

Mr. Vernon A. Williams Excretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D. C. 20423

# RE: <u>CSX Corporation and CSX Transportation</u>, Inc.: Norfolk Southern <u>Corporation and Norfolk Southern Railway Company - Control and</u> <u>Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail</u> <u>Corporations</u>, STB Finance Docket No 33388.

#### Verified Statement on behalf of JEFFCO Leasing Company Inc. Finance Docket No. 33388

My name is Rick Abeln , and I am CEO of JEFFCO Leasing Company Inc., 812 East Taylor. Saint Louis, Missouri 63147-2813. I have held my present position for 2 years. My duties include, but not limited to our intermodul operations with all major railroads in Kansas City and St Louis, and monitoring our drayage and container pools on a regular basis. I have meetings with all the key contacts with the various rail hub centers in Kansas City. St Louis and across the nation. Intermodal business plays a vital role in all of our operations.

Based upon our experience in providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a drayman to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Rick Abeln , declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 16, 1997.

Sinerely.

JEFFCO Leasing Company Inc.

# BEFORE THE SURFACE TRANSPORTATION BOARD

# **STB FINANCE DOCKET 33388**

# CSX CORPORATION AND CSX TRANSPORTATION INC.; NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY CORPORATION - CONTROL AND OPERATING LEASE/AGREEMENTS -CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION.

# VERIFIED SUPPORT STATEMENT OF JEFFERSON SMURFIT CORPORATION, U.S. ALTON, ILLINOIS

By: James P. Scott General Traffic Manager Jefferson Smurfit Corporation, U.S. 401 Alton Street Alton, IL 62002

May 9, 1997

## **VERIFIED STATEMENT**

My name is James P. Scott. I am General Traffic Manager for Jefferson Smurfit Corporation, U.S. and its affiliates with Corporate offices located at 401 Alton Street, Alton, Illinois 62002.

I have been with Jefferson Smurfit Corporation for over 30 years and I am thoroughly familiar with my company's transportation needs.

Jefferson Smurfit Corporation is a vertically integrated manufacturing organization managing more than \$3.5 billion in sales, with over 20,000 employces, and more than 150 paper and paperboard mills and converting plants in the United States, Canada and Puerto Rico. Our transportation cost is over \$275 million annually, with 42% spent on rail and rail piggyback shipments.

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail, and then divide the assets and trackage which has been described to me, and which will be outlined in the joint application of the CSX and Norfolk Southern to control Conrail. We believe that approval of this application will increase competition in the Northeast and provide better service for Jefferson Smurfit Corporation and our customers. In today's competitive environment, it is absolutely essential that transportation companies operate at maximum efficiency in order to provide the highest level of quality and services to their customers. Ar extensive addition of single line service could allow us to penetrate additional markets.

In summary, we believe that approval of the joint application by CSX and Norfolk Southern would increase productivity, reduce costs, improve service and the quality of transportation to serve the shipping public interest. Jefferson Smurfit Corporation supports this application and respectfully requests the Surface Transportation Board to approve and give this matter expedited consideration.

I, James P. Scott, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 9th day of May, 1997.

James P. Scott

### VERIFIED STALEMENT Norris Watson on behalf of Jenkins Brick Company Finance Docket 33388

My name is Norris Watson, and I am Vice-President of Sales for Jenkins Brick Company. On behalf of Jenkins Brick Company, please accept my support for the joint acquisition of Conrail by CSX and Norfolk Southern.

Jenkins Brick is a manufacturer and distributor of bricks. We have manufacturing plants in Montgomery, Alabama and Coosada, Alabama. We have distribution sites all over the South and Midwest. Our product reaches customers in locations as diverse as Atlanta, Memphis, Houston, Chicago and Birmingham.

We currently ship about 700 carloads a year by rail. We are enthusiastic about the prospects created by the transaction for moving more of our current business by rail (about 15% of our product currently moves by rail). We find that in many cases truck, in addition to being faster, is actually cheaper than rail for hauls of less than 250 miles. The efficiences created by the acquisition should lower costs and make rail more competitive with truck for our business.

Further, the transaction will open up new markets in the Northeast and elsewhere. We are particularly enthusiastic about the prospects for new business in the Indianapolis area. Some customers in that area are currently served only by Conrail, and the lack of direct rail access to those customers has cost us business in the past. The interchange currently associated with a move from our locations in Alabama to those customers in the Indianapolis area makes the cost higher than a shipment to onicago, despite the shorter distance involved.

In conclusion, please accept the support of Jenkins Brick Company for the joint acquisition of Conrail by CSX and Norfolk Southern.

I, Norris Watson, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this <u>21</u> day of <u>Man</u>, 1997.

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Norris Watson Jenkins Brick Company

MAY 22 '97 17:11 G. WILLIAMS & SONS

IS TEL:1-919-934-4956



O. Box 59 4 Brogden Road nithfield, orth Carolina 27577

19-934-4118

May 22, 1997

VERIFIED STATEMENT OF Jerry G. Williams on behalf of Jerry G. Williams & Sons, Inc. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Railway Corporation --Cc\_atrol and Operating Lease/Agreements-

Jerry G. Williams & Sons, Inc.

I am submitting this statement in support of the transaction proposed by CSX, Conrail and NS on behalf of Jerry G. Williams & Sons, Inc. which is located in Smithfield, NC at 524 Brogden Road. My name is Jerry G. Williams and I have been the President at Jerry G. Williams & Sons, Inc. for 11 years. My prior experience includes 38 years of relevant experience at Coastal Lumber and Georgia-Pacific.

Our Company operates a sawmill in the humber manufacturing industry and has been in the business of supplying chips and logs to paper mills for 11 years. During 1996 we shipped 751 carloads of woodchips and logs. Woodchips accounted for 277 loads to Acme, NC, Stone, SC and North Charleston, SC; and 474 shipments of logs moved to Acme, NC and Georgetown, SC. Some of our shipments move by truck due to car supply issues. We anticipate the acquisition will improve equipment utilization, leading to better car availability.

Jerry G. Williams & Sons, Inc. believes that the acquisition of Conrail by CSX and NS will allow us to expand and extend our market reach for lumber sales into the Northeastern region of the United States. Outbound shipments of lumber currently moves 100 percent by truck. Because the combined system that will result from the acquisition of Conrail by CSX and NS will provide increased competition with trucks, Jerry G. Williams & Sons, Inc. will benefit from lower cost and better service that a competitive environment should encourage.

Jerry G. Williams & Sons, Inc. believes that the new single-line systems will result in improved blocking patterns, and reduce delays during handling at congested gateways. If blocking patterns can be structured such that interchange times are reduced, transit times and cost will go down accordingly.

For these reasons, Jerry G. Williams & Sons, Inc. urges the Surface Transportation Board to allow CSX, Conrail to complete the proposed transaction. Jerry G. Williams & Sons, Inc. is eager to begin realizing the benefits described above.

"Manufucturing Quality Lumber"









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' MAY 22 '97 17:12 J. G. WILLIAMS & SONS TEL:1-919-934-4956

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I, Jorry G. Williams, declare under penalty of periury that the foregoing is true and correct. Further, I contify that I am qualified and authorized to file this verified statement. Executed this 22nd day of May, 1997.

5 Julian 1 Williams .

President

JGW/je

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# Jewell Coal & Coke Company



P.O. Box 70 Vansant, Virginia 2656

Telephone 935-8810

April 29, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket #33288 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

I am President of Jewell Coal & Coke Company, a company with annual revenues of approximately \$70 million. I have held my present position for nine years. My duties include managing a coke manufacturing facility and shipping our product to various stee, companies throughout the central, northeast, and southern portion of the United States.

Jewell Coal and Coke Company has one of the most environmentally accepted coke facilities located in the United States. We are located in Vansant, Virginia. These facilities are served by the Norfolk Southern Railway Company. We presently sell our product to National Steel Corporation located at Zug Island near Detroit, Michigan. National's facilities are located on the lines of NS and the Grand Trunk. During 1996, we shipped approximately 650,000 tons by rail with the NS carrying 100% of the product along the initial movement.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since our facility is located on the lines of NS, we would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhibit our ability to move our products to some integrated steel producers and the single-line service which NS proposes would be of benefit to us. With single line service, I believe our facility would be able to compete in these markets with other companies enjoying single line service into the Northeast. We have used NS for several years and have been satisfied with their service. We are confident that they would be able to provide good service on any CR lines which they acquire.

For this reason described above, I support the application of NS and CSX to acquire Conrail.

Sincerely yours,

harles Ellis

Charles Ellis President

President

Charles E. Ellis

Mr. Vernon A. Williams April 29, 1997 Page 2

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## VERIFICATION

I, <u>Charle Ellis</u>, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on Capcil 29, ...., 1997.

Charles Ellis Name

CEE.jms/042897

# Jewell Smokeless Coal Corporation



Charles E. Ellis President P.O. Box 70 Vansant, Virginia 24656 Telephone 935-8810

April 29, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket #33288 1925 K. Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

My name is Charles Ellis and I am President of Jewell Smokeless Coal Corporation. I have held my present position for nine years. My duties include operating and managing a 1.7 million ton-per-year metallurgical coal company.

Jewell Smokeless mines and cleans a premium, mid-volatile coal used in the manufacturing of coke. Most major steel companies in the United States have coke ovens that utilize metallurgical coal to make coke. Our future sales projections show marketing 100% of our coal in the United States. We have facilities located in Southwestern Virginia. These facilities are presently served by the Norfolk Southern Railway Company. We sell to customers located in Illinois, Pennsylvania, Ohio, and Alabama. These facilities are located on the lines of Norfolk Southern and other carriers.

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me, and which will be described in the joint application of CSX and NS to control Conrail. There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is noncompetitive. While there may have been a historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities and the rail carriers cannot be just any rail carriers. They must be comparable in terms of their size, scope and ability to provide a competitive service. From what I understand of railroad operations, I believe that in the 1990s, two carriers of relatively equal size and scope provide the greatest opportunities for improved service, efficient equipment utilization and true synergies.

In addition, we are looking forward to experiencing not only the change from being served by one rail carrier to two, but also the greatly expanded market reach which single line service by NS and CSX will offer. An extensive addition of single line rail service will allow us to increase market penetration to areas in which we presently have been unable to compete adequately.

To summarize, we believe that approval of the joint application of NS and CSX to acquire Conrail should be approved by the STB.

Sincerely yours,

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Charles Ellis President Mr. Vernon A. William April 29, 1997 Page 2

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### VERIFICATION

 $\frac{C}{1}$  certify that I am qualified and authorized to file this verified statement. Executed on Further, 0 , 1997. q

Charles Ellis Name

CEE:jms/042997

VERIFIED STATEMENT O.V. Martin on behalf of Jim Beam Brands Co. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation --Control and Operating Lease/Agreements--Conrail Inc. and Consolidated Rail Corporation

My name is O.V. Martin. I am Vice President/Traffic of Jim Beam Brands Co. I have been with the company for 41 years. On behalf of Jim Beam Brands Co., please accept my support for the Conrail acquisition by CSX and Norfolk Southern.

Jim Beam Brands Co. is headquartered at 510 Lake Cook Road in Deerfield Illinois. We have manufacturing plants in Boston, Clermont, and Frankfort, Kentucky, and also Cincinnati, Ohio. Our company is in the business of producing and distributing alcohol beverages nationwide and worldwide. We receive shipments of raw materials and manufacturing supplies from many origin points in North Central and Middlewest U.S.A.

Because the combined system that will result from the acquisition of Conrail by CSX and NS will provide increased competition with trucks, our company will benefit from lower costs and better service that a competitive environment should encourage. Moreover, improved rail service may divert some of our company's present truck shipments to rail. The extension of the networks of both CSX and NS into the Northeastern markets may give us access to new markets in which to expand sources of supply.

For these reasons, Jim Beam Brands Co. strongly urges the Surface Transportation Board to allow CSX, Conrail and NS to complete the proposed transaction. Our company is eager to begin realizing the benefits described above.

I, O.V. Martin, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 23 rd day of May, 1997.

Martin

O.V. Martin Jim Beam Brands Co.

PHONE (304) 453-6381 FAX # 1-304-453-6587



May 12, 1997

Attn.: Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

RE: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company -Control and Operating Lesses/Agreements - Conrail, Inc., and Consolidated Rail Corporation, STB Finance Docket no. 33388.

VERIFIED STATEMENT OF VIOLA L. EPLING - JIM C. HAMER COMPANY

Dear Gentlemen,

My name is Viola L. Epling of The Jim C. Hamer Company. I have held my present position for over 10 years. My duty as shipping manager is to transport our products (lumber, chips, residue, mulch, sawdust, logs and our newest product - wood pellets) from our locations to our customers in a timely manner. These shipments are by truck, intermodal, rail and cosan vessel.

The Jim C. Hamer Company is a company with five sawmills. We have four facilities in West Virginia and one sawmill in Kentucky. We also do Kiln Drying of lumber but do not saw at our corporate headquarters located at Kenova. WV. Dur Kenova facility is Norfolk Southern served and we do approximately 20-30 railcars per year.

There is a distinct need for two competing railroads in the Northeast and I support STB approval of the joint application by which Norfolk Southern and GSX plan to acquire control of Conrail, divide assets and improve to a much greater extent the balance of rail competition in the Northeast. Our newest product (wood pellets) is primarily sold in the Northeast. We ship currently by 'ruck over 20.000 tons into the Northeast per year. We have been researching alternate modes of transportation in order to compete in this growing industry.

I, Viola Epling, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement executed on May 12, 1997.

Sincerely. a

Viola L. Epling Shipping Manager The Jim C. Hamer Company

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# VERIFIED STATEMENT OF Jim Potter & Sons, Inc. FINANCE DOCKET NO. 33388

Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street N. W. Washington, D. C. 20423-0001

Dear Mr. Williams:

My Name is Evelyn Potter, and I am President Of Jim Potter & Sons, Inc. P.O. Box 216, Sheffield, AI. 35660. I have held my position for forty three years. My duties include direction of company owned tractors, and all aspects of managing a local drayage firm.

Jim Potter & Sons, Inc. is a local intermodal drayage firm, providing drayage services between local industries and various intermodal centers in North Alabama. area. We work with NS in Huntsville, Al. In addition, we work with UP, IC, CSX and BNSF in the Memphis area.

Based upon our experience in providing the services described above and working with various railroads we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Evelyn Potter, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on April 28, 1997.

Sincerely,

Evelyn Potter, President, Potter & Sons, Inc.

# JIMWAY, INC.

3951 Pleasantdale Road, Suite 105 Doraville, GA. 30340 770-441-2326, FAX 770-441-0319

# VERIFIED STATEMENT OF Jimway. Inc. FINANCE DOCKET NO. 33388

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

My name is Christopher A. Ball and I am President of Jimway, Inc. located at 3951 Pleasantdale Road, Suite 105, Doraville, GA 30340. Jimway, Inc. is a motor carrier/drayman that operates out of the Norfolk Southern Intermodal facility in Atlanta, GA.

Based upon our experience in providing the services described above and working with various railroads we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service. Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Christopher A. Ball, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 21, 1997.

Sincerely

Christopher A. Ball Jimway, Inc. 3951 Pleasantdale Road Suite 105 Doraville, GA 30340

986 Bellmore Avenue • P. O. Box 2540 • Norfolk, VA 23501 (757) 622-4687 • FAX (757) 627-5048

# VERIFIED STATEMENT OF JOHNS BROTHERS, INC. FINANCE DOCKET NO. 33388

HNSBROTHERS

CLIMATE CONTROL AND HEATING OILS

My name is Dwight Schaubach, and I am **President** of **Johns Brothers, Inc.** I have held my present position for two years. My duties include responsibility for overseeing all aspects of our company.

John's Brothers, INC. is a vendor supplying parts and maintenance on Heating and Air Conditioning services for Norfolk Southern. We work with Norfolk Southern at their Norfolk location.

Based upon our experience in providing the services described above, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is noncompetitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service. Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Dwight Schaubach, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on June 2, 1997.

Sincerely,

Dwicht Achan Bach

Dwight Schaubach President John's Brothers, Inc.

# <u>VERIFIED STATEMENT OF</u> <u>W. B. SPRATLIN</u> <u>on behalf of</u> <u>Johnson City Chemical Company, Inc.</u> STB Finance Docket No. 33388

I am W. B. Spratlin, the owner and President of Johnson City Chemical Company, Inc. Johnson City Chemical is located in Johnson City, TN, and also has a plant in Greeneville, TN. I became the owner and President of the company, which has been in existence since 1955, when I purchased it in 1974. I am very familiar with all the day to day operations of the company, including all of its transportation requirements. I am pleased to have this opportunity to express Johnson City Chemical's support for the acquisition of Conrail by CSX Transportation and Norfolk Southern.

Johnson City chemical is a producer of fertilizer. We receive inbound shipments of fertilizer components such as phosphate, potash, ammonium nitrate, urea by rail. We blend these components and sell the fertilizer in bulk markets and retail bagged markets under the Johnson City Chemical brand name "JCC".

We support the acquisition of Conrail by CSX Transportation and Norfolk Southern because we believe it will serve to strengthen our rail system to remain a competitive and healthy transportation system. The acquisition will allow both CSX Transportation and Norfolk Southern to continue to offer competitive pricing, which in turn will allow Johnson City Chemical to continue to be a strong competitor in our market. The acquisition will improve equipment availability, allow more efficient rail movements, and enhance the consistency of transit times.

I, W. B. Spratlin, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified document. Executed this \_\_\_\_\_\_\_ 29 the\_\_\_\_\_ day of April, 1997.

W. B. Spratlin, President

David Beverage

Notary Public for Tennessee My Commission Expires: Jan. 25, 1998

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JOHNSON ENERGY COMPANY • 1 Prestige Place / Suite 535 / Miamisburg, Ohio 45342-6146 • (937) 435-5401 Fax (937) 435-5402

May 5, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

# RE: Verified Statement of Johnson Energy Company Proposed CSX/NS/Conrail Transaction; STB Finance Docket Number 33388

**Dear Secretary Williams:** 

My name in Michael Johnson, I am President of Johnson Energy Company in Miamisburg, Ohio. My office address is: 1 Prestige Place, Suite 535, Miamisburg, Ohio 45342-6146. I have held my position as President since our company's formation in 1978. I am writing to offer my cor.npany's strong support for the proposed acquisition of Conrail by CSX and Norfolk Southern, and to urge the Board approve it promptly.

Johnson Energy Company is engaged primarily in the business of supplying coal to large industrial and institutional coal users in the eastern United States. Presently, my company ships approximately 2,000 carloads of coal annually via rail to a major US car company. The proposed acquisition will enhance our ability with our primary customer and will expand our present customer base. Johnson Energy Company believes that the proposed acquisition of Conrail by CSX and Norfolk Southern will best serve the interests of our customers for the following reasons:

- 1. We believe the acquisition will produce better service, better equipment utilization, and more competitive rates. The acquisition will improve the singleline route structure for our shipments.
- 2. The acquisition should offer a broader geographic coverage, giving Johnson Energy greater reach via a single-line rail service to and from a larger market within the eastern United States. The net result will be an increase in rail business opportunities for Johnson Energy Company.

Vernon S. Williams May 5, 1997 Page 2

- 3. Transportation stability and reliability are critical to our logistics management. This amicable joint acquisition of Conrail by CSX and Norfolk Southern is vastly preferable to a unilateral takeover and imposed consolidation with the Norfolk Southern.
- 4. We are positive that the joint acquisition of Conrail should increase rail business for the expanded CSX and NS systems, and in particular for Johnson Energy Company.

In conclusion, I feel this is the best way to improve service, enhance efficiency and promote the growth of rail in the eastern United States. I urge you again to keep in mind the best interest of our customers, and request that the Board move as quickly as possible to approve the proposed acquisition of Conrail.

I, Michael Johnson, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 5 day of May, 1997.

Michael D. Johnson

Sincerely,

JOHNSON ENERGY COMPANY

Michael D. Johnson

067

# Johnson Railway Service, Inc.

Chipley Johnson P.O. Box 286 Behind the Southern Depot Cornelia Gia: 30531

> Filephone (708) 778-2674 Filtx (708) 778-8243

May 8, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street NW Washington DC 20423-0001

# RE: CSXT CORPORATION AND CSX TRANSPORATIONS INC; NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY - CONTROL AND OPERATING LEASES/AGREEMENTS - CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION, STB FINANCE DOCKET NO. 33388.

# VERIFIED STATEMENT OF BARBARA H. JOHNSON JOHNSON RAILWAY SERVICE INC.

My name is Barbara H. Johnson and I am Secretary Treasurer of Johnson Railway Service, Inc. I have held my present position for 20 years. My duties include office management, rate negotiation, shipping and tracing of product.

Johnson Railway Service rebuilds, services and leases diesel locomotives. We are served by the Norfolk Southern Railway and we move 10 - 20 locomotives per year.

There is a distinct need for two competing railroads in the Northeast and I support STB approval of the joint application by which Nortolk Southern and CSXT plan to acquire Conrail, divide its assets and improve the balance of rail competition in the Northeast.

I, Barbara H. Johnson, declare under penalty of perjury that the foregoing is true and correct. I certify that I am qualified and authorized to file this verified statement. Executed on May 8, 1997.

Sincerely,

Barbara H. Johnson, Secretary-Treasurer Johnson Railway Service Inc.

May 16, 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

VERIFIED STATEMENT

Re: CSX, NS and Conrail Transaction; STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's support for the proposed joint acquisition of Conrail by CSX and Norfolk Southern and to urge the Board approve it promptly. We believe that the proposed transaction would be in our best interests because it would produce better service, better equipment utilization, and more competitive rates. Since Conrail and CSX each serve our supply line, we expect to have more efficient, single-line service and more options with the enhanced CSX and NS systems, creating faster, more reliable service which allows for better shipment tracking than joint carrier moves.

While the proposed transaction may eliminate the immediate competition between Conrail and CSX and between Conrail and NS, I believe that the enhanced CSX and NS systems will result in a strong, efficient railroad system will bring more benefits. And there is always competition with the trucking industry that will keep railroads efficient and competitive.

In conclusion, we support the joint application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

069

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WAY 28 '97 12:32 FROM CSX SALES FITTSBURGH

Vernon . Williams <u>May 16</u> 1997 Page 2

I, Jeremiah J. Lynch, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this <u>l6th</u> day of <u>May</u>, 1997.

Sincerely, Venca Jeremiah J. Lonch, Jr Materials Manager



Johnstown Wire Technologie

Jeremiah J. Lynch Materials Manager Johnstown Wire Technologies, Inc.

124 Laurel Ave. Johnstown, PA 15608

1-800-551-4947 814-532-5644 Fax 614-532-5646

\*\* TOTAL PAGE.003 \*\*



**Quality Is Our Product** 

09 May, 1997

# VERIFIED STATEMENT ON BEHALF OF JORDAN LUMBER & SUPPLY, INC. FINANCE DOCKET: 33388

Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No.33388 1925 K. Street, N.W. Washington, D.C. 20423

> Verified Statement; Proposed CSX/NS/Conrail Transaction

Robert B. Jordan, III President Jordan Lumber & Supply, Inc. P.O. Box 98, Mt.Gilead, N.C. 27306-0098 CEO In Business Forty Seven Years

Jordan Lumber is the largest independent Southern Yellow Pine lumber operation in North Carolina. It has subsidiary operations as follows: Anson Wood Products in Wadesboro, N.C. and Cotton Creek Chip Company that produce pine and hardwood wood chips. It also has under construction a wood chip export facility at the North Carolina Port at Wilmington, N.C.

Our major markets for lumber are on the East Coast of the United States. The markets for chips are on the East Coast and the Far East.

We are at present shipping more than 2000 cars per year on an annual basis to various markets, and have need for improved rail service into the North East United States that would be facilitated by the proposed joint acquisition of Conrail.

Vernon A. Williams 09 May, 1997 Page 2

For our company to continue to grow and compete in the national and international market places we must continue to have ever improving and competitive transportation options.

Jordan Lumber & Supply, Inc. fully supports the joint acquisition of Conrail by CSX and Norfolk Southern.

I, Robert B. Jordan, III, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 9th day of May 1997.

Robert B. Jordan, III

# JORDAN SCRAP METAL of FLORENCE

FLORENCE, S. C. 29502

Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Ave. N.W. Washington, D.C. 20423

PHONE 662 - 5722

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams,

My name is Harry Jordan. I am President of Jordan Scrap in Florence, South Carolina. My address is P.O. Box 5007, Florence, SC 29502-5007. I am writing to express my company's strong support for the CSX and NS application to acquire Conrail and to urge the Board to approve the acquisition promptly.

Jordan Scrap is a metal recycling company that has been in business for 50 years. In my position as buying and finance manager for the company, I have come to be concerned by the dramatic increases in the cost of shipping by rail. Our company regularly ships #1 steel on the rails, via CSX. But we also ship a good deal by truck and barge; since the price of rail shipping has doubled, shipping by rail just is not costefficient.

The Conrail acquisition could remedy that serious problem. For one thing, the acquisition would produce better service, better equipment and better utilization. Most important for Jordan Scrap and our customers, it would also lead to more competitive rates. The increase in single-line service between the North and South would lead to more efficient moves among steel producers, scrap processors and scrap recyclers like us.

Because the proposed acquisition's two balanced rail networks will connect us here in the Southeast with more consumers in the Northeast, we have reason to hope for expanded business. And the concentration of traffic on more direct routes will lead to faster transit times, more reliable service and lower costs -- for us and for our customers.

We believe that higher efficiency and lower cost is bound to increase business on the rails and to promote the kind of competition that will be good for Jordan Scrap, for our customers and for all rail shippers interested in the growth of rail service.

Jordan Scrap supports the application to acquire Conrail and strongly urges the Board to move as expeditiously as possible to assure its approval. We believe this is the best way to improve service, enhance efficiency, lower costs and promote the growth of rail traffic.

I, Harry Jordan, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this fifth day of May, 1997

Sincerely,

ne

Harry Jordan 5-21-97

Joseph Edward Company 11400 Grooms Road Cincinnati, Ohio 45242 513-489-8935 513-489-2452FAX

# JOSEPH EDWARD COMPANY

May 2, 1997

Mr. Vernon A Williams

Secretary

Surface Transportation Board

STB Finance Docket No. 33388

1925 "K" Street

Washington, D.C. 20423-0001

RE: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company—Control and Operating Leases/Agreements—Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388

# VERIFIED STATEMENT OF JOSEPH EDWARD COMPANY, INC.

My name is Dale Zdolshek, and I am President of Joseph Edward Company, Inc. I have held my present position for 3 years.

