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October 6, 1995

**VERIFIED STATEMENT**  
**OF**  
**ROBERT W.J. MORTENSON**  
**ON BEHALF OF**  
**FARMERS COMMODITIES CORPORATION**

This statement is being filed by Robert W.J. Mortenson, Director of Transportation for Farmers Commodities Corporation of Des Moines IA. My background and professional experience are as follows:

- Twenty years transportation experience in the Grain Industry.
- Experienced Grain Trader on the Floor of the Minneapolis Grain Exchange.
- Past Director of the Minneapolis Grain Exchange.
- Past President and Director of the Northwest Association of Rail Shippers.
- Past President and Director of the Twin City Transportation Club Mpls,Mn.
- Member National Grain & Feed Association Transportation Committee.

As the Director of Transportation I am directly responsible for a 400 car Fleet and the transportation of grain for our Cooperative Members.

Farmers Commodities Corporation is an agricultural Cooperative that represents over 700 Cooperative grain elevator companies across the United States. The primary focus of the company is agricultural trading in the Commodity Futures market, Cash grain trading, and Brokerage. (See map)

Farmers Commodities Corporation represents grain shippers on the Union Pacific system in the states of Kansas, Nebraska, Iowa, Minnesota, Illinois, Utah, Colorado, and Oklahoma.

These Cooperative elevators represent a cross section of the shipping public with capabilities ranging from the ability to load 100 car unit trains within 15 hours, all the way down to the smaller single car shipper.

The Union Pacific and Southern Pacific Merger request is of vital interest to the Grain Industry and Farmers Commodities Corporation supports this Merger.

This free flow of commerce is vital to our industry and we see new Markets and opportunities being opened up to our member Cooperatives. This benefit cascades down to Producers and the entire Agricultural Community as reductions in operating costs and improved service are integrated into Grain pricing .

Our Company has participated in the opportunity to reach new markets due to the Union Pacific and Chicago Northwestern acquisition and we have seen the benefits of the increased marketing territory with competitive rail pricing.

The recent acquisition of the Chicago Northwestern allowed us to participate in the Pacific Northwest Export Market. This new market to Iowa and southern Minnesota allowed local Cooperatives and Producers to receive ten to twelve cents per bushel in additional revenue. In the first month of operation we sold forty-five 100 car shuttle trains from these locations to the PNW for Export. This is approximately sixteen million bushels of corn and the increased revenues would represent **\$1,920,000.00 in additional revenue realized by local cooperatives and Producers.** This type of savings was **promised and delivered** under the Union Pacific and Chicago Northwestern Acquisition.

As a shipper dependent on Union Pacific and Southern Pacific we support this merger. The benefits to us will be in reduced costs, improved service, and additional new markets.

Hopper car supply will be improved through utilization of the Union Pacific advanced car order system . (ACOS) The ACOS car order system allows for the free flow of equipment between surplus and deficit demand areas across the Union Pacific system . This system also improves utilization through advance planning and mutual cooperation between the shipper and carrier. This ACOS system allows the shipper to plan transportation needs around a confirmed base car allocation and addresses the common carrier obligation to provide car supply on reasonable request.

New single line service will allow Midwestern corn and feedgrains to be marketed to the San Joaquin, and Imperial Valley in California on a competitive basis with corn originated on the merged BN-ATSF system.. Opening these areas will have a tremendous impact to Cooperative elevators in Iowa and Minnesota and provide increased value to corn produced in the midwest.

The combined Union Pacific system will provide single line service to all Mexican border crossings with shorter and more efficient routings.

Access to the Union Pacific Mexican car order system will also provide an improved car supply to our member cooperatives.

We have growing concerns about the long term quality of service on the Southern Pacific without this merger. Southern Pacific has had service problems to California and other feed areas over the past few years. This merger will bring about necessary capital improvements, and the long term commitment necessary to operate a modern and efficient railroad.

In conclusion we believe the proposed merger will provide significant benefits to our member cooperatives and the shipping public in general.

Farmers Commodities Corporation supports this application along with the enthusiastic support from our member cooperatives.

# VERIFICATION

STATE OF Minnesota

COUNTY OF Hennepin

**ROBERT W.J. MORTENSON**, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

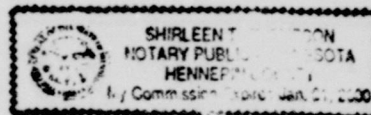
Robert W.J. Mortenson  
Robert W.J. Mortenson

Subscribed and sworn to before me this sixth day of October, 1995

Shirleen J. Thompson  
Notary Public

My Commission Expires:

January 31, 2000



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*Farmers Commodities Corporation is headquartered in*

*Des Moines, Iowa,*

*with full-service offices in Chicago, Illinois; Kansas City, Missouri; Minneapolis, Minnesota;*

*Omaha, Nebraska; Spokane, Washington and Toledo, Ohio.*



*Farmers Commodities Corporation*

*is one of the largest-volume*

*commercial grain brokerage firms in the country,*

*serving cooperative member-owners, substantial private companies,*

*large-volume institutions and other major commodity traders in the U.S. and the world.*

*The company's focus is on the delivery of professional marketing and risk management programs*

*designed to enhance customer profitability.*

# Farmers Elevator Co.

"A Full-Service Locally Owned Cooperative Organized in 1921"

**BONDURANT, IOWA 50035**

P.O. BOX 9  
PHONE: 967-4207  
FAX: 967-7902

**MAXWELL, IOWA 50161**

P.O. BOX 335  
PHONE: 387-8855  
FAX: 387-8668

**COLLINS, IOWA 50055**

P.O. BOX 125  
PHONE: 385-2364  
FAX: 385-2441

**ALTOONA, IOWA 50009**

102 - 1ST ST. N.  
PHONE: 967-4215  
FAX: 967-7268

WATS (within the 515 area code) 1-800-287-4207 (outside the 515 area code) 1-800-542-5036

September 22, 1995

VERIFIED STATEMENT  
OF  
NORMAN R. HAVEL  
on behalf of  
FARMERS ELEVATOR COMPANY  
BONDURANT, IOWA

My name is Norman R. Havel and I have served as General Manager of Farmers Elevator Company, Bondurant, Iowa, for the past thirty years.

Farmers Elevator Company is a farmer owned cooperative with approximately 500 owner/members. Our service area includes much of Polk county, Iowa, and parts of Story and Jasper counties. We provide our patrons with agricultural inputs, such as fertilizers, and a market place for the grain they produce.

Our company is served by the Iowa Interstate railroad at our branch located at Altoona, Iowa. We receive rail shipments of dry fertilizer at that facility, and load grain cars for shipment to barge loading points on the Mississippi river there.

We are served by the Union Pacific railroad at our Bondurant facility, have a distribution center here for about 150 cars annually of agricultural liquid nitrogen which is received by rail from Donaldsonville, LA, and track allowing us to load 100 car trains at this location. It is our primary shipping point for the 8 to 10 million bushels of grain we market annually.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support this as a means of improving service and strengthening competition, because it will offer us more possibilities for marketing the grain we ship by allowing us to ship to California ports and to Mexico. We also anticipate more efficient routing of our trains to terminal ports in the Gulf of Mexico and California.

We do market some grain to area processors by truck, but the rail market certainly remains our best possible method of shipment and enables us to access profitable markets for our owner/producers. We are most interested in seeing that it remains a healthy industry for our benefit in the future. We believe this merger will help accomplish that goal.

#### VERIFICATION

I, Norman R. Havel, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 8, 1995.

*Norman R Havel*



**FARSTAD**  
OIL, INC.

P.O. Box 60528  
Midland, Texas 79711-0528  
915 563-4404  
1-800-398 7104  
915 563-5421 FAX

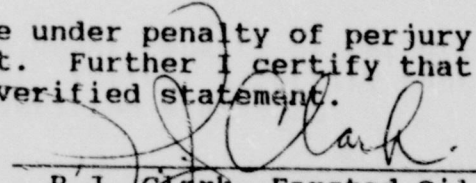
DATE: SEPTEMBER 27, 1995  
ATTN: INTERSTATE COMMERCE COMMISSION  
FROM: R.J. CLARK, MARKETING MANAGER, RAILROAD COORDINATOR  
SUBJECT: MERGER CASE: FINANCE DOCKET NO. 32760  
UNION PACIFIC AND SOUTHERN PACIFIC PROPOSED MERGER

I, R.J. Clark, Marketing Manager and Railroad Coordinator, of Farstad Oil, Incorporated am located at 10508 W. County Road, Odessa, Texas 79711. I have been working in this capacity for nearly two years with the Farstad Organization. I have intimate knowledge of Farstad's railroad operations since 1992.

Farstad Oil, Incorporated (Farstad) owns and operates a NGL fractionator in Midland, Texas. Farstad currently ships on the Union Pacific railroad; our terminal is designated the "Pegasus Siding". The terminal has been active since the fall of 1993. The fractionator was completed in the fall of 1994. Prior to this date, Farstad operated a loading facility in El Paso, Texas. This facility was on the Southern Pacific system; it was known at the "Buford Terminal". Buford was taken out of service in January of 1994. Currently Farstad is a shipper and receiver of various NGL liquids--propane, butane, natural gasoline, and propylene. Shipping volumes have run in excess of 500 cars per year; we anticipate monthly volumes will increase to 120-135 cars per month for the next year. We hope to bring additional volume into our facility via rail; we have had spot contracts that have seen 20-30 cars per month. We are looking at expanding our business to other loading facilities in Kansas, Texas, and Louisiana. All of these systems are served by either the UP or SP.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. Should the merger become a reality, we would realize a better competitive posture in markets such as California, Arizona, and New Mexico. The merger will afford Farstad an untold number of opportunities to diversify our incoming and outgoing product base. We can evaluate expansion opportunities for specialty treating of liquids from Canada, Rocky Mountains, and the Midwest. As a large volume shipper, we whole heartily support this merger.

I, R.J. Clark, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

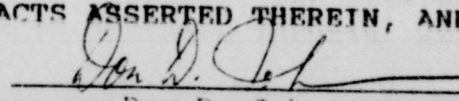
  
R.J. Clark, Farstad Oil, Inc.

VERIFICATION

STATE OF TEXAS  
COUNTY OF MIDLAND

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R.J. CLARK, BEING FIRST DULY SWORN, DEPOSES, AND SAYS HE HAS READ THE FOREGOING DOCUMENT KNOWS THE FACTS ASSERTED THEREIN, AND THAT THE SAME ARE TRUE AS STATED.



**VERIFIED STATEMENT  
OF  
JULIAN L. McLendon  
on behalf of  
FLORIDA STEEL CORPORATION**

My name is Julian L. McLendon. I am Transportation Director for Florida Steel Corporation, P. O. Box 31328, Tampa, Florida, 33631. My duties include the management and planning of all transportation service for the Florida Steel Corporation which includes 18 Mills and/or Fabrication plants at the following locations:

FL	SC	GA	LA	NC	TN	AR	WV
Tampa	Aiken	Duluth	Harahan	Charlotte	Knoxville	Paragould	St. Albans
Plant City	Caskey			Raleigh	Nashville		
Ft. Lauderdale					Collierville		
Jacksonville					Jackson		
Orlando							

Total freight charges for 1994 was \$38 million dollars for steel and supplies. Our inbound and outbound commodities encompass a wide geographical region of the United States. Due to our high freight volumes and domestic sales marketing areas, we utilize many rail carriers including Southern Pacific and Union Pacific.

We are advised that Union Pacific and Southern Pacific will soon seek authority to merge into one rail carrier and we wish to announce our complete support of this merger as we feel it will benefit our company as well as the shipping public in general.

As we utilize both these carriers frequently, we believe the merger will ensure better overall rail service for various reasons, i.e.: new single line service, more efficient routes, terminal coordination and better equipment utilization. We also feel that the merged company will be better equipped to meet the competitive challenge of the BN/ATSF merger just recently authorized.

I, Julian L. McLendon, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this certified statement executed on September 27, 1995.

Julian L. McLendon  
Julian L. McLendon

Sept. 27, 1995  
Date

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STATE OF FLORIDA  
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged to me by Julian L. McLendon, who is personally known to me on this 27th day of September, 1995.

Graciela Bonilla  
Graciela Bonilla, Notary Public

9/27/95  
Date



BEFORE THE  
INTERSTATE COMMERCE COMMISSION  
FINANCE DOCKET NO. 32760

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND  
MISSOURI PACIFIC RAILROAD COMPANY

-----CONTROL AND MERGER-----

SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC  
TRANSPORTATION COMPANY, et.al.

Verified Statement of

Elizabeth A. Myzak  
Vice President, Transportation  
Forest City Trading Group, Inc.  
October 9, 1995



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# Forest City Trading Group, Inc.

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**TRADITION OF EXCELLENCE**

My name is Elizabeth A. Myzak. I am Vice President of Transportation for Forest City Trading Group, Inc. with headquarters at 10250 SW Greenburg Road, Portland, OR 97223. Forest City Trading Group has ten subsidiary companies. We are major wholesalers of Forest Products. I am authorized by my company to make this statement in support of the merger between Union Pacific and Southern Pacific.

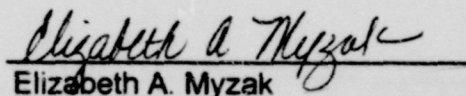
Forest City Trading Group, Inc. is involved in the purchase and sale of lumber, plywood, waferboard/oriented strand board, particleboard and gypsum wallboard. We are heavily dependent on rail transportation as over 40% of our shipments move rail, or approximately 55,000 units. Truck movements comprise 60%.

Our market area is very broad in that we source supply from the majority of producers throughout the United States and Canada and we sell to all major consuming areas in both countries.

We believe the merger of UP and SP will provide several benefits to Forest City Trading Group.

1. Single Line service will provide greater efficiencies in transit times, better operating schedules, increased equipment utilization, and better quality equipment due to UP's aggressive capital spending programs.
2. Improved customer service. We will benefit from common car tracing systems to SP and UP local destinations, streamlining the number of people involved in a transaction, reduction in paperflow, and not waiting for concurrence from the other carrier in pricing matters.
3. The merger should provide our company with greater marketing opportunities. Currently, SP origin business destined to points west of the Mississippi is sold to SP destinations; the same applies to UP origin traffic to UP destinations. Now we may cross boundaries. The merger will provide an expanded base of supply and greater sales coverage.
4. We believe the UP could compete with the BN/ATSF on a service/price level, but feel sure the SP could not. For the first time, there may be opportunities to compete with I-5 corridor trucking.

Based on the above statements, we believe the proposed merger will provide benefits to shippers. Forest City Trading Group, Inc. supports the merger application.

  
Elizabeth A. Myzak

**FOREST CITY TRADING GROUP, INC. SUBSIDIARY LISTING**

**AMERICAN INTERNATIONAL FOREST PRODUCTS**

Portland, Oregon

**BIRMINGHAM INTERNATIONAL FOREST PRODUCTS**

Birmingham, Alabama

**BUCKEYE PACIFIC CORPORATION**

Portland, Oregon

**CASCADE EMPIRE CORPORATION**

Portland, Oregon

- \* PLATEAU FOREST PRODUCTS (Division of Cascade Empire Corp.)  
Bend, Oregon

**OLYMPIC INDUSTRIES**

Vancouver, British Columbia

**RICHMOND INTERNATIONAL FOREST PRODUCTS**

Glen Allen, Virginia

**SEABOARD INTERNATIONAL FOREST PRODUCTS**

Nashua, New Hampshire

**TAMPA INTERNATIONAL FOREST PRODUCTS**

Tampa, Florida

**VIKING FOREST PRODUCTS**

Minneapolis, Minnesota

**WESTERN INTERNATIONAL FOREST PRODUCTS**

Portland, Oregon

**VERIFICATION**

I, Elizabeth A. Myzak, declare under  
penalty of perjury that the foregoing is true and correct.

Further I certify that I am qualified and authorized to file this  
verified statement executed on October 9, 1995.

Elizabeth A. Myzak  
Elizabeth A. Myzak



# Fox Companies

P.O. Drawer 1429, # 2 Riverbend Court  
Hamilton, Montana 59840  
(406) 363 - 5140, Ext. 225 (406) 363 - 6774

October 4, 1995

## VERIFIED STATEMENT

of  
Thomas L. Fox  
on behalf of  
**Fox Dispatch**

The following is a verified statement of Thomas L. Fox, President of Fox Dispatch. My company has been involved in the transportation industry for 20 years. I am responsible for all railroad contract negotiations and relations for Fox Dispatch.

Fox dispatch has lumber shipments exceeding 2,500 to date, mostly from the Northwest to the South and Southwest markets, as well as from Chicago into the Texas markets. In addition, we ship a lot of product by rail from the South to the west coast markets.

After reviewing the proposed UP/SP merger, I see two primary areas of strength from the merger.

First, increasing levels of service will enhance the utilization of equipment. Streamlined operations will improve transit times by eliminating yard congestion, provide better locomotive resources and vastly expedite movement of cars, both loaded and empty.

Secondly, a financially viable railroad should allow for continued flexibility in meeting competitive demands dictated by market forces. It is the marketplace that ultimately determines the mode of transportation utilized to move finished products and raw materials to its destination. A fiscally sound railroad is in much better position to meet shipper needs, from competition amongst remaining carriers to highway and waterway alternatives.

I believe this merger will provide Fox Dispatch with increased efficiencies and support the application for Union Pacific and Missouri Pacific control and merger of Southern Pacific Railroad Corporation and Transportation Company.

I, Thomas L. Fox, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed October 4, 1995.

Thomas L. Fox  
President/Fox Companies



## FOXLEY GRAIN CO.

21 September, 1995

**VERIFIED STATEMENT  
OF MICHAEL J. O'DOWD  
ON BEHALF OF  
FOXLEY GRAIN CO.**

RE: Finance Docket No.32760, the proposed merger of the Union Pacific & Southern Pacific Railroads, I would submit the following:

I, Michael J. O'Dowd, am president of Foxley Grain Co., 2805 South 168th Street, Omaha, Nebraska 68130. My responsibilities include management of the Company's transportation. I have held this position since 1985.

Foxley Grain Co. is a wholly-owned subsidiary of Foxley Cattle Co. Its primary business relates to owning and operating grain elevators in Iowa, Nebraska & Colorado. We ship 4-5,000 carloads per year, primarily in covered hoppers. These shipments move westward to the PNW, southward towards the Gulf and to Mexico, eastward to various grain processors as far away as New York. Carriers serving our facilities include the Burlington Northern, Union Pacific, and Chicago Central.

We believe that the proposed merger of the U.P. and the S.P. is in the best interests of our company, as well as other shippers. We endorse this application without reservation. It appears quite likely that a great many benefits will result from this proposed merger, but our firm is primarily interested in only a few of these. The potential for more efficient routings and single line service will benefit Foxley greatly. We will be able to provide better service to our existing customers and will be able to compete for new ones. The prospect of better access to Mexican markets and improved car utilization is exciting, too.

Since our company operates along both the Burlington Northern and Union Pacific systems, we believe that this merger enhances the competitive balance between the two carriers. It is in the best interests of shippers to keep that balance intact.

**Foxley Grain Co. supports the proposed merger because of our belief that it will provide significant benefits to shippers.**

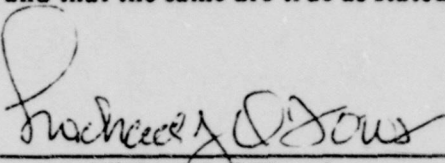
Sincerely,

Michael J. O'Dowd  
President

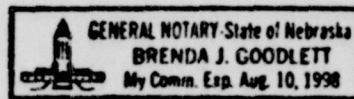
VERIFICATION

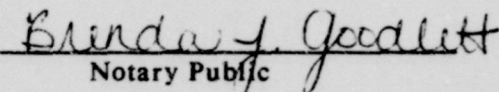
STATE OF NEBRASKA    )  
                              ) ss.  
COUNTY OF DOUGLAS    )

Michael J. O'Dowd, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
\_\_\_\_\_  
Michael J. O'Dowd

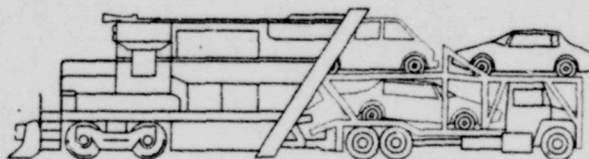
Subscribed and sworn to before me this 21st day of September, 1995.



  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Aug. 10, 1998



## **FRE-MAC INDUSTRIES, INCORPORATED**

P.O. Box 95488 • Oklahoma City, OK 73143 • 800 3213675 • fax 405 632 6057

### **VERIFIED STATEMENT**

**OF**

**W. A. MCDONALD, CEO  
MARK MCDONALD, PRESIDENT  
DARRELL MCDONALD, VICE PRESIDENT**

**ON BEHALF OF FRE-MAC IND., INC.,  
AUTO-RAIL SYSTEMS, & RAIL UNLIMITED INC.**

We, the above, are the owners of Fre-Mac Ind., Inc., Auto-Rail Systems, and Rail Unlimited, Inc. at P.O. Box 95488, Oklahoma City, OK.

Fre-Mac Industries Inc., is an automobile loading/unloading company that was founded in 1968, by W.A. (Mac) McDonald. Now, as then, we are committed to providing the railroad with the best service in the industry. Mac built his company and reputation on hard work and quality service. Today, more than ever, we are committed to the philosophy started by Mac back in 1968. We pride ourselves in our high quality and flexibility which allows us to respond to the ever changing demands of the industry.

Currently Fre-Mac Ind., Inc. has some ten sites across the U.S. The six UPRR facilities are as follows:

UPRR MILPITAS - Milpitas, CA		Loading/Unloading Contractor	
General Motors (new)	Unload	General Motors (used)	Load - Unload
Ford (used)	Load-Unload	Mazada (used)	Load - Unload
UPRR MONTEBELLO - Montebello, CA		Loading/Unloading Contractor	
General Motors (new)	Unload	Chrysler (new)	Unload
Ford (new)	Unload	Suzuki (new)	Unload
Subaru (new)	Unload	Mazada (new)	
Unload			
UPRR KENT - Kent, WA		Loading/Unloading Contractor	
General Motors (new)	Unload	Chrysler (new)	Unload

UPRR CLEARFIELD - Clearfield, UT		Loading/Unloading Contractor	
Subaru (new)	Unload	Mazada (new)	
Unload			
Toyota (new)	Unload	Honda (new)	Unload
Ford (new)	Unload	Saab (new)	Unload
Isuzu (new)	Unload	General Motors (new)	Unload
Mitsubishi (new)	Unload	Conversion Van (new)	Unload
Postal Vehicle (new)	Unload		

UPRR GAVIN - West Memphis, AR		Loading/Unloading/Switching Contractor	
Toyota (new)	Unload	Kia (new)	Unload
Mitsubishi (new)	Unload		

UPRR REISOR - Shreveport, LA		Loading/Unloading Contractor	
General Motors (new)	Unload	Ford (new)	Unload
Chrysler (new)	Unload	Mazda (new)	Unload
General Motors (used)	Unload	Chrysler (used)	Unload

Auto-Rail Systems is an automobile haulaway carrier, loading/unloading company that was founded in 1987. In addition to the unloading and haulaway operations, we operate the one shuttle wagon and do the railcar switching at the facility. We also provide the maintenance for the shuttle wagon as well as the lift device for the intermodal contractor. Auto-Rail has the lowest paid claims frequency of any General Motors carrier.

Currently Auto-Rail Systems has one location.

UPRR VALLEY - Las Vegas, NV		Haulaway/Loading/Unloading/Switching Contractor	
General Motors (new)	Load - Unload - Haulaway		
Mazada (new)	Load - Unload - Haulaway		
Volkswagon (new)	Load - Unload - Haulaway		
Mitsubishi (new)	Load - Unload - Haulaway		

Rail Unlimited Inc. is an automobile loading/unloading company that was founded in 1994. In addition to the unloading operations, we also operate shuttle wagons and do the railcar switching at our facilities.

Currently Rail Unlimited Inc. has two locations in the U.S. The one location on the UPRR is:

UPRR REMOUNT - San Antonio, TX		Loading/Unloading/Switching Contractor	
General Motors (new)	Unload	General Motors (used)	Load/Unload
Mazda (new)	Unload	Ford (used)	Unload
Chrysler (new)	Unload		

Fre-Mac Industries, Inc., and its' affiliated companies, fully support the UP/SP merger. We welcome this merger as a means of ensuring that we receive top quality rail services at the facilities where we unload automobiles. Having one carrier to deal with streamlines our operation and enables us to provide the railroads, and the auto manufacturers quality service.

One big advantage to the merger will be the ability to have more control over the product from the origin to the destination. The product will change hands less often, which will give the railroad better quality control, and the opportunity to pin point damage reasons. As we all know, lowering our damage frequencies will go a long way in securing more business with the manufacturers.

Over the years, Fre-Mac Industries, Auto-Rail Systems, and Rail Unlimited have had a great working relationship with the UPRR. With the UP/SP merger on the horizon, we are looking forward to the twenty-first century and an even stronger relationship with the railroad.

**VERIFICATION**

STATE OF OKLAHOMA    )  
                                  ) SS.  
COUNTY OF CLEVELAND )

W.A. McDonald, Mark McDonald and Darrell McDonald being duly sworn,  
deposes and says that they have read the foregoing document, knows the facts  
asserted therein, and that the same are true as stated.

W.A. McDonald  
W. A. McDonald

Mark McDonald  
Mark McDonald

Darrell McDonald  
Darrell McDonald

Subscribed and sworn to before me this 6<sup>th</sup> day of Oct, 1995.

[Signature]  
Notary Public

My Commission Expires:

MAY 15, 1995



4950 West 39th Street  
Cicero, IL 60650

LONG HAUL & LOCAL

Phone: (708) 780-6133 • FAX: (708) 780-7146

VERIFIED STATEMENT  
OF  
GARY E. HARPER  
on behalf of  
GALAXY TRANSPORT, INC.

My name is Gary E. Harper, President of Galaxy Transport, Inc. I have 25 years of experience in transportation and have been President and Owner of Galaxy Transport, Inc. for the past 13 years. I oversee all of my company's operations.

Galaxy Transport is an intermodal trucking company that provides transportation to and from shippers and consignees that utilize intermodal services in the Midwest United States. We are located at 4950 W. 39th St., Cicero, IL 60650. We move shipments by truck from all major rail ramps in the Chicago area - including those operated by the Union Pacific, the Southern Pacific, and the Burlington Northern/Santa Fe railroads -- to and from points throughout Illinois, Indiana, Michigan, Ohio, Wisconsin and Ontario. We handle 6,850 trailer loads annually.

Galaxy Transport welcomes the proposed Union Pacific/Southern Pacific rail merger because it will enhance numerous facets of rail intermodal service which in turn will allow us to serve our customers with consistent trucking service.

The merged system will be able to provide the sustained, quality intermodal service that the SP is unable to offer today. Our trucking operation is frequently hampered by SP's inconsistent service. Our ability to move containers on schedule to our customer's facilities is dependent on timely rail service. The ripple effect of the SP's erratic service is felt throughout our trucking operation.

We will also benefit from enhanced terminal capacity in Chicago. Currently, our trucks must move in and out of both the UP and the SP terminals. The merged system will allow us to expedite our service because our trucks need only serve consolidated UP/SP terminals.

The merger will also facilitate the effective and flexible use of equipment. Presently, some of our customers refuse to ship on the SP because of recurrent service problems. When we move shipments in SP containers to customer facilities off of rail, we encounter inefficiencies when those same containers cannot be used to transport other customers' materials back to Chicago to be loaded onto rail because they refuse to ship on the SP.

The consolidated system will offer containers that can be used for all shipments on the UP/SP system.

The BN/SF system dominates the intermodal market west of Chicago. Neither the UP or the SP alone can challenge the BN/SF's market presence. The merged system, however, will provide a strong intermodal competitor. We expect that this competition will exert downward pressure on intermodal rates, augmenting the customer base for our trucking services.


Route specialization will also improve intermodal service between Chicago and Southern California, drawing more intermodal traffic to this route. Intermodal traffic will be concentrated on the SP's southern route while slower traffic will move via UP's northern Overland route.

We are positioned to benefit from all improvements that bring more intermodal traffic from diverse locations -- and consequently more potential customers -- into Chicago. For example, faster, more reliable intermodal service between Chicago and Dallas will increase our pool of customers as more intermodal traffic moves by rail along this route.

For the above reasons, we strongly urge the Interstate Commerce Commission to grant approval for the UP/SP proposed merger.

#### VERIFICATION

I, Gary E. Harper, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on OCTOBER 10, 1995.



Gary E. Harper



General Electric Company  
Appliance Park  
Louisville, KY 40225  
502 452-4311

**Verified Statement  
of  
James D. Youngblood  
Manager-Transportation & Facilities  
GE Appliances**

**In Support of US/SP Merger  
I.C.C. Finance Docket No. 32760**

I am James D. Youngblood, Manager-Transportation and Facilities for GE Appliances, where I have been employed for 19 years. I have served in my current position for the last nine years, and have total transportation responsibility for inbound and outbound movement of both parts and material and finished goods for our various factory and warehouse locations.

GE Appliances is a leading manufacturer of household appliances, including refrigerators, ranges, dishwashers, laundry products, waste compactors, air conditioners, and disposal units. We have factory locations in Louisville, KY; Bloomington, IN; Decatur, AL; LaFayette, GA; as well as subsidiary factories in Mexico and Canada. In addition, we have nine major distribution warehouses located throughout the United States. Four of these warehouse locations (City of Industry, CA; Kent, WA; Denver, CO; and Little Rock, AR) are currently served by the U.P.R.R. We are, therefore, a major user of rail transportation with over 23,000 railcar and 17,000 intermodal shipments in 1994.

As Manager of Transportation, I am fully aware of our transportation requirements and the service levels provided by our network of carriers. I am equally aware of the service required by our customers which necessitates continuous service improvement by the railroads to remain competitive in our business. It is with this background that I support the Union Pacific/Southern Pacific merger.

It is our belief the merged systems will provide faster, more reliable delivery through the use of shorter single line routes and dedicated corridors for different types of service. We are confident these improvements will be realized in both boxcar and intermodal service for domestic as well as U.S.-Mexico shipments. We also anticipate improved equipment availability through the combined assets of both companies.

We believe the proposed merger will provide significant cost and service benefits to GE Appliances and our customers and, therefore, fully support the application.

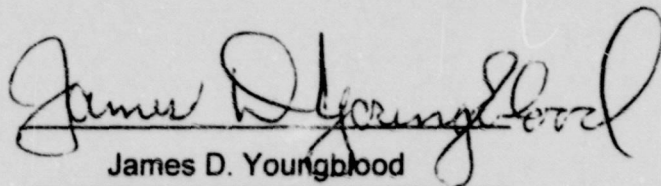
Yours very truly,

James D. Youngblood  
Manager  
Transportation and Facilities

VERIFICATION

STATE OF Kentucky )  
 ) ss.  
COUNTY OF Jefferson )

James D. Youngblood, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
James D. Youngblood

Name Typed

Subscribed and sworn to before me this 15th day of September, 1995.



Notary Public

My Commission Expires:

March 8, 1997



**GENERAL INTERMODAL SERVICES, INC.**

---

September 8, 1995

**VERIFIED STATEMENT**

**OF**

**ROBERT H. THOMPSON**

**on behalf of**

**GENERAL INTERMODAL SERVICES, INC.**

1) My name is Robert H. Thompson. I am a Partner/Owner of General Intermodal Services, Inc. and its parent company General Transportation Services, Inc. both located at 6441 S.W. Canyon Court, Suite 200, Portland, OR 97221. The parent company, General Transportation, was founded in 1990 by me and my two partners Richard F. Fink and Edward L. Kropp.

2) General Transportation Services, Inc. is a transportation intermediary specializing in over-the-road, long-haul van shipments. The company caters specifically to major paper mills/suppliers located throughout the U.S. We have enjoyed contractual relationships with shippers where we are the sole third party provider of transportation services. The majority of shipping lanes originate off the West Coast between Seattle and Los Angeles and move to points in the Midwest and Southeast.

General Intermodal was founded in 1994 to provide intermodal capacity to existing shippers of General Transportation who expressed a need for "over-the-road Customer Service" for their intermodal shipments. The company also provides another avenue for shippers to capture capacity not afforded them through other competing agents or railroads (i.e.: Burlington Northern Railroad). Our shippers currently have greatest interest in the EMP program since that service most resembles over-the-road.

3) In light of the degree of difficulty in working with some railroads, Burlington Northern Railroad in particular, I believe that the proposed merger between Union Pacific and Southern Pacific railroads would be in my company's best interest as well as the interests of other agents and shippers. I heartily endorse the Union Pacific/Southern Pacific application.

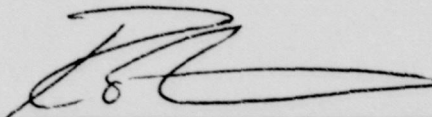
4) The merger of Burlington Northern and Santa Fe railroads has created an unmatched, powerful competitor in the West. These combined railroads could easily dominate rail transportation unless the merger of Union Pacific and

Southern Pacific is approved. Southern Pacific Railroad alone, cannot provide real competition in the western United States against Burlington Northern/Santa Fe railroads. However, the combination of UP and SP would result in a rail system that can compete effectively with the BN/SF.

Since the majority of our business is paper products, blocking is essential. The pre-blocking opportunities available will benefit our operation tremendously. Our experience with Southern Pacific in the past was occasionally marred with service concerns (especially during the peak summer months in California). This was primarily due to an under capacity of locomotives. Because the two railroad companies have differing peak seasons, one could naturally assume that power units could be converted from lane to lane. The merger should help alleviate these service concerns.

We believe the proposed merger will provide significant benefits to all shippers. General Intermodal Services supports the application.

I, Robert H. Thompson, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on September 8, 1995.

A handwritten signature in dark ink, appearing to be 'R. H. Thompson', written over a horizontal line.

Robert H. Thompson

BEFORE THE INTERSTATE COMMERCE COMMISSION

---

UNION PACIFIC RAILROAD

- MERGER -

SOUTHERN PACIFIC RAILROAD

---

COMMENTS OF:

GEORGIA-PACIFIC CORPORATION  
133 PEACHTREE STREET, N.E.  
ATLANTA, GEORGIA 30303

SUBMITTED BY: THOMAS R. THOMPSON  
GENERAL MANAGER - TRANSPORTATION PRICING

---

DATE: SEPTEMBER 12, 1995

BEFORE THE INTERSTATE COMMERCE COMMISSION

---

PROPOSED MERGER -  
UNION PACIFIC AND SOUTHERN PACIFIC RAILROADS

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VERIFIED STATEMENTS OF THOMAS R. (BOB) THOMPSON

My name is Thomas R. (Bob) Thompson. I am employed by Georgia-Pacific Corporation as General Manager - Transportation Pricing in the Building Products Transportation and Logistics Division of the company. My business address is 133 Peachtree Street, N.E., Atlanta Georgia 30303.

I have been employed by Georgia-Pacific for the past 11 years and I am familiar with the company's organization and transportation and logistics requirements, as I am responsible for establishing rates and contracts with all the railroads, motor carriers, and intermodal marketing companies for the building products group of the company.

I am very familiar with the forest products industry, and have attached a brief biographical sketch of myself to establish my qualifications with regard to the statement I am making on behalf of this proposed merger. I am also enclosing a brief summary of Georgia-Pacific as a shipper, which will be amplified by this statement. I am authorized to represent Georgia-Pacific's Building Products interests before federal and state regulatory bodies.

I will highlight what I see as specific benefits to our company in terms of our operations, and then I will describe what I think are some of the major considerations in support of this merger at a higher level view.

Georgia-Pacific has a number of wood products manufacturing facilities in Oregon and California. This important market area for us has been plagued by consistently inadequate service by the Southern Pacific and we strongly believe that the Union Pacific and Southern Pacific merger will greatly enhance service reliability, locomotive power, and car supply in the I-5 corridor and service to and from the Pacific northwest.

We also produce or distribute panel products from Arkansas, Mississippi, and Texas mills destined for southern California, which we believe will enjoy much improved service from a combined Union Pacific and Southern Pacific route system.

One of the major benefits Georgia-Pacific sees from this merger, especially in view of the recent passage of the North American Free Trade Agreement, is single line access to all international border crossings into Mexico. This will greatly enhance our opportunities for mutually beneficial commerce with Mexico, where we anticipate growth in both exports and imports with our neighbor.

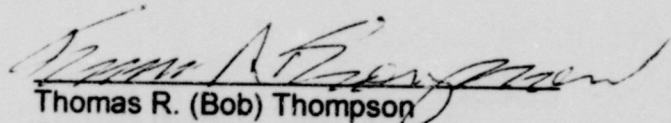
Finally, new and improved service corridors of benefit to Georgia-Pacific's building products businesses will be available as a result of the merger:

- ◆ Memphis/Dallas - Southern California
- ◆ Oregon - Midwest Traffic via Portland
- ◆ Seattle/Tacoma - California

In broader terms, we think the strengths derived from combining the two railroads will create a more efficient and reliable transportation network that offers us a competitive option to the combined Burlington Northern/Santa Fe system. There will be faster transit times, service consistency, shorter routes, better equipment availability, and financial resources needed to invest in the future of the railroad.

We are firmly convinced that the utilization of cars and locomotives will be optimized, increasing availability to us, which is extremely important in a market as volatile as wood products.

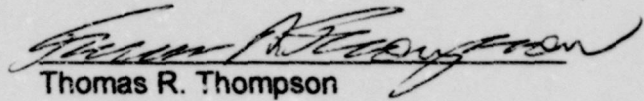
Georgia-Pacific supports the proposed merger, and we believe it is in the best interest of our company and the public, allowing our building materials businesses additional opportunities in the market place. We respectfully request the Commission to approve this merger.

