



SPRING 2025 MRA RAIL UPDATE

A publication of the
Michigan Railroads Association

RAIL TRANSPORTATION & THE U.S. ECONOMY: FUELING GROWTH, TRADE, & OPPORTUNITY

Rail transportation is an essential foundation of the U.S. economy, providing efficient, large-scale freight movement that supports supply chain reliability, cost-effectiveness, and global trade competitiveness. From agriculture and manufacturing to energy and retail, railroads play a crucial role in connecting domestic production hubs to consumer markets and international trade corridors.

ECONOMIC CONTRIBUTIONS OF U.S. RAIL TRANSPORTATION

The scale and efficiency of rail transportation makes it irreplaceable in the movement of goods and people across the country. In 2023, U.S. rail transportation generated \$2334 billion in total economic output, with more than \$50 billion in direct value-added to GDP.

For freight rail, the economic and societal importance can be measured in various ways:

- **High-Volume, Long-Distance Freight Transport:** Railroads transport approximately 1.6 billion tons of goods annually across more than 135,000 route-miles of track, supporting a

wide swath of industries, from agriculture and energy to manufacturing and retail.

- **Capital-Intensive Investment:** Unlike other transportation modes, railroads own, operate, maintain, and pay for their own infrastructure. Between 1980 and 2024, U.S. freight railroads invested more than \$825 billion (\$1.3 trillion

Key Takeaway



As we look toward the future, a strong rail industry is essential to keeping the U.S. competitive, resilient, and vibrant – a pillar in America's economic success.

in today's dollars) of private capital into infrastructure and maintenance, funding tracks, bridges, tunnels, locomotives, freight cars, and terminals.

- **Sustainability Leadership:** Railroads are a key driver of environmental benefits, producing fewer emissions and less land use per ton-mile than other land-based freight modes.

- **A Network That Fuels Economic Growth:** For nearly 200 years, rail transportation has been a key driver of industrial growth and regional connectivity. Today, it remains essential to national and international trade, efficiently linking domestic producers to global markets through ports, intermodal hubs, and cross-border corridors.

- **Supporting Manufacturing:** Rail ensures the efficient movement of raw materials and finished goods, helping manufacturers maintain efficient production cycles and inventory management.

- **Driving Agricultural Exports:** Rail transports grain, ethanol, fertilizers, and other bulk commodities to export terminals, keeping U.S. agricultural products competitive worldwide.

- **Enhancing Energy Security:** Rail moves coal, crude oil, refined petroleum, and renewable energy components, providing stable, large-scale logistics solutions for the energy sector.

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Jon Cool, President
@MI_FreightRail

PRESIDENT'S MESSAGE

Work has commenced in Lansing with new House committees meeting now that the 103rd legislative session is underway. Rep Pat Outman

(R-Six Lakes) is chairing the Transportation & Infrastructure policy committee. Rep Donni Steele (R-Orion) is heading up the MDOT appropriations subcommittee. We look forward to working with the new chairs and committees on transportation-related matters.

The House got off to a fast start by taking early votes on a new state transportation funding plan. While these are early votes, we look forward to additional conversations on maintaining and enhancing a strong rail network across our state, including priority grade separation projects.

Newly released 2024 data from the Federal Railroad Administration (FRA) confirms that continued investments in innovation, infrastructure, and workforce expertise are making rail transportation even safer.

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RAIL TRANSPORTATION & THE U.S. ECONOMY: FUELING GROWTH, TRADE, & OPPORTUNITY

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- **Powering E-Commerce and Retail:** Rail plays a crucial role in transporting consumer goods, helping retailers and distributors manage inventory and meet demand efficiently.
- **Boosting Local and Regional Economies:** Rail networks connect remote and rural areas to larger markets, attracting investment in manufacturing, logistics, and infrastructure while fostering economic growth.

CAPITAL INVESTMENT AND INFRASTRUCTURE DEVELOPMENT

In 2023, Class I railroads alone invested \$26.8 billion in capital expenditures and maintenance expenses, funding:

- **Track, Terminal, and Bridge Upgrades:** Adding and renewing track, expanding freight corridors, yards, and intermodal hubs, and strengthening bridges to enhance safety, capacity, efficiency, and resilience.
- **Locomotive and Railcar Procurement:** Investing in fuel-efficient locomotives, rolling stock, and emission-reduction technologies.
- **Intermodal Infrastructure:** Expanding containerized freight terminals and port rail connections to improve domestic and global trade flows.
- Structures, signal systems, and other miscellaneous categories.

