

Congress of the United States
Washington, DC 20515

August 3, 2022

The Honorable Martin J. Oberman
Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-001

The Honorable Michelle A. Schultz
Vice Chair
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-001

The Honorable Patrick J. Fuchs
Member
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-001

The Honorable Robert E. Primus
Vice Chairman
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-001

The Honorable Karen J. Hedlund
Member
United States Surface Transportation Board
395 E Street, SW
Washington, DC 20423-001

Dear Chair Oberman and Surface Transportation Board Members:

We write in support of the proposed acquisition of Kansas City Southern by Canadian Pacific and request it receive fair consideration. We look forward to the growth opportunities this new combined, single line service will provide the greater Kansas City region and territory. We appreciate the Board's prompt attention to this matter.

As you may be aware, this transaction will result in the two smallest, but two fastest growing, rail carriers merging while remaining the smallest Class I railroad post-merger.¹ The proposed merger is purely “end-to-end” which may enhance competition among railroads and other transportation modes.² According to the applicants, it will not result in any reduction in existing access to any railroad for any customers.³ Further, the applicants estimate efficiencies achieved through this merger should improve service, reliability, and cycle-times.⁴ As Congressional leaders for the area, we believe this may improve the efficiency of shipping and reduce ongoing transportation-related supply chain issues.

There are other public benefits associated with this transaction as well. For example, it is imperative that economic growth promotes strong American jobs. It is currently expected this transaction will result in job growth of as many as 1,000 operating positions across CP-KCS’s North American network, with more than 750 of these positions in the United States.⁵

A merger like this will unlock investment in America’s infrastructure – rail sidings and signal systems – by private industry that seems unlikely absent the merger. At a time when the Nation faces rising inflation negating recent infrastructure investments, promoting private investment will only serve to bolster our communities and country as a whole.

Thank you for your attention to this matter and for your service at the Surface Transportation Board. We will be following this matter closely.

Sincerely,



Rep. Sam Graves
Member of Congress



Sen. Roy Blunt
United States Senator



Rep. Emanuel Cleaver
Member of Congress



Sen. Jerry Moran
United States Senator

¹ CP-KCS Railroad Control Application, Volume 1 at 190, available at [https://www.google.com/search?client=safari&rls=en&q=303143.pdf+\(dcms-external.s3.amazonaws.com\)&ie=UTF-8&oe=UTF-8](https://www.google.com/search?client=safari&rls=en&q=303143.pdf+(dcms-external.s3.amazonaws.com)&ie=UTF-8&oe=UTF-8).

² *Id.* at 20.

³ *Id.*

⁴ *Id.* at 25

⁵ *Id.* at 26-7