



MAY 2009

WISCONSIN & SOUTHERN RAIL- MAKING TRACKS

A Newsletter designed to inform interested people on new developments
that are taking place on the Railroad that serves their Communities

SERVING THE FOLLOWING COUNTIES

Columbia, Crawford, Dane, Dodge, Fond du Lac, Grant, Green, Green Lake, Iowa, Jefferson, Milwaukee, Ozaukee, Richland, Rock, Sauk, Sheboygan, Walworth, Washington, Waukesha, Winnebago



2009 REGIONAL RAILROAD OF THE YEAR



Wisconsin & Southern was named the “2009 Regional Railroad of the Year” by Railway Age Magazine. The designation reflects outstanding achievements in marketing, customer service & long-term planning throughout the short line and regional railroad industry. *Railway Age*’s competition included eligible railroads throughout the United States, Canada and Mexico. Over 500 railroad companies throughout North America were eligible for this competition. This is the second time Wisconsin & Southern Railroad has been recognized for this prestigious award. In 2001, Wisconsin & Southern was named Regional Railroad of the Year—only the third railroad nationally to be given this award twice in the history of this award being offered.

Wisconsin & Southern’s commitment to marketing and customer service makes it an exceptional company amongst its peers. Despite recent declines in freight rail traffic across the nation, the WSOR was able to add new customers to the rail system in 2008. From **Hanke Trucking** and **Lorman Iron & Steel** in Reedsburg, WI to **U.S. Oil** in McFarland, WI, the WSOR was able to attract new businesses representing a variety of industrial sectors. “*It is a tremendous honor to accept an award from a nationally reputable organization such as Railway Age*”, stated Bill Gardner, President of Wisconsin & Southern Railroad. “*On behalf of Wisconsin & Southern Railroad, I thank all our employees, contractors, and customers for helping to make WSOR a leader in the railroad industry*”, he added.

Luring new industries to Wisconsin results in increased business activity, new job creation, and preservation of today and tomorrow’s highway systems. **Hauling one ton of freight 436 miles on just one gallon of diesel fuel** makes today’s trains more economical, fuel efficient & friendlier to our environment than our competitors.

Since last year, freight rail traffic has declined almost 16% nationally through the first quarter of 2009 as compared to one year ago. As of March of this year, the WSOR has seen a similar decline in rail traffic throughout our operating territory in Wisconsin. As a proven leader in the transportation industry, the WSOR will continue to market the railroad to existing and prospective businesses, while not overlooking the short and long-term economic conditions that face our industry today. Any immediate actions that are taken to help the WSOR endure this economic downturn will make WSOR a strong, viable organization that can respond promptly and effectively when the economy is in peril.

Wisconsin & Southern Railroad officially accepted the award at the American Short Line and Regional Railroad Association Annual Convention in Las Vegas, Nevada., April 25-28. For more information on this award, you can visit Railway Age online at <http://www.railwayage.com/>.

WSOR CELEBRATES 20 YEARS OF SERVICE TO CHICAGO

January 26, 2009 marked the 20th Anniversary in Wisconsin rail history. For 20 years now, trains have been rolling through Rock and Walworth Counties and beyond in the post-Milwaukee Road era. January 26, 1989 marked the first time a train had traveled over the old rusty Milwaukee Road route from Janesville, Wisconsin to Fox Lake, Illinois (pictured below) in nearly eight years—a route that was first built in 1903. The event was the inauguration of new Chicago service for the Wisconsin & Calumet Railroad (WICT) from Janesville to Chicago, IL. The WICT had been in operation for four years and was looking at the Chicago gateway as a new avenue to route traffic to and from its system. The Wisconsin River Rail Transit Commission (WRRTC) and the State of Wisconsin now jointly own the track structure after abandonment by the Milwaukee Road that same year.

In 1992, Wisconsin & Southern Railroad Co. (WSOR) took over WICT operations and brought in new power in the form of GP9's and GP35's. Service was expanded to six round trips per week with two crews. Over the years, motive power has grown: from SD20s in 1996, to SD40's in 2002. Trains now approach 13,000 tons with over 100 cars and are operated in each direction seven days a week.

Infrastructure improvements have occurred over the years. WSOR recently completed installation of welded rail on a 14-mile segment between Avalon and Walworth that still had 90 lb rail. Track speeds on that segment have been raised from 25mph to 40mph, the first time it has been that fast since the early 1970's. Chicago remains the "gateway" for the WSOR today, with much of its traffic funneling through Chicago to Janesville where it is sorted out to several destinations such as Monroe, Madison, Horicon/Milwaukee, and Elkhorn. The perseverance and foresight on the part of the WRRTC, State of Wisconsin, WICT, and WSOR have preserved and nurtured a valuable transportation service for the state of Wisconsin that will continue for years to come. A special thanks to Paul Swanson for providing this story.



