

**NOMINATIONS TO THE UNITED STATES
DEPARTMENT OF TRANSPORTATION**

HEARING

BEFORE THE

**COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE**

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

JULY 23, 2025

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

TED CRUZ, Texas, *Chairman*

JOHN THUNE, South Dakota	MARIA CANTWELL, Washington, <i>Ranking</i>
ROGER WICKER, Mississippi	AMY KLOBUCHAR, Minnesota
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CYNTHIA LUMMIS, Wyoming	

BRAD GRANTZ, *Republican Staff Director*

NICOLE CHRISTUS, *Republican Deputy Staff Director*

LILA HARPER HELMS, *Staff Director*

MELISSA PORTER, *Deputy Staff Director*

CONTENTS

Hearing held on July 23, 2025	Page 1
Statement of Senator Cruz	1
Statement of Senator Cantwell	2
Statement of Senator Curtis	142
Statement of Senator Schatz	143
Statement of Senator Luján	145
Statement of Senator Moreno	148
Statement of Senator Kim	150

WITNESSES

Seval Oz, Nominee to be Assistant Secretary of Transportation for Research and Technology, United States Department of Transportation	4
Prepared statement	5
Biographical information	7
Michael Albert Rutherford, Nominee to be Assistant Secretary, Office of Multimodal Freight Infrastructure and Policy, United States Department of Transportation	51
Prepared statement	53
Biographical information	54
Gregory Zerzan, Nominee to be General Counsel, United States Department of Transportation	129
Prepared statement	130
Biographical information	130

APPENDIX

Response to written questions submitted to Seval Oz by:	
Hon. Marsha Blackburn	155
Hon. Bernie Moreno	156
Hon. Maria Cantwell	157
Hon. Amy Klobuchar	158
Hon. Ben Ray Luján	158
Hon. John Hickenlooper	159
Response to written questions submitted to Michael Rutherford by:	
Hon. Marsha Blackburn	159
Hon. Maria Cantwell	160
Hon. Amy Klobuchar	160
Hon. Tammy Duckworth	161
Hon. Ben Ray Luján	161
Hon. John Hickenlooper	161
Hon. John Fetterman	162
Response to written questions submitted to Gregory Zerzan by:	
Hon. Maria Cantwell	162
Hon. Amy Klobuchar	165
Hon. Tammy Duckworth	166
Hon. Ben Ray Luján	166
Hon. John Hickenlooper	167

NOMINATIONS TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION

WEDNESDAY, JULY 23, 2025

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 10:04 a.m., in room SR-253, Senate Russell Office Building, Hon. Ted Cruz, Chairman of the Committee, presiding.

Present: Senators Cruz [presiding], Curtis, Moreno, Cantwell, Schatz, Luján, and Kim.

OPENING STATEMENT OF HON. TED CRUZ, U.S. SENATOR FROM TEXAS

The CHAIRMAN. Good morning. The Senate Committee on Commerce, Science, and Transportation will come to order.

Today, we will be considering three of President Trump's nominees for key roles of the Department of Transportation. Seval Oz, nominee for Assistant Secretary of Transportation for Research and Technology; Michael Rutherford, nominee for Assistant Secretary of Transportation, for the Office of Multimodal Freight Infrastructure and Policy; and Gregory Zerzan, nominee for General Counsel of DOT.

Transportation is and will remain the backbone of global economies. We are entering a new era defined by autonomous vehicles, smart infrastructure, and AI-driven logistics. These advancements are happening around the world and in some cases elsewhere because the Federal Government has been so hostile to innovation.

President Trump and Secretary Duffy are faced with a huge undertaking, having to fix the mistakes of the last four years by modernizing regulations and enhancing safety standards. To succeed, they need advisers who understand the promise and the complexity of what lies ahead. Today's nominees fit the bill.

Ms. Oz is a pioneer in transportation technology. At Google, she helped develop autonomous vehicles. In Nevada, she brought the private sector and government together to license the state's first self-driving car. And as Assistant Secretary of Transportation for Research and Technology, a newly created role, she will help align DOT's research efforts for the next generation of transportation.

Mr. Rutherford's experience with nearly every freight mode will serve him well as Assistant Secretary of Transportation for the Office of Multimodal Freight Infrastructure and Policy. At CSX, a major freight railroad, Mr. Rutherford led a 140-person team. He recognizes that optimized supply chains keep cost down for con-

sumers. If confirmed, he will work alongside Secretary Duffy, state and local governments, and the private sector to eliminate bottlenecks and secure freight networks.

Finally, Mr. Zerzan brings valuable managerial experience from his time in both the Legislative and Executive branches. As the current acting solicitor for the Department of the Interior, he oversees a large team of political appointees and career civil servants. He will do the same at DOT, providing impartial strategic counsel to improve our skies, roadways, and waterways.

These nominees are ready to help transform the American transportation system through responsible innovation, lean regulation, and a renewed focus on safety. I look forward to hearing from them today.

With that, I will turn to Ranking Member Cantwell for her opening remarks.

**STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL. Thank you, Mr. Chairman. And welcome to the nominees, congratulations on that nomination.

We are here today to consider, as the Chairman said, Mr. Zerzan to be General Counsel at Department of Transportation; Mr. Rutherford to be Assistant Secretary for the Office of Multi-Freight Infrastructure and Policy; and Ms. Oz to be Assistant Secretary for the Office of Research and Technology.

These three positions are critical to the core mission of the Department in improving safety and investing in our Nation's infrastructure. The Department's leaders must be committed to upholding—to holding the transportation sector it regulates to protect safety and consumer standards.

Mr. Zerzan, the General Counsel plays a critical role in everything the Department does, determining which safety requirements are approved or eliminated, signing off on grant agreements, allowing cities and states to begin building projects. I have recently expressed my concern about the now Deputy Secretary Steven Bradbury, who as General Counsel during the first Trump administration, orchestrated a number of rollbacks on important safety issues. And I hope to ask you questions about that and look for a different approach.

I am alarmed that the Department's recent formalization of a new process that would authorize you, if you were confirmed, to take actions against safety inspectors if a company claims the inspector violated DOT's enforcement procedures, especially allowing regulated entities to regulate the very officials charged with keeping public safety.

We found in the ODA process at Boeing, and this became a very big issue where the ODA, individuals responsible for approving the process, were retaliated against, and thereby hold their punches and a lot of it, the rest of it is history. So we need—we need a strong safety regime.

Maintaining the strongest safety process does not just save lives, it spurs economic growth, enables the U.S. to stay competitive and certainly is essential for selling U.S. airplanes abroad. Now, we

continue to see a huge opportunity in which we want aviation to win as there is a world demand for 40,000 planes.

At the same time we have to address other sectors of transportation. Last week we saw reports indicating the loss of more than 20 percent of the Federal Highway Administration's workforce, and 30 percent of the Federal Transit Administration's workforce. So clearly this is impacting our ability to move quickly in improving projects and getting them implemented. So I love to ask you about that and how you expect to turn that around so that DOT can continue to move forward.

Mr. Rutherford, I created the Freight Office to improve multimodal freight planning, that sounds like a generous staff right there, I am not sure if I created it, maybe I had legislation, and we all approved it or something like that.

[Laughter.]

Senator CANTWELL. But let us not get Al Gore-ish here.

The CHAIRMAN. We are happy to give credit to the former Chair.

Senator CANTWELL. OK. Well, to be clear, our state had a freight office, why, because if you moved freight in the state of Washington you got a percentage of the gas tax, because moving freight was part of economic development. So why not prioritize transportation investment that moved economic development?

So yes, we did say let us create a Federal Freight Policy which, Ray LaHood, and others, and we all did. So OK, great, so now we know.

Freight cannot wait. We had yesterday's hearing on the Surface Transportation Act, similar issue where we are saying if we are not competitive as a nation in moving freight quickly, then we are going to lose, and in our case, to British Columbia, or somewhere else, and then the competitive—of the United States is impacted. So definitely want to continue to make sure that freight investments are prioritized, and we talked about that yesterday, as we prepare for a Surface Transportation Act.

Ms. Oz, the DOT's research programs are vital for using technology to improve both safety and efficiency, and it is important to recognize that the industry—that we continue to work together to on the development of these issues and get them implemented. One thing that we are really concerned about now is the interference on—spectrum interference and radio altimeters.

When we look at what happened in the DCA air crash, there was a lot of discussion even about how the altimeters of those helicopters might have been affected giving them different altitudes. And as the—for the previous implementation and discussion between DOT and NTIA, a lot of confusion over how to have the airline industry safely transmitting and the interference that might occur with 5- and 6-G. So look forward to asking questions about that.

Clearly, we have a lot to do to continue to improve transportation. I am excited about the opportunities, excited about the continuation of drone technology which we have championed here in the Committee for many years, and the applications are so numerous and continuing to pay dividends. So obviously DOT has a very big role here to continue the roll out of that drone technology, and so look forward to asking about that.

Thank you Mr. Chairman.

The CHAIRMAN. Thank you. I now recognize Ms. Oz for her opening statement.

**STATEMENT OF SEVAL OZ, NOMINEE TO BE
ASSISTANT SECRETARY OF TRANSPORTATION
FOR RESEARCH AND TECHNOLOGY, UNITED STATES
DEPARTMENT OF TRANSPORTATION**

Ms. Oz. Chairman Cruz, Ranking Member Cantwell, and distinguished Members of the Committee, thank you for the privilege to appear before you today. I am deeply honored, and to be candid, profoundly aware of the magnitude and urgency of the task ahead. The challenges are formidable, but the chance to shape the future of transportation and American innovation is even more compelling.

I would like to acknowledge President Trump's unwavering commitment to ensuring that the U.S. Department of Transportation showcases the very best of American innovation and technology leadership. I wish to thank Secretary Sean Duffy for his confidence in my leadership and entrusting me with the responsibility of delivering the safest, most efficient, and forward-looking transportation systems.

I am grateful to my family and friends for their love and support throughout my journey. My daughter, a proud John Hopkins graduate, is currently performing opera overseas, and while she could not be here today, I am blessed to be joined by my friends and colleagues.

I begin with a simple but bold premise, I believe in the mission of saving lives. Every year, nearly 40,000 people lose their lives in traffic collisions. That is approximately 100 lives every single day. Yet, 90 percent of these deaths could be avoided with self-driving cars. We have the technology to save thousands of American lives. So why are not we doing so? For every year we wait, more lives are lost. It is not just a matter of innovation, it is a moral imperative.

I look forward to working with you on a national framework to advance our transportation technologies, many of which were made in America and hold the promise to prevent countless fatalities. The thought of restricting mobility is also deeply unsettling for me. Movement is as natural to me as breathing. When we lose our ability to move safely, our world shrinks. Our health, both mental and physical, suffers. We become isolated. We have all experienced the awkward moment of taking the keys away from our aging parents, or lying awake at night anxiously waiting for our teenagers to return home safely.

The promise of a new generation of transportation will be about building better drivers, ones who do not get distracted, never drive under the influence, possess superior perception, and react in an instant. My role would be to set clear vision for how evidence-based research and innovation drive transportation policy and infrastructure toward practical, achievable solutions that advance public safety and serve the American people.

I was born to immigrant parents who deeply value the opportunities this country offered. I learned the importance of having a

meaningful plan fueled by determination, hard work, and commitment. These values became the cornerstone of my career, guiding me as I built high performance teams in the dynamic fast-paced world of global technology.

That journey led me to leadership roles with Silicon Valley's most innovative companies. I joined Google X because they shared my vision of merging advanced automotive hardware with intelligent software to solve real world challenges, human challenges. My experience in global partnerships proved invaluable as I negotiated complex multi-party agreements that brought together traditionally competitive, and yes, even adversarial stakeholders.

By strategically leveraging urgency and a well-placed fear of missing out, I aligned diverse interests and secure critical cooperation. In just 18 months, we accomplished what many thought impossible, delivering the first self-driving vehicle. I earned the trust and support of key stakeholders across the state and local governments, town halls, law enforcement, and emergency services. I am most proud of leading this extraordinary collaboration, resulting in an autopilot platform with an exceptional safety record.

Building on that success, I transitioned to a global automotive supplier with over 200,000 employees where I faced new challenges, driving digital transformation within a legacy industry. Looking ahead, I have been advising top AI and data science teams to assess transformative technology frontiers. Together, we can establish U.S. transportation as the gold standard by developing AI models built on the American automation stack. I am eager to mobilize my office's full resources to enhance safety, efficiency, and innovation across all modes of our Nation's advanced transportation network.

I have been—in closing, I have been in the lion's den of the \$4 trillion automotive engine projecting to grow to \$7 trillion over the next decade. The Department of Transportation is our national pride for demonstrating U.S. leadership and driving the economic engine of our Nation.

This moment is not years away. It is now. I shared parts of my journey with you today to underscore that everything I have done academically and professionally has prepared me for this precise moment. We stand at the threshold of a generational opportunity that will define the future, not only of transportation, but of American economic growth, innovation, and global influence. Success will require competent and skilled leadership to earn the public's trust.

I respectfully ask for the support of the Senate Committee on Commerce, Science, and Transportation in achieving these vital goals.

I look forward to answering your questions today.

[The prepared statement and biographical statement of Ms. Oz follow:]

PREPARED STATEMENT OF SEVAL OZ, NOMINEE TO BE ASSISTANT SECRETARY FOR
RESEARCH, U.S. DEPARTMENT OF TRANSPORTATION

Chairman Cruz, Ranking Member Cantwell, and distinguished Members of the Committee, thank you for the privilege to appear before you today. I am deeply honored, and to be candid, profoundly aware of the magnitude and urgency of the task

ahead. The challenges are formidable, but the chance to shape the future of transportation and American innovation is even more compelling.

I would like to acknowledge President Trump's unwavering commitment to ensuring that the U.S. Department of Transportation showcases the very best of American innovation and technology leadership.

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I begin with a simple but bold premise: I believe in the mission of saving lives. Every year, nearly 40,000 people lose their lives in traffic collisions—that's approximately 100 lives every single day. Yet, 90 percent of these deaths could be avoided with self-driving cars. We have the technology to save 10s of thousands of American lives—why aren't we doing so? For every year we wait, more lives are lost. It's not just a matter of innovation—it's a moral imperative.

I look forward to working with you on a national framework to advance our transportation technologies—many of which were Made-in-America and hold the promise to prevent countless fatalities.

The thought of restricting mobility is also deeply unsettling for me. Movement is as natural to me as breathing. When we lose our ability to move safely, our world shrinks. Our health, both mental and physical, suffers. We become isolated. We have all experienced the awkward moment of taking the car keys away from our aging parents, or lying awake at night, anxiously waiting for our teenagers to return home safely. The promise of the new generation of transportation will be about building better drivers—ones who don't get distracted, never drive under the influence, possess superior perception, and react in an instant.

My role would be to set clear vision for how evidence-based research and innovation drive transportation policy and infrastructure towards practical, achievable solutions that advance public safety and serve the American people.

I was born to immigrant parents who deeply valued the opportunities this country offered. I learned early the importance of having a meaningful plan, fueled by determination, hard work, and commitment. These values became the cornerstone of my career, guiding me as I built high-performance teams in the dynamic, fast-paced world of global technology. That journey led me to leadership roles with Silicon Valley's most innovative companies.

I joined Google[X] because they shared my vision of merging advanced automotive hardware with intelligent software to solve real-world human challenges. My experience in global partnerships proved invaluable as I negotiated complex, multi-party agreements that brought together traditionally competitive, even adversarial stakeholders. By strategically leveraged urgency—and a well-placed “fear of missing out”—I aligned diverse interests and secured critical cooperation. In just 18 months, we accomplished what many thought impossible: delivering the first self-driving vehicle.

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Success will require competent and skilled leadership to earn the public's trust. I respectfully ask for the support of the Senate Committee on Commerce, Science, and Transportation in achieving these vital goals.

I look forward to answering your important questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Born: Seval Oz.
Also use Seval Ozveren (married last name)
2. Position to which nominated: Assistant Secretary for Research and Technology, DOT.
3. Date of Nomination: March 10, 2025.
4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.
Office: Information not provided.
5. Date and Place of Birth: Atlanta, Georgia.
6. Provide the name, position, and place of employment for your spouse (if married) or domestic partner, and the names and ages of your children (including step-children and children by a previous marriage).
Spouse: Not applicable. Daughter: Ruya, 21
7. List all college and graduate schools attended, whether or not you were granted a degree by the institution. Provide the name of the institution, the dates attended, the degree received, and the date of the degree.

Wharton School of Business, 1983–1985, MBA (Finance and Marketing), 1985
Wellesley College, 1979–1983, BA in Economics and Political Science, 1983
MIT Joint Program with Wellesley College, 1979–1983
8. List all post-undergraduate employment, including the job title, name of employer, and inclusive dates of employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated. (*All management-level jobs are indicated by an **)

Consultant (Vice President, Finance and Business Development)	Ceramic.ai Mountain View, CA	2025-present
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*Advising AI startup founded by former Google-AI leadership and scientists.
Developed the strategic plan focusing on Enterprise AI opportunities.
Established commercial relationships and scaled for market impact.*

Advisor	Moove.ai Lafayette, CO	2020-present
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Independent Consultant	San Jose, CA	2016-present
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Founding Partner*	Archimede Ventures San Jose, CA	2024–2024
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Board Member*	Microvision Redmond, WA	2021–2023
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Gained executive experience while advising C-suite leadership and the Board of public company on business strategy focusing on automotive LIDAR and design of high-speed safety features for Original Equipment Manufacturers (OEMs).

Advisor	Pioneer Corporation San Jose, CA	2019–2021
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CEO*	Aurima, Inc. Mountain View, CA	2017–2019
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CEO and Senior Vice President*	Continental ITS Santa Clara, CA	2014–2017
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Continental ITS provided me with extensive executive management experience with a full range of personnel management (responsible for a global team of approximately 200 people), organizational excellence, operational efficiency, quality assurance, financial, and fiduciary responsibilities.

Senior Business Development Lead*	Google[X] Mountain View, CA	2011–2014
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Google and Google[X] provided me with extensive industry intelligence, business acumen, and relationship management responsibilities for collaboration of cross-functional internal and external teams of engineers, scientists, and system developers.

Vice President, Finance and Business Development*	Cuil, Inc. Menlo Park, CA	2007–2011
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Cuil afforded me the opportunity to work with top Silicon Valley engineering teams in a start-up setting. I gained experience in problem solving and prioritization in a fast-paced technology development environment while managing cross-functional teams.

Career Break		2003–2007
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Vice President, Finance*	Urban Media Communications Palo Alto, CA	2000–2003
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Vice President, Finance and Strategy*	Versata, Inc. Oakland, CA	1999–2000
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Advisor, VP Engineering	Berkeley Networks, Inc. Milpitas, CA	1998–1999
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Formulated acquisition versus IPO financial models based upon optimal valuation scenarios leading to management's decision for a stock swap alliance with FORE, and subsequently GEC's \$4.2 billion acquisition of FORE Systems.

Executive Advisor	Berkeley Networks, Inc. Milpitas, CA	1998–1999
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Principal*	Global Emerging Markets Advisors, New York, NY	1995–1998
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Director, Institutional Sales*	Merrill Lynch & Co. New York, NY	1992–1995
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Vice President, Equity Trading*	Salomon, Inc. New York, NY	1986–1992
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Teaching Assistant*	Wharton School Philadelphia, PA	1984–1985
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Business Editor*	Wharton Journal Philadelphia, PA	1984–1985
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Intern	Booz Allen and Hamilton New York, NY	1985
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Intern	American Cyanamid Co. Wayne, NJ	1984
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Documentary Reporter	WGBH Boston, MA	1983
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MIT News Study Group, National TV Guide	MIT Boston, MA	1982
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Intern for Senator William V. Roth, Jr.'s Office	U.S. Senate Washington, DC	1981
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Intern	United Nations Association Boston, MA	1980
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9. Attach a copy of your résumé. Résumé attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above after 18 years of age.

In 1981, I interned with Senator William V. Roth, Jr, U.S. Senator—DE, as a Foreign Affairs Assistant. I attended Senate Foreign Relations Committee hearings, reported research findings, and prepared material on a wide variety of topics debated in Congressional Hearings, including OPIC, Iraqi nuclear facilities, and international terrorism.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution.

Ceramic.ai, *Consultant (VP Finance and Business Development)*

Moove.ai, *Advisor*

Archimede Ventures, *Founding Partner*

Microvision, Inc., *Board Member*

Pioneer, Inc., *Advisor (remote)*

Aurima, Inc., *Chief Executive Officer*

Continental Intelligent Transportation Systems, LLC, *Chief Executive Officer and Executive Vice President*

Google [X], *Senior Business Development and Global Partnerships Lead*

Cuil, Inc. *VP of Business Development and Finance*

Urban Media Communications, Inc., *VP of Finance and Strategy*

Versata, Inc., *VP of Finance and Strategy*

Berkeley Networks, *Consultant to VP of Engineering*

Global Emerging Markets Advisors, L.P., *Principal*

Merrill Lynch & Co, *Director of Emerging Market Equities*

Salomon, Inc., *VP of Equities*

U.S. State Department Asia-Pacific Economic Cooperation (APEC) Program, *Delegate*

HealthCorps Foundation, *Board of Advisors*

Family Grandchildren Trust, *Co-Trustee*

12. List all memberships you have had after 18 years of age or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religiously affiliated organization, private club, or other membership organization (You do not have to list your religious affiliation or membership in a religious house of worship or institution). Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or disability.

Zeta Alpha Society, President 1982–1983, *Member* since 1981

Wellesley College Alumni Association, *Member* since 1983

Women in Automotive Technology, *Member* since 2014

UPenn Alumni Association, *Member* since 1986

Endeavor Global Leadership Organization, Global Panel Selection Committee, *International Panelist*, 2010

San Francisco Opera, Patron since 2024

NASD registrations: Series 7,63 and 24 (1986–1995)

The Courtside Club, Los Gatos, CA, *Member*, 2000–2011

New York Public Library, *Luncheon Committee Member* since 2012

Connected Car Council (C3 Group), *Council Member* since 2014 (*Acquired by Informa* 2018)

Wharton School of Business—Wharton Interactive Media Department, *Guest Lecturer and Panelist*, 2010

Indian Institutes of Management (IIM), Menlo Park, CA, Steering Committee Member and Guest Lecturer, 2009

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt. No.

14. List all memberships and offices held with and services rendered to, whether compensated or not, any political party or election committee within the past ten years. If you have held a paid position or served in a formal or official advisory position (whether compensated or not) in a political campaign within the past ten years, identify the particulars of the campaign, including the candidate, year of the campaign, and your title and responsibilities.

Not applicable.

15. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$200 or more for the past ten years. None.

16. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Soroptimist International, Earthquake Volunteer Recognition Award, Adana, Turkey, 2024

The Most Influential Turkish-American Women Award, New York, NY, 2016

Automotive News 100 Leading Women Award, Detroit, MI, 2015—<https://www.autonews.com/awards/2015-leading-women-seval-oz-continental-intelligent-transportation-systems-continental-ag/>

Northeastern University, Women Who Inspire Speakers Series Award, Boston, MA, 2015

PWI Women in Technology Courage Award, San Francisco, CA, 2013

Google Bonus Award (5 consecutive awards) for the Creation and Production of the short film demonstrating self-driving car, Mountain View, CA, 2012

Google Bonus Award for Developing a Long-term Strategic Plan for the Google[X] Self-Driving Car Project, Mountain View, CA, 2012

Barnette Miller Prize in Political Science, Wellesley College for Best Work in the Field of International Relations and Comparative Government, Wellesley, MA, 1981

BA, Political Science and Economics, *Cum Laude*, Wellesley College, 1983

17. List all books, articles, columns, letters to the editor, Internet blog postings, or other publications you have authored, individually or with others. Include a link to each publication when possible. If a link is not available, provide a digital copy of the publication when available.

Seval Oz, *Clever Vehicles: The way we go online in our cars makes no sense*, MIT Technology Review (February 18, 2015)

Seval Oz, *Short film demonstrating Self-Driving Car for Google Inc.*, YouTube (2012)

Seval Oz, *Global Equity and Derivative Trading: An Internal Trading Manual for Salomon Inc.'s Equity Desk*, 1990

18. List all speeches, panel discussions, and presentations (*e.g.*, PowerPoint) that you have given on topics relevant to the position for which you have been nominated. Include a link to each publication when possible. If a link is not available, provide a digital copy of the speech or presentation when available.

Featured Speaker, Rally International 2023, sponsored by Indiana Economic Development Corporation, Indianapolis, IN, 2023

Keynote Speaker, The Autonomous Vehicle Computing Consortium (AVCC), sponsored by AVCC, Cambridge, United Kingdom, September 2023. (*PowerPoint*)

Speaker, Roundtable on Autonomous Driving—Key Challenges with Seval Oz, sponsored by Gerson Lehrman Group (GLG), Hong Kong, August 2021.

Panel Speaker, Roundtable on Autonomous Driving, sponsored by Gerson Lehrman Group (GLG), Hong Kong, Hong Kong, August 2021.

Guest Speaker, Turkish Win Sponsored Corporate Event, sponsored by Turkish WIN, Istanbul, Turkey, July 2020.

Keynote Speaker, ITU Technology Summit and Award Ceremony ITU Presentation and Lunch, sponsored by Istanbul Technical University (ITU), Istanbul, Turkey, February 2020.

Discussion Panelist, Research Facility Visit, sponsored by GLG/Huawei, Shenzhen, China, January 2020.

Panel Speaker, Tokyo Motor Show, Tech Consultations and Workshops, sponsored by BPEA, Tokyo, Japan, October 2019.

Keynote Speaker, ADAS Expert Lunch Talk and Presentation, sponsored by NewStreet Research LLC, London, United Kingdom, August 2019.

Keynote Speaker, Digital Age Summit Keynote Speaker, sponsored by Capital Media Services, Istanbul, Turkey, April 2019.

Keynote Speaker, Ari Teknokent Workshop Lecturer, sponsored by ITU (Istanbul Technical University), Istanbul, Turkey, April 2019.

Keynote Speaker, GLG-APAC Tour “Pushing Autonomous Vehicles to The Finish Line With Seval Oz”, sponsored by GLG, Seoul, South Korea, March 2019.

Keynote Speaker, Roundtable Lunch—Speakers Series, sponsored by Gerson Lehrman Group, Hong Kong, March 2019.

Guest Speaker, March 13—APAC Roadshow and Roundtable Lunch Keynote Speaker, sponsored by Gerson Lehrman Group (GLG), Hong Kong, March 2019.

Keynote Speaker, International Women’s Day Speech for GLG Consulting Services Luncheon Speaker on Tech, sponsored by Gerson Lehrman Group (GLG), Sydney, Australia, March 2019.

Keynote Speaker, Rotary Club Lunch, sponsored by Rotary Club, Istanbul, Turkey, January 2019.

Speaker, AlphaSights/BCG Sponsored Neom Land Mobility Workshop, sponsored by AlphaSights/BCG, Barcelona, Spain, November 2018.

Guest Speaker, Guest Lecture Ozyegin University, sponsored by Ozyegin University, Istanbul, Turkey, October 2018.

Keynote Speaker, Roundtable: Who Will Win The Autonomous Vehicles Arms Race? Presentation On Autonomous Vehicle Overview, sponsored by Gerson Lehrman Group (GLG), London, United Kingdom, July 2018.

Keynote Speaker, Global Women In Technology, sponsored by Turkish WIN (London chapter), London, United Kingdom, July 2018.

Speaker, Roundtable: Beyond The Connected Car: Autonomous Vehicle Ecosystem, sponsored by Gerson Lehrman Group (GLG), Seoul, South Korea, May 2018.

Keynote Speaker, BNP Paribas Conference, sponsored by GLG, Hong Kong, May 2018.

Speaker, Roundtable Discussions Where I Presented On State of AV Technology, sponsored by GLG, Hong Kong, May 2018.

Keynote Speaker, BNP Paribas Conference, sponsored by GLG, Singapore, Singapore, May 2018.

Keynote Speaker, Roundtable: Beyond The Connected Car: Autonomous Vehicle Ecosystem, sponsored by Gerson Lehrman Group (GLG), Beijing, China, May 2018.

Guest Speaker, Sell-Side Call: With Seval Oz On Robotaxis, sponsored by Gerson Lehrman Group (GLG), London, United Kingdom, February 2018.

Keynote Speaker, Hurdles for Autonomous Driving Technology Roundtable: The Future of Automotive (Toronto), co-sponsored by Gerson Lehrman Group/AAA, Toronto, Canada, June 2017.

Speaker/Moderator, South By Southwest (SXSW) Annual Conference, Austin, TX, March 2017.

Guest Speaker, Roundtable: The Road to Autonomous Driving: New Technology Developments, sponsored by Gerson Lehrman Group (GLG), Hong Kong, February 2017.

Keynote Speaker, Roundtable: The Road to Autonomous Driving: Technology Developments (Singapore), sponsored by Gerson Lehrman Group (GLG), Singapore, Singapore, January 2017.

Panel Speaker, Autonomous Driving/AI Technology Roundtable, sponsored by GLG, Tokyo, Japan, January 2017.

Opening Keynote Speaker, ITS America Annual Conference and Expo, San Jose, June 2016.

Opening Keynote Speaker, ITS World Congress (22nd Annual), co-hosted by ERTICO and ITS Asia Pacific, Bordeaux, France, October 2015.

Keynote Speaker, Frankfurt Motor Show, sponsored by Continental AG, Frankfurt, Germany, September 2015.

Panel Speaker, Digital Web Summit Conference, sponsored by Web Summit Conference, Dublin, Ireland, November 2014.

Panel Selectionist, Endeavor.Org Annual Global Meeting, sponsored by Endeavor.org, Istanbul, Turkey, October 2012.

Keynote Speaker, Turkish Women's International Network—Microsoft Office, Istanbul, Turkey, July 2012.

Keynote Speaker, Turkish Women's International Network (Global) UK Chapter, sponsored by Turkish chapter of WIN (Women In Networking), London, United Kingdom, July 2012.

Delegate for Google, Asia Pacific Economic Conference (APEC) Conference, sponsored by U.S. State Department, Saint Petersburg, Russia, June 2012.

Guest Speaker and Panelist, Mentorship, Social Media and Corporate Development in Silicon Valley, Indian Institutes of Management (IIM), 2009

19. List all public statements you have made during the past ten years, including statements in news articles and radio and podcasts and television appearances, which are on topics relevant to the position for which you have been nominated, including dates. Include a link to each statement when possible. If a link is not available, provide a digital copy of the statement when available.

I have made many public statements during the past fifteen years on a wide range of topics, mostly addressed to autonomous vehicles and new technology matters not directly relevant to DOT or the position of Assistant Secretary for Research and Technology.

Press Release, September 2023 (https://avcc.org/avcc2023_keynotes/)

Press Release, September 2023 (<https://fox2now.com/business/press-releases/ein-presswire/656381965/arm-automotive-vp-suraj-gajendra-and-automated-vehicle-pioneer-seval-oz-to-deliver-keynotes-at-avcc2023/>)

Podcast (Autonomous Roadblocks), Double Take, by Newton Research, November 2022 (<https://podcasts.apple.com/us/podcast/autonomous-roadblocks/id1489131403?i=1000585324297>)

Webinar, The Future of Movement, What's Next, by Reddit, April, 2021 (https://www.reddit.com/r/MVIS/comments/mv3hyj/seval_oz_april_5_2021/)

Podcast (On the Move), Women in Automotive Technology, by Infoedge LLC, November 2020 (<https://www.buzzsprout.com/1259042/episodes/6243379-seval-oz-senior-executive-advisor-at-pioneer-inc>)

Interview, Fashion & Travel Magazine, 2019 (<https://fashiontravelmagazine.com/a-passion-for-technology-seval-oz/>)

Press Release, March 2021 (<https://ir.microvision.com/news/press-releases/detail/327/seval-oz-joins-microvision-board-of-directorsdirector>)

TEDx Talk, "Changing the Way We Drive," Napa Valley, CA, 2014 (<https://www.youtube.com/watch?v=t0NKKO3ZLPw>)

Autonews Profile, 2015 (<https://www.autonews.com/awards/2015-leading-women-seval-oz-continental-intelligent-transportation-systems-continental-ag/>)

The Future of Disruptive Technologies on Vehicles, Northeastern University, Boston, MA, 2015 (<https://www.youtube.com/watch?v=p9GwS36I4lQ>)

ITS America Annual Conference, San Jose, CA, 2016 (<https://youtube/YJFCTpMwliI?si=PN78NEES0L0zVXwV>)

PR Newswire Press Release, August 2014 (<https://www.prnewswire.com/news-releases/continental-combines-key-strengths-in-silicon-valley-for-pioneering-work-on-networked-transportation-271668481.html>)

Podcast, Future of Publishing Conference, by Knowledge at Wharton, 2010

Podcast (Knowledge at Wharton), Cuil's Seval Oz Ozveren: Creating the Next Generation of Internet Search, 2010 (<https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/cuils-seval-oz-ozveren-creating-the-next-generation-of-internet-search/>)

20. List all digital platforms (including social media and other digital content sites) on which you currently or have formerly operated an account, regardless of whether or not the account was held in your name or an alias. Include the full name of an "alias" or "handle", including the complete URL and username with hyperlinks, you have used on each of the named platforms. Indicate whether the account is active, deleted, or dormant. Include a link to each account if possible.

LinkedIn: seval oz—<https://www.linkedin.com/in/sevaloz/>

Facebook: Seval oz—<https://www.facebook.com/sevaloz>

Instagram: sevalioz—<https://www.instagram.com/sevalioz/>

X: @sosevaloz

Personal website: www.sevaloz.com

21. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date, committee, and subject matter of each testimony. None.

22. Given the current mission, major programs, and major operational objectives of the department/agency/commission/corporation to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I believe in the mission of saving peoples' lives. I also believe transportation should showcase the best of U.S. technology. In America, we have already developed and released critical technology systems—but they still haven't been made fully accessible to the American public. If confirmed, I will dedicate this Nation's resources to adopt and accelerate deployment readiness of automated technologies for increased safety of the U.S. transportation network.

If confirmed, my mission as the Assistant Secretary for Research and Technology at the U.S. DOT will be to promote safety across all modes of transportation. My goal is to accelerate nationwide deployment of automated and safety devices to effectively end the preventable 94 percent of 39,345 motor vehicle deaths and 2.8 million injuries per year in the United States. In parallel, the office will be dedicated to deploying the agency's advanced research resources to enable transportation to become more efficient, more accessible, more affordable—all within the term of this Administration.

I led the automotive tech partnerships and business development teams on the foundational self-driving car platform at Google[X]. I drove collaboration between the software, mapping, hardware and route planning teams in building a robust automotive platform to release the first ever road worthy self-driving cars. I am proud to share that my team worked with Detroit based U.S. automotive OEMs to reduce the traditional 5-year new vehicle development cycle down to 18–24 months. Our software engineering teams in Silicon Valley and Detroit based hardware engineering teams, all dedicated to developing a near perfect track record of safety, were highly motivated to deliver autonomous vehicles on public roads. I worked with Nevada DMV and municipal law enforcement to draft the first fully autonomous vehicle licensing legislation. I worked closely with the State of California to enable automated vehicle testing which resulted in the passage of Senate Bill (SB1298).

If I am fortunate to serve as the head of OST–R, I am confident that my team will inspire our finest scientists and graduate students with aligned and rewarded performance-based research tied to U.S. DOT's goals. I worked closely with the expert engineering software teams across the Nation some of who won the U.S. Government's DARPA and DARPA Grand Challenge million-dollar prize monies and transferred their talents into a multi-billion dollar new autonomous business. I will also be responsible for the continuous production of outcomes-oriented research from the OST–R program offices. High quality research data leads to relevant solutions, which informs robust, evidence-based policies. My firsthand knowledge of integrating ADAS (Advanced Driver Assistance System), perception software, and other highly technical end-to-end systems has given me the vantage to evaluate the different technical programs that may be presented to the Department.

One of my primary responsibilities will be to leverage the U.S. DOT's research, development, and technology investments to implement rapid research-to-deployment cycles. I share the transportation industry's collective frustration at the slow pace of technology adaptation. The U.S. DOT's world-class resources, including HASS COE, Volpe, ITS Joint Program Office, and ARPA–I, will be utilized as the foundational assets to build and invest in our transportation future. Our interdisciplinary approach will be more aligned to solve for new fields of problems. I will use my experience to accelerate the adoption of safety and operational technologies into our Nation's transportation system. As AI becomes ubiquitous, transportation is positioned to become one of the first scaled customer-facing interfaces to the physical world. The U.S. DOT should be and will become the launchpad for new AI driven technology.

23. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency/commission/corporation has proper management and accounting controls, and what experience do you have in managing a large organization?

My responsibilities would be to position the U.S. transportation system to become the world's safest and most technologically advanced system through strategic investments to prepare us for the 22nd century. I plan to bring the full resources of the Department's extensive research centers to focus on our core mission while eliminating redundant research. My success at revolutionizing the rapid digital transformation of Continental AG, a 200,000-employee global Tier-1 automotive supplier's global business was attributed to onboarding tiger teams of hundreds of software engineers operating on short sprints with tight operating budgets to deliver our first products and services. This process taught me how to align and integrate heterogeneous workforces to revolutionize the pace of innovation. I was instrumental in transforming this hardware automotive giant into a leading transportation technology company—preparing them for the next wave of data driven mobility services.

If confirmed, I will coordinate a consortium of self-driving and V2X engineers and other visionaries drawn from DoD, DOE, DOC and ARPA-I. I will first present the vision and lay out mission tasks for which the U.S. DOT requires consensus on standards of interoperability, inter-departmental data sharing, and regulation reconfiguration. This short list is by no means comprehensive but serves to illustrate the purpose of the task force objectives.

My experience started in business development, partnerships that subsequently led to senior executive and finally board advisory roles. With my MBA from the Wharton School in Finance and Marketing, my prior work experience in investment banking, and later technology business development for hardware, software and AI companies, I am well versed in both management and marketing of innovative transportation technology.

I am eager to get started and will work hard to ensure that my responsibilities translate into executing on policy guidelines set forth by Deputy Secretary Bradbury, Secretary Duffy, and President Trump. Transparency and effective communication across agencies is paramount to ensuring we bring to bear the full extent of our innovation research and grant programs to upgrade and modernize our infrastructure.

24. What do you believe to be the top three challenges facing the department/agency/commission/corporation, and why?

I am convinced that when people cannot move freely, their liberty is constrained, their connections to society erode, and they eventually stagnate. Safe, affordable, on-demand mobility should be a basic right for every citizen.

As we reset our goals, there are three primary challenges we must confront head-on:

First, coordinating a broad and complex ecosystem to deliver a future-forward mobility system requires the alignment of an exceptionally wide range of professionals, agencies, and organizations. This effort demands strong leadership, the ability to manage cross-sector collaboration, and the willingness to find consensus amid competing priorities. Achieving this at scale will test our management systems and our capacity to lead with clarity.

Next, it is essential to communicate the OST-R mission across a diverse stakeholder landscape. To advance DOT's technology mission, we must effectively engage decision-makers from the Executive Branch, Congress, state governments, industry, and—most importantly—the American public. Gaining traction will require more than technical know-how; it will require credibility, clear and compelling storytelling, and trust-building with every stakeholder group. Respect for the ecosystem and precision in communication will be essential.

Finally, it is essential to modernize the government for speed and impact. Like many agencies, OST-R is large and not inherently designed for rapid transformation. Some legacy programs may no longer serve today's needs, while emerging priorities—like creating safe, seamless intermodal systems—require immediate focus. We must be willing to reassess and right-size our efforts. I aim to bring an entrepreneurial mindset to foster alignment between engineers, regulators, and policy leaders so that we can meet urgent safety and efficiency goals.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts, such as a 401(k) or pension plan.

I have a 401K plan that was part of my previous employment; however, there has been no employer contributions to the plan since 2014.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association, or other organization during your appointment? If so, please explain.

I have several on-going consulting contracts. Any potential conflicts of interest involving these arrangements will be resolved consistent with the terms of the ethics agreement that I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation (DOT) Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of the ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee. I am not aware of any other potential conflicts of interest stemming from investments, obligations, liabilities or other continuing relationships.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last ten years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

The entities with whom I have had business relationships over the last ten years, and beyond that time period, are described in my responses to Questions A.8 and A.11. This includes Ceramic.ai, Moove.ai, Archimede Ventures, Microvision, Pioneer Corporation, Aurima, Inc., Gerson Lehrman Group (GLG), Guidepoint Global Services, Coleman Research, ThirdBridge, AlphaSights, and Continental ITS. To the extent that these positions meet the reporting requirements for the OGE Form 278e (Nominee Report), they have been included on my Nominee Report. In connection with the nomination process, I have consulted with the Office of Government Ethics and the DOT Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of an ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Identify any other potential conflicts of interest and explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the DOT Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of an ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee. I am not aware of any other potential conflicts of interest.

6. Describe any activity during the past ten years, including the names of clients represented, in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. None.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics, professional misconduct, or retaliation by, or been the subject of a complaint to, any court, administrative agency, the Office of Special Counsel, an Inspector General, professional association, disciplinary committee, or other professional group? If yes:

- Provide the name of the court, agency, association, committee, or group.
- Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated.
- Describe the citation, disciplinary action, complaint, or personnel action;
- Provide the results of the citation, disciplinary action, complaint, or personnel action.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, municipal, or foreign government entity, other than for a minor traffic offense? If so, please explain.

