



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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CANADIAN NATIONAL RAILWAY TO PAY \$5.25 MILLION TO SETTLE FCC LICENSING VIOLATIONS

*Company Acquired and Operated Hundreds of Wireless Radio Facilities without FCC Authorizations;
Agrees to Three-Year Compliance Plan*

Washington, D.C. – Canadian National Railway Company has agreed to pay a civil penalty of \$5.25 million to resolve an FCC Enforcement Bureau investigation into the company’s acquisition and operation of hundreds of wireless radio facilities in the United States without prior FCC approval. Some of the unauthorized operations continued for more than two decades before the company disclosed its violations to the Commission.

“Today’s action sends a clear and strong message to the railroad industry, as well as other industries that rely on wireless technology, that they will face very serious consequences when they fail to comply with the Commission’s Rules,” said Travis LeBlanc, Chief of the Enforcement Bureau. “The Commission has a fundamental obligation to prevent the unauthorized transfer of radio licenses to unqualified parties, and to prevent unlicensed radio operations that can interfere with lawful radio communications.”

Canadian National Railway is a large, diversified, Montreal-based corporation that provides rail, trucking, warehousing, and distribution services throughout Canada and parts of the United States. In 1995, the company acquired a number of railroad companies in the United States holding FCC authorizations in the wireless radio services. Radio transmitting devices are widely used in the railroad industry for voice and data transmissions related to the safe operation of freight and passenger trains. The company’s 2012 internal audit of its FCC authorizations uncovered unauthorized transactions dating back to 1995, and it also revealed that Canadian National and its predecessors had constructed, relocated, modified, or operated several hundred wireless facilities without FCC approval, beginning as far back as 1990.

The Enforcement Bureau’s investigation of Canadian National revealed numerous instances of non-compliance with FCC licensing regulations, including that Canadian National operated several hundred licenses without FCC authorization. The scope and duration of these unauthorized operations is unprecedented in the history of the Commission. The civil penalty of \$5.25 million represents the largest in FCC history for unauthorized radio operations and transfers of control. Under the terms of a consent decree, the company also will implement a three-year plan to ensure its compliance with FCC requirements, and it will continue to maintain an internal compliance plan that the company implemented upon its discovery of the violations.

The Order and Consent Decree are available at: http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-14-1279A1.pdf