

BEFORE THE SURFACE TRANSPORTATION BOARD

Finance Docket No. 36500

CANADIAN PACIFIC RAILWAY LIMITED, ET AL. – CONTROL –
KANSAS CITY SOUTHERN, ET AL.

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**APPLICANTS' REPLY TO OBJECTIONS TO KCS WAIVER
FROM 2001 MAJOR MERGER RULES**

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Applicants¹ respectfully submit that the Board should reject the efforts of four Class 1 railroads and two sets of shipper groups to revoke the waiver from the Board's 2001 Major Merger Rules applicable to CP's proposed combination with KCS.² Revoking that waiver would unnecessarily complicate and prolong the Board's review of the proposed combination of CP and KCS, and thereby delay realization of the significant benefits the transaction offers shippers and other stakeholders. No party has raised any basis for concern with the merits of the transaction itself; rather, they merely seek to make the already-robust regulatory review process more time-consuming and burdensome. Prior merger reviews have demonstrated that the Board has all the tools it needs under the pre-2001 merger rules and the statutory public interest test to conduct an

¹ As set forth in Applicants' Notice of Intent to File (CP-1/KCS-1), "Applicants" are Canadian Pacific Railway Limited, Canadian Pacific Railway Company, and their U.S. rail carrier subsidiaries Soo Line Railroad Company, Central Maine & Quebec Railway US Inc., Dakota, Minnesota & Eastern Railroad Corporation, and Delaware and Hudson Railway Company, Inc. (collectively "CP") and Kansas City Southern and its U.S. rail carrier subsidiaries The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and The Texas Mexican Railway Company (collectively "KCS") (CP and KCS collectively, "Applicants").

² Applicants reply herein to the following submissions: BNSF's "Response to CP/KCS Notice of Intent" (BNSF-1); CN's "Objection to 49 C.F.R. § 1180.0(b) Waiver" (CN-1); NS's "Comments;" UP's "Opposition to Waiver of the Regulations Contained in Current Subpart A of 49 CFR Part 1180" (UP-1); the "Motion to Revoke Waiver" filed by the American Chemistry Council and other groups (ACC-1/TFI-1/CRA-1/NITL-1/NGFA-1/USWA-1); and the Letters submitted by the Freight Rail Customer Alliance and other groups (SHAS-1) and Cargill. BNSF, CN, NS, UP, Cargill, the ACC group, and the FRCA group are referred to collectively as "Waiver Objectors."

efficient and thorough review of this transaction, including with respect to any potential impacts on competition and service.

The Board should reaffirm the waiver it granted in 2001 as applied to the specific transaction proposed herein and proceed to establish a procedural schedule that allows a thorough but fair examination of the public interest implications of the CP/KCS combination.

I. INTRODUCTION AND EXECUTIVE SUMMARY

Parties seeking to have the 2001 Merger Rules applied to this transaction suffer collective amnesia concerning the purposes for which those new rules were adopted and the reasons why the Board chose to waive their application to transactions involving KCS. They cannot meet their burden of showing that the KCS waiver adopted in 2001 should be revoked by the Board.³

The Board had a very specific set of concerns about combinations involving the six largest North American rail systems, which the Board understood would not necessarily be raised by a combination involving KCS. That remains true today, and is all the more true as to the specific combination at issue here – in which the two smallest and completely non-overlapping systems propose to combine in order to strengthen competition against the very same Class Is (BNSF, UP, and CN) which grew through merger after merger and now seek to burden this pro-competitive transaction.

The proposed CP/KCS transaction promises significant competition and other benefits for shippers and the broader public interest, and the Board has a well-established track record of

³ The plain language of Section 1180.0(b) places the burden on any party objecting to the waiver. 49 CFR 1180.0(b) (“We will waive application of the regulations contained in this subpart for a consolidation involving The Kansas City Southern Railway Company and another Class I railroad and will apply the prior regulations instead, *unless we are shown why such a waiver should not be allowed.*”) (emphasis added). CN’s suggestion (CN-1 at 5) that the rules merely contemplate the possibility of a KCS waiver is contrary to law; the rules grant KCS a waiver and place the burden on CN and others to demonstrate why the waiver should be revoked. Any shift in that burden to Applicants would violate the Administrative Procedure Act.

reviewing straightforward, end-to-end transactions such as this one under its pre-2001 rules. By contrast, the full meaning of the 2001 rules, which have not been applied in the two decades since they were adopted, remains in the eye of the beholder. The Board should resist calls to apply them here to a beneficial and straightforward transaction for which they were not designed or intended. Applying the 2001 rules here would only serve to invite unnecessary controversy over the meaning of those rules; burden the Board and Board Staff; delay the many benefits of this transaction, for which 375 shippers and other stakeholders have already expressed support; and provide a roadmap for future downstream mergers by the larger Class Is. The pre-2001 rules and the governing statutory standard give the Board all the tools it needs to conduct a thorough public interest assessment.

1. First and foremost, Applicants have not asked the Board to exempt this transaction from any aspect of the thorough public interest assessment that the governing statute – which was not changed in 2001 – commands. Under the pre-2001 rules, the statute – which was not changed in 2001 – still requires Applicants to demonstrate that the transaction is in the public interest. Far from being “antiquated” as NS suggests, the pre-2001 merger rules are exactly the same rules that enabled the Board to review merger after merger through the 1990s (and smaller mergers thereafter), including mergers involving every one of the objecting railroads, and appropriately condition them where necessary to ensure that they would serve the public interest. Applicants are well aware of their burden to demonstrate that the transaction is in the public interest, and they will meet that burden. If provided the opportunity to do so, Applicants intend to submit a robust Application under the pre-2001 rules that addresses all of the public interest considerations, including those raised by the Waiver Objectors.

2. Second and equally important, this transaction is not just any KCS merger – it is a uniquely complementary and pro-competitive one that poses none of the concerns that motivated the 2001 revisions. KCS remains the smallest of the Class Is, and indeed CP/KCS will be the smallest Class I even after the combination. And as the Board presciently recognized in 2001, a CP/KCS combination does not threaten competitive harm that is incapable of being remedied, does not pose material risks of service disruption, and does not have any bearing on the likelihood of a final round of industry consolidation.

3. Third, the pre-2001 rules will ensure that the Board has all the information it needs to evaluate the issues raised by this straightforward, end-to-end transaction. Though CP and KCS are both Class Is, this transaction is similar in many respects to the series of Major and Minor/Significant end-to-end transactions that the Board has reviewed over the past 20 years, starting with *CN/IC* and continuing through *CN/WC* and *KCS/Tex Mex*. There is no more reason to think this end-to-end transaction will pose difficult competitive issues than there was in any of those cases. Nor is there any reason to anticipate service problems, or any other bona fide public interest concern. Nor is there any reason to fear CP's Canadian headquarters, any more than CN's headquarters in Montreal. Just as in those other cases, the Board will have all the information it needs to evaluate and safeguard the public interest without resort to the 2001 Merger Rules.

4. Fourth, applying the 2001 Merger Rules here – while surely not fatal to the transaction's ultimate success – would have significant costs for Applicants' customers, the Board, and the public interest:

- The 2001 Merger Rules have never been interpreted or applied, and attempting to do so here would inevitably require a lengthier proceeding and impose additional

burdens on both Applicants and Board Staff. And perhaps more importantly it would invite opportunistic litigation by the Waiver Objectors over the sufficiency of the Application and the true meaning of the 2001 rules' detailed requirements, compounding the burdens and delays. There is no reason why the Board needs to wade into those kinds of issues in order to evaluate this straightforward end-to-end transaction.

- The inevitable delays would be contrary to the public interest. They would postpone the new competition and other benefits that the transaction will bring and that the Class I Waiver Objectors fear, contrary to the public interest and the desires of hundreds of shippers who have already spoken up in support of swift approval of the transaction, as summarized in Appendix A hereto.
- Applying the new rules here – which Applicants believe would ultimately lead to approval – would squander one of the central purposes of the new rules in the first place: stabilizing the basic rail industry structure and discouraging the final round of combinations among the much larger Class Is. The 2001 Rules have done that job well, and the greatest risk to their continued ability to carry out the task would be applying them in a way that some might perceive as offering road map for future transactions by the larger Class Is.
- Creating more burden and delay for this transaction would also tip the scales further in favor of acquisitions of railroads by private equity investors and other non-rail entities that are exempt from Board review altogether, and which would not generate any of the substantial competitive and public interest benefits that only a CP/KCS combination can create.

5. Finally, the fact that the 2001 rules include a formal process for voting trust review is not a reason to apply those rules here. Absolutely nothing about the “plain vanilla” voting trust Applicants propose is remotely controversial, and none of the Waiver Objectors suggest otherwise. The trust would ensure that KCS remains fully independent of CP, pursuing its independent business plans under its existing management during the pendency of the Board’s review of the transaction. Because of the dueling interest of private equity investors in buying KCS, without a voting trust none of the competitive and other benefits of the CP/KCS transaction will materialize. Board Staff has before it a request for informal guidance under longstanding Board regulations (49 CF.R. § 1013), and Staff should be given the go-ahead to evaluate the proposed trust under longstanding Board standards.

II. APPLICANTS SEEK NO EXEMPTION FROM THE BOARD’S THOROUGH EXAMINATION OF THE TRANSACTION UNDER THE STATUTE’S PUBLIC INTEREST TEST

Some of the Waiver Objectors imply that Applicants are somehow seeking to sidestep the Board’s regulatory processes.⁴ They are not.

The 2001 Merger Rules did not change the statutory standard governing the Board’s review of Class I mergers. As the Board explained in its last such merger decision:

“The applicable statutory provisions are codified at 49 U.S.C. 11321-26. Despite the several factors contained in those provisions, the Act’s single and essential standard of approval is that the [Board] find the [transaction] to be ‘consistent with the public interest.’” *Missouri-Kansas-Texas R. Co. v. United States*, 632 F.2d 392, 395 (5th Cir. 1980), *cert. denied*, 451 U.S. 1017 (1981). *Accord Penn-Central Merger and N & W Inclusion Cases*, 389 U.S. 486, 498-99 (1968). In determining the public interest, [the Board] balance[s] the

⁴ UP contends that Applicants are seeking to evade “full regulatory scrutiny.” UP-1 at 3. The ACC Group likewise suggests that important public interest consequences of the transaction might “go unaddressed” unless the 2001 Major Rules are applied. ACC-1 at 8, 12.

benefits of the merger against any harm to competition, essential service(s), labor, and the environment that cannot be mitigated by conditions.”⁵

Applicants understand both that the Board’s discretion in evaluating the public interest effects of their proposed transaction is broad and that they bear the burden of establishing that approval of the transaction is in the public interest.⁶ Applicants will meet that burden by filing a robust Application under the pre-2001 rules that addresses all of the pertinent public interest considerations.

III. THE RATIONALE FOR GRANTING KCS A WAIVER FROM THE 2001 MERGER RULES REMAINS APPLICABLE, ESPECIALLY AS TO THE SPECIFIC TRANSACTION BEFORE THE BOARD

A. The 2001 Merger Rules Arose Out of Concerns About Further Consolidation Among the Largest Class I Railroads, Not KCS

The genesis of the STB’s decision to amend its merger rules in 2001 was its recognition of the “limited merger-related benefits still obtainable through the elimination of overcapacity in the industry, the significant service disruptions that had been associated with recent rail mergers and the prospect that future major merger proposals would trigger other proposals that, if approved, could result in the consolidation of the Class I railroad industry into only two North American transcontinental railroads.” *Major Rail Consolidation Procedures*, Ex Parte No. 582 (STB served June 11, 2001) (“*EP 582 Final Rules*”) at 8. The Board evaluated the implications of these developments against the backdrop of two large Class I railroads in the West (BNSF and UP), two large Class I railroads in the East (CSX and NS), two Canadian railroads with relatively

⁵ *Canadian National Ry., Grand Trunk Corp., & Grand Trunk Western R.R. – Control – Illinois Central Corp., Illinois Central R.R., Chicago, Central & Pacific R.R., & Cedar River R.R.*, Finance Docket No. 33556 (“*CN-IC*”) (Decision No. 37, STB served May 25, 1999) at 19.

⁶ *E.g., Western Coal Traffic League v. STB*, 169 F.3d 775, 778 (D.C. Cir. 1999) (“Board’s balancing of the various competing interests under the public interest test is entitled to considerable deference”).

small presence in the United States (CN and CP), and one much smaller railroad stretching from Kansas City to Texas and a significant stake in the leading Mexican railroad (KCS). UP and the two Eastern railroads had recently completed mergers that led to significant service disruptions (UP/SP and the CSX/NS division of Conrail), and two others (BNSF and CN) had sought to combine but called their transaction off when the Board declared a moratorium.

The concerns the Board articulated in adopting new merger rules related to mergers that would combine the six large North American carriers, not KCS. This fact is best illustrated in the Board's discussion of the competitive issues it anticipated in connection with any subsequent non-KCS Class I combination.

“A quick glance at a rail map confirms that the eastern and western railroads do not simply meet end-to-end at Chicago and the Mississippi River crossings; there is a fair degree of overlap. This situation seems to exist with regard to many of the connections of large U.S. and Canadian systems as well. Thus, a merger between any two U.S. Class I rail carriers or between major U.S. and Canadian rail carriers would surely threaten certain shippers with a loss of some indirect competition.”

EP 582 Final Rules at 18. The one exception to this was KCS, at least as to certain KCS combinations. The CP/KCS transaction is a prime – if not literally unique – example of a Class I transaction with zero competitive overlap.

Likewise, a KCS transaction would not spawn the kind of service crisis the Board had witnessed when larger railroads in the East and West combined. Instead, at least some KCS transactions would be purely end-to-end, like CN/IC, which had already been implemented smoothly by the time the Board issued its 2001 Merger Rules. And there was no reason to think a KCS transaction would necessarily prompt a further (and final) round of consolidation.⁷

⁷ The other premise of the new rules – that there was little remaining overcapacity that might be removed through combination of parallel networks – has no application to an end-to-end transaction such as the CP/KCS proposal.

With these differentiating features in mind, the Board agreed with KCS, “as a general matter, that a potential transaction involving KCS and another Class I carrier would not necessarily raise the same concerns and risks as other potential mergers between Class I railroads.” *EP 582 Final Rules* at 15. “Accordingly, for a merger proposal involving KCS and another Class I railroad,” the Board “waive[d] application of the new rules and apply the rules previously in effect.” *Id.*; see 49 C.F.R. § 1180.0(b). But because it could not “assess in the abstract the effect of every potential merger proposal involving KCS,” the Board left open the possibility that it might be “persuaded otherwise” if the specific transaction being proposed raised the concerns that motivated the 2001 rules. *EP 582 Final Rules* at 15.

As UP’s Objection highlights, the Board granted the KCS waiver over many of the same arguments that the Waiver Objectors make today. UP-1 at 3-4. But as we show below, nothing about KCS’s evolution over time or the specific transaction involving KCS now before the Board supports the revocation of that waiver. To the contrary, the specifics of *this proposed KCS transaction* present the paradigm case for maintaining the KCS waiver, as the accompanying verified statement of Former-Commissioner William Clyburn, Jr. (Exhibit 1 hereto) explains in detail.

B. KCS Remains the Smallest Class 1 Railroad

The Waiver Objectors spill a great deal of ink discussing the fact that KCS generates more revenues today than it did in 2001. See ACC-1 at 18; BNSF-1 at 4, CN-1 at 7; UP-1 at 5. But this is a distinction without a difference. The basis for the Board’s waiver was never the absolute level of revenues,⁸ but KCS’s position as a much smaller railroad relative to the other

⁸ In fact, the Board declined to adopt a specific proposal that would have limited the waiver to a pre-determined level of revenue. *EP 582 Final Rules* at 15 n.14.

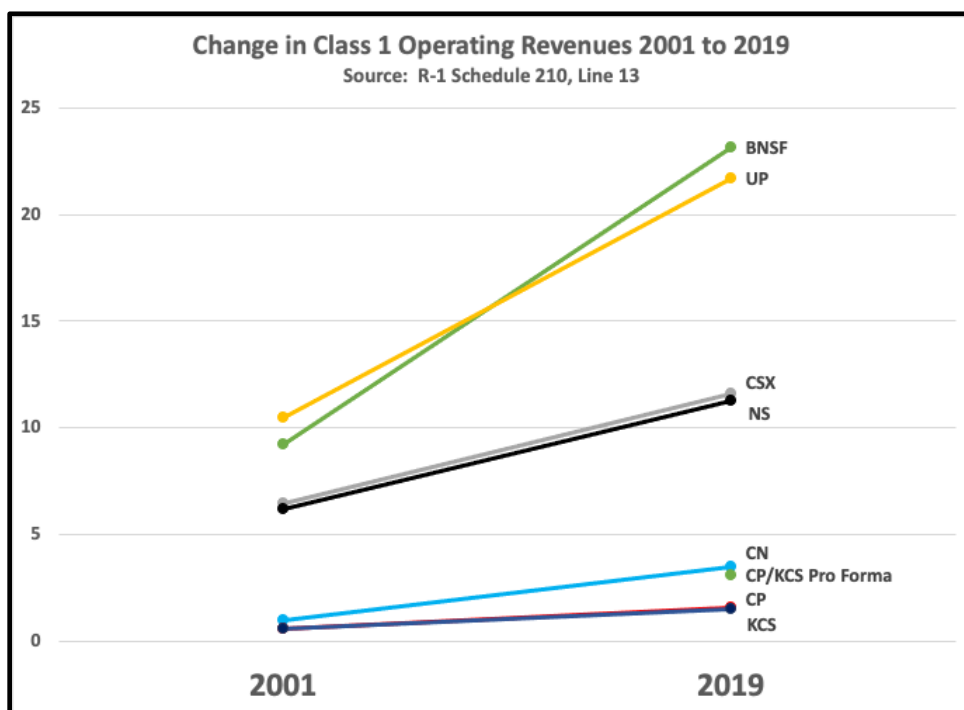
Class Is.⁹ That remains true today. Only one Class I is close to KCS in size, as measured by the U.S. operating revenue metric on which classification of railroads is based:¹⁰ that railroad is CP, KCS's partner in this transaction.

As shown in Figure 1 below, KCS and CP were the smallest Class I railroads in 2001, and they remain the smallest in 2019, while the larger Class Is – especially the Big Four UP, BNSF, CSX and NS – have grown far more than either KCS or CP during that period. KCS was \$9.9 billion smaller than UP in 2001, but by 2019 it was more than \$20 billion smaller than UP (and \$21.6 billion smaller than BNSF, the new revenue leader). In both 2001 and 2019 KCS's revenues were less than 2.0 percent of total Class I revenues (1.64% in 2001, 1.92% in 2019). Indeed, as shown in Figure 1, a CP and KCS would still be the smallest Class I railroad even *after they are combined*.

⁹ The Board regarded KCS as among the “smaller Class I railroads” (along with CP's Soo Line affiliate and CN's affiliates GTW and IC), but the only one of those “smaller” Class Is “that is not affiliated with one of the six large railroads.” *EP 582 Final Rules* at 15.

¹⁰ 49 C.F.R. Part 1201, General Instruction 1-1.

FIGURE 1



Waiver Objectors also emphasize the purchase price associated with the proposed transaction. *See, e.g.*, BNSF-1 at 3; UP-1 at 6. This is a red herring. The financial measure of the transaction is a function of KCS's share price plus a sharing with KCS shareholders of the expected growth synergies, nothing more. Oddly, UP compares the price being paid for KCS to what it paid to acquire SP a quarter century ago. UP-1 at 6 n.6. But the market capitalizations of the larger Class Is have grown markedly over that period and continue to dwarf that of KCS. As shown in Table 1 below, UP may have paid only \$5.4 billion to acquire SP in 1996, but UP's market capitalization is almost \$150 billion today.¹¹

¹¹ BNSF is no longer publicly held. Berkshire Hathaway paid \$44 billion to acquire BNSF in 2009.