In February 2004, I had an incident at a local grocery store where I paid for my groceries; however, I overlooked an item in my cart. While I never left the store with

the item, a security guard brought this to my attention and had to report the incident. The matter was discharged and dismissed.

3. Have you or any business or nonprofit of which you are or were an officer ever been involved as a party in an administrative agency proceeding, criminal proceeding, or civil litigation? If so, please explain.

2021: Small claims court dispute for security deposit withheld from my tenant for property damages. A settlement was reached between the two parties, and I returned payment of \$3751.60 to the tenant (on April 23, 2022).

2011: The lien was put on my property during the marriage dissolution by opposing counsel for my husband's unpaid bills which were held in jointly. The satisfaction of judgement and release of the lien document was made to the best of my knowledge.

1995: During the nomination process, I have been made aware of a prior judgment from the NY State Dept. of Taxation and Finance from June 1995. On June 2, 2025, I was informed by the NY State Dept. of Taxation and Finance that my record is in good standing and that I have a zero balance.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain. No.

5. Have you ever been accused, formally or informally, of sexual assault, sexual harassment, or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain. No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination. None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency/commission/corporation complies with deadlines for information set by congressional committees, and that your department/agency/commission/corporation endeavors to timely comply with requests for information from individual Members of Congress, including requests from members in the minority?

Yes, I will ensure to respond to such requests for information as appropriate.

2. Will you ensure that your department/agency/commission/corporation does whatever it can to protect congressional witnesses and whistleblowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee?

Yes, to the extent consistent with legal and customary requirements.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

RÉSUMÉ OF SEVAL OZ

www.linkedin.com/in/sevaloz

PROFESSIONAL EXPERIENCE

Ceramic.ai, Mountain View, CA 2025-present

Consultant (VP Finance and Business Development)

- Advising the Business Development and go-to-market strategy, including working closely with the leadership team to refine value propositions, identify key opportunities, and establish commercial relationships for scaling market impact.

Moove.ai, Lafayette, CO 2020-present

Advisor

- Advised management on business strategy and technical matters.

Archimede Ventures, San Jose, CA 2024-2024

Founding Partner

- Founder of early-stage Artificial Intelligence (AI) software fund focused on global logistics, delivery, routing, Advanced Driver Assistance Systems (ADAS), and robotics industry investments.

Independent Consultant, San Jose, CA 2016-present

- Served as an independent consultant providing business, financial, and technical analyses through several expert network companies.

Microvision, Inc., Redmond, WA 2021-2023

Board Member

- Advised senior leadership and the Board on business strategies focusing on automotive Lidar technologies and design of high-speed safety features for Original Equipment Manufacturers (OEMs).

Pioneer, Inc., Tokyo, Japan 2019–2021

Advisor (remote)

- Served as the investor's Senior Advisory Consultant and liaison to senior leadership and operating teams building next generation electric vehicle systems, while directly supervising corporate development and business partnerships.

Aurima, Inc., Mountain View, CA 2017–2019

Chief Executive Officer

- Led the development of this startup focusing on camera-radar sensor fusion using radar algorithmic processing and machine learning for ADAS and autonomous drive platforms, while later managing the transition process into camera-radar hardware development business line.

Continental Intelligent Transportation Systems, LLC, Santa Clara, CA 2014–2017

Chief Executive Officer and Executive Vice President

- Built a new Business Unit for Continental AG based in the U.S. with a growth target of €100M with an annual budget of €37M. Starting from zero, hired and led a team of 150 software engineers in 2.5 years.
- Transformed Continental AG's services into a cloud-based mobility platform, ADAS mapping, remote vehicle access, vehicle diagnostics and Smart Cities infrastructure.

Google [X] Self Driving Car Program, Mountain View, CA 2011–2014

Senior Business Development and Global Partnerships Lead

- Responsible for all business development initiatives and strategic partnerships for hardware business, while also serving as the executive for contract negotiations under the technology integration program.
- Served as the principal responsible for the entire partnership portfolio supporting California policy initiatives, which included city management and market development analytics.

Cuill, Inc. (acquired by Google in 2011), Menlo Park, CA 2007–2011

VP of Business Development and Finance

- Managed all partnerships, corporate development, strategic funding, and internal financial planning and developed a product roadmap to align corporate technical expertise with top line growth strategy.

Career Break 2003–2007

- Took an extended break to focus on family and other interests.

Urban Media Communications, Inc., Palo Alto, CA 2000–2003

VP of Finance and Strategy

- Principal responsible for all funding and strategic negotiations. Secured \$32M in venture lending facility and \$60M in strategic equity round at \$150M valuation.

Versata, Inc., Oakland, CA 1999–2000

VP of Finance and Strategy

- Closed four acquisitions, maximized pre-IPO market capitalization, while managing investment banking relationships to bring the company public.

Berkeley Networks, Milpitas, CA 1998–1999

Consultant to VP of Engineering

- As senior advisor, formulated acquisition versus IPO financial models based upon optimal valuation scenarios leading to management's decision for a stock swap alliance with FORE, and subsequently GEC's \$4.2 billion acquisition of FORE Systems.

FINANCE AND WALL STREET EXPERIENCE

Global Emerging Markets Advisors, L.P., New York, NY 1995–1998

Principal

- Involved in all aspects of business development including marketing, sales, trading, research and administration for the global emerging markets debt and equity fund, GEM Opportunity Fund Ltd.

Merrill Lynch & Co, New York, NY 1992–1995

Director of Emerging Market Equities

- Lead Merrill Lynch’s worldwide institutional research sales effort in Latin America enabling the firm to rank number one in international underwriting. Coordinated privatizations of Telcos, Telebras, TelMex, Telefonica de Argentina, and other major corporate issuers in Latin America.

Salomon Brothers, Inc., New York, London, Frankfurt, Tokyo, Hong Kong
1986–1992

VP of Equities

- Managed global emerging markets equity desk.

VOLUNTEER ENGAGEMENTS

U.S. State Department Asia-Pacific Economic Cooperation (APEC) Program, Washington, DC

Delegate

- Represented Google and Continental, respectively, at the APEC Women’s Conference for establishing economic equality measures for Women in the Global Economy.

HealthCorps Foundation, New York, NY

Board of Advisors

- Providing strategic direction to the Dr. Oz family foundation for its public and private national service program in 52 schools across the United States.

Connected Car Council (C3 Group)

Council Member

- Frequent speaker at global auto shows, South by Southwest (SXSW), Consumer Electronics Show (CES), and Fortune 500 Executive Conferences.

Wharton School of Business, Philadelphia, PA

Wharton Interactive Media Department Guest Lecturer

- Lecturer on “Search, New Media and its Monetization” as part of a Monetizing Emerging Interactive Media class in the new Wharton Interactive Media Initiative.

EDUCATION

- MBA, Finance and Marketing double major, The Wharton School of Business, University of Pennsylvania
- BA, Political Science and Economics, Wellesley College/MIT Joint Program, *cum laude*

PATENTS (developed during tenures with Google [X] Self Driving Car Program and Continental ITS)

1. **Geo-proximity vehicle alert and access system for security and package exchange efficiency** *US9821768B2* (2015).
Lead Inventor
Status: Granted
2. **Technological and Financial Partnerships to Enable a Package Exchange Service** *US20160098670A1* (2015).
Lead Inventor
Status: Published
3. **Hacker security solution for package transfer to and from a vehicle** *US20160099927A1* (2015).
Lead Inventor
Status: Granted
4. **End to end system for service delivery to and from a vehicle using a dongle** *US10002479B2* (2015).
Lead Inventor
Status: Granted
5. **Package Exchange and Service System Using a Key Fob Simulator** *US20160098871A1* (2015).
Lead Inventor
Status: Granted
6. **In-vehicle consumer purchase system,** *US10796351B2 WO2017035011A1* (2016).
Co-Inventor
Status: Granted

7. **Package exchange service using local delivery services**
US20180240067A1 (2016).
 Lead Inventor
 Status: Granted
8. **Usage-based vehicle leasing and other services with a dongle module**
WO2017053047A1 (2016).
 Lead Inventor
 Status: Published
9. **On-demand and on-site vehicle maintenance service** *US20180285832A1*
 (2016).
 Lead Inventor
 Status: Granted

SPEAKING ENGAGEMENTS

Featured Speaker, Rally International 2023, sponsored by Indiana Economic Development Corporation, Indianapolis, IN, 2023

Keynote Speaker, The Autonomous Vehicle Computing Consortium (AVCC), sponsored by AVCC, Cambridge, United Kingdom, September 2023.

Speaker, Roundtable on Autonomous Driving—Key Challenges with Seval Oz, sponsored by Gerson Lehrman Group (GLG), Hong Kong, August 2021.

Panel Speaker, Roundtable on Autonomous Driving, sponsored by Gerson Lehrman Group (GLG), Hong Kong, Hong Kong, August 2021.

Guest Speaker, Turkish Win Sponsored Corporate Event, sponsored by Turkish WIN, Istanbul, Turkey, July 2020.

Keynote Speaker, ITU Technology Summit and Award Ceremony ITU Presentation and Lunch, sponsored by Istanbul Technical University (ITU), Istanbul, Turkey, February 2020.

Discussion Panelist, Research Facility Visit, sponsored by GLG/Huawei, Shenzhen, China, January 2020.

Panel Speaker, Tokyo Motor Show, Tech Consultations and Workshops, sponsored by BPEA, Tokyo, Japan, October 2019.

Keynote Speaker, ADAS Expert Lunch Talk and Presentation, sponsored by NewStreet Research LLC, London, United Kingdom, August 2019.

Keynote Speaker, Digital Age Summit Keynote Speaker, sponsored by Capital Media Services, Istanbul, Turkey, April 2019.

Keynote Speaker, Ari Teknokent Workshop Lecturer, sponsored by ITU (Istanbul Technical University), Istanbul, Turkey, April 2019.

Keynote Speaker, GLG-APAC Tour “Pushing Autonomous Vehicles to The Finish Line With Seval Oz”, sponsored by GLG, Seoul, South Korea, March 2019.

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Speaker, AlphaSights/BCG Sponsored Neom Land Mobility Workshop, sponsored by AlphaSights/BCG, Barcelona, Spain, November 2018.

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Speaker/Moderator, South By Southwest (SXSW) Annual Conference, Austin, TX, March 2017.

Guest Speaker, Roundtable: The Road to Autonomous Driving: New Technology Developments, sponsored by Gerson Lehrman Group (GLG), Hong Kong, Hong Kong, February 2017.

Keynote Speaker, Roundtable: The Road to Autonomous Driving: Technology Developments (Singapore), sponsored by Gerson Lehrman Group (GLG), Singapore, Singapore, January 2017.

Panel Speaker, Autonomous Driving/AI Technology Roundtable, sponsored by GLG, Tokyo, Japan, January 2017.

Opening Keynote Speaker, ITS America Annual Conference and Expo, San Jose, June 2016.

Opening Keynote Speaker, ITS World Congress (22nd Annual), co-hosted by ERTICO and ITS Asia Pacific, Bordeaux, France, October 2015.

Keynote Speaker, Frankfurt Motor Show, sponsored by Continental AG, Frankfurt, Germany, September 2015.

Panel Speaker, Digital Web Summit Conference, sponsored by Web Summit Conference, Dublin, Ireland, November 2014.

Panel Selectionist, Endeavor.Org Annual Global Meeting, sponsored by Endeavor.org, Istanbul, Turkey, October 2012.

Keynote Speaker, Turkish Women's International Network-Microsoft Office, Istanbul, Turkey, July 2012.

Keynote Speaker, Turkish Women's International Network (Global) UK Chapter, sponsored by the Turkish chapter of WIN (Women In Networking), London, United Kingdom, July 2012.

Delegate for Google, Asia Pacific Economic Conference (APEC) Conference, sponsored by U.S. State Department, Saint Petersburg, Russia, June 2012.

Guest Speaker and Panelist, Mentorship, Social Media and Corporate Development in Silicon Valley, Indian Institutes of Management (IIM), 2009

ADDENDUM TO THE QUESTIONNAIRE SUBMITTED TO THE SENATE COMMITTEE ON
COMMERCE, SCIENCE, AND TRANSPORTATION, 119TH CONGRESS BY SEVAL OZ.

Upon further review, as brought to my attention by the Committee, I have identified additional information that is responsive to the following questions on the Committee's questionnaire.

Oz Questionnaire:

A.1—Please clarify if Oz or Ozveren is Ms. Oz's legal last name.

Oz is my birth last name. I retain the use of my legal maiden last name. I am currently in the process of updating this information on my legal documents.

A.11—Ms. Oz’s LinkedIn mentions serving as a strategic advisor at “Bond Mobility” which is not disclosed on her questionnaire or OGE 278e. Please clarify this and provide a supplement as appropriate.

This was a friend and colleague’s start-up which did not materialize into any formal arrangement. I did travel overseas to visit the company once and this trip was disclosed in my SF 86, under section 20C-Foreign travel item #39 in October 2018.

A.18—Please clarify whether a link or digital copy for each entry is available. If so, please provide the link or digital copy. If not, please state so for each.

Attached are three Power Point decks (AVCC, Autonomous Vehicle Computer Consortium September, 2023; Tokyo Motor Show Presentation, March 2013 and Turkish WIN Global, July 2018) which are the only presentations I have available from the items listed in A.18 on my Senate Questionnaire. All other presentations have no corresponding link or presentation available.

1. Keynote Speaker, The Autonomous Vehicle Computing Consortium (AVCC), sponsored by AVCC, Cambridge, United Kingdom, September 2023
2. Keynote Speaker, Turkish WIN, July 2018
3. Speaker, Tokyo Motor Show Presentation, Tokyo Motor Show 2013

A.19—This item requests “all public statements” the nominee has made in the past ten years “on topics relevant to the position for which you have been nominated.” Ms. Oz’s response references public statements she made “addressed to autonomous vehicles and new technology matters not directly relevant to DOT or the position of Assistant Secretary for Research and Technology.”

According to DOT, “the Office of the Assistant Secretary for Research and Technology (OST-R), works at the dynamic intersection of new and emerging technologies, transportation data, policy, research and all modes of transportation across the Department.”

Please work with Ms. Oz to ensure all public statements she has made in the past ten years on any topics “relevant” to the Assistant Secretary position are included in her questionnaire. Please provide a supplement as appropriate.

Below is a broader list of public statements related to research I have been involved in, including a wider search of U.S. and International statements. Some do not have public links available.

Interview, Techcrunch Live webinar, June 2024

Topic: Startup investing in mobility investment trends in autonomous driving startups. AI and Sensor Fusion.

No known link available.

Social Media Announcement, LinkedIn, January 2023

Topic: Archimede Ventures launch (entrepreneurship AI in Transportation)

https://www.linkedin.com/posts/sevaloz_archimede-ventures-announcement/

Social Media Post LinkedIn, April 20, 2022

Topic: Libraries and Education (personal commentary in support of Libraries)

<https://www.linkedin.com/in/sevaloz/>

Interview, Yahoo Finance, March 2021

Topic: Microvision and Industry Outlook at the time of appointment to the Board

No known link available.

Interview/Keynote Highlights, Digital Age Summit, Gonul Hadimli, MediaCat, May 16, 2019

Topics: Road Safety, Autonomous Tech Adoption.

No known link available.

Media Commentary, Digital Age Summit, Istanbul, Turkey, April 2, 2019

Topic: Are we Ready to Leave the Steering Wheel to Artificial Intelligence?”

<https://digitalage.com.tr/digital-age-summit-2019-icin-hazir-misiniz/>

Publication of Talk (IEEE TV) of Oz’s Fog World Conference Talk, July 26, 2018

Topic: How deep learning-driven data and edge “fog” computing can help fill remaining gaps in automation.

No known link available.

Speaker, SXSW Conference, Austin, TX, March 2018

Topic: Sensor Fusion for AV’s

No known link available.

Keynote Speech, Fog World Conference, October 2017

Topic: Gaps in vehicle automation, future technology. Automated Driving What's Next?

No known link available.

Interview, Automotive World, Interview by Freddie Holmes, July 13, 2016

Smart Cities, public -private partnerships.

No known link available.

Public Address, ITS World Congress, Bordeaux, France, August 10, 2015

Topic: Intelligent Transportation Systems Industry Collaboration.

<https://digitalage.com.tr/digital-age-summit-2019-icin-hazir-misiniz/>

Web Summit 2014/Webrazzi Conference, Dublin, Ireland, November 6, 2014

Topic: Autonomous Vehicles Timeline.

No known link available.

Interview, Star Newspaper via Amerikan Bulteni, October 9, 2011, Asli Gur

Interviewer Early reference to Autonomous Vehicles.

No known link available.

C.3—We identified several matters where Ms. Oz is a named party that are not disclosed in the questionnaire:

- Oliver Rowen et al vs. Seval Ozveren (CA Superior Court, filed August 2021)

This item was already disclosed in the senate committee questionnaire under C.3. as a small claims court dispute in 2021 which was settled on April 23, 2022. (Pls see questionnaire)

- K. Kirkland vs. S. Ozveren (CA Superior Court, filed August 2014)

I was made aware of this item during the background interview. I was unaware of this filing by the marital dissolution lawyer whose fees have been settled by the other party.

- S. Ozveren vs. University Club of Palo Alto (CA Superior Court, filed August 2012) This was an injury claim which was settled.
- S. Ozveren vs. Los Gatos Dog and Cat Hospital, et al (CA Superior Court, filed August 2008)

This claim was for an unauthorized medical procedure for one of our pets. The claim was resolved and dismissed.

- S. Ozveren vs. Estate of Jane Escamilla, et al (CA Superior Court, filed August 2007)

Property damage claim filed in small claims court against a neighbor whose oak tree fell on our property. Neighbor deceased. Claim was not pursued.

- Cuneyt Ozveren and Seval Ozveren (CA Superior Court, filed January 2007) This case was for matrimonial resolution.
- Recover Property for Inheritance Rights Pursuant to Article 683 of the Turkish Civil Code against Nazlum Oz.

The case is pending before the Istanbul 29th Civil Court for First Instance. File number 2022/84e. It is associated with related proceeding in Turkey to resolve an ongoing trust and estate dispute among members of the Oz family regarding the proper distribution of father's estate.

Keynote: Making AVs a Reality Past to Present: No Shortcuts, No Dead-Ends



Seval Oz



Making AVs a Reality Past to Present: No Shortcuts, No Dead-Ends

'09

The Google self-driving car project begins

We set out on a challenge to drive autonomously over ten uninterrupted 100-mile routes in our Toyota Prius vehicles. Months later, we'd succeeded in driving more autonomous miles than had ever been driven before.



Google Cars Drive Themselves, in Traffic



By David Huxford
 10/1/09
 Google's self-driving cars, which are being tested in the streets of Mountain View, California, have been driving autonomously for more than a year. The cars are now being tested in traffic, a significant step forward for the project. The cars are now being tested in traffic, a significant step forward for the project. The cars are now being tested in traffic, a significant step forward for the project.

Making AVs a Reality Past to Present: No Shortcuts, No Dead-Ends

'09

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Google Cars Drive Themselves, in Traffic



By David Huxford
for CNN

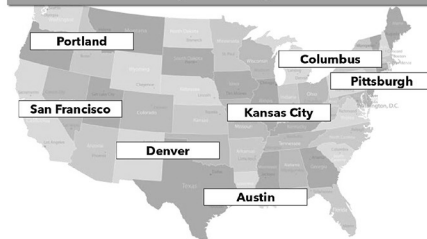
WASHINGTON (CNN) — Google's self-driving cars are now driving themselves in traffic, a major step forward for the company's autonomous vehicle project. The cars, which are modified Toyotas, are now able to handle the most difficult part of driving: traffic.

The cars are equipped with Google's own software, which can detect and respond to changes in traffic. They can also detect and respond to changes in the road, such as potholes and construction. The cars are now able to handle the most difficult part of driving: traffic.



Automated Driving From an Urban Challenge to a Connected Solution

Smart City Challenge Winner



2016: The USDOT has pledged up to \$40 million to one city to help it define what it means to be a "Smart City" and become the country's first city to fully integrate innovative technologies - **self-driving cars, connected vehicles, and smart sensors** - into their **transportation network**.

Living Smart Vehicles: V2X Enabling Active Safety

Intersection Collision Warning

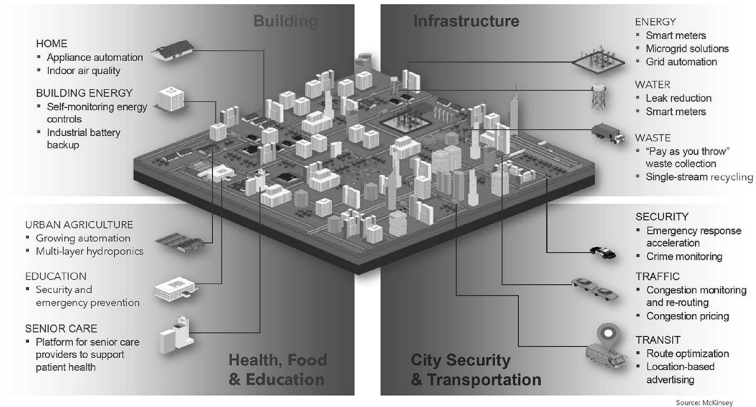
Real-time Traffic Flow Regulation

Increased Accessibility for all Pedestrians

Warnings Based on Driver Profiles



Living Cities: Using Data to Smartly Digitalize Services



Have you ever fired your car?

In 3-5 years it will feel strange to be in a vehicle without autopilot. You'll feel as if the car just isn't doing its job...in the future, maybe we will all be homeless and carless...

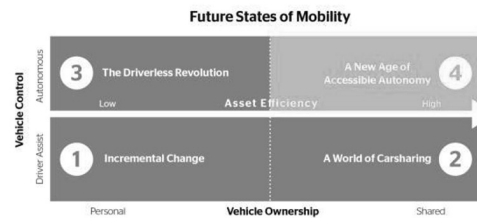
Different paths to accessible autonomy...

Economics of Shared Economy Fueling the Car Share or Usage Based Model



Leading to Disruption of Classic Mobility...

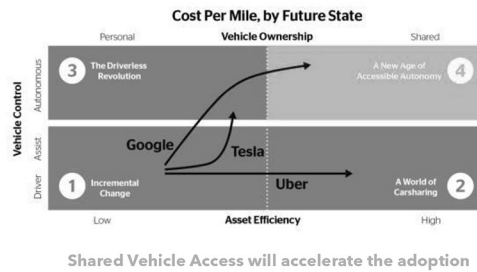
Migrating From Ownership to Usage Based Model



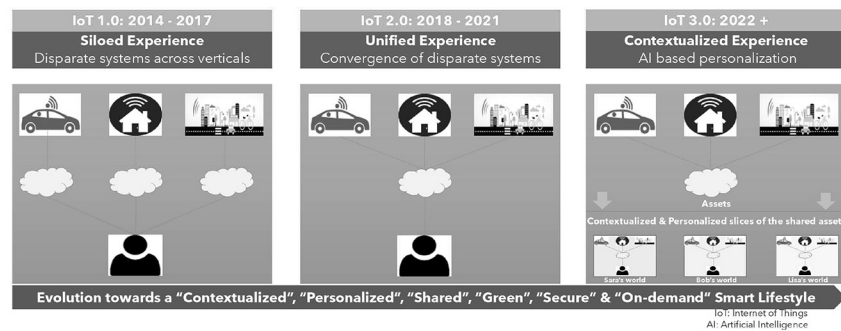
Source - The Future of Mobility, by Scott Cowin, Deloitte

...yield multiple winning approaches

Economics of Shared Economy Fueling the Car Share or Usage Based Model



Digitalization Drives Innovation



The Future is the New Present



From the warehouse to the sky, connected and autonomous technology is becoming existential to businesses that need to manufacture, store, move, ship inventory or move people and services around. The new driver IS the on-board computer system.

Toyota's e-Palettes: Autonomous MaaS Modular Pods

Didi, Mazda,
Pizza Hut,
Amazon,
Uber...



Nuro's grocery delivery R1 bot resembles a toaster

5/7/2025

Krogers, 7-11,
ADS
(Amazon)



16

How do we you parse this scene?

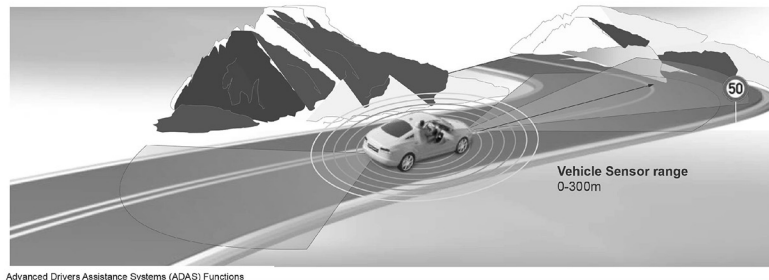


Our near-term focus: Visual intelligence

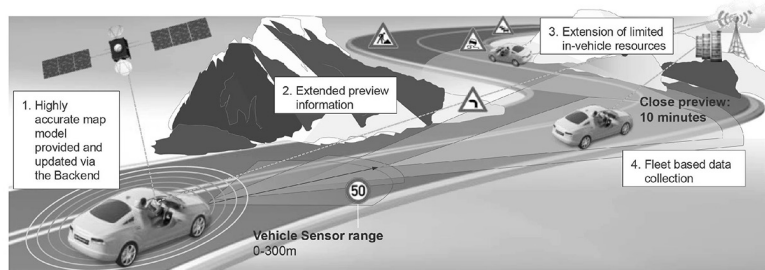
Look around you: In just a few glimpses not much bigger than your thumb at arm's length, you construct an extremely detailed, rich, and effective model of the world and your place in it, which can be used to answer any question and perform any task. *How can you do this?*

**Perception: Computers can now see better than humans****Visual Range 300m**
Is this Really Enough?

Today's Situation Visible Environmental Model

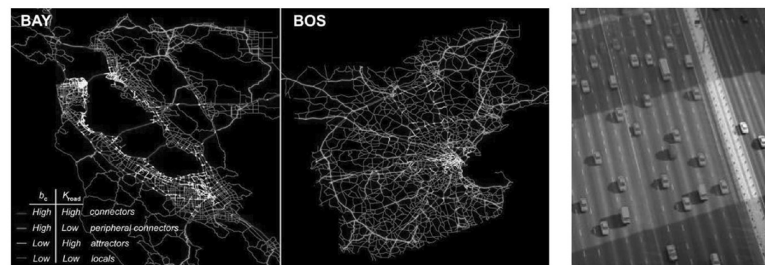


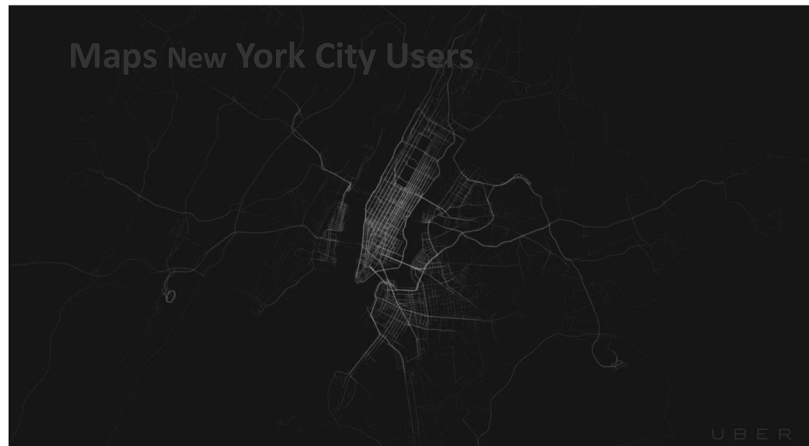
Cars= rolling sensors, maps, real time data
vehicles should see around the corner



A Living City's new soft infrastructure

Peak Traffic Throughput on US Highways we only use 8% of Road surface





TIME — Our Most Precious Asset



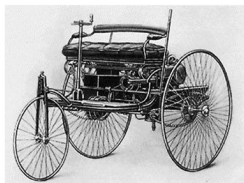


Self Driving Cars

Seval Oz, Tokyo Motor Show, December 2011

Perspective

- What would a car be like today if the computer would have been invented before the car?



Benz Patent-Motor Wagen
1885



Apple II
1977

Can you imagine then...

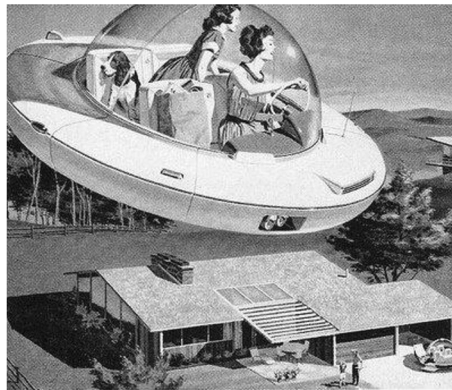
- You car drives better than you



Google

Can you imagine then...

- You car picks up your kids from school



Google

Can you imagine then...

- A car for the young, elderly and disabled?



Google

People already living in their cars



Google

Promised technology



Google

What about cars?

GE advertisement: 1958



"The day is not far off when our vehicles will operate like mobile devices,"
- Paul Mascarenas, Ford CTO

Google

Driving as the distraction

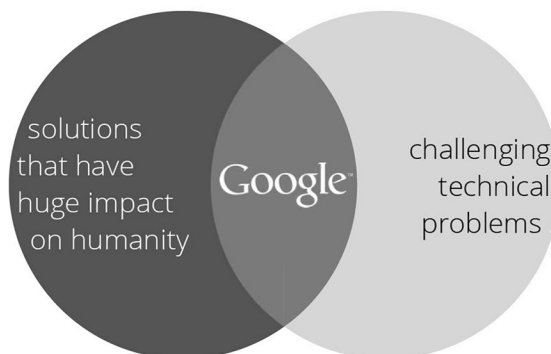
"For some, driving is the distraction"

- Allan Taub, VP GM



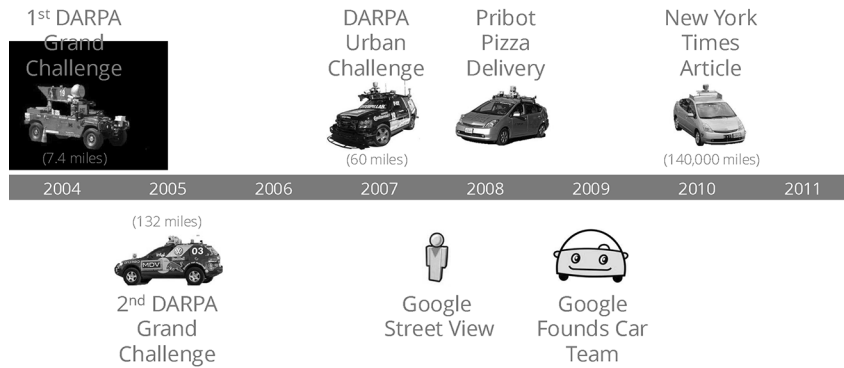
Google

Why Google?



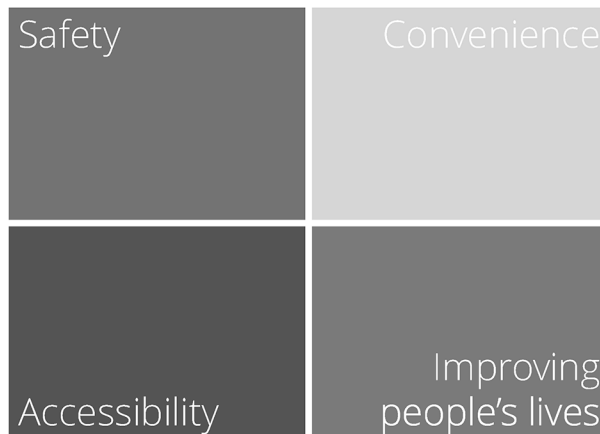
Google

A Brief History



Google

What is it all about?



Google

All about safety



- 90% of collision caused by human error
- 32,788 fatalities per year in us
- >1,000,000 per year world wide

Google

All about accessibility

Participants:



Destinations:



or



or

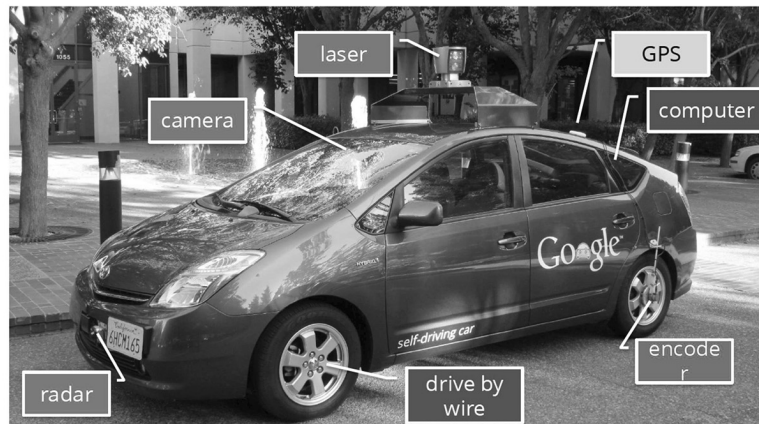


or



Google

Outside of test car



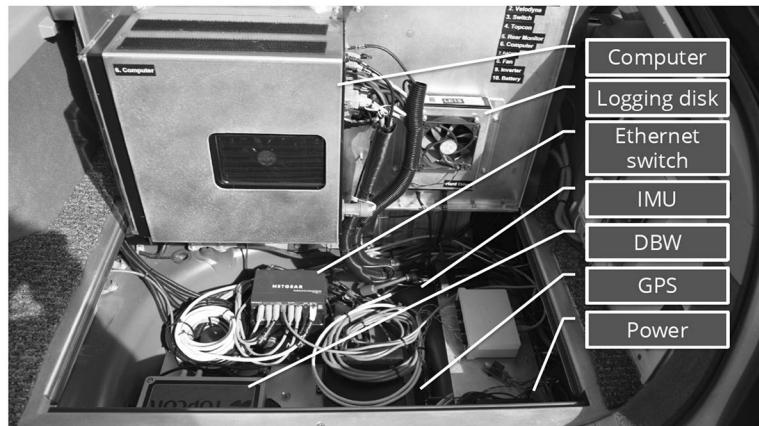
Google

Inside of test car



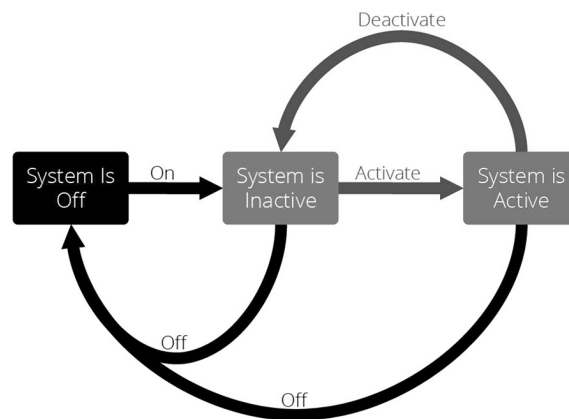
Google

Hardware Setup



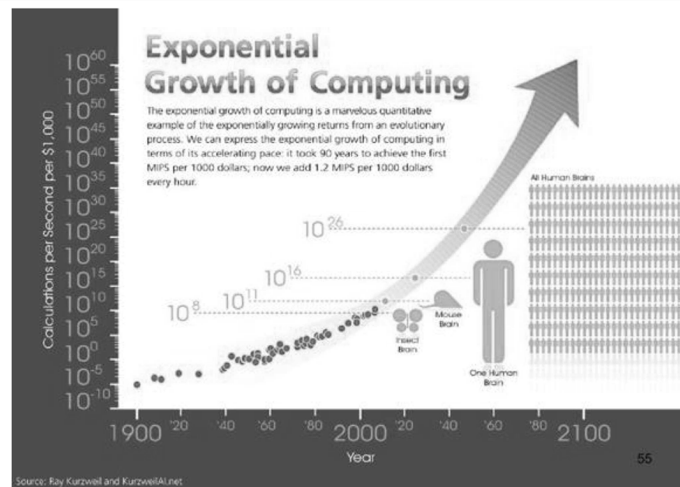
Google

Simple to use – Like cruise control



Google

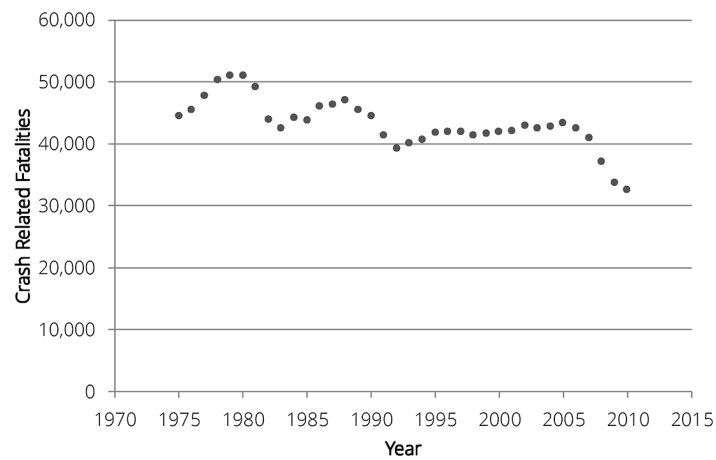
Moore's law



Google

From Ray Kurzweil

Can we make a big difference?



Google



- 14 minutes driving
- 45 minutes “autodriving”
- 8 control transfers

Digitized by Google

Team



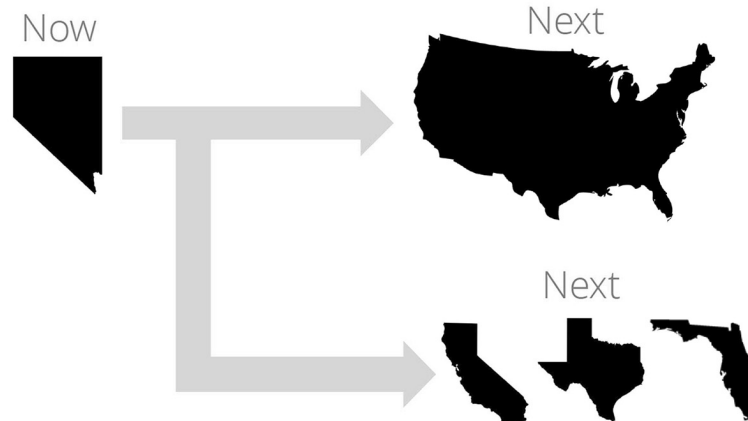
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Nevada AB-511

“this bill requires the Department of Motor Vehicles to **adopt regulations authorizing the operation of autonomous vehicles** on highways within the State of Nevada. Section 8 defines an “autonomous vehicle” to mean a motor vehicle that uses artificial intelligence, sensors and global positioning system coordinates to drive itself without the active intervention of a human operator.”

