynamics:** As noted in the September 2024 article, there are approximately 108,000 boxcars in the North American railcar fleet. Of that fleet, 32,523 are scheduled for retirement by the end of 2035 (most of these by the end of 2031). (Thank you to Dr. David Humphrey of Railinc for the information.) That's 30% of the fleet. There have been modifications in the size of the boxcar over the past 25-30 years as the fleet moved from a primarily Plate C sized fleet (15-foot, 6-inch height above rail) to a Plate F sized fleet (17-foot height) and from a traditionally 50-foot length car to a more prominent 60-foot length railcar.

Clark Sutphin

What is not surprising to those familiar with North American boxcars is that not all loading and unloading facilities are created equal. Facilities built to handle 50-foot Plate C cars frequently can't handle 60-foot Plate F cars. Furthermore, certain products that fit well in 50-foot Plate C boxcars (paper rolls for example) often do not have the same efficiency in a 60-foot Plate F boxcar.

**Quantity:** The boxcar fleet has fallen from a peak of more than 500,000 in 1980 to its now current level of just over 100,000—20% of the peak. The decline has recently been precipitous—300,000 cars left the fleet from the 1980s to the Great Recession, but since the 2007-2008 time frame there has been a 50% reduction from 200,000 to today's current levels.

**Car-Hire Conundrum:** Boxcars rely heavily on the car-hire rules to address how cars are leased by companies and railroads and how boxcar investors are compensated. The car-hire system is complex. The car-hire system directly impacts who owns boxcars and how they are compensated for their asset investment. While the car-hire system has evolved over a lengthy period of years, the current system has begun to feel antiquated and unbalanced. The rates provided to owners of boxcars are being artificially held down by the railroads. Net result? Investment in boxcars is being dampened as investors have difficulty achieving a reasonable rate of return on an investment in new boxcar assets.

**There's Growth in Dem Dere Boxes:** As a railcar type with great utility and flexibility, boxcars represent an opportunity for growth urgently needed in North American rail. Pulling truckloads off the highways seems like a logical next step for freight loads that can almost seamlessly transition from road to rail. Titterton notes that "the boxcar offers a minimum 3-1 conversion rate for truckloads, underscoring their incredible efficiency."

However, the car-hire system tamps investor appetite for making new investments in modern day boxcars. A new boxcar (60-foot plate F) costs roughly \$160,000 in today's new railcar market. The largest owner of boxcars in North America is TTX. The largest non-railroad (and non-TTX) owner of boxcars is GATX. Recent Investment in boxcars has been heavily tilted in favor of TTX.

According to public data, negotiated car-hire rates for modern 60-foot boxcars average \$0.80 per hour and \$0.07 per mile. At full utilization in the North American Boxcar Pool (NABP), these rates earn a boxcar owner \$730 per boxcar per month. Compare this to TTX's published rate for supplying the same car to a railroad. TTX receives \$1.12 per hour and \$0.101 per mile. A TTX car in the NABP can earn \$1,027 per car per month. The roughly \$300 per car per month difference is the incongruity that is, right now, limiting private investors from providing the resources needed to grow the boxcar fleet and creating growth opportunities. (TTX does offer unpublished discounts to its owner railroads that can bring down these rates.)

## Investors suggest that non-participation in the car-hire system would make them uncompetitive.

The Association of American Railroads (AAR), in a response to an Railway Supply Institute (RSI) filing with the Surface Transportation Board (STB)—more on that in a bit—notes the default rate is used for railroad reporting-marked cars built or rebuilt after Dec. 31, 1992, as well as private cars changing to railroad reporting marks for the first time. Private car owners can avoid using the default rate by using private instead of railroad reporting marks. Private car owners can avoid the car-hire system entirely if they choose to do so

Investors would suggest, however, that non-participation in the car-hire system would make them uncompetitive, since the boxcar leasing market is dominated by per diem leases, and thus the practical effect of such a choice by a lessor would be forego most boxcar investment opportunities.

