Freight Rail & Automotives

**Key Takeaway:** Railroads have driven the automotive industry since the early 1900s, providing safe and reliable transportation that offers a strong foundation for continued growth and vehicle sales that span the globe. Integral across all stages of car manufacturing, railroads have developed specialized railcars and adapted infrastructure to facilitate the movement of materials, components and finished vehicles.

**Data Points:** Each year, freight rail moves nearly 75% of the new cars and light trucks purchased in the U.S. Railroads serve most of North America’s 70-plus automobile manufacturing plants. In a typical year, railroads carry 1.8 million carloads of motor vehicles and parts.

Railroads’ involvement in the automotive industry dates back to the early 1900s and Henry Ford’s innovative Highland Park assembly plant. As demand for new automobiles grew, railroads designed a railcar specifically to move automobiles, increasing the number of autos carried per railcar from two to ten or more.

Today, freight railroads offer North American automakers safe and reliable rail service, laying the groundwork for continued growth and vehicle sales that span the globe. No matter where the plants are located, the rail network is the backbone of the auto supply chain. In fact, railroads are involved in all stages of auto manufacturing – from moving the iron ore and coke needed to make steel to delivering semi-finished goods to manufacturing plants where they are used to produce auto parts and moving finished parts and final vehicles.

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In a typical year, railroads carry 1.8 million carloads of motor vehicles and parts. Long before a finished car hits the road, it begins as raw materials — plastic, metals and sheets of glass — which railroads move to manufacturers to be turned into the roughly 30,000 individual parts of a car, from bolts to dashboards. Railroads then move these auto parts to vehicle assembly plants before finally transporting the finished vehicles across North America.

- **Steel:** An average car contains 2,400 pounds of steel, which is used in car frames, door panels, support beams, exhaust pipes and mufflers.

- **Plastic & Rubber:** Nearly 50% of a car’s total parts are in dashboards, door handles, air vents and interiors – which all include rubber. Similarly, rubber creates engine mounts, seat belts, wiper blades and hose seals.
- **Copper**: Mostly used in car wiring and electronic parts, copper is in the radio, charging points and starter.

- **Sand**: Used to create the glass for navigation screens, back-up cameras, mirrors and windshields.

- **Aluminium**: Critical for electrical wiring, head lamps, wheels, the transmission, engine parts and air condition condenser and pipes.

- **Fiberglass**: Made from small thin strands of glass, fiberglass is fireproof and is found in front bumpers, doors, the roof, wheels and casings.

**Freight railroads serve many customers.**

The North American auto industry includes manufacturing facilities located throughout the continent. Railroads serve most of the 70-plus automobile manufacturing plants across North America. Railroads move big volumes over long distances safely and reliably. A single manufacturing plant serving an entire continent is successful thanks in part to rail.

**Railroads are investing to maximize efficiency and meet customer needs.**

To meet the demand for pristine automobile delivery, railroads invest in new autoracks — railcars for delivering finished vehicles. This includes traditional and adaptable designs, converting from two to three levels to accommodate diverse vehicle types, reflecting changing consumer preferences.

Railroads have also privately invested heavily in their nearly 140,000-mile networks. To better serve new facilities in the southeast US and Mexico, railroads have raised tunnel clearances on many regional lines to accommodate new autorack designs. They have also invested millions of dollars in facilities designed to handle automobiles.