Google

Interest is picking up



Google

Danger is the failure of our
imagination



Google

Our mission is simple:

Improve people's lives by
transforming mobility

Google



Intelligent Transportation Systems (ITS)

Seval Oz, CEO Continental ITS, LLC

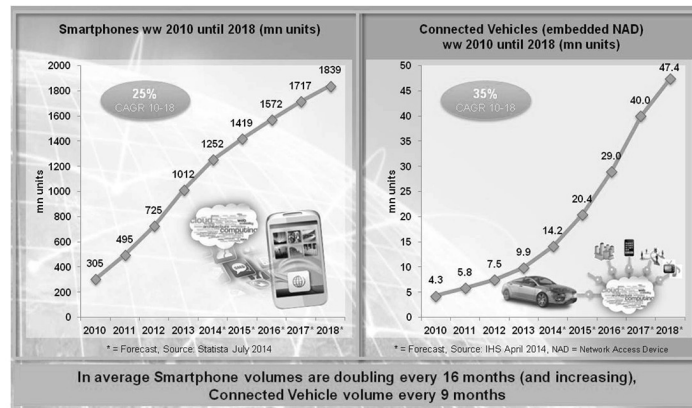
China – Alibaba
December 19, 2014

www.continental-automotive.com

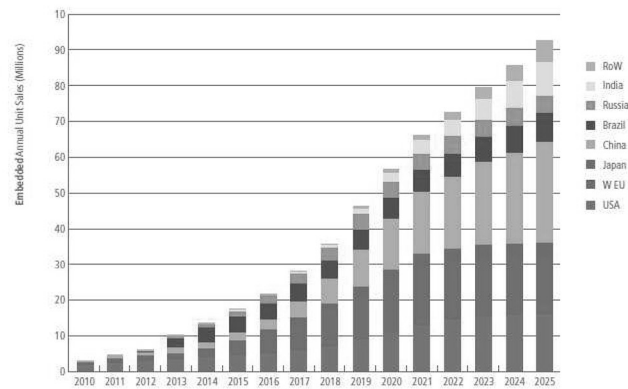
Interior Division

Key Technology Enablers: Always-on (telematics)

Growth of Connected Vehicles even stronger than Smartphones



Embedded Global Sales Forecast of OE Connectivity in Passenger Cars (2010-2025)



Source: SBD and GSMA, 2025 Every Car Connected: Forecasting the Growth and Opportunity

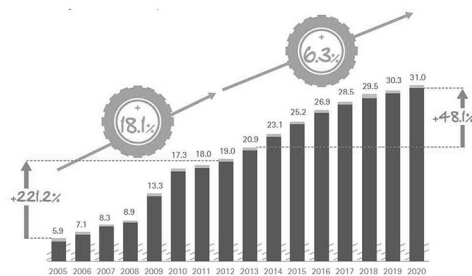


Interior Division
Confidential

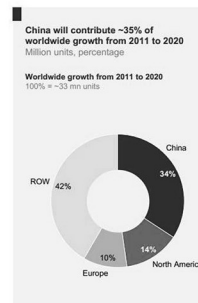
6/16/2025
Conti ITS Silicon Valley

3

Greater China Light Vehicle Sales Development (2005-2020; Millions of Units)



Source: IHS AutoInsight April 2013; Accenture Research Analysis



Source: McKinsey GOG Analysis; McKinsey Insights China

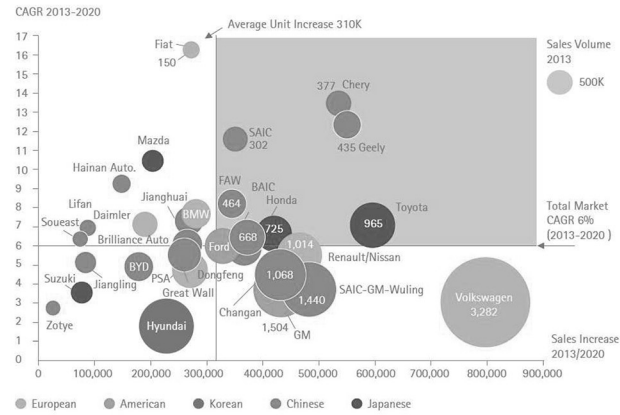


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6/16/2025
Conti ITS Silicon Valley

4

Fragmented Landscape China Market (2013/2020; % CAGR, Unit Increase)



Source: IHS AutoInsight April 2013; Accenture Research Analysis



Interior Division
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6/16/2025
Confidential Silicon Valley

5

Key Technology Enablers:
Enabling The Future, Today...
...Should Not Depend On Infrastructure Changes



- Software as an enabling technology

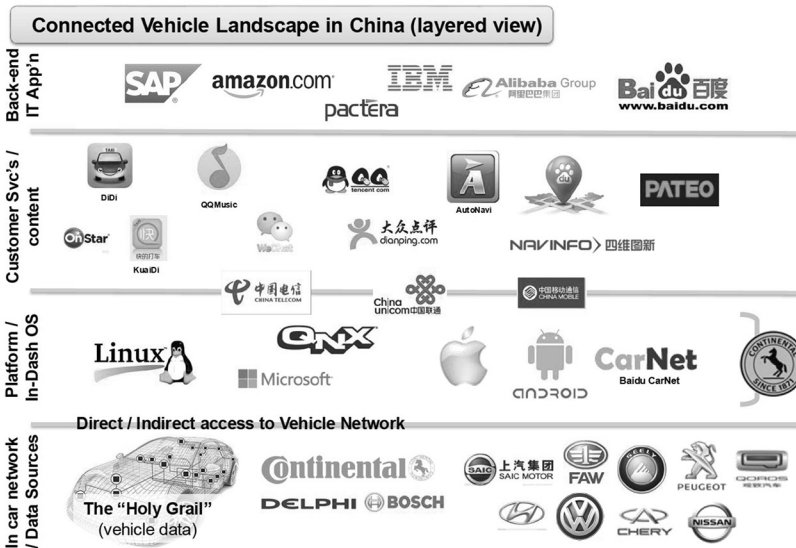
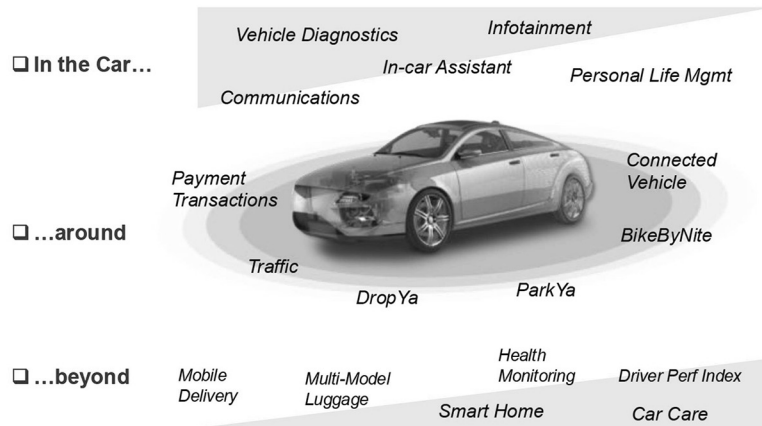
Source: Daily commute, Hwy 101, San Jose, CA



Interior Division
Confidential

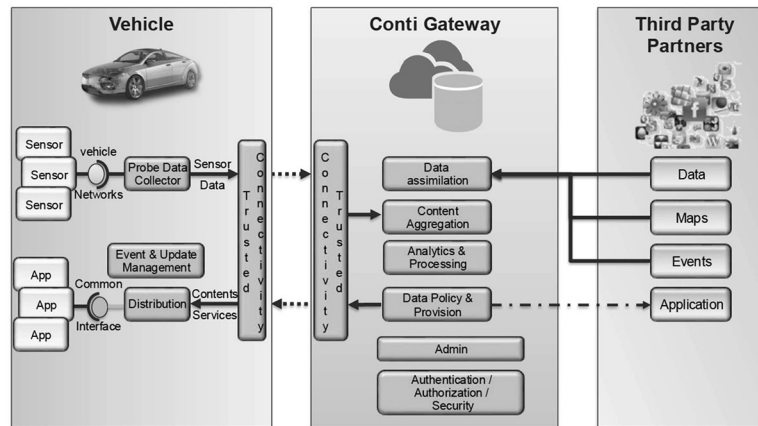
Dec 15, 2014
S. Co. © Continental Corporation

In, Around and Beyond the Car



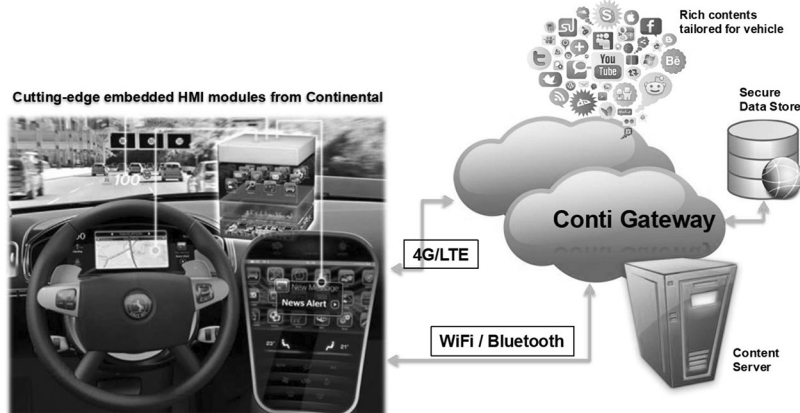
Conti Gateway

ContiGateway aggregates bidirectional data to the car and integrate services for the user



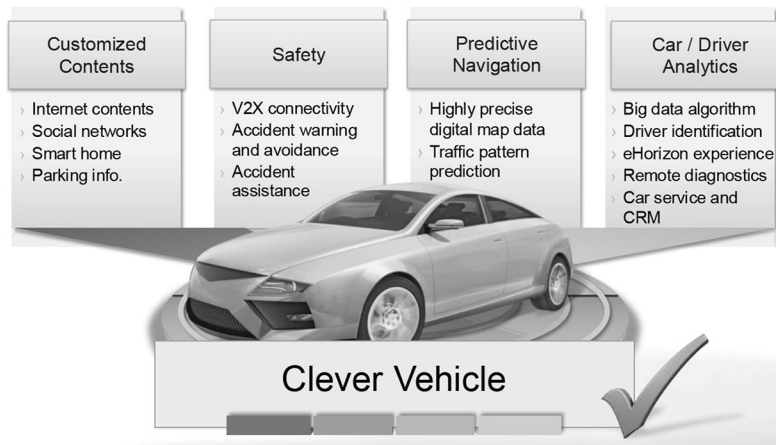
Conti ITS Experience

Conti provides powerful holistic HMI to push rich contents tailored for vehicle



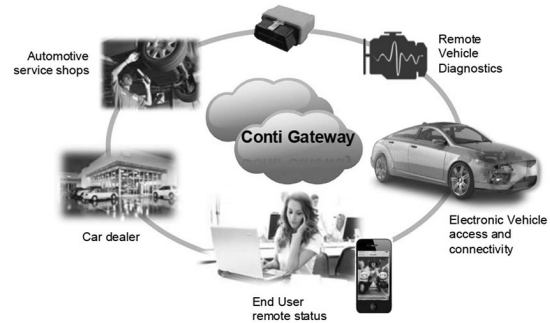
Conti ITS Service Groups

improves driving experience by the following



Productization Theme

Service-centric Ecosystem for the Intelligent Vehicle



- › We connect the car to the cloud and realize customized intelligent services for the garage and the car driver
- › A compact universal dongle is plugged on the EOBD interface of the car and transfers selected vehicle data via a bluetooth interface to the smartphone and then to the backend server
- › Intelligent algorithms analyse the data and thus make customized services possible

Questions?



Interior Division
Confidential

Dec 15, 2014
S. Oz © Continental Corporation

13

The CHAIRMAN. Thank you. Mr. Rutherford, you are now recognized for your opening statement.

**STATEMENT OF MICHAEL ALBERT RUTHERFORD,
NOMINEE TO BE ASSISTANT SECRETARY, OFFICE OF
MULTIMODAL FREIGHT INFRASTRUCTURE AND POLICY,
UNITED STATES DEPARTMENT OF TRANSPORTATION**

Mr. RUTHERFORD. Chairman Cruz, Ranking Member Cantwell, and Members of the Committee, thank you for the opportunity to be here today. It is an incredible honor to be President Trump's nominee as the Assistant Secretary of the Office of Multimodal Freight Infrastructure and Policy, more simply referred to as the Freight Office.

I am grateful for the confidence placed in me by both President Trump and Secretary Duffy to lead this relatively new office and to shepherd its continued development under their leadership in the years ahead.

I am also grateful for my family, who is here with me today. My wife Francesca who is not just the love of my life—but pardon me for saying senators—the most interesting person that I have ever met. She is joined by our daughter, Maria Vittoria, a rising freshman and research scholar in the honors program at the University of Florida; and our 12-year-old son, John Carlo, a source of both great pride and constant entertainment.

As I sit here today before the Senate Commerce, Science, and Transportation Committee, I am aware of the expectations for this position, especially outside this room. Industry has long lamented the fact that freight does not vote. The introduction of the Freight Office was hailed as finally giving a voice to freight, while much has been accomplished, still much more is expected.

I worked in industry after studying international finance and commerce at the Georgetown School of Foreign Service and getting a Master's in International Economics and Management at SDA Bocconi in Milan, Italy. I worked in consumer goods at Johnson and Johnson, and Adidas in Europe, where I learned a lot about sourcing and distribution.

Then I joined CSX in 2008, starting out in intermodal before ultimately managing everything moving on the railroad except intermodal and coal. During that time, I participated in a number of strategic initiatives like the National Gateway Infrastructure Project, launching the UMAX Interline Container Program in conjunction with Union Pacific, championing 50-foot box car reinvestments, and assisting customers during the roll out of Precision Scheduled Railroading.

It is my sincere hope that all those who have long promoted the creation of a high-level freight office will view the first assistant secretary appointment of someone with my industry experience as a reflection of the commitment by President Trump and Secretary Duffy to advance the cause for freight.

The mission of the Freight Office goes well beyond simply creating ease of doing business by establishing a primary, though not sole point of contact, for all things freight related. Ad hoc coordination must make way for a more systematic and holistic approach to freight planning throughout U.S. DOT while partnering with state DOTs and across the administration as appropriate.

The proposed Draft National Multimodal Freight Network with over 78,000 roadway miles, 80,000 rail miles, 21,000 waterway miles, 140 marine ports, and 65 airports, plays a fundamental role in much of the activities of the Freight Office. Given this significance, we must get it right. If confirmed, the Freight Office will follow up on all concerns regarding the current draft, including those regarding missing mileage in some states.

Building upon this work, the National Freight Strategic Plan aims to drive and align with State DOT freight plans to bolster economic growth and international competitiveness based on a shared vision of the future. In addition to addressing bottlenecks and bringing key infrastructure back to a state of good repair, this requires identifying critical freight facilities and corridors with vital interconnections to enhance overall performance of our Nation's freight system.

And if confirmed, I will work to ensure the timely update of the National Freight Strategic Plan consistent with current market dynamics, including shifting trade flows, the reshoring of manufacturing, and a renewed emphasis on industries of national importance. I will also seek to ensure that freight grant programs within the Office of the Secretary, and across U.S. DOT support key priorities of proper Federal interest.

Another key function of the Freight Office is to facilitate data sharing opportunities among freight stakeholders. Recognizing that you cannot manage what you do not know, Freight Logistics Optimization Works, or FLOW, provides freight stakeholders with invaluable supply chain visibility, enabling them to react more proactively to forward-looking changes in the operating environment at our Nation's ports.

Despite early successes, there is still so much more that the Freight Office can do to build upon these earlier efforts.

If I am fortunate to be confirmed as the Assistant Secretary of the Office of Multimodal Freight Infrastructure and Policy, I will devote myself to helping the Secretary promote safe, efficient, and resilient freight transportation across all modes, and along the full spectrum of supply chain and logistics, from sourcing to distribution, from America's heartland to the big city and beyond.

Thank you, Mr. Chairman, that concludes my statement. And I would be happy to answer the Committee's questions.

[The prepared statement and biographical information of Mr. Rutherford follow:]

PREPARED STATEMENT OF MICHAEL ALBERT RUTHERFORD, NOMINEE TO BE ASSISTANT SECRETARY, OFFICE OF MULTIMODAL FREIGHT INFRASTRUCTURE AND POLICY, UNITED STATES DEPARTMENT OF TRANSPORTATION

Chairman Cruz, Ranking Member Cantwell, Members of the Committee—

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I am grateful for the confidence placed in me by both President Trump and Secretary Duffy to lead this relatively new office and to shepherd its continued development under their leadership in the years ahead.

I am also grateful for my family, who is here with me today. My wife Francesca, who is not just the love of my life but—pardon me for saying, Senators—the most interesting person that I have ever met. She is joined by our daughter, Maria Vittoria, a rising freshman and Research Scholar in the Honors Program at the University of Florida, and our 12 year old son John Carlo, a source of both great pride and constant entertainment.

As I sit here today before the Senate Commerce, Science, & Transportation Committee, I am aware of the expectations for this position—especially outside this room. Industry has long lamented the fact that “freight doesn't vote.” The introduction of the Freight Office was hailed as finally giving a voice to freight. While much has been accomplished, still much more is expected.

I worked in industry. After studying International Finance & Commerce at the Georgetown School of Foreign Service and getting a Masters in International Economics & Management at SDA Bocconi in Milan, Italy, I worked in consumer goods at Johnson & Johnson and Adidas in Europe, where I learned a lot about sourcing and distribution. Then I joined CSX in 2008, starting out in Intermodal before ultimately managing everything moving on the railroad except Intermodal and Coal. During that time, I participated in a number of strategic initiatives like supporting the National Gateway infrastructure project, launching the UMAX interline container program in conjunction with Union Pacific, championing 50-foot boxcar reinvestments, and assisting customers during the roll-out of Precision Scheduled Railroading (PSR).

It is my sincere hope that all those who have long promoted the creation of a high level Freight Office will view the first Assistant Secretary appointment of someone with my industry experience as a reflection of the commitment by President Trump and Secretary Duffy to advance the cause for freight.

The mission of the Freight Office goes well beyond simply creating ease-of-doing business by establishing a primary (though not sole) point of contact for all things freight-related. *Ad hoc* coordination must make way for a more systematic and holistic approach to freight planning throughout U.S. DOT, while partnering with state DOTs and across the Administration as appropriate.

The proposed Draft National Multimodal Freight Network with over 78 thousand roadway miles, 80 thousand rail miles, 21 thousand waterway miles, 140 marine ports and 65 airports, plays a fundamental role in much of the activities of the Freight Office. Given this significance, we must get it right. If confirmed, the Freight Office will follow up on all concerns regarding the current draft, including those regarding “missing mileage” in some states.

Building upon this work, the National Freight Strategic Plan aims to drive and align with State DOT freight plans to bolster economic growth and international competitiveness based on a shared vision of the future. In addition to addressing

bottlenecks and bringing key infrastructure back to a state of good repair, this requires identifying critical freight facilities and corridors with vital interconnections to enhance overall performance of our Nation's freight system. If confirmed, I will work to ensure the timely update of the National Freight Strategic Plan consistent with current market dynamics including shifting trade flows, the reshoring of manufacturing, and a renewed emphasis on industries of national importance. I will also seek to ensure that freight grant programs within the Office of the Secretary and across U.S. DOT support key priorities of proper Federal interest.

Another key function of the Freight Office is to facilitate data sharing opportunities among freight stakeholders. Recognizing that you cannot manage what you do not know, Freight Logistics Optimization Works or FLOW provides freight stakeholders with invaluable supply chain visibility, enabling them to react more proactively to forward-looking changes in the operating environment at our Nation's ports. Despite early successes, there is still so much more that the Freight Office can do to build upon its earlier efforts.

If I am fortunate to be confirmed as the Assistant Secretary of the Office of Multimodal Freight Infrastructure & Policy, I will devote myself to helping the Secretary promote safe, efficient, and resilient freight transportation across all modes and along the full spectrum of Supply Chain and Logistics, from sourcing to distribution, from America's heartland to the Big City and beyond.

Thank you, Mr. Chairman. That concludes my statement, and I would be happy to answer the Committee's questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used):

Michael Albert Rutherford.

2. Position to which nominated: Assistant Secretary of Transportation, Office of Multimodal Freight Infrastructure & Policy.

3. Date of Nomination: March 24, 2025.

4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.

Office: Information not provided.

5. Date and Place of Birth: Tallahassee, FL.

6. Provide the name, position, and place of employment for your spouse (if married) or domestic partner, and the names and ages of your children (including step-children and children by a previous marriage).

Francesca Romana Dal Savio (wife)

Vice President, Superior Medical Staffing Services

8850 Goodbys Executive Dr, Ste C—Jacksonville, FL 32217

Maria Vittoria Rutherford—18

7. List all college and graduate schools attended, whether or not you were granted a degree by the institution. Provide the name of the institution, the dates attended, the degree received, and the date of the degree.

HARVARD BUSINESS SCHOOL

CSX Executive Development Program

Aug 2013 (8/9/2013) plus a long-term internal Team project

SDA BOCCONI

MASTERS IN INTERNATIONAL ECONOMICS & MANAGEMENT

Jan–Dec 1998 (12/19/1998)

GEORGETOWN UNIVERSITY SCHOOL OF FOREIGN SERVICE

BSFS in International Economics—Specialization in International Finance & Commerce

Aug 1992–May 1996 (5/25/1996)

8. List all post-undergraduate employment, including the job title, name of employer, and inclusive dates of employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

SUPERIOR MEDICAL STAFFING SERVICES

President (2/2019 to present)*

AMERICAN PETROLOG

Senior Vice President (1/2020–1/2021)

CSX TRANSPORTATION

VP Sales & Marketing Merchandise (2017–8/2018)*
 VP Sales & Marketing Industrial Products (11/2016–2017)*
 AVP Sales & Marketing Industrial Products (8/2013–10/2016)*
 Director VOC/Market Intelligence & Strategy (8/2011–7/2013)*

CSX INTERMODAL

Director Marketing Intermodal (8/2008–8/2011)*
 Director Strategic Planning (2/2008–7/2008)

ADIDAS GROUP SpA

Head of Marketing Originals (2/2007–1/2008)*
 Head of Marketing Services (2/2005–1/2007)*

JOHNSON & JOHNSON ITALY SpA

Category Manager—Sales (5/2001–1/2005)*
 Jr Product Manager Neutrogena/Penaten (7/2000–4/2001)
 Assistant Product Manager Neutrogena/Penaten (11/1999–6/2000)

JOHNSON & JOHNSON—EAME NEUTROGENA FRANCHISE (Paris)
 Stageur (4/1999–10/1999)

IEA INTERNATIONAL CENTRE FOR GAS TECHNOLOGY INFORMATION

Research Associate (6/1996–12/1997)
 Program Assistant (1995–6/1996)

* = Management level

9. Attach a copy of your résumé. Attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above after 18 years of age. Not applicable.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution.

- Rutherford Medical Holdings, LLC (dba Superior Medical Staffing Services)—President (2019 to present)
- National Defense Transportation Association—Chair of Rail Sub-Committee (2017–2018)
- Indiana Railroad—Board Member (2018)
- CSX Good Government Fund (PAC)—Board Member (2016–2018)

12. List all memberships you have had after 18 years of age or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religiously affiliated organization, private club, or other membership organization (You do not have to list your religious affiliation or membership in a religious house of worship or institution). Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or disability.

Sons of the American Revolution (2021 to present)—Men Only
 Society of the Descendants of Washington's Army at Valley Forge (2021 to Life)
 General Society of the War of 1812 (2021 to present)—Men Only
 National Italian American Foundation (2024 to present)
 Salvation Army of Northeast Florida—Advisory Board Member (2017–2020)
 National Defense Transportation Association (2016–2018)
 Rail Shippers Associations: National, Northeast, Southeast, Pacific-Northwest, Midwest, Southwest (2008–2018)
 Traffic Clubs: New York, Los Angeles, Pittsburgh (2008–2018)
 Truckload Carriers Association (2008–2010)

Note that dates are approximated in some cases.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt. No.

14. List all memberships and offices held with and services rendered to, whether compensated or not, any political party or election committee within the past ten years. If you have held a paid position or served in a formal or official advisory position (whether compensated or not) in a political campaign within the past ten years,

identify the particulars of the campaign, including the candidate, year of the campaign, and your title and responsibilities. None.

15. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$200 or more for the past ten years.

See attached.

16. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Georgetown University School of Foreign Service Krogh Scholar

Georgetown University European Studies Certificate

Rotary International Ambassadorial Scholar

CSX Recognition for Outstanding Contribution 2010, 2011

17. List all books, articles, columns, letters to the editor, Internet blog postings, or other publications you have authored, individually or with others. Include a link to each publication when possible. If a link is not available, provide a digital copy of the publication when available.

See attached.

18. List all speeches, panel discussions, and presentations (*e.g.*, PowerPoint) that you have given on topics relevant to the position for which you have been nominated. Include a link to each publication when possible. If a link is not available, provide a digital copy of the speech or presentation when available.

NEARS—American PetroLog: Reflections on the Road Ahead (9/2020)

Paper & Forest Industry Transportation Committee (4/2018)

CSX Southeast Rail Forum (3/2018)

CSX Investor & Analyst Conference starting on slide 50 (3/1/2018)—*Article*, highlight *Video*

National Industrial Transportation League (1/2018)—*Agenda*

National Grain & Feed Association (2018)—cited by CEO in *letter* to STB *RailTrends Conference* (12/2017) with follow up references *here* and *here* American Chemistry Council Meeting (11/2017)

NDTA Rail Sub-Committee—*Railcars* start on page 25 (10/12/2017) & *Award*

NEARS—*PRECISION SCHEDULED RAILROADING AT CSX: Unlocking Potential through Transformative Change* (9/27/2017)

SEARS—*Precision Schedule Railroading* (9/20/2017)—*Presentation*

AMM's 22nd Mexican Steel Forum (2/2017)

CSX Mexico Customer Meeting (10/2014)

NEARS Freight Professionals Roundtable (9/2013)

LATC: Value Chains: A New Role for Intermodal (6/14/2011)

PNWARS Spring Conference (3/2014)

Spirit of the Port (Philadelphia—4/2011)

Please note that this list is complete to the best of my recollection. Know also that I no longer have access to all of my files and schedules since departing CSX. Some dates may be approximative. In addition to the links above, see attached for additional presentation files.

19. List all public statements you have made during the past ten years, including statements in news articles and radio and podcasts and television appearances, which are on topics relevant to the position for which you have been nominated, including dates. Include a link to each statement when possible. If a link is not available, provide a digital copy of the statement when available.

Bulk Transporter—American PetroLog solving problems with multi-modal approach (2021)

SWARS—*American PetroLog Sponsorship* (2020)

CSX Honors *Safe Chemical Shippers* (2018)

WSJ *America's Boxcar Pool Has a Leak in CSX* (2018)

Customer Testimony to STB citing my personal handling of service issues (2017)

WSJ—*Why Railroads Can't Keep Enough Boxcars in Service* (2015)

DC *Velocity—Rails try new route to intermodal growth* (2011)

Fleet Management—The Changing Face of Trucking Part 2: Riding the Rails
(2010)

20. List all digital platforms (including social media and other digital content sites) on which you currently or have formerly operated an account, regardless of whether or not the account was held in your name or an alias. Include the full name of an “alias” or “handle”, including the complete URL and username with hyperlinks, you have used on each of the named platforms. Indicate whether the account is active, deleted, or dormant. Include a link to each account if possible.

LinkedIn (active): Michael Rutherford
<https://www.linkedin.com/in/michael-a-rutherford/>
 TRUTH Social (active): Pasquino (MA Rutherford)
<https://truthsocial.com/@MARutherford>
 YouTube (active for watching): Michael
<https://www.youtube.com/@michaelrutherford2268>
 Facebook (deleted Fall 2018): Michael Rutherford

21. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date, committee, and subject matter of each testimony. None.

22. Given the current mission, major programs, and major operational objectives of the department/agency/commission/corporation to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

My experience as both a shipper and a transportation provider in both domestic and international markets will serve me well in this position. With the sole exception of Air, I have worked in some capacity with all major freight modes: Truck/Parcel, Rail (Class I & Short Lines), Ocean Carriers, Ports, Transload, and Warehousing. Although I did not work much directly with Barge, I am very familiar with their operations, as they were a key modal competitor in certain markets. Furthermore, I have worked with a wide range of freight markets: Domestic & Intermodal, Metals, Forest Products & Paper, Aggregates, Chemicals, Phosphates & Fertilizer, Agricultural Commodities, Municipal Waste, Military, and Over-Dimensionals.

Thanks to this experience, I have a deep appreciation for the mission of the Office of Multimodal Freight Infrastructure & Policy. This mission is all the more significant at this particular point in time. I would be honored to be given the opportunity to contribute by bringing to bear my experience in this position to drive progress in realizing the future of freight transportation in America.

23. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency/commission/corporation has proper management and accounting controls, and what experience do you have in managing a large organization?

My primary responsibility is to help the Secretary to articulate a compelling vision for the National Freight Strategic Plan in support of the overall direction of the Administration while ensuring that the activities of the Office support this vision. My focus will be on making the most of every taxpayer dollar (*e.g.*, grant programs, key initiatives), whether spent at U.S. DOT or by those partnering with us. This includes exploring ways to streamline processes; to provide guidance; and to accelerate project timelines in an effort to avoid potential cost overruns while maximizing the return on investment.

I have developed a strong sense of situational leadership in both line and staff positions at senior levels. I have led both small and large (120+) Teams with multiple reporting layers across broad and even international geographies. I have participated at every level in large capital investment in infrastructure (*e.g.*, supported the business case for port and clearance projects); railcar fleets (*e.g.*, championed reinvestment in 50' Plate F Boxcars); and technology (*e.g.*, headed the CSX Intermodal Technology Steering Committee). I also became familiar with sourcing strategies and distribution issues while working in Fast-Moving Consumer Goods. Finally, I have extensive experience in managing department and personnel budgets. More specifically, I participated on a cross-functional team that helped the Adidas subsidiary in Italy receive an award for Most Profitable Country in 2005.

24. What do you believe to be the top three challenges facing the department/agency/commission/corporation, and why?

- (1) To articulate a compelling and shared vision of the National Freight Strategic Plan, better clarifying what it means to be part of the Multimodal Freight

Network. This entails making choices and providing clearer guidance based on both immediate and long-term considerations.

- (2) To achieve the proper balance between driving and aligning on strategic and comprehensive national priorities at the state, local and Federal levels. This also necessitates a more holistic view of freight networks that necessarily transcends more circumscribed considerations, while sponsoring solutions like multi-state compacts to build sustained consensus for larger, multi-year initiatives.
- (3) To ensure an adequate return on investment by making certain that every project supports our vision for the future, not the past. Building consensus about the future presents a constructive challenge in dynamic market environments, encouraging strategic alignment and forward-thinking collaboration.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts, such as a 401(k) or pension plan.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation (DOT) Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of the ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association, or other organization during your appointment? If so, please explain. No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation (DOT) Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of the ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last ten years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation (DOT) Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of the ethics agreement I will enter into with the DOT Designated Agency Ethics Official, which will be provided to this Committee.

5. Identify any other potential conflicts of interest and explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation (DOT) Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved consistent with the terms of the ethics agreement I have entered into with the DOT Designated Agency Ethics Official, which will be provided to this Committee.

6. Describe any activity during the past ten years, including the names of clients represented, in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

As shared previously, I served on the Board of CSX Good Government Fund (PAC), but I did not engage on specific policy issues.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics, professional misconduct, or retaliation by, or been the subject of a complaint to, any court, administrative agency, the Office of Special Counsel, an Inspector General, professional association, disciplinary committee, or other professional group? No.

If yes:

- a. Provide the name of the court, agency, association, committee, or group;
 - b. Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated;
 - c. Describe the citation, disciplinary action, complaint, or personnel action;
 - d. Provide the results of the citation, disciplinary action, complaint, or personnel action.
2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, municipal, or foreign government entity, other than for a minor traffic offense? If so, please explain. No.
3. Have you or any business or nonprofit of which you are or were an officer ever been involved as a party in an administrative agency proceeding, criminal proceeding, or civil litigation? If so, please explain. No.
4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain. No.
5. Have you ever been accused, formally or informally, of sexual assault, sexual harassment, or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain. No.
6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination. None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency/commission/corporation complies with deadlines for information set by congressional committees, and that your department/agency/commission/corporation endeavors to timely comply with requests for information from individual Members of Congress, including requests from members in the minority?
- Yes, I will ensure that my office responds to such requests as appropriate.
2. Will you ensure that your department/agency/commission/corporation does whatever it can to protect congressional witnesses and whistleblowers from reprisal for their testimony and disclosures? Yes.
3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee?
- Yes, I will ensure the office provides witnesses as appropriate.
4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?
- Yes, I will ensure to appear as appropriate.

RÉSUMÉ OF MICHAEL RUTHERFORD

Seasoned executive with international experience at Fortune 500 companies and as a small business owner, with wide-ranging knowledge of industries, freight flows, and infrastructure across multiple modes (rail, road, water).

SUPERIOR MEDICAL STAFFING SERVICES • Jacksonville, Florida

Providing clinical and administrative staff to support large Managed Care Networks and independent medical providers across Northeast Florida, in a range of specialties from Primary Care to Neurosurgery. Licensed with AHCA in Florida. Supported a major Community Health Provider in a variety of state-sponsored health initiatives.

President | Feb 2019–Present

AMERICAN PETROLOG • Lafayette, Louisiana

Led focused initiatives aimed at achieving aggressive growth targets by expanding rail to truck transloading services with a particular emphasis on Texas and New York City markets, domestic ISO fleet and adding value for customers.

Sr Vice President | Jan 2020–Jan 2021

CSX TRANSPORTATION • Jacksonville, Florida

A premier transportation company providing rail, intermodal and rail-to-truck transload services and solutions to customers across a broad array of markets while generating over \$11 billion in revenue.

Vice President Sales & Marketing Merchandise | Nov 2016–Aug 2018

Reported to CCO with responsibility for the entire Merchandise portfolio generating over \$7 billion in revenue, exceeding plan expectations despite significant service disruptions in 2017.

- Led a diverse Team of 140+ employees and contractors, including bulk port operations and international sales: Agriculture, Fertilizer, Chemicals, Metals, Minerals, Forest Products, Automotive, Military and Municipal Waste.
- Drove significant share gains in markets supported by rail assets despite significant fleet reductions, leading the industry position on 50-ft boxcars while enabling reinvestment for the first time in decades.
- Chaired Rail Sub-Committee for NDTA working with U.S. TRANSCOM to champion military railcar fleet investments.
- Recognized as “the point of the spear” for CSX’s outreach in transition, engaging various stakeholders including customers, trade associations, national media, investors (shareholder meetings & conferences) and regulators (STB).

Assistant Vice President Sales & Marketing Industrial Products | Aug 2013–Oct 2016

Reported to the Vice President and then CCO with a gradually expanding portfolio worth approximately \$2 billion in revenue, encompassing the Metals, Minerals, Military and Forest Products markets.

- Accelerated margin expansion in three years through portfolio optimization and focused growth.
- Generated over 30 percent more contribution dollars on lower revenues and lower fuel surcharge for the Metals market in 2015, compared to similar market levels in 2010, thanks to a radically different portfolio strategy.
- Sponsored fleet expansions after attaining reinvestment criteria and key account strategy alignment.
- Championed 50’ boxcar fleets in the North American market despite initial industry opposition.

Director VOC/Market Intelligence and Strategy | Aug 2011–Jul 2013

Assumed increasing levels of responsibility for customer and market intelligence activities across all business units.

- Led key strategic planning functions, providing updates for the CSX Board and the Atlanta Federal Reserve Bank.
- Garnered insights to inform Service Excellence initiatives, contributing to a 9 percent improvement in Overall Satisfaction to achieve record scores as measured in a proprietary survey with J.D. Power & Associates.
- Deployed the J.D. Power Commitment Model generating insights on key drivers of loyalty behaviors, which informed later strategies to proactively shape customer perceptions about service through real-time reporting in 2017.

Director of Marketing Intermodal | Aug 2008–Aug 2011

Responsible for all marketing and communication efforts for Intermodal (Trucking, IMC, Ocean Carrier, Ports). Key deliverables included mark strategy, messaging, communications and customer engagement.

- Partnered in launch of the UMAX program with Union Pacific, driving double-digit growth in rail asset revenue.
- Regular presenter at major industry conferences like regional shipper associations, traffic clubs, IANA, TIA and TPM.
- Developed corridor-specific strategies by identifying competitive gaps in inter-regional traffic flows to increase CSX’s share in the east to 42 percent.

Director of Strategic Planning Intermodal | Feb 2008–Jul 2008

Reported to the Assistant Vice President of Sales & Marketing in a staff position.

- Coordinated the development of the Intermodal Strategy, including research for public-private partnerships like the National Gateway Project improving route efficiencies from East Coast Ports to Midwest markets.
- Prioritized investments in both productivity and service as head of the Technology Steering Committee.
- Led and participated in CSX Customer Advisory Council Forums with Trucking Companies and Ocean Carriers.

- Facilitated Strategic Planning workshops with the Commercial Leadership Team.

ADIDAS GROUP • Monza, Italy

Commercial Head | Feb 2005–Jan 2008

Managed Marketing Services and later the Originals Collection across multiple retail channels.

- Implemented a new go-to-market and communications strategy to reinvigorate sales and the multi-segment brand equity for Originals (Style Division), while driving and aligning local country plans with global and regional strategies.
- Championed the 2006 World Cup retail campaign in Marketing Services, setting a new sales record.
- Delivered cost savings while ensuring campaign effectiveness as part of a broader Budget Control Taskforce, contributing to the subsidiary winning the award for Most Profitable Country in 2005.

JOHNSON & JOHNSON • Paris, Rome & London, EAME

Category Manager | May 2001–Jan 2005

Coordinated strategic selling initiatives through category solutions based on consumer and shopper insights.

- Participated on the London-based team responsible for standardizing procedures, roles and responsibilities for sales organizations across the EAME region.
- Obtained “Best in Class” recognition for Category Management in a 2002 Trade Survey by Research Business International, as well as from EAME Leadership for FemCare and Bath & Shower category strategies.

Product Manager | Apr 1999–Apr 2001

Managed all marketing activities for the Neutrogena and Penaten brands in the Pharmacy Division.

- Helped EAME Franchise Leadership Team in Paris develop a plan to realign Neutrogena brand equity in the region with the Global Franchise strategy to support longer-term line extensions before leading the execution in Italy.
- Developed TV copy for Neutrogena Clear Pore featuring Jennifer Love Hewitt later adapted for other countries as part of a new brand strategy, growing sales of the line in Italy by over 40 percent.
- Increased Penaten sales by 9 percent or 13 percent net of SKU rationalizations, while expanding margins 630 bps.
- Supported the Global Team responsible for the acquisition of Aveeno.

IEA INTERNATIONAL CENTER FOR GAS TECHNOLOGY • Washington, D.C. | Jun 1996–Dec 1997

Research Associate supporting a Technology Collaboration Program of the International Energy Agency aimed at facilitating the commercialization of natural gas technologies among public and private partners worldwide with direction from DOE’s Gas Research Institute.

EDUCATION

Harvard Business School | CSX Executive Development Program | Boston, Massachusetts (2013)

SDA Bocconi | Masters in International Economics and Management | Milan, Italy (1998)

Distinction: Rotary International Ambassadorial Scholar

Georgetown University | BS in International Finance & Commerce cum laude | Washington, D.C. (1996) Distinctions: Krogh Scholar (Weighing National Claims in Bosnia-Herzegovina: A Human Rights Perspective on Self-Determination), European Studies Certificate (Democratic Culture at Work: The Case of Enrico Mattei and Eni), U.S. Congress LBJ Internship (Congresswoman Tillie Fowler)

ADDITIONAL INFORMATION

Board Positions: The Indiana Railroad Company (2018), CSX Good Government Fund (2016–2018)

Chair Positions: Rail Sub-Committee for the National Defense Transportation Association (2017)

Languages: Fluent in English and Italian

ADDENDUM TO THE QUESTIONNAIRE SUBMITTED TO THE SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, 119TH CONGRESS BY MICHAEL RUTHERFORD.

Upon further review, I have identified additional information that is responsive to the corresponding three questions on the Committee's questionnaire. They are:

- *A.19*—Please include the following public statements, which are on topics relevant to the position for which I have been nominated, including dates:

American Metal Market Monthly—"Riding the Rails" (August 2017)

SAP Showcases Big Data Solutions Leveraging the SAP HANA® Platform (SAP Press Release—October 2014)

As noted in A.18, the list is complete to the best of my recollection. Know also that I no longer have access to all of my files and schedules since departing CSX.

- *B.3*—As indicated in my OGE 278e, I am invested in Tesla, Amazon, Chevron, and Exxon Mobil, among other entities, through my Parametric Investment Account with Morgan Stanley. The Parametric Account is managed independently by my broker without my expressed approval for individual transactions according to a proprietary model. If confirmed, I will consequently divest from this account and all stocks in this account consistent with my Ethics Agreement, which does not permit managed accounts of this type without expressed approval.

Likewise, the DOT Office of the General Counsel determined that none of the above-stated stocks are currently a conflict-of-interest, pursuant to 5 C.F.R. § 2640.202(a). If any of the individual stocks rise above the de minimis threshold prior to my divestment, I will coordinate with the DOT Ethics Office on next steps.

