



Surface Transportation Board  
Washington, D.C. 20423-0001

305606

ENTERED  
Office of Proceedings  
November 8, 2022  
Part of  
Public Record

MEMORANDUM

TO: Cynthia T. Brown, Chief, Section of Administration, Office of Proceedings

FROM: Martin J. Oberman, Chairman

RE: Ex Parte Communication Related to Docket No. FD 36500

DATE: November 8, 2022

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On September 30, 2022, I received a letter from “Citizen, Dallas, TX” expressing views related to the application by Canadian Pacific Railway Limited (Canadian Pacific) to purchase Kansas City Southern and its railroad affiliates (KCS). I have enclosed a copy of the letter to this memorandum. Because Canadian Pacific filed a notice of intent to file an application to acquire KCS on March 23, 2021, and an application to acquire KCS on October 29, 2021, in Docket No. FD 36500, this communication is a prohibited ex parte communication pursuant to the Board’s decision in Petition of Fieldston Co., Inc. to Establish Procedures Regarding Ex Parte Communication in Railroad Merger Proceedings, Docket No. EP 619 (STB served Jan. 8, 1997). Please place this memo and the enclosed material in the public docket of Docket No. FD 36500.

September 23, 2022

To: The Honorable Cynthia T. Brown, Chief, Section of Administration, Office Proceedings, STB

Re: FD-36500 Canadian Pacific's acquisition of Kansas City Southern

Please consider :

**Compare Carload Growth of Class 1 Railroads**  
**2021 - 2011**

*\*Data from annual reports.*

*BNSF data unavailable.*

|                               | <b><u>Volume Growth</u></b> | <b><u>2021</u></b> | <b>Carload Units (thousands)</b><br><b><u>2016</u></b> | <b><u>2011</u></b> |
|-------------------------------|-----------------------------|--------------------|--------------------------------------------------------|--------------------|
| <b>CSX</b>                    |                             | 6,253.0            | 6,451.0                                                | 6,476.0            |
| Carload growth 2021 v 2016    | -3.07%                      |                    |                                                        |                    |
| Carload growth 2021 v 2011    | -3.44%                      |                    |                                                        |                    |
| <b>NSC</b>                    |                             | 7,031.7            | 7,259.7                                                | 7,114.7            |
| Carload growth 2021 v 2016    | -3.14%                      |                    |                                                        |                    |
| Carload growth 2021 v 2011    | -1.17%                      |                    |                                                        |                    |
| <b>UNP</b>                    |                             | 8,038.0            | 8,442.0                                                | 9,072.0            |
| Carload growth 2021 v 2016    | -4.79%                      |                    |                                                        |                    |
| Carload growth 2021 v 2011    | -11.40%                     |                    |                                                        |                    |
| <b>KCS</b>                    |                             | 2,266.2            | 2,166.9                                                | 2,013.7            |
| Carload growth 2021 v 2016    | 4.58%                       |                    |                                                        |                    |
| Carload growth 2021 v 2011    | 12.54%                      |                    |                                                        |                    |
| <b>Canadian Pacific (CP)</b>  |                             | 2,735.5            | 2,524.9                                                | 2,597.0            |
| Carload growth 2021 v 2016    | 8.34%                       |                    |                                                        |                    |
| Carload growth 2021 v 2011    | 5.33%                       |                    |                                                        |                    |
| <b>Canadian National (CN)</b> |                             | 5,701.0            | 5,205.0                                                | 4,873.0            |
| Carload growth 2021 v 2016    | 9.53%                       |                    |                                                        |                    |
| Carload growth 2021 v 2011    | 16.99%                      |                    |                                                        |                    |

**Observations:**

Except for KCS, USA railroads' growth is negative over the last decade while Canada's railroads have grown substantially. This disparity in volume growth of the USA vs Canadian railroads is alarming, and not in the USA's public interest.

If CPKC is approved, KCS profits will, in part, be used to build Canada rather than the USA as it does today. Giving the Canadian's another USA railroad, and the USA's only railroad exhibiting growth over the last decade, seems self defeating for our nation and the future growth of its' critical infrastructure.



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**TO:** (PLEASE PRINT) Chairman STB, Oberman  
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SEP 30 2022

LABEL 11-B, MAY 2021

PSN 7500-02-000-9996

Docket FD-36500

CP KCS

