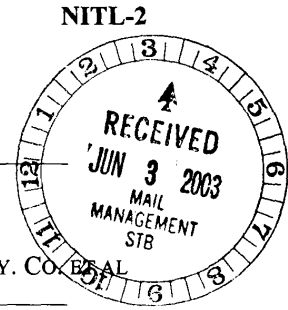


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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 34342

KANSAS CITY SOUTHERN — CONTROL — THE KANSAS CITY SOUTHERN RY. CO. ET AL



**REPLY OF
THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE TO
PETITION TO ESTABLISH PROCEDURAL SCHEDULE**

ENTERED
Office of Proceedings

JUN 3 2003

The National Industrial Transportation League ("NITL" or "the League"), ^{Part of} _{Public Record}
pursuant to 49 C.F.R. § 1104.13(a), submits this reply to the Petition to Establish
Procedural Schedule filed on May 14, 2003. On that date, Kansas City Southern
("KCS") filed an application with the Board for approval under 49 U.S.C.A. §§ 11323 –
11325 of its proposed acquisition of control of The Texas Mexican Ry. Co. ("Tex Mex").
Along with the application, the Applicants submitted a petition to establish a procedural
schedule for consideration of the transaction and for Board action. The Applicants
proposed that the Board accept the application within 30 days, and that comments on the
application be submitted about 30 days later, or by July 14, 2003. In a related transaction
(which apparently does not require Board approval) KCS will also acquire control of
TFM, S.A. de C.V. ("TFM"). TFM is a major rail carrier operating entirely within
Mexico that operates important lines to and from the international border crossing
between Laredo, TX and Nuevo Laredo, Mexico. Tex Mex also serves the Laredo
gateway.

The League is one of the oldest and largest national associations representing
companies engaged in the transportation of goods in both domestic and international

commerce. The League was founded in 1907, and currently has over 600 company members. These company members range from some of the largest users of the nation's and the world's transportation system, to smaller companies engaged in the shipment and receipt of goods. Members of the League are engaged in all forms of transportation, including rail, motor, ocean and air carriage. Members of the League ship large quantities of goods by rail, and therefore have a keen interest in the regulatory rules that govern rail transportation.

The League needs sufficient time to analyze the application and to evaluate the effects of the proposed transaction on the League's members, and does not believe that the schedule proposed by the Applicants will afford the necessary time. In particular, the League's Railroad Transportation Committee, which is made up of companies most interested in and concerned with rail transportation, is expected to convene a meeting of its members in late July of this year. Among the matters that will be considered is the transaction at issue in this proceeding. The opportunity for the League and its affected members to consider the issues that might be raised by the proposed transaction and related matters, and to develop the League's position on the proposed transaction, would be significantly enhanced by more time than proposed by Applicants. Under the schedule proposed by Applicants, comments on the application are due on July 14, 2003. Unless additional time is provided, it will be difficult for the League to submit meaningful comments for consideration by the Board.

For this reason, the League respectfully requests that the procedural schedule proposed by the Applicants be modified to provide that comments on the transaction may be submitted on or before August 4, 2003. Such a schedule would be consistent with the

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two most recent minor control cases, the *CN/WC* and the *DM&E/IC&E*, both of which gave interested parties 77 days to prepare and file their comments. An August 4 due date for comments in this transaction would afford interested parties 81 days to file comments. Attached to this Reply is a procedural schedule that would implement this change.

Respectfully submitted,

Nicholas J. DiMichael
Frederic L. Wood
Thompson Hine LLP
1920 N Street, NW
Washington, DC 20036-1600
Tel. (202) 331-8800

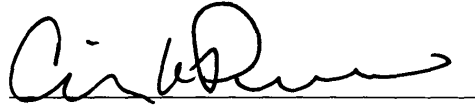


*Attorneys for The National Industrial
Transportation League*

Dated: June 3, 2003

CERTIFICATE OF SERVICE

I hereby certify that I have this 3rd day of June, 2003, served a copy of the foregoing Reply upon all parties of record, via first-class mail, in accordance with the Rules of Practice.



NITL Proposed Schedule

Application and Petition for Procedural Schedule Filed	May 14, 2003
Application accepted and notice published in Federal Register	June 13, 2003
Safety Integration Plan filed	June 13, 2003
Notice of Intent to Participate Due	June 19, 2003
Applicant Distributes SIP to parties of record	June 23, 2003
Comments on SIP due	July 14, 2003
All Comments due, including filings of the U.S. Department of Justice and the U.S. Department of Transportation	August 4, 2003
Rebuttal due	August 25, 2003
Final Decision to be served	October 9, 2003
Decision becomes effective	October 14, 2003