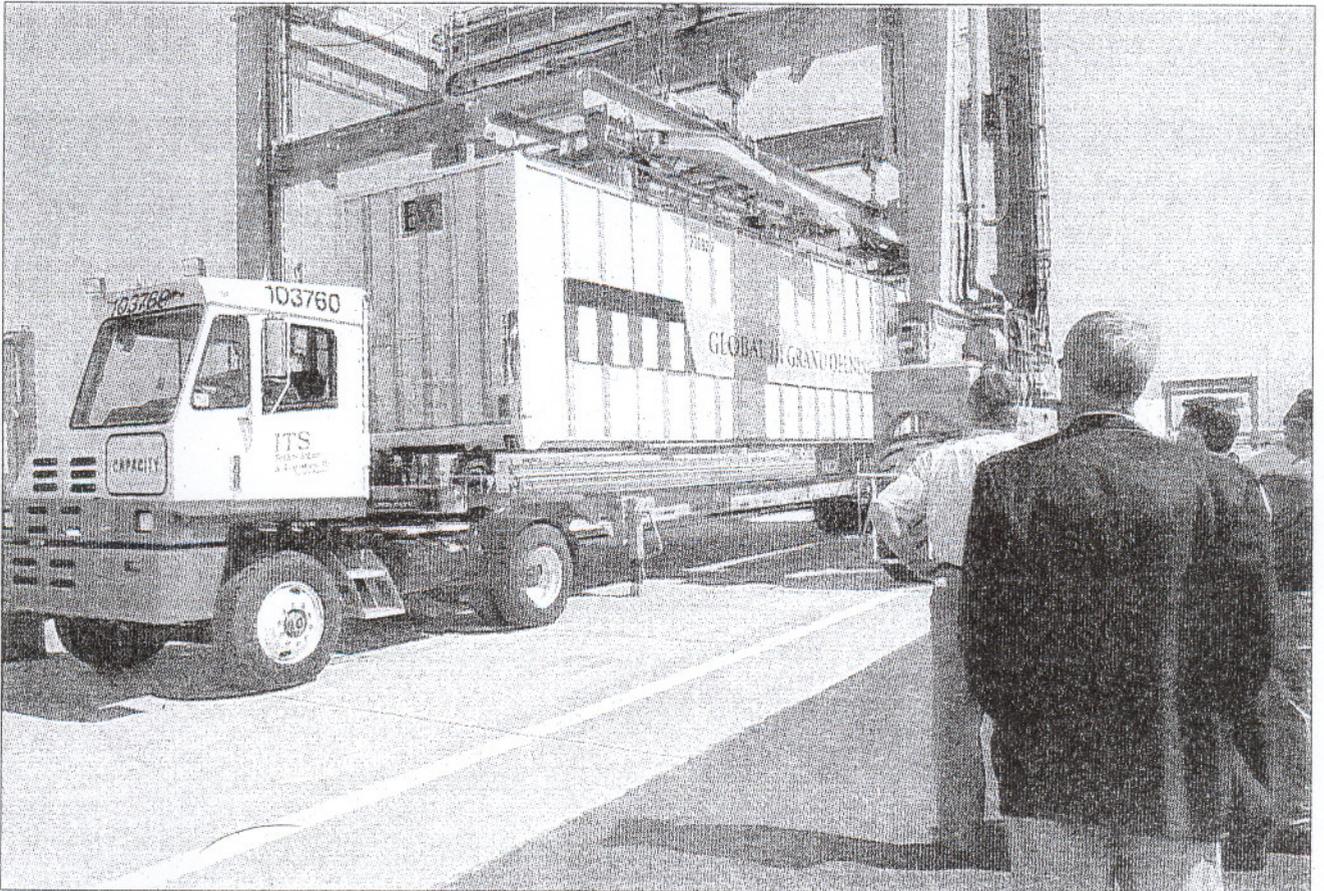


ROCHELLE HUB: OPEN FOR BUSINESS



Photos by Michael Clancy/Rockford Register Star

A crane demonstrates the lifting of a rail car from the train to a truck at the grand opening Wednesday of the Union Pacific Railroad Global III hub in Rochelle.