Q15—POLITICAL CONTRIBUTIONS: MICHAEL ALBERT RUTHERFORD

COMMITTEE NAME	YEAR	DATE	AMOUNT
CSX CORPORATION GOOD GOVERNMENT FUND	2014	1/2/2014	\$ 210.00
CSX CORPORATION GOOD GOVERNMENT FUND	2014	2/3/2014	\$ 210.00
CSX CORPORATION GOOD GOVERNMENT FUND	2014	3/3/2014	\$ 210.00
CSX CORPORATION GOOD GOVERNMENT FUND	2014	4/1/2014	\$ 210.00
CSX CORPORATION GOOD GOVERNMENT FUND	2014	5/1/2014	\$ 210.00
CSX CORPORATION GOOD GOVERNMENT FUND	2014	6/2/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	7/1/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	8/1/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	9/2/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	10/1/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	11/3/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2014	12/1/2014	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	1/2/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	2/2/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	3/2/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	4/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	5/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	6/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	8/3/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	9/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	10/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	11/2/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2015	12/1/2015	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2016	1/4/2016	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2016	2/1/2016	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2016	3/1/2016	\$ 283.25
CSX CORPORATION GOOD GOVERNMENT FUND	2016	4/1/2016	\$ 333.33
CSX CORPORATION GOOD GOVERNMENT FUND	2016	5/2/2016	\$ 333.33
CITIZENS FOR JOHN RUTHERFORD	2016	5/20/2016	\$ 2,000.00
CSX CORPORATION GOOD GOVERNMENT FUND	2016	6/1/2016	\$ 333.33
CSX CORPORATION GOOD GOVERNMENT FUND	2016	7/1/2016	\$ 333.33
CITIZENS FOR JOHN RUTHERFORD	2016	7/31/2016	\$ 700.00
CSX CORPORATION GOOD GOVERNMENT FUND	2016	8/1/2016	\$ 340.42
CITIZENS FOR JOHN RUTHERFORD	2016	8/10/2016	\$ 300.00

Q15—POLITICAL CONTRIBUTIONS: MICHAEL ALBERT RUTHERFORD—Continued

COMMITTEE NAME	YEAR	DATE	AMOUNT
CSX CORPORATION GOOD GOVERNMENT FUND	2016	9/1/2016	\$ 340.42
CSX CORPORATION GOOD GOVERNMENT FUND	2016	10/3/2016	\$ 340.42
CITIZENS FOR JOHN RUTHERFORD	2016	10/25/2016	\$ 1,000.00
CSX CORPORATION GOOD GOVERNMENT FUND	2016	11/1/2016	\$ 416.67
DONALD J. TRUMP FOR PRESIDENT, INC.	2016	11/6/2016	\$ 500.00
CSX CORPORATION GOOD GOVERNMENT FUND	2016	12/1/2016	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	1/3/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	2/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	3/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	4/3/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	5/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	6/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	7/3/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	8/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	9/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	10/2/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	11/1/2017	\$ 416.67
CSX CORPORATION GOOD GOVERNMENT FUND	2017	12/1/2017	\$ 416.63
CITIZENS FOR JOHN RUTHERFORD	2017	12/5/2017	\$ 2,700.00
CSX CORPORATION GOOD GOVERNMENT FUND	2018	2/1/2018	\$ 454.55
CSX CORPORATION GOOD GOVERNMENT FUND	2018	3/1/2018	\$ 454.55
CSX CORPORATION GOOD GOVERNMENT FUND	2018	4/2/2018	\$ 454.55
CITIZENS FOR JOHN RUTHERFORD	2018	4/30/2018	\$ 2,700.00
CSX CORPORATION GOOD GOVERNMENT FUND	2018	5/1/2018	\$ 454.55
CSX CORPORATION GOOD GOVERNMENT FUND	2018	6/1/2018	\$ 454.55
CSX CORPORATION GOOD GOVERNMENT FUND	2018	7/6/2018	\$ 454.55
DEB FISCHER FOR U.S. SENATE	2018	7/18/2018	\$ 500.00
CSX CORPORATION GOOD GOVERNMENT FUND	2018	8/1/2018	\$ 454.55
CSX CORPORATION GOOD GOVERNMENT FUND	2018	9/4/2018	\$ 454.55
CITIZENS FOR JOHN RUTHERFORD	2020	7/28/2020	\$ 2,800.00
CITIZENS FOR JOHN RUTHERFORD	2020	7/28/2020	\$ 2,800.00
DONALD J. TRUMP FOR PRESIDENT, INC.	2020	10/19/2020	\$ 2,800.00
TRUMP VICTORY	2020	10/19/2020	\$ 1,000.00
BLACK, DEAN (REP) (STR)	2022	2/28/2022	\$ 750.00
TEAM HERSCHEL, INC	2022	3/23/2022	\$ 1,000.00
CITIZENS FOR JOHN RUTHERFORD	2022	3/25/2022	\$ 2,900.00
COMMITTEE TO ELECT ERIC CUNNINGHAM FOR CONGRESS	2022	5/18/2022	\$ 500.00
SARAH FOR ALASKA	2022	5/22/2022	\$ 1,000.00
LARIZZA, R. J. (REP) (STA)	2020	10/08/2020	\$ 250.00



Back to the Future: Lookout for these 5 Post-COVID Supply Chain Trends

As individual states slowly begin to relax rules regarding nationwide COVID-19 quarantines, most are venturing back out a little more dazed and confused than before. One-third of the S&P 500 has withdrawn guidance with many cutting or suspending dividends. As *CNBC's Bob Pisani* noted at the end of last month, "The dispersion—the difference between analyst estimates from the high to the low estimate—has never been higher." Increasingly views of the future have as much to do with pandemic and political factors as with where you are today on the curve.

McKinsey recently compared the perceived effectiveness of the public-health response to that of economic policies in their April *survey* of global executives. Almost 60 percent of respondents now expect more muted world growth with some virus recurrence. China was an interesting outlier in that they were decidedly more optimistic. This seems consistent with a later McKinsey *consumer survey* whereby, somewhat unsurprisingly, sentiment shows increasing levels of optimism as countries move along the curve. This bodes well for the broader economy longer-term.

Nevertheless, most do not anticipate a return to business as usual—and supply chains will be no different. Over the course of the next couple weeks we will share with you some thoughts on key trends likely to influence the evolution of U.S. supply chains in the coming months and years. Interestingly, most of these trends were already gaining momentum prior to the pandemic. Perhaps that is what makes them so compelling. For now, here is a brief overview of five supply chain trends for which to be on the lookout:

1. **E-Commerce:** Most agree that e-commerce will likely benefit from the recent disruption, but accelerated growth in this space will also highlight challenges in their supply chains.
2. **Global Sourcing:** Changes in consumer behavior along with political pressures will continue to weigh on global supply chains in particular, with equally disruptive consequences across domestic modes of transportation.
3. **Trucking:** Near-term volatility combined with the potential for structural changes in freight flows will favor industry consolidation and higher prices, but leave shippers wanting more.
4. **Rail:** The tension between the Precision Scheduled Railroading (PSR) model and the need for growth, both for its own sake and to keep regulators at bay, will make partnerships with short lines and transloaders all the more important.

5. Technology: Longer term, new manufacturing technologies have the potential to change how we respond to these supply chain challenges with even more radical implications, especially in large urban centers.

That said, timing is everything. The pace at which these trends manifest themselves is important not only for planning purposes, but also because the relative timing of each can affect the magnitude with which other trends are realized. Just look at how volatility in truck capacity affects market pricing for all modes. In such an environment, shippers more than ever will need to partner with supply chain providers that can help them navigate these uncertain waters while designing resilient solutions that respond to their needs today and tomorrow.

If you are interested in learning more about our thoughts on this and other topics, follow *American PetroLog* on LinkedIn. In our next article, we will explore in more depth our first trend regarding changes in consumer behavior and discuss some of the challenges for e-commerce supply chains.

American PetroLog, LLC—May 20, 2020



Post-COVID Supply Chain Trends: Need for Speed Will Drive Blended e-Retail Solutions

Major disruptions often provoke fundamental shifts in customer behaviors, which in turn determine how value is created and lost across supply chains. While it seems certain that COVID-19 is one such example, it is still difficult to say which changes will endure.

For instance, a growing chorus (much of it backed by speculative investors) is again arguing, as they have periodically since the late 1960s, that the time for telehealth has finally arrived. Yet serious concerns persist from the over-prescription of antibiotics to misdiagnoses, undermining both quality of care and attempts to reign in overall healthcare costs. Dr. Jeremy Greene of John Hopkins University observed in his *recent article* that we appear to be embracing telehealth as “good enough medicine.” Harvard Medical School professor Ateev Mehrotra further warned in an *interview* last month that “telehealth could be overutilized to the point of hurting the target population.” So despite the hype predicting a new normal in every area of our lives from healthcare to auto sales, we should be cautious not to draw too many conclusions too soon.

The same prudence is warranted when we think about similarly hyped expectations regarding e-commerce in a post-COVID world. Indeed, the predictions at times seem over-stated considering that e-commerce only accounted for *16 percent of total retail sales* last year. Already there are a number of experts arguing that “permanent *dark stores* are the future” with curb-side pickup and delivery replacing traditional store formats. Yet at least one *survey* suggests that recent gains in certain areas may not be as long lasting, including the grocery segment.

Nevertheless, e-commerce sales were already forecasted to realize double-digit growth in the foreseeable future, albeit at a declining rate, prior to the current pandemic. Experience also suggests that increased penetration of online platforms during quarantine should favor some longer-term adoption and growth. Consequently, it seems reasonable to anticipate an acceleration of prevailing trends in e-commerce growth, though the details by segment remain somewhat nebulous.

However, accelerated growth will inevitably resurface challenges in e-commerce supply chains that started emerging in recent years. Consider the significance of same day deliveries to better compete with the instant gratification of shopping in brick-and-mortar stores—something in which Amazon is investing billions of dollars. *RBC Capital* predicted that Amazon shares would rally approximately 50 percent on 1-day Prime shipping; this gives whole new meaning to the old adage “time is money.”

The nascent *See Now, Buy Now* phenomenon demands rapid order fulfillment. Realizing this initially relied heavily on smaller, faster shipments using more costly air freight and LTL. Increasingly, however, we see a greater reliance on *smaller warehouses* closer to major urban centers, possibly favoring traditional modes like trucking. Some even anticipate a resurgence in third parties like *industrial distributors* to bring inventories closer to end-customers.

Where these *redundancies* already exist, they have proven successful during the pandemic at hardening supply chains compared to traditional models with just two national fulfillment centers, one in the east and one in the west. Glenn Gooding, president of iDrive Logistics summed it up best: “In the most simplistic terms possible, the more fulfillment options within a network, the less the risk the network will lose core fulfillment capacity.” Consequently, inventory carrying costs for online retailers unfortunately seem destined to rise. This poses the greatest challenge to just-in-time inventory management since Apple CEO Tim Cook’s famous maxim that inventory is “*fundamentally evil*.”

Ironically, the solution to forward deploy more inventory means that the e-commerce supply chain will increasingly resemble traditional brick-and-mortar thereby narrowing some of its cost advantage. Indeed, what we are now observing is a convergence of the two in a blended format that provides both in-store shopping with convenient e-commerce pick-up and delivery options. So just as Amazon is acquiring traditional retailers like Whole Foods, traditional retailers are now acquiring e-commerce capabilities to leverage their existing storefronts. News of Target’s possible acquisition of technology company *Deliv* for the batching and routing of orders after expanding its delivery network with the acquisition of Shipt and Grand Junction in 2017, exemplifies this propensity for convergence.

The current pandemic will accelerate these trends towards a blended e-retail format in all probability with far-reaching implications not only on inventories and modal choices, but ultimately on production and sourcing decisions as managers try to reduce lead times in pursuit of more responsive supply chain models. After all there is precedence for retailers requiring that manufacturers contribute to, if not carry, the cost of the inventory through JIT fulfillment, listing fees, joint warehousing arrangements and the like. Ultimately expect this to shine a light on the cost of inventory in transit. We will delve into this in more detail in our next article. So be certain to follow *American PetroLog* on LinkedIn and look for it in your newsfeed.



5 Post-COVID Supply Chain Trends: Remapping of Global Supply Chains

Manufacturing has long enjoyed a privileged position in supply chains with an almost singular focus on efficiency. The need for flexibility was largely relegated downstream to logistics and distribution—at least until now. Production and sourcing decisions are garnering an ever-greater degree of interest in more recent years for a variety of reasons.

First, China is less and less desired as the “world’s factory.” On the one hand, China’s manufacturing competitiveness has been eroding in key areas for some time, especially for those *segments* in which it had enjoyed early success due to low labor costs. This was to be expected as a growing urban population inevitably led to higher wages. Consider that *Nike* and *Adidas* had already shifted over half of their footwear production to Vietnam as far back as 2010 and 2013 respectively. On the other hand, there has been a growing realization that supply chains need to be more diversified in an effort to mitigate disruptions: Don’t put all your eggs in one basket. The current pandemic has only served to reinforce this conviction.

Meanwhile, China’s trade practices have undermined their credibility abroad. Five years ago the Chinese Communist Party (CCP) adopted the *Made in China 2025* program, which not only sought to quickly climb the value chain of emerging technologies (like *Huawei* in the 5G sector) but also to dominate markets at home and more importantly abroad. The program was even more protectionist than prior economic policies, explicitly instructing Chinese companies to reduce their reliance on foreign multinationals with date-specific *targets* for domestic content.

After drawing criticism from the Trump administration in 2018, the CCP quickly dropped any official mention of the program. Unfortunately the *Belt and Road Initiative* appears to repackage many of the worrisome components of the prior program under a different name. This has attracted renewed criticism of China’s predatory trade practices, commonly exemplified by its seizure of the *Hambantota Port Development Project* in Sri Lanka.

China’s mishandling of the current pandemic is further complicating the situation, as a growing number of participating countries approach China about renegotiating *Belt and Road loans* as their economies falter with every new COVID-19 outbreak. Misguided propaganda efforts and poorly conceived threats are not helping either. For how long can executives and boards ignore the rapidly deteriorating risk profile of doing business in China? So it seems inevitable that supply chain managers will increasingly look elsewhere whether of their own volition or at the urging of governments and *consumers* back home. Indeed, 40 percent of Americans now do not want to buy products from China.

Thinking ahead, potential winners and losers start to come into focus. First and foremost, U.S. West Coast ports are increasingly less attractive as the preferred gateway for imports and may even consolidate at some point in the future. Although they will continue to play an important role in U.S. trade, their best days are probably behind them. Attempts to accommodate megaships through investments in larger gantry cranes and automation will not be enough. Lower intermodal rates will not make the difference. The bottom line is that much of the utility of these ports lies in their ability to be a gateway for primarily Chinese imports destined to the two-thirds of the U.S. population living east of the Mississippi River. The U.S. consumer, more than China, is the most important driver in the global economy—and for the most part lives on the East Coast.

Now consider some of the potential winners. Canada's *Prince Rupert* is growing share thanks to fewer sailing days to China and North Asian countries like Japan and Korea as well as to transcontinental rail networks that are increasingly penetrating south of the border, such as Canadian National's acquisition of the Massena Line earlier this year. But as freight is more likely to arrive direct via the Suez Canal the deeper production moves into Southeast Asian countries from India to Vietnam, East Coast ports, especially New York with its large local and regional populations, will continue to grow their share of imports. Interestingly, even costly and highly polluting air freight has been growing its share of the pie, though future availability of *passenger planes* for surge capacity seems less certain given changing attitudes about travel in a post-COVID world. Regardless, all three of these alternatives enjoy the same competitive advantage over U.S. West Coast ports, irrespective of trade wars and production leaving or staying in China—speed to markets along the U.S. East Coast.

But what if this is just the beginning? The pandemic has brutally exposed the “*fragile efficiency*” of global supply chains. Economist *Mohamed El-Erian* summed it up recently saying that “companies now will put greater emphasis on resilience versus efficiency.” The situation is compounded by public demands that politicians take an active role in ensuring supply chains of national interest. Consistent with this growing sentiment, President Trump is mulling an *executive order* to require that vital drugs and medical devices be produced in the US. That said, the U.S. government response is not unique. One might even say that it is tame compared to *Japan's* decision to invest \$2.2 billion to help Japanese companies shift production out of China.

More importantly, as the consumer prevails on upstream interests, supply chains must evolve towards a more responsive pull model of fulfillment from a traditional push model. In a world where speed to market is paramount to the seemingly unsailable rise of e-commerce as discussed in our previous *article* in this series, manufacturers will not only better diversify sourcing but also strive to employ shorter and faster supply chains. They will explore strategies of regional sourcing and even partial reshoring of production. Heightened concerns regarding China will simply amplify the sense of urgency, even if some companies will need more time. In fact 64 percent of companies contacted in a recent *Thomas survey* indicated their likelihood to bring production and sourcing back to North America. Results from Bank of America's Global Fund Manager survey released earlier this week confirm their findings in the chart below.

All this should bode well for manufacturing not only outside China but especially in the U.S. and neighboring countries like Mexico. It will further entail far-reaching implications across supply chains at home. In the next couple articles, we will take a closer look at what this might mean for domestic modes of transportation, starting with the trucking industry. Be certain to follow the *American PetroLog* page on LinkedIn and look for the article in your newsfeed. If you have not yet had a chance to read them, check out some of the other articles in this *series*.

Exhibit 9: Which of the following are the likely structural shifts post pandemic crisis?



Source: BofA Global Fund Manager Survey, Bloomberg

American PetroLog, LLC—May 22, 2020**Post-COVID Supply Chain Trends: Reshaping the Trucking Landscape**

The current pandemic has taken the trucking industry on a roller-coaster and the ride will not be over any time soon. After an initial surge, volumes fell off dramatically sending *rates* plunging to five year lows. Truckload linehaul *data* dropped to 15-year lows. ATA's Chief Economist Bob Costello noted in an interview with *Transport Topics* that "the U.S. economy is likely in the midst of its deepest recession since the end of World War II." He notes that the chronic driver dearth has now become a surplus, illustrating the wild swing in volumes over the last couple months.

Demand destruction due to the pandemic will again cull the herd of owner operators. Last year the trucking industry experienced a "*bloodbath*" due to rising insurance costs and trade tensions especially with China. The ongoing war of words between owner operators and brokers is indicative of how desperate the situation has become during the pandemic. Many carriers already pushed to the brink will not make it.

As previously *noted*, most business executives expect an eventual return to more moderate growth. Historic government bailouts should enable consumers to resume spending more quickly. The market will start to tighten. The survivors will see rates

rise and soar exponentially, as we again approach full capacity. That is why we must position ourselves now for success later, even as we just try to get through today. Neglect long-term strategic relationships at your own peril. Understanding this is critical for carriers and shippers alike.

However, you must first understand the long-term. For starters, the recovery will probably be uneven. What and who brought you this far, may not be able to carry you in the future. In previous articles, we discussed how the current pandemic will likely accelerate already strong growth in *e-commerce*. Then we examined possible impacts on *global supply chains* in particular, noting a bias for speed-to-market that seems to favor deglobalization whether through more regional sourcing or even partial re-shoring of production. Again, these developments pre-dated the current crisis. We simply conclude that they will gain momentum in a fuller recovery.

For trucking, this means that service parameters will continue to become more demanding. Delivery windows at major retailers like *Walmart* have already gotten tighter. But it also implies a further decline in the *average length-of-haul* that has shrunk to just 500 miles or 62 percent of what it was in 2005. Worse still, this trend has been accelerating in more recent years.

The day will come when trucking capacity expands once more—some things never change. But it will not simply return to where it was lost. For example, if more import flows keep shifting to East Coast ports, then the market will need less trucking capacity in the west and more in the east. The trucks will also tend to move shorter distances, since two-thirds of the U.S. population already lives east of the Mississippi River. Instead trucking will continue “to pivot toward that *last-mile need*.” To the extent that we experience a reshoring of production in the US, this, too, would favor shorter lengths-of-haul in the east. As for bulk freight trucking specifically, this development would be very auspicious in a resurgent economy, even as the near-term remains mixed with an *uptick* in some commodities and a *downturn* in others.

Drivers would still be needed, just on a different route. Perhaps this change in traffic flows could finally help mitigate a number of the most vexing *issues* in the trucking industry. Shorter lengths-of-haul could lessen the impact of Hours of Service (HOS) rules and improve the safety profiles of carriers. If drivers are able to get home most nights, this would dramatically improve their lifestyle thereby enabling companies to recruit and retain more drivers. It may even help to improve their overall health, which is receiving increased attention from *regulators*.

If the near-shoring of production to Mexico increases as long anticipated, then cross-border trucking must expand in kind with its own unique set of challenges. Indeed, manufacturing consultants at Kearney revealed that Mexico stands to benefit after the pandemic in its annual *Reshoring Index* released last month. Such a development may even partially reverse some of the overall decline in lengths-of-haul.

Be it a matter of months or years, truck rates will eventually turn higher as capacity will have fallen too far to support a fuller recovery. Ironically, the final HOS *ruling* will probably make things worse in the near-term by generating additional capacity. Know that the longer it takes the trucking market to turn, the sharper the rebound. At that point shippers will be looking for alternatives like the railroads. In the next article, we will examine what all this may mean for railroads and more importantly how they are likely to respond. So be certain to follow *American PetroLog* on LinkedIn and look for it in your newsfeed. In the meantime, be certain to check out some of the other articles in this *series*.



Post-COVID Supply Chain Trends: Less Intermodal, More Third-Party Rail Partnerships

“Every major industry was once a growth industry. But some that are now riding a wave of growth enthusiasm are very much in the shadow of decline.” Such is the unsettling introduction to Harvard Business School professor Theodore Levitt’s 1960 paper simply entitled *Marketing Myopia*. Levitt quickly identified the railroad industry as his poster child for marketing myopia adding that “they let others take customers away from them because they assumed themselves to be in the railroad business rather than in the transportation business.” This is particularly noteworthy in the current context.

On the one hand, the adoption of Hunter Harrison’s Precision Scheduled Railroading (PSR) model as the industry standard invites a whole new level of scrutiny. Critics argue that operational effectiveness is measured primarily in short-term financial performance, no longer customer satisfaction. Ironically, this is happening at the same time that the nearly 200 CEO’s of the *Business Roundtable* issued a statement saying that shareholder value is no longer their main objective. Railroad analyst Tony Hatch regularly derides the prevailing group-think as the “Cult of OR,” a *measure* comparing operating expenses to revenue.

Such criticism is directed as much at investors as it is at the railroads themselves. After all, Wall Street—not customers and railroad executives—established PSR as the industry standard either through activist investors or risk of the same. Indeed, the only railroad not to have formally adopted the PSR operating model is Warren Buffet’s privately held BNSF. David Nahass of

RailwayAge echoed this sentiment when he recently asked, “By applying outsized multiples to railroad stocks, is Wall Street unintentionally ‘preventing’ the railroads from growing their franchise and increasing loadings—growing the top line—in pursuit of the lowest OR?”

On the other hand, the pandemic has dramatically hit already struggling rail volumes, despite record-setting financial performance. At last *reading*, total U.S. year-to-date traffic was down 12.5 percent to nearly 9.1 million carloads and intermodal units. In fact, last week it was reported that U.S. weekly carloads had declined over 30 percent, their largest percentage decline ever since AAR began collecting rail volume data in 1988. The need to stay close to customers is greatest at times like these. Unfortunately, this month railroads and their customers are instead squaring off in front of the *Surface Transportation Board* over demurrage and other supplemental charges. At the root of the problem is the pressure on railroads to focus increasingly on more profitable linehaul movements while taking an up-or-out approach to lower margin value-added services and operations on which many shippers have come to rely.

Understanding these dynamics is critical to evaluating how the railroads will respond to supply chain challenges in a post-COVID world, as laid out in previous *articles*.

For example, intermodal rail service with its emphasis on finished goods may very well follow coal into a *secular downturn* of sorts, particularly in the U.S. Recall from our previous *article* that two-thirds of the U.S. population lives east of the Mississippi River, and U.S. West Coast ports have historically been the best way to get there from China. As production leaves China, U.S. West Coast ports will lose share. Meanwhile, what remains of Chinese exports will continue to divert to growing Canadian ports to the extent possible, thanks to fewer sailing days. That said, intermodal volumes from south of the border should grow, if Mexico can capitalize on near-shore production trends. U.S. East Coast ports are also likely to see an increase in intermodal traffic destined for the American heartland, as production shifts deeper into Southeast Asia or even relocates regionally. The potential for the reshoring of some U.S. manufacturing should further bolster domestic intermodal. All of this would significantly reshape the intermodal landscape for years to come.

As industry observer *Larry Gross* of Gross Transportation Consulting recently observed, this “dispersal” of freight flows has the potential to upend intermodal supply chains reliant on lane volume density. He writes, “The current intermodal focus on running the simplest possible network of the largest trains will also need to change in the years to come in order to adapt to this new reality.” Unfortunately, the net effect on intermodal rail volumes is likely to be negative so long as *short-haul intermodal* remains elusive. The fact is that most people live near the coasts and so near the ports with Chicagoland being the main exception. Just think of where all the lights are in a satellite image of the U.S. at night. Trucks have always enjoyed a competitive advantage in shorter lengths-of-haul for finished goods. Meanwhile, intermodal networks have curtailed service lanes and shuttered terminals with the PSR roll-out. Unlike other countries such as *Australia*, there simply is not the same appetite of years past at U.S. railroads to invest in a short-haul solution for a segment with less compelling margins.

More promising are the prospects for traditional carload service. Any increase in manufacturing in the U.S. or neighboring countries should generate incremental bulk shipments. Unlike finished goods, dry and liquid bulk shipments often favor rail transportation. (Though Oliver Wyman’s *Rod Case* warns that potential changes in technology could swing the competitive advantage to truck, stunting carload growth through 2045.) Rail is more suitable than truck for such commodities in terms of modal efficiency and safety. Rail is also more flexible than barge and pipeline. Furthermore, mother nature has the first word in supply chain design for these commodities, from crops and trees to aggregates and petroleum products. This dictates not only length-of-haul but also the need for significant capacity often in remote places. More interestingly, carload linehaul service seems to benefit most in the *PSR model*.

Even so, other aspects of the PSR model pose challenges to capitalizing on this opportunity. The Surface Transportation Board review of demurrage and other supplemental charges specifically regard carload policies affecting the overall cost of rail service, not to mention ease of doing business. As railroads focus increasingly on more profitable linehaul, similar issues may arise with other value-added operations and services.

Consider the willingness of railroads to spin-off portions of their network to Short Lines. These smaller rail segments typically lack the density necessary to deliver the same asset utilization as the “core” network. In this way, the railroads retain more profitable linehaul operations while outsourcing the complexity and inefficiencies of local service in low density rail branches.

We may see a similar evolution in value-added logistics services in the moment that they no longer generate sufficiently attractive returns. Union Pacific’s recent decision to close its *Rotterdam* warehouse and shipping center acquired in 2017, driven by a sharp decline in demand for fresh produce during the pandemic, is one such example. Perhaps Canadian Pacific’s *announcement* last year to enlist the support of a local transload provider at their railyard in Montreal suggests a more sustainable path forward.

Despite the impressive financial results of the PSR model, service defined by Hunter as “doing what we say we’ll do” fails to ask what customers need and want. Levitt certainly would not be impressed. Yet collaborations like these with Short Lines and other third-party providers may indicate a way to reconcile PSR demands with market demands—at least in part. Expect these strategic partnerships to figure ever more prominently in the future.

Admittedly none of this is new. As in previous articles, we simply conclude that certain prevailing supply chain trends prior to the pandemic are likely to gain mo-

mentum in a post-COVID world and then give our perspective on what that means going forward. In our next and final article, we will instead consider still emerging technologies in manufacturing and how they might reinforce these supply chain trends through a more radical disruption of production planning. Be certain to like the *American PetroLog* page on LinkedIn and look for the article in your newsfeed. We also invite you to read the other articles in this *series*.

American PetroLog, LLC—May 29, 2020



Post-COVID Supply Chain Trends: Industry 4.0 & the Rise of Distributed Manufacturing

Thus far in the course of this six-part *series*, we have examined four supply chain trends that are likely to prevail in a post-COVID world. Let us quickly review them here:

1. The need for speed in *e-commerce* is fast evolving towards more distributed warehousing closer to consumers, suggesting an increase in forward deployed inventory carrying costs.
2. As *sourcing and production* diversify away from China, U.S. West Coast ports will lose share to both U.S. East Coast and Canadian ports. More importantly, the need for shorter, faster supply chains encourages near-shoring of production in Mexico and elsewhere in this hemisphere, as well as the re-shoring of production in the US.
3. All this will ultimately reshape traffic flows and have a dramatic impact on domestic modes of transportation. Expect an increase in shorter lengths-of-haul off the East Coast for *trucking* along with continued emphasis on the last-mile.
4. Similarly, *railroads* will experience significant volume declines in intermodal potentially offset by an increase in carload volumes. Third party partnerships will be critical to their capitalizing on the opportunity given constraints imposed by the PSR operating model.

What all of these trends have in common is that they were already emerging prior to the current pandemic. That is what makes them so compelling. Yet author and business executive Seth Godin would remind us that “Change is never perfect. Change means reinvention, and until something is reinvented, we have no idea what the spec is.”

Perhaps the greatest challenge to emerge as a result of these four trends would be a begrudging rise in inventories. Indeed, it seems to be as unassailable as the rise of e-commerce itself. As already anticipated, online retailers will again push as

much of this cost as possible onto manufacturers. More difficult still, the current generation of business leaders that rose through the ranks thanks to their embrace of just-in-time inventory management will struggle to adapt to this new normal. Thus far, they have been able to stomach costly and highly polluting air freight to meet the ever-greater demands of e-commerce while maintaining longer supply chains. Nevertheless, in recent years *air freight* has started to struggle to keep pace.

Out of this necessity will eventually come our fifth and final supply chain trend likely to emerge after the current pandemic: distributed manufacturing. This form of decentralized manufacturing typically entails small-scale production closer to end consumers that is capable of churning out smaller batch quantities on demand. The long-term consequences for the manufacturing sector seem somewhat analogous to the impact of “mini-mills” on the domestic steel industry, which catapulted *Nucor* to a leadership position that it still holds today. Just as the invention of the electric-arc furnace was critical in the transformation of the steel industry, technology will be crucial to the evolution towards distributed manufacturing.

Indeed, *Deloitte* refers to it as the fourth industrial revolution or more simply *Industry 4.0*. Just do not look for a silver bullet. This vision relies on complex, tailored systems of interconnected digital and physical technologies. Value is created by combining real-time insights from big data, cloud computing and the Internet of Things with the small-scale efficiencies of robotics, automation and 3D printing.

The textile sector in particular is worth considering as this transformation unfolds. Thanks to both a heavy reliance on manufacturing and strong customer engagement with their products, these industries frequently serve as harbingers of trends to come. Indeed, textile industries have typically been among the early movers ever since the first industrial revolution. Their manufacturers were among the first to move production off-shore eventually finding their way to China. Then they were among the first to leave China for other countries like Vietnam. Even in the vast world of e-commerce, nowhere is the need for speed greater than with the emergence of the *See Now, Buy Now* phenomenon that has upended the way the fashion industry operates—and generated many inventory woes in the process.

The smaller scale of distributed manufacturing operations brings production closer to end-consumers. Not only does this cut down on the cost of inventories, but also helps to reduce and optimize transportation costs across the supply chain. After all, boxes of finished goods often contain a lot of air. Just think about a truck full of sneakers. However, distributed manufacturing would favor more shipments of bulk commodities and intermediate goods in lieu of finished products. After all, the final product can then be created or assembled just around the block.

The impact on supply chain costs will be akin to the shrinking of electronics and the reduced water content of detergents and household cleaners. Once these technologies and systems of technologies come of age, one could image a world of *See Now, Buy Now . . . Produce Now*.

Manufactures are already getting an early glimpse of the potential value of product customization made possible by better data combined with better technology. *Nike* is a great case in this regard starting with the launch of NikeiD in 2000. The program has since expanded from being offered only online to over 100 in-store “studios” worldwide. Last year Nike rebranded the initiative as *Nike by You* in an effort to better communicate this notion of collaborative product development, helping to grow e-commerce sales by 42 percent in its first fiscal quarter. Daniel Edmundson, Strategy Director at Gretel, sums up the trend as such: “The next generation of consumers is setting a high bar for customization to express all facets of their identity and individuality.”

Again the textile sector is at the forefront of this still emerging trend, though you can already formulate your own bespoke *fragrance and cosmetics* to complement your personalized clothes and sneakers. Meanwhile, the practical potential of *Industry 4.0* is also fast emerging in other sectors, like *healthcare* where these technology systems are currently being leveraged for everything from personalized implants and prosthetics to workable models of tumors and organs for tailored treatments.

To a large extent, the advent of distributed manufacturing will be symbiotic with that of the other four trends. Digital e-commerce platforms play a crucial role in generating data insights critical to developing distributed manufacturing systems, in turn helping to drive further penetration and growth for online retailers. Whether producing or simply assembling the product closer to the consumer, distributed manufacturing takes the concept of faster, shorter supply chains to a whole new level. Consequently, the trucking industry will continue to focus on the last-mile, whereas railroads and their strategic third-party partners will instead focus more on carload shipments of dry and liquid bulk commodities and intermediate products.

Although private enterprise and national policies will be important to realizing the *Industry 4.0* revolution, local governments and organizations must be willing to

play a vital role in order to ensure its success. After all, the genius of distributed manufacturing is precisely the fact that it is local. The first forays will likely occur in the largest urban centers.

Watch for New York City to be an early winner. In addition to a large local and regional population of consumers, city government is already actively promoting distributed manufacturing to support local industries and entrepreneurs. The *NY Economic Development Corporation* frames the opportunity as follows: “Technological advances and new ways of doing business are shaping a new manufacturing system, with a focus on smaller, more flexible production.” Meanwhile, the Port Authority of New York and New Jersey has actively worked to ensure that the city’s infrastructure satisfies both short and long-term needs. On the one hand, investments like raising the Bayonne Bridge to accommodate larger ocean carriers have proven critical to facilitating the shift in imports to the U.S. East Coast. On the other hand, recent upgrades to NYNJ Rail’s carfloat operations and the opening of a new transload site right in the heart of Brooklyn at the 65th Street Railyard, guarantee that the local infrastructure can efficiently serve manufacturers in the big city. Not only do investments like these support existing industries in areas like the North Brooklyn Industrial Business Zone, but also lay the foundation for future growth through distributed manufacturing.

In closing, we would be remiss if we did not acknowledge the immense human and economic suffering caused by the pandemic. Specifically, New York City is among the hardest hit. The devastation in the Big Apple has captured the attention of the Nation and the world. At times uncertainty about the future abounds. As one *New York Post* opinion writer wrote earlier this week, “NYC’s urban model faces existential crisis in post-pandemic world.”

Yet as we reflect on the implications of these five post-COVID supply chain trends identified in this six-part *series*, we cannot help but to think that the city’s best days are still ahead. New York, like many urban centers, is well positioned to capitalize on these five post-COVID supply chain trends. Rest assured that the impact of these trends is more enduring than that of the virus.



All-Water Solutions: The Role of Intermodal

April 21, 2011

Michael Rutherford
CSX Transportation

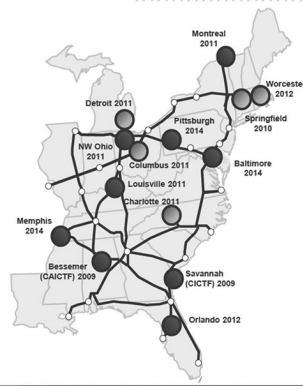
How tomorrow moves 



Intermodal is a key component of the all-water solution



New and expanded terminals support and drive growth



- New terminals create opportunities for incremental growth
 - Opening terminals in Louisville and NW Ohio
- Terminal expansions support ongoing growth through conversions
 - Adding capacity in Columbus and Charlotte
 - Leveraging the New England I-90 Corridor





Clearances increase network throughput capacity



- Double-stack network creates efficiencies and capacity
 - Reduce intermediate handlings
 - Increase train densities
- Eastern connectivity near complete
 - Liberty Corridor Freightway
 - New England I-90 Corridor
 - Trenton Line Corridor
 - National Gateway

— Current double-stack network — National Gateway and New England I-90

4

CSX
INTERMODAL



Clearance Examples: Bergen Tunnel



5

CSX
INTERMODAL



Clearance Examples: Waldo Tunnel



Trenton Line Corridor improves Philadelphia services

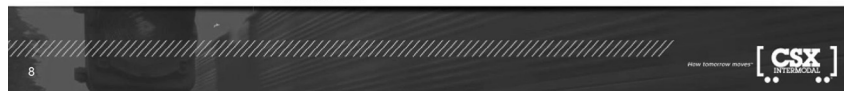
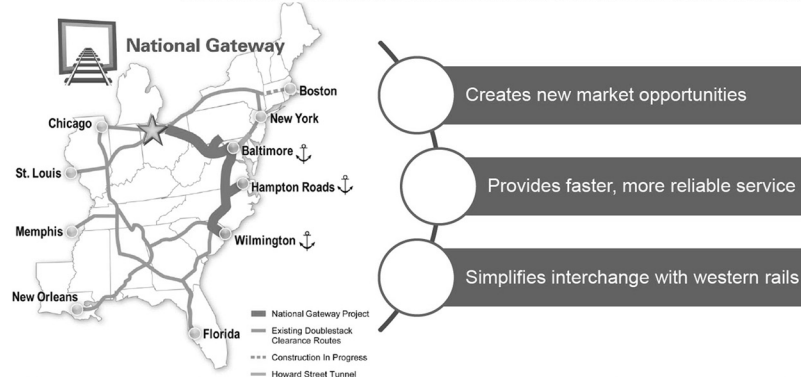


- Encompasses track lowering and overhead structure modifications
- Double-stack efficiencies improve overall service competitiveness
 - Eliminates 37 unnecessary miles
 - Increases service reliability
- Planned Completion: 2012

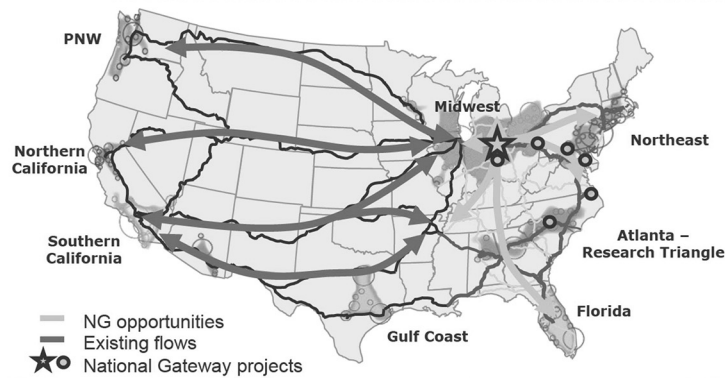




National Gateway connects freight to inland markets

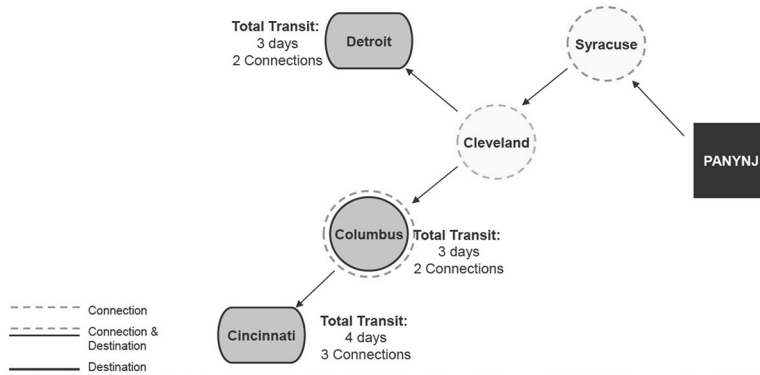


NW Ohio is a total network initiative





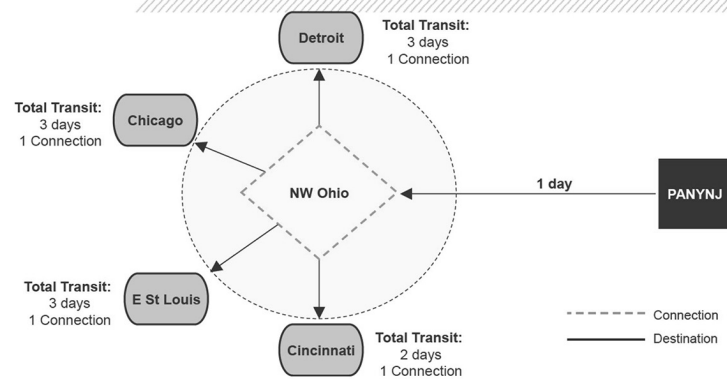
PANYNJ: Current intermodal service is more circuitous



10



PANYNJ: New service design is faster and more reliable

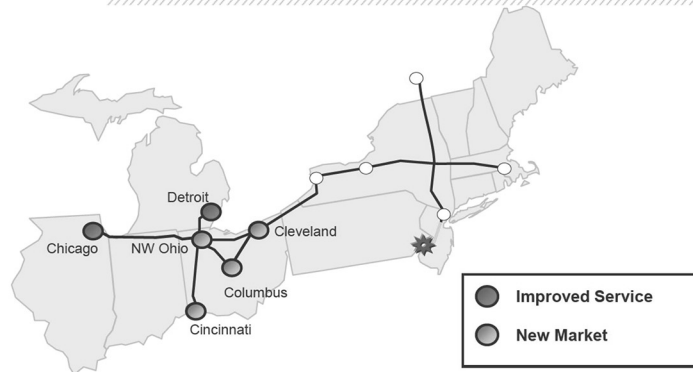


11

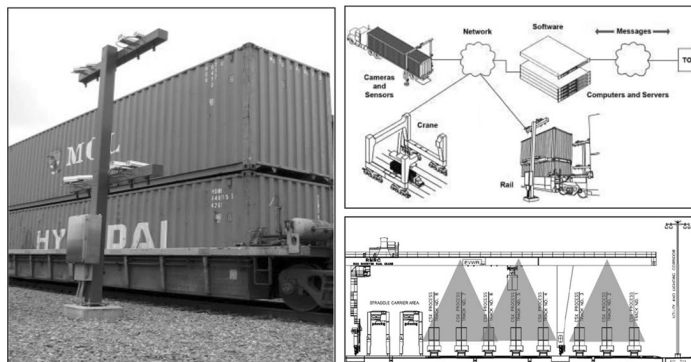




NW Ohio connects Philadelphia to the Ohio Valley



TOS enhances overall terminal performance





Wide-span cranes set new standards in efficiency



Operation	Pollutant (grams/lift)			
	HC	CO	NO _x	PM
WSC	1.8	8.3	23.9	2.1
Reduction vs. conventional	84%	83%	84%	82%

HC=Hydrocarbons, CO=Carbon Monoxide, NO_x=Oxides of Nitrogen, PM=Particulate Matter, 454g/lb., 2000 lbs/ton

- Environment
 - Reduce emissions
 - Almost silent operations
- Network
 - Increase terminal throughput
 - Connect more markets
- Operations
 - Improves facility safety
 - Semi-automation



Grounded operations support more fluid operations





The future is here today in NW Ohio



16



CSX investments support all-water solutions



Network Capacity

- New and expanded terminals
- Double-stack clearances



Capacity Management

- Innovative terminal design
- State-of-the art technologies
- Hub-like operations



17





Rail Capacity: Pioneering the Rail Renaissance

*Michael Rutherford
AVP Industrial Products
March 13, 2014*



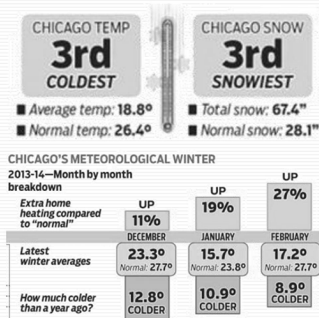
Forward-looking statements

This information and other statements by the company may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise any forward-looking statement. If the company updates any forward-looking statement, no inference should be drawn that the company will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others; (i) the company's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting the company; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the company's SEC reports, accessible on the SEC's website at www.sec.gov and the company's website at www.csx.com.

