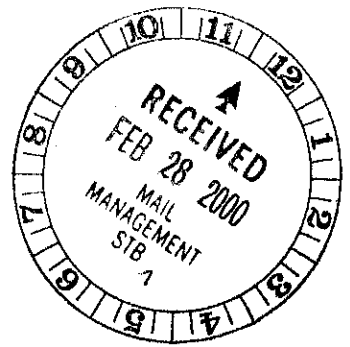




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February 25, 2000

Surface Transportation Board
Office of the Secretary
Case Control Unit, Att: STB Ex Parte No. 582
1925 K St., N.W.
Washington, D.C. 20423-0001

ENTERED
Office of the Secretary
FEB 29 2000
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Public Record

Dear Sir/Madam:

My name is Patrick O. Sinclair, and I am General Manager of Forest Products Supply Co., St. Louis, Mo. Forest Products Supply is a major distributor of lumber and panel products in the greater St. Louis market. Forest Products Supply receives substantial quantities of lumber and panel products by rail from all the major wood baskets in North America and relies heavily on good, consistent rail service.

We support the STB's decision in the BNSF/CN docket to examine carefully the BNSF/CN proposed control application, including all of the effects it could have on the rail transportation industry. The Board should not look at the BNSF/CN transaction in a vacuum. It should consider the effects that further mergers and consolidations in the rail industry will have on shippers.

Any major rail consolidation now or in the immediate future would be extremely unfortunate. The rail industry is still adjusting to the effects of the last round of mergers which began with the Burlington Northern's purchase of the Santa Fe. Not all of the benefits of those mergers have been realized or accomplished yet. The industry needs to stabilize and improve its overall operations before further consolidations are undertaken.

Merger implementation is obviously a multi-year process that consumes attention and resources of the merging railroads' management. My company has worked through the disruption to rail service that has followed these mergers. The shipper community deserves and has earned a period of stability in the rail industry while the railroads concentrate on completing the integration and delivering all the benefits we expected from the prior mergers that the STB has approved.

The rail industry has made significant progress since deregulation. My company does not want to see the return of more onerous economic regulation of the railroads. That would have a negative impact on the financial health of the industry. Ultimately, railroads would reduce their investment in their infrastructure, abandon track and reduce service.

9264 Manchester Road • St. Louis, MO 63144
(314) 961-6195 • (800) 522-8905 • FAX (314) 961-3509 • FAX (800) 992-3509



It would soon be evident that the remaining railroad would not be able to meet the demands for transportation service that they fill today. Yet the BNSF/CN merger and others that are likely to follow will lead to increased calls in Congress to reregulate the industry.

We ask that the STB, due to the reasons outlined above, carefully examine the long-term impact on the railroad industry and not allow this merger to be implemented.

Sincerely,
Forest Products Supply Co.

A handwritten signature in black ink, appearing to read "Patrick O. Sinclair", is written over the printed name.

Patrick O. Sinclair,
General Manager