

December 1, 2011

Honorable John Boehner  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

Honorable Harry Reid  
Majority Leader  
U.S. Senate  
Washington, DC 20510

Honorable Nancy Pelosi  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Honorable Mitch McConnell  
Minority Leader  
U.S. Senate  
Washington, DC 20510

Dear Speaker Boehner, Leader Reid, Leader Pelosi and Leader McConnell:

We are writing to express our grave concern at the prospect of impending strikes shutting down or severely disrupting our nation's freight rail system in less than one week. It is critical that Congress intervene to prevent a rail strike and significant economic disruption if railroad management and labor unions cannot reach agreement by the end of the statutory cooling-off period, which ends at 12:00 am on Tuesday, December 6.

While we are pleased to see that the railroads have been able to reach voluntary agreements with the vast majority of rail unions, unfortunately a strike is a real and worrying possibility.

The auto industry is the largest manufacturing sector in the U.S., supporting 8 million American jobs, \$500 billion in annual compensation, and \$70 billion in personal tax revenues. The industry is following these negotiations closely, because a disruption in our nation's freight rail system would severely impact the auto sector, which in turn would have ripple effects throughout the entire U.S. economy.

Rail is an essential component of the automotive industry's national supply chain. Auto manufacturers ship tens of thousands of vehicles daily in North America, primarily on U.S. railroads. A strike, or partial strike, would limit the ability of auto manufacturers to move components to plants to enable assembly, and stop shipment of finished vehicles. Production at assembly plants and independent parts manufacturers throughout the country would be impacted immediately and inventory at dealers nationwide would quickly become constrained. Extended production shut downs would come at precisely the worst time and reverse the recovery in one of the few bright spots in a fragile US economy.

We respectfully urge you to pursue all possible options – including imposing the terms recommended by the Presidential Emergency Board on both rail management and labor – to help avert a rail strike. Thank you for your attention to this matter of great importance to the U.S. economy.

Sincerely,

Alliance of Automobile Manufacturers  
American Automotive Policy Council  
American International Automobile Dealers Association  
Association of Global Automakers  
Motor and Equipment Manufacturers Association  
National Automobile Dealers Association  
Specialty Equipment Market Association