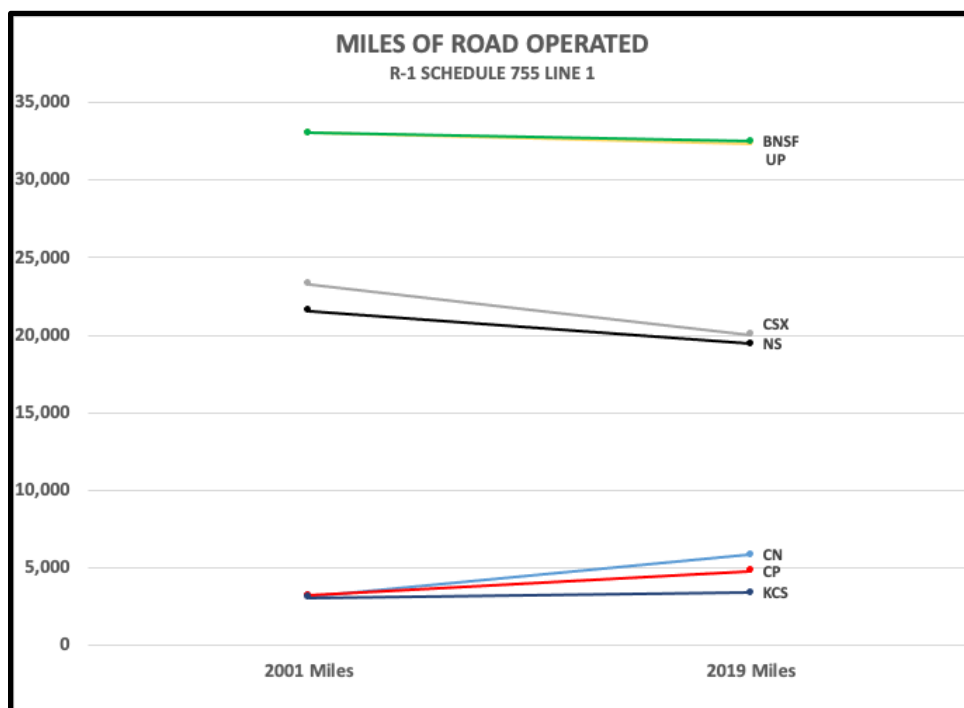
TABLE 1
MARKET CAPITALIZATION OF LARGER CLASS 1 RAILROADS

<u>Publicly-Held Class I</u>	<u>Market Capitalization (as of April 8, 2021)</u>
Union Pacific Corporation (UNP)	\$146,795,000,000
Canadian National Railway Company (CNI)	\$82,786,000,000
CSX Corporation (CSX)	\$73,633,000,000
Norfolk Southern Corporation (NSC)	\$72,644,000,000
Canadian Pacific Railway Limited (CP)	\$50,207,000,000
Kansas City Southern (KSU)	\$23,840,000,000

C. KCS’s “Strategic Significance” Is No Greater Today Than in 2001

Even more fundamentally than KCS’s relative size, KCS’s place in the structure of the North American rail network has not changed. There remain two large carriers in the West, two in the East, and two in Canada, one of which extends south to the Gulf of Mexico. KCS’s network is uniquely small and regional, such that an acquisition of KCS – unlike any transaction among the other Class Is – does not prompt a final round of musical-chair-style consolidation. As Figure 2 demonstrates, KCS’s U.S. route network remains the smallest of the Class I railroads, the relative sizes of which have not changed since 2001.

FIGURE 2



UP emphasizes KCS's acquisition of control of Tex Mex and TFM as giving KCS heightened "strategic significance." UP-1 at 6 n.6. To be sure, KCS's network in Mexico is a significant source of potential benefit for shippers from the new single-line routes the CP/KCS combination will make available. But UP is forgetting key historical facts:¹² by 2001 KCS had already acquired Mexico's Northeast Concession (which became TFM and ultimately KCSM),¹³ and the Board had already granted Tex Mex trackage rights between Beaumont and Robstown in 1996 for the express purpose of connecting KCS with the Laredo Gateway.¹⁴ UP may not relish

¹² UP is also ignoring its own assertion that KCS was already of "such strategic importance" in 2001 when the KCS waiver was granted. UP-1 at 4.

¹³ See "TFM to Run Prime Mexican Rail Corridor - TMM-KCSI Venture Awarded 50-Year Pact," JOURNAL OF COMMERCE (Dec. 8, 1996) (also noting that TFM "will have connections in Laredo through the Texas Mexican Railway Co., jointly owned by TMM and the Kansas City Southern") (attached as Exhibit 2).

¹⁴ In 1996, in *UP/SP*, the Board granted Tex Mex's request for trackage rights over UP between Robstown, Texas, and a connection with KCS at Beaumont in order to "ensure the continuation of an effective competitive alternative to UP's routing into the border crossing at Laredo." *Union Pacific Corp.*,

the stronger competition the CP/KCS combination will provide to UP for north-south traffic moving over the Laredo Gateway, but KCS's role in those traffic flows is nothing new.

D. The Proposed CP/KCS Combination Raises None of the Concerns that Motivated Adoption of the 2001 Rules

Though the KCS waiver applies by its terms to any potential combination between KCS and another Class 1 railroad, the Board need not trouble itself with the implications of all possible permutations. It has before it the proposed CP/KCS transaction, which is a uniquely good fit and is the paradigmatic example of a transaction to which the KCS waiver should apply. As former-Commissioner Clyburn explains, “[t]he proposed CP/KCS merger is precisely the type of transaction that the majority of the Board contemplated when it decided to grant the KCS waiver.” Clyburn V.S. (Exh. 1) at 1. Indeed, a CP/KCS combination was specifically called out in 2001 as the one Class I combination that would raise the fewest concerns. *See, e.g., Major Rail Consolidation Procedures*, Ex Parte No. 582, Comments of the Society of the Plastics Industry, Inc. (filed June 5, 2000) at 5 n.6. And even the FRCA Group here “concede[s] that a CP/KCS transaction does not present the problems of other combinations of Class I railroads.” SHAS-1 at 2.

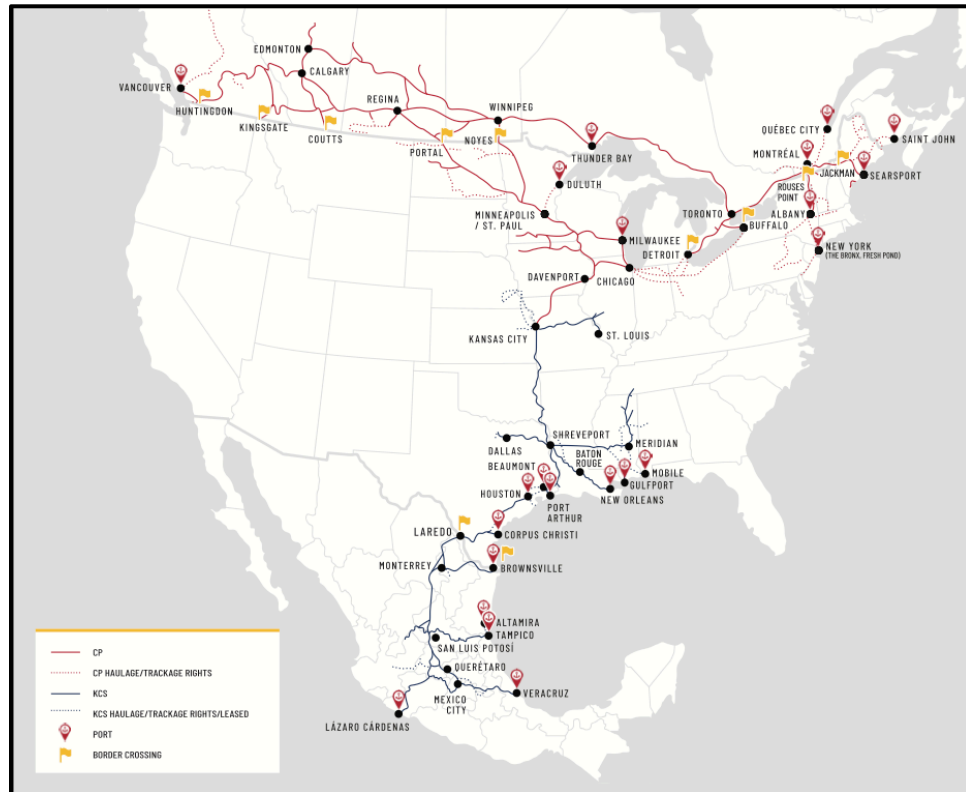
The fundamentals of the proposed transaction demonstrate that there is no basis for the concerns that undergirded the 2001 rules:

- As a purely end-to-end transaction, there are no competitive issues of the sort the Board feared could not be remedied in the context of a combination among the six

Union Pacific R.R., & Missouri Pacific R.R. – Control & Merger – Southern Pacific Rail Corp., Southern Pacific Trans. Co., St. Louis Southwestern Ry., SPCSL Corp., & The Denver & Rio Grande Western R.R., Finance Docket No. 32760 (Decision No. 44, STB served Aug. 12, 1996) at 149. As Tex Mex explained to the Board at that time, those trackage rights “would enable Tex Mex, in conjunction with KCS, to offer shippers served by KCS or KCS’ eastern connections a third alternative for traffic from/to Mexico and southeast Texas.” *Id.* at 32.

larger North American railroads. There are no overlaps whatsoever, and thus no 3-to-2 or 2-to-1 shippers or corridors, as the network map in Figure 3 below makes clear. The same could not be said for combinations between KCS and BNSF, CN, or UP (*see* Figure 4, below).

FIGURE 3



- As a purely end-to-end transaction, with a single point of connection (as in CN/IC), there is no basis for fearing any adverse transitional service impacts. Unlike in UP/SP, there will be no need to integrate the railroad's separate facilities in any terminal area (such as contributed to UP's service crisis when it sought to integrate Houston-area yard activities).¹⁵ And unlike in

¹⁵

E.g., Joint Petition for Service Order, Service Order No. 1518 (STB served Feb. 17, 1998) at 5-6.

CSX/NS/Conrail, there will be no need to disintegrate and recombine operations across a wide array of corridors and terminals on Day One.¹⁶

- And unlike any combination among the six large North American systems, which would have the potential of creating an imperative for others to respond with their own strategic combinations, a CP/KCS transaction carries no such risk.¹⁷ (In any event, as discussed below at page {28, the best way to discourage further consolidation would be to retain the KCS waiver for this transaction.)

The thrust of the objections to the KCS waiver here are nothing more than disagreements with the Board's judgment in 2001 to grant the waiver in the first place. When the Board granted the KCS waiver, it was well aware that any merger involving KCS would reduce the number of Class I railroads from seven to six. SHAS-1 at 3. The Board knew that a CP/KCS transaction was one possible combination and would be a transnational combination. ACC-1 at 4. And the transitional service disruptions from prior mergers were also well known and discussed by the Board when adopting the new merger rules and KCS's waiver from them. ACC at 4. Waiver Objectors' recitation of these same concerns underscores that they have not satisfied – and cannot satisfy – their burden to justify a revocation of the KCS waiver.

IV. APPLICANTS' COMPLIANCE WITH THE PRE-2001 MERGER RULES WILL SUFFICIENTLY ADDRESS ALL OF THE PERTINENT PUBLIC INTEREST CONSIDERATIONS

The Board also understood in 2001 that its existing, pre-2001 merger rules would provide a sufficient mechanism for discharging the agency's statutory mandate to assess whether a

¹⁶ See *CSX Corp. & CSX Transp., Inc., Norfolk Southern Corp. & Norfolk Southern Ry. Co. – Control & Operating Leases/Agreements – Conrail Inc. & Consolidated Rail Corp. [General Oversight]*, Finance Docket No. 33388 (Sub-No. 91) (Oversight Dec. No. 5, STB served Feb. 2, 2001) at 10-11 (addressing parties' efforts to overcome "transitional operational and service problems").

¹⁷ Nothing in the objections filed by the Class Is hints at a need to respond to CP/KCS with consolidation of their own.

proposed acquisition of KCS was in the public interest. Contrary to the assertions of Waiver Objectors, application of the pre-2001 Merger Rules will not deny the Board the information it needs to assess the public interest implications of the proposed transaction and ensure those interests are protected. Applicants will be filing a robust Application under the pre-2001 rules, which will address all of the public interest considerations. As former-Commissioner Clyburn explains, “[a]pplying the New Merger Rules to the proposed CP/KCS combination is not necessary for the Board to appropriately and thoroughly evaluate the proposal.” Clyburn V.S. (Exh. 1) at 6.

This is not to say that the Application will necessarily meet all of the formal requirements of the 2001 rules.¹⁸ Those requirements have never been applied and there is uncertainty regarding exactly what would be required to meet them. Were the 2001 rules applied here, Applicants fully expect that Waiver Objectors would be motivated to object to the sufficiency of the Application no matter how robust a public interest showing it made. Some shipper groups might desire to have the Board interpret the 2001 rules to impose rigid obligations – *e.g.*, relating to competitive access (perhaps on their own view of what an “enhancement” means) – that further their own regulatory agenda. The Class I railroads might desire for the Board to reject their own challenges to the sufficiency of the Application, in the process lessening the hurdles that their own Major mergers would someday have to clear. Resolving these challenges would inevitably further delay the Board’s review, burden both Applicants and the Board, and postpone

¹⁸ UP and CN each spend nearly half of their objections simply reciting the differences between the pre-2001 merger rules and the 2001 rules. CN-1 at 8-12; UP at 6-10. Similarly, ACC compares requirements regarding transitional service design, merger alternatives, and transnational issues. ACC at 4. But objections based on the fact that the specific details required by the 2001 rules might be more onerous than what the pre-2001 rules demanded do not justify rejecting the KCS waiver. The STB knew in 2001 that those differences would exist, and it knew granting a waiver to transactions involving KCS would mean that certain aspects of its new merger rules would not apply to such a transaction.

delivery of the benefits of the combination for customers and the public. But none of this is remotely called for with respect to this proposed transaction, which is fundamentally unlike the kind of transaction for which the 2001 rules were designed. The tools the Board has under the pre-2001 rules are more than adequate to address this straightforward and pro-competitive transaction.¹⁹

A. Service Assurance

A few of the Waiver Objectors suggest that the Board should apply the 2001 Merger Rules in order to address the potential for transitional service disruptions, and should specifically require Applicants to submit a “Service Assurance Plan,” the details of which are spelled out in the regulations. *See* CN-1 at 8-9; NS Comments at 1, UP-1 at 7-8, ACC-1 at 14-16. That requirement, of course, was borne out of the service upheavals of the UP/SP and CSX/NS/Conrail transactions that immediately preceded the promulgation of the 2001 rules. Again, there is no reasonable basis for thinking the CP/KCS transaction would pose any risk of similar disruption given that the transaction is end-to-end and Kansas City is the only point of connection. *See* Figure 3, above.

Equally fundamentally, the Board need not apply its 2001 Merger Rules to address and guard against potential adverse service impacts. NITL is certainly aware that it supported the “Minor” *CN/WC* transaction (under rules less stringent than the pre-2001 major merger rules) on the basis of commitments regarding service protection that it secured from CN in that case. *See*

¹⁹ Some of the issues raised by Waiver Objectors are non sequiturs that have no bearing on which set of merger rules should apply here. One example is the FRCA Group’s comment about the appropriate regulatory treatment of any “acquisition premium and associated write-up of asset values.” SHAS-1 at 4. That issue is not within the scope of either set of merger rules and could be addressed by the Board regardless of whether the underlying transaction is subject to Board review at all. *See, e.g., Western Coal Traffic League – Petition for Declaratory Order*, Finance Docket No. 35506 (STB served July 25, 2013) (addressing regulatory implications of Berkshire Hathaway purchase of BNSF).

CN/WC, Statement of Support on Behalf of NITL (filed Apr. 27, 2001) (“*NITL CN/WC Submission*”) at 4-5.²⁰ CN’s claim that the 2001 rules must be applied to address service issues is similarly belied by its own merger experience: it repeatedly submitted testimony to the Board extolling its own disruption-free implementation of end-to-end mergers.²¹ Both CP and KCS have similarly shown themselves capable of efficient and disruption-free merger implementation: CP of DME and CMQ, and KCS of Tex Mex and TFM. The KCS waiver should not be jeopardized by the failure of other Class I railroads (some of the Waiver Objectors included) to smoothly implement the mergers that they had approved under the pre-2001 merger rules.

Applicants understand the Board’s keen interest in assuring that mergers of all shapes and sizes do not cause service disruptions, and Applicants are fully committed to ensuring that there will be no such disruptions when they combine CP and KCS. The Board will have all the information it needs to satisfy itself that Applicants have carefully planned for the integration of these railroads and will implement measures to monitor and adjust service levels during the integration process so that shippers’ service levels are safeguarded (all under appropriate Board oversight, of course). Given the strong fundamentals of the proposed end-to-end transaction,

²⁰ NITL likewise entered an agreement providing for service assurance in *KCS/Tex Mex*, another Minor case, and it told the Board that its agreement was “an important element that will enhance the benefits” of the proposed transaction. *Kansas City Southern – Control – Kansas City Southern Ry., Gateway Eastern Ry., & The Texas Mexican Ry.*, Finance Docket No. 34342, NITL-7, Letter from Nicholas J. DiMichael (filed Sept. 30, 2004); NITL-4, Letter from Frederic L. Wood (filed Aug. 5, 2003) (attaching Agreement between NITL and KCS) (“*NITL KCS/Tex Mex Agreement*”).

²¹ See, e.g., *Canadian National Ry. & Grand Trunk Corp. – Control – Duluth, Missabe & Iron Range Ry., Bessemer & Lake Erie R.R., & The Pittsburgh & Conneaut Dock Co.*, Finance Docket No. 34424, Application, Verified Statement of E. Hunter Harrison (filed Nov. 5, 2003) at 39-40 (“As the Board knows, CN has an excellent track record of implementing transactions safely and efficiently. As we did in the CN/IC and CN/WC transactions, we would assure all of our customers that their rail service will be as good as – or better than – the service they now receive from CN and the GLT railroads”); *Canadian National Ry. & Grand Trunk Corp. – Control – EJ&E West Co.*, Finance Docket No. 35087, Application, Verified Statement of E. Hunter Harrison (filed Oct. 30, 2007) at 50 (“CN has a record of safely and efficiently integrating carriers into its existing network, and implementation would not adversely affect service”).

there is no need for the Board to impose all of the specific components of the “Service Assurance Plan” regulations applicable to other Major Mergers.”

Given the strong fundamentals of the proposed end-to-end transaction, there is no need for the Board to impose all of the specific components of the “Service Assurance Plan” regulations applicable to other Major Mergers.

B. “Competitive” Issues

Certain of the Waiver Objectors suggest that the Board will not have the information it needs to evaluate competitive effects unless it applies the 2001 Merger Rules. That is not so. Analysis of competitive issues has long been a centerpiece of the Board’s review of all railroad control transactions (whether Major, Significant, or Minor),²² and Applicants here will provide a robust demonstration of how their proposed transaction would strengthen – *i.e.*, enhance – competition against other railroads and trucks.

In prior mergers, the pre-2001 standards provided the Board ample information to evaluate competitive effects. Here, the competitive analysis will be simpler than the norm, as CP and KCS have literally no competitive overlap, and no shipper will suffer any reduction in competition. Instead, the fundamental rationale for the proposed transaction is to stimulate growth by making available new and better rail transportation options, including improved new single-line services. As the Board has consistently held, these features of end-to-end transactions “enhance competition.”²³ The transaction does not eliminate or degrade existing options.²⁴ To

²² The pre-2001 Major Merger Rules place heavy emphasis on such issues. *E.g.*, 49 C.F.R. §§ 1180.6(c)(2)(i), 1180.7 (2000).