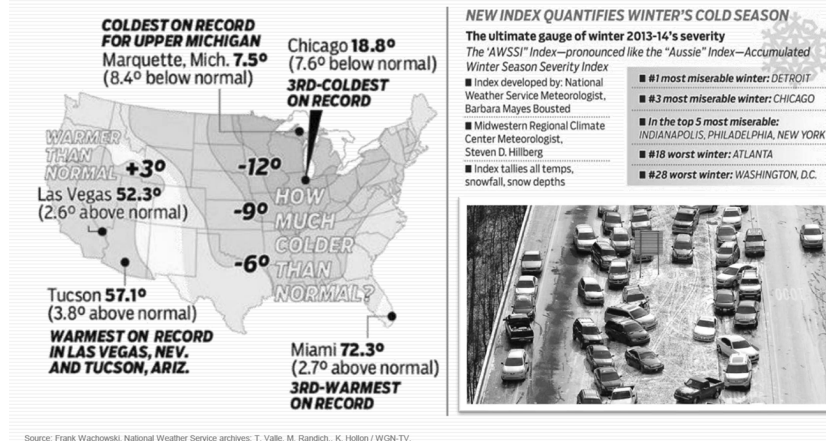
Just how bad has the winter been in Chicago?



- The National Weather Service adopted the Twitter hashtag #ChiBeria
- Even polar bears were being kept indoors at the Lincoln Park Zoo
- Coldest January 6th on record at 16° below zero, colder than the South Pole
- Set a new all-time record for the most days of measurable snow

Source: Frank Wachowski, National Weather Service archives; J. Kohnke, B. Merleau, K. Holton / WGN-TV.

This winter has been harsh, relentless, widespread



4

How tomorrow moves [CSX]

The winter has also impacted transportation

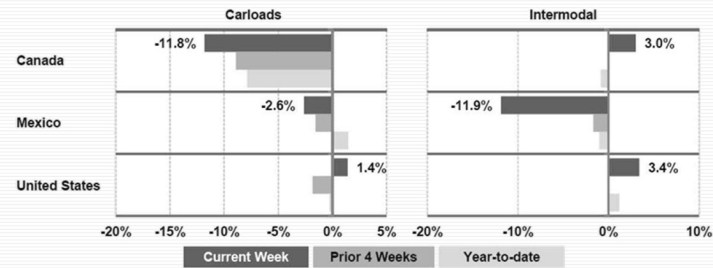


- Employees marking off to care for family and home
- Taxi services suspending operation
- Impacts to signal systems
- Postponement of car repairs
- Ice on the tracks and frozen switches
- Broken rails
- Locomotive failures

5

How tomorrow moves [CSX]

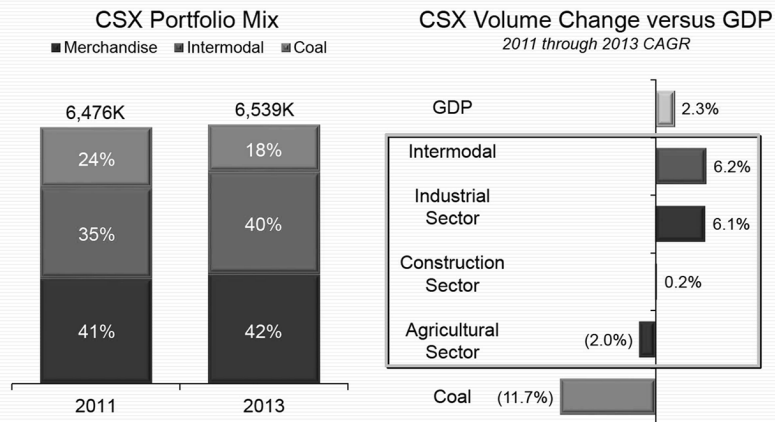
2014 has gotten off to a challenging start



6

How tomorrow moves [CSX]

Broad-based strength helps offset coal headwinds

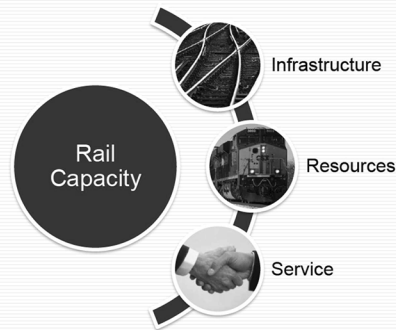
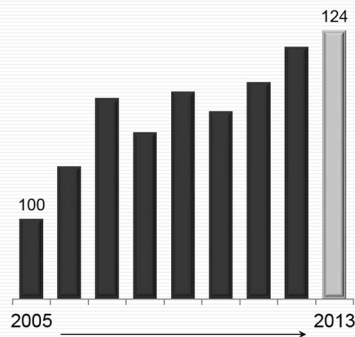


7

How tomorrow moves [CSX]

Well positioned for long-term growth

CSX Customer Satisfaction
Indexed: 2005 = 100



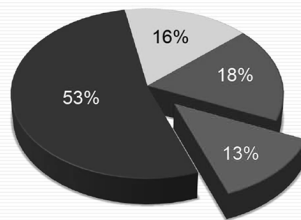
8

How tomorrow moves **[CSX]**

Targeting \$2.3 billion of capital investment in 2014

Capital Investment
\$2.3 billion

■ Infrastructure ■ Equipment ■ Strategic ■ PTC



■ Core investment remains at 16% – 17% of revenue for 2014

- Infrastructure spend maintains a safe and reliable network
- Equipment investment driven by commercial demand
- Strategic investments support growth and productivity

■ PTC investment of \$300 million targeted for this year

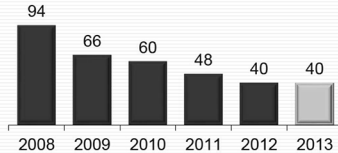
Note: Capital investment excludes investments related to public-private reimbursable projects

9

How tomorrow moves **[CSX]**

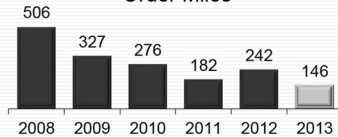
Continue to strengthen track infrastructure

FRA Reportable Track
Caused Derailments



- Investment in track infrastructure is driving higher service levels
- Track caused derailments and slow order miles have declined significantly since 2008
 - 57% improvement in derailments
 - 71% improvement in slow order miles

Average Daily Slow
Order Miles



- Robust rail testing program is further mitigating risk
 - Testing 125K-140K miles of track each year

10

How tomorrow moves **CSX**

Network investment enhances throughput capacity

River Line /
Trenton Sub

- Enables efficient movement from Chicago to New York
- Supports growth in crude oil, intermodal, automotive markets

LIRC

- Easement between Indianapolis and Louisville creates routing options
- Alleviates congestion and supports volume growth

Southeast
Corridor

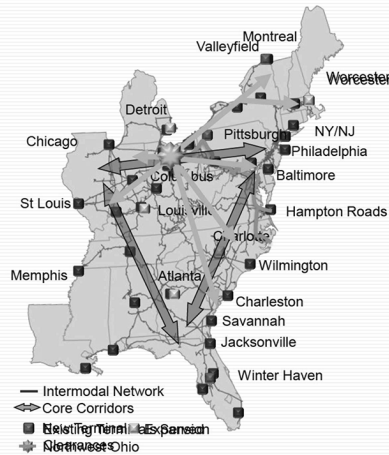
- Casky Yard investment supports IL Basin coal shift
- New sidings add capacity for business growth



11

How tomorrow moves **CSX**

Intermodal investments drive growth and efficiency

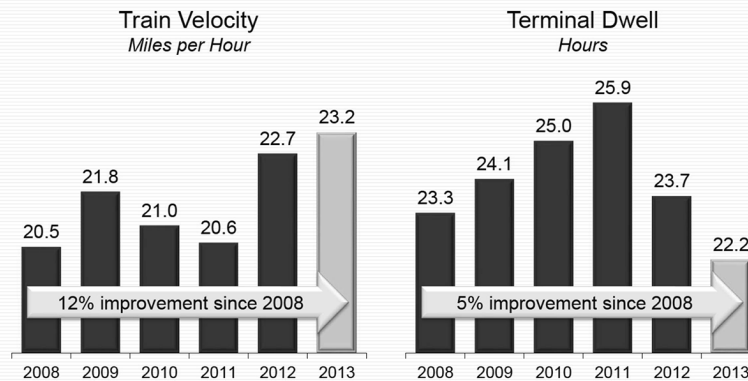


- Reaching growing population centers and new markets
 - CSX investing to support growth
- Intermodal traffic in double-stack lanes is 90% of current volume
 - With National Gateway completion, up to mid-90%
- Hub and spoke addition to network is a key differentiator
 - Regularly scheduled through trains with flex capacity as needed

12

How tomorrow moves [CSX]

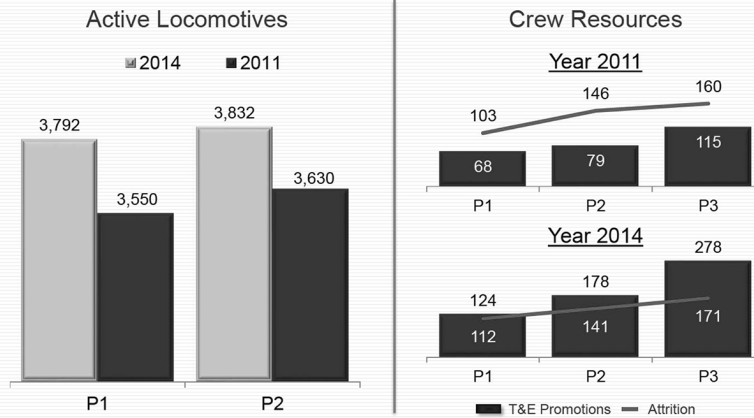
Network fluidity improves overall asset utilization



13

How tomorrow moves [CSX]

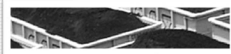
CSX is also better resourced today than in the past



14

How tomorrow moves [CSX]

Equipment plans help sustain and grow the business



- Coal, Coke & Iron Ore rebuilds provide cost-efficient capacity
- Merchandise acquisitions and leases offset retirements while providing higher capacity
 - Expand fleet of both 50 and 60-foot boxcars as needed
 - Recently added centerbeams to the national pool
 - Deploying larger jumbo covered hoppers
- Ongoing mechanical programs improve fleet condition to support the business

15

How tomorrow moves [CSX]

Service Excellence is key to expanding rail capacity

“First Mile”

oneplan
THE POWER
OF ONE

“Last Mile”

Deliver First and Last Mile Service Excellence to Customers Enabling Profitable Carload Growth

16

How tomorrow moves **[CSX]**

On-Board Devices improve field communications



- Puts key information for a location at the finger tips of the crew
 - Customer restrictions
 - Track details and close clearances
 - Local operations comments
- Keeps substitute crews better informed to ensure consistent service
- Crews can update systems on-site
 - Service day training focused on complete, accurate and timely updates in 2013

17

How tomorrow moves **[CSX]**

Proactive alerts improve supply chain visibility

[illegible]

Train Annulment / Service Exception Notice

A proactive alert that is sent informing you that your local industrial train for that date will not be working your location

My Work Order Notice

A proactive notification of the planned work at your facility with a list of cars the crew plans to switch

Work Order Exception Notice

A proactive alert that the CSX Crew is unable to perform some portion of the scheduled work at your location

How tomorrow moves [CSX]

Proactive alerts improve customer service

ShipCSX
1.877.SHIPCSX

Notice Number: ND1000162

The following cars have been pulled from industry without shipping instructions. Please submit the shipping instructions to CSX immediately in order to process your shipment to destination.

Overload Notice

A proactive notification when your shipment has been flagged as an overload or when it's released from overload status

Bad Order Notice

A proactive notification when and where your car has been placed or released from bad order status

ETA Change Notice

A proactive notification when a shipment ETA has changed by 24 hours or more

No Bill Notice

A proactive notification when a shipment has been pulled from your industry and moving without billing

How tomorrow moves [CSX]

New reporting tools improve supply chain visibility

Plan Ship Trace Pay Resources

Shipment Management Suite
 Waybill Retrieval
 Shipment Problem Resolution
 31 (Gate Receipt) Retrieval

- Monitor inbound or outbound pipeline by location for the current week and up to 4 weeks in the future
- Pull reports for inbound or outbound shipments for your location that are currently in jeopardy for bad order, overload, No Bill, or had an ETA change of 24 hours or more than the previously reported ETA.

Railcar Tracking | Historical Trace | Custom Reports | Pipeline & Jeopardy Reports | Shipment Tracking Map | Transit Times | Waybill Retrieval

Pipeline Report Search

* Report Type: Pipeline Report

* Traffic Direction: Jeopardy Report

* Location: Select One

Save this search: Enter search name here Save

Set as Default?: ☐

Saved Pipeline Searches: [Dropdown]





* Load/Empty: Both

STCC: [Text Box]

View Pipeline Report

How tomorrow moves [CSX]

Providing the capacity to grow your business

- 
 ■ Investing in infrastructure and technology
- 
 ■ Resourcing for high service levels, with flexibility
- 
 ■ Focus on asset utilization targeting \$130M+ in savings
- 
 ■ Developing solutions that satisfy customers' needs

[*Thank You*]



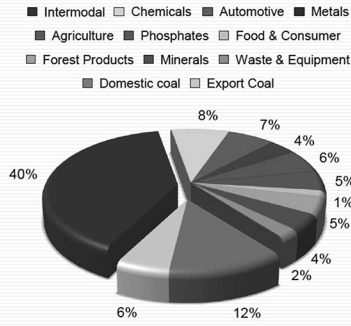
Investing for Tomorrow
in a Dynamic Marketplace

October 28, 2014

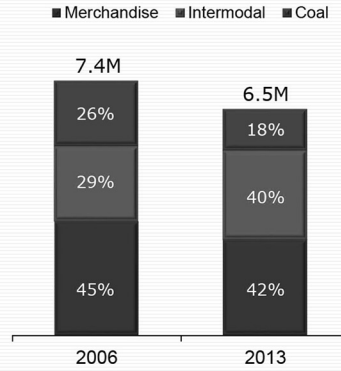
[CSX]
How tomorrow moves

CSX portfolio reflects a dynamic marketplace

2013 Volume by Market
6.5 Million Units



CSX Volume and Portfolio Mix

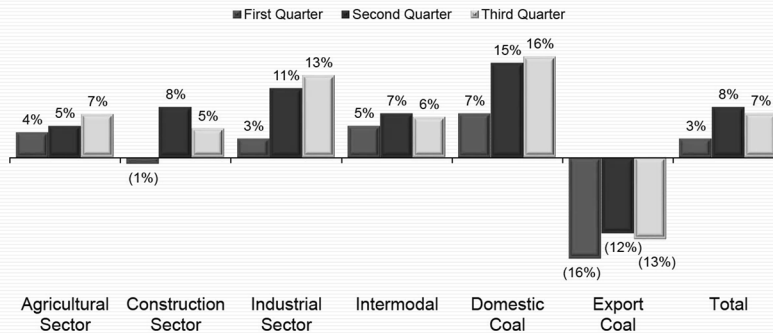


2

How tomorrow moves **CSX**

This year has been no different

Year-Over-Year Change in Volume



Source: CSX Third Quarter Financials, 2014.

3

How tomorrow moves **CSX**

Long-term trends in trucking evident in 2014



- BB&T Capital estimates that winter likely removed 2-3% of TL capacity
- ATRI study highlights the negative impacts of HOS rule change
 - Reduced TL productivity in US by 1-2%
 - Eroded quality of life for 83% of drivers, including lower wages for 67%
- The current dearth of 30K drivers is expected to rise to 240K by 2020

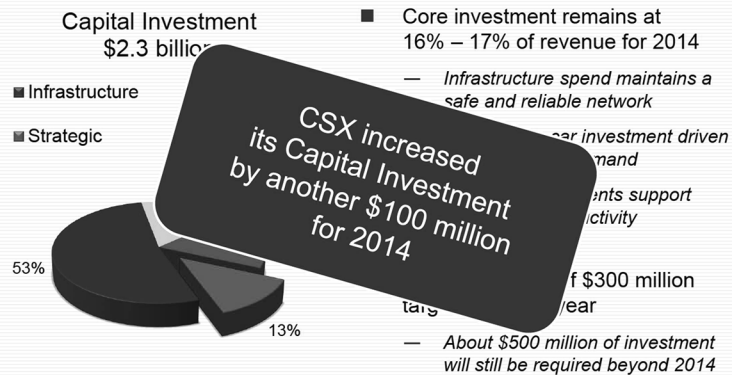
Source: Logistics Management; FleetOwner; JOC; ATA.

4

How tomorrow moves



Capital investment supports growth and service



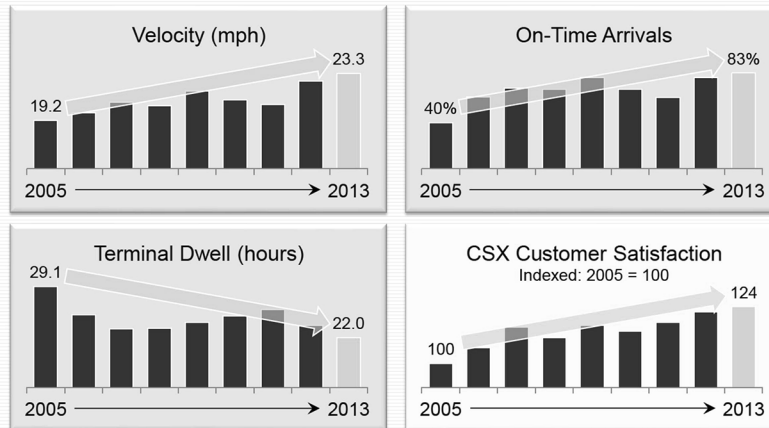
Note: Capital investment excludes investments related to public-private reimbursable projects

5

How tomorrow moves



Service Excellence drives long-term improvements



6

How tomorrow moves **CSX**

Capacity additions underway across network



River Line / Trenton Sub

- Adds 11 miles of double track for efficient movement from Chicago to NY
- Supports growth in crude oil, intermodal, and automotive markets

Chicago Area Projects

- Elsdon Sub acquisition adds capacity and flexibility to the network
- New north-south connection helps expedite interchange traffic

Northwest Ohio

- Project to extend terminal processing should finish by the end of 2014
- Adding 18,400 feet of processing track and increasing lift capacity by 300,000

Southeast (SE) Corridor

- New Casky Yard investment will support Illinois Basin coal shift
- New sidings add capacity for business growth

7

How tomorrow moves **CSX**

CSX investing in an even better tomorrow

- CSX operates in a dynamic marketplace
 - *Energy markets create both challenges and opportunities*
 - *Modal conversions drive growth in some segments*
- Sustainable growth support capital investment
 - *CSX will continue to invest 15-17% of revenue longer-term*
- CSX remains committed to Service Excellence

LOGISTICS: WHAT ARE THE CHALLENGES BEING FACED BY TRANSPORT PROVIDERS?

A Railroad Perspective

Michael Rutherford
Vice President – Sales & Marketing
Industrial Products

HOW TOMORROW MOVES



THE BIRTHPLACE OF AMERICAN RAILROADING



The Founders of the Baltimore and Ohio Railroad by F. B. Mayer (1891)



Peter Cooper's First Steam Locomotive called Tom Thumb



"Linking 13 Great States with the Nation"



2

CSX REMAINS KEY TO MANY SUPPLY CHAINS

CSX SYSTEM MAP



- Nearly two-thirds of US population
- 21,000 route miles in the East
- 23 states, DC and 2 Canadian provinces
- 70 ocean, river and lake port terminals
- Over 240 short-line railroads
- Interchanges to all Class I rails
- Extensive carload network
 - 260+ classification yards
 - 12 hump yards



3

CSX BENEFITS FROM A DIVERSE PORTFOLIO

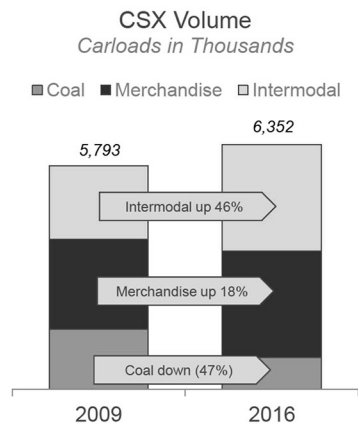
Outlook	Markets	Drivers
Favorable (29% of volume)	<ul style="list-style-type: none"> ■ Agriculture & Food ■ Automotive ■ Export Coal ■ Fertilizers ■ Metals & Equipment ■ Minerals 	<ul style="list-style-type: none"> ■ Record grain harvest and new business ramping up ■ North American light vehicle production remains strong ■ Near-term favorability continues from global supply constraint ■ Phosphate movement picks up against soft comparables ■ Improving steel market and small lift in energy-related goods/machinery ■ Sustained strength in aggregates demand
Neutral (49% of volume)	<ul style="list-style-type: none"> ■ Forest Products ■ Intermodal 	<ul style="list-style-type: none"> ■ Modest housing starts growth offset by ongoing paper demand decline ■ Secular domestic growth offset by prior losses
Unfavorable (22% of volume)	<ul style="list-style-type: none"> ■ Chemicals ■ Domestic Coal 	<ul style="list-style-type: none"> ■ Continued crude oil decline more than offsets non-energy growth ■ Competitive losses partially offset by modest uptick in winter demand

4

Overall first quarter volume outlook is flat to slightly up



CSX VOLUMES HAVE GROWN BY 10% SINCE THE GREAT RECESSION

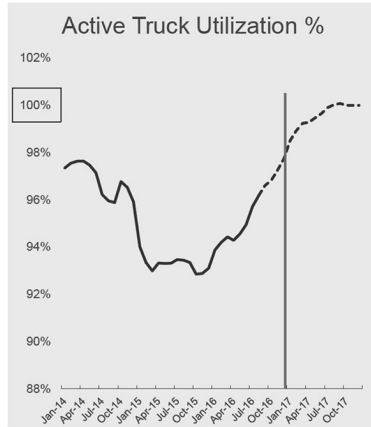


5

- Transformational declines in Coal
 - Natural gas substitution
 - World coal oversupply
- Solid 2% CAGR Merchandise growth since 2009 recession
 - Industrial and housing sectors have partially suppressed recovery
- Strong, secular Intermodal growth
 - Highway-to-rail conversions
 - New customers and services



TRUCK MARKET DYNAMICS CONSTRUCTIVE FOR RAIL GROWTH OVER LONG-TERM

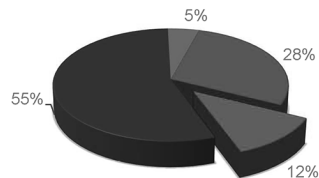


6

CSX CONTINUES TO INVEST IN GROWTH

2017 Capital Investment \$2.2 billion

■ Infrastructure ■ Equipment ■ Strategic ■ PTC



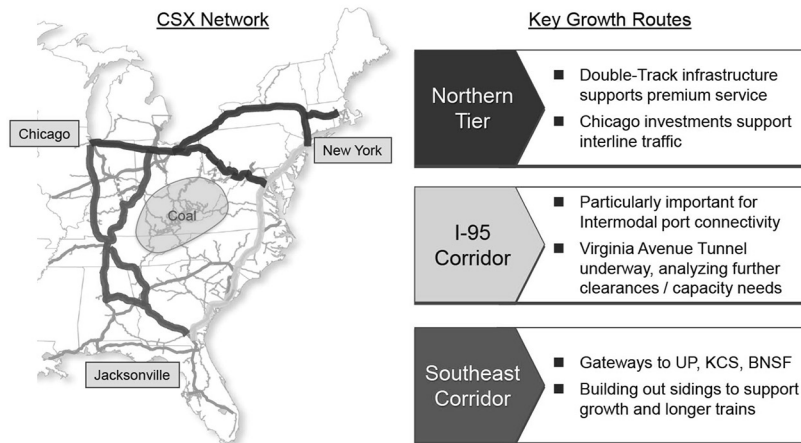
- Core investment expected to decline to \$1.97 billion this year
 - Infrastructure investment targets rail safety and performance
 - Equipment budget moderating with completion of locomotive purchase
 - Strategic investments increasing to fund CSX of Tomorrow initiatives
- PTC investment of about \$270M
 - Total cost of PTC implementation now estimated at about \$2.4 billion

7

Note: Capital investment excludes reimbursements from investments related to public-private projects

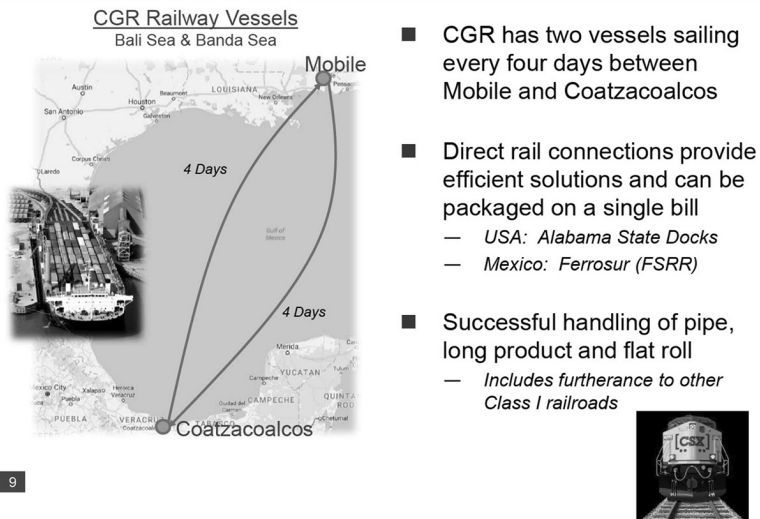


MERCHANDISE AND INTERMODAL GROWTH EMPHASIZE CORE TRIANGLE CONNECTIVITY



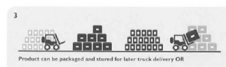
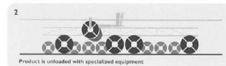
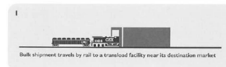
8

CGR PROVIDES COMPETITIVE CONNECTIVITY TO SOUTHERN MEXICO



9

TRANSLOADS CONNECT TO NON-RAIL SERVED ORIGINS AND DESTINATIONS



■ Facilities capable of handling most products

- Coils, pipe, rod, slabs, sheet, beams, structurals, bar, plate and over-dimensionals

■ Single-factor, truck competitive rates for door-to-door movements

- Immediate delivery by truck, or
- Warehousing for later delivery, or
- Processing prior to furtherance

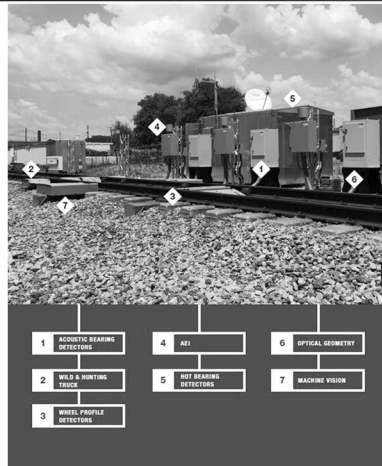
■ CSX has many years of experience

- Helping shippers identify viable transload locations already existing on CSX
- Supporting shippers and transloads in locating and developing new locations



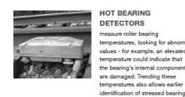
10

8 SUPER SITES USE PREDICTIVE ANALYTICS TO PROVIDE SAFER, MORE RELIABLE SERVICE



DIAGNOSTIC SUPERSITES

Many of these detectors are concentrated at locations that CSX calls "supersites," where a combination of several specialty detectors take many different measurements during a single train pass.



11

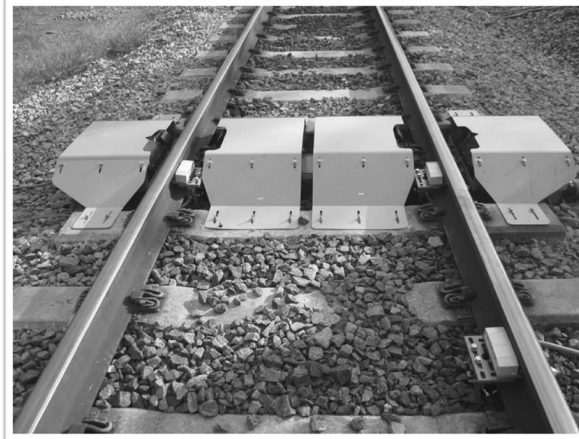
OPTICAL GEOMETRY DETECTORS



12



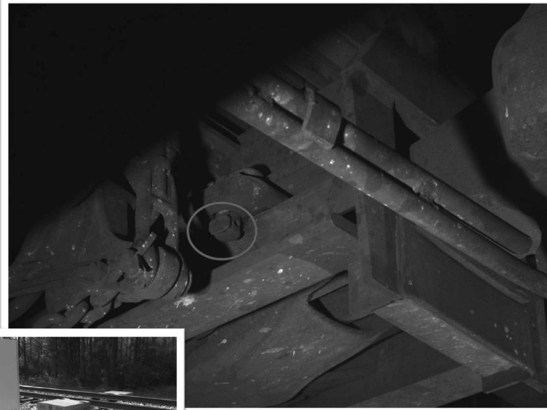
WHEEL PROFILE DETECTOR



13



COUPLER SECUREMENT



14



ACOUSTIC BEARING DETECTOR



15



SHIPCSX HELPS TO KEEP EQUIPMENT MOVING



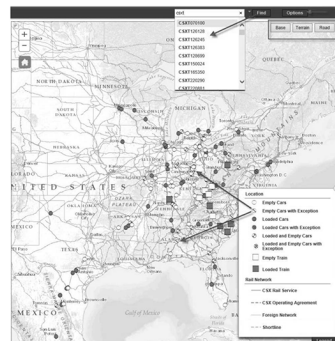
- Proactive notifications keep you informed on how your shipments are progressing
 - *Bad Order Notice*
 - *ETA Change Notice*
 - *In-Transit Curfew/Service Advisory*
- Shipment management suite allows you to estimate and track your shipments
 - *Transit Time including dwell information*
 - *Railcar Tracking*
- Enhanced reporting features allow you to process trace metrics quickly and easily
 - *NEW Shipment Tracking Map*



16

SHIPMENT TRACKING MAP

- Opportunity to personalize filters to display traffic for specific shipments and trains in specific geographies
 - *Search for specific Train IDs or Equipment numbers*
 - *Use filters to refine map results*
 - *Click on markers for detailed info*
- Easily see jeopardy shipments for exceptions such as Bad Order
- Links to other tracking tools



17

SHIPCSX FIRST IN INDUSTRY TO GO MOBILE



- Free application for registered ShipCSX users

- Key features available include:

- *Trace Equipment & Trains*
- *Get Equipment Specs*
- *Shipping Instructions (Quick Ship)*
- *Plant Switch and Plant Inventory*
- *Shipment Problem Resolution*
- *Unit Train Management*
- *Pricing Documents coming soon*

- New features added as they are developed and refined



18

NEW RESOURCE LIBRARY



19

THANK YOU FOR YOUR BUSINESS

■ A DIVERSE PORTFOLIO OFFERS BOTH CHALLENGES AND OPPORTUNITIES FOR RAILS

- Capitalizing on Merchandise and Intermodal growth even as Coal struggles
- Truckload market dynamics constructive for OTR conversions long-term

■ CONNECTIVITY EXPANDS MARKET REACH AND RELEVANCE

- Investments on Core Triangle drive efficiencies, including at ports and gateways
- CGR option supports rail solutions in southern Mexico
- Transload solutions make rail relevant for non-rail-served locations

■ TECHNOLOGY HELPS DRIVE SERVICE TO THE NEXT LEVEL

- Predictive analytics to providing ever-safer and more reliable service
- Online tools facilitate integration with broader supply chains
- New reporting like CDR's to help customers better manage equipment

20



HOW TOMORROW MOVES



HOW TOMORROW MOVES



Fall / Winter 2017

CSX & DELIVERING THE CHEMICAL RENAISSANCE

American Chemical Council

Michael Rutherford
Vice President – Sales & Marketing
Industrial Products

HOW TOMORROW MOVES



FORWARD LOOKING DISCLOSURE

THIS INFORMATION AND OTHER STATEMENTS BY THE COMPANY MAY CONTAIN FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT WITH RESPECT TO, AMONG OTHER ITEMS, PROJECTIONS AND ESTIMATES OF EARNINGS, REVENUES, MARGINS, VOLUMES, RATES, COST-SAVINGS, EXPENSES, TAXES, LIQUIDITY, CAPITAL EXPENDITURES, DIVIDENDS, SHARE REPURCHASES OR OTHER FINANCIAL ITEMS, STATEMENTS OF **MANAGEMENT'S** PLANS, STRATEGIES AND OBJECTIVES FOR FUTURE OPERATIONS, AND **MANAGEMENT'S** EXPECTATIONS AS TO FUTURE PERFORMANCE AND OPERATIONS AND THE TIME BY WHICH OBJECTIVES WILL BE ACHIEVED, STATEMENTS CONCERNING PROPOSED NEW SERVICES, AND STATEMENTS REGARDING FUTURE ECONOMIC, INDUSTRY OR MARKET CONDITIONS OR PERFORMANCE. FORWARD-LOOKING STATEMENTS ARE TYPICALLY IDENTIFIED BY WORDS OR PHRASES SUCH AS "WILL," "SHOULD," "BELIEVE," "EXPECT," "ANTICIPATE," "PROJECT," "ESTIMATE," "PRELIMINARY" AND SIMILAR EXPRESSIONS. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE, AND THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT IF THE COMPANY UPDATES ANY FORWARD-LOOKING STATEMENT, NO INFERENCE SHOULD BE DRAWN THAT THE COMPANY WILL MAKE ADDITIONAL UPDATES WITH RESPECT TO THAT STATEMENT OR ANY OTHER FORWARD-LOOKING STATEMENTS.

FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A NUMBER OF RISKS AND UNCERTAINTIES, AND ACTUAL PERFORMANCE OR RESULTS COULD DIFFER MATERIALLY FROM THAT ANTICIPATED BY ANY FORWARD-LOOKING STATEMENTS. FACTORS THAT MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY ANY FORWARD-LOOKING STATEMENTS INCLUDE, AMONG OTHERS: (I) THE **COMPANY'S** SUCCESS IN IMPLEMENTING ITS FINANCIAL AND OPERATIONAL INITIATIVES; (II) CHANGES IN DOMESTIC OR INTERNATIONAL ECONOMIC, POLITICAL OR BUSINESS CONDITIONS, INCLUDING THOSE AFFECTING THE TRANSPORTATION INDUSTRY (SUCH AS THE IMPACT OF INDUSTRY COMPETITION, CONDITIONS, PERFORMANCE AND CONSOLIDATION); (III) LEGISLATIVE OR REGULATORY CHANGES; (IV) THE INHERENT BUSINESS RISKS ASSOCIATED WITH SAFETY AND SECURITY; (V) THE OUTCOME OF CLAIMS AND LITIGATION INVOLVING OR AFFECTING THE COMPANY; (VI) NATURAL EVENTS SUCH AS SEVERE WEATHER CONDITIONS OR PANDEMIC HEALTH CRISES; AND (VII) THE INHERENT UNCERTAINTY ASSOCIATED WITH PROJECTING ECONOMIC AND BUSINESS CONDITIONS.

OTHER IMPORTANT ASSUMPTIONS AND FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN THE FORWARD-LOOKING STATEMENTS ARE SPECIFIED IN THE **COMPANY'S** SEC REPORTS, ACCESSIBLE ON THE **SEC'S** WEBSITE AT WWW.SEC.GOV AND THE **COMPANY'S** WEBSITE AT WWW.CSX.COM.

3



NON-GAAP MEASURES DISCLOSURE

CSX REPORTS ITS FINANCIAL RESULTS IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (U.S. GAAP). CSX ALSO USES CERTAIN NON-GAAP MEASURES THAT FALL WITHIN THE MEANING OF SECURITIES AND EXCHANGE COMMISSION REGULATION G AND REGULATION S-K ITEM 10(E), WHICH MAY PROVIDE USERS OF THE FINANCIAL INFORMATION WITH ADDITIONAL MEANINGFUL COMPARISON TO PRIOR REPORTED RESULTS.

NON-GAAP MEASURES DO NOT HAVE STANDARDIZED DEFINITIONS AND ARE NOT DEFINED BY U.S. GAAP. THEREFORE, **CSX'S** NON-GAAP MEASURES ARE UNLIKELY TO BE COMPARABLE TO SIMILAR MEASURES PRESENTED BY OTHER COMPANIES. THE PRESENTATION OF THESE NON-GAAP MEASURES SHOULD NOT BE CONSIDERED IN ISOLATION FROM, AS A SUBSTITUTE FOR, OR AS SUPERIOR TO THE FINANCIAL INFORMATION PRESENTED IN ACCORDANCE WITH GAAP. RECONCILIATIONS OF NON-GAAP MEASURES TO CORRESPONDING GAAP MEASURES ARE ATTACHED HERETO IN THE APPENDIX OF THIS PRESENTATION.

FORWARD LOOKING NON-GAAP MEASURES

CSX PRESENTS NON-GAAP OR ADJUSTED OPERATING RATIO AND ADJUSTED NET EARNINGS PER SHARE, ASSUMING DILUTION ON A FORWARD-LOOKING BASIS. THE MOST DIRECTLY COMPARABLE FORWARD-LOOKING GAAP MEASURE IS OPERATING RATIO AND NET EARNINGS PER SHARE, ASSUMING DILUTION. CSX IS UNABLE TO PROVIDE A QUANTITATIVE RECONCILIATION OF THESE FORWARD-LOOKING NON-GAAP MEASURES TO THE MOST DIRECTLY COMPARABLE FORWARD-LOOKING GAAP MEASURE, BECAUSE CSX CANNOT RELIABLY FORECAST THE TIMING AND AMOUNT OF FUTURE RESTRUCTURING CHARGES AND OTHER CHARGES RELATED TO THE CHANGE OF LEADERSHIP AND STRATEGY WHICH ARE DIFFICULT TO PREDICT AND ESTIMATE. PLEASE NOTE THAT THE UNAVAILABLE RECONCILING ITEMS COULD SIGNIFICANTLY IMPACT **CSX'S** FUTURE FINANCIAL GAAP RESULTS.

4



EVEN IF YOU'RE ON THE RIGHT TRACK,
YOU'LL GET RUN OVER IF YOU JUST SIT THERE.

- WILL ROGERS

HOW TOMORROW MOVES



5

THE CASE FOR TRANSFORMATIVE CHANGE

Operating Ratio Trends
Class I Railroads



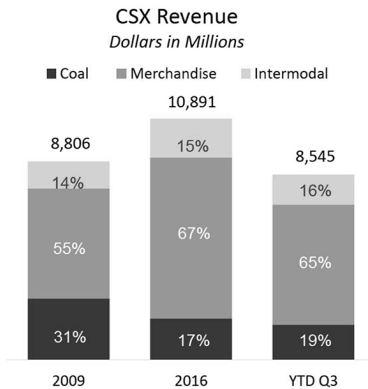
- Operating Ratio is the preferred measure to evaluate railroads
 - Reflects high ongoing capital expenditures and exposure to inflationary pressures
 - Measures overall efficiency of both operations and capital deployment
- Recent CSX performance has been range bound
 - Significant gains under the One Plan
 - Despite continuous improvement with focus on train productivity, OR moved sideways in more recent years

6

Source: Public Reportings for Class I Railroads.



TRAFFIC MIX HAS SHIFTED RADICALLY



- Coal expected to decline longer-term, despite recent gains

- Natural gas prices remain the key driver of domestic coal consumption
- Export coal volatility driven by supply and demand on global markets
- Industrial segment smaller but more stable

- Network implications have been significant in recent years

- Rationalized some coal assets in the central portion of the network
- Growth shifting focus to assets supporting Merchandise and Intermodal on the triangle

7

Source: CSX Public Reportings.