MANUFACTURING

The manufacturing sector remains a cornerstone of U.S. economic activity, contributing \$2.9 trillion to GDP in 2023. The United States accounts for around 16% of global manufacturing output, far surpassing countries like Japan, Germany, and South Korea. Only China produces more.

RAIL TRANSPORTATION IS INDISPENSABLE TO MANUFACTURING:

- **Raw Materials Transport:** Rail transportation moves agricultural products, coal, metals, lumber, paper, chemicals, fertilizers, and other manufacturing inputs and outputs

at a scale and cost efficiency unmatched by other transportation modes, allowing producers to optimize production and enhance competitiveness.

- **Supply Chain Integration:** Rail transportation enables just-in-time production by ensuring reliable, high-volume deliveries, critical for industries such as automotive, steel, and machinery.



PUBLIC BENEFITS: SAFETY, ENVIRONMENTAL, AND INFRASTRUCTURE EFFICIENCY

The societal benefits of freight rail further underscore its critical role in economic sustainability, environmental efficiency, and infrastructure optimization. By reducing fuel consumption, greenhouse gas emissions, highway congestion, and public infrastructure costs, rail transportation enhances the resilience and sustainability of the U.S. freight network.

FUEL EFFICIENCY AND EMISSIONS REDUCTION

Freight rail is the most fuel-efficient mode of land-based freight transportation, significantly outperforming trucking in energy efficiency and environmental impact. On average, railroads:

- Are 3 to 4 times more fuel-efficient than trucks, on average.
- Move one ton of freight nearly 500 miles on a single gallon of fuel, on average.
- Reduce greenhouse gas emissions by up to 75% compared to trucking, as emissions are directly tied to fuel consumption.

These environmental advantages have continued to improve over time due to advancements in locomotive technology, fuel management systems, operational efficiency, and emissions reduction initiatives.

Railroads have made substantial investments in cleaner, more efficient engines and optimized logistics planning, further minimizing their carbon footprint. The industry continues to invest heavily in research initiatives to further enhance the sustainability and resilience of their operations.

REDUCING HIGHWAY CONGESTION AND PUBLIC INFRASTRUCTURE COSTS

Freight rail plays a critical role in alleviating highway congestion and reducing the burden on publicly funded infrastructure. Since a single train can replace several hundred trucks, railroads significantly decrease the strain on the nation's highways and bridges. This reduces:

- **Traffic Congestion:** Freeing up roadway capacity for passenger vehicles and short-haul freight.
- **Roadway Maintenance Costs:** Limiting wear and tear on highways, which are primarily funded by taxpayer dollars.

THE ENDURING ECONOMIC ROLE OF RAIL

Rail transportation is not merely a sector within our economy; it is a robust engine that drives economic stability, national competitiveness, and sustainable growth. In 2023, with direct economic output of \$233.4 billion and support for 749,000 jobs, rail proved integral to the strength and resilience of the U.S. economy.

Railroads not only support high-wage jobs and bolster public and private sector finances through substantial tax contributions, but they also play a critical role in mitigating environmental impact and enhancing the efficiency of our national infrastructure. The reinvestment of \$26.8 billion in infrastructure upgrades underscores the industry's commitment to future-proofing this critical asset.

Source: Association of American Railroads, 2025

PRESIDENT'S MESSAGE

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Railroads continue to make strides to improve employee safety with Class I railroads setting a second consecutive all-time record-low rate of injuries and fatalities last year. Additionally, the train accident rate declined for all railroads by 33% since 2005 and 15% year-over-year.

Investments in infrastructure, public safety campaigns and collaboration with government

and community partners are all important elements in the effort to reduce grade crossing and trespasser accidents. Programs like the Grade Crossing Elimination Program and Section 130 provide essential funding that enables communities to build grade separations, close crossings and upgrade warnings systems.