  
Thomas R. (Bob) Thompson  
General Manager - Transportation  
Pricing, Building Products Group

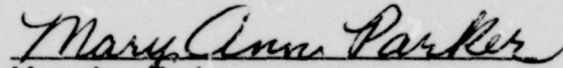
VERIFICATION

STATE OF GEORGIA           )  
                                  ) ss:  
COUNTY OF FULTON        )

I, Thomas R. (Bob) Thompson, being duly sworn, do hereby state that I have read the foregoing document, have knowledge of the content thereof, and that the facts therein are true to the best of my knowledge and belief.

  
Thomas R. Thompson

Subscribed to and sworn to before me, a Notary Public, in and for the State of Georgia, this 12th day of September, 1995.

  
Mary Ann Parker  
Notary Public, DeKalb County, Georgia  
My Commission Expires Aug. 1, 1996

My commission expires: 1999



**Georgia-Pacific Corporation**

133 Peachtree Street NE (30303)  
P.O. Box 105605  
Atlanta, Georgia 30348-5605  
Telephone (404) 652-4000

## **GEORGIA-PACIFIC CORPORATION AS A SHIPPER**

Georgia-Pacific is one of the world's largest forest products companies, with operations in 49 states.

Today, the company employs approximately 52,000 people at more than 500 facilities, has annual sales of \$13 billion and manages assets valued at approximately \$11 billion, including gypsum resources and millions of acres of forests in North America.

For more than half a century, doing the most efficient job of turning raw materials into useful products has been the company's challenge. Georgia-Pacific now is a leading manufacturer and distributor of building products, industrial wood products, pulp, paper, packaging, envelopes, paperboard, tissue, and related chemicals. Its building products network, the industry's most extensive, serves the United States and global markets.

We are a major freight shipper utilizing truck, intermodal, and rail to move our products to market. We make hundreds of thousands of shipments per year with a corporate freight expenditure of approximately \$1 billion annually.



**Thomas R. (Bob) Thompson**  
**General Manager - Transportation Pricing**  
**Building Products Transportation & Logistics Division**  
**Georgia-Pacific Corporation**

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**GEORGIA-PACIFIC CORPORATION**

1993 - Present	General Manager - Transportation Pricing Building Products Transportation & Logistics Division
1990 - 1993	Group Manager - Motor Carriers Building Products Transportation Division
1989 - 1990	Assistant Group Manager - Motor Carriers Building Products Transportation Division
1988 - 1989	Inter-Regional Motor Carrier Manager Building Products Transportation Division
1984 - 1988	Supervisor Motor Carrier Services Distribution Division

**MEAD PACKAGING (Division of the Mead Corporation)**

1983 - 1984	Senior Transportation Analyst - Motor
1973 - 1983	Senior Transportation Analyst - International
1972 - 1973	Customer Service Manager - Brewery Packaging
1969 - 1972	Inventory Control Analyst

**DAVISON'S (Division of R. H. Macy)**

1966 - 1969	Assistant Receiving Manager
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**AFFILIATIONS**

Transportation Club of Atlanta  
Past President (1994)

East Georgia Traffic Club  
Director

Mental Health Association of Metropolitan Atlanta, Inc.  
Past Vice President

**EDUCATION**

B.A., Spanish;  
Georgia State University, Atlanta, GA

M.A., Organizational Management;  
University of Phoenix, Phoenix, AZ

*Native of Asheville, North Carolina*  
*Resident of Atlanta, Georgia*  
*Date of Birth - July 26, 1947*



GILMAN PAPER COMPANY

Charles W. Chapman  
Vice President  
Traffic and Transportation

**VERIFIED STATEMENT  
OF  
CHARLES W. CHAPMAN  
on behalf of  
GILMAN PAPER COMPANY**

October 9, 1995

My name is Charles W. Chapman. I am employed by Gilman Paper Company as Vice President of Transportation. Our mailing address is P. O. Box 520, St. Marys, GA 31558. I have been employed in this capacity since April 1, 1988. Before that I was employed as Executive Vice President for the Ann Arbor Railroad in Owosso, MI for a number of years.

Gilman Paper Company's primary business is the operation of a pulp and paper mill in St. Marys, GA. At this location Gilman produces a large variety of paper and pulp board rolls which are shipped all over the United States and Canada, Mexico and several non-continental locations such as Puerto Rico.

We also receive in St. Marys a variety of raw materials including caustic soda, chlorine, plastic, sodium chlorate, sodium sulfate and waste paper. We also receive inbound, relatively large quantities of coal and pulpwood. Our shipments of these two commodities, however, would not be moved via Union Pacific, Southern Pacific or Missouri Pacific.

During the last twelve months we have shipped approximately 346 carloads of paper and/or pulp board to California, Texas, Arkansas, Kansas and Louisiana destinations served by SP, UP and MP. During the same period we have received from stations on SP, MP and UP 426 carloads of plastic from Texas and Kansas, Caustic Soda and Chlorine from Louisiana, Sodium Chlorate from Oregon and Sodium Sulfate from Utah.

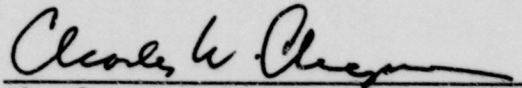
During the same period of time these movements were taking place, SP lost 142 carloads of our business to the BN and Santa Fe because SP requires additional capital investment in order to provide effective competitive services. Power shortage was the primary factor in SP's loss of some of our outbound business to the BN-Santa Fe. We expect other major capital improvements on the SP as a result of the proposed merger. We expect additional trains to be operated, more efficient use of existing locomotives and other equipment, better on-time performance and a general sharpening-up of the whole SP operation.

We are especially interested in service to and from California, Texas, Arkansas and Louisiana. We're satisfied, based on what we've seen and know about the carriers involved, that there will be substantial service improvements and the resulting new railroad will be a more effective competitor with other forms of transportation as well as with the BN-Santa Fe. We support the merger without reservation.

VERIFICATION

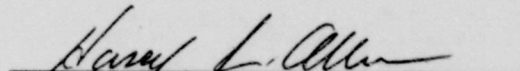
STATE OF GEORGIA)  
COUNTY OF CAMDEN)

Charles W. Chapman, being duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.



Charles W. Chapman  
Vice President, Transportation  
Gilman Paper Company

Subscribed and sworn to before me this 9th day of October, 1995.

  
NOTARY PUBLIC

My Commission Expires:  
Notary Public, Camden County, Georgia  
My Commission Expires Jan. 20, 1997



# GILROY CANNING CO.

VERIFIED STATEMENT  
OF  
MARY FAROTTO  
on behalf of  
GILROY CANNING COMPANY

My name is Mary Farotto, and I am the distribution manager for Gilroy Canning Company. Our address is 1 Lewis Street, P.O. BOX 395, Gilroy, CA 95021-0395. I am currently responsible for the distribution and logistics of my company's shipments of canned goods. I have worked in the distribution area for the past twelve years.

My company is involved in the production and shipment of canned fruit and vegetable goods throughout the eastern United States. We currently ship from our plant in Gilroy, California, to Bridgeton and Elizabeth, New Jersey, as well as various other eastern destinations.

We have recently learned that the Union Pacific and Southern Pacific are seeking authority to merge. Our company supports that merger.

The integration of the Union Pacific and Southern Pacific will result in significant mileage savings for our traffic traveling from California to the eastern United States. The new UP/SP will be able to offer shorter, more efficient routes which will result in greater turn-around times. Our company can take advantage of that to increase the number of our shipments.

An important benefit to my company will be the improvement in car supply that will result because of the merger. Southern Pacific's supply of cars has been somewhat inadequate at times in the past. With the merger, however, the railroad should be able to offer significant improvements in rail car supply because of the large number of cars that will become available for inbound and outbound movements as a result of the combination of the UP and SP car fleets.

Our company ships to many destinations in the eastern United States from the California market. While we are aware that as a result of the merger there may be a reduction in the number of carriers serving our traffic at some points, we are, however, confident that the newly merged UP/SP will be a significant Western competitor to the BN/Santa Fe. Our company believes that we and other shippers will benefit from two strong rail systems in the West. We believe that if the SP were not merged, it would



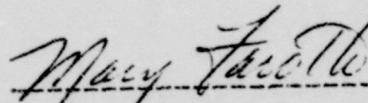
# GILROY CANNING CO.

become a weakened competitor. We believe that as a result of the merger there will be vigorous competition for rail traffic which will lead to improved service and rates for our company.

Because of these benefits, my company believes that the proposed merger of the Union Pacific and Southern Pacific railroads will result in increased service and other benefits, and we support the merger fully.

I Mary Farotto, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified Statement,

Executed on OCTOBER 4TH, 1995



MARY FAROTTO

PAGE 2 OF 2

# GMCO CORPORATION

14156 Highway 82  
P.O. Box 1220  
Carbondale, CO 81623

(970) 963-1110  
Fax (970) 963-1311

**VERIFIED STATEMENT** September 12, 1995

**OF**

**N. RANDALL PARSONS**  
**on behalf of**  
**GMCO Corporation**

IE SP / UP Merger  
Finance Docket No. 32760

As Manager of the Chemical division of GMCO Corporation, my duties include marketing, bidding and quotations, job co-ordination, product ordering, and shipping. I have held this position for five years and have worked with both the UP and the SP railroads on a daily basis.

GMCO specializes in road and highway maintenance products including distribution and application of Magnesium and Calcium Chloride solutions used for dust control and ice melting purposes.

We service all of Colorado and have distribution centers in Grand Junction, Rifle, Glenwood Springs and Denver. In addition we also ship cars to temporary sites for specific projects. These locations include Steamboat Springs, Craig, Bond, Phippsburg, Granby, Montrose, Limon, Trinidad, etc.

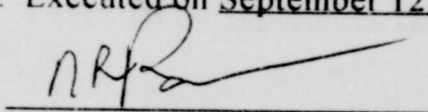
Our Magnesium Chloride product is shipped from Reilly Wendover located at Wendover UT. Our Calcium Chloride is shipped from Hill Bros. Chemical located at Rowley UT. Both shippers originate on the UP, and some product travels UP Direct to the Denver area. The majority of the product goes to Western Colorado and has to be interchanged with the SP at Salt Lake City. This interchange generally adds 3-4 days to the shipping time of a carload of material. In addition, the interchange adds about \$5.00 per ton cost to my shipping rates. As my major competitor is able to ship SP direct to Western Colorado, this puts me at a severe disadvantage when bidding jobs.

Because it would help me achieve cost parity with my competition and streamline shipping operations, I strongly support your approval of the SP and UP merger in a timely manner.

Sincerely,

Randall Parsons  
GMCO Corporation

I Randall Parsons, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 12, 1995.



## **VERIFIED STATEMENT**

**of  
Michael Christensen  
on behalf of  
Grain Land Coop  
October 4, 1995**

My name is Michael Christensen, and I am the General Manager of Grain Land Coop. Grain Land Coop is a diversified farmer-owned cooperative with 1300 patron owners. The main office address is P.O. Box 65, Blue Earth, Minnesota 56013. As the general manager, I am ultimately responsible for all areas of the company.

Grain Land Coop has locations in Blue Earth, Bricelyn, Kiester, and Frost that are served by the Union Pacific Railroad. Our elevators located in Wells, Minnesota Lake, Easton, and Delavan are served by the CP Rail system.

In the fiscal year ending June 30, 1995, Grain Land Coop had \$97 million in sales. We handled 25 million bushels of grain - (4.8 million bushels of soybeans and 20.2 million bushels of corn). Seven percent of our soybeans, or 320,000 bushels, were shipped to market by rail. Eighty-three percent, or 16.5 million bushels, of corn were shipped by rail. Our company ships this grain from southern Minnesota to various markets serviced by our rail carriers.

Grain Land Coop also uses rail to receive on an annual basis 35 - 40,000 tons of various types of fertilizers.

We understand that Union Pacific and Southern Pacific are seeking to merge. We feel that such a merger would greatly benefit our patron owners. Therefore, we would strongly support the merger of these two companies.

Before the Union Pacific bought out Chicago Northwestern, we were confined to one market, the Clinton and Cedar Rapids corn processing cycle trains. Since the UP and the CNW merger, we have been able to use shuttle trains to ship directly to Gulf ports. If UP and SP merge, an even greater number of destination choices would be available to us on a single line.

One particular market that interests us is the direct route to Mexico. I had the opportunity of spending a little time with some buyers in Mexico in the fall of 1994 and see much potential in that area. With the UP and SP merging, we would be in a position to fill certain grain market demands when the timing is right.

Grain Land Coop is itself a product of several companies merging. The benefits of merging were absolutely necessary in order to allow us the possibility of competing on a local level with the much larger private companies. Even though Grain Land Coop was

formed from financially sound companies, the merge was necessary for their survival. We believe the benefits of merging would allow the UP and SP to compete on more even grounds with rail companies such as BN/Sante Fe. With the merger, UP and SP should be able to increase efficiency, have better utilization of equipment and personnel, and coordinate terminal usage more advantageously. All this should benefit the shippers who use rail.

Because we believe the merger between Union Pacific and Southern Pacific would benefit shippers using the rail, Grain Land Coop supports such merger.

Michael Christensen  
Michael Christensen, General Manager

#### VERIFICATION

I, Michael Christensen, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 4, 1995.

Michael Christensen  
Michael Christensen

Subscribed and sworn to before me this 4 day of October, 1995.

Leatrice Matheson  
Notary Public

Commisison expires: 1-31-00



**FINANCE DOCKET NO. 32760**  
**UNION PACIFIC CORPORATION,**  
**UNION PACIFIC RAILROAD CO. AND**  
**MISSOURI PACIFIC RAILROAD COMPANY**  
**-- CONTROL AND MERGER --**  
**SOUTHERN PACIFIC RAIL CORPORATION**  
**SOUTHERN PACIFIC TRANSPORTATION COMPANY, et al.**

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**VERIFIED STATEMENT OF VICTOR J. LANDI**  
**ON BEHALF OF GREAT LAKES CARBON CORPORATION**

My name is Victor J. Landi. I am Director of Transportation Great Lakes Carbon Corporation, 709 Westchester Avenue, White Plains, New York 10604 (Headquarters). I have been employed with Great Lakes Carbon Corporation for 20 years. In my present position I am responsible for securing transportation for all company's products, inbound as well as outbound. The purpose of this statement is to comment on the proposal by Union Pacific Corporation ("UP") Union Pacific Railroad Company ("UPRR") and Missouri Pacific Railroad Company ("MPRR") to acquire control and merge with the Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SP").

Great Lakes Carbon Corporation is one of the major receivers of green petroleum coke and shippers of calcined petroleum coke by railroad in the world.

We are presently moving green petroleum coke, in excess of 600,000 tons annually, from various origins to our Enid, OK plant and in excess of 500,000 tons annually of calcined petroleum coke from Enid, OK to various destinations via the UPRR/MPRR systems. The most economical way to transport this product is via railroad.

Great Lakes Carbon Corporation does not oppose UP's proposed control and merger of the SP. We have no reason to believe that the acquisition/merger would in any way impair the rail transportation services provided to us. Nor do we have any reason to believe that such a transaction would reduce the competitive alternatives available to us compared to the situation as it exists today.

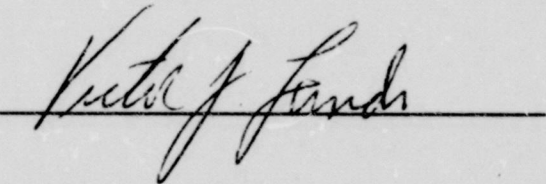
Great Lakes Carbon Corporation understands that the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. We believe that the proposed merger would be in Great Lakes Carbon Corporation's best interest as well as the interests of other shippers.

One of Great Lakes Carbon Corporation's major concerns is the lack of SP railcar equipment, particularly open hopper cars and box cars. With approval of this application, UP and SP will be combined and as a result, shippers and receivers will enjoy improved railcar supply as well as improved services.

Single line services that this merger would provide from West Coast origins would enable Great Lakes to bring raw petroleum coke from Southern California

refineries to our Enid, OK Plant at lower transportation cost and also reduce transit time. At this time our purchases from California have been on a limited bases due to the high transportation cost. Another benefit to Great Lakes Carbon Corporation would be single line service from our Enid Plant to Eagle Pass, TX for shipments to our customer in Central Mexico.

To conclude, Great Lakes Carbon Corporation believes that the proposed transaction would not reduce the quality of rail service available to it or increase its transportation costs. Nor would the proposed transaction reduce the competitive alternatives available to Great Lakes Carbon Corporation. In fact, operational changes that would occur due to the UP/SP merger could well improve the transportation options available to Great Lakes Carbon Corporation, therefore Great Lakes Carbon Corporation supports UP's proposal to control and merge with the SP.

A handwritten signature in cursive script, reading "Victor J. Funder", is written over a horizontal line.

VERIFICATION

STATE OF New York )

) ss.

COUNTY OF Westchester )

Victor J. Landi, being duly sworn, deposes and says that he has read the foregoing statement, knows the facts stated therein, and to the best of his knowledge and belief knows them to be true as stated.

Victor J. Landi

Subscribed and sworn to before me this 6<sup>th</sup> day of

September, 1995.

Sherry C. Collins

SHERRY C. COLLINS  
NOTARY PUBLIC, State of New York  
No. 4898646  
Qualified in Westchester County  
Commission Expires June 15, 1997

9/27/95

VERIFIED STATEMENT  
of  
BROMAN D. CUMPTON  
on behalf of  
GREAT LAKES CHEMICAL CORPORATION  
Intermediates and Fine Chemicals  
3324 Chelsea Avenue  
P. O. Box 8035  
Memphis, TN 38108

I am the Distribution Manager for Great Lakes Chemical Corporation, Intermediates and Fine Chemicals. I have been with the Company for twenty nine years. Beginning in the Belle Glade, Florida plant in Purchasing & Traffic functions, after two years, started Supervising the branch accounting functions then on to becoming the Office-Personnel Manager & then Administration Managers position. After fifteen years I was transferred to our Bayport, TX Plant for two years. Then I was transferred to the Corporate Office in Chicago to my present position. My Department is now located at our Memphis, Tennessee Plant.

We move raw material and finish products (Hazardous and Non-Hazardous) to almost all points in the world by transportation modes (vessel, barges, containers [ISO & Dry Box], Railcars, Truck [LTL, TL & Tank Truck], Air Freight and small packages). I am also responsible for all logistic training including HM 126F.

Great Lakes Chemical manufactures furfural based specialty chemicals for the plastics, fibers, petroleum drilling, metal casting, paint and adhesives industries. Major manufacturing facilities are located at Belle Glade, FL., Omaha, NE. and Memphis, TN. In addition major terminal storage facilities are located at St. Louis, MO and Garden City, GA. All of these facilities are served by rail and are currently utilizing railroads to either ship or receive bulk shipments. Omaha also makes tank car shipments to Cleveland, OH., Detroit, MI and into Canada. Great Lakes is a major exporter in dry and bulk containers and uses land bridge rail links to the Pacific, Atlantic, and Gulf Coast ports. In addition to the preceding GLCC has distribution centers in Laredo, TX, Memphis, TN, Cleveland, OH and Lafayette, LA for the distribution of packaged products currently using only motor freight.

Union Pacific handles approximately 100 tank car shipments per year for Great Lakes between Memphis, St. Louis, and Omaha. In addition Chicago and Northwestern handles legs of shipments from Omaha to Chicago for a customer in Cleveland, Ohio, Detroit, MI and Canada. CNW also handles corn cobs in boxcars from sources in the midwest to our plant in Omaha.

9/27/95

I would like to offer my enthusiastic support to the proposed merger between the Union Pacific and the Southern Pacific.

I believe that new single-line service that can be offered by the combined railroads will provide new possibilities that were not available to Great Lakes before. We currently ship a number of containers to the west coast for export to Australia. This new single line rail service should provide an improved service option for these containers. The improved service might also allow GLCC to open up new markets in the South Pacific and Pacific rim countries.

In the bulk shipment markets of the west coast, the proposed merger will allow more competitive options for transportation to either customers or bulk terminal operations for distribution to west coast markets.

Our distribution center at Laredo, TX for Mexican magilladora markets of package products will also be presented with more attractive transportation options that may allow the diversion of some freight moving by truckload to rail boxcar or intermodal service. The more direct single line rail operation will improve the on time service from that previously available.

For the above reasons, I believe that the proposed merger between Union Pacific and Southern Pacific will provide both immediate benefits and longer term options.

#### VERIFICATION

I, Broman D. Cumpton, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 27, 1995.

  
Broman D. Cumpton

**VERIFICATION**

STATE OF Tennessee )  
COUNTY OF Shelby ) SS.

Broman D. Cumpton being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

*Broman D. Cumpton*

Subscribed and sworn to before me this 27th day  
of September, 1995.

*Lyne A. Casey*  
Notary Public

My Commission Expires:



# GREAT WESTERN CHEMICAL Co.

CORPORATE HEADQUARTERS

808 SOUTHWEST FIFTEENTH AVENUE PORTLAND, OREGON 97205 (503) 228-2600

Finance Docket No. 32760

October 2, 1995

**Verified Statement  
of  
John M. O'Brien  
on behalf of  
Great Western Chemical Company**

John M. O'Brien, Transportation Manager for Great Western Chemical Co. at 808 S.W. 15th Avenue, Portland, OR 97205, is responsible for the transportation needs of 32 branch facilities throughout the United States (inclusive Alaska), Canada and Mexico. Responsibilities include the securement of carrier contract and relationships, as well as the development of privately owned fleet services.

Prior to my employment with GWCC, I served the trucking industry working for Arrow Transportation as a Operations Manager for eight years, and Willis Shaw Express as a Sales and Marketing Manager for nine and one half years.

Great Western Chemical Company is a Chemical Distributor with branches located in Alaska, Canada, Washington, Oregon, California, Nevada, Idaho, Utah, Montana, Arizona, Colorado, Minnesota, Mexico and Texas. We receive raw materials from various points throughout the U.S. at our branch locations and then distribute the products regionally. Products are shipped in bulk (liquid), as well as in drum and packaged form.

Present traffic lanes include movement originating in the northeast (NJ, NY, PA, MA) and the southeast (FL, LA, MS, TX) destined for UT, ID, OR, WA, CA, AK and western Canada. GWCC is presently utilizing various rail routes, including BN/SF and UP and SP routes with eastern RR.

Through single-line services (a combined system from various midwest and southwest points, to northwest and west coast points) shorter, more efficient routes will be developed, fewer switching delays and increased pre-blocking opportunities will result in improved services to GWCC.

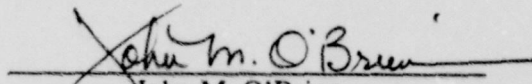
As we continue to expand into the Mexico market, the single-line service will result in more efficient routings.

It is my belief that the UP/SP merger will actually strengthen competition in the west. An example would include our Salt Lake City branch where BN/SF will soon be able to service SLC. SP is not strong enough to compete without the UP merger. Portland is another example.

As a result of the stated benefits to our company, I believe that the proposed merger would be in our best interest, as well as the interests of our vendors and customer. We heartily endorse the UP/SP application.

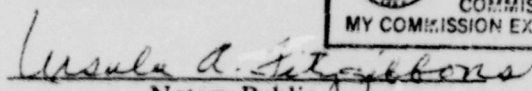
I, John M. O'Brien, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

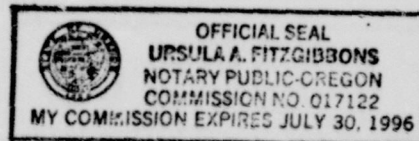
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John M. O'Brien

Subscribed and sworn to before me this 9<sup>th</sup> day of October, 1995.

My commission expires: 7/30/96

  
Notary Public





September 22, 1995

VERIFIED STATEMENT  
OF  
KEITH BAILEY  
on behalf of  
GREAT WESTERN MALTING CO.

I am writing to express our support for the proposed merger of the Southern Pacific Lines and the Union Pacific Railroad.

Great Western is in the business of manufacturing brewers malt and currently ships malt and barley on the SP and UP. We have malting plants located in Vancouver, WA, Pocatello, ID, and Los Angeles, CA.

Below is general information about our company and our freight movements:

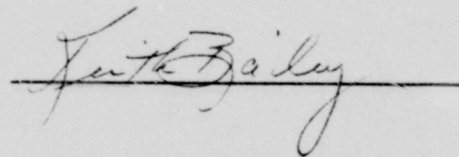
Location	Annual Capacity	Service
Vancouver, Wa.	181,000 tonnes of malt	BN & UP with open reciprocal switching rights.
	242,000 tonnes of barley	
	3,000 cars in/2,500 cars out	
Pocatello, Id.	88,000 tonnes of malt	UP
	116,000 tonnes of barley	
	800 cars in/1,250 cars out	
Los Angeles	66,000 tonnes of malt	LAJ - SP & BN/SF & UP
	87,000 tonnes of barley	
	1,075 cars in/925 cars out	

Great Western Malting Co. moves barley inbound to these plants from seven western states as well as North Dakota. Malt is primarily moved by rail outbound from each plant serving breweries in Seattle and Olympia, Wa., Portland, Ore., Fairfield, and Van Nuys, Ca., Ft. Collins, Co., and Mexico border crossings. The majority of our malt moves by rail with exception of some volumes sold to local micro breweries and export moving by alternate means.

We anticipate improved service and single line movements to California, Colorado, and Texas providing opportunities for better rate management (i.e. cost) for shippers as well as the carrier. For example; better turn times will improve returns on equipment costs and may allow shippers to work with the railroad to place shipper owned equipment into service. This will give shippers greater flexibility in managing product delivery and cost, while freeing railroad capital. We are also hopeful of more rationalized traffic over Mexican gateways. The combined SP/UP railroad should be able to provide shippers with more reliable service as well.

Great Western Malting Co. supports the merger between the Union Pacific Railroad and Southern Pacific Lines.

I, Keith Bailey, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on September 22, 1995.

A handwritten signature in cursive script, reading "Keith Bailey", is written over a horizontal line.



SEPTEMBER 29, 1995

Grupo IRSA, S.A. de C.V.  
Bosque de Ciruelos N° 99  
Fracc. Bosques de las Lomas  
11700 México, D.F.  
Tels. 726-9011, 596-3588  
Fax 596-1819, 251-8923

VERIFIED STATEMENT  
OF JORGE GARZON SERRA  
ON BEHALF OF  
GRUPO IRSA S.A. DE C.V.

My name is Jorge Garzón Serra. I am the Corporate Logistics Manager for Grupo IRSA, S.A. de C.V. We are located at Bosque de Ciruelos No. 99, Fracc. Bosques de las Lomas, 11700 Mexico, D.F., México. I have held this position for six years and I am responsible for all railroad traffic of the corporation such as tariff negotiation with the FNM and American railroads as well as negotiating rail equipment leases and representing our corporation before the authorities (SCT).

Grupo IRSA is basically a petrochemical producer. Our pertinent facilities are located on; Tultitlan, Edo. de Mex. (sodium tripoliphosphate), Coatzacoalcas, Ver. (sodium tripoliphosphate), Tula, Hgo. (acetone cyanohydrin), Cosoleacaque, Ver. (methacrilate monomer/phenol) y Altamira, Tamps. (carbon black/rubber), all served by Ferrocarriles Nacionales de México. Among the principal products are: carbon black, sodium tripoliphosphate, acetone cyanohydrin, rubber, metacrylate monomer, phenol, etc. ANSAC is our major supplier of raw material, principally soda ash from Wyoming, that represents the total of the inbound traffic. We currently import approximately 260 carloads of soda ash annually.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We believe that the proposed merger would be in our company's interest as well as other shippers, considering that Union Pacific and Southern Pacific have the compromise to maintain customers competitiveness.

We believe that merger system would provide our company with a much shorter, direct, single line route from Wyoming to Nuevo Laredo for our primary raw material which is soda ash. The shorter route would improve transit time and help improve equipment availability which are important to us.

In addition, we believe that the merged system will result stronger competition at major crossings, more efficient routes, new services, overall better equipment utilization and overall stronger competition between railroads and other modes.

We believe that the proposed merger would provide significant benefits to shippers.

I, Jorge Garzón Serra, declare that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 29, 1995.

VERIFIED STATEMENT  
OF  
JOHN W. SMITH

My name is John W. Smith, I am Director Product Management for GS Roofing Products Company, Inc. In this position, I am responsible for the transportation and distribution activities of the company. I have held this position for four years.

GS Roofing Products (GS) is a leading manufacturer of asphalt roofing products including both residential and commercial roofing products. The residential products are generally known as composition roofing. The commercial products are manufactured in rolls and either torched or mopped in place. GS also manufactures underlayment roofing products such as felt. The company also mines or manufactures some of its raw material.

GS operates plants in Chester, PA; Charleston, SC; Peachtree City, GA; Shreveport, LA; Little Rock, AR; Ennis, TX; Wilmington, CA; South Gate, CA; Portland, OR; Glenwood, AR; and Rancho Cordova, CA. The company also has finished goods warehouse facilities in Miami, FL; Tampa, FL; Dayton, OH; Houston, TX; San Antonio, TX; Hammond, IN; Denver, CO; and Livermore, CA. The plants in Little Rock and Shreveport are served by the Union Pacific. The plant in Ennis as well as the warehouses in Houston, San Antonio, and Livermore are served by the Southern Pacific.

The Wilmington, CA plant is served by the Harbor Belt Railroad which provides access to both the UP and SP. The Glenwood, AR plant is served by the Caddo, Antonine, and Little Missouri Railroad which has only one interchange point and that is with the UP at Gurdon, AR.

GS has transcontinental movements of glass mat from Charleston, SC to the west coast plants that utilizes both the UP and the SP. GS also makes intermodal shipments from the Shreveport and Little Rock plants to customers on the west coast. Many of these intermodal shipments are carried by either the UP or the SP. Freight on intermodal and rail shipments exceeds \$25 million per year.

As a major shipper on the Southern Pacific, our company has struggled with the service provided by the SP for several years. Despite capital programs for locomotives and increasing the number of train crews, SP service has never been as consistent as other western carriers. With the merger of the BN-ATSF, the long term viability of the SP was a concern.

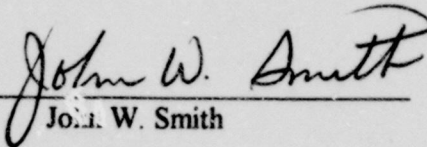
The UP does have the capital and management available to improve the service on the current SP lines. For that reason, I do support the merger of the UP-SP. A merged railroad should be more efficient and provide better service than the two railroads operating separately. Also, a combined railroad will be a strong competitor and remove any concerns regarding the long term viability of the SP.

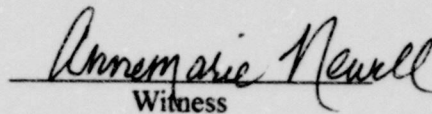
GS has numerous shipments from the southwest to the west coast. Utilizing the current UP route through Texas to El Paso and then picking up the SP route to the west coast from El Paso, would be much more efficient than the currently available single line movements. This route should reduce transit time and enable GS to reduce the amount of inventory that is in transit.

In conclusion, I believe that the proposed merger will provide significant benefits to my company and I support the application.

VERIFICATION

I, John W. Smith, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 3, 1995.

  
John W. Smith

  
Witness

jws932.msc

Before The  
INTERSTATE COMMERCE COMMISSION  
Washington, D.C.

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Finance Docket No. 32760  
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UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD  
COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY --  
CONTROL AND MERGER -- SOUTHERN PACIFIC RAIL CORPORATION,  
SOUTHERN PACIFIC TRANSPORTATION COMPANY, ET AL.  
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VERIFIED STATEMENT OF  
DAVID R. BENSON  
Director of Transportation  
Hampton Lumber Sales Co.

My name is David R. Benson, I am Director of Transportation for Hampton Lumber Sales Co., 9400 S. W. Barnes Road, Suite 400, Portland, Oregon 97225. I have been employed by Hampton Lumber Sales Co. for the past twenty two years and have been in the transportation industry since 1961. My present responsibilities include procuring the optimal means of transporting the products sold by our company. I am thoroughly familiar with Hampton's transportation requirements and have been authorized by my company to submit this verified statement.

Hampton Lumber Sales Co., is engaged in the production, buying and selling of lumber products throughout the United States and around the World. In our capacity as a manufacturer of lumber, we have mills located at Willamina, Oregon, which is served by the Willamette and Pacific Railroad (WPRR) under lease from the Southern Pacific and connects with the Southern Pacific at Albany,

Oregon; Ft. Hill, Oregon, which is served by Hampton Railway (HLSC) and interchanges traffic with the WPRR at Willamina, Oregon; Tillamook, Oregon, which is served by the Port of Tillamook Bay Railroad (POTB) and interchanges traffic with the Southern Pacific at Mahan, Oregon, and the Burlington Northern at North Plains, Oregon. Hampton also has southern pine mills located at Pollock, Texas, and Centreville, Alabama, which are non-rail served and at Vance, Alabama, which is served by the Norfolk Southern.

Through a sales agreement contract, Hampton also sells the production of Channel Lumber Company, located at Craigmont, Idaho, which is served by the Camas Prairie Railroad and interchanges traffic with the Union Pacific and Burlington Northern. Hampton also maintains three distribution/reload yards in Portland, Oregon. One of these yards is served by the Portland Terminal Railroad and interchanges traffic with the carriers serving Portland, i.e., Burlington Northern, Southern Pacific and Union Pacific. The other two yards in Portland are located on the Union Pacific. Hampton maintains one other distribution/reload facility in National City, California, which is served by the Santa Fe.

Hampton Lumber Sales Co., is also a wholesaler of lumber products. Hampton purchases lumber from a majority of the mills located in California, Idaho, Oregon and Washington and sells this production to destination throughout the United States. Hampton also exports a considerable amount of finished lumber to Australia and Asia.

Production from Hampton owned mills during our fiscal year 1994, exceeded 600 million board feet of lumber. From this

production, we shipped a total of 3,397 rail carload shipments. The volume of our business, both as a manufacturer and wholesaler of lumber during the same fiscal year exceeded 932 million board feet of lumber, totalling 7,168 rail carload shipments. Production not shipped by rail was transported by steamship, piggyback, barge and irregular route motor carrier.

It is extremely important that shippers located in the West, have competitive rail rates and service to destination throughout the United States.

We are aware that the Union Pacific and Southern Pacific are requesting authority to merge. Hampton Lumber Sales Co., strongly supports this action as a means of protecting and improving the high quality of service which we have become accustomed.

The majority of Hampton mills and distribution reloads are served by the Union Pacific and Southern Pacific. We believe this merger will ensure that we receive efficient rail service from all of our facilities and provide single-line access to many of our shipping destinations.

As a shipper dependent on SP service from our Willamina and Ft. Hill mills, we are encouraged with the thought of single-line service to the Midwest which is one of our largest shipping areas. Presently, Hampton is disadvantaged as we are unable to compete competitively with shippers located on the Union Pacific when shipping to the Midwest. We are presently trucking production from these mills to our reload facility in Portland for shipment via the UP. With the proposed merger, additional trucking and loading costs at the reload will be eliminated, allowing us to financially

compete with other producing mills.

Hampton is presently importing lumber from Mexico and shipping this production to various remanufacturing facilities in California and Oregon which are served by the SP or UP. Production scheduling does not always allow us to have this production directed to the correct remanufacturing facility and diversion from one railroad to another (either SP to UP or UP to SP) is a considerable added expense. The proposed merger will eliminate this problem and allow us much greater flexibility.

Many of our shipments to Midwest and Southwest destinations are to customers on the UP or SP and are closed to reciprocal switching. We are presently unable to compete to many of these customers on shipments from our SP mills to UP destinations or from our UP reloads to SP destinations. Merger of these carriers will also eliminate this problem and allow Hampton to compete for a greater share of the lumber market.

Hampton Lumber Sales Co., presently leases 273 seventy-three foot centerbeam flatcars, and 77 sixty-one foot bulkhead flatcars, all of which are in service on the UP and SP. At this time, we are unable to move cars between loading facilities located on the UP and SP. The proposed merger will provide us greater flexibility in placing the cars when and where required, regardless of the location as they will all be served by the merged railroads.

With the financial support of the Union Pacific, Hampton will experience greater utilization of their private car fleet and all Southern Pacific shippers should benefit from a greater car supply which would be created by the availability of additional power

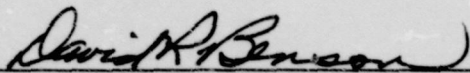
units and more efficient routing.

Hampton Lumber Sales Co., believes that the proposed merger will provide significant benefits to our company as well as other shippers and receivers served by the Union Pacific and Southern Pacific and supports this application.

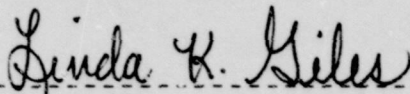
VERIFICATION

State of Oregon       )  
                              ) ss.  
County of Washington)

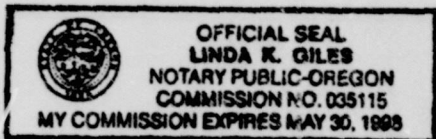
David R. Benson, being duly sworn, deposes and says that he has read the forgoing statement, knows the contents thereof, and that the same are true as stated.

  
David R. Benson

Subscribed and sworn to before me  
this 24th day of August, 1995.

  
-----  
NOTARY PUBLIC

My Commission Expires:



# **HANNIBAL INDUSTRIES, INC.**

3851 SANTA FE AVENUE  
P.O. BOX 58814  
LOS ANGELES, CALIFORNIA 90058  
(213) 588-4261 (714) 523-2364

September 22, 1995

## **VERIFIED STATEMENT**

OF

Bill Martin  
on behalf of  
**HANNIBAL INDUSTRIES, INC.**

My name is Bill Martin and I am the Purchasing Manager for Hannibal Industries, Incorporated; located at 3851 S. Santa Fe Avenue Vernon, California 90058. I have been with the company since its inception in September of 1985. I was previously with Capitol Metals Co., Inc. in Torrance, California for 10 years and have 30 years total experience in the field of purchasing and procurement.

