

## Veteran of freight rail will lead Amtrak

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From combined dispatches

Amtrak's board of directors selected Alexander Kummant, a veteran rail and industrial executive, as its new president and chief executive officer yesterday.

Mr. Kummant will assume the job Sept. 12. He will take over for David Gunn, who was fired in November. Mr. Kummant previously served as regional vice president of the Union Pacific Railroad, the biggest U.S. railroad. Most recently, he served as executive vice president and chief marketing officer of Komatsu America Corp., the U.S. division of Japanese construction-equipment maker Komatsu Ltd.

He also served as vice president and general manager of Union Pacific's industrial-products business. He started working in railroads at age 18 in Lorain, Ohio, on a track crew for the Lake Terminal Railroad.

Amtrak Chairman David M. Laney said Mr. Kummant has the credentials and experience to lead "a changing Amtrak that is more customer-focused and fiscally responsible."

Amtrak supporters, who have accused the Bush administration of trying to dismantle Amtrak, reacted cautiously to Mr. Kummant's appointment. The board members were appointed by President Bush.

"It's good they finally appointed someone, but given this administration's record on Amtrak, we need to know whether he was brought in to build up Amtrak or tear it down," said Sen. Charles E. Schumer, New York Democrat. "We await what he'll have to say about Amtrak's future."

Sen. Frank R. Lautenberg, New Jersey Democrat, said the Amtrak board "has exercised questionable judgment in the past, so I am obviously concerned about their choice to run our nation's passenger rail system."

In a conference call with reporters, Mr. Laney said Mr. Kummant brings many credentials to Amtrak, including experience with freight railroads, labor issues and financial matters. Messages were left seeking comment from Mr. Kummant.

Mr. Laney acknowledged that Mr. Kummant doesn't have a lot of experience with passenger trains but that his work with Union Pacific would aid Amtrak's relationships with freight railroads.

"There's no question that it would have been ideal to find somebody with his background and passenger-rail experience," Mr. Laney said. "There aren't that many players that fit that bill."

Mr. Laney also discussed Amtrak's top priorities, which include improving security and cutting costs. By early next year, the board may select long-distance routes it plans to eliminate, expand or reduce.

Amtrak has debt of more than \$3.5 billion and its operating loss for last year topped \$550 million. It has never made a profit in its 35 years of operation.

David J. Hughes has been acting as the railroad's interim president since Mr. Gunn's firing.

"David Hughes did an excellent job as interim CEO, but having that label of interim is a problem," said David Johnson, assistant director of the National Association of Railroad Passengers. "Having a permanent CEO sends a positive message that the company is stable and that there is leadership in place."

Mr. Gunn's firing capped a bad 2005 for Amtrak. It had to suspend all high-speed Acela service in April that year after discovering cracks in some brakes. The Government Accountability Office, Congress' investigative arm, said Amtrak must improve how it monitors performance and oversees its finances to reach firm financial footing.

In May and June, three power outages disrupted trains along the Northeast Corridor, the most severe lasting several hours. Mr. Laney said a report on the cause of the outages is imminent and added that he "did not think it will be seen as Amtrak's

responsibility." He would not speculate further.

Under a Senate bill, Amtrak's federal subsidy would be increased by 8 percent to \$1.4 billion for the fiscal year beginning Oct. 1. Amtrak received a \$1.3 billion subsidy for the current year.

An Ohio native, Mr. Kummant earned his undergraduate degree from Case Western Reserve University, a master's degree from Carnegie Mellon University and a master's degree in business administration from Stanford University. His wife, Kathleen Regan Kummant, is a former senior executive with the Santa Fe and BNSF railroads.