Joseph Edward Company, Inc. is a manufacturer of plastic bags. We presently have a facility located at 11400 Grooms Rd., Cincinnati, Oh. 45242. This facility is presently served by I and O Railroad. Mid summer we will be moving this location to Grant County Industrial Park, Crittenden, Ky., 41030. We receive railcars of resin from suppliers located at various locations. Some of these facilities are located on the lines of Conrail. During 1996 we received 48 carloads, an average of 12 per month. In 1997 we have projected and average of 8 carloads per month.

We support the approval of the transaction by which CSX and Norfolk southern will acquire control of Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me, and which will be described in the joint application of CSX and NS to control Conrail. There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customer which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which own its facilities. And there rail carriers cannot be jurt any rail carriers. They must be comparable in terms of their size, scope and ability to provide a competitive service. From what I understand of railroad operation, I believe that in the 1990's tow carriers of relatively equal size and scope provide the greatest opportunities for seamless service, efficient equipment utilization and seamless synergies. And in any market place competition provides the best service. In addition, we are looking forward to experiencing not only the change from being served by one rail carrier increasing to two, but also the greatly expanded market reach which single line service by NS and CSX will off. An extensive addition of single line rail service will allow us to provide increase market penetration to areas in which we been unable to compete adequately.

To summarize, we believe that approval of the joint application of NS and CSX to acquire Conrail should be approved by the STB.

I, Dale Zdolshek, declare under penalty of perjury that the foregoing is true and correct. Further. / certify that I am qualified and authorized to file this verified statement. Executed on . 1997.

Sincerely. fall Glolly

Dale Zdolshek

President

Joseph Edward Company, Inc.

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### **VERIFIED STATEMENT**

## RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, W. Fierman, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 2e day of 4p statement, 1997.

INOP

W. Fierman Joseph Fierman & Sons, Inc.



#### POST OFFICE BOX 869 301 SOUTH CENTRAL AVENUE AKELAND, FLORIDA 33802-0869 (813) 682-8101 • FAX (813) 688-7987



POST OFFICE BOX 508 305 COUNTY ROAD 17A WEST AVON PARK, FLORIDA 33825-0508 (813) 453-3171 • FAX (813) 453-5811

May 14, 1997

Vernon A. Williams Secretary Surface Transportation Board 12th & Constitution Ave., N.W. Washington, D.C. 20423

> RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -Control and Operating Lease/Agreements - Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

My name is Tom Joyner. I am the owner of Joyner Lumber Company in Lakeland, Florida, and I am writing to you on behalf of my company in support of the application from CSX and Norfolk Southern to acquire Conrail.

Joyner Lumber Company has been in the home building business for 45 years. We transport up to 30 cars of our lumber products a year, relying primarily on CSX lines. We also rely on truck transport to bring raw lumber materials to us.

As the owner, manager and principal buyer for my company, it is my job to pay close attention to any and all opportunities that will increase our sales volume and expand our market reach. The proposed acquisition of Conrail by CSX and Norfolk Southern would open many such opportunities for Joyner Lumber, and for many other businesses and industries in the southeastern part of the United States..

The Conrail acquisition between CSX and Norfolk Southern will create more direct and more efficient routes for companies like mine. Expanded single-line service would reduce the costs and delays of interchanges and load switching, and would lead to faster, safer and more reliable rail service.

This proposed acquisition would also greatly increase our market reach. It would create a rail network connecting every major market east of the Mississippi, and for the first time would provide direct rail service from southern markets to the northeast and parts of the midwest.

The acquisition would enable CSX and Norfolk Southern to make more efficient use of their cars, locomotives and other equipment, which would eventually reduce costs and increase transport capacity for customers like us.

Competition between rail and other modes of transportation would vastly improve under the proposed acquisition, especially with trucks, which now dominate and handle most of the lumber products traffic in Eastern freight markets. Less reliance on trucking would also ease congestion on north-south interstates and highways, and could have long-term environmental benefits in reducing pollution.

JOYNER LUMBER COMPANY INC. 078

The CSX-Norfolk Southern acquisition of Conrail could also create new opportunities for our company in the international marketplace. The combined rail system would serve most of the major East Coast ports, providing a direct link between our products and markets around the world.

A balanced two-rail network in the eastern half of the United States would offer significant new routes and new efficiencies for freight traffic, and would create significant new opportunities for companies like mine in the southeastern markets. On behalf of Joyner Lumber Company, I offer my support for this application from CSX and Norfolk Southern to acquire Conrail, and urge the STB to approve it.

I, Tom Joyner, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 14th day of May, 1997.

Tom Joy men

# $J^TM$ <u>JTM INDUSTRIES, INC.</u>

1000 COBB PLACE BOULEVARD BUILDING 400 KENNESAW, GEORGIA 30144 (770) 424-1900 FAX (770) 218-6590

Verified Statement Donald E. Shaw on behalf of JTM Industries, Inc. STB Finance Docket No. 33388

I am submitting this statement in support of the transaction proposed by CSX, Conrail and NS on behalf of JTM Industries, Inc. My name is Donald E. Shaw and my functions at JTM include management of our rail traffic movements.

Our company has been in the coal combustion byproduct management business since 1978. We have operations that involve every Class 1 rail system in the country. We also ship to customers via truck when and where economics dictate.

Because the combined system that will result from the acquisition of Conrail by CSX and NS will provide increased compitition with trucks, JTM hopes to benefit from lower costs and better service that a competitive environment would encourage. Additionally, improved rail service may divert some of JTM's present truck shipments to rail. The extension of CSX's network into the northeastern markets may also give JTM access to new markets which up to now had been logistically unfeasible.

For these reasons, JTM strongly urges the Surface Transportation Board to allow CSX, Conrail, and NS to complete the proposed transaction. JTM is eager to begin realizing the benefits described above.

I, Donald E. Shaw, declare under penalty of perjury that the foregoing is true and correct.

Executed this 9th day of May, 1997

Donald E. Shaw National Accounts Manager


## TRANSPORT, INC.

731 W. IRELAND RD. • SOUTH BEND, INDIANA 46614 • (219) 291-4032

May 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

### VERIFIED STATEMENT

RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Kurt Hoger declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this \_\_\_\_\_ day of \_\_\_\_\_\_, 1997.

Kurt E. Hoger Owner K.B. Transport

1-800-267-1823



A Division of Edgewater Construction Co., Limited. P.O. Box 369, Wyoming, Ontario, Canada, NON 1T0

May 6, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board 1201 Constitution Ave., NW Room 2215 Washington, DC 20423

Dear Mr. Secretary:

K&E Sand and Gravel supports the acquisition of Conrail by CSX and Norfolk Southern. We believe this proposed merger is positive, and if approved will offer better and expanded service opportunities. This would permit our company to keep transportation costs down while receiving faster service.

We hope this matter will receive early consideration by the Surface Transportation Board and that Congress will not act to block or delay deliberation of this matter

Thank you for your consideration.

John Esser President



### VERIFIED STATEMENT OF Thomas J. Scott, K. S. Crittendon Incorporated

May 6, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket #33388 1925 K. Street, NW Washington, D.C. 20423-0001

RE: CXS Corporation and CSX Transportation Incorporated; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements; Conrail Incorporated and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

My name is Thomas Scott. I am Sales Manager of K. S. Crittendon Incorporated. We are located at 417 South Sharon Amity Road in Charlotte, NC. K. S. Crittendon Incorporated is one of the oldest cash commodity brokerage firms in the Southeast, originating in 1948. We utilize all modes of transportation in conducting our business. Our primary focus is the origination of rail grain in the Midwest for the growing Southeast Poultry and hog markets.

We understand the CSX and Norfolk southern are asking the Surface Transportation Board to approve their acquisition of Conrail.

We support the Norfolk southern and CSX plan. We think it will enable us to expand our markets into areas we have hitherto been unable to reach because of what we can only perceive to be impediments placed in our way by Conrail with objectives and soals differing from those of Norfolk Southern and CSX.

Finally we support and endorse Norfolk Southern and CSX's plan to introduce rail competition into areas in which Conrail has enjoyed a virtual monopoly since its formation.

If our company is to grow and prosper, we need strong railroads serving our transportation needs. We think the Norfolk Southern/CSX plan before the Surface Transportation Board does this and we, therefore, support it.

I, Thomas J. Scott, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this 6th Day of May, 1997.

Sincerely

Sales Manager K. S. Crittendon Incorporated



## K-C REFRIGERATION TRANSPORT CO., INC.

LTL & INTERMODAL SERVICE P.O. BOX 545 TROY, NEW YORK 12180 PHONE (518) 273-7505 FAX (518) 273-7509

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

### VERIFIED STATEMENT

### RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

1, Stephen Kowalchyk, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 6+h day of 1997.

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that

Stephen Kowalchyk President K-C Refrigeration



## K-C REFRIGERATION TRANSPORT CO., INC.

LTL & INTERMODAL SERVICE P.O. BOX 545 TROY, NEW YORK 12180 PHONE (518) 273-7505 FAX (518) 273-7509

VERIFIED STATEMENT OF: STEPHEN KOWALCHYK, PRESIDENT K-C REFRIGERATION TRANSPORT CO.INC.

SUBJECT: CSX CORPORATION AND CSX TRANSPORTATION, INC.:NORFOLK SOUTHERN RAILWAY COMPANY--CONTROL AND OPERATING LEASES/ AGREEMENTS--CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION, STB FINANCE DOCKET #33388

MAY 20,1997

MR. VERNON A. WILLIAMS SECRETARY SURFACE TRANSPORTATION BOARD STB FINANCE DOCKET NO. 33388 1925 K STREET, N.W. WASHINGTON, D.C. 20423-0011



## K-C REFRIGERATION TRANSPORT CO., INC.

LTL & INTERMODAL SEPVICE P.O. BOX 545 TROY, NEW YORK 12180 PHONE (518) 273-7505 FAX (518) 273-7509

5/20/97

VERIFIED STATEMENT OF K-C REFRIGERATION TRANS.CO.INC.

### FINA CE DOCKET NO. 33388

MY NAME IS STEPHEN KOWALCHYK AND I AM PRESIDENT OF K-C REFRIGERATION TRANSPORT CO.INC. 1 ADAMS ST. TROY, NY 12018. I HAVE HELD MY PRESENT POSITION FOR THREE YEARS. MY DUTIES INCLUDE THE OVERALL MANAGEMENT AND DISPATCH OF INTERMODAL MOVEMENTS.

K-C REFRIGERATION TRANSPORT CO.INC. IS A MOTOR CARRIER THAT WORKS OFF THE NORFOLK SOUTHERN RAMP IN ALBANY, NY. WE ALSO WORK OFF THE SYRACUSE NY CONRAIL RAMP AND THE SPRINGFIELD, MA CONRAIL RAMP.

BASED UPON OUR EXPERIENCE IN PROVIDING THE SERVICES DESCRIBED ABOVE AND WORKING WITH VARIOUS RAILROADS, WE WOULD LIKE TO EXPRESS OUR SUPPORT OF NORFOLK SOUTHERN AND CSX IN THEIR EFFORTS TO ACQUIRE CONRAIL, AND THEN DIVIDE THE CONRAIL SYSTEM. THERE IS A NEED FOR COMPETITION IN THE TERRITORY SERVED BY CONRAIL, AND FOR TWO COMPETING RAILROADS IN THE NORTHEAST WHICH OWN THEIR OWN TRACK AND FACILITIES. FOR TOO LONG, CUSTOMERS WHICH SHIP OR RECEIVE PRODUCT INTO AND OUT OF THE NORTHEAST HAVE HAD THE SERVICE OF ONLY ONE RAIL CARRIER. AND AS IS THE CASE WHEN ONLY ONE COMPANY IS ABLE TO OPERATE IN A PARTICULAR MARKET, SERVICE SUFFERS AND THE PRICE IS NONCOMPETITIVE. WHILE THERE MAY HAVE BEEN AN HISTORICAL REASON FOR INSULATING NORTHEASTERN RAILROADING FROM COMPETITION, THAT TIME IS PAST, AND IT IS TIME FORCUSTOMERS INTERESTED IN THIS MARKET TO HAVE SERVICE BY MORE THAN ONE RAIL CARRIER WHICH OWNS ITS FACILITITIES. AND, THE RAIL CARRIERS WHICH WILL COMPETE IN THE NORTHEAST SHOULD NOT BE JUST ANY RAIL CARRIERS. THEY MUST BE CARRIERS WHICH ARE OF COMPARABLE SIZE AND SCOPE, AND PROVIDE A COMPETITIVE SERVICE.

GROWTH IN THE INTERMODAL INDUSTRY WILL BENEFIT MY COMPANY. PROVIDING RAIL COMPETITION IN THE NORTHEAST, PARTICULARLY FROM TWO COMPETITORS WHICH HAVE STRONG RAIL SYSTEMS IN THE SOUTHEAST, SHOULD PROMOTE THE GROWTH OF INTERMODAL TRAFFIC, WHICH IN TURN WILL ENHANCE MY BUSINESS AS A SUPPLIER TO THE INTERMODAL INDUSTRY. NS'S CAPITAL INVESTMENT IN ITS INTERMODAL FACILITIES AND SERVICE ARE WELL KNOWN IN THE INDUSTRY, AS ARE ITS STRONG COMMITMENTS TO GROWTH AND SERVICE. FURTHER, WE HAVE BEEN IMPRESSED WITH NS'S COMMITMENT TO SAFETY, AS EVIDENCED BY ITS EVIDENCE OF CONTINUED SUCCESS IN WINNING THE HARRIMAN AWARD.

TO SUMMARIZE, WE BELIEVE THAT APPROVAL OF THE APPLICATION OF NS ANS CSX TO ACOUIRE CONRAIL SHOULD BE APPROVED BY THE STB.

I STEPHEN KOWALCHYK, DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON MAY 20,1997.

SINCERELY, Sight 10 86

MAY 29 '97 10:53

MAY-08-57 10:10 FROM KANAWHA RIVER TERM

PAGE . 008 PAGE 2/2

## KANAWHA RIVER TERMINALS, INC.

MAIN AND RIVER P.O. BOX 308 CEREDO, WEST VIRGINIA 25507

Telenhone (304) 452-1236 Fex (304) 453-8927

Ceredo Dock Kensucky Coal Terminal Marmet Dock Quincy Dock

> Verified Statement of Alfred A. Verardi on behalf of Kanawha River Terminals, Inc. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation -Control and Operating Lease/Agreements-Conrail Inc. and Consolidated Rail Corporation

My name is Alfred A. (Fred) Verardi, and I am President of Kanawha River Terminals. Incorporated and I have served in this capacity since 1995.

Kanawha River Terminals operates and owns a Coal Transfer Facility served by both the CSX and N/S Railroad located in Ceredo, West Virginia. This facility handles coal originating in Eastern Kentucky and South Eastern West Virginia.

In 1996, Kanawha River Terminals handled approximately 6 million tons of coal ultimately delivered to utilities in Ohio, West Virginia, Kentucky, Pennsylvania and for export through the Gulf.

Kanawha River Terminals strongly supports the acquisition of Conrail by CSX and Norfolk Southern. This will help Kanawha River Terminals expand its business opportunities. While shipments into the current Conrail served markets are theoretically possible now, they are financially impracticable. Therefore, Kanawha River Terminals is giving its full backing to the acquisition of Conrail by CSX and Norfolk Southeru.

I. Alfred A. (Fred) Verardi, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed the <u>Sth</u> day of May 1997.

By: Alpert A. Creard.

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Kane Freight Lines, Inc. Kane Warehousing, Inc. Post Office Box 931 Scranton, PA 18501-0931 (717) 343-5263 1-800-845-KANE

### VERIFIED STATEMENT OF KANE FREIGHT LINES, INC. FINANCE DOCKET NO. 33388

May 23, 1997

Mr. Vernon A. Williams Secretary SURFACE TRANSPORTATION BOARD STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

Dear Mr. Williams:

My name is Christopher J. Kane, and I am Vice President of Sales/Marketing of Kane Freight Lines, Inc. I have held my present position for 10 years. My duties include marketing and sales.

Kane Freight Lines, Inc. is a dray transportation provider. We work with NS at the following locations: Taylor, PA. In addition, we work with Conrail at Philadelphia and Harrisburg.

Based upon our experience in providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been a historical reason for insulating Northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.







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Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Christopher J. Kane, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 23, 1997.

Sincerely,

Christopher J. Kane Vice President Sales/Marketing

CJK/tm

May 14th

Vernon A. Williams Secretary Surface Transportation Board 12th & Constitution Ave., N.W. Washington, D.C. 20423

> RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -Control and Operating Lease/Agreements - Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

I understand that the Surface Transportation Board will soon be considering the proposed acquisition of Conrail by CSX and Norfolk Southern. My name is Yutaka Shimavaki, and I am writing this letter to express the support of Kanematsu United States of America, Inc. in favor of this proposed acquisition.

Kanematsu United States of America, Inc. is a trading company based in New York City, New York. Our primary cargo is coal, and our primary rail carriers are CSX and Conrail. I am traffic manager for the company, and I am therefore in charge of organizing and overseeing the transport of our freight loads here in the US. I believe the proposed acquisition of Conrail by CSX and Norfolk Southern will benefit this company in a number of ways, including increased efficiency, more single-line service and expanded destination points for coal distributors.

### **Increased Efficiency**

The integration of current Conrail lines between CSX and Norfolk Southern will provide long-term benefits to customers throughout the eastern US. Both railroads will be stronger, and rail service as a whole will be better organized and better coordinated in the region. The two new rail networks that will result from this acquisition will reach most of the major markets east of the Mississippi, connecting major coal producing points with major coal consuming points.

### More Single-Line Service

The increased efficiency of these two new rail networks will mean more single-line rail service throughout the eastern half of the US. Increased single-line service means increased market opportunities for coal that originates in CSX-served regions right now, expanding to new NS-served regions and former Conrail-served areas as well. New destination choices for areas formerly served by Conrail will open opportunities to better match coals to boiler needs in other regions of the country, and will also allow some utilities to defer scrubber capital investments due to better availability of different coal blends. More single-line service also means that Pittsburgh seam accessibility will increase for utilities and customers throughout the eastern half of the country.

### **Expanded Destination Points**

Expanded rail destination points throughout the eastern US will mean greater access to the former Monongahela coal fields, improving blending opportunities at utilities that are now served by CSX. This improved access to the former MGA coal fields will also provide new coal choices to utilities that scrub high-sulfur coal, and will allow shorter and more direct routes to the Baltimore coal piers.

Better service, broader service and more destinations will all result from this proposed acquisition -- and all coal distributors and transporters in the eastern US will benefit as a result. I urge the STB to review and accept this application from CSX and Norfolk Southern.

I, Yutaka Shimavaki, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 14th day of May, 1997.

Linh

Yutaka Shimazaki

## KAPLAN LUMBER COMPANY, INC. ..... Lumber and Building Supplies .....

5140 North Service Road P.O. Box 340 St. Peters, Missouri 63376 (314) 946-6971

April 28, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 "K" Street, N.W. Washington, D.C. 20423-0001

## VERIFIED STATEMENT ON BEHALF OF KAPLAN LUMBER CO., INC.

My name is Paul M. Kaplan, and I am President of Kaplan Lumber Company. I have held my present position for 26 years.

Kaplan Lumber Company is a lumber, plywood and building materials supplier. We have facilities located at St. Peters, Missouri and Bridgeton, Missouri. The facilities are served by Norfolk Southern. We receive from suppliers located in Eastern and Western Canada, Western and Southern USA. During 1996, we received 401 carloads from these origins.

Kaplan Lumber supports approval of the transaction which will allow Norfolk Southern and CSX to acquire Conrail and subsequently divide its assets. Since our facility is located on the lines of NS, we would welcome the benefit of increased sourcing via single-line rail transportation. Joint line rail service into and out of the Northeast has not helped our ability to move traffic from that area, and the single-line service which NS proposes would be of benefit to us. We have used NS for several years and have been satisfied with their service. We are confident that they would be able to provide good service on any CR lines which they acquire.

For these reasons, I support the application of NS and CSX to acquire Conrail.

I, Paul M. Kaplan, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on April 28, 1997.

Sincerely,

) apla

Paul M. Kaplan President

May 14, 1997

Vernon A. Williams, Secretary Surface Transportation Board 1201 Constitution Avenue N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

**Dear Secretary Williams:** 

My name is Ken Kozak. I am President of KBM Corporation in Oconto Falls, Wisconsin. The office address is P.O. Box A, Oconto Falls, Wisconsin 54154-0996. I am writing to express KBM's support for the CSX and NS application to acquire Conrail. We urge the Board to approve the acquisition promptly.

KBM is a shipper and broker of highin, and we've been in business for 15 years. Each year we ship 150-200 tankers of lignin material by rail; we use the services of most all the rail companies available. We also do some transport by truck.

KBM believes the acquisition of Conrail will bring us efficient single-line service. We feel it will improve equipment utilization through better, more direct and faster service. we hope the increase in one-line services, will lead to a decrease in freight charges. This will also promote competition with the trucking industry.

KBM strongly supports the application to acquire Conrail. We urge the Board to approve the acquisition expeditiously as this is the best way to improve service, enhance efficiency, lower costs and promote the growth of rail traffic.

I, Ken Kozak, declare under penalty of perjury that the foregoing is true and correct.

Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 14th day of May, 1997

K

(BM) Corporation

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414-846-3333

ESTABLISHED 1916



330 DERING AVENUE . COLUMBUS, OHIO 43207 . 614-444-1105 . FACSIMILE: 614-444-1195

### VERIFIED STATEMENT

Carl F. Weiffenbach on behalf of Keener Sand & Clay Co. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation --Conrail Inc. and Consolidated Rail Corporation

My pame is Carl F. Weiffenbach. I am President of Keener 5and & Clay Co. I have been with the company for 34 years. On behalf of Keener 5and & Clay, please accept my support for the Conrail acquisition by CSX and Norfolk Southern.

Keener Sand & Clay Co. is a producer and distributor of Industrial Sands. We are located at 330 Dering Ave. in Columbus, Ohio. We have an Industrial Sand Plant in Huron, Ohio, a warehouse in Columbus, Ohio, and 2 (two) rail transloading facilities in Smithville and Columbus, Ohio.

We ship approximately 48% of product by rail, constituting 800 carloads per year. The remainder is shipped by truck. We are enthusiastic about the prospects created by the acquisition of Conrail by CSX and Norfolk Southern for moving more of our current business by rail. Transportation by truck is significantly more expensive than rail transportation, and it is our preference to ship by rail when the service allows it. The efficiencies created by the merger and the new single-line service offered to many destinations should allow us to reduce our reliance on trucking and lower our costs. Further, the acquisition will open up new markets in the State of Ohio. Our ability to compete in Ohio has been hampered by the lack of direct access to the market. In many cases, the costs associated with an interchange has made our product uncompetitive. The acquisition will solve this problem by providing single-line service to the area.

Again, please accept the support of Keener Sand & Clay Co. for the acquisition of Conrail by CSX and Norfolk Southern.

I, Carl F. Weiffenbach, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 13, 1997.

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Carl F. Weiffenbach President

# **VARITY** Kelsey-Hayes

Kelsey-Hayes 4600 Oak Harbor Road Fremont, Ohio 43420

Telephone 419 334 3811 Fax 419 334 5672

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street N.W. Washington D C 20423-0001

May 28, 1997

RE: CSX Corporation and CSX Transportation, Inc.: Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. And Consolidated Rail Corporation, STB Finance Docket No. 33388

My name is Mary Franks, and I am a Production Control Supervisor for LucasVARITY Kelsey-Hayes Kingsway Plant. I have held my present position for 17 years. My duties include scheduling casting receipts and shipments as well as coordinating scrap shipments via rail.

LucasVARITY Kelsey-Hayes is a World Wide Manufacturer of Braking Systems. We have facilities located in the United States, Canada, and Europe. The US facilities are presently served by Norfolk Southern. VARITYKelsey-Hayes Kingsway currently sells product to Ford, St. Louis Assembly, and receives raw material from Wheland Foundry in Chattanooga, Tennessee and Warrenton, Georgia. All of these facilities are located on the Norfolk Southern line.

During 1996, we averaged one load per week to Ford St. Louis and received an average of eight truck loads of raw materials per week, via piggyback on Triple Crown Services. In addition to this, we shipped approximately 5 carload of scrap to Natorium, West Virginia, via NS.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Contrail and subsequently divide it's assets. Since our facility is located on the lines of Norfolk Southern, we would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhibit our ability to move this traffic, and the single-line service which Norfolk Southern proposes would be of benefit to us. With single-line service, I believe our facility would be able to compete in these markets with other companies enjoying singleline service into the Northeast. We have used Norfolk Southern for several years and have been satisfied with their service. We are confident that they would be able to provide good service on any CR lines which they acquire.

For the reasons described above, I support the application of Norfolk Southern and CSX to acquire Conrail.

I, Mary Franks, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 23, 1997.

Sincerely, Harry Franks Mary Franks

May 5, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street N.W. Washington, D.C. 20423-0001

### Re: <u>CSX Corporation and CSX Transportation, Inc.; Norfolk Southern</u> <u>Corporation and Norfolk Southern Railway Company -- Control and</u> <u>Operating Lease/Agreements -- Conrail, Inc. and Consolidated Rail</u> <u>Corporation, STB Finance Docket No. 33388</u>

Kemira Pigments, Inc. supports the joint application of CSX and NS to acquire control of the assets of Conrail and to then divide these assets in such a manner as to create two competing railroads serving much of the Northeast.

Kemira Pigments, Inc. employees 675 people for the manufacture and sale of titanium dioxide pigment which is used in paint, paper, plastics and a number of other common products. Much of our product is shipped via rail to customers throughout the region currently served by Conrail. Our single manufacturing facility in Savannah, Georgia is currently served by both Norfolk Southern and CSX and we believe that the proposed acquisition and split of assets will result in greater single-line rail service competition into the Northeast and west through Ohio and Michigan.

We believe that having two competing rail carriers of roughly equal size with the potential to offer single line service to many of our customers throughout much of the Northeast will res. It in freight cost savings enhancing our competitiveness and that of our customers.

I, Robert J. Scanlon, Vice President Corporate Affairs, of Kemira Pigments, Inc., declare under penalty of perjury that, to the best of my knowledge, the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed this 5th day of May 1957.

