

**SURFACE TRANSPORTATION BOARD AWARDS CONTRACT TO CHRISTENSEN ASSOCIATES FOR STUDY OF COMPETITION IN FREIGHT RAILROAD INDUSTRY**

The Surface Transportation Board (Board) announced today that it has awarded a contract to Christensen Associates (Christensen), headquartered in Madison, Wisconsin, to conduct an independent study that will assess the current state of competition in the freight railroad industry in the United States. The study will cost approximately \$1 million and will be completed and made public in the Fall of 2008.

Christensen, an economic and engineering consulting firm with extensive experience analyzing the transportation sector and other markets, will conduct the independent study entitled *Report to the U.S. STB on Competition and Related Issues in the U.S. Freight Railroad Industry*. The study will focus on providing a comprehensive analysis of a wide range of issues including competition, capacity, and the interplay between the two. The study will also include an examination of various regulatory policy alternatives.

In October 2006, the Government Accountability Office (GAO) expressed concerns over competition and shipper captivity in the rail industry. The GAO recommended that the Board conduct a rigorous analysis of competition in the industry and consider actions to address problems associated with abuses of market power.

The contract was awarded through a competitive bid process in accordance with Federal procurement regulations and procedures.

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