²³ *E.g.*, *CN/IC*, Decision No. 37, at 23 (new single-line services would “enhance competition, especially for north-south traffic”).

²⁴ Ironically, this transaction presents competitive issues that are far simpler than those raised in the other pending control proceeding – *CSX/Pan Am* – and the ACC Group (ACC-1 at 20-21) compliments

that end, Applicants are fully committed to keeping all existing gateways open both physically and commercially and ensuring that shippers' existing bottleneck rate regulatory options are not adversely affected by the transaction.²⁵

Several of the Waiver Objectors suggest that the Board needs to apply the 2001 Merger Rules in order to consider end-to-end competitive issues. ACC-1 at 8-9; SHAS-1 at 3-4, BNSF-1 at 3, CN-1 at 2, UP-1 at 8-9. That position ignores the fact that the Board has consistently considered (and for the most part rejected) such concerns in every end-to-end merger case it reviewed over the past three decades or more, without any need to resort to the 2001 Merger Rules. It did so in *CN/IC* – which allowed CN to expand south to the Gulf of Mexico under the same rules that would apply to this transaction under the KCS waiver. It also did so in several other more recent Minor and Significant merger cases, including *CN/WC*, *CN/DMIR*, *KCS/Tex Mex* and *CP/DME*. As the Board summarized in another case post-dating the 2001 rulemaking: “An end-to-end consolidation of carriers, by its very nature, is not likely to generate the kinds of competitive problems that often arise in connection with a parallel consolidation.”²⁶

the Board for treating that transaction as a Significant one. *CSX Corp. & CSX Transportation, Inc., et al. — Control & Merger—Pan Am Systems, Inc., Pan Am Rys., Boston & Maine Corp., Maine Central R.R., Northern R.R., Pan Am Southern LLC, Portland Terminal Co., Springfield Terminal Ry., Stony Brook R.R., & Vermont & Massachusetts R.R.*, Finance Docket No. 36472 (STB served Mar. 25, 2021) at 10. The competitive analysis that Applicants will submit with their Application under the pre-2000 Major Rules will be more robust than that required by rules governing Significant transactions. *Compare* 49 C.F.R. §§ 1180.1, 1180.7(b) (2000) (pre-2001 provisions applicable only to Major transactions) *with* 49 C.F.R. § 1180.7(c) (market analyses in Significant cases).

²⁵ These commitments would fully address the hypothetical spun out in the ACC Group Motion to Revoke (ACC-1 at 8) about CP “refus[ing] to interchange with CN.” That will not happen.

²⁶ *Norfolk Southern Corp. & Norfolk Southern Ry. Co. — Control & Consolidation Exemption — Algers, Winslow & Western Ry.*, Finance Docket No. 34839 (STB served Feb. 15, 2007) at 8; *see also, e.g., Norfolk Southern Ry, Pan Am Rys., et al. — Joint Control & Operating/Pooling Agreements — Pan Am Southern LLC*, Finance Docket No. 35147 (STB served Mar. 10, 2009) at 5 (“The lines involved in the Transaction are end-to-end, with no parallel routes. This agency has long held that end-to-end transactions are unlikely to generate the types of competitive problems that often arise in parallel transactions.”).

Some of the Waiver Objectors appear to suggest (incorrectly) that the Board must revoke the waiver so that it can impose conditions to address any competitive harm that might be identified. Contrary to those assertions, history shows that the Board has ample conditioning power under the pre-2001 rules. As the Board observed when it issued those rules, it had no difficulty applying the pre-2001 rules to “impose[] a condition requiring applicants to keep the Chicago gateway open and competitive for North Dakota grain movements.” *EP 582 Final Rules* at 25 (citing *CN/IC*, Decision No. 37, STB served May 25, 1999 at 37).

CN/WC is particularly noteworthy, as it set the pattern for addressing end-to-end issues even in smaller cases. In that case NITL (one of the Waiver Objectors) reached an agreement memorializing CN’s commitments to keep gateways open and preserve the contract exception to the bottleneck rule. (*CN/WC*, Decision No. 10, served Sept. 7, 2001 at 12-15.). NITL presented that agreement to the Board as “consistent with the spirit of many of the proposals contained in the 2001 Major Rules.” *NITL CN/WC Submission* at 5.²⁷ The 2001 Merger Rules did not need to apply for Applicants and the Board to thoroughly address these issues.

UP foreshadows its desire to relitigate an issue regarding the Laredo Gateway that it raised in a prior proceeding involving KCS and which the Board has already addressed at length. In *KCS/Tex Mex*, a Minor case, the Board conducted an extensive analysis of exactly the same issue UP raises in its Opposition: the question of potential diversions away from KCSM-UP routes via the Laredo Gateway. That issue was extensively analyzed by the Board, and though the Board rejected UP’s arguments it did require KCS to honor its commitments respecting the

²⁷ NITL’s agreement in *KCS/Tex Mex* – under rules applicable to Minor transactions – likewise contained protections for traffic moving over the Laredo Gateway and other interchange points. See *NITL/KCS Agreement*.

Laredo Gateway (including to keep the Gateway open on commercially reasonable terms).²⁸

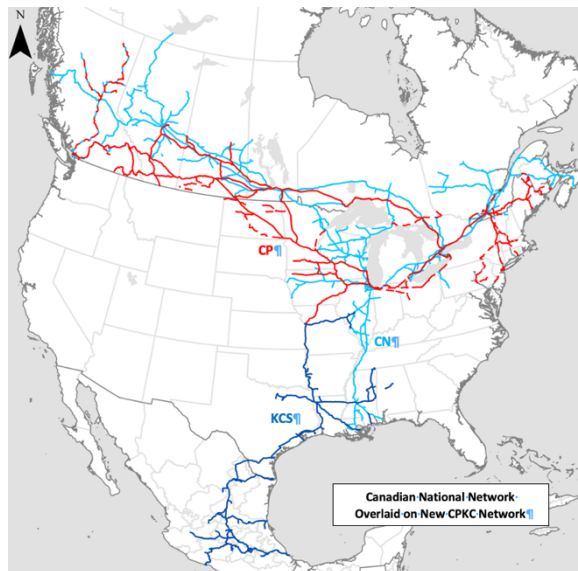
Applicants here, of course, will continue to be bound by those commitments. To the extent UP anticipates further litigation before the Board on these issues in this proceeding, there is absolutely no reason why the 2001 Merger Rules must be applied to analyze those issues.

The plea by BNSF, CN, and UP for the Board to apply the 2001 Merger Rules to its evaluation of competitive issues is particularly ironic.²⁹ From the perspective of those larger railroads, the only impact on “competition” will be that the transaction forces them to *face more of it*. As the maps in Figure 4 on the next page illustrate, the new CPKC network will provide a more formidable set of competitive options, particularly for north-south traffic flows in which these larger railroads already offer single-line routes. The larger Class Is will have to work harder, which says a lot about their motivation to burden the proposed transaction with additional, but unnecessary, regulatory hurdles.

²⁸ *KCS/Tex Mex* (Decision No. 12, STB served Nov. 29, 2004) at 16-18 (rejecting UP competitive analysis).

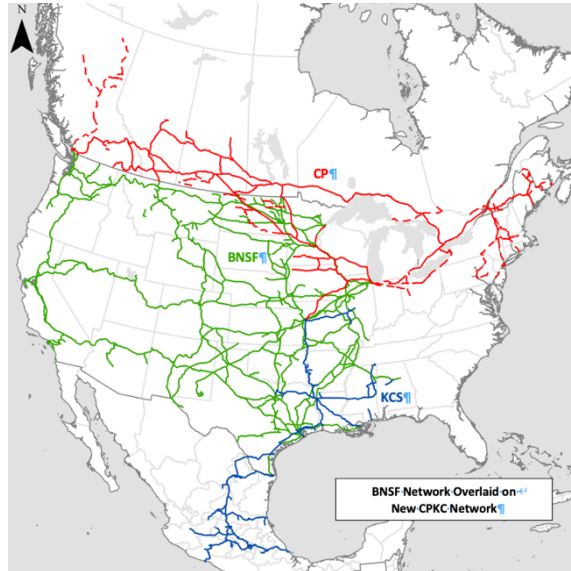
²⁹ BNSF-1 at 3; CN-1 at 2, 6; UP-1 at 6-9.

FIGURE 4
OPPONENTS OF KCS WAIVER WOULD FACE NEW COMPETITION FROM THE COMBINED CPKC NETWORK



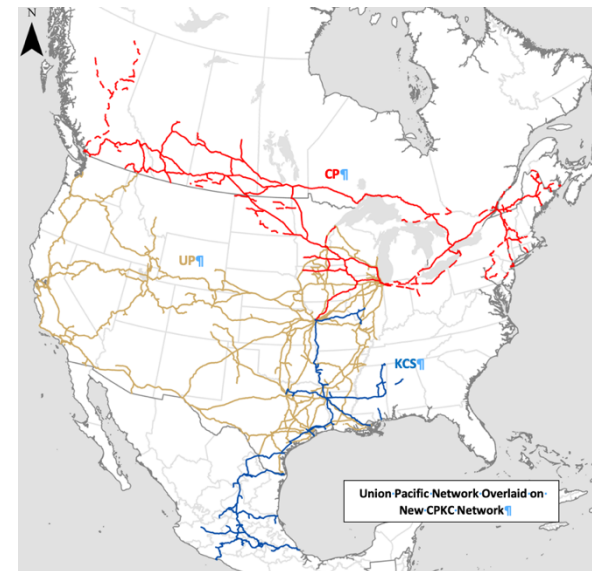
Canadian National

Would Face New Competition from
 CPKC Single-Line Routes Between
 Gulf/South Central States
 and
 Upper Midwest/Canada



BNSF

Would Face New Competition from
 CPKC Single-Line Routes Between
 Gulf/South Central
 States/Texas/Mexico
 and
 Upper Midwest/Canada



Union Pacific

Would Face New Competition from
 CPKC Single-Line Routes Between
 Gulf/South Central
 States/Texas/Mexico
 and
 Upper Midwest

C. Implications of CP's Headquarters Being in Canada

Waiver Objectors make much of the fact that CP is headquartered in Canada, and the proposed transaction involves a combined network that will cross international borders. ACC-1 at 16-17, BNSF-1 at 4, CN-1 at 10-11. But these facts provide no basis for revoking the KCS waiver because there is nothing novel about the “cross-border” aspects of the proposed transaction that would warrant application of the 2001 Merger Rules.

There is nothing new about railroads crossing international borders or U.S. railroads being controlled by Canadian parents. For more than a century, CP has controlled Soo Line and CN has controlled GTW. BNSF, CSX, and other U.S. carriers have long crossed the U.S./Canada border. In the modern era, the Board reviewed and approved CP's acquisitions of U.S. carriers DME and CMQ and CN's acquisitions of U.S. carriers IC, WC, DMIR, and EJE. And of course the Board also reviewed the implications for the U.S. public interest of KCS's acquisition of control of Tex Mex and TFM in Mexico. None of these transactions required application of the 2001 rules.

UP and CN urge the Board to require “full-system” analyses and plans. CN-1 at 10-11, UP-1 at 6. Applicants are well aware of the importance of identifying and addressing impacts on the U.S. public interest (in terms of competition, service, and safety) that might arise from transaction-induced changes in Canada and Mexico, if any. The formal requirements of the 2001 Merger Rules are not needed to bring any such impacts before the Board.

D. “Cumulative Impacts and Crossover Effects”

Two Waiver Objectors point to the 2001 rule requiring applicants to address so-called “cumulative impacts and crossover effects.” CN-1 at 11, UP-1 at 9. As the Board explained in 2001, its concern is that “another merger involving two very large railroads would not likely be an isolated event, but instead would trigger responsive proposals that, if granted, could well lead

to a transcontinental railroad duopoly.” *EP 582 Final Rules* at 43. This concern has no application to this transaction. The only source of a “responsive proposal” would be the other Class Is that have filed comments herein, none of which even hints at the illogical possibility that this transaction would force them to respond with a much larger and more complex transaction of their own. The best way to ensure that the larger Class Is do not seek to combine would be to maintain the KCS waiver and apply the pre-2001 Merger Rules rather than applying and interpreting the 2001 rules in a way that could breathe hope into other Class Is that might desire to expand their own empire via a merger of their own. *See* page {28, below.

E. Merger Specificity.

Several Waiver Objectors contend that application of the 2001 Merger Rules is necessary to ensure that Applicants address whether the benefits they forecast could be achieved via means short of merger. ACC-1 at 17-18, UP-1 at 8. This is another red herring. Applicants intend to do so, as the *pre-2001 Merger Rules expressly contemplate*. 49 C.F.R. § 1180.1(c) (2000) (“Board will consider whether the benefits claimed by applicants could be realized by means other than the proposed consolidation that would result in less potential harm to the public.”). Applicants’ long experience working together as interline connections confirms what shipper after shipper recognizes: the true competitive potential of the CP/KCS cannot be realized unless these companies are able to work together as one.³⁰

V. APPLYING THE 2001 MERGER RULES WOULD HAVE ADVERSE CONSEQUENCES

Applicants are confident that the Board would ultimately conclude that the proposed transaction is in the public interest even if it elected to revoke the KCS waiver and apply the

³⁰ As set forth in Appendix B, numerous shippers have made this precise point in their statements of support: a combination of CP and KCS is necessary to unlock the single-line and other benefits they foresee.

2001 Merger Rules. But doing so would carry meaningful costs for shippers and the public interest, the Board, and Applicants.

As several of the Waiver Objectors emphasize (SHAS-1 at 4, BNSF at 6), the 2001 Merger Rules have never been applied, and doing so would therefore require the Board for the first time to interpret those rules in the context of this proposed transaction. This fact alone will have adverse consequences for the Board, rail customers and the public interest, as well as Applicants:

- Applying the 2001 Merger Rules instead of the tried-and-true pre-2001 rules, for which there is ample precedent in end-to-end transactions like this one, will entail inevitable delay. The FRCA Group explicitly asserts the need for a “longer schedule” because the 2001 rules “have not been applied previously.” SHAS-1 at 4. This will postpone realization of the competition and other benefits of the transaction that hundreds of shippers’ desire to realize “as soon as possible.” Appendix A hereto catalogs the shippers and other supporters who have expressed their desire that the Board approve the transaction promptly. And applying the 2001 rules will also burden the Board and the Board’s Staff with the need to evaluate and apply those rules for the first time in the kind of case for which they were not designed.
- The uncertainties about the precise content of an Application under the 2001 Merger Rules will also invite controversy, giving the Waiver Objectors incentives to challenge the sufficiency of the CP/KCS Application so as to further delay the onset of the new competition the transaction will bring. Shipper groups may desire to have the Board interpret the 2001 rules to impose rigid obligations – *e.g.*,

relating to competitive access (perhaps on their own view of what an “enhancement” means) – that further their own regulatory agenda. The Class I railroads might desire for the Board to reject their challenges to the sufficiency of the Application, in the process lessening the hurdles that their own Major mergers would someday have to clear. Resolving these challenges would inevitably further delay the Board’s review and burden both Applicants and the Board. The same dynamic would require Applicants to undertake needless effort to bullet-proof their Application against all possible interpretations of the 2001 Merger Rules, imposing unnecessary burdens.

- Applying the new rules here would squander forever one of the central functions of the new rules in the first place – to place a yellow light in front of transactions that might have disastrous consequences and trigger a final round of consolidation. The 2001 Merger Rules have performed that function effectively for 20 years. Interpreting and applying them here to a transaction that Applicants believe will easily pass muster under whichever rules are applied would risk providing the larger Class Is with a roadmap that encourages their own future merger ambitions. BNSF is quite up front about this potential when it suggests that “the Board’s application of [the 2001 Rules] to this transaction would provide importance guidance to the rest of the freight rail stakeholder community.”

BNSF-1 at 6.³¹

³¹ Applicants are not alone in recognizing this benefit of saving the 2001 Rules for a possible future combination of the larger Class Is for which those rules were designed. *See* Letter from Kevin Karel, The Arthur Companies (filed with Board as part of CP-4/KCS-4) (attached for convenience as Exhibit 3 hereto).

- Finally, the Board should be concerned about adding additional burden and delay because it further tips the playing field toward non-rail suitors of KCS. As Applicants have explained, CP's bid for KCS had to overcome competing interest on the part of private equity investors. *See* CP-3/KCS-3 at 2-3. An acquisition of KCS by a private equity investor would preclude the once-in-a-lifetime opportunity for the CP/KCS transaction to inject new competition into North-South trade flows, and potentially raise serious public interest concerns of its own, but it would also escape Board review entirely. Far from being a reason to compel this transaction to undergo more onerous regulatory review, as Waiver Objectors wrongly suggest (FRCA at 3-4), the Board should be concerned about the risk that its processes could drive KCS into the hands of a non-rail acquirer.

VI. APPLICANTS' PROPOSED USE OF A VOTING TRUST DOES NOT SUPPORT INVOCATION OF THE 2001 MERGER RULES

Two of the Waiver Objectors note that the 2001 Merger Rules establish a process for Board review of proposals to place a Class I railroad other than KCS into a voting trust pending Board review of the underlying transaction.³² The existence of that process for non-KCS transactions is not a reason to apply the 2001 rules to the CP/KCS proposal.

Absolutely nothing about the use of a voting trust here is remotely controversial, and none of the Waiver Objectors suggest otherwise. The FRCA Group suggests that "[t]he Board should be assured there is independence, no unauthorized or premature transfer of control, [and] that the transaction could be unwound without damage to the public interest if the merger does

³² UP-1 at 10; SHAS-1 at 4.

not occur.” SHAS-1 at 4. But neither they nor UP suggest one iota of reason to think these conditions are not satisfied in this case.

Applicants’ proposed Trust is a “plain vanilla” one, consistent with those approved by the Board in countless cases, including CN/IC and UP’s own hostile offer to acquire Santa Fe.³³ Unlike the controversial voting trust proposals in *IC/KCS* and *CP/NS* – both of which would have placed the *acquirer into trust* with the aim of making changes in the acquired railroad’s management prior to receiving control authorization³⁴ – the trust here is thoroughly conventional. KCS (and all of its affiliated entities) will be placed into trust pending Board approval, and the trust will preserve KCS intact to be managed by its existing management, with its own board of directors, and with a trustee who is a former CEO of KCS. Nothing will change unless and until the Board authorizes CP control, and if (in the unlikely event) the Board does not approve control, there will be no difficulty returning KCS to ownership independent of CP. The existence of alternative buyers is perhaps best evidenced by the *actual* competing bid for KCS by private equity buyers, which the FRCA Group recognizes as showing “strong acquisition interest” in KCS. SHAS-1 at 2.

KCS’s Board of Directors rejected that private equity bid in favor of CP’s proposal, which uniquely allowed KCS and its shareholders (along with its customers) to realize the efficiency benefits of combining KCS with CP and thereby unlocking the competitive growth potential of the CPKC network. The private equity bid, however, had the advantage of allowing

³³ *Union Pac. Corp., et al. – Request for Informal Opinion – Voting Trust Agreement*, Finance Docket No. 32619 (ICC served Dec. 20, 1994).

³⁴ *Illinois Central Corp. – Common Control – Illinois Central R.R. & The Kansas City Southern Ry.*, Finance Docket No. 32556 (ICC served Oct. 21, 1994); *Canadian Pacific Ry. Limited – Petition for Expedited Declaratory Order*, Finance Docket No. 36004 (STB served Apr. 13, 2016). Both proposals were abandoned before the agency ruled on their acceptability.

shareholders to receive consideration immediately, without the long delay associated with the Board's regulatory review. As a result, unless a voting trust can be used there could not have been – and will not be – a CP/KCS transaction for the Board to review and shippers to benefit from.³⁵ Board Staff has before it a request for informal guidance under longstanding Board regulations and should be given the green light to proceed to evaluate the proposed voting trust under longstanding Board standards.