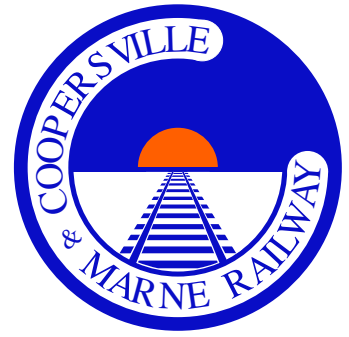
We would encourage you to check out GoRail's Rail Champions initiative. This new effort gives a voice to everyday Americans who love rail and

believe in the importance of reliable, affordable, and efficient rail transportation.

Go to gorail.org and share how freight railroads make a difference in your community and why you advocate for their importance. Share personal experiences, local insights, and your unique perspective on how freight rail drives economic growth, supports jobs, relieves congestion, or promotes sustainability where you live.

MOVING MICHIGAN

FEATURING

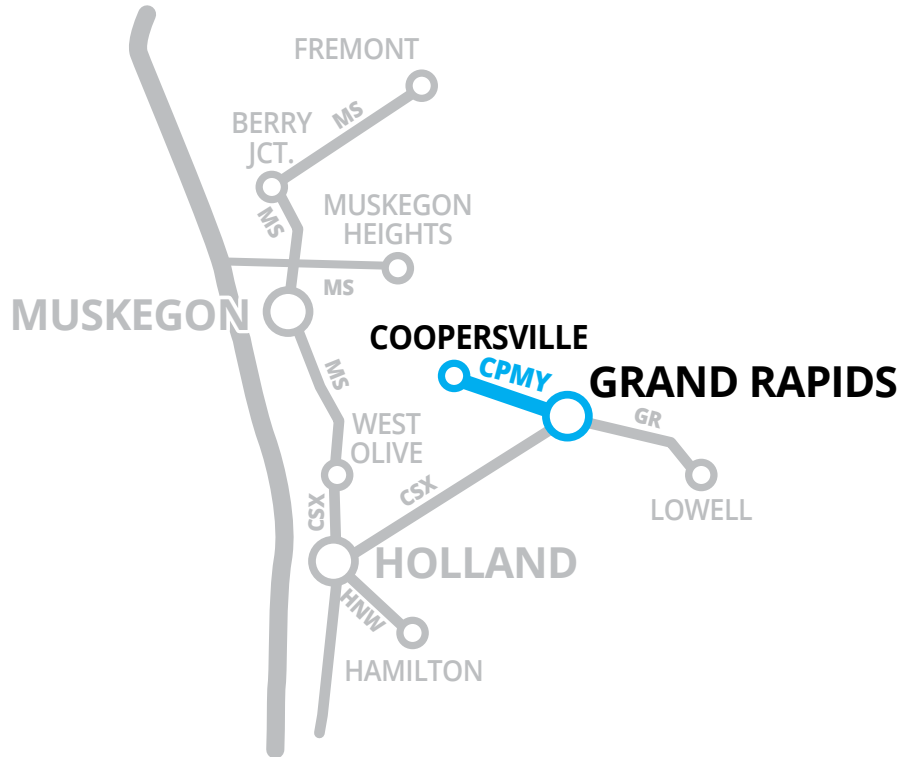


The Coopersville and Marne Railway (CPMY) is a unique class 3 shortline operation in western Michigan that has been in operation since 1989. However, freight operations under CPMY would not begin until later in its more recent history.

In 1989, the former Grand Trunk Western Line between the City of Coopersville and the Village of Marne was to be abandoned and torn up for scrap, but a group of local train enthusiasts and entrepreneurs banded together to purchase the line before it was lost.

Originally branded as the "Coopersville and Eastern," this was soon swapped out for the current name to better reflect the two communities at each end of the line. Shortly thereafter, a recreational train excursion began between the towns of Coopersville and Marne the next year in 1990.

The newly formed Coopersville & Marne Railway maintained a connection to the rail network along the former Grand Trunk Western route from Marne to Grand Rapids. This stretch of track was not abandoned and remained in active service as it still had several active customers that were still financially viable to continue. This was ideal for the C&M, as it allowed them easy access to the rail network, as the collection of vintage and historic rail equipment could easily be brought in by rail.



