



PATRIOT RAIL DISPATCH

COMPANY
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Think Tank

Locomotive 1446 backs flat cars to the ramp for unloading. Photos courtesy of Skeebo. **Inset:** BAE employees drive tanks off flat cars onto the newly built ramp. Temple & Central Texas Railway built an unloading ramp specifically for the project.

Moving products of all kinds from point A to point B requires short line employees to think outside the box and meet unique demands. Such was the case for Temple & Central Texas Railway during a Jan. 3 movement.

BAE Systems Land and Armaments, a contractor with the Department of Defense, recently acquired a facility in the Temple Industrial Park.

The contractor's first shipment

consisted of 17 Bradley Fighting Vehicles en route from Fort Riley, Kan.

BAE planned to upgrade the vehicles' electronics systems, armor and engines. In order to unload the vehicles, TC built a ramp at the end of an existing track. Vehicles were driven off railcars and loaded onto a flat trailer before being moved one mile to the facility.

"It went smoothly," said David Lutz, general manager. "It took lots of

cooperation, but having a plan in place prepared us."

Lutz worked with BNSF's logistics and military shipment teams as well as Temple Towing. Their plan paved the way for a seamless operation.

"We did a great job for our first time," Lutz said. "We are looking forward to more opportunities with BAE. We will be ready to help them with inbound and outbound shipments."



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Just the beginning

Two customers have already reserved spots at the Iron Bridge Road Transload Industrial Park, and Louisiana & North West Railroad is planning for more space.

In addition to the original 40 acres, 19 acres will be added to the facility.

"It's exciting to see it already growing," said Galen White, marketing manager. "You can already see the impact it will have on the community."

Wood Energy Group Inc. is one of the customers to claim a spot at the facility. The company receives used ties from Class 1 railroads and classifies ties that can be reused by a short line. If ties are not up to standard, they are ground down and used as fuel.

Wood Energy, a division of Banyan Rail Services Inc., shares office space in Boca Raton with Patriot Rail. The familiarity paved the way for a five-year lease.

The second customer, Pro Sands LLC, will import frac sand to be delivered to Haynesville Shale oil wells and drillers. Wet sand is delivered to Iron Bridge Road where it is unloaded and sent through a machine that sorts sand based on grain size.

White appreciates the impact Patriot has on LNW and the local economy.

"Their investment in us means we bring jobs and money to our communities," he said. "I feel great to be part of a team that is creating jobs and business in an area that needs them."

Close to retirement, White sees a future for Iron Bridge Road that extends past his tenure with the railroad.

"I'm convinced it will continue to grow," he said.



From left, Galen White, Louisiana & North West Railroad marketing manager; J.D. Ventreck, Patriot Rail senior vice president - operations; and Stan Wlotko, senior vice president & chief commercial officer, discuss the possibilities of the Iron Bridge Road facility at the ribbon-cutting ceremony.



Right: Johnnie Raab, Louisiana & North West Railroad general manager, expresses his excitement about future business partnerships at the Iron Bridge Road facility ribbon-cutting ceremony.

Santa Train gives to less fortunate

For the 20th consecutive year, Tennessee Southern Railroad hosted the Santa Train.

Gifts were provided by Angel Tree, an organization devoted to helping children living in poverty.

TSRR loaded the gifts on a flat car and transported them from Johnson Controls, a TSRR customer, to Cardin Distributing in

Pulaski, Tenn.

"This is one of our favorite events every year," said Matt Prince, general manager. "It's a great way to give back to our communities and get in the Christmas spirit."

Craig Risner, locomotive engineer, and Rex Durham, brakeman, volunteered to operate the train. Their families, along with Prince's, also helped with the event.

Santa rode with many of the volunteers in the caboose before giving out presents to the children.

"Craig and Rex have helped for years, and we appreciate them taking the time to do it," Prince said.

Mild temperatures accompanied the event on what Prince described as "a perfect day." Nearly 3,500 people attended.



Tennessee Southern Railroad hosts nearly 3,500 people for 2011's Santa Train.



Mr. and Mrs. Claus, who arrived on the Tennessee Southern Railroad caboose, pose with three children who received gifts.



Santa distributes gifts.



A new diamond installed by DeQueen & Eastern Railroad and Kansas City Southern Railroad employees will ensure reliable passage for both railroads in the future.

Revitalize, part of the plan

With a successful 2011 in the rear-view mirror, Tom Williams, DeQueen & Eastern Railroad general manager, and the rest of the team look forward to 2012. A major theme throughout the year will be enhancing reliability of track and bridges.