CONCLUSION

The proposed CP/KCS combination is the paradigm case for which the KCS waiver was designed, and the Board should reject efforts to revoke that waiver. This transaction is a once-in-a-lifetime opportunity to inject new rail competition into important north-south trade flows. The Board should review the transaction thoroughly, but efficiently, applying the same pre-2001 rules it has applied time and again to end-to-end mergers with great success. This transaction raises none of the concerns that motivated the 2001 rules, and there is no need to apply the 2001 rules in order for the Board to have all the information it needs to evaluate the transaction. Applying the 2001 rules here is not just unnecessary but would burden the Board, delay benefits to shippers and other stakeholders, and ultimately undermine the usefulness of the 2001 rules as a means of ensuring that the Board is equipped to address the complex issues that would be raised were the larger Class Is ever to propose to combine.

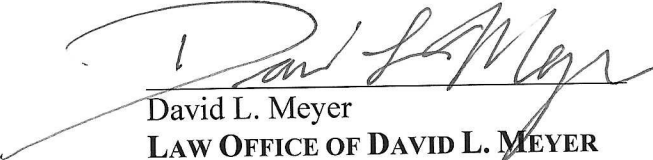
³⁵ See *EP 582 Final Rules* at 29-30 (“the pendency of a hostile takeover bid by a non-railroad entity might make the use of a voting trust more appropriate”).

Respectfully submitted,

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Counsel for CP

Attorneys for Applicants

April 12, 2021

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing Applicants' Reply to Objections to KCS Waiver from 2001 Major Merger Rules to be served electronically or by first class mail, postage pre- paid, on all parties of record in this proceeding.

/s/Freesia Ferrantino

Freesia Ferrantino

Attorney for Canadian Pacific Railway Limited

April 12, 2021

EXHIBIT 1

VERIFIED STATEMENT OF WILLIAM CLYBURN, JR.

BEFORE THE SURFACE TRANSPORTATION BOARD

Finance Docket No. 36500

CANADIAN PACIFIC RAILWAY LIMITED, ET AL. – CONTROL –
KANSAS CITY SOUTHERN, ET AL.

VERIFIED STATEMENT OF HONORABLE WILLIAM CLYBURN, JR.
IN SUPPORT OF THE CANADIAN PACIFIC-KANSAS CITY SOUTHERN TRANSACTION

My name is William Clyburn, Jr. and I am a Principal of Clyburn Consulting LLC, located at 1775 Eye Street NW, Suite 1150, Washington, DC 20006.

Importantly for this proceeding, I was the fourth Member to serve on the United States Surface Transportation Board (“Board”) since its inception in 1996. I joined the Board in 1998 and had the distinct honor of serving until the end of 2001, including in the capacity of Vice Chairman.¹ During this time, the Board adopted rules for major mergers in 2001, and provided a waiver from these rules for The Kansas City Southern Railway Company (“KCS”).²

I am submitting this statement to provide important context and relevant history surrounding the Board’s approval of the KCS waiver and in support of the continued application of the KCS waiver to the proposed Canadian Pacific (“CP”)/KCS control transaction. I am uniquely situated to provide this opinion because I cast the deciding vote in the Board’s decision to grant KCS a waiver from application of the New Merger Rules.

The proposed CP/KCS merger is precisely the type of transaction that the majority of the Board contemplated when it decided to grant the KCS waiver. The proposed CP/KCS merger does not involve any of the so-called “Big Four” railroads (“UP, BNSF, NS, and CSX”), is completely end-to-end in nature, is not the type of east-west transcontinental merger for which the Board was focused, and is unlikely to trigger subsequent mergers between the Big Four carriers. In fact, even after the transaction, CP and KCS will still have less combined operating revenues than any of the other Class I’s.

¹ Prior to joining the Board, I served as the commerce counsel to former U.S. Senator Chuck Robb of Virginia when two Class I railroads – CSX and Norfolk Southern were headquartered in Virginia. I have also served as staff counsel to the United States, Senate Commerce, Science and Transportation Subcommittee on Surface Transportation from 1993 to 1995. During this time Congress was evaluating proposals regarding sunseting the Interstate Commerce Commission (ICC) which led to the ICC Termination Act (ICCTA) and the creation of the Board. From 1992 to 1993, I served as a law clerk for the Hon. Rodney A. Peebles of South Carolina’s Second and Ninth Circuit Courts. I have also served as senior counsel to U.S. Senator Zell Miller.

² Major Rail Consolidation Procedures, STB Ex Parte No. 582 (Sub-No. 1) (served June 11, 2001) (“Merger Rules Decision” and “New Merger Rules”). The KCS waiver from application of the new rules was codified at 49 C.F.R. §1180.0(b).

The Board is capable of thoroughly and appropriately evaluating this proposed merger under the structure of the old merger rules. As articulated by the comments of CSXT,³ even under the old merger rules, the Board has “all the tools and conditioning authority necessary to review.” The types of conditions for which parties argue should be examined in the context of the New Merger Rules – such as bottleneck relief, gateway protections, oversight and metrics reporting – have been fully examined in previous mergers decided under the old rules, and where appropriate, have been imposed. Indeed, such conditions, and more, have been fully examined and imposed in even minor mergers.⁴ The old merger rules for the proposed CP/KCS merger will provide the opportunity for parties to raise these issues and for the Board to impose the types of conditions that would address the kinds of concerns expressed by the objecting parties.

MAJOR MERGER DECISION

After a number of large rail mergers and acquisitions in the 1990’s,⁵ the STB, with my full support, determined that it was necessary to review its merger policy and procedures for major Class I mergers with a view of placing greater emphasis on preserving and enhancing competition, rather than rationalizing excess rail capacity. Adoption of the Merger Rules Decision reflected a significant change from the “one-case-at-a-time” approach the Board traditionally used to review Class I merger applications.

The Board had four primary reasons for adopting the Merger Rules Decision. First, there was a small number of remaining Class I railroads following the series of mergers in the 1990’s; the Board was extremely concerned that any further consolidation, especially among the Big Four, could result in less competitive choices for customers rather than more. Second, the Board decided that rail mergers were no longer needed to address excess capacity in the rail industry or to ensure railroads achieved revenue adequacy. Third, the Board wanted to ensure that future mergers avoided the types of transitional service problems that had accompanied recent rail mergers.⁶ Finally, the Board wanted to ensure that a future merger did not trigger a series of reactive downstream mergers. A potential transcontinental merger, combining two of the Big

³ Canadian Pacific Railway Limited; Canadian Pacific Railway Company; Soo Line Railroad Company; Central Maine & Quebec Railway Company US Inc.; Dakota, Minnesota & Eastern Railroad corporation; and Delaware & Hudson Railway Company, Inc. – Control – Kansas City Southern, The Kansas City Southern Railway Company, and The Texas Mexican Railway Company (“CP/KCS”), FD 36500, CSX Transportation, Inc. Comments With Respect To Rules Applicable To This Proceeding, filed April 1, 2021 at 2.

⁴ Kansas City Southern – Control – The Kansas City Southern Railway Company, Gateway Eastern Railway Company, And The Texas Mexican Railway Company, FD 34342 (Nov. 23, 2004)(“KCS/Tex Mex”).

⁵ Including Burlington Northern and the Santa Fe, Union Pacific and Southern Pacific, CSX and Norfolk Southern acquisition of Conrail, Canadian National/Illinois Central, and a proposed merger between BNSF and CN, which was widely viewed as highly likely to trigger yet another round of mergers among the large Class I carriers.

⁶ Merger Rules Decision at 44.

Four Class I's, stretching 50,000 miles or more, from the Pacific Coast to the Eastern Seaboard exemplified the troubling scenario that could lead to the "last round of mergers".

Accordingly, the Merger Rules Decision created the New Merger Rules that required future merger applicants to meet heightened requirements to show that a major rail combination not only preserved but enhanced competition; maximized safety and minimized service disruptions during implementation; and was otherwise consistent with the public interest. This shift in policy placed greater emphasis on ensuring that a merger between two Class I's would avoid the types of service disruptions and integration issues that had become a hallmark of previous major mergers.

THE KCS WAIVER

In the Merger Rules Decision, the Board recognized that a merger involving KCS was unlikely to involve the type of concerns for which the New Merger Rules were designed and was not likely to trigger subsequent mergers between the larger carriers.⁷ The Board recognized that all potential Class I mergers would not be the same. The Board considered that a Class I merging with the significantly smaller, more regional KCS may not trigger the same potential service and competitive issues as prior mergers. This principle that the Board could treat such mergers differently was a sentiment that was expressed and shared by several commentors, including the U.S. Department of Transportation.⁸ After reviewing comments related to how mergers involving smaller Class I carriers should be treated, and specifically KCS's proposal, the Board agreed with the principles articulated by the commenters and provided KCS with the waiver from automatic application of the New Merger Rules.

The foundation for this recognition that all Class I's are not the same and that KCS is uniquely situated was established by the entire board – all three Members – in October 2000 in advance of our final rules. We all acknowledged that while there were six large Class I's, KCS was a smaller, independent Class I.⁹

⁷ *Id.*

⁸ See, FD 31881, Major Rail Consolidation Procedures, Comments of The United States Department of Transportation (filed Dec. 18, 2000) (agreeing that not every existing or prospective Class I carrier is of equal size and scope, and therefore not every potential "major" consolidation will pose the quantum of risk presented in a transcontinental merger and suggesting that that parties in such cases may continue to seek clarification and/ or waivers of otherwise applicable provisions).

⁹ See EP 582, Public Views on Major Rail Consolidations (STB decided March 16, 2000) at 1, n. 2. "The six are: The Burlington Northern and Santa Fe Railway Company (BNSF); Union 2 Pacific Railroad Company (UP); CSX Transportation, Inc. (CSX); Norfolk Southern Railway Company (NS); Canadian National Railway Company (CN); and Canadian Pacific Railway Company (CP). Two smaller U.S. Class I railroads (Grand Trunk Western Railroad Incorporated and Illinois Central Railroad Company (IC)) are affiliated with CN. A third smaller U.S. Class I railroad (Soo Line Railroad Company) is affiliated with CP. A fourth smaller U.S. Class I railroad (The Kansas City Southern Railway Company (KCS)) remains independent but has entered into a comprehensive alliance with CN and IC."

In the Merger Rules Decision, the Board found “that a potential transaction involving KCS and another Class I carrier would not necessarily raise the same concerns and risks as other potential mergers between Class I railroads.” In particular, it noted that the New Merger Rules were aimed at the “significant risks associated with further consolidations” between any of the six large carriers. We further took note of KCS’s size as the smallest of the Class I railroads at that time. We held that “KCS is the only one of the smaller Class I rail carriers that is not affiliated with one of the six large railroads” and that “a potential merger between it and a Class I carrier would not necessarily have the same impact as other major mergers.”¹⁰

I found it noteworthy during the proceeding which led to the Merger Rules Decision, some shipper parties commented that a transaction between CP and KCS would be substantially different, and *less* likely to raise concerns, than a transaction with KCS involving other Class I railroads. For example, the Society of Plastics Industry, Inc. commented that the acquisition of KCS by Union Pacific or Canadian National would pose substantially different competitive implications than an acquisition of KCS by CP.¹¹

There was a range of options presented to the Board based on the comments submitted during our consideration of the Merger Rules Decision, including a range of options of how to treat mergers among smaller Class I carriers and larger regional railroads that were near the revenue threshold of becoming Class I carriers. Among the alternatives that the Board rejected was a proposal to issue a blanket exemption from the rules if a transaction involved a Class I carrier with less than a certain revenue level. After reviewing all of the comments, and given the range of options presented to us, for the reasons articulated in the Merger Rules Decision, the Board – with my vote as the deciding vote – rejected the idea to treat a merger with KCS only as a

¹⁰ Merger Rules Decision at 44.

We agree, as a general matter, that a potential transaction involving KCS and another Class I carrier would not necessarily raise the same concerns and risks as other potential mergers between Class I railroads. As explained in our ANPR, the new merger guidelines were prompted largely by the fact that there are now only 6 large carriers remaining in the North American rail industry and there are significant risks associated with further consolidations between any of those carriers. There are, of course, also four other, smaller Class I carriers, but three of them are affiliated with one or another of the larger roads. KCS is the only one of the smaller Class I rail carriers that is not affiliated with one of the six large railroads, and, as KCS points out, a potential merger between it and a Class I carrier would not necessarily have the same impact as other major mergers. Of course, we cannot assess in the abstract the effect of every potential merger proposal involving KCS.

¹¹ FD 31881, Major Rail Consolidation Procedures, Comments of The Society of the Plastics Industry, Inc. (filed June 5, 2000) (proposing that any differentiation of KCS should be made in the context of a specific merger proposal, where the facts can be evaluated and observing that the acquisition of KCS by UP or CN would pose substantially different competitive implications than, for example, acquisition of KCS by CP).

“Significant” (rather than Major) transaction and instead adopted the KCS waiver from the New Merger Rules that exists in the Board’s regulations today.

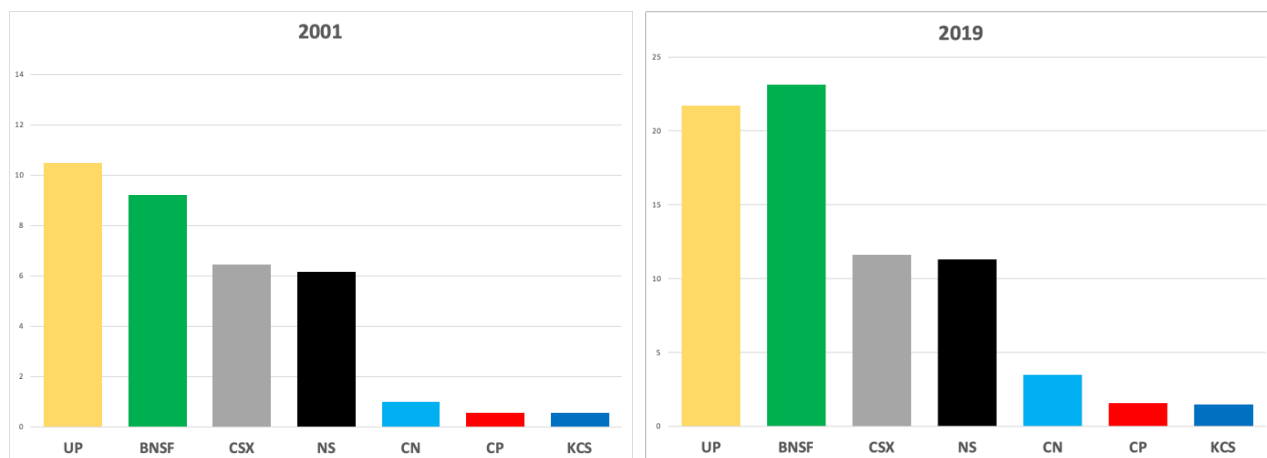
The New Merger Rules were designed to impose on Applicants new obligations to address the potential for service failures, preserve and enhance competition, ensure safe operations, and ensure that all potential implications, including potential downstream mergers, would be considered. The majority felt back then that a merger with KCS, while it should not be treated as a Significant transaction, was nonetheless unlikely to result in the service, safety, competitive issues, or subsequent downstream mergers that the new requirements of the new rules were designed to cover, and thus the KCS waiver was granted. That was my view at the time and remains my view today.

THE KCS WAIVER IS STILL APPLICABLE TODAY

As noted above, I believe that the reasons for adopting the KCS waiver from the New Merger Rules are just as valid today as they were back then, especially as applied to the proposed CP/KCS transaction. Those who are objecting to continued application of the waiver basically point to two justifications: (1) KCS is much larger today than it was in 2001 and therefore should be treated like all other Class I’s; and (2) application of the new merger rules is necessary for shippers to obtain the protections necessary to preserve competition and ensure no service or safety integration problems. Neither of those arguments justify revoking the KCS waiver.

A. Even With Its Growth, KCS Remains The Smallest Class I And Is More Similar To A Class II Carrier Rather Than A Class I Carrier

Today, even though it has grown due to the growth of its Mexico operations (in which KCS acquired an interest before 2001), KCS remains the smallest U.S. Class I carrier. I have compared the relative size of the Class I railroads at the time I voted to grant the KCS waiver to the relative size of those carriers today, as measured by U.S. railroad operating revenues per the carriers’ R-1 filings and adjusted for inflation. The chart below demonstrates that nothing has changed in this regard. The disparity between the Big Four and KCS is just as large then as it is today. Any growth by KCS in the last 20 years has been matched or superseded by the growth in the four largest Class I’s.



Simply because KCS has grown is not justification for doing away with the waiver. Rather, one can look at the revenues and operations in comparison to the Big Four to realize that a KCS/CP transaction still results in the combined entity being the smallest Class I.

The KCS waiver was also justified because the majority and I felt KCS was more like its Class II counterparts than a Class I and thus KCS should receive similar treatment as a merger between a Class I and a Class II, while still remaining a major merger transaction. KCS's scope and operations are still likewise more akin to the Class II's than the larger Class I's. KCS's U.S. operations have very similar characteristics as Class II carriers. KCS's U.S. network is smaller than any other Class I carrier and is regional in nature. KCS also is heavily dependent in many critical ways upon interchange with its Class I interchange partners. KCS interchanges approximately 87% of its traffic, which is substantially the same as Class II and Class III carriers.¹² In contrast, on average, UP, BNSF, NS, and CSX interchange approximately only 33% of their traffic.¹³ Like Class II's, KCS also remains unaffiliated with any of the other large railroads in the United States. Given these characteristics, it is not necessary to apply the New Merger Rules to fully evaluate any public interest and competitive impacts.

B. Application Of The New Rules Is Not Necessary To Preserve Shippers' Competitive Options And Avoid Service Disruptions

Applying the New Merger Rules to the proposed CP/KCS combination is not necessary for the Board to appropriately and thoroughly evaluate the proposal. All of the types of conditions for which parties argue should be examined in the context of the New Merger Rules – such as bottleneck relief, gateway protections, oversight and metrics reporting – have been fully examined in previous mergers decided under the old rules, and where appropriate, have been imposed regardless of whether the transaction was major, significant, or minor and regardless of whether the transaction was end-to-end or had parallel elements.

CN/IC,¹⁴ which was an end-to-end merger, was decided under the old rules. I voted to approve that transaction subject to certain conditions. In that proceeding, we imposed many of the types of conditions that the objecting parties here claim can only be examined and imposed under the New Merger Rules. The old rules can be an effective framework in examining the proposed CP/KCS merger. For example, we imposed a condition requiring applicants to keep the Chicago gateway open and competitive for North Dakota grain movements.” CN/IC, slip op. at 37. We granted haulage rights to preserve competition for shippers. We imposed a 5-year oversight condition to monitor compliance and integration issues. We held CN to its commitment to not

¹² On average, shortlines interchange 91% of their traffic.

https://aslrta.org/web/About/Industry_Facts/web/About/Industry_Facts.aspx?hkey=bd7c0cd1-4a93-4230-a0c2-c03fab0135e2.

¹³ Source: Quarterly and Annual Commodity Statistics reported to the STB and published on the web site. CP's U.S. operations are very similar to KCS's. CP's U.S. operations interchange 89% of their traffic, again comparable to a shortline or regional railroad.

¹⁴ Canadian National Railway Company, Grand Trunk Corporation, and Grand Trunk Western Railroad Incorporated – Control – Illinois Central Corporation, Illinois Central Railroad Company, FD 33556, Decision No. 37 (STB served May 25, 1999)(“CN/IC”).

exercise unfairly any rights it may have under its Partnership Agreement with CP to oppose any proposed Detroit River Tunnel improvement projects. CN/IC, slip op. at 6-7. All of these conditions were applied under the old rules.