Titterton notes in discussing the car-hire system that the inequities result from many

false assumptions about why the system should work—assumptions that are used in today's market to prevent any changes to the current set of car-hire rules. Titterton notes that "the code erroneously presumes that a market-based negotiation can occur between car owners and railroads, despite the fact that there is no direct relationship between capacity provided (by the investor) and value received by the railroad using the car other than the originating carrier."

Furthermore, Titterton notes that "the code formulaically sets a 'default rate' that applies in the absence of a negotiated rate between a given car owner and a given railroad for a given car, equal to the *lowest* negotiated rate in effect in the calendar quarter before that car was first registered." For a 60-foot high-capacity car, the current default rate is \$0.17 per hour, which can be thought of as the starting point for negotiation between a car owner and a railroad. With such a low starting point, it becomes clear why negotiated rates are so low relative to car costs and relative to TTX rates.

Conversely, the TTX rate is not subject to negotiation or to the code of car-hire rules. TTX is an entity owned by the Class I railroads, and it has an anti-trust exemption to set its own rates. As a result, that same boxcar whose default rate is \$0.17 to a non-TTX owner will earn \$1.12 per hour if that car carries a TTX reporting mark. That \$300 difference in monthly market revenue to a car owner mentioned earlier balloons to about \$775 using the default rate.

AAR sees limited actual use of the default rate such as those circumstances where the owner of the railcar bearing railroad reporting marks and the using railroad cannot agree on a negotiated rate, or the proposed rate is not one that AAR automatically accepts. AAR feels there are several possible dispute resolution options prior to the "default rate" being assigned to a boxcar.

Private boxcar investors note that their concern stems less from cars earning at the default rate and more from negotiated rates being artificially depressed due to the threat posed by ultra-low default rates.

Monger echoes a sentiment that when one party in a market has a tactical advantage, like an anti-trust exemption, there is little opportunity for free market forces to create market efficiency. He feels that "markets work best when there is no





subsidy or price restrictions on pricing in that market. The market needs to be able to be free and respond to supply and demand signals the way an unrestricted market should respond.” Failure to do so, he notes, can potentially disincentivize investments. TTX’s anti-trust exemption creates an inevitable incongruity in the way the boxcar market functions.

Sorry if you just had your mind blown.

While the car-hire system remains the biggest problem facing the boxcar market, other issues need to be addressed. In the September 2024 article, RSI President Patty Long highlighted the impending volume of aging boxcars, referring to what has become known as the “boxcar cliff,” the presence of which has become an interesting conflict in ideology.

From the investor side of the equation, the response has been aggressive. In March 2024, RSI filed a petition with the STB demanding a review of the car-hire rules, citing the boxcar cliff as an impending disaster for the industry. RSI projects a reduction in the fleet of 22% by 2030 (without new builds of course). This lines up with the retirement statistics available.

The reporting on the cliff doesn’t always reflect the direness of the matter. So many of the cars retiring over the next nine years are Plate C in height (or even Plate B), so the situation of how the boxcar can be used to more efficiently remove loads from truck to rail becomes even hazier. In addressing this issue, Titterton notes correctly and with great emphasis that the dialogue around the size of the boxcar fleet often reflects the mindset that the fleet is “not shrinking.”

AAR feels that concerns about the boxcar cliff are overblown and that the idea of a cliff has been a premise floated around since the 1980s. While acknowledging the age of portions of the fleet, AAR also notes that the fleet has been expanding during the past two years.

That is reflective of the concept that at some point—again the math here is a little slippery and difficult to pin down—the boxcar fleet has “stopped” shrinking and is being kept “level” by annual new builds. So again, the fleet has shrunk by roughly 50% in the past 15 or so years, but at today’s levels the contraction has been “stopped.” That’s the premise being suggested. However, Titterton notes, “measuring any market by simply ‘not shrinking’ seems inadequate, especially when *carload and modal share growth is supposed to be our collective goal.*” That’s an incredibly cogent and thoughtful point that cuts to the core issue of what the role is for the modern-day boxcar.

