

CN has three U.S. rail subsidiaries: Grand Trunk Western, Central Vermont, and Duluth, Winnipeg & Pacific. These subsidiaries are being integrated with its Canadian operations to form CN North America.

CN is going ahead with a \$150 million program to build a second, larger tunnel to improve access between Southern Ontario and Michigan. When completed, this tunnel will accommodate both double-stack containers and tri-level automotive cars.

North and South sometimes meet in the middle. In Omaha, 35.6 million litres of water per year, transported by bulk container from British Columbia, Ontario and Nova Scotia, are funnelled into glass bottles manufactured in Mexico and moved north by Union Pacific Railways. The end product: Clearly Canadian mineral water, which is sold across the United States and around the world.

**NORTH AMERICAN RAIL DELIVERY:
SPANNING VAST DISTANCES IN A FEW DAYS**

	New York (hours)	Chicago (hours)	San Francisco (hours)	Mexico City (hours)
Halifax to:	96	77	180	205
Montreal to:	48	36	144	169
Toronto to:	48	24	130	155
Winnipeg to:	72	36	120	191
Calgary to:	102	66	96	215
Vancouver to:	120	96	72	250

Source: CN North America.

INNOVATIVE SERVICE

Strategic alliances between Canadian and U.S. railways speed the flow of goods to market, improve border crossings, and provide quality intermodal services. For example, CP Rail has teamed up with Norfolk Southern to bring RoadRailer technology to the Ontario market. CN has established an alliance with U.S. trucker J.B. Hunt to provide rail-truck intermodal services.