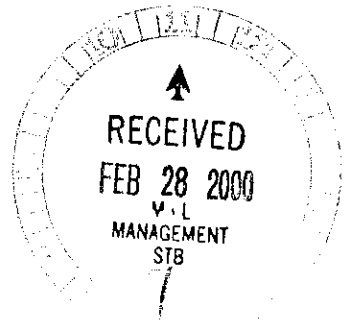


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# IMPERIAL SUGAR COMPANY

February 18, 2000



Surface Transportation Board, Office of the Secretary  
Case Control Unit, Attn: STB Ex Parte No. 582  
1925 K Street, NW.  
Washington, DC 20423-0001

My Name is John Robino. I am the Director of Western Transportation and Distribution for the Imperial Sugar Company. Imperial Sugar is the largest producer of sugar in the United States with 13 sugarbeet processing facilities in California, Montana, Wyoming, Texas and Michigan as well as 4 cane refineries located in Florida, Georgia, Louisiana, and Texas. All of our facilities are rail served directly or indirectly by the Union Pacific, the Burlington Northern and Santa Fe, the Norfolk Southern, or the CSXT. We spend in excess of \$50,000,000 each year in rail transportation.

As with many other shippers in the United States, rail mergers, over the last several years have resulted in very difficult times for us. Our industry is very competitive and poor rail service has often been the major factor in our inability to compete in a given market. Higher rates due to reduced competition, and poorer service, due to a lack of sufficient resources to effectively operate combined rail systems, has unquestionably created severe hardship for the shipping public. Since we have plants in Texas and California we are all too familiar with these problems and the detrimental effect they can have on our bottom line revenue and even our overall position in the marketplace.

At this time, we are strongly opposed to a merger of the BNSF and the CN railroads. Not because, in itself, it would have a dramatic impact on us, but because, as you have already suggested, it would trigger defensive mergers that would most likely have a very negative impact on the entire shipping public. We have not yet realized most of the promises that came with the other Class I mergers. Competition has certainly been reduced. Service has certainly been diminished and in some cases has not yet recovered. This is the wrong thing to do at the wrong time. I would propose that the Surface Transportation Board suggest a five year moratorium on Class I rail mergers. During that time everyone will have a better chance to evaluate what's already been done and concentrate on problems that still exist in the current fledgling mega-systems.

I respectfully request that the Surface Transportation Board seriously consider my remarks and take the necessary action to postpone consideration of any class I rail merger that is determined to have similarly far reaching effects on the overall rail industry in the United States.

Sincerely,

John A. Robino  
Director Western Transportation  
Imperial Sugar Company

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