In CN/WC,¹⁵ another essentially end-to-end transaction that I voted to approve, we again imposed conditions substantially similar to those the objecting parties here claim should be examined under the new rules. Yet, we examined all of those under the even less demanding rules for Minor transactions. There, we imposed conditions requiring applicants to adhere to their representation that a unified CN/WC will not engage in “vertical foreclosure” by closing efficient gateways; to keep all existing active gateways affected by the transaction open on commercially reasonable terms; to comply with their Safety Integration Plan; to waive any defenses to ensure that a shipper would be entitled to regulation of a bottleneck rate under the Board’s ‘contract exception;’ and to comply with the operational monitoring condition imposed in the decision, and, in connection therewith, file the reports discussed in this decision. We examined all of those issues under the old rules. I agree with CSX’s comments: the Board has “all the tools and conditioning authority necessary to review.” See n. 3, *infra*.

In KCS/Tex Mex, a case that I did not vote on but again involved another end-to-end transaction, the Board conducted an extensive analysis of the same issues many of the objectors raise here. Again, in the context of a minor transaction and in applying the old rules, the STB imposed several conditions, including: KCS must (1) continue to work with UP and BNSF on operating matters such as pre-blocking rail cars, improving automated customs pre-clearance procedures, supplying cars, accommodating run-through train service, providing excellent service, and promptly quoting rates; (2) honor the terms of all existing agreements; (3) keep the Laredo gateway open on commercially reasonable terms; (4) treat all carriers fairly at the Laredo Bridge, preserving existing dispatching and operating practices over the Bridge, and continue to be bound by agreements governing operations over the Bridge; (5) keep safety a top priority; and (6) undergo monitoring based on metrics to be provided to the Board.¹⁶ Again, the Board did not need the New Merger Rules to analyze and impose the precise types of conditions that the objectors here claim can only be done under the New Merger Rules.¹⁷

¹⁵ Canadian National Railway Company, Grand Trunk Corporation, and WC Merger, Sub, Inc. – Control – Wisconsin Central Transportation Corporation, Wisconsin Central LTD., Fox Valley & Western LTD., Sault Ste. Marie Bridge Company, and Wisconsin Chicago Link LTD, FD 34000, Decision No. 10, (STB served Sept. 7, 2001)(“CN/WC”).

¹⁶ It is illuminating that UP expresses concerns about vertical foreclosure at Laredo. These issues were already litigated in KCS/Tex Mex. The combined CP/KCS will have to abide by these conditions in a post-combination environment, which addresses any alleged “competitive” concerns at Laredo. It is intriguing that UP and BNSF control every single other rail border crossing between the U.S. and Mexico. UP also owns 26% of Ferromex – KCSM’s major competitor in Mexico. Union Pacific Investor Factbook at 25, available at <https://www.up.com/investors/factbooks/factbook99/factbook99.pdf>.

¹⁷ I offer no judgment at this time on whether any condition would be appropriate in this case.

Finally, I do not believe that the New Merger Rules need to be applied to the proposed CP/KCS merger so as to avoid the types of integration and service problems that have plagued prior mergers. Both KCS and CP have undertaken transactions since the adoption of the merger rules and have done so without service or safety problems. The one large transaction that KCS did undertake since adoption of the merger rules was its acquisition of The Texas Mexican Railway Company and the remaining interest in its Mexican parent (Transportación Ferroviaria Mexicana (“TFM”)(now “KCSM”)) that KCS did not already own. The Tex Mex/KCSM transaction did not result in service disruptions, integration problems, a reduction in safety, or any reduction in competition. Likewise, CP’s acquisition of the DM&E and IMRL in 2008 and the CMQ in 2020 did not result in any of the types of service and operating issues that the merger rules were directed at preventing. Clearly, KCS and CP have a record of undertaking transactions without experiencing the types of concerns that led to the New Merger Rules. The end-to-end nature of the proposed CP/KCS merger between the two smallest Class I railroads minimize the risk of service disruptions or integration problems as of result of this proposed transaction.

I do not believe this is the type of proposed transaction that is destabilizing to the industry, likely to provoke a massive final round of consolidation, or create safety and service problems. It does not align KCS with an Eastern or Western railroad necessitating a merger response nor does it involve any of the larger Class I’s. Over 300 parties have already submitted letters of support for the transaction and many of them have requested that the transaction be approved as swiftly as possible. The STB has the tools and the expertise with five Board Members and seasoned staff to appropriately and thoroughly evaluate this proposed transaction under the old merger rules.

**NO NEED FOR ADDITIONAL REGULATORY BURDENS ON CP-KCS
TRANSACTION THAT MIGHT TIP THE SCALES IN FAVOR OF PRIVATE EQUITY
ACQUISITIONS OF RAILROADS**

It is important to note that investors or investment funds that do not own or control any other railroad can acquire single, integrated rail carriers, like KCS, without STB authority. Such acquisitions were not as prevalent in 2001 as it is in today’s freight rail economic ecosystem. I appreciate capital investments and a healthy freight rail system. While such noncarrier investments, not subject to STB regulatory review, have played a role in our nation’s rail system, the STB review process provides a valuable tool by which the public interest can be evaluated with input from numerous interested parties. But this STB process should be flexible enough to adjust to a particular transaction so as to not disfavor the STB process over the private, noncarrier investment process. Evaluating the CP/KCS proposal with the waiver will create more parity with private noncarrier investment, yet also enable the STB to thoroughly review the transaction, and, if deemed to be in the public interest, enable the new entity to provide enhanced competition while the Board maintains oversight if necessary.

The regulatory asymmetry has an effect in the marketplace and may tip the playing field in favor of non-carrier proposals. A proposal by another carrier therefore must account for the regulatory risk and delays. A proposal from a non-carrier, such as a private equity firm or investment fund, avoids such risks and delays. I believe regulatory review by the STB better serves the public interest, allowing for consideration of all viewpoints in a transparent process; however, such regulatory review should be commensurate with the size of the transaction. Here, the regulatory review should not create such a burden that KCS is encouraged to avoid the STB altogether.

Indeed, I understand that KCS has recently been the subject of a bid by private equity interests.¹⁸ As such, in this particular case, I believe the Board's interest in reviewing transactions involving railroads to protect the national rail network is best served by leveling the playing field rather than tipping it further towards transactions shielded from regulatory scrutiny.

THE CP-KCS TRANSACTION SHOULD BE SUBJECT TO THE KCS WAIVER AND
EXPEDITIOUSLY REVIEWED

In sum, the Board thoughtfully and purposefully granted to transactions involving KCS a waiver from the New Merger Rules. The rationale for that waiver remains strong today. In fact, it may be even stronger given that since 2001, there has been new activism by non-carriers acquiring railroads without any Board regulatory review at all. The proposed CP/KCS merger does not involve any of the so-called "Big Four", is completely end-to-end in nature, is not the type of transcontinental merger for which the Board was most concerned, and is unlikely to trigger subsequent mergers between the large four rail carriers. Even after the transaction, CP and KCS will still have less combined operating revenues than all of the other Class I's. The CP/KCS transaction is precisely the type of transaction that the majority of the Board had in mind when it adopted the KCS waiver. I supported the waiver in 2001 and I support the waiver today for the type of transaction CP and KCS are proposing.

/s/ William Clyburn, Jr.

¹⁸ CP/KCS, FD 36500, Notice of Intent and Petition to Establish Procedural Schedule, filed March 22, 2021.

BEFORE THE SURFACE TRANSPORTATION BOARD

Finance Docket No. 36500

CANADIAN PACIFIC RAILWAY LIMITED, ET AL. – CONTROL –
KANSAS CITY SOUTHERN, ET AL.

VERIFICATION

I William Clyburn, Jr. state that the facts and opinions expressed herein are my own and that the foregoing is true and correct to the best of my knowledge. Further, I certify that I am qualified and authorized to file this verified statement. Executed on April 10, 2021.

/s/ William Clyburn, Jr.

EXHIBIT 2

“TFM to Run Prime Mexican Rail Corridor - TMM-KCSI Venture Awarded 50-Year Pact,”
JOURNAL OF COMMERCE (Dec. 8, 1996)

TFM TO RUN PRIME MEXICAN RAIL CORRIDOR \ TMM-KCSI VENTURE AWARDED 50-YEAR PACT

JOURNAL OF COMMERCE STAFF | Dec 08, 1996 7:00PM EST

Just about everyone in the railroad industry is asking the same question: Now that Transportacion Ferroviaria Mexicana has walked away with Mexico's prize railroad concession after a shocking bid of over \$1.4 billion, how will the company make money from the rail line?

TFM, a joint venture between Transportacion Maritima Mexicana, Mexico's largest steamship line, and Kansas City Southern Industries, a major railroad holding company in the U.S. Midwest, bid over three times the figure offered by mining giant Grupo Mexico and Union Pacific Railroad's partnership with Grupo ICA, the Mexican construction and engineering giant. The prize is the northeast corridor of state-owned Ferrocarriles Nacionales de Mexico. The 50-year concession includes trackage to Mexico's principal ports, a main line track between Mexico City and the Texas border city of Laredo and service to Mexico's auto manufacturing belt.

TFM's win assures its parent steamship line - which last year won the concession to operate the container terminal at the busiest Pacific port, Manzanillo - the dominant role in Mexico's transportation system for decades to come.

The win is also significant because of dozens of potential secondary affects. For example, intermodal giant American President Lines is the principal user of the UP to the Texas-Mexico border and in recent years has tried to move most freight off of Mexican highways because of rampant trailer theft.

It will now have to assess its contracts with the UP, its vessel-sharing agreement with TMM into Mexican ports and its trucking options in Mexico.

"It's still too early to tell," Carlos Velez, APL's Mexico manager, said when asked on potential effects.

Soon after the gasps hushed in the FNM auditorium Thursday evening at word of the \$1.41

https://www.joc.com/tfm-run-prime-mexican-rail-corridor-tmm-kcsi-venture-awarded-50-year-pact_19961208.html

billion bid and cellular phones started ringing, everyone began asking how TFM could make money on such an astronomical bid.

"That's a good question," said John Rebensdorf, UP's vice president of strategic planning, who along with representatives from bid partner from Grupo ICA made a hurried exit after the bid awards with no other comment. Several other rail industry players in Mexico also questioned how TFM could turn a profit, but one Mexican heavy hitter suggested perceptions of the Mexican market determine whether it was a good investment. "Short term, it's not worth more than \$1 billion. Long term, it is," said the representative, who has worked with U.S. railroads and is critical of their short-run mentality.

TFM clearly thinks it will grow business sufficiently to cover its purchase costs.

"Our technical proposal stressed the importance of expanding domestic (traffic) as well as international services to make this a world class railroad," said Brad L. Skinner, a TFM director. "Intermodal will grow substantially in the Nafta corridor, port services with double-stack (containers) will grow. Undoubtedly, the ability of a private company to do what it says it is going to do is going to be the test."

Users of the state railroad said TFM is going to be treated skeptically at first until it can prove it can do the job.

"The winner has to realize that it's going to take one year to convince the market that it will be a consistent and reliable service," said Carlos Cantu, representative for Chemical Leaman Logistics Mexico, the Mexican subsidiary of U.S. tank truck giant Chemical Leaman Tank Lines of Exton, Pa. Chemical Leaman pioneered tanks on flat rail cars in Mexico, only to abandon the concept three years ago because of inconsistent service by the FNM.

UP REACTION PONDERED

The UP is the dominant U.S. railroad doing business with Mexico and has spent more than \$35 million in recent years on its Port Laredo intermodal facility at the Texas-Mexico border with Mexico.

It was widely viewed as the favorite to win the northeast concession and instead finished third with a surprisingly low offer of 4.16 billion pesos (about \$533 million in current exchange rates). It is expected that the UP will continue dominating north-south trade and an important question is whether it will work with the TFM or choose instead to reramp intermodal freight in Laredo and send it to Mexico or receive it from Mexico by truck. UP Vice

https://www.joc.com/tfm-run-prime-mexican-rail-corridor-tmm-kcsi-venture-awarded-50-year-pact_19961208.html

President Randy Blackburn, who oversees Mexico operations, said Friday it was too early to comment on arrangements.

TFM also will have connections in Laredo through the Texas Mexican Railway Co., jointly owned by TMM and the Kansas City Southern (KCS). That line connects to the U.S. grain belt and with last week's purchase by KCS of the Gateway Western Railway will offer connections to St. Louis.

The Mexican government refused to publish TFM's business plan, nor the minimum price it was seeking - relevant information given that banks sold earlier this decade at overvalued prices now have cost the government well over the fetching price to bail them out and stave off collapse. But the transport ministry did say that the TFM technical proposal envisioned traffic growth of 15.6 percent annually between 1997 and 2006. TFM committed to purchase 180 locomotives within 10 years, promote double-stack service and make repairs at ports. It will invest 4.8 billion pesos (about \$615 million) within a decade.

TFM must pay 40 percent of its \$1.41 billion bid by Jan. 31, 1997, and the remainder by the end of June.

The second concession of FNM track, the northwestern routes, is expected to be put out to bid in February and several short lines will be sold early next year.

EXHIBIT 3

LETTER FROM KEVIN KAREL, THE ARTHUR COMPANIES



The Arthur Companies

To: Surface Transportation Board member

My name is Kevin Karel and I am the General Manager of The Arthur Companies. The Arthur Companies is a diversified agriculture business headquartered in Arthur, North Dakota, with locations in Anamoose, Ayr, Carrington, Harvey, Page, and Pillsbury. The company, founded in 1906, is privately-owned with businesses in grain operations, agronomy services, and retail sales of seed, fertilizer, and chemical. Arthur Companies also operates a wholesale fertilizer, birdseed, and propriety trading business. The company is partnered in a premium ingredient business, Anchor Ingredients, with locations in Hillsboro, Buffalo, Beach, ND, and Culbertson, MT. There is a proud tradition of customer service excellence in all that we do, and we are focused on putting business decisions close to our customers enabling leadership at all levels of our organization. We currently utilize rail, truck, air and intermodal modes of transportation to facilitate markets for our farmers crops and their input selections. We currently do business on multiple railroads in the United States, Canada and Mexico.

The Arthur Companies supports approval of the CP/KCS combination, with a high expectation that North Dakota farmers get additional markets and better service.

- CP/KCS is a unique Class 1 merger. Which has marketplace effects.
 - For The Arthur Companies, it creates a brand new and single-line option for shipments from North Dakota to the Southern US, including the Gulf, and to Mexico, in competition with UP and BNSF.
 - More generally, not only are the two railroads much smaller than the larger Class 1 railroads (the Big Four), but the transaction is also the only one possible that has no competitive overlap, no likelihood of service disruption, and that creates no strategic imperative for other railroads to combine in answer to the transaction.
 - For that reason, the KCS waiver from the new Major Rules adopted in 2001 makes perfect sense – this is exactly why the KCS waiver was granted.
- The best way to discourage further Class 1 consolidation is for the STB to retain the KCS waiver and apply the Old Rules to the CP/KCS proposal.
 - The New Rules have done their job so far and discouraged any further consolidation involving the Big Four.
 - Changing the New Rules, by removing the waiver and applying them to CP/KCS, could well make further consolidation more likely rather than less.
- This transaction likely will be approved either way for the reasons noted above – it strengthens competition and there is no competitive overlap, no service risk, and no downstream “end game” risk.

- If the STB applies the Old Rules, the new requirements of the New Rules remain untested and their uncertain implications will continue to deter further consolidation.
- If the STB applies the New Rules, when it approves the CP/KCS transaction it may in the process create hope that other transactions – despite their differences from CP/KCS – might be able to navigate those rules too.
- The combination could create a more efficient connection between critical grain production areas in the US and processors and mills in the Southern US, US Gulf export locations and Mexican markets. This improves liquidity for grain trades, options for grain sourcing, and provides more competition compared to existing options.

We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient, and reliable rail service options. This will strengthen competition against the other, larger rail carriers and trucks that serve our markets. In a rapidly dynamic marketplace, more shipment options and windows will greatly help the farmer prosper. The CPKC will need to service this customer better than existing. CPKC will need to commit to service levels and price competitiveness in this market. As a customer we need competitive markets with other Class I direct rail markets. I believe this merger would create the opportunity to achieve those goals. My expectations for a combined CPKCS would be:

- Ability to serve existing markets, with a lower shipping cost once combined.
- Better and more consistent equipment
- Accurate arrivals and departures
- Seamless customer service

I support this merger for the North Dakota farmer. I also would testify in front of the STB as to why this merger is needed.

Thank You,



Kevin Karel

VERIFICATION

I Kevin Karel, declare under penalty of perjury that the foregoing is true and correct.
Further, I certify that I am qualified and authorized to submit this letter.
Executed on March 29, 2021.

APPENDIX A

SHIPPERS EXPRESSING DESIRE FOR EXPEDITIOUS APPROVAL OF TRANSACTION

AUTOMOTIVE SHIPPERS

Hyundai Glovis Canada Inc.

(finished vehicles to distribution centers)

[Filed with CP-6/KCS-6]

- “With the proceedings of new railroad consolidation between Canadian Pacific Railway Limited and KCS, I only expect and foresee the service quality and timeliness reaching levels unseen in the rail industry thus far.”
- “Glovis Canada Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

L. Hansen’s Forwarding Ltd

(secondary-market finished vehicles to U.S. receivers)

[Filed with CP-6/KCS-6]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of secondary market finished vehicles from Canada to various points in the U.S.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”

UPPER MIDWEST GRAIN AND BULK SHIPPERS

Adroit Overseas Enterprises Ltd.

(shipper of lentils, peas, wheat, and flaxseeds from facilities in Canada, Minnesota, and North Dakota)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

AgMotion Pet Food Ingredients

(feeds and pet food ingredients from Canada, North Dakota, and Minnesota)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Agrex Inc.

(grain from facilities in North Dakota, Minnesota, and Iowa)

[Filed with CP-6/KCS-6]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Border Ag & Energy Coop

(grain shipments from North Dakota to U.S. and Mexican receivers)

[Filed with CP-6/KCS-6]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Centerville Produce LLC/Centerville Feed Processing

(pork meal and poultry meal to Mexico)

[Filed with CP-4/KCS-4]

- “[T]he CP/KCS combination would dramatically open up new opportunities and expansion for our business”
- “urge the STB to approve CP’s acquisition of KCS as swiftly as possible”

Ceres Global Ag Corp.

(grains and oilseeds from Western Canada and Northern U.S.)

[Filed with CP-6/KCS-6]

- “The combined CP/KCS network will allow Ceres and others to efficiently access KCS lines and provide added options to access ports in the U.S. Gulf, Atlantic and Pacific coasts and directly into Mexico.”
- “encourages the STB to approve the planned merger as swiftly as possible”

CF Industries

(shipper of fertilizers)

[Filed with CP-7/KCS-7]

- “transaction . . . will allow a combined CPKC to provide new, more efficient and reliable rail service options.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Conagra Brands

(grain and food product to North American markets)

[Filed with CP-6/KCS-6]

- “[T]he transaction promises to provide improved service options and competition for shippers across North America while creating new opportunities for Conagra to source materials across the USA and Mexico.”
- Swift approval of CP’s acquisition of KCS would allow these systems to be integrated and the end-to-end benefits of this deal could be realized for the benefit of all shippers across the USA, Mexico and Canada.”

Farmer's Elevator Co. of Honeyford, North Dakota

(bulk grain shipper from Gilby, North Dakota)

[Filed with CP-6/KCS-6]

- “We are very excited about the transaction as it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen our competition against local BNSF terminals to gain equal market access.”
- “The Farmers Elevator Company of Honeyford, ND urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Farmers Co-Operative of Hanska

(grain from Minnesota)

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Farmers Coop Elevator of Rosholt

(corn, beans, and wheat)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Farmward Cooperative

(grain shipper in Minnesota)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency.”
- “Farmward Cooperative urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Forest River Bean Co.