Festivities mark opening of \$181M Rochelle hub

Rockford Register Star

Global III, Union Pacific's new \$181 million train-truck cargo transfer station in Rochelle, opened Wednesday amid festivities that drew government and business leaders from a wide area.

U.S. Rep. Don Manzullo, echoing the hopes of officials in communities all along the Interstate 39 corridor, said the hub "will anchor economic growth and development in the northern part of the state."

It was partly by default that Rochelle won the com-

petition for the hub. Union Pacific initially had eyed sites in DuPage and DeKalb counties, but opposition among residents of those areas gave Ogle County a leg up.



Don Manzullo

The result is a complex that already has attracted new warehousing and distribution facilities to the area and likely will draw more.

Union Pacific President Ike Evans said the hub eventually will "take its place among the biggest and best intermodal operations in the world." **Please see 1D**

Hub's first day brings new economic hope

Opening to 'forever change' community

By SARAH ROBERTS
Rockford Register Star

ROCHELLE — The 40-foot crane swooped over its target — a steel container the size of a semitrailer-truck — clamped down and smoothly hoisted the container in the air as 400 pairs of eyes followed its every move.

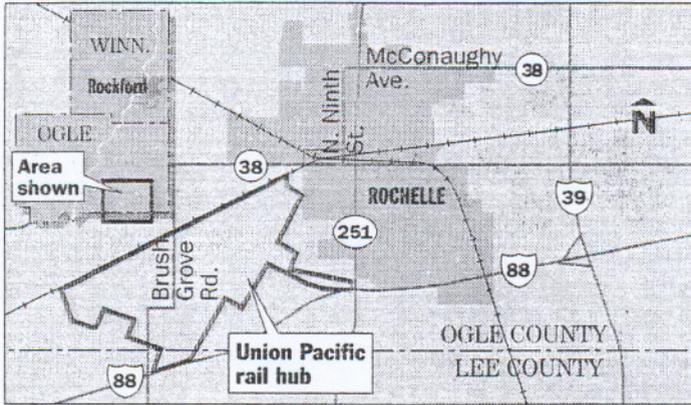
A trailer immediately slid underneath the suspended container, waited until the crane gently deposited it and then motored the cargo off to a waiting train. The entire process took slightly more than a minute.

The demonstration was just for show, a visual treat for the large crowd gathered Wednesday to celebrate the grand opening of Union Pacific's truck-train cargo hub at Rochelle, complete with bus tours and barbecue lunch. But for the company and community leaders, the opening ceremonies marked the culmination of six years of research, lobbying and construction.

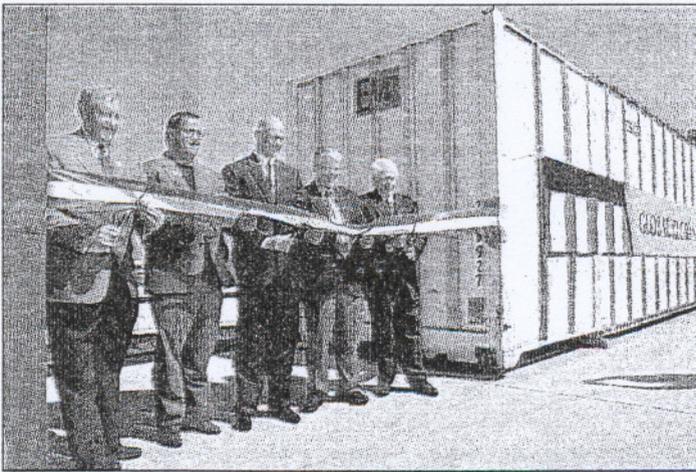
Known formally as the Global III, Union Pacific's \$181 million cargo hub is a place where trucks and trains can quickly exchange cargo from the Midwest, West and international ports.

Union Pacific has a vested interest in its various hubs, as they represent the fastest-growing segment of the company's business. Such hubs have been called the future of transportation because cargo can be shipped via air, rail or port without having to be repackaged at each stop.