Some might say that the earlier largess of the boxcar fleet had a direct correlation to the existence of more than 100 varieties of boxcars back in the 1980s. There are still today roughly 20 different boxcar types, though the industry is narrowing to three core boxcar designs: the 60-foot high-capacity (“TBOX”), the 50-foot high-capacity (“FBOX”) and the 50-foot standard boxcar. The TBOX represents most of the fleet and is virtually the only boxcar being ordered new. While Titterton feels that more diversity of car type might provide more opportunities for growth, he feels that issue is secondary to car-hire reform. He argues that car-hire reform will result in “a robust, competitive,

multi-supplier boxcar market that will support carload growth for the future,” and that secondary issues such as car type diversity can easily be solved by the market if car-hire reform is implemented.

In discussing car supply, Corthell continues to see a need for diversity in the boxcar fleet. He notes that the Forest Products commodity group represents the largest percentage of boxcar loadings, and that the additional length does not always result in more commodity getting into the car. Additionally, a TBOX cannot be loaded to maximum cubic capacity. This sentiment was echoed by Monger, who notes that, unlike other more bulk type railcars (think covered hoppers) the move from 263 to 286 GRL (gross rail load) in boxcars did not reflect (especially for Forest Product commodities) an improvement in utilization, reflecting a decrease in necessary car supply. Contrarily, the higher cube boxcar requires approval of the traffic route to ensure that its height does not impact its operation.

Corthell notes that railroad pricing is often based on the boxcar’s cubic capacity. Packing Corporation of America (PCA) has often found itself challenging railroad pricing that has PCA paying for empty space at the top of the car. While there have been recent improvements, it continues to be a challenge. In addition to the TBOX creating a scenario where shippers may be paying a higher price to move the same or (in some cases) less commodity, Monger notes, the height of the TBOX car still defines it as an extra-dimensional car. He adds that although the railroads have made important updates to their system that have decreased the number of places a Plate F boxcar cannot go, “the railroads continue to use this exception to charge higher rates.” Monger would like to see a return to by-the-ton pricing or to have the TBOX car treated as an unrestricted interchange asset.

AAR suggests that the newer, larger high-cube boxcar does offer more efficiency and flexibility, and that while older small boxcars were capable of carrying 83 tons per load, newer high-cube boxes are capable of carrying 103.2 tons per load. AAR notes, “The replacement of lower GRL capacity boxcars with higher GRL boxcars has led to greater overall fleet capacity.” AAR also notes that “historically, there were many



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specialty or boutique configurations of boxcars (e.g., special load securement, grain doors, racks, etc.). However, as replacement boxcars move away from those customizations, it has become easier for cars in the fleet to be repositioned efficiently for their next load rather than returned empty to the prior origin, which increases car utilization efficiency overall. This, again, reduces the number of boxcars necessary to serve the same number of customers.”

Furthermore, AAR notes that demand for boxcars is down and that despite their increased availability, a significant number are in storage. In May 2022, the number of boxcars in storage reached a low of approximately 7,000; however, that number grew to more than 19,000—or 18.4% of all boxcars—by April 2024. AAR further asserts that as demand increases, the market will add additional capacity. Some market participants have noted that many of the boxcars in storage are 40-or-more-year-old cars with low capacity or non-standard configurations.

Corthell feels that the best fleet-wide efficiency will come from railroad service improvements. PCA does not see significant or consistent improvements in efficiency using NABP assets vs. dedicated PCA cars. That is a service letdown. While bullish on the potential for applied technology to improve service, he is looking for the railroads to continue to invest in their product if they want to move more loads from trucks to the rails in boxcars. Until then, Corthell sees the fleet at close to right-sized for current demand levels and expects replacement of boxcars reaching retirement age.

Expect dialogue around these core issues to continue.

## AROUND THE MARKET

Lease rates continue to maintain stability but are off highs of six to ten months ago. Tepid loadings and a projected new car build of fewer than 40,000 railcars keeps lessees renewing existing cars. Replacement costs still favor the lessor. New car costs, although there have been some material-related reductions in price, remain historically high.

As some markets shift with decreases in demand, there is some frustration that rates are not retreating more quickly. Here’s

**While the car-hire system remains the biggest problem facing the boxcar market, other issues need to be addressed.**

what’s going on around the market.

