



POWER TO MOVE

CONNECTING INDUSTRY – DELIVERING VALUE

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CHICAGO SOUTH SHORE & SOUTH BEND RAILROAD



No rail ? No problem

Do tracks stop short of your business? Consider shipping and receiving products via the Chicago South Shore & South Bend Railroad thanks to transloading.

“With transload, customers can take advantage of the savings freight rail provides over truck, even if they don’t have a track that goes to their facilities,” said Chuck Compton, Vice President, Business Development. “The product can be delivered the last mile or the first mile to or from the customer by truck.”

South Shore has a number of transloading options. It partners with E&L Paving Corporation, an asphalt contractor and longtime customer, to offer a rail/truck transloading facility at the CSS Belfast Siding in La Porte, Ind.

Another valuable partner, Bulk Transit Corporation, currently transports PVC resin from Belfast to 15 to 20 industries in Northern and Northwestern Indiana.

This summer, E&L Paving and South Shore jointly funded a project to expand the capacity of the Belfast facility. Previously, the facility could only hold four cars at a



Chuck Compton, Vice President, Business Development



Andy Laurent, Manager of Growth Initiatives, stands at the rail/truck transloading facility at CSS Belfast Siding in La Porte.

time, and now, it has the capacity for 25.

Andy Laurent, Manager of Growth Initiatives, said the expansion allows the operation to be more efficient and provides opportunities to expand business with plastics companies.

“We can hold a lot more cars, and they’re accessible at all times,” he said. “We hope to start seeing some new product lines and new customers using that facility in the near future.”

Laurent said Belfast gives its competition

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Farewell from CEO Henry B. Lampe

To all of you who have made my tenure here at South Shore both productive and enjoyable, a very sincere Thanks!! Six years went by very, very quickly.

It was a pleasure for me to work with all the high quality people and organizations that touch the South Shore. Due to your efforts and support, the railroad has been able to build upon its solid foundation of employee safety, customer satisfaction, shareholder value and community outreach.

Many have asked what the so-called “retirement” chapter of my career will look like. My response is what happily retired people are supposed to do, spend more time with family, especially grandkids, travel, play golf, volunteer, and work a bit as a South Shore board member and industry advocate.



Surface Transportation Board visits South Shore

Members and staff from the Surface Transportation Board and the Railroad-Shipper Transportation Advisory Council take a tour of Chicago South Shore & South Bend Railroad's property in August.

Chicago South Shore & South Bend Railroad hosted Surface Transportation Board members, their staff and members of the Railroad-Shipper Transportation Advisory Council Aug. 25 for a tour of its property.

The field trip was held in conjunction with Union Pacific Railroad, Norfolk Southern Railway and the Northern Indiana Commuter Transportation District.

The group witnessed positive enhancements to the Chicago area's rail infrastructure through CREATE, the Chicago Region Environmental and Transportation Efficiency program. The importance of rail transportation and the need for continued investment in the country's infrastructure were other pertinent topics discussed during the visit.

Congress created RSTAC pursuant to the Interstate Commerce Commission Termination Act of 1995 to provide advice to the Surface

Transportation Board, the United States Department of Transportation and Congress on rail issues affecting small railroads and shippers. RSTAC consists of 15 members appointed by the chairman of the STB. The nine voting members represent small railroads, small shippers and one at-large member. The other members are from large shippers and railroads.

The tour began in Proviso, Ill., where participants boarded a UP special five-car passenger train from its business fleet. The trip proceeded over UP's tracks to 21st Street Yard south of the loop, where the train moved on to Norfolk Southern rails. It then switched over to the South Shore in Portage, Ind., for the final leg of the trip to Michigan City. Upon arrival in the Michigan City operations hub, guests were given a tour of the South Shore shop complex and the Northern Indiana Commuter Transportation District Operations Center.

Lampe retires

When Chief Executive Officer Henry B. Lampe joined Chicago South Shore & South Bend Railroad, he only planned to stay briefly. That was six years ago.

"After about a year and a half, I was enjoying what I was doing so much, I suggested to the board that I stick around," he said.

Before South Shore, Lampe, a 44-year railroad veteran, retired from a Class I railroad. He was consulting in retirement and wanted to work awhile longer in the industry if the right opportunity came up. And it did.

The great respect he had for the Anacostia & Pacific organization, management and shareholders, as well as the location of the job, made

it easy for him to accept the offer when his predecessor announced his retirement.

During Lampe's time with the company, he set out to enhance safety and build on the foundation and traditions in place at South Shore. His key objectives included strengthening relationships in the community and with South Shore's landlord, the Northern Indiana Commuter Transportation District. He also worked to differentiate the company's freight operation from its well-known passenger operation in the communities South Shore serves.

Other enhancements during his time with the company included upgrading facilities and beefing up sales efforts. The company has acquired nearly 200 additional cars to better serve customers.

"We want to broaden the business base beyond coal and steel," Lampe said. "In order to move to different markets, we have to have our equipment and staff."

He has enjoyed seeing changes in the industry throughout his career, noting it really has turned the corner in recent times.

"We are a major part of the nation's infrastructure," Lampe said. "It's obvious we will continue to be, with our fuel efficiency and environmental advantages. It's gratifying to me to see the amount of traffic that's come off the highway after many years of railroad decline."

