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, ST. LOUIS
SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE
DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY

RAILROAD MERGER APPLICATION

VOLUME 4, PART 3
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 BERNLTH
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
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VERIFIED STATEMENT OF:

John M. Hunter  
Supervisor, Rail Operations  
Unocal Corporation  
76 Products Company  
P. O. Box 2390  
Brea, CA 92621

RE: UNION PACIFIC RAILROAD/SOUTHERN PACIFIC TRANSPORTATION MERGER FINANCE DOCKET NO. 32760

Gentlemen:

The following is an endorsement of the Union Pacific Railroad, and the Southern Pacific Transportation Company merger.

As the Supervisor of Rail Operations, I manage a rail fleet of approximately 500 tank cars. I have been in the Transportation Department of 76 Products Company for 13 years.

76 Products Company is a producer and marketer of petroleum products. We have major rail facilities located at Oleum, California, and Gardena, California. Both of these facilities are "captive" on the SP. 76 Products Company has an annual rail freight budget over $5MM.

Our major traffic patterns are from the San Francisco, California area to the Los Angeles, California area. We also have a significant movement from Houston, Texas to Los Angeles, California, and from San Francisco to points in the Eastern United States, with majority going to Savannah, Georgia.
As a shipper very dependent on the Southern Pacific Railroad, we have experienced a decline in service. We see this merger as a possible remedy to the SP's problems. The Union Pacific Rail is a scheduled railroad, that assures consistent transit times. When faced with poor rail service, shippers are forced to increase the size of their rail fleets. This leads to unnecessary financial hardships on the shipping public.

The single line service provided by this merger should also provide the shipping public with more attractive freight rates.

It is our hope that this merger will provide us with better transit times, better equipment utilization, and lower freight rates. With this in mind 76 Products Company supports this merger application.

VERIFICATION:

I, John M. Hunter, 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 16, 1995.

John M. Hunter
Supervisor, Rail Operations

WITNESS:

Cathy Malloy-Nash
Coordinator, Basestock Supply
To whom it may concern,

I am Maynard Anderson, President of A & F Exports, Inc. Located in Fayetteville, AR. I started A & F Exports in March of 1994. Prior to starting A & F, I worked 9 years for Tyson Foods, where the last position I held was Manager of Export Commodity Sales for the Far East. Our company will export approximately 25,000 metric tons of Frozen Food Products from the United States during 1995.

A & F Exports, Inc. is an International trading Company that helps small to medium sized U. S. Poultry, Beef, Pork, and Seafood companies market their products internationally. Our primary export markets are Hong Kong, China, and Russia. We purchase products FOB plant from our suppliers, and sell both CIF foreign port and CFA U. S. Port. We arrange for transport of the products to the U. S. Port via truck or rail car, and if it is a CIF foreign port quote, we arrange for transport the product via steamship to that foreign port.

Most of our shipments originate in the Midwestern, and the Southeastern United States and ship to Gulf Ports, Southern California, and the Pacific Northwest. We use Refrigerated railcars whenever the cold storage has rail access, the freight rates are competitive with truck rates, and the railcars are available.

Many of the locations that we ship product via railcars, are similar to Dallas, insomuch as that they have both Union Pacific and Southern Pacific rail lines. To ship a car, we are dependant upon both rail companies to effectively switch between their rail lines to get to the railcar to the proper cold storage. Whenever the coordination is ineffective we experience shipping delays. This costs us creditability with our customers and in some instances has made us so late that we have been discrepant on Letters of Credit.

We specifically feel that this merger will eliminate these coordination problems and help us improve our service to our customers. We also feel that by combining their resources, we will be able to get equipment repositioned more effectively.

At this point in time we understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service.

Thank You,

Maynard Anderson
President
A & F Exports, Inc.
I, Maynard Anderson, 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 **Oct 11, 1995**

Signature

[Signature]

[Name: Maynard Anderson, President]
Verified Statement of Acme Brick Company in Support of the Union Pacific/Southern Pacific Merger. Finance Docket No. 32760

My name is Carl Sanders and I am the Traffic Manager for Acme Brick Company. My address is 2821 West 7th Street, Fort Worth, TX 76107. I have been Traffic Manager for Acme Brick Company the past 6 years and Assistant Traffic Manager for 4 years prior to that time.

Acme Brick Company is a manufacturer and supplier of brick products. I am thoroughly familiar with my company’s transportation needs and requirements, and I am authorized to issue this statement of support.

We are served by the Missouri Pacific Railroad at our production facilities in Malvern, AR, Bennett and Denton, TX, the Union Pacific Railroad at Kanapolsi, KS, and the Southern Pacific serves our plant at McQueeney, TX. Distribution facilities served by the Missouri Pacific include Denton and Midland, TX, and Monroe, LA. The SSW serves Our Maryland Heights, MO sales location. Our products are also shipped nationwide through distributors.

We support the merger of the Union Pacific and Southern Pacific because we believe this would improve service, increase single-line access to numerous points, increase equipment availability and produce more efficient routes. These benefits would be important to our company and to our customers.

We support the approval of this merger.

Sincerely yours,

Carl Sanders
Traffic Manager
VERIFICATION

Statement of Carl Sanders, Traffic Manager for Acme Brick Company in support of the Union Pacific/Southern Pacific Merger: Finance Docket No. 32760

State Of \ State Name
County Of \ County Name

\ (Name) \ (Signature)

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.

\ (Signature)

Carl Sanders

Subscribed and sworn to before me this \ (Date) day of \ (Month), 1995.

\ (Signature)

Robin E. Caudill

Notary Public

My Commission Expires \ (Expiration Date)
September 29, 1995

VERIFIED STATEMENT

of
Salama Elsayed on behalf of

AEP INDUSTRIES, INC.


My name is Salama Elsayed and I am presently the Plant Manager of AEP Industries, Inc. which is a manufacturer of polyethylene products located at 14000 Monte Vista Avenue, Chino, CA (91710). My responsibilities are for the entire operation of this facility with involvement in every aspect of manufacturing relating to all departments of the company. AEP Industries, Inc. has six locations throughout the United States. We distribute throughout the Los Angeles Basin to wholesale distributors. This would cover all transportation logistics whether it be rail or truck into all facilities and coordinating with both customers and rail carriers. We depend on rail service from a financially sound carrier. This merger should improve service and strengthen competition.

AEP Industries, Inc. is presently expanding rail capacity at our Chino, California facility to accommodate additional car spots. This will allow us to have 22 railcars instead of our present 10 car spot. Further, we have two additional lease tracks in the City of Chino, California on the Southern Pacific. AEP Industries, Inc. has made a lot of improvements to our facility and we need to have rail service and consistency if we are to remain in business.
AEP Industries, Inc. feels that if there is a merger with Union Pacific and Southern Pacific, this would allow us to remain competitive and would strengthen the Southern Pacific as our carrier. In order to maintain our competitive positions in all our areas of business, we must be assured that the Southern Pacific be allowed to merge with the Union Pacific if we are to continue to ship and connect with all possible corridors across the United States and continue with competitive rates. We feel two strong carriers will provide more viable competitive choices than one mega carrier, one medium sized carrier and one weak carrier.

I, Salama Elsayed, 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 30, 1995.

Salama Elsayed, Plant Manager

AEP Industries, Inc.
14000 Monte Vista Avenue
Chino, CA 91710

SE: jr
My name is Dave DeBiasio and I am the General Manager Supply and Distribution for Agrium Inc. located at Suite 426, 10333 Southport Rd. S.W., Calgary, Alberta, Canada T2W 3X6. I have held this position for four years. I am responsible for arranging and negotiating transportation for Nitrogen fertilizer production plants at Carseland and Chigwell, Alberta, Trail, British Columbia, Borger, Texas, Homestead, Nebraska and our potash mine at Vade, Saskatchewan. These facilities are served via the Canadian Pacific Railroad, the Canadian National Railroad, the BN and the PNR shortline. Agrium is a major producer of fertilizer products in North America and utilizes the railroad systems of the CP, CN, UP, SP and BN/Sante Fe railroads as well as numerous other railroads. The cost of distribution is a significant component of our total cost and rail is the predominate mode of transportation for bulk fertilizers.

We have assessed the potential impact of the proposed merger and believe that the merger will benefit our company. We believe that delivery to markets in the Pacific Northwest, California as well as the Midwest will be improved as a result of this merger. We are also of the view that the combined UP/SP Railroad will be an effective competitive alternative to the BN/ATSF network.

The improvements will be achieved as a result of single line service as compared to multiple lines and shorter, more efficient routing. This will lead to lower costs and better equipment utilization which should lead to more competitive rates for shippers. The competitive situation will be enhanced by virtue of the recent agreement that UP/SP have entered into with BN/Sante Fe in regards to sale and joint usage of tracks in the Western States.

We believe that the proposed UP/SP merger will provide significant benefits for us, our customers and the public interest. We request that the Interstate Commerce Commission approve the merger of UP and SP Railroads.
Verified Statement of:

Scott Trapp
Traffic Manager- Far East
AJC International
5188 Roswell Rd.
Atlanta, Ga. 30342

Responsible for routing the companies traffic from the United States to the far east via truck, rail or intermodal service. I have held this position for 2 years, prior to that I was the Operations Manager & Director of Sales for CrossRoad Carriers in Atlanta, GA.

AJC International is a world wide food distributor with offices in Atlanta, Hong Kong and Maastricht, Holland. AJC currently does business in over 100 different countries. The primary products shipped are frozen poultry, pork, beef and vegetables. AJC will move more than 10,000 container world wide for the physical year 1995. This will make AJC one of the nations largest shippers of refrigerated commodities.

AJC relies on the railroads to ship frozen products from many different locations in the United States. Total number of railcars shipped per year are approximately 1000. Some of the primary traffic patterns are as follows:

- Sioux City, IA to Seattle/Tacoma
- Springdale, AR to Seattle/Tacoma
- Dallas, TX to Oakland or Long Beach
- Jackson, MS to Oakland or Long Beach
- Gainesville, GA to Oakland
- Fort Smith, AR to Seattle/Tacoma
- Houston, TX to Oakland or Long Beach
- Des Moines, IA to Seattle/Tacoma
- Sioux City, IA to New Orleans and Houston

We believe the merger between the Union Pacific Railroad and the Southern Pacific Railroad would be in the best interest of AJC International and would mutually benefit other involved parties. The merger would benefit our company by providing the following:

1. Better car supply
2. The merger would allow for more single line moves and more direct routes, thus decreasing transit times and costs as well. This should also provide more reliable and faster transit times.
3. The merger should allow for better equipment utilization for both cars and engines.
4. Customer service and problem resolution should improve with the merger of the railroads.
5. The merger will force increased competition with other railroads and give AJC International more options to ship via rail.

All of the above would help AJC International remain competitive internationally and enable AJC International to provide the high level of service our customers demand. As a shipper, we believe the merger would provide the above benefits as well as many others and our company supports the application.
I, Scott Trapp, 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 10/11/95.

[Signature]

I, Mark Gentry, have read the statement and know the contents and that it is true.

[Signature]
C.P. ISIDRO AVILA LUPERCIO, GERENTE ADMINISTRATIVO Y COORDINADOR DE LAS COMPRAS DE IMPORTACION DE GRANOS CON UNA ANTIGUEDAD EN EL PUESTO DE 3 AÑOS, REALIZANDO FUNCIONES ENTRE OTRAS DE ANALISIS DE MERCADO DE GRANOS, SEGUIMIENTO Y ANALISIS DE LOGISTICA DE CARROS. DECLARA LO SIGUIENTE:

ALIMENTOS BALANCEADOS PROAN S.A. DE C.V. ES UNA EMPRESA DEL "GRUPO PROAN". DEDICADO A LA PRODUCCION DE HUEVO, CARNE DE CERDO, LECHE Y ALIMENTO BALANCEADO

ANUALMENTE SE REALIZAN IMPORTACION DE SORGO, PASTA DE SOYA Y GLUTEN DE MAIZ PRINCIPALMENTE, EN CANTIDADES APROXIMADAS DE 150,000 TM, 36,000 TM Y 9,600 TM RESPECTIVAMENTE.

POR LO GENERAL LOS GRANOS SE IMPORTAN O SE EMBARCAN DE KANSAS, NEBRASKA, IOWA O TEXAS DEPENDIENDO DE LA POSIBILIDAD DEL PROVEEDOR. LAS FRONTERAS QUE SE UTILIZAN SON NUEVO LAREDO EN LA MAYORIA DE LAS IMPORTACIONES Y PIEDRAS NEGRAS O MATAMOROS EN MENOR ESCALA.

LOS BENEFICIOS QUE VA A CONLLEVAR LA FUSION DEL "SP" CON EL "UP" LOS PODEMOS ENUNCIAR A CONTINUACION:

A) MEJORA EN EL SERVICIO: EN LA ACTUALIDAD EL MANEJO DE INVENTARIOS ES UNA PRIORIDAD PARA LA COMPANIA. PARA REDUCIR COSTOS Y ESTO EN GRAN PARTE SE PUEDE LOGRAR AUN MAS AL REALIZARSE LA FUSION DEL "SP" CON EL "UP", YA QUE SE VA A CONTAR CON RUTAS MAS CORTAS, REDUCCION DE TIEMPO DE TRANSITO Y ELIMINACION DE INTERCONEXIONES ENTRE FERROCARRILES.
B.) BENEFICIO COMPETITIVO: EL TENER DOS O MAS FERROCARRILES DE LA MISMA MAGNITUD NOSOTROS VAMOS A TENER ACCESO A TARIFAS MAS COMPETITIVAS Y ESTO SE VA A LOGRAR SI SE REALIZA LA FUSION DEL “SP” CON EL “UP”, YA QUE POR SI SOLOS NO ESTARIAN AL MISMO NIVEL PARA PODER COMPETIR CON EL BN/SF.

C.) SE OBTENDRA UNA MAYOR PRODUCTIVIDAD Y EFICIENCIA EN EL USO DEL EQUIPO FERROVIARIO, LO CUAL VA A DAR MAYOR DISPONIBILIDAD DEL MISMO.

POR LO ANTES REFERIDO CONFIRAMOS EL APOYO AL ACUERDO DE FUSION DEL “SOUTHERN PACIFIC CON EL UNION PACIFIC”.

ATENTAMENTE

C.P. ISIDRO AVILA LUERCIO

“YO, ISIDRO AVILA LUERCIO, DECLARO BAJO PROTESTA DE DECIR VERDAD QUE LO ANTES ESCRITO ES CORRECTO Y VERDADERO. ADEMÁS CERTIFICO QUE ESTOY CAPACITADO Y AUTORIZADO PARA PRESENTAR ESTA DECLARACION BAJO JURAMENTO.”

SAN JUAN DE LOS LAGOS, JAL., 18 DE SEPTIEMBRE DE 1995

C.P. ISIDRO AVILA LUERCIO
UNITED MEXICAN STATES
FEDERAL DISTRICT
CITY OF MEXICO
EMBASSY OF THE UNITED STATES OF AMERICA

J. RICHARD WALSH
Vice-Consul

Before me, Consul of the United States of America at Mexico, D. F., Mexico, duly commissioned and qualified, personally appeared FRANCISCO LAGUNA who, being duly sworn deposes and says as follows:

(1) My name is FRANCISCO LAGUNA and I reside at MEXICO CITY.

(2) I have been familiar with the English and Spanish languages for the past 20 years, I made the annexed translation from Spanish to English. The said translation is to the best of my knowledge and belief a true and exact translation of the original document.

And further deponent saith not.

Subscribed and sworn to before me this ___ day of ___ 19___.

For the contents of the annexed document I assume no responsibility.

J. RICHARD WALSH
Consul of the United States of America

Vice-Consul
ISIDRO AVILA LUPERCIO, CERTIFIED PUBLIC ACCOUNTANT, AS ADMINISTRATIVE MANAGER AND COORDINATOR FOR IMPORTED GRAIN PURCHASES WITH 3 YEARS SENIORITY IN THE POSITION, ENGAGING AMONG OTHER DUTIES IN GRAIN MARKET ANALYSIS, FOLLOWUP AND CAR LOGISTIC ANALYSIS, HEREBY DECLARES AS FOLLOWS:

ALIMENTOS BALANCEADOS PROAN, S.A. DE C.V., IS A COMPANY OF THE PROAN GROUP WHICH IS ENGAGED IN EGG, PORK, MILK AND BALANCED FEED PRODUCTION.

SORGHUM, SOYA PASTE AND CORN GLUTEN, PRINCIPALLY, ARE IMPORTED EACH YEAR IN THE APPROXIMATE AMOUNTS OF 150,000 MT, 36,000 MT AND 9,600 MT, RESPECTIVELY.

THE GRAINS ARE USUALLY IMPORTED OR SHIPPED FROM KANSAS CITY, NEBRASKA, IOWA OR TEXAS, DEPENDING ON THE POSSIBILITY OF SUPPLY. THE BORDER CROSSINGS UTILIZED ARE NUEVO LAREDO IN THE MAJORITY OF CASES, AND PIEDRAS NEGRAS OR MATAMOROS TO A LESSER DEGREE.

THE BENEFITS TO BE OBTAINED FROM MERGING "SP" WITH "UP" CAN BE SUMMARIZED AS FOLLOWS:

A) IMPROVEMENT IN THE SERVICE: AT THE PRESENT TIME THE HANDLING OF INVENTORIES IS A COMPANY PRIORITY IN ORDER TO REDUCE COSTS, AND THIS CAN BE OBTAINED TO A GREAT EXTENT THROUGH THE MERGER OF "SP" AND "UP", SINCE THIS WILL RESULT IN SHORTER ROUTES, A REDUCTION IN TRANSIT TIME AND THE ELIMINATION OF RAILROAD INTERCONNECTIONS.

B) COMPETITIVE BENEFITS: BY HAVING TWO OR MORE RAILROADS OF THE SAME SIZE, WE WILL HAVE ACCESS TO MORE COMPETITIVE TARIFFS. THIS WILL BE ACHIEVED BY THE MERGER BETWEEN "SP" AND "UP" WHICH, ON THEIR OWN, WOULD NOT BE AT THE SAME LEVEL FOR THE PURPOSE OF COMPETING WITH THE BN/SP.

C) GREATER PRODUCTIVITY AND EFFICIENCY WILL BE OBTAINED IN THE USE OF RAILROAD EQUIPMENT, RESULTING IN A GREATER AVAILABILITY OF SAME.

IN VIEW OF THE FOREGOING, WE CONFIRM OUR SUPPORT FOR THE MERGER OF "SOUTHERN PACIFIC" WITH "UNION PACIFIC".

YOURS TRULY

(ISIDRO AVILA LUPERCIO)
"I, ISIDRO AVILA LUPERCIO, 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. SAN JUAN DE LOS LAGOS, JAL., MEXICO EXECUTED ON SEPTEMBER 18, 1995.

(Illigible signature)
ISIDRO AVILA LUPERCIO

I, FRANCISCO J. LAGUARDIA, EXPERT TRANSLATOR DULY RECOGNIZED BEFORE THE EMBASSY OF THE UNITED STATES OF AMERICA, HEREBY DECLARE THAT THE FOREGOING IS A TRUE AND COMPLETE TRANSLATION OF THE ORIGINAL IN SPANISH, WHICH I HAD BEFORE ME.

FRANCISCO J. LAGUARDIA

MEXICO CITY, FEDERAL DISTRICT, OCTOBER 13, 1995.
VERIFIED STATEMENT

OF

Al Waggoner
on behalf of
Allen Canning Co.

Re: Union Pacific -- Control and Merger -- Southern Pacific Rail Corp.
Finance Docket No. 32760

I, Al Waggoner, am Vice President of Distribution for Allen Canning Co., 305 East Main Street, Siloam Springs, Arkansas 72761-3200. I have twenty-five years experience in traffic management for Allen Canning Co., and am currently responsible for all traffic functions at this multi-plant company. I make this statement in support of the merger of the Union Pacific and Southern Pacific railroads.

Allen Canning Co. cans and sells its own brands and also does custom packing for chain stores such as Safeway. Our facilities include two plants and two distribution centers served by the Kansas City Southern railroad in Siloam Springs, Arkansas, one plant and one distribution center served by the Burlington Northern in Springdale, Arkansas; one plant and distribution center in Van Buren, Arkansas served by the Missouri Pacific; and one plant in Belledeau, Louisiana served by the Kansas City Southern. The volume shipped from these plants totaled 992 million pounds in 1994, which was shipped according to the following breakdown: 18% own fleet, 34% outside truck companies, 46% FOB plant, and 2% rail.

Among the railroad routes that Allen Canning Co. presently utilizes are the Southern Pacific for shipments to Clackamas, Oregon and Phoenix, Arizona, the Missouri Pacific for shipments to Houston, and the Atchison, Topeka & Santa Fe for shipments to Antioch, California. We also ship into Mexico.

Allen Canning Co. welcomes the merger of the Union Pacific and Southern Pacific as this merger will help keep strong competition alive, and ensure that shippers like Allen will have rail shipping alternatives in the future. Experience has led us to doubt the ability of the Southern Pacific railroad to manage its lines and invest for the future. But by combining Union Pacific’s financial and management strength with the SP’s routes, we believe that the railroad will be a strong competitor to the BN/ATSF. Maintaining this competition is important to Allen Canning Co.

Strong competition usually translates into better service. Better service also will naturally come about from the merged UP/SP system, as a result of fewer interline changes and faster transit times.
Allen Canning Co. will also gain the benefits of single-line service for our shipments to points in the Southwest and Pacific Northwest. These improvements will help us serve our customers better and will make our business less costly in terms of switch charges and administrative costs, as well as more predictable.

I, Al Waggoner, declare under penalty of perjury that the foregoing is true and correct. Further I declare that I am qualified and authorized to file this statement.

Executed on 10/9/95, 1995

My Commission expires: 3/12/03
VERIFIED STATEMENT
OF
SERGIO HERNANDEZ ARANDA
ON BEHALF OF
ALLIANCE SHIPPERS INC. MEXICO

My name is Sergio Hernandez Aranda, I work for Alliance Shippers out of Mexico City.

Alliance Shippers Inc. address in Mexico City is:

Homero 1802-1002
Col. Chapultepec Morales
Mexico DF. 11570
Tels. (5) 557-8467, (5) 557-5871

In addition to sales responsibilities I currently hold responsibilities as Alliance Shippers’ representative in Mexico.

I have worked for Alliance for two years, and my experience in North American international transportation is of four years.

