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Transcript

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Corporate Participants:

Nadeem Velani – Executive Vice President & Chief Financial Officer, Canadian Pacific

Maeghan Albiston – Assistant Vice President Investor Relations, Canadian Pacific

Other Participants:

Thomas Wadewitz – Analyst, UBS Securities

QUESTION AND ANSWER SECTION

Thomas Wadewitz

Analyst, UBS

I'm going to go ahead and get started with the next fireside chat and presentation. It's a pleasure to have Nadeem Velani here with us, the CFO from Canadian Pacific. Maeghan Albiston is in the audience as well. So thanks, Maeghan, for joining us. We just had some interesting comments from their primary competitor, CN. I'm sure that – so, they've got a growth story. CP has a strong growth story as well. So, we look forward to hearing about that. Nadeem, I think you have some intro comments and then we'll get into the fireside chat. And just as a reminder, if you have any questions go ahead and send them into the app or raise your hand along the way. So, Nadeem, thank you for joining us and go ahead.

Nadeem Velani

EVP & CFO, Canadian Pacific

Thanks for having us. Certainly a pleasure to be here in New York with UBS. I guess it's a morning of we, the North, here with the Canadian railroads. So – sorry, I know we're just waiting to have the doors closed here, it's a little – some of those railroaders are a little loud in the hallway, so. It's a real pleasure to be here. It's been a tremendous second quarter. I think we started off obviously the year with a very difficult first quarter, very difficult winter. But, Tom, as you know, we had strong confidence in our ability to recover, our ability to have a very strong year and not budge off our guidance. And certainly we've proven that. I think we've shown the strength of our model, the resiliency of our network and really the strength of our operating team, and just how embedded in the DNA precision-scheduled railroading is at CP. And so we exited March with a – and probably the network was in a very difficult position. I'm happy to say today that I don't think I've seen the railroad in as good condition in my six-plus years at CP. April, May, we've had record volumes, record workload, and more importantly from an operating metric point of view we're setting new records whether it's car miles per car day or train lengths or train weight or GTMs per horsepower. All of our key metrics that we measure ourselves against have been extremely strong. We're setting records upon record in Canadian grain. I know our Canadian competitors talk about their softness that they've had. Well, we haven't had that problem. We've seen Canadian grain set record after record through April and May, which is again a testament to the service we provide our customers and the strength of our service. Potash has been setting new records through the April-May timeframe as well. And so, we're extremely excited. I think we've been very vocal about the market share opportunities that we've secured, whether that's on the domestic intermodal with Dollarama that started earlier this year, whether that's with the – on international intermodal side which we announced with Yang Ming. This will start in January which will be a significant win for CP. On the auto side, we've got new services, new products in play. Vancouver, we've opened up a new auto compound in February. We've secured an anchor customer with Ford, which is new volumes into that market for us. We've announced deals beyond the 2021 even timeframe with the – on the plastic side with Inter Pipeline that will feed – which will be Northern Edmonton area. So, it's kind of broad-based gains that we're seeing market share wins, but also organic growth with our customers that have been very attracted to the service and the value proposition at Canadian Pacific. So, it's exciting times, Tom. Thanks for having us.

<Q – Thomas Wadewitz>: Thank you. Sorry, I'm going to try to get rid of the noise I have going on here in the background. Apologize for that. Thank you for joining us. It definitely seems to be exciting times in terms of the things happening at CP both the several years' positioning to handle the growth and then

seeing the growth materialize. Maybe to start with if you can offer some thoughts on the broader volume growth trend that has been clearly better for CP versus the group. One of the questions that's come up in second quarter and maybe this year in general is freight demand has weakened in terms of truck and economically sensitive. So, maybe you can offer your thoughts, have you seen it from some of your customers? Why have you been able to continue to put up good growth over the last couple of months despite seeing weakness in other areas? So, maybe...

<A – Nadeem Velani>: Sure.

<Q – Thomas Wadewitz>: ...thoughts on that to start with.

