Grammer expanding with transloading
Clear vision

Grammer Industries sees new opportunities for transloading

By Charles E Wilson

Changing distribution patterns for products such as agricultural chemicals are bringing new transloading opportunities. Companies with the right locations and services are reaping a solid success.

One such company is Grammer Industries Inc, which is based in Grammer, Indiana. A tank truck carrier hauling agricultural chemicals and other products, the company recently began offering transload services from two subsidiary locations in the Midwest.

“We see all kinds of opportunities for the transloading sector, and it helps us get more use out of existing assets,” says Charles “Shorty” Whittington, president of Grammer Industries Inc. “The transportation industry today is all about efficiency and utilization, and intermodal activities like transloading are an ideal fit.”

“We had existing facilities that were relatively easy to modify for transloading operations, and they are in very good locations. We are very cost-effective within a 50-mile radius of our facilities. Our primary focus is on farming areas in the Midwest that are inland from the Ohio River and beyond the Great Lakes.

“We’re benefiting from a major shift in distribution patterns for agricultural products, such as fertilizer and other chemicals. More of these products are being imported and must be moved from ports along the East Coast and Gulf Coast to the Midwest for distribution to farmers. Going forward, we’re looking for niche locations in other parts of the Midwest and market-specific products.”

While the recently announced transload offerings are new for Grammer Industries, the tank truck carrier is not new to transloading. The company ran a CSX Bulk Intermodal Distribution Services (BIDS) facility in Lafayette, Indiana, for 20 years in the 1980s and 1990s.

“It was profitable, but we didn’t have enough time to devote to it at that point,” Shorty Whittington says.

“We handled liquid and dry fertilizer at the facility. We sold the operation because we wanted to concentrate on transportation. The changing distribution patterns for ag products convinced us that it was time to take a second look.”

John S Whittington, Shorty’s son and vice-president of Grammer Industries, adds that both of the new transload sites have the flexibility to provide a wide range of customer services and can handle a variety of liquid and dry bulk products. In addition, the company’s background as a tank truck carrier made it possible to create trucking- and driver-friendly facilities.

“The two transload locations we opened definitely were laid out with drivers in mind,” he says. “We know it’s important to be able to load a truck as quickly as possible, and drivers appreciate being out of the weather during loading operations. We know flexible loading hours also are important.

“Our facilities are truck friendly and make it easy for vehicles to access the loading racks, which are completely enclosed to protect drivers and facility workers from bad weather. Drivers have plenty of open space for maneuvering tractor-trailer rigs, and there is ample parking.

“The transload facilities also should appeal to agricultural product shippers, because both locations are convenient for distribution to local farms. These facilities are right in the heart of the Midwestern farming region.”

The two Grammer Industries transload locations are in Morristown, Indiana, and Van Wert, Ohio. In operation as Grammer Industries divisions for a number of years, both facilities are rail- and truck-served, and both have above-ground storage tankage and plenty of railcar capacity. Both are open to other trucking companies, and operating hours are flexible.

Agricultural products

Grammer Industries will focus on agricultural products with the transload operation, but it won’t rule out other products. In addition to anhydrous ammonia, the facilities also are handling soybean oil/biodiesel, soda ash, feed-grade phosphates, and 32% liquid nitrogen fertilizers.

“We’re in discussions with shippers for various liquid and dry bulk products that could be transloaded and stored at our facilities,” John Whittington says. “We have some opportunities to handle windmill systems, and there has been interest in transloading steel and scrap metal at our locations.”

Grammer Industries acquired what became the first of its new transload facilities in 2001. Now named Van Wert Terminal LLC, the anhydrous ammonia storage facility was purchased from Koch Industries. Agricultural grade anhydrous ammonia was stored in a seven million gallon tank. The purchase included a 4,000-foot rail siding served by the Chicago, Fort Wayne, and Eastern (CF&E) short line railroad.

In 2006, the storage tank was converted to general liquid bulk service for low-vapor-pressure products. Soybean oil currently is stored in the tank. Rail-to-truck transloading of anhydrous ammonia also started in 2006.

“We have plenty of room at the Van Wert location for the storage tank.”
Work is underway on a second storage tank at the Morristown IN transload facility. Additional space is available for two more storage tanks at this time.

A subsidiary of Grammer Industries, Integrity Biofuels has a capacity to produce 10 million gallons of biodiesel a year from soybean oil. The Morristown IN transload facility operates under the Integrity Biofuels name and shares space and resources with the plant.

**Biodiesel plant**
The Morristown transload operation shares space with Integrity Biofuels, a biodiesel processor that Grammer Industries launched in 2005. The biodiesel plant has an annual potential output of five million gallons.

“We still believe biodiesel has a future even without the federal subsidy, but the market slowed down significantly over the past year,” Shorty Whittington says. “Adding the transloading service will help keep our best employees working.”

The 30-car rail siding and truck and rail loading rack were initially built to serve the biodiesel plant. The facility is served by a CSX Corporation Inc mainline. “We couldn’t have a better location for working with CSX,” Shorty Whittington says. “They do switches twice a day near our location, which helps ensure very good service.”

Transload equipment includes liquid pumps from MP Pumps and Blackmer, OPW loading arm and coupling, Murray Equipment Inc control boxes, Endress+Hauer coriolis meter for precise product measurements, and Goodyear and Thermoid product hoses from Hart Industries.

One 1.5-million-gallon aboveground storage tank has been completed and is ready for service, and a second tank is under construction. Space is available for two more tanks.

Forty-feet tall and 80-ft in diameter, the first tank features bolted construction and a welded floor. The tank was installed on a concrete ring wall foundation. Surrounding the tank is a substantial clay dike for spill containment.