Alliance Shippers Inc. is a freight forwarder agent mostly involved in the intermodal transportation service, the Mexico City office was created with the purpose to contact Mexican importers and exporters to and from USA and Canada, who have the need to ship their products in full truck loads. We mainly use the UP Laredo ramp for our north and southbound traffic. We also use the SP ramp at El Paso but at a much smaller scale.

Alliance Shippers' customers in Mexico handle freight to and from almost anywhere in the USA, but mostly to the west coast, and Midwest.

As an intermodal marketing company, Alliance Shippers in Mexico sees the UP/SP merger bringing immediate benefits to the traffic we handle, our customer being the primary beneficiary. Therefore we strongly support this merger.

With Laredo as the busiest border crossing point for both railroad and truck and UP being the only railroad with reliable service to other states, the merger will offer a shorter single line routing and shorter transit times out of this crossing to a lot of our customers who could ship to the west coast via the SP route along the border with Mexico and/or via the SP trackage rights that shorten the distance to the PNW.

Stronger competition, which will be possible with the routing and volume efficiencies that can be obtained under the merger will provide opportunities for cost reductions to railroads, ourselves and our customers.
under the agreement among BN/Santa Fe, UP and SP; BN/Santa Fe will gain new access to Mexican gateways (including access to Laredo via the Tex-Mex Railway). This will increase competition for Mexican traffic.

Also with this merger there will be an improved service to all major border crossing points, thus reducing traffic at Laredo when the merged railroad starts offering routings through other border crossings depending on their origin and destination.

Availability of equipment and a larger diversity of single line destinations will be other great advantages of the merger, when the shorter transit times make more equipment available and a larger fleet composed by the UP and SP trailers are able to travel on the new system to many more destinations on a single line. We and our customers can hardly wait to see this happening.

A financially and competitively strong company will be able to work and invest in solving the bottle necks and capacity limitations currently being experienced on the SP system and which as of today have not been able to be addressed as the market demands.

The mentioned improved equipment availability and routings will give the customer the chance to load on either UP or SP trailers more competitively with truck, eliminating a good part of the factors which have limited in the past the volumes our customers agree to ship intermodally.

Alliance Shippers strongly supports this proposed merger and we recommend quick approval.

SERGIO HERNANDEZ ARANDA

I SERGIO HERNANDEZ ARANDA 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

SERGIO HERNANDEZ ARANDA

ALLIANCE SHIPPERS INC. MEXICO
VERIFIED STATEMENT
OF
CHRIS ELLIS
on behalf of
AMERICAN CARGO SYSTEMS, INC.

My name is Chris Ellis. I am the President and owner of American Cargo Systems, Inc. located in Overland Park, Kansas. I have twenty years experience in the trucking industry. Nine years ago I successfully started American Cargo Systems, a full service third party logistics company. We arrange truck, rail, intermodal and international transportation and provide other, related logistical services. In 1994 we arranged for the transportation of more than seven thousand trailer loads.

We fully support the proposed merger of UP and SP. The new single line service which can be provided by their merged system between Kansas City and Chicago on the one hand and the Bay Area on the other is badly needed. We ship over SP’s central corridor route to Northern California. However, due to poor service, SP is suffering a continual loss of intermodal traffic to trucks. The combination of UP and SP will result in important service improvements that address this problem. The optimization of routings, elimination of congestion and the extension of single line service territory will enable UPSP to reduce transit time and establish and meet reliable schedules. We understand that UPSP will be able to offer new third-morning service between Chicago and the Bay Area due to a shorter route and reduced congestion. Additionally, the combined intermodal volume of the two systems will allow greater service frequency at many locations, and increase their ability to pre-block and operate pure through trains. Service over the entire UPSP system will improve. These improvements all accrue to the benefit of shippers.

Single line access to the entire combined territory served by the merged system should enable us the reach new markets. For example, the efficient and direct access to all border crossings into Mexico will be of benefit to shippers such as us. The increasing traffic between our country and Mexico represents an opportunity for an expanded market for us. The increased efficiency of the route structure of their merged system is an added plus.
Equipment supply and utilization are also very important to us, and the proposed merger would result in improvements. SP has had some difficulty in providing good equipment for the transportation of our business. The combination of the two fleets and efficient joint management will result in an improved equipment supply.

Notably, BNSF contract requirements for Intermodal Marketing Companies ("IMC") are difficult for smaller sized IMCs to meet. Traditionally, SP is open to all IMCs. We believe that UPSP will continue SP's open door policy.

Finally, we have been concerned that SP will have difficulty competing with the newly merged BNSF. With UP's financial strength and reliability, plus the route structure and market access of SP, the new system will be strong and efficient and able to respond to the needs of shippers, such as our company, for responsive and reliable service. Approval of the proposed merger assures the continuation of viable rail competition in the western United States.

I, Chris Ellis, declare that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed this 9th day of October, 1995.

Chris Ellis
I, Donald R. Ford, have been employed with American Plant Food Corporation for approximately 30 years. I am currently President of the Company.

American Plant Food Corporation is a supplier of NPK mixed fertilizers and raw materials with plants located in strategic areas of Texas and in Hansen, Idaho. We also are warehousing ammonium sulfate shipped from our plant in Galena Park and Freeport, Texas to various terminals throughout the USA.

For the current year (1995) total rail volume for American Plant Food will exceed 600,000 tons of dry fertilizer material moving to locations as described above (6000 hopper cars). This movement is expected to show moderate increases over the next several years.

Our plants at Bartlett and Buffalo, Texas and Hansen, Idaho are located on the Union Pacific Railroad and plants at Galena Park, Millican, Tyler and Wortham, Texas located on the Southern Pacific Railroad.

As you can see by the above, American Plant Food is heavily involved with both the Southern Pacific and the Union Pacific Railroads, and, in our opinion, the merger between these two railroads will be very beneficial to us.

1. We feel this merger will cut down on the amount of time it takes in switching cars from the Union Pacific to the Southern Pacific in Houston, Texas, thereby relieving some of the congestion. This will result in more timely switches at our Galena Park plant.
Verified Statement of
Donald R. Ford

Page -2-

2. Galena Park will have access to more empty hopper cars to load out our compacted ammonium sulfate and other blended fertilizers. With more empty hopper cars at our disposal, with the merging of the Southern Pacific and the Union Pacific, we could look into railing our compacted ammonium sulfate to the warehouse terminals rather than barging.

3. Our plants located on the Southern Pacific and the Union Pacific will get better and more timely service with this merger.

We strongly support the Union Pacific/Southern Pacific merger as we feel it will be beneficial to our company long term.

Very truly yours,

AMERICAN PLANT FOOD CORPORATION

Donald R. Ford
President
STATE OF TEXAS
COUNTY OF HARRIS

Donald R Ford, 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.

Donald R Ford

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

Cliff Atteberry
Notary Public

My commission expires: 3-20-97
My name is Dana Dobson. I am the Owner, President, and General Manager of American Wood Products, Inc., 320 Kit Avenue, Caldwell, Idaho, 83606.

American Wood Products, Inc. produces fingerjointed stud, grade lumber, and other lumber products. The principal markets we access by rail are Texas and points in the Midwest, including Iowa and South Dakota. We are located near Union Pacific lines and ship our products to these destinations on UP. Our most rapidly developing markets, however, are located in the Southwest and Southern California, areas which we can only access economically by truck. We shipped 52 railcars in 1992, but our rail shipments have steadily declined since then, even as our total production has increased. This reflects the shift of our market from the Midwest and Texas to the Southwest and Southern California.

I have been President and General Manager of American Wood Products since 1976. I am responsible for all aspects of the business, including purchasing, production, sales and marketing, transportation, and finances. Between 1983 and 1986, I oversaw operations of company-owned interstate trucks and in 1986 I initiated rail shipping of our production, so I am very familiar with the transportation issues faced by American Wood Products.

I strongly support the merger of the UP and the SP, as I believe it will improve our rail service and our business. Our major concern, and the major benefit of this merger for American Wood Products, is competitive rail access to the rapidly growing lumber markets in Arizona and New Mexico. Because we are located on the UP, we lack single-line service to these destinations, and the cost and delays involved in interchange make our current rail transportation options uncompetitive with trucking. Thus, we must serve these markets by truck, putting us at a competitive disadvantage with the many Pacific Northwest lumber mills that are served by the Burlington and enjoy single-line access to the Southwest. Following the merger, American Wood Products will have single-line access to markets in Arizona and New Mexico served by the SP. This will allow us to use rail transportation instead of trucking and will improve our position in these expanding markets.
Rail service to Southern California should also improve. The reduction of congestion in the Salt Lake City area and the existence of alternate single-line service down the West Coast should improve transit times to Southern California.

I also expect service to our other destinations to improve, because of the more efficient routing possibilities that UP-SP will have. American Wood Products will have much improved service to Dallas, because of new service between the Pacific Northwest and Texas through Denver and Amarillo. Transit times to our destinations in South Dakota and Iowa should also improve, as route specialization is expected to increase capacity along UP’s Overland route.

In addition to route improvements, the merger of the UP and the SP will improve the availability of equipment to forest products shippers like American Forest Products. The combination of SP’s rebuilt forest products boxcars and UP’s large fleet of centerbeam flatcars will give UP-SP the largest and most flexible fleet of forest products rail equipment in the industry. More efficient repositioning of this equipment, resulting from shorter routes and increased opportunities for triangulation and backhaul, should improve the availability of this equipment for shippers.

The service improvements that should result from the UP-SP merger are critical for American Wood Products. We are facing increasing competition from a growing number of large and small lumber producers who are producing fingerjoint studs, a specialty product which we have produced continually longer than any other producer. The growing competition in old markets and new opportunities in the Southwest make it vital for our business to have rail service to all these destinations which is competitive with the BN-Santa Fe service enjoyed by many of our competitors. I feel that the UP-SP merger is necessary for us to stay competitive in all of our markets.

On behalf of American Wood Products, I strongly endorse the proposed merger of the Union Pacific and the Southern Pacific and urge that it be approved.

VERIFICATION

I, Dana Dobson, 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 19, 1995.
BEFORE THE
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760 (8/4/95)

Union Pacific Railroad Company - Control and Merger
Southern Pacific Lines

Verified Statement of
AMG Resources Corporation

Submitted by:

Donald L. DePaul
Director of Transportation
AMG Resources Corporation
#9 Office Park Circle
Mountain Brook, AL 35223

October 3, 1995
VERIFIED STATEMENT

OF

DONALD L. DE PAUL

on behalf of

AMG RESOURCES CORPORATION

My name is Donald L. De Paul and I am Director of Transportation for AMG Resources Corp. In this capacity I am responsible for the transportation of ferrous scrap which is bought, sold, and/or processed by AMG. This includes the arranging for transportation, negotiating freight rates, obtaining suitable transportation equipment, the overseeing of our private rail car fleet of 280 cars, encouraging the correct payment of freight charges and other associated industrial traffic functions. I have been performing these duties for AMG since its inception in March 1988. Prior to AMG, my transportation work experience dates back to 1958 over which period I had similar duties with three other firms.

AMG Resources Corporation is both a processor and broker of ferrous scrap. In the US we have processing plants located at Baltimore, Pittsburgh, Gary, and St. Paul which draw scrap from large geographical areas which extend several hundreds of miles from these plants. In our scrap brokerage operation we are involved with the transportation of scrap throughout the United States although our greatest concentration is east of the Mississippi River. Our combined processing and brokerage business involves over 40,000 gross tons of scrap per month. We are a regular user of the services of both the SP and UP and, as such, have an intense interest in the outcome of this merger application.

When it was first announced that the SP and UP were planning to merge, I had many fears that this would lead to a reduction of competition. After, however, learning that the BN will be given access to locations that are now served by both the SP and UP, my fears have been erased. In some respects these concessions may even intensify competition.

The potentials for improved service in many areas, the fact that the combined SP/UP will be a financially stronger entity, and the prospects for increased competition lead me to say that AMG Resources Corporation is in favor of the proposed merger of the SP and UP. Accordingly, we ask that the Commission approve the proposed merger.

I, DONALD L. DE PAUL, 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.

[Signature]

029
BEFORE THE
INTERSTATE COMMERCE COMMISSION

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

FINANCE DOCKET
No. 32760

VERIFIED STATEMENT
OF

JOHN B. SUESS
MANAGER, TRANSPORTATION
BUILDING PRODUCTS OPERATIONS
ARMSTRONG WORLD INDUSTRIES, INC.

My name is John B. Sues and I am Manager, Transportation, Building Products Operations, Armstrong World Industries, Inc., P. O. Box 3001, Lancaster, PA 17604. I have been employed in transportation positions at Armstrong for over 28 years and have been in my present position for over 14 years. Part of my duties include the procurement and supervision of the most efficient and responsive transportation services possible for Building Products Operations (BPO). BPO’s domestic transportation expenditures in 1994 exceeded $52 million. I am authorized by BPO to submit this statement in support of the above captioned finance docket.

Armstrong is primarily a manufacturer and marketer of interior furnishings. Its products include floor coverings, building products and furniture. Armstrong also makes and markets a variety of specialty products for the building, automotive and textile industries. In 1994, the annual sales for Armstrong amounted to more than $2.7 billion with worldwide distribution from 82 plants and subsidiaries. BPO is a leading manufacturer of acoustical ceilings, walls and ceiling suspension systems.

BPO is a regular rail receiver of raw materials at many of our seven domestic ceiling manufacturing plants located throughout the continental United States. A number of these facilities as well as our suppliers will be positively affected by the approval of this finance docket. As a shipper dependent on SP service, we welcome this merger as a means of ensuring that we will receive top quality rail service from a financially sound carrier. The synergy of these combined systems such as more effective utilization of transportation assets, increased single line service and a more diversified traffic base would be realized.

As the world's largest user of crude perlite, Armstrong's BPO has several major movements involving this important raw material originating at Antonito, CO and moving over the lines of SP. The approval of this proposed merger would lead to improved covered hopper car supply as well as more effective car utilization through the pooling of equipment.

It is for these reasons that Armstrong’s Building Products Operations lends its support to the successful approval of this finance docket.
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LANCASTER

John B. Suess, 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 and correct to the best of his knowledge, information, and belief.

[Signature]
John B. Suess

Sworn to and subscribed before me this 5th day of October, 1995.

[Signature]
Notary Public

My Commission Expires: 1/9/98

(SEAL)
October 11, 1995

RE: UP-SP Merger

October 11, 1995

Art Wilson Co.

Carson City, Nevada

Verified Statement of Art Wilson on behalf of the Art Wilson Co.

I am Art Wilson, President of the Art Wilson Co. I have been with the Company since 1965. Art Wilson Co. is a mining and transport Company, mining gypsum in Northern Nevada, much of which moves via rail.

Our mine is off rail and loads on a Southern Pacific spur at Appian, Nevada on the so-called Mina (or Hawthorne) Branch.

We have sought for years to market bulk gypsum to customers serviced by Union Pacific at Woodland and Turlock, California.

With single line pricing and service to the aforementioned points, Art Wilson Co. should be able to expand its markets and its business base.

Because of our location, and because of the general financial condition of Southern Pacific Railroad, we have not been satisfied with our current rail service. With the financial capability of Union Pacific behind it, I hope the merged company will be able to provide better service to the Art Wilson Co.
For the above reasons, Art Wilson Co. strongly recommends the approval of the merging of Union Pacific and Southern Pacific railroads.

Sincerely,

Art Wilson
President
The Art Wilson Co.

VERIFICATION

State of Nevada ss.
County of Carson ss.

Art Wilson, 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 11th day of October, 1995.

My Commission Expires: August 5, 1998

CATHY R. CURTIS
Notary Public
ASH GROVE CEMENT COMPANY

8900 INDIAN CREEK PARKWAY, SUITE 600, P.O. BOX 25900
OVERLAND PARK, KANSAS 66225

TELEPHONE: (913) 451-8900
FACSIMILE: (913) 451-8324

Ronald V. DeLeenheer
Vice President-Marketing

VERIFIED STATEMENT
OF
RONALD V. DELEENHEER
ASH GROVE CEMENT COMPANY

I am Ronald V. DeLeenheer, Vice President of Marketing, responsible for sales, transportation, distribution, technical service, and industry promotional activities for our firm in the Midwest division. The Midwest Division consists of South Dakota, Nebraska, Iowa, Kansas, Missouri, Oklahoma, Louisiana, Arkansas, and North Texas. I have twenty-three years of cement marketing and sales experience. My first fourteen years were spent in California (2), Washington (3), and Oregon (5). For the last nine years I have been Vice President of Marketing for our Midwest Division based in our corporate office in Overland Park, Kansas, 66210.

If construction has a signature material, it’s concrete—the familiar stone-like substance that forms some part of nearly everything we build. The key to concrete is portland cement—the fine gray powder that binds sand and gravel into concrete’s rock-like mass.

Although the terms cement and concrete often are used interchangeably, cement is actually an ingredient of concrete. Portland cement is not a brand name, but the generic term for the type of cement used in virtually all concrete and construction.

Ash Grove Cement Company, the fourth largest cement manufacturer in the U.S., was founded in 1882, headquartered in Overland Park, Kansas, operates eight cement plants, two lime plants, and 50% joint-venture partner in a cement plant in Texas. The Midwest Division operates cement plants in Louisville, Nebraska (jointly serviced by U.P and B.N.), Chanute, Kansas (serviced by South Kansas and Oklahoma RR), Foreman, Arkansas (serviced by Kiamichi RR), 50% partnership in North Texas cement at Midlothian, Texas (serviced by Southern Pacific RR) and a chemical lime plant in Springfield, Missouri (serviced by the Burlington Northern RR).
We also have the following system of strategically located distribution terminals (9) which allows our firm to serve a strong customer base throughout the Midwest.

<table>
<thead>
<tr>
<th>TERMINAL LOCATIONS</th>
<th>SERVED BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Des Moines, IA</td>
<td>Burlington Northern</td>
</tr>
<tr>
<td>Cozad, NE</td>
<td>Union Pacific</td>
</tr>
<tr>
<td>Kansas City, KS</td>
<td>Union Pacific</td>
</tr>
<tr>
<td>Oklahoma City, OK</td>
<td>Burlington Northern</td>
</tr>
<tr>
<td>Van Buren, AR</td>
<td>Truck only</td>
</tr>
<tr>
<td>Little Rock, AR</td>
<td>Southern Pacific</td>
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<tr>
<td>Memphis, TN</td>
<td>Union Pacific</td>
</tr>
<tr>
<td>Shreveport, LA</td>
<td>Kansas City Southern</td>
</tr>
<tr>
<td>Alexandria, LA</td>
<td>Kansas City Southern</td>
</tr>
</tbody>
</table>

Ash Grove Cement Company strongly supports the proposed merger of the Union Pacific and Southern Pacific Railroads Docket #32760. We believe this will ensure IMPROVEMENT OF DELIVERY due to single line service from Midlothian, MORE EFFICIENT ROUTING, IMPROVED PRODUCTIVITY AND COORDINATION AT OUR TERMINALS, and BETTER EQUIPMENT UTILIZATION for our private fleet of rail cars. In addition, this merger will allow us improved SINGLE-LINE SERVICE FROM COLORADO TO LOUISVILLE, NEBRASKA ON OUR COAL MOVEMENT.

The Midwest markets serviced by our plants are extremely seasonal in nature. As a result, demand for rail equipment is subject to severe peaking. Conversely, a large portion of the S.P.'s activities occur in a more mild temperate weather zone and less susceptible to strong swings in equipment demand. The uniting of this proposed merger should benefit all shippers due to more efficient use of locomotives and railcars.

In conclusion, Ash Grove Cement Company, strongly urges the Interstate Commerce Commission to move swiftly in favor of the proposed merger between the Union Pacific Railroad and the Southern Pacific Railroad. This significant opportunity for the entire transportation community will benefit our firm and our customers which will benefit the consumer.

I, Ronald V. DeLeenheer, 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.

Ronald V. DeLeenheer

(Witness)
VERIFICATION

State of Kansas )
) ss.
County of Johnson )

Ronald V. DeLeenheer, 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.

Ronald V. DeLeenheer

Subscribed and sworn to before me this 25 day of September, 1995.

Notary Public

OCTOBER 9, 1995

VERIFIED STATEMENT

OF

JOHN D. NORSWORTHY
on behalf of
ATEX RESOURCES, INC

1. The Witness is the General Manager of ATEX resources, Inc., a transportation brokerage providing service to various shippers nationwide. His duties include Marketing and Operational activities for ATEX Resources as well as long range planning and goal setting for the Corporation. He has over 15 years experience in the transportation industry, with an emphasis on trucking, but with experience and expertise in all aspects of land and water transportation.

2. ATEX Resources, Inc. is a nine year old logistics and transportation brokerage company based in Stafford, Texas. The Company has special expertise in transportation to and from all points in the United States, with an emphasis on the South and Southeast, and to/from Mexico through the South Texas Gateways of Laredo and Brownsville, where the company has been actively working since 1992.

A subsidiary company, ATEX Transportation, Inc., now owns and operates seven trucks in Texas. Among its major clients has been Union Pacific Railroad Freight Services in Laredo, Texas, where the Company has performed services for them at the intermodal ramp.

3. 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 merger application.

4. Supporting Reasons

(a) Service Benefits to SP and UP Customers

With approval of the application, UP and SP will be able to combine the strengths of their rail systems. As a result, shippers and receivers on both systems will enjoy improved service, including a number of entirely new services.

(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.

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 grain origins to SP feeder markets in the San Joaquin and Imperial Valleys, 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

Examples of routes that will be shorter as a result of the merger include the following:

<table>
<thead>
<tr>
<th>Route</th>
<th>Mileage Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago-Oakland</td>
<td>180</td>
</tr>
<tr>
<td>Memphis-Los Angeles/Oakland</td>
<td>232</td>
</tr>
<tr>
<td>Dallas-Los Angeles/Oakland</td>
<td>275</td>
</tr>
<tr>
<td>Seattle - Los Angeles</td>
<td>556</td>
</tr>
<tr>
<td>Chicago-Salt Lake City</td>
<td>189</td>
</tr>
</tbody>
</table>

(2) Improved Intermodal Service

UP/SP will be able to offer faster, more frequent and more reliable service in key corridors, for example, Chicago-California, Memphis-California, Seattle-California, and Pacific Northwest-Texas. The improved linehaul service will be enhanced by utilization of the best terminals in Chicago, Los Angeles, Oakland, Kansas City and Texas. New intermodal services will include new third-morning service between Oakland and Chicago, and more reliable third-morning service between Los Angeles and Chicago.