Maintenance of Way teams plan to install 17,000 track ties and 390 switch ties in addition to rebuilding and maintaining bridges.

The main line will receive 12,000 new ties to alleviate slow orders.

“We run at 39 mph and want to make sure we can maintain that speed throughout our territory,” Williams said.

Dierks Yard and Craig Yard, both located in Oklahoma, also will receive 3,000 and 2,000 ties, respectively.

The switch ties will be installed underneath frogs on the main line.

One of the first projects of the year featured a partnership between Kansas

City Southern and DQE. Teams from each railroad installed a new diamond in DeQueen, Ark., Jan. 11. DQE employees built two track panels to connect to the new diamond.

This year’s track work will be accompanied by bridge repairs and maintenance. Two new employees joined Bridge Foreman and Assistant Roadmaster Paul Yancey to reform the bridge team after a four-year hiatus.

“It’s exciting to have our bridge crew back,” Williams said.

The team will assist the Louisiana & North West Railroad and Golden Triangle Railroad.

Another three-man crew is continuing its success from 2011. Employees started rebuilding 11 switches in Valliant, Okla., at the International Paper Co. mill.

“They’re doing a great job,” Williams said. “We’re already seeing a big difference.”

Greer ends successful career

Darryl Greer, Columbia & Cowlitz Railway conductor, stepped away from the railroad Nov. 1 after more than 37 years.

“It’s been a great job,” he said. “I’ve enjoyed working with all my co-workers and customers.”

When he began his career, Greer had just retired from the Air Force after a four-year stint. He served as a fuel specialist. He attended basic training in

Texas, received more training in Illinois and served in Korea for 13 months. He returned to California to serve the remainder of his time before coming home to Washington.

It took just 10 days after his retirement for Greer to find a job with the railroad. He worked two months as a section laborer before joining train service.

Now that he has more free time, he

gardens and works on cars at his home in Castle Rock, Wash. His wife, Sally, was prepared for his retirement, compiling a honey-do list to keep him busy.

He also spends time with sons Joshua and Jacob, and many grandchildren.

Greer offers simple advice to new employees.

“Pay attention to all movements,” he said.

Redfearn ready for railroad challenge

Patriot Rail welcomes Alex Redfearn, who joined the company as corporate development analyst.

Graduating from Loyola Maryland’s Sellinger School of Business in May, he is based at corporate headquarters in Boca Raton. Alex reports to Wayne August, vice president of corporate development, and focuses on acquisition research and analysis, corporate communications, financial analysis and management reporting. He also assisted in launching the new Patriot interactive website adding many features, such as Google

Maps.

Alex comes from a railroad background. His father, Don Redfearn, is the former president of RailAmerica and a longtime colleague of Gary Marino.

“I appreciate the opportunity to contribute to the success of Patriot Rail, and I am excited to be a part of this growing company,” he said.

He continues to work diligently on acquisitions in order to help Patriot Rail continue to grow in the short line railroad industry.

In his spare time, Alex enjoys fishing, golf and ocean diving.



Alex Redfearn

UCRY employees recognized for safety

Utah Central Railway employees recently celebrated consistent safety performance and the holidays.

Employees received yellow ANSI eight-in-one jackets with their names on the back.

“It’s a great way to commemorate everyone’s efforts,” said Davie Leskoske, accounting clerk. “Everyone is excited because they can wear these so many different ways.”

Maurice Bowens, general manager, thanked employees at the Dec. 10 event for their efforts. They recorded zero human-factor derailments and only one reportable personal injury — their first in five years.

“I thank not only our employees, but their families for their support,” he said. “Safety is our first priority because our biggest asset

is our people. I thank them for a successful year and tell them we’re looking for more of the same in 2012.”

In addition to enjoying a meal together and celebrating their safety accomplishments, employees received gifts from the railroad. Gifts were selected by employees and could be “stolen” up to three times. In addition to the selected gifts, Leskoske added her own twist by wrapping three mystery boxes filled with \$100, \$20 and the movie “Unstoppable.”

“I wanted to throw in a surprise and it was fun to see people deliberate on whether or not to take one of the mystery gifts,” she said.

In addition to celebrating the holidays with a party, Maintenance of Way employees put up Christmas decorations in the office.



Maurice Bowens, general manager, and wife Debbie



Darrin Parizek, locomotive engineer, and wife Jerika



From left, Maintenance of Way Laborers Ian Clary, Edward Casey and Liandro Solis put up Christmas trees.



Paul Quintana, traffic manager, and wife Tonya



Divisional Controller Sandra Wilder and husband Jon



Kent Brown, brakeman, and wife Wendy



Chris Slater, locomotive engineer, and wife Brenda

“Safety is our first priority because our biggest asset is our people.”

