

THE CULTURAL NEWSLETTER FOR WABTEC EMPLOYEES

# SAME TRACK



FRONTLINE SPOTLIGHT

**One Wabtec in Kazakhstan**

COMPETITIVE EDGE

**Managing Many Moving Parts**

MANAGERS' ROUNDTABLE

**Right Parts, Right Time**

PICTURE THIS

**Backlog Helps Us See the Future**

Platform View

May 2026



**LEADER LETTER**

# Amplifying Success With Standardization

Team,

It's been a year since we started viewing our operations through a platform lens while enhancing performance at individual sites. We've learned about our similarities, surfaced our differences, and now it's time to act on that knowledge — through STANDARDIZATION and benchmarking!

Standardization delivers a foundation of consistency, transforming variability into repeatable, high-quality outcomes. It improves manufacturability at the operator level while driving competitiveness and growth.

In simple words, across the Locomotive platform, we're all doing similar things in different locations. We buy parts, fabricate and assemble, test, paint, and ship. Our goal is to identify which plants are doing which parts of that process better and share that knowledge throughout the organization. If one site has solved a problem or found a simpler way to work, why shouldn't every site benefit? It's a powerful opportunity to amplify success across the organization.

## **Paint it once**

One example is something that occurred in Fort Worth recently. We were painting entire bogie assemblies inside and out, but the outside was being painted a second time downstream due to the adhesion window – a classic Lean definition of waste. The local team asked a simple but powerful question: "Why are we doing that?"

We realized we should only paint areas that are inaccessible at the loco level. Then when it goes to the final paint booth, we paint the whole exterior just one time. We took that idea to engineering, got it approved, and boom! We saved on paint labor and material.

## **Benchmarking across sites**

Initially, that process of communicating solutions was casual and underutilized. Now, we're starting a regular monthly benchmarking discussion with site leaders and the Ops development team. We've also included the direct reports of plant managers. The goal is for people to meet their counterparts at other locations so when a problem comes up, they know exactly who to call.

## **Different locations, same process**

Our overarching goal is that we standardize the best ways to do everything across the platform. That's our "put a man on the moon" kind of goal. But when we start to lay out that journey, it's not about the destination. It's about making progress. It's an exciting journey, and one that holds tremendous opportunity.

My ask of you is that you also take a platform view. If you have a problem, ask who else in the world has addressed that same problem? And if you have a solution, what other sites could benefit?

Let's put power of One Wabtec into action!

Mehul Mehta  
Group Vice President – Operations

**Mehul Mehta says our  
"man on the moon"  
mission is to standardize  
processes across the  
locomotive platform.**



# One Wabtec in Kazakhstan

Damon Frenn was the NPI leader in Erie when LKZ's two loco products were developed 15 years ago. And now he's in Astana working on their next NPIs.



**Damon Frenn**  
Plant Manager

## Speaking their language

Damon Frenn, recently appointed site leader for LKZ, has worked in Erie for 27 years, so moving to Kazakhstan at the beginning of March has been a major change. For starters, there's the language difference.

"Language is by far the biggest challenge," Damon says. "As part of this transition, I get some language training. And the first question was, which language do you want to learn? Russian or Kazakh?"

In his first week at the LKZ plant, Damon made a brief (very brief) speech at the site's spring equinox/new year celebration called Nauryz. "I only said seven words," he said. "I basically got up on stage and said in Kazakh, 'Good morning. Happy new year celebration. Very good and thank you.' That was my drop the mic moment."



Wabtec Manufacturing Day exhibition in Kazakhstan

**"But once I step in the factory, that's where the differences end."**

Damon says the team is very supportive of his attempts as he progresses with their languages, and that his English benefits them as well. "It's a two-way street," he says. "One area of improvement for the team is to improve their English, and I can help with that."

## The plant feels like home

Damon has settled into his new apartment in Astana where his wife will soon be joining him and has mastered most of the logistics of living in Kazakhstan, although shopping for groceries in a different language has been challenging. "Mostly I buy based on what I recognize, so eggs, vegetables, nuts, and water," he says.

"But once I step in the factory, that's where the differences end. The challenges at LKZ are not new. They're the same challenges that each of our plants has experienced at one time or another in their journey."

## Master of our destiny

The LKZ journey of the last 15 years has been a series of joint ventures, and until recently, Wabtec's ownership was only 50%. Since the end of 2023, the plant has been wholly owned by Wabtec.

"We now have complete control over our own destiny," Damon says. "That's important for how we accomplish the mission. I depend on the entire team. Everyone has a role to play, and we need to hold each other accountable."

Their mission, according to Damon, is to "develop a One Wabtec culture in the Astana locomotive operations while developing our people to safely and compliantly deliver quality products for our customers, our employees, and the region."

## One mission, three languages

“We need to be focused on process, process, process,” Damon says. “This is what I share with the team, that this is the discipline we need for the freedom to execute our mission.”