<A – Nadeem Velani>: Yeah. I mean, certainly from a macro point of view, you can see pockets of softness, there's no doubt, whether that's been a loosening truck market, I'd say some of the frac sand areas that we've seen some softness. And U.S. grains have been more kind of tariff-based issues side on the – demand from China hasn't been – they haven't executed on purchasing from the U.S. So, that slowed down some of the U.S. grain. But beyond that, we've kind of had our own self-help stories. So, if you look at even the last two years, we've had the best revenue growth over that period of time in the group and 2019 is no different than that. We talked about fixing the engine with the transformation and then leveraging that low cost and strong service for accelerated growth, and that's exactly what's occurred. And so if you look at our performance year-to-date and where we see the rest of the year, I think you're going to continue to see CP have volume stronger than the group. I think year-to-date we're up about 3% on RTMs. Quarter-to-date we're up over 8%. So, it's really a reflection of kind of self-help stories. So, what I talked about in terms of domestic intermodal, some of the market share gains are showing traction. From a – if you look at the – where the growth is coming from, it's pretty broad-based though. So I think we've seen growth in every segment outside of U.S. grain and Canadian coal, which is flat at this point, which is a reflection of some of the supply chain challenges that we've seen the first half of the year. But we expect that to grow. So, this is kind of a broad-based – it's a reflection of our sales and marketing team that have been very good at securing profitable, sustainable growth. We have been saying for a long time we're not going to take growth just for growth's sake. We're not looking to just grow and have volumes just for volume's sake. We're looking to work ourselves with strategic partners and those that can work with us and really drive a lot of value. And it avoids kind of this tit-for-tat kind of market share kind of dynamic. We're aligning ourselves with those that make sense that if we're doing our best and our competitors doing their best, we should have a natural advantage, whether that's location of facilities or it's shorter route miles, utilizing our advantage of having shorter route miles from Vancouver to Toronto, Vancouver to Chicago, Vancouver to Montréal. You do have leverage over your competitor when you can provide that type of service advantage. So, we're in a good spot. We expect this to continue. I'm more and more excited about 2020, I think that can be a very strong year for CP. So, this isn't a one-quarter, one-hit-wonder kind of situation. This is something that's structurally we see an opportunity to grow faster than the industry.

<Q – Thomas Wadewitz>: So, if we do have a broader slowing – or we've had a broader slowing in freight, if that continues and you have cyclical weakness, what are the particular areas that we would see it in the CP book? Is it intermodal primarily? Are there other areas? How do you think about the way your book might respond if there's a further loss of momentum in broader freight in North America?

<A – Nadeem Velani>: Sure. I mean, obviously we are predominantly a bulk railroad although that's been changing as we've been growing in the merchandise space and domestic intermodal

space. So, largely, grain is 25% of our business. Yields have been increasing for some time. When I first started with the other railroad in 1998, I started off in Canadian grain and a good crop back then was 50 million metric tons. Today, we're moving 75 million metric ton crops pretty consistently the last three, four years. So, overall yields have improved. And so we see grain as kind of protected from a macro point of view. Can you see challenges with trade tensions on the U.S. side that can slow down temporarily volumes like we've seen currently? Absolutely. But we're protected from a macro point of view on 25% of our business effectively on the grain side. Coal is certainly – our coal is metallurgical coal tied to steel production. And so, if there's a slowdown in demand for metallurgical coal and slowdown for the need for Canadian metallurgical coal, that's where you could see potentially some softness. That being said, our key customer there has an advantage relative in their marketplace with very low-cost production and very strong balance sheet as well. So, I think we're in a good spot from as far as our coal franchise is concerned. Potash, it's about 6% of our business. It's an export potash play. We've seen a new customer come on the last couple of years with K+S that chose to partner with us. And potash has been a kind of a long-term grower in terms of the volumes overall. Is it tied to the economy? To an extent. As far as commodity prices go, potash production can slow down if you see a slowdown in commodity prices. As far as the other side of the book kind of non-bulk, I think the domestic intermodal is probably the more economically sensitive and that's something that if consumers in North America – if consumption slows down, you'd see it in intermodal book for the most part. As far as our merchandise space, what we move which is a combination of energy, chemical, plastics, feedstock's for North American production, that's certainly from an economically sensitive point of view. As far as the book is concerned, it's probably the most economically sensitive to U.S. GDP.

<Q – Thomas Wadewitz>: The energy book is the most sensitive.

<A – Nadeem Velani>: Yes.

<Q – Thomas Wadewitz>: Even more sensitive than domestic intermodal or...

<A – Nadeem Velani>: I'd say yes. I mean, domestic intermodal has some structural kind of opportunities vis-à-vis truck.