WSOR COMMITTED TO SAFETY THROUGH TRAINING

Madison, WI –The WSOR routinely monitors changes to federal rules and guidelines when it comes to safety of our train crews, employees, contractors & the general public.

Don Pingel - WSOR Trainmaster shown here in January holds a classroom session on air brake rules to ensure WSOR compliance with federal power brake law. Don also conducts training and testing to qualify train service employees (engineers & conductors), which will include doing classroom and hands-on instruction. The WSOR provides on-going training and awareness to all departments to meet federal guidelines.



Milwaukee, WI—The WSOR recently sponsored in-depth training for Milwaukee's Heavy Urban Rescue Team (HURT) during three consecutive days of classroom training for each of this confined space specialty unit's three shifts. The comprehensive training events were conducted April 13—15 to give Milwaukee area emergency responders a chance to conduct a confined space rescue to simulate a person trapped inside a rail car and having firefighters use their equipment and life-saving skills to locate and lift the 'endangered person' to safety. In attendance, were approximately 60 emergency responders representing agencies from around the area.



BRIESS MALTING REOPENS WATERLOO MALT FACILITY

After setting idle for three years, the malthouse in Waterloo, Wisconsin, has been re-commissioned by Briess Malt & Ingredients Co. The malthouse had been closed when supply outpaced demand for malt for beer. “We recognized the shift in supply and demand on a global scale,” said David Kuske, Director of Malting Operations for Briess, about the decision to re-open the malthouse. “And we recognized the supply shortages this could cause to smaller, craft breweries. Our focus is the North American craft brewing industry, and we want to assure an adequate supply of specialty malts for them.” The Waterloo malthouse is the second malting operation owned by Briess, the first of which is located in Chilton, Wisconsin and has been operating non-stop since 1901.

Briess is also a leading supplier of malt extracts to the food industry for the production of cereal, baked goods and other finished food products. Briess is the only vertically integrated malting company in North America, which means it produces malt extract from its own malt. A new, fully automated extract facility was commissioned in 2002 and is capable of producing an extensive line of malt extracts and other grain- and starch-based syrups.

The new facility will depend upon rail as a primary means of transportation for inbound rail shipments. It is estimated the facility will receive approximately 40,000 tons of barley annually for their process of making specialty malts. Wisconsin & Southern provides regular freight service to Waterloo, WI 3-5 days per week based out of its Madison Terminal.



Above: Briess’s Waterloo Facility shown here before shutting down production three years ago.

PERSONNEL PROFILES



WSOR WELCOMES KATIE SACKETT TO OUR MARKETING TEAM

The WSOR welcomes Katie Sackett as our new Director of Marketing & Sales. Katie has held various marketing positions with both Southern Pacific and Burlington Northern Railroads. Here at the WSOR, Katie will be responsible for the development and execution of marketing plans and programs for existing and potential customers as well as to ensure market opportunities that drive quality revenue growth for the WSOR. Katie is based out of our corporate headquarters in Milwaukee, WI but she can be seen occasionally visiting our Madison office as well as meeting personally with our current customers. Katie resides in Madison, WI with her husband Brett and her two children Andrew and Shane. WELCOME KATIE!

AFTER 24 YEARS OF SERVICE GARY FIGY RETIRES FROM THE WSOR



On April 17, 2009, Gary Figy, Southern Division Track Inspector retired after 24 years of working in our Maintenance of Way Department. Gary started working with us in January of 1985 working primarily as a Section Foreman in maintenance. For the last several years, Gary worked as a railroad track inspector, assigned to WSOR’s Janesville Yard, Fox Lake & Elkhorn Subdivisions. Gary’s primary duties included inspection and monitoring functions to assure compliance with federal safety and health regulations pertaining to railroads, railroad employees, and railroad contractors. Gary was also responsible identifying existing or potential defects and determining the best means of correction. GOOD LUCK GARY!

RAILWAY NEWS

MIDDLETON, WI, March 7, 2009 — WSOR President Bill Gardner addressed a crowd of over 300 people at WSOR's Annual State of the Railroad Address. In attendance were employees, customers, and public officials who learned about the various issues/challenges affecting the WSOR and the rail industry in general.

MILWAUKEE, WI, April 10, 2009 — The WSOR has been awarded a federal grant by the Department of Homeland Security to conduct a vulnerability assessment of rail corridors and physical infrastructure including structures that might be considered "sensitive" and vulnerable to a terrorist attack. The assessment will identify vulnerable rail infrastructure in *high threat urban areas* and to recommend appropriate security measures.

RIPON, WI, April 20, 2009 — Over 60 emergency responders from Ripon, Utica and Omro attended the combined Operation Lifesaver and Railroad Safety training event at Ripon, WI. Robert Witzack of WSOR held a classroom training session that included an introduction to the National and State Chapters of Operation Lifesaver. WSOR personnel offered on-scene training using a locomotive and several freight cars. Emergency responders were able to see rail equipment up close and to learn more about how our industry functions.



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