

Corporate Transportation  
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Office of Proceedings  
April 29, 2014  
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Public Record

April 20, 2014

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E. Street, S.W.  
Washington, DC 20423



RE: Finance Docket No. 27590 (Sub-No. 4)  
TTX Company – Application For Pooling Reauthorization

Dear Ms. Brown:

My name is Kenneth Buenker and I am a Vice President in UPS's Corporate Transportation group at UPS with responsibilities for our North American land transportation network. UPS is the world's largest package delivery company and a leading global provider of specialized transportation and logistics services. Our operations span the globe, including the U.S., Canada and Mexico with a full range of products from parcels, to LTL, to refrigerated, to full truckload -- in addition to highly sophisticated logistics operations. In my position at UPS, part of my responsibilities are to ensure that our customer's shipments arrive within UPS's tight standards and are transported safely and effectively. My background at UPS includes 31 years of progressing responsibility in multiple segments of our business, in many geographies across the globe.

Intermodal services have become core to UPS's operations in North America as it is one part of our multi-modal network across North America. Intermodal allows us to combine the economy of rail with UPS over-the-road drivers who drop-off and pick-up trailers and containers from rail facilities. We even have some network locations that have rail tender and delivery operations co-located with our own sort facilities by design. UPS has thousands of trailers that are dual equipped for highway or rail, and have also made the long-term commitment to intermodal by investing in 5,000 53-foot domestic containers. As part of our network we also utilize public rail containers from all the North American Class 1 rails that offer them.

We understand that TTX is seeking reauthorization of its flatcar pool. We strongly support an extension of TTX's flatcar pooling authority, because we rely on the smooth functioning of the TTX flatcar pool for the growth and success of our business.

Our service partners reliance on TTX is significant:

- At UPS we offer a diverse network of origins and destinations. Having equipment available at any origin is critical. We know that TTX's fleet free-flows throughout North America and can be distributed to handle any need that we might have throughout the U.S., Canada, and Mexico.
- TTX has kept pace with the rapidly expanding domestic container industry with 53-foot double-stack railcars.
- TTX has continued to maintain a healthy fleet of conventional railcars for the movement of our trailer -- or TOFC -- product. We see this fleet as being critical as the trailer works well for the UPS network and is a critical piece of our beyond rail head network.
- Our networks, thus our customers, rely on the consistent availability of rail equipment in order to be competitive with over-the-road services. Since TTX takes the capital and ownership risk, expansion of the intermodal fleet with new and modified equipment has occurred more rapidly in response to market demands as it crosses all users and companies, operating agnostically.
- TTX facilitates continuing investment by the U.S. railroad industry in intermodal equipment supply, so that this vital need is not underserved in eras of high demand on railroad capital.
- The size of TTX's fleet and its ability to move flatcars among rail carriers has allowed us to expand our business because TTX fills the need for flatcars and allows us to focus on our core competencies without being distracted by rail equipment issues.
- TTX's proactive and efficient maintenance practices make TTX equipment more dependable and allow rail networks to operate more reliably, lowering network costs from delays due to malfunctioning equipment.

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Intermodal transportation has grown dramatically, and its future expansion is critical to a healthy, productive economy. TTX's ability to achieve operational and maintenance savings creates lower car costs, which can be passed along to the shipper community, thus encouraging further growth of intermodal traffic. TTX's flatcar pool is the base upon which rail intermodal's success can continue to improve.

In short, we support a fifteen-year extension of TTX's pooling authority to ensure that the company will continue to supply efficient and economical flatcar service in the years to come.

Sincerely,

A handwritten signature in dark ink, appearing to read 'KBuenker', with a long horizontal line extending to the right.

Kenneth Buenker  
UPS