FUTURE CHALLENGES REMAIN



- Near-term remains favorable for rail

- Positive macro-economic environment
- Maintains a strong value proposition with better infrastructure than alternative modes
- ELD's likely to hinder productivity and even exacerbate the driver shortage

- However uncertain, other initiatives will likely promote trucking efficiencies

- Increased size and weight
- More stringent fuel consumption standards
- Platooning and autonomous vehicles

- Railroads must focus on innovation

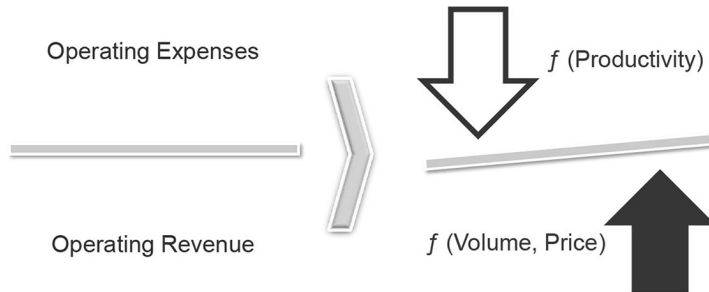
- Technological advances still important
- Must not neglect process innovation to control asset and labor costs

8

Source: ASCE National Infrastructure Report Card 2017; WSJ "Truckers Are in No Hurry to Have Their Hours Tracked, 9/14/2017.



SUPERIOR SERVICE KEY TO SUSTAINABLE GROWTH



9



*IF I HAD ASKED PEOPLE WHAT THEY WANTED,
THEY WOULD HAVE SAID FASTER HORSES.*

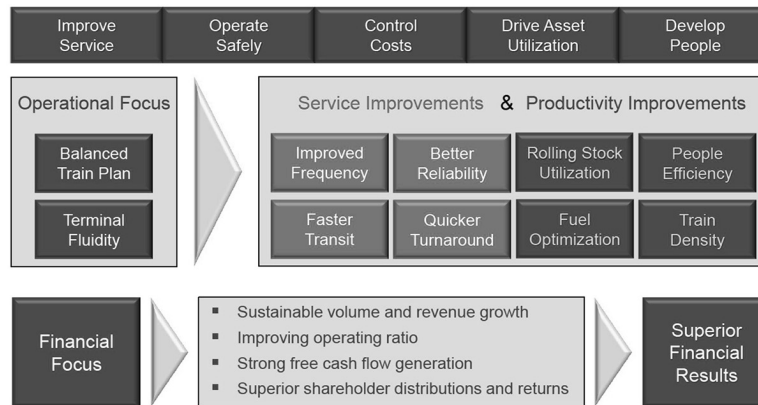
- HENRY FORD

HOW TOMORROW MOVES



10

PSR: 'RAILROADING IS JUST A BUNCH OF PROCESSES'



11



PSR STARTS WITH THE CUSTOMER

Do not confuse the ends with the means

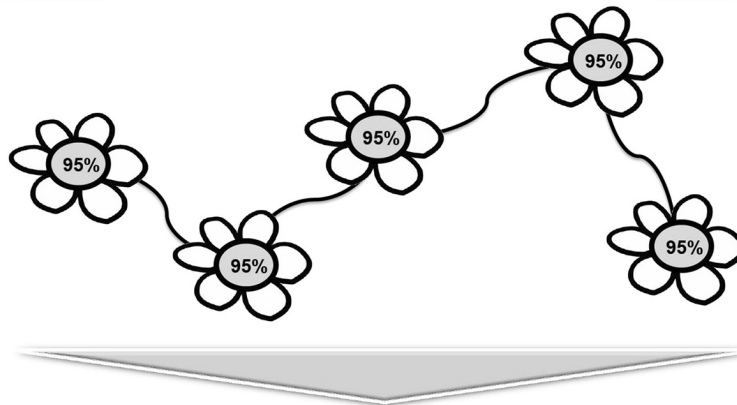


- 'Just run the plan' *and mean it*
 - Integrate MOW with the plan, versus running a competing plan characterized by curfews
 - All trains need to operate to a schedule
- Unit trains are not always better
 - Unit train transits compensated for issues with the scheduled Merchandise network
 - Excessive dwell to build and unload unit trains elongates cycle times, requiring more assets
- Focus on end-to-end transit times
 - FMLM as part of overall service performance, not as a separate goal unto itself
 - There is no intrinsic value in hump yards

12



'DAISY CHAINS' ARE FRAGILE BY DESIGN



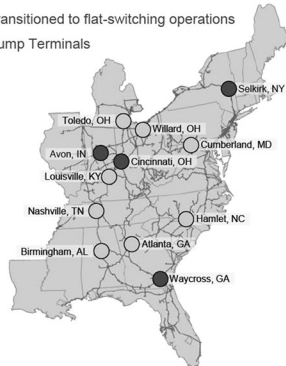
13



OVER-RELIANCE ON HUMPS HINDERS PROGRESS

CSX Hump Terminals Transitioning operations to flat-switching

- Transitioned to flat-switching operations
- Hump Terminals



- Transitioning hump yards
 - Started with twelve; eight have been converted to flat switching operations
 - Two to four hump yards likely long term
- Yard efficiency improving
 - Nearly two-thirds of all yard activity is now done through flat switching
 - Eliminating a handling can accelerate transit by at least a day
- Current footprint supports radically different train plan
 - Strategic blocking allows for farther, faster transit while reducing handlings
 - Eliminates out-of-route miles associated with "boomerang" service routings
 - Reduced operating units from 9 to 5

14



HOW CAN YOU PARTNER WITH CSX GOING FORWARD?

Change is a Team effort
– Customers included



- Help cycle equipment quickly to avoid idle dwell
 - Do not allow cars to sit in the serving yard
 - Quickly load and unload to turn the cars
 - Release cars promptly in usable condition
- Reduce time at customer to make local service more predictable
 - Drop and hook is the ideal set up
 - Eliminate excessive switching or placement
 - Do not require mainline time to switch
- Plan with the end in mind
 - Pre-block cars to facilitate switching in transit
 - Update transit times to manage pipeline

15



*GROWTH IS NEVER BY MERE CHANCE; IT IS THE
RESULT OF FORCES WORKING TOGETHER.*

- J.C. PENNY

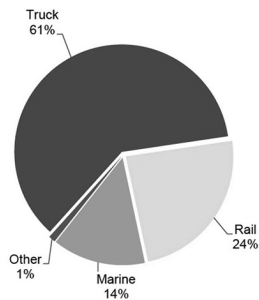
HOW TOMORROW MOVES



16

“NO OTHER SECTOR ON SUCH A PACE OF EXPANSION”

Shipments by Mode



- Abundant, low-cost shale gas driving a chemical manufacturing renaissance
 - Chemical shipments could increase by 36MT, requiring an additional 1.8M shipments by 2020
 - Majority of planned expansions expected to come on-line over the next 2-years
 - This follows decades without significant new capacity being built for commodity chemicals
- ACC members concerned with transportation across all modes
 - Concerned with regulation, congestion issues and increasing costs across all modes
 - PwC estimates excess inventories, operating costs, new equipment and infrastructure to cost \$74B

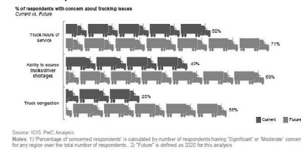
17 Source: PwC “Transportation growth: Delivering a Chemical Manufacturing Renaissance”, ACC March 2017.



TRUCK AND MARINE MODES ALREADY CONSTRAINED

ASCE D Trucking Industry

Figure 3: Chemical companies expect trucking service issues to become more acute by 2020



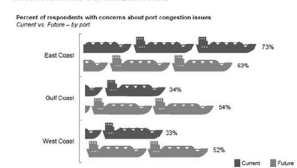
Source: ASCE, PwC Analysis.
Notes: 1) Percentage of concerned respondents is calculated by number of respondents having “Significant” or “Moderate” concerns for any issue over the total number of respondents. 2) Future is defined as 2020 for this analysis.

- Driver shortage likely to worsen as many retire
- TWIC and hazmat requirements further limit the driver pool for chemicals shippers
- Regulations like ELDs expected to negatively impact driver productivity
- ASCE scored our nation’s roads as “at risk”

18 Source: PwC “Transportation growth: Delivering a Chemical Manufacturing Renaissance”, ACC Mar 2017; ASCE Infrastructure Report Card 2017.

ASCE C+ Marine Industry

Figure 4: Concerns over port congestion appears to be shifting from the West Coast to the Gulf and East Coasts



Source: PwC Analysis.
Notes: 1) Percentage of concerned respondents is calculated by number of respondents having “Significant” or “Moderate” concerns for any issue over the total number of respondents. 2) Future is defined as 2020 for this analysis.

- Current service is better at long-distance ports
- Labor disputes remain a persistent concern, especially at West Coast Ports
- Less certainty about ability of Gulf Coast ports to accommodate future growth prospects
- Ports scored as “needs attention”



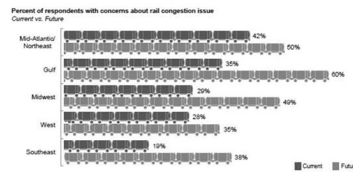
ASCE: RAILROADS ARE BEST-IN-CLASS

- Biggest concern with rail appears to be variation in transit times
 - Congestion at choke points, especially in the Gulf Coast and Midwest
 - Higher carrying costs in the form of in-transit inventory and safety stock
 - PwC estimates rail delays will double by 2025, if capacity remains static
 - PwC also estimates 23K additional railcars are required to capture growth at just 4-5 turns/year, though **no mention of impact from using cars as storage due to lack of demurrage**
- ACC: rail capacity constrained by a “lack of strategic investment”
 - Railroads invest 19% of revenue on capital expenditures compared to 3% on average
 - ASCE gave its highest score of B to railroads, indicating “good, adequate for now”



Railroad Industry

Figure 5: Rail concerns are growing across the network; however, future concerns are most significant in the Gulf



Source: ICC, PwC Analysis
Notes:
1) Percentage of concerned respondents is calculated by number of respondents having “Significant” or “Moderate” concerns over the total number of respondents.

“Efforts should focus on ways to increase capacity or improve efficient use of the current network” – PwC



THE WORLD HATES CHANGE, YET IT IS THE ONLY THING THAT HAS BROUGHT PROGRESS.

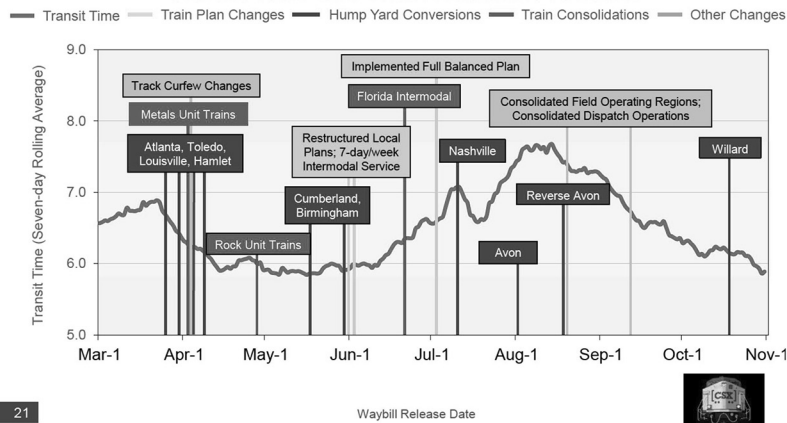
- CHARLES KETTERING

HOW TOMORROW MOVES



CHANGES PROFOUND, SWIFT AND PURPOSEFUL

Transit Time and Transformation Timeline



21



ALREADY DELIVERING RESULTS FOR CUSTOMERS

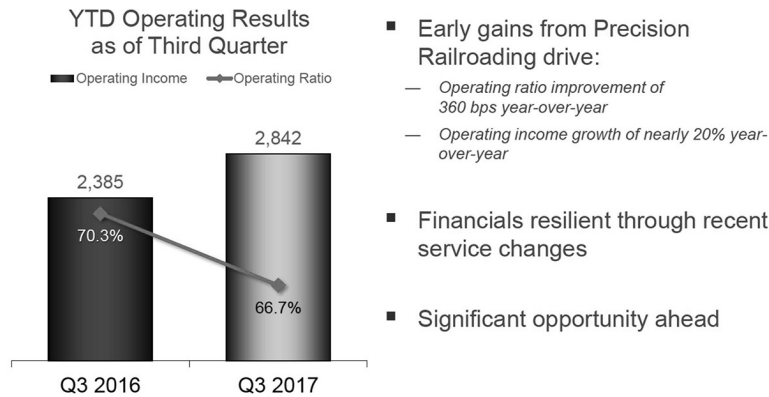
(Y/Y % Change)		Week 44 11/3/17	Week 43 10/27/17	Week 42 10/20/17	QTD 4Q:17
TRAIN SPEEDS	CNI	(10.1%)	(10.4%)	(7.5%)	(8.7%)
	CP	(3.8%)	(2.2%)	(5.9%)	(4.0%)
	CSX	6.2%	5.2%	8.9%	7.1%
	NSC	(11.3%)	(9.6%)	(10.9%)	(11.1%)
	BNSF	(1.6%)	(4.6%)	(2.3%)	(2.2%)
	UNP	(6.1%)	(5.3%)	(5.3%)	(4.8%)
	KSU	(1.8%)	(2.5%)	(1.8%)	(2.0%)
Total		(4.1%)	(4.2%)	(3.5%)	(3.7%)
DWELL TIMES	CNI	30.7%	25.0%	22.1%	23.4%
	CP	8.3%	(1.6%)	0.0%	5.3%
	CSX	(8.1%)	(6.6%)	(13.2%)	(5.7%)
	NSC	13.9%	15.8%	16.8%	13.5%
	BNSF	3.5%	8.7%	8.1%	6.8%
	UNP	14.3%	14.0%	14.3%	13.3%
	KSU	0.4%	1.7%	5.9%	2.3%
Total		9.0%	8.1%	7.7%	8.4%

22

Source: AAR



ALREADY DELIVERING RESULTS FOR CSX



23

Note: Results for 2017 excluding restructuring charges; see Non-GAAP reconciliation on slide 15



CSX IS UNDERGOING TRANSFORMATIONAL CHANGE

- Precision Scheduled Railroading rollout has been rapid
 - Implementing core tenets on an accelerated basis
- Now focused on executing and refining operating plan
 - Aligning field leaders with Precision Railroading and new regional structure
- Resources support current train plan
 - As execution improves, service, volume and utilization are expected to improve
- Long-term vision intact despite recent transition issues
 - Transition issues in Q3 temporarily slowed progress for this year

24





FORWARD LOOKING DISCLOSURE

This information and other statements by the company may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items, projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise any forward-looking statement. If the company updates any forward-looking statement, no inference should be drawn that the company will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others; (i) the company's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting the company; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the company's SEC reports, accessible on the SEC's website at www.sec.gov and the company's website at www.csx.com.

NON-GAAP MEASURES DISCLOSURE

CSX reports its financial results in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). CSX also uses certain non-GAAP measures that fall within the meaning of Securities and Exchange Commission Regulation G and Regulation S-K Item 10(e), which may provide users of the financial information with additional meaningful comparison to prior reported results.

Non-GAAP measures do not have standardized definitions and are not defined by U.S. GAAP. Therefore, CSX's non-GAAP measures are unlikely to be comparable to similar measures presented by other companies. The presentation of these non-GAAP measures should not be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with GAAP. Reconciliations of non-GAAP measures to corresponding GAAP measures are attached hereto in the Appendix of this presentation.

Forward Looking Non-GAAP Measures

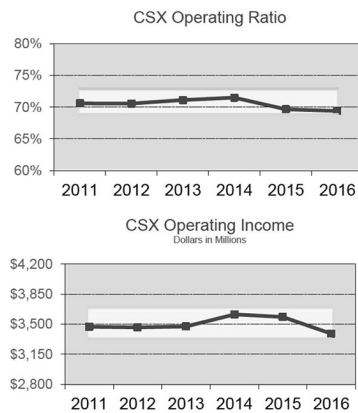
CSX presents non-GAAP or adjusted operating ratio and adjusted net earnings per share, assuming dilution on a forward-looking basis. The most directly comparable forward-looking GAAP measure is operating ratio and net earnings per share, assuming dilution. CSX is unable to provide a quantitative reconciliation of these forward-looking non-GAAP measures to the most directly comparable forward-looking GAAP measure, because CSX cannot reliably forecast the timing and amount of future restructuring charges and other charges related to the change of leadership and strategy which are difficult to predict and estimate. Please note that the unavailable reconciling items could significantly impact CSX's future financial GAAP results.

3

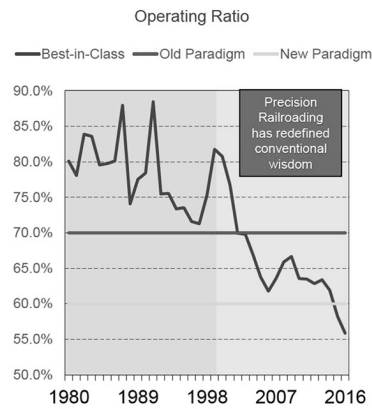


CONVENTIONAL RAILROAD WISDOM TRANSFORMED

CSX Historically Range Bound



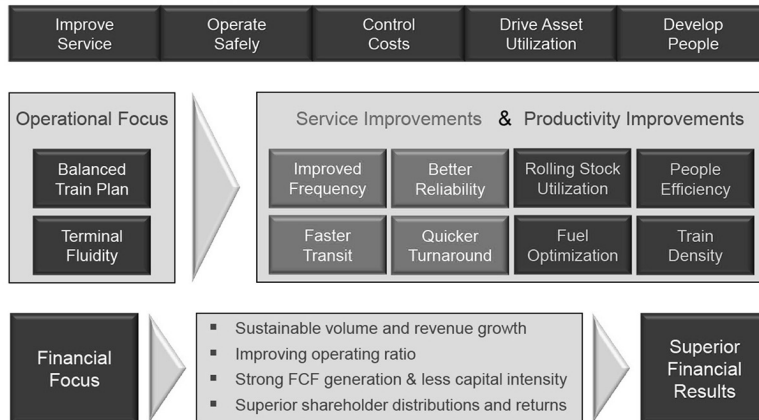
Redefining What is Possible



4



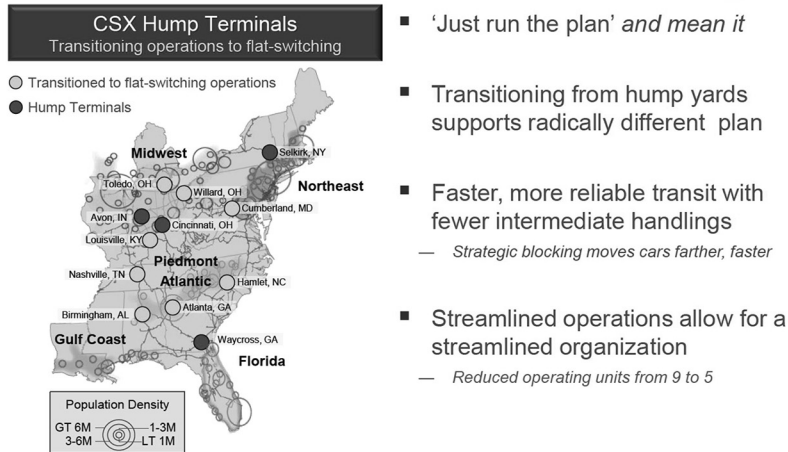
PRECISION RAILROADING DRIVING TRANSFORMATION



5



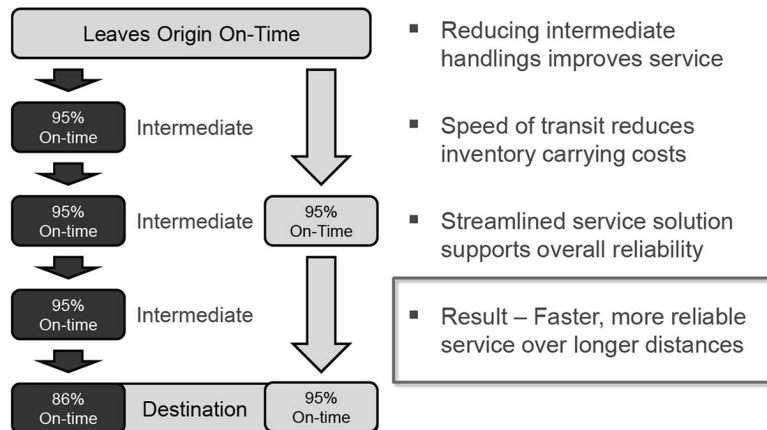
PRECISION RAILROADING CHALLENGES STATUS QUO



6



PRECISION RAILROADING DRIVES SUPERIOR SERVICE

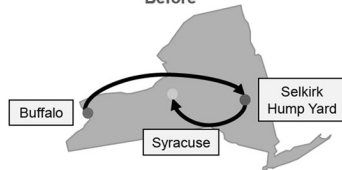


7



BETTER PROSPECTS POST-IMPLEMENTATION

Buffalo – Syracuse Customer
Before



Buffalo – Syracuse Customer
After



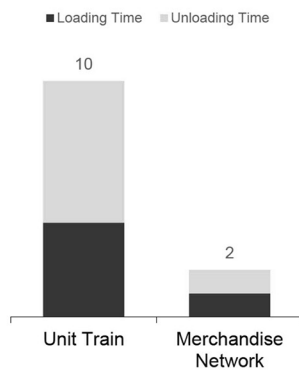
- Excessive out-of-route miles in some shorter lengths of haul
- Reliance on hump yard drove increased dwell and transit time
- Result – converted highly competitive business at more profitable rates
- More direct route improves transit and cost structure
- Faster, more reliable service for customer

8



RETHINKING THE VALUE OF UNIT TRAINS

Total Time at
Actual Metals Customer

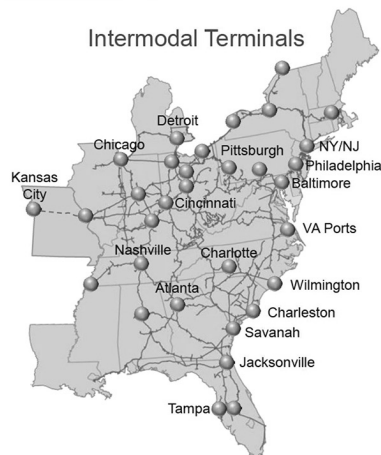


- Unit trains historically used due to unreliable scheduled network
- Efforts to justify unit trains often created inefficiencies
- Result – reduced fleet in this lane by 10% - 15%
- Redeployed assets to capture new business in a new lane
- More ratable flows now lead to a more resilient supply chain

9

[CSX]

ALIGNING INTERMODAL WITH PRECISION RAILROADING

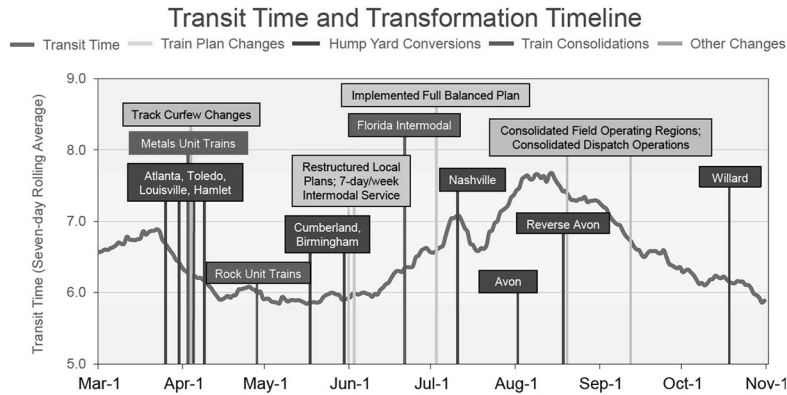


- Underutilized terminals and lanes under strategic review
- Leveraging merchandise trains to improve network efficiency
- Utilizing Intermodal trains to serve high density lanes
- Focus is to improve profitability of intermodal business

10

[CSX]

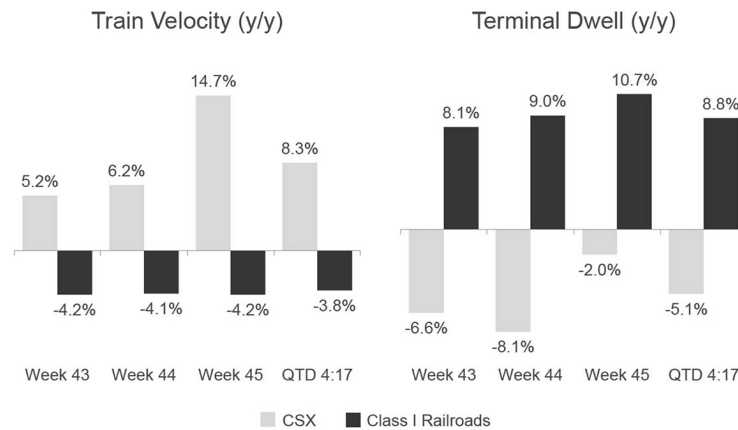
CHANGES PROFOUND, SWIFT AND PURPOSEFUL



11



DELIVERING SUPERIOR SERVICE FOR CUSTOMERS

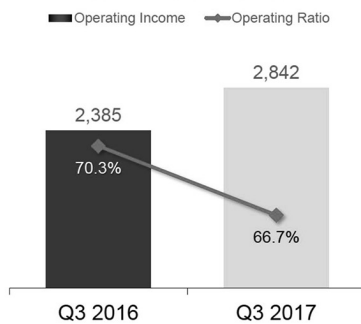


12 Source: AAR



DELIVERING BETTER RESULTS FOR SHAREHOLDERS

YTD Operating Results as of Third Quarter



- Early gains from Precision Railroading drive:
 - Operating ratio improvement of 360 bps year-over-year
 - Operating income growth of nearly 20% year-over-year
- Financials resilient through recent service changes
- Significant opportunity ahead
 - Anticipate a first quarter 2018 Investor Conference

Note: Results for 2017 excluding restructuring charges; see Non-GAAP reconciliation on slide 15

13



CSX TRANSFORMATION YIELDING RESULTS

- Precision Scheduled Railroading rollout has been rapid
 - *Implementing core tenets on an accelerated basis*
- Now focused on executing and refining operating plan
 - *Aligning field leaders with Precision Railroading and new regional structure*
- Long-term vision intact despite recent transition issues
 - *Transition issues in Q3 temporarily slowed progress for this year*
- Significant opportunities lie ahead
 - *Operating model is already creating value for shippers*

14



The CHAIRMAN. Thank you. Mr. Zerzan.

**STATEMENT OF GREGORY ZERZAN,
NOMINEE TO BE GENERAL COUNSEL,
UNITED STATES DEPARTMENT OF TRANSPORTATION**

Mr. ZERZAN. Thank you, Mr. Chairman. My great fear that introductions would be done in alphabetical order has been realized.

Thank you, Mr. Chairman, Ranking Member Cantwell, and Members of the Committee for allowing me to appear before you today. I am Greg Zerzan, and I have been nominated for the position of General Counsel of the Department of Transportation.

To begin, I would like to thank President Trump for putting his faith in me by nominating me for this position. I was born in Portland, Oregon, as the youngest child of Charles and Joan Zerzan. My parents were both members of the greatest generation who lived through the Great Depression, the Second World War, and the Cold War. Dad fought in the China-Burma-India theater of the war; and mom served as a volunteer plane spotter while working on ranches in Southern Oregon and Northern California.

My parents met in college after dad returned from the fighting. At the end of their wedding ceremony in Milwaukee, Wisconsin, where dad was attending medical school, the priest gave my parents the standard injunction to be fruitful. Go forth and multiply. A task they took to with enthusiasm and alacrity, going on to have 12 children, mostly on army bases across America.

I am privileged to be the youngest of those 12. My parents taught us that God, family, and country are the three great causes to which one might profitably dedicate one's life. They also taught us that the things that unite us are far more important than the things that divide us.

One of my earliest political memories was my father's unbridled enthusiasm for Governor Ronald Reagan's campaign for the presidency in 1980. And in equal measure his frustration that he could not convince my mom not to vote to reelect President Carter, whom, she said seemed like an honorable man. I mentioned my parents because they taught us that it was important, indeed necessary, to work together even when we disagree.

It is my hope that if I am so fortunate as to be confirmed, I will bring these lessons with me to the Department. If I am so fortunate as to be confirmed, I promise I will do my best to live out the values my parents taught us, and to work with you with respect and humility, even if there are sincere policy disagreements.

Mr. Chairman and Members of the Committee, I would like to thank you for your service to this country. I would like to thank Interior Secretary Doug Burgum, for allowing me to serve at the Department these last 6 months. I would like to thank the excellent, professional, career civil servants with whom I have had the privilege of serving now in three administrations. I can say with no false modesty that to the extent I have enjoyed any professional success, it is in large measure because of our hardworking career Federal workforce.

Last, and most importantly, Mr. Chairman, I would like to thank my beautiful wife, Shannon. She made me a Texan, and a father to our boys, Charlie and George. No matter whatever else happens in my life, I will consider myself a success for having convinced her to marry me.

Thank you all very much for this opportunity.
 [The prepared statement and biographical information of Mr. Zerzan follow:]

PREPARED STATEMENT OF GREGORY ZERZAN, NOMINEE FOR GENERAL COUNSEL,
 U.S. DEPARTMENT OF TRANSPORTATION

Good morning, Mr. Chairman, Ranking Member Cantwell and Members of the Committee, and thank you for allowing me to appear before you today. My name is Greg Zerzan and I have been nominated for the position of General Counsel at the U.S. Department of Transportation.

To begin, I would like to thank President Trump for placing his faith in me by nominating me for this position.

I was born in Portland, Oregon, as the youngest child of Charles and Joan Zerzan.¹ My parents were both members of the Greatest Generation, who lived through the Great Depression, the Second World War, and the Cold War. Dad fought in the China-Burma-India theater of the second world war; Mom served as a volunteer plane spotter while working on ranches in Southern Oregon and Northern California.

My parents met in college after Dad returned from the fighting. At the end of their wedding ceremony in Milwaukee, Wisconsin, where Dad was attending medical school, the priest gave my parents the standard injunction to “be fruitful; go forth, and multiply.” My parents took to this task with enthusiasm and alacrity, going on to have 12 children mostly on Army bases across America. I am the last and youngest of these 12.

My parents taught us that God, family and country are the three great causes to which one might profitably dedicate one’s life. They also taught us that the things that unite us are far more important than those that divide us. One of my earliest political memories was my Dad’s unbridled enthusiasm for Ronald Reagan during the 1980 campaign, and in equal measure, his frustration that he could not dissuade my Mom from voting for President Carter, who, she said, seemed like an honorable man.

I mention my parents because they taught us that it is important to disagree without being disagreeable. Our family was a large, diverse organization and my parents taught us that it was possible, indeed, necessary, to work together even when we disagreed. It is my hope, if I am so fortunate as to be confirmed, that I will bring these lessons with me to the Department. If I am so fortunate as to be confirmed I promise I will do my best to live out the values my parents taught us, and to work with you all with respect and humility, even if there are sincere policy disagreements.

Mr. Chairman and Members of the Committee, if I may I would like to close by thanking you for your service to our country. I would like to thank Interior Secretary Burgum for having put his faith in me these last several months. I would like to thank the excellent, professional career civil servants with whom I have now had the privilege of serving in three Presidential Administrations—it is with no false modesty that I can say that, to the extent I have enjoyed any professional success, it is because of the hard working, dedicated, patriotic members of our career civil service.

Lastly and most importantly, Mr. Chairman, I would like to thank my beautiful wife, Shannon. She made me a Texan and a father, to our two sons, Charlie and George. No matter whatever else happens in my life I will consider myself a success for having somehow convinced her to marry me.

Thank you all very much for this opportunity.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Gregory Peter Zerzan.
2. Position to which nominated: General Counsel, USDOT.
3. Date of Nomination: June 3, 2025.
4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.

¹The Honorable Greg Walden graciously eulogized my parents in the Congressional Record, which can be found here (Tribute to Dr. Charles Joseph Zerzan Jr., *Congressional Record, Volume 154 Issue 90 (Tuesday, June 3, 2008)* and here (Commemorating the Life of Joan Margaret Kathan Zerzan *Congressional Record, Volume 159 Issue 36 (Wednesday, March 13, 2013)*)

Office: Information not provided.

5. Date and Place of Birth: Portland, Oregon USA.

6. Provide the name, position, and place of employment for your spouse (if married) or domestic partner, and the names and ages of your children (including step-children and children by a previous marriage).

Shannon Zerzan

7. List all college and graduate schools attended, whether or not you were granted a degree by the institution. Provide the name of the institution, the dates attended, the degree received, and the date of the degree.

Willamette University, BA—Political Science, May 1993

Willamette University, JD, May 1996

8. List all post-undergraduate employment, including the job title, name of employer, and inclusive dates of employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated. (*Management Jobs are denoted with an asterisk; Please note dates are approximate*)

Law Clerk:

Kelly Clark, May 1994–March 1995

Legislative Assistant and District Office Assistant:

Congressman Jim Bunn, June 1995–March 1996

Attorney:

Kell Alterman and Runstein, May 1996–September 1996

U.S. House Committee on Agriculture, September 1996–May 2000

Dechert Price and Rhoads, May 2000–August 2000

House Committee on Banking/Financial Services—August 2000–March 2003

Deputy Assistant Secretary*:

U.S. Department of the Treasury, March 2003–July 2005

Chief of Strategy:

Thetus Corporation, September 2005–February 2006

Counsel and Head of Global Public Policy*:

International Swaps and Derivatives Association, March 2006–November 2009

Director:

Koch Companies Private Sector, March 2010–July 2017

Attorney:

House Committee on Energy and Commerce, September 2017–March 2019

U.S. Department of the Interior*, March 2019–January 2021

Jordan Ramis* PC, April 2021–June 2022

General Counsel and Chief Administrative Officer*: encore Energy Corp, July 2022–November 2023

Attorney:

Fisher Phillips LLP, May 2024–January 2025

U.S. Department of the Interior*, February 2025 to present

9. Attach a copy of your résumé. Please see a copy of my current résumé at attachment A.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above after 18 years of age. N/A.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution (*Please note, dates are approximate*).

Board Member, Commodity Markets Council (2016–2017)

Board Member, CureSMA ((2014–2017)

Board Member, Securities Investor Protection Corporation (2005)

Board Member, Pension Benefit Guarantee Corporation (2005)

Chief Administrative Officer and General Counsel, encore Energy Corp (2022–2023)

12. List all memberships you have had after 18 years of age or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religiously affiliated organization, private club, or other membership organization (You do not have to list your religious affiliation or membership in a religious house

of worship or institution). Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or disability.

Portland, Oregon toastmasters club, 1995 to present, membership restricted to males

Sigma Chi Fraternity, 1989 to present, membership restricted to males

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt. N/A

14. List all memberships and offices held with and services rendered to, whether compensated or not, any political party or election committee within the past ten years. If you have held a paid position or served in a formal or official advisory position (whether compensated or not) in a political campaign within the past ten years, identify the particulars of the campaign, including the candidate, year of the campaign, and your title and responsibilities.

Volunteer, Donald J Trump for President, 2016–2020–2024

15. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$200 or more for the past ten years.

Please see Appendix D.

16. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Distinguished Service Award, U.S. Treasury, 2005

17. List all books, articles, columns, letters to the editor, Internet blog postings, or other publications you have authored, individually or with others. Include a link to each publication when possible. If a link is not available, provide a digital copy of the publication when available.

I have written and published extensively throughout my professional career. For a good faith attempt to gather these records please see Appendix B.

18. List all speeches, panel discussions, and presentations (*e.g.*, PowerPoint) that you have given on topics relevant to the position for which you have been nominated. Include a link to each publication when possible. If a link is not available, provide a digital copy of the speech or presentation when available. N/A

19. List all public statements you have made during the past ten years, including statements in news articles and radio and podcasts and television appearances, which are on topics relevant to the position for which you have been nominated, including dates. Include a link to each statement when possible. If a link is not available, provide a digital copy of the statement when available.

They have only themselves to blame for high prices

Energy prices are a result of policies: Former acting assistant treasury secretary Government Regulation Lessons Learned and the Path Forward

Will gas stoves prevail in the long run?

The Biden admin has conducted an unprecedented war on fossil fuels: Greg Zerzan

Americans energy companies don't have oil and gas to export: Greg Zerzan

Klamath irrigators applaud new guidance on Endangered Species Act

Interior Department deals new setbacks to offshore wind

Interior grounds some migratory bird protections

Interior suspends Biden-era legal opinions

Trump Administration Executive Order Sets Course for U.S. Mineral Production and Supply Chain Resilience

20. List all digital platforms (including social media and other digital content sites) on which you currently or have formerly operated an account, regardless of whether or not the account was held in your name or an alias. Include the full name of an "alias" or "handle", including the complete URL and username with hyperlinks, you have used on each of the named platforms. Indicate whether the account is active, deleted, or dormant. Include a link to each account if possible.

Facebook—<https://www.facebook.com/share/16d1a2yVQp/>

X—<https://x.com/gzerzan?t=yGP-0-kjOBIwcHPj10lic&s=09>

21. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date, committee, and subject matter of each testimony.

“Cleaning Up Cryptocurrency: The Energy Impacts of Blockchain,” House Committee on Energy and Commerce, January 20, 2022

Federal Agricultural Mortgage Corporation Policy, House Committee on Agriculture, June 2, 2004

Commodity Exchange Act Policy, House Committee on Agriculture, September 26, 2007

Commodity Exchange Act Policy, House Committee on Agriculture, July 10, 2008

22. Given the current mission, major programs, and major operational objectives of the department/agency/commission/corporation to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I have been privileged to serve in senior roles in both the public and private sector and have worked for or with the Federal government for most of my career. It has been my honor to work with career Federal civil servants and witness firsthand their commitment and dedication to fulfilling the mission of their agency and the U.S. government. I hope to use this experience to help the Department fulfill its statutory purpose as mandated by Congress, pursuant to the policy direction of President Trump and Secretary Duffy.

23. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency/commission/corporation has proper management and accounting controls, and what experience do you have in managing a large organization?

If I am so fortunate as to be confirmed I believe it will be my responsibility to comply with all laws, rules, regulations and best ethical practices. I will work with agency leadership and the career Federal workforce to help ensure departmental compliance with the same. I have held senior roles in both the Federal government as well as the private sector, including my current duties as acting Solicitor of the Department of the Interior, which has helped me to gain a firm understanding of the needs of managing a Federal agency legal department.

24. What do you believe to be the top three challenges facing the department/agency/commission/corporation, and why?

As I have not been working at the Department, I follow the lead of Secretary Duffy as stated in his response to this question wherein he identified the areas of Aviation Safety and Infrastructure, Infrastructure Development and Management, and Regulation of Emerging Transportation Technologies as the three top issues facing the Department. If I am so fortunate as to be confirmed I would work to support the Secretary in his efforts to remove regulatory barriers to innovation while continuing to ensure safety and security across transportation modes.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts, such as a 401(k) or pension plan.

I will continue to receive health insurance coverage from my former employer, Encore Energy Corp, until December 1, 2025.

I also will continue to participate in a defined benefit plan with my former employer, Koch Industries.

These arrangements are fully described in Part 3 of my Public Financial Disclosure Report.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association, or other organization during your appointment? If so, please explain. No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation's Designated Agency Ethics Official to identify any potential conflicts of interest. Any potential conflicts of interest will continue to be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last ten years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated. Explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation's Designated Agency Ethics Official to identify any potential conflicts of interest. Any potential conflicts of interest will continue to be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Identify any other potential conflicts of interest and explain how you will resolve each potential conflict of interest.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Transportation's Designated Agency Ethics Official to identify any potential conflicts of interest. Any potential conflicts of interest will continue to be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's Designated Agency Ethics Official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

6. Describe any activity during the past ten years, including the names of clients represented, in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

Koch Companies Public Sector, registered lobbyist, 2010–2016 (approx.)

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics, professional misconduct, or retaliation by, or been the subject of a complaint to, any court, administrative agency, the Office of Special Counsel, an Inspector General, professional association, disciplinary committee, or other professional group? No.

If yes:

- Provide the name of the court, agency, association, committee, or group;
- Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated;
- Describe the citation, disciplinary action, complaint, or personnel action;
- Provide the results of the citation, disciplinary action, complaint, or personnel action.

N/A

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, municipal, or foreign government entity, other than for a minor traffic offense? If so, please explain. N/A

3. Have you or any business or nonprofit of which you are or were an officer ever been involved as a party in an administrative agency proceeding, criminal proceeding, or civil litigation? If so, please explain. N/A

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain.

N/A

5. Have you ever been accused, formally or informally, of sexual assault, sexual harassment, or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain. N/A

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination.

N/A

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency/commission/corporation complies with deadlines for information set by congressional committees, and that your department/agency/commission/corporation endeavors to timely comply with requests for information from individual Members of Congress, including requests from members in the minority?

Yes, I will respond to such requests for information as appropriate.

2. Will you ensure that your department/agency/commission/corporation does whatever it can to protect congressional witnesses and whistleblowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee?

