

LAW OFFICE OF DAVID L. MEYER
WWW.MEYERLAWDC.COM

1105 S STREET, N.W.
WASHINGTON, D.C. 20009
202-294-1399

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Office of Proceedings
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BY ELECTRONIC FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

Re: Finance Docket No. 36500

Dear Ms. Brown:

I write on behalf of Applicants regarding the Reply filed on April 12 on behalf of Samuel J. Nasca, purporting to state the position of SMART/Transportation Division, New York State Legislative Board (NASCA-1) concerning the application of the KCS waiver to this transaction.

Applicants wish to call the Board's attention to the attached letter sent to Canadian Pacific by Jeremy R. Ferguson, President of SMART/Transportation Division ("SMART-TD"). Chairman Oberman was copied on the letter, and Applicants believe the entire Board would benefit from having the letter in the record to make clear SMART-TD's view that applying the KCS waiver to this transaction will not adversely affect employee or labor interests. Mr. Ferguson states that, contrary to the position articulated in NASCA-1, SMART-TD "has confidence that the protective provisions afforded by New York Dock will ensure employee interests are protected. We are also confident that a waiver of the current consolidation rules will not affect employee interests or prior collectively bargained rights under the Railway Labor Act."

In fact, SMART-TD has "no opposition to the Board moving forward with approval of this transaction." As Mr. Ferguson explains, "this type of . . . 'end to end merger' has had very little adverse impact on SMART-TD membership and expands our ability for job security and economic longevity with the newly formed carrier."

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Applicants appreciate the Board's attention to this matter.

Respectfully submitted,



David L. Meyer

*Attorney for Canadian Pacific Railway
Limited*

Attachment

cc: All Parties of Record



Transportation Division

24950 COUNTRY CLUB BLVD., STE. 340 • NORTH OLMSTED, OHIO 44070-5333
PHONE: 216-228-9400 • FAX: 216-228-5755 • www.smart-union.org/td/

JEREMY R. FERGUSON
President

April 14, 2021

Mr. Keith Creel
CEO, Canadian Pacific Railroad
7550 Ogden Dale Road S.E.
Calgary, AB T2C 4X9
Canada

RE: Proposed Canadian Pacific and Kansas City Southern Merger

Dear Mr. Creel:

I greatly appreciate our recent conversation and your briefly discussing Canadian Pacific's intended acquisition of Kansas City Southern Railway with my office. Historically speaking, this type of transaction that is an "end to end merger" has had very little adverse impact on SMART-TD membership and expands our ability for job security and economic longevity with the newly formed carrier.

It is therefore the position of my office, currently, that we have no opposition to the Board moving forward with approval of this transaction. I however recognize that this is a major transaction which will require that all aspects of the New York Dock protective conditions be properly executed via an implementing agreement, and I look forward to working with you and your labor relations officers on this endeavor.

Furthermore, it has been suggested that a waiver by the STB of the current consolidation rules would be detrimental to employee interests and protection. The Union has confidence that the protective provisions afforded by New York Dock will ensure employee interests are protected. We are also confident that a waiver of the current consolidation rules will not affect employee interests or prior collectively bargained rights under the Railway Labor Act.

We will have much to discuss before I can take a more affirmative position on this particular transaction, and I look forward to having those conversations. Among other things, I believe it to be of mutual interest to bring all of CP's and KCS's SMART-TD represented employees under a single collective bargaining agreement with uniform work rules, benefits, and rates of pay, where feasible to do so.

I look forward to our continued discussions with you regarding this transaction, and your continued transparency.

Sincerely,

Jeremy R. Ferguson
President - Transportation Division

cc: Marty Oberman, STB Chairman
Myron Becker, Chief Labor Officer, CP