<Q – Thomas Wadewitz>: Right.

<A – Nadeem Velani>: So, there's that economically sensitive aspect of it but we still see and continue to see opportunities from a market share point of view that you could offset some of the weakness there if there was economic weakness.

<Q – Thomas Wadewitz>: How do we think about the impact of tariffs and disruption to trade on your overall book? Have you seen an impact to the portion of intermodal that goes to the U.S.? Is different movements of canola not going to China? Is that a meaningful exposure to your – how do you think about what you might have seen to this point and then going forward if there are – the $300 billion in additional tariffs, if those are put into place, how might that affect CP's markets and customers?

<A – Nadeem Velani>: Sure. So, really the biggest direct exposure so far has been – or impact I should say has been on U.S. grain that I've discussed a fair bit here. Beyond that, we haven't seen an impact yet. Certainly, as you mentioned canola, there's been some tension between Canada and China on the trade side as well and they've targeted kind of canola as one area. We haven't felt the effects of that much yet. I guess it's being masked by growth in other parts of the grain franchise. Overall, it's about 2% of our

business. Customers and farmers are looking at alternative kind of planting opportunities or other kind of crop rotations and so forth and something that does bear watching. Beyond that, I mean our exposure to Mexico is predominantly on the grain side as well. So, there's not a lot of exposure to us to see what's been taking place recently on the Mexican tariff point of view. Beyond that, really, from a macro point of view it's the uncertainty that that creates and what that means from a – capital investment by customers, what that could mean to overall kind of paralyzing the decisions of companies and customers and what that means to the broader kind of macro environment, that's probably the more concerning...

<Q – Thomas Wadewitz>: Yeah.

<A – Nadeem Velani>: ...aspect of trade tension. So...

<Q – Thomas Wadewitz>: Right.

<A – Nadeem Velani>: And we're focused on controlling what we can. There's not much we can do from that point of view. We watch it closely. We've been seeing a lot of growth and seeing a lot of volume growth but at the same time we're also mindful that things can go the other way. It's the reason why we've been parking locomotives where we've – part of the benefits of having a network running so well is it only means something if you convert it. It only means something if your GTMs per horsepower are going well, it means you can park locomotives and take cost out of the network, it means you can park cars and slow down some of your hiring and let attrition do its work for you. So, that's – even in these kind of times when things are going really well for us, that's what we're doing. And that's kind of the – if I say precision railroading is in our DNA that's kind of how we've been brought up and how we manage the business.

<Q – Thomas Wadewitz>: How do you think about competitive dynamic in Canada? I think we just – in the last presentation, we got a – I get the sense that is a pretty – strong competitive dynamic. You've recently announced a contract win with Yang Ming which is a sizable contract, I think starting in January 2020. Your competitor just indicated that they had won a contract from you starting in 2021. So, how do you – I guess, how do you think about net wins in, I think international intermodal seems to be the most competitive area. Do you have conviction about net contract gains in that area? And how do you avoid a situation where it's kind of a back and forth and there's not really a gain for the industry because it ends up just being a gain for the customer on price?

<A – Nadeem Velani>: Yeah. No, that's fair. I mean, if you look at what occurred during the transformation, certainly, our competitor took advantage of us going through a sizable transformation, and the fact that we didn't have the cost structure to compete. Our OR was closer to 80% than it was to 60% and we're in a different place now though. And so they took on a lot of international intermodal business. They took on a lot of automotive traffic and we've won a sizable amount of that back, right? So, we won the ONE contract last year that we started shipping last April. We recently won Yang Ming and our view is to focus on service and the value proposition. We talked about our advantage on shorter road miles between Vancouver-Toronto, Vancouver-Chicago, Vancouver-Montréal. Clearly, our better service versus our competitor. We haven't had the challenges that they had in terms of their lack of capacity and I think customers recognize that. So, we sell to our service and we look for long-term sustainable kind of strategic partnerships. I can't control what he does. I can't control what they do from a market point of view. I heard his quotes from Hunter. Hunter taught us too, which is let the market dictate what you can get. And so, is it competitive? Yes. But I think both organizations can win. I think both railroads can be successful. If you look at where they're growing, they've got some unique stories

to them. And I'm happy for them. And we've got some of our unique stories that are driving our accelerated growth. So I think both Canadian railroads can win in their marketplaces and grow faster than the industry. I think we're seeing it today still. I think there's a healthy pricing environment that both can generate value from. When we look at some of our growth opportunities that's been tied to expanding our product offering, expanding our services in areas that CP didn't have before. So whether it's transloads, whether it's opportunities to generate roundtrip economics that we couldn't offer before. So, we're entering a new space. We're very mindful that you don't want to just trade contracts. That's a path of value destruction, not creation for both. But we control what we can and that's the product we offer and offer a reasonable price to our customers.

