

# RAIL TRANSPORTATION: BEST PRACTICES FOR TRANSFORMING YOUR SUPPLY CHAIN WITH – AND AHEAD OF – PRECISION SCHEDULED RAILROADING

## WHAT IS PRECISION SCHEDULED RAILROADING?

Precision Scheduled Railroading (PSR) is a rail improvement strategy that transports the same amount of intermodal freight with fewer rail cars and locomotives, while using a scheduled direct line of transport across a network. Conventional rail shipments leave once the train is full, which can result in delayed delivery times for shippers. The PSR model is similar to experiences in an airport: the train leaves at the time scheduled whether freight is there or not – increasing on-time deliveries for shippers.

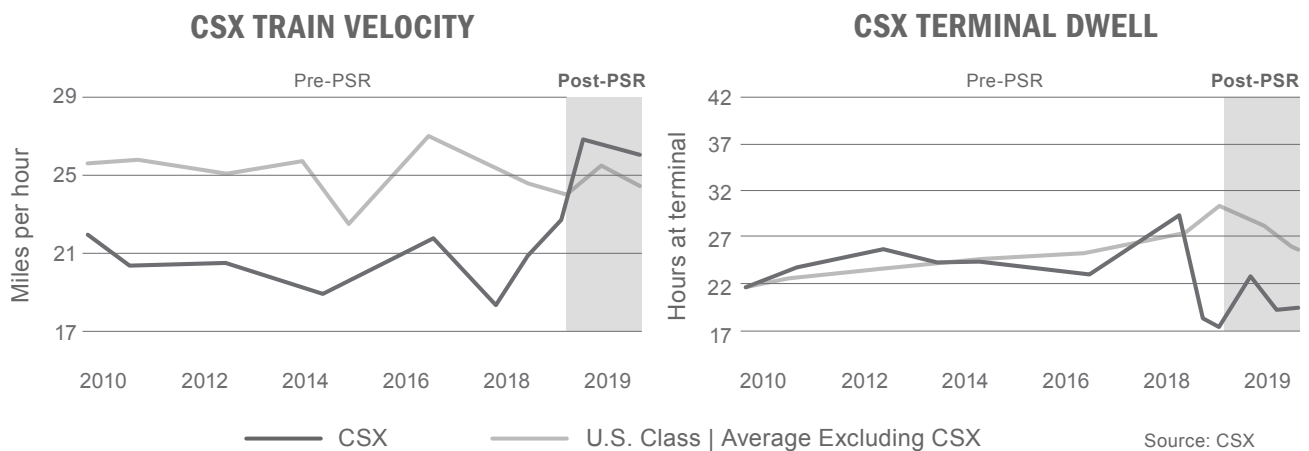
Shippers moving freight on a railroad with plans to implement PSR need to have carrier base and transportation mode diversification in mind so they can avoid supply chain disruption.

**Consider these best practices to transform your supply chain and either prevent or overcome any disruptions that may occur from a PSR implementation.**

## 1. DIVERSIFY YOUR INTERMODAL CARRIER BASE BEFORE PSR IMPLEMENTATION

Some railroads have announced plans to implement PSR. For those currently moving their freight with these carriers, it would be ideal to diversify the [intermodal carrier](#) base with those that leverage a rail company like CSX, which recently converted to PSR. The direct route delivery model has enabled longer trains, faster speeds and less dwell time in terminals – essentially moving freight to market quicker.

### CSX OUTPACES U.S. CLASS AVERAGE



The elimination of lanes and increased dray line of haul ultimately reduced equipment and workforce needs (10%–12% in the first year) and led to a streamlined transportation network for shippers.

## 2. DIVERSIFY YOUR SUPPLY CHAIN WITH A MULTIMODAL PROVIDER

In addition to diversifying your intermodal carrier base, it is wise to diversify modes of transportation. A multimodal provider should be on the priority list as these rail companies have plans to implement PSR. During PSR implementation, shippers can expect ramp closures, decreased service and increased costs as rails seek to optimize their lanes and networks. If there is a time to diversify carriers, it is before implementation of PSR begins.



A **multimodal carrier**, like Schneider, can help determine which modes – whether rail, dry van truckload, dedicated or bulk – will work best to diversify your network.

To learn more about how Schneider can diversify your rail network and optimize your freight with asset- and non-asset-based transportation, visit [Schneider.com/our-services/intermodal](https://www.schneider.com/our-services/intermodal).