**Coal Cars:** Coal loadings are 14.7% below 2023 levels. The impact is reflected in lease rates. For gondola railcars, lease rates are below \$200 net and are in the high \$200s to low \$300s full service (FS) per car per month, with renewals potentially higher.

Maintenance is \$200 per car per month for high-utilization unit train cars. For rapid discharge cars, rates are in the high \$300s to low \$400s FS.

**Boxcars:** 60-foot Plate F cars are leasing in the mid \$700s FS. 50-foot Plate F are seeing some softness and are trading in the high \$500s or low \$600s. There might be a suggestion of oversupply here, but anyone hoping it would last should expect that this market will tighten in the next 10-12 months.

**Covered Hoppers:** Used jumbo hoppers, 5,200cf (cubic foot) and 5,400cf, are in the low to mid \$500s FS. Smaller cube (4,750s) rates are in the low \$400s FS with limited availability. New cars are at higher levels. Cement or sand hopper rates are in the low to mid \$200s FS. For plastics, the 6,200cf car market is has slid to the low \$600s; 5,800cf (286 GRL) cars are holding firm in the mid to high \$500s. For PD (pressure differential) hoppers, 5,650cf cars are in the low \$700s FS and 5,150cf are trading in the high \$500s.

**Centerbeam Flat Cars:** Some softness here but look for rates in the low \$400s with some stability.

**Tank Cars:** 29,000-gallon DOT-117Rs (rebuilt) are in the mid \$700s FS. For new DOT-117Js, look for high \$1,100s FS. For DOT-112J340 pressure cars, look for \$1,200.

**Mill Gondolas:** The 52-foot mill gon fleet remains tight with rates holding firm in the high \$500s to low \$600s, age dependent. 66-foot gons are in the high \$600s to low \$700s. Newer cars reflect additional new car cost.

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125 South Wacker Drive, Suite 1500, Chicago IL. 60606. Phone 312-928-0850, Fax 312-928-0890. Email [fcasales@freightcar.net](mailto:fcasales@freightcar.net). Website: [www.freightcaramerica.com](http://www.freightcaramerica.com). Matthew Tonn, Chief Commercial Officer. Since 1907, Freight-Car America has been transforming metal into innovative solutions and lasting relationships. We are an industry leader in freight car design and manufacturing utilizing steel, stainless steel, aluminum, and hybrid steel-aluminum materials in freight cars that transport a wide variety of bulk commodities, containerized freight and other products shipped by rail. Our manufacturing facility, engineering expertise and experienced production team is purpose built, focused on delivering operation excellent while closely working with customers to create customized railcar solutions for all your needs.

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Thomas A. Ellman, President, Rail North America, GATX Corporation, 222 W. Adams Street, Chicago, IL 60606; Tel: 312-621-6200 Fax: 312-621-6546 GATX is a leader in the rail leasing industry with more than a century of experience, preeminent expertise in specialized railcars, and a growing international presence. GATX meets shipper and railroad needs with one of the largest lease fleets of tank and freight cars and locomotives in the world. We provide our customers with a unique mix of financial (global financing, valuation, structuring, leasebacks, joint ventures, partnerships) and mechanical (regulatory, maintenance, engineering, cleaning, inspection) services in North America. Contact via [www.gatx.com](http://www.gatx.com) or 1-800-428-8161.

## THE GREENBRIER COMPANIES

One Centerpointe Drive, Suite 400, Lake Oswego, OR 97035; 800-343-7188; Fax: 503-968-4383; Email: [Marketing.Info@GBRX.com](mailto:Marketing.Info@GBRX.com); Website: [www.GBRX.com](http://www.GBRX.com). Tom Jackson, V.P., Marketing. Greenbrier, headquartered in Lake Oswego, Oregon, is a leading international supplier of equipment and services to global freight transportation markets. Through its wholly owned subsidiaries and joint ventures, Greenbrier designs, builds and markets freight railcars and marine barges in North America, Europe and Brazil. We are a leading provider of freight railcar wheel services, parts, repair, refurbishment and retrofitting services in North America through our wheels, repair and parts business unit. Greenbrier manages 445,000 railcars and offers railcar management, regulatory compliance services and leasing services to railroads and other railcars owners in North America. GBX Leasing (GBXL) is a special purpose subsidiary that owns and manages a portfolio of leased railcars that originate primarily from Greenbrier's manufacturing operations. Together, GBXL and Greenbrier own a lease fleet of 8,700 railcars. Learn more about Greenbrier at [www.gbrx.com](http://www.gbrx.com).