<Q – Thomas Wadewitz>: Okay. If I go back to your analyst meeting in October, you laid out a pretty positive framework for multi-year growth and a component of that is certainly growth in the markets and some investments you're making. A component of that is, I don't know if you want to call it rebalancing, leveraging where you have advantage. So, how do you look at that today versus what you presented in October? Do you still have the same – is it exactly the same? Would you say, well, this is a little different versus that vision? And how do you think about the key factors that we ought to consider when we go back to that October framework and think about the pretty optimistic multi-year growth you laid out?

<A – Nadeem Velani>: Sure. Yeah. So, I'd say we laid out a plan which was we can repatriate some traffic on the intermodal side, on the automotive side, on the merchandise space, and also grow with our customers. So, take for example we have some refined fuel products that are – we're going to be starting to – we're shipping today and we'll be growing further with a key customer that's going from Western Canada and the Midwest of U.S. to Toronto. That's a unique opportunity to CP. It's not a market share opportunity. It's a unique kind of organic growth that can be close to 1% of revenue. So, it's meaningful kind of revenues. I'd say that since October when we laid out our vision, obviously we had some things in our back pocket. We weren't going to lay everything out there, but it's probably been – definitely been more – we've seen more value and more opportunities than we've laid out since then. If we were doing our Investor Day today, we'd probably be more optimistic in terms of what we can generate growing with our customers. I'd say that we've secured some key victories since then. We weren't factoring in the full Yang Ming market share and I don't think that's prudent to do that, and yet we were able to secure that business. So overall, I'd say we'd probably be more optimistic than we were in October.

<Q – Thomas Wadewitz>: Great. Just a reminder, if there are any questions in the audience, happy to take them. Let's see. How do we think about – I know it's not simple but analysts like to think in simple – or at least, speaking for myself, I like to think in simple frameworks that build intuition on how some of the macro variables affect – so, I know spreads matter for crude by rail. That's relatively straightforward. So, there's maybe a sweet spot where you have good for the local producer but enough incentive to ship rail. How do we think about the broader – what's good in terms of a crude oil price, what's good in terms of spreads, what's good in terms of natural gas prices supporting the broader energy growth story, that's a pretty attractive growth story over a couple of years?

<A – Nadeem Velani>: Yeah. I mean, certainly spreads do matter. I'd say absolute level and the price of Western Canada Select matters from a Canadian economy point of view tremendously. And this is why certainly the Alberta Government has chosen to intervene and support with production curtailments to support the price of WCS because it matters significantly to tax

revenues, to the viability of a lot of producers in Canada which has implications to jobs in Alberta, to demand for goods in Alberta. And it's been a big part of the Canadian economy for some time. So, that's one aspect of it. As far as the crude by rail aspect and certainly the spreads, we've seen that kind of mid-teen kind of level come back here, $15 to $18 type of number whether you're looking at WTI or WCS versus Maya, we've seen some of the opportunities that the tariffs on Mexico has also created in that spread for WCS to Maya that's being supported as well for crude by rail. It is an interesting time. We've got a new government that's coming in that has inherited some contracts that the previous government signed with the railroads, with leasing companies, with some of the transload facilities as well. So, I think they're kind of looking at what that means and trying to decipher what's in those contracts and also tie that into certainly what decision that they want to make in terms of whether to reduce the curtailments or not. So it's a very simple but complex kind of environment. At the same time, it has political implications as well. So we're of the view that we'd like the market to kind of just let the dynamics play out. Obviously, it's easy for us to say that; some of the smaller producers in Alberta are impacted tremendously by low WCS. So, to answer your question, I mean, volatility, it creates challenges and it creates opportunities as well. Would we like kind of a steady $50, $60 WCS and maintain spreads of about $15 to $18? Absolutely but it's, on paper that sometimes sounds good, but the reality of the way the market works isn't necessarily that way. So, we are moving a lot of crude today. We've seen an uptick sequentially between Q1 and Q2 probably about 50%. We expect to continue to move crude by rail in a strong level. Certainly, we expect to live up to our contractual obligations with the Alberta government, which starts in July. We've been hiring. We've been investing into the network. We've been taking on locomotives all in anticipation of these volumes in July. The market and the demand is quite strong as well irrespective of the government's intervention or not. So, we'll see what happens here in the next three weeks or so. If the government gets out of those contracts and it goes to – the producers take it on or the market takes it on itself, we'll be ready to move.