Over time, this slowly changed as industries along that connection were lost. A major source of revenue was a fertilizer plant in Marne, which was unfortunately lost to a fire in 2005, and St. Mary's Cement in the city of Walker ended its

operations in 2014. This left the line with only one active customer; a truss manufacturer bringing in a small number of centerbeam cars each year loaded with lumber.

This risked the future of the line from Marne to Grand Rapids due to it becoming increasingly financially unviable. For the Coopersville & Marne, this connection to the rail network was crucial and had to be maintained to ensure the long-term viability of the operation.

Soon thereafter, it was decided to purchase the remainder of the line from Marne to Grand Rapids, and assume freight operations in servicing its sole customer.

The Coopersville & Marne Railway has ever since faithfully served this single industry for a decade. Loaded centerbeams are placed in interchange by the Grand Rapids Eastern Railroad (GR) at the former spur of the St. Mary's Cement plant, where the CPMY and GR exchange incoming loaded cars with outgoing empty ones. From the interchange, these cars take a short but scenic trip 3.5 miles to the West to arrive at their final destination.



CPMY 7014 heading westbound at Walker Avenue. Photo credit Andrew Vriesman.

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MOVING MICHIGAN

FEATURING



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Given the Coopersville & Marne's status as a not-for-profit company, the incorporation of light freight duties on the CPMY has brought many opportunities for the railroad to train and educate new crew members in the safe and proper ways of train handling without the time constraints and restrictions of having a trainee on passenger excursions.

The railway keeps all of its motive power at its home yard and headquarters in Coopersville at the far end of the line, meaning on any day when a freight train is dispatched, the entirety of the line is used. Before freight service, the seasonality of passenger excursions meant that for a great

deal of the winter and some other parts of the year, the CPMY had times of relative dormancy, but the inclusion of freight operations in the past decade have kept the railroad's 13.5 miles of mainline track in active service constantly throughout the year, which also provides year-round revenue, even whilst passenger services are not in operation.

Although the Coopersville & Marne still services only one customer to this day, there are continued efforts to not only maintain the line, but to have it available for future industrial development that may benefit from the advantage that railroad logistics can provide to a thriving and growing economy.

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CPMY 7209 along Pannell St, retrieving the first load from a temporary interchange point following the completion of a bridge replacement at Bristol Avenue. Photo credit Andrew Vriesman.



Congresswoman Hillary Scholten visits the Coopersville & Marne Railroad last fall.

MICHIGAN LANDS THREE SEATS ON T&I COMMITTEE

We are excited to share that Michigan has two freshman US Representatives joining the House Transportation and Infrastructure (T&I) committee. Congressman Tom Barrett (R-Charlotte) and Congresswoman Kristen McDonald Rivet (D-Bay City) join the influential committee.

Congresswoman Hillary Scholten (D-Grand Rapids) remains on the T&I Committee for a second term.

The T&I Committee considers a significant amount of transportation issues that impact the railroad industry. We look forward to working with members Barrett, McDonald Rivet and Scholten on railroad-related issues in the 199th Congress. Congratulations all!



Cong. Tom Barrett



Cong. Kristen McDonald Rivet



Cong. Hillary Scholten

MICHAEL WILLIAMS BAGWELL: RAILROADER 1951-2025

We are saddened to share that our colleague and friend Mike Bagwell has passed away. The Michigan Railroads Association (MRA) membership had the pleasure of getting to know Mr. Bagwell as he was leading the Great Lakes Central Railroad. Mike was also involved with the MRA and chaired the association in 2012.

Mike was a lifetime railroader. He began his rail career as a laborer with Illinois Central Gulf (CN). He was quickly recognized for his ability to lead and rose through the ranks. While a Supervisor with ICG in Mississippi, he was moved to Illinois and Kentucky overseeing more territory. In 1986, he was offered a job as General Manager of Mississippi Export Railroad, Moss Point, MS and was later promoted to Vice President-General Manager and President of MSE Services.

In 2002, Mike was sought out for the purchase and success of railroads such as Wallowa Union Railroad in Oregon and Great Lakes Central Railroad in Michigan. After the completion of the purchase of the Great Lakes Central Railroad, Mike stayed on to finish out his railroad career as President and CEO. After mentoring his son Chris for many years, he made the transition into retirement while leaving Chris to continue the Bagwell railroad legacy.