Sincerely,

Robert J. Scanlon Vice President Corporate Affairs

-

CSX & NS

Kemira Pigments, Inc.

cc:

MAILING ADDRESS P. O. Box 368 Savannah, GA 31402 STREET ADDRESS One Kemira Road Savannah, GA 31404

TELEPHONE (912) 652-1000

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### KEMIRON INC. 316 Bartow Municipal Airport Bartow, Florida 33830

May 2, 1997

Vernon A. Williams Secretary Surface Transportation Board 12th & Constitution Ave., N. W. Washington, D. C.

> RE: CSX Corporation and Norfolk-Southern - Application to Control and Operate Lines of Consolidated Rail Corp.

Dear Secretary Williams:

My name is Jerry J. Habraken. I am Transportation Manager for the Kemiron Inc. Company in Bartow, Florida. My office address is 316 Bartow Municipal Airport Bartow, Florida 33830. In my position, I am responsible for coordination of the transportation strategy for four manufacturing locations owned by Kemiron Inc. including the transportation of inbound raw materials as well as outbound product. I have been at my current position since 1992, and have worked in the logistics field for 30 years. I am writing to offer my company's strong support for the CSX and NS application to acquire Conrail and to urge the Board approve it promptly.

Kemiron Inc. is a manufacturer of chemicals used in water and maste water treatment primarily for Governmental water treatment plants including City, and County facilities. We receive carloads of ore and chemicals into all of our plants in the locations at Fontana, Ca., St. Louis, Mo. Rowley, Utah and Bartow, Florida. Our St. Louis and Bartow plants are served by CSX, NS, and Conrail. Our customer base is throughout the United States but we serve the eastern states out of our Bartow plant. Our ability to grow in the Northeast has been slow due to our inability to be competitive because of high transportation expenses and service commitments.

Kemiron believes that the proposed acquisition of Conrail would be in our best interests, as well as in the interest of our future customers. We strongly urge the Board to approve this application for the reasons detailed below:

We believe that the acquisition of Conrail by CSX and NS would produce better service, better equipment utilization, and more competitive rates. Since CSX would serve the northeast single-line our traffic would move faster, be more reliable, and allows for better shipment tracking then dealing with several carriers as we presently do.

Page 1

Page 2

- 2. We expect that with the increased number of destinations we are able to reach in a singleline service will give us a larger marketing area to sell our product and be competitive. This benefit is extremely beneficial to Kemiron Inc. because of our being able to expand our market to service customers who have had a limited opportunity for competition The merger of CSX and NS will open the Bast and Northeast for Kemiron and provide us with reduced intransit service time and lower costs due to the single-line. We are a National company and this will truly give us the ability to grow in the area covered by the merger.
- 3. We are convinced that the Conrail acquisition will increase rail business, and that would be good for all of the shippers who rely on rail. Kemiron Inc. is aware that congestion on the highways will be reduced in the eastern corridor especially and generally throughout the area as a result of rail being more competitive. As a result of the merger we expect there will be greater efficiency and it will return more freight to the rails which will strengthen them and give us shippers both better service and costs. I would expect that all rail shippers will see these developments as extremely important in their long term viability.

In conclusion, Kemiron supports the application to acquire Conrail and requests that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East

I, Jerry J. Habraken, doclare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 2nd day of May, 1997

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bc: Neal J. Danner Business Development Specialist CSX TeleConnections, Inc. -J630 6735 Southpoint Drive South Jacksonville, Florida 32216



# KENNEDY RAILROAD BUILDERS, INC.

TRACK CONSTRUCTION . ENGINEERING . MAINTENANCE

Corporate Headquarters: P.O. Box 3088 • Shiremanstown, PA 17011 (717) 761-2436 Fax: (717) 761-0811

May 9, 1997

Vernon A. Williams, Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

### VERIFIED STATEMENT

RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX, and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Jack Kennedy, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 9<sup>th</sup> day of May, 1997.

Very truly yours, KENNEDY RAILROAD BUILDERS, INC.

Jack Kennedy Regional Manager



1550 N. Bailey Road North Jackson, OH 44451 (330) 538-2261 Fax: (330) 538-2223

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7109-400 Steples Mill Road Richmond, VA 23228 (804) 648-1119 Fax: (804) 527-2767

JHK/pds

9B West Ridgely Road Timonium, MD 21093 (410) 625-0454 Fax: (410) 625-1951 3701 Massachusetts Ave. NW, Suite 110 Washington, DC 20016 (202) 237-2436 Fax: (202) 237-2437 P.O. Box 543 Easton, PA 18044 (610) 559-8384 Fax: (610) 559-8469

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### A RESOLUTION OF THE KENTUCKY COAL **ASSOCIATION SUPPORTING: THE FINANCE DOCKET NO. 33388 CSX/NORFOLK SOUTHERN ACOUISITION** AND CONTROL OF CONRAIL.

WHEREAS, CSX Transportation Inc., a unit of CSX Corporation, is the largest railroad in the Commonwealth of Kentucky and Norfolk Southern Corp. is the second largest railroad in the Commonwealth of Kentucky; and

WHEREAS, Conrail Inc. is a provider of rail service to the Midwest and Northeast; and

WHEREAS, CSX Corp and Conrail, Inc. have amended their merger agreement to allow CSX to enter into negotiations with Norfolk Southern on a division of Conrail; and

WHEREAS, the proposed division of Conrail, Inc. creates an unprecedented opportunity of value for shippers, consumers and all others affected by the transportation of goods in domestic and international commerce in the United States; and

WHEREAS, the proposed division of Conrail, Inc. will expand the market reach of, and enhance opportunities for, Kentucky's coal producers;

NOW THEREFORE, BE IT RESOLVED BY THE KENTUCKY COAL ASSOCIATON:

Section 1: That this Association supports the merger of CSX Corp. and Conrail Inc. and the roughly equal division of Conrail between CSX Corp. and Norfolk Southern Corp.

Section 2: That this Association calls for an expeditious review and approval of this merger by the Surface Transportation Board so that all Kentuckians can quickly begin to realize the benefits of this merger and the division of Conrail.

This resolution was presented by motion, duly seconded and approved by unanimous vote at a regular meeting of the Association held on April 29, 1997, a quorum being present.

Attest: mple musulin II Title: President

John Hughes, Chairman

## **KENTUCKY CONTAINER SERVICE INC.**

P. O. BOX 4574

LOUISVILLE, KENTUCKY 40204

PHONE (502) 589-6219

MAY 21, 1997

MR. VERNON A. WILLIAMS SECRETARY SURFACE TRANSPORTATION BOARD STB FINANCE DOCKET NO. 33388 1925 K STREET, N.W. WASHINGTON, D.C. 20423-0001

RE: VERIFIED STATEMENT OF KENTUCKY CONTAINER SERVICE, INC. FINANCE DOCKET NO. 33388

DEAR MR. WILLIAMS:

MY NAME IS DON FARRIS, JR., AND I AM PRESIDENT/CEO OF KENTUCKY CONTAINER SERVICE, INC., 1101 ROWAN STREET, LOUISVILLE, KENTUCKY 40204. I HAVE HELD MY PRESENT POSITION FOR 10 YEARS.

KENTUCKY CONTAINER SERVICE, INC. IS A TRUCKING, CONTAINER DEPOT OPERATION. WE WORK WITH NS AT THE FOLLOWING LOCATIONS: LOUISVILLE, KY, CINCINNATI, OH AND GEORGETOWN, KY. IN ADDITION WE WORK WITH THE CSX IN CINCINNATI.

BASED UPON OUR EXPERIENCE IN PROVIDING THE SERVICES DESCRIBED ABOVE AND WORKING WITH VARIOUS RAILROADS, WE WOULD LIKE TO EXPRESS OUR SUPPORT OF NORFOLK SOUTHERN AND CSX IN THEIR EFFORTS TO ACQUIRE CONRAIL, AND THEN DIVIDE THE CONTRAIL SYSTEM. THERE IS A NEED FOR COMPETITION IN THE TERRITORY SERVED BY CONRAIL, AND FOR TWO COMPETING RAILROADS IN THE NORTHEAST WHICH OWN THEIR OWN TRACK AND FACILITIES. FOR TOO LONG, CUSTOMERS WHICH SHIP OR RECEIVED PRODUCT INTO AND OUT OF THE NORTHEAST HAVE HAD THE SERVICE OF ONLY ONE RAIL CARRIER. AND AS IS THE CASE WHEN ONLY ONE COMPANY IS ABLE TO OPERATE IN A PARTICULAR MARKET, SERVICE SUFFERS AND THE PRICE IS NON-COMPETITIVE. WHILE THERE MAY HAVE BEEN AN HISTORICAL REASON FOR INSULATING NORTHEASTERN RAILRCADING FROM COMPETITION, THAT TIME IS PAST, AND IT IS TIME FOR CUSTOMERS INTERESTED IN THIS MARKET TO HAVE SERVICE BY MORE THAN ONE RAIL CARRIER WHICH OWNS ITS FACILITIES. AND, THE RAIL CARRIERS WHICH WILL COMPETE IN THE NORTHEAST SHOULD NOT BE JUST ANY RAIL CARRIERS. THEY MUST BE CARRIERS WHICH ARE OF COMPARABLE SIZE AND SCOPE, AND PROVIDE A COMPETITIVE SERVICE.

GROWTH IN THE INTERMODAL INDUSTRY WILL BENEFIT MY COMPANY. PROVIDING RAIL COMPETITION IN THE NORTHEAST, PARTICULARLY FROM TWO COMPETITORS WHICH HAVE STRONG RAIL SYSTEMS IN THE SOUTHEAST, SHOULD PROMOTE THE GROWTH OF INTERMODAL TRAFFIC, WHICH IN TURN WILL ENHANCE MY BUSINESS AS A SUPPLIER TO THE INTERMODAL INDUSTRY. NS'S CAPITAL INVESTMENT IN ITS INTERMODAL FACILITIES AND SERVICE ARE WELL KNOWN IN THE INDUSTRY, AS ARE ITS STRONG COMMITMENTS TO GROWTH AND SERVICE. FURTHER, WE HAVE BEEN IMPRESSED WITH IS'S COMMITMENT TO SAFETY, AS EVIDENCED BY ITS EVIDENCE OF CONTINUED SUCCESS IN WINNING THE HARRIMAN AWARD. TO SUMMARIZE, WE BELIEVE THAT APPROVAL OF THE APPLICATION NS AND CSX TO ACQUIRE CONRAIL SHOULD BE APPROVED BY THE STB.

I, DON FARRIS, JR., DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON 23RD DAY OF MAY, 1997.

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DON FARTS JR. PRESIDENT/CEO WENTUCKY CONTAINER SERVICE, INC.



P.O. Box 4097/Louisville, Ky. 40204

Phone: (502) 589-6210 FAX: (502) 584-1936

INTERNATIONAL CONTAINERIZATION I.C.C. -- No. FF-395 FMC LICENSE 1342

MAY 21, 1997

MR. VERNON A. WILLIAMS SECRETARY SURFACE TRANSPORTATION BOARD STB FINANCE DOCKET NO. 33388 1925 K STREET, N.W. WASHINGTON, D.C. 20423

RE: CSX CORPORATION AND CSX TRANSPORTATION, INC.; NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN COMPANY - CONTROL AND OPERATING LEASES/AGREEMENTS - CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION, STB FINANCE DOCKET NO 33388.

VERIFIED STATEMENT OF KYFI, INCORPORATED FINANCE DOCKET NO. 33388

MY NAME IS DON FARRIS, JR., AND I AM PRESIDENT/CEO OF KYFI, INCORPORATED, 900 WEST MARKET STREET, SUITE 202, LOUISVILLE, KENTUCKY 40202. I HAVE HELD MY PRESENT POSITION FOR TEN YEARS.

KYFI, INCORPORATED IS A INTERNATIONAL FREIGHT FORWARDER. WE SHIP INTERMODAL TRAFFIC IN THE FOLLOWING LANES THROUGHOUT THE UNITED STATES: LOUISVILLE, KY, GEORGETOWN, KY, HUNTSVILLE, AL AND CINCINNATI, OHIO AND NORFOLK, VA. DURING 1996, WE SHIPPED 6000 CONTAINERS/TRAILERS WITHIN THESE LANES.

IT IS MY UNDERSTANDING THAT CSX AND NS INTEND TO FILE AN APPLICATION TO CONTROL CONTRAIL, AND TO DIVIDE AND OPERATE ITS ROUTES AS PART OF THEIR EXISTING SYSTEMS. I ALSO UNDERSTAND THAT A KEY ELEMENT OF THE NS PLAN IS IMPROVED AND EXPANDED INTERMODAL (AN MULTIMODAL) SERVICES. EXTENDED NS INTERMODAL SERVICE WILL HELP TO MEET OUR TRANSPORTATION NEEDS THROUGHOUT THE TERRITORY NOW SERVED BY CONRAIL. OPENING CONRAIL MARKETS TO SERVICE BY TWO RAIL CARRIERS OF COMPARABLE SIZE AND SCOPE, EACH WITH ITS OWN TRACKS AND TERMINALS, WILL OFFER US THE ADVANTAGES OF COMPETITIVE SERVICE AND PRICING WITHOUT FRAGMENTING THE MARKET AND HURTING SERVICE. FOR TOO LONG, CUSTOMERS WHICH SHIP OR RECEIVE PRODUCT INTO AND OUT OF THE NORTHEAST HAVE HAD THE SERVICE OF ONLY ONE RAIL CARRIER. AND AS IS THE CASE WHEN ONLY ONE COMPANY IS ABLE TO OPERATE IN A PARTICULAR MARKET, SERVICE SUFFERS AND THE PRICE IS NON-COMPETITIVE. WHILE THERE MAY HAVE BEEN AN HISTORICAL REASONS FOR INSULATING NORTHEASTERN RAILROADING FROM COMPETITION, THAT TIME IS PAST, AND IT IS TIME FOR CUSTOMERS INTERESTED IN THIS MARKET TO HAVE SERVICE BY MORE THAN ONE RAIL CARRIER WHICH OWNS ITS FACILITIES. AND, THE RAIL CARRIERS WHICH WILL COMPETE IN THE NORTHEAST SHOULD NOT BE JUST ANY RAIL CARRIERS. THEY MUST BE CARRIERS WHICH ARE OF COMPARABLE SIZE AND SCOPE, AND PROVIDE A COMPETITIVE SERVICE.

IN ADDITION TO THE COMPETITIVE REASONS STATED ABOVE, MY COMPANY WOULD WELCOME THE EXTENSION OF NS SERVICE INTO THE NORTHEAST. NS'S CAPITAL INVESTMENT IN ITS INTERMODAL FACILITIES AND SERVICE ARE WELL KNOWN IN THE INDUSTRY, AS ARE ITS STRONG COMMITMENTS TO GROWTH AND SERVICE. FURTHER, WE H AVE BEEN IMPRESSED WITH NS'S COMMITMENT TO SAFETY, AS EVIDENCED BY ITS EVIDENCE OF CONTINUED SUCCESS IN WINNING THE HARRIMAN AWARD.

TO SUMMARIZE, WE BELIEVE THAT APPROVAL OF THE APPLICATION OF CSX AND NS TO ACQUIRE CONRAIL SHOULD BE APPROVED BY THE STB.

I, DON FARRIS, JR. DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON 21ST DAY OF MAY, 1997.

SINCEBELY, DON FARRIS, JR. PRESIDENT KYFI, INCORPORATED

# Kentucky Processing Company

P.O. Box 880 . 348 Calla Road . Invine, Kentucky 40336-0880 . 806/723-5590 . Fax: 806/723-7262

Verification Statement of Cecil Lewis on behalf of Kentucky Processing Company Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation --Control and Operating Lease/Agreements--Conrail Inc. and Consolidated Rail Corporation

My name is Cecil Lewis, and I am General Manager of Kentucky Processing Company. I have served in this position since 1994.

Kentucky Processing operates and owns coal mines located in the East Kentucky Region 8 in Letcher, and Estill Counties of Kentucky.

In 1996, Kentucky Processing Company shipped approximately 750,000 tons on CSX lines to various customers in the Southeast, Midwest, and Export.

Kentucky Processing Company strongly supports the acquisition of Conrail by CSX and Norfolk Southern. The single-line service made possible by the acquisition will help Kentucky Processing Company to expand its business into new geographic areas. While shipments into Region 8 are theoretically possible now, they are financially impracticable. Single-line service will make access into the Region 8 a real possibility for the company.



KENTUCKY TENNESSEE CLAY COMPANY INTERNATIONAL DEPARTMENT P.O. BOX 6002 - Maryfield, Kentucky 42066 Fax No. (502) 251-3323 - Telephone (502) 251-2125

> **Ben Shelton - Traffic Manager** Telephone: 502-251-2128

May 5, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D. C. 20423-0001

Subject: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No 33388.

My name is Ben Shelton, and I am Traffic Manager of Kentucky-Tennessee Clay Company. I have held my present position for over 20 years.

Kentucky Tennessee Clay Company is a mining company with six plants located in six states. We have two plants originating on the N&S and two plants originating on the CSX, one plant originating on the Illinois Central Railroad and one plant originating on the Paducah and Louisville Railroad. In 1996, Kentucky Tennessee Clay Company shipped just under one million tons of product. We ship to both export and domestic markets using covered hoppers, box cars, containers and trucks.

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me, and which will be described in the joint application of CSX and NS to control Conrail There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receives product into and out of the Northeast have had service of only one rail carrier. And as in the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And there rail carriers cannot be just any rail carriers. They must be comparable in terms of their size, scope and ability to provide a competitive service. From what I understand of railroad operations, I believe that in the 1990's two carriers of relatively equal size and scope provide the greatest opportunities for seamless service, efficient equipment utilization and seamless synergies. Page 2 of 2 May 5, 1997 Surface Transportation Board

In addition, we are looking forward to experiencing not only the change from being served by one rail carrier increasing to two, but also the greatly expanded market reach which single line service by NS and CSX will offer. An extensive addition of single line rail service will allow us to provide increase market penetration to areas in which we been unable to compete adequately.

To summarize, we believe that approval of the joint application of NS and CSX to acquire Conrail should be approved by the STB.

I, Ben Shelton, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 5, 1997.

Sincerely Kentucky Tennessee Clay Company Ben Shelton, Traffic Manager



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KENTUCXY - TENNESSEE CLAY COMPANY KAOLIN DIVISION

P.O. BOX A

SANDERSVILLE, GEORGIA 31082



PHONE: (912) 552-2527 FAX: (912) 552-5670

### VERIFIED STATFMENT OF

### KENTUCKY-TENNESSEE CLAY COMPANY CLAY DIVISION SANDERSVILLE, GEORGIA

RE: CSX CORPORATION AND CSX TRANSPORTATION, INC; NORFOLK SOUTHERN AND NORFOLK SOUTHERN RAILWAY COMPANY---CONTROL AND OPERATING LEASES/AGREEMENTS---CONRAIL, INC. AND CONSOLIDATED RAIL CORP., STB FINANCE DOCKET NO. 33388.

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K. Street N.W. Washington, DC 20423-001

Dear Mr. Williams:

My name is L. Van Branan, and I am Customer Service Supervisor of Kentucky-Tennessee Clay Company. I have held my present position for the past two years. My duties include handling transportation matters including coordination of shipping and freight car ordering.

Kentucky-Tennessee Clay Company produces kaolin clay for the paper, ceramics, rubber, paint and plastics industries. During 1996, we shipped our product all over the United States and to many destinations served by Conrail. Total carloads during the year exceeded 2300. Some of the Conrail customers included Victor Insulation, Victor, NY; Pfaltzgraft Company, Thomasville, PA; and Mead Corporation, Pittsfield, MA.

We have plants located at Kaolin and Sandersville, Georgia which are served by the Sandersville Railroad. The Sandersville Railroad only connects with Norfolk Southern at Tennille, Georgia. We depend on Norfolk Southern for much of our rail equipment supply which includes box cars and covered hopper cars.



#### Page Two

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since Sandersville Railroad only connects with Norfolk Southern, we feel that extension of Norfolk Southern lines into the Northeast will be of great benefit to Kentucky-Tennessee Clay as it will extend the market area for NS. I believe our facility would be able to better compete in these markets due to improved service NS provides.

Our experience is that Norfolk Southern is the industry leader in customer service, quality equipment and dependable service and would welcome the improvements they could bring to Conrail.

For all the reasons described above, I support the application of NS and CSX to acquire Conrail.

Sincerely, Van Branan

L. Van Branan

STEEL enwal ODUCTS CORPORATION

Send all Correspondence and Remittance to P.O. Box 04206 9301 Central Avenue Detroit, Michigan 48204-4206

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

9301 CENTRAL AVENUE DETROIT, MICHIGAN 48204-4206 (313) 933-4362 FAX (313) 933-1281

### VERIFIED STATEMENT

RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:



I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, David W. Bazzy, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 2nd day of MAY, 1997.

David W. Bazzy President Kenwal Products Corporation

2 vhy



## KEOKUK FERRO - SIL, INC.

JEP

P.O. BOX 6004 • 2301 TWIN RIVERS DRIVE • KEOKUK, IOWA 52632-6004 PHONE: 319-524-5130 FAX: 319-524-5132

April 29, 1997



Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket #33388 1925 K Street, N.W. Washington, D.C. 20423-0001

### Re: <u>CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and</u> <u>Norfolk Southern Railway Company - Control and Operating Leases/Agreement -</u> <u>Conrail, Inc., and Consolidated Rail Corporation</u>, STB Finance Docket 33388

Dear Mr. Williams:

My name is Glenn E. Campbell, Jr. 1 am the Manager of Purchases & Traffic with Keokuk Ferro-Sil, Inc. My office is located at corporate headquarters in Keokuk, Iowa.

Keokuk Ferro-Sil, Inc., is a manufacturer of 50% ferrosilicon with sales of about \$22,000,000 annually. Transportation is a vital factor to the success of our business. We utilize truck, rail, and barge, divided 72.3% rail and 27.7% other modes. My responsibilities as Purchasing and Traffic Manager include the direct oversight of our transportation requirements which include all inbound raw materials and all outbound finished products. We ship all over the United States including Canada and Mexico and receive materials primarily from South Dakota, West Virginia, and Indiana. Some of our shipments are to locations in the Northeast on Conrail.

We understand that Norfolk Southern Corporation and CSX Corporation are asking the Surface Transportation Board to approve their proposed division of Conrail to ensure rail competition in the northeastern United States for the future.

We support Norfolk Southern Corporation and CSX Corporation's plan. We believe that it will enable us to expand our markets into areas which we have hitherto been unable to reach because of what we can perceive to be impediments placed in our way by Conrail with objectives and goals differing significantly from those of Norfolk Southern. We believe that Norfolk Southern is a well-managed, efficient customer-oriented railroad and would very much like to see those attributes injected into Conrail territory.

We support and endorse Norfolk Southern Corporation and CSX Corporation's plan to introduce rail competition into areas in which Conrail has enjoyed a virtual monopoly since formation in the 1970's.

If our company is to grow and prosper, we need stronger railroads to serve our northeastern U. S. customers. Conrail is not a strong and certainly is not a customer-oriented railroad. My experiences with Conrail have led me to believe they are very poorly managed company apparently complacent enough not to need or want to do business with my company.

We believe Norfolk Southern Corporation and CSX Corporation's plan before the Surface Transportation Board will provide not only railroad competition but allow railroads to better compete with trucks.

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Finally I urge the Surface Transportation Board to expedite the approval process of this proposed division of Conrail. I am concerned about the motivation of the Conrail employees to properly make important decisions because of career uncertainty thereby adversely influencing the rate negotiation process.

Very truly yours,

.

Glenn E. Campbell, Jr

Manager of Purchases & Traffic

I, GLENN E. CAMPBELL, JR., declare under perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 29th day of April 1997.

Jara Green Witness



April 29, 1997

Mr. Varnon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, NW Washington, DC 20423-0001

Dear Board Members

RE: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company -Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388.

My name is William B. Phillips and I am the Rail Manager for Kerr-McGee Chemical Corporation with headquarters located at 123 Robert S. Kerr in Oklahoma City, OK. 73102.

Kerr-McGee Chemical Corporation is in the specialty chemicals business, producing various grades of Manganese Metal, Socium Chlorate and Titanium Dioxide at our plant in Hamilton, MS. on the BNSF.

Please be advised that the acquisition and division of Conrail by the CSX and NS as explained to me and described in its application, meets with our competitive requirements and needs.

I, William B. Phillips, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 29 day of April 1997.

William B. Thil

William B. Phillips
Kerry Steel, Inc.



CORPORATE HEADQUARTERS 31731 NORTHWESTERN HWY., SUITE 200 FARMINGTON HILLS, MI 48334 (810) 352-0000 PROCESSING FACILITIES 16661 INDUSTRIAL DRIVE ROSEVILLE, MI 48066

> 8650 MT. ELLIOTT DETROIT, MI 48211

May 14, 1997

Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Avenue, NW Washington, DC 20423

RE: STB Finance Docket No.33388, CSX Corporation and CSX Transportation.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/ Agreements -- Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

My name is Dan Buffa. As the Traffic Manager for Kerry Steel, Inc. in Farmington Hills, Michigan, I coordinate all our shipping needs. We ship about 480,000 tons of steel every year through CSX and Norfolk-Southern, and we utilize truck transportation companies as well.

As a large shipper that relies on America's freight transportation system to reach our curtomers, Kerry Steel strongly supports the proposed plan by CSX and Norfolk Southern to acquire Conrail and merge it's into their existing rail networks. We urge the Surface Transportation to approve this plan as soon as possible.

In shipping, the name of the game is to get your product to your customer as quickly and cheaply as possible. High shipping costs drive up prices and cut into profits. The CSX-Norfolk Southern plan will create two stronger rail networks that can offer more direct and efficient routing through greater single line service.

Single line service accomplishes several important shipping goals: It cuts down on interchanges and delays which add time and money to transportation service. It provides reliable rail service that can compete with truck service for our shipping business. And it allows us to reach our customers in the fastest, most cost effective manner.

More competition; better service; lower prices. That is why Kerry Steel, Inc. supports the CSX-Norfolk Southern proposal to take over Conrail and divide its rail lines between the two companies. We hope the Surface Transportation Board will take these factors into account when you debate this important issue. I appreciate the opportunity to share our company's views with the members of the Board. I, Dan Buffa, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 14th day of May, 1997.

