

Renewal & Innovation

The Next 100 Years Begin Now

By Jim Gauntt, RTA Executive Director

As we prepared for our 100th annual conference, all of us here in Fayetteville, Ga., had the opportunity to look back on our last quarter century of work for the members of the Railway Tie Association.

We read articles from *Crossties* through the years. Combed through hundreds, if not thousands, of pictures. Had our own quiet moments of reflection for what RTA has meant to thousands of members throughout the years.

It was both fun and bittersweet. We miss the connections we had with people who are no longer with us. And yet, the special memories of time spent with them don't elude us. They remind us instead to celebrate all of those who are still working to fulfill RTA's mission for the empowerment of our members' business interests.

You'll be pleased to know that we have placed many of those remembrances on our events page at RTA.org and hope you will find the time to enjoy reminiscing with us.

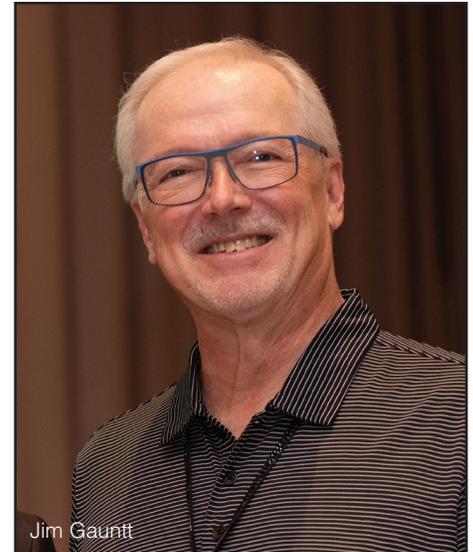
We now have to think about the future. What will we become known for as an association over the next quarter century and

beyond? Will we stay the course? Will we carve out a new and even more powerful path? Will we continue to innovate and find a course to renew ourselves in ways that benefit the industries we serve?

I don't think there is any question about that. The answer is an emphatic "yes!" And I would like to offer the first two examples for your consideration.

If you were not in attendance recently at RTA's 100th celebration in Bonita Springs, Fla., you missed quite the event. More than 300 members and guests gathered to hear incredible presentations and to salute the association's 100th consecutive annual conference.

Think about that for a moment. In the shadows of World War I, industry leaders founded this organization. Over the ensuing decades, RTA weathered the storms of World War II, the Korean War, the Cold War, 9/11 and other conflicts and never missed a single annual member gathering. This remarkable feat of perseverance and commitment to a focused idea of what this industry should represent and do every day