— Maurice Bowens, general manager

TSRR celebrates 2011 success with customers

Tennessee Southern Railroad hosted their customers for dinner recently. About 85 people enjoyed a delicious meal, music and the opportunity to share each other's company outside of work.

"We have so much fun," said Matt Prince,

general manager. "It's a great chance to get to know our customers. We talk business all year, but with this event we can relax and learn about them and their families."

The Sept. 23 event was held in Pleasant, Tenn., at TSRR's LP Distribution Facility.



Ric Chavez represents Louisiana Pacific with wife Trish.



Jenny Putman, operations manager, and husband Brent, locomotive engineer and mechanic



Paulette and Walt Robinson, safety and operating practices manager



Vicky Hall represents the Mount Pleasant, Tenn., Chamber of Commerce with husband Perry.



Guests enjoy a meal at Tennessee Southern Railroad's customer appreciation party.



From left, Patriot Rail's J.D. Ventrcek, senior vice president - operations, and Stan Wlotko, senior vice president & chief commercial officer, greet guests with Tennessee Southern Railroad's Matt Prince, general manager.

Durham prepares for life beyond the rails

In his decades-long railroad career, Brakeman Rex Durham strived to maintain strong customer relationships.

"I love meeting all my customers," he said. "We are constantly talking to them. I've got a good relationship with them and enjoy keeping them happy."

Durham will soon say goodbye to his friends and customers, as he plans to retire March 2 from the Tennessee Southern Railroad.

He started his career in 1973, applying with the Houston Belt Terminal Railroad upon the recommendation of his wife's stepfather, Hugh Scanlen, who worked for the line. The Tennessee native and his wife

were visiting at Christmas when Scanlen told him they would be hiring soon. A few months later, the couple moved to Houston and the rest is history.

"I consider myself lucky because without my stepfather, I would have never found this line of work," Durham said.

After the line was purchased, Durham moved back to Tennessee to pursue work with Norfolk Southern. An opportunity arose in 1988, however, with the newly formed TSRR.

"I am very proud to be part of building this railroad from the beginning," he said. "We have accomplished so much and there has been so much positive change. Our

equipment has changed, and we've got some great things going here."

Durham has especially enjoyed working on the Santa Train.

"I've done it every year and have lots of fun," he said. "I bring my family, and they have a blast, too. It's one of my favorite things I do, and I will always remember it."

Durham plans to spend more time with his family in retirement. He and his wife, Sandra, have two sons and three grandchildren, with two more on the way.

He also plans to work with his cattle and attend University of Tennessee football games.

Coleman acts on interest in railroad

Making the switch from insurance to the rail industry was a challenge, but one Jerry Coleman met with open arms.

Coleman joined the Louisiana & North West Railroad Sept. 7 as a dispatcher and agent. Coleman became familiar with LNW while serving the line at an insurance company. Knowing the railroad yielded growth opportunity, Coleman decided to make a career change.

"It's been quite a learning curve," he said. "Learning how everything works together has been amazing."

Coleman was surprised by the railroad's complexities.

"From the outside it looks simple," he said.

The transition has been made

easier by David Davila, who is training Coleman.

"Training with David has been great," he said. "He's taught me so much. I couldn't imagine a better teacher."

Coleman plans to continue settling into his new role and turning the job into a lifelong career.

He and his wife, Christy, have been married a year, and have a 4-month-old son, Anthony. They also each have two children, including Riley, Lexie, Hunter and Haley.

"It's a busy household; there's something always going on," Coleman said. "We enjoy hunting and fishing. The main thing we do is play at the park for a couple of hours. We also have movie night."



Jerry Coleman, Louisiana & North West Railroad dispatcher and agent, celebrates Christmas with his wife, Christy, and their children, clockwise from left rear, Riley, Haley, Lexie, Anthony and Hunter.



Organizational changes strengthen Patriot

Patriot Rail announced the strengthening of its corporate organization through a restructuring of its operations management team. The changes, effective Jan. 1, were implemented to better focus management efforts among rail operations and marketing to customers.

J.D. Ventrcek has been promoted to senior vice president – operations and will oversee Patriot's 12 railroads. Ventrcek joined Patriot in 2008 with more than 30 years of railroad operations management experience, including 24 years with Union Pacific Railroad and its predecessors. Prior to joining Patriot, he was president and chief operating officer of Weyerhaeuser Company's six freight railroads. A decorated Vietnam veteran, Ventrcek was awarded two Purple Hearts, the Bronze Star with "V" device, the Air Medal, the Army Commendation Medal and the Vietnamese Service and Campaign Medals.

