

JUST OFF DOG STREET

Running The Model Railroad

Canadian Pacific COO Keeps Things on Track ~ SARA PICCINI

“I’ve always been fortunate to work for individuals who threw me right into the tar pit — that’s how you succeed or fail,” says Kathryn Bova McQuade ’78. “If you’re not given challenges, you can’t prove yourself.”

In her 25 years in the railroad industry, McQuade has more than proved herself. On June 1, she left her position as executive vice president and chief information officer at Norfolk Southern Corporation to become the chief operating officer (COO) of Canadian Pacific Railway (CP), based in Calgary, Alberta. She’s the first female COO of a Class 1 North American railroad.

“CP is a smaller railroad than Norfolk Southern, but I wanted the expanded scope and challenge,” McQuade explains. “I’m responsible for the overall operation of the company as well as information technology and purchasing — basically everything that runs the railroad.”

McQuade joins a company with a storied past. The initial planning for the Canadian Pacific Railway began in 1871, when the province of British



Columbia agreed to become part of the new nation of Canada in exchange for a promise: that Canadian leaders would build a transcontinental railroad. The last spike was driven on Nov. 7, 1885 in Craigellachie, British Columbia.

CP's 13,000 miles of track run through some of the continent's most rugged terrain, and include the longest tunnel in the Western Hemisphere — the 9.1-mile Mount Macdonald Tunnel at Rogers Pass in the Canadian Rockies.

"Railroading is an outdoor sport," McQuade says. "You've got to keep the trains running no matter what the weather is. We have a great operating team at CP that manages a lot of obstacles." The obstacles are many, McQuade notes, no matter where a railroad is located: in Canada, they include avalanches, washouts and subzero temperatures.

There remains a more elegant side to train travel: as a way of celebrating its history, CP runs the Royal Canadian Pacific luxury train that stops at many of the elegant hotels — including the iconic Banff Springs Hotel — originally operated by the railroad.

Although Canadians track distance in kilometers, not miles, McQuade says that the transition to working for a Canadian company has been relatively easy.

"From a company standpoint, it's not that much of a culture shock — a railroad is a railroad," she says. "And people have bent over backwards to make me feel welcome.

"What's been more surprising is the complexity of being a U.S. citizen working in Canada," McQuade explains. "I have to maintain two separate bank accounts, for example, and going back and forth across the border is more complicated because of all the security changes since Sept. 11."

McQuade has bought a condominium in downtown Calgary, where she spends about

Kathryn Bova McQuade '78



half her time. "It's fun to be in a boom city — Calgary is one of the youngest cities in North America. There's construction everywhere, and the job market is unbelievable."

"With the railroad, you have to have a passion for it. It's a 24 hour a day, seven day a week operation. It's incredibly complex and demanding."

A big part of McQuade's new job will involve the transformational use of technology to improve operations and safety. "It's not just general back office stuff, it's technology that really changes how the railroad operates. We're working now to set a foundation that will take us 10 to 15 years into the future."

As an example, McQuade explains how GPS allows the railroad to pinpoint the exact locations of trains both in transit and in the yards, greatly enhancing logistics and the flow of goods. "We're also working with new technology on board our locomotives that uses algorithms to improve operations.

It gives us better fuel efficiency and cuts down wear-and-tear on the tracks." The industry is also exploring the use of laser and infrared technology to inspect individual trains — "seeing things that a human eye can't see," McQuade explains.

With continued advances in technology, McQuade forecasts a promising future for the industry. "One huge advantage is that it's environmentally friendly," she says.

An accounting major at William and Mary, McQuade didn't set out to work for the railroad. After graduating, she spent two years working for an accounting firm in Roanoke. Then one of her clients, Norfolk & Western Railway, asked her to come aboard. The company later merged with Southern Railway to form the Norfolk, Va.-based Norfolk Southern.

McQuade cites recently retired Norfolk Southern CEO David

Goode as being an especially important mentor: "He always put me in the middle of challenging situations, giving me assignments outside of my normal area of responsibility."

McQuade emphasizes this "out of the comfort zone" approach in her own mentoring, especially with younger women.

She definitely encourages W&M graduates to follow in her tracks. "If you're willing to work hard, you have a huge opportunity to move up very quickly," McQuade says. "All of the rail industry faces a huge demographic issue: in the next five to 10 years, a lot of the employee base will be gone.

"With the railroad, you have to have a passion for it," McQuade cautions. "It's a 24 hour a day, seven day a week operation. It's incredibly complex and demanding," she says.

"But I usually find that if people aren't gone within the first five years, they love it and they stay in it.

"It really captures you."