Dear Chairman Elliott and Surface Transportation Board Members:

We write to share our profound concerns regarding a proposal from Canadian Pacific (CP) to acquire Norfolk, Virginia-based Norfolk Southern Corporation (NS). The Commonwealth of Virginia is home to this great American railway company, and the economic benefits it creates for Virginia are significant. We are concerned about the impact on jobs and critical infrastructure of this proposal. We write to make you aware of our concerns and request information on the degree to which you factor these issues into your decision-making.

Norfolk Southern employs more than 4,700 of our constituents and pays retiree benefits to 3,100 more. This accounted for more than $380 million in wages in 2014. Beyond the annual payroll of Norfolk Southern, the railroad’s contributions to our communities include $150 million in infrastructure investments, $254 million in purchases and payments, and $6.3 million in charitable giving.

The positive impact Norfolk Southern has on Virginia does not stop there. Norfolk Southern and its connection to the Port of Virginia and Virginia Inland Port are vital for the continued economic growth of companies in our state. Norfolk Southern’s partnerships with seven Virginia short line railroads—Bay Coast Railroad, Chesapeake and Albemarle, Buckingham Branch, Virginia Southern, Commonwealth Railway, Norfolk and Portsmouth Belt Line, and Shenandoah Valley—expand the reach of Virginia businesses and communities, linking them to national and international markets and supporting significant economic and industrial development. In 2014 alone, Norfolk Southern helped locate or expand six companies in Virginia, resulting in $40 million in customer investment and 130 new jobs. Norfolk Southern also maintains a strong partnership within the passenger rail community, including Virginia Railway Express in Northern Virginia and
Amtrak, with four regularly-scheduled passenger trains between Virginia and Mid-Atlantic and Northeast cities including Washington, D.C., Baltimore, Philadelphia, New York, and Boston.

The record of CP and its current leadership suggests to us that the proposed merger jeopardizes the manifold benefits that Norfolk Southern creates for Virginia. Public statements from the company indicate that if successful, it will implement CP’s business model at Norfolk Southern prior to receipt of regulatory approval. If accurate, this could devastate the local economy of Norfolk and other areas of the Commonwealth, leading to loss of jobs, reduction in network capacity, and alteration of operations. With respect to Norfolk Southern, CP has stated it is targeting $1.8 billion of “synergies” through headcount and locomotive fleet reductions as well as other asset sales and operations changes. Norfolk may lose a Fortune 500 corporate headquarters — which would devastate the local economy. We oppose these actions and hope you take these concerns into consideration as you undertake regulatory review.

Even looking beyond this impact, railroading in the United States requires significant investments in rail infrastructure, including crews, locomotives, and other resources, to maintain strong and efficient service levels in the face of growing and shifting shipper demands. As such, we are concerned that CP’s proposal to slash resources available to Norfolk Southern threatens not only the industries and government institutions, including the military, who rely on the Mid-Atlantic rail network, but the economies of the Commonwealth and the nation as well.

Given these factors, we do not believe a CP acquisition of Norfolk Southern would be in the public interest of the Commonwealth of Virginia. Instead, the proposed merger appears likely to create significant public interest harm.

We ask that the Surface Transportation Board monitor this situation closely and we ask the STB to share with us the extent to which it considers the impacts we have outlined in its decision-making process. We particularly urge the Board to scrutinize this merger, and any developments that could allow CP to seize premature control of Norfolk Southern and that would circumvent STB’s merger review process.

Please know that we consider this matter to be of the utmost importance to Virginia constituents. Thank you for your attention to these concerns.

Sincerely,

Tim Kaine
United States Senator

Mark R. Warner
United States Senator

Scott Rigell
Member of Congress

H. Morgan Griffith
Member of Congress
Robert J. Wittman
Member of Congress

Gerry Connolly
Member of Congress

Robert C. "Bobby Scott"
Member of Congress

J. Randy Forbes
Member of Congress

Barbara Comstock
Member of Congress

Don Beyer
Member of Congress

Dave Brat
Member of Congress