

Making tracks to market

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HORDVILLE — The one blue hopper car sits by itself on the sidetrack beside the Hordville Cooperative.

Somewhere out there along the thousands of miles of railroad tracks across this country, 24 more cars with "Farmers Cooperative, Hordville, Nebraska," painted on the side are slowly making their way to the same sidetrack.

D.L. Hahn, co-op manager, said the other cars will arrive by Thursday. The leasing firm has sent the cars but they have been filled with fertilizer and sent to other locations. They will then be routed back to Hordville after they have been emptied. He said the method cuts down on shipping costs.

"What I need is to get all 25 together and head for the West Coast," Hahn said. Like many Midwestern elevators, two years ago the Hordville elevator decided to lease 25 hopper cars to ship grain to the West Coast.

Leasing the hoppers gives the cooperative some control over their availability. Hahn said the cooperative decided it was easier to lease hopper cars than to depend upon the railroad for cars. Availability from the railroad fluctuates with supply and demand. When the demand isn't heavy, cars are easier to obtain.

This year, hopper cars have been easier to get than in the past couple years, he said, attributing that to the small Midwestern grain harvest.

The U.S. Department of Agriculture is estimating that corn production is

down 17 percent this year from 1979.

In 1978 and 1979, cars were difficult to get and even more difficult to get returned, contributing to the cooperative decision to lease cars.

Hahn said the elevator becomes less concerned about getting cars from the railroad and more concerned about the turnaround time for the 25-leased cars.

Turnaround is the time it takes for a unit train to go from the Midwest to the West Coast and back again. The time becomes particularly important because of the need for the elevator to make as many trips as possible to the coast to make the cost economically feasible.

He said he plans to make about 16 trips annually to the coast. Most corn



D.L. HAHN
... co-op manager

from Nebraska is shipped to Portland, Ore.; Seattle or Tacoma, Wash.

The cost difference in shipping between the single cars and the hopper cars in a unit train is the reason for going to the multiple-car shipping, he said. For a 25-car train, the difference can be 10 cents a bushel.

To assure the corn will be there when the cars are, the elevator is contracting corn for delivery on specific months, he said. Contracting keeps the corn coming in at a regular flow.

But the cost of operating a unit train can be expensive. For some elevators, it has meant building additional storage facilities to handle the large volume of grain.

Several central Nebraska elevators are building additional storage facilities.

It can mean adding high-speed loading facilities and a corn screener to take out the dirt and pieces of stalk which might be in the corn.

And for many elevators, it also means adding additional track space to handle 25 cars. Estimates for trackage to handle 25 to 50 cars have been as high as \$1 million.



ONE OF 25-The Hordville Cooperative Elevator leased 25 grain cars, which will be used as a unit train to ship corn to the west coast. Pictured above is a car which arrived recently at Hordville. The other 24 are enroute.

The elevator has 24 hours to fill the hopper cars before they are picked up. Hordville sits on a branch line which runs from Valparaiso to Central City.

For the 75-year-old Hamilton County cooperative, the unit trains will keep it competitive with other elevators, Hahn said. Smaller elevators also have used the shuttle train to ship grain at better rates.

In a shuttle train, five different elevators on the same track are each given five cars. The cars are shipped as one 25-car unit train.

Like many elevators, Hahn said it's important for Hordville to know where his cars are at on a daily basis. Initially, he said he will use the service offered by the leasing firm to keep track of his cars.

Eventually, the elevator might invest in equipment to do that by itself, he said.

But right now, the one blue car is sitting there waiting for the rest of them to show up and get to work.