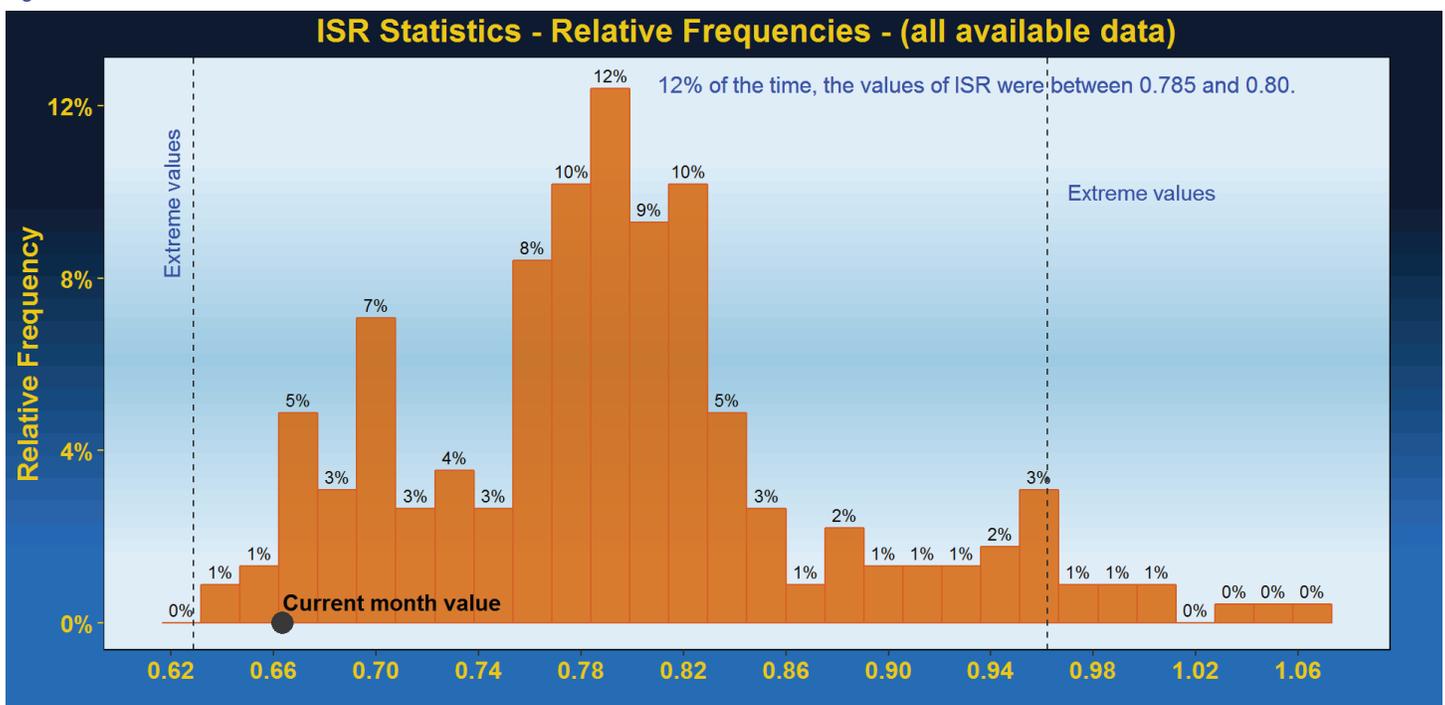


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characterizes the will exerted by the predecessors of this organization.

The other announcement you might have missed is that your current Executive Committee leadership and I are planning for an eventual transition to a new executive director. The target date for my stepping into a consulting role and RTA employing a

Figure 1



new executive director is July 1, 2020.

In 2020, I will have served RTA for 25 percent of the time it's been in existence. For me, that's a hard statement to wrap my mind around. Who knew in 1995 that I would be writing about these changes some 23 years later? Certainly not me and maybe even a few of the folks who engaged me in the beginning.

The Executive Committee has put in place a thoughtful plan to assure the membership that RTA won't miss a single beat or annual conference. This commitment to an inclusive search process 20 months in advance of a planned succession marks the next important step to remaining vibrant as an organization. More of those details will be written about in the coming issues of *Crossties*, and I believe you'll be impressed with the details of that process.

Now that plans for a leadership transition are being made, and as I mentioned in the announcement at the conference, RTA Administrator Debbie Corallo and Committee Coordinator Barbara Stacey are not going anywhere. The plan is to maintain the headquarters office and team in Fayette County following the transition to a new leader and new ideas.

The second item to discuss is something we have been working on since the conference.

The RTA economic team has completely revamped and refreshed the monthly



Purchases Report. This new report will be published for the first time when the October 2018 data is developed, and is online even now as you read this.

For now, we present examples of two new illustrations that will be provided in the new format. Figure one is the histogram (page 7) showing the relative frequencies of inventory-to-sales (ISR) ratio data.

In the histogram, readers will be able to easily see what I refer to as the "happy place" for inventory levels relative to demand. Forty-nine percent of the time, going back 30 years, ISR is between 0.77 and 0.82 percent. However, we can also see a representation of the current ISR at 0.66 percent (October data) as marked by the black dot and indicating less than optimal levels of existing tie inventory relative to the number of ties being purchased.

We hope the illustration presents a new and more meaningful way to interpret the current state of the market.

The next new item is a box plot that allows analysis of monthly and quarterly

patterns. An example (Figure 2, below) explains how to read the box plot. Box plots of historical quarterly and monthly patterns for purchases and production are being developed.

These examples of how your leadership is planning and executing with the future in mind illustrate a powerful message. No stopping here! The future remains bright, and RTA will continue to work hard for you. The association will continue to embrace the necessary challenges to innovate and seek opportunities to serve and increase value at every turn.

Is talking about the next 100 years too ambitious? Maybe so. But, every mission, long or short, starts with a few first steps. We intend to take those next steps with a clear vision of how to serve our members every day. I look forward to being with you on the beginning stage of the journey into the next century with vigor and the same commitment to renewal and innovation we have tried to bring to the table for the last 23 years. ■

Figure 2