## INFINITY TRANSPORTATION

201 17th St., Suite 410, Atlanta, GA 30363; Website: [www.infinitytransport.com](http://www.infinitytransport.com). Brian Ottinger, Chief Commercial Officer: Tel: 312-731-2763; [brian.ottinger@infinitytransport.com](mailto:brian.ottinger@infinitytransport.com). Lee Martini, Sr. VP Sales & Marketing: Tel: 678-904-6315; [lee.martini@infinitytransport.com](mailto:lee.martini@infinitytransport.com); Ken Johnson, VP Sales & Marketing: Tel: 859-640-0362; [ken.johnson@infinitytransport.com](mailto:ken.johnson@infinitytransport.com); James Weaver, VP Sales & Marketing: Tel.: 251-654-2166; [james.weaver@infinitytransport.com](mailto:james.weaver@infinitytransport.com). Infinity Transportation is a private lessor with a fleet of more than 40,000 railcars of varying types. Lease options include net, full-service and per diem with term variances ranging from short-term operating to long-term finance leases. Infinity prides itself on exceptional customer service and flexibility with regard to lease structures and railcar modifications to find the transaction and equipment to best serve our customers.

## THE INSTAR GROUP, LLC

2001 Route 46, Ste. 506, Parsippany, NJ 07054. (636), 778-0611; (973) 355-6484. Umesh Choksi, CEO. [UChoksi@instargrp.com](mailto:UChoksi@instargrp.com). The InStar Group LLC is a full-service railcar leasing company established in 2016. We are owner operators and/or investors in the railcar business in North America and provide the highest quality railcars on either a full service or net

lease to North American shippers and railroads. We invest and offer all railcar types across all industries we deem to be most efficient for the commodities carried with proven track record of consistent cash flow. We are flexible in our approach to investing in railcars and have the ability to own outright, participate in lease in/lease out arrangements, sale-leasebacks, joint ventures or provide structured financial products for our customers. The InStar Group management team is composed of seasoned industry professionals with manufacturing, leasing, railcar portfolio management, and financing expertise. We maintain relationships with all major railcar manufacturers, other operating lessors, shippers, railroads, repair and maintenance facilities and financial institutions within the industry. The InStar Group, LLC is now part of J.P. Morgan Global Alternatives' Global Transportation Group, the alternative investment arm of J.P. Morgan Asset Management. More information: <https://instargrp.com>.

## **mitsui rail capital, llc**

One South Wacker Drive, Suite 3110, Chicago IL 60606 - Phone: 312-803-8851; Dan Penovich, President; Chris Gerber, Vice President Sales and Marketing. Mitsui Rail Capital is a railcar operating lessor that offers some of the youngest railcars in our industry. From tank cars to covered hoppers to a wide variety of other car types, we deploy assets in every industry, including oil, gas, plastics, agriculture and steel. Our proactive approach enables us to know your unique needs and railcar requirements, getting well-structured deals done, faster. MRC has been in business for 20 years and is a joint venture between Mitsui & Co. Ltd. and JA Mitsui Leasing of Tokyo.

## **pnw railcars inc.**

121 SW Morrison St., Suite 1525, Portland, OR 97204. 503-208-9295. [sales@pnwrailcars.com](mailto:sales@pnwrailcars.com). [www.pnwrailcars.com](http://www.pnwrailcars.com). PNW Railcars, Inc. (formerly MUL Railcars) offers a complete railcar leasing solution set with asset management, regulatory support, and specialized services designed to provide customers with the options they need. PNW Railcars has one of the newest and most comprehensive tank car and freight car fleets in rail leasing, serving several industries including automotive, chemical, steel, agriculture, aggregates, construction, infrastructure and intermodal.