Sincerely, Bfh N

Dan Buffa

#### KEY FREIGHT SYSTEMS, INC. 4920 SOUTH CENTRAL FOREST VIEW, IL. 60638 (708)430-4700

#### KEY FREIGHT SYTEMS, Inc.

#### **FINANCE DOCKET NO. 33388**

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

My name is Larry Cary, and I am General Manager of Key Freight Systems, Inc. at 4920 South Central. I have held my present position for six (6) years. My duties include total Financial and Operational responsibility for Key Freight Systems, Inc..

Key Freight Systems Inc.. is a motor carrier. We work with NS as the following locations: Chicago, IL. Calumet, IL. In addition, we work with all other railroads at Chicago ILL. and NY/N.J.

Based upon our experience In providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service and rates.

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in wining the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I. Larry Cary, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 15, 1997.

Sincerely,

1s

an arry Cary, General Manager Key Freight Systems, Ing.

Keystone Farm Service, Inc.

Roxboro Elevator: Hester St., P.O. Box 521 Roxboro, N.C. 27573 UGSA 4-5071

Box 521 Roxboro, North Carolina 27573 NC WATS 1-800-682-3165 VA WATS 1-800-368-8147 South Boston Elevator: Highway 58, P.O. Box 737 South Boston, VA 24592 UGSA / 9241

Mr. Vernon Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1295 K Street, N.W. Washington, D.C. 20423-0001

#### RE: CSX CORPORATION AND CSX TRANSPORTATION, INC., NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY-CONTROL AND OPERATING LEASES/AGREEMENTS-CONRAIL, INC., AND CONSOLIDATED RAIL CORPORATION, STB FINANCE DOCKET NO. 33388

#### **VERIFIED STATEMENT OF**

#### **KEYSTONE FARM SERVICE, INC.**

My name is Thomas R. Gilliam, and I am president of Keystone Farm Service, Inc.. I have held my present position for 34 years. My duties include purchasing, selling, and shipping grain.

Keystone Farm Service is a county grain elevator that receives grain from the local farmers and ships it to feed mills, flour mills, soybean processors, and export elevators. We have facilities on the NS at Roxboro, NC and South Boston, VA.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since our facility is located on the lines of NS, we would welcome the benefit of increased market access for single line transportation. We have used NS for years and have been satisfied with their service. We are confident that they would be able to provide good service on any Conrail lines which they acquire.

For all the above reasons, we support the application of NS and CSX to acquire Conrail.

I, Thomas R. Gilliam, declare under penalty of perjury that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 28th, 1997.

TRG:ljw

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TELEPHONE 708/283-5462 1-800-241-8782 FAX 1-706-283-4758

# Keystone Memorials, Inc.



ELBERTON, GEORGIA 30635

May 20, 1997

Verno A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, D.C. 20423

RE: STB Finance Docket No. 33388

Dear Secretary Williams:

l am writing to urge you to approve the joint acquisition of Conrail by CSX and Norfolk Southern. My company ships approximately 540 to 600 carload of granite curbing annually by rail, and so a healthy and efficient rail system is in our company's best interests.

The transaction will give the expanded CSX system broader geographic coverage, giving my company the opportunity to reach new markets and to serve present customers more efficiently. The transaction may also create new opportunities for single-line service, and should result in better overall service. Finally, the transaction can be expected to improve rail car supply and locomotive utilization, to the benefit of all customers who use rail.

Stability and reliability of transportation is critical to our logistics management. The friendly acquisition of Conrail by CSX and Norfolk Southern is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I urge you again to keep in mind the interests of customers, and to support the joint acquisition of Conrail by CSX and Norfolk Southern.

Vernon A. Williams May 20, 1997 Page 2

I, Tom Oglesby, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed the 20th day of May, 1997.

Yours truly.

KEYSTONE MEMORIALS, INC.

C Tom Oglesby

TO:er

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Keystone Service Industries, Inc.

P. O. Box 1085 BECKLEY, WEST VIRGINIA 25802-1085

> PHONE AREA CODE 304 252-8528

May 9, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K. Street, NW Washington, DC 20423-0001

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RE: CSX Corporation and CSX Transportation, Inc.,; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements-Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

My name is Byrd E. White III, and I am Vice President of Keystone Service Industries, Inc. I have held my present position for 20 years. My duties include direct oversight of our transportation requirements which includes outbound finished products from our plants. We ship to domestic and overseas markets.

Keystone Service Industries, Inc. is a company engaged in mining and processing of Low-Vol Metallurgical Coal. We have facilities located at Keystone, West Virginia. These facilities are presently served by NS. We sell to customers located in the Northeast. These facilities are located on the lines of Conrail. During 1997, we expect to ship 200,000 tons to this customer.

We support approval of the transaction which will allow CSX and Norfolk southern to acquire Conrail ans subsequently divide its assets. Since our facility is located on the lines of NS, we would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhibit our ability to move this traffic, and the single-line service which NS proposes would be of benefit to us. With single-line service, I believe our facility would be able to compete in these markets with other companies enjoying single-line service. We have used NS for several years and have been satisfied with their service. We are confident that they would be able to provide good service on any Conrail lines which they acquire. Mr. Vernon A. Williams May 9, 1997 Page -2-

NS Railroad always has the proper equipment available for our needs and their service is timely.

For all the reasons described above, I support the application of NS and CSX to acquire Conrail.

Sincerely,

**KEYSTONE SERVICE INDUSTRIES, INC.** 

Byrd E. White III Vice President

BEWIII/slm

I, Byrd E. White, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 9, 1997.

Byrd E. White III, Vice President

**Kimberly-Clark** 

Jerome L. Blankenship Vice President Corporate Transportation

May 12, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board 1925 K. Street, NW Washington, DC 20423-0001

RE:

CSX Corporation and Norfolk Southern -Application to Control and Operate Lines of Consolidated Rail Corporation - STB Finance Docket No. 33388

Dear Secretary Williams:

My name is Jerome L. Blankenship. I am Vice President-Transportation for Kimberly-Clark Corporation with offices in Kimberly-Clark's Administrative Center located in Knoxville, Tennessee. My responsibility includes developing transportation strategies and managing both inbound and outbound transportation for twenty-three rail served plants in the United States. In addition, I am responsible for rail transportation management at five plants in Canada which ship to/from destinations in the United States. I have served in this capacity for seven years and have thirty-four years experience in transportation management.

I am writing this letter to offer my company's support for the CSX Transportation and Norfolk Southern Corporation application to acquire Conrail and urge the Board to expedite approval.

Kimberly-Clark is a Fortune 100 Company commemorating its 125<sup>th</sup> year in business in 1997. It is a leading manufacturer and marketer of personal care, consumer tissue and away-from-home products including well known brands such as Huggies®, Pull-Ups®, Kotex®, Depend®, Kleenex®, Scott®, Kimwipes® and Wypall®. The company has manufacturing operations in 35 countries and sells its products in more than 150 countries.

Kimberly-Clark shipped 20,664 outbound railcars and 14,442 intermodal loads in 1996. Three of our plant locations - Mobile, Alabama; LaGrange, Georgia and Beech Island, South Carolina - are served directly by CSX; four plants are served directly by Norfolk Southern; and two facilities are served by CR. Mr. Vernon A. Williams Page 2 May 12, 1997

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail because it will greatly enhance competition in the northeastern United States. For many years, competition, particularly rail-to-rail and truck/rail, has been diminished because Conrail dominates markets in the Northeast. If CSX and Norfolk Southern are allowed to compete as two independent, financially strong railroads similar to the way they currently compete in the southeastern United States, the economic benefits to the shipping public and consumers will be enormous. For example, Kimberly-Clark currently ships woodpulp from its Mobile, Alabama mill to Chester, Pennsylvania which is located on Conrail. If my understanding of the acquisition is correct, Chester, Pennsylvania will be located in a joint switching district which will allow single line service by either CSX or Norfolk Southern direct from Mobile. This will introduce highly competitive rail-to-rail single line service that is currently unavailable.

We believe CSX and Norfolk Southern will be much better positioned to compete in the ever expanding truck market both between the Northeast and Southeast and to/from certain Atlantic ports currently served solely by Conrail. Conrail's primary interest in intermodal traffic has been east/west rather than north/south. I believe CSX and Norfolk Southern will compete more vigorously for traffic in both corridors. This will reduce highway congestion while providing reduced cost and improved service to the shipping public.

In summary, we believe the joint application of CSX and Norfolk Southern to acquire Conrail should be approved by the Surface Transportation Board.

I, Jerome Blankenship, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified to file this verified statement, executed on May 12, 1997.

Sincerely,

Jeone J. Blankersh

Jerome L. Blankenship Vice President, Corporate Transportation Kimberly-Clark Corporation

jlr

# KING OCEAN SERVICE DE VENEZUELA, S.A.

7570 Northwest 14 Street Miami, Florida 33126 (305) 591-7595 Telex 51-4754 Fax (305) 593-9769 Fax (305) 594-7095

RE: <u>CSX Corporation and CSX Transportation, Inc.</u>; Norfolk Southern Corporation and Norfolk Southern Railway Company — Control and Operating Leases/Agreements — Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No 33388.

#### VERIFIED STATEMENT OF KING OCEAN SERVICE DE VENEZUELA, S.A. FINANCE DOCKET NO. 33388

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams;

My name is Albert Morales, and I am Intermodal Manager of King Ocean Service De Venezuela, S. A., Miami, FL. I have held my present position for 6 years. My duties include handling all the intermodal transportation for King Ocean as well as a company named Land Hawks Intermodal Services, Inc. also headquartered in Miami, FL.

King Ocean is a steamship line trading primarily between the United States and Venezuela and also the United States and Central America. We ship intermodal traffic in the following lanes throughout the United States: between Ft. Lauderdale/Jacksonville and Chicago, Cincinnati, Atlanta, New York, St Louis, and Memphis. NS serves the all of the lanes directly except New York where Conrail serves. CSX also serves the majority of these lanes except New York and St. Louis. During 1996, we shipped approximately 5000 of our owned or leased 20' and 40' containers within these lanes.

It is my understanding that CSX and NS intend to file an application to control Conrail, and to divide and operate its routes as part of their existing systems. I also understand that a key element of the NS plan is improved and expanded intermodal (and multimodal) services. Extended NS intermodal service will help to meet our transportation needs throughout the territory now served by Conrail. Opening Conrail markets to service by two rail carriers of comparable size and scope, each with its own tracks and terminals, will offer us the advantages of competitive Mr. Vernon A. Williams Page 2

service and pricing without fragmenting the market and hurting service. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

In addition to the competitive reasons stated above, my company would welcome the extension of NS service into the northeast. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of CSX and NS to acquire Conrail should be approved by the STB.

I, Albert Morales, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 22, 1997.

Sincerely,

Albert Morales Intermodal Manager King Ocean Service De Venezuela, S.A.



May 29, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

RE: CSX Corporation and CSX Transportation, Inc. : Norfolk Southern Corporation and Norfolk Southern Railway Company ~ Control and Operating Leases/Agreements ~ Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No 33388.

#### VERIFIED STATEMENT OF KING SHIPPING, INC.

My name is Micl ael Patterson and I am the President of King Shipping, Inc. I have held my present position for 8 years. My duties include overall operation and direction of the company and linehaul operation.

King Shipping, Inc. is a transportation logistics company. We have facilities located at New Brighton, MN and Maple Grove, MN. We currently handle LTL and truckload traffic throughout America. An Important part of linehaul operations include the use of intermodal rail transportation to the East coast. During 1996, we shipped over 30 million pounds of LTL and truckload shipments to the East coast.

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me, and which will be described in the joint application of CSX and NS to control Conrail. There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have be en a historical reason for insulating Northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And their rail carriers cannot be just any rail carriers. They must be comparable in terms of their size, scope and ability to provide a competitive service. From what I understand of railroad operations, I believe that in the 1990's, two carriers of relatively equal size and scope provide the greatest opportunities for seamless service, efficient equipment utilization and seamless synergies.

> PHONE LOCAL (612) 639-9805 INBOUND WATS (800) 728-8632 (TOFC) FAX (612) 639-9802

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In addition, we are looking forward to experiencing not only the change from being served by one rail carrier increasing to two, but also the greatly expanded market reach which single line service by NS and CSX will offer. An extensive addition of single line rail service will allow us to provide increased market penetration to areas in which we have been unable to compete adequately.

To summarize, we believe that approval of the joint application of NS and CSX to acquire Conrail shoul 1 be approved by the STB.

I, Michael N. Patterson, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 29, 1997.

Sincerely,

Ma fatten

Michael N. Patterson President King Shipping, Inc.

PHONE LOCAL (612) 639-9805 INBOUND WATS (800) 728-8632 (TOFC) FAX (612) 639-9802 May 15, 1997

VERIFIED STATEMENT OF DOUG ELDER on behalf of KLEMPNER BROS., INC. STB Finance Docket No. 33388

I am Doug Elder, Director of Marketing of Klempner Bros., Inc. Klempner Bros., Inc. is located in Louisville, Kentucky. I am responsible for buying and selling scrap, and overseeing transportation of the scrap. I am writing to express our company's support for the acquisition of Conrail by CSX and NS.

Klempner Bros., Inc. processes scrap and ships prepared scrap to our customers, who are foundrys and steel mills located in the eastern half of the United States. We handle approximately 2000 carloads of scrap annually via CSX.

We believe that the acquisition of Conrail by CSX and NS will allow us to expand and extend our market reach in the midwest and east. In particular, the acquisition will bring us new access to Conrail-served scrap consumers in this region. /

In our business, consistent and reliable rail transportation is crucial to our logistics management. The scrap industry often experiences equipment shortages. The acquisition will increase the equipment supply available for our shipments, thereby enhancing the consistency of our transit times.

For these reasons, Klempner Bros., Inc. urges the board to approve the joint application of CSX and NS.

I, Doug Elder declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 15 day of May, 1997.

ong Elder



April 29, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K. Street, N.W. Washington, D.C. 20423-0001

Verified Statement of Robert Klochko

Finance Docket No. 33388

Dear Mr. Williams;

My name is Robert Klochko, and I am Vice President of Klochko Equipment Rental Company, 2782 Corbin Avenue, Mclvindale, Michigan 48122. I have held my present position for seventeen years. My duties include the day to day operations of the company.

Klochko Equipment is a construction equipment rental and leasing company. We work with NS at the following location: Melvindale, Michigan. In addition we work with Conrail and Grand Trunk Railroad at Melvindale, Michigan and Flatrock, Michigan respectively.

Based upon our experience in providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historic reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Klochko Contractors Equipment Rental Company 2782 Corbin Avenue, Melvindale, Michigan 48122 Phone: (313) 386-7220 Fax: (313) 386-2530 Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Robert Klochko, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on April 29, 1997.

Sincerely,

KLOCHKO EQUIPMENT RENTAL COMPANY

Robert Klochko Vice President

**RK/srl** 



**Tom D'Ambrosio** Divisional Vice President, Iransportation



Kmart Corporation International Headquarters 3100 West Big Beaver Road Troy, MI 48084-3163 810 643 1369 Fax 810 643 5436

May 20 1997

Mr Bill Leedy CSX Intermodal 301 W Bay St - Ste 2700 Jacksonville FL 32202

Dear Mr Leedy:

Ref. Verified Statement of Tom D'Ambrosio on behalf of Kmart Corporation STB Finance Docket No 33388

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly.

#### Background:

I am Tom D'Ambrosio, Divisional Vice President Transportation of Kmart Corporation. Kmart is located at 3100 W Big Beaver, Troy MI 48310. I am responsible for the procurement, service and costs of all transportation for Kmart Corporation. I have been in my current position 5 years and have worked in the transportation field for 30 years.

Kmart is the 2<sup>nd</sup> largest mass merchant retailer in the United States.

An efficient and cost competitive transportation infrastructure is essential to the success of our business. Kmart receives approximately 50,000 truckloads of retail products and moves approximately 19,053 loads annually via rail inbound to our Distribution Centers. The joint acquisition of Conrail will be in Kmart's best interest since the enhanced CSX system would be capable of providing a complete competitive intermodal product with associated efficiencies.

We strongly urge the Board to approve this application for the reasons detailed below:

- 1. We believe that the joint acquisition of Conrail will produce better service and more competitive rates. We expect the joint acquisition to result in a more efficient system with more opportunities to triangulate, thereby allowing for more efficient equipment utilization.
- 2. We also anticipate that the joint acquisition will result in expanded markets with an increased number of destinations and origins available. This benefit is important to Kmart because the enhanced CSX system will allow us more flexibility, strengthen our total supply chain and get our products to market in the most cost effective manner for our stores and customers.
- 3. We expect increased competitive access to ports in the New York and New Jersey areas.
- 4. We are convinced that the joint acquisition of Conrail will result in more intermodal service lane options, which, in turn, will benefit all the shippers that rely on rail. The enhanced CSX system will be able to achieve greater operational and terminal efficiencies. The acquisition will promote more long term capital investment and ensure that rail service grows into the future. These developments are critically important to all freight shippers.

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In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of transportation options in the East.

I, Tom D'Ambrosio, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 20<sup>th</sup> day of May 1997.

Sincerely,

Delalion

TOM D'AMBROSIO DIVISIONAL VICE PRESIDENT TRANSPORTATION KMART CORPORATION

TD/jw



"Since 1964"

#### KNIGHT SEED COMPANY, INC.

151 West 126th Street P.O. Box 989 Burnsville, MN 55337-0989 Tel: 612/894-8080 Fax: 612/894-8095 Wats: 800/328-2999 Tix: 4310120

5/16/97

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33286 1201 Constitution Ave., N. W. Washington, D.C. 20423

RE: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company-Control and Operating Leases/Agreements-Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388.

Verified Statement on behalf of Knight Seed Company Finance Docket No. 33388

My name is Scott C. Kavoukjian, and I am the Traffic manger for Knight Seed Company. I have been the traffic manager for  $11\frac{1}{2}$  years. My duties include: Rail rate negotiations, rail car ordering and billing, Common Carrier and Private Fleet Trucking Company rate and tariff negotiations, lining up the trucks to move our freight, as well as keeping the customer informed of his load status. Our company moves 5000 trucks and 4000 rail cars per year.

Knight Seed Company is a Bird Food and Edible Bean merchandising company. WE work with over 150 elevators in North and South Dakota, Canada and Colorado. These facilities are presently served by the BNSF, CP, CN, DM&E and the UP. For a majority of our shipping needs, we primarily utilize Covered Hopper Cars and Box Cars.

Our Company supports the transaction between the CSX and Norfolk Southern to acquire control of the Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me. Our Company was very 136 that our customers are on. The quality of service that the Norfolk Southern offers, is far superior to the rest of the industry. They feel our customers are their customers, and they offer the best line service, communications technology, and customer support teams in the Nation.

Competitive rail service is very important to our company. There is a real need for balanced rail competition in the East, and with both the CSX and the Norfolk Southern competing on equal territories, we as shippers will benefit with more competitive rail rates, and hopefully a better commitment to service by the CSX. From what I understand of the competitive situation, this has worked very successfully in the Southeast where the NS and CSX compete directly.

Finally, by replacing the Conrail with the NS, we will have many new options on routing our cars, as well as an opportunity to better utilize our facilities, and go after new business, which was unavailable to us before this merger!

WE ask that the Surface Transportation Board approve the application of the NS and CSX to acquire Conrail.

I, Scott C. Kavoukjian, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this <u>/6</u> day of <u>MAY</u> 1997.

n C. La

Scott C. Kavoukjian

#### KNOTT FLOYD LAND COMPANY, INC.

P. O. Box 3765 Pikeville, KT 41502

Office (606) \$74-9003 Par (606) \$74-1261

VERIFIED STATEMENT OF M. LYNN PARRISH on behalf of KNOTT FLOYD LAND COMPANY, INC. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation -Control and Operating Lease/Agreements-Conrail Inc. and Consolidated Rail Corporation

I am M. Lynn Parrish, Chairman, of Knott Floyd Land Company, Inc. Knott Floyd Land Company's office is located in Banner, Kentucky. Our mailing address is P. O. Box 2765, Pikeville, KY 41502. I am responsible for overall operations of the company as well as overseeing the transportation requirements of the company. I am writing to express our company's support for the acquisition of Conrail by CSX and NS.

Knott Floyd Land Company controls coal reserves, produces coal from surface and underground mines, and ships various qualities of coal to industrial and utility customers throughout the Southeast and Midwest. We handle approximately 1,200 carloads of coal annually via CSX.

We believe that the acquisition of Conrail by CSX and NS will allow us to expand and extend our market reach in the northeast. In particular, the acquisition will bring us new access to Conrail served utility and industrial customers in this region.

In our business, consistent and reliable rail transportation is crucial to our logistics management. The coal industry often experiences equipment shortages. The acquisition will increase the equipment supply available for our shipments, thereby enhancing the consistency of our transit times.

For these reasons, Knott Floyd Land Company urges the Board to approve the joint application of CSX and NS.

I, M. Lynn Parrish, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 9th day of May, 1997.

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street NW Washington, DC 20423

#### RE: STB Finance Docket Nos. 33388

Dear Secretary Williams:

My name is Arlene Jennings. I am the Manager of Logistics for Knouse Foods. My office address is 800 Peach Glen - Idaville Road, Peach Glen, PA 17375-0001. In my position, I am responsible for planning and coordinating the transportation strategy of our products. I have been in my current position for 12 years. I am writing to offer my company's streng support for the proposed acquisition of Conrail by CSX and NS, and to urge the Board to approve it promptly.

Knouse Foods is a large manufacturer of juices, pie fillings, sauces, and puddings under the brand names of Lucky Leaf and Musselmans. We distribute and sell our products throughout the United States. We ship approximately 300 carloads annually from our plants to our distribution centers.

Knouse Foods believes that the proposed acquisition of Conrail by CSX and NS would be in our best interests, as well as the interest of our customers. We strongly urge the Board to approve this application for the reasons detailed below:

- We believe that an acquisition of Conrail by CSX and NS would produce better service to the South and West from our plants in Central Pennsylvania, West Virginia, and Michigan. The expanded CSX and NS systems would be able to take advantage of a much larger pool of locomotive power and crews, which would minimize the number of delays created by such shortages.
- 2. We also expect that we would see an improvement in the local switching service and car supply because of the increased pool of equipment and crews that the acquisition would produce.
- 3. We welcome the access that the NS will obtain to our Central Pennsylvania plants, and feel that the new NS service will be an improvement over the current Conrail service.

In conclusion, we feel that the proposed transaction would improve our rail service, enabling us to make better use of rail transportation. We request that the board move as expeditiously as possible to assure approval.

I, Arlene R. Jennings, declare that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed the 15th day of May, 1997.

# KOPPERS

Koppers Industries, Inc. 436 Seventh Avenue Pittsburgh, PA 15219-1800

Thomas Davis Director, Logistics

May 30, 1997

Telephone (412) 227-2765 Fax (412) 227-2778



Re: Proposed Acquisition of Conrail by CSX and Norfolk Southern (Finance Docket 33388)

Dear Mr. Williams:

I am writing on behalf of Koppers Industries, Inc. to express support for the proposed acquisition of Conrail by CSX and Norfolk Southern.

Koppers Industries is a privately held corporation which manufactures carbon products, chemicals, and treated wood products in 20+ facilities located across the United States. Our annual revenues are approximately \$600 million and we employ approximately 2,000 people. The nature of our various businesses causes us to rely heavily on rail for a large percentage of our freight movements. With two of our larger plants currently located on Conrail, and shipments involving other plants and railroads moving across Conrail, we have a significant interest in the outcome of this proceeding.

In our experience, CSXT and Norfolk Southern have proven to be reliable and professional providers of quality rail transportation. It is our belief that this acquisition will result in improved rail service in the East. It is also our belief that rail competition will not be negatively affected, even though there will be one fewer major rail carrier in the East.

We also understand that the Surface Transportation Board will be considering an appropriate review period for this transaction: a "normal" 365 days, or an expedited 255 days. All of us in the rail and shipper communities have learned that major railroad mergers take some time before their operations can be successfully integrated. This has proven to be the case with the recent mergers of Burlington Northern/Santa Fe and Union Pacific/Southern Pacific. It is our belief that, the sooner CSXT and Norfolk Southern can begin taking steps to integrate their respective portions of Conrail into their own systems, the sooner that operational improvements will be accomplished. Koppers Industries, therefore, requests that the Surface Transportation Board approve an expedited review period for this procedure.

Thank you for your consideration.

Sincerely,

TD/mjg

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Phone 1-800-638-1196

FRANCIS KOSKI, President

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## KOSKI TRUCKING, INC.

#### P. O. Box 116

Secretary, Maryland 21664 VERIFIED STATEMENT OF KOSKI ENTERPRISES, INC. FINANCE DOCKET NO. 33388

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams,

My name is Edward L. Koski, and I am Vice-President of Koski Enterprises, Inc. and Koski Trucking, Inc. located at 4810 Williamsburg Rd, Hurlock, Maryland 21643. I have held my position for 18 years. My duties include rail operations and freight operations.

Koski Enterprises receives product for its warehousing customers by rail, and Koski Trucking provides transportation for the customers' products. We work with NS at our Chesapeake, Virginia facility. This facility provides a piggyback service. At our Federalsburg, Maryland location we receive approximately 100 box cars from Conrail per year. These boxcars carry rolls of paper from mills for Resourcenet International. Federalsburg also receives approximately 50 tank cars from Conrail per year. These tank cars carry feed grade molasses for Amalgamated Sugar.

Based upon our experience in providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship and receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been a historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitiors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital

ICC-MC-44913 – Specialized Local and Long Distance Hauling

investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its continued success in winning the Harriman Award.

To Summarize, we believe that approval of the application of NS and CSX to acquire Conrail should by approved by the STB.

I, Edward L. Koski, declare under the penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 22, 1997.

Sincerely,

Edward Kos

Edward L. Koski Vice-President Koski Enterprises, Inc. Koski Trucking, Inc. 4810 Williamsburg Rd Hurlock, MD 21643

SECRETARY (417) 943-4881 FEDERALSDURG (410) 754-5527

### KOSKI TRUCKING, INC.

P. O. Box 116

Secretary, Maryland 21664

May 27, 1997

RE: CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company-Control and Operating Leases/Agreements-Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388.