(3) Terminal Coordination/Pre-Blocking

Terminals will be coordinated in numerous locations allowing traffic to be handled more efficiently. Examples of terminals that will be coordinated include:

- North Little Rock/Pine Bluff
- Salt Lake City/Ogden
- St. Louis (Alton & Southern)
- Kansas City
- Chicago
- Los Angeles
- Oakland

Increased opportunities for pre-blocking will allow traffic to be run around terminals entirely. Examples of commodities and shippers likely to benefit from preblocking are:

- Chemicals Houston to Northeast/Southeast
- Paper/Forest Products: Oregon to Northeast/Southeast
- Food Products: Stockton/Roseville to Northeast/Southeast
Route Specialization/Capacity Optimization

Service Improvements will result from focusing different categories of traffic on different routes. For example, between Southern California and Chicago, UP/SP will be able to handle manifest traffic and expedited traffic more efficiently by routing each category over separate corridors. Similar benefits of route specialization will be realized between Houston and the gateways of St. Louis, Chicago and Memphis. The availability of alternative routes will allow shipments to be routed around chokepoints and maintenance-of-way curfews.

Mexico

UP/SR will be able to provide single-line service to all major Mexican border crossings via shorter, more efficient routings. The combined railroad will offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico. SP customers will be able to utilize "Despacho Previo" for expediting border crossings.

Better Equipment Utilization

UP/SP will be able to reposition both cars and locomotives more efficiently. Cars and locomotive power will move better between Los Angeles, San Francisco and the Pacific Northwest, as well as between California and Texas. The difference in peak seasons for the two railroads plus effective use of triangulation and backhaul moves will improve equipment supply for shippers. As a result of these and other merger efficiencies, railroad-owned equipment supply will improve, and shippers using private equipment should enjoy savings on fleet size requirements. In addition, there will be increased storage-in-transit opportunities for chemicals and grain shippers.

New Markets

The UP/SP merger will allow Midwest and Western shippers easier access to southwest/Mexican markets.

Competitive Benefits

Meeting the Competitive Challenge or BN/Santa Fe

BN/Santa Fe will be nearly twice the size of UP or SP. Combining UP and SP will create a competitor that is fully equal to BN/Santa Fe in all major western markets. UP/SP will be able to match BN/Santa Fe service time and reliability in the California/Chicago markets.

Stronger Competition Generally

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.

UP and SP overlap at some points but are end to end at many others. Where UP and SP are the only rail competitors, UP and SP will agree to conditions that maintain competition by giving another railroad access.

(iii) Competition with Other Modes

In the Southwest market, especially in the transfer of goods to and from Mexico, competition is with foreign owned barges and truckers. The proposed UP/SP merger should enable a more competitive rate structure for this area.

(c) The Assurance of Long-Term Quality Service for SP Shippers

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. SP's Chairman, Phil Anschutz, has said that SP simply can't make it alone in the wake of the BAN/Santa Fe merger.

5. Conclusion

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

I, John D. Norsworthy, 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.

John D. Norsworthy

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

E. E. Jackson, III
Notary Public in and for Hunt County, Texas
My Commission Expires 05-05-98
VERIFIED STATEMENT
OF
George Laposay
on behalf of
Atlantic Food Services, Inc.

Finance Docket No. 32760
Union Pacific - Control and Merger - Southern Pacific Rail Corporation

I, George Laposay, am the Traffic Manager for Atlantic Food Services, Inc. I am responsible for managing all traffic functions for this company. I make this statement in support of the proposed merger of the Union Pacific and Southern Pacific railroads. Atlantic Food Service fully supports this merger because it will help streamline and strengthen the system of rail service for food distribution.

Atlantic Food Services, Inc. is a food distributor throughout the eastern United States. In 1994, we received 27 piggyback shipments (trailer on flat car loads) worth $42,000. Our Manassas, Virginia facility is not yet rail-served, but we are working with Norfolk Southern to put in siding at our facility. Union Pacific presently originates our traffic, mostly canned goods, from West Coast points including Sunnyside, Washington, and San Jose, CA.

The merger of the Union Pacific and Southern Pacific will help open up a greater number of points of origin in the West for our supply. These new service areas include some important food suppliers at points now served only by the Southern Pacific. The rail service from these new points would be more direct and more efficient by virtue of being on a single line in the West. We also expect the merger to benefit Atlantic Food Services through improvements in intermodal service and terminal utilization along the Union Pacific's routes.

With the rail siding that we expect to put in, we will be able to receive carload shipments, and this merger will enable us to receive carload shipments from the West Coast that will be routed faster and more efficiently than would be possible with the UP and SP separate. This in turn will enable us to better serve our customers and to expand our business.

I, George Laposay, declare under penalty of perjury that the foregoing is true and correct. Further, I declare that I am qualified and authorized to file this statement.

Executed on October 23, 1995.

George Laposay
My name is Daniel W. Gowan and I am Manager, Transportation & Warehouse Operations for Basic American Foods. I am headquartered in our corporate office located at 2999 Oak Road, Walnut Creek, California 94596.

I have been involved in the Transportation business for almost thirty years and have been in my current position for nearly fifteen years. As Manager, Transportation & Warehouse Operations, I am responsible for securing transportation services for the worldwide distribution of our products. I have been with Basic American Foods for nineteen years and prior to that I worked for the Norfolk Southern Corporation.

Basic American Foods is a food manufacturing company specializing in dehydrated potato products, refried beans, salsa and sauces, and green chiles. Our primary business is in the foodservice and industrial market segments (where our products are used as an ingredient for another product). We are also the country’s largest supplier of fresh potatoes. Our primary plant locations are in Moses Lake, WA (BN), Blackfoot, Idaho (UP), Rexburg, Idaho (UP), Plover, WI (WC), Las Cruces, NM (ATSF) and Hatfield, CA (SP). In addition we operate a large central distribution center in Idaho Falls, Idaho (UP).

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this merger as a means of improving service and strengthening competition.

We believe our company will gain improved service from our Idaho shipping facilities with faster, more direct routes to the Southwest via Denver and much shorter single-line routes to California, Arizona, Oregon, Colorado, New Mexico, Texas, Louisiana, and the Midwest markets. In addition, we strongly believe our Hatfield, California plant will benefit substantially from new single line service.

We also believe that the refrigerated car supply to our Idaho fresh potato operations will be significantly enhanced as the result of operating efficiencies, the ability to reposition cars.
October 13, 1995

VERIFIED STATEMENT OF
DANIEL W. GOWAN
RE: UNION PACIFIC/SOUTHERN PACIFIC
MERGER APPLICATION

efficiently, and by taking advantage of backhauls and triangulation opportunities and seasonality of different crops.

We believe the proposed merger will provide significant benefits to Basic American Foods and the shipping public in general. For these reasons our company strongly supports this application.

VERIFICATION:

I, Daniel W. Gowan, 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 13, 1995.

Daniel W. Gowan
Manager, Transportation & Warehouse Operations
VERIFIED STATEMENT

OF

ELEANOR M. MERRITT
on behalf of
BAY AREA PIGGYBACK, INC.
Spring Hill, Kansas
Finance Docket #37760

Union Pacific Control & Merger—Southern Pacific

My name is Eleanor M. Merritt, Manager of Midwestern Sales for Bay Area Piggyback, Inc. in Spring Hill, KS. I have held my management position for 9 years and been with the company for 14 years. I am responsible for customer contracts and logistics. My educational background includes a B.A. from Whittier College.

Bay Area Piggyback is a shippers Agent. We arrange for transportation via exempt intermodal service. We coordinated over 24,000 intermodal shipments in 1994. Our intermodal customers ship a variety of products including: diatomaceous earth (filtering agent), food products, paint, lumber, package chemicals, roofing materials and other cased goods. Our primary traffic flows are eastbound from California and Nevada to the Midwest, Texas and the East Coast. We are also handling an increasing amount of westbound traffic. We utilize the intermodal network throughout North America.

Bay Area Piggyback strongly endorses the proposed Union Pacific/Southern Pacific railroad merger because it will enhance efficiencies in many facets of intermodal transportation.

The merged system will be able to provide attractive alternative intermodal routing and improved service. In particular, we anticipate realizing significant benefits from route specialization. Concentrating time-sensitive intermodal traffic on SP’s Southern Tucumcari route, while slower traffic moves on UP’s Overland route, will increase the reliability of service between Southern California and Chicago, Kansas City, St Louis, and Memphis.
We also envision taking advantage of improved service as a result of the merger. In particular, the merged system's plan to utilize a new terminal facility at West Memphis and to rebuild or upgrade existing facilities at St. Louis and Kansas City will decrease transit times. In addition, UP/SP's ability to coordinate the former UP and SP terminals in Los Angeles and Chicago will increase the speed by which intermodal traffic is handled.

Although the Los Angeles to Chicago and Oakland to Chicago routes will only be served by two rail carriers after the merger, we expect the combination of UP and SP resources will intensify competition. The BN/SF currently dominates intermodal service in these corridors. Only the resources of a merged UP/SP can support the vital intermodal competition along these routes.

UP/SP will provide effective competition for the BN/SF along a number of routes. The merged system will be able to compete by offering single-line service between the West Coast and Texas and New Orleans via the southern corridor. The UP/SP system will also enhance competition between the Pacific Northwest and Texas.

We understand that BN/SF and UP/SP have entered into a settlement agreement whereby BN/SF will have trackage rights between Denver and the Oakland. These trackage rights will maintain competition for intermodal traffic in the intermountain region. We anticipate vigorous competition between the two rail systems once the merger and the BN/SF agreement are approved.

The combined system will also take advantage of a greater pool of equipment, enhancing network flexibility. In particular, the merged system will be able to reposition UP equipment between Texas and Southern California and Northern California and the Pacific Northwest. The merged system will also have the capacity to reposition SP equipment to and from Seattle/Tacoma.

For the above explained reasons, we strongly endorse the proposed UP/SP merger as a means of strengthening and sustaining critical intermodal services.
VERIFICATION

I, Eleanor M. Merritt 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 16, 1995.

Eleanor M. Merritt
Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
1201 Constitution Ave., N.W.  
Washington, D.C. 20423

October 12, 1995

Re: Union Pacific-Southern Pacific Merger, Finance Docket No. 32760

Dear Mr. Williams:

My name is Neil J. Vanucci. I am President of Bay Cities Building Materials Co., Inc. located in South San Francisco, California. I am responsible for sales, transportation and the overall operation of the company.

Bay Cities Building Materials Co., Inc. is a Concrete Ready Mix supplier. At our South San Francisco facility we receive rail carloads of aggregate and sand from various suppliers in the western United States. The raw material is mixed into concrete and distributed to various construction sites in the area. The company also operates seven other ready mix facilities from Sacramento to the San Joaquin Valley area. In 1994 we received 202 carloads of raw material.

We support the proposed merger of UP and SP. Dependable, predictable, efficient and reliable service is of particular importance to a shipper in our business, as it helps us to optimize our inventory of raw material in order to meet the delivery schedules of our customers in an efficient and economic fashion. The combination of the financially sound and service-conscious UP and the broad route structure of SP will result in important service improvements of benefit to us. The optimization of routings, elimination of congestion and the extension of single line service territory will enable USP to reduce transit time and establish and meet reliable schedules. Likewise, as a result of this improved service, equipment turnaround and placement will be improved. This, coupled with the combination of the two fleets will improve the car supply situation, which has been a major problem with SP.

The proposed merger combines the strengths of the two systems and will result in a stable, financially sound carrier capable of meeting the competitive challenge posed by the newly merged BNSF. It assures the continued availability of quality competitive rail service for the long term. We urge the Commission to grant quick approval to this merger in order that its benefits can begin to be achieved.

I, Neil J. Vanucci, 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 12, 1995.

Neil J. Vanucci  
President
My name is Richard J. Camp. I am President of Bay Zinc Co. Inc., located in Moxee, Washington.

We support the proposed merger of Union Pacific and Southern Pacific. This merger will provide important benefits to the shipping public by strengthening the competition for transportation services in the West. In addition, UPSP and BNSF have reached a settlement agreement which assures enhanced competition for our business. We strongly support the merger and the Proportional Pricing Authority in the settlement.

From a shipper’s perspective, this development will allow more competitive freight rates to the entire 1-5 corridor. This will be done through shorter, more efficient routes, improved intermodal service, more efficient service to Mexico, and better equipment utilization.

For the Bay Zinc Co. Inc. specifically, it will mean growth in our Mexican market due to lower freight cost; maintaining, and, in some cases, improving our market share in the Pacific Southwest in the face of increasing offshore competition. Additionally, it will provide increased capital for expansion from increased margins on our local business.

I, along with the thirty or so employees of the Bay Zinc Co. Inc., encourage the Commission to approve this merger with the settlement agreement. It has been my experience that stronger organizations emerge when competition is improved. I believe this merger to be no exception. BN/SF and UP/SP will be stronger and more competitive as a result of the settlement. The proposed merger and the settlement are a WIN-WIN for all concerned.

I, Richard J. Camp, 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 this 13th day of October, 1995.
VERIFIED STATEMENT

of

JOHN AMOS

on behalf of

BECHTEL CORPORATION

My name is John Amos. I am Manager, Traffic and Logistics, for Bechtel Corporation. Our address is 50 Beale Street, San Francisco, California 94106. My telephone number is (415) 768-8303. My fax number is (415) 768-5229.

As Manager, Traffic and Logistics, I am responsible for all corporate transportation operations for Bechtel, both domestic and international. I have thirty-seven years of experience in the transportation industry. I have held positions ranging from distribution analyst to domestic traffic manager to my current position as corporate manager of Traffic and Logistics. I have worked for Bechtel, Fibreboard Corporation, and the Santa Fe Railroad during my career in transportation.

Bechtel is a major engineering and construction firm that designs and builds large, complex projects. We are one of the leading names in the design and construction of power plants and refineries. We work on different, major construction projects each year. Our projects are predominantly located in the Southwest, Southeast and on the Eastern seaboard, and shipments to ports for export. Our traffic patterns are determined by the locations of specific projects, and are generally from major machinery and fabricator suppliers located throughout the United States to the particular project sites. Our traffic volumes vary depending on project work load, but tend to average approximately 1,500 carloads per year. We specify the routing on approximately 95% of our shipments. Because our rail traffic is project specific, we have experience with a variety of railroads, including SP, UP, ATSF, CR NS, BN, and others.

We expect and encourage the ICC to take the time to thoroughly review all the issues raised by shippers in the proposed merger. For our part, we wish to express our support of the merger because of the many benefits we believe it will bring to our business. The merger of UP and SP will result in the combination of the two railroads’ routes, and provide the ability for the merged railroad to manage traffic on the combined routes more efficiently. From our perspective, there will be more opportunities for UP/SP to use routes which have the proper clearances for our custom shipments. Our emphasis is on adequate service, to refineries, power plants and other construction projects, of construction material where size and weight of the shipments exceed “plate C.” With more route
options, UP/SP should be in a position to ensure quality, reliable service for these shipments. In addition, UP/SP will be able to move traffic over shorter routes, with reduced transit times. This is very important to Bechtel because we must meet construction schedules, and delay in delivery of pieces of equipment or material may delay the entire project. We expect that UP/SP will be able to achieve more reliable delivery times.

Another benefit of the merger which we hope to enjoy is better utilization and distribution of railroad owned equipment and supply. Bechtel uses heavy duty flat cars and other special equipment for many of its shipments. In the past, particularly on the SP, we have experienced difficulties with the service and supply of flat cars. The merger will combine SP's 44,000 rail car fleet with UP's 97,000 rail car fleet. This immediate increase in the cars available at SP served points should substantially improve car supply. To the extent UP/SP is able to reduce transit times and provide more reliable service with its improved postmerger route structure, this will also increase car supply and availability. The increased car supply available on a merged UP/SP line will facilitate our rail movements and result in better service.

The merger of UP and SP will result in an integrated route structure, and will combine SP's excellent routes with UP's management ability. The resulting faster, more reliable service should provide better competition to other modes of transportation, such as motor carriers. The combination of UP and SP will also provide an equal competitor to the newly merged BN/SF. BN/SF is almost twice the size of either UP or SP. SP has been chronically short of cash. As a result, it has seemingly sought to maximize its short-term profits and cash flow at the expense of long-term business development, even while its service has deteriorated because it has been unable to make needed improvements in infrastructure. The merger will combine the SP route structure with UP's financial strength and long term focus on quality service and increased market share. This should help keep freight rates low and service strong. We look forward to the benefits of added competition between two financially strong carriers such as BN/SF and UP/SP.

We have read about the settlement agreement between UP/SP and BN/SF, which gave to BN/SF extensive trackage rights on the UP/SP system, and which preserved competition between two railroads from two carriers to one.
The settlement particularly addresses needs for construction at chemical plants and refineries on the Gulf Coast. The settlement means that our West Coast suppliers will have single line service to many of our Gulf Coast sites, whether the supplier is UP/SP or BN/SF served. This should provide better service for all of our shipments. The merger encourages increased competition between BN/SF and UP/SP, and the settlement opens new areas for competition between these two carriers, at the new points open to BN/SF, and on a system-wide basis.

I, John Amos, 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 19, 1995.

John Amos
October 23, 1995

VERIFIED STATEMENT

of

STEPHEN WATSON

on behalf of

BERRY & SMITH TRUCKING LTD.

My name is Stephen Watson, and I am the Manager of the Vancouver division of Berry & Smith Trucking Ltd. My office address is #100 8208 Swenson Way, Delta, B.C. V4G 1J6, Canada.

Berry & Smith is a drayage company based in Penticton, B.C., with annual gross revenues of $10 million. We conduct intermodal drayage between Vancouver, B.C. and Seattle, WA. In addition, we operate trailer yards and Vancouver, Penticton and Seattle, WA.

I am responsible for all sales, marketing, operational, and financial operations at Berry & Smith’s Vancouver Division. I have had 15 years of sales and operational experience with various truckload companies.

Berry & Smith welcomes the merger of the Union Pacific and the Southern Pacific. We are excited about the new intermodal opportunities presented by this merger. Union Pacific-Southern Pacific will be able to offer first-ever single-line intermodal service between Seattle and Los Angeles along the I-5 Corridor. This important route will connect British Columbia and the Pacific Northwest with Southern California and the Southwest and provide tremendous opportunities for new intermodal traffic. This will benefit Berry & Smith, which is in a good position to serve intermodal shippers attracted by the new service.

The availability of single-line service on the I-5 Corridor will also increase the availability of rail equipment to intermodal shippers. Union Pacific and Southern Pacific will be able to move equipment between points on the West Coast, and will be able to take advantage of backhaul and triangulation, which will increase the supply of equipment to intermodal shippers.

....CONTINUED PAGE TWO....
The combination of the Union Pacific and the Southern Pacific will create a railroad which will be able to compete head-to-head with the Burlington Northern-Santa Fe. Currently, the Burlington Northern-Santa Fe has a strong presence in the intermodal market in the Vancouver area. However, Union Pacific-Southern Pacific's I-5 Corridor route and its extensive routing network will attract Vancouver intermodal shippers. By becoming a better competitor to Burlington Northern-Santa Fe, the Union Pacific-Southern Pacific should increase intermodal traffic through Seattle, creating more business for Berry & Smith.

We support the proposed merger of the Union Pacific and the Southern Pacific and urge the ICC to approve it.

VERIFICATION

I, Stephen Watson, 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 23, 1995

[Signature]

Stephen Watson, Manager Berry & Smith Trucking Ltd.
OCTOBER 5, 1995

INTERSTATE COMMERCE COMMISSION
ATTN: FINANCE DOCKET 32760
1201 CONSTITUTION AVE., N.W.
WASHINGTON, D.C. 20423

VERIFIED STATEMENT

OF

RICHARD ANDERSON
on behalf of
BLUE LAKE FOREST PRODUCTS

MY NAME IS RICHARD ANDERSON AND I AM THE SALES MANAGER FOR BLUE LAKE FOREST PRODUCTS, P.O. BOX 1176, ARCATA, CALIFORNIA. I HAVE BEEN EMPLOYED WITH THIS COMPANY FOR EIGHT YEARS. I HAVE BEEN IN MY PRESENT POSITION FOR APPROXIMATELY FIVE YEARS.

BLUE LAKE FOREST PRODUCTS IS A LUMBER MANUFACTURER PRODUCING APPROXIMATELY FIFTY MILLION BOARD FEET ANNUALLY. THIS VOLUME IS BASED ON ONE SHIFT DAILY, FIVE DAYS PER WEEK. WE HAVE THE CAPACITY TO DOUBLE THIS VOLUME IF MARKET CONDITIONS AND RAW MATERIAL SUPPLIES PERMIT.

OUR COMPANY HAS ACCESS TO RAIL LOADING ON THE NORTH COAST RAILROAD. IN 1994 WE SHIPPED SIXTY NINE CARLOADS OF LUMBER. THROUGH SEPTEMBER OF 1995 WE HAVE SHIPPED SEVENTY NINE CARLOADS. AT LEAST EIGHTY PER CENT OF OUR RAIL SHIPMENTS STAY IN CALIFORNIA AT THIS TIME.

WE ARE THRILLED TO HEAR THAT THE SOUTHERN PACIFIC AND UNION PACIFIC ARE REQUESTING AUTHORITY TO MERGE. OUR COMPANY STRONGLY SUPPORTS THIS MERGER BECAUSE IT PRESENTS AN OPPORTUNITY TO BE COMPETITIVE IN MARKETS NOT SERVICED BY SOUTHERN PACIFIC.

THE MARKET AREA THAT OUR COMPANY COULD BENEFIT FROM THE MOST WITH A MERGER OF THESE TWO RAILROADS WOULD BE LAS VEGAS. IN FEBRUARY OF 1994 THE SP AND UP PUBLISHED A LAS VEGAS RATE. UNFORTUNATELY WE WERE UNABLE TO TAKE ADVANTAGE OF THIS RATE BECAUSE IT DID NOT PROVIDE ANY SAVINGS OVER THE TRUCKING RATES FROM OUR AREA.
OUR HOPE IS THAT WITH THE MERGER OF THE TWO RAILROADS A MORE FAVORABLE FREIGHT RATE WILL BE PUT IN PLACE TO GIVE LUMBER SHIPPERS FROM OUR AREA COMPETITIVE ACCESS TO LAS VEGAS AS WELL AS OTHER UNION PACIFIC MARKET PLACES NOT SERVICED BY THE SOUTHERN PACIFIC.

WE BELIEVE THE PROPOSED MERGER WILL HAVE POSITIVE RESULTS. OUR COMPANY STRONGLY SUPPORTS THE APPLICATION.

SINCERELY,

Richard Anderson
SALES MANAGER
BLUE LAKE FOREST PRODUCTS

VERIFICATION

I, RICHARD ANDERSON, 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.

