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ATTENTION: Surface Transportation Board
RE: STB Finance Docket No. 36500 (CP-KCS Potential Combination)

Federal White Cement Ltd. (FWC) hereby files this letter to express its views about the bid by Canadian National ("CN") to acquire Kansas City Southern ("KCS").

FWC is a major manufacturer of white portland cement. We own and operate a plant in Zorra ON and distribute our cement throughout North America. Utilizing our private covered hopper fleet, we ship cement via rail throughout the US and utilize rail for inbound clay materials.

FWC has not previously addressed either of the two proposals involving the acquisition of KCS.

FWC is reliant on both CP and CN for transportation services in certain markets.

FWC nonetheless has strong views about the kind of railroad combination that the STB should allow – and indeed expedite – versus the kind of combination that it should not permit to proceed.

The kind of transaction that is in the interests of shippers and the public would:

- ***Not have competitive overlaps*** that reduce the number of independent rail options, even if the railroads might think they can propose "remedies" to overcome the lost competition.
- ***Improve competitive options***, including by adding new single-line routes where other, larger railroads currently dominate.
- ***Not pose a risk of stimulating further industry consolidation***, such as by destabilizing the six large carrier balance in North America

A transaction meeting these criteria is in the public interest and should receive swift Board approval. Quick approval of procompetitive transactions is critical to helping shippers and other stakeholders reap the benefits sooner rather than later, and we have no objection to the use of a voting trust mechanism to facilitate such a transaction. For transactions that do not meet the three criteria set out above, we would strongly object to the Board allowing the transaction to proceed even as far as a voting trust, which itself could diminish competition and lead to downstream concerns.

We trust the Board to assess the two proposals for KCS while contemplating these criteria.

Respectfully submitted,

A handwritten signature in black ink, reading "Art DeVecchis", written over a horizontal line.

Art DeVecchis
VP Sales, Marketing & Logistics
Federal White Cement Ltd.

CC: All Parties of Record