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Railway Suppliers — the Powerhouse Supporting the Rail Industry

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by Nicole Brewin, Vice President of Government Affairs, Railway Supply Institute (brewin@rsiweb.org)

When people think of the rail industry, they probably think about Amtrak and passenger trains, or America's world-class freight railroads — the largest companies, who are Association of American Railroads members, as well as the hundreds of smaller short lines that are members of the American Short Line and Regional Railroad Association.

For me — and I say this with great respect — the rail industry brings to mind all of the people and companies who work behind the scenes to make the rail industry successful. I picture the men and women who turn raw materials into railcars, locomotives and welded rail; the electrical engineers who refine and improve railroad signaling and communications systems; and the companies and personnel who provide services like cargo spill protection and worker safety devices. The railway supply industry employs these people in almost every congressional district.

Put another way, every piece of the North American railroad system — with more than 1.4 million railcars pulled by more than 26,000 locomotives across 140,000 miles of rail — was made possible by railway suppliers for their railroad partners. And just as the U.S. economy depends upon our railroads to move freight and people, railroads depend on the railway supply industry to operate safely and efficiently.

I think about these kinds of people every day in my position as vice president, government affairs for the Railway Supply Institute. Representing more than 250 member companies, the RSI acts as an advocate for the largest and smallest suppliers to North American freight and passenger railroads.

RSI members represent the full scope of the rail supply industry, from manufacturers, distributors and service providers to the freight car, locomotive, maintenance-of-way, communications, signaling, equipment leasing and passenger rail industries.

Our mission at RSI is to support, connect and advocate for railway suppliers by connecting them to their customers and partners. We support the improvement of the industry, assist members in the global marketplace, and represent the industry throughout the regulatory and legislative process.

Why is the railway supply industry a powerful force in American business? For one thing, our members represent more than 100,000 rail supply industry employees in 45 states. Collectively, railroad suppliers contribute more than \$28.2 billion annually to developing rail capital across the United States. Our members are predominantly small manufacturers in places where the employment opportunities and economic contributions they provide truly matter to their communities.

More than 75 percent of our members have annual rail-related revenues of under \$11 million and fewer than 50 employees, and they often are crucial suppliers to RSI's larger members. The rail supply industry's effect on the rail industry is clear, and our economic effect on the communities in which our suppliers manufacture their products is vitally important.

The railway supply industry represents American innovation at its best. Our member companies are constantly seeking to solve problems for their railroad customers, on everything from a hand tool that

makes a rail worker's job easier to the complex electronic and computer systems that power today's highly sophisticated locomotives.

When railroads are successful, the railway supply industry is successful. When rail traffic is down, or excessive government regulation imposes costs on the railroads, it affects our members as well.

In Washington, our RSI members seek dedicated investment in infrastructure, sensible tax reform and balanced economic regulation, as well as increased support and promotion of domestic manufacturing and American innovation. We are encouraged by the interest shown by the administration and the Congress to bring America's transportation systems into the 21st century. We are also pleased with the administration's effort to scrutinize existing and proposed regulations to ensure they do not unduly burden industry and economic growth.

We welcome the opportunity to work with local, state and federal governments to enhance and promote investment in rail infrastructure, to continue to grow America's economy while creating and sustaining jobs.