

newsworthy trends

Railroads Help To Keep The Economy On Track

(NAPSA)—When it comes to moving freight, railroads rule. Chances are if you eat it, burn it, wear it, drive it or use it in your business, it was brought to you by rail.

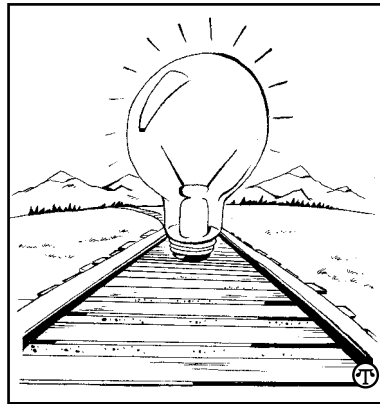
America's freight railroads carry:

- more than 40 percent of the nation's intercity freight,
- an estimated 70 percent of vehicles domestic auto manufacturers bring to market,
- over 60 percent of the nation's coal, which generates 36 percent of the nation's electricity, and
- approximately 40 percent of the nation's grain.

U.S. railroads transported over 27 million carloads of freight in 1999. That included nearly more than 9 million intermodal trailers and containers. Intermodal is the term used to describe the process of moving trailers and containers by rail. It's estimated intermodal volume has nearly tripled since 1980.

Railroads also help to keep costs down. On average it costs 28 percent less to move freight by rail now than it did in 1981. In inflation-adjusted dollars, that becomes 57 percent less.

As a result, the cost of transporting a new car from the factory to the showroom has declined. The cost of moving lumber by rail has also declined, which has helped to hold the line on new home prices. At the same time, the cost of transporting coal has also declined,



A growing number of people are getting the idea that freight railroads help to hold down utility costs.

which helps to keep utility costs in line.

It's estimated U.S. freight railroads directly contribute \$14 billion a year to the economy in wages and benefits to some 200,000 employees and billions more in purchases from suppliers.

Since 1980, major freight railroads in the United States have invested more than \$263 billion to maintain and improve their infrastructure and equipment.

U.S. freight railroads reinvest more in plants and equipment as a percentage of revenues than any other major U.S. industrial sector. In 1999 railroads reinvested nearly \$7 billion. That's 20 percent of their revenues for that year.

To learn more, visit the Web site at www.aar.org.