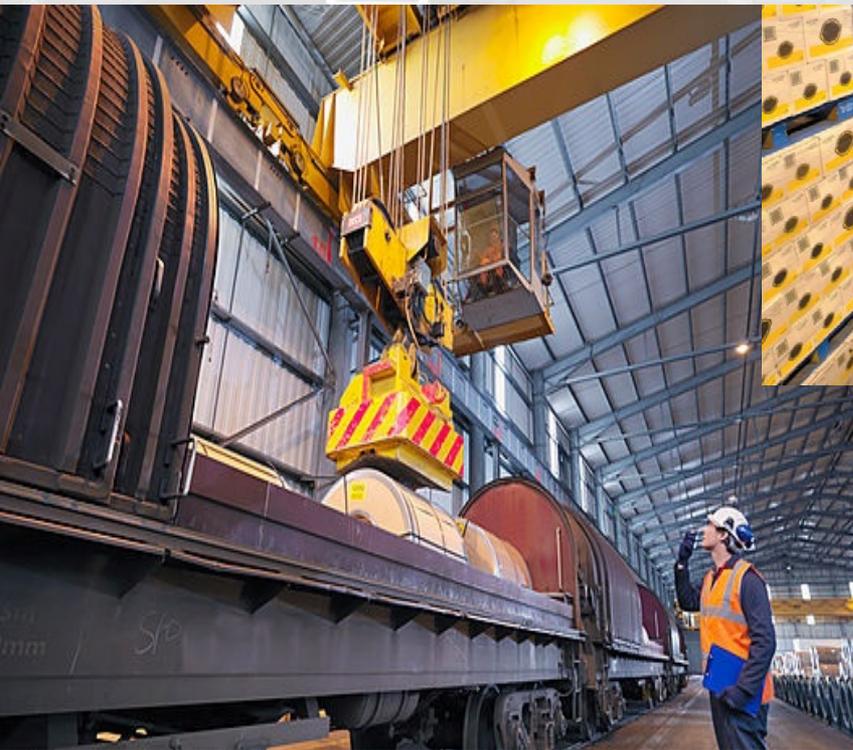


North Carolina Association of County Commissioners



How can you get ready for “the call”?

By: Russ Smitley, Vice President Marketing – Aberdeen Carolina & Western Railway Co.

August 15, 2014



So What is a “Shortline”?

- We connect rural communities to our Class I partners. Often characterized at the first or last mile of the movement.
- In North Carolina, we are 18 railroads.
- We operate from 3 miles to 159 miles networks.
- We employ 300 plus employees state wide.
- We operate in 46 of 100 North Carolina Counties.
- We provide rail freight services to 200 plus industries.
- Those 200 plus industries employ over 14,000 people.
- We carry in excess of 113,000 railcars annually which is equivalent to over 450,000 truckloads of freight on our roads.



How Does a Shortline Railroad Compare to a Big Railroad?

	NS/CSX (Class I Railroad)	Aberdeen Carolina & Western Railway Co.
Interchange Capacity	Large	Large
90 + Car Unit Trains	Yes	Yes
Financial Stability	Yes	Yes
Unionized	Yes	No
Quality of Service	High	High
Passenger Traffic	Yes, on some corridors	No
Average Speed	35 - 65 MPH	20 – 30 MPH



The Reality is...

Everyone is looking for “the call”,
everyone is competing for “the call” and,
those that win are ready for the call!

So how do we get ready?

The Call Always Starts with the Bait.....

- ✓ **\$50M investment in facilities on 55 acres**
- ✓ **50 employees relocated to area**
- ✓ **150 new hires**
- ✓ **Long term State & Local Tax revenues**
- ✓ **The Potential for Corporate sponsorships**
- ✓ **Community college training program support**
- ✓ **Oh yeah – they need rail and estimate 5,000 railcars inbound and 2,000 outbound!**



A person wearing a dark suit and tie is sitting in a brown leather chair. They are holding a smartphone in their right hand, looking at the screen. The background is slightly blurred, showing an indoor setting.

So how do shortlines collaborate with the counties they serve? It all starts with thinking about and planning for “The Call”!

First and foremost it is anticipating what will be on the list...before you get the call!

The List

- 20 acre site for 350,000 sq. ft. facility
- Major roadway access to site and all utilities
- Pad ready including area for buildings and parking, etc.
- Sale price – max \$xx,xxx per acre
- Rail spur to site required – estimate 40-car delivery per day
- Commitment to workforce training in US Safety Compliance
- NC Based Health Insurance Plan for employees
- Copy of Park Master Plan
- Info Package on housing, schools, healthcare
- Utility PPA for renewable energy on site solar power generation
- Info package on recreation and fitness opportunities
- Complete package on incentives
- Copy of Park CC&Rs and environmental sustainability plan
- All documentation and LOI within one week
- Site delivery date meeting all requirements
- Immediate NDA agreement



The Key Questions – among many:

- Do we have rail site(s) that could work?
- What kind of support do we have locally?
- When could we have the site ready to close?
- Is this a good deal for all involved?



So, what is our job?

- **Create a compelling Vision to attract “the call”**
- **Evaluate existing markets to determine who might make “the call”**
- **Develop an implementation strategy to respond to “the call”.**



What are some of the key “pre-call” work elements?