Stan Wlotko will lead Patriot's sales and marketing efforts as senior vice president and chief commercial officer. Wlotko joined Patriot in 2006 shortly after its formation and has more than 38 years of railroad industry experience. He has held senior management positions in purchasing, rail operations, marketing, project management and outsourced services.

Wlotko has worked for several railroads during his career, including Penn Central, Conrail, Denver & Rio Grande, Southern Pacific, Union Pacific and RailAmerica.

"These initiatives were designed to fortify the company's management team and position Patriot for long-term growth and success," said Gary O. Marino, chairman, president and CEO of Patriot Rail. "Our operations management team is extremely talented and has many years of railroad operations and marketing experience. I want to congratulate J.D. on his promotion, and we are fortunate to have someone of Stan's caliber to lead our marketing group."

Under Ventrcek, Patriot has reorganized its railroads into two regions, East and West, with each region led by a regional vice president.

The West Region will be led by Dave Eyermann. Eyermann joined Patriot in 2009 and has more than 20 years of short line railroad experience. Prior to joining Patriot, he was senior vice president/assistant chief operating officer and chief operating officer, Central Region at Watco Companies, where he was responsible for more than 1,600 miles of territory. Prior to that, Eyermann was regional vice president for RailAmerica's Lone Star Region.

The West Region consists of the following railroads: Butte, Anaconda & Pacific Railway; DeQueen & Eastern/Texas, Oklahoma & Eastern Railroads; Columbia & Cowlitz Railway/Patriot Woods Railroad; Sacramento Valley Railroad; and Utah Central Railway.

David Rohal will lead the East Region. Rohal joined Patriot in December and has more than 27 years of rail industry experience. Previously, he held management roles with short line railroad holding companies RailAmerica, Florida East Coast and Genesee & Wyoming, and Class I operator CSX. During his career, Rohal has led various operations, finance and marketing functions within Class I, regional and short line railroad companies.

The East Region consists of the following railroads: Tennessee Southern Railroad; Golden Triangle Railroad; Louisiana & North West Railroad; Piedmont & Northern Railway; and Temple & Central Texas Railway.

Added Marino, "We have tapped two vice presidents with vast railroad operating experience to head up our newly created regions. Both Dave Eyermann and Dave Rohal know the industry very well and have successfully managed significant railroad operations."

C&C team a tight-knit group

Hearing that Columbia & Cowlitz Railway customers are satisfied with their service is the best part of Trainmaster Jason Coleman's job.

"Our group is always looking to push the envelope," he said. "All of the employees are working to do their best."

Coleman has worked for C&C since 1996, when a layoff at the Green Mountain Lumber mill prompted him to apply for a part-time job on the railroad section crew for Weyerhaeuser. Through the years, he qualified to work as a brakeman, conductor and carman. He became a trainmaster about six years ago.

He enjoys the people he works with and the opportunity to lead them to success.

"They are a good group of people who helped make me the employee I am today," he said. "We are a tight-knit family."

As trainmaster, Coleman is responsible for customer relations, AAR billing, maintaining FRA compliance, scheduling and even occasionally helping the section crew.

Operations have improved in recent years, he said. The team has strived to implement tools and resources provided by Patriot Rail that will help lead the business into the future.

Away from work, Coleman enjoys spending time with his family, including wife Daleyne and children Bryson, Shad and Jayce. They are all involved in sports in their hometown of Winlock, Wash.

Whitney kick-starts 2012 with quality repairs

As 2012 Maintenance of Way projects at the DeQueen & Eastern Railroad get under way, they will have the support of Mechanic Robert Whitney.

Whitney joined the railroad May 17, 2011. He previously worked as a diesel mechanic for farm equipment and logging trucks. He was looking for a new challenge when he decided to apply with the railroad. In his first few months on the job, he has enjoyed learning to repair

and maintain railroad equipment such as ballast regulators, tie cranes, tie inserters and spikers.

"A lot of the repairs I'm pretty familiar with," he said. "But the equipment is just a little different."

Whitney has kept busy over the winter preparing machines for the busy maintenance season. His goal is to provide Maintenance of Way employees with reliable equipment in the field that

promotes safe, productive work. He will assist gangs in the field, performing repairs on the spot whenever possible.

"I've been pretty busy getting everything ready for the teams," he said. "I'm excited for the challenge."

Whitney spends his free time with his fiancée, Vanessa, and riding his side-by-side Polaris RZR all-terrain vehicle. He and Vanessa were engaged at Christmas and plan to marry this summer.