Richard Anderson

James L. Jones
WITNESS
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Humboldt

On Oct. 5, 1995 before me, Rayetta Warlick, Notary Public
personally appeared Richard Anderson

☑ personally known to me - OR - □ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Rayetta Warlick
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

☑ INDIVIDUAL
□ CORPORATE OFFICER

□ PARTNER(S)
□ ATTORNEY-IN-FACT
 incompetent

□ TRUSTEE(S)
□ GUARDIAN/CONSERVATOR
□ OTHER:

DESCRIPTION OF ATTACHED DOCUMENT

VERIFIED STATEMENT

TITLE OR TYPE OF DOCUMENT

□ LIMITED
□ GENERAL

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

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BLUE PACIFIC TRUCK LINE, INC.
3455 N.W. Front Avenue
Portland, OR 97210
(503) 228-6824 office
(503) 228-0586 fax

VERIFIED STATEMENT

OF

DAVID SCOTT MOELLER
on behalf of
BLUE PACIFIC TRUCK LINE, INC.

Interstate Commerce Commission
Finance Docket No. 32760
Union Pacific - Control and Merger - Southern Pacific Rail Corp.

My name is David Scott Moeller, Vice President of Blue Pacific Truck Line, Inc., located at 3455 N.W. Front Avenue, Portland, OR 97210. I am primarily responsible for the company’s sales, marketing and operational activities. I have four years of experience with Blue Pacific and linehaul trucking.

Blue Pacific is a trucking business that has served Oregon and Washington since 1973. Most of our business involves drayage within 100 miles of the Portland rail ramp. We operate one trailer/container yard in Portland which is not directly served by rail. In 1994, we handled approximately 10,000 units.

We strongly support the Union Pacific/Southern Pacific merger application. The merger will benefit our company in particular because of new single-line service along the I-5 corridor. The UP/SP system will be able to operate on a single-line basis along the West Coast, between the State of Washington and southern California and Arizona. The BN/ATSF system has also secured rights through an agreement with UP/SP, under which it will be able to provide north-south single-line service between Washington and California/Arizona. The new single-line service along this important corridor should increase intermodal traffic, generating new business opportunities for our drayage operation.

[Signature]
Our customers will have more competitive options as a result of these improvements since they will have an economical rail alternative, as well as the alternative of moving entirely by truck. Enhancements and consolidation in the Portland terminal area should similarly increase intermodal activity and make overall operations more efficient.

In short, we believe that the proposed UP/SP merger will provide substantial benefits for intermodal traffic on the West Coast and we encourage the ICC to grant the application.

**VERIFICATION**

I, David Scott Moeller, 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 **01-25** 1995.

[Signature]

David Scott Moeller
My Name is Robert M. Gormley, I am Manager of Transport Services for Blue Star (North America) Ltd.

Blue Star (North America) Ltd. operates two services on the Australiasia/U.S.A. trade route, serving both the East and West Coasts of North America. Blue Star operates seven container vessels between 15,000 and 28,000 dwt. Blue Star’s corporate headquarters are located in New York. Blue Star also offers expertise in ship management and a number of other shipping-related activities including agency work, freight forwarding, marine insurance, and technical advice and constancy.

We provide exporters and importers with a variety of specific services and routings to a wide range of destinations. The Blue Star East Coast Service offers a total of 42 sailing’s per annum, with a frequency of 8-9 days. The West Coast Service offers a total of 42 sailing’s per annum with a sailing frequency every 8-9 days. Our port rotation is Philadelphia, Norfolk, Jacksonville, Houston on the East Coast and Gulf, and on the West Coast, Seattle, Oakland and Los Angeles.

We believe that the proposed merger between the UP/SP would be in our company’s best interest as well as the interest of other shippers. We endorse the UP/SP merger. The merger will allow the Railroads to become more cost effective, subsequently providing a strong viable competitor to ATSF/BN.

With approval of the application, UP and SP will be able to combine the strengths of their rail systems. As a result shippers and receivers on both systems will benefit with improved service. The merger will permit an expansion in technology to allow the process of shipping by rail to be more efficient, for inventory to be tracked more accurately and shipper needs to be met more efficiently.
The single line service will permit one stop shopping and is a value-added service that makes life easier for our customers.

Our initial analysis indicates the merger will result in quicker transit by taking advantage of trackage that will reduce transit by using the most cost effective trackage mileage available between origin and destination. Again this will make the merged railroads more cost effective and competitive for the shipping public. As an example, the distance between Memphis and Los Angeles will be reduced by 232 miles, another reduction will be in the Seattle/Los Angeles corridor, where rail mileage will be reduced by 556 miles. The mileage reduction will be reflective in improved transit time for shipments.

Integration of services will allow traffic to be handled more efficiently by eliminating redundant service, allowing the railroads to coordinate shipments to maximize returns while providing an improvement in service. In order for the UP/SP to survive, they will need to provide the most cost effective and timely service.

We have been concerned about the SP’s service and long-term viability. The merger will allow the continuation of service in view of the BN/ATSF merger.

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

Very truly yours,

Robert M. Gormley
Manager Transport Services

I, Robert M. Gormley, 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.
October 6, 1995

VERIFIED STATEMENT OF NANCY E. SILENGO
ON BEHALF OF BMI/COLORADO REFRACTORIES DIVISION

My name is Mrs. Nancy E. Silengo and I am the Manager of Administration for BMI/Colorado Refractories Division. Purchasing Manager is one aspect of my job and I have arranged incoming freight and negotiated rail rates for the past 15 years.

We manufacture refractory products for use primarily in the steel and cement industries. We are serviced at our location solely by the SP (DRGW). We use rail primarily for incoming raw materials from the east coast, midwest and southern states. We receive in approximately 16 to 24 carloads per year. To date we have not done a lot of outbound rail shipments but we are hopeful to secure this type of business in California and the Northwest.

As a customer who is solely dependent on the SP, we support the merger of the SP and UP to ensure quality rail service from a financially sound carrier.

We feel that we will experience better service routes from our suppliers and to our potential customers. We also look forward to improved response time to our pricing and marketing requests.

We have been pleased with the competitive pricing that rail service provides us. We believe the proposed merger will provide many benefits to shippers. Our company supports the UP/SP merger application.

Sincerely,

BMI/COLORADO REFRACTORIES DIVISION

Mrs. Nancy E. Silengo
Manager of Administration

I, Nancy E. Silengo, 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 10/6/95.

Nancy E. Silengo
VERIFIED STATEMENT
OF
JAMES KEITH BROUSSARD

JAMES KEITH BROUSSARD
PRESIDENT
BROUSSARD RICE MILL, INC.
P.O. DRAWER 160
MERMENTAU, LA 70556
318/824-2409
318/824-8537

I, JAMES KEITH BROUSSARD, PRESIDENT OF BROUSSARD RICE MILL, INC. MERMENTAU, LA. HAVE BEEN ASSOCIATED WITH BROUSSARD RICE MILL FOR 28 YEARS IN VARIOUS CAPACITIES INCLUDING MANAGING ALL TRANSPORT MATTERS. BROUSSARD RICE MILL, INC. MERMENTAU, LA. IS A PROCESSOR OF ROUGH RICE PRODUCING CLEAN RICE, BREWERS RICE AND RICE BRAN. WE PURCHASE ROUGH AND CLEAN RICE LOCALLY BY TRUCK AND MORE DISTANT PRODUCING AREAS SUCH AS CALIFORNIA AND ARKANSAS BY RAIL FOR MILLING AND/OR PACKAGING FOR FURTHER DISTRIBUTION. OUR RICE AND RICE BY-PRODUCTS ARE SHIPPED RAIL THROUGHOUT THE UNITED STATES EXPORTED THROUGH VARIOUS PORTS WORLD WIDE AND THROUGH RAIL BORDER CROSSING INTO MEXICO

IT HAS BEEN BROUGHT TO OUR ATTENTION THAT THE UNION PACIFIC AND THE SOUTHERN PACIFIC ARE TO MAKE A REQUEST TO COMBINE THEIR RAIL SYSTEMS AND IF THEY ARE ALLOWED TO MERGE AND AGREEMENT BETWEEN THE NEW COMPANY AND BN/SF HAS BEEN REACHED TO SELL THE SP LINE FROM IOWA, LA TO NEW ORLEANS WITH BOTH UP/SP AND BN/SF SERVING THAT SECTION OF RAIL. THIS WOULD CREATE A COMPETITIVE ENVIRONMENT BETWEEN THESE TWO RAILROADS WHICH BROUSSARD RICE NEVER HAD BEFORE AND OPEN UP A UNDETERMINATE LARGE NUMBER OF SINGLE LINE ORIGINS AND DESTINATIONS.

THE UP/SP MERGER IF ALLOWED WILL PROVIDE US A STRONG RAIL SYSTEM WHICH WOULD BE ABLE TO KEEP US COMPETITIVE IN THE DISTANT MARKET PLACES. BROUSSARD RICE, THEREFORE URGES A FAVORABLE DECISION BE MADE ON THIS MERGER BETWEEN UP/SP WITHOUT DELAY.

I, JAMES KEITH BROUSSARD, 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.

JAMES KEITH BROUSSARD
VERIFICATION

STATE OF Louisiana
PARISH OF Acadia

JAMES KEITH BROUSSARD, 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 KEITH BROUSSARD

SUBSCRIBED AND SWORN TO BEFORE ME THIS 16th DAY OF October, 1995

NOTARY PUBLIC

MY COMMISSION EXPIRES:

At Death
October 11, 1995

VERIFIED STATEMENT

OF
Darren M. Hesse on behalf of

BROWN-STRAUSS STEEL


My name is Darren M. Hesse, and I am presently the Warehouse Operations Manager for Brown-Strauss Steel, 20400 East 26th Avenue, Aurora, Co. 80011. The phone number is area code (303) 371-2200; fax number (303) 375-8122. My normal duties and responsibilities include distribution of steel mill products for our six distribution facilities located in Phoenix, Az., Salt Lake City, UT., Portland, Or., Ulmar, Ca. (Livermore, Ca.), Fontana, Ca., and Aurora, Co. This would cover all transportation logistics whether it be rail or truck into all six facilities. We are the largest steel warehousing facility with in the Western United States.

Brown-Strauss Steel primarily distributes steel beams and structural steel to local steel distributor within the West Coast, and service is priority to our customers. Moreover, we must provide our customers with quality service if we are to maintain our business. Brown-Strauss Steel is excited about the possibilities the proposed merger will bring to our company. Increased power and single-line service between the UP and the SP will greatly enhance our six locations, one of which is served by the UP in Aurora, Co., Portland, Or. (served by UP/BN), Fontana, Ca., Livermore, Ca., and Phoenix, Az. (all served by the SP). If this merger is not approved Brown-Strauss Steel could find our company at a disadvantage for competitive rates and service. The majority of our facilities with the exception of Aurora, Co. are SP served. The options by which we ship depend upon the competitive freight we can obtain by rail or truck.
Brown-Strauss Steel has several Southern Pacific destinations which are affected by the origin shipper. The merger with the Union Pacific and Southern Pacific would allow us to remain competitive, and would strengthen the Southern Pacific as our carrier. In order to maintain our competitive positions in all our areas of business, we must be assured that the Southern Pacific be allowed to merger with the Union Pacific if we are to continue to ship and connect with all possible corridors across the US and continue with competitive rates. Even though this merger will result in one fewer railroad in the West, we feel two strong carriers will provide more viable competitive choices than one mega carrier, one medium sized carrier and one weak carrier.

I, Darren M. Hesse, 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 11, 1995.

Darren M. Hesse
Warehouse Operations Manager
Brown-Strauss Steel
20400 East 26th Avenue
Aurora, Co. 80011
October 24, 1995

VERIFIED STATEMENT

OF

E. KENNETH BOWERS

on behalf of

BUILDER MARTS OF AMERICA, INC.

My Name is E. Kenneth Bowers. I am Manager, Transportation and Logistics for Builder Marts of America, Inc., (hereafter referred to as BMA), with corporate headquarters at 1 Independence Pointe, P. O. Box 47, Greenville, SC 29602. I am a graduate of the School of Management, Syracuse University with a BS degree in Transportation Management. For the past two years, I have directed BMA’s Transportation & Logistics activities. Prior to that, I served as Corporate Director of Transportation & Distribution for two Fortune 500 Companies.

For the past thirty-six years, I have been a witness to and scholarly advocate of the growth and changes to the North American railroad system. During the period when many U.S. Railroads were reorganizing, emerging from bankruptcy and becoming acclimated to a new climate of lessened regulation, I served as chairperson of the National Industrial Transportation League’s committee on Northeast Rail Reorganization and its Legislative Committee. During this period, I testified on behalf of shippers before House and Senate Committees responsible for Transportation legislation.

BMA, which celebrates its’ 30th anniversary in 1996, functions as a buying group supplying lumber, building materials, millwork, hard lines and services to over 400 corporations operating over 1100 locations. Our collective buying power ranks among the nation’s largest chains and co-ops. BMA operates its’ own distribution centers at Sacramento, CA (served by SP), Payette, ID (UP), Memphis, TN (UP or SP), Greenville, SC, Ambridge, PA, Monson, MA and Springfield, IL (SP).

We utilize all forms of transportation including more than 10000 shipments that moved by rail in 1994. Much of the Western Spruce Lumber and Fir Plywood that our customers sell, originates in Western Canada and the US Pacific Northwest Region.
Each year, hundreds of these carloads move to locations served by UP or SP or utilize those railroads in their overhead routes. The majority of our customer's locations in Texas and Louisiana are served by UP or SP.

BMA understands that the Union Pacific and Southern Pacific Railroads are requesting authority to merge. We strongly support this merger as a means of improving service.

We believe that the merger will bring to SP much needed financial strength and management resources that will result in faster transit times, improved equipment utilization and overall better customer service. Current SP management is to be congratulated for their strenuous efforts to rebuild their railroad by bringing in new management talent, buying additional motive power and upgrading crossties and rail. However, much more is still needed.

For example, BMA buys fir plywood from mills in Oregon that are 100% SP (or SP feeder line) served. Transit times from these mills to the Chicago gateway over SP averaged 18 days, down from 21, an improvement. However, identical product, trucked three miles to a BNSF reload and transferred to a rail car reaches Chicago in 5 days, a much more acceptable service time considering terrain and distance. SP tells us that their long transit time is due to lack of locomotive power and a shortage of crews. We believe that the combined resources of UP and SP will remedy this situation.

Another example we can give involves the benefits from new services that the merged property will be able to offer. BMA buys significant quantities of Western Spruce Lumber in Western Canada, much of which moves over the gateway at Vancouver, BC. Vancouver is served by the British Columbia Railway, the Canadian National and Canadian Pacific Railroads and the Burlington Northern/Santa Fe Railroads. None of these offer a direct efficient route to our customers in California, Arizona and New Mexico. The combination of UP and SP will provide direct access to these markets via the so-called “I-5” corridor. In addition, by agreement, BNSF will acquire a single-line route through California following the merger, providing a second alternative service for these movements.

BMA is also mindful of the need to maintain effective competition in the railroad transportation business. Shippers need another strong carrier in the West to provide an effective competitive response to the recent BNSF merger. Referring again to the large quantities of Western Spruce Lumber and Fir Plywood moving from the Pacific Northwest and Western Canada, receivers located on the new BNSF in Texas will enjoy significantly lower rates than those located on the SP who, without the merger, must rely on multiple line routings. Similarly, receivers in California who are SP served will have to rely on circuitous, multiple line routings or unfriendly connections at higher cost. The combination of UP and SP will be a more effective competitor to BNSF than UP or SP alone would provide.
BMA believes that the proposed merger will supply significant benefits to shippers. We support the application.

VERIFICATION

I, E. Kenneth Bowers, 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 23, 1995.

Signature
VERIFICATION

STATE OF SOUTH CAROLINA  )
) SS.
COUNTY OF GREENVILLE  )

E. Kenneth Bowers, 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.

E. Kenneth Bowers

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

Lucy J. simms
Notary Public

My Commission Expires:

7-25-2000
I, ALLAN TURNER, MAKE OATH AND SAY: I have personal knowledge of the following:

Allan Turner, Manager Pacific Region, located at 1108 Derwent Way, New Westminster, B.C., V3M 5R1, Canada. I have been in this position for 2 1/2 years. Previous to this (12 years) I was managing the Nationsway Transport (Denver, Co.) and P.E. Nationwide (Jacksonville, Fl.) facilities and operations in Vancouver, B.C. In my current position I am responsible for $19,000,000 per year in freight revenue.

BTS is a multi-faceted Transportation Company with major facilities in Vancouver, Edmonton, Calgary and Prince George. We are currently providing LTL consolidation and Truckload service in British Columbia, Alberta, Northwest Territories, Yukon, Alaska, Washington, Oregon and California. We currently use SP on the I-5 corridor mainly for LTL consolidations northbound and Pulp and Paper related Truckload southbound. Main points of service are between Seattle Portland and Los Angeles.

The proposed UP/SP merger would provide tremendous opportunities for our Company and we fully support this merger application. Our reasons for support are as follows:

- The link will provide us with single line service on our most important lane between Seattle and California.
- The consolidation of facilities in Los Angeles with improved transit times and frequency on the I-5 corridor will allow market penetration otherwise closed to us.
- The financial strength of U.P. combined with S.P. tracking will provide us with a sound transportation entity which we require to build our confidence to expand our operations the corridor into the next century.
- We currently run 95% of our I-5 freight by truck. The proposed merger and resulting service improvements will allow us to move 60% of our traffic to Intermodal.

BTS Byers fully endorses this application and hopes approval is granted in the shortest possible time frame.

I, Allan J. Turner, 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 19, 1995.

Allan J. Turner

Notary Public

Vancouver
Tel: (604) 525-4933
Fax: (604) 525-4806
I understand that Union Pacific and Southern Pacific are requesting authority to merge. I, Manuel G. Fernandez, President of C & F FOODS, INC. wish to add my support to the proposed merger. I feel that a combined system will definitely maintain a strong and healthy railroad system.

C & F FOODS, INC. is a processor and distributor of dried food products, such as beans, rice, barley, popcorn, etc. We ship and receive full hopper carloads as well as box cars of product from producing points to our two processing plants. One is located at 18825 E. Railroad Street, City of Industry, CA and the other is at 515 Noles Drive in Sikeston, MO. Both plants are served by the Union Pacific system currently, however, many of our products originate on the SP in Arkansas and the BN in the PNW. We feel that a single-line system will be beneficial to improved service and equipment availability. It is also important that the railroads are financially strong and can maintain a competitive presence with the newly merged BN/ATSF. A UP/SP merger will provide benefits to C & F Foods.

C & F Foods will particularly benefit from single line service between our plants and SP origins though a more direct route and single-line service.

The BN/SF will be almost twice the size of Union Pacific or Southern Pacific. Combining UP and SP will create a competitor that is fully the equal of BN/SF in western markets.

UP today is financially strong, but lacks efficient routes to many markets. SP has many excellent routes, but lacks the capital needed to provide adequate service. We have experienced problems with service from SP origins and feel the merger with UP should provide SP with capital to invest to overcome these problems. This should result in stronger competition overall.

We often times run into shortages of rail cars during peak season due to inadequate supply of hoppers and box cars. A combined resource should be beneficial to C & F Foods.
I believe the proposed merger would be in C & F Foods' best interests and endorse their application.

VERIFICATION

I, Manuel G. Fernández, 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 10/20/95.

[Signature]
Manuel G. Fernández, President
VERIFIED STATEMENT

OF

JAMES L. COUVILLION
on behalf of
C & N ROCK CO. INC

I James L. Couvillion, function as Marketing Manager responsible for representing my company's services as a provider of Aggregates for construction projects in the marketing area known as the ArkLaTex. Our marketing area includes primarily North Louisiana. We are a service company to general contractors providing needed aggregates for drainage and paving construction. Our company function is to search all known construction projects to determine if aggregate is present in project plans. We determine the size or type of stone desired and quote a delivered price to the job site. Our business contacts necessary to perform this function are as follows: Quarry Sources, Railway Lines and trucking contractors to deliver from Rail spurs to the job site.

The majority of our aggregates are shipped from Granite Mountain Quarries in Sweet Home, Arkansas, which is located near Little Rock, Ark. on the present available routes of the Union Pacific Railroad. One of these routes transports our shipments farther south to Alexandria, La and returns back north to the final destination of Shreveport, Louisiana. The other route on the Union Pacific transports to Marshall, Texas and then is routed East to the final destination of Shreveport, La. Both of these present routes cause at least five (5) day delays due to present routing. The merger with the Southern Pacific will make available a direct north-south route to Shreveport, Louisiana. This will benefit our service company in reducing inventory and make it possible to generally better serve our customers in the Shreveport market. We combine the use of 100 percent railroad shipping with local trucking delivery from the Rail Spur. Since the Railroad Spur functions as the nub of our distribution, all areas economically feasible for truck transporting will benefit. We consider these areas to be located 25 to 30 miles from the spur.

It is my opinion that new markets for other manufactures will be made possible and more competition and economic growth will develop in areas receiving the routing benefits of this proposed merger.
The mileage savings from a direct route to Shreveport, Louisiana from Little Rock, Arkansas can be explained as follows: The current routing to Alexandria, La. back to Shreveport is an estimated 400 miles. The direct distance from Little Rock to Shreveport is an estimated 160 miles. The result is a savings of 240 miles or a savings of 60% (percent) of the distance traveled.

We as a company have enjoyed our business relationship with the Union Pacific and look forward to shorter more efficient routes in the future using both Railroad lines. Other quarries located on the Southern Pacific lines will be available offering competition not possible in the past. An example is the Texas Crushed Stone Quarries located in Georgetown, Texas (a limestone quarry) which is north of Austin, Texas. Areas located in Southwest Louisiana and Southeast Texas will not only gain new opportunities to receive aggregate by rail, but will have both Arkansas and Texas located quarries to compete with one another to supply the new market needs. This area is still an energy related area of oil and gas wells which are a large user of aggregate products. As conservation become more of an important issue, forest management in this region also will need such products to prevent erosion of the land. Limestone for agriculture purposes will be made available via rail in this area for the first time.

The railroad lines that cross our country today are responsible for the economic growth of our nation. It is now time to combine railways to further economic growth.

James L. Couvillion

VERIFICATION

I, James L. Couvillion, 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 10-25-95.

James L. Couvillion

Signed before me, the undersigned notary, in and for Caddo Parish on this 23rd day of OCT 95.

