Made in America

By Rich Sampson

Investing in American suppliers, manufacturers, jobs and workers, make no mistake, is both an innovative and crucial strategy for the modern passenger rail industry. The rail renaissance chronicled in the pages of RAIL has begun the revitalization of a dormant sector of the American manufacturing base, one that not so long ago epitomized and drove domestic innovation, ingenuity and the economy.

Light-rail vehicles in production at Siemens' light-rail assembly facility in Sacramento, Calif.

Deep within the rolling hills of the northeast and Midwest – areas today often known as the "Rust Belt" – armadas of heavy-duty steam locomotives were once churned out in small towns like Hornell, N.Y., and Altoona, Pa. Meanwhile, the furnaces and steel mills of Pennsylvania and Ohio forged enough iron ore into steel rails to stretch to the moon and back many times over. In High Point, N.C., the Perley A. Thomas Car Works stamped out the streetcar frames that defined how American cities and towns were shaped and settled.

America's railroading industry was once the barometer of what the nation's overall manufacturing sector was capable of producing, from which new sectors such as automobile production and chemicals took their leads. Rail plants and factories were often the reason for existence of many small industrial communities, and fed the country's prosperity with hundreds of thousands of jobs.

Today, the scope of America's passenger rail manufacturing sector is a fraction of what it once was, but the need for vehicles, equipment and products produced here is resurgent. Since 1983, the federal government has mandated that any newly-built locomotives and rolling stock for rail transit projects with federal investment be made in America. Today, that requirement supports the employment of thousands of Americans, assembling the subway cars, light-rail vehicles and streetcars that connect our communities – regardless of where the corporate headquarters are located.

A Legislative Foundation

As early as 1933 – in the throes of the Great Depression – the federal government recognized the need to support American industries and workers by preferring products made domestically. Passed by Congress that year and signed by President Hoover on his last day in office, the Buy American Act required the federal government to purchase American-made products whenever possible.

A half-century later, federal leaders again backed American manufacturing – this time focusing their attention on the transit industry. Championed by President Reagan and passed by Congress in 1982 – going into effect the following year – the Surface Transportation Act of 1982 included the Buy America provision, which required any transit project supported by federal investment – rail, bus or otherwise – to purchase its materials from domestic manufacturers to the extent they were available here. The provision's

Alstom Transport North America manufactured vehicles for the Washington Metro Rail system at its plant in Hornell, N.Y.

rationale was based on the notion that if public investment is being supplied by American taxpayers, those funds should go to support factories and plants that employ Americans to make those products – bolstering the nation's economy and improving the quality of life of its workers.

Today, that legislative precedent first established by the Buy American Act and reaffirmed by its transit-specific counterpart in 1982 has fostered a growing network of passenger rail manufacturing posts in communities across the country. The steady stream of heavy rail metro operations, commuter rail lines, light-rail routes and streetcar systems installed over the past three decades has meant reliable work for assembly plants, both in our largest cities and smaller communities, including several historically known for rail production. With burgeoning waitlists for passenger rail projects supported by federal investment, rail manufacturing prospered in places ranging from Yonkers, N.Y. to Boise, Idaho and Sacramento, Calif.

"Siemens is proud to provide these light-rail vehicles, built right here in the United States and using sustainable manufacturing practices," said Oliver Hauck, president of Siemens Mobility, which employs more than 500 workers at its Sacramento light-rail assembly facility, which also oversees other Siemens locations in Columbus, Ohio, and Austin and Arlington, Texas.. "Light rail is a zero-emission transportation option, and it takes cars off the crowded roadways."

A Railroad Town

Located in the Canisteo Valley in the Southern Tier of New York State, Hornell, N.Y., has always been a railroading town. After the New York and Lake Erie Railroad arrived in 1850 to connect the city with Dunkirk, and the Buffalo and New York City Railroad followed two years later to link Hornell with the line's namesake terminals, the city became the primary manufacturing and repair shops for the Erie Railroad, which ultimately assumed control of the preceding railroads. For more than a hundred years, the Erie Shops were the lifeblood of Hornell, creating jobs for thousands and keeping one of the Northeast's largest railroads in action.