<Q – Thomas Wadewitz>: So if we take a step back on that, can you just give us the frame of kind of – I think of it as just like crude carloads by quarter. I know you can do it trains per month, barrels per day, whatever. But your choice, how would you frame activity fourth quarter, first quarter, and then the ramp in the second?

<A – Nadeem Velani>: I'm like you, Tom, maybe we've worked together for so long that carloads by quarter kind of makes sense to me. We did about 17,000 in Q1. We probably like set up 50% off of that base. Kind of rough numbers in Q2. You can do the math on that. So, if we're exiting kind of that 100,000 carloads kind of run rate in Q2, entering Q3, we expect, we think we can do 100,000 kind of carloads for the year type of number. Is there a little bit of upside to that potentially, but we'll see how the next few weeks play out in terms of curtailments in terms of this contract with the Alberta government.

<Q – Thomas Wadewitz>: So, if the contract, whether it's with Alberta or in private company hands is executed, then what does that imply for your crude by rail in the second half? Is there a further meaningful ramp? Or, I mean, obviously, what other players do matters?

<A – Nadeem Velani>: Right.

<Q – Thomas Wadewitz>: But how would we think about a base case given that you do have that commercial contract?

<A – Nadeem Velani>: Tom, you could probably. So, if I tell you we're exiting kind of Q2 with a 25,000 run rate, could you be at a 30,000 run rate? And that's probably a fair number to think about at this point.

<Q – Thomas Wadewitz>: In the third quarter or fourth quarter?

<A – Nadeem Velani>: Yeah. Third quarter.

<Q – Thomas Wadewitz>: Third quarter. How do you think about sustainability of the business? It seems like there's not a lot of evidence that you can get pipelines built without a long period of time or, I don't know, that's probably not a very articulate way of saying it, but obviously there are regulatory challenges. So, if pipeline construction continues to be delayed, whether it's Line 3 or whatever else, do you invest in that business, think about that business differently or is it something where you just want to say, hey, we believe it's temporary and we'll treat it as such?

<A – Nadeem Velani>: Yeah. And some of my Calgary peers and colleagues articulate pipeline situations in a different way as well. They...

<Q – Thomas Wadewitz>: More colorfully?

<A – Nadeem Velani>: Yes. Certainly, it's interesting up there. I'd say that we've seen even recently this past week with some of the Enbridge Line 3 kind of challenges that we've seen in the court in Minnesota that that could further delay their Line 3 expansion. Pipeline economics are fantastic it's just trouble getting them built. So, they will come. I'm confident that we have an election coming up in the fall. Depending on the outcome of that, that could change some of the dynamics as well. There's a lot of pressure in Canada to get pipelines. So, it's a matter of, if not, not when – or when not if, it will happen. Is there a period now that we see kind of crude by rail to be sustainable for? It was 18 months before. It's probably closer to three years now. You're kind of talking well into the 2022 kind of level. So, we've taken an approach in terms of this line of business to say how do we secure the capacity and then move it. But our investments into track, into locomotives. It's a 40-year investment, right? So when we – when crude by rail kind of made its comeback, we've made the choice of instead of spending valuable capital dollars back into our network and back into investing in these 40-year assets, how could we partner with some of our U.S. interchange partners in the U.S. to help move these volumes? So, traditionally railroads will look at trying to get the longest length of haul and the most revenues for the move. We look at how do we turn the assets the best, how do we get the best return on the traffic. So, we laid out this opportunity where the carloads wanted to go, predominantly the Gulf, but some to the East and some to the Midwest. And we've worked with the BNs, the UPs, KCS and the Eastern carriers. We've worked with them all to say how do we kind of utilize each other's networks, how do we ensure that we can get a good asset turn, and what are the economics that can justify kind of getting back into the crude by rail business. And so that's kind of the tack that we took, so – just to maintain some level of discipline in terms of our capital spend as well. So, yeah, I think it's got probably a two to three year kind of – probably a three-year window right now and we're ready to move it.