David Eugene Lipp
Notary
VERIFIED STATEMENT OF TED TAMUL C. H. ROBINSON COMPANY

1400 S. Wolf Road
Suite 350
Wheeling, IL 60090-6524
trans. 708.808.0565
trans. fax 708.808.0570

FINANCE DOCKET NO. 32760
Union Pacific -- Control and Merger -- Southern Pacific Rail Corporation

I, Ted Tamul, am Intermodal Manager, Chicago Branch, for the C. H. Robinson Company, 1400 S. Wolf Road, Wheeling, Illinois 60090. My responsibilities include managing all aspects of our intermodal traffic, including sales, operations and pricing, for the company. My background includes nine years of management in intermodal pricing, operations and sales, and two years in equipment management. I make this statement in support of the proposed merger of the Union Pacific and Southern Pacific railroads.

C. H. Robinson provides transportation logistics, produce procurement and sales services to shippers and receivers across the country. Our revenues are more than $1.5 billion per year, and we employ 1500 people in 75 domestic and 15 overseas offices. C. H. Robinson moves some 750,000 truckloads per year over the road as well as via rail, airfreight, less-than-truckload and ocean services. Our rail shipments of perishables amount to some 30,000 trailers per year between the Southwest and Pacific Northwest, and the Midwest and East Coast. For example, C. H. Robinson moves frozen duck, candy and meat via the Union Pacific from the Midwestern United States to the West Coast, and moves other perishable shipments, mostly produce, from the West Coast eastward. We also move produce from Texas to California.

C. H. Robinson is in a position to benefit greatly from the merged UP/SP's new single line service -- for example, from the Pacific Southwest and the Stockton/Roseville/Oakland areas to Chicago, and vice versa. C. H. Robinson and our rice producing customer in Texas also expect to benefit from new single line service from Texas to Northern California via the Southern Pacific's Tucumcari route.

Overall, we expect that the UP-SP's system of more direct routes will enable us to improve our efficiency in utilizing our private fleet of rail equipment -- particularly refrigerated cars. There should be additional opportunities for backhaul loads to our customers because of the new quicker transit times and greater number of turns made possible by this merger.

We have experienced problems with service and inexplicably long transit times on the Southern Pacific. For example, we have found the Southern Pacific to be unable to offer the same Monday-to-Wednesday service to Dallas from Chicago that UP offers. We expect the SP's service to improve dramatically under the combined management of UP/SP.
We also believe that the UP/SP merger will lead to more competition between railroads -- especially in terms of an alternative to the BN/Atchison, Topeka and Santa Fe -- and better rail service. With the merger of UP and SP, and the merged BN/ATSF, there will be at least two strong carriers providing good competition with strong service for many of the routes that we utilize from Chicago west. This will help put pressure on pricing since equal service will be available via both railroads. Rail service will also be more competitive with the truck market, which competes for many of the shipments C. H. Robinson arranges.

For all of these reasons, C.H. Robinson strongly supports the proposed merger of the Union Pacific and Southern Pacific.

I, Ted Tamul, 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 on behalf of C. H. Robinson Company’s Chicago Branch. Executed on October 9, 1995.

TED TAMUL

WITNESS

OCTOBER 9, 1995
Verified Statement of
DALE PARSONS
on behalf of
CAIRO COOPERATIVE EQUITY EXCHANGE

My name is Dale Parsons. I am the General Manager of the Cairo Cooperative Equity Exchange. My address is box 45, R.F.D. #2, Cunningham, Kansas 67035. My telephone number is (316) 672-3961. My fax number is (316) 672-2204. I have been in the grain business for thirty years. I am responsible for all of Cairo Coop’s grain facilities.

Cairo Coop is a grain and fertilizer cooperative. Our main business is operation of grain elevators, and sale of fertilizer, chemicals, tires and batteries. Cairo Coop has nine grain elevators within thirty square miles. We have elevators in Waldeck, Cairo, Penalosa, Brownspur, Calista, and Cunningham, Kansas, which are served by the Central Kansas Railway (CKY). CKY interchanges with the SP at Hutchinson, Kansas, and interchanges with the UP at Wichita, Wellington, Scott City, Salina, and McPherson, Kansas. We also have elevators at Preston, Turon, and Arlington, Kansas, on the SSW (SP).

We strongly support the merger of UP and SP and look forward to the new opportunities the merger will bring. The merger will provide many benefits to shippers, such as new single line service on the SP-UP to more destinations for our grain. We expect that the merger will open new markets and allow us better opportunities to sell our grain to more outlets. This is an important benefit to our cooperative and many Midwestern grain growers generally.

The merger of UP and SP will combine the financial strength and management of UP with the routes and system of SP. The combined system will have more equipment available for shippers. As UP-SP makes better use of its routes, terminals and capabilities, it will also use its equipment more efficiently. We rely upon the railroad to supply rail cars for our grain shipments, and increased equipment supply will speed service, increase reliability, and reduce our costs.

The financial strength of the combined UP-SP will also help assure the long-term survival of a competing system to BN-SF. BN-SF is almost twice as big as either UP or SP. The UP and SP need to merge to provide a competitor for the giant BN-SF system. Strong competition between BN-SF and UP-SP will benefit shippers and assure quality service in the long run.

I, Dale 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 October 12, 1995.

Dale Parsons
UP/SP Finance Docket No. 32760

VERIFIED STATEMENT OF:
Larry D. Willett, President
California Distribution
14407 Alondra Blvd.
La Mirada, CA 90638-5504
PH: 714-562-0814

October 16, 1995

To Whom It May Concern:

California Distribution supports the Union Pacific's effort to acquire the Southern Pacific Rail Corporation and Southern Pacific Transportation Company.

California Distribution provides its customers with a highly responsive and cost effective distribution service. Additionally, it is our primary objective to provide a quality distribution service to Southern Pacific and its customers.

As a SP rail served transload and warehouse operator, California Distribution facilitates the distribution of packaged and/or bagged materials, non-ferrous and ferrous materials, forest products, and many other valued commodities that are shipped in railroad cars. Furthermore, California Distribution provides complete inventory control and storage services which enhances the distribution efforts of Southern Pacific and its customers. California Distribution is a fully integrated partner of the rail network.
UP/SP Merger: Statement of Position

California Distribution believes that the combined operations of Southern Pacific and Union Pacific will provide for the following benefits and improvements. We fully support these improvements.

1. access to add additional rail served markets via UP lines.
2. improved transit times and reduce interchange dwell time
3. increased railcar availability and improved maintenance
4. single-line routing and car tracing ability
5. financial stability

Given the aforementioned, California Distribution believes that the merger between these two railroads will benefit not only our operation, but also the overall transportation network of the country. If you have any questions regarding this support statement please feel free to contact me personally.

Sincerely,

CALIFORNIA DISTRIBUTION

[Signature]
Larry D. Willett
President

LDW:pmr

VERIFICATION

I, Larry D. Willett, declare under penalty of perjury that the above is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 16, 1995.

[Signature]
Larry D. Willett
October 2, 1995

Interstate Commerce Commission
Washington, D. C. 20423

Re: Finance Docket 32760

My name is Roy A. Bellesen. I am Traffic Supervisor of California Steel Industries, Inc. ("CSI"). I have worked in transportation for most of my career. Prior to CSI's purchase of the Fontana mill from Kaiser Steel in 1984 I was Traffic Manager for Kaiser Steel Corp. My present responsibilities include arranging for and overseeing the transportation of inbound slab steel and outbound finished product. As part of my duties, I negotiate transportation rates, order equipment and monitor equipment movement.

CSI produces coil steel, cut sheet and tubular products from slab steel. The slab steel is obtained from both foreign and domestic sources and moves inbound to the mill at Fontana by rail. The Fontana mill is served by both Santa Fe and Southern Pacific. Presently, the imported slab steel is handled by Santa Fe. The domestic inbound traffic is split between Santa Fe and SP. Outbound traffic moves 75% by truck and 25% by rail, destined to western and midwestern customers. Our total annual rail volume is approximately 18,000 cars inbound and 4,000 cars outbound.

It is critical to our company that SP continues as a strong competitor. Although SP has tried to meet our needs, we have experienced shortages in the supply of coil cars, particularly due to the poor turnaround times inherent in SP's service. SP has been unable to provide the consistent, reliable service we need in the I-5 corridor to the Pacific Northwest. Likewise, congestion at Colton has caused delays on car deliveries to midwest and Texas customers, further contributing to poor turnaround times. The terminal improvements proposed by the merging carriers coupled with improved route utilization should reduce, if not eliminate, congestion problems. Faced with competition from the newly merged BNSF, SP's ability to address these problems by itself is diminished. As a result we strongly support the merger of SP with the financially viable Union Pacific. Not only will service be improved, equipment utilization will be enhanced, resulting in improved transit times and the reduction, if not the elimination of car shortages for our company.
Additionally, overall competition in the transportation industry in the west will be enhanced. We recognize that certain destinations to which we ship (Houston, Dallas, Portland and Denver) will experience a reduction from three to two rail carriers. However, the vigorous competitive environment resulting from two strong, service sensitive railroads (UP/SP and BNSF) is far preferable to that which can be expected from the significantly smaller UP and the financially weaker and smaller SP attempting to compete with the newly merged BNSF.

Approval of this merger of SP and UP will create a company that can compete for business in the I-5 corridor which is now dominated by trucks. This improved ability to compete for business now handled by trucks bodes well for the shipper and the ultimate consumer. We believe that the overall competitive environment for transportation will be enhanced with the approval of this merger.

Finally, we are in full support of the settlement reached by UP/SP and BNSF. This settlement assures strong rail competition throughout the west. Our company will benefit from new competition for traffic routed over New Orleans, new rail competition in the I-5 corridor, new UP/SP access in the Pacific Northwest, and new BNSF service into the Salt Lake City area. We applaud SP/UP for introducing a strong competitor into areas where there might otherwise be some concern. We view the UP/SP-BNSF Settlement Agreement as preferable to providing similar rights to weaker carriers that could not provide the same level of competition.

In conclusion, CSI is enthusiastic about the merger of UP and SP. The benefits are many and valuable and will enable us to expand our rail business. Although at some locations to which we ship there will be a reduction in number of serving carriers, the importance of maintaining two strong rail systems in the west cannot be overstated. A competitive balance is essential from the point of view of the shipper.

I, Roy A Bellesen, 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.

Roy A Bellesen
The Calumite Company
Suppliers of Industrial Materials
Boca Raton, Florida

VERIFIED STATEMENT
of
David D. Myers
On Behalf Of
The Calumite Company

My name is David D. Myers and I am Vice President and Technical Director for The Calumite Company. We are located at 2300 Corporate Blvd, Suite # 303-C, P.O. Box 810006, in Boca Raton, Florida - 33431. I am a graduate of Elizabethtown College in Elizabethtown, Pennsylvania. I worked for the Kerr Glass Company in Dunkirk, Indiana as Senior Glass Technician for 3 years and have worked for the Calumite Co. for the past 24 years. I am responsible for sales and marketing for all of Calumite's products.

The Calumite Company provides a material called "calumite" slag to the glass industry. This slag is a by-product of the blast furnaces used in iron production. For the past 40 years, "calumite" has been used by all of the major glass manufacturing companies to increase the efficiency of the glassmaking process. "Calumite" can aid substantially in lowering melting temperatures or it can permit more glass to be melted at essentially the same temperature. These benefits help to prolong furnace life as well as improve stability & quality of the glass. The Calumite Company has 3 facilities; one in Middletown, Ohio on the CSXT and Conrail, one in Weirton, West Virginia on Conrail and one in Burns Harbor, Indiana on Conrail and the IHB. We also have one supplier in Memphis, Tenn. for which we buy and sell all of their slag materials. We ship over 2,500 carloads per year from these 4 plants to glass producers throughout the nation.

We would like to take this opportunity to state our support for the proposed merger of the Union Pacific and Southern Pacific Railroads. We have been routing cars via the UP for a number of years and have found them to be a very customer responsive transportation company. We have business moving from our Burns Harbor, Middletown & Memphis facilities via the UP system to two companies in Texas and one in California. We ship from Memphis to one customer in Oklahoma on the BN and have another movement going from Burns Harbor to a southern California receiver who is located on the SP. We have experienced repeated transit time problems on this SP movement from Burns Harbor to Los Angeles, due to both yard congestion and power shortages. We have tried to convert this traffic to the UP lines in the past, but were unable to shift the business to the UP because the firm is closed to reciprocal switching. Because of the strong financial position of the UP, the merged system will be able to provide the leadership and capital needed to insure that viable rail service continues to be available to customers located on the SP's lines.
The merger of the UP and SP is necessary to provide strong competition for the recently-merged BN / ATSF system. This strong competitive atmosphere will result in controlled transportation costs for the shippers and receivers on all three railroads' lines. The merged UP / SP system will be able to consolidate their facilities and their equipment. The new system will be able to take advantage of shorter geographical routings which will also enable it to control long-term costs. The recent trackage rights agreement between UP / SP and the BN / ATSF will maintain two-railroad competition in places which previously were only served by UP and SP. In particular, the trackage rights will insure competition on the following routes that we routinely utilize: CSXT - E.STLOUIS - MP, CR - E.STLOUIS - MP - UP and CR - E.STLOUIS - SP.

In summary, the merger of the Union Pacific and Southern Pacific is necessary for the long term viability of both companies and for meaningful competition with the new BN/ATSF. This merger will result in cost savings for the railroads, controlling Calumite's transportation costs in the years to come. We strongly support this merger because it will benefit all concerned.

I, David D. Myers, 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 13, 1995

Signature
My name is Brendan Turner. I am Manager Rail Transportation for CanAmera Foods, headquartered at 2190 South Service Road West, Oakville, Ontario. I have more than 20 years experience in the field of transportation and distribution. I am responsible for all matters regarding the rail transportation and distribution of CanAmera Foods products.

CanAmera Foods is North America’s largest processor of Canola Products. We are a major supplier of edible oil and animal feed products to many U.S. firms. Our major mills are located at Fort Saskatchewan, Alberta; Wainwright, Alberta; Nipawin, Saskatchewan; Harrowby, Manitoba; Altona, Manitoba; Hamilton, Ontario; Toronto, Ontario and Montreal, Quebec. CanAmera utilizes rail for shipments from our Western Canadian plants to major U.S. markets in California, Pacific Northwest and Tennessee. Major rail movements are from Altona and Harrowby, Manitoba, Nipawin, Saskatchewan and Fort Saskatchewan, Alberta to Fullerton, California and Los Angeles, California and to Memphis, Tennessee. CanAmera Foods ships more than 100 carloads per year of Canola Oil and Canola Meal to California, 500 carloads per year of Canola Oil to Tennessee and 50 carloads of Canola Oil annually to the Port of Houston, Texas for export. Our rail traffic originates on either CN or CP Rail thence connections to interchanges at Kansas City, Kansas; Chicago, Illinois or Portland, Oregon thence via SP Lines.

We support the proposed merger of UP and SP. Efficient, reliable rail service is critical to the success of our business. We believe that the combination of the financially strong and service oriented UP with the route structure and market access of the SP will produce efficiencies which will accrue to the benefit of shippers and consignees alike. The rerouting of traffic over the most efficient line segments, the elimination of congestion at terminals such as Chicago, Kansas City and Houston through planned improvements, and the better use of the facilities, will result in reduced transit time, better schedules, and more reliable and consistent service.

With the expanded single line service that would be offered by UPSP, we will have access to new markets that cannot be reached economically by rail today. For example, with the new efficiencies of the merger we may be able to reroute at least some of our existing rail movements of Oil and Meal from our Western Canadian mills to California points via the Kingsgate, B.C./Eastport, Idaho interchange.
In addition, we have been concerned about the ability of SP to remain competitive in the present transportation market. This concern is of particular importance in light of the recently approved BNSF merger and the pressure placed on SP by the huge competitor. The UPSP merger assures long term quality SP service. The combination of the financially strong and service oriented UP with the route structure and market access of SP will result in a strong competitor to the BNSF. The competition for transportation services should be enhanced with two strong carriers able to compete with not only each other but also with other modes.

I, Brendan Turner, 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 this thirteenth day of October, 1995.

Brendan Turner
VERIFIED STATEMENT
OF
RICHARD F. CHRISTIE
ON BEHALF OF
CANBRA FOODS LTD.

My name is Rick Christie and I am the Manager, Transportation and Distribution for Canbra Foods Ltd., and we are located at 2415-2A Avenue N in Lethbridge, Alberta, Canada T1J 3Y4. I have been in this position for 8 years, prior to that I was a District Sales Manager for the Soo Line Railroad for 4 years, prior to that I was a Senior Pricing Analyst and Sales Representative for the CP Railroad for 4 years, and prior to that I was a Rate Advisor for the CN Railroad for 11 years.

Canbra Foods buys canola seed from farmers and processes the seed into canola oil and canola meal that we ship via rail and truck in Canada and to the Continental United States, with emphasis on the Pacific Northwest and Southwest areas. We utilize the rail services of the CP, BN, UP, SP and ATSF. We have 15 leased covered hopper cars and also use CP and BN supplied covered hopper cars to ship our canola meal. We have 130 leased tank cars that we use to transport our canola oil. We ship approximately 2,300 carloads per year of canola oil and meal into the United States via CP-UP-SP, CP-UP, CP-BN, truck-transload-BN, truck-transload-BN-Silver Bow-UP and BN-SP.

Canbra Foods strongly supports the UP/SP merger proposal and believes that it will reduce the turn-around time on our leased covered hopper cars and tank cars when shipments are made into the SP territory in California which will reduce our leased car costs. The merger will also enable the UP to utilize the shorter and more efficient route over Portland versus Colton when shipments are made into Southern California. We like the single line service that the CP offers us in Canada and believe that there are significant economies of scale to a merged UP/SP system that will allow us to increase our market share on shipments of canola oil and meal via CP-Eastport-UP to various points in California, Texas, and the Gulf.

I understand that UP/SP have reached an agreement with BN/ATSF as a condition of this merger which would result in BN/ATSF having a single-line route from the Pacific Northwest and the Canadian gateways to California and Arizona. I understand also that UP/SP will set proportional rates from Vancouver and other BN/ATSF points in the northwest to California and the Southwest. This will bring new rail competition into these markets. As a result, I believe that the UP/SP merger with the condition of the BN/ATSF agreement added to it will clearly strengthen rail competition, not diminish it.

We have difficulty tracing our cars on the SP, getting accurate ETA’s and securing mileages. We prefer the UP’s TCS system and look forward to the implementation of this valuable tool on the merged SP system. We can hardly wait for this merger to take place and support it as being in the best interest of our customers and ourselves. The SP cannot survive long term as a stand alone carrier against the merged BN/ATSF system but will do quite well once merged with the Union Pacific Railroad.

Richard F. Christie

VERIFICATION

I, Richard F. Christie, 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 16, 1995.

Richard F. Christie
Canbra Foods Ltd.
September 11, 1995

VERIFIED STATEMENT
OF
ING. ROBERTO CABALLERO
ON BEHALF OF
CARTONES PONDEROSA, S.A. DE C.V.

Attn.: Interstate Commerce Commission
UP-SP Merge Case.
Docket No. 32760

My name is Roberto Caballero, and I have been working as Purchasing Director of Cartones Ponderosa, S.A. de C.V. Our Corporate office address is Libramiento a Tequisquiapan Km. 4, Zona Industrial, San Juan del Río, Qro. México, and my telephone and fax numbers are (52-467) 21116 or 20971 and 21286.

I am in charge of all the purchasing, traffic, and imports for my Company which includes raw materials, machinery, waste paper, kaolin, and pulp. In this particular case our most important raw material is coming from USA and is shipped by railroad.

We receive around 1300 cars per year, 300 from Louisiana, 200 from California, 200 from Chicago area, 160 from Canada, and 440 from Texas to Laredo and/or Eagle Pass, Tx. With final destination in our plants in San Juan del Río, Qro. México.

Actually this service is provided by either Southern Pacific or Union Pacific, sometimes with direct route, some others connecting with other railroads like the CNW, BN, CR, CSXT, NS. Up to now we’ve had the alternative to negotiate and obtain competitive rates and services from either one in order to reduce our transportation and inventory costs to the maximum possible, as well as continue having different alternatives to choose from.

Although we were initially concerned about the merger when it was first announced, we are also aware of the merger between BN and Santa Fe, which created a large and strong railroad. We support the UP-SP merger because it will create a competitor for the BN-Santa Fe system, particularly in paper products.
The merger of UP and SP will result in shorter and more single line routes over Mexican gateway, and the trackage rights to BN-Santa Fe will preserve and enhance competition. In addition, the merger will combine the strengths of the UP systems, and will also result in a financially stronger railroad to compete with BN-Santa Fe.

I Roberto Caballero, declare under penalty or 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 11, 1995.

Yours truly

Ing. Roberto Caballero P.
Cartones Ponderosa, SA de CV
VERIFIED STATEMENT

of
MIKE BOYER
on behalf of
CARTWRIGHT VAN LINES, INC.

Interstate Commerce Commission
Finance Docket No. 32760

Union Pacific Railroad, et al. - Control and Merger
Southern Rail Corp., et al.

My name is Mike Boyer and I am the Intermodal Manager for Cartwright Van Lines, Inc., 11901 Cartwright Avenue, Grandview, MO 64030. I am writing to voice my support, and the support of Cartwright Van Lines, for the merger of the Union Pacific and Southern Pacific. Cartwright welcomes the merger of the UP and the SP, which will create a strong competitor to the Burlington Northern/Santa Fe for intermodal service between the Midwest and our destinations in California and the Pacific Northwest. We are interested in expanding our intermodal operations, and believe that this merger will allow us to do so.

I have worked in the transportation industry for 15 years. As the Intermodal Manager for Cartwright, I oversee the operations of the intermodal division, including sales and rates. I have also worked in dispatch, as a broker, and in sales and marketing, and from 1979 to 1985 I was an owner/operator.

Cartwright is a full-service transportation company, which handles products ranging from household goods to food items. Cartwright has facilities in Grandview, MO, Windsor, CO, Jacksonville, FL, and Kansas City, KS and we offer service to 48 states as well as to international destinations. Our primary routes, however, are from the Midwest to the Pacific Northwest and Northern and Southern California. Cartwright has annual revenue of $50 million. We carry about 15,000 truck loads annually, a small percentage of which is transported intermodally on BN/Santa Fe.
Cartwright is relatively new to intermodal shipping. We have the potential to move between 500 and 1,000 loads to Southern California every year if we have consistent, high quality intermodal service. Following the merger, UP/SP will be able to offer improved expedited service between Southern California and the Midwest, thus providing a stronger and improved competitive alternative to BN/Santa Fe. The upgrading of Southern Pacific track between El Paso and Los Angeles and the availability of alternate routes allowing trains to avoid congestion should make intermodal service faster and more reliable. Planned improvements at intermodal terminals in Kansas City and the Los Angeles area will further improve service.

