



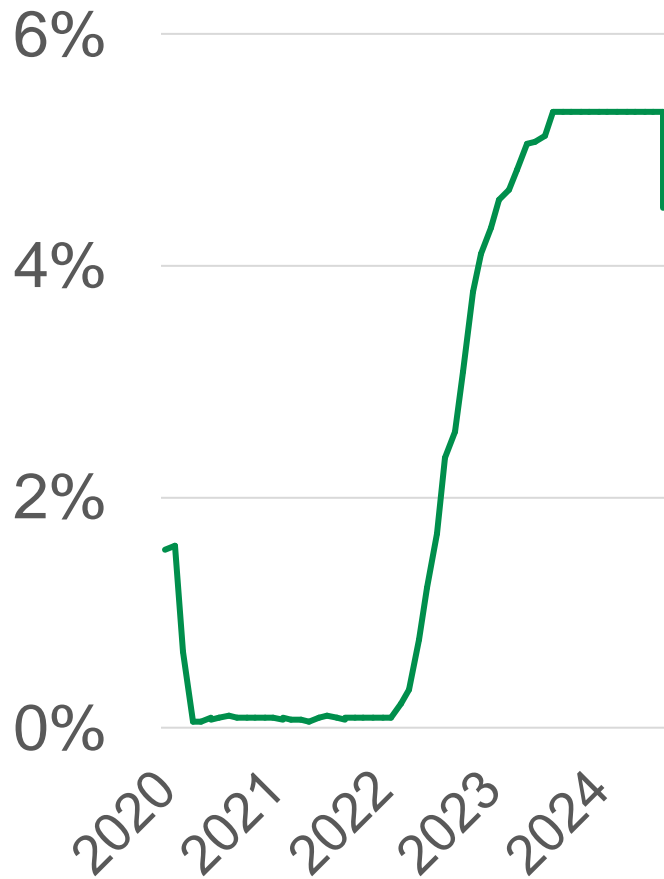
SEARS Railcar Update



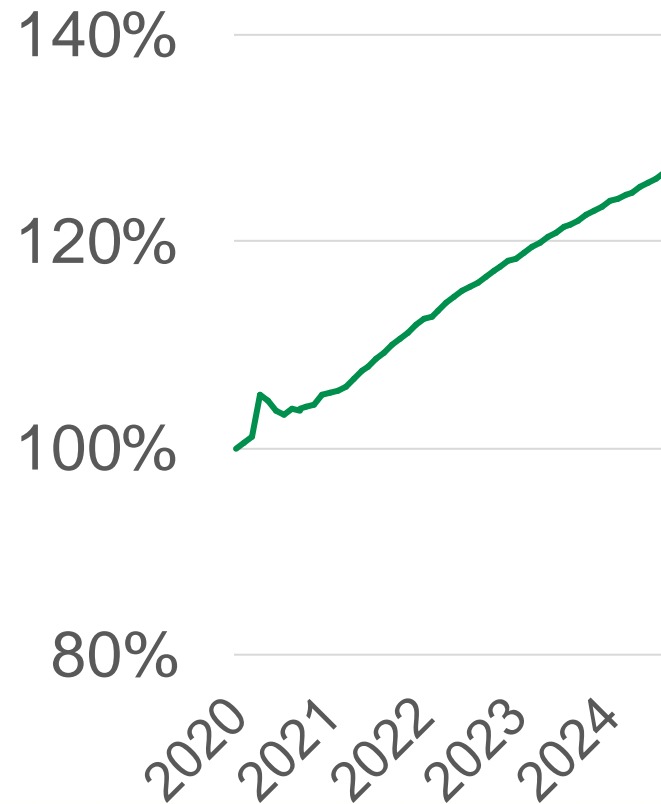
October 2024

Why have car prices gone up lately?

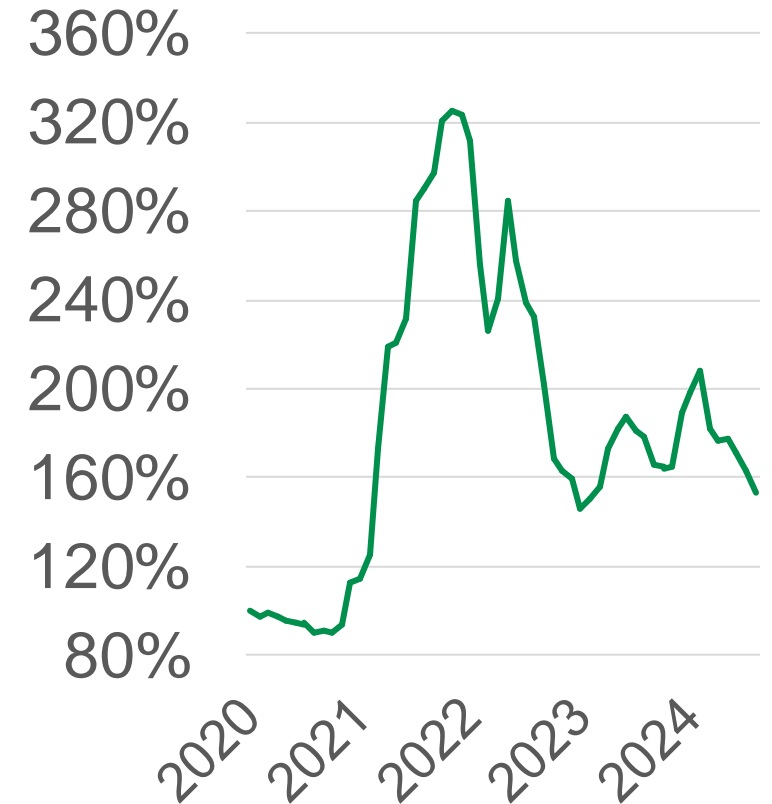
Fed Funds Rate
(FRED data)