After his Oct. 31 retirement, he plans to spend time with his wife, Donna; son, David; daughter-in-law, Stephanie; and grandchildren, Christopher and Lauren; golf; travel; and work a little. He will work in government affairs for South Shore's holding company, Anacostia & Pacific Company Inc., and sit on the CSS and other industry boards.



Henry B. Lampe, Chief Executive Officer, retires Oct. 31.

Andrew Fox, Pacific Harbor Line Managing Director, succeeded Henry B. Lampe as Chicago South Shore & South Bend Railroad's President.

"This is an opportunity for me to utilize the knowledge I gained at PHL developing new business, and to learn new things," he said.

Fox will continue to cultivate South Shore's relationships with Class 1 railroads, customers, the Northern Indiana Commuter Transportation District and community at large. He also plans to build upon the success of South Shore's management team in terms of safety.

"Safety is first and foremost in everything we do," he said. "I want to take it to the next level."

Fox sees opportunities for additional business, while also increasing the rail market share for existing customers. The undeveloped land surrounding the railroad and prime location to connect to every major railroad in the rail hub of the country makes South Shore a first-class option for industries' shipping needs.

"South Shore is a neutral railroad," he said. "A business has access to the whole rail industry through this company."

Welcome, Fox

Fox served as PHL's President since its founding in 1997. He previously spent 23 years with Southern Pacific. He began as a Surveyor in the Engineering Department, then went on to work as a Brakeman/Conductor. He later held various management jobs, including General Superintendent of Transportation, Superintendent and Assistant to the Vice President of Operations.

He became associated with South Shore's holding company, Anacostia & Pacific Company Inc., with its PHL project in 1995 before becoming President.

Fox enjoyed growing PHL from one crew working at the APL Intermodal Terminal to the short line taking over infrastructure and employing about 30 crews a day.



Andrew Fox, Pacific Harbor Line Managing Director, has been named Chicago South Shore & South Bend Railroad President. He succeeded Henry B. Lampe, who retires Oct. 31.

South Shore donates electric car to United Way

Chicago South Shore & South Bend Railroad once again showed its commitment to the communities in which it conducts business, and more importantly, the people within those communities.

South Shore donated an electric car to United Way of La Porte County for its 2010 fundraising campaign. Raffle tickets are being sold for the car, which could earn as much as \$30,000 for United Way, said President and Chief Executive Officer Henry B. Lampe. The raffle winner will be announced in November.

Lampe, who has been on the Northwest Indiana United Way Board of Directors a number of years, said South Shore enjoys connecting with United Way and decided to step up its efforts this year.

"We wish to give back some of the earnings which we derive from the community to those who are most in need in Northwest Indiana," he said.

United Way

The car has been customized by a firm in Indiana.

"It's pretty cool," Lampe said. "You can run it around your community; go to the golf course. It's an ideal vehicle."

United Way focuses on caring for those who need help most, in ways that deliver real results to donors. Programs funded include those that strengthen families, support children and provide life-saving, life-changing assistance for thousands of people in La Porte County.

To read more, visit www.unitedwaylpc.org.



Here's an electric street rod you could win in the South Shore United Way Raffle.

"We wish to give back some of the earnings which we derive from the community to those who are most in need in Northwest Indiana."

— Henry B. Lampe



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No rail? No Problem

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— transload facilities in Chicago — a run for their money. Demurrage and storage fees other railroads charge are much higher than South Shore’s rates, and the competition also charges a higher franchise fee on each car.

“From a cost standpoint, I think this facility lines up very well with our competition further to the west,” he said. “Also, it’s much more efficient for the trucker if the product is moving somewhere further away from Chicago, and they can avoid traveling through Chicago or Gary.”

Compton agreed.

“As more people see what’s out there, we think we’ll have more people want to take advantage of transloading,” he said, “especially if it affords someone a competitive advantage. We have high hopes for doing a lot of good things at Belfast.”

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SAFE CAREER MAKES FOR happy retirement

Michael Kmak, Locomotive Engineer, has been enjoying time with his family since his July 30 retirement.

Kmak joined the railroad as a Collector/Brakeman in March 1977, working in both freight and passenger service. He became an Engineer in 1979. He enjoyed traveling through the countryside on the rails.

“You see things other people never see,” he said, “a lot of unusual stuff.”

Kmak said if he could do it all over again, he would. However, he did not necessarily set out to work for the railroad. It kind of found him.

After being discharged from the U.S. Air Force, the Air Craft Mechanic intended to continue in his craft. He planned to begin work as a Quality Control Inspector for the federal government, but about a week before he was to start, he got a call that the railroad was hiring.

“The job was right in town and paid more,” Kmak said. “So I applied and started working. I never left.”

He appreciates his 33-year career, during which he had zero reportable injuries. He credits it to always being focused on the job and forming good work habits. Now, he is in good shape to chase after his grandchildren, Michael III, 7, and Emilly, 19 months.

Kmak also looks forward to spending time with his wife, Susaun, and children, Michael II and Christine, in retirement. He plans to travel, finish projects around his house and check out air shows.



1. From left, Jim Fickle, Conductor, and Michael Kmak, Locomotive Engineer, celebrate Kmak’s retirement during a party. The duo worked together the past 17 years of Kmak’s more than 33-year career. **2.** Michael Kmak, Locomotive Engineer, enjoys his retirement party with colleagues, friends and family, including his wife, Susaun, and granddaughter, Emilly, with whom he is pictured. **3.** Michael Kmak, Locomotive Engineer, “ties up” for the last time. He retired July 30 after more than 33 years.