



Business

Rolling out of Quonset

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NORAD unloads new Audis from the Orion Highway at Quonset yesterday. Rail improvements in the business park will make these deliveries more frequent, the company says.

The Providence Journal / Bill Murphy Bill Murphy

NORTH KINGSTOWN — The Orion Highway, its gray hull against a gray sky, arrived in Rhode Island at daybreak yesterday and began disgorging its massive cargo: nearly 2,000 vehicles imported by North Atlantic Distribution, known as NORAD.

Longshoremen sped the Volkswagens, Audis and Bentleys to quality inspectors, then raced aboard a chartered shuttle bus back to the 588-foot ship at the northern pier at Davisville.

Yesterday's operation, which is repeated at least twice a week, concluded with acres of asphalt covered by a sea of new cars that now await the tractor-trailers that will transport them to auto dealerships throughout the Northeast.

It is a highly choreographed routine, honed over several years. But it will soon change dramatically when NORAD begins shipping cars by train for the first time, a transition expected to triple the volume of foreign cars the company imports annually.

The new shipping method is being made possible by a \$6-million rail improvement project by the Quonset Development Corporation, the division of the state Economic Development Corporation that oversees the Quonset Business Park and its state-owned port.

Using money from a \$48-million bond referendum approved by voters in 2004, the QDC is replacing the tracks it inherited when the Navy closed down its North Kingstown base decades ago.

Those original tracks still operate — managed for the QDC by a private contractor, the Seaview Transportation Co. — and several companies at Quonset rely on them to ship products.

Seafreeze Ltd., for example, freezes the fish caught by its trawlers, Persistence and Relentless, and transports its catch along the original Quonset tracks to the Providence and Worcester Railroad line.

In all, 2,500 rail cars rumble along Quonset's 64,000 feet of track every year.

But the Navy tracks have not aged well, and many of the timber ties are rotting and collapsing.

That condition, QDC officials say, has discouraged investment in rail connections by Quonset tenants, forcing businesses to haul products on trucks, a far more costly method.

“They needed to be upgraded,” said Steven J. King, the chief operating officer and interim chief executive officer for the QDC. “If it didn't get repaired, it would have been unsafe.”

The QDC was also motivated by the state's \$225-million Freight Rail Improvement Project, which upgraded tracks from the border of Quonset to Central Falls.

That initiative added 17 miles of dedicated freight tracks and raised bridges to provide the clearance necessary for triple-decker rail cars.

When that work was completed last October, Governor Carcieri said the improvements would “fuel our economy” by allowing “businesses to use rail to bring their products and freight out of Quonset.”

The same month, the QDC began its part of the massive project, hiring Frank Tartaglia Inc., of Syracuse, N.Y., to begin replacing ties and switches on 25,000 feet of track inside Quonset from the Amtrak line to Route 1.

With that recently completed, the QDC is working on the second phase of the initiative: upgrading the track that joins Route 1 with the two piers. (The final phase, on the Quonset side of the park, will begin next year.)

The construction is not expected to end before November. Yesterday, workers in bright yellow raincoats were laying track substructure along the path to the port.

But QDC officials say the project has already persuaded companies to make investments in rail connections.

In anticipation of the rail improvements, All American Foods and BB&S Treated Lumber of New England have built rail docks, and Seafreeze has doubled its production capacity, according to Evan H. Matthews, the director of the Davisville port.

Ocean State Job Lot is also considering building a rail dock as part of its expansion, King said.

The project's biggest impact will be on NORAD, which already accounts for 95 percent of all shipping at Quonset and has made the port the nation's 14th busiest for auto imports.

Beginning in March, NORAD expanded its property to 104 acres from 66 acres. Its new 40-year lease will cost \$1.28 million in its first year.

NORAD president Michael Miranda did not respond to requests for comment or make available any other company executive or spokesman.

To gain access to the improved Quonset tracks, NORAD is spending as much as \$5 million to pave its new property and build three parallel, 1,000-foot tracks and a ramp to load imported vehicles into rail cars, according to the QDC.

That project is also expected to be completed in November.

The ability to transport cars by train could dramatically expand NORAD's business, which has been growing for several years.

The Freight Rail Improvement Project has enabled Quonset businesses to ship products to Canada or as far west as the Mississippi River, QDC officials say.

"It greatly enhances our options," Matthews said, adding that the improved railways could also jump-start businesses that would fill ships leaving Quonset. "It will enable us to attract export cargo," he said.

NORAD now imports more than 100,000 cars per year. King says that volume could triple, potentially increasing the number of ships that stop at Quonset from 120 annually to 180 and propelling Quonset into the top five auto importing ports in the country.

More business for NORAD also means more money for the QDC, which has often been criticized for underutilizing its waterfront property by not developing a deep-water container port.

To finance port operations, the QDC charges \$3 for every car unloaded on the pier, as well as a fee for docking the ships and fees for leaving cargo on QDC property at the port.

The QDC also earns a percentage of the Seaview Transportation Co.'s annual revenue.

"We do have a port at Quonset and we're running it really well," the QDC's King said. "This allows us to fill a niche in the importing marketplace."

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