The merger will also greatly improve intermodal service between Chicago and Northern California and the Pacific Northwest. UP/SP will be introducing new third-day intermodal service between Chicago and the Bay Area, a competitive alternative to BN-Santa Fe's service.

Approval of the UP/SP merger is important to provide strong competition to BN/Santa Fe and to allow the development of an integrated system that can strengthen intermodal shipping as a competitive alternative to over-the-road transportation. I strongly support the UP/SP merger and urge you to approve it.

I, Mike Boyer, 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 18, 1995.
October 4, 1995

VERIFIED STATEMENT

of

KURT C. ZETZSCHE

on behalf of

CASCADE STEEL ROLLING MILLS, INC.

My name is Kurt C. Zetzscbe and I am President of Cascade Steel Rolling Mills ("Cascade"), 3200 North Hwy. 99W, McMinnville, OR 97128. Cascade is located on a short-line connection (Willamette Pacific) to Southern Pacific, approximately 35 miles southwest of Portland, Oregon. Cascade operates an electric arc furnace "mini-mill" on an 80-plus acre site here, employing approximately 500 people. We are a major area employer and a significant contributor to the Oregon economy.

Our plant is located on-rail and is also conveniently located with access to major highways including I-5 north-south and I-84 east-west.

Cascade converts scrap steel to steel reinforcing bar ("rebar"), merchant bar, fence posts, grape stakes and special sections. Cascade sells its finished products to the heavy construction industry, highway, commercial and residential construction contractors, and wholesale and retail sales outlets. Cascade has warehouse distribution outlets in Union City (Decoto) and El Monte, California, both located on SP. At the present time, Cascade's major customer base is in California and is primarily served by rail.

Cascade's raw material consists of steel scrap, which it receives in large volumes by rail. In 1994 Cascade received almost 700 cars from Eugene, Oregon; over 1,600 cars from Rivergate (Portland), Oregon; over 800 cars from Nimbus (Sacramento), California, and over 1,800 cars from other California origins.

Our outbound rail movements in 1994 consisted of over 1,200 cars of rebar, flat bar, fence posts and grape stakes to our El Monte distribution facility; over 900 cars to Decoto, 53 cars of steel billets to Minnequa, Colorado, and 69 cars of flue dust to Monterrey, Mexico. As
can be seen from these shipping patterns, SP is the key factor in our rail distribution for inbound and outbound shipments and the kind and quality of service that SP provides directly affects our business.

While iron and steel scrap is a relatively low-rated commodity, freight rates will shape the extent of the scrap markets available to us. Our best sources of supply tend to be sources located on SP, where we are able to negotiate with one carrier, a carrier which is interested in our business overall and wants to see us grow. When we negotiate joint-line transportation contracts we find that the two carriers' revenue requirements tend to increase to more than we would expect if a single carrier were able to provide the complete service, simply because each carrier has a revenue minimum which it expects for every additional car that it takes responsibility for. (This same factor of course applies also to outbound shipments of finished products.) One immediate benefit that we expect from the merger is opening up new sources of scrap on UP in Oregon, Washington and California, which will become commercially available to us on a single-line basis, just as are our present scrap sources on SP. This is an important step; we have under way a $42 million plant expansion, and new scrap sources available at reasonable cost are indispensable to our successful growth.

From our inbound and outbound shipping patterns it is apparent that our rail traffic has been linked by commercial necessity to points reached by SP's single-line services. Washington State, despite its proximity to our plant, is presently excluded from our rail traffic flows, because SP does not operate north of Portland and therefore cannot reach potential traffic sources in Washington. Most importantly, we cannot currently most efficiently or cost effectively attract scrap metal from the largest scrap metal recycler in Washington State, General Metals of Tacoma. General Metals operates the only auto shredder in the state of Washington and we do not routinely receive substantial scrap metal as feedstock to our steel manufacturing plant in McMinnville. Once UP and SP merge the entire state of Washington will be commercially opened to us as UP and SP join to provide an expanded single-line service. Not only will we be able to compete for major scrap sources available at Olympia, Tacoma, Seattle and Spokane, but we will be able to develop new markets for our products throughout the state, at the points now served by UP.

Because of the economics of our industry, we are largely "landlocked" to our single-line carrier for inbound and outbound rail service. The merger of SP and UP will remove the barriers and for the first time permit economic rail access to the state of Washington and we also expect to become competitive to Boise, Idaho and Las Vegas, Nevada. We expect our rail traffic to increase substantially, post-merger, as a result.

Cascade also expects the merger to provide equipment supply benefits, by making available to us the UP's fleet of scrap gondolas. We have experienced periodic difficulties with SP because of their inability to provide us with all of the cars that we require, and this has affected our production. It is well-known in the industry that the UP has resources in depth that SP lacks, and we expect that putting UP's financial strength behind SP's services is going to help eliminate the past problems of insufficient car supply, slow or erratic transit times, and other service failures which plagued SP even while their people were doing the best they could to meet our requirements.
Cascade feels they it is very important that the merger between SP and UP take place in order to give SP's rail shippers, like Cascade, assurance of the long term support of a well-financed, strong, resourceful carrier. SP has been very supportive of Cascade over the years and I want to give SP full credit for its efforts in the past, but it has also been apparent to us that SP's people do not have the resources available to them that their competitors now have and SP's service suffers as a result. When that happens, our business suffers also. The merger of SP and UP is a strong step forward in the public interest for Cascade and other shippers similarly situated.

I, Kurt C. Zetzsche, 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.

Kurt C. Zetzsche, President
Cascade Steel Rolling Mills, Inc.
My name is Tim Todd. I am Traffic Manager of Cascade Wood Components. I have been employed by Cascade Wood Components, Inc. for thirteen years in sales and traffic positions. I hold an MBA degree.

Cascade Wood operates a stud mill in Cascade Locks, Oregon. We manufacture wood components and ship them throughout the United States. We use the Union Pacific Railroad for shipments to the East (via the Chicago gateway) and Midwest. We ship several hundred cars annually via UP to these markets. We also ship by rail and truck to other destinations.

Cascade Wood strongly supports the proposed merger of the Union Pacific with the Southern Pacific. The merger will open up major new markets to Cascade Wood and other forest product shippers served by UP in the Pacific Northwest. Of particular importance are markets in California and Arizona, where SP has good market access to many points not even reached by UP and has a much shorter and more efficient rail route directly south from Portland. After the merger, UP/SP will be able to offer direct single-line service to California and Arizona without all of the problems entailed in interchanging cars in Portland. Single-line service will also mean more efficient marketing and lower rates; currently, truck rates are lower than rail rates to the Bay Area.

In addition, combination of the two railroads' route networks will make more accessible important new markets in Mexico -- especially for pallet material. UP/SP will reach Mexico via all of the important gateways and, more important from our perspective, will reach those gateways from the Pacific Northwest via much more direct routes through California or Denver.

The merger should also improve equipment supply by consolidating both railroads' fleets of equipment used to haul wood products, and by allowing the carriers to make more efficient use of that equipment through improved turn times and better ability to position equipment where it is needed when it is needed.

Not only is access to SP-served markets currently hampered by the lack of single-line service over efficient routes, but an additional key problem is the fact that SP's service is so terrible. UP's service has long been vastly superior to that provided by SP, and SP's has been going steadily downhill -- to the point where it is now at best lousy.
We anticipate that service will improve immeasurably when SP's route network is operated by the UP. That alone will undoubtedly draw considerable traffic back to the rails from the highways, especially in the I-5 corridor where SP service has driven so much traffic away.

I declare under penalty of perjury that the foregoing is true and correct. I further certify that I am authorized to prepare and file this statement.


Tim Todd
My name is Peter Reyneke. I am Sales Manager for Cavenham Forest Industries. I develop all marketing programs for the company and am responsible for transportation decisions. I have 20 years of experience in wood products sales.

Cavenham Forest Industries is headquartered in Warrenton, Oregon. We are a major timber owner, owning more than 800,000 acres, and are using growing sawmill capabilities to maximize timber value. Our rail shipments move out of the Savage reload in Portland for destinations in Chicago, Denver, and Salt Lake City. UP handles our shipments to Denver, Salt Lake City, and Chicago. We expect that in the near term we will ship approximately 700 to 800 carloads per year but we project that in the next year that figure will jump to 1200 carloads annually.

We support the proposed Union Pacific/Southern Pacific railroad merger as a mechanism to offer viable rail service on SP routes and to provide effective competition for the Burlington Northern/Santa Fe system in the West.

The merger will give us access to a more extensive and readily available equipment supply, particularly centerbeam flat cars. The combination of UP and SP equipment, and the ability of the merged system to reposition cars more efficiently between California and the Pacific Northwest, will enhance the supply of cars available to us, reducing delays.

One of the major benefits of the merger will be new single-line service between the Pacific Northwest and Phoenix, which will allow us to expand into new markets. Today, SP is plagued with such extensive problems that we consider them to be a nonentity in the rail marketplace, and we have refused to use them for shipments to Phoenix. The UP/SP system will offer single-line service along the I-5 corridor and continuing from Southern California to Texas. In addition, UP/SP’s plan to upgrade SP’s El Paso to Colton line will mean more efficient service and measurably reduced transit time along this route. UP, SP and BN/SF have recently entered into an agreement which will give BN/SF a single-line route along the West Coast and into the Southwest. This route will increase our competitive options for shipments to Phoenix.

The merger also will reduce transit times on our shipments to Chicago. The UP/SP system is planning to concentrate time-sensitive intermodal shipments on SP’s Southern Corridor. This route specialization will mean that manifest traffic moving on UP’s Central Corridor route faces less congestion, speeding shipments.
Finally, the UP/SP merged system will be an important competitive force in the West. Today, no railroad can equal the capabilities of the BN/SF. UP/SP will be able to provide needed competition and will allow shippers served by these railroads to remain competitive with shippers served by BN/SF. Moreover, although Portland, the primary origin point for our shipments, will be served by two railroads after the merger instead of the three railroads that serve it today, decreasing the number of railroads will actually enhance competition. Neither the SP nor UP alone can be an effective competitor of the BN/SF; as noted above, we do not even consider SP to be a factor in rail competition at this point. The merged system will provide benefits from the competition of two strong railroads.

In short, we envision that the merger will open new markets for our timber products and create real competition for the BN/SF.
VERIFICATION

I, Peter Reyneke, 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 ________________, 1995.

Peter Reyneke
My name is Alan M. Whitten. I am Director of Transportation for The Celotex Corporation, 4010 Boy Scout Boulevard, Tampa, Florida 33607. I have served in this position for six years. Prior to that, I was in National Account Sales and with two Fortune 500 shippers -- Lithonia Lighting and Johnson & Johnson. I graduated from the University of Tennessee with a BS in Business majoring in Transportation.

Celotex is a manufacturer of building products with 26 plants in 18 states. These plants produce roofing products, foam insulation board, gypsum wallboard, and architectural ceiling tile. Four of the plants, Camden, AR, Fremont, CA; Houston, TX; and Los Angeles, CA; are on the Southern Pacific. Tracy, CA; Texarkana, TX; Memphis, TN; and Marrero, LA; are on the Union Pacific. We have two plants Cody, WY, and Quincy, IL, which are served by the BN.

While most of our outbound is flatbed truck, we do have some customers served by rail outbound, and we ship box cars daily from Camden, AR, and Russellville, AL, (Norfolk Southern) to the West Coast. However, we are dependent on volume movements by rail for commodities such as roofing granules, limestone, sand, paper, and chemicals on inbound routing from our vendors.

As a shipper dependent on SP services from the aforementioned locations, we welcome this merger as a means of ensuring that we receive top-quality service from a financially sound carrier with single-line access from and to numerous points. We believe that the merger would be in our company’s best interest as well as the interest of other shippers.

Service benefits to SP and UP customers would include new single-line service, more efficient routes, improved intermodal coordination, and better equipment utilization. Efficiencies and competitive benefits will be derived in that many of our plants and vendors are on the other line; therefore, increasing costs and eliminating competition from other railroads and modes. The UP,
while financially strong, lacks efficient routes to many markets. The SP has excellent routes but lacks the volume and capital. Hopefully, this merger will provide a stronger customer service environment for the shippers and customers of the railroad.

In summary, we believe that the proposed merger will provide significant benefits to shippers. Our company supports the application.
VERIFICATION

I, Alan M. Whitten, 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]

State of Florida
County of Hillsborough

Alan M. Whitten, 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.

[Signature]
Alan M. Whitten

Subscribed and sworn to before me this 22nd day of September, 1995.

[Signature]
Notary Public

My Commission Expires:

[Stamp]
Ing. Victor Mejía Garza  
Director, Railroad and Maritime Operations  
Appearing on behalf of:  
Cementos Mexicanos S.A. de C.V.

THE OFFICE OF THE UNDERSIGNED ARE AT AVENIDA CONSTITUCION # 444  
PTE. IN THE CITY OF MONTERREY, N.L. MEXICO C.P. 64000  
TELEPHONE NUMBER (8) 328-3212 AND FAX (8) 328-3253.

I HAVE BEEN WITH CEMEX FOR 14 YEARS, RESPONSIBLE SINCE 1987 FOR  
THE TRAFFIC AND DISTRIBUTION AREAS, RECENTLY BEEN MADE RESPONSIBLE FOR  
THE OPERATIONS OF THE COMPANY OWNED FACILITIES AT THE MEXICAN PORTS.

CEMEX IS THE FOURTH PRODUCER OF CEMENT IN THE WORLD OPERATING  
IN VARIOUS COUNTRIES AS UNITED STATES OF AMERICA, SPAIN, VENEZUELA,  
PANAMA, ETC., ITS THE MARKET LEADER IN ALL THESE COUNTRIES AND IN MEXICO  
THE MAIN PRODUCER AND COMMERCIALIZER OF CEMENT.

REGARDING OUR MOVEMENTS IN MEXICO VIA RAILROAD, IN THE RANKING  
OF FERROCARRILES NACIONALES DE MEXICO, WE OWN THE FIRST PLACE ON  
VOLUME MOVED ON A YEARLY BASIS. ON 1994, WE MOVED OVER 8 MILLION TONS OF  
CEMENT. ALL OUR MEXICAN PLANTS ARE SERVED BY FERROCARRILES NACIONALES  
DE MEXICO AND MOTOR CARRIERS.

REGARDING OUR MOVEMENTS VIA RAIL WITHIN THE U.S.A. WE MOVED  
OVER 3.5 MILLION TONS. OF CEMENT DURING 1994, MAINLY TO THE STATES OF  
CALIFORNIA, OREGON, ARIZONA, NEW MEXICO AND TEXAS, ALL THESE FACILITIES  
ARE SERVED EITHER BY THE S.P. OR THE A.T.S.F.

WE ALSO MOVED COKE FROM CORPUS CHRISTY, TX. SERVED BY THE U.P.  
(OPEN).

RECENTLY WE WERE INFORMED OF THE INTENDED MERGER BETWEEN THE  
UNION PACIFIC AND SOUTHERN PACIFIC, WHO WILL REQUEST THE I.C.C.  
AUTHORIZATION FOR THIS PURPOSE. WE ARE IN AGREEMENT AND SUPPORT THEM IN  
ORDER THAT THE MERGER MATERIALIZES.

THE ADVANTAGES WE SEE FOR RAIL SHIPPERS LIKE OURSELVES WITH  
 THESE MERGER ARE AS FOLLOWS.

1. OPTIMIZATION OF DISTANCES, DUE TO THE AVAILABILITY OF MORE DIRECT  
ROUTES.

2. REDUCTION OF CAR CYCLES, DUE TO THE COVERING OF SHORTER DISTANCES,  
REDUCING INTERCHANGE TIMES AND UTILIZATION OF THE FACILITIES OF BOTH  
RAILROADS AS A SINGLE ONE.

3. INCREASE OF EQUIPMENT AVAILABILTY BY COMBINING THE FLEET OF BOTH  
RAILROADS AND OPTIMIZING THEIR UTILIZATION.
4. GREATER AVAILABILITY OF LOCOMOTIVES BY COMBINING BOTH FLEETS AND ASSIGNING THEM TO COVER MORE CORRIDORS, INCREASING THE QUALITY OF THE SERVICE.

5. SYNERGY TO TAKE ADVANTAGE OF THE TECHNOLOGY DEVELOPED BY BOTH RAILROADS.

6. SIMPLIFICATION IN OBTAINING FREIGHT RATES AND CONTRACTS SINCE ONLY ONE COMPANY WILL BE INVOLVED TO CONTROL ALL THE SYSTEM.

7. GREATER ACCESS TO BORDER POINTS BETWEEN MEXICO AND THE UNITED STATES OF AMERICA.

IN SUMMARY, I BELIEVE MORE ADVANTAGES EXIST, HOWEVER, I WANT TO MAKE A VERY IMPORTANT POINT TO MAINTAIN THE COMPETITION LEVEL, GRANTING ACCESS TO OTHER RAILROAD(S) TO THE U.S.A AND MEXICO BORDER POINTS SO THAT ACTUAL COMPETITION IS NOT ONLY MAINTAINED BUT INCREASED ALLOWING MEXICAN SHIPPERS/RECEIVERS THE ACCESS TO RAILROADS THAT CURRENTLY DO NOT INTERCHANGE TO/FROM MEXICO.

I UNDERSTAND THAT THE BN/ATSF NOW HAVE ACCESS TO EL PASO AND EAGLE PASS AND THAT THE UP/SP HAS REACHED AGREEMENT WITH THE BN/ATSF THAT WILL GIVE THEM ACCESS TO BROWNSVILLE/MATAMOROS. IN ADDITION THE BN/ATSF DIRECTLY CONNECT WITH THE TEX MEX. THIS WILL SATISFY OUR NEED FOR ADDITIONAL STRONG COMPETITION TO THE U.S. BORDER WITH MEXICO.

I SUPPORT THE APPROVAL OF THE UNION PACIFIC / SOUTHERN PACIFIC MERGER.

I DECLARE UNDER OATH THAT THE FOREGOING IS CORRECT AND TRUE, AND THAT I AM QUALIFIED TO ISSUE THIS DOCUMENT AT MONTERREY, N.L. SEPTEMBER 18, 1995.

ING. VICTOR MEJIA GARZA
DIRECTOR DE OPERACIONES FERROVIARIAS Y MARITIMAS
VERIFIED STATEMENT
OF
MICHAEL A. PEERY
on behalf of
Central Marketing Cooperative, Non-stock Inc
October 10, 1995

Interstate Commerce Commission
12th and Constitution, NW
Washington D. C. 20423


I am Mike Peery, the General Manager of Central Marketing Coop. I have been with Central Marketing since 1988. Prior to that I was the Grain Department Manager for the Blue Valley Cooperative in Tamora, Nebraska, working for Blue Valley Cooperative for 28 years. I have been involved in Rail transportation of Grain for the last 35 years.

Central Marketing is a Service Cooperative located in Shelby, Nebraska. We provide Grain Marketing and Transportation services to 26 Nebraska Cooperative elevators. We work for Cooperatives that are owners of Central Marketing, and we also contract with non owners. We currently work with elevators on both the BNSF and the UP railroads. We marketed over 90 million bushels of grain in our last fiscal year, and shipped 20,000 railroad cars. We do not have any origin points on the SP, but we do send railcar shipments to SP destinations.
All of our grain origination is in Nebraska, and we ship grain to Domestic markets in Illinois, Arkansas, Texas, and California. We ship grain to export markets in the Center Gulf, the Texas Gulf, the Pacific Northwest, and to Mexico.

We believe the proposed UP - SP merger would be in the best interest of Central Marketing. We are very much in support of the application to merge. We feel we will benefit from the merger by bettering our UP origins ability to compete with the BNSF, by gaining access to the Southern California and Arizona domestic markets, and by having shorter and more efficient routes to the West Coast. We will also gain the benefit of single line routes to the Southern California and the Arizona markets. Our experience demonstrates to us that single line routes are consistently cheaper than routes requiring two different railroads.

We believe that we will see more efficient turnaround times for unit trains, and that that increased efficiency will equate to more availability of scarce equipment for our originating stations.

Sincerely,

M. A. Peery
General Manager

VERIFICATION

I, Michael A. Peery, 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 ____________.

Witness M A PEERY
1. My name is Roberto Herrera Gutierrez; Imports Manager of CERREY, S.A de C.V. Our offices and plant are located at Ave. Republica Mexicana #300 Col. Cuauhtemoc, San Nicolas de los Garza N.L. 6645 PO Box 1118 San Nicolas de los Garza, N.L.

I am in charge of the imports and exports of CERREY S.A. de C.V., and have worked for my company for 10 years in these areas.

Due to the nature of our exports, we require special equipment for rail transportation. We handle approximately 80% by rail and 20% by truck.

2. Our company is on the business of steel boilers and are participating in the USA market, Canadian market, as well as the international market in general.

We are currently exporting steel boilers into some of the eastern states of USA, and consequently are always looking for competitive advantages.

3. We were notified that Union Pacific and Southern Pacific railroad companies are requesting the ICC an authority to merge, and due that we realize we will have more availability of special equipment to transport our machinery, we strongly support this as means of improving service and strengthening competition.
4. We are certain that if the merger is approved our company will have assurance of a long term quality service as well as more efficient routes, due the nature of our out of standard dimensions machinery we manufacture.

When we export a boiler we always negotiate with the different railroad companies and try to find the best route due the high loads we ship. And if this merger is approved we see that our company, as well as our clients in the USA/Canada will have more efficient routes to use.

5. We are sure that the proposed merger will provide significant benefits to shippers and consignees, therefore our company supports the application.

I, Roberto Herrera Gutierrez, 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 11, 1995.

Ing. Roberto Herrera Gutierrez
CERREY, S.A. de C.V.
Import Manager
My name is Scott Taylor. I am the General Manager of Channel Lumber Company. Our address is 100 W. Cutting Blvd., Richmond, California 94804-4002. My telephone number is (510) 234-0233. My fax number is (510) 234-0421. I have been in the lumber business for the past seventeen years, all of them with Channel Lumber. As General Manager, I am responsible for managing yard personnel, sales people, and all aspects of shipping and transportation.

Channel Lumber is a wholesale and retail lumber company. We distribute lumber and plywood in the Richmond, California area. We specialize in heavy timbers, re-saw and planing facilities. We ship lumber into our facility in Richmond, California from the Pacific Northwest, using the SP. We receive more than seventy rail cars a year from the Pacific Northwest.

