PACER STACKTRAIN STACK FACTS

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RE: Potential CN Union Rail Strike

Since late in 2003, the CN railroad has been in on-going contract negotiations with its largest union, the Canadian Auto Workers (CAW), in order to reach an amicable agreement, primarily surrounding monetary and benefit concessions. The CAW represents approximately 5,000 CN shopcraft, clerical and intermodal yard employees in Canada.

The existing contract expired on December 31, 2003. Both sides have been bargaining in good faith since the beginning of the year, and the CAW rejected the CN's most recent offer on January 23, 2004.

The CAW will strike if both sides fail to reach a new agreement by midnight February, 19th, 2004.

Were a strike to occur, the CN plans to deploy management personnel to keep all of its intermodal ramps operational as best as possible. However, the reality is that traffic originating and terminating at CN terminals may experience delays.

As an alternative, the CP railroad has rail service supporting most locations the CN serves. Some of these routes have longer transit times, so customers need to consider this fact when calculating their respective delivery commitments.

As soon as it is known if this strike will occur, Pacer will issue another notification with additional details.

If you have specific questions, please contact your local business development representative.

To see this notification posted online, please visit www.pacerstack.com/news

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