## **progress rail, a caterpillar company**

Mike MacMahon, Director of Railcar Leasing,

[mmacmahon@progressrail.com](mailto:mmacmahon@progressrail.com); Jay Hatfield, Director of Business Development, [jhatfield@progressrail.com](mailto:jhatfield@progressrail.com); Gary Lawrence, Manager, Locomotive Sales & Leasing, [glawrence@progressrail.com](mailto:glawrence@progressrail.com). Jacob Creech, Manager, Locomotive Leasing, [jcreech@progressrail.com](mailto:jcreech@progressrail.com). Progress Rail, a Caterpillar Company, offers through its Freight Car Leasing Division offer a wide variety of freight cars and leasing options to meet our customers' specific transportation requirements: Full-Service, Net and Per-Diem leases, and Purchase-Leasebacks. Understanding your needs and supplying an optimal solution is what we do best. The Locomotive Leasing Division offers Full-Service Leases: Net, Seasonal, Sell-Lease Back, Trade-Ins. All locomotives sold or leased go through an extensive inspection to ensure you are receiving equipment that is ready for service. Refurbishment or upgrades are available to ensure the locomotive fits your operation, with work completed in our own shops under our supervision, ensuring the highest level of quality. Through the acquisition of Electro-Motive Diesel, Progress Rail has access to locomotive information other providers cannot supply. Our locomotive inventory is constantly changing, as we strive to be your top supplier of quality and dependable used locomotives.

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## **relam (railway equipment leasing and maintenance) inc.**

7695 Bond Street, Glenwillow, OH 44139; (440) 439-7088. John Roberts, CEO, Email: [jroberts@relaminc.com](mailto:jroberts@relaminc.com). As a full-service leasing company, we offer complete MOW equipment leasing services. Each of our team members is knowledgeable, professional, prompt and courteous, one reason why our clients stay with us. We understand the importance of making every business transaction easy on the customer. We handle all the paperwork and logistics for every lease, so you can spend your time on more important things. We are committed to providing our clients with the highest level of service while remaining competitive in today's market. RELAM knows railroad operations and the equipment involved.

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## **raltrac, llc**

200 S. Wacker Drive, Suite 3100, Chicago, IL 60606; tel: 312-674-4742; fax: 312-421-2742; [www.raltrac.com](http://www.raltrac.com). RALTRAC (formerly RALCO) is a privately held, Illinois Limited Liability Company in the business of acquiring, managing and leasing railroad rolling stock on net or full services leases. The Company has the intellectual and financial

resources necessary to compete in the small cap lease market where its size and structure provide it with a competitive advantage. RALCO also provides consulting and advisory services to its clients. Contact: Peter Urban, Principal, [purban@raltrac.com](mailto:purban@raltrac.com), 847-975-3568 (mobile); Richard Johannes, Principal; Jason Urban, Principal.

## **relco locomotives, inc.**

One Relco Ave, Albia, Iowa 52531. Tel.: 641-932-3030; Website: [www.relcolocomotives.com](http://www.relcolocomotives.com). RELCO, as one of North America's leading locomotive rebuild, remanufacturing and leasing companies, can provide a full range of locomotive leasing and maintenance services. Since 1961, RELCO has developed a reputation for providing the finest motive power and custom maintenance packages to fit any need: Full line of both switching and road power available. Specifications ranging from qualified to completely custom remanufactured. Aftermarket systems upgrades available, including radio remote controls, microprocessor control systems, fuel management systems, etc. Nationwide full-maintenance programs available. Net, full-service, financial and sale/leaseback programs.

## **smbc rail services llc**

300 South Riverside Plaza, Suite 1925, Chicago, IL 60606; Mike McCarthy, President & CEO (312) 559-4803; Tina Beckberger, Senior Vice President Leasing, (312) 559-4818. SMBC Rail Services is a full-service operating lessor, invested in all tank and freight car types, offering a broad selection of equipment leasing and financing products for the North American rail market. SMBC Rail can structure a solution for all your rail equipment needs, short and long term, full-service or net leases, sale/leasebacks, or portfolio acquisitions. Contact us via [www.smbcraill.com](http://www.smbcraill.com) or [sales@smbcraill.com](mailto:sales@smbcraill.com).

