



1 Top Growth Stock to Buy Today

Description

Canadian National Railway ([TSX:CNR](#))([NYSE:CNI](#)) is an excellent stock to own for the next 100 years. The company provides an essential service and is [not easily replaceable](#). In addition, Canada's railroad industry has strong barriers to entry. The replacement cost of Canadian National's rail track and other assets is well over \$100 billion and the company owns prime real estate in Canada's biggest cities.

Recently, the company developed initiatives to automate operations. Automated railroading is expected to transform operations and bring [significant benefits](#), including increased safety and reduced costs.

To date, CN has deployed over 10,000 handheld devices to train crews and 850 more to car and locomotive mechanics. Handheld devices also allow it to communicate information and provide functions to keep frontline workers out of shared spaces during the pandemic.

Digital scheduled railroading

The company, also known as CN, recently adopted an automated track inspection program. This program significantly increases track inspection frequency, quality and reliability.

Also, it appears that CN is moving from precision scheduled railroading (PSR) to digital scheduled railroading (DSR) with advanced information technologies, and a focus on balancing employee, customer, and shareholder needs and objectives with cost-efficiency.

DSR builds on the principles established by PSR while leveraging advanced and integrated technology to further improve operations, safety, and ease of doing business.

CN expects DSR to be supported by modern digital platforms with open, flexible, and scalable architectures, which will transform and modernize the company's technology landscape, and thus enable better coordination and collaboration with customers and partners.

Strategic deployment of technology

This strategic deployment of technology, CN's next driver of value, is well underway. An example of some degree of automation lies with positive train control in CN's United States operations. This technology is designed to prevent certain accidents resulting from human error, such as overspeed derailments.

Incredibly, the system can initiate a full-service brake application to stop a train if the crew does not take action. In December 2020, CN successfully completed the federally required interoperability testing with tenant railroads so clients can operate PTC on the company's 35 subdivisions equipped with PTC in the U.S.

Data is another important strategic asset for CN. New technology platforms harness real-time data, empowering the whole supply chain to make faster, better-informed decisions.

In March 2020, CN launched the company's first suite of five digital application programming interfaces, allowing customers to connect seamlessly with CN for tracking shipment information, including estimated time of arrival and global positioning system (GPS) location.

Digitizing processes

CN is also digitizing processes aimed at improving productivity, reducing costs, and more accurately capturing revenues. In 2020, CN focused on digitizing reports and documentation for crews, customers, and mechanical work and ended the year with more than 70 process automations to eliminate repetitive tasks.

In addition to increased efficiencies, these digitized processes enhanced safety by allowing CN to deploy applications early in the pandemic, to communicate information virtually, and to keep frontline workers out of shared spaces. On the environmental front, since July 2020, CN has saved over six million pages of paper with these devices.

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Date

2025/07/19

Date Created

2021/08/02

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