



**SOY TRANSPORTATION
COALITION**

NEWS RELEASE

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Union Pacific Tops List, Canadian National Shows Dramatic Improvement in STC Rail Report Card

Ankeny, Iowa – Union Pacific was selected as the top performing railroad by leading U.S. agricultural shippers in the second annual Soy Transportation Coalition (STC) Rail Customer Satisfaction Index. Survey respondents provided Canadian National a 38 percent increase in its score from the previous year – giving the company a third place ranking among the seven Class I railroads. In 2010, Canadian National finished in last place.

The survey was completed anonymously by agricultural shippers of various sizes and scale of operations and was comprised of the same eleven questions from 2010 categorized under: 1.) On Time Performance; 2.) Customer Service; and 3.) Costs. For most questions, participants were asked to rate each of the seven Class I railroads on a scale from 1-10 with ten being the highest and one being the lowest.

After combining the results from the eleven survey questions, Union Pacific received the overall highest rating. The company finished first in eight out of eleven questions. BNSF, the top rated railroad in 2010, slipped to second place and was the only railroad to have a lower aggregate score compared to the previous year. Canadian National's overall rating jumped 38 percent from 2010. On average, respondents provided railroads a 10 percent higher score than in 2010. Canadian Pacific was rated as the lowest performing railroad – receiving a last place ranking in nine out of eleven questions.

Soy Transportation Coalition Rail Customer Satisfaction Index – Overall Ratings:

- 1.) Union Pacific Railroad
- 2.) Burlington Northern Santa Fe Railway
- 3.) Canadian National Railway
- 4.) Norfolk Southern Railway
- 5.) CSX Transportation
- 6.) Kansas City Southern Railway
- 7.) Canadian Pacific Railway

“Last year, our nation’s railroads were confronted with the challenge of not only accommodating an abundant harvest, but also having to do so in a very compressed period of time,” explains Mike Steenhoek, executive director of the Soy Transportation Coalition. “While many concerns continue to linger, agricultural shippers are increasingly pleased with the rail service they are receiving.”

Of particular note was the dramatic improvement of Canadian National Railway over the previous year. Mike Steenhoek says, “According to the feedback received from a number of agricultural shippers, Canadian National has increasingly reached out to its customers, solicited their input, and has instituted a number of performance measures to become a more service oriented railroad. They demonstrate that a significant amount of improvement can occur in a short period of time.”

As in 2010, railroads received higher ratings for customer service than for cost issues. Respondents continue to suggest railroads could better explain rail service costs. Moreover, rail customers remain skeptical of accessorial charges – arguing that they are simply another avenue for generating revenue rather than a legitimate cost.

“The opinions captured in the STC survey represent the overwhelming majority of the grain and oilseeds transported in the United States,” says Mike Steenhoek. “The survey therefore allows us to better determine whether railroads are successful in meeting the needs of its agricultural customers.”

Class I railroads are the largest railroads in the country with an annual operating revenue exceeding \$378 million. Seven railroads are classified as Class Is: Burlington Northern Santa Fe Railway (BNSF), CSX Transportation, Kansas City Southern Railway, Norfolk Southern Railway, and Union Pacific Railroad. Canadian National Railway and Canadian Pacific Railway are also considered Class Is due to their significant trackage lines in the United States.

The seven Class I railroads annually transport more than 24 million tons of soybeans, 17 million tons of soybean meal, and 6 million tons of soybean oil.

The full results of the survey, including a copy of the questionnaire, can be accessed at www.soytransportation.org.

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Established in 2007, the Soy Transportation Coalition is comprised of ten state soybean boards, the American Soybean Association, and the United Soybean Board. The goal of the organization is to position the soybean industry to benefit from a transportation system that delivers cost effective, reliable, and competitive service.