Our company is a manufacturer of carbon steel tubing, and as such we have a constant flow of material to our location from steel mills in Utah, the Midwest and the Gulf ports region. On average we receive over 80,000 tons of steel by rail each year. All of our inbound material is routed to one of two locations: via Union Pacific to an intermodal yard located here in the Vernon area, or via Southern Pacific to a yard in Fontana, California from which it is trucked to us. Material is also delivered to our secondary location here in Vernon, which houses Ramco Metal Forming and Carthage Steel; which are wholly owned divisions of Hannibal Industries.

We understand that the Union Pacific and the Southern Pacific railroads are requesting authority to merge as stated in: Finance Docket No. 32760, Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company - control and Merger - Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al. As a customer dependent on both the U.P. and the S.P. for the majority of our raw materials; we welcome this merger as a means of ensuring that we will receive top-quality rail service from two financially sound carriers with single-line access to numerous points.

We believe that the Commission should bear in mind the many benefits that this merger will produce, including:

Service Benefits to U.P. and S.P. Customers - With approval of the application, U.P. and S.P. will be able to combine the strengths of their systems. As a result, shippers and receivers will enjoy improved service, including a number of entirely new services.

- ◆ New Single-Line Service - Hundreds of U.P. points not served by S.P. will be linked on a single-line basis with hundreds of S.P. points not served by U.P.
- ◆ Shorter, More Efficient Routes - For example, much more reliable third morning service in the Chicago-California corridor through which much of our steel comes, and mileage savings in the Salt Lake City-Los Angeles route.
- ◆ Improved Intermodal Service by the ability to utilize the best terminals in key cities such as Chicago, Kansas City and in Texas.
- ◆ Route Specialization/Capacity Optimization - Service improvements will result from focusing different categories of traffic, on different routes and separate corridors. The availability of alternative routes will allow shipments to be routed around chokepoints.
- ◆ Better Equipment Utilization - U.P./S.P. will be able to reposition cars and locomotives more efficiently. The difference in peak seasons for the two railroads, plus effective use of triangulation and backhaul moves, will improve equipment supply enormously. There have been incidents in recent months where S.P. could not move material from Houston, Texas to Los Angeles for us; due to a shortage of covered gondola cars. These resources had been committed to the Salt Lake City/Ogden area. This resulted in several months of storage bills and transportation headaches, for our company and our suppliers.

Competitive Benefits - Approval of the consolidation of these two railroads will definitely affect competition in all markets. We believe that these changes will all be for the better.


- ◆ Meeting the Competitive Challenge of B.N./S.F. - The merger of Burlington Northern and Santa Fe, which was effective today, September 22; has created a railroad that is nearly twice the size of either U.P. or S.P. This newly proposed union will create a competitor that is fully equal to B.N./S.F. in all major western markets; able to match B.N./S.F. service time and reliability, in our prime Midwest-California market.
- ◆ Stronger Competition Generally - Union Pacific today, is financially strong; but lacks efficient routes to many markets. Southern Pacific has many excellent routes, but lacks the volume and capital to take

advantage of its opportunities. The merged system will be able to overcome bottlenecks, and to apply capital dollars where they will accomplish the most. U.P. and S.P. overlap at some points, but are end to end at many others. Where U.P. and S.P. are the only rail competitors, they will agree to conditions that maintain competition by giving access to another railroad. The opening up of new markets for both railroads will also create increased opportunities in many other industries, with access to new markets for sales and shipping.

The Assurance of Long -Term Quality Service for SP Shippers - Many Southern Pacific customers who have been highly concerned with the railroads service and long-term viability, will have the assurance that this proposed, financially strong system, will be capable of making the necessary capital investments to maintain rail competition. S.P.'s own Chairman, Phil Anschutz, has stated that the S.P. could not make it alone in the wake of the B.N./S.F. merger. Here at Hannibal, we have attempted to use Union Pacific much more; in situations where we would normally rely on Southern Pacific. In large part, due to the Houston/Los Angeles debacle that I described earlier. This was certainly not an action that we wanted to take.

In conclusion, Hannibal Industries takes the position that this proposed merger, will provide significant benefits and improvements for all involved. Our company fully supports this application.

I, Bill Martin, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on Sept 21, 1995

Signature 

VERIFICATION

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF LOS ANGELES )

BILL MARTIN , being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Bill Martin

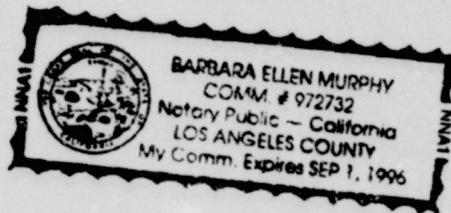
Name-Typed  
Bill Martin

Subscribed and sworn to before me this 29 day of SEPTEMBER, 1995.

Barbara Ellen Murphy  
Notary Public

My Commission Expires:

SEPTEMBER 1, 1996



**VERIFIED STATEMENT**

**OF**

**ELIZABETH (BETTE) L. HAWKINS**  
**on behalf of**  
**HAWKINS FREIGHT SERVICES**

**COMPANY DESCRIPTION:**

Hawkins Freight Services is located at: 119033 German Gulch Rd  
Silver Bow, MT 59750  
800-735-8463

I am the Owner/Sales Agent for Hawkins Freight Services and have been in business since March 1994. I am a Sales Agent for the One-Plus programs on the Union Pacific Railroad. This business consists of working with reloads that are currently on the UPRR.

The One-Plus programs are a billing service through which customers receive one bill for services including trucking, reloading and rail. In conjunction with this I am the Forest Products Coordinator for the Port Of Montana, a municipal Port Authority located in Silver Bow, MT. I have been in this position for five and a half years. The main service we provide is to bring in loads to reloads via truck and load on rail cars or vice versa.

Before working at the Port I was the Terminal Manager for a LTL truck company in Butte, MT. This is where I was first introduced to the transportation industry and where I learned the importance of timely pick up and delivery of products. I worked for this company for three and a half years.

As the Forest Products Coordinator for the Port of Montana, I coordinate the picking up of stock from different mills in Montana and loading them on rail cars for delivery throughout the United States. The main market that we ship to is the Texas and Southern California markets. One of the Port's main shippers is Stimson Trading Company in Portland, OR. They own the mills in Bonner, MT and ship both stud products and panel products. At this time they are about 34% of the Port's business. We also deal with about 30 different lumber brokers and wholesalers throughout the U.S. This is the same type of business I do for other reloads in the UPRR system. Other reloads I am working with closely are located in Eastport, ID and Tacoma, WA. Most of this stock is going to Texas, Southern California, Arizona and Kansas.

POSITION ON UP/SP MERGER:

I understand that Union Pacific and Southern Pacific are requesting authority to merge. I strongly support the merger as a means of improving service and strengthening competition. This would definitely help in the process of shipping cars on a timely basis. I believe that the merger would be in the best interest of the reloads that I work with.

SERVICE BENEFITS TO UP AND SP CUSTOMERS:

This merger would help the shippers and receivers who at this time are not competitive in pricing or transit time due to trying to work with two railroads instead of one. The other competitor in this are trucks. You can load more product on a rail car than you can on a truck. For example, in lumber it takes three semi loads to fill a boxcar of lumber studs. This means that a customer should be able to receive a boxcar with more product and less cost. This is not necessarily true when you have the charges for two railroads. The other factor with trucks is that there is so much truck traffic on the roads that it is tearing up the highway system, especially in areas that are already heavily congested with road traffic. This merger will help to ease the problems on train time and response time, therefore creating better service to both UP and SP customers.

SINGLE-LINE SERVICE:

This merger will create a single-line service. Being able to use both UP and SP routes the distance between several points will be shorter. An example is from Seattle, WA to Los Angeles, CA. As it is now on the UP it would route as follows: Seattle, WA to Portland, OR to Salt Lake City, UT, then down to Los Angeles, CA. With this merger, by utilizing the I-5 corridor it will be shorter by 556 miles. This will decrease the amount of time it takes to get to Los Angeles by days. Another factor is there will be no switching between railroads which also takes time. There are times when a car goes into a switch yard and does not move for two to three days. As a Sales Agent it is very difficult explaining to a customer why a car is sitting so long in one place.

As with any transportation service, the less stops a vehicle has to make, the better time in delivery. In coordinating terminals in numerous locations it will allow traffic to be handled more efficiently. For example: Cars coming out of the Pacific Northwest going to the Northeast or the Southeast can be routed

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around terminals they now have to stop at. Again, this becomes a service issue on delivery time.

With the reload in Eastport, ID there is great opportunity to ship lumber from Canada all the way to Mexico. Eastport does not ship to Mexico today because this movement is not competitive. The merging of UP and SP will give us a more efficient way of getting the stock into Mexico by a more direct route. The Union Pacific has been making strides to service Mexico in a more efficient manner, and this merger will help in those efforts. The combined railroad will offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico.

At this time, trying to get stock from California and Oregon mills is very difficult. This movement is not currently feasible for us. Rail costs are too high to be competitive with trucks. In addition, it takes too long to get stock in and out of switching yards, due in part to SP's lack of equipment. These same problems also keep the Port of Montana from being able to move logs and dressed lumber into these states. This is also true for Eastport Industries. The merger will enable us to offer these new services.

There are similar problems of cost and service for movements to the area south of San Francisco. We receive many requests to move stock into this area. We are not competitive on these movements, so we cannot provide this service. The combined use of UP and SP tracks should make this a competitive move and allow our shippers to enter this market.

#### COMPETITIVE BENEFITS:

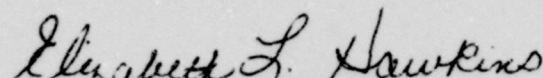
With the merger of the BN/Santa Fe, they are nearly twice the size of the UP or SP. BN/Santa Fe customers will have single-line service to a very large number of destinations, covering a much broader range of markets than UP can offer now. The UP/SP merger will increase competition because UP/SP will be a competitor equal to BN/Santa Fe in all major western markets. This will also allow UP shippers like Hawkins to compete more effectively with our competitors that are served by BN/Santa Fe.

In addition, SP is not very effective as a competitor at this time. SP currently lacks the volume of traffic and the financial resources to take advantage of opportunities. As indicated above, problems with switching delays and equipment shortages have made it difficult for us to depend on SP service. UP's financial strength will give SP the resources it needs to address

these problems. The merger between the two railroads should result in stronger competition in general.

In conclusion, I see the UP/SP merger as a benefit to customers on both railroads. It will give SP customers the stability they need and UP customers a chance to be competitive in western markets.

I, Elizabeth L. Hawkins, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.  
Executed on September 20, 1995.

  
\_\_\_\_\_  
Elizabeth L. Hawkins  
Hawkins Freight Services

**VERIFICATION**

STATE OF MONTANA           )  
                                  )  
COUNTY OF SILVER BOW     )

Elizabeth L. Hawkins, being first duly sworn, deposes  
and says that she has read the foregoing document, knows the  
facts asserted therein, and that the same are true as stated.

Elizabeth L. Hawkins  
Elizabeth L. Hawkins

Subscribed and sworn to before me this 20<sup>th</sup> day of  
September, 1995.

Lorna Gregory  
Notary Public for the State of Montana  
Residing at Butte, MT

My Commission expires:

6/21/98



# HILL BROTHERS *Chemical Co.*

136 E. SOUTH TEMPLE, SUITE 1745 • SALT LAKE CITY, UTAH 84111  
(801) 364-5055 • (800) 336-3911 • FAX: (801) 364-5056

September 12, 1995

VERIFIED STATEMENT  
OF  
THOMAS L. GREENBURG  
ON BEHALF OF  
HILL BROTHERS CHEMICAL COMPANY

Finance Docket - 32760

Hill Brothers Chemical Company supports this proposed merger between the Southern Pacific and Union Pacific Railroads. I am the Rocky Mountain Division Manager for Hill Brothers and I have ultimate responsibility for getting our products; liquid and dry Calcium Chloride, ( $\text{CaCl}_2$ ) and Magnesium Hydroxide, delivered to our customers. Our offices for the Rocky Mountain states are located at 136 East South Temple, Suite 1745, Salt Lake City, Utah 84111. Our liquid  $\text{CaCl}_2$  manufacturing plant is 60 miles west of Salt Lake City, at Rowley, Utah. Most of our freight originates at this location. Currently, we use 21 railcars that are shipped through out the Western United States. We have moved cars into Mexico as well.

Hill Brothers is primarily a regional company focusing mainly on the Western United States. Our company is a leader in the manufacture and sales of Calcium Chloride used for dust control, oil field drilling, ready mix concrete, tire ballast, industrial applications and water treatment. We currently ship via the Union Pacific, Southern Pacific, Burlington Northern, and other smaller branch lines. We have found our service to be a lot better when we ship via the Union Pacific direct to our destinations. Hill Brothers would ship more via the railroad if the service was sufficient. When we transfer between railroads the service is usually poor. We specifically ship primarily liquid  $\text{CaCl}_2$  from Rowley, Utah to points in Wyoming, Colorado, Montana, California, Washington and other states.

Page 2 cont.

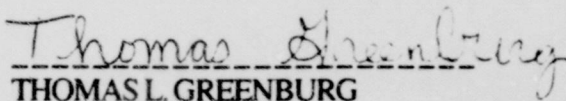
The merger of the Union Pacific and the Southern Pacific will definitely help Hill Brothers. Our experience with the Southern Pacific has been very poor. We have had to give up on doing business in some areas, because of the S. P.'s service. The Union Pacific has performed and would open up these potentials for us. We feel that our fleet of private railcars' turn around will be improved with this merger.

We currently have a few movements that involve both the U. P. and the S. P. The merger will strengthen these shipments and the service will improve. This will be especially true on our movements of product to San Jose, California, which is S. P. served and to various points on the West Slope of Colorado; DRGW served points. Also, we will benefit for future business on product moving to both Denver, Colorado and Salt Lake City, that originates at Moss Landing, California; an S. P. served origin.

The Union Pacific will strengthen our business with this merger. They are a financially stable company that will improve the Southern Pacific's capability. The S. P. has had numerous service problems due to a lack of people, power units, other equipment, and other resources necessary to get the job done. Hill Brothers has had numerous prior meetings with the S. P. concerning service. They have made numerous commitments that they have never been able to keep. As a result, we have shifted and tried to do as much business as possible through the U. P. The long term future with the U. P. looks strong and viable. This strength gives Hill Brothers the confidence to try and grow into markets we have given up on or that we have not tried to grow into, such as various new points in the state of Colorado. Our company obviously supports the merger. We can only benefit from this proposal.

I, Thomas L. Greenburg, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on September 12, 1995.

  
THOMAS L. GREENBURG  
Rocky Mountain Division Manager

**Verified Statement of  
Perry T. Smith  
on behalf of  
Hoechst Celanese Corp.  
Fibers & Film Group**

My name is Perry T. Smith. I am Manager of Traffic & Distribution for Hoechst Celanese Corp. - Fibers & film Group; with the business address of P.O. Box 1026, Charlotte, N.C. 28201. I have held this or similar positions within the Company for the past eighteen (18) years. The responsibilities of this position are to provide the most efficient, consistent and cost effective transportation of all modes for outbound finished product and for inbound raw materials or products used in the manufacture thereof. These responsibilities include transportation mode selection, Agreement/Contract Negotiations, Private Rail Fleet Operations, Private Trucking Operations, Distribution Center Operations and relative Regulatory compliance. Prior to employment by Hoechst Celanese Corp., I worked an additional fifteen (15) years in the industry with facets of similar responsibilities.

Hoechst Celanese Corp. (Fibers & Film Group), with manufacturing locations in Canada, Mexico and the United States, is a major producer of synthetic yarns & fibers, polyester (PET) resins, polyester films, and polyester non-woven fabrics. These products are distributed to multiple customers located throughout North America (Canada, Mexico & United States). Our U.S.A. manufacturing facilities are located in N.C. (Salisbury, Shelby), S.C. (Greer, Rock Hill, Spartanburg), and Va. (Narrows).

Shipments from U.S.A. facilities to customers located in the Southwest, Central, West and Northwest (including Canadian & U.S.A.) territories could be impacted by a Union Pacific (U.P.)/Southern Pacific (S.P.) merger. Additionally, shipments originating in Mexico with destinations in Canada or the U.S.A. will be effected. Below is a sample of some origins & destinations that would be included:

<u>ORIGIN</u>	<u>DESTINATION</u>	<u>TYPE EQUIPMENT/SERVICE</u>
Mexico: Queretaro	Dalton, Ga.	TOFC
	Big Springs, Tx.	Hopper Cars
	Painesville, Oh.	Hopper Cars
	Lenexa, Ks	Hopper Cars
Ocotlan	Bristol, Va.	Hopper Cars
U.S.A.:Spartanburg,S.C.	Big Springs, Tx	Hopper Cars
	Seattle, Wa.	TOFC
Rock Hill, S.C.	Edmonton, Alberta	Box Car
Pampa, Tx.	Rock Hill, S.C.	Tank Car
Bayport, Tx.	Salisbury, N.C.	Tank Car
Taft, La.	Greer, S.C.	Tank Car
Texas City, Tx.	Shelby, N.C.	Tank Car
Plaquemine, La.	Spartanburg, S.C.	Tank Car
Greer, S.C.	Sunnyvale, Ca.	TOFC

We understand that Union Pacific and Southern Pacific have requested authority to merge. Hoechst Celanese Corp.-Fibers & Film Group strongly supports this merger and believes that it will strengthen the overall Transportation System by providing a stronger and more competitive means of improving service and reducing costs for both sides of industry.

We believe that the proposed merger would be in our company's best interest, as well as the industry in general. We fully endorse the UP/SP application.

An approval of the merger application would provide the following benefits to the shipper/receiver industry:

- ... Stronger competitive entity for competitive challenges to/of BN/Santa Fe and alternative transportation modes.
- ... More stable financial environment for customers of SP.
- ... Improved transits due to more direct line service points with less potential of time-losses during inter-line or by longer rail mileages due to disconnects for interlining.
- ... Opportunity for consolidating of EDI Systems and Car-Tracking Systems with improved package through pulling the best of both UP/SP systems into one.

We believe that the UP/SP merger provides significant benefits to industry located on their lines as well as industry located on their lines that routes via connecting lines on or through their trackage. Hoechst Celanese Corp.-Fibers & Film Group supports the application.

VERIFICATION

STATE OF North Carolina,  
COUNTY OF Mecklenburg ) ss.

Perry T. Smith, being first, duly sworn, deposes  
and says that he has read the foregoing document, knows the facts  
asserted therein, and that the same are true as stated.

Perry T. Smith  
Perry T. Smith

Subscribed and sworn to before me this 25<sup>th</sup> day of September, 1995.

Daranda C. Cutcheon  
Notary Public

My Commission Expires:

May 8, 2000



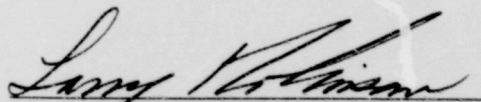
Verified Statement  
of  
Larry Robinson  
on behalf of  
Holiday Tree Farms, Inc.

The following is a verified statement of Larry Robinson, Transportation Coordinator for Holiday Tree Farms, Inc.

I have been involved in the transportation industry for nine years, all with this company. I am responsible for all intermodal piggy back, dry boxcar and refer boxcar shipments. In addition to all railroad contract negotiations and relations for annual Christmas shipments, exceeding four hundred and fifty loads, via SP primarily from Portland, Oregon to California and Arizona.

I am making this statement in support of the Union Pacific/Southern Pacific (UP/SP) merger. Holiday Tree Farms, Inc. is the largest single user of intermodal piggy back trailers for Christmas trees. Holiday has developed a highly specific piggy back program to serve a broad customer base. Having an adequate supply of equipment is a vital element to enable our Christmas Program to function in a cost effective manner. Holiday strongly feels this merger will strengthen this required supply of piggy back trailers for the Christmas tree industry as a whole and Holiday in particular. It is for this reason, as I have stated above, Holiday Tree Farms, Inc. supports the proposed UP/SP merger.

I, Larry Robinson declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed October 6, 1995.

  
Larry Robinson





P.O. Box 6305 • San Bernardino, California 92412-6305 • (909) 381-1771 • FAX (909) 889-4082

DATE: October 2, 1995

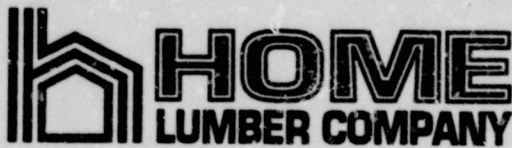
RE: VERIFIED STATEMENT OF DALE MCCORMICK on behalf of HOME LUMBER COMPANY:

I am writing in reference to the Finance Docket No.32760, Union Pacific Corporation, Union Pacific Railroad Company, Missouri Pacific Railroad Company, control and merger, Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al.

My name is Dale McCormick and I am presently the Executive Buyer of lumber products for Home Lumber Company, 595 Pioneer Street, San Bernardino, CA 92408. The phone number is (909) 381-1771; fax number is (909) 889-4082. My normal duties and responsibilities include negotiating lumber rates and contracts with lumber mills and rail carriers. This includes, but is not limited to, all transportation logistics whether it be rail or truck into our San Bernardino facility and coordination with both the customer and rail carriers.

Home Lumber Company is primarily a distributor of lumber products to construction sites on the West Coast. We operate in the Los Angeles basin as well as San Bernardino-Riverside, Orange and San Diego Counties. The options by which we choose to ship lumber, depend upon the competitive freight price we can obtain by rail or truck. A major part of our business is to work with the rail carriers and the service we receive is of utmost importance and priority. We are optimistic that the merger will help to alleviate the service problems that Southern Pacific has been experiencing for the last four years.

Over the course of the last four years, Home Lumber Company has lost an alarming amount of its profitability due to the poor service received from Southern Pacific. When lumber is not received as scheduled by rail, we must go out and purchase the needed materials from local vendors at a much higher rate in order to satisfy our customers.



P.O. Box 6305 • San Bernardino, California 92412-6305 • (909) 381-1771 • FAX (909) 889-4082

We presently are using a Southern Pacific reload facility due to the abandonment of our track in 1992. Our freight is shipped SP direct into Taylor Lumber in Grand Terrace, Ca. It is then trucked to our facility on Pioneer Street in San Bernardino. Home Lumber Company appreciates and supports all of the continuing efforts being made by the Southern Pacific Lines and Union Pacific Railroad to improve rail freight services to our company.

I, Dale McCormick, declare under penalty of perjury that the above statement is true and correct. I further verify that I am qualified and authorized to file this verified statement. Executed this 2nd day of October, 1995.

A handwritten signature in cursive script, reading "Dale McCormick", is written over a horizontal line.

Dale McCormick  
Executive Buyer for  
Home Lumber Company  
P.O. Box 6305  
San Bernardino, CA 92412  
(909) 381-1771

Hubbell International Trading Company  
11305 Franklin Avenue  
Franklin Park, IL 60131  
708 451-9000 FAX 708 451-1905

**HUBBELL**

OCTOBER 5, 1995

VERIFIED STATEMENT  
OF  
DENNIS S. SZOKOWSKI  
on behalf of  
HUBBELL INTERNATIONAL TRADING COMPANY

RE: PROPOSED MERGER OF UP/SP

I AM THE SERVICE COORDINATOR FOR HUBBELL INTERNATIONAL TRADING COMPANY IN FRANKLIN PARK, IL. I AM RESPONSIBLE FOR THE TRANSPORTATION OF STEEL COILS FROM VARIOUS SOURCES TO OUR WAREHOUSE IN FRANKLIN PARK, IL; AS WELL AS TO OUR CUSTOMERS IN MEXICO. I ALSO HELP OUR DOMESTIC SALES DEPARTMENT WITH ANY RAIL SHIPMENTS FOR CUSTOMERS IN THE U.S.A.

I HAVE AN M.A. IN LANGUAGE AND INTERNATIONAL TRADE FROM EASTERN MICHIGAN UNIVERSITY, AND HAVE HELD MY POSITION AT HUBBELL INTERNATIONAL FOR 5 YEARS. PRIOR TO THAT I WORKED WITH 3 DIFFERENT FOREIGN FREIGHT FORWARDERS FOR A PERIOD OF 6 YEARS. MY PRIMARY RESPONSIBILITIES WERE INVOLVED WITH OCEAN FREIGHT (BOTH IMPORT AND EXPORT). I HAD EXTENSIVE EXPOSURE TO THE RAIL INDUSTRY WHILE WORKING IN FREIGHT FORWARDING.

OUR PARENT COMPANY, HUBBELL STEEL, IS A STEEL SERVICE CENTER. WE SPECIALIZE IN PRIME GALVANIZED, GALVALUME, AND PRE-PAINTED STEEL SHEETS AND COILS. OUR 80,000 SQUARE FOOT WAREHOUSE IS SERVICED BY A SOO LINE RAIL SPUR.

HUBBELL INTERNATIONAL TRADING COMPANY'S MAIN FOCUS IS TO EXPORT ALL TYPES OF STEEL COILS AND SHEETS TO MEXICO. THE MAJORITY OF THE ORDERS ARE SHIPPED BY RAIL DIRECTLY TO THE CUSTOMER FROM STEEL MILLS IN BOTH THE U.S.A. AND CANADA. OUR EXPORTS TO MEXICO GO THROUGH LAREDO, TX. CURRENTLY WE DO NOT HAVE ANY INTERNATIONAL BUSINESS OFF-SHORE. HOWEVER, WE ARE OPEN TO IT IF THE RIGHT OPPORTUNITIES EXIST.

OUR RAIL TRAFFIC AND ROUTINGS ARE AS FOLLOWS:

ORIGIN	DESTINATION	ROUTING	EQUIPMENT	YTD TONS
=====	=====	=====	=====	=====
PITTSBURGH	FRANKLIN PARK	CSX-CPRS	COV.GOND.	23,000 ST
FRANKLIN PK	FONTANA, CA	CPRS-SSW-SP	BOXCAR	1,600 ST

Hubbell International Trading Company  
11305 Franklin Avenue  
Franklin Park, IL 60131  
708 451-9000 FAX 708 451-1905

## HUBBELL

ORIGIN =====	DESTINATION =====	ROUTING =====	EQUIPMENT =====	YTD TONS =====
HAMILTON,ONT	MEXICO(LAREDO)	CPRS-UP	COV.GOND.	3,000 MT
FRANKLIN PK	MEXICO(LAREDO)	CPRS-UP	COV.GOND.	3,500 MT
MEXICO	FRANKLIN PARK	UP-CPRS	BOXCAR	3,500 MT

AS SHIPPERS TO THE WEST COAST AS WELL AS TO MEXICO, HUBBELL STEEL/HUBBELL INTERNATIONAL TRADING COMPANY STRONGLY APPROVES THE APPLICATION FOR THE UP/SP MERGER. WE APPROVE THE APPLICATION FOR THE FOLLOWING REASONS:

- BETTER EQUIPMENT UTILIZATION
- MORE FREQUENT TRAINS
- LESS CONGESTION AT TERMINALS
- FASTER TRANSIT TIMES

WE LOOK FORWARD TO HAVING A MORE EFFICIENT SERVICE TO CALIFORNIA WITH A SAVINGS IN BOTH TIME AND MILEAGE. THE PROPOSED TERMINAL COORDINATION/PREBLOCKING IN LOS ANGELES SHOULD ALLEVIATE THE CONGESTION WE ARE EXPERIENCING FOR UNLOADING THERE. FOR OUR MEXICO TRAFFIC, A MORE EFFICIENT KANSAS CITY TERMINAL COULD REDUCE THE TRANSIT TIME TO AND FROM MEXICO.

THE BETTER UTILIZATION OF EQUIPMENT WITH THE UP/SP MERGER WILL BENEFIT US WITH A GREATER SUPPLY OF COVERED GONDOLAS FOR STEEL COILS. WE ALSO LOOK FORWARD TO THE MERGER ALLOWING MORE FREQUENT TRAINS OUT OF THE MAJOR TERMINALS, THEREFORE IMPROVING TRANSIT TIMES.

ONCE AGAIN, WE BELIEVE THE UP/SP MERGER WILL BENEFIT OUR COMPANY IN MANY WAYS. WE ALSO FEEL MANY OTHER SHIPPERS WOULD REAP THE SAME BENEFITS AS WE WOULD. THE UP/SP APPLICATION HAS OUR SUPPORT!!

SINCERELY,

*Dennis S. Szokowski*

DENNIS S. SZOKOWSKI  
SERVICE COORDINATOR  
HUBBELL INTERNATIONAL TRADING COMPANY

Hubbell International Trading Company  
11305 Franklin Avenue  
Franklin Park, IL 60131  
708 451-9000 FAX 708 451-1905

**HUBBELL**

VERIFICATION  
-----

I, DENNIS S. SZOKOWSKI, DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON OCTOBER 5, 1995.

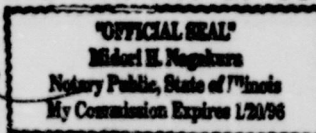
STATE OF: ILLINOIS       )  
                                  ) ss.  
COUNTY OF: COOK        )

DENNIS S. SZOKOWSKI, BEING FIRST DULY SWORN, DEPOSES AND SAYS THAT HE HAS READ THE FOREGOING DOCUMENT, KNOWS THE FACTS ASSERTED THEREIN, AND THAT THE SAME ARE TRUE AS STATED.

*Dennis S. Szokowski*  
DENNIS S. SZOKOWSKI

SUBSCRIBED AND SWORN TO ME THIS 5TH DAY OF OCTOBER, 1995.

*Midori H. Nagakura*  
NOTARY PUBLIC



MY COMMISSION EXPIRES: JANUARY 20, 1996



## Hunt Plywood Company, Inc.

P.O. Box 1263  
Ruston, LA 71273-1263  
318-255-2245

**VERIFIED STATEMENT  
OF  
STEVE NAPPER  
ON BEHALF OF  
HUNT PLYWOOD COMPANY, INC.**

Re: Union Pacific/Southern Pacific Proposed Merger

My name is Steve Napper and I am the Traffic Coordinator for **Hunt Plywood Co., Inc.** located in Ruston, La. I am a graduate of Louisiana Tech University with a Bachelors degree in Business Administration (Marketing). I am responsible for arranging transportation of all finished products, as well as rate negotiations for Hunt. I have held this position for three years, and have eight years experience in wood products marketing and distribution. My duties have led me into rate negotiations with most of the major rail carriers and numerous truck lines.

**Hunt Plywood Co.** is a privately owned wood products manufacturer. Our company maintains four operating facilities. We have two plywood mills and two lumber mills. The plywood plants are located in Pollock, La. and Natalbany, La. The Pollock facility is rail served by the Missouri Pacific, and the Natalbany facility is served by the Illinois Central Railroad. Our lumber mills are located in Castor, La. and Olla, La. Each is a non-rail facility which ships via truck or uses a UP lumber reload facility in Monroe, La.

Our company ships approximately 1,250 carloads per year. We ship via rail and truck throughout the United States as well as export to Europe, the Caribbean and Mexico. The plywood and lumber market which Hunt competes in is primarily a commodity market. Therefore, transportation costs play a large role in determining which areas of the U.S. we are able to be competitive in.

Of these 1,250 carloads, 24% or 300 of them will deliver to Southern California in 1995 on the Southern Pacific Railroad. These shipments originate on the UP (Missouri Pacific) and the Illinois Central Railroads in Louisiana.

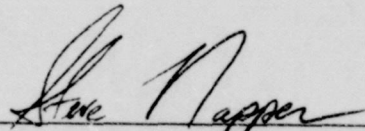
**Hunt Plywood Co., Inc.** strongly supports the request for merger of the Union Pacific and Southern Pacific railroads. Our support stems from a means of improving service, strengthening competition, and single-line access to the West Coast.

An approval of the UP/SP merger would benefit Hunt Plywood in several ways:

- A) Single-line service to Arizona, New Mexico, and California points served only by SP
- B) More efficient routes (a savings of 275 miles to Los Angeles)
- C) Improved transit time to California as a result of merger efficiencies
- D) An assurance of long-term quality service to our SP served customers with the added financial strength of the UP
- E) Improved equipment utilization could result in additional 60' high capacity boxcar availability

In general, we believe the combined UP/SP would create a financially sound and service responsive competitor to the BN/Santa Fe in all major Western markets. Hunt Plywood supports the application for merger.

I, Steve Napper, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this 28th day of August, 1995.

  
Steve Napper



# **Explosives**

## **ICI Explosives in North America**

90 Sheppard Avenue East  
PO Box 200 Station A  
North York (Ontario)  
Canada M2N 6H2

Telephone (416) 229-7000  
Telex 069 86505  
Fax (416) 229-8428

Finance Docket No:32760, Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -- control and merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al.

## **VERIFIED STATEMENT**

**OF**

**JOHN GUY**

on behalf of

**ICI EXPLOSIVES in NORTH AMERICA**

My name is John Guy, I am North American Logistics Manager and am responsible for purchasing transportation services for ICI Explosives in North America. ICI Explosives in North America includes ICI Explosives USA Inc. and the explosives business of ICI Canada Inc. I have held this position for four (4) years having previously been Logistics Manager for ICI Explosives in Canada for two (2) years.

ICI Explosives USA Inc. is a manufacturer of commercial explosives and Ammonium Nitrate (AN). Production of AN is carried out at Atlas (Joplin) MO and at two plants in Canada. All plants receive Anhydrous Ammonia (NH<sub>3</sub>), a raw material, by rail and ship AN by rail and truck. Some Canadian produced AN is shipped by rail and truck into the USA and additional AN is purchased from other US suppliers and shipped by rail and truck within the USA. Shipments from the Union Pacific Railroad (UP) served Atlas, MO facility are distributed by rail to various points in Arizona, California, Colorado, Kentucky, Nevada, New Mexico, Ohio, Texas, Utah and Wyoming while distribution by truck covers locations in Illinois, Indiana, Kentucky, New Mexico and Texas. Gross revenue derived by UP from inbound and outbound movements at the Atlas, MO plant are estimated to be over \$7 million in 1995.

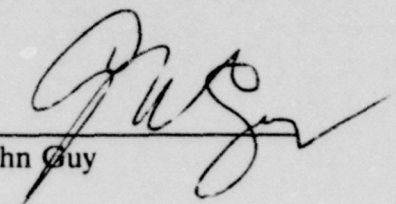
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As a shipper dependent on UP service at our Atlas, MO plant we welcome the proposed merger of UP and Southern Pacific (SP) as a means of receiving single line service to numerous points in Arizona and California.

We expect that single line service to points in the southwest will help improve transit times. In addition, we expect to derive benefit from terminal coordination in Kansas City our closest UP switching yard.

In conclusion we feel that the proposed merger will provide benefit to ourselves and other shippers and we support the application.

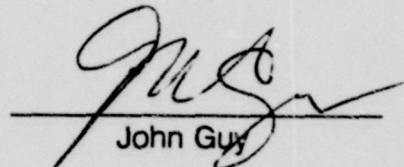
I, John Guy, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on this 13 th, day of October, 1995.

  
John Guy

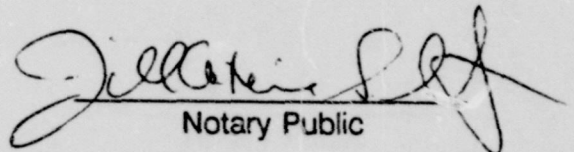
VERIFICATION

PROVINCE OF Ontario )  
 ) ss.  
COUNTY OF York )

John Guy, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
John Guy

Subscribed and sworn to before me this 13<sup>th</sup> day of October, 1995.

  
Notary Public

My Commission Expires:

DOES NOT EXPIRE



## IDAHO FOREST INDUSTRIES, INC.

VERIFIED STATEMENT  
OF  
**JIM SCHARNHORST**  
on behalf of  
**IDAHO FOREST INDUSTRIES, INC.**

I am Vice President, Sales for Idaho Forest Industries, Inc., P.O. Box 6600, Coeur d'Alene, Idaho 83816-1933. I have held this position for eight years and have responsibility for Sales and Transportation. Prior experience includes seven years with Louisiana Pacific Corp. within their sales department where I was also involved with transportation of forest product via both truck and rail.

Idaho Forest Industries operates three mills in the State of Idaho producing dimension, boards, studs and woodchips which are transported nationwide via both rail and truck. We operate mills as well as rail reload facilities which are served via both U.P. and B.N. Railroads. Our total rail shipments amount to approximately 2,700 carloads annually with rail freight payments of some \$6,000,000.

Idaho Forest Industries strongly supports the Union Pacific (UP) and Southern Pacific (SP) merger.

Our production facilities are served by both Union Pacific and Burlington Northern, and we have found the Union Pacific to be extremely responsive to our rail shipping requirements. We believe the combined boxcar and centerbeam flatcar fleets of U.P. and S.P. will provide our company with significant equipment improvements. We also believe a combined U.P. and S.P. system would allow us faster and more efficient routes for our shipments into both southwestern and southeastern markets. Benefits from a new single line service should also help us to penetrate new markets in which we currently are not able to compete. Another important aspect would be the added financial stability which the S.P. would gain through added long-term financial input from Union Pacific. Without this support the long-term viability of the S.P. appears to be very doubtful.

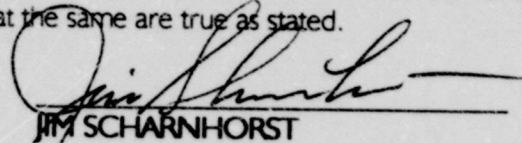
Idaho Forest Industries supports the UP-SP merger as being in the best interest of ourselves, our customers and the general shipping public.



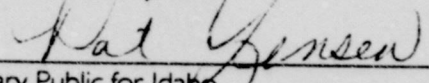
**VERIFICATION**

STATE OF IDAHO       )  
                                  ss.  
County of Kootenai    )

**Jim Scharnhorst**, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
JIM SCHARNHORST

SUBSCRIBED AND SWORN to before me this 7 day of Sept., 1995.

