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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, Canadian Pacific Ry. – Control – Kansas City Southern

Dear Ms. Brown:

I am President of Progressive Rail Incorporated. As directed in the Board's Decision No. 22 in this proceeding, this letter is to notify you that I wish to appear virtually on behalf of Progressive Rail Incorporated at the September 28-30 hearing on the Canadian Pacific-KCS combination I anticipate discussing Progressive Rail Incorporated's perspective on the public benefits of the proposed CP/KCS combination [and the inappropriateness of certain conditions proposed by third parties]. If possible, I would prefer to speak in the morning on September 28th.

Respectfully submitted,

Dave Fellon
President
Progressive Rail Incorporated

My name is Dave Fellon, and my business address is 21778 Highview Avenue, Lakeville, MN 55044. I am the President for Progressive Rail Incorporated. In my role, I am responsible carload growth, industrial development, sales and marketing.

Progressive Rail Incorporated ships over 15,500 carloads around the North America. We use CP rail to move our product from multiple short line locations in Minnesota, Iowa, and Illinois. CP Rail handles over 51% of our rail business. We are satisfied with the service CP provides, and over the past 5 years have continued to see a very customer-centric supplier, focused on innovation to assist us in getting our product to our customers more reliably.

Progressive Rail Incorporated supports the approval of the CP/KCS combination. The transaction would provide significant benefits that we are eager to see realized as soon as possible.

From our perspective, the transaction promises to provide improved service options and invigorate transportation competition in the markets we serve. The combined CPKC network with new single-line hauls and access to premier ports on the U.S. Gulf and Pacific coasts would help us reach our existing markets and new markets more efficiently. With the two railroads' strong focus on safety and their track record of operational excellence, I have no doubt that CPKC will be able to integrate their operations seamlessly to the benefit of rail customers and other stakeholders. We see this transaction as uniquely beneficial, with none of the downsides that might result from another round of Class I consolidation.

CP has provided us with good service, but its market reach is limited today, as its lines only go as far south as Kansas City. CP must interline with other railroads to reach destinations beyond Kansas City that we ship to (or that could expand the markets we serve effectively). We know from experience that single-line rail service options are far superior.

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.

Progressive Rail is proud to be a 26 year partner with the Canadian Pacific Railway. For all of the right reasons, we are enthusiastically encouraging the entire STB Board to quickly approve the CP / KCS combination. Today, America's supply chains and environment are both heavily stressed; however, there are two railroads that through it all have stayed resilient and have welcomed growth: the CP and KCS which have been performing extremely well in an industry that generally has not. No matter how you look at the world of railroading through multiple lenses, the CPKC combination is staged to quantifiably deliver many improvements and innovations. It is precisely what America needs for the next 194 years and beyond.

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 need from our transportation providers. This transaction will improve our transportation options.

At the same time, the entirely complementary nature of CP's and KCS' networks – connecting only at Kansas City and not overlapping anywhere – means that the transaction will not have any adverse effects on competition. It will only make these carriers a better alternative relative to the other options that already exist, since CPKC will continue to interchange with all of their other existing interline partners.

We have been impressed by the attention of CP and KCS to safety and operational effectiveness. Given the straightforward network connectivity between CP and KCS, and the fact that CP and KCS are the two smallest U.S. Class I railroads, we are confident that they will be able to implement their transaction without the service disruptions that have accompanied some past rail mergers.

For these reasons, Progressive Rail Incorporated 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. Progressive Rail Incorporated urges the STB to approve CP's acquisition of KCS as swiftly as possible so that these systems can be integrated, the end-to-end benefits of this deal can be realized for the benefit of all stakeholders.