(dry beans from Minnesota to Mexico)

[Filed with CP-6/KCS-6]

- “the operation would give significant benefits that we are ready to achieve as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Full Circle AG

(corn and soybeans)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Fullerton Farmers Elevator

(grain from North Dakota)

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

James Valley Grain LLC

(wheat, corn, and soybeans)

[Filed with CP-4/KCS-4]

- “CP has provided us with good service, but in our opinion we have limited markets, this new adventure is quite exciting with the possibilities of new markets for all commodities and will expand our markets to all 440 JVG customers.”
- “James Valley Grain urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Kensal Farmers Elevator Company

(grain from North Dakota)

[Filed with CP-6/KCS-6]

- “this CP/KCS combination would allow us to compete much more effectively, with our primary rail competitor BNSF, benefiting our local farmer owners”
- “Kensal Farmers Elevator Company would encourage swift approval, of the CP/KCS Combination”

Kent Corporation

(Iowa-based company engaged in corn wet milling as well as the production of animal feed and food products)

[Filed with CP-7/KCS-7]

- “views this transaction as uniquely beneficial”
- “encourages the STB to approve CP’s acquisition of KCS as swiftly as possible”

Kirkeide’s Northland Bean & Seed Co., Inc.

(beans from North Dakota)

[Filed with CP-4/KCS-4]

- “combined CPKC network . . . would help us reach our existing markets and new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

Landmark Countryside Cooperative

(feed ingredients)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Meadowland Farmers Coop

(corn and beans)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction will provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Midwest Bulk Transload

(Illinois-based grain and feed transload operator)

[Filed with CP-4/KCS-4]

- “With this merger, this will open up a very large grain and feed market in Mexico for new customers that can receive bulk containers. Today, we are limited to shipping to just 2 ports, Vancouver and Montreal. With Mexico being a large buyer of Feed and Grain from the US, this will allow Midwest Bulk Transload to serve more buyers for US grain and feed.”
- “urges the STB to approve CP1s acquisition of KCS as swiftly as possible”

NEW Cooperative

(grain from Iowa)

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urge the STB to approve CP’s acquisition of KCS as swiftly as possible”

Northern Country Cooperative

(Iowa-based grain shipper)

[Filed with CP-7/KCS-7]

- “we are hopeful this provides us with the opportunities to pursue adding to our footprint with a shuttle loader”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Pro Ag Farmers Coop

(shipper of corn and soybeans from Minnesota)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Rahr Malting Co.

(Minnesota-based malt manufacturer with plants in the U.S. and Canada)

[Filed with CP-7/KCS-7]

- “The transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Stone Arch Commodities

(exporter of agricultural feed ingredients from Minnesota and Illinois)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options. We believe this will increase our competitiveness and potentially open up new business to Mexico from our Midwest locations.”
- “Stone Arch Commodities urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Sunrise Foods International, Inc.

(organic grains from Iowa, Minnesota and Manitoba)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of organic grain moving between Canada/Upper Midwest and MO, AR, KS region.”
- “Sunrise Foods urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

US Commodities, LLC

(shipper of grain across multiple markets)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of corn.”
- “US Commodities urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Wheaton Dumont Co-Op Elevator

(corn and soybeans from Minnesota)

[Filed with CP-4/KCS-4]

- “the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Wilton Farmers Union Elevator

(grain from North Dakota)

[Filed with CP-4/KCS-4]

- “the transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

OTHER UPPER MIDWEST SHIPPERS

Arntzen Corporation

(steel pipe manufacturer receiving steel at Rockford, IL facility)

[Filed with CP-7/KCS-7]

- “very excited about the transaction”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Bentonite Performance Minerals

(shipper of minerals from Illinois, Minnesota, and Wyoming)

[Filed with CP-6/KCS-6]

- “the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “recommends that the STB to approve CP’s acquisition of KCS as swiftly as possible”

Boise Cascade

(receiver of lumber, plywood, and other wood products in Minnesota)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve in the Midwest”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Boral Industries Inc.

(fly ash from North Dakota)

[Filed with CP-4/KCS-4]

- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of fly ash from Coal Creek Jct ND to Texas”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Custom Stud, Inc.

(Minnesota-based shipper)

[Filed with CP-4/KCS-4]

- “single-line rail service options are far superior at providing better and faster service”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

CW Metals

(shipper of metals from scrap yards in Minnesota)

[Filed with CP-4/KCS-4]

- “we see this transaction as uniquely beneficial”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

EuroChem North America Corp.

(importer and distributor of fertilizer and feed throughout North America from a terminal in Clinton, Iowa)

[Filed with CP-4/KCS-4]

- “We believe the transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “EuroChem urges the U.S. Surface Transportation Board to approve CP’s acquisition of KCS as swiftly as possible . . .”

Gopher Resource
(shipper of batteries from recycling plant in Minnesota)
[Filed with CP-4/KCS-4]

- “CPKC will be able to integrate their operations seamlessly to the benefit of rail customers and other stakeholders.”
- “Gopher Resources urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Green Bay Packaging, Inc.
(shipper in Wisconsin)
[Filed with CP-4/KCS-4]

- “Green Bay Packaging, Inc., supports approval of the CP/KCS combination. The transaction would provide far reaching benefits that we would lead to improved service and increased economic opportunity.”
- “Green Bay Packaging, Inc. respectfully asks the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Interoceanic Corporation
(fertilizers)
[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Klingberg Trucking
(transloader in Minnesota)
[Filed with CP-6/KCS-6]

- “the transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Lakeside Foods Inc.
(canned vegetables from Wisconsin and Minnesota)
[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

Pestell Pet Products Inc.
(shipper of bulk clay from Wyoming to Ontario)
[Filed with CP-4/KCS-4]

- “We ship bulk clay by rail to our plant based in New Hamburg, Ontario. The traffic originates in Wyoming on the Rapid City, Pierre and Eastern Railroad (RCPE) and interchanges to CP in Tracy MN . . . [t]he transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Villaume Industries

(receiver of lumber in Minnesota)

[Filed with CP-7/KCS-]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Vogelsberg Trucking Inc.

(Minnesota-based shipper)

[Filed with CP-4/KCS-4]

- “Vogelsberg Trucking Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefit of this deal can be realized for the benefit of all stakeholders.”

INTERMODAL SHIPPERS

Axsun Inc.

(intermodal shipper across North America)

[Filed with CP-4/KCS-4]

- “Allowing CP to have a single line service uniting Canada, U.S and Mexico will provide a benefit to the shipping community by streamlining rail service and allow CP/KCS to provide a more economical, seamless, and environmentally friendly option when compared to today’s traditional methods.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Bay and Bay Transportation

(intermodal shipper in Minnesota)

[Filed with CP-4/KCS-4]

- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Bison Transport

(intermodal shipper across North America)

[Filed with CP-4/KCS-4]

- “The capability to ship straight through from Canada to points in the US and to Mexico will truly help our customers with their overall needs, specifically those we cannot effectively serve with road operations.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Canadian International Freight Forwarders Association

(association of international freight forwarders)

[Filed with CP-4/KCS-4]

- “particularly enthusiastic about the role new CPKS single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urge the STB to approve CP’s acquisition of KCS as swiftly as possible”

Caravan Supply Chain Inc.

(intermodal shipping across North America)

[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Celtic International

(intermodal shipping across North America)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of 53’ intermodal containers from Mexico to/from US and Canadian points. Growing our Mexico business is a key growth initiative.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

CMA CGM (America) LLC

(international steamship line importing and exporting containerized freight)

[Filed with CP-4/KCS-4]

- “[T]he merger of CP and KCS has the potential to provide new solutions for our beneficial cargo owning customers by creating entry and IPI points not previously available.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Consolidated Fastfrate Inc.

(intermodal LTL shipper)

[Filed with CP-4/KCS-4]

- “The transaction would provide significant benefits that we are eager to _see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Continental Intermodal Group LP

(transloading and terminal operator)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will improve our efficiency.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

COSCO SHIPPING Lines (North America) Inc.

(international steamship line importing and exporting containerized freight)

[Filed with CP-4/KCS-4]

- “The transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Dominion Railway Services Ltd.

(transportation logistics provider)

[Filed with CP-4/KCS-4]

- “We believe that this north- south railroad will provide shippers for example in the midwestern U. S . with improved single- line access to bot h Mexican and Canadian markets , and in doing so create economic development opportunities f or U. S . companies, along with counterparts in Canada and Mexico.”
- “[A] timely approval of the transaction would certainly advance some of the shipper and further industry stakeholder benefits that the transaction seems to represent.”

DP World – Americas
(intermodal port operator)
[Filed with CP-4/KCS-4]

- “[T]he transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Evergreen Shipping Agency (America) Corp.
(international steamship line importing and exporting containerized freight)
[Filed with CP-4/KCS-4]

- “This will strengthen competition against the other, larger rail carriers and trucks that serve our markets.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Express System Intermodal, Inc.
(intermodal shipper across U.S. and Canada)
[Filed with CP-4/KCS-4]

- “[T]he transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

FastFrate Integrated Logistics
(asset-based logistics)
[Filed with CP-4/KCS-4]

- “We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options.”
- “Fastfrate urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Fuze Logistics Services
(intermodal shipper)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of all kinds from Mexico to US and Canadian destinations.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

GCT Global Container Terminals Inc.
(intermodal marine terminal in Vancouver)
[Filed with CP-4/KCS-4]

- “CP’s partnership has been vital in promoting import and export growth in the United States Mid-West and Canadian markets via our marine terminals in Metro Vancouver. . . . CP must interline with other railroads to reach destinations beyond Kansas City.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Global Furniture Group
(intermodal shipper of office furniture)
[Filed with CP-4/KCS-4]

- “Global Furniture Group is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “Global Furniture Group urges the STB to approve CP’s acquisition of KCS as swiftly as possible.”

Great Northern Trans-Port Inc.
(intermodal shipper of recycled materials, building materials, and other dry goods)
[Filed with CP-7/KCS-7]

- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Groupe Robert
(Quebec-based intermodal shipper)
[Filed with CP-4/KCS-4]

- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

GX Transportation
(intermodal shipper)
[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States.”
- “GX Transportation urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Hapag-Lloyd LLC
(international steamship line importing and exporting containerized freight)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our containerized freight shipments.”
- “Hapag Lloyd (America) LLC urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

HMM America Inc.
(international steamship line importing and exporting containerized freight)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our containerized freight shipments.”
- “HMM (America), Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Hudson’s Bay Company
(intermodal shipper in retail sector)
[Filed with CP-4/KCS-4]

- “From our perspective, the transaction promises to provide improved service options and competition for shippers across North America while creating new opportunities for them to source materials more competitively.”
- “I urge the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

J.D. Irving Limited (Supply Chain)

(intermodal shipper from New Brunswick)

[Filed with CP-4/KCS-4]

- “Currently J.D. Irving Limited and CP partnered together to move Intermodal traffic across Canada and the United States . . . J.D. Irving Limited is thrilled about the transaction because it will allow a combined CPKC to provide new, more efficient, and reliable rail service options.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Keltic Logistics & Warehousing

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our intermodal shipments from Toronto, Montreal and Moncton to The Southern United States & Mexico”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”

Medlog Canada

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement. It is important that there be a true USMCA railroad option.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

National Cold Chain Inc.

(perishables from U.S and Mexico to Canadian receivers)

[Filed with CP-4/KCS-4]

- “NCC works with Canadian and USA CPG food shippers and a variety of FAK shippers to move their products from the USA and Mexico to Canadian consumers . . . We need a second single line cross border operator . . . We are very excited about the transaction because it will allow CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition against the other, larger rail carriers and trucks that serve our markets.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”

North Atlantic International Logistics Inc.
(intermodal shipper)

[Filed with CP-4/KCS-4]

- “North Atlantic provides its various customers with door to door service across North America: offering LTL, 20’, 40’, and 53’ intermodal service. With important freight moving between north and south or east to west, this combination of rail networks will make cross border shipping much more efficient and effective to serve customers: from Canada to points in the US and to Mexico.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”

Ocean Network Express
(international steamship line importing
and exporting containerized freight)

[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

OEC Group
(intermodal containers to receivers
along the Vancouver, Toronto, and
Chicago lanes)

[Filed with CP-4/KCS-4]

- “enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

***Overland Container Transportation Services
(2013) Ltd***
(intermodal logistics)

[Filed with CP-7/KCS-7]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico, and Canada under the USMCA trade agreement.
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Pique Supply Corp.
(intermodal shipping with a focus on
transborder flows)

[Filed with CP-4/KCS-4]

- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all shippers across the USA, Mexico and Canada”
- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our intermodal shipments from or to Canada to or from The Southern United States & Mexico”

Re-Transportation

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “The combined CPKC network –with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – would help us reach our existing markets and new markets more efficiently.”
- “Re-Trans urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Routes Transportation Group

(intermodal shipper across North America)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency.”
- “Our Company urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Simard Transportation

[Filed with CP-4/KCS-4]

- “The transaction would provide significant benefits and opportunities for growth we are eager to see realized.”
- “Simard Transport urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Soprema Inc.

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “Soprema inc. is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “Soprema inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Sun Transportation Systems

(intermodal shipper)

[Filed with CP-7/KCS-7]

- “Sun Transportation Systems ships intermodal containers (private and rail-owned) with CP, across Canada and cross-border between Canada and the United States. . . . For our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Tepper Holdings Inc.

(intermodal shipping and logistics)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our cross-border shipments.”
- “Fastfrate urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Topocean Consolidation Service, Inc.

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “CPKS’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of Home Goods from Asia via Canada to Midwest, Texas, etc.”
- “Topocean urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Uline, Inc.

(distributors of industrial materials)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments to and from Mexico from Pleasant Prairie, WI and into Canada.”
- “ULINE urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Van-Kam Freightways Ltd.

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “VanKam Freightways Ltd urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all shippers across the USA, Mexico and Canada.”

Vision Transportation Systems Inc.

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “Vision Transportation urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Volume Freight Solutions Inc.

(shipper of agricultural commodities in intermodal service as well as boxcars and hoppers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of Agricultural products from Canada to the US and Mexico.”
- “Volume Freight urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

XTL Transport Inc.

(intermodal shipper)

[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Yang Ming Group

(international steamship line importing and exporting containerized freight)

[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

ZIM Integrated Shipping Services (Canada) Co. Ltd.

(intermodal shipper)

[Filed with CP-7/KCS-7]

- “new service offerings . . . will allow us to move containers from Vancouver to Dallas . . . without switching delays”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

ENERGY INDUSTRY SHIPPERS

Alerio Marketing Inc.

(shipper of propane from Alberta to Mexican receivers)

[Filed with CP-4/KCS-4]

- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of propane from Edmonton to Mexico”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Bell Gaz and Energie Sonic

(Quebec-based propane supplier)

[Filed with CP-4/KCS-4]

- “The combined CPKC network- with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “ask the STB to approve CP’s acquisition of KCS as swiftly as possible”

BioUrja

(receiver of frac sand and shipper of crude oil to and from the East Coast and the Gulf Coast)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service offerings.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized”

Centennial Energy, LLC

(shipper of liquefied petroleum gas from Canada to U.S. terminals)

[Filed with CP-4/KCS-4]

- “see[s] the merger with the KC, and the resulting efficiencies as critical to provide competitive access to some of our markets in the US and Mexico”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Greenfield Global Inc.

(shipper of ethanol)

[Filed with CP-4/KCS-4]

- “Greenfield Global supports approval of the CP/KCS combination. The transaction may provide significant benefits that we will explore as soon as possible.”
- “Greenfield Global urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Guanajuato Energy Terminal

(refined products terminal)

[Filed with CP-4/KCS-4]

- “GET is voicing its support for the combination of CP and KCS, because it will enhance competition, provide expanded options, and drive efficiencies for customers of all sizes.”
- “. . . urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Howard Energy Partners

(shipper of refined products)

[Filed with CP-4/KCS-4]

- “Consolidation of CP / KCS would expand opportunities for HEP and our terminal customers to improve rail logistics solution for the flow of crude oil, LPGs, and refined products with Canada, through an efficient, single-line rail haul to the U.S. Gulf Coast.”
- “HEP urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Independent Energy Corp.

(shipper of refinery products in Saskatchewan)

[Filed with CP-4/KCS-4]

- “This transaction is crucial to the success of the IEC Kerrobert facility and would provide further synergies to the Gulf Coast market as IEC looks to build two to three similar facilities in western Canada over the next 3 - 5 years.”
- “IEC urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Kiros Energy Marketing

(shipper of propane, butane, condensate, and crude to U.S. receivers)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Midstream Energy Partners

(shipper of LPG from Alberta)

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

New World Global, LLC

(shipper of propane from Canada to Mexico)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”

Pattison Sand Company

(shipper of sand to U.S. receivers in the oil and gas industry)

[Filed with CP-4/KCS-4]

- “transaction promises to provide PSC with improved service options and transportation choices in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

PFL Petroleum Services Limited

(transportation logistics for petroleum products shipments)

[Filed with CP-4/KCS-4]

- “combined CPKC network will help us and our clients reach existing markets and serve new markets more efficiently”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

Phoenix Park Energy Marketing LLC
(shipper of LPG to North American receivers)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Port Arthur Terminal LLC
(terminal for DRUbit and Dilbit)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Sacramento Energy Resources, LLC
(shipper of propane from Canada to U.S. and Mexico)

[Filed with CP-4/KCS-4]

- “We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition against the other, larger rail carriers and trucks that serve our markets.”
- “Sacramento Energy Resources urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Sky Eye Measurement
(equipment for hydrocarbon unloading)

[Filed with CP-7/KCS-7]

- “For Sky Eye Measurement to continue to grow it is important that there be a true USMA railroad option.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Smart Sand Inc.
(sand to U.S. and Canadian receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of sand from Oakdale, WI to Texas, Oklahoma and Louisiana destinations (Haynesville, Eagle Ford, Mid-Continent and Permian basins).”
- “Smart Sand urges the STB to approve CP’s acquisition of KC as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Texas Deepwater Partners LLC
(refined products terminal)
[Filed with CP-4/KCS-4]

- “TDWP believes a CP-KCS combination will create a transcontinental railroad with the scale and reach to deliver improved levels of service that will enable us to better serve our customers and communities.”
- “TDWP urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Torq Energy Logistics Ltd.
(shipper of energy commodities between U.S. and Canada)
[Filed with CP-4/KCS-4]

- “Torq serves as a transload service provider to CP in Western Canada to originate various Canadian energy commodities primarily south to US destinations, as well as receiving commodities at our rail terminals for movement to end destinations in Canada. Torq provides an integrated supply chain with first and last mile trucking of certain of these energy products and sees the benefit of cost-effective solutions resulting from this merger.”
- “Torq urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

USD Group LLC
(shipper of hydrocarbons)
[Filed with CP-4/KCS-4]

- “USDG is voicing its support for the combination of CP and KCS, because it will enhance competition, provide expanded options, and drive efficiencies for customers of all sizes.”
- “. . . urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Windstar
(shipper of petroleum products from Western Canada)
[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

OTHER SHIPPERS IN THE SOUTH CENTRAL U.S./GULF/TEXAS

CTI Freight Systems Inc.
(shipper of pig iron from Corpus Christi to Quebec)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Ice B’Gone - Taconic Maintenance
(shipper of raw materials from facilities in Texas, Louisiana, and Utah)
[Filed with CP-4/KCS-4]

- “Taconic Maintenance uses the rail on a regular basis throughout the winter to transport all our raw materials, with this merger it will make our processes more efficient and streamlined.”
- “Taconic Maintenance urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Jim Donnan Companies
(Texas-based company constructing rail terminals in the Texas Gulf region)
[Filed with CP-7/KCS-7]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of Canadian Crude to Corpus Christi and cheaper refined products from Corpus Christi to Mexico.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Sterilite Corporation
(shipper of plastic resin from U.S. gulf region)
[Filed with CP-4/KCS-4]

- “From our perspective, the CP/KCS transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “Sterilite Corporation urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this merger can be realized for the benefit of all stakeholders.”

