



Distribution Services International, Inc.

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February 12, 2016

Chairman Daniel R. Elliott, III
Vice Chairman Deb Miller
Member Ann D. Begeman
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-000

Dear Chairman Daniel R. Elliott, III & STB Board Members,

Distribution Services International, Inc. (DSI) strongly opposes the merger of Canadian Pacific and Norfolk Southern on the basis that it will reduce safety, rail infrastructure investment, and customer service and has no public benefit.

Distribution Services International, Inc. (DSI) is a warehousing and logistics company with a twenty-six-year history working with Norfolk Southern, manufacturers, and retailers to create logistics solutions focused on railcar service in strategic port markets. Our company has grown aggressively and relies on the consistent and reliable service Norfolk Southern provides in order to meet stringent requirements for safety and on-time delivery. All of our customers are very sensitive to service performance and choose rail service only to the extent it can continue to deliver acceptable service levels.

Norfolk Southern has taken a long term approach to investing in safety, service, and growth to continue to meet these needs. DSI has also invested significantly in rail infrastructure for our distribution facilities and created many jobs that are dependent on rail service. Collectively, we have replaced tens of thousands of heavy trucks on our highways while facilitating commerce in strategic port markets. There is great public benefit to this rail investment approach.

There is no long term benefit to Canadian Pacific's proposals to acquire Norfolk Southern (directly or indirectly), and drastically cut costs by closing more serving yards, eliminating more trained personnel, and halting infrastructure investments for the short term gain of their activist investors. This approach will do irreparable harm to businesses that rely on the service Norfolk Southern provides today, like DSI and our customers, and force layoffs and freeze private investment in additional rail infrastructure, which we need as a nation to help address our public surface transportation costs and overall competitiveness.

Additional rail consolidation serves no public benefit and it will only create chaos in the industry as all railroads attempt to merge, eliminating competition further and hurting service. DSI strongly opposes this attempted merger and requests that the STB make a clear rejection of this proposal.

Sincerely,

Justin Redmond

President
Distribution Services International, Inc.