

BNSF railroaders stunned and hopeful

(The following story by Richard Piersol appeared on the Lincoln Journal Star website on November 3, 2009.)

LINCOLN, Neb. — Nebraska railroaders have watched Berkshire Hathaway's incremental purchases of Burlington Northern Santa Fe stock over the past couple of years, and took heart in it.

But they were still among the stunned when the company, led by Omaha investor Warren Buffett, announced a deal Tuesday for the company to buy the whole railroad.

"We'd seen him buying stock and buying stock, and that makes you feel good, but when he buys everything, everybody's in shock," said Spencer Morrissey of Tecumseh, legislative director for his track laborer's union and a former state senator.

"I think it's a positive, potentially a positive. Hopefully, his long-term perspective will rub off on management.

"I just thought it was a vote of confidence long-term in the transportation industry," Morrissey said. "Far be it from me to say how cap-and-trade will shake out. Will it hurt trucking and move everything to rail? Times are so confusing right now it's hard to figure what this may mean, but I'm hoping it's a positive."

Jack Scott of Hickman, an officer in his Brotherhood of Railroad Signalmen Local 119, was on his way to a union conference Tuesday. He was expecting the acquisition to be a big topic of conversation and considering the pros and cons.

"There's a lot of unknowns here," Scott said. "Maybe the changes would be mostly on the management side. They've got the labor force cut down as much as we can be cut. ...

"I did talk to one of my officers in our union and he said sometimes this could be a bad thing, just because of the unknowns and changes that could take place.

"I've been an officer for over 30 years, and seen a lot of changes already. Changes aren't new to us.

"One thing I like about it is the fact that Warren Buffett is showing confidence in our company for the long term. He's always a long-term guy and evidently, when he was buying up 20-some percent before, he must be seeing something.

"I suppose it makes a difference, too, that he's from Nebraska. He's putting confidence in our economy recovering; That can't be bad. Hopefully he's right," Scott said.