  
Notary Public for Idaho  
Residing: Calden Exp: 1/31/98

95\ini8.wpd  
nf/hfcc



**VERIFIED STATEMENT  
OF  
DAVID A. SMITH  
ON BEHALF OF  
IDAHO GROWER SHIPPERS ASSOCIATION**

My name is David A. Smith, President of the Idaho Grower Shippers Association headquartered in Idaho Falls, Idaho. I have been the executive officer of this Association for 16 years and have worked closely with our membership in all matters involving the transportation of our famous Idaho potatoes to markets in all parts of the United States.

The Idaho Grower Shippers Association is a statewide trade association representing the fresh pack potato industry in Idaho. We have approximately 140 members, 62 of which are in the business of fresh packing and marketing Idaho potatoes. The Association has special interest regarding transportation concerns of these firms and for this reason has requested me to submit this verified statement in support of the purposed merger of the Union Pacific and the Southern Pacific Railroads.

Members of our Association have a continued interest in seeing an efficient flow of traffic from origin here in Idaho into important market places valuable to the distribution of our highly perishable product. We choose to call this efficient flow process a "seamless" effort to move product on a timely and efficient basis to the market place. To do this free of inter-

exchange carrier problems and service related interfaces that can have an effect on the total transportation times, is most important to our industry. It is also important to our total marketing strategy to be able to expand to new marketing areas where we have heretofore been weak. Taking advantage of the seamless concept into many areas of the country served by the Southern Pacific will be helpful for the continued growth of our markets.

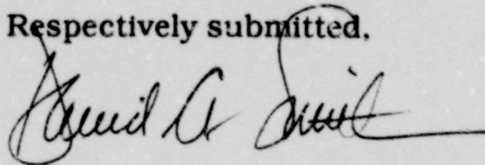
Idaho is the biggest user of refrigerated rail box cars, last year moving nearly 12,000 rail cars to the market place from Idaho origins.

It is our understanding, further, that the Southern Pacific does have an existing fleet of some 1,200 refrigerated box cars whose condition, at present, is questionable. Recognizing the need for additional cars at critical times of the year when car shortages occur, and also being aware of the Union Pacific's constant efforts to update and recondition their refrigerated fleet, we expect that the merged Union Pacific/ Southern Pacific railroad will want to make available for use as many of the refrigerated box cars in the Southern Pacific fleet as possible in order to meet the shipping demand associated with these cars.

Further, we do not expect Union Pacific to reduce the present inventory of refrigerated box cars necessary for us to move our Idaho potatoes to market in favor of using those cars at other points. The merger should help enable Union Pacific to maintain and make available to our Idaho potato shipping industry an adequate supply of refrigerated box cars to meet the increasing demand we continue to forecast for potato movement from Idaho.

Therefore, on behalf of the membership of the Idaho Grower Shippers Association, we would like to be placed on record in support of the Union Pacific's application to merge with the Southern Pacific Railroad.

Respectively submitted,

A handwritten signature in dark ink, appearing to read "David A. Smith", with a long horizontal flourish extending to the right.

David A. Smith  
President

**VERIFICATION**

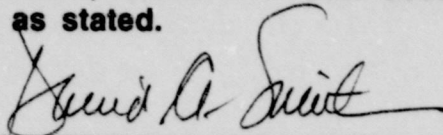
STATE OF IDAHO

COUNTY OF BONNEVILLE

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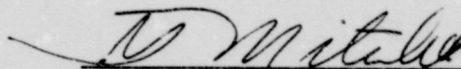
ss.

**DAVID A. SMITH**, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.



David A. Smith, President  
Idaho Grower Shippers Association

Subscribed and sworn to before me this **5TH** day of OCTOBER, 1995.



Notary Public

My Commission expires:

Aug 26, 1999

# Imperial Grain Growers, Inc.

Grain - Seed - Fertilizers

Farmers Co-operative Since 1922

P. O. Box 184 - Eighth and E Streets - Phone 344-0420 - FAX 344-1309

Wholesale and Retail

Brawley, California 92227

OCTOBER 2, 1995

I AM WRITING ON BEHALF OF IMPERIAL GRAIN GROWERS, INC. REGARDING THE FINANCE DOCKET NO. 32760, UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND MISSOURI PACIFIC RAILROAD COMPANY, CONTROL AND MERGER, SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC TRANSPORTATION COMPANY, ET AL.

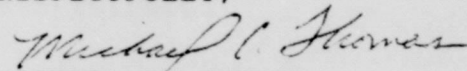
I HAVE BEEN AN EMPLOYEE OF IMPERIAL GRAIN GROWERS, INC. FOR 22 YEARS, THE LAST 8 BEING EXECUTIVE MANAGER. THE LAST 8 YEARS I HAVE BEEN VERY DEPENDENT ON SP SERVICE AT BOTH OF OUR LOCAL LOCATIONS. I FEEL THIS MERGER WOULD MAKE A WORLD OF DIFFERENCE IN ENSURING THAT WE WOULD RECEIVE QUALITY RAIL SERVICE.

AT ONE OF OUR LOCATIONS IN BRAWLEY, CA WE HANDLE 6 TO 7 THOUSAND TONS A YEAR OF ANHYDROUS AMMONIA, 20 TO 30 THOUSAND TONS OF SMALL GRAIN (WHEAT) A YEAR. AT OUR SECOND LOCATION ALSO IN BRAWLEY, CA WE HANDLE 5 TO 6 THOUSAND TONS OF DRY FERTILIZER.

I WOULD ESTIMATE THAT 95% OF THE PRODUCTS LISTED ABOVE MOVE BY RAIL. THIS MERGER WOULD HELP KEEP OUR PRODUCTS MOVING IN A TIMELY MANNER AND WOULD INSURE THE AVAILABILITY OF HOPPER CARS AND ANHYDROUS AMMONIA CARS. OUR COMPANY HAS LOST MONEY THE PAST FEW YEARS DUE TO THE LACK OF SERVICE AND CARS. MY COMPANY SUPPORTS THE PROPOSED MERGER AND LOOKS FORWARD TO FUTURE EFFORTS BY THE SOUTHERN PACIFIC LINES AND THE UNION PACIFIC RAILROAD TO IMPROVE RAIL FREIGHT SERVICE TO OUR COMPANY.

I, MICHAEL C. THOMAS DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON SEPTEMBER 26, 1995.

RESPECTFULLY,

  
MICHAEL C. THOMAS  
EXECUTIVE MANAGER



industrias nacobre, s. a. de c. v.

September 25, 1995

VERIFIED STATEMENT  
OF  
Ing. Angel Cortes  
on behalf of  
NACOBRE, SA DE CV

INTERSTATE COMMERCE COMMISSION  
UP/SP MERGE CASE  
DOCKET # 32760

SUBJECT: UP/SP RAILROADS MERGE DOCKET.

As Traffic Manager for Industrias Nacobre S.A. de C.V. , a position that I have held for the past 9 years, I am in charge of contracting and coordinating and selecting logistic needs for Nacobre, both domestically and internationally. Our shipped volumes average 3,600 metric tons of imports, mainly from USA, and 2,400 metric tons that we export to USA, to Spain and to South America. We use various modes of transportation, such as railroad, truck and vessel. We in Nacobre, produce high quality electric, water and gas copper products. Industrias Nacobre has plants in San Luis Potosi and Mexico City, as well as sales offices in USA.

Aware that Southern Pacific and the Union Pacific Railroads are requesting permission to merge, by means of this letter we wish to confirm we support this merger, as combining these two railroads will result in important benefits like improving availability of intermodal equipment, as well as gondolas, boxcars etc. We are also aware that service and rates will be more competitive and transit times will be reduced as shorter distances to the Mexican gateways will result. We also find that once these two railroads merge, we will have access via cost competitive railroad, to new areas, that will mean new markets for us to view, that had in the past truck service which is more expensive.



industrias nacobre, s. a. de c. v.

-2-

One additional important benefit that will result of this merger, is the fact that UP/SP will be able to compete with the recently merged BN/ATSF railroads, avoiding the possibility of BN/ATSF becoming a monopoly; competition is a healthy necessity and a must for customers that require various logistic service options in price and transportation alternatives, and last, as UP/SP has agreed to give other railroads trackage rights as to avoid monopolized corridors, we automatically will have more transportation options.

Because of all above our Company supports above stated merger of the UP/SP railroads, based on the fact that we believe it will create significant benefits to Mexican (and USA) shippers and consignees.

I Angel Cortes, declare that all above is true and correct, and under penalty of perjury certify that I am thoroughly qualified and authorized to file this statement on September 25, 1995.

Ing. Angel Cortes  
Traffic Manager

Industrias Nacobre, S.A. de C.V.  
Poniente 134 # 719  
Vallejo, 023300 Mexico, D.F.



## INLAND TIMBER CO.

WHOLESALE TIMBER PRODUCTS

(714) 783-0470 • (213) 462-1264

FAX # (714) 783-9032

October 5, 1995

VERIFIED STATEMENT  
OF  
Don Stobaugh  
on behalf of

RE; UNION PACIFIC-SOUTHERN PACIFIC MERGER PROCEEDING DOCKET NO.  
32760

Inland Timber Company operates a wholesale lumber distribution company. In business since February 1982, most of its business is focused on retail lumber trade throughout southern California. We are currently receiving rail shipments of lumber at our spur #2019 in West Colton with Southern Pacific deliveries.

As manager of Inland Timber Company, a position I have held since 1982, my areas of responsibility include the supervision and negotiation of forest product buying and delivery. Sourcing is one of the key ingredients of success in lumber trading and ranks high in requiring personal attentiveness.

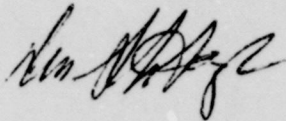
Rail delivery's account for about 25 percent of incoming stock. The balance comes in by truck, primarily because of competitiveness of trucks in terms of price savings and swiftness of delivery.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support this as a means of improving service and giving greater competition to the trucking industry. Several key points now served by UP could be linked on a single-line basis with SP points, allowing an alternative means of transportation. For the most part, UP origin mills are typically not considered for rail delivery to receivers dependent upon SP service.

Over 70 percent of our purchases are sourced out of state. As I have indicated the majority of orders arrive by truck. A UP/SP merger should improve service to the lumber industry by providing additional routes and equipment, thus helping to ensure a faster, more dependable carrier.

We believe that the proposed merger is a "win-win" situation, providing benefits to the merged carriers as well as to its customers. Our company supports the application.

I, Don Stobaugh, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 5, 1995.

A handwritten signature in dark ink, appearing to read "Don Stobaugh", with a stylized flourish at the end.

STB

FD

32760

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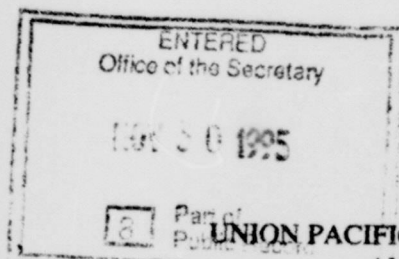


Finance Docket No. 32760, VOLUME 4, PART 2

6

Before the

## INTERSTATE COMMERCE COMMISSION



Finance Docket No. 32760

Part of  
Public Hearing

UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
AND MISSOURI PACIFIC RAILROAD COMPANY

— CONTROL AND MERGER —

SOUTHERN PACIFIC RAIL CORPORATION,  
SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS  
SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE  
DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY

## RAILROAD MERGER APPLICATION

## VOLUME 4, PART 2

STATEMENTS OF SHIPPERS, PUBLIC  
OFFICIALS, AND OTHERS IN SUPPORT OF APPLICATION

CANNON Y. HARVEY  
LOUIS P. WARCHOT  
CAROL A. HARRIS  
Southern Pacific Transportation  
Company  
One Market Plaza  
San Francisco, California 94105  
(415) 541-1000

PAUL A. CUNNINGHAM  
RICHARD B. HERZOG  
JAMES M. GUINIVAN  
Harkins Cunningham  
1300 Nineteenth Street, N.W.  
Washington, D.C. 20036  
(202) 973-7600

*Attorneys for Southern Pacific  
Rail Corporation, Southern  
Pacific Transportation Company,  
St. Louis Southwestern Railway  
Company, SPCSL Corp. and The  
Denver and Rio Grande Western  
Railroad Company*

CARL W. VON BERNUTH  
RICHARD J. RESSLER  
Union Pacific Corporation  
Martin Tower  
Eighth and Eaton Avenues  
Bethlehem, Pennsylvania 18018  
(610) 861-3290

JAMES V. DOLAN  
PAUL A. CONLEY, JR.  
LOUISE A. RINN  
LAWRENCE E. WZOREK  
Union Pacific Railroad Company  
Missouri Pacific Railroad Company  
1416 Dodge Street  
Omaha, Nebraska 68179  
(402) 271-5000

ARVID E. ROACH II  
J. MICHAEL HEMMER  
MICHAEL L. ROSENTHAL  
Covington & Burling  
1201 Pennsylvania Avenue, N.W.  
P.O. Box 7566  
Washington, D.C. 20044-7566  
(202) 662-5388

*Attorneys for Union Pacific  
Corporation, Union Pacific  
Railroad Company and Missouri  
Pacific Railroad Company*

November 30, 1995



**Inter-Rail Transport, Inc.** 115 Lawyers Row/Centreville, Maryland 21617/(410) 714-3993

VERIFIED STATEMENT  
OF J. W. RICKETTS  
ON BEHALF OF  
INTER-RAIL TRANSPORT, INC.

My name is J. W. Ricketts of Inter-Rail Transport, Inc., a service contractor for various railroads in the United States. We perform loading and unloading of new vehicles of various makes from railroad multilevel cars. Our facilities are located in Texas, Kansas and Oregon.

The proposed merger contemplated between the Union Pacific Railroad and the Southern Pacific Railroad can only lead to improved service. The utilization of all types of railcars being distributed among the UP and SP can surely increase car availability to shippers.

The merger of the two railroads can only increase the utilization of locomotives. Shortage of motive power plagues most railroads, and with the continued resurgence of rail traffic, it will only add to the efficiencies of the merged company.

Inter-Rail endorses the merger of both the UP and SP. We honestly believe it will give the customers in the automotive field, of which we are associated, better service and reduced transit time.


Consolidation of duplicate or necessary facilities will only increase the merged companies' position. Competition is good for everyone, and we are convinced the merged companies together will be an asset to the commerce in the regions they serve.

**VERIFICATION**

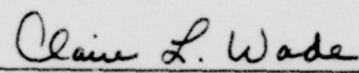
STATE OF MARYLAND )

COUNTY OF TALBOT )

J. W. Ricketts, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
\_\_\_\_\_  
J. W. Ricketts

Subscribed and sworn before me this 9th day of October, 1995.

  
\_\_\_\_\_  
Notrary Public

My Commission Expires:

10-01-97

**IPC****INTERNATIONAL PROCESSING CORPORATION**MAIL TO:  
P. O. BOX 1767  
TUCKER, GEORGIA 300852191 NORTHLAKE PARKWAY  
SUITE 116  
TUCKER, GEORGIA 30084TEL (404) 939-8650  
FAX (404) 939-8410

**Verified Statement  
of  
John S. Pinyerd  
on behalf of  
International Processing Company  
and its affiliate,  
International Transportation Service**

As Director of Transportation for International Transportation Company (IPC) and its affiliate, International Transportation Service, I am responsible for the freight activities for the corporation. I have fifteen years of experience in transportation management and a degree in Transportation from Auburn University.

IPC is the largest recycler of bakery waste in the United States. Our finished product is a feed ingredient in animal feeds. In addition to truck service, we utilize intermodal service on inbound raw materials and covered hoppers on outbound shipments of finished products. IPC has twelve facilities located in seven states. The facilities that are directly served by the UP and/or the SP are located in Chicago, Houston, San Antonio, Kansas City, and Mt. Pleasant, TX. These facilities are also served by the ATSF and/or the BN.

We believe that the proposed merger between the UP and SP would be in our best interests, as well as the interests of our suppliers and customers, and we strongly support the SP/UP merger. We believe that improvements would occur in the following areas:

- Improved transit times (especially eastbound from Houston to Atlanta on the SP and its connections). We have experienced service problems in this lane.
- Improved equipment availability, both on trailers and covered hoppers.
- Improved operating profits for the SP/UP railroads which would lead to lower rates/costs for shippers over the long run.

John S. Pinyerd

Page 2

- Increased competition in many lanes between the SP/UP and truckers as well as the BN/ATSF.
- The UP/SP will be better competition for the BN/ATSF than if they stand alone.

Therefore, we believe that the proposed merger will provide significant benefits to our company, our suppliers, and our customers.

I, John S. Pinyerd, declare under the penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on: 10/12/95

Signature: John S Pinyerd

# ISK BIOSCIENCES™

## Verified Statement of Mike Strong on behalf of ISK Biosciences Corporation October 5, 1995

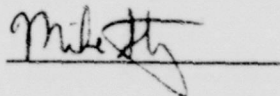
My name is Mike Strong and I have been an employee for ISK Biosciences Corporation since January 1, 1995. Prior to working for ISK Biosciences, I worked for a large chemical manufacturer in the domestic transportation department. I have been involved in the transportation industry for a total of five years following completion of a bachelors degree in the logistics field. ISK Biosciences Corporation's Greens Bayou Plant is located on the PTRA in Houston, TX. My present position, with ISK, is Logistics Operations Manager. Included in my job responsibilities is all the traffic/carrier selection for ISK.

ISK Biosciences produces products to meet the needs of the agricultural industry. Our primary products are fungicides and herbicides. ISK's annual outbound rail volumes are about 1 million pounds and inbound rail volumes are significantly higher as most of our raw materials requirements are transported via rail. The 1995 and 1996 rail volume levels are consistent with the before mentioned. Most of our outbound rail is destined for the Southeastern US and most of our inbound rail is transported from the Texas Gulf Coast.

In reference to the UP/SP acquisition, Finance Docket #32760, ISK believes that this will benefit our corporation in a number of ways. These include better turnaround time on our rail cars, closer attention being paid to safety along the main corridors, and overall better rail service. Better turnaround in the Gulf Coast, specifically Houston, should be achieved as the combined resources of both companies will be able to streamline railyards. Overall better rail service should be achieved through more efficient routes as after the combination of the two railroads, actual distance between some key points will be reduced through less circuitous routes. And the safety concern with the SP, with their financial struggles, will be assisted with the resources of the UP.

ISK Biosciences supports this acquisition.

I, Mike Strong, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10/5/95.



ISK Biosciences Corporation  
2239 Haden Road, Houston, Texas 77015, U.S.A.  
P.O. Box 9637, Houston, Texas 77213, U.S.A.  
713/453-7281 - FAX: 713/450-6339



# J&H Forest Products, Inc.

A Merritt Lumber Company

P.O. Box 8166  
Boise, Idaho 83707

Fax 208-344-2269

208-343-5988

**VERIFIED STATEMENT  
OF  
SCOTT SELL  
on behalf of  
J & H FOREST PRODUCTS, INC.**

My name is Scott Sell and I am Sales Manager of J & H Forest Products, 250 Bobwhite Court, Suite 230, Boise, Idaho. My responsibilities are managing seven mill/wholesale sales people. Our sales volume is approximately \$45,000,000. per year of which approximately 90% of these dollars is generated via rail shipments. I am also responsible for rail rate negotiations with the Union Pacific as well as service issues that arise on a daily trading basis. I have been employed in the lumber business for fifteen years and have a vast understanding of how to get product from mill origin to customer destinations.

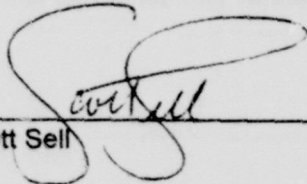
J & H Forest Products, Inc. is a wholesale lumber company, supplying lumber products to all areas of the United States. Merritt Brothers Lumber Company in Athol, Idaho is our parent company and is on the main UP line. We also buy from other mills in the inland northwest, (Portland, St. Maries, Plummer, Silverbow, Kamiah, Baker, Lewiston, Eastport). We ship lumber all across the United States with a large percentage of our shipments to Southern California not just for final delivery on the UP but via West Colton to SP points in California and Arizona.

As a Company with a large percentage of SP destination customers and a mill located on the UP mainline we strongly support an UP/SP merger to enhance service and competitive factors from origin to destination.

J & H Forest Products, Inc. feels that a UP/SP merger would benefit our sales efforts and increase our competitiveness by providing single line service to SP destination markets. Currently the ability to get competitive rates from UP origins to SP destinations is hampered by the SP's lack of interest in negotiating joint sales due to prior agreements with the BN. We will be able to increase our ability to access our SP delivery customers if the UP/SP merger is completed via UP origin reloads which currently is a combination that the SP Railroad has no interest in.

We, J & H Forest Products, Inc. believe that the proposed merger will provide significant benefits to us. Our company supports the application.

I, Scott Sell, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.  
Executed on October 5, 1995.

  
\_\_\_\_\_  
Scott Sell

# JD Lumber, Inc.

Phone (208) 448-2671  
FAX (208) 448-2830

Post Office Box 55—Bodie Canyon Road

Priest River, Idaho 83856

## VERIFIED STATEMENT

OF

DAVID SLAUGHTER

on behalf of

JD LUMBER, INC.

My name is David Slaughter, and I am Secretary-Treasurer of JD Lumber, Inc. of Priest River, Idaho . Our business address is P.O. Box 55, Priest River, Idaho 83864. My responsibilities include that of Sales Manager, Traffic Manager, Office Manager and Chief Financial Officer. I have held this position since 1983. Prior to then I was employed by Slaughter Brothers, Inc., a large regional lumber wholesaler that was based in Dallas, Texas. I was employed there for twelve years in positions of Account Manager and Product Manager, with responsibilities including a more than passing familiarity with transportation.

JD Lumber, Inc. is a manufacturer of forest products with two facilities: Priest River, Idaho and Judith Gap, Montana. We also ship from Dover, Idaho. Between the two locations we ship seven to eight carloads of lumber per day, as well as four to six carloads of wood chips per day. We also ship about fourteen truckloads of lumber per day.

From Priest River, we load on the BNRR. From Dover, Idaho, we ship on the UPRR, which is open to reciprocal switch, and in Judith Gap, Montana, we ship on the BNRR.

Our Priest River facility ships wood chips from Priest River to Longview, Washington, on the BN. We also ship lumber from Dover, Idaho to various U.S. points, about 90% of which are in the Southwest (Southern California, Southern Nevada and Arizona). These routes originate on both the UP and the BN (90% on the UP). Destination carriers include the UP, ATSF and SP railroads.

From Judith Gap, we ship carloads of lumber primarily in the upper Midwest and the Southeast. Destination carriers include the CNW, BN, WC, Conrail, CSX, UP and N & S Railroads.

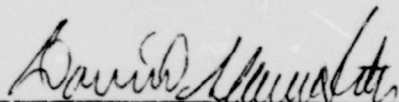
Our company strongly supports the merger of the UP and the SP Railroads. This merger will provide us with smoother access to the [REDACTED] SP in the Southwest. It can only help improve service and operations in this area. Car supply should cease to be the major concern that it is when cars are shipped off-line. Single-line service and shorter through routes will shorten transit times, allowing faster turnaround for empties, and better cash and inventory management for the railroads, for us, and for our customers.

The UP has proven to us its commitment to be highly competitive in all areas of its business, and this will only increase with this merger. BN-ATSF and UP-SP will be going head to head in many more markets than they are now, and this can only benefit the shippers, our customers, and, ultimately the consumer. Of course, both railroads will become even more efficient as a result. When the UP instills its market driven philosophy into the SP, we will all see, and benefit from, the power of competition in the market.

The UP customer service center in St. Louis has become the model for the industry. When I can limit my calls to one number (UP CSC) for tracing, car ordering, billing and problem solving, I have a huge tangible benefit.

The SP is widely known to be under capitalized, a fact that is reflected in service, operation and equipment problems. One of the huge products of this merger is the infusion of capital the UP can provide to improve these areas. The SP has lost a tremendous amount of business over the past ten to fifteen years to truck, barge and other line reloads. This merger will strongly increase their competitiveness as a shipper, which stands to lower shipping costs.

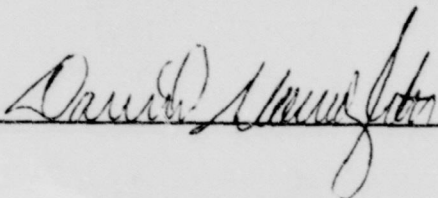
In closing, I strongly reiterate our support for the UP-SP merger. It must happen, particularly in the wake of the BN-ATSF merger, in order for competition to remain the driving factor in transportation West of the Mississippi River. This merger will provide significant benefits to all shippers.



David Slaughter  
Secretary-Treasurer

DS/kj

I, David Slaughter, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 29, 1995.



September 6, 1995

DIVERSIFIED PRODUCTS GROUP

**VERIFIED STATEMENT**

**OF**

**SKIP KELLOGG**

**on behalf of**

**J.R. Simplot Co.**

**Diversified Product Group**

I, Skip Kellogg, am the General Manager of the Simplot Commodities Department, a department in the Diversified Product Group of the J.R. Simplot Co. My office is located at 223 Rodeo Ave, Caldwell, Idaho 83605, phone number is (208) 459-0777 extention 4820.

The Commodities Department includes all the grain elevators, dry bean cleaning plants, edible corn cleaning plants, and seed conditioning facilities. Commodities Department facilities are located across Southern Idaho. The elevators have a one time capacity of 7 million bushels of grain and annually handle about 20 million bushels. About 90% of the grain we handle is shipped on rail.

I have been in the grain business for over 30 years. I have held my present position for 8 years. Before that I was the Operating Vice President of a grain company that was purchased by the J.R. Simplot Company in 1987. I have been involved with the railroads throughout my carrier in all facets of agriculture commodities all over the United States, Mexico and Canada.

The J.R. Simplot Company is involved in all types of agricultural products such as potato processing, cattle feeding, farming, vegetable processing, fertilizer manufacturing, and livestock feed manufacturing. Its major United States facilities are located in Idaho, Oregon, Washington, California, Nevada, North Dakota, Michigan and New York. Most of the Western states facilities are served by the Union Pacific Railroad with some of the California Facilities served by Southern Pacific Railroad.

The Commodities Department facilities are all served by Union Pacific Railroad exclusively. We ship corn into our Idaho elevators from Central Nebraska to supply the local feed lot industry and ship wheat out of Idaho to exporters in the Pacific Northwest Ports and to flower millers in Utah, California and Mexico. We ship dry beans into food processors in California and Mexico. We ship edible corn into food processors in Utah, California and Canada.

We are very pleased to learn of the proposed merger between the Union Pacific and the Southern Pacific. We do a lot of shipping on both railroads and see this merger as very

positive in respect to service, competitiveness of our products and availability of equipment.

As a shipper dependent on the Union Pacific we depend on them to help us get into markets as competitive as possible. A lot of our markets are in corridors that require handling by both the Union Pacific and the Southern Pacific and we see this merger as a positive way to make these movements more efficient and cut down on turnaround times. Service to our customers in a timely manner is critical. We think this merger will open up new markets to us in California and Mexico by allowing us improved access to these markets because of more efficient routes.

In some markets we have found ourselves not competitive since the Burlington Northern and Santa Fe merger. I feel the Union Pacific and Southern Pacific merger will again make us competitive. We will be able to replace truck movement where we are forced to haul grain to a Southern Pacific loading station rather than loading rail at our elevators to go directly to Central California. In most cases we have never been able to get a competitive rate when moving freight from the Union Pacific to Southern Pacific destinations like California. The Southern Pacific has been very uncooperative in even quoting such rates.

In conclusion, we support the proposed merger and think it will benefit the shippers and customers.

#### VERIFICATION

STATE OF Idaho )  
 ) SS.  
COUNTY OF CANYON )

Skip Kellogg, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Skip Kellogg  
Skip Kellogg

Subscribed and sworn to before me this 18TH day of September, 1995.

[Signature]  
Notary Public

My Commission Expires:

7-9-97

# Joe piper inc.

*Paper & Paperboard*

P.O. BOX 19687  
BIRMINGHAM, ALABAMA 35219

October 4, 1995



## VERIFIED STATEMENT

OF

TOMMIE BEATY

ON BEHALF OF

JOE PIPER, INC.

My name is Tommie Beaty. I am assistant to Joe Piper, Chairman of the Board of Joe Piper, Inc., P. O. Box 19687, Birmingham, Al. 35219. My duties include assisting Mr. Piper in sales, purchasing and planning of transportation service from various paper mills throughout the country.

Total inbound freight per year for Joe Piper, Inc. is approximately 65,000 tons. This material is brought in almost exclusively by rail. The geographic location of paper mills demand that we utilize many rail carriers including Southern Pacific and Union Pacific.

We are advised that Union Pacific and Southern Pacific will soon seek authority to merge into one rail carrier and we wish to announce our complete support of this merger as we feel it will benefit our company as well as the shipping public in general.

As we utilize both these carriers frequently, we believe the merger will ensure better overall rail service for various reasons such as new single line service, more efficient routes, terminal coordination and better equipment utilization. WE also feel that the merged company will be better equipped to meet the competitive challenge of the BN/ATSF merger just recently authorized.

I, Tommie Beaty, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this certified statement. Executed on October 4, 1995.

*Tommie C. Beaty*  
Tommie C. Beaty

# KELLER LUMBER COMPANY

503-672-6528  
FAX # 503-672-5676  
4418 NE Keller Road  
Roseburg, OR 97470

VERIFIED STATEMENT  
OF  
DAN KELLER  
on behalf of  
KELLER LUMBER COMPANY

My name is Dan Keller, Sales Manager and part owner of Keller Lumber Co. I am responsible for Sales, Transportation and Credit Management of accounts, relative to sales of our products manufactured in our Roseburg, Oregon saw and planing mill.

Keller Lumber Co. is a small manufacturing company north of Roseburg, Oregon in Douglas County on the CORP Railroad (which connects to SP) and on I-5, the main north and south freeway. We buy logs, hauled to our mill by motor truck, and produce various fencing products, shipped to points across the contiguous 48 states.

A sizable percentage of our production is trucked to California, especially in our lower grade economy priced items. We have several customers in Salt Lake City and Denver that buy material delivered by rail car, intermodal vans and also highway motor trucks. We ship about 30% of our product to Reload facilities in Chicago, Illinois, by rail car where it is unloaded and distributed to yards in Wisconsin, Michigan, Illinois and Ohio.

We ship some material to the eastern seaboard to points such as Baltimore, New York, Jersey City, Philadelphia and Boston. Some of our product is used in the plain states of Oklahoma, Kansas and Texas, mostly supplied by rail cars or intermodal vans.

One of the most important benefits of the merger to us will be improvement of single line service from Oregon to California through the I-5 Corridor. We currently ship a sizable percentage of our production by truck to California, especially in our lower grade economy priced items. The improvement of single line service by the addition of UP's resources should result in making rail traffic more competitive with truck traffic with regard to rates. We believe that improved I-5 Corridor single line service will result in significant time savings on the return of equipment back to our area, which will allow us to ship higher volumes of product into the California market.

Another significant advantage of the merger to our company will be the upgrading of the rail car fleet. While Southern Pacific has clearly attempted to provide a sufficient supply of rail cars to meet our needs, we have still experienced many delays in obtaining cars which has ultimately led to delays in deliveries of our product to our own customers. While we believe SP has attempted to correct the problems, it seems they simply do not have enough resources within their system. We are aware that Union Pacific has an extensive fleet of rail cars, including center-beam flat cars which are used extensively by lumber companies. We believe the combination of SP's traditional lumber cars and UP's center-beam flat cars will provide a more versatile car fleet to service our needs for shipments into California.

An important benefit of the merger to us will be the ability to expand into the northern U.S. market. When the UP and SP combine and form an expanded single line service into Washington, it will allow us to effectively compete with Canadian producers of red cedar. Because of the fact that Canada has had a tendency to subsidize freight costs, we have been unable to expand into that market area due to the significant cost disadvantages. The merger of UP and SP, by providing new single line service, should result in cost savings and efficiencies for rail transportation which we believe will allow us to expand further into the northern U.S. market.

A significant portion of our product, about 30%, is shipped to Reload facilities in Chicago, where it is then distributed to yards in Wisconsin, Michigan, Illinois and Ohio. Once again, the institution of single line service into UP destinations in the upper Midwest will allow us to more economically ship our product to those markets, and should allow us to eventually increase our rail traffic into the Midwest area. As a result of shorter and more efficient routes, with significant mileage savings, the benefit to our company will be quicker turn-around time for cars, allowing us to increase our number of shipments. Being competitive to the Midwest is especially important in order that we can effectively compete with competitors located on the new BN/SF system who now enjoy these benefits.

Also as a result of the merger we understand there will be more improved access to intermodal terminals in Chicago and also California. This will result in significant time savings and more reliable rail service. This should allow us to again lower our costs and allow us to take advantage of those savings to make more use of rail transportation into California where we currently ship a large percentage of our production by truck.

Because of the fact that we ship to points in 48 states, we realize that in many areas there will be a reduction in the number of carriers serving our destinations, but we believe that this will be a benefit to our company. Specifically, in the West after the recent BN/Santa Fe merger there will now with the UP/SP merger be two strong rail systems in the West instead of one large railroad,

a medium-sized railroad, and the SP which will become an ineffective competitor. While we believe that SP has in the past tried to meet our needs as best it could, it seemed to us that they simply did not have the resources available to provide the reliable cost effective transportation that our company so needs. A healthy SP is a prerequisite for our long term viability. We are confident that with UP's strong financial resources it will be able to make significant improvements in service and equipment to allow us to take further advantage of rail transportation in a more cost effective manner.

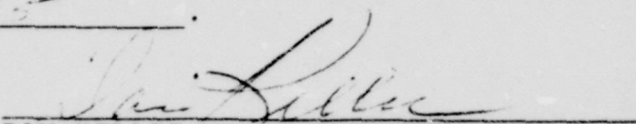
Because of the significant benefits that I have discussed, we are confident that the UP/SP merger will have a positive impact on our company and allow us to take greater advantage of rail service and we fully endorse the merger of UP and SP.

I, Dan Keller, declare under penalty of perjury that the foregoing is true and correct.

Further, I certify that I am qualified and authorized to file this verified Statement.

Executed on

10/4/95

  
DAN KELLER



**SERVING NORTH AMERICA**

Monday, October 02, 1995

Verified Statement  
of  
Jack Liles  
on behalf of  
KLLM Rail Services

My name is Jack Liles and I am currently employed as President, Rail Services Division, KLLM Transport Services, Inc. The company address is P.O. Box 6098, Jackson Ms. 39208. I have held this position since December, 1993. In this position I am responsible for all facets of intermodal transportation to include sales, marketing, customer service, operations, maintenance, and rail negotiations. I have been employed by KLLM Transport Services, Inc. since June, 1974. During this period, I have held a number of position in operations, customer services, and sales and marketing.

KLLM Transport Services, Inc. is a provider of refrigerated transportation services operating in the United States, Canada, and Mexico. KLLM operates an over the road, for hire fleet of trucks and trailers, intermodal service utilizing trailers and containers, and brokerage services. KLLM operates a fleet of approximately 1550 tractors, 2265 trailers, and 200 containers. Additionally, in April of this year we acquired Vernon Sawyer, Inc. a truckload carrier based in Bastrop, Louisiana which provides non-refrigerated service. Vernon Sawyer operates approximately 125 tractors and 400 trailers. All KLLM trailers and containers are insulated and equipped with mechanical refrigeration devices. In 1994 KLLM Transport Services had revenues of \$217,145,000. Projections for 1995 are revenues of \$250,000,000.

KLLM Rail Services, a division of KLLM Transport Services, an asset based intermodal service provider, operates a fleet of approximately 200 containers and 200 trailers. Revenues for 1995 will approximate \$20,000,000 and shipments should total 10,400. KLLM Rail Services operates in the United States and the Canadian provinces of Ontario and Quebec. Primary lanes of traffic are California to the midwest, northeast, southeast, Canada, and back and the Pacific Northwest to the midwest, southeast, northeast, and eastern Canada. KLLM has ongoing relationships with the Union Pacific, Burlington Northern, Santa Fe, Conrail, Canadian National, CSX, Norfolk Southern, and, to a lesser extent, Illinois Central and Southern Pacific.

Our company is in strong support of the proposed merger between Union Pacific and Southern Pacific. We believe that this merger will increase competition, improve service, and serve in the best interests of KLLM as well as other intermodal carriers.

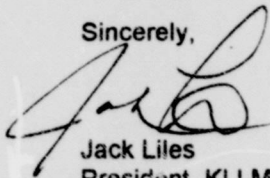
There are several benefits we expect to enjoy if the merger application is approved. Improved service in current Southern Pacific corridors is of the greatest interest. As we are transporting refrigerated commodities, many of which are highly perishable, sensitive to both time and temperature, and often of high value, service reliability is of paramount concern to us. While Southern Pacific has origin, destination pairings which fit well in our markets, the all too frequent failure of SP to meet published schedules severely restricts our ability to utilize their services. Union Pacific, on the other hand, provides us with consistent and reliable services. We believe that the merger will provide the service levels we require. The ability to route more traffic through a single source enhances our operational efficiency and allows us greater flexibility in routing our traffic. As we primarily

compete with truck transportation rather than other intermodal carriers, improved flexibility, additional available routing, and improved service enhance our competitive posture.

Additionally, we feel that a merged UP/SP will help create a more competitive atmosphere in western markets as a competitor to BNSF. Also on the positive side will be the additional capacity that this will bring to bear along with a broader network of terminals. When all the aforementioned benefits are weighed, we think that the merits of the merger are extremely strong.

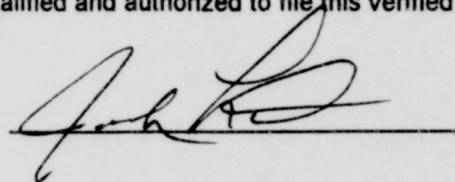
In closing, we would like to restate our strong and unequivocal support for this proposed merger. We feel it will result in direct benefits to ourselves, our intermodal competitors, and our existing and future customer base. Thank you for your consideration.