We strongly support the merger between UP and SP and urge that it be approved. The merger will result in new single line service capabilities and improved carload service. UP producers in Texas, Arkansas and Louisiana will have more direct routes and access to California and may become competitive sources of supply for our business. Further, the merger would open access to mills located further north, above Portland, Oregon. We would have new single line service to all the UP served mills in Washington, Oregon, and Idaho (as well as more direct access to Canadian mills). As a result of the settlement agreement between UP/SP and BN/SF, UP/SP would also be able to provide rates for shipments from BN/SF served mills in the Pacific Northwest that are located west of Billings and Havre, for shipment through Portland. The same settlement also provides that BN/SF will have single line service from the Pacific Northwest through the I-5 Corridor into California. The rates for truck shipments from
mills north of Portland have generally been too high to allow them to compete in our market. Therefore, with the merger and settlement agreement we will have numerous new sources of supply for our business. These additional options for sourcing products should help us reduce our costs and remain competitive.

A second major benefit we have identified is improved carload service. We rely on the railroads to supply equipment for timber shipments and to provide efficient delivery. After the merger, UP and SP will be able to consolidate their rail car fleets, and customers will have the benefit of the combined fleet. This means that in addition to SP's rebuilt forest box cars, we will now have access to UP's supply of centerbeam flat cars. As UP-SP moves shipments more efficiently over the integrated system, the reduction in transit times will effectively increase the size and availability of the combined fleet.

We urge the Commission to approve the merger between UP and SP.

I, Scott Taylor, 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 16, 1995.

Scott Taylor, General Manager
My name is Burt Swank and I am the Western Regional Manager for Chemical Distributors, Inc. 3911 Monroe, Farmington NM 87401. I am the direct supervisor for all CDI operations in the western United States and am responsible for all shipments in the region. Our corporation headquarters and plant are located in Farmington, NM. We also have facilities in El Paso, TX, Algoa, TX, and Port Allen, LA. CDI manufactures a variety of products including Sodium Bisulfite, Sodium Sulfite, Sodium Thiosulfate, and Aqua Ammonia. We ship many of our products directly to end users. We currently move approximately three (3) railcars per day and 12 to 15 truckloads per day, five days each week. Our truck traffic moves locally from Farmington and also moves between Port Allen and Shreveport, LA.

We use the UP to ship from Shreveport, LA to Stockton, CA on the UP. We also move our chemicals via the Burlington Northern/Santa Fe from Shreveport, LA to Farmington, NM which is reached via a truck transload at Thoreau, NM.

Most importantly, CDI looks forward to taking advantage of improved service, better transit times, and the resulting improvements in utilization of our private tank car fleet on our chemicals shipments from Shreveport, LA to Northern California. The UP/SP merged system will substantially reduce our transit time to Northern California because we will be able to benefit from a new, more direct single-line route from Port Allen to Stockton via El Paso. This traffic is currently routed in the UP through Kansas and Oklahoma, which is more circuitous than the new single-line route through New Mexico, and Arizona via the T&P line and SP’s Sunset route. The reduction in transit times should also lead to more effective private fleet utilization—with improved cycle times, we expect to reap a significant benefit in that we will be able to lease fewer cars. We believe that our cost savings in conjunction with decreased transit times will facilitate expansion of our customer base in the Southwest. The streamlined route through Texas and the service improvements it will make possible make UP/SP—and railroads generally—a more effective competitor for existing truck traffic from Shreveport to Northern California.
VERIFICATION

I, Burt Swank, 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 10/10/95, 1995.

Burt Swank
My name is Jerry A. Horne and I am the Manager - Traffic Department for Citrus World, Inc., which is located on Highway #27 - N, P.O. Box 1111, Lake Wales, Florida - 33859. I have been working in the transportation field for the past 39 years. I worked for the Southern Railway Company in Washington, D.C. for 7 years, followed by another 7 years with the Seaboard Coastline R.R. in Orlando, Fla. I was the Assistant Traffic Manager with Lykes Pasco Packing Company for 1 year and have managed the traffic department for Citrus World for the past 24 years. My primary responsibilities include all rail and truck rate negotiations for the movement of raw materials into our facilities and the movement of finished products to our warehouses and direct customer shipments. I also supervise the payment of freight charges and process any freight claims which may arise.

Citrus World is a manufacturer of all types of citrus products; chilled, frozen and canned as well as other juices and beverages. Our main facility is located in Lake Wales, served by the Florida Midland RR, a shortline which connects with the CSXT. We have another production facility located in Fullerton, California which is served by the Sante Fe RR. Our raw material citrus products are a combination of materials which come primarily from Florida, California, Mexico and South America. Shorthaul movements of these products are via truck and the longhaul movements are normally in rail cars. The Mexican product is trucked to the border at McAllen, Texas and is then either trucked or railed to Lake Wales and Fullerton, depending upon the availability of refrigerated rail cars in the McAllen area. Our finished product is moved both via rail & truck. We ship or receive over 300 railcars annually.

We at Citrus World strongly support the efforts of the Union Pacific and Southern Pacific to merge. We regularly use Union Pacific refrigerated equipment as well as Southern Pacific refrigerated equipment, for movements from Florida to California, Arizona, Utah and Oregon. We also use them from McAllen to Lake Wales and Fullerton. The car ownership used depends upon which carrier serves the destination. Over the past few years, we have found that the S.P. cars have become harder and harder to secure. They also seem to have more mechanical failures, probably due to a lack of routine maintenance. Transit times to our receiver in Phoenix have become longer due to congestion in the Houston area. A merger between these two railroads would no doubt result in many benefits for Citrus World. Our potential supply of cars would expand to a fleet of over 5,000 cars. The financial strength of the Union Pacific would help to insure that this refrigerated fleet would remain in good working condition. The merged companies would allow us to load UPFE cars to our Arizona receivers and the larger U.P. fleet of locomotives will help to insure that congestion problems will be minimal and overall transit times will be improved.
In view of the recent B.N. / ATSF merger, we also feel that a UP / SP merger is necessary to insure that a second financially strong rail system survives to be able to continue serving their customers in the western states. The unified railroads would also provide strong competition for the new BN/ATSF system. The newly announced trackage rights granted to the BN/ATSF will also serve to insure that the customers presently served only by the UP or SP, will be guaranteed a competitive rail alternative after their merger.

In closing, we feel that this merger will help Citrus World as well as the Union Pacific and Southern Pacific and will help to keep a healthy and competitive rail environment in the Western states.

I, Jerry A. Horne, 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 16, 1995.
TO: Interstate Commerce Commission
RE: Finance Docket No. 32760, Southern Pacific/Union Pacific Merger

My name is Carol Lazetera, and I am a Senior Account Clerk with the City of San Jose Environmental Services Department. I am responsible for the accounts payable and open purchase order functions, as well as, the ordering of chemicals. I am also responsible for monitoring the inbound and outbound rail traffic for our Department. I have worked in the transportation field for over ten years.

The Department is involved in the treatment of sewage, and relies on rail for the shipment of chemicals used in the treatment process. We currently receive our sulfur dioxide by rail from Trains, British Columbia, Canada, and chlorine from various Union Pacific (UP) and Southern Pacific (SP) lines throughout the country.

We are aware that the UP and SP railroads are attempting to merge. We support such a merger.

An important benefit to the Department will be the creation of more competition service from Trains and British Columbia to our California destinations. These movements now use both UP and SP in the routing. Therefore, their merger will eliminate the need for an additional carrier, and the costs and delays of an extra interchange. Further, we understand that UP/SP is granted pricing authority from BN points in the Pacific Northwest including Vancouver, under the terms of the settlement agreement between UP/SP and BNSF. We support this settlement as it will allow the quotation of a single rate for the full U.S. portion of these movements. We also expect improvements along SP’s Oregon to California Highway 5 corridor making rail service more competitive with motor carriers. This will allow for greater flexibility in our inventory control. Similarly, on many other routes there will be significant mileage savings which will create a more efficient and faster rail service.

We realize that as a result of the merger the number of carriers serving many Western destinations will decrease from three to only two; however, there will then be two strong rail carriers which will be able to vigorously compete for business in the Western United States. This will be far preferable to allowing the smaller UP and the financial weaker SP to attempt to compete on their own. We expect that with the merger, UP will commit substantial resources to improving service throughout the new system. In our experience, SP has simply been unable to commit the financial resources necessary to provide top level rail services in today’s competitive environment.

For these reasons, the City of San Jose Environmental Services Department supports the merger of Union Pacific and Southern Pacific railroads.

I, Carol Lazetera, 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 12, 1995

CAROL LAZETERA
VERIFIED STATEMENT

OF

ANDY SZE

on behalf of

CLIPPER EXXPRESS COMPANY

My name is Andy Sze. I am President and C.E.O. of Clipper Exxpress Company, with corporate offices at 15700 West 103rd Street, Lemont, Illinois 60439. Clipper is an LTL freight forwarder, truck broker, and intermodal marketing company. I am also President of AXXA, which transports a large quantity of agricultural produce from Washington, Oregon, California, and Arizona to the Northeast, Eastern Canada, and the Midwest. The Clipper Group's 1994 revenue is in excess of $134 million.

I have held the position of President and C.E.O. since 1983. I am a graduate of Illinois Institute of Technology and have received advanced degrees from Northwestern University and University of Chicago. I have worked in the intermodal industry in excess of 20 years, and held various positions with Clipper Exxpress Company.

Clipper and its affiliated companies are significant users of rail intermodal service. The principal rail corridors we use are between the Midwest, the East, the Southeast on the one hand, and the West on the other.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We believe this merger should improve intermodal service. We also believe substantial operating efficiencies will be gained. Therefore, we are in support of this merger.

I, Andy Sze, 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 9/26/95.
COLORADO AGGREGATE COMPANY
Producers of "FloweRock" and Other Decorative Stone
2255 Lava Lane • Alamosa, Colorado 81101
(719) 589-4925 • 1-800-528-2765 • Fax # (719) 589-5559

Verified Statement

of

Robert W. Oringdulph

on behalf of
Colorado Aggregate Company

Robert W. Oringdulph is Vice President of Sales and Marketing for Colorado Aggregate Company. The address is 2255 Lava Lane, Alamosa, CO 81101. Mr. Oringdulph is responsible for all sales. He had been involved in the rail shipment of Volcanic Stone for 18 years and is the President of the Southern San Luis Valley Railroad which is a shortline that connects with the SP, but the shortline is currently not operating.

Colorado Aggregate Company ships approximately 300 open top hopper cars of Volcanic Stone per year from its Antonito, CO facility. The heaviest shipping is from March to July. The destination of the cars are Michigan, Ohio, and Florida.

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.

Specific problems we feel will be greatly improved will be service. The availability of open top hoppers cars and the power necessary to move these cars. We would also feel that our major markers could be served more efficiently as to maintain competitive rates.

Again we support this application and see very positive things from this merger.

I Robert W. Oringdulph 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

Oct 16, 1995

Date

Signature

Robert W. Oringdulph
VERIFIED STATEMENT
of
BETTY ADAMS
on behalf of
COLORADO COUNTY RICE MILL INC.

My name is Betty Adams. I am Secretary-Treasurer of Colorado County Rice Mill Inc. located in Eagle Lake, Texas. Although I am somewhat new to the business, my husband, Don R. Adams Sr., our President and CEO, has been in the business in the Houston area for many years. We are thoroughly familiar with the rail transportation of our product and the Union Pacific and now, the Southern Pacific and their service.

We have just started our rice milling business. Because of our favorable experience with Union Pacific service and rates, we searched for a mill site located on UP. While we were unable to find an appropriate site on UP, the ideal location became available in Eagle Lake, Texas, served by Southern Pacific. We have had a very good working relationship with SP during our preliminary planning and installation.

We enthusiastically support the merger of UP and SP. The efficiencies of expanded single service are attractive to us. Shorter routes, reduced transit time, improved car utilization and supply, and more reliable service will produce benefits for a new business such as ours.

We are extremely pleased with the expanded access to all Mexican gateways. Additional service to the prime areas of Mexico for our product is very promising for the future success of our company.

Finally, We were looking for a site located on UP for at least two reasons: service and competitive rates. We understand that SP has been unable to provide as competitive a price as other carriers might due to SP’s tenuous financial position. Short term needs sometimes outweighed long term interests. UP, on the other hand, has the financial resources to help a new business such as ours grow and expand by providing us with highly competitive rail rates. The combination of the financially robust and service superior UP with the route structure and market reach of SP will result in a strong carrier capable of providing us with competitive service and rates for the long term.
Colorado County Rice Mill, Inc. is confident that this merger will assure a bright future for our company. We are proud to offer our support for approval of the merger of UP and SP.

I, Betty Adams, 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 this sixteenth day of October, 1995.

Betty Adams
Verified Statement

of

Robert E. Strange

on behalf of

Commercial Cold Storage, Inc.

My name is Robert E. Strange. I am President and Chief Executive Officer of Commercial Cold Storage, Inc. at 4300 Pleasantdale Road, Atlanta, Georgia 30340-3584. I am responsible for the proper operation and profitability of our company. I have been in this business fourteen years.

Commercial Cold Storage, Inc. is a public refrigerated warehouse company. In addition to the Pleasantdale Road facility listed above we operate refrigerated warehouses at 3485 Empire Boulevard, Atlanta, Georgia 30354 and at 1802 Rome Highway, Rockmart, Georgia 30153.

These three warehouses store frozen and refrigerated food for food processors throughout the nation and from international sources. Products for export are also stored for later shipment to a port facility for ocean transit.

Although we originate some rail traffic for export markets our main concern is inbound freight from the western part of the United States. Food products are shipped in refrigerated cars cooled by mechanical or cryogenic means. Time is of the essence. Cryogenic cars are particularly sensitive to accurate time schedules because of the finite nature of the refrigerant (CO₂). In any event timely transit reduces cost.

Our three facilities are all served by the Norfolk Southern Railroad and we have additional service at our Rockmart facility by the CSX Railroad. These rail carriers deliver cars received in Interchange with the Union Pacific, Burlington Northern, Southern Pacific, etc.

Effective rail service provides the most economical means of transportation to western food producers serving the populous Eastern States. Our warehouses are dependent on timely and competitive rail service to effectively provide delivery as required to consignees throughout the southeastern states.

Our company supports the merger of the Union Pacific and Southern Pacific railroads as a means of improving service and providing competitive transportation costs. We believe that the resultant entity from this merger would be a financially sound company with the ability to compete effectively with the Burlington Northern / Santa Fe.
The efficient routes created by the merger would not only provide more efficient shipping lanes but would allow in many cases for options to return customer owned cryogenic cars with payloads rather than empty. This tends to further reduce transportation costs.

In addition to better handling of current rail traffic, more efficient routing presents opportunities to convert truck traffic to rail thereby reducing cost and saving energy.

Commercial Cold Storage, Inc. for the reasons stated strongly endorse the merger of the Union Pacific and Southern Pacific Railroads. We believe that this action will provide significant benefits to both shippers and consignees. Our company supports this application.

I, Robert E. Strange, 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 25, 1995

Robert E. Strange, President and CEO

Witness
October 13, 1995

VERIFIED STATEMENT

OF

LLOYD D. COOK

on behalf of
Cowlitz Stud Co.
a subsidiary of
Pacific Lumber & Shipping Co.

re: UP/SP Merger Case, Finance Docket No. 32760

My name is Lloyd D. Cook, General Manager of Cowlitz Stud Co. I am responsible for sales, production, credit and freight for the purpose of this letter.

Cowlitz Stud Co. has been a rail shipper for 35 years and in that I started with the company in 1960 I have been here since the company was built and have been actively involved in and responsible for sales and transportation.

Cowlitz Stud Co. is a lumber company manufacturing framing lumber that is distributed in excess of 40 states in the USA. We use truck, piggy back vans, box cars, flat cars and occasionally ship containers over seas.

We use both Western carriers and turn traffic at major gateways to the Eastern carriers that is sold on a delivered basis with Cowlitz Stud Co. paying the freight.
Cowlitz Stud Co. has two plants in Lewis County, Washington. One is at Morton and one at Randle, Wa.

The production for both of these plants is trucked to a BN mainline over which the UP operates. 99% of our business is UP.

Our general traffic patterns is that we are principally a box car shipper across gateways to Chicago - Memphis gateways both into the Northeast and into the Southeast. In addition to this we also ship a substantial amount of cars within the UP system to Texas and Southern California.

Our total amount of box cars shipped for 1994 were in excess of 2400 box cars.

We understand that the UP and SP are requesting authority to merge. We support this as a means of improving service and giving us better access, particularly to Southern California. We believe the proposed merger would be in our best interest and with the announced concessions to the BN we feel it would also be in the best interest of other shippers.

We endorse the UP/SP application.

Currently, in order for us to go to California, we have to ship from our location at Winlock, Wa. west to Salt Lake and then SW to Vegas and then onto Los Angeles. The amount of lumber industry points that the UP has in Los Angeles is limited, however, the addition of the SP will greatly expand this weakness, providing us the access we so badly need. In addition, instead of a round about route such as Salt Lake, shippers in Western Washington will be able to ship directly South, straight to California over SP track.

The merger is natural from a standpoint of service, access to industry points and a shorter mileage and shorter delivery time.
In addition to California, we will have better access to Arizona.

With the advent of NAFTA this will allow us to reach the entry point into Mexico, both from the standpoint of shipping to and the possibility of receiving raw material from.

The combination of the UP/SP routes will meet the competitive challenge of the BN/Santa Fe. Without this merger, as a shipper, we would not be nearly as competitive in several markets.

Currently we are shipping by truck to Northern California. We will certainly investigate as to whether this merger will make us competitive with trucks in the Northern California region. Our feeling is that it will do so. In the past truckers have had us at their mercy in this region and we feel this merger will provide a more level playing field.

For all the reasons above, we believe the proposed merger will provide significant benefits to shippers.

Our company supports this merger.

Lloyd D. Cook
General Manager

declares 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 10/13/45.
STATE OF (illegible)

COUNTY OF (illegible)

Lloyd D. Cook, 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.

Lloyd D. Cook

Subscribed and sworn to before me this 10th day of April, 1995.

Notary Public

My Commission Expires

11/30/96
BEFORE THE INTERSTATE COMMERCE COMMISSION
WASHINGTON, D.C.

UNION PACIFIC CORPORATION, UNION
PACIFIC COMPANY AND MISSOURI
PACIFIC RAILROAD COMPANY
-- CONTROL AND MERGER -- SOUTHERN
PACIFIC RAIL CORPORATION, SOUTHERN
PACIFIC TRANSPORTATION COMPANY, ET AL

FINANCE DOCKET NO. 32760

VERIFIED STATEMENT OF DUANE W. ACKLIE, ON BEHALF OF
CRETE CARRIER CORPORATION, CRETE INTERMODAL SERVICE, SHAFFER
TRUCKING, INC., SUNFLOWER CARRIERS, AND HTL TRUCK LINE, INC.

1. My name is Duane W. Acklie. My address is P. O. Box 81228, Lincoln, NE 68501 (Telephone: 402-474-4141). I am the Chairman of Crete Carrier Corporation, Crete Intermodal Service, Shaffer Trucking, Inc., Sunflower Carriers, and HTL Truck Line, Inc. The referenced motor carriers are for-hire carriers operating both as contract and common carriers throughout the continental United States, Mexico and Canada, and may be hereinafter referred to as Crete.

I am also an attorney admitted to practice before the Interstate Commerce Commission.

I have been either President and CEO or Chairman of Crete Carrier Corporation since June 21, 1971. I have served as President and Chief Executive Officer or Chairman of the other companies, since the following dates: Shaffer Trucking, Inc. Since 1974; Sunflower Carriers since 1979; and HTL Truck Line, Inc. since 1988.

2. I am responsible for the overall operation and profitability of Crete Carrier Corporation, Crete Intermodal Service, Shaffer Trucking, Inc., Sunflower Carriers and HTL Truck Line, Inc. with 24 terminal facilities located throughout the United States. Gross revenue and equipment rank the combined group in the top 25 motor carriers in size in the United States. Our revenues are in excess of $400 million and we operate approximately 3500
tractors and 8000 trailers. Sixty percent of our operation involves dry freight and another 40% involves temperature control. We own one of the largest refrigerated trailer fleets in the United States.

We operate approximately 200 refrigerated trailers designed specifically for rail use and primarily operated on an intermodal service with the Union Pacific Railroad. In addition, from time to time we utilize other equipment, both owned and non-owned. Ninety to 95% of all of our intermodal operations are conducted with the Union Pacific.

Some of the major rail terminal facilities where we tender traffic to the Union Pacific at are northern California, Los Angeles, CA area, Salt Lake City, UT Omaha and Fremont, NE., Chicago, IL, St. Louis, MO and Dallas-Fort Worth, TX.

3. The five referenced carriers, hereinafter referred to as Crete, hereby strongly support the application of the Union Pacific and the Southern Pacific to merge for the reason that it is in the best interests of the 500 plus shippers who are served by our companies. It is our position that it is the public that will benefit from this merger and consolidation. It will eliminate many inefficiencies and provide more timely, efficient and economical transportation for the shipping public.

4. The following are some of the reasons the shippers that Crete and affiliated companies serve will benefit, and if it benefits the shippers we serve, it also directly benefits our companies. The following are some of the pertinent benefits to those shippers we serve.

(A) We presently bring a substantial amount of temperature control business into Los Angeles on the Union Pacific Railroad. We need to be able to reposition that equipment to serve the agricultural area and to reload the refrigerated equipment out of points such as Bakersfield, Fresno, and Merced. Presently the Union Pacific does not serve those areas. By the combination of the railroads we can move into the Los Angeles area bringing traffic such as medical and hospital supplies and foodstuffs requiring temperature control into Los Angeles, empty the trailer, and then move it to one of the other points by positioning it for reloading. We presently, as an example, bring the equipment into Los Angeles, unload it, dray it up to Bakersfield by truck where we load it with a milk product requiring temperature control, bring it by truck back down to Los Angeles, and then move it to Memphis on the Union Pacific. If we could merely reposition it by rail and reload it and place it back on the rail at Bakersfield, it would take traffic off of the already congested freeways and result in an economic benefit to the shippers we serve. The same is true in
connection with the points where we need to reposition the equipment that moves into the Stockton and Sacramento, CA area. We have not moved perishable or protective traffic on the Southern Pacific because we felt their service was such not to meet our needs on this very sensitive temperature control shipments.

(B) Our present traffic coming back from Bakersfield or Los Angeles going to Memphis, Tennessee for de-ramping must move over North Platte, Nebraska. That is a circuitous route and the transit time is one day longer than what we need on sensitive temperature control traffic. With the new route there will be improved third morning service between Memphis and Los Angeles through the UP-SP's combined, much shorter route. Presently we are getting fourth and sometimes fifth morning service on that movement which does not allow us to be competitive.

