



November 22, 2011

The Honorable John A. Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Boehner:

On behalf of the National Retail Federation (NRF), I would like to draw your attention to the very real prospect of a strike that could cripple our nation's freight rail system at a critical time of the year for the U.S. economy. Such a strike would have significant impact on the U.S. retail industry as well as millions of consumers and workers and cost the American economy as much as \$2 billion per day.

As you may know, the railroads have been able to reach voluntary agreements with ten of the thirteen rail unions. Unfortunately, a strike remains a real possibility, and a nationwide rail service shutdown could occur as early as 12:01 a.m. on Tuesday, December 6. It is imperative that Congress recognize the severe economic harm threatened by the failure to reach agreement with the remaining rail unions and move quickly to prevent a rail strike that would prove devastating to both businesses and consumers.

For retailers, a strike during the busy holiday shipping season could be devastating. Retailers, along with thousands of other businesses, rely on freight rail for the delivery of their products. Any disruption in rail service, no matter how short, will create a sustained backlog and congestion will clog the transportation system for weeks after any disruption of service, even if it lasts only one day. This will create a major complication for goods being imported and shipped cross-country via intermodal rail, because other modes of transportation will not be able to make up the difference in the backlog. Moreover, the effects of a strike now could potentially linger well into the spring selling season.

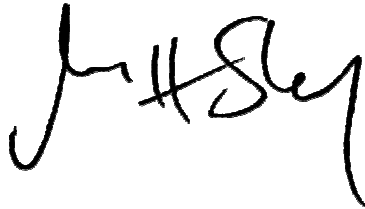
As the world's largest retail trade association and the voice of retail worldwide, NRF represents retailers of all types and sizes, including chain restaurants and industry partners, from the United States and more than 45 countries abroad. Retailers operate more than 3.6 million U.S. establishments that support one in four U.S. jobs – 42 million working Americans. Contributing \$2.5 trillion to annual GDP, retail is a daily barometer for the nation's economy. NRF's [Retail Means Jobs](#) campaign emphasizes the economic importance of retail and encourages policymakers to support a [Jobs, Innovation and Consumer Value Agenda](#) aimed at boosting economic growth and job creation.

Liberty Place
325 7th Street NW, Suite 1100
Washington, DC 20004
800.NRF.HOW2 (800.673.4692)
202.783.7971 fax 202.737.2849
www.nrf.com

I am urging you to pass legislation that would impose the terms recommended by the Obama Administration's Presidential Emergency Board on both rail management and labor to immediately stop a rail strike.

If you need additional information, please contact Jonathan Gold (goldj@nrf.com), NRF's Vice President, Supply Chain and Customs Policy. Thank you for your attention to this matter of great importance to the retail industry, our employees and U.S. economic recovery.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Shay", with a stylized, cursive script.

Matthew Shay
President and CEO
National Retail Federation