Non-Supervisroy
Labor Rates (BLS
Data, Jan 20 = 100%)



PPI - Cold Rolled
Steel (FRED Data, Jan 20 =
100%)



What's Hot, What's Not



Current Tank Car Regulation Deadlines



ETHANOL

Retrofit to DOT 117R or replaced with DOT 117J

May 1, 2025
Jacketed CPC 1232

CRUDE OIL, ETHANOL OR PACKING GROUP 1

Meet DOT 117 standard

MAY 1, 2025
DOT 111
Jacketed CPC 1232

FLAMMABLE LIQUIDS PACKING GROUP 2 OR 3

Meet DOT 117 standard

MAY 1, 2025
Canada
May 1, 2029
U.S.

MATERIALS POISONOUS BY INHALATION ("PIH" / "TIH")

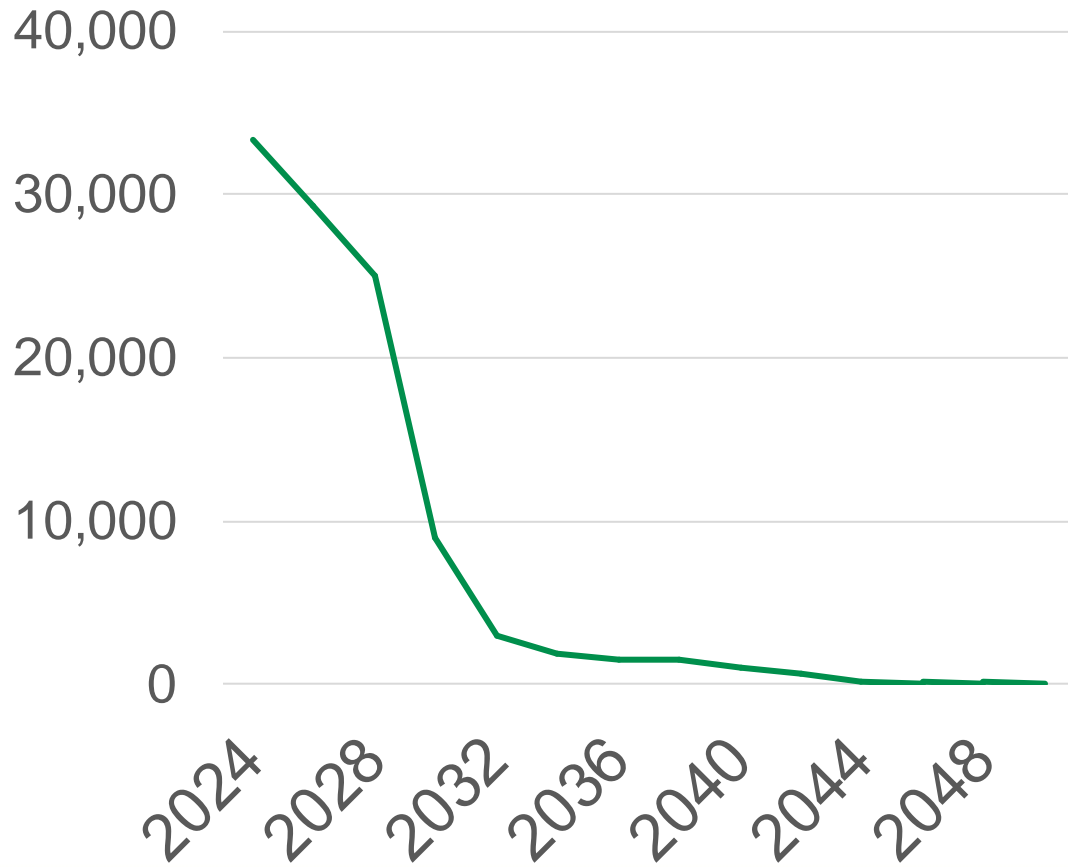
Meet HM-246 / 219 C "H" standard

DECEMBER 31, 2027

Canadian requirements can be found in the Canadian General Standards Board document CGSB 43.147-2023 Section 10

Boxcars – is it a “cliff”?

Older Boxcar Fleet (RailInc Data)



It's not really a bunny slope

Which size cars are being supplied?



- The current fleet shows more than twice as many 60' Plate F cars as 50' Plate F cars.
- Shipper challenges include:
 - Overhead clearance
 - Door centers
 - Order books
 - Customer facilities
- West Rock has jumped in with some vigor to address all these where necessary

The Boxcar Fleet as of 1/1/24
(excludes Reefers and Insulated cars)

Car Size	<286K GRL	286K GRL	Total
50' Plate C	28,400	1,000	29,400
50' Plate F	1,500	20,500	22,000
60' Plate C	1,500	2,300	3,800
60' Plate F	1,300	45,800	47,200
Other	1,100	1,000	2,200
Total	33,800	70,700	104,500

Car Hire



Fleet Management Ideas

Fleet Utilization



- NABP

Maintenance

- Shops
- Mobile crews
- On site car prep
- Prepared for growth

Car Quality

- Price and Delivery
- Understand and spec cars based on technical requirements

New Tech



INTRAMOTEV

RAILHAUL



RILPulse



Audience Participation