Variety keeps Smith on his toes

No two days are ever the same for Tony Smith, designated supervisor of locomotive engineers at Butte, Anaconda & Pacific Railway.

"I enjoy everything about the job," Smith said. "I enjoy the wide range of things I do."

Smith's railroad career stretches back to 1993 when he hired on the former Rarus Railway. He later worked on the Montana Western Railway, which was bought by BNSF in 2003. He joined the BAP Railway Company in 2007 and took over his current role in 2010.

Smith also enjoys coaching alongside friend and colleague, Track Foreman Al Taylor. He and Taylor have coached football and basketball for more than 20 years, even before they started working together.

"He was coaching before that and asked if I could help," he said. "We both played sports growing up."

The best part of coaching is serving as a mentor to youths.

"It's gratifying seeing the kids learning," he said. "I get to see them grow from when we have them and see them go into high school."

Smith and his wife, Sherry, have been married 12 years. He enjoys visiting his three daughters and grandchildren.

His other hobbies include horseshoes and bowling.



Designated Supervisor of Locomotive Engineers Tony Smith, right, enjoys coaching with his friend and co-worker Track Foreman Al Taylor, left. They coach several sports and teams, including the Anaconda Copperhead basketball team.

Jones reflects on successful, safe career with GTRA

He was one of the first four employees to operate the Golden Triangle Railroad when it began operating in 1982. Now, 30 years later, General Manager Benjy Jones is set to hand over the reins in February.

Jones hired on as a conductor and locomotive engineer, learning the intricacies of railroading at Norfolk Southern in McDonough, Ga. He has witnessed many changes through the years and assisted with business developments that helped grow the railroad.

“In the first few years of startup, we didn’t have much growth opportunity because we just worked for Weyerhaeuser,” he said. “We saw our facility grow in 1992, which resulted in more employees and car counts.”

With nine employees, GTRA now also serves Cargill, the Andersons, Penford Products and Dupont.

Jones was involved in the hiring of all but one employee who has worked for the line. He is thankful to have been part of a team so committed to safety.

“I feel lucky to be part of this team,” he said. “Working with the same group of people is what stands out to me. You don’t usually get that luxury, but to be able to do that over the years and see everyone be safe every day is what strikes me.”

Employees’ first priority has always been to take care of themselves and each other.

“If we do that, freight will move itself; that brings in the revenue,” he said.

Jones will end his career on a high note. In 2011, the group experienced only one derailment, one first aid and one incident. In 15,162 hours worked, the group handled 7,505 full loads and operated over road crossings 9,800 times without a highway rail grade-crossing incident.

“It takes the care and concern that employees show on an everyday basis,” said Jones of the accomplishment.

In his retirement, Jones plans to spend more time with his family. He enjoys deer hunting and watching University of Alabama football.

This material is intended to be an overview of the news of Patriot Rail Corp. If there are any discrepancies between this newsletter and any collective bargaining process, insurance contracts or other official documents, those documents will govern. Patriot Rail Corp. continues to maintain and reserves the right, at any time, to alter, suspend, discontinue or terminate all plans and programs described in this newsletter. This newsletter is not an employment contract or any type of employment guarantee.

Thank you to everyone who contributed to this issue of the newsletter. If you have a story idea, contact Nate at nathan@newslink.com.

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SAV, Challenger a perfect fit

Brian Challenger, Sacramento Valley Railroad chief mechanical officer and designated supervisor of locomotive engineers, knows his timing could not have been better. He grew up with an interest in railroading, so when Sierra College added courses in railroad technology, he could not resist.

After he graduated with two degrees in electrical and mechanical maintenance of railroad equipment, he volunteered with the California State Railroad Museum in Sacramento. He

then moved to Lake Tahoe, Calif., where he served on the board of directors for Feather River Rail Society and Portola Railroad Museum, which is housed in the Portola Engine House.

“There weren’t a lot of jobs at that time, but I didn’t want to see my knowledge go to waste,” he said. “It was rewarding because I was part of setting up the operations and mechanical departments. I got to see everything built from the ground up. I worked almost every possible job, which helped me understand the railroad as a whole.”

Challender left the museum to take a job with UP. After working the Extra Board all over California, he decided to make a lifestyle change.

“Coming to a short line was about quality of life for me,” he said about joining SAV. “I enjoy having my schedule set.”

SAV took over McClellan Park operations in 2008. Challenger joined the team and is enjoying his latest group of co-workers.

“Lots of us were former Class I employees, and we all make a great team,” he said.



Brian Challenger, SAV chief mechanical officer, stands next to his 1963 Studebaker Lark four-door custom sedan.