Sincerely,



Jack Liles  
President, KLLM Rail Services

I, Jack Liles declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10/2/95



JL/ab

upsp

## KOHLER

VERIFIED STATEMENT  
OF  
ING. MIGUEL ANGEL LUCIO  
on behalf of  
KOHLER SANIMEX, S. A. DE C. V.

I, Ing. Miguel Angel Lucio, am the materials manager for Kohler Sanimex, S.A. de C.V.. I have served in this capacity since the inception of this plant in 1991 and am responsible for the management of all traffic including the importation of raw materials and the exportation of our finished products.

Kohler Sanimex, S.A. de C.V. is located at Autopista Monterrey Cadereyta KM. 19, Cd. Benito Juarez, Nuevo Leon. We are a subsidiary of Kohler Company in the United States and are dedicated to the manufacture of Vitreous China Bathroom Fixtures. Our facility is served by the Ferrocarriles Nacionales de Mexico.

We import to Mexico the raw materials, Feldspar from Asheville, North Carolina, Kaolin from Hephzibah, Georgia, Clays from Paris, Tennessee, and Silica Sand from Mill Creek, Oklahoma. The volume of import business we move via rail is approximately 365 car loads annually. We export our finished products via rail utilizing intermodal options to different U.S. and Canadian markets.

We are very interested in supporting the proposed UP/SP merger due to the positive impact we feel this will have on our rail traffic. We feel that the offering of a more extensive and efficient rail network will offer us savings in transit time which will result in better equipment management for our company.

The potential for expanded border crossing options would also benefit us in that it would enable us to reroute our traffic to less congested points thereby allowing us to avoid costly delays as we have incurred in the past. By eliminating these delays, equipment availability to our suppliers would improve.

We also see the offering of an expanded intermodal network will provide better service to markets in which currently our only option is truck. A more direct intermodal service to California for example, would provide a competitive option we don't have now.

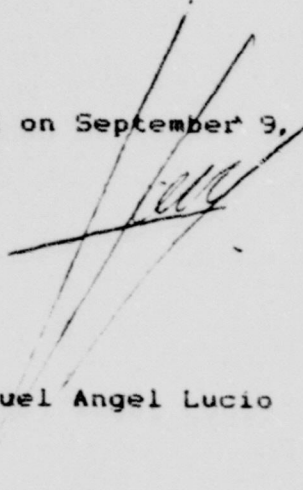
We view this merger as a manner in which the Union Pacific would be able to offer us a more reliable, and efficient means of moving our traffic. We therefore fully support this action.

**KOHLER**

VERIFICATION

I, Miguel Angel Lucio declare under penalty of perjury that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on September 9, 1995



Ing. Miguel Angel Lucio

Verified Statement  
of  
Gordon A. Maclean  
President/Chief Executive Officer  
Konoike-Pacific California, Inc.  
and  
Konoike-Pacific Tacoma Terminals, Inc.

The undersigned is the senior officer of both corporations named above and has more than 35 years experience in domestic and international transportation. The undersigned is the most senior person within these two organizations to whom all operations, customer service and marketing personnel report.

Our Southern California and Pacific Northwest facilities offer complete transload, storage, distribution and a multitude of value-added services for domestic and international traffic. We are U. S. Customs Bonded (CFS and storage) and a full import and export USDA inspection service provider.

The majority of our business relates to the handling of frozen foods, to/from rail box cars, to/from ocean reefer containers and highway trailers. The main traffic is east and west and in the future, north and south along the I-5 corridor.

We are most interested and strongly support the merger application of the Southern Pacific and the Union Pacific railroad, Finance Docket No. 32760. The main reason for our support of this merger is the near guarantee of improved transit times (overall service) in the major east-west corridors from Southern California and from the Pacific Northwest, and the "much needed" I-5 corridor linking the Pacific Northwest and Southern California

It is our belief that new railroad business can be developed northbound and southbound along the I-5 route if this merger is allowed. Although we are mainly interested in frozen commodities, there is other suitable traffic moving that can be diverted to rail service provided that reasonable transit times can be assured. We believe it is reasonable to expect a minimum of forth morning delivery at either end. Today, (pre-merger) it is impossible to get better than six or more days due to interlining problems in the Portland area or the much longer route east then south/north bound existing with the Union Pacific.

This merger benefits the shipping world and will strongly re-introduce the advantages of long haul rail service over truck. The economic and ecological advantages are there, and all that is needed is improved service and user education. Allowing this merger strengthens rail viability in this country and allows strong competition between Western rail carriers. Under the newly merged BN-Santa Fe operation, which we also supported, they could become domineering if not strongly met by competition. In our opinion, viable competition will not exist if the UP/SP merger is not allowed.

It goes without saying that the shipping public needs a strong and rejuvenated Western rail service. This merger fulfills that need and will provide shipper alternatives to long haul highway transportation.

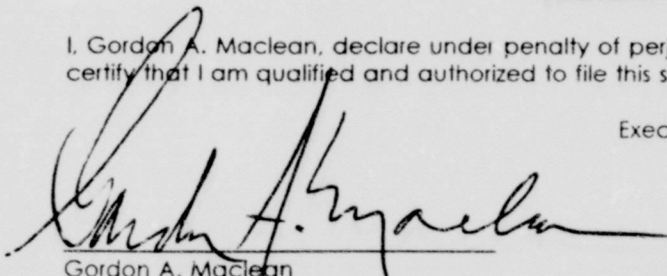
Thank you.

Verification Statement

I, Gordon A. Maclean, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on

AUGUST 28, 1995.

  
Gordon A. Maclean  
President/Chief Executive Officer





## KUMON U.S.A., INC.

1845 AIRPORT EXCHANGE BLVD.

SUITE 190

ERLANGER, KENTUCKY 41018

PH: (606) 282-8500

FAX: (606) 282-6312

Verified Statement

of

J. Allen Prowell

on behalf of

Kumon USA, Inc.

Finance Docket No. 32760, Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company--control and merger--Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al.

I, J. Allen Prowell, am the Distribution Manager of North America for Kumon USA, Inc., and have held this position for over a year. My office is located at 1845 Airport Exchange Blvd., Erlanger, KY, 41018. I am responsible for all distribution, inventory control and purchases of our materials which are shipped to warehouses and franchise owners throughout North America. I possess a Master of Business Administration Degree from the University of Cincinnati. Prior to this position, I was the Central Receiving Supervisor for the Henkel Corporation for three years and the Shipping and Receiving Manager for Heekin Can (now a subsidiary of the Ball Corporation) for four years.

Kumon USA, Inc. is a subsidiary of the Kumon Institute of Education in Osaka, Japan. Kumon has the largest after school learning program in the world with over two million students. Its programs are primarily in mathematics and language (learning a language and reading comprehension). Kumon has five distribution facilities in North America, one each in Erlanger, KY; Los Angeles, CA; Honolulu, HI; Toronto, ONT; and Vancouver, BC. Our volume ranges from small packages, about 2,000 per month, to the shipping and receiving of truckload quantities, approximately six to ten per month.

Our company receives materials from our three suppliers in Japan, Indianapolis, IN and in Cincinnati, OH, to our main distribution center in Erlanger, KY. At this point, it is then distributed to either our franchise owners or another warehouse facility. Our primary carriers are UPS for small packages, Roadway for LTL and

brokered truckload carriers for truckload quantities. Our suppliers in Japan determine the shipper used to send us product from Japan. Our interest in rail service by the proposed merger lines is in the distribution of truckload quantities to our warehouse in Los Angeles, CA.

The proposed merger of Southern Pacific and Union Pacific has led to the submission of this statement. We support this proposed merger and feel it will help the overall competitiveness of the rail transportation industry, transportation in general and potentially save our company in lower transportation costs. This merger could make rail transportation an efficient and cost effective means of distributing our products to and from the west coast. We also feel that the merger would greatly benefit the current rail customers through improved service, competitive benefits and long term stability and service.

The improved service that will result due to this merger is in the area of increased single-line points which may not be currently served by both lines. This translates into more points being served by the same carrier, thus making the routes shorter, faster, more efficient and less costly. A faster, more cost effective route between Chicago, IL and Los Angeles, CA could conceivably save our company money with every shipment and improve service times that could make rail transport a more attractive alternative. There is also the possibility that the improved route structure will be able to later assist us in shipments to international destinations in North America.

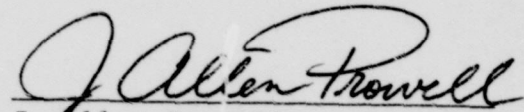
The merger of these two railroads will be a competitive benefit to the transportation industry. The abilities of each to stand alone have been seriously curtailed by the recent merger of the Burlington Northern and Santa Fe Railroads, and in the past by the deregulation of the trucking industry. This merger will allow another viable option to these two competitors that will be good for competition, save shippers money and insure that both of these railroads will be able to continue as one, instead of perhaps facing extreme difficulties in the future.

The aforementioned competitiveness also contributes to the long-term stability which can help shippers form a "corporate partnership" with a strong and dependable company. Concerns about a company's uncertain future create a climate of skepticism and lead potential customers elsewhere. The merger will help ease the mind of current and potential customers so that a larger customer base can be built, thus creating a competitive balance for all shippers.

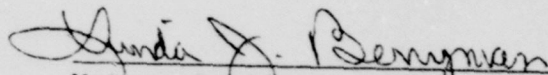
Page 3  
September 18, 1995  
Proposed Merger

We believe the proposed merger of Southern Pacific and Union Pacific Railroads will be a benefit to shippers in many ways, and we support this application.

I, J. Allen Prowell, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on September 18, 1995.

  
J. Allen Prowell

Subscribed and sworn before me this 18th day of September, 1995.

  
Notary Public

LINDA J. BERRYMAN  
Notary Public, Kentucky State at Large  
My Commission Expires June 26, 1997

September 28, 1995

VERIFIED STATEMENT  
of  
R. A. EVERIST  
on behalf of  
L. G. Everist, Inc.

My name is Rick Everist. I am a Vice President of L. G. Everist, Inc., which is headquartered in Sioux Falls, South Dakota. I am in charge of my firm's rail business with the Union Pacific Railroad. I am responsible for negotiating rates, providing the equipment, dealing with the various departments of the railroad, and obtaining contracts with both our customers and other shippers.

L. G. Everist, Inc., is a privately held firm, established in 1876 by my great-grandfather. Our primary business is construction materials production. Two of our secondary businesses are rail transportation of our products via our wholly-owned shortline, and operation of rail distribution yards within metropolitan areas.

Our main facility with the UP is our rail terminal in Denver, where we receive 100 to 120 unit trains per year of our product. This terminal also handles 700 to 1100 other cars per year of other bulk commodities that are consigned to us for storage and transfer to trucks. We also operate a medium capacity sand and gravel plant near Carr, Colorado which is the origin for the unit train shipments.

Our other facilities that are served by the UP are our distribution yards in Council Bluffs and Sioux City, Iowa. The Sioux City yard is the southern terminal of our shortline, DAIR. Both these facilities handle LGE materials for transfer to our customers. These two cost centers account for an average of 6,500 carloads per year. The majority of rail interchange traffic goes to the BNSF or other shortline.

Our understanding is that the Union Pacific and the Southern Pacific are requesting authority to merge. We strongly support this combination as a means of improving service to our customers in the Midwest and the inter-mountain west. This merger would allow our firm to ship in a wider radius, as well as do so in a more timely manner.

By way of example, in Denver we are excited about the prospect of shipping our product to customers located on the SP mainline between Littleton and Castle Rock, Colorado. These are ready mix concrete and commercial asphalt producers who operate multiple plant sites. While they are

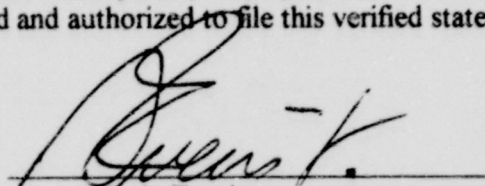
customers elsewhere in the region, we have never been able to supply them due to two-line freight disadvantage. With a single line between these customers and the producing plant, we can likely obtain a freight rate that will allow us to win new business in this area. Added benefits will be much better equipment utilization for both us and the railroad and a substantial decrease in truck traffic to these customer locations thereby alleviating congestion on state and county roads.

We also anticipate an increase in activity within our transloading terminals. Our customers would be able to ship directly from Salt Lake or Grand Junction, Colorado without having to use the Wyoming mainline. This will result in some dramatic benefits in terms of equipment utilization and rates, as well as transit times. We see this shorter, more efficient route to Denver from the west as an opportunity for our shippers and their customers to streamline their shipping and receiving relationships.

From a corporate perspective, we see this combination of one railroad with a strong balance sheet with another line with a weak financial history as an ideal marriage. Additionally, the combined route system would, for the most part, compete head-to-head with the newly-formed BNSF Railroad.

Our company firmly supports this application. This proposed merger will significantly improve our ability to expand in our marketplaces.

I, R A Everist, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on 10-4-95

  
R. A. Everist

VERIFICATION

STATE OF )  
 )  
COUNTY OF ) SS.

R. A. Everist, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

R. A. Everist  
R. A. Everist

Subscribed and sworn to before me this 4<sup>th</sup> day of October, 1995.

Barbara Jean Smith  
Notary Public

My Commission Expires:

~~NOTARY - State of Nebraska~~  
~~BARBARA JEAN SMITH~~  
My Comm. Exp. 4-5-99

(SEAL)



**Lafarge  
Corporation**

October 10, 1995

VERIFIED STATEMENT  
OF  
ROBERT MARTIN  
on behalf of  
LAFARGE CORPORATION

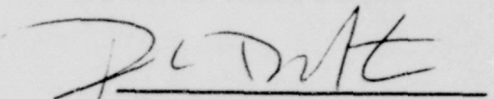
My name is Robert Martin, and I am the Manager of Distribution for the Western Region of Lafarge Corporation located at 12th floor, Southland Tower, 10655 Southport Road S.W., Calgary, Alberta, Canada T2W 4Y1. I have been in this position for ten years.

I am in charge of all inbound and outbound shipments via truck, barge and rail, and my responsibilities include the negotiation of transportation and shipment of cement from our three cement production plants located at Richmond and Kamloops, British Columbia and Exshaw, Alberta. The Richmond facility is served via the CN and barge. Kamloops and Exshaw are served via the CP railroad. We ship cement via rail from British Columbia and Alberta to Western Canada and Washington, Oregon, Idaho, and Alaska. We have distribution terminals in Missoula, Montana and Seattle, Spokane, and Pasco, Washington, and also ship direct to various customers in the above states. We utilize the rail services of the CP, CN, UP, SP, and BN.

As a shipper, Lafarge supports the application for merger of UP and SP. It is our belief that the cost of transportation is reduced when the number of rail carriers is reduced. There are both economic and service benefits to having one carrier from origin to destination as we currently have in Canada. We ship our cement in both CP and privately leased equipment to the States, and this merger will reduce the turn-around time on our equipment and improve equipment utilization.

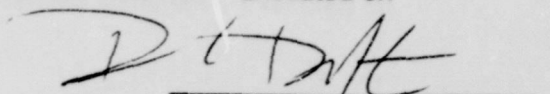
In the past, we have had difficulty being price competitive when shipping from Exshaw, Alberta to the Southern U.S., with routing via CP-Eastport-UP-Portland-SP or via CP-Eastport-UP-Colton-SP. A merged UP/SP system will allow us to ship via CP-UP at the most cost efficient route. The SP has been a struggling carrier, and will not be able to compete as a stand-alone company with a strong BN/ATSF system. A merged UP/SP system will enhance competition with the BN/ATSF system.

Lafarge Corporation supports the UP/SP merger as being in the best interest of our customers and ourselves.

  
Robert Martin

VERIFICATION

I, Robert Martin, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 10, 1995.

  
Robert Martin  
Lafarge Corporation



**LA GRAND INDUSTRIAL SUPPLY CO.**  
ABRASIVES, SAFETY EQUIPMENT AND FOUNDRY SUPPLIES

P. O. BOX 1959 • 2620 S. W. FIRST AVE. • PORTLAND, OREGON 97207

PHONE: (503) 224-5800

FAX (503) 224-0639

September 28, 1995

**VERIFIED STATEMENT**

**OF**

**LAWRENCE E. SCHICK  
ON BEHALF OF  
LA GRAND INDUSTRIAL SUPPLY CO.**

I am writing in regard to the request for approval of the proposed merger between the Union Pacific and Southern Pacific railroads. My name is Lawrence E. Schick and I am currently employed at LaGrand Industrial Supply Co., a firm located for over 70 years in Portland, Oregon whose primary function is the warehousing and distribution of raw materials used in the foundry industry. The industry which we serve manufactures castings which are large metal objects used as parts in industrial machinery and heavy equipment designed for the logging, mining, construction, ship repair, transportation, and other related industries. I have been employed at LaGrand for over 22 years and have served in my present capacity as Vice-President in charge of foundry supply sales since 1979.

By its inherent nature, our customers require high density raw materials such as sand, brick, steel shot, ferro-alloys, castables, etc. which require rail shipment for the quantities involved and the freight charges that normally have a clear advantage over trucking. In addition, we have a geographical disadvantage to some extent which only rail transportation can effectively address, since virtually all of the manufacturers of these products are located in or near the heavily industrialized cities of the mid-west and upper Great Lakes region such as Milwaukee, Wisconsin, Chicago, Illinois, Cleveland, Ohio, Pittsburg, Pa., and Buffalo, N.Y. The ability to send these products 1500-2500 miles across the United States to our warehouse in Portland, Oregon plays a critical role in our ability to remain competitive and continue to supply our customers with the raw materials they require at competitive prices.

We currently receive virtually all of our rail shipments at M G Warehouse located on Columbia Blvd in Portland, Oregon. At that location we are served by both the UP and BN railroads. We receive only solid materials which may be shipped in bulk hopper cars or box cars containing 3000 lb. bulk bags or smaller 50 and 100 lb. bags. In addition, we receive directly at our warehouse at 3838 S.W. Macadam Avenue in Portland piggyback containers of bulk bags, 55 gallon drums of liquids, pallet boxes of alloys, and a variety of other materials. A good estimate for the traffic at each location would be 5 rail cars per month at M G and 5-10 containers per month at our own warehouse.

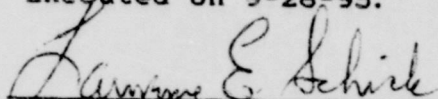
It is our clear understanding that the Union Pacific and Southern Pacific are requesting authority to merge. We wish to go on record as strongly supporting this merger as a means of improving service, consolidating facilities, and ensuring that S.P. remains in business in view of the impact the proposed BN/Santa Fe merger will likely have. We have unfortunately found from past experience that in those instances where there is little or no competition, the BN has an arrogant insensitivity with respect to customer needs. On more than one occasion we have had price increases of considerable magnitude (15%-20%) without previous notice so that we could advise our customers of our increased cost.

Even worse, we have had problems with the BN failing to expedite shipments once cars have been loaded and sealed. All too often we have had cars "lost" for up to 2 weeks or cars which sat on a siding for days in a shipper's yard in Illinois before being pulled and sent on a train (see accompanying letter). In other cases, service was arbitrarily cut from 4 or 5 days per week to 2 days per week, thereby seriously affecting both our supply line and our ability to compete because of increased operating costs attributed to the necessity of using more expensive modes of transportation (trucking) and carrying higher inventories. The assumption that a further loss of competition and strengthening of BN's current dominant position will only aggravate this situation certainly seems reasonable.

In those instances where the UP or CSX also offers rail service to shippers (Unimin Sand Corp. in Guion, Arkansas or U.S. Silica Co. in Ottawa, Illinois), the BN somehow finds a way to lower their rail rates for bulk sand by as much as \$8.00-\$10.00 per ton to retain their business. On the other hand, shippers served exclusively by the BN such as Borden Co.'s resin coated sand plant in Oregon, Illinois saw their freight rate increase from \$45.01 to \$50.00 per ton without warning last year and their service cut back to two days per week since December 1, 1994.

In summary, we, LaGrand Industrial Supply Co., feel that the increased competition the UP/SP merger would afford as well as the optimal utilization of existing rail lines, equipment, and resources would be a clear benefit to all rail customers like ourselves and we urge approval of this application.

I, Lawrence E. Schick, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 9-28-95.

  
Lawrence E. Schick

Landstar ITCO, Inc.  
852 Town & Country  
Orange, CA 92668  
(714) 836-8000  
FAX (714) 836-7025

**VERIFIED STATEMENT  
OF  
JOE OBBEMA  
ON BEHALF OF  
LANDSTAR/ITCO**

**My name is Joe Obbema and I am the Regional Manager of LANDSTAR/ITCO within Southern California. Our office is located at 852 Town & Country, Orange, California 92668.**

**I have been in the employ of Intermodal Transport Company for one year previous to the recent merger with LANDSTAR. LANDSTAR/ITCO has moved on the SP and UP year to date approximately 1,525 trailers and containers. We not only handle intermodal containers/trailers; but also operate a truck brokerage as well as a LTL Division. We have contracts with all of the major railroads within the U.S.A. and utilize their various intermodal programs.**

**We at LANDSTAR/ITCO understand the importance of keeping competition alive and well among all facets of the transportation industry. Therefore, we are very much in favor of the proposed UP/SP merger, and feel a combined company will offer the following benefits:**

- 1) Improved single line sourcing from our various customers served by Union Pacific in Nevada with destination receivers served by the SP in Southern California and also into Mexico. Currently carload service is cumbersome, slow and expensive. We feel that a combined system will provide improved service and cheaper rates.**
- 2) SP service has been notoriously inconsistent, and we feel that a combined company will provide improved service in all corridors.**
- 3) Every railroad experiences periodic shortages of equipment, and we feel that the combined assets of UP/SP will improve equipment availability due to the efficiencies provided by shorter routes.**

Landstar ITCO, Inc.

852 Town & Country

Orange, CA 92668

(714) 836-8000

FAX (714) 836-7025

-2-

**4) Competition will be strengthened by meeting the challenge presented by the BN/SF merger. In areas where SP and UP overlap and rail alternatives may change, and we will enjoy the benefits of the best combined UP/SP routes and coordinated facilities.**

**5) A strong UP/SP will provide customers a viable competitive alternate to BN/SF.**

**6) It will also provide a single-line, truck-competitive rail service in the heavily congested West Coast I-5 corridor between PNW and California/Southwest. We understand that UP/SP have also made an agreement with BN/ATSF so that BN/ATSF will also be able to provide scheduled service in this corridor. This should result in much stronger competition than currently exists.**

**7) A combined company will provide new direct single line intermodal service linking California and all international border crossings into Mexico.**

**8) A merged system will allow UP and SP to combine the strengths of their rail systems, make ramp improvements at strategic midwest terminals and link hundreds of SP points not served by the UP. More direct routes will be very beneficial in maintaining service and pricing into Texas and the Southeast.**

**9) UP today is financially strong, but lacks efficient routes to many markets. SP has many excellent routes, but lacks the volume and capital to take advantage of its opportunities. The merged system will be able to overcome bottlenecks and to apply capital dollars where they will accomplish the most. This should result in stronger competition, generally.**

**10) SP shippers who have been concerned about SP's service and long term viability will have the assurance of long-term, top quality service from a financially strong system, capable of making the necessary capital investment to maintain rail competition.**

Landstar ITCO, Inc.

852 Town & Country

Orange, CA 92668

(714) 836-8000

-3-

FAX (714) 836-7025

**11) We understand that the UP/SP merger will provide more reliable third morning service in the following corridors:**

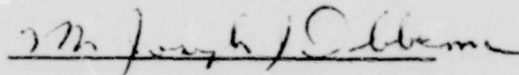
- \* Chicago-Southern California**
- \* Chicago-Northern California**
- \* Memphis-Los Angeles**

**12) Combined UP/SP intermodal volumes will allow for greater service frequency, more scheduled departures per day at various locations and increased ability for pre-blocking and pure run-through trains. This will result in less congestion at many terminals, will reduce damage and will promote faster transit times.**

**You can tell from the points outlined above, that LANDSTAR/ITCO welcomes the combined UP/SP system and encourages the I.C.C. to approve their application without delay.**

**\*\*\*\*VERIFICATION\*\*\*\***

**I, Joe Obbema, declare under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on Wednesday, September 26, 1995.**





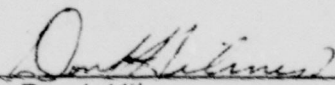
VERIFIED STATEMENT  
OF  
DON J. HILMES  
ON BEHALF OF  
LANGE-STEGMANN COMPANY

I, Don J. Hilmes, Director of Sales, Lange-Stegmann Company, One Angelica Street, St. Louis, Missouri 63147, wish to express support of the Union Pacific/Southern Pacific merger on behalf of myself and Lange-Stegmann Company. I have been with Lange-Stegmann, in my current capacity, since 1988. Prior to that, I was with St. Louis Terminals for 28 years as their Vice President - Marketing & Development.

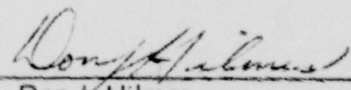
Lange-Stegmann Company, located in St. Louis, Missouri on the Mississippi River and served by both the TRRA and BN/ATSF railroads provides intermodal transportation services, dry bulk storage and packaging as well as a complete line of custom fertilizers and ice melt products to a large segment of the midwest marketplace. We use Union Pacific Railroad (UP) on shipments of bulk salt from western and midwestern producers to St. Louis; also for bulk fertilizer shipments from St. Louis to various midwest customers. We use Southern Pacific (SP) at the present on a limited basis. This merger would certainly open many opportunities for us on the Southern Pacific and Union Pacific.

We believe the UP/SP merger will improve transit times which will help us to better meet our customers' requirements. By separating intermodal shipments to the SP's Tucumcari route and concentrating manifest traffic on UP's Central Corridor route, delays should be reduced, service consistency should improve and transit times should be decreased. Additionally, UP/SP's merged system will be able to increase capacity and throughput of their major terminals. This is particularly important to us here in St. Louis where we have had problems with delays in interchanges through the Alton & Southern.

For these reasons, we support the UP/SP merger and believe it will benefit Lange-Stegmann Company and our customers.

  
Don J. Hilmes

I, Don J. Hilmes, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 9, 1995.

  
Don J. Hilmes  
Director of Sales  
Lange-Stegmann Company

# LARSEN OF IDAHO®

C. G. C.

OCT - 2 1995

P.O. BOX 188 • HAMER, IDAHO 83425  
208-662-5501 • FAX 208-662-5553

September 25, 1995

## VERIFIED STATEMENT

OF

BART LARSEN  
on behalf of  
LARSEN FARMS

1. Bart Larsen, General Manager-Fresh Division, 2379 E. 2300 N. Hamer, ID 83425. I am manager of the fresh division, I've been with the fresh division for four years and before that I managed one of many farms.

2. Larsen Farms began in 1969 with a small farm of 80 acres in Rexburg, Idaho. Later, the farm has been concentrated in the hamer, Idaho area and has grown to become one of the largest family owned, diversified agricultural producers in the Pacific Northwest. Here at Larsen Farms we grow fresh potatoes, hay, grain, along with a dehydrating facility.

Our fresh division is located in Hamer, Idaho, our Dehydration facility is located at Waco siding and our Hay Terminal is located in Dubois, Idaho. We also have two distribution centers in Atlanta, Georgia and Kansas City, Missouri. These facilities are served by UP and NS. Most of cars our routed with traffic patterns as UP KCITY MP MEMPH NS, UP direct, and UP KCITY NS. On the fresh side of things we ship an average of 1000/year and the Hay Terminal ships roughly 850/year.

3. We understand that UP and SP are requesting authority to merge. We strongly support this measure because single line markets would then be open to us, being able to go direct to our customers would create cost savings and give us the advantage of new market areas.

We believe that the proposed merger would be in our company's best interests as well as the interests of other shippers. We heartily endorse the UP/SP application.

4. Having approval granted for the UP/SP merger we as a shipper will be greatly benefitted. The new single line service will help us improve our service in a more efficient way. Cutting down the time and mileage that the cars have to travel will help our business in the fact that our customers will receive their product more promptly.

It is our desire to have the opportunity to get some of Colorado's potato markets. We want the chance to have a strong market and with having single line markets it will help us be more competitive.

We believe that the proposed merger will provide significant benefits to shippers. Our company strongly supports the merging of UP and SP.

I, Bart Larsen, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 25, 1995.

Bart Larsen  
witness Harold Nielsen

# LA SALLE FARMERS GRAIN CO.

PO BOX 8

— LA SALLE, MINN. 56056-0008 —



October 4, 1995

Verified Statement  
of  
David M. Peters  
on behalf of  
LaSalle Farmers Grain Company

My name is David Peters. I am the Assistant General Manager of LaSalle Farmers Grain Company. One of my major responsibilities is merchandising grain and coordinating logistics and transportation to expedite the movement of bulk commodities. I have been in the grain business for 15 years and in my current position for 6 years.

LaSalle Farmers Grain Company is a locally owned cooperative. We provide grain, agronomy, feed, and petroleum services to our member patrons. The cooperative's main office is located in LaSalle, Minnesota with a branch in Madelia, Minnesota. The Madelia facility is serviced by the UP railroad with the capability of shipping 100 car unit trains.

Prior to the merger of the CNW and UP railroads, all of LaSalle Farmers Grain Company's corn was tributary to the Savage, Minnesota barge market. Since the merger has occurred the corn market has broadened and now Madelia, Minnesota corn spreads to the Center Gulf market as well as the Pacific North Western market.

From August 1st to September 30th of 1995, LaSalle Farmers Grain Company has billed 960 hopper bottom corn cars to either the Gulf or PNW markets.

Our business is to find the most profitable market to merchandise our customers' grain and expedite the movement. We are elated that the merger of the UP/CNW has allowed us to provide this opportunity to other markets for our member patrons.

It is our understanding that the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening our competitive edge in the grain business.

The proposed merger of the UP/SP would benefit LaSalle Farmers Grain by permitting us to access destinations that the SP services. In addition, improved equipment efficiencies would be accomplished with the proposed UP/SP merger.

In closing, LaSalle Farmers Grain Company wholeheartedly supports the proposed merger of the Union Pacific and the Southern Pacific railroads.

Sincerely Yours,

A handwritten signature in dark ink, appearing to read "David M. Peters". The signature is fluid and cursive, written over a light background.

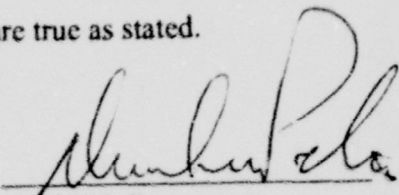
David M. Peters  
Asst. General Manager

*"Thank You for Your Patronage"*

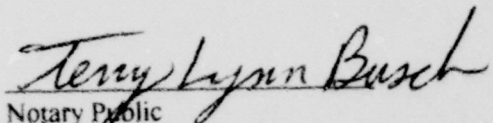
VERIFICATION

STATE OF Minnesota )  
COUNTY OF Watonwan ) ss.

David M. Peters, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts and asserted therein, and that the same are true as stated.

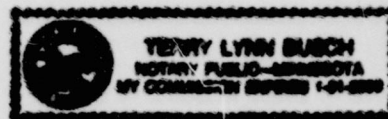
  
David M. Peters

Subscribed and sworn to before me this 1<sup>st</sup> day of October, 1995.

  
Notary Public

My Commission Expires:

1-31-2000





**Laser Networking, Inc.**

9850 Pelham Road  
Taylor, Michigan 48180-3852

(313) 295-0030  
Fax (313) 295-0873

Verified Statement  
of  
Paul Earl Popkey  
on behalf of

Laser Networking (Lasernet)  
9850 Pelham Road  
Taylor, MI 48180-3852

My name is Paul Earl Popkey. I am Manager of Lasernet. I have over fifty (50) years in transportation during a career spanning 11 years with Canadian National and 32 years with Chrysler Corporation. I started at the bottom, loading and unloading rail cars, and retired as an executive at Chrysler responsible for total U.S./Canada Parts & Material Freight Payment and Claims Collection. I have held my present position with Lasernet for approximately the last 8 years. I also have a B.Sc. in Industrial Management.

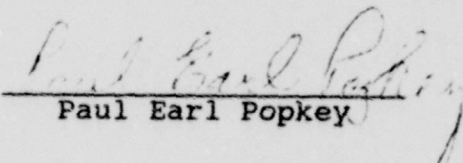
Lasernet is a broker and third party agent that arranges intermodal transportation. Lasernet provides excellent intermodal service for its customers. My responsibilities as Manager of Lasernet include managing the company's personnel, equipment and finances, as well as setting standards.

Lasernet utilizes Union Pacific for intermodal shipments between Chicago and Los Angeles and for shipment of grass seed from the Pacific Northwest to destinations throughout the country. We also use Southern Pacific for shipments from Oregon to Southern California.

Lasernet strongly supports the Union Pacific/Southern Pacific merger. We believe that the merger will result in better service, particularly with regard to better utilization of rail equipment and, more direct single line routes. Service quality is extremely important to Lasernet in dealing with its customers. Lاسernet's objective is to be a standout provider of intermodal service, and the merger should enhance the quality of our services.

In addition to service improvements, the merger will create a strong competitor to the Burlington Northern/Santa Fe. The country as well as Lاسernet should benefit from the merger.

I, Paul Earl Popkey, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 2, 1995.

  
Paul Earl Popkey



TWO COMPANIES UNITED TO SERVE YOUR  
TRANSPORTATION AND BULK HANDLING NEEDS

September 29, 1995

My name is Greg Clifford, I am the Operations Manager of Lesbro Company. Our corporate office is located at 2418 E. 223rd Street, Long Beach, CA. I have been at my current position for 12 years and have been with the company for 23 years.

Our company is responsible for terminaling bulk commodities for primary distribution in the 11 western states. We have facilities on the Southern Pacific lines in Long Beach, California and Phoenix, Arizona. We also are serviced by the Southern Pacific and Union Pacific Railroads through our terminal in Commerce, CA which is directly serviced by the Los Angeles Junction Railroad.

Most of our traffic comes from the Gulf Coast states. The Southern Pacific and Union Pacific represents approximately 2,000 cars per year through our terminals; 90% and 10% respectfully. We believe that the proposed merger would be in our company's best interest as well as other shippers. We heartily endorse the UP/SP application.

Our biggest concern is our service time with cars arriving through the Southern Pacific. We are convinced that the merger will improve service time and give the Southern Pacific long term stability. S.P. bottleneaking is the main problem. With the U.P. merger, the S.P. gains the financial support to de-bottleneck; and the U.P. gains more effective routes into Southern California.

We believe that shippers and receivers will also enjoy entirely new services. We feel we will be more competitive by having a single line carrier, which reaches out to other points where chemicals are manufactured, thereby lowering over all freight costs.

Competition is also an issue. By allowing the B.N./S.F. merger, we feel there would be more of an equal competitive field by allowing the U.P./S.P. to merge.

We believe that the proposed merger will provide significant benefits to our shippers. Our company supports the application.

VERIFICATION

I, Greg Clifford, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.  
Executed on September 29, 1995.

Randal S. Clifford  
Signature

Randal S. Clifford  
Witness

Sincerely,

LESBRO COMPANY

Greg Clifford

Greg Clifford  
Operations Manager

GC;mb

Verified Statement  
of  
Clint Lunsford  
on Behalf of  
Lion Oil Company  
August 23, 1995

My name is Clint Lunsford, Transportation Supervisor, of Lion Oil Company. I have been in this position for the last seventeen years. I negotiate rates and make arrangements for rail transportation of our materials.

Lion Oil Company, an Arkansas Corporation, is a 50000 barrel per day oil refinery located in El Dorado, Arkansas. Our plant is served by the Union Pacific Railroad. In 1996 we project shipping at least 2500 rail cars. It is imperative to be cost effective in the market place.

I understand that Union Pacific and Southern Pacific are requesting authority to merge and the merger case is Finance Docket No. 32760. I strongly support this as a means of improving service and strengthening competition. With approval of this application, Union Pacific and Southern Pacific will be able to combine the strengths of their rail systems. As a result, shippers and receivers on both systems will enjoy improved service and this will make for stronger competition with other modes of transportation.

In summary, I can see a great deal of good and no bad consequences as a result of this merger. Accordingly, I urge the ICC to grant approval.

VERIFICATION

State of Arkansas )

County of Union )

Clint Lunsford being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

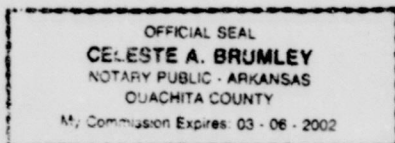
Clint Lunsford

Clint Lunsford

Subscribed and sworn to before me this 23rd day of August 1995.

Celeste Brumley

Notary Public





## LONE STAR NORTHWEST, INC.

### VERIFIED STATEMENT

of

**GARY EATHORNE**

on behalf of

**Lone Star Northwest, Inc.**

My name is Gary Eathorne and I am the Vice President and General Manager of the Cement Division of Lone Star Northwest. Lone Star Northwest is located at 5975 E. Marginal Way S., Seattle, Washington 98134. I am responsible for all sales, operations, logistics, distribution and purchasing for the Cement Division which encompasses the three states of Alaska, Oregon and Washington. I have held this position for eight years.

On the distribution side, I am responsible for the scheduling of 20-25 ocean going ships that deliver over 600,000 tons of cement to our operations plus the scheduling of our barge movements to Alaska where we supply construction and oil well cements. In addition, I arrange for the movement of over 100,000 tons of cements by rail from California to Oregon and Washington.

Lone Star Northwest is the largest supplier of concrete, aggregates, and cement in the Pacific Northwest. It has 12 ready mix batch plants scattered throughout Portland, Seattle, and Everett, Washington areas while operating several large aggregate (sand and gravel) pits in the region. LSN distributes cement from terminals located in Portland, Seattle, Anchorage, Nikiski, and Fairbanks Alaska.