## **tealinc, ltd.**

1606 Rosebud Creek Road, Forsyth, MT 59327; Tel.: 406-347-5237; Fax: 406-347-5239; [www.tealinc.com](http://www.tealinc.com); [webmail@tealinc.com](mailto:webmail@tealinc.com); Julie Mink, President, 720-733-9922; [julie@tealinc.com](mailto:julie@tealinc.com); Kristen Kempson, Director-Railcar Leasing & Sales; Tel. (708) 854-6307; [kristen@tealinc.com](mailto:kristen@tealinc.com); Shannon Rodgers, Director-Operations; Tel.: (814) 631-9277; [shannon@tealinc.com](mailto:shannon@tealinc.com). Tealinc, Ltd. is a boutique private freight railcar lessor, railcar fleet manager and rail transportation consultant. Guided by our Customer-Centric philosophies, we partner with our customers by leasing, buying, and selling railcars nationally and internationally.



Our private railcar fleet includes covered hoppers, flatcars, gondolas, open top hoppers, etc. Custom-tailored railcar lease support packages include options such as daily tracing, cycle time reports, preventative maintenance planning, etc. Our rail transportation consulting services enable our customers to have a successful freight-by-rail experience. With a combined 80 years providing service and expertise in the freight rail industry, the Tealinc team is dedicated to being a rail partner to novice, intermediate, and expert freight railcar shippers.

## TRINITYRAIL®

14221 North Dallas Parkway, Ste. 1100, Dallas, TX 75254. 1-800-631-4420. TrinityRail® provides access to the rail transportation businesses of Trinity Industries, Inc. With an owned and managed fleet of approximately 131,000 railcars, Trinity Industries Leasing Company (TILC) provides one of the largest railcar fleets in North America. In addition to comprehensive leasing and management services, our customers have access to extensive manufacturing and engineering resources, railcar maintenance, parts, asset management and advisory services, and on-site field support for operational assistance and training. An overview of our platform of integrated rail products and services is available at [www.trinity-rail.com](http://www.trinity-rail.com).

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## UNION TANK CAR COMPANY

175 W. Jackson Blvd., Suite 2100, Chicago, Illinois 60604; 312-431-3111; [leasinginquiry@utlx.com](mailto:leasinginquiry@utlx.com); <https://www.utlx.com>. Union Tank Car Company (UTLX) supplies general purpose and pressure tank cars, in addition to plastics covered hopper cars, for bulk shippers. Along with Canadian affiliate Procor Limited (PROX), our combined companies own the largest and most diverse tank car fleet in North America, specializing in full-service tank car leasing. We also operate the largest railcar repair network on the continent, and with the acquisition of Transco Railway Products Inc. in 2019, our repair network now includes 26 full-service shops and more than 100 mini shop and mobile unit installations. UTLX is capable of servicing all fleet management and maintenance needs for all car types. Our manufacturing operation, located in Alexandria, Louisiana, specializes in the fabrication of tank cars. Leveraging an integrated leasing-repair-manufacturing model with experience cultivated throughout our 130-year history, our talented team provides superior customer service and shapes the future of the

highly regulated North American tank car industry. Union Tank Car Company is a Marmon/Berkshire Hathaway Company.

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## VTG RAIL INC.

103 West Vandalia, Suite 200, Edwardsville, IL 62025. Bryan Vaughan, Regional Vice President Sales, 630-361-6745, [Bryan.Vaughan@vtg.com](mailto:Bryan.Vaughan@vtg.com). Lynn Hayungs, Regional Vice President, Sales, 956-630-2723 ext. 206, [Lynn.Hayungs@vtg.com](mailto:Lynn.Hayungs@vtg.com). VTG is a freight and tank railcar lessor offering operating leases and customer structured solutions. VTG also provides fleet management services for its customers and for other private railcar owners and operators. VTG is a customer service oriented leasing company that provides a best in class mix of service, operational and mechanical expertise at competitive lease terms. VTG invests in all freight car types.