Yes, I will respond to the Committee's requests as appropriate.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

APPENDIX A

RÉSUMÉ OF GREGORY ZERZAN

U.S. GOVERNMENT

U.S. Department of the Interior (March 2019–January 2021; February 2025 to present)

Senior Advisor, Acting Solicitor and Principal Deputy Solicitor

Managing legal officer for a Federal agency focused on implementing President Trump's energy dominance agenda through project development, managing natural resources and reforming environmental policy.

United States House of Representatives, Committees on Financial Services, Agriculture and Energy & Commerce (Various, 2000–2019)

Senior Counsel

Provided counsel to Members of Congress for congressional committees having jurisdiction in the areas of financial policy, energy, technology and natural resources.

U.S. Department of the Treasury (March 2003–July 2005)

Deputy Assistant Secretary and Acting Assistant Secretary

Policy-making official for financial markets, banking and GSEs.

PRIVATE SECTOR

Fisher Phillips, Dallas, TX and Washington, D.C. (May 2024–January 2025)

Of Counsel and Senior Advisor

Legal practice at multinational law firm.

enCore Energy Corp., Dallas, TX (July 2022–December 2023)

Chief Administrative Officer, Corporate Secretary and General Counsel

Managed legal and corporate affairs for NYSE-listed energy company.

Jordan Ramis LLC, Portland, Oregon/Washington, D.C. (April 2021–June 2022)

Shareholder

Partner at Pacific Northwest law firm focused on natural resources, energy, technology and finance.

Koch Industries (March 2010–July 2017)

Director for Finance and Trading

Managed matters related to government affairs and commodity trading compliance

International Swaps and Derivatives Association (March 2006–November 2009)

Head of Global Public Policy and Counsel

Managed government affairs for international financial services trade association.

EDUCATION

Juris Doctorate, Willamette University College of Law Bachelor of Arts, Willamette University

BAR ADMISSIONS

Oregon and District of Columbia

APPENDIX B

Corporate Transparency Act AGAIN Blocked Nationwide—All Filing Deadlines Once Again Suspended as of December 26 | JD Supra

Court Revives Corporate Transparency Act and Employers Have New January 13 Reporting Deadline: 3 Things Employers Need to Do | JD Supra

3 Things Employers Need to Know About the Recent Corporate Transparency Act Injunction | JD Supra
 3 Things Employers Need to Know As Congress Returns from Summer Recess | JD Supra
 White House Takes Aim at Inefficient Business Practices Through “Time Is Money” Initiative: 5 Things Employers Should Do | JD Supra
 3 Things Employers Need to Know About the Congressional Review Act and the Upcoming Elections | JD Supra
 FP Snapshot on Manufacturing Industry: New Program Encouraging Corporate Whistleblowing Puts Manufacturers on Notice | JD Supra
 Ignoring BRICS Expansion Threatens America’s Economic Security To Fight Climate Change, Stop Discouraging American Innovation Why Governments Hate Cryptocurrency
 West Coast Offshore Wind Closer to Becoming a Reality
 Why Carbon Pricing Is Ultimately a Tax On Everything
 Biden’s Energy Policies Harm U.S. Producers While Helping America’s Rivals Carbon pricing is an economic bomb and a tax on everything
 Yellen Can’t Save the Polar Bears
 More Government Heal Care Means A Smaller U.S. Military
 Will Walmart Pay for the Next Bailout? Wall Street Reform Hits Main Street The Emerging Threat of BRICS
 Dollar is a National Security Issue Zombieland
 Do Your Employees Get Time Off to Vote? A State-By-State Guide for Employers
 How Will the Election and Recent Legislative Trends Impact Tipped Wages?
 Crypto Needs a Section 230
 China’s ‘Digital Yuan’ and the Race for a Global Digital Currency

 APPENDIX D

09-19-2022	\$1,000	ABBOTT, GREG (R)	TX
10-18-2022	\$500	Patrick McHenry (R)	Federal
10-05-2022	\$500	Mike Lee (R)	Federal
02-05-2021	\$1,000	PULLIAM, STAN (R)	OR
06-30-2021	\$500	Patrick McHenry (R)	Federal
09-14-2021	\$500	PULLIAM, STAN (R)	OR
09-16-2022	\$1,000	DRAZAN, CHRISTINE (R)	OR
09-30-2023	\$1,000	Bill Huizenga (R)	Federal
06-15-2023	\$500	Bryan Steil (R)	Federal
06-30-2024	\$1,500	Bill Huizenga (R)	Federal
09-30-2023	\$500	Jeff Duncan (R)	Federal
08-18-2022	\$250	Lori Chavez-Deremer (R)	Federal
11-15-2021	\$1,000	Bill Huizenga (R)	Federal
02-09-2022	\$1,500	Bill Huizenga (R)	Federal
06-30-2021	\$500	Cathy McMorris Rodgers (R)	Federal
04-04-2022	\$500	Cathy McMorris Rodgers (R)	Federal
06-13-2023	\$500	Cliff Bentz (R)	Federal
06-29-2024	\$500	Cliff Bentz (R)	Federal
07-26-2024	\$2500	BMW Victory Committee	Federal

ADDENDUM TO THE QUESTIONNAIRE SUBMITTED TO THE SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, 119TH CONGRESS BY GREGORY ZERZAN

Please find additional information as requested by Oversight and Investigations Minority Staff:

A.6—Please specify whether Mr. Zerzan’s spouse is employed. *My spouse is not employed.*

A.7—Please specify the dates Mr. Zerzan attended Willamette University for both his JD and bachelor’s degree.

I attended Willamette University from August 1989 until May 1993.

I attended Willamette University College of Law from August 1993 until May 1996.

A.8—Please provide Mr. Zerzan’s job title in each role as requested in the questionnaire.

(Dates are approximate)

Law Clerk, Kelly Clark, May 1994–March 1995
 Legislative Assistant and District Office Assistant, Congressman Jim Bunn, June 1995–March 1996
 Associate, Kell Alterman and Runstein, May 1997–September 1997
 Counsel, U.S. House Committee on Agriculture, September 1997–May 2000
 Associate, Dechert Price and Rhoads, May 2000–August 2000
 Counsel, House Committee on Banking/Financial Services—August 2000–March 2003
 Deputy Assistant Secretary, U.S. Department of the Treasury, March 2003–July 2005
 Chief of Strategy, Thetus Corporation, September 2005–February 2006
 Counsel and Head of Global Public Policy, International Swaps and Derivatives Association, March 2006–November 2009
 Director, Koch Companies Private Sector, March 2010–July 2017
 Counsel, House Committee on Energy and Commerce, September 2017–March 2019
 Deputy Solicitor and Principal Deputy Solicitor, U.S. Department of the Interior, March 2019–January 2021
 Shareholder, Jordan Ramis PC, April 2021–June 2022
 General Counsel, Corporate Secretary and Chief Administrative Officer, encore Energy Corp, July 2022–November 2023
 Of Counsel, Fisher Phillips LLP, May 2024–January 2025
 Counselor to the Secretary and Principal Deputy Solicitor, U.S. Department of the Interior, February 2025 to present

A.14—Mr. Zerzan identified he was a volunteer on the 2016, 2020, and 2024 presidential campaigns for Donald Trump. Please identify responsibilities held as requested in the questionnaire.

Volunteer: 2016—phone banking
 Volunteer: 2020—ballot count monitor
 Volunteer: 2024—election day counseling

C.1—Sub-questions a–d were removed. Please revise and submit a supplemental as appropriate.

- a. Provide the name of the court, agency, association, committee, or group;
- b. Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated;
- c. Describe the citation, disciplinary action, complaint, or personnel action;
- d. Provide the results of the citation, disciplinary action, complaint, or personnel action.

None

The CHAIRMAN. Well, I commend your wife on her excellent judgment making you a Texan.

All right. Ms. Oz, we know that human error is the leading cause of car crashes. In your judgment, how close are we to a world where AV technology can significantly reduce traffic fatalities, and what do you see as the biggest obstacle to that happening?

Ms. OZ. Senator Cruz, thank you very much for that critical question, and it is one that keeps most of us up at night. We have the ability to bring forward a Federal regulatory environment that will not only create clear consistent direction for the industry, but also enable us to surface above the deaths that we have had that are completely solvable. AV technology, and specifically safe self-driving vehicles and robotic technology has proven to be safer by all metrics shown in the public records. And so it is my responsibility, if confirmed, to ensure that we bring that to the forefront of this discussion.

The CHAIRMAN. The U.S. right now lacks a Federal framework for AVs. Our regulatory framework is fragmented with different rules deployed in each state. Meanwhile, countries like Germany and China have national-level coordination in testing, deployment, and product liability. How could the U.S. lose its competitive edge to other countries in advancing this tech if the continued fractured system remains?

Ms. OZ. The fractured system, Senator and Committee, is due to the fact that we have different regulatory standards across different states. And you can imagine, your state in particular, is pretty laissez-faire about it. But if you go to California—

The CHAIRMAN. We tend to be that way about a lot.

[Laughter.]

Ms. OZ.—if you go to California, you have driving permit requirements, data requirements, which are not bad, but they have to be some degree standardized. So my biggest concern is, China is proving to be a very healthy competitor in this area. I do not think of them as an enemy as much as I think of them as an adversary or a competitor that has taken a very strong mandate to making this a strategic, an economic decision to ensuring that—and as well as existential to their livelihood, to ensuring that AV technology gets on the roads in a very fast way.

They are building this technology orders of magnitude faster than we are, and have commanded now the 2025 mandate to use local chips on all robotaxis. And if they have 10,000 robotaxis right now driving, that means you can imagine the number of chips they are going to be starting to build up. So as we think about the foundational expertise in this country and the technology we built here, we need to make sure that our stack gets built on U.S. chips. And in that respect, I would be very interested in the Made-in-America approach and ensuring that we protect that along the way. Thank you.

The CHAIRMAN. Mr. Zerzan, the Biden-Buttigieg DOT failed to replace the outdated air traffic control system, but they spent, it was just reported, roughly \$80 billion on DEI grants and extraneous environmental goals. If confirmed, how would you, from a legal standpoint, help DOT refocus on its core safety mission, including by eliminating ideological grant requirements not justified by statute?

Mr. ZERZAN. Thank you, Mr. Chairman. I believe it is important for the Department to follow the laws that Congress has passed. And so to the extent extraneous matters are put into rulemakings or other policies that are not justified by the law those should be addressed and remedied.

Obviously, I am not at the Department so I do not have a great deal of familiarity with Secretary Duffy's approach in this respect, but I can say at the Department of the Interior we have taken very seriously the President's mandate to ensure that the laws are being followed and that there are not extraneous matters being included in our regulatory policies.

The CHAIRMAN. Thank you. Mr. Rutherford, the Office of Multimodal Freight oversees the development of the National Multimodal Freight Network, the federally designated network of highways, railways, ports, airports, and other infrastructure are

critical to the efficient movement of freight across the United States. Within this network, shippers and transportation operators are often at odds with each other.

For example, shippers may demand faster delivery, but carriers may be constrained by driver shortages or port congestion. Based on your experience working with both shippers and operators, how can the Office of Multimodal Freight help bridge these gaps?

Mr. RUTHERFORD. Thank you for the question, Senator. One of the objectives clearly for the Freight Office is to address issues of congestion. And congestion is the enemy of asset utilization. When we fix problems of congestion, you are not just—you are not just driving down cost, but you are actually generating additional capacity so that you can also be more efficient.

And we saw that at CSX with the roll out of Precision Scheduled Railroading. So it becomes a virtuous cycle or circle if you will. And by working with the Multimodal Freight Network and identifying key strategic infrastructure, we will be able to make certain that we are focusing our emphasis on improving our overall infrastructure where it matters most to both shippers and transportation providers alike.

The CHAIRMAN. Thank you. Ranking Member Cantwell.

Senator CANTWELL. Thank you, Mr. Chairman.

Mr. Zerzan, under your predecessor, Mr. Bradbury's role in the first Trump administration allowed for an exemption to the ADB-S (sic) Out system for the Department of Defense. And it was then later learned that this was not as the request—was requested in the exemption a very—not very often used thing, but it turned out to be something they did all the time.

So how can you make sure that as you are looking at regulations, particularly when the administration says they want to get rid of ten rules, how can you make sure that these kinds of oversights where people really were not paying attention to the fact that DoD and FAA did not really have a clear plan to keep these planes separated. What can you do to make sure that that kind of rulemaking and exemption is not followed in the future?

Mr. ZERZAN. Thank you, Senator. I take the obligation of the General Counsel to ensure the laws are being followed very seriously. I also acknowledge my own limitations on technical matters and fortunately the Department is full of people who exercise excellent judgment in most cases. So I would certainly attempt to rely upon the experts and ensure that in following the law we are doing whatever we can do to maximize safety for the American people.

Senator CANTWELL. So how would you in this case, when DoD came to the FAA and said, we want an exemption, how would you as counsel make sure that you are following what is the process to understand what the exemption really is? As opposed to, I am sure a lot of people would like to give DOT an exemption, right, those important missions that they have?

Mr. ZERZAN. Yes. And I think it is an excellent question, and candidly, not being familiar with the particulars of this case, it is hard for me to give a precise answer. But I do encounter instances even in my current job where the DoD or other departments come to us and ask for various accommodations or agreements. And in each case, it is the same process, which is to rely upon the tech-

nical experts and seek their judgment, and then make a good-faith determination of what I think is compliant with the law.

Senator CANTWELL. Thank you for that. And get up to speed on it because I think it will come up. This is an ongoing issue, and you know, this incident that just happened in the Upper Midwest also just a reflection of we do not—there is something amiss here if this kind of near-miss things are continuing to happen. So we need DOT to be on the ball.

Mr. Rutherford do we need to increase the investments in INFRA, and freight, and port infrastructure?

Mr. RUTHERFORD. I think if we—Senator, if we are talking about investments in infrastructure generally, absolutely, but I think it would be premature to speak about individual grant vehicles, because as I mentioned in my opening remarks, I really want to make certain that we adopt a holistic and systematic approach. We have got a number of grant vehicles not only within the office more broadly—

Senator CANTWELL. I am more looking at you. You come with this private sector experience saying, I understand the movement of goods and services.

Mr. RUTHERFORD. Correct.

Senator CANTWELL. And what I am trying to get at is that we are at a threatened point of not being competitive enough if you cannot get product safely and timely to market. And so in my world because we represent a lot of ports, I see exactly what that bottleneck can be and so infrastructure investment is going to help us be competitive as a nation. So I want an increase in that investment. I am just trying to see if you agree.

Mr. RUTHERFORD. I agree. But not only those within the Office of the Secretary, but also elsewhere, you know, whether they be in MARAD, or what have you.

Senator CANTWELL. Yes.

Mr. RUTHERFORD. Any other investments.

Senator CANTWELL. Yes, well—

Mr. RUTHERFORD. And that is why for me the—I guess my point of—

Senator CANTWELL.—you are saying make it an ecosystem that works together very effectively?

Mr. RUTHERFORD. Correct.

Senator CANTWELL. Great. Well we are all—

Mr. RUTHERFORD. And so my point of the—

Senator CANTWELL.—we are all for MARAD spending too. So only because the market is outside the United States, 95 percent of consumers are outside the United States, so if you are not getting U.S. products to them timely, we are not going to be competitive.

Mr. RUTHERFORD. Absolutely. And I guess where I was trying to arrive is, my point of departure is really the National Freight Strategic Plan. And then that should be not only managing what we do at the Office of the Secretary, but also influencing grant-making decisions elsewhere within DOT.

Senator CANTWELL. Thank you. Thank you for that.

Ms. Oz, I would love to ask about what your daughter sings in opera, but we might not have time for that. So this—

Ms. OZ. To be discussed.

Senator CANTWELL. Pardon me?

Ms. OZ. To be discussed later.

Senator CANTWELL. To be discussed. So what do you think is—you know, you have now had this private sector experience where, you know, we are really basically beta testing and rolling out to larger regimes of adoptions, right, but trying to do so in a safe manner?

I have always thought that, you know, just starting here and then just saying, well, we did a few betas and now we are going to open it up to the whole country, and that is too much. Like, so what—how do you see us continuing to move forward in the adoption? And what do you do about the trucking sector and the huge workforce that is involved there, because it is a very key part of the U.S. economy, hundreds of thousands of people?

Ms. OZ. Senator Cantwell, well, it is an excellent question, a two-part question. The first part has to do with the fact that, as I mentioned in my testimony, we built this technology here in America, and so we have all of the foundational capability to scale it in the most safe way we can by using conservative planning and by using systems that are—fail operational.

So that includes redundancies in the system. It includes ensuring we have secondary approaches like telematics, teleoperations, remote vehicle management, but most importantly we need a framework in which we can give clear guidance to industry on scaling, and deploying the capabilities on public roads in America in a safe way.

And that is, I think, the challenge with this administration, with all of us, to incorporate many elements of the technical capabilities we currently have and just ensure that we coordinate them and work together on a national framework.

Trucking is a very interesting—is a very interesting windfall benefactor for this technology because trucking and commerce is one of the areas that makes the most economic distinction on—on benefits as we have remote vehicle management. So I think it is one of the first use cases that we can emerge with and I am hoping to provide good clarity and good guidance on how we can do that on the technical side and with research that we have already got.

Senator CANTWELL. Well, yes, I am getting you a little out of your lane because you are not—we are not hiring you to figure out what to do with 200- or 300,000 Teamsters. But at the same time it is—when you sit there and you are looking at the framework which you describe which I think is a good plan, having a framework that then you can coordinate with industry and then get people to buy confidence in.

I thought the same about the drone system. You know you—we had people, you know, visioning lots of drone use in the Northwest for a long, long time. I think we started 2001 with pushing the FAA to keep moving forward. So here it is the same thing, but you also have a huge employment sector, unlike the drone industry did not have that you know existing workforce issue.

So we will look forward—my time has expired to discussing this more with you. Thank you.

Ms. OZ. I appreciate it. Thank you, Senator.

The CHAIRMAN. Thank you. Senator Schatz.

Senator SCHATZ. I will defer to Senator Curtis if he is ready.

Senator CURTIS. Always.

The CHAIRMAN. All right, Senator Curtis.

**STATEMENT OF HON. JOHN CURTIS,
U.S. SENATOR FROM UTAH**

Senator CURTIS. Let me flip to the right page in my book, and put glasses on. All right, maybe I was a little over-optimistic.

OK, Ms. Oz, Mr. Rutherford, and Mr. Zerzan, did I get that correct? Thank you all for being here today, and congratulations to each of you. I have greatly enjoyed the opportunity to work with Secretary Duffy this year and I appreciate the leadership he has brought to the Department. He has shown a great interest in Utah, he has personally been out there, and Utah has recognized that and is very appreciative.

Mr. Zerzan, Utah is experiencing rapid growth and preparing to host the 2034 Winter Olympic Games. With that comes mounting pressure around environmental review, time lines, and permitting processes. How can DOT's Legal Office help streamline these processes while maintaining integrity and fairness?

Mr. ZERZAN. Thank you very much, Senator. It is an important question. The Supreme Court's recent Seven County's decision has certainly facilitated NEPA reviews that I hope are more consistent with what was intended by Congress. So that alone will help expedite the review process and hopefully mitigate some of the litigation risk that has delayed projects of all kinds.

At the Department of the Interior, we have worked on facilitating streamlined processes that are focused on what is required by statute as opposed to other extraneous matters which may indicate policy preferences, but which ultimately end up slowing the process of permitting important projects. At the Department, I would hope to help bring some of those same permitting reform ideas that are designed again to streamline the process while also ensuring environmental integrity.

Senator CURTIS. Thank you. Mr. Rutherford, how do you plan to partner with State Department of Transportation to ensure freight planning reflects both national priorities and state-specific needs?

Mr. RUTHERFORD. Thank you for the question, Senator. Obviously, there are a number of things within the actual functions of the Freight Office in terms of the review of the individual State DOT freight plans, the development of the National Freight Strategic Plan, but I think what is really important is that we both seek to drive and align.

The National Multimodal Freight Network is one area where we do that, where we make certain that all of the strategic inventory of our Nation's infrastructure is properly captured, because that is a point of departure not only at the Freight Office but also for many of the individual State DOTs.

And I think also the work, similar to what Secretary Duffy has talked about last week, this need to identify initiatives of proper Federal interest that are going to be strategically important. By identifying them more clearly, it will help us, for example, at the Freight Office, if confirmed, to respond to questions like those from

the Government Accountability Office about exactly what do we mean by an exemplary project.

Senator CURTIS. Thank you. That is great.

Mr. RUTHERFORD. Thank you.

Senator CURTIS. Thanks. Ms. Oz, Utah has established itself as a leader in transportation innovation, thanks to strong leadership from the Utah Department of Transportation, and willingness to invest in new technologies like electric aircraft. I am interested in your perspective on how the United States is competing with China when it comes to innovative transportation technologies?

Ms. OZ. Senator Curtis, thank you very much for that important question and—but I wanted to also say thank you for your staff for meeting with me during my recent visits to the staff offices. I enjoyed our conversations around energy. So the biggest problem we have, and specifically with China, I think is—is that what your question is?

Senator CURTIS. Correct.

Ms. OZ. OK. China has mandated as of their 2025 program, which is in effect right now, the asset commitment, the capital commitment, the unilateral decisionmaking of investing in this energy sector and automatic driving sector, in a very big way. And as of recently they are selling more cars than we are, they own about 70 percent of the EV market, and they are building on the chip sets that they have developed in the country locally, and probably to expand to other countries in the region.

The U.S., in my estimate, built this technology as I discussed earlier with Senator Cantwell. We need to own it. We need to build regulatory involvement around it, and have the very best research that gives—that gives a direction for that capability. So that means that unilaterally we have to decide we want to make this part of our agenda which the President and Secretary Duffy have prioritized. So I guess I hope to support that effort going forward.

Senator CURTIS. Thank you. I am almost out of time. I would just like to double down with all three of you that Utah is ready to be innovative, and to lead, and I know the Secretary is as well. And any chance that Utah can be part of any innovation, or things that you want to work with, and experiment with, we would love to have those conversations.

And with that, Mr. Chairman, I yield my time.

The CHAIRMAN. Thank you. Senator Schatz.

**STATEMENT OF HON. BRIAN SCHATZ,
U.S. SENATOR FROM HAWAII**

Senator SCHATZ. Thank you, Mr. Chairman. Thank you all for your willingness to serve.

I have three questions and they are all for Mr. Zerzan. Thank you for being willing to step up, and thanks to your family for the sacrifice.

And I am going to caveat this with, I know you are not in the Government, and I know that is an easy way not to answer the question, and a perfectly fair way to not answer the question. So I am actually trying to get to how you would approach this problem, because you would be within your rights to say: Well, I do not know yet. But I want you to try to answer this.

The Department—and I have a good relationship with the Secretary—but the Department froze around 3,200 grant awards for review, and you know, I have spoken with him both publicly and privately of the problem of all of them being frozen, and then the bandwidth problem of unfreezing them individually. And he was pretty frank about the inability to process this in a timely fashion.

I think we are now, out of the 3,200, somewhere between 4- and 500 who have now—that have now been approved. But this is the law and we are now talking about billions of dollars of transportation infrastructure, nonpartisan stuff, bipartisan stuff, kind of, you know, meat and potato stuff.

I am wondering how, in the interest of fidelity to the law that we passed, both the Appropriations law and the IIJA, how do we effectuate a process that does not end up, you know, taking us 5 years to get money out that has been approved, you know, a couple of years ago now?

Mr. ZERZAN. Well, thank you very much, Senator. Manpower is, you know, a great way to solve a lot of problems, so ensuring that you have eyeballs on the grants. I will tell you from my own experience, you know, President Trump had ordered a review of all spending in order to ensure that the taxpayer dollars are being used faithfully.

At the Department of the Interior, we go through each individual grant and review and see, because the Government is very good at putting in clauses for allowing it to do things like pause-it spending. And so to the extent there is a justifiable reason for doing so, then we have put a pause on it. If there is not, then the money goes out the door. So I completely sympathize with what you are saying, and I am familiar with the—with the challenge.

Senator SCHATZ. I just want to offer that just operationally we may have to invert the assumption, right? You may want to review for impropriety, or you know, noncompliance with the law, or some other reason to freeze, but I think that as long as the Department of Transportation professionals have worked with a State Department of Transportation to engage that our assumption should be that that is lawful, subject to review, not that all of it does not go until it is individually sort of reapproved.

Because if we do that, and again, I am not trying to, you know, reduce the prerogatives of the Department to align better with the new President's priorities, and the new Secretary's priorities, but you are just not going to get through this list, and you are going to get people on a bipartisan basis, you know, pretty angry.

The other challenge is, I do not want to create a situation where it is Tammany Hall and I have got to appeal directly to the Secretary to kind of release my funds, right? And then we are—then it is a mayor, and a swimming pool in your Council District and that is not the way that we do transportation infrastructure.

So this is not working right now, and I think the Secretary would agree, that we need a new process other—because more manpower, you know what is going to happen, it is going to take months to just fund, hire, train, and then we are into next year, and we will be one-third of our way through the list. This thing is going too slow.

There is an Office of Tribal Transportation and an Office of Tribal Government Affairs, and I want to know how you are going to work with them to train lawyers and program staff on their obligations under the law regarding tribal consultation and transportation issues?

The reason I mentioned this is that we did a bunch of things on a bipartisan basis to include tribes in ways that are novel, but they are now statutory. The problem is that, as you know from DOI, people kind of know what tribal consultation means. DOT, not as much, and you know, we had a problem with the Energy Department where they—this was all new to them, so they had like bonding requirements for like a—you know, a 300-person tribe as if that tribe were a municipal government that could go onto Wall Street and get a AAA rating.

And so I just want your commitment to kind of work through these issues given your experience at DOI, and to help your team understand that tribes cannot be treated like counties, they have to—you have to understand the unique legal obligations and trust obligations between the U.S. Government and Tribes.

Mr. ZERZAN. Yes, absolutely, Senator, thank you. And I hope I can help create value in that respect.

Senator SCHATZ. OK. Thank you. And then final question, with your indulgence, Mr. Chairman; in the last FAA Reauthorization I passed a law to create a standalone Aviation Consumer Protection Office to further empower this function at DOT. It is not fully established because it was subject to appropriations and we have not appropriated money for this purpose, so I just—so that functions would reside under the GC's shop, and I just want your commitment to just fight for consumers in the aviation context, and for us to be able to work together on a couple of specific things. There were some rulemakings that I think were broadly popular and rational. And I am hoping we can work together on just protecting aviation consumers.

Mr. ZERZAN. Thank you, Senator, absolutely.

Senator SCHATZ. Thank you.

The CHAIRMAN. Thank you. Senator Luján.

**STATEMENT OF HON. BEN RAY LUJÁN,
U.S. SENATOR FROM NEW MEXICO**

Senator LUJÁN. Thank you, Mr. Chairman.

Thank you all for being here today. Ms. Oz, is the safety of the American people on America's roads important to you?

Ms. OZ. Critical.

Senator LUJÁN. Would you say it is a top priority?

Ms. OZ. Yes.

Senator LUJÁN. Would you say it is a number one priority?

Ms. OZ. It is a critical priority, sir.

Senator LUJÁN. Appreciate that. You worked at Google X; is that correct?

Ms. OZ. That is correct, sir.

Senator LUJÁN. On their self-driving cars? It is my understanding that they logged over a 100,000 miles on public roads; is that about right?

Ms. OZ. More than that.

Senator LUJÁN. More than that? And there was no public disclosure of that; is that correct?

Ms. OZ. Well, at the time it was much less. We are talking about 2010 period. I presume, right?

Senator LUJÁN. Um-hum.

Ms. OZ. The testing was—and compliant with what the company had.

Senator LUJÁN. You were on the team at the time and later defended this question, saying, quote, “Keeping the project quiet enabled Google to test under the radar of public opinion and lawmakers, we just did not want the program to slow down for any reason”. End quote.

Ms. OZ. Yes, that was——

Senator LUJÁN. If I could finish, Google took it upon themselves to make the decision for the public and for regulators, effectively, using public roads and by extension American lives as a testbed. Do you stand by this decision?

Ms. OZ. The decision at the time was accurate, Senator, because there was no—there was no—there was an absence of any kind of regulatory framework. The testing framework had been received. There was no bill at the time, and the company went ahead and made testing in accordance with the compliance they received.

Senator LUJÁN. Do you believe that innovation should be prioritized over public safety and oversight?

Ms. OZ. Absolutely, not.

Senator LUJÁN. Do you stand by that decision then at the time?

Ms. OZ. I was not in the company during that period, during that 2010 period when the—when the vehicles were being tested. I came in 2011. So the comment you are making, sir, was much later on.

Senator LUJÁN. Is this quote attributable to you though? Did you say this, “Keeping the project quiet enabled Google to test under the radar of public opinion and lawmakers”?

Ms. OZ. They met—the context was keeping the—keeping the engineering teams focused, keeping media and other concerning, you know, groups that wanted to know specifics was primarily the reason why we wanted to make sure that we kept this—the engineering teams focused, and that there was no distraction. That is the—that was the metaphor that was used to describe that in the context.

Senator LUJÁN. Is that your quote, though, the one that I am reading?

Ms. OZ. Probably, yes.

Senator LUJÁN. “Probably”?

Ms. OZ. I have to see it, but I would imagine I made a comment——

Senator LUJÁN. I will get that to you. I will also submit that into the record so——

Ms. OZ. Sure.

Senator LUJÁN.—that we can be certain there. What steps will you take to assure this Committee that you will prioritize safety of the American people over interests of the industry?

Ms. OZ. While we were at Google and developing the program, I was presiding over some of the work that was being done to ensure that we had a program that could not be syncable, sir, so that

meant having extremely caution exercised at every node on the point of departure to recovery that—to return the vehicle to the home base. So that record stands for itself, and it is still probably the safest record in the industry.

Senator LUJÁN. Appreciate that. As you have heard from all of our colleagues, public safety matters very much to us. I appreciate you saying it is a top priority, a critical priority. That is something I think that we can all agree on.

Ms. Oz. Thank you, Senator.

Senator LUJÁN. So I appreciate your responses there.

Mr. Zerzan, you are currently the Acting Solicitor and Principal Solicitor at the Department of Interior; is that correct?

Mr. ZERZAN. Yes, sir.

Senator LUJÁN. And you previously served as the General Counsel and Chief Administrative Officer of the Department of Interior; is that correct?

Mr. ZERZAN. No, sir. That, I think that was maybe an energy company I was in that role at.

Senator LUJÁN. Appreciate that. So would you say you have experience leading a major legal office in advising on Federal law and regulatory issues?

Mr. ZERZAN. Yes, sir.

Senator LUJÁN. Do you have substantive legal experience in transportation law?

Mr. ZERZAN. Not with respect to the Department itself, but given the interconnectedness of transportation with everything we do in this country, it is unavoidable.

Senator LUJÁN. How about infrastructure policy or regulatory issues specific to the Department of Transportation? For example, aviation, rail, highway safety, motor carrier rules?

Mr. ZERZAN. I am not a lawyer who has a substantial amount of background with that set of laws.

Senator LUJÁN. Now, the Department of Transportation General Counsel typically needs deep knowledge across transportation-specific sectors. And as you know, our country faces tremendous transportation and safety issues right now, as I was just questioning Ms. Oz, air traffic controllers, autonomous vehicles, rail safety, all the rest. This administration just continues to baffle me with its staffing decisions. There are experts out there that are deep in all of this policy. I appreciate your honesty and your candor in that response, sir.

I just do not understand, Mr. Chairman, why, with all the depth of experts in and around specific areas that sometimes this happens. I just, I do not—I just do not understand that. Nothing against you personally, I appreciate the work you do at the Department of Interior. I am sure you are fabulous with the energy companies that you have supported as well. We should nominate you to be at the Department of Energy, or we should put you back into this spot at the Department of Interior, because you are doing well there. But nonetheless, that is just my opinion.

Mr. Rutherford, one question I guess I have for you, sir, is January 6, so I am sorry to bring this up again, but you posted that—you said that January 6, that it was a “disruption”. You said that your father, a former Congressman, was one of the few to continue

to vote against certifying the votes after the January 6th disruption. Would you call January 6th an “insurrection”?

Mr. RUTHERFORD. Mr. Senator, I will tell you, I am the son of a policeman, my father who is a Congressman, and I certainly do not condone violence against members of our law enforcement. So if you are speaking to that that is one thing. If you are speaking to the certification of the vote, I think every Member of Congress is required by law to certify the vote, and it is not until Congress has certified a vote that the President is elected.

Senator LUJÁN. My question is not those, sir.

Mr. RUTHERFORD. OK.

Senator LUJÁN. My question is very specific. Was January 6th an insurrection?

Mr. RUTHERFORD. I would leave that to someone else to describe.

Senator LUJÁN. So you stand by calling it a “disruption”?

Mr. RUTHERFORD. It certainly disrupted the process of the day.

Senator LUJÁN. I mean, look, to your point, I appreciate what you are saying there. People died that day. Officers were beaten. Some of them are no longer with us. Words matter, you all, and we are going to be leaders in these positions. There is just—

Mr. RUTHERFORD. Sir—

Senator LUJÁN.—if I could finish, sir. Because my time is up as well and I appreciate the indulgence, Mr. Chairman, I just hope just down the road with some of these things, we just remember that. You know, it all matters. I appreciate the service of your father as well, and the work that was done in those spaces. You are you are all going to be confirmed. But just, words matter, as we just get through all this stuff, is all that I am asking.

Thank you for the indulgence, Mr. Chairman.

The CHAIRMAN. I would just, I thank my friend from New Mexico, and I would note that the Department of Transportation, Office of Multimodal Transportation is unlikely to have any direct responsibilities concerning January 6. And if we want to have a discussion about January 6, I am more than happy to do so. And I am happy to say under no way, shape, or form was January 6 an insurrection. I think that is a term that is loaded with partisan content and is—inaccurately describes what occurred that day. But given this hearing is on DOT nominees, this is probably not the right—

Senator LUJÁN. Mr. Chairman, I think we can both agree it was a bad day, though.

The CHAIRMAN. I think this is not the right forum for that discussion. Senator Moreno.

**STATEMENT OF HON. BERNIE MORENO,
U.S. SENATOR FROM OHIO**

Senator MORENO. Well, thank you, Mr. Chairman. And congratulations to all of you on being nominated, I am sure it is—that you feel the way most people would feel in your position, which it is a great honor to be asked by the President of the United States to serve their country.

Ms. Oz, I will start with you. When you look at your job and making certain that we are advancing research and technology in the automobile industry do you—where do you see a vision of

where we are from a transportation perspective in, let us say, 10 or 15 years? Is private ownership of cars still a factor, or are self-driving autonomous vehicles going to be the primary and only means of transportation?

Ms. Oz. Senator, first of all, it is good to see you. I enjoyed our time together in your offices, beautiful offices. And we touched on some of these subjects. And I appreciate your interest in the automotive industry and of your continued commitment. I do believe Americans deserve a choice. They deserve a choice on what type of modality they wish to use to get from point to—point A to point B.

In some cases, we may not—we may no longer want or need to drive in traffic anymore. And in some cases, we want to turn on the ignition and just, you know, go on a deep rural drive somewhere in the back road. So we should have that choice. There are some learnings that we can take probably from the first use cases for the self-driving cars other than freight, will most likely be in the realm of fleet management, because it is going to be easier to maintain fleets of vehicles; turn them onto home base, get them maintained properly. But that will also mean more cars being sold in total volume, because if you can drive 100,000 miles in 1 year on a fleet vehicle with 90 percent utility optimization, you can sell more cars.

Senator MORENO. Well, again, I am not—I am not concerned about the number of vehicles sold. I am concerned about, ultimately, are we looking to replace private ownership of cars? Like that is my main question, because here is the concern I have. During the Biden administration, they had a very unhealthy obsession with EVs, and that led to a disastrous amount of government money, spent hundreds of billions of dollars in subsidies. They drove car companies almost off the cliff to make EVs, California, of course, lost their mind, whatever was left of it, and wanted everybody driving an electric vehicle.

Thanks to the Congressional Review Act, we ended that. Thanks to our Chairman who did a lot of work with the one big beautiful bill, we have now made kind of an old-fashioned concept come true, which is car companies should make the cars that people want to buy.

So my question to you, and what I worry about, is that we do not want to go from an obsession with EVs to an obsession with AVs. And we obviously understand level 1 autonomy, the level 4 autonomy, totally understand as long as it is optional, as long as it is not mandated that somebody buy that—you know, one of the things I find interesting is my colleagues talk about how all these safety technologies should be mandated. I took the time to find out what kind of cars they personally drive, and you would be shocked to know that they did not purchase, themselves, those advanced driving technologies.

So they do not want to spend their own personal money to buy more safety systems in their own cars, but want to mandate that very same technology for all Americans. You know, rules for thee, but not for me.

My question to you when you are advising our great Secretary of Transportation/NASA Administrator, maybe we will nominate

him to be the Chairman of the Federal Reserve too. He would definitely do a better job than Jerome Powell. But that is a different topic for different day.

The CHAIRMAN. I think they are giving that to Marco Rubio.

[Laughter.]

Senator MORENO. Well he, I think the quota is four jobs. So Sean still has a couple more left. But back to the point, when you are advising him, I just want to be clear-eyed about your advice to him. Is it going to be: Hey, we have to move to a level 5 autonomy and start down the path of eliminating private ownership of cars? Or is this: How do we invest more in level 1 through level 4 to drive those technologies to be less expensive so that more customers, on their own, like my colleagues who currently have not chosen to buy those technologies because maybe they thought they were too expensive to have them? That is a big difference in that conversation.

Ms. OZ. Senator, I appreciate the analysis, and costs and affordability is a critical measurement in terms of this freedom, and I think we support, and I will support all of the above in terms of level 1 through level 4. I do not think we will see level 5 in my lifetime, but I do think that we can see this capability deployed on all different types of engines, whether they are ICE, or electric. So in that case I think I would support your view on this. Thank you.

Senator MORENO. Yes. Because what I do not want to live is in a dystopian future in which big tech controls the transportation industry in America. You know, as you know, we talked about this in my office, America did not invent the automobile, but we invented what the automobile became. And the automobile is the ultimate expression of freedom. The idea that I am here in Washington D.C., I can go wherever the heck I want in a car that I own. Not controlled by big tech, not controlled by government. I can decide what kind of car I buy with my own money. It is a concept that my Democrat colleagues, over the last four years, lost sight of.

They said all of the above. They said we want to give consumers choice, but in reality, the heavy, heavy hand of government was taking away those choices. And I just want to be incredibly clear that from your perspective, this is not about mandating or driving America toward the point in time in which the only people that control transportation in this country is giant technology companies that would mine our data and have complete control over our lives because it can control where we went and how we went there. I just want to be clear that that is absolutely not something that you would support.

Ms. OZ. I will support the freedom of choice, and the freedom to drive in this country, because it is a part of our way of life.

Senator MORENO. OK. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Senator Kim.

**STATEMENT OF HON. ANDY KIM,
U.S. SENATOR FROM NEW JERSEY**

Senator KIM. Thank you, Chairman.

Mr. Rutherford, I would like to start with you. You know, the FAST Act of 2015 required the Department of Transportation established a National Multimodal Freight Network to assist states

in strategically directing their resources, improving performance of our freight system. OSTF is currently in the process of developing this network and has published a draft map for public comment includes the rail line, highways, ports, rivers, and airports. I believe that this effort is crucial for effectively modernizing these systems and can serve as a larger purpose as well as to help guide our own support. So I just wanted to ask if you could commit that the National Multimodal Freight Network be finalized under your leadership, should you be confirmed?

Mr. RUTHERFORD. Thank you for the question, Senator. And first and foremost, I agree with you about the significance of it, not only for DOT—within DOT, but also at the individual State DOTs. It is a key area of alignment across the Federal, state, and local levels, and finalizing that is certainly a priority, day one, if confirmed.

Senator KIM. OK, great. Is that something you would work with me on to make sure that we can keep that going?

Mr. RUTHERFORD. Absolutely. Because the way I look at the National Multimodal Freight Network is it really gives us a sense of the current state of play and that needs to be the point of departure from which we then develop a broader National Freight Strategic Plan. Yes.

Senator KIM. Another part of that would be, you know, there is the Freight Logistics Optimization Works initiative, FLOW, it is crucial understanding and responding to the supply chain disruptions. This was something that was launched in 2022 in response to some of the supply chain disruptions that we are facing at that time establishes that public private partnership between the industry partners and the government so that we can, you know, have a better understanding of the purchase order data from importers, et cetera. So I just wanted to ask, if you are confirmed can you commit to continuing this program under your leadership and working with Congress to ensure its success?

Mr. RUTHERFORD. Yes, Senator. And supply chain visibility, it is everything. You know, I like to describe transportation as being an outdoor sport, you have got to be able to change as the operating environment changes. And that forward-looking visibility that FLOW provides, I think, is incredibly helpful. And we have got a great point of—a great base from which to build, but there is a lot more that we can do with that. And I look forward to exploring those opportunities, if confirmed?

Senator KIM. Yes. Just, you know, it is something that, you know, when we look back on, I mean, we want to make sure we never have that kind of supply chain disruption for the effect that it caused on families, on higher prices, and all sorts of other issues. So I am glad to hear that, and hope to be able to work with you on that.