Our cement terminals in Portland are served by the Southern Pacific (Caruthers terminal) and the Union Pacific (River Street terminal) while our Seattle terminal is served by the Burlington Northern. We have consistently moved over 150,000 tons of cement per year utilizing both the SP and Up railroads. This represents the movement of approximately 2200 railcars per year primarily from California to Portland, Oregon.

As a shipper dependent upon SP service we welcome this merger as a means of ensuring that we receive top quality rail service from a financially sound carrier with single-line access to numerous points.

This merger will benefit Lone Star Northwest in three ways: 1) allow single line service between California and Seattle which also will create greater efficiencies and better service, and 2) permit LSN to move cements both north and south on a single line creating potentially additional business, and 3) allow LSN to service its terminals in Oregon and Washington from northern Mexico on a single line U.S. railroad carrier.

We believe that the proposed merger will provide significant benefits to Lone Star Northwest. We support this application.

Sincerely yours,

Gary L. Eathorne  
Vice President & General Manager  
Cement Division

I, GARY EATHORNE, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executive on September 6, 1995.

  
Gary Eathorne

384

**VERIFICATION**

STATE OF WASHINGTON     )  
                                  ) ss.  
COUNTY OF KING         )

GARY EATHORNE, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

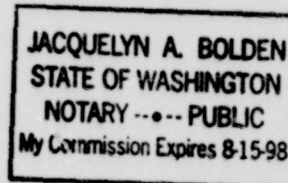
*Gary L. Eathorne*  
Gary L. Eathorne

Subscribed and sworn to before me this 6th day of September, 1995.

*Jacquelyn A. Bolden*  
Notary Public

My Commission Expires:

August 15, 1998



**LONG ISLAND INTERMODAL SALES**

99 EAST SHORE DRIVE • BABYLON, NY 11702

PHONE: 516. 422. 2929 • FAX: 516. 661.2305

October 9, 1995

VERIFIED STATEMENT

OF

KENNETH C. GENTZ  
on behalf of  
LONG ISLAND INTERMODAL

I am the President of Long Island Intermodal, which has been in operation since 1982. In short, we are a third party logistics company doing business both by rail and truck throughout North America and Mexico. Our customer base includes in excess of 100 active firms based throughout the United States. Our gross revenue this year will exceed five million dollars. Our customers utilize flats, tanks and containers as well as truck and rail vans.

My transportation career began with the Long Island Rail Road while attending Fordham University (graduated 1966 B.S. Management); I also worked for the Baltimore & Ohio Railroad, the Rock Island, Ramsay Scarlett (a Baltimore based steamship agent and stevedoring company) the Rock Island Railroad, ICS Traffic Services - the shipper agent arm of what is now Transamerica and several Shipper Agents.

Long Island Intermodal handles a variety of commodities including beer, wine,

green houses, clothing, plumbing supplies, food products, glassware, toys health and beauty aids, household furnishings, audio and visual equipment, kitchen appliances, paper goods, and chemicals - both hazardous and non hazardous.

While at the outset we concentrated on serving the New York metropolitan area, we now originate traffic in all 48 contiguous states, Mexico and Canada. Some 75-80% of our business is domestic with the balance international. Our revenues are split 60%-40% rail versus truck.

We strongly support the Union Pacific-Southern Pacific merger since it will serve the best interests of our customers, our "friendly" competitors, Long Island Intermodal and the country in general.

Over the past year, we have seen a marked drop off in service on shipments routed via the Southern Pacific: 12 days from Northern California to Illinois, 6 days from St. Louis to El Paso, etc. It is our opinion that a UP SP merger will provide improved service by utilizing more efficient routes, terminal coordination and better power and trailer utilization. This merger is necessary to offer an alternative to the Burlington Northern Santa Fe merger.

It is our understanding that the UP/SP merger by providing shorter and more efficient routes, will vastly improve transit times. This not only will improve service but will improve equipment utilization. While much of our business is price driven there are many instances where we are directed to utilize over the road service due to poor or inconsistent rail service. A UP/SP merger could provide improved service from Chicago to Northern California and more consistent service from Chicago to Southern California. Price loses its advantage when the transit time varies by several days from shipment to shipment. In the past week we convinced a major shipper to "give intermodal a chance" on a regular movement from the southeast to Northern California. Unfortunately, an eight-day transit does not compensate for the dollar savings. However, improved service over Memphis to California providing 24 to 36 hours earlier availability would insure 25/30 loads per month remaining on the rail.

Currently we experience delays on the SP at St. Louis with a shortage of flat cars and at Kansas City due power shortages. There are similar problems throughout the SP system, but the St. Louis and Kansas City ones are constant. A UP/SP merger would alleviate these problems with better equipment utilization.

A combination of SP routes and UP finances will overcome congested terminals and apply capital where it can provide needed improvements.

For Long Island Intermodal to best serve our customers on shipments to and from Western and Southwestern locations, we need an alternative other than

the highway to the BN/ATSF. Combining the UP/SP will provide the basis for capital improvements to existing facilities as well as providing the opportunity to open new ramps where required. Further such a merger will provide reduced transit times by utilizing the most efficient combination of both carriers trackage. Duplicate operations will be able to be streamlined.

As I mentioned earlier, while working for the "Rock" I saw, only to close, the results of a proposed merger that was not allowed to come to fruition. I have no doubt that if this merger is not approved that the Southern Pacific will meet the same fate as the Rock Island in the very near future. We would then find the Union Pacific playing David to the BN/ATSF' Goliath.

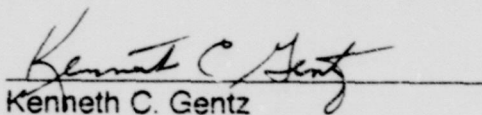
In retrospect, the UP/SP merger is necessary both for the benefit of the shipping public as well as the health and growth of our national rail system.

I trust that in the near future we will toast the consummation of the UP/SP merger.

Sincerely,

Kenneth C. Gentz

I, Kenneth C. Gentz, declare under penalty of perjury that the forgoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 9, 1995.

  
Kenneth C. Gentz

cc: Ray Walters  
Union Pacific Railroad

# LYNX

## TRANSPORT SERVICES, INC.

VERIFIED STATEMENT OF ALAN R. MONZO

September 11, 1995

SUBJECT: Union Pacific/Southern Pacific Railway Merger

Please be advised that I strongly support a merger between the two above referenced carriers for reasons as outlined below:

I am a former Railroad employee, originally starting my career with the Reading Railroad, Philadelphia in 1966 and subsequently ending my career on February 29th, 1980 with the Chicago, Milwaukee, St. Paul and Pacific Railroad. My employment ended suddenly with one day's notice of the Milwaukee Road filing for Chapter 11 Bankruptcy. We were called at 3:00 P.M. on February 29th and advised our jobs in the Philadelphia off-line sales office were abolished. Obviously, this came about because of a problem in maintaining trackage both in Passenger and Freight service in addition to what I consider to be bad management. The Milwaukee Road ran from Terre Haute, Indiana to the Pacific Northwest. Had they had the foresight in merging with other parallel carriers, this bankruptcy could have been avoided.

The Railroads in the United States are vital to our economy and we would be in sad shape if they continue to disappear. It would be extremely healthy for the UP and SP to combine their resources to make them a stronger carrier, so that better service and rates can be offered to companies such as mine.

# LYNX

## TRANSPORT SERVICES, INC.

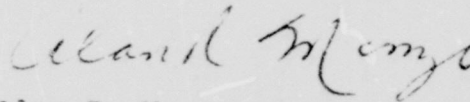
I currently maintain a contract with the Union Pacific. This carrier was good enough to allow us a contract in our infant stage, whereas the Southern Pacific refused us because of their annual volume requirements. We are no longer a small intermodal carrier, and see ourselves growing at a rapid pace. We will need all the available routing out there. Lanes over which we cannot solicit at this point because of the Southern Pacific's exclusive trackage would now be open to us.

It would certainly be in the best interest of companies such as mine to have rail carriers combine so that all of the best routings can be realized. This is especially true when you are trying to compete with Over the Road trucking companies.

The railroads are a big part of my companies revenues, and anything that can be done to help them stay viable, in my opinion, should be done.

I, Alan R. Monzo, President, Lynx Transport Services, Bensalem, Pa. declare under penalty of perjury that the aforementioned statements are true and correct.

Very truly yours,



Alan R. Monzo  
President

ARM/hf



**M. GERVICH & SONS**

INCORPORATED

SCRAP IRON - METAL  
STRUCTURAL STEEL

October 5, 1995

AREA CODE 515  
PHONE 753-3359  
901 EAST NEVADA STREET  
P.O. BOX 67  
MARSHALLTOWN, IOWA 50158

FAX (515) 753-3340

VERIFIED STATEMENT

OF

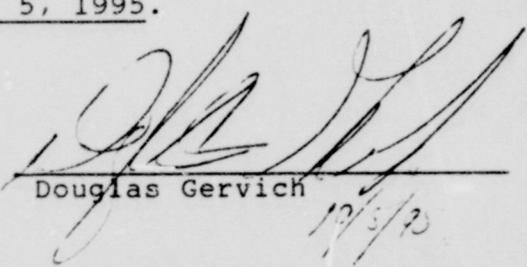
DOUGLAS GERVICH  
ON BEHALF OF  
M. GERVICH & SONS, INC.

1. Douglas C. Gervich, President and C.E.O. of M. Gervich & Sons, Inc., 901 East Nevada Street, Marshalltown, Iowa 50158. B.S degree from the University of Iowa. Masters degree, Northeast Missouri State University. Employed at M. Gervich & Sons, Inc. since 1978; President and C.E.O. since 1985.
2. The company is processor of ferrous and non-ferrous scrap metals for direct mill shipment and distributor of new structural steel and related items. The company ships much of its product on single line hauls to points in Nebraska, Illinois, Missouri, Kansas, Wisconsin and Iowa Non-ferrous scrap, to a limited degree, is routed via container service to the west coast.  
  
It is estimated that 75% of our outbound rail traffic is shipped via UP direct line hauls to points in states previously mentioned. It is just recently we have also shipped export containers to the west coast. Since my joining with the company 17 years ago the CNW has been the only railroad available to us for shipments.
3. As a shipper dependent on UP service, we welcome this merger as a means of ensuring that we receive top-quality rail service from a financially solid carrier with single-line access to numerous points. We are looking forward to the addition of many new single line destinations that would be available to us if the merger would be approved.
4. The merger would specifically benefit our company for the following reasons:
  1. Broaden our customer base from a regional shipper to that of a national shipper and enhance opportunities for additional international trade.
  2. More efficient service within our local facility.
  3. Increase the number of available customers on a single line access.

4. Better equipment utilization. Improved gondola availability.
5. We believe that the proposed merger will provide significant benefits to shippers. Our company supports this application.

VERIFICATION

I, Douglas Gervich, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 5, 1995.

  
\_\_\_\_\_  
Douglas Gervich 12/3/95

# Mabe

## VERIFIED STATEMENT

of Arturo Chavez Rios  
on behalf of  
**MABE GROUP**

My name is Arturo Chavez R., Corporate Traffic Mgr..I am in charge of the corporate transportation policy to all modes of transportation used by the companies in the group; motor carriers, rail carriers, maritime carriers and international services.I have been working with Mabe 2 years.

Mabe , in a partnership with General Electric, is one of the largest manufacturers of appliances in Mexico. It has 7 plant locations on various states of Mexico.

### Plant Locations

San Luis Potosi  
Queretaro (2)  
Saltillo  
Monterrey  
Mexico City (2)

### Products

gas ranges  
refrigerators, compressors  
washers and driers  
washers, driers  
washers, driers and refrigerators

In the last 4 years, MABE has been consistently increasing its export volume of gas ranges and refrigerators to different General Electric's Distribution Centers in the US. Main modes of transportation used are rail and truck.

Main destinations for gas ranges and refrigerators in the US are: Little Rock, AR, Kent, WA, Roydale, CO, City of Industry, CA, Munster, IN, Belcamp, MD, Jacksonville, FL, Louisville, KY, and Albany, NY.

Mabe is also handling 400 to 500 railcars a year of steel coils from Irving, PA. Bessemer, PA. Fairfield, AL. and Indianapolis, IN to Laredo TX.

# Mabe

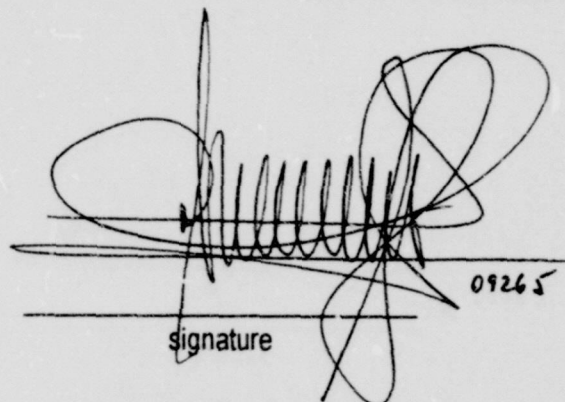
In MABE, we are sure that the proposed Union Pacific / Southern Pacific merger will benefit not only our company, but our customers too, since the combined strength of the 2 railroads will provide a more reliable, consistent and first quality service. For these reasons MABE will strongly support the merger.

If the Union Pacific / Southern Pacific merger is approved, we consider the following benefits for MABE:

- More efficient and shorter routes; i.e. Laredo to City of Industry, CA, Kent, WA etc.
- Single-line service between Laredo and California and the Pacific North West.
- Improved intermodal service to compete with motor carriers.
- Improved equipment availability.

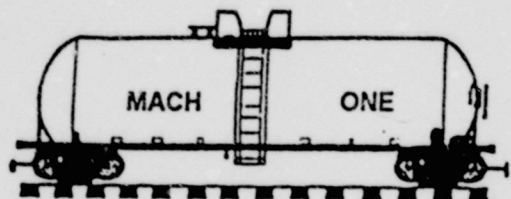
Because of the above mentioned benefits MABE supports the Union Pacific / Southern Pacific merger.

I, Arturo Chávez, declare under penalty of perjury that the foregoing is true and correct further I certify that I am qualified and authorized to file this verified statement executed on September 22, 1995



signature

09265



## MACH ONE

P.O. BOX 3009

SHAWNEE, KANSAS 66203

PHONE: 913) 962-0693

FAX: 913) 631-2489

*"Specialists in Hazardous Waste Transportation by Rail"*

September 15, 1995

Interstate Commerce Commission

Finance Docket No. 32760

Union Pacific Corporation, Union Pacific Railroad and  
Missouri Pacific Railroad Company - control and Merger -  
Southern Pacific Rail Corporation, Southern Pacific  
Transportation Company. et. al.

Gentlemen:

The proposed merger of Southern Pacific Lines and Union Pacific Railroad may well be the second most important historical railroad event, following close behind the attempt to drive a gold spike into the last rail tie laid at Promontory, Utah on May 10, 1869.

This merger would finally realize the potential of the first transcontinental railroad, which was established to move goods from the Orient and the West into the midlands.

Mach I, Inc., a Kansas corporation, arranges the movement of hazardous and special waste from generator to disposal facilities. The routing for these movements often involves two transfer stations owned by a sister company. One of these facilities is located at Port Allen, LA, which is served by Union Pacific only. A number of loads from the west coast have either been handed over from the Southern Pacific to the Union Pacific at Houston, Texas or have gone on to the Southern Pacific intermodal ramp at New Orleans for trucking back west.

The merger would permit us to route the movement with one carrier, which could deliver to the company intermodal ramp at Port Allen, LA.

A similar facility located at Beaumont, Texas is served by Southern Pacific, but not Union Pacific. Again a merger would permit one carrier movement into the Beaumont company intermodal ramp.

In each instance our customers would be afforded significant savings due to direct delivery.

Page 2

Letter to Interstate Commerce Commission  
September 14, 1995

We believe that the proposed merger would be in our best interest as well as that of our many customers using these facilities.

In addition, we make numerous shipments out of British Columbia and Seattle to Houston and Memphis. The merger would give us a choice of using the new railroad or the Burlington/Santa Fe Company. This competition will be a plus for both our customers and us.

All in all, the merger would permit us to move goods on a direct routing more often.

The Beaumont, Texas facility is also barge served. Until now this different mode of transportation has not been used. With the opening up of new single line service we will have to option of making barge traffic one of our transportation choices.

One other dramatic improvement for us will be the ability to move alternative fuels from the west coast to cement kilns in Kansas and Missouri on a single line service.

Whether the route choice is north or south the merger would redefine the meaning of a transcontinental railroad.

For these reasons plus the obvious advantage of having a clear choice other than BN/Santa Fe we endorse the proposed merger and urge its support.

Respectfully submitted,

MACH I, INC.

By: Robert Van Horn

Robert Van Horn, Compliance Director

STATE OF KANSAS )

) ss.

COUNTY OF JOHNSON)

Now on this 15th day of September, 1995, before me, the undersigned, a Notary Public, appeared Robert Van Horn, known to me to be the person who signed the above letter, and on his oath stated he executed said letter of his own free will and for the purposes stated therein.

Janet Grismore  
Notary Public



JANET GRISMORE  
My Appt. Exp. 8-12-99

September 25, 1995

Verified Statement  
of  
**SHANNON T. YAGI**  
On behalf of  
**HERBERT MALARKEY ROOFING COMPANY**  
3131 N. Columbia Blvd.  
Portland, OR 97217

Shannon Yagi - Purchasing Manager

Responsibilities include: Oversee purchasing of raw materials, logistics and production scheduling of Malarkey Roofing Company. I recently came to work for Malarkey after working the last ten years as a purchasing manager for Stanton Industries, a manufacturing company based in Tualatin, OR.

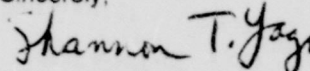
Malarkey Roofing Company is a manufacturer of asphalt roofing products -shingles, roll roofing, underlayments and related items. We ship our products all over the Western United States, Florida, Canada and Far East from our Portland, OR facility. All of our raw materials which come by rail are served by Union Pacific here in Portland which also serves all of our outbound rail shipments. Most of our inbound freight originates in Corona, CA where it is loaded and turned over to the UP. From there it is routed through Barstow, Salt Lake City, Pocatello to Portland.

We are currently experiencing an increase in rail shipments to California. This trend is expected to continue as our sales to this state increase. Our loads are switched over to the SP for California delivery to both northern and southern locations.

" In regards to the proposed merger of the UP and SP, WE STRONGLY SUPPORT such a merger as this will improve service for both inbound and outbound freight."

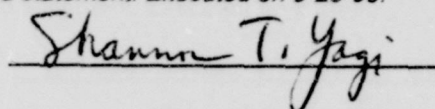
By providing single line service switching costs will be eliminated. Our inbound shipments will be more efficiently routed, reducing transit time and costs per shipment. The bottom line is that we will achieve more efficient production scheduling due to reduced transit time of inbound raw materials. Our raw materials cost will decrease due to reduced transportation costs. Our delivered product costs to our customers will decrease, which will allow us to be more competitive in outlying areas and strengthen sales overall. The increased competitiveness in the transportation industry can only serve to help keep costs at an acceptable level.

Sincerely,



Shannon T. Yagi  
Purchasing Mngr. -Malarkey Roofing Co.

I, Shannon T. Yagi, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 9-25-95.



VERIFIED STATEMENT  
OF  
DON R. FARTHING  
ON BEHALF OF  
MARKET TRANSPORT, LTD.  
110 N. MARINE DRIVE  
PORTLAND, OR 97217

As Vice President of Sales and Marketing, I am responsible for identifying the most cost effective ways to satisfy the needs of Market Transport's current and future customers.

My over seventeen years in the transportation industry have been supported with a degree in transportation from Indiana University.

Market Transport, Ltd. is a 26 year old privately owned transportation company based in Portland, Oregon. Market Transport's primary service area is within the eleven western states, where we provide over the road transportation services as well as intermodal services.

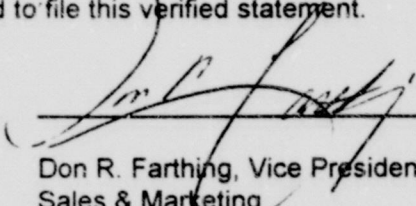
Over 75% of our business activity takes place between the cities of Seattle, Washington, Portland, Oregon and Los Angeles, California.

During 1994 Market Transport moved in excess of 6,000 trailer loads of product on the Southern Pacific Lines between California and Portland, Oregon. The Southern Pacific has proven to be a very cost effective transportation alternative on traffic moving between California and Portland, Oregon.

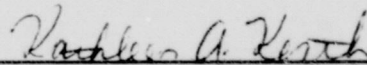
As an active transportation provider, dependent on Southern Pacific service, we welcome the merger as a means of ensuring that we receive top-quality cost effective rail service from a financially sound carrier with single-line access to other in route points.

The merger of Union Pacific and Southern Pacific would allow single line service between Los Angeles, California and Seattle, Washington while strengthening the financial conditions of the Southern Pacific.

I, Don R. Farthing, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

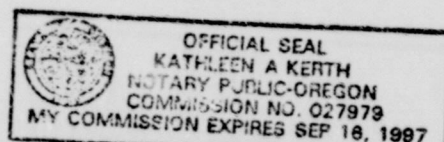
  
Don R. Farthing, Vice President  
Sales & Marketing  
Market Transport, Ltd.  
September 15, 1995

Subscribed and sworn to before me this 19<sup>th</sup> day of September, 1995.

  
Kathleen A. Kerth  
Notary Public

My Commission Expires:

9-16-97



# MARY'S RIVER LUMBER CO.

4515 N.E. ELLIOTT CIRCLE • CORVALLIS, OREGON 97330

PHONES: (503) 752-0218 & 752-0122

OUTSIDE OREGON: 1-800-523-2052

## VERIFIED STATEMENT

OF

David Duncan  
Sales Manager, Mary's River Lumber Company

Finance Docker No. 32760,  
Union Pacific- Control and Merger- Southern Pacific Rail Corp.

I, David Duncan, am Sales Manager for Mary's River Lumber Company, 4515 NE Elliott Circle, Corvallis, OR 97330. I have worked in the lumber industry for 25 years with various companies, including Caffall Brothers, Sequoia Supply, Northern Yard, Miller Lumber and Ocean Dock Building Supply. My current duties include both sales and transportation.

Mary's River Lumber produces cedar lumber at two plants, in Corvallis, Oregon and Montesano, Washington. We market cedar lumber throughout the United States, shipping approximately 50 carloads per year on Union Pacific and about the same volume of carloads on Burlington Northern. We also ship 300 to 400 piggyback shipments and 100 truckloads per year.

Mary's River expects to benefit from the UP/SP merger in several ways. First, the merger will enable Mary's River Lumber to ship by rail direct from our mill at Corvallis, and to avoid using reloads from trucks to Portland for our UP shipments via Savage. This will increase the mill's efficiency and decrease its costs.

Mary's River will benefit from the UP/SP's new single line service to southern California and the ability to use the UP's 73-foot centerbeam fleet on those routes. Because of the combined UP/SP's increased terminal capacity and more efficient routing, we should see fewer delays on SP routes, particularly to Texas. This should allow Mary's River to improve its existing service to our Texas customers and to tap new markets there. I would expect spring carload shipments by rail to Texas, for example, to become competitive with piggyback shipments.

Mary's river feels that the Union Pacific needs a strong UP system to compete with the merged Burlington Northern and Santa Fe railroads. We expect there to be strong competition between BN/SF, on the one hand, and the merged Union Pacific and Southern Pacific, on the other. These railroads compete vigorously now for our traffic, and this has been helpful to keep costs down. That competition will be even greater after the UP/SP merger because the UP/SP's improved service.

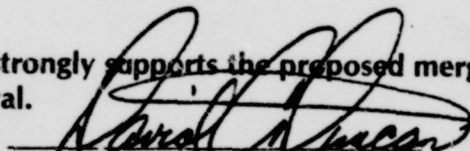
# MARY'S RIVER LUMBER CO.

4515 N.E. ELLIOTT CIRCLE • CORVALLIS, OREGON 97330

PHONES: (503) 752-0218 & 752-0122

OUTSIDE OREGON: 1-800-523-2052

For these reasons, Mary's River Lumber strongly supports the proposed merger of the UP and SP and hopes for its prompt approval.

  
David Duncan

## VERIFICATION

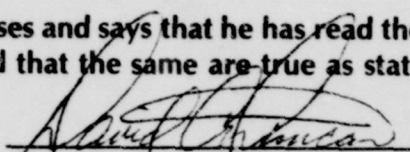
STATE OF OREGON )

)

ss.

County of Benton )

David Duncan, being first duly sworn, deposes and says that he has read the forgoing document, knows the facts asserted therein, and that the same are true as stated.



Subscribed and sworn to before me this 22 day of September 1995

Teresa A. Snider

Notary Public

My commission expires: 6-15-96



**Oficinas:**

Camino San Juan Ixhuatepec No. 1045  
Mexico D.F. C.P. 07360  
Apartado Postal 75-131  
Telefonos 586 4 22 Telex 01777 668  
Fax 7 52 40-01

SEPTEMBER 4, 1995

INTERSTATE COMMERCE COMMISSION  
UP/SP MERGER CASE  
DOCKET No.32760

SUBJECT: MATERIAS PRIMAS MERGER SUPPORT

MATERIAS PRIMAS is part of our Mexican holding "Grupo Fluid". We have three organizations, being my sister Companies "AEROBAL", who wholesales spray products and cleaning products; "PEGAMENTOS Y APRESTOS", who manufactures adhesives and us MATERIAS PRIMAS; we market and distribute chemical products in Mexico. Our USA Corporate is FLUID PACKAGING with Corporate offices in Lakewood, N.J. We contract more than \$1'500,000.00 US Funds of International and Domestic Logistic Services per year, being same railroad and intermodalism mainly. Our office and plant is located in Mexico City in the industrial area of San Juan Ixhuatepec, Mexico City.

After reading the benefits of the UP and SP Railroads proposed merger, such as: better routes to most Mexican gateways, faster and more reliable intermodal service, better terminals handling and coordination, improved availability of cars and locomotives, new single line services that if the merge is aprooved we could soon begin to enjoy.

I look forward instructing my suppliers to route in 1996 our shipments via UP-SP, but for the time being We will continue to ship via SP until the merge is approved.

Understand that the UP/SP agreed to give other railroads trackage rights to allow use of their single lines. Being that the UP is financially strong: If we combine it SP routes and mexican gateway, will result in the most convenient routes and transit times as well as more reliable equipment management and availability, and shorter transit times, etc.

No doubt too, SP/UP merge will permit us to have a transportation option as big and important as the BN and Santa Fe Railroads, that recently merged thus We will have more than one reliable transportation alternative.

Our Company will benefit from UP/SP merge as we use Laredo and Eagle Pass gateways (and sometimes Brownsville) to secure our raw materials from all over USA, and If we are offered shorter routes, faster transits, competitive rates, it makes much sense to agree with such merge.

**Oficinas:**

Camino San Juan Ixhuatepec No. 1045  
Mexico D.F. C.P. 07360  
Apartado Postal 75-131  
Telefonos 586-41-22 Telex 01777-666  
Fax 7-52-40-01

In my position as Purchasing Manager for MATERIAS PRIMAS and for PEGAMENTOS Y APRESTOS We agree and support the UP/SP Railroads proposed merger, being that We will have better service, more competition options and better equipment access. And this all will help us maintain a place in our Industry.

I declare that the above stated is true and correct, do certify under penalty of perjury that all above is true and correct and that I Am qualified to file above statement in my working positionn. This statement has been executed on September 4, 1995.

Best Regads,



ANTONIO ALVÁREZ SALDAÑA  
Purchasing Manager

STB

FD

32760

11-30-95

A

1648V9

2/6



**Maui Pineapple Company, Ltd.**

September 27, 1995

VERIFIED STATEMENT

OF

FRED COMENTO

ON BEHALF OF  
MAUI PINEAPPLE COMPANY, LTD.

1. Fred Comento, Director of Distribution, 1800 Sutter Street, P. O. Box 4003, Concord, California, 94524-4003. I have held this position for 16 months; prior to that I held a similar position for five (5) years as Director - Forward Warehouses for Tri Valley Growers, headquartered in San Francisco, California. My career in the field of transportation, distribution, logistics and warehousing spans over 25 years, and includes becoming an ICC practitioner in 1972. I am responsible for a transportation budget in excess of \$8,000,000 as well as distribution related budgets for warehousing, etc., in excess of \$2,000,000. Essentially, my department is responsible for all transportation and distribution related functions which provide for movement and positioning of all product for sale between our cannery in Kahului, Maui, Hawaii, and ultimate destinations on the U. S. mainland, Canada, Asia and Europe. Consequently, the rates, services and industry position of transportation carriers available to move our product must be monitored and managed to best serve Maui Pineapple's and its customers' needs.
2. Maui Pineapple Company, Ltd., is a subsidiary of the Maui Land and Pineapple Company headquartered in Kahului, Maui, Hawaii. We are the only canned producer of 100% Hawaiian Pineapple products remaining in the U.S.A. We process in excess of 6 million cases of product annually with sales in excess of \$75 million annually. Our only canning facility is in Kahului, Maui, Hawaii, where product is labeled and cased for our private label customer base as well as our own branded product. Over 95% of our finished product moves via Matson Navigation Steamship to the U.S. mainland annually, with the remaining 5% moving via various steamship lines to foreign destinations. Once the product arrives on the U.S. mainland it moves via truck to our West Coast public warehouses, to other U.S. public warehouses and direct to our customers via rail, truck and intermodal carrier options. We ship approximately 300-350 rail

boxcars annually to our public warehouse network and customers (revenues in excess of \$1.5 million). This business is currently routed via the three (3) origin carriers, namely, ATSF, UP and BN. Each of these and its connecting carriers provide service and related rate packages utilized by Maui to move its product from the three (3) West Coast ports (Seattle/Portland, Oakland, and Los Angeles) to its ultimate destinations throughout the U.S. Maui relies on these negotiated rate contracts, service and carrier viability and competitiveness to service its market areas.

3. Position Statement on the UP/SP Merger

We are confident that the proposed merger would be in our company's best interests and the best interests of other shippers. In addition, it would provide for a top quality financially sound carrier. We strongly endorse the UP/SP application to merge.

4. Supporting Reasons

A. Single Line Service

Linkage between UP points not serviced by the SP, and SP points not serviced by the UP, as well as single line service between California and Oregon origins and destinations in the midwest including Texas, will improve service and market competitiveness.

B. Combined Systems Service

The merged system's shorter and more efficient routes will improve our ability to position inventory in a more timely and efficient manner. Specifically, the routes between Oakland and Chicago, Los Angeles/Oakland to Memphis and Dallas will provide improved service levels due to mileage savings.

• Intermodal Service Improvements

We are a large user of intermodal transportation options, which will be very positively affected by more frequent faster and reliable service from our West Coast origin in the Pacific Northwest, Oakland and Los Angeles, California. This enhanced service will allow our company additional flexibility in the planning of our replenishment to our forward warehouses, and more security that our planned arrivals will assure our ability to enjoy maximum order fill rate at these facilities. In addition, our direct customer orders to U.S. mainland destinations will provide an additional benefit we can offer our customers.

• Pre-blocking and Terminal Coordination

The pre-blocking of trains to avoid terminal delays will

provide more secure transit schedules we can rely on regularly. The Stockton/Roseville pre-blocking will surely provide better service from the three (3) warehouse facilities we have in the Stockton area. Again, these efficiencies will help us to better plan our shipping tactics.

- Route and Capacity Optimization

The merged UP-SP system would allow them to route specific business segments over separate corridors. This will create specific route choices which will benefit us through transit time efficiencies via Southern California and Chicago and facilitate expediting specific shipments more effectively.

- Improved Equipment Utilization

Both boxcar and locomotive positioning will be more efficiently handled between California and Texas. Since the peak utilization seasons of the UP and SP are different they will be able to capitalize on this and provide more uniform and timely spotting of empty boxcars for our use in Eastbound loading. This will stabilize our loading patterns and help us service our customers on a more timely and efficient basis.

- BN/ATSF Competitive Need

As a shipper, it will be most beneficial to have the UP/SP merger approved, thus providing a carrier whose size, service and competitive capabilities better match the BN/ATSF's combined capabilities. A more equitable competitive carrier such as the UP/SP would surely assure a matched service time and reliability option to the BN/ATSF for us and other shippers.

- Competitive Strength

A combination of the UP's financial strength with the SP's excellent route advantage would allow application of capital dollars where the SP is currently unable to allocate monies to improve their competitive edge. This will, of course, provide us, as a shipper, the fair and equitable ability to negotiate and secure the most advantageous options for our company. I am sure that the UP will concede to give rail access to those competitors where the UP and SP are currently the only competitors along that trackage.

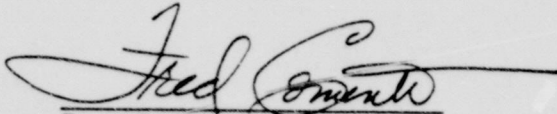
D. Long Term Quality Assurance

We have not used the SP for several years due to their non-competitive service and rate structure. The merger of the UP and SP will surely reposition this status and

allow us to take advantage of the potentially revitalized joint system that the merger would bring. The obvious availability of capital monies from the UP system to the SP will certainly stabilize its ability to survive once the BN/ATSF merger is approved. It can only create a stronger and more viable improvement to the overall rail transportation industry and its contribution to the effectiveness and service related movement of our products into the marketplace.

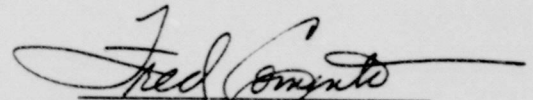
E. Conclusion

Hopefully all of the above clearly shows that, as a shipper, Maui Pineapple Company, Ltd., supports the proposed UP/SP merger application and its ability to provide significant benefits to our company and its customers.



Fred Comento  
Director of Distribution  
Maui Pineapple Co., Ltd.  
P. O. Box 4003  
Concord, CA 94524-4003

I, Fred Comento, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on September 26, 1995.

  
Fred Comento

VERIFIED STATEMENT  
OF  
JOHN C. GENOVA

on behalf of

MERIDIAN AGGREGATES COMPANY

Meridian Aggregates Company consists of 21 aggregates production facilities and seven distribution yards located throughout the western United States. Meridian is a major supplier of ballast and other rock products to the Union Pacific as well as Burlington Northern and Kansas City Southern Railroads.

Over 1.5 million tons of ballast and other products are shipped annually to the Union Pacific and Burlington Northern Railroad, via the Cheyenne/Wyoming interchange, from Meridian's Granite Canyon Quarry, located west of Cheyenne, Wyoming. In addition, Meridian has historically railed 400,000 to 500,000 tons of commercial sized aggregates from Granite Canyon Quarry to certain customers and distribution points in Wyoming, Kansas, Nebraska and Colorado.


As Vice President of Marketing, I manage a fleet of over 550 railcars used to transport commercial products throughout the country. Of this fleet, between 50 and 100 cars are used at Granite Canyon and generate revenue for Union Pacific.

Meridian strongly supports the proposed Union Pacific/Southern Pacific merger.

- We believe it will provide the prospect for Meridian to increase ballast sales by serving portions of the Southern Pacific Railroad, particularly the Denver and Rio Grande Western. Currently, it is cost prohibitive for Southern Pacific to purchase ballast from Granite Canyon since it must be delivered by a two-line haul.
- The pending merger may also allow Meridian to expand its commercial sphere of influence to include sections of Colorado served exclusively by Southern Pacific.
- Meridian's competitive position may also improve as a result of the merger. Seamless, and therefore less expensive, movement of Granite Canyon material may allow Meridian to penetrate segments of our existing market which right now are the sole domain of the Burlington Northern Santa Fe Railroad.

VERIFICATION

I, John C. Genova, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 21, 1995.

  
\_\_\_\_\_  
Signature



# MERRITT BROS. LBR. CO. INC.

Remanufacturing Division

P.O. Box 190  
Athol, ID 83801-0190  
Phone (208) 683-3321  
FAX (208) 683-3328

August 30, 1995

## VERIFIED STATEMENT OF JAMES W. WARREN

ON BEHALF OF MERRITT BROTHERS LUMBER COMPANY, INC.

I am General Manager of Merritt Bros. Lumber Co, Inc., P.O. box 190, Athol, ID 83801-0190. I have held this position for 11 years. I have responsibility for Merritt Bros. operations, sales and transportation. Prior experience includes 8 years with Hodge Forest Products, and 7 years as Sales Manager.

Merritt Bros. Lumber Co., operates a lumber remanufacturing mill at Athol, ID. Merritt Bros., is also the parent company for J&H Forest Products, Boise, ID and MFP of Oregon, Lake Oswego, OR, both wholesale lumber companies and Tri-Pro Cedar, Velox, WA. a cedar Lumber remanufacturing company. Production facilities at Athol, ID and Velox, WA are both served by UP and BN. Our total rail traffic amounts to approximately 2000 carloads annually with rail freight payments of some \$8,000,000 annually.

Merritt Bros., Lumber Co. and its subsidiary companies strongly supports and endorses the Union Pacific and Souther Pacific (UP-SP) merger, without qualification...

While our production facilities are served by both Union Pacific (UP) and Burlington Northern (BN), we have found UP to be very responsive to our needs as well as the needs of our customers. Our support is based on the expectation that UP's customer focus and service orientation will be extended to customers served by the SP currently following merger, yet we understand it will take time. Our support is also based on the fact that the UP-SP merger will result in new single-line service between UP served points in the Pacific Northwest and SP points in California, and southwest. This will enhance our ability to serve present and new customers in these important markets via a more efficient merged UP-SP single-line service. In addition our support for the UP-SP merger includes concerns about SP's service and longterm viability that can be offset by UP's financial strength, and ability to make the necessary capital investment to ensure quality service to customers presently served by SP.

Merritt Bros. Lumber Co. supports the UP-SP merger as being in both Merritt's, or customers and public interest...

**VERIFICATION**

STATE OF Idaho )  
COUNTY OF Kootenai ) ss.