Rest in peace, Mr. Michael Bagwell.



Mike Bagwell (left) and Great Lakes Central owner Louis Ferris (right) at Mike's 2014 retirement event in Owosso.

MICHIGAN OPERATION LIFESAVER UPDATE

Operation Lifesaver, Inc. is now in its 54th year and continues to promote its agenda of promoting the reduction of train-related tragedies at crossings and train rights-of-way. This has resulted in an 80% improvement across the nation.

Michigan Operation Lifesaver and its partners have seen the number of crashes reduced from as many as 70 fatalities in the 1970's to an average of 3 per year over the past ten years. However, trespasser/pedestrian incidents have increased slightly at the same time, with an average of 8-10 killed each year in Michigan. MI-OL continues to emphasize the three E's, Education, Engineering and Enforcement at all its presentations.

Some recent events that MI-OL participated in include:

- Six new Operation Lifesaver Authorized Volunteers (OLAV) were certified in January

and are eligible to make OLI presentations and participate in events.

- Rail Investigation Safety Course (RISC) presentations continue to be held by railroad police for law enforcement and fire departments across the state.
- Classes and events were held at the Ann Arbor Train Show with over 2,000 people attending. The Great American Train Show in Novi had over 3,000 people in attendance.
- There were several bus driver's classes and presentations in Taylor, Flint, Fenton, Sterling Hts, Lansing, Durand, Mt. Pleasant, Rochester, Pottersville, Owosso, Gaines, Livonia, Clinton Township, and Detroit.
- In the Upper Peninsula, Louis deKoster held 18 presentations Y-T-D at schools and other events and he continues to do more.

Contact Curtis Stewart frmn@sbcglobal.net or Sam Crowl samcrowl@comcast.net for more information.



State and local law enforcement officials joined the Lake State Railway in Crawford County for Operation Lifesaver's winter enforcement program.





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Members of the Michigan Railroads Association are: Adrian & Blissfield Railroad Co., Ann Arbor Railroad, CPKC, Charlotte Southern Railroad Co., CN, Consolidated Rail Corp. (Conrail), Coopersville-Marne, CSX Transportation, Delray Connecting Railroad, Detroit Connecting Railroad Co., Escanaba & Lake Superior Railroad, Grand Elk Railroad, Grand Rapids Eastern Railroad, Great Lakes Central Railroad, Hamilton Northwestern Railroad Co., Huron & Eastern Railway, Indiana Northeastern Railroad, Jackson & Lansing Line, Lake State Railway Co., Lapeer Industrial Railroad Co., Marquette Rail, Michigan Shore Railroad, Michigan Southern Railroad, Mid-Michigan Railroad, Mineral Range, Inc., Norfolk Southern Corp. and West Michigan Railroad Co.

MICHIGAN STATE'S RAILWAY PROGRAM EXPERIENCING INCREASED PARTICIPATION

Michigan State University's Railway Management Certificate Program (RMCP) is still accepting applications for its 20th cohort. This program is tailored for professionals in the railway industry who have the potential to rise to senior management positions.

The course comprises four week-long, in-person modules, addressing both freight and passenger rail systems. It provides participants with a deep understanding of the multifaceted nature of the North American railway sector.

In 2024, the program saw its largest-ever cohort, with 30 participants completing the course.

Program Director Valerii Kucherenko expects a similarly high turnout for the 20th edition in 2025.

The modules are broken down as follows:

- **Module 1: Railway Business Administration, Strategy, and Leadership**

April 28-May 2

MSU Campus, East Lansing, MI

- **Module 2: Railway Regulation, Safety, and the Rail Industry**

June 23-27

Washington, DC & Newark, NJ

- **Module 3: Railway Technology, Research, and Development**

September 22-26

Fort Worth, TX & Pueblo, CO

- **Module 4: Railway Operations**

November 3-7

Indianapolis, IN & Chicago, IL

The program fee is \$18,500 per participant. Companies enrolling multiple participants are eligible for group discounts.

broad.msu.edu/railway-center/



Program participants visiting the CSX Forest Hill Flyover Bridge project in Chicago, IL