

BUSINESS ADVOCATE

Headquartered in Albertville, AL, Progress Rail prides itself on global leadership and commitment to the local community while continuing to safely move the 21st century railroad industry across the world.

VOLUME 13 ISSUE 11

*A publication of the
Business Council
of Alabama*

ON TRACK AND AHEAD OF SCHEDULE



BCA IS THE VOICE FOR ALABAMA BUSINESS. LEARN MORE AT BCATODAY.ORG

MARSHALL COUNTY BASED PROGRESS RAIL IS AT FOREFRONT OF RAILROAD INNOVATION, AND SUSTAINABILITY, WHILE GIVING BACK TO THE LOCAL COMMUNITY



Progress Rail's story is the quintessential American story. And the best chapters have yet to be written.

The now multibillion-dollar Alabama business was founded in Marshall County by Billy Ainsworth in 1983 as Steel Processing Services Inc., a recycling company.

Coupling resourcefulness and grit, the company carved out a niche by turning a local community's hallmark industry into additional opportunity, and customers' scraps into assets.

Ainsworth chose Albertville to found Steel Processing Services because the city is home to a Mueller Company plant, which is why the locale has been coined the "Fire Hydrant Capital of the World." Steel Processing Services began as a business simply cutting cars and providing scrap metal for Mueller's foundry, which soon evolved into refurbishing scraps and parts for rail companies.

The evolution only accelerated and diversified over time. While a lot has changed, Progress Rail's embodiment of ingenuity, sustainability, and safety has radiated throughout the years.

Today, through organic growth and over 40 key acquisitions, including Electro-Motive Diesel (EMD) in 2010 and ECM S.p.A. in 2018, Progress Rail has grown to be on the forefront of railroad innovation.

What began as a two-person operation of Ainsworth and his first employee, Roger Wallace, has turned into an international jug-

ernaut employing more than 7,000 people across nearly 200 operations in 16 countries.

In 2019, Ainsworth was succeeded by Marty Haycraft, who recently announced his retirement, with John Newman appointed as the incoming president and CEO.

"Our customers go out and change

the world," said Newman. "And as a Caterpillar company, Progress Rail's purpose is to provide the solutions to our customers that help them build a better, more sustainable world."

Progress Rail, while still headquartered in Albertville, is now a wholly owned subsidiary of Caterpillar Inc. and is one of the largest integrated and diversified suppliers of railroad and transit system products and services across the globe.

"WE WERE GREEN BEFORE BEING GREEN WAS COOL."

The company is a 21st century economic engine, employing software, mechanical, and electrical engineers, as well as experts versed in complex international business, finance, and law, in a modern and rewarding work environment.

Whether it is producing locomotives, manufacturing freight car components and parts, engineering, building, and managing railroad



infrastructure, or designing and running railway signal systems to ensure safety and maximize efficiency, Progress Rail is essentially the one-stop shop in the industry.

The company's growth, however, is far from complete. Just as innovation birthed Progress Rail and fueled its metamorphosis, the company's future prospects burn bright because of its visionary commitment to thinking down the road.

While railroads helped enable America's Industrial Revolution in the late 19th and early 20th centuries, the rail industry itself is now at a crossroads, with the electric revolution not only underway with automobiles but rail transportation, too.

True to its innovative spirit and origins in sustainability, Progress Rail is at the forefront of the ongoing energy transition in the railroad industry, Newman explained.

"We were green before being green was cool because that's really where the company started. It is the foundation of our business model," he remarked.

The company is already delivering battery-electric locomotives to customers, in addition to working on other sustainable solutions and looking for the next



technological breakthrough, such as hydrogen fuel cells or other biofuels. While Progress Rail has grown far beyond a scrap metal recycling business, the company's genesis in recycling still lives on today. To date, Progress Rail's Albertville recycling facility has processed more than three million tons of scrap, much of which is refurbished or repurposed for customers or for internal usage.

Technology and modernization are important in the safety space, too. Computers, advanced machinery, and AI continue to greatly improve safety and efficiency in rail transportation, with Progress Rail at the forefront of these technologies.

"We help railroads move freight and people as efficiently and as safely as they can," Newman stressed.

Even as a subsidiary of a Fortune 75 company now, Progress Rail's heart and soul remains in Albertville, where it values its deep roots, the local people who helped build the company from the ground up, and the major business advantages found in Alabama.

The company's association with Caterpillar also brings with it significant benefits, such as increased access to emerging technologies, world-class resources and expertise, and unparalleled international market access and networks of customers and partners.

In turn, that relationship and Progress

Rail's growth in general have helped attract talent to Alabama from not only across America but the entire world.

The company has witnessed many people come to Alabama for work and fall in love with the state for life. Of the business' global footprint, approximately 700 of its employees work in Alabama.

Progress Rail has built and fortified a culture founded on core values like integrity, commitment, excellence, teamwork, and sustainability.

"If you can't work within these values and if you can't work safely, then it may not be the right fit for you here, and we're pretty clear about that," Newman advised. "Both in the beginning as we hire people and then making sure we hold each of our employees accountable to that same standard throughout their careers."

Progress Rail takes great pride in the Marshall County community and the state of Alabama. The company is heavily engaged in efforts to strengthen and promote the state's business climate, and Progress Rail is also a leader in furthering civic engagement and philanthropic causes.



This includes a trio of initiatives started and spearheaded by Progress Rail: Christmas for Kids, Project Literacy, and Project Graduation.

Project Literacy and Project Graduation, for example, seek together to tackle the cyclical tragedy involving education, poverty, and crime. Studies show that students who don't read on grade level by the end of third grade are four times more likely to drop out before graduating high school, and high school dropouts are five times as likely to get arrested in their lifespan, along with being statistically more likely to be unemployed and in poverty. Perhaps most jarring of all, at the time the programs were formed, it was estimated that 75% of crimes in Marshall County were committed

by people who did not graduate from high school.

Progress Rail's programming has been so positively impactful in Marshall County that talks have taken place on the possibility of utilizing the projects as role models

for statewide programming.

This is par for the course for an Alabama company that has established an enduring legacy of innovation and excellence.

Progress Rail will be churning the wheels of progress long into the future, calling Alabama its sweet home every step of the way. **BA**

***"WE'RE TRYING TO HELP RAILROADS
MOVE FREIGHT AND PEOPLE AS
EFFICIENTLY AND SAFELY AS THEY CAN."***

The Business Advocate is published by the Business Council of Alabama, a non-partisan, statewide business association representing the interests and concerns of nearly 1 million working Alabamians through its member companies and its partnership with the Chamber of Commerce Association of Alabama. For more information on the Business Council of Alabama please contact us at (800) 665-9647 or visit us online at bcatoday.org.