



September 2, 2008

USG Corporation
550 W Adams Street
Chicago IL 60661

Tom Zapler
Director Public Affairs
Union Pacific Railroad
101 N. Wacker Drive
Chicago, IL 60606

Dear Chicago Project/CREATE PARTNERS

For more than 100 years, Chicago-based USG has been a leader in producing innovative products and systems to build the environments in which we live, work and play. As the inventor of wallboard and mineral wool ceiling tile, USG created North America's building materials industry. Our products are used in everything from major commercial developments and residential housing to simple home improvements. Our flagship brands include SHEETROCK® Brand gypsum panels and DUROCK® Brand cement board, which are recognized around the world. Through its operating units, USG is the largest manufacturer of gypsum products in North America, the largest distributor of wallboard in the United States and a leading manufacturer of ceiling panels and ceiling grid. Safe, efficient, and cost effective transportation is critical for servicing our customers.

Numerous government studies project highway and railroad volumes to grow significantly over the next 20 years with many metropolitan areas, including Chicago, becoming gridlocked. Chicago is well known as the country's largest and most important railroad gateway, and as a major truck and railroad shipper in the region, there would be significant costs to USG if the projected gridlock was not addressed. The CREATE project is designed to proactively address the numerous railroad bottlenecks in the region while streamlining operations and allowing rail cars to move more efficiently through the regional network. An improved Chicago railroad network will reduce both rail and highway congestion, as rail traffic moves more efficiently, and opportunities to shift highway bound truckload traffic can be routed via rail. At USG, every railcar shipment takes approximately four trucks off the highway system.

In 2007, USG shipped and received 25,000 railcar shipments throughout the country. 2,000 of those shipments moved across the Chicago gateway. Rail is an integral part of our supply chain, for both inbound raw materials and outbound finished products. In today's competitive market place, we need cost effective and efficient rail operations to support our business. Chicago's CREATE is vitally important to our business for the following reasons:

1. The Chicago Gateway, the nations largest, needs to be the country's model for safe, productive and efficient railroad operations.
2. CREATE will reduce the time it takes a railroad car to move through Chicago thereby reducing congestion and idle time for rail traffic.
3. CREATE will encourage the growth of rail in Chicago and across the country, resulting in the reduction of highway truckload traffic. Rail is more fuel efficient than truck, and results in lower emissions.

USG Corporation supports the CREATE project and recognizes the value that CREATE brings to companies in the Chicago region and across the nation.

Sincerely,

Craig Boroughf
Director, Transportation
United States Gypsum Company