



CREW TRANSPORTERS UNITED

USW-UPSEU Service Agreement for PTI Workers

60 Boulevard of the Allies - 9th Floor - Pittsburgh, PA 15222

PH: 866-203-4960 * FX: 412-562-2318 * Email: 1222@usw.org

Text Signup in Cell Phone Messenger - To: 47486 – Message: uswupseu - Send

Thought this news article from Reuters News Service would be of interest to our union drivers. Particularly those at CSX sites. Far be it for CSX CEO Hunter Harrison to accept the blame for poor management actions. Not surprising he blames it all on his railroad employees...

August 1, 2017 /

CSX chief executive attributes service disruptions to employee push-back

[Eric M. Johnson](#)

SEATTLE (Reuters) - CSX Corp Chief Executive Hunter Harrison has apologized to customers for service disruptions that he attributed to some railroad employees resisting changes at the company, according to an email seen by Reuters.

On Tuesday, Cowen & Co analysts said more than 80 percent of shippers they surveyed have experienced problems with CSX and nearly 40 percent have switched some freight to rival Norfolk Southern, and 67 percent have transferred freight to a trucker.

Harrison's email, addressed to "our valued customer," was sent on Monday and acknowledged customer complaints with the railroad's service since he took control in March amid high expectations from investors and analysts.

One shipper told Cowen that the transition under Harrison "has been a complete disaster" for service operations.

"Car velocity has drastically declined, putting our ability to serve our customers and maintain empty supply to our plants in serious jeopardy," the shipper said.

Harrison, who led turnarounds at Canadian Pacific Railway Ltd and Canadian National Railway Co, told customers he was facing resistance to aggressive cost-cutting measures he promised for CSX.

"The pace of change at CSX has been extremely rapid, and while most people at the company have embraced the new plan, unfortunately, a few have pushed back and continue to do so,"

Harrison wrote on

"This resistance to change has resulted in some service disruptions. To those customers that have experienced such issues, we sincerely apologize," he said.

John Risch, a spokesman for the transportation division of the SMART Union, which represents CSX operations employees, said "significant delays" had been caused by Harrison's changes, such as doubling the size of trains and shutting down hump yards where a freight train's cars are separated onto different tracks.

"No one is more to blame for CSX's service disruptions than the man who ordered the dramatic changes to operations and that's Hunter Harrison," Risch said by email.

Harrison vowed in his memo to address the "internal personnel matters" and said the company was recommitted to finding affected customers and fixing service issues.

Last week, the main U.S. rail regulator, the Surface Transportation Board, sent a letter to Harrison citing a litany of complaints about CSX's service, including unpredictable or lengthier transit times and circuitous rail car routing times.

CSX spokesman Rob Doolittle said he had no comment on Harrison's message to customers. Shares of CSX were down 1.8 percent at \$48.44 in afternoon trading.

Reporting by Eric M. Johnson in Seattle; Editing by Bill Trott, Bernard Orr

CONTACT USW/UPSEU

USW-UPSEU Contract Issue Hotline - 1-866-203-4960

Fax: 1-412-562-2318 - Email: 1222@usw.org