Damon says the LKZ team “is hungry to learn and implement the best practices that we use at other sites. We have a One Wabtec

Nauryz national holiday celebration



“We have documents that are only written in Russian. We recently realized that we need to document processes in three languages: Russian, Kazakh, and English.”

Wabtec Manufacturing Day exhibition in Kazakhstan



way of doing things, not individual processes by site. If it’s important for one site, it’s important for all.”

One of Damon’s priorities is to develop process documents that employees can reference. “We have documents that are only written in Russian,” he explains. “We recently realized that we need to document processes in three languages: Russian, Kazakh, and English.

## New products ahead

Over the past 15 years, the LKZ plant has been producing one freight locomotive product and one passenger locomotive product, along with some shunter locos. “But starting this year, we have three new product introductions,” Damon says. “We’re focused on understanding what the product is, what’s different than what we’ve been producing, and what we need to do to get ready for those NPIs.”

One interesting note is that Damon was the NPI leader in Erie when the Kazakhstan freight and passenger locomotives were initially developed and shipped to Astana for the factory startup. “So I had the opportunity to develop the product, and now, 15 years later, I have the opportunity to lead the site and grow it to the next level as we introduce more NPIs to the region.”



# Managing Many Moving Parts

Alex Artman and the rest of the Materials team work to have the right parts ready when the shop floor needs them.



**Alex Artman**

Vice President, Materials  
Freight Operations

## Complexity at scale

Alex Artman, Vice President, Materials Freight Operations, spends his days dealing with a lot of moving parts. “We place about 10,000 purchase orders a week,” he says. “And we manage up to \$8 billion of material a year.”

The Materials team is responsible for placing purchase orders for all the parts the freight, mining, and services businesses need to build their products. That comes with some unique challenges.

“To build a locomotive, for example, you’ll need roughly 10,000 unique parts, and each one of them can have a different supplier,” Alex says. “We’re working to make sure all the material comes in exactly when we need it to ensure that the manufacturing shop isn’t wasting their time. We want them to have the material there so they can pull it and start working.”

On the other hand, Alex and his team need to balance having material in-house with buying too much, too early, because it impacts the company’s cash flow. “With every purchase order, it’s like I’m writing a check to a supplier for the parts. We are stewards of the company’s money, so we have to be very responsible for cash.”

## The beauty of backlog

When we have backlog orders placed for the years ahead, that allows our suppliers to plan for meeting our future orders. “When I know I have firm orders in the future, that helps provide stability for all my suppliers,” Alex says. “And it also provides stability for our supply chain.”

“It humbles you every day because just when you think you have it figured out, there’s a new problem to solve.”

“To build a locomotive, for example, you’ll need roughly 10,000 unique parts, and each one of them can have a different supplier.”

Communication with suppliers is key to maintaining a predictable supply chain, according to Alex. “Our suppliers have to make sure they secure the raw material to make the stuff we need. They need to secure labor and make sure they have the right people to build our stuff. If they were to make a wrong assumption about our future orders and downsize, that could really hurt our business.”

## Prepping for backlog

Getting ready for new orders starts months or even years before the build. “We start with the longest lead time parts,” Alex says. “We make sure we secure that supply base first, and then we work our way backwards.”

The parts with the longest lead times are typically castings, forged parts, electronics, and engineered systems. “It may take two years for a fuel injector or turbocharger, especially if it’s a new product design. We have to find a supplier that can provide the quality and performance, get them qualified, and ensure they have the capacity. For those more complex needs, we’d want to get going early with engineering so we can start the process as quickly as possible.”

## Balancing suppliers

"When you have 10,000 parts per product, something's bound to go wrong," Alex explains. "So how do we make sure we have multiple suppliers we can depend on to get us out of trouble?"

If we have just a single source for a particular part, that can create a problem. But the more business we give a supplier, the better we're able to negotiate a favorable deal. "Too many suppliers and we can't leverage scale," Alex says. "But not enough suppliers and you wind up being held hostage by the suppliers. In my experience, the sweet spot is about three or four suppliers."

Having suppliers positioned in different global regions is also important. "You may have four suppliers all in China, and you may think you're safe," Alex says. "Not really, because you've put yourself at risk regionally. If your suppliers are spread out globally, you protect yourself from macro-economic drivers, exchange rate issues, wars and other factors. That's something that can help us be more competitive."

## The satisfaction of solving problems

Alex has been working with manufacturing sourcing and suppliers for 34 years, and he says he particularly enjoys the problem-solving aspects of the job. "It keeps you sharp," he says. "It humbles you every day because just when you think you have it figured out, there's a new problem to solve."

When there is a problem, Alex says it's important to view it not as a crisis but as an opportunity to innovate and provide a solution. "When you find a way to work with your supply base and get the parts they need, and you save a locomotive or you save the production, there's no better feeling in the world," he says. "It's stress like you never imagined, but you get instant gratification when the part ships and you were able to help."

