ASSOCIATION OF AMERICAN RAILROADS

FREIGHT RAIL & AUTOMOTIVES

Key Facts

- Rail moves nearly 75% of new U.S. cars and light trucks.
- A single train can move hundreds of vehicles at once.
- Freight rail is involved in all stages of auto manufacturing.

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 serve nearly all of the roughly 70 North American motor vehicle assembly plants, offering automakers safe and reliable rail service and 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.

A single train can move hundreds of vehicles at once. In a typical year, U.S. Class I railroads carry 1.5 million carloads of motor vehicles and parts. Additionally, they carry auto-related imports and exports to and from ports like Charleston, South Carolina, Baltimore, MD, and Seattle, WA and across Canadian and Mexican border crossings.

Freight rail moves nearly 75% of the new cars and light trucks purchased in the US.

Long before a finished car hits the road, it begins as raw materials—e.g., plastic, metals, and sheets of glass—which railroads move to manufacturers to be turned into the thousands of individual parts of a car, from small items like bolts and wire harnesses to large items like car frames and axles.

Railroads then move these parts to vehicle assembly plants before finally transporting the finished vehicles to distribution centers across North America, from which the cars eventually make their way to dealerships. Railroads are involved in the production and movement of everything that makes up a car:

Steel: Railroads carry iron ore, coke, limestone, and scrap steel to steelmakers. An average car contains 2,400 pounds of steel, which is used throughout the vehicle, including in support structures, door panels, exhaust systems, and mufflers.

- **Plastic:** Plastics are the single largest category of chemicals moved by rail. Plastics are found throughout modern vehicles, from dashboards, door panels, air vents, instrument clusters, and interior trim to bumpers, fuel-system components, wiring insulation, and under-the-hood reservoirs.

- **Copper:** Used primarily in wiring and electrical systems, copper is found in starters, alternators, charging systems, sensors, radios, and other electronic components throughout a vehicle. Copper ore and chemicals for copper processing move by rail. .

- **Sand and Soda Ash:** High-purity silica sand, the primary ingredient in automotive glass, is shipped in large volumes by rail from mines to glass plants. Railroads also move large amounts of soda ash, the second most important raw material in glass, from mines in Wyoming to glass producers. These materials are used to produce windshields, side and rear windows, mirrors, navigation screens, backup-camera lenses, and other display components.

- **Aluminum**: Railroads move aluminum at every stage of the supply chain, transporting bauxite ore, alumina, primary aluminum, and aluminum sheet, plate, and castings used by automakers. Railroads deliver these materials to manufacturers that produce vehicle bodies, wheels, engine components, heat exchangers, and other automotive parts. .

Railroads invest 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 and market needs.

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, as well as new technologies that support the seamless movement of cars.