"This hub is truly extraordinary and will soon take its place among



Rockford Register Star



Dignitaries cut the ribbon to officially open the Union Pacific Railroad Global III hub Wednesday in Rochelle. From left are state Sen. Brad Burzynski, Rochelle Mayor Chet Olson, Ike Evans, president and chief operating officer of Union Pacific Railroad, U.S. Rep. Don Manzullo and state Rep. David Wirsing.

the biggest and best intermodal operations in the world," said Ike Evans, president and chief operating officer of Union Pacific Railroad.

Evans joined other dignitaries at the grand opening, including U.S. Rep. Don Manzullo, R-Egan; state Sen. Brad Burzynski, R-Sycamore; state Rep. David Wirsing, R-DeKalb; and Rochelle Mayor Chet Olson, who all touted the rail site's expected economic impact.

Even before it opened, the hub has attracted several new businesses to Rochelle and the

surrounding area, and more are expected to follow. A preliminary economic study predicts the Rochelle hub will generate \$2.8 billion for the region's economy within 10 years.

"This is one of the brightest lights shining in the state in terms of economics," said Manzullo, who was instrumental in securing millions in federal funding for the project. "This hub will anchor economic growth and development in the northern part of the state and will serve as a magnet for business."

See Hub, 2D ▶

"This hub is truly extraordinary and will soon take its place among the biggest and best intermodal operations in the world."



— Ike Evans, Union Pacific Railroad president and chief operating officer

"This hub is one of the brightest lights shining in the state in terms of economics. What we're seeing today is just the beginning."



— U.S. Rep. Don Manzullo, R-Egan

"It speaks well for Rochelle to show what a small town can do rather than what a small town can't do. It proves there is vision here."



— state Sen. Brad Burzynski, R-Sycamore

"The hub will forever change this community."

— Rochelle Mayor Chet Olson

■ Columnist Chuck Sweeny puts hub into historical perspective, 9A

Hub's opening 'just the beginning'

► Continued from Page 1D

Meanwhile, Union Pacific is enjoying phenomenal success in a traditionally staid market.

North America's largest railroad covers 23 states across the western two-thirds of the country.

It serves all major West Coast ports and Eastern gateways and is the only railroad to serve all six gateways to Mexico.

Its parent company, Union Pacific Corp., posted a 39 percent growth in net income last year, and the second quarter was the company's most successful ever, when revenue reached \$3.3 billion.

In another effort to increase market share, Union Pacific recently joined forces with CSX Corp. to lure UPS away from Burlington Northern Santa Fe Railway for part of its shipping needs.

The switch will allow UPS to shave time off its guaranteed four-day ground service between

Union Pacific Corp.

- **Headquarters:** Omaha, Neb.
- **Top executive:** Richard Davidson, chairman, president and chief executive officer
- **Sales:** \$12.5 billion in 2002, up 4.3 percent
- **Profits:** \$1.3 billion in 2002, up 38.8 percent
- **Employees:** 47,000
- **Products:** Railroads and freight railroads
- **Ticker:** Trades on the New York Stock Exchange under the UNP symbol. Closed Wednesday at \$59.68, up 20 cents. 52-week low, \$50.90, and high, \$64.10

Los Angeles and New York.

Union Pacific spokesman Mark Davis said the UPS cargo hub at Greater Rockford Airport does not presently figure into the new deal, but the combination of the Rochelle hub and Rockford's UPS hub could eventually generate interest.

The railroad has pledged \$4.5 million to Rochelle to be used for future road improvements around the hub.

The upgrades should make the hub more efficient and resident-friendly, a critical element of the rail site's success.

Union Pacific originally considered locations near the Du Page County Airport and DeKalb for its cargo hub, but community opposition there forced the company to look elsewhere.

In Rochelle, hub proponents have made a concerted effort to keep noise and lighting at a minimum so as to not disturb citizens.

Wednesday's dignitaries commended city officials and residents for working together to make the hub a reality.

"It speaks well for Rochelle to show what a small town can do rather than what a small town can't do," Burzynski said. "It proves there is vision here."

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Michael Clancy/Rockford Register Star

Conductor David Seidel of Omaha, Neb., looks for passengers Wednesday at the Union Pacific Global III hub in Rochelle. The Union Pacific Streamline Train brought dignitaries from Chicago to Rochelle for the grand opening of the Hub.