**10,000**

Approximate number of unique parts in a locomotive

**2 to 3**

How many potential suppliers we'd like to have for each part

**520,000**

Number of purchase orders placed each year by Materials

**\$4B to \$8B**

Purchases that Materials manages annually



# Right Parts, Right Time

The Materials team manages a complex balancing act of ordering parts to arrive when they're needed, without ordering too far ahead.



**Evan  
Barta**

Senior Materials Leader  
Texas Locomotive  
Fort Worth



**Elizabeth  
Girón**

Senior Materials Leader  
Texas Mining Facility  
Fort Worth



**Patrick  
Brown**

Senior Materials Manager  
Erie



## How do you make sure the right parts show up on time?

**Evan:** With 10,000 to 15,000 parts in a locomotive, a lot of it boils down to standard work for our teams. So really making sure that the buyers and the MTAs every day,

every week are following the same recipe to make sure things are showing up on time. And when they're not, escalating and getting ahead of those issues.

**Elizabeth:** I believe the key is communication, planning, and teamwork. So from the moment that Sales places the customer demand, we have a complex standard of work to follow up and do not miss because things can happen.

**Patrick:** We have a pretty robust MRP tool that helps us. So there's a lot of data that we have to simplify for our MTAs and buyers to be able to see — okay, of all these many, many thousands of parts, which ones might be a problem? And how do we focus our efforts to get these ones back in the box?



## Are there differences in the reliability of various suppliers?

**Evan:** There can be some wild swings between supplier reliability. So when we have one supplier who's failing or hurting us, we'll go visit — we'll increase the frequency of meetings with the supplier.

**Elizabeth:** We have suppliers around the world, and that comes with different challenges — for example, when we need to ship by sea freight.

**Patrick:** We have a lot of scorecards on suppliers, like on time to promise and on time to delivery. And so we know which ones are the problem suppliers, and they get a lot more attention from the fulfillment team than some of the more reliable ones.

“If something shows up early, we pay for it early, and we hold on to it longer. That's cash the business can't deploy elsewhere.”

— Evan Barta



### What's the downside of ordering parts too early?

**Evan:** If you get a part too early, you're typically going to get a call about early inventory and essentially wasting the business's cash, right? Because if something shows up early, we pay for it early, and we hold on to it longer.

That's cash the business can't deploy elsewhere.

**Elizabeth:** If the parts come too early, that can impact our inventory. And if the parts come late, that can provoke a shortage.



### What gives you a sense of accomplishment in your job?

**Evan:** Once a year it seems we get into some sort of impossible situation. Last year it was with tariffs, where we had hundreds of containers stuck at the port. So when we come together as a cross-functional team and get through issues like that, I really do walk away feeling satisfied.

**Elizabeth:** I really love the challenges, and I believe that we do have a great team working behind us, besides the strong support that we have from our direct boss.

**Patrick:** Seeing the final product ship is very fulfilling because you can see it went from a line item on a schedule, and 18 months later, you can see a locomotive shipping out. Also, for me personally, one thing that I get a lot of enjoyment from is being able to help our team do things in a way that's easier tomorrow than it is today.

“I really love the challenges, and I believe that we do have a great team working behind us.”

— Elizabeth Girón



Check out the Managers' Roundtable video on the digital version of *Same Track*.

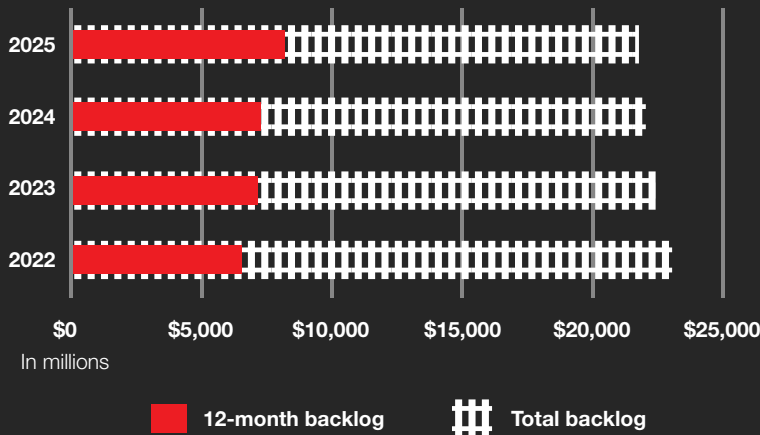
Fort Worth plant



# Backlog Helps Us See the Future

When we know we have this volume of work coming down the track, we can plan more deliberately for efficiency and flexibility.

Our 12-month backlog is 11.9% higher, year-over-year



Freight backlog jumped 41% for last quarter, compared to the same quarter last year.



## But backlog is just the beginning

Those anticipated sales don't hit our revenue until we've assembled the product and delivered to our customers.

Backlog as reported in the Q1 2026 Earnings Report

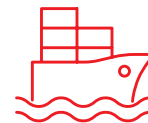
## Benefits of backlog



Lets us anticipate consistent work across our sites



Helps our suppliers plan for our business needs



Improves our supply chain timing



Gives us time to prepare for NPIs