

CHRIS DEALS WITH IT

episode notes




EP 62 - Consider Railroading with Andrew Stahl

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 *AI Statement: All elements of this episode are products of the author, Chris Kreuter, and his guest, and made without any use of AI tools.*

My guest today is Andrew Stahl, who founded his Executive Recruiting firm in 2014. This year, his firm celebrates ten years of service to the global rail industry. I'm proud to have been counted among their many clients, having their help to land a previous, but wonderful position at a firm that fit my skills, personality, and career aspirations at the time.

Andrew and I have a two-part conversation. On Episode 61, we started with an introduction to the world of recruiters. Today we're exploring the amazing industry of railroading and public

transit where we've both enjoyed rewarding careers.

We'll cover the wide range of disciplines & needs at Class 1 & Short-line freight railroads, transit authorities, equipment manufacturers, and support firms. Our industry is in dire need of talent, so we're providing practical info for anyone considering a pivot to a new industry, as well as those just entering the workforce.

Andrew Stahl

Growing-up on a small farm outside Springfield, Oregon, Andrew started college on a violin performance scholarship. Later gravitating to economics, he earned B.S. (with honors) and later a master's degree from the University of Oregon. As a graduate student, Andrew studied rail industry issues concerning market power effects, merger synergies, captured shipper rates, and marginal cost estimations of individual rail movements. His thesis consisted of an operational, funding and demand analysis of Amtrak.



Moving to California post-schooling, he oversaw the development and structuring of derivative contracts for a start-up financial exchange. Later work called for a move to Chicago, hub of the futures and options business. Keen to enter the rail industry, Andrew became an Executive Recruiter. Once learning the trade, Andrew formed his agency to make an individualized, positive mark within our growing transportation industry.

Stahl Recruiting continues to make an impact every day. Handling business with honesty, integrity and ethics, his global team brings forth top talent to the rail and infrastructure community.

Having also spent time in the auto industry, Andrew maintains a continued draw to all things automotive, with particular passions for racing, auto restoration and road trips. Other interests include music, film, military history, philosophy, and causes supporting those in need.

About Stahl Recruiting

- **Industry-Focused Expertise:** Stahl Recruiting is a specialized executive search firm dedicated to the North American rail industry. Founded in 2014, they leverage their deep industry knowledge to connect top talent with leading organizations across the continent.
- **Leadership Placements:** Stahl Recruiting focuses on mid-to-senior level managerial placements, including Directors, Vice Presidents, Board Members, and C-Suite executives.
- **Broad Rail Ecosystem Reach:** Their reach extends across the entire rail ecosystem, placing candidates in positions with a variety of companies. This includes freight and passenger railroads, bridge and engineering firms, technology providers, railcar lessors, suppliers, and any organization that contributes to the success of the rail industry.

Twitter: <https://twitter.com/stahlrecruiting>

Instagram: <https://www.instagram.com/stahlrecruiting/>

Website: <https://www.stahlrecruiting.com/andrew-stahl>

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Focused on the rail transportation and infrastructure arena, Stahl Recruiting retains specific industry insight and relationships to engage and recruit senior executives and board

 <https://www.stahlrecruiting.com/>



The scale of the railroad industry

- RR industry = 1.2 million US jobs
- Over 1.6 million railcars in N. America with >1.3 million of them moving on track at a time.
- AAR (2023): \$250B spent in infrastructure & equipment in last 10 years, including 6M tons of new rail
- Rail a critical part of a larger supply chain (intermodal, marine/ports, trucking, aviation)
- AAR calculates railways spend 18% of revenues on CapEx (vs. 3% for general manufacturing)
- N. America is a much larger market than Europe with a different history

Types of employers

- Class 1
 - Approx. 85% of the Class 1 Workforce are unionized
 - Great pay with ~\$143k/year average salary
 - Large, sprawling organizations - profit maximizers
 - The current Class 1 Railroads:
 - NS - Norfolk Southern
 - BNSF - Burlington Northern & Santa Fe
 - CSX Transportation
 - UP - Union Pacific
 - CN - Canadian National
 - CPKC - Canadian Pacific Kansas City
 - Amtrak
 - Advantages: Lots of advancement opportunities, breadth of job offerings, great pay/benefits & excellent training
 - Negatives: Can be very demanding, 24/7 never-off positions

- Short Line Railroads
 - Over 600 companies in N. America
 - Serve as the hand-offs between local shippers & receivers and the class 1 RR - the 'last mile'
 - Pay isn't as high as Class 1
 - You get to wear multiple hats
 - Atmosphere tends to be a little more relaxed
 - Big variations in size & scope of service
- Suppliers & Distributors
- Transit Authorities
- Manufacturers
 - Freight cars, passenger vehicles, track & structures, grade crossing equipment, wayside technology, component manufacturers
 - Multi-national reach of the firm: Work with placements globally, as well as with firms extending their footprint into the N. American market.
- Support Firms
 - Distributors, Insurance Providers, Leasing Agencies,

Roles in industry

- Operations
- Sales & Business Development
- Finance
- Engineering
- IT
- Maintenance of Way
- Bridges & Tunnels
- Equipment Maintenance & Operations

- Inspection

Thoughts on the industry

- Railroading touches many other adjacent supply-chain industries:
 - Intermodal
 - Marine
 - Trucking
 - Aviation
 - Roughly 90% of all goods purchased in the U.S. have spent some portion of transit in a container.
- The industry covers all of N. America, providing plenty of opportunities to see more of the world.
 - Personally, Chris' roles have allowed him to visit four other countries and over thirty states & provinces.
- People come to RR from other fields
 - It's a very welcoming industry
 - Many people become lifelong railroaders - fantastic networking of people
 - Adjustments needed for those pivoting from different industries

Skills in demand

- Skill differentiators & certifications that can make an impact on our industry:
 - Data science/literacy
 - Self-learning mindset
 - MBAs / finance
 - Engineering & technology certifications
 - Sales training
- The change in landscape post-COVID:

- Huge swaths of retirement-age candidates left during pandemic. The resulting “brain drain” had a deep impact on knowledge & culture within organizations
- Work-from-home: The challenges of this in railroading
- Did open up freedoms for roles able to operate remotely
- A lot is gained by working in an office alongside your team
- The smaller the company the more vital these interactions are

Resources To Learn More:

- Stahl Recruiting: <https://www.stahlrecruiting.com>
- AAR: Assoc. of American RR: <https://www.aar.org/data-center/>
- ASLRRRA: American Short-Line RR Assoc.: <https://www.aslrra.org/about-us/industry-facts/>
- RSSI: Railway Systems Suppliers Inc.: <https://rssi.org/>
- AREMA: American Railway Engineering & Maintenance-Of-Way Association: <https://www.arema.org/>

Episode Quote

From Paul McCartney of The Beatles:

| *In the end, the love you take is equal to the love you make.*