



CELEBRATING 150 YEARS OF MOVING BUSINESS FORWARD

The Honorable Patrick Fuchs
Chairman
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Michelle Schultz
Vice Chair
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Karen Hedlund
Member
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

Dear Chairman Fuchs, Vice Chair Schultz, and Member Hedlund:

On behalf of the Duluth Area Chamber of Commerce, the largest Chamber of Commerce in northeastern Minnesota, we respectfully submit this letter to express concern regarding the proposed merger between Union Pacific and Norfolk Southern and its potential impact on businesses across our region.

As a business and community advocacy organization representing over 1,100 businesses and thousands of employees across our region, the Chamber is deeply committed to advancing economic development, improving business conditions, and fostering community progress. We are committed to a vision where our region is a national hub for innovation and technology—from our legacy industries to the emerging sectors reshaping the global economy.

The proposed merger would consolidate approximately 45% of all U.S. rail tonnage under a single carrier. This level of concentration within the rail sector raises serious concerns about long-term impacts on competition, pricing, and service reliability—particularly for businesses and the Twin Ports in our region that depend on rail to move goods efficiently and affordably.

The merged railroad would become the dominant provider in several key commodity sectors vital to our local economy, including lumber and wood products, coal, chemicals, pulp and paper products, intermodal containers among others. These sectors support a wide range of industries in northeastern Minnesota. Reduced competition in rail service could lead to higher transportation costs, fewer routing options, and diminished access to markets. These pressures would not only affect producers and manufacturers, but also increase costs for grocers, retailers, and consumers—ultimately impacting both the cost of living and the cost of doing business across our region.

We urge the Board to reject this merger due to the significant reduction in rail competition it would cause. For many of our members, rail is not one option among many—it is the only viable means of moving goods. Further consolidation would severely limit their ability to negotiate fair rates or maintain reliable service, with ripple effects across regional economies.



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We appreciate the Board's continued commitment to preserving a balanced and competitive rail network that supports economic vitality in communities like ours. The Duluth Area Chamber of Commerce remains committed to staying engaged in this process and ensuring the voices of our member businesses are heard.

If you have any questions or need any more information, please contact me at mbaumgartner@duluthchamber.com.

Respectfully submitted,

Matt Baumgartner, MBA, CFA Candidate
President & CEO
Duluth Area Chamber of Commerce