**Grammer fleet**
While the Morristown and Van Wert transload locations are open to other carriers, Grammer Industries has significant trucking assets of its own. The Grammer Industries fleet includes 120 tractors (60 of them company trucks) and 208 tank trailers. The carrier runs one of the largest MC331 anhydrous ammonia/LP-gas trailer fleets in the industry.

Grammer Industries runs one of the largest MC331 fleets in the trucking industry, and uses them to haul anhydrous ammonia and propane. Also part of the fleet are MC312 and DOT412 trailers that are used for nitric acid and other corrosive cargoes.
Rail tankcars can be loaded and unloaded at the Van Wert terminal. The loading racks Grammer Industries . . .

ammonia hauling to a major force

gone from a bit player in anhydrous

overnight, Grammer Industries had

fleet from Agrico in 1988. Virtually

lode when it scooped up a 105-trailer

in, Grammer Industries bought a

with their trailer fleets. Swooping

ers came to the decision to do away

Grammer Industries' 15-unit rolling

started in 1977. Through 1986, most of

Ohio, and into Arkansas.

The company's reach extends from

the Environmental Protection

waste. This earned the carrier a license

and bulk-liquid corrosive hazardous

products that it could haul and

150 trailers.

The size of the fleet also allowed

the carrier to expand the types of

materials, thanks to its "Satisfactory"

Trailer was the best out there," Shorty

Whittington says. "With the quality

of the used equipment, it became ap-

parent that we needed to be a partner

with MTC." So, in 1991, a new partnership was

born when Grammer Industries pur-

chased its first new MTC anhydrous

ammonia trailer. To say that the part-

nership has grown and flourished

was an understatement—since buying

a 25-trailer fleet in 1986, then 25 more

ners in the fleet are being ordered with

Continental and Michelin tires.

Ridewell's air-suspension system and

ers are being ordered with

relief vents. All of the new tank trail-

buys primarily Brenner 5,000-gallon

baffled tankers with Girard pressure-

relief vents. All of the new tank trail-

ers in the fleet are being ordered with

specifically, the trailers are speci-

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Two of the Volvos have Volvo D13 engines and the I-Shift auto-

matic transmission. The remainder of the tractors in the order was speci-

fied with Cummins ISX engines and Eaton Fuller 13-speed manual trans-

missions.

The newest Peterbils in the fleet are Model 386 sleepers and Model 384
Pink trailers join “Fuel for Hope”

ONE OF Charles “Shorty” Whittington’s guiding tenets is, “If you give, you get.” That guiding principle recently played out in a special way when Grammer Industries Inc and Mississippi Tank Company teamed up on a couple of bright pink MC331 trailers.

Building these LP-gas transport trailers was the brainstorm of Scott McKeand, Grammer Industries fleet maintenance manager, and Joey Runnels, Mississippi Tank Company (MTC) sales representative. They thought it would be a great idea to build a pink LP-gas trailer to promote breast-cancer awareness.

Numerous breast-cancer-awareness propane bobtails have been created over the past several years, but McKeand and Runnels didn’t think any full-size trailers were on the roads. So, they approached their companies with the idea and got an enthusiastic thumbs-up for the project.

Industry perspective

Trying new products, testing new ideas, exploring new markets has always been part of the management process at Grammer Industries. In the process, Shorty Whittington has been able to acquire a unique perspective on the industry and where it might be headed.

During his tour as 2008-2009 American Trucking Associations chairman, Shorty Whittington had an opportunity to give 53 speeches in 44 states in 2009. His presentation, titled “The Road Ahead in a Dysfunctional Environment,” was designed to present a realistic overall look at the state of the industry and what needs to be done to ensure its prosperity in the coming years—as well as how Grammer Industries fits into the equation.

“We wanted to step up to the plate and do something to give back,” Runnels says. “Scott was the guy who pushed it; he’s the customer. This is the first pink trailer MTC has done, and I think it’s the first pink trailer anyone has done.”

The final decision was to build two trailers, one of which Grammer Industries put into service, and the other that was sold to PAPCO Inc, Virginia Beach, Virginia, for use in its New Jersey market. Co-sponsors for the Grammer Industries trailer include Alcoa, Base Engineering, Betts, Blackmer, CMC Tank Truck, Continental, Fisher Valve, Haldex, Ridewell, and U-Tech.

Partnering with Grammer Industries and MTC on the pink trailers is the American Breast Cancer Foundation (ABCF) with a portion of the sales from the propane that is pumped through the trailer going to ABCF’s “Fuel for Hope” campaign, which provides financial grants for a variety of diagnostic and support services, including screening and diagnostic mammograms, ultra-sounds and emergency biopsies, wigs, medications, travel assistance and mastectomy bras.

The trailers received a grand unveiling at the National Propane Gas Association’s Southeast Convention and International Expo in Atlanta, Georgia, in April.

“I think it’s safe to say the rich are gonna get richer and the poor are gonna get poorer; a good business will get much better and a mediocre business will go downhill,” he says. “We always want to do our very best at whatever we try. We want to keep an open mind for new ideas. We tightened our belt during the recent recession and worked harder. For the first time ever we’re looking at weight, looking at fuel mileage, really looking at the durability of the equipment. In our world, it’s about service, it’s about safety, and it’s about utilization. If we stay pointed in the right direction on these issues, we’ll be in good shape.”

Daycabs

Cummins ISX engines for the sleeper daycabs. Grammer Industries chose Cummins ISX engines for the sleeper daycabs. All of the tractors purchased in 2010 were specified on the roads. So, they approached their companies with the idea and got an enthusiastic thumbs-up for the project.

A new low-profile hydraulic power unit with the Eaton Fuller manual transmission. John Whittington holds the OPW loading arm with the OPW bottom-loading coupler.