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September 11, 2003

By Messenger

Vernon A. Williams
Secretary
Surface Transportation Board
1925 K St. N.W.
Washington, D.C. 20423

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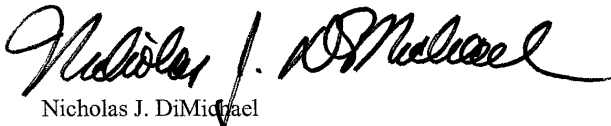
RE: STB Finance Docket No. 34342, *The Kansas City Southern Railway Company, Gateway Eastern Railway Company, and The Texas Mexican Railway Company* - Decision No. 7

Dear Secretary Williams:

This letter is written on behalf of The National Industrial Transportation League, in response to the Board's Decision No. 7 served in this case on September 8, 2003. The League has actively participated in this proceeding, and is strongly interested in the efficiency, competitiveness and financial soundness of the nation's rail system.

The League takes no position as to whether, how, or when the stock representing the 51% interest in Mexrail that has been acquired by KCS and that has been placed in an independent irrevocable voting trust, should or should not be transferred back to TFM. The League believes, however, that the Board's precedents with respect to that decision require a twofold inquiry, namely, that the divestiture of stock held in a voting trust should be accomplished (1) with the "least possible disruption" of the market; and, (2) in a manner "wholly consistent with the public interest." See *Santa Fe Southern Pacific Corp. - Control - SPT Co.*, 2 I.C.C.2d, 709, 834 (1986). In that case, the ICC indicated that it would not require a "precipitous disposal" of the stock that had been held in the voting trust, and would require that the financial condition of the carrier whose stock had been placed in the voting trust should be "at least as sound as it was prior to its being placed in the trust." *Id.* at 834-35. The League anticipates that a number of parties will be providing information to the Board regarding these standards, and the League urges the Board to deliberately and thoroughly consider the issues presented.

Sincerely,


Nicholas J. DiMichael

Counsel for The National Industrial Transportation League

cc: Parties of Record

Nick.DiMichael@ThompsonHine.com Phone 202.263.4103 Fax 202.331.8330

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THOMPSON HINE LLP
ATTORNEYS AT LAW

1920 N Street, N.W.
Washington, D.C. 20036-1600

www.ThompsonHine.com
Phone 202.331.8800
Fax 202.331.8330