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street N.W. Washington, D.C. 20423-0001

VERIFIED STATEMENT OF KOSKI TRUCKING, INC. FINANCE DOCKET NO 33388

Dear Mr. Williams:

My Name is Francis N. Koski and I am President of Koski Trucking/Koski Enterprises, Inc., P.O. Box 116 Secretary, MD 21664. I have held this position for the past 45 years. My duties include any and all aspects of our operations.

Koski Trucking, Inc. operations in Cheasapeake, VA presently does drage for the following companies which utilize Norfolk-Southern services. Hub City, Mark VII, Crossroads Carriers, Intermodal Sales and PiggyBack Plus, this entails approximately 28,000 loads for the year 1996. With the joint operation of the CSX and NS it would greatly enhance our efforts to expand our operations to the Northern and Southern traffic lanes.

It is my understanding that CSX and NS intend to file an application to control Conrail, and to divide and operate its routes as part of their existing systems. I also understand that a key element of the NS plan is improved and expanded intermodal (and Multimodal) services. Extended NS intermodal service will help meet our transportation needs throughout the territory now served by Conrail. Opening Conrail markets to service by the two rail carriers of comparable size and scope, each with its own tracks and terminals, will offer us the advantages of competive service and pricing without fragmenting the market and hurting service. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an nistorical reason for insulating northeastern railroading from competition, that time is past, and it is time for the customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

In addition to the competitive reasons stated above, my company would welcome the extension of NS service into the northeast. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Futher, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of CSX and NS to aquire Conrail should be approved by the STB.

I, Francis N. Koski, declare under penalty of perjury that the foregoing is true and correct. Futher, I certify that I am qualified and authorized to file this verified statement.

Executed on May 27th, 1997

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Sincerely,

Francis N. Koski

President Koski Trucking/Enterprises, Inc.

### **KOSTOLICH GROUP INC.**



May 20, 1997

The Honorable Vernon A. Williams Office of the Secretary Case Control Branch Surface Transportation Board ATTN: STB Finance Docket #33388 1925 K Street N.W. Washington, D.C. 20423-0001

#### RE: Verified Statement of Marcus S. Kostolich of Kostolich Group Inc., STB Docket #33388

Dear Mr. Williams:

I am Marcus S. Kostolich, Chairman and President of Kostolich Group Inc. I have held this position since founding the Company in early 1995. My transportation background began in 1969 with Environmental Resources Corporation, dealing with Norfolk & Western, Chessie System Railroads and the Pennsylvania Railroad. I later spent nearly ten years with General American Transportation Corporation, leaving as Director of Marketing; Bulk Logistics. Inc. as Chairman and President for four years (involved in intermodal movement of tank containers), and finally the Chemical Marketing Group of the Union Pacific Railroad Co. for seven years. Kostolich Group Inc. (KGI) is a railroad and intermodal transportation consulting firm, and has and has had clients that include two railroads, a municipality, The World Bank, several industrial firms; and companies in the tank container manufacturing and leasing industries. We are involved in railroad privitization activities in Brazil, providing our client with American marketing analysis and skills, as well as input on finance and human resources issues. We are also a specialist subcontractor to two major transportation consulting firms in the United States. I also write various articles on tank containers and tank cars for the London, England based Hazardous Cargo Bulletin magazine.

KGI clients are railroad served and are located on Norfolk Southern, CSXT, Conrail, Union Pacific and the Florida East Coast Railway. We are and have worked on projects with each of the above railroads, and have had the opportunity to evaluate the skills of the marketing officers we do business with and their knowledge of their markets and business. Kostolich Group Inc. supports the proposed acquisition of major sections of Conrail by the Norfolk Southern Corporation - if not all of Conrail if this becomes the case. We believe there is a need for two competing railroads in the Northeast U.S., who own their own trackage and facilities. We endorse the principles of balanced competition. Conrail has historically had a monopoly on railroad transportation in the Northeast, and, in many markets and instances, elected to provide service to suit their needs rather than the customer/shipper. Unresponsive train service and non-competitive pricing strategies have had an impact on the growth potential and profitability of each and every captive shipper, and many companies whose livelihood has been in the intermodal industry.

Of the two companies acquiring Conrail, we believe Norfolk Southern presents the best case of consistent management expertise and market knowledge. Their intermodal and merchandise markets growth is the result of planned and managed, customer oriented, marketing and operating practices. Norfolk Southern's Thomas Finkbiner, Vice President of International and Intermodal will duplicate the success he has had in making the Norfolk Southern an industry leader, with the Conrail assets that will be at his disposal. Norfolk Southern and its two major predecessor companies are, I believe, the greatest success story of constant and consistent profitability in the American railroad industry.

While supporting Norfolk Southern, we strongly urge the Surface Transportation Board to protect the investment in the strongly developing regional railroad structure in the United States. Regional railroads, such as the Wheeling and Lake Erie Railway Company, were born out of a strategy of Class I railroads to shed lower revenue/profit and higher operating cost railroad segments. Kostolich Group Inc. believes that these regional railroads, their investors, customers and governmental authorities who have supported and enhanced regional railroad operations; must continue to be made competitive and profitable in the dissolution activities of Conrail as an operating business. Not to do so is a major disservice by the Board to the American public, the economy and to the investment community. We do see the desire of Norfolk Southern Corporation to resolve the issue of regional railroads to the satisfaction of all parties.

To summarize, we believe the acquisition and division of Conrail by Norfolk Southern Corporation and CSX Transportation as explained to me and described in its application, meets the competitive needs and expectations of the American shipping community. We further believe there is a need for strong competitive railroads which own their own track and facilities operating in the Northeast, notwithstanding the need to protect and enhance the existence of regional railroads within the affected area of the proposed acquisition. Norfolk Southern has the financial resources, planning capabilities and assets to efficiently and cost effectively consumate this acquisition.

Sincerely, Marcus S. Kost President

#### VERIFICATION

I, Marcus S. Kostolich, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 20, 1997.

## **KREHER STEEL COMPANY, LLC**

1550 NORTH 25TH AVENUE, MELROSE PARK, ILLINOIS 60160 708-345-8180 FAX 708-345-8293 800-323 0745 TELEX 254 808-KRHR UR

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street NW Washington, D.C. 20423-0001

RE: <u>CSX Corporation and CSX Transportation, Inc.</u>; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements -Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

My name is Paul E. Hackett and I am the Traffic Manager of Kreher Steel Co., L.L.C. I have held my present position for 3 years. My duties include distribution of our steel bar products both domestically and internationally through the use of truck, rail, barge, and ocean modes of transportation. Transportation contracts are negotiated by me.

Kreher Steel Co., L.L.C. is a steel service center specializing in the distribution of steel bars and billets both domestically and internationally. We own facilities in Melrose Park, IL and Houston and Midlothian, TX. We lease space in public warehouses in Detroit, MI, Cleveland, OH, Petersburg, VA, Laredo, TX, Fontana, CA Portland, OR, and Fort Smith, AR. Product that we own is also warehoused at approximately an additional 60 to 75 processors scattered throughout the United States while awaiting processing that is ordered by our customers. These facilities are served by the various major railroads operating in the United States. During 1996, Kreher Steel received 210 rail gondolas at our various warehouses and processors.

We support approval of the transaction by which will allow CSX and Norfolk Southern to to acquire Conrail and subsequently divide its assets. Since our facilities can be served by the NS, we would welcome the benefit of increased market access for single-line rail transportation. We have used NS for several years and have been satisfied with their service and positive approach to new business opportunities. The increased destinations to be served by the joint NS-Conrail system will allow us to receive and distribute our products more quickly and economically through singlelinetransportation. Market expansion, particularly in the automotive market, can be realized with the Conrail portion of the acquisition. We are confident that the NS will be able to provide good service over these lines.

For these reasons, I support the application of the NS and CSX to acquire Conrail.

I, Paul E. Hackett, declare under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 5, 1997.

Ture & Faches Sincerely.

Paul E. Hackett

Traffic Manager



DENNIS HERNDON • MANAGER, CORPORATE TRANSPORTATION THE KROGER CO.

1014 VINE STREET

CINCINNATI, OHIO 45202-1100 513/762-4561 FAX 513/762-1183

May 28, 1997

The Honorable Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington DC 20423-0001

Dear Mr. Williams:

We support approval of the transaction which will allow Norfolk Southern and CSXT to acquire Conrail and subsequently divide its assets.

We believe Norfolk Southern and CSXT's joint application to control Conrail describes the idea of two strong railroads with equal size and scope competing in the eastern United States. The Kroger Co. has several facilities located on Norfolk Southern. We welcome the benefit of increased market acr as by single-line rail transportation. Joint-line rail service in and out of the Northeast has inhibited our ability to move traffic into those geographic markets, and the single-line service which Norfolk Southern proposes with the joint division of Conrail would benefit us competitively. We have used Norfolk Southern for several years and have been satisfied with their service. We feel confident that they will be able to provide good service on Conrail lines which are acquired.

For these reasons, The Kroger Co. believes that the Surface Transportation Board should approve Norfolk Southern and CSXT's joint application for the acquisition of Conrail.

Sincerely,

Dennis Hernfor

I, <u>Dennis Herndon</u>, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on May 28, 1997.

ennis theird



RESIDENTIAL . COMMERCIAL . DIEL . OILS . GASOLINE

May 13, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No.33388 1925 K Street,N.W. Washington,D.C. 20423-0001

Dear Mr. Williams:

Please let me introduce myself, my name is Greg Kurk, and I am the president of the T.F.Kurk, Inc., of 2130 Clinton St., Buffalo, NY. I have held this position for over 22 years. As this is relatively a small business that was started by my father some 52 years ago, as you can imagine my duties include everything imaginable. Therefore I most certainly feel qualified in commenting on intermodel operations in this area: as we are presently a supplier of petroleum products to this particular industry.

T.F.Kurk, Inc. is a wholesale petroleum distributor in the Western NY area, primarily Buffalo, Erie and Niagara counties. We supply motor fuel and heating oils for many commercial and municipal customers as well as the intermodel industry. We currently service Norfolk & Southern, Bestway Distribution, and GPS Terminal Svs. which are all directly involved with the intermodel industry. In addion, we also service Conrail, Delaware & Hudson RR, Loram Mtce., and the Sperry Rail Service. Our services are designed to accomodate our customer's specific needs which include fuel service for on site locations, track mtce. equipment, as well as locomotives.

Based upon our experience in providing the services mentioned, and working with various railroads that date back to the NY Central and the Erie Lackawanna to mention afew, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire the Conrail sysyem, and subsequently divide the territory served by Conrail. There is most definate need for competition in the territory presently served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long customers which ship and receive products in and out of the Northeast have had the service of only one provider. And as is often the case when only one company is able to operate in a particular market, service ultimately suffers as well as competitive pricing. I feel most qualified to comment on this very fact as is occurring in the petroleum industry in this same area. While there may have been a historical reason for insulating northeastern railroading from competition, that time has passed, and it is time for more than one rail carrier owning their own facilities. These carriers can not be just anyone, but carriers which are of comparable size, scope and experience.


RESIDENTIAL . COMMERCIAL . DIESEL OILS . GASOLINE

### Pg 2

To have carriers which are not somewhat equal in size would be defeating the purpose, as naturally the larger carrier would dominate, which would once again eliminate the competitive edge. Again I site the problems we are experiencing in the Buffalo,NY petroleum industry where one extremely large supplier is controlling this entire market, and should they prevail, the fuel prices in Buffalo will rapidly increase to levels higher than they are now.

Growth in the intermodel industry will have a direct benefit to my company, as it will increase the rail services, which in turn will require addional fuel. As our company specializes in the supply of fuel to operations which are not always the norm, that is, on location fueling, this will only serve to add a boost to our business, which we would greatly appreciate. Norfolk Southern's capital investment in it's intermodel facilities and service are well known in the industry, as are it's strong commitments to growth and service. Further, we have been genuinely impressed with Norfolk Southern's commitment to safety, as evidenced by it's continued success in winning the "Harriman Award".

To summarize, we strongly believe that the aprroval of the application of Norfolk Southern and CSX to acquire Conrail should be approved without hesitation by the STB. Our area is in desperate need of growth, which this would certainly provide.

I, Greg Kurk, declare under the penalty of perjury that the foregoing is a true and correct account. Further, I certify that I am qualified and authorized to file this verified statement, which has been executed on May 13,1997.

Kurt Sincerely.

Greg Kurk V President T.F.Kurk, Inc. VERIFIED STATEMENT OF BRUCE D. HAMILTON on behaif of LG&E POWER INC, Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Corporation and Norfolk Southern Railway Corporation --Control and Operating Lease/Agreements--Conrail Inc. and Consolidated Rail Corporation

I am Bruce D. Hamilton, Senior Venture Manager of LG&E Power Inc. LG&E Power Inc. is locationed in Fairfax, Virginia. I am responsible for the management of the Roanoke Valley Energy Facilty, a 220 MW coal-fired cogeneration facility in Weldon, North Carolina. I am writing to express our company's support for the acquisition of Conrail by CSX and Norfolk Southern (NS).

The Roanoke Valley Energy Facility produces electricity for sale to North Carolina Power and steam for the Patch Rubber Company. We purchase approximately 600,000 tons of coal and 30,000 tons of limestone via rail from CSX.

We believe that the acquisition of Conrail by CSX and NS will allow us to expand and extend our available universe of suppliers in the mid-atlantic and southeastern regions. In particular, the acquisition will bring us new access to Conrail-served coal and lime suppliers in these regions.

In our business, consistend and reliable rail transportation is crucial to our ligistics management. The power industry often experiences equipment shortages. The acquisition will increase the equipment supply available for our shipments, thereby enhancing the consistency of our transit times.

For these reason, LG&E Power Inc. urges the Board to approve the joint application of CSX and NS.

I, Bruce D. Hamilton, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 19th day of May, 1997.

Dure Hemilton

Bruce D. Hamilton Senior Venture Manager

L. C. SMITH, INC.

#### **BUILDING MATERIALS**

5920 Farrington Avenue Alexandria, VA 22304 (703) 751-5420

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket #33388 1925 K St NW Washington D.C. 20423-0001 29 Synan Road Falmouth, VA 22405 (703) 899-9834

5/16/97

RE: N.S. Railroad, CSX Railroad, Conrail Inc, and consolidated Railcorp Leases and agreements. STB Finance Docket #33388

Dear Mr. Williams,

My name is James B Mock. I am President of L.C. Smith, Inc (Brick Specialists since 1932) and have been for over 20 years.

We operate 2 brick yards, one in Alexandria, Virginia, the other is north of Fredericksburg, Virginia in the town of Falmouth, Virginia.

The Alexandria location is served by Norfolk Southern Railroad and the Falmouth location is served by CSX Railroad.

Brick is a very heavy material and is best handled by railroad. We receive approximately 125 rail car loads of brick a year. This is 9,375 tons of brick. Most of this tonnage is received from NS Railroad in Alexandria, Virginia.

With the virtual traffic gridlock around the beltway and metropolitian Washington, DC, it is pleasing to know that our brick company is not putting approximately 420 plus tractor trailer trucks into the traffic mix.

Currently, we are buying brick from a New York state manufacturer. If we had the dependable service and reasonable cost afforded us by NS and CSX Railroads, we could further reduce highway traffic by using rail.

A wonderful thing is happening as a result of this exercise. NS and CSX are compelled to smoke the peace pipe, but after the smoke clears there will be two well run railroads in strong competition with each other in the northeastern United States.

For the reasons above, I support the application of CSX and NS to acquire conrail.

Very Sincerely Yours. Moch

James B. Mock, President L.C. Smith, Inc Brick Specialists Since 1932

Brick Specialist Since 1932

L. C. SMITH, INC.

#### **BUILDING MATERIALS**

5920 Farrington Avenue Alexandria, VA 22304 (703) 751-5420 29 Synan Road Falmouth, VA 22405 (703) 899-9834

I, Thus & Mound declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on 5/16, 1997 And Amore And Shirt, INC.

TELEPHONE (757) 855-9400 FAX (757) 857-0309





# L. M. LEWIS CO.

CUSTOMS BROKERS & INTERNATIONAL FORWARDERS P. O. BOX 2253 NORFOLK, VIRGINIA 23501

"Verified Statement"

May 28, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

My name is Larry Lewis and I am President of L. M. Lewis Co., which is an International Freight Forwarder and Customs Broker. As such, we represent many shippers and receivers or importers in the International transportation of their products from origin to destination.

We are writing to express our support of the acquisition of Conrail by the Norfolk Southern and CSX as is being filed with you. There is a need for rail stability and competition in that region and these two companies have the resources to succeed in this endeavor. Growth in the Intermodal industry should benefit those in our industry and these two competitors which have strong rail systems in the Southeast will promote such growth. NS's capital invesments are well known in the industry and it's commitment to safety, as is evidenced by it's continuing success in achieving the annual Harriman Safety Award are examples of the strength they bring into this proposal.

Again, we believe the approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Larry Lewis, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 28, 1997.

Sincerely.

President

Laclede Steel Company

One Metropolitan Square St. Louis, Missouri 63102-2738

(314) 425-1427

May 15, 1997

## **BEFORE THE**

## SURFACE TRANSPORTATION BOARD

# NORFOLK SOUTHERN CORP.AND NORFOLK SOUTHERN RAILWAY CC.

# CSX CORP. AND CSX TRANSPORTATION, INC.

# CONTROL AND OPERATING

# LEASES/AGREEMENTS

# CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION

# STB FINANCE DOCKET NO. 33388

STATEMENT OF

G. R. AVERY

## TRAFFIC MANAGER

LACLEDE STEEL COMPANY

#### 1) Identity of Witness

٠.

My name is G. R. Avery. I am the Traffic Manager for Laclede Steel Company (herein called "Laclede"). My business address is One Metropolitan Square, St. Louis, MO 63102. I have been authorized by the management of Laclede to submit this statement in support of the above mentioned Docket. I have been employed by Laclede for over 41 years and my entire employment with Laclede has been spent in the Traffic Department. I have been in my present position for 12 years and I have responsibility for all traffic functions to meet the needs of Laclede and our customers. I have represented Laclede at hearings before the Interstate Commerce Commission, the Illinois Commerce Commission and gave testimony before a joint U. S. Senate/House Committee on Deregulation. I am a member of the St. Louis Regional Commerce and Growth Association Ports Committee. I have given presentations before various transportation groups and associations.

### 2) Description of Laclede Steel Company

Laclede Steel Company is a corporation organized under the laws of the State of Delaware with general offices in St. Louis, MO. Laclede incorporated June 3, 1911, and is in the business of manufacturing and marketing various iron and steel articles. Sales for the year 1996 exceeded \$335,000,000 and shipments, including transfers between plants, exceeded 1,000,000 tons.

Laclede's main plant is located in Alton, Illinois and is served by the Norfolk Southern Railway Co. (herein called NS). Laclede produces carbon and alloy steel at the Alton plant by two electric furnaces with a combined rated capacity in excess of 800,000 tons annually. For the year 1996 the NS handled 1,038 car loads (86,000 tons) outbound and 1,941 car loads (150,000 tons) inbound. The NS switches cars destined to the Alton plant on a daily basis.

Laclede also has pipe producing and finishing plants located in Vandalia, IL and Fairless, PA. Both of these plant destinations are served by the Consolidated Rail Corp. (herein called Conrail) and shipments between these plants exceeded 53,500 tons in 1996. Also, shipments from Alton, IL to Fairless on Conrail exceeded 129,000 tons in 1996. These numbers do not include outbound shipments to customers or inbound shipments of scrap.

CSX Transportation (herein called CSX) served Laclede's plant at Benwood, WV. For the year 1996, CSX handled 36,060 tons inbound to the Benwood plant.

Although Laclede sold the Benwood plant in early 1997, there are contractual agreements in place between Laclede and the new owners for the continued supply of materials in the future.

Laclede also has a plant at Madison, IL served by the NS, a plant in Memphis, TN served by the Illinois Central Railroad and a plant at Fremont. IN served by the Indiana Northeastern Railroad which connects to the NS.

#### 3) Present Practices

Laclede and the carriers involved in these proceedings have been doing business for many years. Laclede's association with the NS (and their predecessors) began when we commenced operations in 1911. During this 86 years we have worked together to establish rates, service and equipment to meet the needs of Laclede and our customers. NS is a major carrier for Laclede and very important factor in our ability to compete in the market place.

Conrail is also a major carrier for Laclede serving our plants in Vandalia, IL and Fairless, PA. As stated earlier, Conrail handled approximately 183,000 tons to or between the plants in 1996. Laclede and Conrail have met on a regular basis to discuss general business and to pursue cost savings opportunities which would result in increased business between the companies.

Laclede has also worked with CSX on movements to our Benwood plant and have always found them willing to negotiate terms that would result in the efficient movement of product.

#### 4) Conclusion

Based on our experience and our knowledge of the NS, CSX and Conrail, Laclede believes the NS/CSX acquisition of Conrail would produce better single line service, better equipment utilization and opportunities to reduce costs by lowering rates.

Single line service is an important factor in producing low cost transportation. It is my understanding that our plant in Fairless, PA will be joint served by both the NS and CSX This would mean that almost every major destination east of the Mississippi River would be single line service which would increase our ability to compete in these markets.

Scrap is the single most costly product in the production of steel by Laclede at our Alton plant. The additional single line points created by this acquisition will allow Laclede to purchase scrap in markets that are not economically feasible at this time. Laclede is convinced that the acquisition of Conrail by the NS and CSX will improve service and lower cost which can only help increase rail business. We believe this will create two financially strong competitive railroads which will not only benefit Laclede but the shipping public in general.

Laclede, therefore, respectfully requests that the Board approve the NS/CSX acquisition of Conrail.

I, G. R. Avery, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 15th day of May 1997.

G. R. Avery



ONE PLAZA CENTER BOX HP 3 HIGH POINT, NORTH CAROLINA 27261-1500 USA TEL 910-889-0333

# **VERIFIED STATEMENT OF Kimberley Richard Whitlock**

# LADD Furniture, Incorporated

May 19, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket #33388 1925 K Street, NW Washington, D.C. 20423-0001

RE: CSX Corporation and CSX Transportation Incorporated; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements; Conrail Incorporated and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

My name is Kimberley Richard Whitlock. I am Vice President - Logistics Services of LADD Furniture, Incorporated, which is headquartered in High Point, NC. LADD Furniture is one of the largest North American manufacturers of residential furniture with sales of \$550,000,000 annually. Transportation is a vital factor to the success of our business. We utilize truck, raii, and barge, divided 5% rail and 95% other modes. My responsibilities as Vice President Logistics include the direct oversight of our transportation requirements which include both inbound raw materials and outbound finished products to and from our plants, receipt and shipment of inbound and outbound materials to and from our plants. Primarily, we ship to furniture dealers and receive from raw material suppliers in the U.S. Some of our shipments are to and from locations in the Northeast and Midwest on Conrail.

We understand that Norfolk Southern and CSX are asking the Surface Transportation Board to approve their acquisition of Conrail.

We support the Norfolk Southern/CSX plan. We think that it will enable us to expand our markets into areas we have hitherto been unable to reach because of what we can only perceive to be impediments placed in our way by Conrail with objectives and goals differing from those of Norfolk Southern. We sincerely believe that Norfolk Southern is a well-managed, efficient customer-oriented railroad and would very much like to see those attributes injected into Conrail territory.

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Finally, we support and endorse the Norfolk Southern/CSX plan to introduce rail competition into areas in which Conrail has enjoyed a virtual monopoly since its formation in the 1970's.

If our company is to grow and prosper, we need strong railroads to service our transportation needs. We think the Norfolk Southern/CSX plan before the Surface Transportation Board does this and we, therefore, support it.

I, Kimberley Richard Whitlock, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this 19th day of May 1997.

Sincerely,

Kinkey Richand Whither

**Kimberley Richard Whitlock** Vice President - Logistics Services LADD Furniture, Incorporated



May 9, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board 1201 Constitution Avenue, NW Room 2215 Washington, DC 20423

Dear Mr. Secretary,

Lafarge Corporation supports the acquisition of Conrail by CSX and Norfolk Southern. We believe this proposed merger is positive, and if approved will offer better and expanded service opportunities. This would permit our company to keep transportation cost down while receiving faster service.

We hope this matter will receive early consideration by the Surface Transportation Board and that Congress will not act to block or delay deliberation of this matter.

Thank you for your cooperation.

Sincerely,

Vingalitte anlen 1

Stanley J. Virgalitte Manager, Sales and Marketing

SJV/kls

CONSTRUCTION MATERIALS GROUP / U.S. REGIONAL OFFICE 6715 Tippecanoe Road, Building C, Canfield, Ohio 44406 Office: (330) 533-3338 Fax: (330) 533-0922





John A. Brandt

--- / ...

May 8, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

Dear Mr. Williams:

VERFIED STATEMENT OF JOHN A. BRANDT on behalf of LAPAYETTE COAL COMPANY Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Railway Corporation -Control and Operating Lease/Agreements-Control Inc. and Consolidated Rail Corporation

I am John A. Brandt, President of Lafayette Coal Company. Lafayette Coal Company is located in 200 Frontage Rd., Suite 300, Burr Ridge, IL 60521. I am responsible for day to day operations. I am writing to express our company's support for the acquisition of Conrail by CSX and NS.

Lafayette coal company sells and ships coal to our customers, who are utility and industrial consumers located in Eastern U.S.. We handle approximately +1000 carloads of coal annually via CSX.

We believe that the acquisition of Conrail by CSX and NS will allow us to expand and extend our market reach in the Eastern U.S.. In particular, the acquisition will bring us new access to Conrail-served mine customers in this region.

In our business, consistent and reliable rail transportation is crucial to our logistics management. The coal industry often experiences equipment shortages. The acquisition will increase the equipment supply available for our shipments, thereby enhancing the consistency of our transit times.

For these reasons, Lafayette Coal Company urges the Board to approve the joint application of CSX and NS.

I, John A. Brandt, declare under penalty of perjury that the foregoing is true and conrect. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 8th day of May 1997.

Jahn a. Sant

John A. Brandt President

# LAKEHEAD NEWSPRINT LIMITED

THUNDER BAY, ONTARIO, CANADA

100 MAIN STREET SUITE 101, P78 6R9 TEL: 807-345-0500 FAX: 807-345-6229

May 15th, 1997

Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Ave. N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams,

I write to you as representative of Lakehead Newsprint Ltd., a Canadian firm located 100 Main Street, Suite 101, Thunder Bay, Ontario. We are paper brokers specializing in news print sheeting and have been in this field for forty-four years. The purpose of my communication is to express the support of Lakehead Newsprint Ltd. for the proposal to merge Conrail with CSX and Norfolk Southern.

