

# Can Rail Make A Dent in Trucking?

---

By Richard L. Beadles

Volume II, No. 17. September 20, 2010

Having recently returned from driving the interstate highway network in the northeast, including such routes as I-95, I-495 (around DC and Boston), the NJ Turnpike, I-84, I-90, I-287, I-78, I-81, and others, in the New York, Boston, and Harrisburg regions, one is impressed by the degree to which trucking dominates U.S. cargo transport and distribution -- by a large multiple over rail. Freight rail is largely invisible to all but the alert eye. We dared to take our eye off the road for split seconds to look for once-familiar rail lines, terminals, and for trucks on the road with the characteristics of rail intermodal transfer capabilities. Most of the rigs we saw on the highway appeared to be dry vans, not designed for "lift" on-and-off of rail cars. Eliminate Fed Ex, UPS and other "priority" LTL carrier doubles, plus tankers, flats, soft-sides, and open top rigs, and one can see that the share of the market which could feasibly be converted to rail is but a fraction, although a significant number no doubt. Rail certainly has some potential.

Over the long term, the cost of truck fuel, the scarcity of drivers, environmental and safety constraints, and the gradual bogging down of average highway trip speeds due to mega-urban congestion - all of these factors and others could tip the balance in favor of some diversion to rail. One of the promising rail initiatives is the Norfolk Southern Crescent Corridor, designed to afford a rail alternative to I-81 and its related feeder and distribution connections. But when one looks closely at the NS lines in question, one sees many single-track line segments, especially bridges, some quite formidable, such as the NS Potomac River crossing at Shepherdstown, WV. Absent a massive capital investment program, which private rail intermodal economics will not likely support, one cannot realistically foresee much, if any, visible impact upon truck volumes on I-81.

Worrisome to those of us who care about all this is the apparent absence of any indication that the freight rails are seriously considering what it might take for a competitive breakthrough. While 1959-1960 vintage "piggybacking" of trucks on rail has evolved into today's "double-stack" technology, service corridors are relatively few in number, and are primarily focused, it seems, on international port traffic. Meanwhile, the once-extensive rail gathering and distribution network has atrophied to the extent that rail now relies primarily upon the same mega-regional *highway* network discussed above.

Looking back 40 years seems like yesterday to many of us. Picture a horse-collar manufacturer in 1910. It would then have been inconceivable to foresee that by 1950, a span of only 40 years, there would be no demand for that product. It could be similar for some rail freight. A writer in the WSJ a few days ago spoke of: "coal living on borrowed time". An overstatement? With much less coal to transport, the rail picture would look quite different. Could the rails make it without coal? Even now, ask yourself when you last saw a rail bridge

being painted? The window of opportunity to dramatically redesign rail freight services is open. Radical innovation is needed, but such is unlikely without corresponding changes in public policy. Would shipper support extend to paying full highway costs? Rebalancing road-rail economics will be critical.

(c) copyright 2010 Richard L. Beadles

---