SHIPPERS IN THE NORTHEAST UNITED STATES

Barry Callebaut
(receiver of sugar in Vermont)
[Filed with CP-7/KCS-7]

- “The transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

GAC Chemical Corporation
(receiver of chemicals at facility in Maine)
[Filed with CP-4/KCS-4]

- “With GAC located in Maine, rail shipments to our facility can be a logistics challenge given our need to ship from Western Canada, Mexico and the Southern US. We know from experience (both our own, and that of our competitors who have single-line rail options at their origins) that single-line rail service options are far superior.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Maine Woods Company LLC
(shipper of forest products in Maine)
[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”

Pleasant River Lumber Co. Inc.
(shipper of forest products from Maine)
[Filed with CP-4/KCS-4]

Woodland Pulp LLC
(shipper of pulp from Maine)
[Filed with CP-4/KCS-4]

- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders””
- urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

SHIPPERS IN WESTERN CANADA SERVING U.S. AND MEXICAN MARKETS

Agrocorp Processing Limited
(shipper of lentils, peas and pea protein from facilities in Alberta and Saskatchewan)
[Filed with CP-4/KCS-4]

Aspen Planers Ltd.
(lumber and plywood products to North American receivers)
[Filed with CP-4/KCS-4]

Barr-Ag Ltd
(agricultural products from Alberta to U.S. receivers)
[Filed with CP-7/KCS-7]

Border Chemical Company Limited *(shipper of sulphuric acid to Canadian and U.S. receivers)*
[Filed with CP-4/KCS-4]

- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of lentils, peas, protein from Canada to USA and Mexico”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “new single-line haul offerings will expand market reach and offer new competitive transportation offerings for our shipments of forage from Alberta to destinations across the US and the world”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “merger of these two firms will improve logistical options for Border Chemical and assist in the cost-efficient movement of our raw materials from Louisiana and our finished goods into various USA destinations”
- “urges STB to approve CP’s acquisition of KCS as swiftly as possible”

BridgePoint Logistics Inc.

(supply chain solutions for general cargo across U.S. and Canada)

[Filed with CP-4/KCS-4]

- “We see this association as uniquely beneficial on our Canadian and US Corridors.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Canpotex Ltd.

(shipper of potash from Saskatchewan to U.S. receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of potash from mines in Saskatchewan to international customers in Brazil, Mexico, and other countries in Central and South America.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

CentrePort Canada Inc.

(transloading)

[Filed with CP-4/KCS-4]

- “The combined CPKC network – with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – would help CentrePort companies’ reach existing markets and new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

CFR Chemicals

(Alberta-based chemical distributor and transloading facility shipping chemicals out of the Southern U.S.)

[Filed with CP-7/KCS-7]

- “new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of various chemicals from the US Gulf Coast to Central Alberta”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

EJR Reload

(transloading facility in Manitoba)

[Filed with CP-6/KCS-6]

- “approval of the Canadian Pacific Railway (CP) / Kansas City Southern (KCS) combination would allow for more timely, direct line rail shipments and possibly open up new market points; thus benefiting businesses in Manitoba”
- “urges the Surface Transportation Board to approve CP’s acquisition of KCS as swiftly as possible”

Fisher Wavy Inc.

(concrete and aggregates to U.S. customers)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to U.S. Gulf, South West, and Mexico - would help us reach new markets more efficiently.”
- “Fisher Wavy Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . . “

Fraser Plastics LTD.

(plastic pellets from British Columbia to customers throughout U.S.)

[Filed with CP-4/KCS-4]

- “CPKC NETWORK will help FRASER PLASTICS LTD. to expand the customer base without worrying about the logistics.”
- “FRASER PLASTICS LTD. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

FW Cobs Company

(shipper of grain from Saskatchewan)

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

General Recycling Industries Ltd.

(shipper of scrap metal to U.S. customers)

[Filed with CP-4/KCS-4]

- “From our perspective, the transaction promises to provide improved service options.”
- “General Recycling Industries is voicing strong support for the combination of CP and KCS and urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Great Northern Grain Terminals Ltd.

(shipper of grain from Alberta)

[Filed with CP-4/KCS-4]

- “We are very much looking forward to the synergies CP and KCS will be able to offer. In particular, seamless movement of product combined with access to new and exciting markets along the agricultural value chain.”
- “Great Northern Grain Terminals Ltd. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Holman Farming Group

(shipper of fertilizer, grains, oilseeds, and pulse crops from Saskatchewan)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Interfor Corporation

(shipper of lumber from British Columbia)

[Filed with CP-4/KCS-4]

- “The combined CPKC network—with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets—would help us reach our existing markets and new markets more efficiently. Interfor’s market access to destinations served by KCS, including Mexico, has been limited in the past due primarily to uncompetitive freight cost and inefficient interchange between rail carriers.”
- “Interfor Corporation urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

K+S North America Corporation

(shipper of potash from Canadian mines throughout North America)

[Filed with CP-4/KCS-4]

- “As we continue to grow our presence in the US domestic market and look for potential export opportunities, this combining of networks will benefit our business immensely in the future.”
- “K+S North America urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Kaycan Ltd.

(exterior building products to North American receivers)

[Filed with CP-7/KCS-7]

- “We ship with CP across North America and have enjoyed a business relationship with them for over 4 decades , , transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

LaFarge Canada

(cement and cementitious materials to U.S. receivers)

[Filed with CP-4/KCS-4]

- “anticipate[s] that there would be potentially better accessibility to import both supplementary cementitious materials as well as major components for our cement plants, due to the new single line access to additional ports in North America.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Les Tourbières Berger Ltd.

(shipper of peat moss from Alberta to Canadian, U.S. and Mexican receivers)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Oleet Processing Ltd.

(feed ingredients to U.S., Canadian, and Mexican receivers)

[Filed with CP-4/KCS-4]

- “O&T Farms ships proprietary feed ingredients to customers all over North America through CP’s rail network . . . the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

***Ostara Nutrient Recover Technologies Inc.
and Ostara USA LLC***

*(fertilizer to and from U.S. and
Canadian receivers)*

[Filed with CP-4/KCS-4]

- “manufacture[s] [fertilizer] in the USA and utilize[s] the CP to deliver the product to . . . end customers who are located in the Canadian Prairies . . . the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Paterson GlobalFoods Inc.

*(shipper of grain, oilseeds, pulses,
fertilizer and processed grain
ingredients throughout North America)*

[Filed with CP-4/KCS-4]

- “The CPKC combination will give Paterson direct line-haul access to unit train fertilizer imports from the St. Louis area, significantly improving both the economics and efficiency of this aspect of our business.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Priam Logistics

*(Winnipeg-based logistics service
provider)*

[Filed with CP-4/KCS-4]

- “Priam believes this expanded network will benefit our company by creating more efficient supply chains, by opening up new opportunities and new markets for businesses, and by allowing the creation of new supply chain strategies that could not exist with today’s North American rail network.”
- “We urge the STB to approve CP’s acquisition of KCS in a timely manner.”

Purely Canada Foods

*(shipper of grain from Saskatchewan to
Mexico)*

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of grain from Saskatchewan to Mexico and the US.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Red Leaf Pulp

*(shipper of non-wood pulp from
Saskatchewan)*

[Filed with CP-4/KCS-4]

- “The combination of CP/KCS will allow Red Leaf Pulp to maximize shipping efficiencies and customer service to pulp agents and buyers in central United States and overseas markets.”
- “Red Leaf Pulp urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Simpson Seeds

*(shipper of pulse crops from
Saskatchewan)*

[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

South West Terminal

*(receiver of fertilizer from U.S and
shipper of wheat to U.S. and Mexican
receivers)*

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of durum wheat from Saskatchewan to the USA and Mexico. As well, increase options for the importation of granular fertilizer.”
- “SWT urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Southland Pulse Inc.

(shipper of grain in Saskatchewan)

[Filed with CP-4/KCS-4]

- “Shipping through the US has been a challenge in the past and this will help ease those restrictions.”
- “Southland Pulse urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Thunder Bay Terminals Ltd.

(bulk handling terminal)

[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “Thunder Bay Terminals Ltd urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Tiger Calcium Services Inc.

*(calcium chloride from Alberta to U.S.
receivers)*

[Filed with CP-7/KCS-7]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of calcium chloride from Alberta to more southern U.S. destinations.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Tolko Marketing and Sales
(shipper of forest products)
[Filed with CP-4/KCS-4]

- “The combined CPKC network – with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – would help us reach our existing markets and new markets more efficiently.”
- “Tolko Marketing and Sales urges the STB to approve CP’s acquisition of KCS so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Viterra Canada Inc.
(shipper of agricultural commodities to U.S., Canadian and Mexican receivers)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of Oilseeds, specialty crops, and milling wheats from Western Canada and the Northern USA to the Gulf export markets, end users south of CP’s current reach, and key markets in Mexico.”
- “Viterra urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

W. Robins Consulting Ltd.
(brokering and freight forwarding of forest products, industrial materials, and bulk products between British Columbia and U.S.)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of forest products from British Columbia to CPKC serviced states, and Mexico.”
- “W. Robins Consulting Ltd. urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

W.A. Grain & Pulse Solutions
(shipper of grain in Alberta)
[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of grain products from Bowden, AB to the southern United States.”
- “W.A. Grain and Pulse Solutions urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Western Asphalt Products
(receiver of steel, rebar, fertilizer, asphalt and other products at terminal in Manitoba)
[Filed with CP-4/KCS-4]

- “CPKC will add value to our customers who never through it was possible to purchase raw materials as far south as Mexico City.”
- “Western Asphalt urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Weyburn Industrial Transload Inc.
(transload facility in Saskatchewan)
[Filed with CP-4/KCS-4]

- “This transaction would provide significant benefits overnight to a Transload Facility like WIT that is strategically located on the Canada/United States border on CP’s mainline. This transaction will have an immediate impact on the markets we serve and given the combined CPKC network we are certain the new single-line hauls and access to premier ports on the Gulf, Atlantic and Pacific coasts within the U.S. will help both ourselves and our customers.”
- “urges the STB to approve CP’s acquisition of KCS as quickly as possible”

WTC Group Inc.
(import/export logistics focusing on specialty crops in British Columbia)
[Filed with CP-4/KCS-4]

- “the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve”
- “implores the STB to approve CP’s acquisition of KCS as swiftly as possible”

SHIPPERS IN EASTERN CANADA SERVING U.S. AND MEXICAN MARKETS

American Iron & Metal Inc.
(shipper of scrap metal from Ontario, Maine, and New Brunswick to U.S. receivers)
[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Arbec Lumber Inc.
(shipper of lumber from Quebec)
[Filed with CP-6/KCS-6]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

ASL Distribution Services Limited
(Ontario-based logistics service provider)
[Filed with CP-4/KCS-4]

- “single-line rail service options are far superior”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Bestway Cartage Limited
(consumer packaged goods, electronic products, and other raw materials from Quebec and Ontario to U.S. receivers)
[Filed with CP-4/KCS-4]

- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico, and Canada”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Chemtrade Logistics Inc.

(commodity chemicals to U.S. receivers)

[Filed with CP-4/KCS-4]

- “We can foresee that it would be valuable to have access to a seamless USMCA railroad option.”
- “requests the STB to approve CP’s acquisition of KCS once it has done its due diligence as swiftly as possible”

ETG Commodities Inc.

(pulses, peas, and beans from Canada to Laredo and Eagle Pass, Texas for furtherance into Mexico)

[Filed with CP-4/KCS-4]

- “As the majority of our grains are exported, ETG Commodities Inc. could greatly benefit from access to a combined 22 intermodal facilities across North America.”
- “ETG Commodities Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible.”

FMI Logistics Inc.

(transportation solutions to Canadian and US customers)

[Filed with CP-4/KCS-4]

- “This transaction will improve our transportation options.”
- “FMI Logistics Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Greenlight Traffic and Distribution Inc.

(logistics services)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “Greenlight Traffic and Distribution Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Harbour Metals Recycling Ltd.

(shipper of scrap metals for consumption in U.S. steel mills and foundries)

[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada.”
- “Harbour Metals Recycling Ltd. urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

HCL Logistics

(Ontario-based transloader)

[Filed with CP-4/KCS-4]

- “Understanding various products are shipped to Canada from the southern states and Mexico, having a connection to these areas is critical.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

IMCO International Steel Trading Inc.

(shipper of finished steel pipe)

[Filed with CP-4/KCS-4]

- “We see possibilities with shipping from Ports in Texas to Alberta with a more competitive option with the CPKC proposed routing.”
- “IMCO International urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

J.D. Irving Limited (Pulp and Paper Division)
(shipper of pulp, paper, and corrugated medium from facilities in New Brunswick)
[Filed with CP-4/KCS-4]

- “We currently use the CP (Canadian Pacific Railway) to originate and terminate rail traffic at our facilities for movements mainly in the USA and Canada. From our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

La Milanaise Inc
(shipper of organic grains to U.S. receivers)
[Filed with CP-4/KCS-4]

- “proposed merger between CP and KCS will further support Milanaise in our efforts to grow our market share in the US and Mexico, creating additional opportunities for inbound cereals from the US and outbound finished products all the way down to Texas as well as Mexico, markets we don’t reach today.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Mactrans Logistics Inc.
(shipper in Ontario)
[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and competition for shippers across North America while creating new opportunities for them to source materials more competitively.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Mutual Transportation Services Inc.
(shipper in Ontario)
[Filed with CP-4/KCS-4]

- “combined CPKC network -with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Olimag Sands Inc.

(shipper of sands to U.S., Canadian, and Mexican receivers)

[Filed with CP-4/KCS-4]

- “Olimag sands is at the moment shipping sands to its customers in Canada, the US and Mexico by trucks, rails and maritimes . . . We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition against the other, larger rail carriers and trucks that serve our markets.” .
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”

Park Farm Grains Ltd.

(transloader of distillers’ grains)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets-would help us reach new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

RG Phillips Group of Companies Inc.

(receiver of steel and other commodities at Ontario)

[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “RG Phillips urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

STCH Inc.

(Quebec-based shipper of mulch, wood shavings, fertilizer, shingle, and plastic industry)

[Filed with CP-7/KCS-7]

- “adding rail service alternative between Canadian [sic] to/from Midwest and Southern States of USA will be great”
- “recommend the STB to approve CP’s acquisition of KCS as swiftly as possible”

Transcare Logistics Corporation

(transloading of steel and other products)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “Transcare urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

TYT Group Inc.

(transloading in Montreal)

[Filed with CP-4/KCS-4]

- “The combined CPKC network – with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – would help us reach our existing markets and new markets more efficiently.”
- “Group TYT urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Usine Sartigan Inc.

(shipper of lumber and wood products from Quebec, QC t)

[Filed with CP-4/KCS-4]

- “As Usine Sartigan Inc. promotes environmental sustainability, we are excited that in addition to providing new competition against other railroads, the new single-line routes made possible by the transaction are expected to shift trucks off crowded U.S. highways, yielding reduced highway traffic and lower carbon emissions.”
- “. . . urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

SHIPPERS IN MEXICO

C. Czarnikow Sugar Mexico SA

(sugar trading company and importer/exporter of sugar in Mexico, USA and Canada)

[Filed with CP-4/KCS-4]

- “For our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve. The combined CP-KC – KCSM network – with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets – would help us reach our existing markets and new markets more efficiently.”
- “Czarnikow Sugar Mexico, SA de CV urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Eusu Logistics

(electronics from Mexico to U.S. and Canadian receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of electronics from Mexico to US and Canada.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Ferrous Processing & Trading Co.

(scrap metal from Mexico)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Indorama Ventures Polymers México, S. de R.L. de C.V.

(PET resin from Queretaro to U.S. receivers)

[Filed with CP-7/KCS-7]

- “[T]he transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Internacional Regiomontana de Acero SA de CV

(rail-served industrial park)

[Filed with CP-7/KCS-7]

- “We receive around 300 cars of gas LPG from Canada and USA per month and we ship around 90 gondolas of scrap to USA, among other products and services . . . For our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Mercado de Arenas Silicas SA DE CV

(receiver of silica sand from Wisconsin in Monterrey, Mexico)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Ragasa Industrias

(Mexican receiver of soybeans and canola from the U.S. and Canada)

[Filed with CP-4/KCS-4]

- “The CPKC network would grant us the following benefits: [g]reater access to grain elevators found in Canada and other parts of the United States that we have not been able to reach with the current railroad system”; “[d]iversification of our current product portfolio, as our current focus is on soybeans but would like to expand our sourcing options into the canola market”; and “[e]stablishing a one, combined railroad network would expedite and facilitate every point our supply chain, allowing each and every single party involved in the operation to serve each other better.”
- “Ragasa pleases the STB to approve CP’s acquisition of KCS as swiftly as possible so that their systems can be integrated, and the end-to-end benefits of this deal be realized for the benefit of all stakeholders.”

Suministros Industriales Potosinos, S.A. de C.V.

(shipper of bulk materials, commodities, autoparts, as well as agricultural, chemicals, and energy products across USMCA market)

[Filed with CP-4/KCS-4]

TSIM Internacional

(steel and other transloading in Nuevo Leon)

[Filed with CP-6/KCS-6]

V Modal Mexicana

(rail transport logistics provider)

[Filed with CP-4/KCS-4]

- “CPKC’s will be instrumental in integrating strong, efficient and reliable supply chains for the USM CA trade block that will allow to better compete with other commercial regions such as Asia and Europe.”
- “SIPSA Terminals urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “We are particularly enthusiastic about the role new CPKS single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “V Modal Mexicana urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

OTHER SHIPPERS

Arrow Transportation Systems Inc.

(transloading)

[Filed with CP-4/KCS-4]

Boss Lubricants

(lubricant supply to Canadian and U.S. receivers)

[Filed with CP-6/KCS-6]

- “voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urges the STB to approve CP’s acquisition of KCS as quick as possible”

Bulkmatic Transport

(shipping between Canada, the U.S., and Mexico)

[Filed with CP-4/KCS-4]

- “By offering shippers in Chicago, the Northeast and Canada a streamlined route into Mexico, we believe we’ll continue to see trade increase as buyers and sellers discover they have viable access to new markets.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

C.A.T. Global Logistics

(paper goods from Canada and manufactured goods from Mexico to U.S. receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our cross-border shipments in North America.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Canadian Tire Corporation

(goods to U.S. receivers)

[Filed with CP-7/KCS-7]

- “The expanded network that this acquisition provides will benefit CTC by creating improved rail access to our vendors in the United States and improved transportation access to sourcing opportunities throughout North America that are, currently, served by truck.”
- “CTC requests the STB approve CP’s acquisition of KCS so that these systems can be integrated, and the end-to-end benefits of this deal can be realized quickly.”

Coca-Cola Canada Bottling Ltd

(beverage products)

[Filed with CP-4/KCS-4]

- “The CP/KCS combination will enable Coca-Cola to convert truck traffic to rail, thereby providing a benefit to the environment and society by taking trucks off the critical public infrastructure of the USA.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Continental Logistics LTD

(freight from Canada to U.S. and U.S. to Canada)

[Filed with CP-4/KCS-4]

- “It is important that there be a true USMCA railroad option.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Covia Holdings

(shipper of minerals)

[Filed with CP-6/KCS-6]

- “this transaction could provide benefits to Covia that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

ENX Inc.

