

Norfolk Southern Corporation Accounting Department Three Commercial Place Norfolk, Virginia 23510-2191 C. H. Allison, Jr. Vice President and Controller (757) 629-2765

November 1, 2010

Technical Director
File Reference No. 1860-100
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

RE: Proposed Accounting Standards Update

Compensation – Retirement Benefits – Multiemployer Plans (Subtopic 715-80)

Disclosures about an Employer's Participation in a Multiemployer Plan

Norfolk Southern Corporation ("NS") is one of the nation's premier transportation companies and is a publicly held corporation. Its Norfolk Southern Railway subsidiary operates approximately 21,000 route miles in 22 states and the District of Columbia, serving every major container port in the eastern United States, and provides efficient connections to other rail carriers. Norfolk Southern operates the most extensive intermodal network in the East and is a major transporter of coal and industrial products.

NS appreciates the opportunity to provide, and respectfully submits, the following comments on the Proposed Accounting Standards Update ("ASU") regarding Compensation – Retirement Benefits – Multiemployer Plans (Subtopic 715-80), *Disclosure about an Employer's Participation in a Multiemployer Plan*, published by the Financial Accounting Standards Board (the Board) – selections of which have been reproduced here in italics.

Under collective bargaining agreements, NS participates in multiemployer benefit plans that provide certain postretirement health care and life insurance benefits to eligible union employees.

Future Contributions

715-80-50-1B- l. Known trends in contributions, including the extent to which a surplus or deficit in the plan may affect future contributions.

Should the ASU be adopted, NS respectfully requests that the Board omit this requirement as it does not have complete insight into contribution trends. As there are many facilitators of contributions; e.g., surpluses, deficits, the current economic environment or the resulting tax benefit, one cannot practically and accurately model how opposing subjective factors will influence the level of contributions.

Withdrawal Liability

715-80-50-1B - m. For plans for which an amount is required to be paid on withdrawal from the plan or windup of the plan: (1) Details of any agreed deficit or surplus allocation to participating employers on windup. (2) The amount that is required to be paid on withdrawal from the plan as of the most recent date available, if that information is obtainable. (3) If the amount required to be paid on withdrawal is not

obtainable, information about the employer's relative participation in those plans (such as percentage of total contributions to such plans or percentage of participants covered by such plan(s)).

NS believes that disclosure of a withdrawal liability would create inconsistency within the current accounting literature. In accordance with ASC 450-20-25-2, "a loss contingency shall be accrued by a charge to income if both of the following conditions are met:

a. Information available before the financial statements are issued or are available to be issued (as discussed in Section 855-10-25) indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements. Date of the financial statements means the end of the most recent accounting period for which financial statements are being presented. It is implicit in this condition that it must be probable that one or more future events will occur confirming the fact of the loss. b. The amount of loss can be reasonably estimated."

With respect to current multiemployer disclosures, ASC 715-80-50-2 states that "An employer shall apply the provisions of Topic 450 if it is either probable or reasonably possible that either of the following would occur:

a. An employer would withdraw from the plan under circumstances that would give rise to an obligation. b. An employer's contribution to the fund would be increased during the remainder of the contract period to make up a shortfall in the funds necessary to maintain the negotiated level of benefit coverage (a maintenance of benefits clause)."

Within the italicized text above, it appears that disclosure of a withdrawal liability amount or percent contributed is absolute. With the assumption that withdrawal from a multiemployer plan is remote and a charge to earnings has not occurred, this would oppose the current loss contingencies guidance.

Should the ASU be adopted, NS respectfully requests that the Board omit this requirement until its redeliberations are complete with respect to the Contingencies (Topic 450) Disclosure of Certain Loss Contingencies exposure draft.

Effective Date and Transition

BC15. The Board plans to require that the final Update be effective for certain entities for fiscal years ending after December 15, 2010. The Board intends to defer the effective date for nonpublic entities, as defined in paragraph 715-80-65-1, for one year. The Board believes it is important that the enhanced disclosures be made as soon as possible and that it is feasible for public entities to begin providing the information for fiscal years ending after December 15, 2010.

Should the proposed ASU be adopted, substantial effort will be required to compile and review sufficient and competent evidence to support the increased disclosure requirements. Notwithstanding a compressed implementation period, the level of effort to compile the support and develop the disclosures is not commensurate with the benefit to the users of the financial statements. As this would be a new requirement for select plan administrators, there is concern that they may not be able to sufficiently provide the detailed information by the Form 10-K filing deadline for companies with calendar year-ends. Furthermore, NS, as well as other corporations, will need to ensure that its external auditors are able to appropriately audit the disclosures.

Should the ASU be adopted, NS respectfully requests that the effective date for public entities be for fiscal years ending after December 15, 2011.

Thank you for this opportunity to comment on the ASU. If you would like to discuss this further or would like additional information, please feel free to call me at (757) 629-2765.

Very truly yours,

C.H. Allison, Jr.

VP and Controller