



SURFACE TRANSPORTATION BOARD

FOR RELEASE

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STATEMENT FROM STB CHAIRMAN MARTIN J. OBERMAN ON PENDING RAILROAD MERGERS

The Surface Transportation Board has received a “notice of intent” regarding a proposed transaction that would place Canadian Pacific Railway Company and the Kansas City Southern Railway Company, both of which are Class I railroads, under common control. Under the Board’s statutes and regulations, this proposed transaction would be classified as “Major” and would be the first major transaction to seek Board approval in more than two decades.

The Board is also reviewing the proposed acquisition of rail carriers owned by Pan Am Systems, and Pan Am Railways, a Class II railroad, by CSX Transportation, Inc., a Class I railroad. The STB expects to publish a notice in the Federal Register on Thursday determining whether this proposed transaction will be classified as “significant” or “minor.”

Railroad transactions can have broad implications for the shape of the nation’s transportation system going forward. The STB has exclusive authority to review these proposed transactions and to determine whether to issue requisite approvals. The agency intends to scrutinize the transactions carefully and diligently, in keeping with the applicable statutory and regulatory frameworks. Additionally, the agency is committed to moving forward expeditiously, while ensuring meaningful opportunities for public participation and stakeholder comment.

The freight railroad system is a crucial component of our Nation’s infrastructure. It is both a key engine of economic growth and essential to maintaining our national security. It is important for us to make sure that the U.S. maintains a robust, efficient, competitive, and economically viable surface transportation network that meets the needs of its users. Over the course of the 25 years since its creation, the Surface Transportation Board has faced substantial railroad merger transactions, and I am fully confident in my fellow Board members and our staff to adjudicate these matters and reach the appropriate outcome on the merits.

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