## WELLS FARGO RAIL

Wells Fargo Rail, 9377 W. Higgins Road, Suite 600, Rosemont, IL 60018; Telephone: 844-459-9664; Fax: 847-318-7588; Web: [www.wellsfargo.com/rail](http://www.wellsfargo.com/rail). Email: [RailAccountServices@wellsfargo.com](mailto:RailAccountServices@wellsfargo.com). Wells Fargo Rail is the largest, most diverse rail equipment operating lessor in North America. Whatever you're transporting, we've got you covered with more than 175,000 railcars and 1,800 locomotives. Our team of experienced rail industry professionals is ready to listen to your needs and structure creative solutions to add value to your business.

## PROFESSIONAL SERVICES

### RAILROAD APPRAISAL ASSOCIATES

Division of The Occor Company; Management Consultants providing a variety of consulting services to the railroad and urban transportation industries and the financial institutions and leasing companies that serve them: Railcar and Locomotive Appraisal & Inspection Services for New and Used Equipment, Rail Equipment Portfolio Reviews and Valuation, Market Studies, General Consulting. We have more than 20 years of market experience and data. Patrick J. Mazzanti, President; Ronda Lemons, Assistant. Headquarters: 1914 Springdale Drive, Spring Grove, IL 60081, (815) 675-3300; E-mail: [pat@railroadappraisals.com](mailto:pat@railroadappraisals.com).

## RAILSOLUTIONS, LLC

1401 Walnut Street, Suite 500, Boulder, CO 80302; (646) 258-5812. 2593 Wexford-Bayne Road, Suite 205, Sewickley, PA 15143; (724) 766-6699; Email:

[mmahoney@railsolutions-llc.com](mailto:mmahoney@railsolutions-llc.com), [rblanke-meyer@railsolutions-llc.com](mailto:rblanke-meyer@railsolutions-llc.com); Website: [www.railsolutions-llc.com](http://www.railsolutions-llc.com); Michael E Mahoney, President; Robert Blankemeyer, Senior Vice President. RailSolutions LLC provides a broad variety of railroad equipment-related consulting, technical and advisory services to financial institutions, railroads, shippers and fleet owners with a primary focus on equipment valuation and appraisal services. RailSolutions LLC offers two publications on a subscription basis, The Investors' Guide to Railroad Freight Cars and Locomotives and the RailSolutions Railroad Equipment Historical Database. Our firm draws on close to 50 years of railroad industry experience in railcar and locomotive equipment valuations supported by both a sound base of market data and advanced analytical techniques.

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## RR MERGERS & ACQUISITIONS

11 The Pines Court, Suite B, St. Louis, Missouri 63141; Tel: 314 878-1414; Fax: 314-878-1414; Robert Fowler, President, 314 878-1414 x227 Email: [robert@rrmergers.com](mailto:robert@rrmergers.com). Jack Sickles, Vice President, 314 878-1414x221 Email: [jack@rrmergers.com](mailto:jack@rrmergers.com). RR Mergers & Acquisitions has specialized in the sale of rail-focused companies for more than 15 years. Trusted professionals with long-standing relationships in the rail sector, RR Mergers interfaces with strategic and financial buyers finding the right buyer for a Company, to make the best deal happen. While maintaining confidentiality at all times, RR Mergers manages the total process of selling railroad industry suppliers, rail services companies and Short Line Railroads. RR Mergers provides advisory services to prepare the company for acquisition, developing a confidential information memorandum, negotiating term sheets, letters of intent and coordinating the due diligence process.

## STRATEGIC RAIL FINANCE

1700 Sansom St., Suite 500, Philadelphia, PA 19103; (215)564-3122. Michael Sussman, President and CEO. SRF has served for 23 years as trusted advisor to Class I and short line railroads, rail shippers, public sector agencies, and industrial developers. The firm has brought capital, clarity, and velocity to infrastructure development projects in 38 states and Canadian provinces. SRF integrates capital from public programs and private sources with growth marketing strategies and management consulting to position executives toward short-term objectives and long-term opportunities.