<Q – Thomas Wadewitz>: How do you think about what's happening at the other roads at I guess primarily at the U.S. rails, right? We've got a number that are going down this path of implementing PSR to use Hunter's term, to use a term that you've – the way it was framed at CP. I think there's some – some people would be skeptical, some people would be optimistic. Do you have any kind of read on

how that affects CP, your interchange partners, how maybe that's having an impact in terms of flow of traffic at this point?

<A – Nadeem Velani>: Sure. Yeah. I mean, listen, I'm a fan of kind of applying the principles of precision railroading in the industry. When you can have kind of like-minded approach to how we service customers, how we turn assets, how we look at traffic movement, it makes life easier given we interchange a lot of traffic. And so for us it's a huge opportunity to work with our U.S. partners and turn those assets better. It was like speaking a different language at some points when you're working with these other customers or other roads. But now it's kind of a common kind of platform, a common kind of language of how we interact in terms of looking at business and turning of assets. So, it creates opportunities. It helps us in kind of some of these areas that we've talked about seeing challenges like Chicago. It helps us to look at other opportunities. For example, right now we're looking at working with UP on moving traffic to Portland on export potash and we've been trying to work this for some time. Having someone like Jim Vena who gets it, not to say that his predecessor didn't, it's just they're open to new ideas now, and can you look to work with them to create a better product and offering for your customers and run things more efficiently. I mean, there's huge opportunities there for the customer, for UP, for us. There's multiple examples like that with each of the U.S. roads. We spent some time with the KCS recently. Sameh is doing a tremendous job implementing precision railroading there. He certainly knows more than just the procurement. He knows a lot about how to run a railroad, and so having someone like that that can kind of look to implement things quickly and knowledgeably and understands the same approach to railroading, again, tremendous value. We interchange a lot of traffic with them. So, we're excited.

<Q – Thomas Wadewitz>: So, you've seen some things that make you optimistic that there are productivity gains potentially on interchange given what's happening at KCS and UP.

<A – Nadeem Velani>: Absolutely. I mean, a big part of our view on M&A was you can apply PSR to the railroads in the U.S. and be effective and generate a lot of value. And then operating networks kind of as one could be a huge opportunity to drive value. Now, we're – not to say that we're at that extent yet, like you are – if you were to have a full-on merger, but there are opportunities to work together to generate a great amount of value together.

<Q – Thomas Wadewitz>: If I look at your primary competitor in Canada, they've had a good growth story for a number of years and they're doing some things that seem like extend the franchise, kind of look for incremental ways to – like I think the port investments in the East wouldn't be incremental but buying, TransX, things like that. So, do you think that if you look forward a ways, is that something that CP could look to, I don't know, extend the franchise is a way of thinking about it, but what might be the next chapter? So you've got a lot of growth today. But looking out a couple of years, what other things could CP consider to drive growth?

<A – Nadeem Velani>: Sure. So, we do have a runway for growth for several years I'd say through 2022 we have good visibility to continue doing what we're doing which is repatriate traffic, grow with our customers and so forth. I looked at those transactions in terms of, it seemed very clear they are buying some growth there with those transactions and they're at a different stage in their cycle. And so, certainly they want to – they have a new CEO who wants put his mark on the company and that's kind of the path they've taken. I've looked at it and said, well, are we missing something? Are there other opportunities there? So, we're watching it closely. We like being a core competency of a railroad. I'd much rather have a rail multiple than a trucking multiple. I think most of our investors feel the same way. The feedback from the investment community has been very

supportive of our approach as kind of staying in our core competency. Can you work with our customers, our wholesale customers? Can we work collectively through JVs or other ways to have a similar kind of approach? Absolutely. So, more to come. We're not against getting greater degree of involvement within the supply chain. But it's got to make sense to the overall franchise which is, again, a rail franchise.

<Q – Thomas Wadewitz>: Great. I think with that, we should wrap up. So, Nadeem, thank you so much for all your insight. Thank you for joining us.

<A – Nadeem Velani>: Appreciate it.