

Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers



Robert A. Scardelletti
National President



FD 36004

March 4, 2016

240244

The Honorable Daniel R. Elliott, III, Chairman
United States Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings
March 7, 2016
Part of
Public Record

The Honorable Ann D. Begeman, Vice Chairman
United States Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

The Honorable Deb Miller, Member
United States Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Dear Chairman Elliott, Vice Chairman Begeman, and Member Miller:

On behalf of the Transportation Communications Union/IAM, I write to ask for an extended reply period related to Canadian Pacific's (CP) request for a declaratory order on its proposed voting trust arrangement to facilitate a merger with Norfolk Southern (NS).

We have learned that CP has petitioned the Surface Transportation Board (STB) for a declaratory order and proposes that a reply be provided in twenty days. We also understand that the STB has authority to extend the length of the reply period. We believe that the requested 20-day period for reply is clearly inadequate, and we instead request that the STB provide 45 days to allow other interested parties to respond to CP's petition.

The voting trust structure proposed by CP's management can only be described as unusual and unprecedented. Never before has an *acquiring* railroad been placed into a voting trust with its CEO departing to become the new CEO of the *railroad to be acquired*, pending approval of a merger.

Furthermore, we understand that CP's request for the STB to expedite its review of this unusual arrangement is intended to serve CP's goal of presenting a potential



resolution to NS shareholders at the carrier's annual stockholder meeting. We do not agree with the premise of CP's request in this regard, as we believe it is in the public interest to provide adequate time for public comment at every step of the process, including this petition for declaratory order.

A major merger - and an unprecedented voting trust structure such as this - merit a full public debate. Accordingly, the merger structure and this petition must be given adequate time to be reviewed, discussed, and commented on by the relevant stakeholders such as the various labor unions (TCU/IAM included) representing workers at CP, NS, and every other Class 1 carrier across the country. A 45-day period would provide stakeholders the adequate time needed to provide a full and thoughtful reply to CP's petition.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. A. Scardelletti". The signature is fluid and cursive, with a prominent initial "R" and "A".

Robert A. Scardelletti
National President

I certify that I have this day served copies of document upon all parties of record in this proceeding, by email:

Party of Record

Canadian Pacific Railway Limited

David F. Rifkind
Stinson Leonard Street LLP
1175 Pennsylvania Ave. NW, Suite 800
Washington, DC 20006
Tel: (202) 969-4218
Fax: (202) 785-9163
david.rifkind@stinson.com

Signature 

Date: March 4th, 2016