From our point of view, as a company that ships significant product on both Conrail and CSX, the plan is highly desirable. There has been little competition in New England since the inception of Conrail, and the area is ill-served by this lack of options. This proposal will create two vigorous railroads providing substantial competition and significantly improved service.

As a result of the plan's likely changes, we will see more direct routing, a decreased number of interchanges and terminal delays and better connections with the markets of New England and Ontario with the South -- one your country's centers for paper production. As wholesalers and distributors of paper, the time savings alone in reaching southern producers is argument enough for us.

Moreover, we understand that these rail carriers have announced plans to make serious capital investments for new connections, facilities and capacity upgrades -- something

that Conrail has needed for some time. This is welcome news that will benefit customers from North to South.

This acquisition plan has been some time in coming, and it is our hope that it will receive approval soon in order that implementation might begin quickly. We have long needed improved service. This proposal will provide it, and we urge the Surface Transportation Board to move this action forward with speed.

Thank you very much for this opportunity to express our opinion on a matter of such importance to both our countries.

I, Donald Chesterman, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this15th day of May, 1997.

Sincerely,

> Chostuma

**Donald Chesterman** 

# LAKEHILL McCAIN SUPPLY

May 5, 1997

Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Ave. N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams,

I would like to introduce myself. My name is Ken Brooke, and I am the president of Lakehill McCain Supply company, P.O. Box 17272, Clearwater, Florida, 34622-0272.

Our company produces dry wall and has been doing so for 15 years. As the president of our company, it is my responsibility to assess economic developments and their potential impact on our financial future. I have done so in regards to the proposed acquisition of Conrail by CSX and Norfolk Southern and have become an enthusiastic supporter of the mergers.

Florida is the home of CSX, and it has served our state and region well over the years. I believe it is a solid company that offers real value for its services. But like most transportation companies, it, too, must change with the times and with changing customer demands. This merger will help address those needs in several ways.

First, the proposed plan will mean single-line service for Florida shippers with direct rail connections to Montreal, Boston and New York.

Moreover, this new rail network will reach every major market east of the Mississippi which opens whole new opportunities for expansion for companies like mine.

12645 49th Street No. Clearwater, FL 34622 • P.O. Box 17272, Clearwater, FL 34622-0272 Office (813) 572-1448 • Fax (813) 572-5833 • Yard (813)572-8983 Second, we can expect much improved efficiency as a result of fewer interchanges, reduced cycle time and even more opportunities for back hauling which means lower costs for rail shippers.

Third, this merger will make both companies stronger financially, and that's good for this state in terms of jobs and revenue.

Finally, both these companies can offer customers substantial intermodal capabilities as well as state of the art warehousing and logistics giving us a much broader choice of transportation services than now available.

I strongly support the approval of this proposed plan, and I hope that the STB will act on that approval as soon as it can.

Thank you very much.

I, Ken Brooke, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 2nd day of May, 1997.



ť.

Sincerely,

Ken Brooke President



# LAKES & RIVERS DIVISION - DOLTON, IL (A DIVISION OF JACK GRAY TRANSPORT, INC. 4600 15TH AVENUE EAST - GARY, IN 46403)

219.938.7020 219.938.0127: FAX

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

MAY 0 5 1997

Dear Mr. Williams:

I am the general manager of Jack Gray Transport, Inc., the parent company of our Lakes & Rivers Division - Dolton Dock Operations - located in Dolton, IL. Let it be clearly stated by Jack Gray Transport, Inc. / Lakes & Rivers Division - Dolton Dock that it is our considered opinion that the proposed acquisition of the Conrail System by the Norfolk Southern and CSXT be handled in an expedited manner. When officially approved by your agency, we will be direct served by the NS, and this will provide us broader marketing opportunities at our Dolton, IL, operations. Business opportunities wait for no one, and time, thus money is wasting. The economy is strong, and we are convinced that an expedited approval of this petition will only further enhance the strength of the economy for years to come.

In our considered opinion, our Dolton Dock Operations could not be better nor more efficiently served than by America's premiere rail carrier - The Norfolk Southern Corporation.

I, David L. Laveck, declare under penalty of perjury that the preceding is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this fifth day of May, 1997 at Gary, IN 46403.

Sincerely. Land David L. Lavec

General Manager

Lakes and Rivers

A DIVISION OF JACK GRAY TRANSPORT, INC. 4600 E. 15TH AVE., GARY, IN 46403 219-938-7020 • 773-374-2303 FAX 219-787-8511

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

05 May, 1997.

Dear Mr. Williams:

Our Lakes & Rivers Division - Port of Burns Harbor - Portage, IN 46368, strongly urges your agency to grant an expedited approval hearing for the acquisition of the Conrail System by the Norfolk Southern Corporation and CSXT. Our business at Portage, IN 46368, consists of stevedoring and material handling of both bulk as well as general cargoes moving on the St. Lawrence Seaway / Great Lakes System, via rail and truck.

It is the essence of our business, as previously described, that planning for the current year takes place the preceding year. Thus, our plans for 1997, were concluded in 1996. Presently, we (Lakes & Rivers Division - of Jack Gray Transport, Inc. - Burns Harbor - Portage, IN 46368) are in the final planning stages for our 1998 year. It is imperative that your agency expedite this approval process so as to allow us the opportunity to solidify our plans with our key rail transportation partner - The Norfolk Southern Railroad. In our opinion, we could not have been given a finer nor more qualified transportation partner than the Norfolk Southern Corporation. We are convinced that our mutual efforts will be beneficial to both the NS and Lakes & Rivers Division - Port of Burns Harbor - Portage, IN 46368. However, as explained, time is of the essence for us relative to our planning. The continuance of a strong, vital and dynamic economy is the goal of all, both government and the private sector.

Thank you for your consideration of our official position relative to this matter. I, David L. Laveck, declare under penalty of perjury that the preceding is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this fifth day of May, 1997, at Gary, IN 46403.

Sincerely. David L. Laveck

General Manager



Lally Pipe & Tube Division of LB industries, Inc. 54 Lowelivite Road - P. O. Box 69 Struthen, Ohio 44471 \$30-760-1002 MX \$30-760-1685

May 15, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

Dear Sire:

Based on the most recent correspondence from Norfolk Southern Corp. (March 14th) and CSX Transportation (April 8th), Lally Pipe & Tube is now satisfied that the acquisition of Conrall will promote a balanced and competitive rail transportation system in the eastern U.S.

We appreciate the opportunity to express our opini is regarding important matters which have such a dramatic effect on our business.

very truly yours, James M. Mocker Vice President Lally Pipe & Tube

JM/drd

cc Rudy Dowe/Norfolk Southern Corp. fax#216-892-2481 Jerry O'Rourke/CSX Transportation fax#412-922-7887 June 2, 1997



Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Ave. N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements --Conrail Inc. and Consolidated Rail Corporation.

Dear Secretary Williams:

I ara the Vice-President of Laminated Papers, Inc., a company located at 54 Winter Street, Holyoke, Massachusetts, 01041-0351. We are a paper converting company in business for over 40 years. We ship by rail and truck and would like to take this opportunity to comment on the proposed acquisition of Conrail by CSX and Norfolk Southern.

We strongly favor approval of this application to divide the Conrail lines and other assets between the two rail carriers. For those of us in the paper business, this plan appears to be of great benefit. CSX already has tremendous experience dealing with our industry. It serves more paper mills than any other eastern rail carrier.

Through this new plan, the producers of products like woodpulp, pulpboard and newsprint -- the majority who are in the Mid-Atlantic and Southern parts of the country will be able to access new markets in the Midwest and Northeast. We also believe that there will be more sourcing options for raw materials needed by users of recycled pulp and paper products in the Southeast.

Another big advantage will be the opportunities for backhauls from the Northeast to Southern and Mid-Atlantic paper mills.

Single-line service corridors north to south means significantly improved service -- less administrative headaches and the ability to serve our own customers better with more reliability This will also mean more competition in this area -- something severely lacking since the creation of Conrail.

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The current situation of spotty rail service, unreliability and the need to depend more on truck freight than most shippers would like can be alleviated with this proposed acquisition plan. We respectfully ask your approval so that this region is given the competitive "relief" it needs and wants.

I, Rebecca E. Jackson, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 2nd day of June, 1997.

Sincerely, LAMINATED PAPERS, INC.

epeccatachs

Rebecca E. Jackson Vice-President

REJ/mcd



#### VERIFIED STATEMENT OF JOHN & HORNER GR belief of LANDSTAR LOGISTICS STB Finance Docket No. 35360

I non-whiting to superstance any company's strong support for the proposed joint sequinition of Consell by CSX and NB and to ungo the Hourd to approve it promptly.

1 um John R. Horner, New Bryland Agent for Landster Logistics. Our Corporate offices are lipested in Jashanwille, 71. Landster Logistics maintains contracts with all major Railcoads and Stack Train operators in the United States, Canada and Mardeo as well as with thousands of individual Tashing Companies. I am responsible to coordinate the Intermedial and Train grammats for the sustance base we have developed. I have been doing this state 1965, however, my supportation sever susseds 40 years.

We strongly use the Board to approve this joint sequinition for the following reasons:

- A. We believe intermodel service would be greatly expanded on a single line busis between various origins and destinations.
- B. We would anticipate better equipment unifersion. due to the added points.
- C. We articipate that our elimits could compute in mature provincely aloned to them due to the min making aconomies and improved earlies levels of a single line pairond.
- D. The improved CRX system will lead to better operational and terminal efficiencies, terming that Reight shippers will continue to have transportion options.

We support the application of Counti, CEX and NS and uge the Board to move as supeditionally as possible to sense approvel.

I dealers under panalty of perjury that the floregoing is true and correct and that I am qualified to file this statement. Encourted this 15th day of May, 1997.

JOHN R. HORNER

R. Homer ANDSTAR LOOISTICS

LANDSTAR

ITCO





# **VERIFIED STATEMENT OF Roger Neale**

Lance Incorporated

May 28, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket #33388 1925 K Street, NW Washington, D.C. 20423-0001

RE: CSX Corporation and CSX Transportation Incorporated; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements; Conrail Incorporated and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

My name is Roger Neale, and I am Purchasing Agent of Lance, Incorporated. I have held my present position for six (5) years. My duties include purchasing for many of the raw materials used by Lance as well as capital projects and contracts. In my duties I have responsibility for deciding on mode of transportation on many inbound products.

Lance, Incorporated is a major snack food producer. We receive raw materials such as flour and oils and ship snack foods. We receive approximately ten (10) carloads per week and ship thirty-two (32) intermodal trailers per week. We have a facility located in Charlotte, NC and are presently served by Norfolk Southern.

We support the approval of the transaction by which Norfolk Southern and CSX will acquire control of Conrail. There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers who ship or receive products into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service may suffer and the price is many times non-competitive. While there may have been a historical reason for insulating northeastern railroading from competition in the past, it is time for customers interested in this market to have service by more than one rail carrier which owns it facilities. These rail carriers must be comparable in terms of their size, scope, and ability to provide a competitive service.



In addition, we are looking forward to experiencing the greatly expanded market reach which single line service by Norfolk Southern and CSX will offer. An extensive addition of single line rail service will allow us to provide increased market penetration to areas in which we have been unable to compete adequately.

To summarize, we believe that approval of the joint application of Norfolk Southern and CSX to acquire Conrail should be approved by the STB.

I, Roger Neale, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this 28th day of May 1997.

Sincerely,

Roger Neale

Purchasing Agent Lance Incorporated Lanco International Inc.

3111 West 167th Street, Hozel Crest, Illinois 60429 • (708) 596-5200 • FAX (708) 225-238 5

May 28, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-001

#### RE: Verified Statement of Lanco International Finance Docket No. 33388

Dear Mr. Williams:

My name is John Lanigan, Jr., President of Lanco International. I have been involved with the intermodal industry for 26 years. My position includes overseeing the sales of heavy lift equipment to intermodal customers, manufacturing gantry cranes for intermodal customers, and facility operations.

Lanco International is a leading supplier of lift equipment as well as terminal operations. We work with NS at the following locations: Chicago, Kansas City, Columbus, Buffalo, Louisville, New Orleans, Atlanta, Charlotte and St. Louis. In addition, we work with all the major class one railroads at numerous locations from coast to coast.

Based upon or experience in providing the services described above and working with various railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and price is noncompetitive. While there may have been a historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its And, the rail carriers which will compete in the facilities. Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Mr. Vernon Williams May 28, 1997 Page two (2)

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitment to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, John Lanigan, Jr., declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 28, 1997.

Sincerely,

for Tay- 4

John Lanigan, Jr. President & CEO

JL/cb

James R. Hertwig

LANDSTAR

LOGISTICS

Landstar Logistics, Inc. 4057 Carmichael Avenue Jacksonville, FL 32207 Tel: 904-399-8909 WATTS: 800-862-9256

May 14, 1997

Vernon A. Williams Secretary Surface Transportation Board 12<sup>th</sup> and Constitution Avenue N.W. Washington, D.C., 20423

# VERIFIED STATEMENT OF JAMES R. HERTWIG ON BEHALF OF LANDSTAR LOGISTICS STB FINANCE DOCKET NO. 33388

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly.

#### Background

I am James R. Hertwig, President of Landstar Logistics. Landstar Logistics is located at 4077 Woodcock Drive, Jacksonville, FL. I am responsible for overseeing all aspects, both financially and operationally, of our transportation requirements for all of our service lines, including intermodal, truck brokerage, contract services and power only. I have been in my current position since October 1995 and have worked in the transportation field for 26 years.

Landstar Logistics is the Landstar system's resource for integrating transportation management, logistics operations, single sourcing, multimodal distribution, warehousing, and dedicated fleet operations. The tailored, seamless system of Landstar Logistics offers customers enhanced productivity and efficiency whether shipping by truck, rail, sea, air, or any combination. We are committed to offering the most dedicated, responsive, creative, and innovative service in the transportation and logistics fields.

An efficient and cost competitive transportation infrastructure is essential to the success of our business. In 1996, Landstar Logistics moved approximately 71,000 loads by rail. The joint acquisition of Conrail will be in Landstar Logistics' best interest since the enhanced CSX system would be capable of providing a complete competitive intermodal product with associated efficiencies.

We strongly urge the Board to approve this application for the reasons detailed below:

- 1. We believe that the joint acquisition of Conrail will produce better service and more competitive rates. We expect the joint acquisition to result in a more efficient system with more opportunities to triangulate, thereby allowing for more efficient equipment utilization.
- 2. We also anticipate that the joint acquisition will result in expanded markets with an increased number of destinations and origins available. This benefit is important to Landstar Logistics because the enhanced CSX system will allow us more flexibility to expand the market reach for our entire product line.
- 3. We expect increased competitive access to ports in the New York and New Jersey areas.
- 4. We are convinced that the joint acquisition of Conrail will result in more intermodal service lane options, which, in turn, will benefit all the shippers that rely on rail. The enhanced CSX system will be able to achieve greater operational and terminal efficiencies. The acquisition will promote more long term capital investment and ensure that rail service grows into the future. These developments are critically important to all freight shippers.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of transportation options in the East.

I, James R. Hertwig, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 15th day of NOT, 1997.

ames R Herting



James R. Hertwig Landstar Logistics



# Lane Enterprises, Inc.

Lane Technical Coatings Division

#### 1244 CLAREMONT ROAD . CAFLISLE, PA 17013 REBAR COATINGS (717) 249-8342 • CUSTOM COATINGS (717) 249-0245 • FAX (717) 249-4991

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint aquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoung more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I. Gregg L. Weaver, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 28rd day of APRIL 1997.

Gregg

**VIRGINIA DUBLIN • BEALETON** 

Vice President Lane Enterprises, Inc.



LANE METAL PRODUCTS DIVISION • LANE PLASTIC PIPE DIVISION • LANE FABRICATORS DIVISION LANE TECHNICAL COATINGS DIVISION

PENNSYLVANIA BEDFORD • CARLISLE • KING OF PRUSSIA • PULASKI • SHIPPEN3BURG **NEW YORK BATH • BALLSTON SPA**  181



# VERIFIED STATEMENT OF LANGDALE FOREST PRODUCTS COMPANY

# FINANCE DOCKET NO 33388

SUBJECT: CSX CORPORATION AND CSX TRANSPORTATION, INC.; NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY -- CONTROL AND OPERATING LEASES/AGREEMENTS -- CONRAIL, INC. AND CONSOLIDATED RAIL CORPORATION, STB FINANCE DOCKET NO. 33388.

MR. VERNON A. WILLIAMS SECRETARY SURFACE TRANSPORTATION BOARD STB FINANCE DOCKET NO. 33388 1925 K. STREET N.W. WASHINGTON, D.C. 20423-0001

MY NAME IS JAMES HARLEY LANGDALE, AND I AM THE GENERAL MANAGER OF LANGDALE FOREST PRODUCTS CO. I HAVE HELD MY PRESENT POSITION FOR 16 MONTHS. MY DUTIES INCLUDE ALL SALES AND MANUFACTURING FOR LANGDALE FOREST PRODUCTS WHICH INCLUDES: TWO SAWMILLS IN VALDOSTA, GEORGIA, POLE PLANTS IN VALDOSTA, CHAUNCEY AND BLACKSHEAR GEORGIA AND TREATING PLANTS IN VALDOSTA, GEORGIA AND SWEETWATER TENNESSEE.

LANGDALE FOREST PRODUCTS CO. IS A MANUFACTURING COMPANY THAT MANUFACTURERS DIMENSIONAL LUMBER, BOARDS, TIMBERS, TELEPHONE POLES, FENCE POSTS AND MARINE PILING. WE HAVE FACILITIES LOCATED IN VALDOSTA AND CHAUNCEY GEORGIA AND SWEETWATER TENNESSEE. THESE FACILITIES ARE PRESENTLY SERVED BY NORFOLK SOUTHERN.

WE SUPPORT APPROVAL OF THE TRANSACTION WHICH WILL ALLOW CSX AND NORFOLK SOUTHERN TO ACQUIRE CONRAIL AND SUBSEQUENTLY DIVIDE ITS ASSETS. SINCE OUR FACILITY IS LOCATED ON THE LINES OF NORFOLK SOUTHERN, WE WOULD WELCOME THE BENEFIT OF INCREASED MARKET ACCESS FOR SINGLE-LINE RAIL TRANSPORTATION. JOINT LINE RAIL INTO AND OUT OF THE NORTHEAST HAS TENDED TO INHIBIT OUR ABILITY TO MOVE THIS TRAFFIC, AND THE SINGLE-LINE SERVICE WHICH

PROPOSES WOULD BE OF BENEFIT TO US. WITH SINGLE LINE SERVICE, I BELIEVE OUR FACILITY WOULD BE ABLE TO COMPETE IN THESE MARKETS WITH OTHER COMPANIES ENJOYING SINGLE LINE SERVICE INTO THE NORTHEAST. WE HAVE USED NS FOR SEVERAL YEARS AND HAVE BEEN SATISFIED WITH THEIR SERVICE. WE ARE CONFIDENT THAT THEY WOULD BE ABLE TO PROVIDE GOOD SERVICE ON ANY CR LINES WHICH THEY ACQUIRE. FOR ALL THE REASONS DESCRIBED ABOVE. I SUPPORT THE APPLICATION OF NS AND CSX TO ACQUIRE CONRAIL.

I, JIM HARLEY LANGDALE, DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON MAY 20, 1997.

SINCERELY

May 13, 1997



The Honorable Vernon A. Williams Saciatary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

**Dear Mr. Williams:** 

My name is Don J. H<sup>ir</sup>mes, and I am Director of Sales of Lange-Stegmann Company. I have held my present position for nine (9) years. My duties include establishing rail freight rates and contracts with all major railroads.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since our facility is open to the NS at St. Louis, Missouri, we would welcome the benefit of increase market access for single-line rail transportation. We think that it will enable us to expand our markets into areas we have not been able to effectively reach due to price and service considerations. We have used NS for many years and have been satisfied with their service. We are confident that we would be able to provide good service on any CR lines which they acquire.

If our company is to grow and prosper, we need a strong railroad serving our transportation needs. For these reasons I support the application of NS and CSX to acquire Conrail.

Sincerely,

LANGE-STEGMANN COMPANY

Don J. Hilmes Director of Sales

### VERIFICATION

I, Don J. Hilmes, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 13, 1997.

ONE ANGELICA STREET . ST. LOUIS, MISSOURI 63147 . 314-241-9531

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May 21, 1997



The Honorable Vernon A. William Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams:

Lange-Stegmann Company is large shipper of fertilizer products. We have been attempting to reach markets to the east of our St. Louis location with a much larger volume than in the past. My name is Don J. Hilmes, and I am Director of Sales of Lange-Stegmann Company. I have held my present position for 9 years. My duties include establishing rail freight rates and contracts with most major railroads.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since our facility is open to the CSX at St. Louis, Missouri, we would we!come the benefit of increase market access for single-line rail transportation. We think that it will enable us to expand our markets into areas we have not been able to effectively reach due to price and service considerations. We have used CSX for many years and have been satisfied with their service. We are confident that we would be able to provide good service on any CR lines which they acquire.

If our company is to grow and prosper, we need a strong railroad serving our transportation needs. For these reasons I support the application of CSX and NS to acquire Conrail.

Sincerely,

LANGE-STEGMANN COMPANY

Don J. Hilmes Director of Sales

VERIFICATION

I, Don J. Hilmes, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 21, 1997.

Don J. Hilmes

ONE ANGELICA STREET . ST. LOUIS, MISSOURI 63147 . 314-241-9531



124 PROSPERITY DRIVE GARDEN CITY, GA 31408-9550 (912) 964-0547 • FAX (912) 964-2220

May 27, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Streat, N.W. Washington, D.C. 20423-0001

#### VERIFIED STATEMENT OF LANPORT, INC. FINANCE DOCKET NO. 33388

Dear Mr. Williams:

My name is Ernest Rubadue and I am president of LanPort, Inc. and I have held my present position for seventeen years. My duties include transportation and intermodal activities throughout our company's field of operations. We are active supporting the movement of cargo through the Ports of Charleston, South Carolina, Savannah, Georgia, and Jacksonville, Florida, as well as through the inland hub of Atlanta, Georgia, and handle thousands of intermodal moves per month.

LanPort is involved with the maintenance of container and chassis equipment throughout the Southeast. Equipment we support on the ports is utilized extensively on the Norfolk Southern system. We also work with the CSX and support their activity as well.

Based upon our experience in providing the services described above and our history of working with both the Norfolk Southern and the CSX, we would like to express our support of the Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of cnly one rail carrier. And as is the case when only one company is able to operate in a

> 1760 SPINK STREET ATLANTA, GA 30318 (404) 792-9609 • FAX (404) 792-4555

> 401 WEST COLEMAN BLVD., UNIT C MT. PLEASANT, SC 29464 (803) 971-1788 • FAX (803) 971-1790

2060 KINGS ROAD JACKSONVILLE, FL 32209 (904) 632-1731 • FAX (904) 632-2201 186
Mr. Vernon A. Williams May 27, 1997 Page 2

particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope and provide a competitive service.

Growth in the intermodal industry will benefit my company and the companies we support. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. Norfolk Southern's and CSX's capital investment in their intermodal facilities and service are well known in the industry, as are their strong commitments to growth and service. Further, we have been impressed with Norfolk Southern's and CSX's commitment to safety, as evidenced by their evidence of continued success in winning a variety of safety awards.

To summarize, we believe that approval of the application of Norfolk Southern and CSX to acquire Conrail should be approved by the STE.

I, Ernest Rubadue, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement. Executed on May 27, 1997.

Sincerely,

LANPORT, INC.

Ernest A. Rubadue President

EAR:clm



1330 North Broad Street, P.O. Box 892, Lansdale, PA 19446 Phone (215) 855-8460 Fax (215) 855-8676

June 2 , 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

#### VERIFIED STATEMENT

Re: STB Finance Document. No. 33388

Dear Secretary Williams:

My name is W. Paul Delp. I am President of Lansdale Warehouse Co., Inc. in Lansdale, PA. My office address is 1330 N. Broad Street, Lansdale, PA 19446-0892. In my position, I am responsible for coordinating the transportation strategy for two of our rail served locations in Lansdale, PA. I have been in my current position since 1981 and have worked in the logistics field for 26 years. I am writing to offer my company's strong support for the proposed acquisition of Conrail by CSX and Norfolk Southern and to urge the Board to approve it promptly.

Lansdale Warehouse is a family owned and operated public warehouse company located in the northern suburbs of Philadelphia. Since its founding in 1958, Lansdale Warehouse has furnished comprehensive logistical services in a public and contract environment for both national and international customers who require access to the Eastern United States markets.

Lansdale Warehouse believes that the proposed transaction would be in our best interests, as well as in the interest of our customers. We strongly urge the Board to approve this application for the reasons detailed below:

1. We believe that a division of Conrail's assets would produce better service, better equipment utilization, and more competitive rates. We expect more efficient, single-line service from Vernon A. Williams June 2, 1997 Page 2

> more of our customers' supply points with the enhanced CSX and Norfolk Southern systems. It has been our experience that single-line service is faster, more reliable, and allows for better shipment tracking than joint carrier moves.

2. We also expect that with the increased number of destinations able to be reached in single-line service, we are more likely to see requests from our customers to move more outbound shipments by rail than we can today, to more distant markets. This benefit is important to Lansdale Warehouse because it offers an expanded service area for our customers and adds more flexibility to our services.

3. We are convinced that the proposed transaction will increase rail business for the enhanced systems, and that would be good for all of the customers who rely on rail service. Lansdale Warehouse is aware that motor carriers haul most of the nation's freight and that trucks dominate the freight markets especially in the East. Because the new CSX and Norfolk Southern systems will be able to achieve greater efficiency, they will return more freight traffic to the rails promoting more long term capital investment and ensuring that rail service will grow into the future. These developments are, and should be, important to all rail customers.

In conclusion, Lansdale Warehouse supports the application of Conrail, CSX, and Norfolk Southern and requests that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, W. Paul Delp, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 2nd day of June, 1997.

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LANSING GRAIN COMPANY

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holesale Grain Merch into

BOX 800 OREMOS, MICHIGAN 48805 PHONE (517) 349-7630

May 6, 1997

Vernon A. Williams Secretary Surface Transportation Board 12<sup>th</sup> and Constitution Ave., NW Washington, D.C. 20423

> RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation – Control and Operating Lease/Agreements – Conrail Inc. and Consolidated Rail Corporation.

