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Surface Transportation Board
395 E Street SW
Washington, DC 20423

November 18, 2026

Stockhausen Superabsorber LLC

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Re: Docket No. FD 36873, Union Pacific Corporation and Union Pacific Railroad Company—Control—Norfolk Southern Corporation and Norfolk Southern Railway Company

Stockhausen Superabsorber Comments in Opposition to the Proposed Transaction

Dear Chairman Fuchs and Members Schultz, Hedlund, and Kloster:

Stockhausen Superabsorber LLC is proud to produce Superabsorbers used in diapers, personal hygiene, agriculture and industry—virtually anywhere where moisture control matters. Our primary U.S. production facility is located in Greensboro, North Carolina, and is sole-served by NS. Stockhausen writes to oppose the proposed merger between Union Pacific (UP) and Norfolk Southern (NS) because it would limit our supply options, raise prices for consumers, and risk devastating service disruptions.

Many manufacturers, like Stockhausen, can source raw materials from several Gulf Coast chemical origins. Our supply chain is a concrete example of merger harms. Our primary feedstock is produced by only 4 manufacturers in the United States, 3 of which are captive to the UP and only one is competitively served by UP and BNSF. There is limited capability to shift volumes between the origins depending on which western carrier offers the lowest transportation costs, or which supplier offers the lowest prices. NS, our eastern carrier, is neutral about terms on the western leg of the move and has no incentive to offer different rates or service when it hands off traffic to BNSF or UP.

Post-merger UP/NS would be one railroad with overpowering leverage to keep traffic on its network at a higher than acceptable rate. If we attempt a competitive bid to partner with BNSF in the west, UP/NS would have no practical obligation to offer competitive rates or quality service on the NS leg in the east. The result is common sense—our optionality is lost, making service issues much more impactful and our transportation cost higher. I would fully expect the UP/NS to take full advantage of their leveraged position to raise rates to the highest amount allowed by the STB. In the end, this will translate to higher costs for goods like diapers and in a time when many Americans are struggling with affordability and reduce the competitiveness of US industries like us.

We have reviewed UP's proposed remedies—Committed Gateway Pricing (CGP), the Targeted Access Program, and the Rate ADR Program—which were added and/or expanded in Applicants' July 27, 2026, supplemental filing. None of these programs provide assurance of competitive rates and

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service reliability. In fact, the CGP is promising rates above a historical average; this is text-book anticompetitive behaviour following monopolization.

Further, prolonged service disruptions, like those that have occurred during most major rail mergers, will severely impact our company's bottom line and the supply of superabsorbent polymers in the United States. We depend on rail to obtain the feedstock we need to manufacture products. If our supply is disrupted for weeks, we could be forced to cease production and furlough employees. Importantly, a failure on UP/NS would be nationwide due to the network's unprecedented size—supplies could run short everywhere.

We have reviewed UP CEO Jim Vena's remarks at this year's Southwest Association of Rail Shippers (SWARS) annual meeting. It is unacceptable for a Class I railroad CEO to coerce captive customers to remain silent by threatening price increases of 3–4%. We rely on the STB to stand with us and combat such anticompetitive behaviour.

We respectfully urge the Board to consider the impacts the proposed merger will have on routing options, prices, and service, especially for sole-served shippers like Stockhausen. In our complex national rail network, no merger between railroads as large as UP and NS is truly "end-to-end." In our view, the best and probably only way to protect shippers is to block the merger. Thank you for your attention to our concerns.

Sincerely,

Jon Lyon
Head of Supply Chain
Stockhausen Superabsorber LLC

cc: All Parties of Record

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