James W. Warren

(Name), being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

James W. Warren  
(Signature)  
Name-Typed

Subscribed and sworn to before me this 31 day of August, 1995.

Charlotta Hargis  
Notary Public

My Commission Expires:

12-23-95



September 14, 1995.

**VERIFIED STATEMENT  
OF  
LIC. J. ENRIQUE DELGADO L.  
ON BEHALF OF  
MEXALIT INDUSTRIAL, S.A. DE C.V.**

**Attention: Interstate Commerce Commission  
UP/SP Merger Case  
Docket No. 32760**

Regarding the UP/SP merging our comments are the following:

I am the Purchasing Corporative Manager of Mexalit Industrial, S.A. de C.V. Our company manufactures fiber-cement and cellulose products. We have in the Mexico plants in: Santa Clara, Barrientos Tlalnepantla, Guadalajara, Villahermosa and Chihuahua. I am encharge also of the fiber and cellulose distribution to the different plants, both are the most important raw materials imported from Canada and the U.S.A. transported by railroad. We export finished products such as Maxi plank and Maxipanel to the U.S.A. by rail too.

At the present, soon we would have a new plant named Vidrio Sekurit, S.A. de C.V. in Cuautia, Morelos manufacturing glass for the automotive industry. We are going to transport their raw materials by railroad.

The annual volume that is handled by railroad is approximately: 7,300 asbestos fiber, 800 cellulosa (Mexalit) and 30,000 silice, soda ash, dolomit (Sekurit) metric tons.

We expect that the merger of the two strong railroads SP/UP will be able to combine their rail system like: new single line service, eliminating high costly switching charges, more efficient and direct routes, improved intermodal service, better equipment utilization, reducing cycle times due to less congestion at key terminals.

We believe that the proposed merger will provide significant benefits to shippers. Our company supports the application.

I, J. Enrique Delgado L., declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on September 14th., 1995.

Best regards,



LIC. J. ENRIQUE DELGADO L.  
PURCHASING CORPORATIVE MANAGER

jedl/clc

# MIDWEST INTERMODAL COMPANY, INC.

## SHIPPERS AGENT

4549 Delaware

Des Moines, Iowa 50313

(515) 265-5504

1-800-444-5468

FAX 515-265-8356

### VERIFIED STATEMENT

of  
JOHN L. FISCHER  
on behalf of  
MIDWEST INTERMODAL COMPANY, INC.

*My title is Sales Manager of the above company. We are shippers' agent and have been in business since 1983. My background includes thirty six years of service with an eastern rail carrier in traffic and sales.*

*Various shippers and receivers in the midwest contact us, and we handle piggyback and truckload shipments for them to and from any point in the United States, as well as some export. Price and service are prime factors. I feel that the merger of the Union Pacific and Southern Pacific will further enhance our sales efforts, and primarily via the Kansas City gateway. We strongly support this as a means of strengthening competition with the proposed merger of the Burlington Northern and Santa Fe Railroads.*

*Although the number of carriers in various rail corridors will decrease, Southern Pacific service is weak and ineffective. The Union Pacific-Southern Pacific merger will produce important mileage savings in some corridors and improve service and equipment efficiencies.*

*I, John L. Fischer, declare under penalty of perjury that the foregoing is true and correct.*

*Further, I certify that I am qualified and authorized to file this verified statement.*

*Executed on September 26, 1995.*

*John L. Fischer*

# *Miller - Bowie County Farmers Association*

P.O. BOX 1110 • TEXARKANA, TEXAS 75504 • (903) 794-3631

October 4, 1995

## VERIFIED STATEMENT

OF

Joe L. Bruick  
on behalf of  
Miller - Bowie County Farmers Association

RE: FINANCE DOCKET NO. 32760

My name is Joe L. Bruick General Manager of Miller - Bowie County Farmers Association, Texarkana, TX 75504. I have managed a farm supply store for 34 years. For the past 13 years I have also managed a country grain elevator. I am responsible for all the activity of our operation and work closely with the grain merchandiser who orders rail cars for out bound shipments. At our fertilizer plant we receive rail cars of fertilizer.

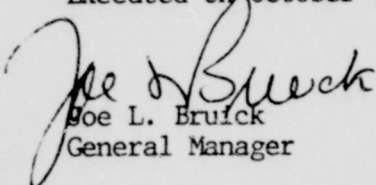
We are served by Southern Pacific at our fertilizer and grain elevator location in Texarkana, Texas. Our fertilizer comes from many locations, but our out bound grain needs to go to the Gulf Coast.

Our biggest concern over the past couple of years has been lack of equipment. Car shortages and inadequate power to move cars has hampered our ability to service our customers. The merger of the SP and UP would definitely help solve this problem and open up new markets for Miller - Bowie County Farmers Association. Streamlined operations of the merged companies will improve transit time by eliminating yard congestion, provide better locomotive resources and vastly expedite movement of cars, both loaded and empty.

We believe that your approval of this merger is very important. This merger will provide significant benefits to Miller - Bowie County Farmers Association and the railroad industry in general. Our company fully supports this application.

I, Joe L. Bruick, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on October 4, 1995.

  
Joe L. Bruick  
General Manager

**BEFORE THE  
INTERSTATE COMMERCE COMMISSION  
FINANCE DOCKET NO. 32760**

UNION PACIFIC CORPORATION,  
UNION PACIFIC RAILROAD COMPANY AND  
MISSOURI PACIFIC RAILROAD COMPANY  
-- CONTROL AND MERGER --  
SOUTHERN PACIFIC RAIL CORPORATION,  
SOUTHERN PACIFIC TRANSPORTATION COMPANY  
AND DENVER & RIO GRANDE WESTERN RAILWAY COMPANY

**VERIFIED STATEMENT OF JOHN PURDY  
ON BEHALF OF MINNESOTA CORN PROCESSORS**

My name is John Purdy. I am Traffic Manager of Minnesota Corn Processors, Inc. ("MCP"), a Minnesota based grower owned cooperative of corn producers. Our general offices are located at 400 West Main Street, Suite 201, Marshall, Minnesota 56258.

Minnesota Corn Processors was established as a farmer owned cooperative in 1980 and began corn milling operations in 1983. MCP is entirely farmer owned and qualifies as a 521 tax exempt cooperative. Currently, there are approximately 600 grower members of MCP. Minnesota Corn Processors exists to convert corn grown by its members into a variety of saleable commodities. MCP began producing corn starch and corn syrup on July 25, 1983 at a new corn wetmill plant built in Marshall, Minnesota. This plant was originally designed to process 12,000,000 bushels of corn annually at the rate of 36,000 bushels per day. That has now grown to 85,000 bushels per day. In addition, an ethanol refinery has been added at Marshall capable

of producing 10,000,000 gallons of fuel ethanol per year. Another major facility has been built at Columbus, Nebraska, to produce corn starch, corn syrup and ethanol. This plant went into operation in 1992 and today grinds approximately 120,000 bushels of corn per day, which amounts to 3,000 tons every working day.

These MCP facilities today produce a wide variety of product including gluten meal, ethanol, corn syrup, high fructose corn syrup, corn starch and wet gluten feed among others.

We support the proposed merger of Union Pacific with Southern Pacific because MCP is a heavy user of rail service. Our Columbus, Nebraska plant is served today by the Union Pacific Railroad. In the first year of production of high fructose corn syrup at our Columbus, Nebraska plant, we shipped almost 600 carloads west via the Union Pacific. In addition, we have smaller volumes that are shipped from the Marshall, Minnesota plant. Our volume from Nebraska to southern California is growing.

UP gives us single line service into the southern California market subject to local delivery via reciprocal switching on the Southern Pacific. We support the merger because we understand that Union Pacific will be assuming management control over the entire unified railroad and we have more confidence in the Union Pacific's willingness to meet our transportation needs from both a rate and service standpoint. Frankly, we have had difficulty with the Southern Pacific. Their route structure does not permit single line routings from Columbus to southern California, but they have been reluctant to talk about any joint line routing possibilities. In addition, they have attempted to foreclose access to our destination warehouse in the Los Angeles area

by cancelling reciprocal switching. We support this consolidation on the assumption that Union Pacific will make sure that we can continue to ship our products via efficient routings into our southern California markets.

The Union Pacific has given us additional assurance in a press release dated September 26, 1995 that origin and destination points on both systems will continue to be open to two line rail competition wherever that now exists. The press release stated that the "combined UP/SP competing against the Burlington Northern/Sante Fe will benefit rail customers" through a variety of means including improved car handling at terminals and cost efficiencies. We take the UP at its word that there will continue to be competitive rail access to points such as Vernon, California, where we ship our corn syrup. UP has also said that it will work with BN/Sante Fe to insure uninterrupted rail service to the ports of Long Beach and Los Angeles while the Alameda corridor project is constructed. Again, this affects our southern California destination point of Vernon, which is in the Alameda corridor.

The UP has been responsive to our transportation needs. We are confident that the merged company will continue that Union Pacific practice. We are also confident that UP will honor its commitment to maintain competitive two line access to major points in the west wherever possible.

John Purdy  
Traffic Manager  
Minnesota Corn Processors

STATE OF MINNESOTA

)

) ss:

COUNTY OF LYON

)

JOHN PURDY, being first duly shown, deposes and states that he has read the above document, knows the facts asserted therein, and that the same are true as stated.

John Purdy  
John Purdy

SUBSCRIBED and sworn to before me this 16th day of October, 1995.



Kelli L. Koster 10/16/95  
Notary Public

# **MOL Intermodal, Inc.**

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150 North Michigan Avenue, Suite 3210  
Chicago, Illinois 60601  
Telephone: (312) 683-7370 • Facsimile: (312) 683-7440

## **VERIFIED STATEMENT**

**OF**

**RICHARD H. DORSEY**

on behalf of

**MOL INTERMODAL, INC.**

My name is Richard H. Dorsey and I am Executive Vice President and Chief Operating Officer for MOL Intermodal, Inc., a position I have held for seven years. Prior to joining MOL Intermodal, I was Executive Vice President for Piggyback Services, Inc., a rail-terminal services company. I held various positions there for over nine years. I began my transportation career with the Chicago & Northwestern Transportation Company in 1972. I hold a law degree from Chicago Kent College of Law and am licensed to practice in the State of Illinois. Reporting directly to the president, I am responsible for all activities of MOL Intermodal, Inc. including day-to-day operations, rail contract negotiations and long-term strategic planning.

MOL Intermodal, Inc. is a wholly-owned subsidiary of Mitsui O.S.K. Lines, a Japan-based global transportation company. MOL Intermodal is responsible for the development, negotiation and implementation of a North American rail intermodal network for Mitsui O.S.K. Lines, as well as a full-service provider of rail intermodal services for major domestic intermodal companies. In 1995, MOL Intermodal will purchase rail transportation and manage the movement for over 160,000 containers throughout North America. Purchased transportation from various Class I railroads will exceed \$140,000,000 during fiscal year 1995.

Verified Statement  
October 10, 1995  
Page Two

Approximately 40% of our intermodal rail traffic originates in the West Coast ports of Long Beach, Oakland, Portland and Seattle moving inland to various destinations on the Union Pacific, Southern Pacific, Santa Fe and Burlington Northern rail systems or connecting to Midwestern and Eastern regional railroads. Our traffic moves into and out of virtually all major cities in the United States, Canada and Mexico. We currently operate under term contracts with the Union Pacific, Santa Fe and Southern Pacific railroads.

We believe that the proposed merger of the Union Pacific and Southern Pacific best supports the long-term strategic plans of MOL Intermodal, as well as the interests of the beneficial owners purchasing transportation services from us. We strongly support the merger application.

The combination of the Union Pacific and Southern Pacific specifically benefits MOL Intermodal and its customer base in the following ways:

1. Single source purchasing of Western rail transportation allows for cost efficiencies in administrative expense, car leasing, computer systems integration, etc. For these reasons, Union Pacific was selected as the primary carrier in both the Pacific Northwest and the Pacific Southwest. Unfortunately, Union Pacific currently cannot provide adequate transportation to the Gulf and Southeast destinations, requiring at least two rail partners on the West Coast.

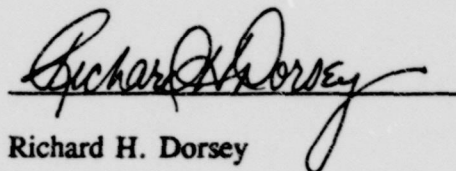
2. The merger plan will provide a viable long-term alternative to the newly formed BNSF. Currently in the international intermodal arena, only the BNSF can offer fully-integrated West Coast origin rail service to all inland destinations.
3. Without the proposed merger, the Southern Pacific would be disadvantaged when negotiating to provide Gulf and Southeast destination rail services for West Coast origin international traffic to companies like MOL Intermodal due to their inability to serve the Pacific Northwest. This disadvantage threatens the long-term viability of the Southern Pacific, leaving BNSF as the only alternative to the Gulf and the Southeast.
4. The combined expertise of the UP/SP would insure cost-effective, quality rail services for MOL Intermodal and our shippers.

Particularly for an international intermodal service provider like MOL Intermodal, Inc., a competitive alternative to the combined BNSF is a long-term necessity. The UP/SP combination would be a viable alternative.

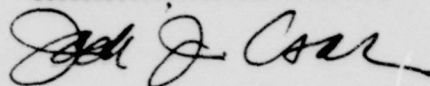
In addition, the rejection of the merger application most certainly threatens the financial stability of the Southern Pacific, leaving a solitary rail service to the Southeast and Gulf from the West Coast. For these reasons, MOL Intermodal supports the UP/SP merger application in an expeditious manner.

I, Richard H. Dorsey, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on October 10, 1995.

  
Richard H. Dorsey







## NATIONAL EXPORT CRATING CO.

6300 LIBERTY ROAD • HOUSTON, TEXAS 77026 • (713) 673-4373

Verified Statement of

**Samuel N. Marroquin**

on behalf of

**National Export Crating Company of Texas, Inc.**

I, **Samuel N. Marroquin**, President of National Export Crating Co. of Texas, Inc. located at 6300 Liberty Road, Houston, Texas 77026, have been in the transportation business for over 37 years in Houston, and held a position in traffic for 10-15 years for Houston Export Crating Company; and then 10 years with Imperial Export Crating Company as President, Owner and Manager where rail business was in its hay-day. For the past 14/15 years, I have owned National Export Crating where we now have a great potential for rail business that could take effect this year of 1995 and continue indefinitely from Minnesota/Michigan areas to our facility. With the NAFTA possibilities, we are looking forward to much rail business into Mexico and adjacent countries.

National Export Crating Co. (NECCO) is an industrial packaging and containerization company that receives cargo from all methods of transportation, to wit: rail (served by Southern Pacific), air, truck, UPS, FEDEX and local transports. The cargo that we receive at our facilities is all destined for overseas. We export pack in boxes, crates, skids, pallets, bundles, etc. to comply with the rigid requirements of steamship lines carrying the cargo to their ultimate destinations. We are currently in the process of being awarded an account that will be transporting sand (10 different grades) into our facilities for subsequent shipment overseas. To begin with we should be receiving 250 railcars per year with the very strong potential of doubling that amount in a very short time. The seriousness of this relationship had warranted us to designate a full 20,000 sq.ft. warehouse exclusively for this project.

As mentioned in above paragraph, with such an important account that we are in the process of being awarded, I would feel more comfortable knowing that a merger between SP and UP would strengthen my ability to retain this account for many years to come. We believe that this proposed merger would definitely be in our company's

best interest as well as to other shippers in Houston. We wholeheartedly endorse the UP/SP application.

UP and SP lines being linked on a single line basis would open new possibilities of additional business not only to my company but throughout all of the Gulf Coast area. The link of these two railroads would make available more types of cars that would be needed. EX: Box cars, flat cars, gondolas, hoppers, etc.

In conclusion I feel that this all important merger would offer my company and others in the Gulf Coast area a definite competitive edge.

Our company supports the application.

STATE OF Texas

COUNTY OF Valencia

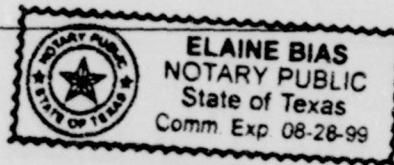
Samuel N. Marroquin being first duly sworn, deposes and says that I have read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Samuel N. Marroquin  
Samuel N. Marroquin

Subscribed and sworn to before me this 3rd day of October, 1995.

Elaine Bias  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_



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# NEIMAN-REED LUMBER CO.

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September 8, 1995

**VERIFIED STATEMENT  
OF  
ED J. LANGLEY  
on behalf of  
NEIMAN-REED LUMBER CO.**

Neiman-Reed Lumber Co. operates a wholesale distribution yard in Van Nuys, California, and is regarded as southern California's largest stocking pine wholesaler. In business since 1948, Neiman-Reed focuses most of its business to the industrial trade throughout southern California and Arizona. We are currently receiving rail shipments of lumber and plywood off-site at a nearby San Fernando Valley yard with Southern Pacific deliveries.

As general manager of Neiman-Reed, a position I have held since 1983, my areas of responsibility include the supervision and negotiation of forest product buying and delivery. Sourcing is one of the key ingredients of success in lumber trading and ranks high in personal attentiveness.

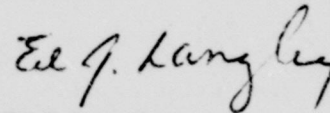
Rail deliveries account for about fifteen percent of incoming stock. The balance comes in by truck, primarily because of competitiveness of trucks in terms of price savings and swiftness of delivery. Rail deliveries normally make sense on carloads of plywood from the southeastern U.S. and Oregon, as well as SP-served pine board and fir dimension mills at inland mills (i.e., mills in eastern Washington, Idaho, western Montana, eastern Oregon). All Neiman-Reed purchases are routed to the Los Angeles area.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support this as a means of improving service and giving greater competition to the trucking industry. Several key points now served by UP could be linked on a single-line basis with SP points, allowing an alternative means of transportation. For the most part, UP origin mills are typically not considered for rail delivery as a receiver dependent upon SP service.

Over half of our purchases are sourced out of state. As I have indicated, the majority of orders arrive by truck. A UP/SP merger should improve service to the lumber industry by providing additional routes and equipment, thus helping to ensure a faster, more dependable carrier. We are particularly interested in the mills that can be accessed with competitive rail rates (e.g., Crown Pacific Inland and Boise Cascade mills in Idaho and eastern Oregon/Washington).

We believe that the proposed is a "win-win" situation, providing benefits to the merged carriers as well as to its customers. Our company supports the application.

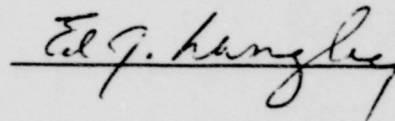
Sincerely,



Ed J. Langley  
General Manager

EJL:ms

I, Ed J. Langley, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.  
Executed on September 8, 1995.





## NESTE TRIFINERY PETROLEUM SERVICES

11757 Katy Freeway • Suite 930 • Houston, Texas 77079-1723 • 713-558-2002 • FAX 713-558-9106 • TELEX 795136

September 29, 1995

RE: Verified Statement of Peter Wittich on Behalf of Neste Trifinery Petroleum Services

Peter Wittich is the General Manager of Asphalt Marketing for Neste Trifinery Petroleum Services. I am responsible for the marketing of asphalt liquid produced at our Corpus Christi, TX, refinery. I have a Bachelors of Science degree from the School of Engineering of Tufts University, Medford, MA, and have been trading and marketing oil for 13 years.

Neste Trifinery Petroleum Services operates one of the largest asphalt refineries in the United States. We produce asphalt liquid as a prime intended product from crude oil refining. Asphalt is generally produced as the residue of crude oil refining, and most refineries consider it a by-product that must be marketed in order to continue light fuels refining.

Our facility produces over 15,000 barrels per day of asphalt liquid. This product is marketed from the refinery by barge, rail car, and truck. We have shipped rail cars throughout the United States, including the Pacific Northwest, Southern California, and the Midwest primarily.

The refinery is served by the Union Pacific Railroad. We have found that a single line haul to a Union Pacific customer has been the most efficient in terms of pricing, equipment utilization, and customer satisfaction.

We have had limited success marketing our product into geographic regions that would be a natural destination for our product but have been hindered by the necessity to utilize two or more railroads. This particularly is into the Southwest where the Union Pacific has been handicapped by their lack of a southern corridor.

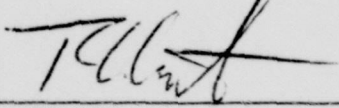
We welcome the Union Pacific merger with the Southern Pacific Railroad in the hopes and expectations that our rail freight costs into New Mexico, Arizona, and Southern California will make us competitive to supply these markets.

Good luck on the merger. Please do not hesitate to contact us for any further information or support.

NESTE TRIFINERY PETROLEUM SERVICES

Peter Wittich  
General Manager, Asphalt Marketing

I, Peter Wittich, declare under penalty of perjury that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this certified statement executed on September 29, 1995.

A handwritten signature in dark ink, appearing to read 'PWittich', is written over a horizontal line.

Peter Wittich

PW/cm

pw0929b



NEVADA CEMENT COMPANY

VERIFIED STATEMENT  
OF  
ROY J. SCHORSCH  
NEVADA CEMENT COMPANY

I have worked for Nevada Cement Company for thirteen years, the last 6 months in the position of Distribution Manager for the Western Region, which is headquartered in Fernley, Nevada. I have held a variety of supervisory positions with this company including Production Superintendent. I have a Bachelor of Science degree in Business Administration from Cal Poly San Luis Obispo.

Nevada and Mountain Cement are cement manufacturing facilities that supply the Mining and Construction industries. We have 5 distribution terminals that are serviced by either the Southern Pacific or the Union Pacific. Our terminals are located in Bliss, Idaho, North Platte, Nebraska, Denver, Colorado, Salt Lake City, Utah, and Sacramento, California.

Our company ships cement to seven states in the Western United States and are constantly looking to expand our market areas. We also import coal and petroleum coke into our manufacturing facilities and will be able to actively pursue new market areas that could be served by a single line carrier.

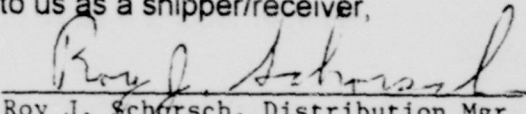
We understand that the Southern Pacific and the Union Pacific are requesting authority to merge. We support this merger as a means of ensuring top quality rail service from a financially sound carrier with single line access to numerous points.

With approval of the application, UP and SP will be able to combine the strengths of their individual systems. As a result, shippers and receivers will enjoy improved service, including new destination possibilities.

We believe that the proposed merger will provide benefits to us as a shipper/receiver, therefore our company supports the application.

State of Nevada)

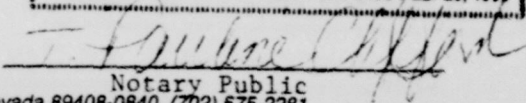
County of Lyon )

  
Roy J. Schorsch, Distribution Mgr.

On this 20th day September, 1995, Roy J. Schorsch personally appeared before me, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that he executed it.

WITNESS my hand and official seal.



  
Notary Public

Post Office Box 840, Fernley, Nevada 89408-0840 (702) 575-2281



Verified Statements  
of  
Michael D. Nedvidek  
on behalf of  
New Market International Trading, Inc.  
211 E. 28th St.  
Tulsa, OK 74114

My name is Michael D. Nedvidek and I am President of New Market International Trading, Inc. In addition to being the principal scrap trader for this firm, I also oversee the transportation aspects.

I have been President of New Market International Trading for two years. Prior to that, I was Vice-President of Associated Recycling for 2 years and prior to that I was employed by the David J. Joseph Company from 1984 to 1985 in the Chicago office and from 1985 through 1991 at their Houston office, where I last held the position of Senior Trader.

New market International Trading, Inc. is a Scrap Iron & Steel brokerage company. In addition to our office in Tulsa, OK, we also have an office in Saltillo, Mexico.

We ship scrap from scrap processors in Arizona, Arkansas, California, Illinois, Kentucky, Missouri, Nebraska, Ohio, Oklahoma, Tennessee and Texas to various points in Oklahoma, Texas and Mexico. We ship from 30 to 35 cars per month using the MP, SP, BN, ATSF and CSXT Railroads.

We believe that the proposed merger would be in our company's best interest as well as the interests of our customers. Without reservation we endorse the UP/SP merger application.

We feel that initially, we will experience the benefits of single line service. Since scrap is traded on a monthly basis and most of that trading is done during the first few days of the month, expediency in obtaining rates for potential movements is necessary. The merger should provide that expediency.

In the Steel Mill and Foundry business, the "Just in Time" Inventory concept applies to scrap as well as other commodities. The merger would in our opinion be of benefit to JIT programs due to shorter, more efficient routes.

As a benefit to our Mexican business, we feel that the merger will provide 2 good rail points of entry. Currently, the UP served Laredo point is much preferred over Eagle Pass. With better equipment utilization and a Despacho Previo program being set up for Eagle Pass (resulting from the MP/SP merger) we can provide better service for our American scrap processors and our Mexican consumers.



The UP/SP merger would also allow access to and from certain shippers and consumers that currently don't have access. I would also perceive that the UP/SP merger would allow for easier egress of American Railroad equipment from Mexico. Which results in increasing the number of cars(e.g., gondolas) available to both American processors and consumers alike.

It is generally known that the SP has some excellent routes, but lacks the equipment and capital to take full advantage of the opportunities. The merger would also allow the SP's current and potential customers the prospect of Long-Term Quality Assurance. I am aware of several processors and consumers who both look to the SP as a last resort to ship on due to the lack of quality service (i.e., equipment availability, transit times).

New Market International Trading, Inc. strongly supports the proposed merger. We strongly support it because we feel it will significantly benefit our company by way of significantly benefitting both our shippers and consumers.

Sincerely,

Michael D. Nedvidek, President

I, Michael D. Nedvidek, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 29, 1995.



## NON-STOCK MARKETING COOPERATIVE

P.O. Box 1023 — Kearney, Nebraska 68848  
(308) 236-6410

September 25, 1995

My name is William J. (Bill) Sebree, General Manager of NIK (NE., IA., KS.) located at 125 West 25th. Street, Kearney, NE 68847. A position I have held for ten (10) years. Prior to that I had my own transportation company for five (5) years and sixteen (16) years with Chicago & Northwestern Transportation Company.

NIK is a service unit for nineteen (19) cooperative associations in Nebraska, Iowa and Minnesota located on the Union Pacific and Burlington Northern Railroads. (List attached). We assist our members in finding new markets for their grain and in handling all their transportation needs, such as rate negotiations, leased cars, fertilizer purchases, etc.

The NIK group ships over 28,000 cars of grain and receives over 80,000 tons of fertilizer by rail annually on the Union Pacific and Burlington Northern Railroad. A large portion of NIK originated grain on the Union Pacific Railroad moves from Nebraska to California destinations.

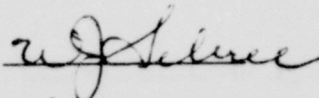
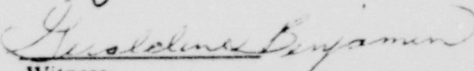
We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support such a merger because we feel it will strengthen our overall service.

NIK is a large lessee of rail covered hopper cars over (650), and many of the cars presently move via Union Pacific-Southern Pacific Railroad to California destination. The merger should cut down on transit time and hopefully would allow us to cut back on the number of cars we have under lease in the future. We also feel the merger should allow the railroad to reduce their rates to California because of single line haul, which would in turn help our producers, the farmer.

NIK has been trying for some time to get into the Arizona and Southern California markets, but due to the two (2) line haul has been prohibitive. with the merger we feel we will have a much better chance to accomplish this.

We believe that the proposed merger would be in our company's best interest; therefore we strongly endorse the UP-SP application.

I William J. Sebree declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file the verified statement. Executed on 9-26-95.

  
  
Witness:

308-236-6410  
FAX 308-236-9908

**NIK NON-STOCK MARKETING MEMBERS**

P.O. BOX 1023  
KEARNEY, NE 68848

**BATTLE CREEK FARMERS COOP**  
P.O. BOX 10  
BATTLE CREEK, NE 68715

402-675-2375 \*01 8-5058  
FAX-402-675-1645 65  
MANAGER-GARY MAXWELL

**SOUTHEAST NE COOP**  
BOX 247  
BEATRICE, NE 68310

402-223-5255 \*02  
FAX-402-223-2499 50  
MANAGER-MONTY JOHNSON

**FARMERS ELEVATOR COMPANY**  
P.O. BOX 526  
CHAPPELL, NE 69129

308-874-2245 \*03  
FAX-308-874-2405 48  
MANAGER-MIKE POLLNOW

**FARM SERVICE COMPANY**  
1026 SOUTH 8TH  
COUNCIL BLUFFS, IA 51501

712-323-7167 \*22  
FAX-712-323-9667 52  
MANAGER-JEROME HEUERTZ

**DORCHESTER FARMERS COOP**  
BOX 263  
DORCHESTER, NE 68343

402-946-2211 \*04 8-5251  
FAX-402-946-2062 53  
MANAGER-RON VELDER

**EDISON NONSTOCK COOP**  
BOX 68  
EDISON, NE 68936

308-927-3681 \*05 8-4858  
FAX 308-927-2455 54  
MANAGER-BILL FITZKE

**FARMLAND SERVICE COOP, INC.**  
P.O. BOX B  
GOTHENBURG, NE 69138

308-537-7141 \*06 8-5149  
FAX-308-537-3880 64  
MANAGER-ED FOSTER

**GREENWOOD FARMERS COOP**  
BOX 210  
GREENWOOD, NE 68366

402-789-2335 \*07 8-5388  
FAX-402-789-2395 55  
MANAGER-DARYL ERICKSON

**UNITED COOP INC.**  
BOX 127  
HAMPTON, NE 68843

402-725-3131 \*08 8-5485  
FAX-402-725-3231 58  
MANAGER-JAY LARSON

**AGRI COOP**  
310 LOGAN STREET  
HOLDREGE, NE 68949

308-295-8626 \*09 8-5443  
FAX-308-856-4843 56  
MANAGER-RON JURGENS

**HIGH PLAINS COOPERATIVE**  
P.O. BOX 520  
KIMBALL, NE 69145

308-235-4655 \*10  
FAX 308-235-2107 47  
MANAGER-STAN HILLIUS

PAGE 2

MAYWOOD COOP ASSOCIATION  
P.O. BOX 85  
MAYWOOD, NE 69038

308-362-4229 \*11  
FAX-308-362-4294 69  
MANAGER-TERRY SAMUELSON

FARMERS COOP GRAIN CO.  
BOX 38  
MERNA, NE 68856

308-643-2231 \*12 8-5602  
FAX-308-643-2248 51  
MANAGER-DALE HALLER

FARMERS COOP ASSOCIATION  
BOX 38  
ONG, NE 68452

402-284-2284 \*14 8-5873  
FAX-402-284-2285 61  
MANAGER-JIM SLIVA

TRI VALLEY COOPERATIVE  
BOX 227  
ST. EDWARD, NE 68660

402-678-2251 \*15 8-5357  
FAX 402-678-3458 63  
MANAGER-LARRY TAYLOR

CROSSROADS COOP ASSOCIATION  
P.O. BOX 153  
SIDNEY, NE 69162

308-254-4230 \*16  
FAX 308-254-5319 49  
MANAGER-

FARMERS COOP BUSINESS ASSOCIATION  
BOX 38  
SHELBY, NE 68662

402-527-5511 \*17 8-5814  
FAX 402-527-5515 57  
MANAGER-JEROME GABRIEL

JASPER FARMERS ELEVATOR  
P.O. BOX 266  
JASPER, MN 56144

507-348-3911 \*42  
FAX 507-348-8835  
MANAGER-BEN FULLER

~~**NCT**~~  
Nor-Cal Transportation, Inc.

October 2, 1995

TO: Interstate Commerce Commission

FROM: Roy J. Scellato

RE: Finance Docket No. 32760, Union Pacific Corporation,  
Union Pacific Railroad Company and Missouri Pacific  
Railroad Company -- control and Merger -- Southern  
Pacific Rail Corporation, Southern Pacific Transport-  
ation Company, et al.

The purpose of this memorandum is to provide support for the pending merger between the Union Pacific and Southern Pacific Railroads. My current position as President of Nor-Cal Transportation Inc., began in July 1985. I possess an Associate of Arts Degree in Transportation, obtained in 1975 from De Anza College, Cupertino, CA., and a B.S. Degree in Organization Behavior obtained in 1985 from the University of San Francisco, San Francisco, CA. I have worked in all facets of the transportation industry for the past twenty six years serving in varying capacities throughout my career.

Nor-Cal Transportation, Inc., is a medium sized company specializing in Intermodal Drayage movements within Northern California. The company also performs a number of railcar, piggyback and container transloads, and the company periodically will arrange for intermodal transportation movements and/or "Over-The-Road transportation for our warehousing clients.

Nor-Cal Transportation, Inc. recently acquired a large account that ships product via boxcars, principally from the Dallas, TX area. The company receives from five to twenty cars per week with expected volumes increasing to forty during the peak summer months. At times the shipper of boxcars have experienced difficulty in obtaining empty cars, subsequently not meeting their customer requirements efficiently. I feel this merger will not only improve the obtainment of these cars, but will also lessen the lengthy transit time in which it currently takes the cars to arrive at their final Union City destination. Better utilization of existing terminals, routes, higher equipment versatility and increased routing will afford my company better opportunities to attract clients to our ever growing services offered in Northern California.

434

*"For complete transportation services"*



Nor-Cal Transportation, Inc.

The management at NCTI believes that the proposed merger will provide significant benefits to shippers and consignees alike. Our company fully supports the application for merger.

I, Roy J. Scellato, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.  
Executed on October 2, 1995.



## Northwest Pea & Bean Co., Inc.

PHONE

(509) 534-3821

FAX

(509) 534-4350

6109 E. Desmet Avenue  
P.O. Box 11973  
Spokane, WA 99211-1973

September 7, 1995

VERIFIED STATEMENT  
OF  
DONALD J. DRISCOLL  
on behalf of  
NORTHWEST PEA & BEAN CO., INC.

My name is Donald J. Driscoll and I am President and Manager of Northwest Pea & Bean Co., Inc. I have been employed by Northwest Pea & Bean Co., Inc. for the past 12 years. We are involved in the processing and marketing of dry peas and lentils. We operate two processing plants, one in Spokane, Washington and the other in Fairfield, Washington. We purchase our raw products from local producers and sell our finished products to customers throughout the United States.

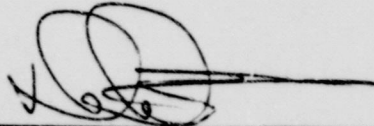
Our plant in Spokane is served by both the Union Pacific Railroad and the Burlington Northern Railroad. Our plant in Fairfield is served by the Union Pacific Railroad. Most of our inbound product is delivered by truck while our outbound shipments are by truck and rail. Over one half of our shipments move by some form of rail transportation. Our rail shipments include boxcar, hoppercar, piggyback and containers on flat cars. Our rail destinations include points in Maine, New Jersey, Florida, Tennessee, Louisiana, Texas, California, Colorado, Nebraska, Arkansas, Arizona, Washington and Canada.

As a long time customer of the Union Pacific Railroad, we strongly support the proposed merger of the UP and SP Railroads. The combination of these two lines would provide new single-line service which would shorten transit times to many of our shipping points in the Southwest United States. We also feel that this new single-line service would provide a more competitive rate structure for ourselves and other customers of the UP and SP.

We specifically feel the proposed merger would improve our shipments to the Los Angeles area, Gulf Ports and Mexican border points. Shorter routings should help these shipments move faster and at less cost.

We feel the proposed merger of the UP and SP railroads will benefit the customers of both railroads and our company wishes to go on record in support of the application.

I, Donald J. Driscoll, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 7, 1995.

A handwritten signature in dark ink, appearing to be 'D. Driscoll', is written over a horizontal line.

Donald J. Driscoll

# **NULYNE, INCORPORATED**

POST OFFICE BOX 39 • KNOXVILLE, ARKANSAS 72845

PHONE: (501) 885-3719

August 29, 1995

## **VERIFIED STATEMENT**

**OF**

**Henry A. Paladino  
on behalf of  
Nulyne, Inc.**

**Subject: Union Pacific and Southern Pacific Railroad  
Merger**

The undersigned is the President/CEO of a Hardwood Manufacturing Company with fifty employees which he formed in 1978. Prior to that he served 25 years in the military finishing his military career with the department of the Army headquarters in Washington, DC.

The company is a pallet, pallet parts, skids, and box manufacturing operating on a 22 acre site with 35000 square feet of manufacturing space.

Nulyne, Inc. ships pallets, crates and pallet parts throughout surrounding states in the Southwest and to Western customers in Arizona, Utah and California. Shipments are made by truck in the local area and by rail to the Western States. All rail destinations are served by Southern Pacific or Union Pacific. A total of 75 to 100 rail cars are normally shipped on an annual basis. Destinations in southern most California are routed through Union Pacific, Little Rock, El Paso, Southern Pacific. Destinations further North route through Ogden.

Nulyne Inc. strongly supports the merger of Union Pacific/ Southern Pacific as a means of providing us better service and making our company more competitive in the Western United States markets.

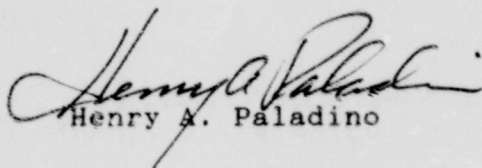
The single line service resulting from the merger will improve service to our customers while providing more efficient routing and stronger competition for the BN/Santa Fe system.

The single line service provided by the merger will accommodate many Southern Pacific points not served by Union Pacific and many Union Pacific points not served by Southern Pacific. It will provide routing benefits from Arkansas to Southern California markets that will be more efficient with improved schedules.

The Union Pacific/Southern Pacific merger will provide expedited traffic by allowing corridors to be developed for more efficiency. This will also allow improved terminal coordination from points in Arkansas to Salt Lake City/Ogden, Los Angeles and Oakland.