Dear Secretary Williams:

My name is Mark Sinila. I am the Southeastern Corn Merchandiser for Lansing Grain Company, located in Okemos, Michigan. My company has been in business for 66 years. I am writing on its behalf to express strong support for the CSX and NS application to acquire Conrail and to urge the Surface Transportation Board to quickly approve it.

Lansing Grain is in the cash grain business. We ship and recieve millions of bushels of corn and wheat annually. We rely on several rail companies, as well as trucks and barges.

There are a number reasons why we at Lansing Grain believe that the acquisition of Conrail by CSX and NS is a good idea:

1. The acquisition should significantly increase our market reach to Southeastern consumption points.

- 2. The acquisition should result in cheaper, faster and more reliable singleline service.
- 3. The acquisition should concentrate Laffic on more direct routes for faster transit times and more reliable service.

For all these reasons, Lansing Grain supports the application to acquire Conrail and urges the Surface Transportation Board to approve it promptly.

I certify that I am qualified and authorized to file this verified statement.

Executed this 6<sup>nd</sup> day of May 1997

Sincerely

LAROCHE INDUSTRIES INC.

1100 JOHNSON FERRY ROAD N.E. ATLANTA, GA 30342-1708 (404) 851-0300

May 28, 1997

Mr. Vernon A. Williams Secretary Surfice Transportation Board STB Finance Docket No. 33286 1201 Constitution Avenue, N.W. Washington, D.C. 20432

> Re: CSX Corporation and CSX Transportation, Inc.: Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and operating leases/agreements - Conrail, Inc. and Consolidated Rail Corporation, STB, Finance Docket No. 33388.

Dear Mr. Williams:

My name is Dean W. DeVore, Manager Transportation of LaRoche Industries Inc. My duties include all rail transportation for LaRoche Industries.

LaRoche produces and sells chemicals throughout North America and Europe. Rail transportation plays a vital role in our business. We depend on railroads to meet our customers' expectations. In addition to rail cars supplied by various railroads in North America, LaRoche owns or leases over one thousand tank and covered hopper cars.

While there are a number of important issues to define and worked out, we generally support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail; and, then divide the assets and trackage of Conrail. As previously mentioned, there are a number of issues that STB must look at very carefully. (i.e. a standard, uniform switching charge in North East, between CSX and Norfolk Southern, require that all industries in a switching district be served by both carriers; otherwise industries that are now located on either CSX or Norfolk Southern and are closed, will find it impossible to compete with industries now located on Conrail that will be served by both CSX and Norfolk Southern.

There is a need for competing railroads in the Northeast, which own their own tracks and facilities and can run their rail business as they think best. The results of the western mergers are proving every day that trackage rights are not the best manner of competition.

Customers of the railroad which receive or ship products into or out of the Northeast need the best service and competitive prices if they are to continue business.

To summarize, we believe that approval of the Joint Application of Norfolk Southern and CSX to acquire Conrail should be approved by the STB, so long as the above mentioned requirements are made. We also feel it is in everyone's best interest that this approval be granted as expeditiously as possible.

I, Dean W. DeVorc, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Further, I certify that I am qualified and authorized to file the verified statement. Executed on May 28, 1997.

Sincerely, madae Dean W. DeVore

Manager Transportation LaRoche Industries Inc.

DWD/sk CC: Rick Lentz Norfolk Southern Eric Elster CSXT I.C.C.M.C. 106839 L.P.S.C. 520 A&B

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PHONE: (504) 838-8500 FAX: (504) 838-8877 WATS: (800) 949-8501

nasen

INTERMODAL SERVICES, INC. P. O. Box 55247 METAIRIE, LA 70055

# VERIFIED STATEMENT OF

# LARSEN INTERMODAL SERVICES, INC.

## FINANCE DOCKET NO. 33388

MAY 20, 1997

MR. VERNON A. WILLIAMS SECRETARY SURFACE TRANSPORTATION BOARD STB FINANCE DOCKET NO 33388 1925 K STREET N W WASHINGTON, DC 20423-0001

DEAR MR. WILLIAMS:

MY NAME IS DAVID LARSEN, AND I AM PRESIDENT OF LARSEN INTERMODAL SERVICES, INC, 218 AIRLINE HWY, METAIRIE, LA 70001. I HAVE HELD MY PRESENT POSITION FOR FIVE YEARS. MY DUTIES INCLUDE TOTAL OPERATION OF MY COMPANY.

LARSEN INTERMODAL SERVICES, INC. IS A MOTOR CARRIER BUSINESS DEALING WITH ALL LOCAL RAILROADS ON A DAILY BASIS. WE WORK WITH NORFOLK SOUTHERN IN NEW ORLEANS, LOUISIANA. IN ADDITION WE WORK WITH THE SP/UP/CSX/BNSF/MP RAILROADS AS I MENTIONED ABOVE ON A DAILY BASIS.

BASED UPON OUR EXPERIENCE IN PROVIDING THE SERVICES DESCRIBED ABOVE AND WORKING WITH VARIOUS RAILROADS, WE WOULD LIKE TO EXPRESS OUR SUPPORT OF NORFOLK SOUTHERN AND CSX IN THEIR EFFORTS TO ACQUIRE CONRAIL, AND THEN DIVIDE THECONRAIL SYSTEM. THERE IS A NEED FOR COMPETITION IN THE TERRITORY SERVED BY CONRAIL, AND FOR TWO COMPETING RAILROADS IN THE NORTHEAST WHICH OWN THEIR OWN TRACK AND FACILITIES. FOR TOO LONG, CUSTOMERS WHICH SHIP OR RECEIVE PRODUCT INTO AND OUT OF THE NORTHEAST HAVE HAD THE SERVICE OF ONLY ONE RAIL CARRIER. AND AS IS THE CASE WHEN ONLY ONE COMPANY IS ABLE TO OPERATE IN A PARTICULAR MARKET, SERVICE SUFFERS AND THE PRICE IS NON-COMPETITIVE. WHILE THERE MAY HAVE BEEN AN HISTORICAL REASON

194

# MR. VERNON A. WILLIAMS

PAGE 2

FOR INSULATING NORTHEASTERN RAILROADING FROM COMPETITION, THAT TIME IS PAST, AND IT IS TIME FOR CUSTOMERS INTERESTED IN THIS MARKET TO HAVE SERVICE BY MORE THAN ONE RAIL CARRIER WHICH OWNS ITS FACILITIES. AND, THE RAIL CARRIERS WILL COMPETE IN NORTHEST SHOULD NOT BE JUST ANY RAIL CARRIERS. THEY MUST BE CARRIERS WHICH ARE OF COMPARABLE SIZE AND SCOPE, AND PROVIDE A COMPETITIVE SERVICE.

GROWTH IN THE INTERMODAL INDUTRY "ILL BENEFIT MY COMPANY. PROVIDING RAIL COMPETITION IN THE NORTHEAST, PARTICULARLY FROM TWO COMPETITORS WHICH HAVE STRONG RAIL SYSTEMS IN THE SOUTHEAST, SHOULD PROMOTE THE GROWTH OF INTERMODAL TRAFFIC, WHICH IN TURN WIL ENHANCE MY BUSINESS AS A SUPPLIER TO THE INTERMODAL INDUSTRY. NORFOLK SOUTHERN'S CAPITAL INVESTMENT IN ITS INTERMODAL FACILITIES AND SERVICE ARE WELL KNOWN IN THE INDUSTRY, AS ARE ITS STRONG COMMITMENTS TO GROWTH AND SERVICE. FURTHER, WE HAVE BEEN IMPRESSED WITH NORFOLK SOUTHERN'S COMMITMENT TO SAFETY, AS EVIDENCED BY ITS EVIDENCE OF CONTINUED SUCCESS IN WINNING THE HARRIMAN AWARD.

TO SUMMARIZE, WE BELIEVE THAT APPROVAL OF THE APPLICATION OF NORFOLK SOUTHERN AND CSX TO ACQUIRE CONRAIL SHOULD BE APPROVED BY THE SURFACE TRANSPORTATION BOARD.

I, DAVID LARSEN, DECLARE UNDER PENALTY OF PREJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT.

EXECUTED ON MAY 20, 1997.

J. W. Janu

DAVID LARSEN PRESIDENT LARSEN INTERMODAL SERVICES, INC.



Laser Networking, Inc.

9850 Pelham Road Taylor, Michigan 48180-3852

> VERIFIED STATEMENT ON BEHALF OF LASER NETWORKING, INC. STB Finance Docket No. 33388

> > May 27, 1997

Mr. Vernon A Williams Secretary Surface Transportation Board 1925 K Street, N W Washington, D C 20423-0001

Mr. Williams:

My name is Gary R. Rutledge. I am 52 and have been Vice President Marketing and Sales at Laser Networking, Inc., (LaserNet) since or about April, 1995. I have extensive background in intermodal marketing including 10 years with the UP and 13 with MoPac.. Prior to joining LaserNet I vas with another intermodal company that specializes in piggyback traffic consolidation.

LaserNet is an aggressive intermodal marketing company and its mission is to support domestic bimodalism with the connive ction that rail transportation is the future of all surface transportation. That railroads are pivotal to consistent and economic bi-directional transportation.

In that spirit LaserNet markets and strives in diverting over-the-road truck traffic to piggyback and stack-train network. It vigorously negotiates competitive service rates with various national railroads in order to provide through-rates, door-to-door on a single freight bill to the customer.

LaserNet has made its niche in the marketplace and enjoys sustained intermodal interchange privileges with almost all the railroads in all quadrants of the United States and Canada, which includes active piggyback trafficing with the Norfolk Southern.

It is my understanding that CSX and NS intend to file an application to control Conrail, and to divide and operate its routes as part of their existing systems. I also understand that a key element of the NS plan is improved and expanded intermodal (and multimodal) services. Extended NS intermodal service will help to meet our transportation needs throughout the territory now served by Conrail. Opening Conrail markets to service by two rail carriers of comparable size and scope, each with its own tracks and terminals, will offer us the advantages of competitive service and pricing without fragmenting the market and hurting service. For too long, customers which ship or receive products into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its

facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

In addition to the competitive reasons stated above, my company would welcome the extension of NS service into the northeast. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

LaserNet supports NS-CSX application before the STB to acquire ConRail and make the territorial split to better service existing needs as well as improve on it through competition. We endorse their efforts placed before you for your consideration.

I, Gary Robert Rutledge, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement which is executed on May 27, 1997.

Respectfully,

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LASER NETWORKING, INC (LASERNET)

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Gary R. Rutledge Vice President Marketing & Sales

GRR:jmn





LATROBE BREWING C. LATROBE PA

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

## RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:



I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Richard B. Dines, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this  $\frac{qTH}{MAT}$  day of  $\frac{MAT}{MAT}$ , 1997.

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Richard B. Dines Latrobe Brewing Company

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412 537-5545 800 245-7892 Outside PA 1-AX 412 537-4035

# LAUB INTERNATIONAL, INC.

DISTRIBUTION . ASSEMBLING . WAREHOUSING

1051 Clinton Street Buttalo, New York 14206 U.S.A. Phone: (716) 853-3703 Fax: 716-852-3284

May 14, 1997

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Mr. Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

## VERIFIED STATEMENT

Re: Proposed CSX, NS, and Conrail Transaction; STB Finance Docket No. 33388

## Dear Secretary Williams:

As president of Laub International, Inc., my responsibilities include coordinating transportation strategies for our rail customers.

We are writing to offer our company's support for the proposed joint acquisition of Conrail by CSX and NS and urge the Board to approve it promptly.

Laub believes that the proposed transaction would be in our best interest and that of our customers for the following reasons:

- 1.) We believe that the joint acquisition of Conrail would produce better service; better equipment utilization and more competitive rates due to economies of scale.
- 2.) We also expect that with increased number of origins and destinations that our business will grow by utilizing the rail.

Laub is aware that motor carriers dominate the freight markets especially in the East. However, with the division of Conrail's assets, the systems will achieve greater efficiency, more freight will be shipped via rail which will increase our rail customers. May 14, 1997

• . Vernon A. Williams

Fage 2

\* \*

In conclusion, Laub supports the merger and asks for the Board's approval.

I, Daniel A. Peters, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement. Executed this 14 day of May 1997.

Alia Paniel A. Peters

President







My name is J. Michael Coates. I am the Regulatory Compliance Officer and Quality Assurance Manager at LCI Ltd. which is located at 415 Pablo Avenue N., Jacksonville Beach, FL 32250. I have served LCI Ltd. for 10 years. I have been in my present position for 3 years but prior to that I served as LCI's Traffic Manager and Director of Operations.

LCI Ltd. is a chemical distribution company that has been in business for 13 years. We distribute specialty fluorides throughout the USA and Canada, with majority of our traffic moving via rail. In 1996 we shipped 633 tank cars of fluorosilicic acid via rail. The majority of the product originated on CSX in Florida, North Carolina, and Ohio. Out of the 633 tank cars we shipped, 73 went to destinations on Conrail.

LCI Ltd. will benefit from the efficiencies of single-line service with regards to the shipments mentioned above in several ways. Today CSX has to interchange the tank cars over to Conrail at Potomac Yard, VA and Toledo, OH. Once CSX combines its operations with Conrail lines, these shipment will get to our customers more quickly. Also, we would expect some economies resulting from new single-line rates versus the present joint-line or proportional rates we have in place.

In addition, because LCI Ltd. owns its own tank cars, the efficiencies of single-line service will return our tank cars to the origination points more quickly. This improved equipment utilization will reduce our transportation costs.

For the reasons i have stated above, I can say, on behalf of LCI Ltd., that the company supports the transaction planned by CSX, NS, and Conrail.

201

I, J. Michael Coates, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 1997.

Michael Coates







BRUCE H. SCHECHINGER EXECUTIVE VICE PRESIDENT

VERIFIED STATEMENT Bruce H. Schechinger on behalf of LCI Ltd. Finance Docket No. 33388 CSX Corporation and CSX Transportation, Inc. Norfolk Southern Railway Corporation and Norfolk Southern Railway Corporation --Control and Operating Lease/Agreements--Conrail Inc. and Consolidated Rail Corporation

I am Bruce H. Schechinger and I am Executive Vice President of LCI Ltd. I have been with the company for six years. Please accept the support of LCI Ltd. for the acquisition of Conrail by CSX and Norfolk Southern.

LCI Ltd. located at 415 Pablo Avenue, North, Jacksonville Beach, Florida is a chemical sales distribution company. We have distribution sites throughout the U.S.A. and Canada. In 1996, we shipped 616 tank cars of Fluorosilicic Acid on CSX. Out of the 616 tank cars, we shipped 73 to destinations served by Conrail.

The acquisition of Conrail by CSX and Norfolk Southern will benefit our company by providing new single-line service. The shipments mentioned above currently originate from our supplier locations in Florida, North Carolina and Ohio, and must interchange with Conrail at Potomac Yard, VA or Toledo, OH, for ultimate delivery to our distribution facilities in Boston, MA; Buffalo, NY; Croxton, NJ; Warwick, NY and Detroit, MI. The interchange increases costs and transit times, reducing rail's competitiveness with truck for our business. After the acquisition, CSX will be able to provide single-line service to the above locations, eliminating the interchange and reducing costs.

Additionally, we anticipate the acquisition will improve equipment utilization, leading to better car availability, reduced empty mileage, and lower total costs.

Again, please accept the support of LCI Ltd. for the acquisition of Conrail by CSX and Norfolk Southern.

I, Bruce H. Schechinger, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on April 24, 1997.

muce # Sched-se-

Bruce H. Schechinger LCI Ltd.

Leavitt Tube Company, Inc.



ufacturers of

1717 West 115th Street Chicago, Illinois 60643

(773) 239-7700 (800) LEAVITT (800) 532-8488

FAX (773) 239-1023

May 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Donald Werner declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 97H day of MAY 1997.

Donald & Werner

Donald E. Werner **Traffic Manager** Leavitt Tube Company



# LEBANON CHEMICAL CORPORATION

P.O. BOX 686, DANVILLE, ILLINOIS 61834-0686 •

PHONE 217-446-0983

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

LEBANON

#### VERIFIED STATEMENT

## RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:



I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Dennis Faith, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this <u>12</u> day of <u>May</u>, 1997.

Lennis DFAith

Dennis Faith Lebanon Chemical Corporation



May 28, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

# RE: CSX Corporation and CSX Transportation, Inc.: Norfolk Southern Corporation and Norfolk Southern Railway Company -Central and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. Williams:

4.

My name is Dwight A. Fielder, and I am Manager - Marketing Services, Eastern Division, Lehigh Portland Cement Company. I have been employed by Lehigh for 31 years and have held my present position for two years.

Lehigh is a leading manufacturer of cement and related products. The Eastern Division has manufacturing facilities located in Union Bridge, MD (MMID) and Leeds, AL (NS). In addition, we currently operate seven rail-served distribution terminals that are served by either NS, CSX or Conrail. An eighth rail-served terminal is scheduled to open in June, 1997.

In 1996, the Eastern Division shipped and/or received more than 500,000 metric tons of product by rail.

We support the approval of the transaction which provides for the acquisition of Conrail by Norfolk Southern and CSX, and the subsequent division of Conrail's assets. There is a definite need for competition in the Northeast and having two railroads which own their respective track and facilities should provide adequate service levels and a more competitive climate. We strongly urge, however, that the STB require that the gateways where Conrail, CSX and NS connect, be kept open as a condition of the merger.

For the above stated reasons we support the joint application of Norfolk Southern and CSX to acquire Conrail.

"Working Together to Build Our Communities"

206



# Verification

I, Dwight A. Fielder, declare under penalty of perjury that the foregoing is true and correct. I further certify that I am qualified and authorized to file this verified statement. Executed this 28th day of May, 1997.

Fielder wight

May 21, 1997



Lenzing Fibers Corporation P.O. Box 2000, Highway 160 Lowland, Tennessee 37778-2000

Telephone: 615-585-5959

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

Reference: STB Finance Docket No. 33388, <u>CSX Corporation and CSX Transportation. Inc.: Norfolk</u> Southern Corporation and Norfolk Southern Railway Company--Control and Operating Leases/Agreements--Conrail. Inc. and Consolidated Rail Corporation.

Dear Mr. Williams:

My name is Eric Kreitz and I am Purchasing Manager, Raw Materials for Lenzing Fibers Corporation, Lowland, TN. My duties include the logistics support for all inbound raw materials, production / maintenance supplies and outbound finished goods for the company.

Lenzing Fibers Corporation is one of two remaining rayon staple fiber manufacturers in the United States. We are located on the Norfolk Southern railroad and receive all of our major raw materials via rail (over 200 rail movements/month) from various origins in the USA.. It is vital to our survival that the nations rail system remain competitive to insure that we get quality transportation at a reasonable cost.

The proposed acquisition and division of Conrail by Norfolk Southern and CSX appears to be the most competitive option available in the northeast and I strongly support this venture. A division of Conrail in this manner will open new north-south market opportunities from both the purchasing and marketing perspectives of our business. Norfolk Southern could provide single line (truck competitive) service to an industry that has been battered by low cost imports. Norfolk Southern has a proven track record at the Lowland, TN site and I feel compelled to address all developing situations that will help Lenzing Fibers be more competitive in the domestic and world market and strongly support the Norfolk Southern/CSX division of Conrail.

Sincerely,

Eric B. Kreitz Purchasing Manager, Raw Materials

#### VERIFICATION

I, Eric B. Kreitz, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on May 21, 1997.

Eric B. Kreitz

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

## RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Stuart Rosenholts, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 13 day of 1997.

State Rosello

Stuart Rosenholts LEON

304-675-7516



April 25, 1997

Mr. Vernon A. Williams, Secretary Surface Transportation Board 1201 Constitution Ave. Room 2215 Washington D.C. 20423

Dear Mr. Secretary,

Our company, Letart Corporation would like to state our position of support concerning the proposed acquisition of Conrail by CSX and Norfolk Southern. We ship sand by rail across existing CSX lines and believe that this merger would positively affect these movements as well as open the opportunity for sales in other markets currently inaccessible to us.

We hope this matter will receive early consideration by the STB and that Congress will not act to block or delay deliberation of this matter.

Thank you in advance for your consideration of our comments.

Sincerely Jon P. Thompson

JPT/rp

Lever Brothers Company 818 Sylvan Avenue Englewood Cliffs, New Jersey 07632-3298 Telephone (201) 894-6000

May 15, 1997

VERIFIED STATEMENT OF Michael Olkowski on behalf of LEVER BROTHERS COMPANY STB Finance Docket No. 33388



I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly.

## Background:

I am Michael Olkowski, Manager, Delivery Services of Lever Brothers Company. Lever Brothers is located in 818 Sylvan Avenue, Englewood Cliffs, New Jersey 07632. I am responsible for Lever's domestic delivery activity. I have been in my current position since September, 1990 and have worked in the transportation field for twenty years.

An efficient and cost competitive transportation infrastructure is essential to the success of our business. Lever ships approximately 30,000 intermodal truckloads annually with approximately 10,000 on the CSX/Conrail lanes. The joint acquisition of Conrail will be in Lever Brothers best interest since the enhanced CSX system would be capable of providing an improved and competitive rail delivery service.

We strongly urge the Board to approve this application for the reasons detailed below:

1. We believe that the joint acquisition of Conrail will produce better service while achieving competitive rates within the transportation marketplace. We expect the joint acquisition to result in a more efficient system with more opportunities to triangulate, thereby allowing for more efficient equipment utilization.

2. We also anticipate that the joint acquisition will result in expanded markets with an increased number of destinations and origins available. This benefit is important to Lever Brothers because the enhanced CSX system will allow us more flexibility to meet the competitive needs of our Northeastern customers.



3. We expect increased competitive access to ports in the New York and New Jersey areas.

4. We are convinced that the joint acquisition of Conrail will result in more intermodal service lane options, which, in turn, will benefit all the shippers that rely on rail. The enhanced CSX system will be able to achieve greater operational and terminal efficiencies. The acquisition will promote more long term capital investment and ensure that rail service grows into the future. These developments are critically important to all freight shippers.

In conclusion, we support the application of Conrail and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of transportation options in the East.

I Michael Olkowski, declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 15 day of May, 1997.

Michael Olkowski Manager, Delivery Services Lever Brothers Company

1./6914

April 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

#### RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I am writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrait CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Christopher G. Howard, declare under penalty of perjury that the foregoing is true and correct and that 1 am qualified and authorized to file this verified statement. Executed this <u>29</u> day of <u>1997</u>, 1997.

Christopher G Moward

Christopher G. Howard Boxcar Specialist Lewis C. Howard, Inc.

May 1997

Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW Washington, DC 20423

#### VERIFIED STATEMENT

#### RE: Proposed CSX/NS/Conrail Transaction STB Finance Docket No. 33388

Dear Secretary Williams:

I ain writing to offer my company's strong support for the proposed joint acquisition of Conrail by CSX and NS and to urge the Board to approve it promptly. We believe that the proposed transaction would be in our best interests, as well as in the interest of our customers because it would produce better service, better equipment utilization, and more competitive rates. With the enhanced CSX and NS systems, we expect more efficient, reliable service. We also expect that with the increased number of single-line destinations, we will be better able to penetrate new and more distant markets.

The proposed transaction would increase rail business for the combined system that would be good for all of the shippers who rely on rail. Further, trucks dominate the nation's freight markets, especially in the East. Because the new systems would create greater efficiency, it would lead to more freight traffic on the rails diverted from truck promoting more long term capital investment and ensuring that rail service would grow into the future.

In conclusion, we support the application of Conrail, CSX and NS and request that the Board move as expeditiously as possible to assure approval. We feel this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Michael Howard declare under penalty of perjury that the foregoing is true and correct and that I am qualified and authorized to file this verified statement. Executed this 2 day of May, 1997.

muchael 1 town

Michael Howard Lewis C. Howard, Inc.



#### AREHOUSING, DISTRIBUTION, ÎRANSPORTATION

# VERIFIED STATEMENT OF KENNETH E. LEWIS, JR.

**LEWIS STORAGE CO.** 

April 30, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

Dear Mr. Williams:

My name is Ken Lewis, Jr. I am the President of Lewis Storage Co. located in Greensboro, NC. I would like to express my support of the Norfolk Southern/CSX plan to acquire Conrail.

Lewis Storage is a public warehouse operating over 350,000 square feet of distribution space in Greensboro, NC. Over 30% of our business involves rail transportation. We receive a large portion of our freight from the Northeast United States and Canada.

I understand that Norfolk Southern and CSX are asking the Surface Transportation Board to approve their joint acquisition of Conrail. I support the approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since our facility is located on the lines of Norfolk Southern, I would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhib<sup>1+</sup> our ability to move this traffic, and the single-line service which Norfolk Southern proposes would be of benefit to us. With single-line service, I believe our facility would be able to compete in these markets with other companies enjoying single-line service into the Northeast. I have used Norfolk Southern for several years and have been satisfied with their service. I am confident that they would be able to provide good service and also be more truck competitive on any Conrail lines which they acquire.

I sincerely believe that Norfolk Southern is a well-managed, efficient, customer-oriented railroad and would very much like to see those attributes injected into Conrail territory. If our company is to grow and prosper, we need a strong railroad serving our transportation needs. I think the NS/CSX plan before the Surface Transportation Board does this; therefore, I support it.

I, Kenneth E. Lewis, Jr., declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement executed on April 30, 1997.

Sincerely,

Ken Lewis, Jr. President Lewis Storage Co.

P.O. Box 16384 Greensboro, NC 27416 (910) 275-8458 Fax (910) 370-9303 Warehouse Facilities • 2751 Patterson Street • 3009 Thurston Avenue • 6500 W. Market Street



LIBERTY PRODUCE, INC.

1302 WEST 200 SOUTH PINGREE, IDAHO 83262 (208) 684-3033

May 11, 1997

Vernon A. Williams Secretary Surface Transportation Board 12th and Constitution Ave., N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

## Dear Secretary Williams:

My name is Jeff Watt. I'm Manager of the Liberty Produce Company in Pingree, Idaho. Each year, we ship more than 4 million pounds of prime Idaho potatoes across the U.S., most of it via Union Pacific. I am writing on behalf of our company to register our support for CSX and Norfolk Southern's buyout of Conrail.