- ✓ PHASE 1 LAND ACQUISITION
- ✓ PHASE 2 INVENTORY + ANALYSIS
- ✓ PHASE 3 ECONOMIC ANALYSIS
- ✓ PHASE 4 VISION + BRANDING
- ✓ PHASE 5 MASTER PLAN
- ✓ PHASE 6 IMPLEMENTATION STRATEGIES
- ✓ PHASE 7 MARKETING
- ✓ PHASE 8 DEVELOPMENT PLANS



How do we put it all together?

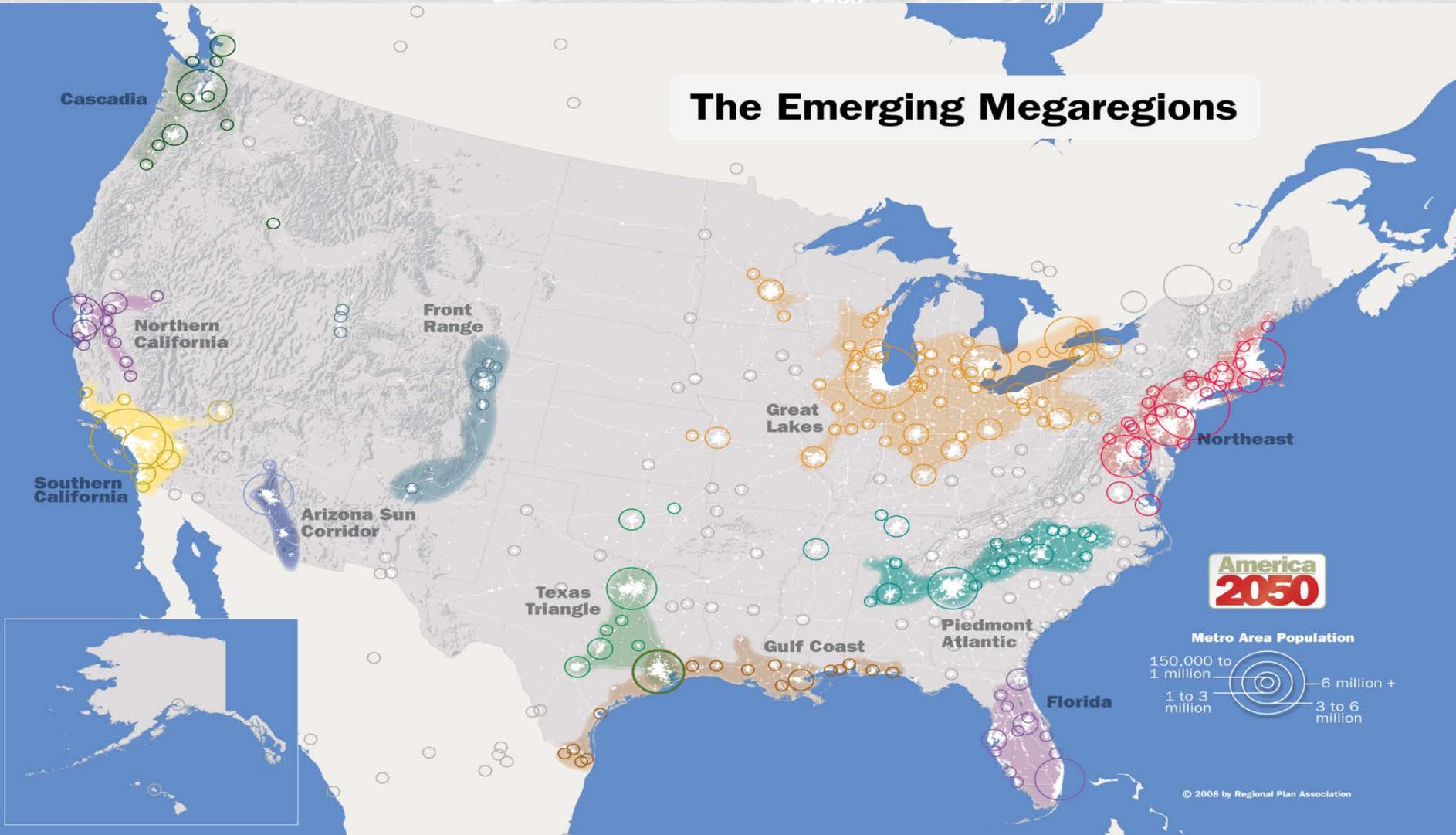
**County
Strategic
Land Use
Plans**

**Have Strong
Connections
to CSX/NS**

**Joint
Collaboration
to Promote Rail
and community
sites**



What Does the Future Look Like?



What Does the Future Look Like Without Railroads?



**The Aberdeen Carolina & Western
Railway your location to,
“Connect with Strength”[®]!**



Key Weblinks to review:

Transportation
For America



America 2050 - <http://www.america2050.org/>



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

The Power of Knowledge and Leadership

[http://www.iedconline.org/Downloads/IEDC
Quality Jobs.pdf](http://www.iedconline.org/Downloads/IEDC_Quality_Jobs.pdf)



AMERICAN SHORT LINE AND
REGIONAL RAILROAD ASSOCIATION

[http://www.aslrra.org/images/news_file/ASL
RRA Annual Report 2009.pdf](http://www.aslrra.org/images/news_file/ASL_RRA_Annual_Report_2009.pdf)

[http://www.aslrra.org/images/news_file/Fact
s%20&%20Figures%20Sample%202.pdf](http://www.aslrra.org/images/news_file/Facts%20&%20Figures%20Sample%202.pdf)