After the Erie went bankrupt in 1972, and its passenger and freight operations transitioned to Amtrak and Conrail, respectively, the railroad's shops in Hornell faced an uncertain future. But in 1983, the industrial construction firm Morrison-Knudsen re-opened the Erie Shops to once again produce and repair rail equipment, including 80 vehicles for the BART rapid transit system and the bi-level intercity coaches used on Amtrak's state-supported routes in California. The Erie Shops were an ideal location for Morrison-Knudsen, with their large production lines already established and convenient access to nearby freight rail lines to ship the finished vehicles. The federal Buy America transit manufacturing mandates that went into effect that year played an important role in the company's decision to restore activity in Hornell, as passenger rail operators were required for the first time to purchase their vehicles from domestic production plants.

Today, the Erie Shops are busy assembling and manufacturing passenger rail equipment for Alstom Transportation in North America. The

same plants and facilities that once constructed and maintained the Erie's steam locomotive fleet have now produced subway cars for Washington, D.C. and rehabilitated rolling stock for the PATCO rapid transit line between Philadelphia and suburbs in New Jersey. Alstom has also readied the shops to produce high-speed rail vehicles and technologies for the North American market. For the multinational corporation – which is headquartered in Levallois-Perret, France – Hornell is a natural location to maintain its American manufacturing presence.

"Hornell has been serving the needs of U.S. railroads for more than 150 years," says Guillaume Mehlman, President of Alstom Transport North America. "That long, proud tradition gives the community a collective expertise backed-up by obvious advantages such as infrastructure and proximity to major rail corridors. This powerful combination has made Hornell home to America's largest passenger rail production facility, with 700,000 square feet of manufacturing space and a record of producing more than 5,000 new and remanufactured passenger cars since 1983."

Preparing for the Future

While large, international companies have established strong manufacturing facilities in communities across the nation, other American-based firms are also forging ahead in the passenger rail equipment market. One of the world's foremost manufacturers of rail locomotives – Electro-Motive Diesel, Inc. – has always been located in the United States, first as the Electro-Motive Engineering Corp., based in Cleveland, Ohio, and then part of General Motors as its Electro-Motive Division (EMD). Today, the company is owned by Progress Rail Services Corp., but continues to manufacture diesel-electric locomotives at the same plant first opened in 1935 in LaGrange, Ill.

Currently, EMD is preparing for its first new locomotive designed for passenger rail applications in decades. Amtrak is in the process of purchasing 33 new diesel-electric locomotives to support intercity and corridor routes in the Midwest and West Coast, along with 120 bi-level passenger cars. The new locomotives would be capable of reaching speeds up to 110 miles per hour. EMD is hoping to win the contract to produce the new engines.

"We feel this is an ideal fit for EMD and our customers and we look forward to developing and providing an even greater portfolio of products and services for the rail and transit industry that we have proudly served for more than 85 years," said John S. Hamilton, President and CEO of Electro-Motive Diesel.

Likewise, the only North American company to produce new streetcar vehicles in decades – United Streetcar – is moving forward with new work manufacturing streetcars for Portland, Ore., Tucson, Ariz., and other communities. Fabricating and assembling new streetcars at facilities in Clackamas, Ore., and Vancouver, Wash., the company is poised to serve the resurgent market for American-made streetcars, with a handful of new projects set to order streetcars in the near future.

"Instead of sending billions of dollars abroad to buy foreign-made equipment, we should be spending that money right here in Oregon," said U.S. Representative Kurt Schrader of United Streetcar. "By supporting U.S. manufacturers, like United Streetcar, we create good paying Oregon jobs. Initiatives like 'Buy America' are key to growing America's manufacturing sector and a great example of common sense regulations that support our local economy."

A new streetcar for the Tuscon Modern Streetcar project is under construction at United Streetcar's manufacturing facility in Clackamas, Ore.

Taking Care of Our Own

American rail manufacturing once paced a large portion of the nation's industrial sector with reliable work and steady employment, allowing communities to grow while also producing the very vehicles and products that mobilized an entire economy. Although today's rail manufacturing industry is substantially smaller than at it's height in the early-to-mid 1900s, companies and firms building and assembling vehicles, parts and materials play a vital role in making new and expanded passenger rail projects a reality. The federal policies that provide opportunities for rail manufacturing in America serve a larger mission in the nation's economic security and prosperity.

"The Obama Administration is making historic investments in America's infrastructure – investments that lay the foundation for our long-term economic health while creating good-paying jobs right now," said U.S. Secretary of Transportation Ray LaHood. "We're also committed to maximizing the economic benefits of these infrastructure investments through Buy America provisions that keep American companies healthy and families working."