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SERVICE DATE – APRIL 22, 2011

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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35476]

Wisconsin Central Ltd.—Intra-Corporate Family Merger Exemption—Duluth, Missabe and Iron Range Railway Company and Duluth, Winnipeg and Pacific Railway Company

Wisconsin Central Ltd. (WCL), Duluth, Missabe and Iron Range Railway Company (DMIR) and Duluth, Winnipeg and Pacific Railway Company (DWP) have jointly filed a verified notice of exemption under 49 C.F.R. § 1180.2(d)(3) for an intra-corporate family transaction. WCL is an indirect subsidiary of Grand Trunk Corporation (GTC), a holding company for the U.S. rail subsidiaries of the Canadian National Railway Company (CNR) and a direct subsidiary of CNR.¹ In Canadian National Railway—Control—Wisconsin Central Transportation, 5 S.T.B. 890 (2001) (CNR/WC), CNR and GTC acquired control of WCL and other related rail carriers.²

¹ Wisconsin Central Transportation Corporation (WCTC), the parent company of WCL, currently is indirectly owned by GTC.

² At the time of the 2001 CNR/WC transaction, the WCTC family of rail carriers also included Fox Valley & Western Ltd. (FVW), Sault Ste. Marie Bridge Company (SSMB) and Wisconsin Chicago Link Ltd. (WCCL). FVW has since been dissolved into WCL. Wis. Cent. Transp., Wis. Cent. Ltd. and Fox Valley & W. Ltd.—Intracorporate Family Transaction Exemption, FD 34296 (STB served Jan. 22, 2003). Applicants state that SSMB and WCCL remain in existence as rail carriers but are not part of this merger transaction.

DMIR also is an indirect subsidiary of GTC. DMIR Holdings Corp. (DMIR Holdings) is the parent company of DMIR, which in turn, is owned by GTC. Applicants state that, prior to the merger transaction proposed in this notice, DMIR will be merged into DMIR Holdings, with DMIR Holdings as the surviving entity and immediately renamed as DMIR. CNR and GTC acquired control of DMIR and other related rail carriers³ in Canadian National Railway—Control—Duluth, Missabe and Iron Range Railway, 7 S.T.B. 526 (2004). CNR has controlled DWP for a number of years and currently does so through GTC as well.

Applicants point out that the rail lines of WCL, DMIR and DWP connect at the Twin Ports of Duluth, Minn. and Superior, Wis., where all three rail carriers currently operate. Together, they form an important through route between the Chicago terminal and Canada.

Pursuant to an agreement and plan of merger by the applicants (consented to by GTC and WCTC), DMIR and DWP will merge with and into WCL, with WCL being the surviving corporation. According to applicants, the consolidated entity will continue all existing operations of WCL, DMIR, and DWP, but with a unified workforce, enhanced efficiencies, and elimination of interchanges in the Twin Ports.

The transaction is scheduled to be consummated no sooner than May 8, 2011, the effective date of the exemption. Applicants state that they will first negotiate or, if necessary, arbitrate implementing agreements with the operating crafts on WCL, DMIR and DWP.

³ Bessemer and Lake Erie Railroad Company and The Pittsburgh & Conneaut Dock Company.

The purpose of the transaction is to simplify the corporate structure and reduce overhead costs and duplication by combining the three separate rail carrier corporations. The transaction also will eliminate interchange movements in the Twin Ports area and will enhance the overall efficiency of the merged railroads.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 C.F.R. § 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or any change in the competitive balance with carriers outside the corporate family.

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. As a condition to the use of this exemption, any employees adversely affected by this transaction will be protected by the conditions set forth in New York Dock Railway—Control—Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than April 29, 2011 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35476, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition one copy of each pleading must be served on Thomas J. Litwiler, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606.

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Decided: April 18, 2011.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.