



EUROCHEM

EuroChem North America Corp.
3227 E. 31st St.
Tulsa, Oklahoma 74105
+1 (918) 496-5115
www.eurochemgroup.com

302098

ENTERED
Office of Proceedings
April 22, 2021
Part of
Public Record

April 21, 2021

ATTENTION: Surface Transportation Board

RE: STB Finance Docket No. 36500
CP-KCS Potential Combination

Eurochem North America Corporation (“Eurochem”) files this letter to express its concerns about the bid by CN to acquire KCS and re-iterate its support for the CP-KCS combination.

As expressed in our initial letter to the Board dated March 30, 2021, Eurochem supports approval of the CP-KCS combination because we believe there will be significant benefits, including expanded markets and Gulf port options for imports, year round barge terminal access, improved service options, and invigorated transportation competition. The combination of CP and KCS would also provide access to fertilizers for farmers in North Dakota and Western Canada in a cost effective manner.

By contrast, in our opinion, since CN already operates from the Gulf port north into Canada, a CN acquisition of KCS would lead to a reduction in competition. Additionally, if CN were to acquire KCS, the merged firm would not provide Eurochem a year round, competitive option into our customer markets in North Dakota and Western Canada of Kansas City because CN does not service North Dakota and Western Canada. If the CP/KCS deal is not approved we will be forced to continue interlining with other railroads or only serve these markets seasonally to reach these destinations, which increases costs, reduces efficiency, and hampers our ability to compete. A CP-KCS combination greatly expand our access to growing markets across the United States, Mexico, and Canada.

We expect a combined CPKC network to offer seamless, single-line service that will improve our transportation options and provide a better alternative to the options that already exist. A CN-KCS combination would limit competitive carrier options to markets and ports south of Kansas City. For the foregoing reasons we do not support CN’s bid to acquire KCS and instead, strongly recommend that the CP-KCS combination be approved.

Respectfully submitted,

Donal Lambert
Head of North America

CC: All Parties of Record