



PORT LAYS TRACKS FOR RAIL VENTURE “DOWN UNDER”

The Port of Baltimore has a hand in a new railroad line that is under construction between Alice Springs and Darwin, some 12,000 miles away.

Sound like the premise for a yet-to-be-made-sci-fi film?

Hardly.

Just ask Mike McGee, Project Manager of Locomotives and Rollingstock (freight cars) for CFCL Australia Pty. Ltd. (CFCLA) which contracts to refurbish old railway wagons and locomotives in Australia.

CFCLA is owned by Chicago Freight Car Leasing Company (CFCL) based in Rosemont, IL. CFCL has a fleet of approximately 7,500 covered hopper railcars for grain products and other bulk commodities.

McGee, who has been involved with the CFCL Australia project for over six years, was in Baltimore twice in June to observe the loading of 14 ballast (rail) wagons to be used in the construction of new railway lines.

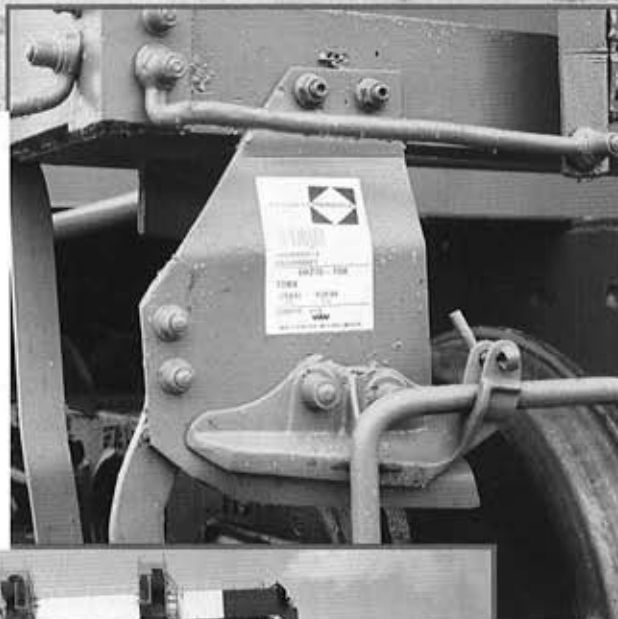


Left: Rail cars bound for Australia.

Right: Mike McGee of CFCL Australia Pty. Ltd.



Fourteen rail cars were shipped to Australia in June.



"Baltimore has done a superior job of identifying our requirements," McGee says. "CFCL has been shipping wagons and containerized parts through the Port of Baltimore since WalleniusWilhelmsen (WW) contracted to have their new facility there."

Here the plot thickens. McGee explains, "CFCL does three comprehensive tasks. First, we buy locomotives in the U.S. to dismantle for parts. We then ship them through the Port of Baltimore to Australia."

Second, CFCLA buys Australian locomotives and railway wagons which are ripe for refurbishment, re-engineers their design to a better performance configuration, then refurbishes them with parts provided from the U.S. and Australia.

Last but not least, CFCLA couples the refurbished locomotives and railway wagons in operating lease agreements for potential customers in Australia.

McGee credits the port and WWL with laying the tracks for the smooth-running operation. "I've received great guidance and support from Lou Vrinios and Cindy Burman at the Port," McGee says. "Cindy and Lou have facilitated a very positive and mutually beneficial alliance between Chicago Freight Car



and Wallenius Wilhelmsen.

"Our goal is to become their best incremental customer. We'll never be WWL's biggest customer, but CFCL can potentially ship up to 50 wagons and 80 containers a year." McGee says a new parts and bogie program in conjunction with GEMCO Rail in Perth, Western Australia, will utilize 20-ft. ISO containers.

CFCL Australia Pty. Ltd. (CFCLA) under the guidance of Director Ian Gibbs, has grown over the last few years to more than 50 locomotives and 650 wagons, he says. In a relatively short period of time, CFCLA has become the leading private supplier of locomotives and rollingstock in Australia.

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We also receive excellent support from the representatives of WalleniusWilhelmmsen at the Port of Fremantle."

McGee notes that CFCL Australia is in a unique position in the railway business. "It's not very often you get to work on a project destined to link together vital trade routes and energize the Australian economy. We've accepted the challenge of this exciting task and look forward to a bright future." ⚡