The merger will offer alternative routing around natural disasters or other choke points to better compete with other Transport modes. Union Pacific/Southern Pacific will be able to provide more efficient routing and single line service to all major Mexican border crossings.

The difference in peak seasons for the two railroads will allow more effective use of triangulation and backhaul moves which will improve equipment supply for shippers by being able to better reposition both cars and locomotives. A Union Pacific/Southern Pacific system with the advantages offered will certainly put us in a position to look at other markets that we could not consider in the past. Shippers here in Arkansas particularly those with west coast markets have waited on this consolidation for a long time. It will most assuredly benefit us here in Arkansas, it will benefit our customers out west and it will be good for the country.

  
Henry A. Paladino

## VERIFICATION

STATE OF Arkansas  
COUNTY OF Johnson ss.

Henry A. Paladino, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Henry R. Polak

Henry A. Paladino

Subscribed and sworn to before me this 29 day of August,  
1995.

Carol Lynne Shel  
Notary Public

My commission expires:

2-11-2005

Carol L. Hill, Notary Public  
Johnson County, Arkansas  
My Commission Expires 2/11/2005



Verified Statement  
of  
Harry Clark  
on behalf of  
O'Neal Steel, Inc.

My name is Harry Clark and I am employed as Traffic Manager for O'Neal Steel, Inc., 744-41st Street North, Birmingham, Alabama 35222. I have a Bachelor of Science degree in Business Administration from the University of Montevallo and an Associates Degree in Traffic and Transportation from Jefferson State Junior College. I am a certified member of the American Society of Transportation and Logistics. I have had the responsibility for managing or supervising industrial rail transportation for the past twenty-five years.

O'Neal Steel, Inc. is a metals service company with twenty-three locations in fifteen states. We service customers in twenty-seven states. Metal products are purchased from major integrated mills, mini-mills and specialty mills. The products are inventoried, processed and delivered to end users on a just-in-time basis, via our own fleet of trucks and common motor carriers. A significant number of loaded railcars are received at our locations annually. Our outbound rail shipments are not significant.

The Southern Pacific Railroad services our facilities in Houston, Texas and Breau Bridge, Louisiana and the Union Pacific Railroad services our Dallas, Texas plant. It is imperative that we maintain rail service from our suppliers to our many locations in order to remain competitive. Some of our products, due to size and weight, make rail transportation the only logical method of shipment.

We understand that the Southern Pacific Railroad and the Union Pacific Railroad are requesting authority to merge. Since we require the services of both railroads, it is extremely important that this merger create one large financially sound railroad. We also feel that this merger will produce a

Harry L. Clark  
Traffic Manager



formidable competitor for the recently approved BN/ATSF merger. We anticipate service enhancements such as: additional single line service, shorter and more efficient routes, improved terminal handling and the most important benefit being better equipment utilization and availability.

It is our opinion that the proposed merger will provide significant benefits to shippers and receivers. Our company supports the application.

VERIFICATION

State Of Alabama

County Of Jefferson

HARRY CLARK, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Harry Clark  
Harry Clark

Subscribed and sworn to before me this 26 day of September 1995.

Nate O. Wilkinson  
Notary Public

My Commission Expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE.  
MY COMMISSION EXPIRES: Nov. 29, 1997.  
BONDED THRU NOTARY PUBLIC UNDERWRITERS.

PHONE:  
332-0326



# Odessa Metals, Inc.

P. O. Box 1992

ODESSA, TEXAS 79760

3303 West 2nd

FAX NO.  
333-0360

## Verified Statement of

Richard L. Griggs  
on behalf of  
Odessa Metals, Inc.

My name is Richard L. Griggs, C.E.O., of Odessa Metals, Inc., since 1973. Being in the Scrap Metal Recycling Industry, we ship approximately 42,000 TONS of scrap annually. The railroad which currently serves our facility is the Union Pacific. Some of the current locations we send material to are:

NUCOR STEEL - Jewett, TX  
QUANEX BAR GROUP - Ft. Smith, AR  
TYLER PIPE - Swan, TX  
CFI - Pueblo, CO  
LONE STAR STEEL - Lone Star, TX  
HYLSA, S.A. DE, Laredo, TX  
MEXICO  
SHEFFIELD STEEL CORP - Sand Springs, OK

Odessa Metals strongly supports the proposed Union Pacific / Southern Pacific merger. We feel we will experience many benefits as a result of bringing these two railroads together.

As a scrap shipper, we are well aware of the constraints faced by the railroads due to high demand for gondolas. There are more and more scrap consuming mills coming on line and effective car utilization will become increasingly important. The UP/SP merger would result in improved cycle time that goes along with increased single line service. Turning cars around quicker allows Odessa Metals the opportunity to ship additional scrap each month.

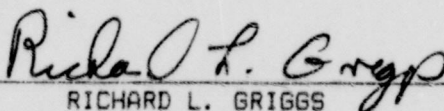
With regard to our Mexico market, the proposed merger helps Odessa tremendously. By opening up the Eagle Pass Gateway, we can utilize the efficiencies of Despacho Previo program currently used by UP at Laredo, TX. This route would also cut down on the rail miles to export material.

In addition, we are excited about the potential investments to UP's former Texas & Pacific line. Upgrading this line, in conjunction with SP's line between El Paso, TX and California would improve the service at both our Midland and Odessa yards. This new single line service to western markets provides additional options where we can do business.

Statement  
September 27, 1995  
Page 2

In conclusion, Odessa Metals strongly supports the proposed merger because we feel the benefits experienced in equipment issues, service, and new markets are good for the scrap metal market and allow Odessa to be a more effective player in that market.

I, Richard L. Griggs, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this the 27th, day of September, 1995.

  
RICHARD L. GRIGGS

September 20, 1995

Verified Statement  
of  
Dennis E. Peterson  
on behalf of  
Oil-Dri Corporation of America

My name is Dennis E. Peterson and I hold the position of Vice President of Transportation with Oil-Dri Corporation of America whose corporate offices are located at 410 North Michigan Avenue, Chicago, Illinois 60611. I have held this position for 16 years. I am responsible for supervising transportation services for Oil-Dri Corporation of America and I am authorized to make this statement on behalf of the Company.

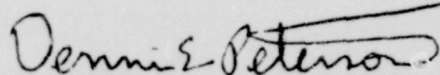
Oil-Dri Corporation of America owns and operates six manufacturing facilities in the United States. It is the leading developer, manufacturer and marketer of sorbent products for consumer, industrial, environmental, agricultural and fluid purification markets.

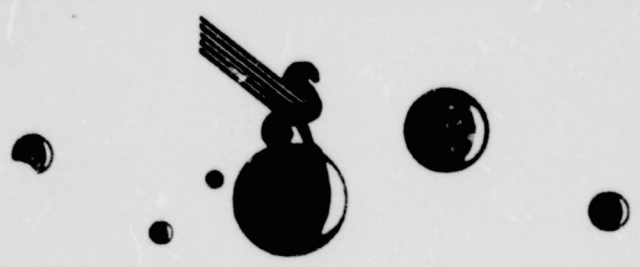
We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. As a shipper we believe that this merger will result in quality rail service and would be in our company's best interests, as well as the interests of other shippers.

The merger would produce many benefits for Oil-Dri Corporation of America in connection with our transportation requirements. We ship to the west coast in box cars out of our Blue Mtn, MS. plant. The benefits would include new single-line service, more efficient routes, terminal coordination and better equipment utilization, assuring us top rail service to get our products to the marketplace.

Also, this merger should create more competitive rail rates. The merger would enhance the ability of the Union Pacific and Southern Pacific to compete against their larger rail competitors, BN/Santa Fe Railroads, and this enhanced competition would benefit Oil-Dri Corporation of America.

I Dennis E. Peterson, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 20, 1995.

  
Dennis E. Peterson



**OLD WORLD INDUSTRIES, INC.**  
4065 COMMERCIAL AVENUE  
NORTHBROOK, ILLINOIS 60062-1851  
708-559-2000 • FAX 708-559-1329

**VERIFIED STATEMENT  
OF  
ROBERT C. BEHENNA  
ON BEHALF OF OLD WORLD INDUSTRIES, INC.**

My name is Robert C. Behenna, Director of Transportation, located at 4065 Commercial Avenue Northbrook, IL 60062.

I have full responsibilities for securing the transportation services used in the production and distribution of the automotive products, and chemicals sold and distributed by our Corporation. I have held my current position for the past seven years and have been employed by Old World for the last nine years.

My transportation experience spans the last twenty-five years, wherein I held the positions of, Manager of Transportation Order Processing for A.E. Staley Manufacturing Company Consumer Products, Regional Traffic Manager for Purex Corporation, and The Dial Corporation.

Old World Industries, Inc. is a marketer of automotive products including antifreeze, windshield deicer, bug removal products and spark plugs. We also market industrial chemicals (i.e., liquid caustic soda, diethylene glycol, ethylene glycol, trichlorethylene, and perchloroethylene). We are also a major supplier of airport runway deicer for both the Military and Municipal Airport's. We have terminal locations in Chicago, IL, Houston, TX, Channelview, TX, Tulsa, OK, Sioux City, IA, Omaha, NE, St. Paul, MN, St. Louis, MO, Vancouver, WA, Toledo, OH, Cincinnati, OH, Monaca, PA, New Kensington, PA, Bayonne, NJ, Wilmington, NC, and Jacksonville, FL. We utilize rail distribution from these facilities to serve our customers. Our locations in the Midwest and Texas have been effected by the merger of the BN/SF and would also be effected if the UP/SP proposed merger would be granted.

Our shipping patterns from Chicago are to the states of Minnesota, Wyoming, Kansas, Colorado, California, Oregon, and Utah. We currently use both the UP and SP as either the origin carrier or the linehaul carrier to our customers.

Our shipping patterns from Texas include the states of New Mexico, Colorado, Utah, California, Illinois, Missouri, and Minnesota, where in the SP and/or UP are the linehaul, and delivering carrier.

Verified Statement

Page 2

We support the merger of the UP/SP as a means of improving service and strengthening competition. In addition, this merger would improve transit times, providing increased utilization of our tank car fleets and availability of specialized boxcar equipment. Thus, provide support of military antifreeze shipments and key warehouse locations within our automotive distribution network.

The potential new rail routes from Chicago to California and Washington will provide us with the opportunity to have a competitive rail carrier where in the current routes of the UP and SP put them at a disadvantage in meeting the service requirements of our West Coast customers.

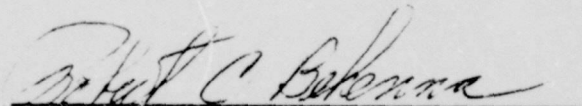
In addition, improved terminal coordination and through routes will allow for improved economics leading to more stable pricing, increasing our opportunities for new business.

The improved routes will also allow for a faster turn around time of our tank car fleet giving us better utilization and the potential to increase our rail customer base without having to lease additional cars.

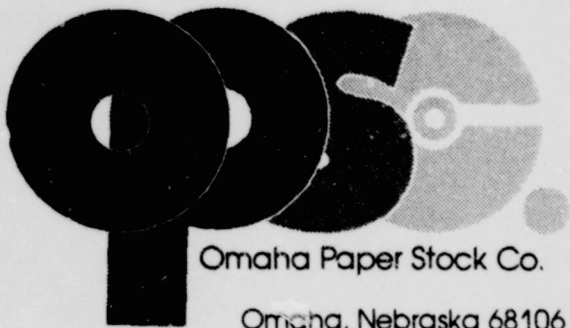
In view of the agreements of the BN/SF and the UP and the SP to provide trackage rights for each of them to maintain a two railroad competitive option, both merges will lead to improved rail service, stronger competition, long term quality service to meet both domestic and foreign trade competition.

We believe that the proposed merger will provide significant benefits to shippers in general and Old World Industries, Inc. specifically. Our company supports the application.

I, Robert C. Behenna, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 9, 1995.

A handwritten signature in cursive script, reading "Robert C. Behenna", written over a horizontal line.

Signature



Omaha Paper Stock Co. • Mid-America Plaza, Suite 415 • 7101 Mercy Road  
Omaha, Nebraska 68106 • Telephone (402) 392-2007 • FAX (402) 392-2538

September 30, 1995

VERIFIED STATEMENT  
of  
Wilma Pedersen  
on behalf of  
OMAHA PAPER STOCK CO. INC.

My name is Wilma Pedersen, and I am employed by Omaha Paper Stock Company as traffic and office manager. I have held this position for 23 years. My responsibilities include ordering equipment, billing, obtaining rates, negotiating contracts when needed.

Omaha Paper Stock is a scrap paper dealer and broker. Our corporate office and recycling plant are located in Omaha. Our plant is located on the Union Pacific. We also have brokerage offices in Arizona, Colorado, and Ohio. Shipments from our plant are mainly to the west and northwestern United States, some of which are served by the Southern Pacific. We are currently shipping approximately 24 cars a week from our plant in Omaha.

We strongly support the Union Pacific-Southern Pacific merger. We believe the benefits of this merger to our company will be improved transportation time and routes, availability of equipment, and better access to Mexico. We will especially benefit from having single line rail access to SP destinations in California.

I, Wilma Pedersen, declared under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement. Executed on September 30, 1995.

Wilma Pedersen  
Traffic Manager  
Omaha Paper Stock Co. Inc.



# OMNISPHERE CORPORATION

October 3, 1995

**Verified Statement of  
Alexander F. Valdes  
on behalf of  
Omnisphere Corporation**

My name is Alexander F. Valdes and I am the owner and president of Omnisphere Corporation located at 1250 SW 27th Avenue, Miami, Florida 33135. I am responsible for all purchases, sales and transportation decisions in our company.

Our company is in the paper recycling business and deals mainly in wastepaper in both roll and bale form. Our headquarters office is in Miami, Florida with sales offices in West Springfield, Massachusetts and Montreal, Quebec. We have four warehouse facilities where we originate much of our business, located in Dallas, TX (UP siding), Chicago, IL (Conrail siding), Springfield, MA (Conrail siding) and Beauharnois, Quebec (Conrail siding). We currently handle approximately 20,000 short tons per month in volume and have annual sales of approximately \$30 million. Our traffic patterns are basically Northeast and Midwest USA - south into Mexico and Northeast and Midwest USA - north into Canada. Most of our volume moves by rail but we do move some business by trucks specially into Canada.

It is our understanding that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this merger and believe that our company will benefit from this more streamlined and efficient system. It is our belief that a UP/SP merger will bring new services and new ideas and will facilitate our current traffic workload by providing a new single-line service.

Page (2)  
Verified Statement  
October 3, 1995

We also believe that this merger will facilitate access to the West Coast from our Dallas, Texas origins which in the past were not feasible due to our origin being served by the UP and our destination being an SP point.

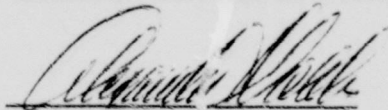
We believe that the proposed merger will provide significant benefits to us as a shipper and we therefore support the application.

Sincerely,



Alexander F. Valdes  
President

I, Alexander F. Valdes, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 3, 1995.





VERIFIED STATEMENT OF P. T. HO  
ON BEHALF OF  
OOCL (USA) INC.

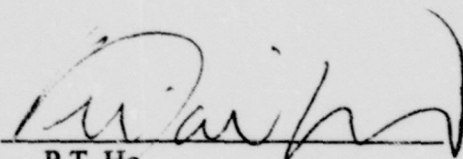
I am Director of Transportation of OOCL (USA) INC., located at 4141 Hacienda Drive, Pleasanton, CA 94588. I have held this position for more than six years. In this position, I am responsible for Intermodal moves of OOCL in North America including Canada and The United States of America. My responsibilities include transportation network planning, selection of transportation carrier and routings, purchasing and monitoring of services.

OOCL (USA) INC. is a wholly owned affiliate of Orient Overseas International, Limited, based in Hong Kong. OOCL moves containerized freights globally including TransPacific and TransAtlantic with ships calling at both coastal ports and serving inland points all over North America. OOCL's annual revenue is currently in the range of 1.2 billion dollars. OOCL moves approximately 270,000 containers annually on railroads in North America.

I do support the pending merger of the Union Pacific and Southern Pacific Railroads. It will induce a stronger competition throughout the Western United States, hence; the competitive environment will be enhanced and be healthier. More importantly, the merger should dramatically improve the level of services that the carriers cannot currently offer. Particularly, I feel that the approval of the merger will benefit the shippers in the following categories:

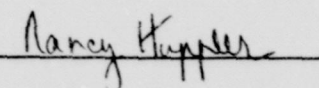
- \* The new UP/SP combined trackage will greatly reduce transit times by utilizing the most direct route available for export shipments from Chicago and the Mid-West to Oakland.
- \* The merged system will be able to reallocate its resources for the most optimal use of tracks and terminal facilities which will result in increased capacity and the elimination of congestion and delays.
- \* The merger will create such a situation that no single railroad can be dominant in any corridor.

Therefore I, P. T. Ho, declare under penalty and perjury that the foregoing is true and correct, and I request the authority to approve the application. Further I certify that I am qualified & authorized to file this verified statement executed on October 6, 1995.

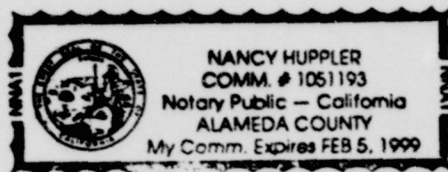
By:   
P.T. Ho  
Director of Transportation

State of California  
County of Alameda

Subscribed and sworn before me this 6<sup>th</sup> day of October,  
1995, by P.T. Ho.

Notary Signature: 

(Notary Seal)





## **OREGON FOREST PRODUCTS, INC.**

P.O. BOX 340 GLADSTONE, OR 97027 PHONE (503) 650-0660 FAX (503) 650-0274

### **VERIFIED STATEMENT**

**OF**

**JERRY WESTBERG**

**VICE PRESIDENT, OREGON FOREST PRODUCTS**

**FINANCE DOCKET NO. 32760**

**UNION PACIFIC - CONTROL AND MERGER - SOUTHERN PACIFIC RAIL CORP.**

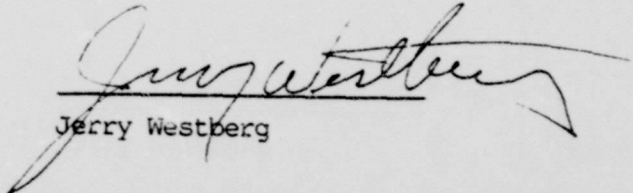
I, Jerry Westberg, am Vice President of Oregon Forest Products, 25 82nd Drive, Gladstone, Oregon, 97027. I have 35 years of experience in the lumber business, and previously worked as Sales Manager for Plum Creek Lumber. My current responsibilities encompass sales, marketing and transportation for Oregon Forest Products' domestic U.S. business. I make this statement in support of the proposed merger of the Union Pacific and Southern Pacific railroads.

Oregon Forest Products is a lumber wholesaler and mill sales representative for numerous lumber concerns in Oregon and Washington, with markets all over the United States. Union Pacific and Burlington Northern compete for our rail shipments. We ship roughly 40 cars per month via Union Pacific (to California and elsewhere) and Burlington Northern (to Chicago and elsewhere). We also ship via truck, about 1,000 truckloads per year to California on the I-5 corridor, to Canada and to other parts of the United States.

The UP/SP merger will simplify and improve service on Oregon Forest Products routes to California. The merger will result in a new single-line, more efficient route system to many points in California and elsewhere, and it will enable us to increase our access to new markets. We expect the SP's quality of service to improve dramatically with an increase in its power to move cars. We also expect to increase exports to Mexico, as the shipping conditions to Mexico improve under NAFTA and as a result of this merger.

We expect rail to increase its competitiveness with other modes of transportation, especially trucks, along the I-5 route and other routes in California. As a result, we probably will convert some of our truckload service to rail. Overall, we expect that the merged UP/SP system will maintain strong competition with the BN/SF railroad, and this will continue to benefit shippers like us.

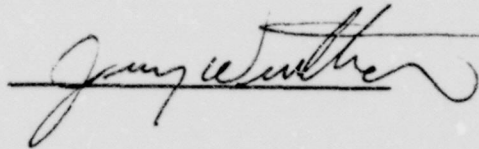
For these reasons, Oregon Forest Products supports the proposed merger of Union Pacific and Southern Pacific.

  
Jerry Westberg

VERIFICATION

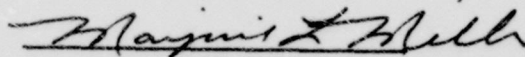
STATE OF OREGON           )  
                                  ) ss.  
COUNTY OF CLACKAMAS )

Jerry Westberg, being first duly sworn, deposes  
and says that he has read the foregoing document, knows the  
facts asserted therein, and that the same are true as stated.



Subscribed and sworn to before me this 22 day of Sept.,  
1995.





Notary Public

My Commission expires: June 27, 1998.

# THE ORION GROUP

ORION TRANSPORTATION SERVICES, INC.

4141 Pinnacle • Suite 217 • El Paso, TX 79902

Phone (915) 544-4565 • Fax (915) 544-1311

SEPTEMBER 17, 1995

VERIFIED STATEMENT  
OF  
EDGAR EUGENE REDDICK  
on behalf of  
ORION TRANSPORTATION SERVICES, INC.

MY NAME IS EDGAR EUGENE REDDICK, PRESIDENT OF ORION TRANSPORTATION SERVICES, INC. OUR ADDRESS IS 4141 PINNACLE ST, EL PASO, TX 79902.

I HAVE BEEN INVOLVED IN TRANSPORTATION FOR OVER 25 YEARS IN VARIOUS EXECUTIVE POSITIONS, THE MOST RECENT OF WHICH IS OWNER OF ORION TRANSPORTATION SERVICES.

ORION TRANSPORTATION SERVICES IS ENGAGED IN THE BUSINESS OF ARRANGING FREIGHT TRANSPORTATION VIA TRUCK, RAIL, AND AIR FOR A MULTITUDE OF CUSTOMERS NATIONWIDE. PRIMARILY OUR BUSINESS INVOLVES THE TRANSPORTATION OF PRODUCT BETWEEN THE UNITED STATES AND MEXICO.

OUR CLIENTS DEPEND ON US TO ARRANGE FOR COST EFFECTIVE TRANSPORTATION SERVICES. CLIENTS WE REPRESENT INCLUDE AMERICAN OLEAN TILE; COOPER INDUSTRIES; HUDSON VALLEY TREE; NOMA INTERNATIONAL; McMILLAN BLOEDEL; VITROMEX; PLYWOOD PONDEROSA; PAPELERA de CHIHUAHUA; AND MANY MANY OTHERS.

ORION TRANSPORTATION SERVICES, INC. AND THE CLIENTS WE REPRESENT WOULD BE BETTER SERVED BY THE MERGER OF SOUTHERN PACIFIC RAILROAD AND THE UNION PACIFIC RAILROAD DUE TO INCREASED EQUIPMENT SUPPLY IN EL PASO, UPDATED COMPUTER AND INFRASTRUCTURE, AND MOST OF ALL MORE SINGLE LINE TRACKAGE.

FROM EL PASO, MANY OF THE SOUTHERN PACIFIC LANES ARE CIRCUITOUS RESULTING IN LENGTHY TRANSIT TIMES. FURTHER MANY OF THE SPUR TRACKS ON THE SOUTHERN PACIFIC ARE NON RECIPROCAL. THIS RESULTS IN HIGHER COST TO THE CUSTOMER, AND A GREATER NUMBER OF SWITCHES PER SHIPMENT.

IN CONCLUSION, WE AND OUR CLIENT WHOLLY SUPPORT THE PENDING MERGER. WE ARE CONVINCED OUR CLIENTS, AND THE PUBLIC, WILL BE BETTER SERVED AS A RESULT OF ITS APPROVAL.

PAGE 2 OF 2

I, EDGAR EUGENE REDDICK, DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON SEPTEMBER 17, 1995.

Edgar Eugene Reddick  
EDGAR EUGENE REDDICK

Brenda Madrid  
WITNESS

*Pacific  
Breeze  
Lumber*  
COMPANY INC.

374 W. 12TH, SUITE #1 • P.O. BOX 11530 • EUGENE, OREGON 97440 • (503) 687-0377  
800-433-1503 • FAX (503) 344-7316

**VERIFIED STATEMENT OF DICK GANN on behalf of PACIFIC BREEZE LUMBER CO.**

My name is Dick Gann. I am President of Pacific Breeze Lumber Co. with headquarters in Eugene, Oregon. I have been in the wholesale lumber business for thirty-five years. Throughout the course of my career I have been involved in arranging for and monitoring the transportation of our product.

Pacific Breeze Lumber Co. is a wholesale lumber company which purchases, sells and trades Western produced lumber products including dimension lumber, boards, studs, timber, industrial products, lamstock, laminated beams and pallet stock. We purchase the products from mills throughout the Pacific Northwest and sell to customers throughout the continental United States. We arrange for the transportation of about 100-600 carloads per year, depending on the market conditions.

We support the proposed merger of UP and SP. We believe there are many benefits for shippers who ship from multiple origins to multiple destinations. The quality and reliability of basic line haul rail service is critical to us. The efficiencies that will arise from efficient rerouting of traffic and the elimination of congestion at terminals will result in reduced transit time and better car utilization. Additionally, the increased reliability of scheduled line haul service will allow us to continue to use rail service for our transportation needs.

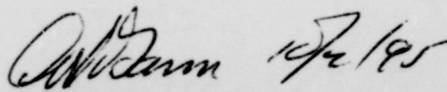
We are further pleased by the enlarged territory within which we can ship by single line service. We believe that we can enhance our market reach due to the readily available markets which will be reached by single line UP-SP service.

We have been concerned about the continued viability of SP in light of the anticipated dominance of the newly merged BNSF. Combining the financial strength and service reliability of UP with the route structure and market reach of SP will produce a strong rail competitor that can go head to head with BNSF. Likewise, the proposed settlement between UP-SP and BNSF will enhance the competitive environment in our region. The availability of two strong and efficient rail carriers throughout the region can only benefit the shipping public.

We believe that the proposed merger assures us of the continuing availability of long term, quality, competitive rail transportation in the West. We urge the ICC to approve this merger as soon as possible.

I, Dick Gann, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this Verified Statement.

Executed on October 2, 1995.

  
Dick Gann

# PACIFIC CARGO, INC. dba CAL CARGO

1950 Army Street  
San Francisco, CA 94124  
415-642-9990  
FAX 415-642-9996

Transportation & Warehousing

September 25, 1995

TO: The Interstate Commerce Commission

RE: Finance Docket No. 32760. Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company

My name is Ross Smiley, Vice President of Pacific Cargo, Inc. I have the responsibility of receiving newsprint and paper products from the Pacific Northwest and Central Canada. I have held this position for 12 years, and have had direct contact with Southern Pacific in connection with their handling of paper products. I have also had contact in the past with Union Pacific in connection with the receipt of paper products.

Pacific Cargo is a warehousing and transportation company which supplies newsprint and other printing paper to most all of the Northern California newspapers and independent printers. These include the San Francisco Chronicle, San Francisco Examiner, the Santa Rosa Press Democrat, the San Mateo Times, First Western Graphics and the Alameda Newspaper Group. None of the above-mentioned facilities are served directly by Union Pacific or Southern Pacific rail lines; they depend upon Pacific Cargo for paper deliveries.

The general routing from Canada is Burlington Northern to Southern Pacific; Washington is from Union Pacific to Southern Pacific; and Central Canada is Burlington Northern to Union Pacific to Southern Pacific. Pacific Cargo receives monthly from these various points approximately 10,000 tons of paper products.

We believe that the proposed merger would be in our company's best interests, as well as the best interests of other shippers. We endorse the Union Pacific-Southern Pacific application as a means of ensuring that we receive top-quality rail service with a single-line access to numerous points.

With approval of the application, Union Pacific and Southern Pacific will be able to combine the strengths of their rail systems into a new single line service from Seattle to all points in California. All terminals should be able to coordinate and pre-block, thereby resulting in increasingly efficient transit times, along with the utilization of equipment to customize the service rendered to all their customers. All this should equate to lower rates, or at least maintenance of the strong competitive nature of our business. Moreover, in view of the Burlington Northern-Santa Fe merger, we will be assured of long-term and top-quality rail service with a competitive rail system.

Affirmation:

I, Ross Smiley, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the verified statement.

Executed on September 25, 1995 by

Ross Smiley  
Ross C. Smiley

**THE PACIFIC LUMBER COMPANY**

P.O. Box 37 - Scotia, Ca 95565 - (707) 764-2222



INTERSTATE COMMERCE COMMISSION  
ATTN: FINANCE DOCKET 32760  
1201 CONSTITUTION AVE. N.W.  
WASHINGTON, DC 20423

VERIFIED STATEMENT  
OF  
RODNEY D. SANDERSON  
in behalf of  
PACIFIC LUMBER COMPANY

SUPPORTING THE UP/SP MERGER

## THE PACIFIC LUMBER COMPANY

P.O. Box 37 - Scotia, Ca 95565 - (707) 764-2222

27 September 1995

### VERIFIED STATEMENT

OF

RODNEY D. SANDERSON  
on behalf of  
PACIFIC LUMBER COMPANY



My name is Rodney D. Sanderson. I am traffic manager for the Pacific Lumber Company, Post Office Box 37, Scotia, California 95565. phone number 707-764-4333. I am responsible for coordinating all traffic delivery modes for our Redwood, Western Red Cedar and Douglas Fir lumber products.

We ship to all parts of the United States, to Europe, the Caribbean and the Far East. I have been in my position as traffic manager for the last six years. I deal directly, or through third party agents, with the rail carriers for car loading and intermodal services. I also negotiate contracts and rates for cars and intermodal transport. I have personal contact with railroads such as the NCR, SP, CFNR, UP, ATSF, NS, etc.

The Pacific Lumber Company is one of the largest Redwood lumber manufacturers in the world. We also produce high quality Western Red Cedar and Douglas Fir lumber. We own and operate four milling sites in Humboldt county, California. We are served, at origin, exclusively by the NCR which junctions with the CFNR at Willits, California. The CFNR connects with the SP at various junctions in Northern California. We primarily route our rail car traffic on the SP. Our intermodal traffic is usually routed on the ATSF. We ship 400 to 500 thousand board feet of lumber per month on rail cars and 300 to 400 thousand board feet of lumber in intermodal vans. We look for reliable, on time, shipments from our core carriers at a price that is competitive. Because we are served by only one railroad at our mill sites, we are very sensitive to the rates that through carriers are able to quote. Our rail transportation choices are severely limited right from the start.

Our Company ships lumber products from Humboldt county in Northern California to destinations in the California central valley, the Los Angeles Basin, the Colorado Rocky Mountain States, the Arizona, Texas and Oklahoma area, the Midwest such as Montana, Ohio, Minnesota, the New England states

verified statement of  
Rodney D. Sanderson  
Pacific Lumber Company  
27 September 1995

and the South Eastern states such as Florida and Georgia. We also ship ocean containers from our California sites to Jacksonville, Florida for export to the Caribbean and to Coos Bay, Oregon for the Far East.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition.

New single line service will benefit Pacific Lumber Company because we will now reach UP South Central points, such as our customers in Oklahoma, Texas and Louisiana, from SP California points. We will also benefit from single line service between UP intermountain points, such as our customers in Idaho, Wyoming and Montana, and SP California points.

We will realize service benefits from combined systems that allow shorter, more efficient routes. The 180 mile shorter route from Oakland to Chicago will move our product quicker to this large market. We have customers in and around Memphis, Tennessee which will benefit from the 232 mile shorter route from Los Angeles/Oakland. Shipping our lumber to Dallas, Texas will be 275 miles shorter from Los Angeles/Oakland, saving time and energy.

Improved intermodal service resulting from this merger will also benefit our company. More competition created by more frequent and more reliable service between Chicago and California may help hold down rates and give us more options to our markets in the upper midwest. Improved intermodal service to Texas from the Pacific Northwest may help open up new markets that have been closed because of lack of competition with the ATSF. Time is of the essence in intermodal shipping so that third morning delivery between Oakland and Chicago will help us move more of our product.

Terminal coordination/preblocking will benefit our company, especially in and around Oakland and Los Angeles. Much delay and time loss are presently experienced in these two areas. Customer complaints should be reduced and more business in forest products should be induced because of faster shipment times.

Route Specialization will benefit our company simply because the time

verified statement of  
Rodney D. Sanderson  
Pacific Lumber Company  
27 September 1995

utility causes many present shipments to be put on over-the-road trucks. Any shorter shipment times realized because of route specialization or capacity optimization will help to increase our ability to service our markets outside of California.

Our company is looking forward to better equipment utilization by taking advantage of the economies to scale. Since we have only one railroad servicing us at origin, we suffer many times from car shortages, both in number and also type. We see more car availability overall as well as more cars of the type we specify.

Specific to our geographical area, there is a much higher rate to points in Nevada that are on the UP as opposed to the SP. This has created a real barrier to new business in Reno and other areas where reciprocal switching is not in effect. We hope to open new markets in Nevada as result of this merger.

Much of our intermodal and manifested traffic moves through the California-Chicago corridor. Increased competition with the BN/Santa Fe may help keep rates down and give us a viable alternative to the larger BN/Santa Fe group.

Stronger competition in general must be a good thing for rail freight service customers. Combining the strong financial condition of the UP with the excellent routes of the SP should cause the much larger BN/Santa Fe to be more open to customers' needs.

Trucks provide strong competition for railroads in the transportation of forest products into the Southwest, Midwest, Northeast and Southeast. Presently, about 70 percent of our products moves on trucks. Shorter routes and quicker delivery times will attract traffic from other modes to rail in every area mentioned above.

My company looks forward to long-term, top quality service from a financially strong UP/SP system, capable of making the necessary capital investment to maintain rail competition. SP's Chairman, Phil Anschutz, has said that SP simply can't make it alone in the wake of the BN/Santa Fe merger. We have experienced delays in transit of our products in intermodal vans and so have stopped using the SP in this area.

verified statement of  
Rodney D. Sanderson  
Pacific Lumber Company  
27 September 1995

We believe that the proposed merger will provide significant benefits to shippers. Our company supports the application.

#### VERIFICATION

I, Rodney D. Sanderson, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 27 September 1995.

A handwritten signature in cursive script, reading "Rodney D. Sanderson", written over a horizontal line.

VERIFIED STATEMENT

OF

JOHN M. KANAI

on behalf of  
PACIFIC TRANSLOAD SYSTEMS

1. John M. Kanai, Sales Manager, 737 Bay St., Oakland, CA 94607, responsible for marketing and sales to grow business, revenues and profits for Pacific Transload Systems (PTS). I have held this position for one year but was involved in marketing and sales of a Vessel Owner Common Carrier (VOCC) prior to this latest assignment. While marketing for the VOCC, I was involved in moving many mechanical refrigerated railcars from Florida to California as shipper of record for my customers. Approximately 600 carloads were handled by PTS in 1994, estimating 660 in 1995 and forecasting 850 for 1996.

Prior to PTS, I was market development manager for Southern Pacific Transportation Company, responsible for a customer revenue base of approximately \$27 million. I was involved in marketing perishable freight in reefer boxcars during my entire employment at Southern Pacific.

2. Pacific Transload Systems is considered a Container Freight Station, meaning we do cross-dock or transloads of commodities, from railcars to ocean containers or trucks, or vice-versa, or trucks to containers, etc. The following describes some of the services and facilities offered by PTS:
  - \* 42,000 square feet of transload/warehouse space
  - \* USDA-FSIS-FDA Inspection services, import and export as required
  - \* 90,000+ cubic feet of freezer space to -20 degrees F
  - \* 2500 square foot chilled room at 32 degrees F for transloading and short term holding of temperature sensitive non-frozen items
  - \* 42 truck bays, including 10 with reefer plugs
  - \* 16 railcar spots, served by the Southern Pacific and reciprocal switching with Union Pacific and Santa Fe
  - \* Own trucking subsidiary California Intermodal Express (C.I.E.) for transportation needs
  - \* Specialized services, i.e., repackaging, reworking damaged containers or other special commodities will be provided upon request and need.
  - \* FAK dry consolidations

**737 Bay Street  
Oakland, California 94607  
(510) 893-5420  
Fax: (510) 893-8351**

- \* 120,000 sq. ft. storage warehouse within the Naval Supply Center, building #742 for handling and storage of lumber and other FAK dry products
- \* USDA inspection coordination for lumber
- \* Located on the "Green Belt" in Oakland so over-weighs are not a problem
- \* Own fleet of tri-axle chassis to handle your over-weighs
- \* Within one-half mile of terminal facilities

Approximately 35% of PTS's revenues is derived from receiving railcars for transload and other services. Most of the cars received are loaded with frozen meat and poultry and originate in Iowa, Minnesota, Illinois, Nebraska, Mississippi, Texas, Georgia, Alabama, and many other east coast states. We also load and ship import meat in railcars and trailers/containers for intermodal services.

3. We at PTS understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service for all shippers who use our service.

We believe that the proposed merger would be in our company's best interests as well as the interests of other receivers and shippers. We heartily endorse the UP/SP application.

4. Supporting reasons--
  - a. Service

- i. New Single-Line Service

Hundreds of UP points not served by SP will be linked on a single-line basis with hundreds of SP points not served by UP. Access to freight never before available because of joint-line routings will be a benefit from new single-line service.

For example, shippers will enjoy single-line service between UP South Central points and SP California points; from SP's Oregon lumber origins to UP destinations in the Upper Midwest; between Seattle/Tacoma and California; from UP's Iowa and Nebraska food and grain origins to SP feeder markets in the San Joaquin and Imperial Valleys as well as new port operations for international shipments; between UP intermountain points (e.g., Idaho, Wyoming) and SP California points; and between UP upper Midwest points and SP points in the Southwest and California, among others.

- ii. Service Benefits from Combined Systems

(1) Shorter, More Efficient routes will result from the merged system's ability to use both UP and SP lines.