(cement and fly ash to U.S. receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of fly ash from Edmonton AB to Texas.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

EVRAZ North America

(steel products from facilities in Colorado, Oregon, North Dakota, Manitoba, Saskatchewan, and Alberta to Canadian, U.S., and Mexican receivers)

[Filed with CP-4/KCS-4]

- “This extended network can strengthen competition against trucks and other, large rail carriers that deliver to our markets to the benefit of shippers such as EVRAZ North America.”
- “We encourage the STB to approve CP’s acquisition of KCS in a timely manner.”

F.J. Roberts Co. Inc.

(commodities to U.S. and global markets)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency by offering the ability to move cargo seamlessly from Canada all the way to Mexico and points in between.”
- “FJ Roberts Co Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Food, Health, & Consumer Products of Canada

(association of food products and other shippers)

[Filed with CP-4/KCS-4]

- “. . . voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “FHCP urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

GAF

(roofing manufacturer shipping raw materials and finished goods to and from plants in Minneapolis and Alabama)

[Filed with CP-6/KCS-6]

- “[T]he transaction of CP-KCS promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “We . . . hope the board accepts this merger in a timely manner.”

Interstate Asphalt

(shipper of asphalt-related products across U.S. and Canada)

[Filed with CP-4/KCS-4]

- “Interstate Asphalt supports approval of the CP/KCS combination. The transaction would provide more competition within the rail industry and provides great competition/lower cost to product from the Gulf Coast region.”
- “Interstate Asphalt urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

JEI, Inc.

(shipper of scrap paper from the U.S. to Mexico)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- ““urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Kansas City SmartPort, Inc.

(transloading)

[Filed with CP-4/KCS-4]

- “combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets-would help the businesses in our greater Kansas City region reach new markets more efficiently.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

KraftHeinz

(shipper of food products across North America)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and competition for shippers across North America while creating new opportunities for Kraft Heinz to route cargo and source consumer goods from the USA and Mexico.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”

Logibel

(storage and transshipment from Quebec)

[Filed with CP-6/KCS-6]

- “the transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Logistics Alliance

(shipper of dry and perishable)

[Filed with CP-4/KCS-4]

- “Logistics Alliance ships dry and perishable product from the Southern U.S. and Mexico that move via truck today. The CP/KCS combination would provide opportunity to convert truck traffic to intermodal, the single line option will provide competitive transit times and improved access to markets that could not be serviced by the rail prior.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible”

M&J Total Transport & Rigging Inc. (TTR)
(shipper of dimensional cargo)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Mapei Inc.
(receiver of finished goods and raw materials from Texas and Oklahoma)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Mercury Resources LLC
(supply chain management across North America)

[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Nestlé Canada Inc.
(shipper of raw materials and perishable goods across North America)

[Filed with CP-4/KCS-4]

- “Nestle and CP partner together to move Intermodal traffic across Canada and between the United States and Canada . . . Nestle is supportive of the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen the North American supply chain.
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all shippers across the USA, Mexico and Canada.”

Nestlé USA
(shipper across North America)

[Filed with CP-4/KCS-4]

- “supportive of the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all shippers across the USA, Mexico and Canada.”

Networks Group

(transportation logistics)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

NFI Industries

(third party logistics provider)

[Filed with CP-4/KCS-4]

- urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Performance Office Papers

(shipper of roll paper to and from U.S. receivers)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Pullman Innovations

(shipper of vegetable oil products)

[Filed with CP-4/KCS-4]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Rocanda Enterprises and Rocanda USA

(shipper and receiver across North America)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “Rocanda has manufacturing facilities in Texas, Wyoming, and Alberta, and has suppliers based across Canada, USA, and Mexico . . . [Rocanda] urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Salt Source LLC dba U.S. Salt

(importer of salt from Mexico and Canada)

[Filed with CP-4/KCS-4]

- “U.S. Salt is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “We urge the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Sharp Base Shipping and Transport (Canada) Ltd.

(shipper of fresh vegetables, fruits, frozen seafoods)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency rather than we were using the flat deckers running a single trip but paid the round trips costs.”
- “Sharp Base urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Simba Transload Ltd.

(shipper of various commodities across North America, including from Canada to Texas and Louisiana)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency by reducing the number of rail cars we need to lease to service long hauls.”
- “Simba Transload Ltd. strongly urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Stella-Jones Corp.

(shipper of pressure-treated wood products across North America)

[Filed with CP-7/KCS-7]

- “strengthen competition against the other, larger rail carriers and trucks that serve our markets”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

StyroChem Canada

(shipper of expandable polystyrene)

[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “StyroChem urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

The Mountain View Group

(forest products, steel, and other transloading)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency. Most of our lumber shipments from Canada to the US and Mexico require two or more interchanges. A single carrier route will eliminate dwell times at junctions as well as expedite shipments and create fewer demurrage issues.”
- “The Mountain View Group urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Timiron LLC

(liquid, dry bulk and other types of commodities to U.S. and Canadian receivers)

[Filed with CP-4/KCS-4]

- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency. Less time in transit via single line hauls, less time in terminal switch yards and better coordination of train departure and arrival schedules will result in far better equipment utilization and lower car leasing or ownership requirements.”
- “TIMIRON LLC urges strongly urges the STB to approve the CP acquisition if the KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this transaction can be realized for the benefit of all customers and stakeholders.”

Traffic Tech Inc.

(shipper throughout Canada and the U.S.)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “Traffic Tech Inc urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Transload Distribution Association of North America

(association of North American transload industry)

[Filed with CP-7/KCS-7]

- “The transaction will provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

Transmark Ltd.

(shipping logistics and storage)

[Filed with CP-7/KCS-7]

- “Our customers ship bulk oil to the Gulf Coast, bring windmill components from the Texas ports, grain products from the Northern States and rail cars coming from all over the South Central and Gulf region for storage and repairs . . . We are very excited about the transaction because it will allow a combined CPKC to provide new, more efficient and reliable rail service options. This will strengthen competition against the other, larger rail carries and trucks that serve our markets.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Transport Services & Logistics Canada Ltd.

(transport logistics for food, auto parts and other commodities)

[Filed with CP-4/KCS-4]

- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - would help us reach our existing markets and new markets more efficiently.”
- “Transport Services and Logistics Canada Ltd. urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Tuscarora Grain Co., LLC

(shipper of grain across North America)

[Filed with CP-4/KCS-4]

- “We are excited about the opportunities to be able to originate US organically grown grain from NE & KS and shipping east.”
- “TGC strongly urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated, and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

U.S. Rail & Logistics, LLC

(third-party rail and logistics provider)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Water Train LLC

(shipper of water to U.S. receivers)

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Welded Tube of Canada
(shipper of metal tube/pipe)
[Filed with CP-4/KCS-4]

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement.”
- “Welded Tube of Canada urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

Zekelman Industries
(steel and pipe products shipper)
[Filed with CP-4/KCS-4]

- “transaction would provide significant benefits that we are eager to see realized as soon as possible”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

STATE AND LOCAL GOVERNMENTS AND ECONOMIC DEVELOPMENT ORGANIZATIONS

Bossier Chamber of Commerce
[Filed with CP-4/KCS-4]

- “This merger offers a unique opportunity to fuel economic growth across North America while reducing freight congestion, helping the environment, and strengthening competition in the freight transport marketplace.”
- “The Bossier Chamber of Commerce urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

City of Belton, Missouri
[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.”

City of Marquette, Iowa
[Filed with CP-6/KCS-6]

- “sees the proposed transaction as a win-win”
- “asks that the Surface Transportation Board take quick action to approve”

City of Muscatine, Iowa

[Filed with CP-7/KCS-7]

- “transaction promises to provide improved service options and invigorate transportation competition in the markets we serve.” .
- “request[s] the Surface Transportation Board take quick action to approve [the transaction.]”

City of Ottumwa, Iowa

[Filed with CP-7/KCS-7]

- “the combined network will provide better transportation options for our businesses”
- “asks that the Surface Transportation Board take quick action to approve”

City of Ruston, Louisiana

[Filed with CP-4/KCS-4]

- “[T]he City of Ruston is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “The City of Ruston urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Committee of One Hundred, Inc.

[Filed with CP-4/KCS-4]

- “This merger offers a unique opportunity to fuel economic growth across North America while reducing freight congestion, helping the environment, and strengthening competition in the freight transport marketplace.”
- “Committee of One Hundred, Inc. urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Greater Shreveport Chamber of Commerce

[Filed with CP-4/KCS-4]

- “We believe strongly that this consolidation will create new economic development opportunities, stimulating significant investment and jobs.”
- “The Greater Shreveport Chamber urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Louisiana State Representative, District 6

[Filed with CP-4/KCS-4]

- “This merger is a tremendous opportunity to create additional operations, training, mechanical, and other jobs in the Shreveport-Bossier area . . .”
- “Therefore, I urge the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

North Louisiana Economic Partnership

[Filed with CP-4/KCS-4]

- “The NLEP was excited to learn of the potential CP/KCS merger, as we believe the transaction would provide significant benefits that we are eager to see realized as soon as possible, such as improved service options.”
- “The NLEP urges the Surface Transportation Board to approve CP’s acquisition of KCS as swiftly as possible . . .”

State of Louisiana Economic Development

[Filed with CP-4/KCS-4]

Wylie Economic Development Corporation

[Filed with CP-6/KCS-6]

- “We believe the transaction would provide significant benefits that we hope to see realized as soon as possible. Of particular interest is the expansion and further development of passenger rail service in the State of Louisiana.”
- “LED urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “[T]he transaction promises to provide improved service options and invigorate transportation competition and facilitate economic development efforts in communities like ours. The combined CPKC network . . . would help the businesses in Wylie, the DFW Region and all of North Central Texas reach new markets more efficiently.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”

PORTS

Montreal Port Authority

[Filed with CP-7/KCS-7]

Port Authority of Veracruz

[Filed with CP-7/KCS-7]

Port of New Orleans/New Orleans Public Belt Railroad

[Filed with CP-6/KCS-6]

- CPKC “railroad network will allow us to create business opportunities, and, consequently, to better serve the markets we serve, particularly through the Midwest”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible so that these systems can be integrated and the end-to-end benefits of this deal can be realized for the benefit of all stakeholders”
- “In our perspective, the merging of CP and KCS will provide broader services for the transportation of goods that will surely increase railway connectivity which in turn will facilitate the transportation of cargo and help decrease transportation time to the main U.S. ports and distribution centers on the coasts of the Gulf, the Atlantic, and the Pacific.”
- “urges the Surface Transportation Board (STB) to approve the acquisition of KCS by CP as early as possible so that these systems can be integrated and all benefits of this agreement can be provided to all interested parties”
- “This merger offers a unique opportunity to fuel economic growth across North America while reducing freight congestion, helping the environment, and strengthening competition in the freight transport marketplace.”
- “urge the STB to approve CP’s acquisition of KCS as swiftly as possible”

***Port of Port Arthur Navigation District of
Jefferson County***

[Filed with CP-4/KCS-4]

Puerto de Lázaro Cárdenas

[Filed with CP-6/KCS-6]

Saint John Port Authority

[Filed with CP-4/KCS-4]

- “The transaction would potentially provide significant benefits to the port in terms of enhanced connectivity and new market development, while leveraging the port’s own capital expansion activity.”
- “The Port of Port Arthur supports timely approval of the CP/KCS combination.”
- “. . . the merging of CP and KCS will provide broader services for the transportation of goods that will surely increase railway connectivity which in turn will facilitate the transportation of heavy cargo and help decrease transportation time to the main U.S. ports on the coasts of the Gulf, the Atlantic, and the Pacific.”
- “urges the Surface Transportation Board to approve the acquisition of KCS by CP as early as possible”
- “The CP-KCS transaction would offer the first complete North American network connecting ports across the continent. Port Saint John is excited about the potential to have connectivity from eastern Canada through Kansas City and beyond.”
- “Port Saint John urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

OTHER RAILROADS

Alberta Prairie Railway

[Filed with CP-4/KCS-4]

Boundary Trail Railway Co.

[Filed with CP-4/KCS-4]

- “The transaction would provide significant benefits that we are eager to see realized as soon as possible.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “We see nothing but exciting potential and further market access benefits for our shippers from a CP/Kansas City Southern combination.”
- “BTR accordingly enthusiastically supports the STB approval of CP’s proposed KCS combination in a quick and efficient manner.”

***Cando Rail Services Ltd. – British Columbia;
Saskatchewan and Ontario; Short
Lines; Transload Ontario***

[Filed with CP-4/KCS-4]

Central Midland Railway

[Filed with CP-4/KCS-4]

***Dakota, Missouri Valley and Western
Railroad***

[Filed with CP-4/KCS-4]

Genesee & Wyoming Inc.

[Filed with CP-4/KCS-4]

GIO Railways Corporation

[Filed with CP-4/KCS-4]

Great Western Group

[Filed with CP-4/KCS-4]

- “Cando Rail Services is voicing strong support for the combination of CP and KCS, because it will enhance competition, provide expanded options and drive efficiencies for customers of all sizes.”
- “Cando Rail Services urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “The Central Midland Railway supports approval of the CP/KCS combination. The transaction would provide significant benefits to our customers and to the economic development of the St. Louis region.”
- “[T]he Central Midland Railway is wholly supportive of the CP-KCS merger and urges the STB to approve the petition as quickly as possible.”
- “I personally feel that the combination of these 2 class 1 railroads will greatly enhance our customer’s competitiveness because it will open them to a whole new set of markets, thus making them more profitable in the communities in which they operate. I personally feel that this will bring a badly needed boost to the agricultural economy in North Dakota.”
- “Dakota, Missouri Valley and Western Railroad strongly urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “A combined CP/KCS will provide an additional competitive route for agricultural products coming out of South Dakota . . .”
- “GWI supports approval of the CP/KCS combination in an expedited fashion to allow for the benefits of the transaction to be realized by all involved.”
- “CPKC’s new service offerings will improve transit times and reliability which will reduce our customers’ equipment costs.”
- “We urge the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “I see this transaction as a means to reduce barriers in what is often a challenging supply chain. Service and access will improve which will drive a more seamless and efficient flow of traffic.”
- “I urge the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”

Iowa Southern Railway

[Filed with CP-4/KCS-4]

Lake Line Railroad Inc.

[Filed with CP-4/KCS-4]

Minnesota Northern Railroad

[Filed with CP-4/KCS-4]

Northern Plains Railroad Inc.

[Filed with CP-4/KCS-4]

Ontario Southland Railway

[Filed with CP-4/KCS-4]

Progressive Rail Incorporated

[Filed with CP-7/KCS-7]

***Reading Blue Mountain & Northern
Railroad***

[Filed with CP-4/KCS-4]

- “The Iowa Southern Railway supports approval of the CP/KCS combination. The transaction would provide significant benefits to our customers and to the economic development of Southern Iowa.”
- “Iowa Southern Railway is wholly supportive of the CP-KCS merger and urges the STB to approve the petition as quickly as possible.”
- “For LLRR the benefits [of the CP/KCS combination] include the ability to offer to shippers the opportunity to have access to the gulf coast and to points in the southern US and Mexico. I expect that the combination will also assist us in attracting new shippers to our rail line.”
- “LLRR urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “CPKC’s new service offerings will improve transit times and reliability, which will reduce our equipment costs and improve our efficiency.”
- “Minnesota Northern Railroad urges the STB to approve CP’s acquisition of KCS as swiftly as possible . . .”
- “We believe that the CP-KCS combination will serve only to improve growth possibilities in our industry, creating jobs, economic growth, and continuing to support rural development in North Dakota and Minnesota.”
- “NPR would again suggest that this combination is very worth [sic] of STB approval in a quick and timely manner.”
- “The combined CPKC network - with new single-line hauls and access to premier ports on the U.S. Gulf, Atlantic and Pacific coasts as well as to key overseas markets - will help our customers reach markets more efficiently.”
- “We urge the STB to approve CP’s acquisition of KCS as swiftly as possible.”
- “With the approval of the CPKC partnership, Progressive Rail’s valued customers will be able to successfully compete in a hyper-competitive global marketplace.”
- “Progressive Rail Incorporated urges the STB to approve CP’s acquisition of KCS as swiftly as possible.”
- “an excellent example of the type of end-to-end merger that should be supported as in the public interest”
- “we urge the STB to approve CP’s acquisition of KCS in a timely fashion”

***Southern Railway of British Columbia
Limited***

[Filed with CP-4/KCS-4]

Stewart Southern Railway

[Filed with CP-4/KCS-4]

Watco

[Filed with CP-4/KCS-4]

- “particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of Energy products, and pulse crops from the SSR in Southern Saskatchewan to The Gulf.”
- “urges the STB to approve CP’s acquisition of KCS as swiftly as possible”
- “The proposed CPKC creates a new competitive option that will serve our customers well, especially for grain and other commodities moving to South Central States, and for the first time on a single-line basis, deep into Mexico.”
- “urge the Surface Transportation Board to approve it as expeditiously as possible”

APPENDIX B

ILLUSTRATIVE STATEMENTS BY SHIPPERS EXPLAINING NEED FOR TRANSACTION TO UNLOCK COMPETITIVE BENEFITS OF SINGLE-LINE SERVICE

Ag Processing Inc. (CP-4/KCS-4)

- “We ship our products on the CP throughout the U.S. and Canada, however, we are quite limited to Mexico. The prospect for our soy CP crushing facilities to move on a single line haul into Mexico with this merger should enhance our market access. Currently we have to move on 2-3 railroads to reach the same markets . . . The single line move should enhance our ability to be competitive to Mexico, decrease transit time and allow us more arbitrage opportunities in a volatile operating environment.”).

A.P. Moller – Maersk (CP-4/KCS-4)

- “We have in-depth familiarity with the capabilities of the separate Canadian Pacific and Kansas City Southern networks. Both of these railroads are good transportation partners of ours, and they provide efficient and effective transportation services. But separately they are not able to provide nearly the reach as they would if they were combined.”).

Aspen Planers Ltd. (CP-4/KCS-4)

- “In my mind it is always better to have a single- line rail operator to deal with. The cargo flows much smoother from origin to final destination, in most cases saving weeks if not longer on the transit time. Not only does our customer get the product quicker but the whole system gets the empties back into circulation that much faster. These two points are integral and vital in this day and age to our business and its needs.”).

Boise Cascade (CP-4/KCS-4)

- “We are particularly enthusiastic about the role new CPKC single-line routes will play in expanding access to growing markets across the United States, Mexico and Canada under the USMCA trade agreement. It is important that there be a true USMCA railroad option.”

Centerville Iron & Metal Inc. (CP-4/KCS-4)

- benefit of the proposed CP-KCS merger is “[a] single-line point of service, limiting the possibility for lost time with cars sitting while waiting to be picked up by other shippers (i.e. switching lines). Being a single-line shipper, CP/KCS will provide a seamless interface with which to work to get cars to markets beyond where we currently ship to as well.”

Evergreen Shipping Agency (America) Corp. (CP-4/KCS-4)

- “KCS and CP have had a cooperative relationship in the past, and CP-KCS joint routes are among our transportation options, but as separate companies they have not been able to offer the kind of seamless, single-line service we have come to expect from our transportation providers. This transaction will improve our transportation options.”

Hyundai Glovis (CP-4/KCS-4)

- “We know from experience (both our own, and that of our competitors who have single-line rail options at their origins) that single-line rail service options are far superior.”

Hapag-Lloyd (America) LLC (CP-4/KCS-4)

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our containerized freight shipments.”

North Dakota Grain Dealers Association (CP-4/KCS-4)

- “The combined CPKC network – with new single-line hauls and access to ports on the U.S. Gulf, Atlantic and Pacific coasts – should help us reach our existing markets and new markets more efficiently.”

Ragasa Industrias (CP-4/KCS-4)

- “CPKC’s new single-line haul offerings will expand market reach and offer new competitive transportation options for our shipments of soybeans and canola from the United States and Canada to Mexico.”