And Ms. Oz, I would like to just kind of follow up on some points a colleague of mine had asked you earlier about the autonomous vehicle efforts, especially when it comes to Google, asked, you know, in terms of the issues about Google disclosing that their self-driving cars had logged over, you know, 140,000 miles, they disclosed that in 2010.

I guess I just wanted to ask you, kind of, point blank again, do you think that there was any reason for Google to disclose and to—

you know to be able to be more transparent about the training as well as the testing that they were doing when it came to autonomous vehicles?

Ms. Oz. Senator, thank you for the question. As I mentioned to Senator Luján, Google was at the time operating under a testing scenario which was fully compliant with their capabilities, and the decision to test on public roads was also fully compliant. That was during the time that I actually had not joined yet. So my comments were made after the fact.

And my comments were more related to the ability for them to test and to lead, and not being distracted, and focus on what they were doing, so as not to be, you know, distracted by outside comments and interests on what we were doing.

Senator KIM. I guess I would be kind of curious now that you are seeking a position that is going to have some oversight over this in terms of understanding. I mean, I can see how you can have that position when you are working for Google. But where is a line here? Where is a line in which a company needs to be transparent about testing and testing technology that is still not fully proven, you know, still has concerns over accidents, and doing it in the general public without the public understanding that this is being tested? Uncertain when these tests are going to occur, you know, doing it alongside others.

I guess I am just kind of—just trying to think through like, where does that go from here? Where do you—where do you draw that line?

Ms. Oz. Well, the world has changed quite substantially since then. So right now we do have statewide regulations on what is required by each state. It is fairly—it is fairly open and transparent, but there is no there is no Federal framework right now. And that is mainly the reason why I am here, sir, is to help inform NHTSA and other regulatory policy bodies on how we can, most safely, with the most integrity using the most unbiased and objective data, ensure that we do this in the in a public domain and we can scale in an accelerated fashion.

Senator KIM. Yes, I guess, you know, just as I am wrapping up here, I guess I just want to raise the point, I understand that and I do think that there needs to be conversation about a Federal level, across the states as well, you are talking about it. But I guess it just makes me uneasy about what position you would take, you know, when it comes to your position, if your position is going to basically stand by, you know, the kind of approach that Google and other companies should just be able to do whatever they do because any type of public criticism or transparency is going to get in the way. Is going to, you know, “distract” them, I think, is the word that you used.

I do not think congressional oversight or our ability to look into what companies are doing, is about distracting these companies from what they are doing. I do think that there should be public transparency. So I would just raise, that I am worried about what position you will take when it comes to Federal rules, and Federal approaches to this all.

And with that, I yield back.

The CHAIRMAN. Thank you very much. And I want to thank each of the nominees for being here.

Mr. Oz, Mr. Rutherford, Mr. Zerzan, my final question is required of all nominees. If confirmed, do you pledge to work collaboratively with this Committee to provide thorough and timely responses to the Committee's requests and to appear before the Committee when requested?

Ms. OZ. I do, Mr. Chairman.

Mr. RUTHERFORD. I do.

Mr. ZERZAN. Yes, sir.

The CHAIRMAN. Thank you. Senators will have until the close of business on Friday, July 25 to submit questions for the record. The nominees will have until the close of business on Monday, July 28 to respond to those questions.

That concludes today's hearing. The Committee stands adjourned.

[Whereupon, at 11:14 a.m., the hearing was adjourned.]

A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARSHA BLACKBURN TO SEVAL OZ

Question 1. In your role as Assistant Secretary for Research and Technology, you will be tasked with overseeing the University Transportation Center program. UT Knoxville is home to one of these UTCs, focusing on improving freight transportation to ensure efficient and resilient supply chains. UTK is at the forefront of transportation innovation, please explain how you plan to partner with universities and other stakeholders outside of the Department of Transportation to ensure that the United States remains at the forefront of innovation in transportation, supply chain resiliency, and logistics?

Answer. If confirmed, I will work closely with the UTCs on their important work in improving freight transportation, supply chain resiliency and logistics. I recognize that UTCs play a key role in transportation research.

Question 2. I have focused on for years the right sizing the Federal government and ensuring that taxpayer dollars are going towards worthwhile, applicable research. I have been pleased that President Trump and Secretary Duffy share this concern for the smart allocation of taxpayer funds. How do you plan to ensure that Federal dollars are spent on worthwhile research, retaining the partnerships that keep us at the forefront of innovation and technological advancement?

Answer. The role in which I am nominated to serve focuses on research for the Department and does not have a decision in the spending of Federal dollars.

Question 3. We often hear that the patent process is broken, especially when it comes to critical and emerging technologies. China is working to surpass the United States in this field, leading the world in 57 of 64 critical technologies. That's why I introduced the *Leadership in Critical and Emerging Technologies Act*, which would require the USPTO to establish a pilot program to expedite the examination of 15,000 patent applications for certain critical and emerging technologies. Can you describe your experience patenting autonomous technologies and what barriers exist for innovators in this arena?

Answer. While working at Continental, my team and I filed multiple patents, which was an expensive and labor-intensive process.

China has capitalized our slow patent system to quickly file similar patents in other venues, essentially copying or stealing our innovations. If confirmed, I will work with the Senate Commerce Committee to fix this problem.

Question 4. In your new role, you will coordinate with modal agencies on autonomous vehicle research and adoption. It is critically important to our competition with China for technological dominance that the United States get this right. Please explain how you will apply your experience to your new role, ensuring that the United States is the world leader in the technology of the future.

Answer. If confirmed, I will work closely with the modal agencies, such as NHTSA, to ensure the safety, efficiency, and reliability of advanced systems to improve the United States' competitive edge.

Question 5. What specific advantages does China have over the United States in autonomous technology, and how will you work to mitigate those in your role as Assistant Secretary?

Answer. The Chinese government has promoted a national framework for the acceleration of automated vehicles (AVs) across their metropolitan cities that also fueled commercialization of the robo-taxi and passenger vehicle industry.

If confirmed, I plan to advise the Secretary and inform DOT's regulatory framework on the safest and most advanced research and technical knowledge to promote the safe deployment for advanced technologies.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BERNIE MORENO TO
SEVAL OZ

I. Preserving Individual Car Ownership

Question 1. Ms. Oz, private car ownership is a foundational American value. In your view, can the future of autonomous vehicles coexist with widespread private vehicle ownership, and do you support or anticipate recommending any policies that would directly or indirectly limit the right to own a personal vehicle?

Answer. Yes, these vehicles will co-exist as different communities will have different needs and demands. No, I absolutely will not recommend, nor do I support any policies to limit vehicle ownership.

Question 2. Do you foresee a future in which AV fleets displace or restrict access to personally owned vehicles? If so, what would the impact be—particularly on rural and underserved communities that rely on car ownership?

Answer. No, I do not foresee AV fleets displacing or restricting access to personally owned vehicles. If AV fleets exist in the future, it would be in response to a demand most likely in specific geographical locations.

Question 3. Would you support a temporary suspension of AV technologies that do not have a human driver in the vehicle for five years?

Answer. If confirmed, I would lead the Department's research efforts in advanced technology to ensure the safety and reliability of these systems. NHTSA, not OST-R, is responsible for such decisions. I will follow all the laws of Congress and the policies of the Department of Transportation as set by the President and the Secretary.

II. Cost Impacts and Federal Mandates

Question 1. In your testimony, you spoke about the life-saving potential of AVs. What measures are being taken to ensure that AV adoption does not increase the cost of vehicles for working Americans who may neither want nor need these technologies?

Answer. If confirmed, I would lead the Department's research efforts in advanced technology to ensure the safety and reliability of these systems. The Office of Research and Technology does not make these decisions about which technologies to include in cars. However, I support vehicle choice and strongly support private ownership of vehicles.

Question 2. Do you believe DOT should be prohibited from mandating that all new vehicles include AV technologies, especially if such mandates would price millions of Americans out of the new car market?

Answer. If confirmed, I would lead the Department's research efforts in advanced technology to ensure the safety and reliability of these systems. The Office of Research and Technology does not make these decisions. However, I support vehicle choice, strongly support private ownership of vehicles, and support affordability. The Congress, the President, and the Secretary make these choices.

III. Data Privacy and Big Tech

Question 1. How can we prevent AV manufacturers, many of which are large technology companies, from collecting, storing, or selling personally identifiable location and behavioral data from vehicles?

Answer. If confirmed, I will work to ensure strong, updated data encryption privacy and cybersecurity is part of our AV framework.

Question 2. What safeguards should be put in place to prevent government agencies or corporations from using AV data for surveillance, profiling, or commercial exploitation?

Answer. Strong AV data encryption can prevent unauthorized actors from monitoring the movement of our vehicles and people. If confirmed, I will work with the Senate Commerce committee to analyze proposals to update and reinforce encryption safeguards.

IV. Market Competition and Centralized Control

Question 1. What would you say to concerns that the current AV policy landscape favors large, centralized fleets controlled by corporations or governments—at the expense of competition and private ownership?

Answer. If confirmed, I would work to inform AV policy that supports innovation while supporting and preserving private ownership.

Question 2. What policies are necessary to ensure a competitive marketplace that prevents monopolistic control of the AV ecosystem by a few dominant players in the tech or transportation sectors?

Answer. If confirmed, I would lead the Department's research efforts in advanced technology to ensure the safety and reliability of these systems. The Office of Research and Technology does not make these decisions. However, I strongly support vehicle choice and private ownership of vehicles.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
SEVAL OZ

Safe NAS Integration. OST-R's Highly Automated Systems Safety Center of Excellence (HASS COE) issued a 2024 report on Electronic Conspicuity which indicated that equipping airspace users with technologies like ADS-B supports the safe integration of Unmanned Aerial Systems (UAS) into the National Airspace System (NAS) and also creates a safe and secure environment for future evolutions.

Question 1. Ms. Oz, if confirmed, how will you use your research role at the Department to help inform the safe integration of UAS into the NAS?

Answer. If confirmed, I will work with OST-R's Highly Automated Systems Safety Center of Excellence to research and advance technologies like Electronic Conspicuity, and work cross modally with the FAA and OST-X to foster the deployment of new technologies that are safe and secure within the NAS.

Question 2. Do you support ensuring that more operators in the NAS are equipped with ADS-B Out and other senses and avoid safety technologies to better achieve this goal and help the commercial drone industry move forward?

Answer. If confirmed, I will work with the Senate Commerce Committee to develop and deploy those safety technologies which are appropriate to help the commercial drone industry move forward.

Volpe Center. The Volpe Center, which would fall under your authority if confirmed, is DOT's world-class transportation research center in Cambridge, MA. Its focus is on developing innovative solutions to transportation challenges. Most of Volpe's 600 Federal staff are technical professionals with advanced degrees. Volpe receives no direct appropriation from Congress. All of its work is funded by fees from project sponsors. About 85 percent of that work is sponsored by DOT modal offices, including FAA, FRA, and FHWA.

Question 1. Do you support this business model and, if confirmed, would you commit to working with DOT operating administrations to continue to direct research to the Volpe Center?

Answer. I am not yet at the agency and therefore do not know the specific details for Volpe's business model.

Bureau of Transportation Statistics. If confirmed, the Bureau of Transportation Statistics (BTS) would fall under your authority. BTS is one of 13 Federal statistical agencies. BTS collects, compiles, and analyzes data on all modes of transportation, and that data provides critical context to transportation decision makers, including Congress. BTS data is expected to be objective, independent of political influence, and unbiased.

Question 1. If confirmed, do you commit to supporting BTS in its mission of providing transportation data that is independent and free from political bias?

Answer. If confirmed, I will support the entities under my authority, including BTS in its mission of providing transportation data that is independent and free from political bias.

Question 2. If confirmed, would you support increasing resources for the Bureau?

Answer. I am not yet at the agency and therefore cannot comment on the BTS' needs.

University Transportation Centers. The Trump Administration \$54 million in funding to University Transportation Centers because they were too radical. This includes centers performing cutting edge research into how AI can improve the efficiency of transportation systems.

Question 1. If confirmed, will you commit to awarding these funds through a new Notice of Funding Opportunity?

Answer. If confirmed, I will support the agencies in the Department in their funding efforts, in consultation with the Office of Management and Budget.

Question 2. If confirmed, would you commit to fairly and unbiasedly reviewing the applications of the Universities that lost funding?

Answer. If confirmed, I will commit to following the policies in fairly and unbiasedly reviewing funding applications.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. AMY KLOBUCHAR TO
SEVAL OZ

Question 1. Research Investments. The Department of Transportation's Office of Science & Technology Research works with public, private, and academic sector partners on research collaboration, coordinates research investment, and oversees the development of Annual Modal Research Plans.

Do you commit to being an advocate for science and maintaining academic partnerships at the Department?

Answer. If confirmed, I will be an advocate for application of the scientific method in analysis and replicable academic research.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
SEVAL OZ

Question 1. The role of the Department of Transportation is to ensure all vehicles, including those equipped with partially or fully automated driving systems, are safe for all road users. Studies show that by 2030, nearly 70 percent of all vehicles sold in the U.S. will have "some level of driving automation, specifically SAE levels 2 and above"¹. One of the most prevalent issues leading to AV crashes is over-trust in the automated system, leading to lack of oversight by the human in the loop. Trust in these systems is built on the assumption that the government is performing its oversight duties to ensure cars and roads are safe for everyone.

a. What do you plan to do to ensure drivers' trust in AV technology is not misguided?

Answer. If confirmed, I will work with NHTSA on testing, and comprehensive educational and training programs to ensure drivers' trust in AV technology is not misguided.

b. How do you plan to enforce safety mechanisms in all levels of autonomous vehicles so we can all benefit from the promise of these technologies?

Answer. If confirmed, I will coordinate with NHTSA, key stakeholders, and the Secretary on the benefits of these safety mechanisms.

Question 2. What do you believe are the biggest safety concerns or challenges that are unique to autonomous vehicles? Please outline your answers for varying levels of automation as necessary.

Answer. In general, errors in vehicle control, cybersecurity, spoofing GPS/sensors, ransomware, and hacking are some of the primary safety concerns unique to AVs. If confirmed, I will work with NHTSA to coordinate appropriate safety mechanisms in all levels of autonomous vehicles.

Levels 0–2 driver assistance/partial automation: Human Factors (Distractions)

Level 3 conditional automation: Response Time (Disengagements)

Level 4 self-driving: Environmental Conditions (E.g. Sensor and perception limitations include snow, fog, glare or heavy rain when the system cannot see or maneuver around road furniture or other vehicles)

Question 3. During your testimony, I asked you about a quote attributed to you, in which you stated "Keeping the project quiet enabled Google to test under the radar of public opinion and lawmakers. We just didn't want the program to slow down for any reason."² This was regarding Google's decision not to inform the public or lawmakers about testing its self-driving cars on public roads. You told me the goal was "keeping the engineering teams focused" and ensuring "there was no distraction". I understand you were not at the company at the time, but you did defend their decisions. Do you support Google's decision to keep the public and lawmakers in the dark while using public roads to test new technology?

Answer. I support transparency, especially if the matter involves safety.

Question 4. In your testimony, you stated that self-driving cars have "proven to be safer by all metrics shown in the public records."

a. What data are you referencing in this answer? Please provide links to relevant reports or studies.

Answer. Independently peer-reviewed publications:

¹ https://www.autobodynews.com/news/majority-of-new-vehicles-will-have-level-2-autonomy-by-2030#:~:text=The%20analysis%20by%20ABI%20Research%20predicts%20almost,1%2C%202024.%20*%20Read%20Time:%201%20Min.

² <https://www.pcmag.com/opinions/teslas-tussle-with-feds-over-model-x-accident-is-a-fools-errand>

Comparison of Waymo Rider-Only Crash Data to Human Benchmarks at 7.1 Million Miles

Comparative Safety Performance of Autonomous and Human Drivers: A Real-World Case Study of the Waymo One Service

b. Do you believe we collect sufficient safety data on autonomous vehicles? Please outline your answers for varying levels of automation as necessary.

Answer. Since I am not yet at the agency, I do not have access to data that has already been collected.

c. How do you plan to increase transparency and public access to safety data for autonomous vehicles, particularly when much of that information is currently treated as proprietary?

Answer. If confirmed, I will work with the relevant entities in the Department to protect proprietary data.

Question 5. The purpose of the Department of Transportation is to ensure that every form of transportation is safe for Americans. Yes or No: Would you take an action that is in conflict with those goals due to political pressure?

Answer. If confirmed, my primary goal would be to make advanced technologies as safe as possible.

Question 6. Yes or No: Would you go against a direct order from the President or his cabinet if you believed it put lives at risk or was illegal?

Answer. The President of the United States and his cabinet would never put lives at risk or give illegal orders.

Question 7. Yes or No: Did Joe Biden lawfully win the 2020 presidential election?

Answer. Former President Joseph Biden was certified as the winner of the 2020 presidential election and sworn in as the forty-sixth President on January 20, 2021.

Question 8. Yes or No: Did Donald Trump lawfully win the 2024 presidential election?

Answer. President Trump was certified as the winner of the 2024 presidential election and sworn in as the forty-seventh President on January 20, 2025.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. JOHN HICKENLOOPER TO SEVAL OZ

Question 1. The Global Positioning System (GPS) provides critical services to the U.S. economy. These include precise navigation services—including during natural disasters, support for precision farming to optimize crop yields and resource management, and efficiency in fleet management and public transportation. Today, our GPS system relies on a constellation of satellites that communicate with ground-based radars to transmit key information to users. In 2018, Congress directed the Department of Transportation to demonstrate the performance of a backup and complementary Positioning, Navigation, and Timing (PNT) system.

Ms. Oz, if confirmed, how will you lead DOT to work with interagency partners such as DOD and DHS to demonstrate and advance a backup GPS capability?

Answer. Since I'm not yet at the agency, I'm not aware of current backup GPS capabilities available. If confirmed, I will work with appropriate interagency partners to analyze this effort.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARSHA BLACKBURN TO MICHAEL RUTHERFORD

Question 1. If confirmed, you will be tasked with updating the National Freight Strategic Plan, which outlines the DOT's policy goals to improve the movement of freight. Memphis, Tennessee, is known as the Logistics Hub of America and Tennessee is a vital artery of commerce and supply chain resiliency for our Nation. Please discuss *specifically* how you plan to prioritize and support America's intermodal hubs, like Memphis, when you're building out the National Freight Strategic Plan.

Answer. If confirmed, I would work closely with the Senate Commerce Committee, TDOT and the broader freight community to make certain that DOT properly assesses the needs and opportunities in Memphis and Tennessee more generally through the National Freight Strategic Plan assessment.

Question 2. It is vitally important for you to visit Memphis and see the important logistics and transportation work that is occurring there. Will you commit to visiting

Memphis in your role and engaging with our many stakeholders as you focus on DOT's strategic plan?

Answer. If confirmed, I gladly look forward to visiting Memphis again.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
MICHAEL RUTHERFORD

Freight investments in the surface transportation reauthorization. Four out of 10 jobs in my state are in freight dependent industries. Freight cannot wait in the Pacific Northwest. Delays cost money for consumers, farmers and manufacturers. That is why I championed historic investments in our Nation's freight infrastructure in the bipartisan infrastructure law including:

1. a 78 percent increase for the INFRA freight grant program,
2. a historic \$2.25 billion in port infrastructure investments, and
3. for the first time in a surface transportation reauthorization—freight rail investments through my grade crossing elimination grant program and CRISI.

Question 1. Yes or No: Do you think the next infrastructure law needs to continue funding for the INFRA grant program?

Answer. If confirmed, I would use every resource available to DOT to ensure we can advance the mission of the Freight Office, which will include any funding and programs Congress authorizes in the next Surface Transportation Reauthorization.

Question 2. Yes or No: Do you think the next infrastructure law needs to continue funding for the Port Infrastructure Development Program?

Answer. If confirmed, I would use every resource available to DOT to ensure we can advance the mission of the Freight Office, which will include any funding and programs Congress authorizes in the next Surface Transportation Reauthorization.

Question 3. Yes or No: Do you think the next infrastructure law needs to continue funding for the CRISI Program?

Answer. If confirmed, I would use every resource available to DOT to ensure we can advance the mission of the Freight Office, which will include any funding and programs Congress authorizes in the next Surface Transportation Reauthorization.

Question 4. Yes or No: Do you think the next infrastructure law needs to continue funding for the Railroad Crossing Elimination grant program?

Answer. If confirmed, I would use every resource available to DOT to ensure we can advance the mission of the Freight Office, which will include any funding and programs Congress authorizes in the next Surface Transportation Reauthorization.

Question 5. How can DOT improve multimodal freight planning and coordination between the public and private sectors?

Answer. If confirmed, I will work with state DOTs and engage the freight community-at-large, as appropriate, to ensure the success of the National Freight Strategic Plan.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
MICHAEL RUTHERFORD

Question 1. Freight Bottlenecks. Efficient flow of freight across our transit systems is crucial to the competitiveness of our economy. When shippers are delayed by major congestion and outdated infrastructure, products don't arrive on time, businesses suffer, and costs for consumers go up.

If confirmed, how will you work to address freight bottlenecks?

Answer. The National Multimodal Freight Network draft process and the National Freight Strategic Plan, informed in part by the review of individual state DOT freight plans, will help to ensure that we drive and align on priorities across the federal, state and local levels.

2. Container Supply Chain. During the pandemic, ocean carriers were unloading containers at American ports but refusing American exports and returning to Asia with empty containers. U.S. exporters saw the price of shipping containers increase four-fold, especially on Asia-Pacific routes. My Ocean Shipping Reform Act with Senator Thune worked to address these supply chain challenges by making it harder for ocean carriers to arbitrarily turn away goods at ports that are ready to be shipped abroad.

If confirmed, how will you work to reduce supply chain disruption and enhance resiliency?

Answer. If confirmed, I will use the Freight Logistics Optimization Works (FLOW) program to offer forward-looking supply chain visibility, enabling shippers to make timely decisions about how best to route their freight to destination in response to changes in the operating environment at our Nation's ports

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TAMMY DUCKWORTH TO
MICHAEL RUTHERFORD

Question. GAO released a report this week on air cargo. The report found DOT's Multimodal Freight Office—which is supposed to help reduce freight congestion—hasn't taken action to address challenges facing air cargo.

In fact, it appears the office hasn't even been communicating with air cargo stakeholders or the FAA about infrastructure needs. According to GAO, "Of the 30 stakeholders that responded to our question about coordination with DOT, none said they had communicated with the Multimodal Freight Office about air cargo issues. . ."

If the office had been paying attention, it would have found, as GAO did, that there are a host of infrastructure problems causing congestion around airports. Poorly configured roadways and a lack of truck staging and parking areas are leading to trucks blocking traffic.

Air cargo is huge for our Nation's economy. In 2022, it generated more than \$106 billion in economic output and supported more than 1 million jobs.

Yet, DOT's Multimodal Freight Office appears to be doing nothing to address the critical surface transportation challenges to air cargo operations.

DOT seems more focused on staff cuts than growing our economy and creating jobs.

A. If confirmed, will you oppose staff cuts to the Multimodal Freight Office?

Answer. I am not yet at the Department, and therefore, cannot testify to the staffing needs of any part of DOT.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
MICHAEL RUTHERFORD

The purpose of the Department of Transportation is to ensure that every form of transportation is safe for Americans.

Question 1. Yes or No: Would you take an action that is in conflict with those goals due to political pressure?

Answer. If confirmed, my primary goal would be to make freight transportation as safe and efficient as possible.

Question 2. Yes or No: Would you go against a direct order from the President or his cabinet if you believed it put lives at risk or was illegal?

Answer. The President of the United States and his cabinet would never put lives at risk or give illegal orders.

Question 3. Yes or No: Did Joe Biden lawfully win the 2020 presidential election?

Answer. Former President Joseph Biden was certified as the winner of the 2020 presidential election and sworn in as the forty-sixth President on January 20, 2021.

Question 4. Yes or No: Did Donald Trump lawfully win the 2024 presidential election?

Answer. President Trump was certified as the winner of the 2024 presidential election and sworn in as the forty-seventh President on January 20, 2025.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN HICKENLOOPER TO
MICHAEL RUTHERFORD

Small businesses and retailers across the country rely on predictable supply chains for imported goods and services. Imports and key consumer products rely on railways, highways, and runways to deliver consumer products to store shelves or American's front doors. Since January, the President has announced a series of investigations across product sectors (e.g., aircraft parts, pharmaceuticals) while threatening to delay, pause, or issue new tariffs on imported goods from our trading partners.

Question 1. Mr. Rutherford, what impact do you believe our tariff policies have had on the multi-modal freight network?

Answer. If confirmed, I will work to reduce congestion and increase performance of the multimodal freight network to ensure it continues to support importers, ex-

porters, and domestic shippers. The Office of Multimodal Freight Infrastructure and Policy does not address tariffs.

Question 2. Mr. Rutherford, will you commit to working closely with small businesses to navigate any disruptions or bottlenecks in our multi-modal freight network?

Answer. If confirmed, I will work with any stakeholders to improve disruptions and bottlenecks in our freight systems.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN FETTERMAN TO
MICHAEL RUTHERFORD

Question 1. Pennsylvania has a vast system of inland waterways. In southwestern Pennsylvania alone, there are 200 miles of commercially navigable waterways, and Pittsburgh is home to one of the busiest inland ports in the Nation. Even so, our inland waterways are underutilized. *Mr. Rutherford, what is your plan to incentivize shippers and carriers to increase their use of containers and palletized freight on our Nation's inland waterways? Do you see increased reliance of inland waterways as a means to decrease traffic on our roads and highways and address other potential bottlenecks in our supply chains?*

Answer. While shifting containerized freight by inland waterways is currently less common, it could provide benefits in specific circumstances. If confirmed, I look forward to exploring opportunities like these to better capitalize on our inland waterways.

Question 2. Pennsylvania's three ports (Erie, Philadelphia, and Pittsburgh) move millions of tons in goods each year. These ports are critical to our supply chains and our national security. *If confirmed, how will you prioritize opportunities for growth and infrastructure improvement at ports in Pennsylvania and across the nation?*

Answer. If confirmed, I will work to ensure that DOT prioritizes strategic investments in the broader context of changes in multimodal freight market trends to strengthen the economy in Pennsylvania and across the Nation.

Question 3. The Port of Erie is a critical shipping hub along the Great Lakes. It's also a driver of jobs and economic opportunity in northwestern Pennsylvania. *In your view, how should shipping and the movement of freight on the Great Lakes factor into our national freight strategy?*

Answer. If confirmed, I will work with the Great Lakes and St. Lawrence Seaway Administration to promote the use of Great Lakes ports as key contributors to our industrial revitalization.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
GREGORY ZERZAN

DOT's proposed new enforcement procedure. On May 16, 2025, the Transportation Department issued a proposed rule, "Administrative Rulemaking, Guidance, and Enforcement Procedures," which I believe significantly chills enforcement actions. This proposed rule creates a new process that would allow a company being investigated by the Department to accuse DOT inspectors of misconduct and then petition you, if confirmed as General Counsel, to intervene on the company's behalf. Alarming, the rule would authorize you to pursue disciplinary action against DOT investigators and other employees, such as suspensions, demotions, or even terminations. I have serious concerns that this new process may be used to retaliate against DOT inspectors and discourage robust enforcement of our safety laws.

I understand my staff raised this proposed rule during your staff interview on July 21, 2025, so you are familiar with it.

Question 1. Yes or No: Do you think this new process creates a chilling effect on enforcement?

Answer. Because I am not at the Department I am not familiar with the policy discussions that led to this proposal. In addition, because the rulemaking remains in the proposal stage it may appear predecisional for a nominee with potential policy or enforcement authority to comment on matters which may come under the purview of the office to which the person is nominated. However, if I am confirmed I commit to doing whatever is within my power to ensure the law is followed without fear or favor, partiality or prejudice.

Question 2. Do you think exposing DOT safety officials to new personal liability like this will encourage them to pursue robust enforcement actions?

Answer. Because I am not at the Department I am not familiar with the policy discussions that led to this proposal. In addition, because the rulemaking remains in the proposal stage it may appear predecisional for a nominee with potential policy or enforcement authority to comment on matters which may come under the purview of the office to which the person is nominated. However, if I am confirmed I commit to doing whatever is within my power to ensure the law is followed without fear or favor, partiality or prejudice.

Question 3. Yes or No: If confirmed, will you publicly disclose any petition a company files pursuant to this new process asking you to intervene in an enforcement matter?

Answer. Because I am not at the Department I am not familiar with the policy discussions that led to this proposal. In addition, because the rulemaking remains in the proposal stage it may appear predecisional for a nominee with potential policy or enforcement authority to comment on matters which may come under the purview of the office to which the person is nominated. However, if I am confirmed I commit to doing whatever is within my power to ensure the law is followed without fear or favor, partiality or prejudice.

Question 4. Yes or No: If confirmed and this rule is finalized, will you publicly release detailed guidance on how you will enforce this new process?

Answer. Because I am not at the Department I am not familiar with the policy discussions that led to this proposal. In addition, because the rulemaking remains in the proposal stage it may appear predecisional for a nominee with potential policy or enforcement authority to comment on matters which may come under the purview of the office to which the person is nominated. However, if I am confirmed I commit to doing whatever is within my power to ensure the law is followed without fear or favor, partiality or prejudice.

10 for 1 deregulatory requirement. In President Trump's first term, the requirement to repeal two Federal requirements for every new requirement delayed or obstructed DOT from completing important safety requirements. For instance, a requirement for aviation manufacturers to have mandatory Safety Management Systems to prevent safety risks languished on the previous General Counsel's desk despite its clear relevance to the Boeing 737 Max crashes.

Now, this Administration is looking to repeal 10 safety requirements for every new one. There are a number of important bipartisan transportation safety requirements in the recent FAA reauthorization and the Bipartisan Infrastructure Law that would prevent crashes, save lives, and protect consumers.

This includes common sense requirements like overhauling safety standards to prevent helicopter air tour crashes like the April Hudson River tragedy, automatic emergency brakes for large trucks, and preventing families from being charged extra fees to sit together on flights.

Question 1. Should the 10 for 1 requirement apply to bipartisan life-saving safety requirements?

Answer. I am not at the Department but it is my understanding that Secretary Duffy and the President are committed to ensuring the safety of the American people.

Question 2. Will you commit to exempting congressionally mandated safety requirements from the 10-for-1 mandate?

Answer. I commit to seeking to ensure that all rulemakings are consistent with the law as passed by Congress.

Question 3. Please name 10 transportation safety requirements that you think should be repealed?

Answer. Because I am not at the Department I am not aware of what role, if any, the General Counsel will have in determining the appropriateness of individual safety standards, which may be a task best reserved for the relevant subject matter experts; however, it is my understanding that safety requirements are a priority for Secretary Duffy and the President.

DOT workforce cuts and infrastructure investments. Politico recently reported that over 20 percent of the Federal Highway Administration and over 30 percent of the Federal Transit Administration have taken deferred resignation offers. These are the workers who approve NEPA documents, prepare grant agreements, and oversee grants to prevent waste, fraud, and abuse of taxpayer dollars.

Question 1. Mr. Zerzan, as General Counsel, you will be responsible for approving grant agreements. I have heard from constituents who were concerned that the process to receive Federal funds was too slow before, how do you plan to ensure the efficient distribution of funding with this reduced workforce?

Answer. If I am so fortunate as to be confirmed I will endeavor to ensure that funding is efficiently distributed consistent with the law and the direction of the Secretary.

Question 2. The Bipartisan Infrastructure Law provided \$350 billion for transportation projects—how will you work to prevent waste, fraud, and abuse of taxpayer dollars with a drastically reduced workforce to oversee these funds?

Answer. If I am so fortunate as to be confirmed I will endeavor to ensure that funding is efficiently distributed consistent with the law and the direction of the Secretary.

FAA Reauthorization Aviation Consumer Protections. After hearing directly from my constituents who had their travel plans ruined during the Southwest Airlines' meltdown, I knew we needed to make sure the flying public was not left holding the bag wondering if they would ever be made whole after getting their flight cancelled or delayed.

Thanks to the FAA law, we ensured passengers are entitled to hassle-free refunds when their flights are cancelled or significantly delayed by an airline—no matter the cause. And we empower the DOT to be a strong cop on the beat by establishing a new Office of Aviation Consumer Protection and tripling fines for consumer protection violations.

But I'm concerned that DOT will revert back to a 2020 Trump Administration rule that weakened airline oversight. We cannot afford a light-touch approach to consumer protections when Americans have experienced so many widespread travel disruptions in the past three years.

Question 1. DOT must show they are committed to upholding and enforcing protections for everyday travelers. Yes or No: If confirmed, will you make protecting passenger rights a priority under your leadership?

Answer. I will make protecting passenger rights a priority consistent with law and in accordance with the policy directions of the Secretary.

Question 2. Our 2024 FAA law requires a stronger DOT approach to consumer protection. Yes or No: Do you commit to ensuring the Office of Aviation Consumer Protection gets fully stood up to protect passenger rights as required by the law?

Answer. I commit to following the law as passed by Congress.

Question 3. If confirmed, how would you leverage DOT's enforcement authorities to act on behalf of consumers who have had their rights violated by airlines?

Answer. I will seek to ensure that all authorities are used to protect the rights of consumers, consistent with the law and the policy direction of Secretary Duffy. It is my understanding that Secretary Duffy and the President are committed to ensuring the rights of consumers are protected.

Grant Review. The Trump Administration is in the process of reviewing 3,200 projects went through a rigorous selection process and were in the final stages of execution during the Biden Administration. Many of them were ready to go, but on day one, President Trump put a historic pause all 3,200 of those projects and created a new step in the grant approve process, requiring grants to be re-evaluated to make sure were not funding "woke" roads. As a result, grants that were selected under a fair and competitive process have been delayed.

Question 1. Yes or No: Do you think it is fair to change the rules of the game and re-evaluate grants that have already been selected and announced based on criteria that weren't even part of the original application process?

Answer. I believe it is the duty of the Department to follow all applicable laws.

Question 2. Yes or No: Do you commit to improving the transparency of the Department's grant review process and working with recipients to get remaining grants obligated as soon as possible so that funds can start to benefit our communities?

Answer. I believe it is important to follow the law as passed by Congress, including with respect to transparency.

Question 3. Yes or No: Do you commit to making sure that DOT grant programs remain free from political bias and that projects under this Administration are selected based on merit?

Answer. I believe it is important to follow the law as passed by Congress, including with respect to political bias.

Immigration Cooperation to Receive Federal Transportation Funds. DOT sends billions of dollars every year to States and local communities for highways, airports, transit, ports, and all sorts of critical transportation projects.

On April 24, 2025, Secretary Duffy issued a “Follow the Law” letter to recipients of DOT funding stating that they are obligated to comply with all Federal laws, including cooperating with ICE in the enforcement of immigration law.

Failure to follow those requirements could result in Federal transportation funding being terminated. I see this as just creating more red tape for construction projects.

Question 1. As DOT General Counsel you will be providing legal advice to Secretary Duffy and your office will have final authority on questions of law for the Department. Do you believe the Federal government has the legal authority to compel States to cooperate with Federal immigration enforcement in order to receive critical transportation funding?

Answer. It may be premature to discuss analysis related to legal authorities with respect to matters in which the United States may become a party to litigation.

Department of the Interior “M-Opinions.” Mr. Zerzan, as the acting DOI Solicitor, you issued a memo on February 28, 2025, that placed every legal opinion by the Solicitor’s office (known as “M-Opinions”) issued under the Biden Administration under a “Suspension Review.” Twenty legal opinions were suspended, ranging from issues on migratory bird protections, mineral ownership in North Dakota, and land trusts for Alaska Natives. While previous solicitors in new Administrations have suspended or withdrawn certain M-Opinions, they had done so on a case-by-case basis.

Question 1. What criteria, if any, did you apply when deciding which M-Opinions to suspend?

Answer. I must respectfully demur with respect to questions related to the internal legal deliberations of the Department of the Interior.

Question 2. Yes or No: If confirmed, do you plan on rescinding or otherwise targeting DOT legal decisions simply because they were issued during the Biden Administration?

Answer. I commit to exercising legal judgments based on the substantive merits and applicable law and facts.

Question 3. You also reinstated one M-opinion that a Federal district court ruled unlawful and vacated. Yes or No: Do you agree that an executive order does not give an agency the authority to violate a binding court order?

Answer. Executive orders do not generally override court orders.

Impartial Legal Advice. I understand you have held a personal friendship with Secretary Duffy for at least 15 years.

Question 1. Please detail your relationship with Secretary Duffy, including when and how you become friends.

Answer. I have known Secretary Duffy since he was a candidate for Congress. I consider him to be a patriot and a great American.

Question 2. Yes or No: Do you agree that the role of DOT General Counsel is to provide sound legal guidance to advance the Department’s interests, not any individual’s personal interests?

Answer. It is a fundamental principle of legal ethics that the duty of a lawyer is to uphold the interests of the lawyer’s client, consistent with the law.

Question 3. Will you commit to always providing impartial legal advice if confirmed?

Answer. If I am so fortunate as to be confirmed I commit to upholding laws, rules and best ethical practices.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. AMY KLOBUCHAR TO
GREGORY ZERZAN

1. Oversight Cooperation. In previous administrations, the General Counsel has supervised Congressional oversight requests related to the Department of Transportation. The Department’s cooperation is crucial to this Committee’s work, including in investigating and working to prevent recent plane collisions and near-misses.

If confirmed, will you work in good faith to provide prompt responses to congressional oversight as required by law?

Yes.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TAMMY DUCKWORTH TO
GREGORY ZERZAN

Question 1. Steven Bradbury was Department of Transportation (DOT) General Counsel during Congressional 737 MAX investigations, DOT did not cooperate with this committee's requests for documents and information.

Chair Wicker's final report on our committee's investigation concluded, "The level of cooperation by the FAA and DOT has been unacceptable and at times has bordered on obstructive."

The report specifically called out Bradbury's failure to produce relevant documents requested by Chair Wicker.

If you are confirmed, Mr. Bradbury will be your boss at DOT.

A. Why should this committee trust that you will be any more cooperative than Mr. Bradbury was with requests for documents and information?

I cannot speak to the facts of the particular matter you mention, but I commit to work in good faith to provide prompt responses to congressional oversight as required by law.

B. If confirmed, will you provide this committee with a breakdown of the number of Department of Transportation employees—by mode and job category—who have left or are scheduled to leave DOT employment, so far, this year? This is not a request for names or personal identifying information.

I commit to work in good faith to provide prompt responses to congressional oversight as required by law.

Question 2. As you know, the Office of Aviation Consumer Protection (OACP) sits within the Office of General Counsel. The OACP handles complaints filed by flying passengers, including passengers with disabilities, who might want recourse when—for example—their wheelchair gets broken. Many of my priorities included in the FAA Reauthorization Act that was signed into law last year were intended to improve the travel experience for passengers with disabilities and would be implemented under the OACP. Please answer the following yes-or-no questions:

A. If confirmed, will you ensure the various rulemaking requirements and issuance of sub-regulatory guidance required by the FAA Reauthorization Act, particularly under title V, will be published in the Federal Register on time? For any deadlines that may already have been missed, please list the date upon which we can expect to see these published.

I commit to endeavoring to follow the law as passed by Congress.

B. With respect to Sec. 549, which was a priority of Senator Baldwin and me, I am concerned about your past efforts to deregulate industries at other departments. If confirmed, will you ensure DOT will investigate disability-related complaints within 120 days of receiving the complaint, and notify the complainant and relevant airline of the facts underlying the complaint and any action DOT is taking in response to the investigation?

I commit to endeavoring to follow the law as passed by Congress.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
GREGORY ZERZAN

Question 1. The purpose of the Department of Transportation is to ensure that every form of transportation is safe for Americans. Yes or No: Would you take an action that is in conflict with those goals due to political pressure?

I commit to follow the law as passed by Congress.

Question 2. Yes or No: Would you go against a direct order from the President or his cabinet if you believed it put lives at risk or was illegal?

I commit to follow the law as passed by Congress.

Question 3. Yes or No: Did Joe Biden lawfully win the 2020 presidential election? It is my understanding that Joseph Biden was certified the winner of the electoral college vote on January 7, 2021, thereby making him the lawfully elected President of the United States.

Question 4. Yes or No: Did Donald Trump lawfully win the 2024 presidential election?

It is my understanding that Donald Trump was certified the winner of the electoral college vote on January 6, 2025, thereby making him the lawfully elected President of the United States.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN HICKENLOOPER TO
GREGORY ZERZAN

The Bipartisan Infrastructure Law included major programs designed to improve safety, strengthen the resiliency of supply chains that rely on rail, highway, or aviation modes of transportation and modernize critical infrastructure across each state. The American government includes a separation of powers where the Legislative Branch passes laws that, after enactment, are implemented by the Executive Branch. By next year, Congress and this Committee must decide on how we will reauthorize surface transportation programs to meet the needs of our states.

Question 1. Mr. Zerzan, do you believe an Executive Order has the power to override the will of laws that are crafted by Congress? Why or why not?

Executive orders do not generally override laws passed by Congress.

Question 2. Mr. Zerzan, will you commit to advising Secretary Duffy to implement Federal policies, award discretionary grants or formula funds on a timely basis, and faithfully review project applications as intended by Congress?

I commit to advising the Secretary to follow all applicable law.