In our view, the Conrail sale would make U.S. transport fare more competitive, for at least three reasons:

<u>1. More direct routes</u>. Given the demand for Idaho potatoes, we ship to every corner of the U.S. The East Coast corridor has always created significant delays, due largely to the need to interchange from one carrier to another. The sale of Conrail will benefit us because it will eliminate some of this switching -- enabling us to get our produce to their destination as fast and fresh as possible.

2. More competition. The sale of Conrail will enable NS and CSX to compete for a larger share of the transport traffic that now travels over roads because rail is less efficient. That renewed East Coast competition will help keep prices down, which will have a ripple effect all the way out West.

<u>3. New growth opportunities</u>. Direct routes and more competition mean one thing for us: A chance to win customers in new markets. We've got a great product people want -- provided we can get it to them. For us, the best news about the Conrail sale is the doors it will open to new markets. That's good for us and good for the U.S. economy as well.

On behalf of Liberty Produce, I'd like to thank the Surface Transportation Board for hearing our comment on the Conrail sale, and we urge you to grant approval as soon as possible. I, Jeff Watt, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 11th day of May, 1997.

Sincerely, Muna Jeff Watt

...

# LIGHT MILLING COMPANY

Phone (540) 628 - 7361 Fax (540) 628-7291 460 HAGY STREET PO BOX 309 ABINGDON, VIRGINIA 24212

May 28, 1997

Mr. Vernon A., Williams Secretary Surface Transportation Board STE Finance Docket No. 33388 1925 K Street, N.W. Washington, DC 20423-0001

Subject: STB Finance Docket 33388, <u>CSX Corporation and CSX Transportation, Inc.</u>: Norfolk Southern <u>Corporation and Norfolk Southern Railway Company--Control and Operating Leases/Agreements--Conrail, Inc.</u> and Consolidated Rail Corporation.

Dear Mr. Williams:

My name is Roy Light and I own and operate Light Milling Company in Abingdon, Virginia, where we have been in business for 56 years. We sell and distribute grain, grain products and animal and poultry feed. We are served by the Norfolk Southern Railway and receive our materials by rail and truck.

We feel that the competition of two major carriers with single line service between the south and northeast will open additional markets for purchase of my materials. I believe in fair and equal competition and feel that many areas in the northeastern United States should not have to continue to have the services of only one rail carrier. The proposal by CSX and Norfolk Southern to purchase and competitively divide Conrail is in the best interest of the public.

Two major carriers such as CSX and NS competing in the northeast for the same business will greatly benefit the customers in that area and should help the two carriers in their efforts to compete for business now moving by truck. For these reasons, I support the CSX/NS purchase and division of Conrail.

Sincerely,

Roy L. Light Owner/Operator

#### VERIFICATION

I, Roy Light declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on May 28, 1997.

Roy L.



326 McGhee Road Winchester, VA 22603 (540) 665-1739 (800) 233-0624 Fax (540) 722-4941

RE: <u>CSXCorporation</u> and CSX Transportation, Inc.: Norfolk Southern Coporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements -Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388.

#### VERIFIED STATEMENT OF LIGHTNING TRANSPORTATION, INC. FINANCE DOCKET NO. 33388

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, NW Washington, DC 20423-0001

Dear Mr. Williams:

My name is Stephen Springer, and I am General Manager of Lightning Transportation Company. I have held my present position for 9 years.

Lightning Transportation is an intermodal drayage company. We work with NS at the following locations: Baltimore, MD, Alexandria, VA, Front Royal, VA, and Norfolk, VA. In addition, we work with Conrail & CSX at Baltimore, MD.

Based upon our experience in providing the services described above and working with varios railroads, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Growth in the intermodal industry will benefit my company. Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are well known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award. To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

. . .

I, Stephen Springer, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 27, 1997.

Sincerely,

for A. Joy

Stephen M. Springer LIGHTNING TRANSPORTATION, INC. General Manager



1215 Spencer Road · New Lenox, IL 60451

Phone: 815-463-1023 Fax.: 815-463-1179

RE: <u>CSX Corporation and CSX Transportation, Inc.</u>; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No 33388.

## VERIFIED STATEMENT OF LINE AND GRADE. LTD. FINANCE DOCKET NO. 33388

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Mr. Williams;

My name is Barry Browning, and I am President of Line and Grade, Ltd. located at 1215 Spencer Road, New Lenox, Illinois, 60451. I have held my present position for four years. My duties include Project Management, Engineer Design, Consulting Engineering and Surveying.

Line and Grade, Ltd. is a consulting firm that plans and manages construction in the intermodal transportation facilities. We work with NS at the following locations; Lander's Yard, Calumet, Hegewisch and other Midwest sites.

Based upon our experience in providing the services described above, we would like to express our support of Norfolk Southern and CSX in their efforts to acquire Conrail, and then divide the Conrail system. There is a need for competition in the territory served by Conrail, and for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been an historical reason for insulating northeastern railroading from competition, that time is past, and it is time for customers interested in this market to have service by more than one rail carrier which owns its facilities. And, the rail carriers which will compete in the Northeast should not be just any rail carriers. They must be carriers which are of comparable size and scope, and provide a competitive service.

Growth in the intermodal industry will benefit my company.



1215 Spencer Road · New Lenox, IL 60451

Phone: 815-463-1023 Fax.: 815-463-1179

Providing rail competition in the Northeast, particularly from two competitors which have strong rail systems in the Southeast, should promote the growth of intermodal traffic, which in turn will enhance my business as a supplier to the intermodal industry. NS's capital investment in its intermodal facilities and service are known in the industry, as are its strong commitments to growth and service. Further, we have been impressed with NS's commitment to safety, as evidenced by its evidence of continued success in winning the Harriman Award.

To summarize, we believe that approval of the application of NS and CSX to acquire Conrail should be approved by the STB.

I, Barry Browning, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 23, 1997.

Sincerely,

Barry Browning President Line and Grade, Ltd.

**BB/tp**
LIQUID SUGARS, INC.

IMP



May 8, 1997

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

Reference: CSXT Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company-Control and Operatiing Leases/ Agreements - Conrail, Inc., and Consolidated Rail Corporation, STB Finance Docket No 33388.

> Verified Statement of Warren D. Mooney Liquid Sugars, Inc.

My name is Warren D. Mooney, and I am Executive Vice President of Liquid Sugars, Inc. We are a distributor of Sweeteners at 14 locations and rely almost entirely on rail service on inbound shipments.

Althrough the majority of our business is west of the Mississippi we occasionaly ship product to the Northeast.

We feel there is a need for two competing railroads and support STB approval of joint application by which Norfolk Southern and CSXT plan to acquire Conrail.

I, Warren D. Mooney, declare under penalty that the foregoing is true and correct. I certify that I am qualified and authorized to file this verified statement.

Very truly yours

D. Mooney

Executive Vice President LIQUID SUGARS, INC.

/bb

# LO-MING COAL CORPORATION



P.O. BOX 698 GILBERT, WV 25621 - PHONE (304) 664-8123 - FAX (304) 664-3820

CAREY CLINE

May 19, 1997

LARRY CLINE

Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, NW Washington, DC 20423-0001

Re: CSX Corporation and CSX Transporation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc. and Consolidated Rail Corporation, STB Finance Docket No. 33388

Dear Mr. William:

My name is Carey Cline, and I am President of Lo-Ming Coal Corporation. I have held my present position for ten years. My duties include overseeing mining operation, coal preparation, coal sales, and coal transporation.

Lo-Ming Coal Corporation is a coal sales and coal leasing company. We have facilities located at Sarah Ann, Logan County, West Virginia. These facilities are presently served by NS. We sell to various companies from the Matewan, WV area. These facilities are located on the lines of Norfolk Southern. during 1996, we shipped railcars from this destination.

We support approval of the transaction which will allow CSX and Norfold Southern to acquire Conrail and subsequently divide its assets. Since our facility is located on the lines of NS, we would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhibit our ability to move this traffic, and the single-line service which NS proposes would be of benefit to us. With single-line service, I believe our facility would be able to compete in these markets with other companies enjoying single-line service into the NOrtheast. We have used NS for several years and have been satisified with their service. We are confident that they would be able to provide good service on any Conrail lines which they acquire.

For all the reasons described above, I support the application of NS and CSX to acquire Conrail.

Sincerely, arey Che

Carey Cline, President Lo-Ming Coal Corporation

1, Carey Cline, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 19, 1997.

Carey Cline, President

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May 15, 1997

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The Honorable Vernon A. Williams Office Of the Secretary Case Control Branch Surface Transportation Board Attn.: STB Finance Docket # 33388 1925 K Street, NW Washington, D.C. 20423-0001

Dear Mr. Williams,

My name is Tim Shewmaker and I am Traffic Manager of Lobdell Emery Corporation, Corydon Division. I have held my position for four years. My duties include day to day shipping functions which includes tracing rail shipments, both inbound and outbound. I schedule all moves involving cars to and from our plant making sure we keep an ample supply of parts moving to our customer

Lobdell Emery Corporation is a stamping facility for the automotive industry. In addition to the Corydon plant, we have facilities in Greencastle, Argos and Winchester, Indiana as well as Alma, Michigan. The Corydon and Argos facilities are currently served by the NS. We sell to Ford Motor Company plants located at St. Paul, Minnesota and Edison, New Jersey. These facilities are located on the lines of the CP Rail System and the Conrail respectively. During 1996, we shipped 218 cars to St. Paul and 182 cars to Edison. There were an equal number of return cars from each plant. We utilize 86' high cube cars and ship Monday through Friday.

Lohdell Emery Corporation supports the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail and then divide the assets and trackage of Conrail in the manner which has been described to me, and which will be described in the joint application of NS and CSX to control Conrail.

There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers which ship or receive product into and out of the Northeast have had the service of only one rail carrier. And as is the case when only one company is able to operate in a particular market, service suffers and the price is non-competitive. While there may have been historical reasons for insulating Northeast railroading from competition, that time has passed and it is time for customers interested in this market to have service by more than one rail carrier which owns it's facilities. That rail carrier cannot be just any carrier, they must be comparable in terms of their size, scope and ability to provide competitive service. From what I understand of railroading operations, I believe that in the 1990's, two carriers of relatively equal size and scope provide the greatest opportunities for seamless service, efficient equipment utilization and seamless synergy.

To summarize, I believe that approval of the joint application of NS and CSX to acquire Conrail should be approved by the STB.

Sincerely humler

Tim Shewmaker Traffic Manager, Lobdell Emery Corporation-Corydon Division



I, Tim Shewmaker, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this certified statement. Executed on May 15, 1997.

unali Tim Shew



Technologies for Better Surface Protection May 8, 1997

Vernon A. Williams Secretary Surface Transportation Board 1201 Constitution Avenue, NW Washington, DC 20423



RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

Dear Secretary Williams:

I am writing to the Surface Transportation Board for one reason: our company, Lockhart Chemical, strongly supports the proposed plan by CSX Corporation and Norfolk Southern to acquire Conrail and we urge the Board to approve it as quickly as possible. Let me tell you why we favor this plan so strongly.

By way of background, my name is John Besso and I'm the Plant Manager for Lockhart Chemical. For the past '9 years, we've operating a chemical manufacturing facility in Flint, Michigan. One of my main duties as Plant Manager is to coordinate our company's shipping needs. Our company relies heavily on the nation's freight transportation system -- using both rail service and truck service -- to reach our customers. A cost effective, reliable freight transportation system is critical to our company's prospects for growth.

From our perspective, the biggest benefit of the CSX-Norfolk Southern plan is that the new companies will be able to offer us rail access to every major market east of the Mississippi and also connect us with customers -- and potential customers -- in the South and Northeast. Each company will be stronger and more competitive because they will be able to match Conrail's lines to their existing rail networks to create more efficient single line routes.

More single line routes mean rewer interchanges between tail carriers and fewer handlings of our product -- a critical consideration when shipping chemicals. Single line routes also have the ability to match the flexibility and speed of truck service, creating a more dynamic and more competition freight transportation system as a whole.

To summarize. Lockhart Chemical strongly supports the proposal by CSX and Norfolk

Lockhart Chemical Company

Southern to acquire Conrail and divide it's line between the two companies. We believe the plan will result in faster, more reliable service at lower prices. Just as importantly, it will allow us to reach new customers, creating exciting new business opportunities for our company. We therefore urge the Surface Transportation Board to approve this plan without further delay

I, John Besso, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 8th day of May, 1997

.

Sincerely,

John Besso

John Besso



Mr. Vernon A. Williams Secretary Surface Transportation Board STB Finance Docket No. 33388 1925 K Street, N.W. Washington, D.C. 20423-0001

**RE**: CSX Corporation and CSX Transportation, Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Company - Control and Operating Leases/Agreements - Conrail, Inc., and Consolidated Rail Corporation, STB Finance Docket No. 33388

## VERIFIED STATEMENT OF DANIEL K. CLARK LOCKWOOD BROTHERS, INC.

My name is Daniel K. Clark, and I am a Project Manager of Lockwood Brothers, Inc. I have held my present position for 10 years. My duties include management of shipping, receiving, and warehousing to include truck, barge and rail shipments.

Lockwood Brothers, Inc. is a provider of transportation services for heavy, dimensional cargo and machinery and we are headquartered at Hampton, Virginia. The facilities we primarily deal with are currently served by NS RR and CR.

There is a distinct need for two competing failroads in the Northeast, and I support STB approval of the joint application by which Norfolk Southern and CSX plan to acquire control of Conrail, divide assets and improve to a much greater extent the balance of rail competition in the Northeast.

I, Daniel K. Clark, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 15, 1997.

Sincerely,

Klas

Daniel K. Clark Project Manager Lockwood Brothers, Inc.

May 15, 1997

Vernon A. Williams, Secretary Surface Transportation Board 12th & Construction Ave., N.W. Washington, D.C., 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

OCKWOOD BROTHERS INC.

Dear Secretary Williams:

My name is Daniel K. Clark. I am the Project Manager of Lockwood Brothers, Inc., located in Hampton, Virginia. My company has been in business for 50 years. I have been authorized by Lockwood Brothers to express the company's support for the application by CSX and NS to acquire Conrail. We request that you approve it promptly.

Lockwood Brothers transports heavy machinery by rail, truck and barge. We use CSX to meet our rail shipping needs.

We believe that the application to acquire Conrail is a very sensible one. It should result in shorter, more direct routes for our machinery, leading to faster transit times and more efficient, reliable service.

Because the acquisition is bound to improve the quality of rail service for all shippers, we strongly support the application, and ask the Board to consider it promptly and favorably.

I, Daniel K. Clark, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 15th day of May, 1997.

Sincerely. OV.AL

Daniel K. Clark



May, 5, 1997

The Honorable Linda Morgan, Chairwoman The Surface Transportation Board 1201 Constitution Avenue, N.W. Washington, DC 20423

#### VERIFIED STATEMENT OF WALT HAYDON on behalf of LOCUST INDUSTRIES LIMITED PARTNERSHIP

#### Finance Docket No. 33388

#### CSX Corporation and CSX Transportation, Inc. Norfolk Southern Railway Corporation Control Inc. and Consolidated Rail Corporation Conrail Inc. and Consolidated Rail Corporation

I am Walt Haydon, Operations Manager of Locust Industries Limited Partnership. Locust Industries Limited Partnership is located at 4747 Hollins Ferry Road. I am responsible for overseeing all aspects of our operation, including transportation requirements. I am writing to express our company's support for the acquisition of Conrail by CSX and NS.

Locust Industries Limited Partnership does trucking, warehousing, and transloading and ships all types of product to our customers, who are manufacturers, distributors, and freight forwarders located in several states and countries. We have handled approximately 200 carloads of several different products annually via CSX.

We believe that the acquisition of Conrail by CSX and NS will allow us to expand and extend our market reach in the Mid Atlantic. In particular, the acquisition will bring us new access to Conrail served lumber, paper, and food product customers in this region.

In our business, consistent and reliable rail transportation is crucial to our logistics management. The Maritime and Intermodal industries often experience equipment shortages. The acquisition will increase the equipment supply available for our shipments, thereby enhancing the consistency of our transit times.

For these reasons, Locust Industries Limited Partnership urges the Board to approve the joint application of CSX and NS.

I, Walt Haydon, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 28th day of April, 1997.



#### VERIFIED STATEMENT OF JOSEPH A. CZUL

#### LOGAN & KANAWHA COAL COMPANY

My name is Joseph A. Czul, and I am President of Logan & Kanawha Coal Company, Inc. I have held my present position for two years. My duties include the overall management of the company.

Logan & Kanawha Coal Company is a coal marketing and trading company. Our affiliate companies have facilities located in West Virginia and are presently served by NS. We sell to customers located overseas and in the eastern half of North America. During 1996, we shipped 45,000 carloads to these destinations.

We support approval of the transaction which will allow CSX and Norfolk Southern to acquire Conrail and subsequently divide its assets. Since some of our facilities are located on the lines of NS, we would welcome the benefit of increased market access for single-line rail transportation. Joint line rail service into and out of the Northeast has tended to inhibit our ability to move this traffic, and the single-line service which NS proposes would be of benefit to us. With single line service, I believe our operations will be able to compete in these markets with other companies enjoying single line service into the Northeast. We have used NS for many years and have been satisfied with their service. We are confident that they would be able to provide good service on any CR lines which they acquire.

For all the reasons described above, I support the application of NS and CSX to acquire Conrail.

I, Joseph A. Czul, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 1, 1997.

Sincerely. Joseph A. Czul

Logan & Kanawha Coal Company, Inc. 1200 River East Drive = P.O. Box 608 = Belle, West Virginia 25015 U.S.A. Phone: (304) 926-65/5 = Fax: (304) 926-8151





#### VERIFIED STATEMENT OF Maurice E. Oelker, Jr. On behalf of Logan Aluminum, Inc.

#### STB Finance Docket No. 33388

I am Maurice E. Oelker, Jr. I am the Traffic Team Leader of Logan Aluminum, Inc. Logan Aluminum, Inc. supports the acquisition of Conrail by CSX and NS, and hopes that the Board will promptly approve the joint application.

Logan Aluminum, Inc. is a jointly owned production facility that produces aluminum can stock for our owners, ARCO Aluminum and Alcan Aluminum. This product is used for the production of aluminum beverage cans. Our manufacturing plant is located in Russellville, KY, and we have warenouse facilities in South Union, KY. Last year, we shipped 1,443 railcars to customers primarily in the western United States but over 150 railcars were shipped to locations in the northeastern United States.

Our location here at Russellville, KY is served by a short line, R.J. Corman Memphis Line, which brings our shipments to CSX lines at Memphis Junction (Bowling Green) KY. At Memphis Junction, CSX builds trains to destinations north and east where they connect with Conrail for delivery to our transloading warehouses for ultimate delivery to our associate's customers. Due to this joint-line service, the cost of rail transportation has risen steadily over the last several years to the point where we may have to utilize trucks to make future shipments.

The cost of transportation is a significant component of the overall cost of our products. The expense of joint-line rail service therefore can make us less competitive than other aluminum producers. New single-line service created by the acquisition of Conrail by CSX and NS, however will make rail a more attractive transportation option for Logan Aluminum, Inc. Single-line service could allow us to become a more attractive supplier to other customers in the Northeast.

For the reasons outlined above, Logan Aluminum, Inc. believes that an acquisition of Conrail by CSX and NS will have important benefits for our company and other rail shippers in the East and Midwest. Our company appreciates this opportunity to express our support for the merger.

I, Maurice E. Oelker, Jr., declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 13th day of May, 1997

Manin & Celle

Maurice E. Oelker, Jr.

# LOGAN LUMBER COMPANY



May 10, 1997

Vernon A. Williams Secretary Surface Transportation Board 12th & Constitution Ave., N.W. Washington, D.C. 20423

RE: STB Finance Docket No. 33388, CSX Corporation and CSX Transportation Inc.; Norfolk Southern Corporation and Norfolk Southern Railway Corporation -- Control and Operating Lease/Agreements -- Conrail Inc. and Consolidated Rail Corporation

#### **Dear Secretary Williams:**

My name is Dexter Glenn. I am writing you today on behalf of the Logan Lumber Company, located in Tampa Florida. My office address is 301 North Rome Ave., Tampa, Florida, 33606-1641.

We at Logan Lumber Company strongly feel that the proposed acquisition of Conrail by CSX and NS would be beneficial to our company, and we hope that the Surface Transportation Board will move to approve the application without delay.

Logan has been selling lumber for some 68 years now, and we annually haul 120 cars of plywood and lumber by rail, utilizing DNSF, CN, and Union Pacific. We feel that the acquisition of Conrail by CSX and NS would greatly facilitate our transportation needs in many ways, including but not limited to: 1. It would create more efficient and lower cost rail service which would improve competition with other transportation modes, a boon to companies such as Logan that transport by truck as well as rail.

2. It would improve our market reach and create new growth opportunities for our company.

3. More efficient equipment utilization and more direct and efficient routing would mean fewer delays and cheaper service.

For these reasons, we feel the proposed acquisition would be a very good thing for our business and hope that you will move without delay to approve it.

I, Dexter Glenn, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed this 10th day of May, 1997

Sincerely,

. Denno

Dexter Glenn





1112 HYDE PARK ROAD • HYDE PARK, ONT. NOM 1Z0 • PHONE (519) 473-9333 Verified Statement of London Agricultural Commodities, Inc.

My name is lan Carter, and I am General Manager of London Agricultural Commodities, inc. which is a grain merchandising and handling company located in London, Ontario. L.A.C. owns and operates grain elevator facilities in Thamesville (CPR), Louisville (CPR), Tupperville (CSXT) and Seaforth (CN), Ontario. During 1996 we were involved in the shippment of approximately 800 carloads of grain to northeast destinations.

We support the approval of the transaction by which CSX and Norfolk Southern will acquire control of Conrail, and then divide the assets and trackage of Conrail in the manner which has been described to me and which will be described in the joint application of CSX and NS to control Conrail. There is a distinct need for two competing railroads in the Northeast which own their own track and facilities. For too long, customers have had the service of only one carrier into the Northeast and this has resulted in high costs and less than enthusiastic service.

We feel that having two major carriers of relatively equal size and scope provide the greatest opportunities for seamless service and competitive efficiencies. This will result in greater use of rail transportation to the Northeast and both shippers and receivers will benefit from increased competition.

To summarize, we believe that approval of the joint application of NS and CSX to acquire Conrail should be approved by the STB. I, Ian Carter, declare under penalty of perjury that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on May 27,1997.

Sincerely,

lan Carter General Manager

### Long Branch Mining, Inc.

P. O. Box 113 Thorpe, WV 24888

May 15, 1997

The Honorable Vernon A. Williams Office of the Secretary Case Control Branch Surface Transportation Board Attn: STB Finance Docket # 33286 1201 Constitution Avenue, N. W. Washington, D. C. 20423-0001

Verified Statement

Dear Mr. Williams:

My name is Wilburn J. Cole, President of Long Branch Mining, Inc. Long Branch Mining, Inc. is responsible for the production of approximately 200,000 tons annually from rail facilities located on the Norfolk Southern system in West Virginia.

Joint line rail service into the Northeast has not allowed full access to markets that could be valuable to us. We support approval of the transaction which will allow Norfolk Southern and CSX to acquire Conrail and divide the assets. We would welcome the benefit of increased market access from single line rail transportation that will provide us an additional customer base previously unattainable.

Norfolk Southern has served us well for many years and since deregulation the Norfolk Southern has proven to be a valuable partner in the transportation and marketing of our coal domestically and worldwide.

We urge the board to approve the joint application of CSX and Norfolk Southern.

Sincerely, Joburn J. Cole President

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VERIFICATION I, Wilburn J. Cole, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Signed:

#### Long Island Intermodal Sales

99 EAST SHORE DRIVE . BABYLON, NY 11702

PHONE: 516. 422. 2929 . FAX: 516. 661.2305

May 14, 1997

Vernon A. Williams, Secretary Surface Transportation Board 12th and Constitution Avenue, N.W. Washington, D.C. 20423

#### VERIFIED STATEMENT OF KENNETH C. GENTZ on behalf of LONG ISLAND INTERMODAL STB FINANCE DOCKET NO. 33388

Dear Secretary Williams:

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The purpose of this letter is to offer our company's strong support for the proposed acquisition of Conrail by CSX and to urge the Board to approve it promptly.

<u>Background</u>: My name is Kenneth C. Gentz. I am President and owner of Long Island Intermodal, 99 East Shore Drive, Babylon, New York 11702. Our company has been in business since 1982 and I began my transportation career in May, 1962.

Long Island Intermodal is a third-party intermodal marketing concern handling a vast variety of products both finished goods and raw materials throughout the U.S.

The Importance of Transportation to our Business: An efficient and cost-competitive transportation system is paramount to our company's success. We have grown over the years, handling in excess of 2,000 intermodal shipments in 1996. This amounts to only 30 to 40% of our total volume, the balance moving over the highway due to the lack of efficient and reliable intermodal service in certain lanes. The joint acquisition of Conrail would benefit both Long Island Intermodal and our customers since the resulting organization would be in a position to provide competitive and efficient service that the intermodal industry does not now provide.

<u>Acquisition Support</u>: We strongly urge the Board to approve this application for the following reasons:

1. We believe that this acquisition would produce more competitive rates, improved service and better equipment utilization. The resulting railroads would have more efficient, singleline service; it has been our experience that single-line service is more reliable, faster and obviously seamless.

2. The increased number of origins and destinations available in single-line service will enable us to utilize the railroad rather than the highway. This acquisition would allow us more flexibility while expanding the market for both us and our customers. May 14, 1997 Page 2

3. We are convinced that the joint acquisition of Conrail will increase rail intermodal business for the combined system benefiting all who utilize the rail. The enhanced CSX system will be able to achieve greater operational and terminal efficiencies enabling them to move more business from the road to the rail. This acquisition will promote more longterm capital investment and ensure the growth of rail service in the future. These developments are of paramount importantance to all current as well as potential rail shippers.

4. We expect that this joint acquisition will provide increased competitive access to the ports in New York and New Jersey.

Finally, Long Island Intermodal supports the application of Conrail, Norfolk Southern and CSX and requests that the Board move as swiftly as possible to guarantee approval. It is our feeling that this is the best way to improve service, enhance efficiency and promote the growth of rail traffic in the East.

I, Kenneth C. Gentz, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 14th day of May, 1997.

Sincerely,

Kyment C. Sert

Kenneth C. Gentz