(C) We presently need to move our temperature control boxes from the Los Angeles area to El Paso where we would then unload and reload to send them to the Chicago area. The Union Pacific has not had a feasible route and using one carrier to perform this through movements would be advantageous to us. We will also utilize the Union Pacific's service from the Portland area and the Sacramento and Stockton area to El Paso when this application is approved by the Interstate Commerce Commission. This was not feasible before.

(D) The consolidation of the Union Pacific and Southern Pacific system will result in shorter, more efficient routes. We have used the Union Pacific between Los Angeles and Memphis and that mileage savings resulting from the ability to use both the Union Pacific and the Southern Pacific lines in the future will be over 500 miles. We have lost most of our intermodal traffic that we have been moving on the rail between Memphis and Los Angeles as we can not be competitive time wise. I am sure that the applicant will demonstrate many other routes that will be shorter and more efficient with the merger.

(E) The combining of the Southern Pacific and the Union Pacific will allow terminal capacity and equipment optimization. This should result directly in savings to the shipping public.

(F) Crete is presently starting to do a fairly substantial amount of business by truck into and out of Mexico. Although we have been providing Mexican service for over five years, it continues to expand with new origin and destination points in Mexico. The ability of the Union Pacific and Southern Pacific combination to provide new single-line service to all major Mexican
border crossing via shorter and more efficient routings will allow us to have the opportunity to put some of that traffic moving presently entirely by motor carrier on rail. In addition, there are many new markets that the combination will allow us to serve.

(G) The Commission will take into consideration the effect of competition upon both rail competitors and truck competitors. The Commission has spoken allowing the Burlington and Santa Fe to combine. The same arguments and reasons for combining the Burlington and Santa Fe also exist on combining the Union Pacific and the Southern Pacific. The Burlington-Santa Fe merger produces a giant, financially strong railroad, which certainly can compete fully with the Union Pacific and Southern Pacific merger. The competition between these two large combined entities will only benefit the shipping public.

Combining the Union Pacific and the Southern Pacific will have some effect upon trucking companies, such as Crete. Despite this, we support this application because it is truly in the best interest of the shipping public. Whichever mode can produce the most economical transportation for the shipping public is for our country's benefit. Competition will decide who best serves and who gets the traffic and competition will be served by the proposed merger. Crete Carrier Corporation and affiliated companies hereby support the proposed merger which will provide definite benefits to the shipping public. We urge the Interstate Commerce Commission to act expeditiously and approve this application.

CRETE CARRIER CORPORATION, CRETE INTERMODAL SERVICE, SHAFFER TRUCKING, INC., SUNFLOWER CARRIERS, AND HTL TRUCK LINE, INC.

BY: ________________________________
Duane W. Acklie, Chairman

I, Duane W. Acklie, 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 10th day of October, 1995.

Duane W. Acklie
VERIFICATION

STATE OF NEBRASKA )
COUNTY OF LANCASTER ) ss.

Duane W. Acklie, being first duly sworn, deposes and says that he has read the foregoing Verified Statement, knows the facts contained therein, and that the same are true as he verily believes.

Duane W. Acklie

Subscribed and sworn to before me this 12th day of October, 1995.

CATHY GLENN
Notary Public

My commission expires:

1-23-95
October 13, 1995

VERIFIED STATEMENT
OF
KENT BROSH
on behalf of
CRISSEY FOWLER LUMBER COMPANY

I am the President and CEO of Crissey Fowler Lumber Company — P.O. Box 1578 — Colorado Springs, CO 80901. I have been employed by the company for 30+ years.

Crissey Fowler receives approximately six rail cars per week of lumber and plywood. We strongly support the Union Pacific and Southern Pacific request to merge.

It is our belief the proposed UP/SP merger will be beneficial to us in the following ways:

- Single Line Service will enable us to ship from a greater number of mills, which should help in pricing.
- Better overall service in receiving inventory will allow us to service our customers better, thereby making us more competitive.
- Increased car supply will lessen delays in shipping from the mills.

Your support of the proposed merger is respectfully requested. Thank you.

Sincerely,

CRISSEY FOWLER LUMBER COMPANY

Kent Brosh
President

I, Kent Brosh, 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 10/13/95.

Kent Brosh
VERIFIED STATEMENT
OF
DANIEL T. YOEST
on behalf of
CROSSROAD CARRIERS INTERMODAL COMPANY
SUBJECT: FINANCE DOCKET NC. 32760 UP/SP MERGER

My name is Daniel T. Yoest, President of Crossroad Carriers Intermodal Company, my address is 4744-A North Royal Atlanta Drive, Tucker, GA 30384. My responsibilities are market development, competitive pricing and operational overview of an intermodal company that traverses the 48 continental United States, including shipping to Alaska, Hawaii and Mexico. My educational background includes attending the University of Nebraska at Omaha, graduate of the Chicago College of Advanced Traffic and Transportation Management, I am also a licensed ICC practitioner, and associate member of the AST&T and member of the Transportation Intermediary Association in Washington, D.C.

I have held this position at CrossRoad Carriers since 1986 and prior to that have worked with various railroads and trucking companies including a shipper traffic department and have been in the transportation business in various capacities over the last 25 years. My background includes marketing of railroad carload and intermodal services including over the road trucking. I am very familiar with the transportation industry and can testify to the facts as it relates to the impact certain acquisitions and or consolidation of various rail companies.

CrossRoad Carriers has positioned itself in the marketplace to address two main types of markets. These markets are extremely truck competitive and we rely on the rail carrier’s ability to ship both efficiently and expeditiously in order to attract these markets to rail.

Our first market is in connection with government freight, this market area moves 99% truck and is very competitive and relies predominately on over the road movements. CrossRoad Carriers focuses on freight for the Department of Defense, General Services Administration, and the United States Department of Agriculture. All three agencies are not rail oriented but actually view intermodal companies as full-service truck lines. This battle we continually fight and have become a strong proponent of rail services in connection with these agencies. This traffic equates to approximately 50% of our revenues. CrossRoad Carriers ships across the United States approximately 10,000 loads annually and ends up being a strong proponent of competition between the modes.
Our second area of market focus is surface transportation brokers, and logistic management firms. This area is a market that has been inherently distant from the intermodal world. This chasm is the result of its difficult nature to both coordinate and develop and provide railroads with long term financial commitments in terms of volume, revenue and credit. CrossRoad Carriers cuts across this by consolidating all the efforts of many transportation brokers and acts as their umbrella to the rail industry. CrossRoad Carrier’s traffic base through transportation brokers represents many Fortune 500 companies freight that move both from a seasonal standpoint or as excess freight that would normally move in other trucking companies or under their proprietary truck operation.

CrossRoad Carriers fills the void of providing an intermodal option to non-asset based companies. Many of our commodities for both the government arena and for the transportation brokers are in fact consumer products that eventually end up on the shelf in the consumption area of the nation’s military facilities; the school lunch program or consumer products in retail stores throughout the United States. CrossRoad Carriers fills the void of providing truck competitive transportation services on a wholesale basis when most intermodal companies will not even consider or are too frustrated with the government bureaucratic maze. CrossRoad Carriers traffic represents $10 to $12 million dollars annually and we are growing at a rate of about 25% annually.

I am hereby submitting this verified statement understanding that the UP/SP has filed an application with the ICC, for merger. CrossRoad Carriers hereby supports this proposed merger as this merger will provide a stronger transportation industry while at the same time combine the strength of two substantial companies that will promote both the welfare of the public and the interest of shippers and at the same time solidify these two companies financially for the long term.

CrossRoad Carriers hereby supports the merger between the UP/SP for many reasons that I will hereby explain:

1) UP Railroad’s financial strength and stability brings to the SP the longterm commitment and staying power for providing transportation service for well into the 21st century. SP has always had the difficulty of not only growing but stabilizing their financial position because of lack of capital and profitability over the last 20 years.
A capital based company like a railroad requires a tremendous amount of net income in order to re-invest in its plant to secure itself for the longterm. Southern Pacific Transportation Company has always been restricted from this type of re-investment and capital improvements to streamline its operations due to its poor financial posture. The merger by the Union Pacific would provide the capital investment and capital base it needs in order to take these steps.

2) Another significant advantage of the UP/SP merger is the fact that these two railroads would combine their terminal operations affording a more streamline efficient and even higher capacity at the various origins and destination ramps on their lines. As land is a scarce commodity, especially in the major metropolitan areas this would provide them the ability to build a larger and more efficient infrastructure in order to handle truck competitive freight throughout the United States.

3) CrossRoad Carriers also supports this merger in order for a more direct single line operations to various markets where today requires either jointline or no cooperation between these two competitors i.e., between Los Angeles and Seattle.

4) This proposed merger in light of the recent BN/ATSF merger, would position UP/SP for a further eastern connection moving into the 21st century.

5) Joint ownership of intermodal equipment and capital infusion for day lighting SP tunnels would allow stack trains to grow and foster in the transportation industry.

In conclusion, CrossRoad Carriers is of the firm belief that the merger between Union Pacific Railroad and the Southern Pacific Transportation Company will provide significant benefits to Crossroad Carriers the shipping public as we represent the interests of The Department of Defense, General Service Administration, The US Department of Agriculture, and the Transportation Brokerage Industry. These benefits will manifest themselves into a streamline operation between the railroads, sound capital backing and most important, stimulate the competitive environment between other railroad interest and providing the underlying services and program we need as an industry to compete with the over the road highway carrier. We strongly support this merger and hereby submit this testimony and verified statement.
I Daniel T. Yoest, 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.

[Signature]

[Signature]
STATE OF Georgia )
COUNTY OF DeKalb ) ss.

Daniel T. Yoest, 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.

Daniel T. Yoest
Name-Typed

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

Patricia M. Wendt
Notary Public

My Commission Expires:
Notary Public, Gwinnett County, Georgia
My Commission Expires March 6, 1993

VERIFIED STATEMENT OF:

GENE A. GELLMAN
ON BEHALF OF
CYRO INDUSTRIES
ROCKAWAY, NJ
OCTOBER 10, 1995

1. Gene A. Gellman is the Director, Services of CYRO Industries. I have direct responsibility for transportation, warehousing, Customer Service, materials management, Purchasing and Information Services. I have held this position since 1989. I hold a B.S. degree in Business Administration.

2. CYRO Industries is a major manufacturer of Methyl Methacrylate Monomer (MMA) and Acrylic Plastics. CYRO operates its MMA plant in Avondale, LA and has acrylic plastic production sites in Osceola, AR, Wallingford, CT, Sanford, ME and a sister organization (CYRO Canada) in Niagara Falls, Ontario, Canada.

All of the MMA that CYRO uses in acrylic production and for commercial sales is manufactured in Avondale, LA. Avondale is in the New Orleans vicinity across the Mississippi River. The plant’s rail service is provided by both the Southern Pacific and Union Pacific Railroads. The UP Railroad currently provides the plant with daily switching, while the SP’s service is twice weekly.

MMA is the raw feed stock needed for acrylic plastic production. All of the MMA that is shipped to our sites is provided by tankcar movements. CYRO operates a fleet of approx. 100 leased cars to service this requirement. CYRO has a large customer in Dominguez, CA served by the SP Railroad. This customer is also a supplier to CYRO; the material supplied is shipped in hopper cars to one of CYRO’s plants in the U.S. or Canada.

3. The UP/SP recently announced trackage agreements with the BN/Santa Fe Railroad. Given these agreements, CYRO Industries is a strong supporter of the UP/SP merger. We understand this to be beneficial to ourselves as well as to the rail industry in general. We expect this merger to open avenues of opportunity to CYRO where they do not currently exist. Our extensive working experience with both railroads supports these claims.
4. Supporting Reasons:

a) As a plant operator currently served by both roads, we expect the merger to ease plant/car congestion by allowing us to build singular trains for outbound movements instead of two.

b) This merger will allow the combined efforts of the UP/SP railroads to compete more efficiently with the recently combined forces of the BN/Santa Fe Railroads.

c) We expect improved service on east/west transportation when involving ourselves in critical customer shipments which are typically time sensitive.

d) The anticipated streamlining of the pre-blocking process will greatly impact transit times for CYRO especially at Pine Bluff, AR, for traffic bound to our Osceola, AR plant and at St. Louis for our traffic destined for Wallingford, CT and Portsmouth, NH (Sanford, ME plant).

e) CYRO is currently putting great emphasis on international trade into Mexico and Central American points. The UP’s past success into Mexico will allow traffic from other western origins to benefit from the UP’s relationships with the Mexican railroads, and provide seamless interchange.

f) The trackage agreement between UP/SP and the BN/Santa Fe assures a competitive marketplace in the New Orleans and Houston areas.

g) Overall, CYRO supports this merger due to the digression of service SP captive shippers and receivers have experienced in the past. The nation as a whole is dependant on rail transport for the movement of goods to market, whether the consumption is targeted for domestic or international use. The UP’s strong financial position will allow the former SP shipper to finally compete on an equal playing field with those located on other roads. The SP’s current power shortages and financial instability is forcing business to evaluate other means of transport as well as other suppliers for the goods they require.

5) CYRO Industries, as a shipper and receiver with an extensive working history with the UP railroad, strongly supports this merger believing that it will benefit rail transportation in general as well as CYRO individually.

I, Gene A. Gellman, 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.

Gene A. Gellman
STATE OF NEW JERSEY  
COUNTY OF MORRIS  

Gene A. Gellman, 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.

Gene A. Gellman

Subscribed and sworn to me this 10th day of October, 1995.

Dale F. Guinta

My Commission Expires:

DALE F. GUINTA  
Notary Public, State of New Jersey  
No. 0022814  
My Commission Expires June 29, 19__
My name is Patrick Mathiowetz and I am the Executive Vice President of DairyAmerica, Inc., 11875 Dublin Boulevard, Dublin, CA 94568. I am responsible for the operations of DairyAmerica, a federated marketing cooperative owned by Danish Creamery Assn., located in Fresno, CA., Dairyman’s Coop Creamery Assn., Tulare, CA., and California Milk Producers Inc., Artesia and Tipton, CA. In my area of direct responsibility is management of all transportation activities related to movement of DairyAmerica, Inc. products.

DairyAmerica, Inc. is a manufacturer of Nonfat Dry Milk, Dry Buttermilk, and Dry Whole Milk, with manufacturing operations at Fresno, Tulare Tipton and Artesia, CA. The company is a major manufacturer of dehydrated dairy products, with total production of about 35% of nonfat dry milk produced in the United States, and is ranked third in the world in dry milk production.

Locations at Fresno, Tulare and Tipton, CA are rail served by the Southern Pacific Railway, with Tulare and Tipton directly on Southern Pacific spur tracks.

DairyAmerica production is shipped from the aforementioned manufacturing locations in California to various points throughout the United States, including to the Gulf ports for export, via box car railroad transportation and by intermodal containers. It is estimated that in 1996, dry milk products with a value of approximately $150 million will be transported by rail.

We understand 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 this merger will be in our best interests because the rail company which is created as a result of the merger will be a very financially strong carrier offering single line access to numerous points.

DairyAmerica, Inc. heartily endorses the UP/SP application.
We believe that the UP/SP merger will immediately and directly be a benefit to DairyAmerica. We anticipate that our business will be increasingly dependent on rail traffic as a result of pending legislation to de-regulate the dairy industry. The UP/SP merger will create a larger system of single-line service, more efficiency in pickup and delivery of rail cars, improve customer service, and we believe the UP/SP merger will offer us faster, more frequent and more reliable service, since a large quantity of our dry milk products move into the midwest on the California-Chicago key corridor.

UP/SP will be able to provide single-line service to all major Mexico border crossings. DairyAmerica is dependent on the Mexican market as an outlet for its product and will benefit from the expedited service which will result from the UP/SP merger.

DairyAmerica, Inc. supports the UP/SP merger because the resulting rail company will be large enough to compete with the BN/Santa Fe Railway. It is our concern that the much smaller Union Pacific and Southern Pacific rail companies separately will not be able to remain competitive with the BN/Santa Fe; the UP/SP merger will result in stronger competition generally.

All in all, DairyAmerica, Inc. believes that the proposed UP/SP merger will provide significant benefits to shippers. Our company supports the application.

Sincerely

Patrick Mathiowetz
Executive Vice President

I, Patrick Mathiowetz, Executive Vice President, DairyAmerica, Inc., Dublin, CA 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 15, 1995.

Signed Patrick Mathiowetz
INTERSTATE COMMERCE COMMISSION
UNION PACIFIC-SOUTHERN PACIFIC MERGER
DOCKET NO. 32760

MY NAME IS JOSE LUIS MEDINA. I AM THE INTERNATIONAL TRAFFIC MANAGER OF DEACERO, SA DE C.V. MY BUSINESS ADDRESS IS LAZARO CARDENAS # 2333 ORIENTE, GARZA GARCIA, N.L. MEXICO. MY RESPONSIBILITY IS TO GUARANTEE THAT OUR PRODUCTS ARE DELIVERED TO CUSTOMERS IN GOOD CONDITION AND AT THE SCHEDULED TIME.

DEACERO PRODUCES WIRE ROD AND EIGHTEEN DIFFERENT HIGH QUALITY WIRE PRODUCTS, THESE PRODUCTS ARE SOLD IN THE UNITED STATES UNDER THE BRAND NAME “RANCiE MASTER”. WE HAVE ONE STEEL MILL FACILITY AND THREE WIRE PRODUCTS PLANTS IN MEXICO. WE IMPORT STEEL SCRAP FROM UNITED STATES, WHICH IS PROCESSED AND TRANSFORMED INTO WIRE ROD, WE THEN UTILIZE THE WIRE ROD IN OUR PLANTS TO PRODUCE OUR WIRE PRODUCTS THAT WE EXPORT TO THE UNITED STATES.

WE SHIP RAW MATERIALS FROM THE UNITED STATES VIA RAIL, OUR PRIMARY RAW MATERIAL IS STEEL SCRAP WHICH WE OBTAIN FROM SOURCES IN CALIFORNIA, ARIZONA AND TEXAS. THE MAJORITY OF OUR STEEL SCRAP IS SHIPPED VIA SP SINGLE LINE SERVICE FROM THE SOURCE TO EAGLE PASS, TEXAS, WHERE IT CONNECTS WITH FNM. A SMALL AMOUNT OF STEEL SCRAP ORIGINATES AT UP-SERVED LOCATIONS IN HOUSTON, WHICH WE SHIP VIA UP SINGLE LINE SERVICE THROUGH LAREDO, TEXAS. WE TRY TO SHIP VIA SINGLE LINE SERVICE BECAUSE IT IS LESS EXPENSIVE AND HELPS TO KEEP OUR COSTS LOWER.

AFTER OUR MANUFACTURING PROCESS IS COMPLETE, WE EXPORT OUR FINISHED PRODUCTS TO THE UNITED STATES VIA TRUCK, INTERMODAL RAIL AND RAILROAD CARS. EAGLE PASS, TEXAS IS OUR MAIN BORDER CROSSING INTO THE UNITED STATES, WHERE WE CONNECT TO THE SP. AT THE PRESENT TIME, WE SHIP PRODUCTS TO CUSTOMERS IN LOS ANGELES VIA SP. WE ALSO SHIP PRODUCTS TO CUSTOMERS IN LEARENO, NEVADA, VIA THE SP TO STOCKTON, CONNECTING TO THE UP.
WE BELIEVE THAT THE PROPOSED UP-SP MERGER WILL BE IN OUR COMPANY’S BEST INTERESTS. WE SUPPORT THE APPLICATION AND LOOK FORWARD TO ITS APPROVAL.

WE FEEL THAT A STRONGER RAILROAD RESULTING FROM THE MERGER OF UP AND SP WILL POSITIVELY IMPACT AND BENEFIT US AND OTHER SHIPPERS OF WAYS. WE WILL HAVE REDUCED TRANSIT TIMES AND MORE SINGLE LINE SERVICE. FOR IMPORT OF OUR RAW MATERIALS, THIS WILL BE A BENEFIT BECAUSE WE WILL HAVE MORE OPPORTUNITIES FOR SINGLE LINE SERVICE TO EAGLE PASS, TEXAS INCLUDING SERVICE FROM UP-SERVED SUPPLIERS IN HOUSTON. WE WILL ALSO HAVE ACCESS TO UP’S AUTOMATED AND EFFICIENT “DESCHAPO PREVIO” FOR EXPEDITING OUR IMPORTS OF RAW MATERIALS INTO MEXICO FROM THE UNITED STATES. THIS WILL REDUCE TRANSIT TIMES AND DELAYS AT THE BORDER.

IMPROVED SERVICE AND MORE SINGLE LINE OPPORTUNITIES WILL ALSO BE A BENEFIT IN OUR EXPORTS TO THE UNITED STATES. FOR EXAMPLE, WE EXPORT VIA EAGLE PASS, TEXAS, ON THE SP TO CUSTOMERS IN NEVADA THAT ARE SERVED BY THE UP. THIS TRAFFIC MUST INTERCHANGE WITH ATTENDANT COSTS AND DELAYS. THE MERGER WILL PROVIDE NEW SINGLE LINE SERVICE TO THESE CUSTOMERS. IN ADDITION, IT WILL OPEN SINGLE LINE SERVICE TO POTENTIAL NEW UP-SP SYSTEM WILL PROVIDE MORE EFFICIENT SERVICE TO OUR CUSTOMERS, WITH REDUCED TRANSIT TIMES AND A BETTER CARLOAD SERVICE.

WE EXPECT THAT THE MERGER WILL ALSO PROVIDE THE BENEFIT OF MORE RELIABLE SERVICE. WE KNOW THAT THE SP TRIES VERY HARD TO MEET OUR SCHEDULES, BUT OFTEN ENCOUNTERS DELAYS DUE TO LACK OF EQUIPMENT OR OTHER DIFFICULTIES. FOR EXAMPLE, OUR SHIPMENTS ON THE SP ARE OFTEN DELAYED TO PERMIT THE CARS TO BE WEIGHED, AND THIS CAN TAKE CONSIDERABLE TIME AS CARS BACK UP AT THE WEIGH STATIONS. WE SOMETIMES EXPERIENCE DELAYS OF THREE TO FOUR DAYS. THE DELAYS ARE CAUSED BY SP’S LACK OF ADEQUATE FACILITIES WITH SCALES. THE MERGER WITH UP WILL GIVE THE COMBINED SYSTEM THE FINANCIAL ABILITY TO UPGRADE THE SYSTEM, INVEST IN INFRASTRUCTURE, AND PROVIDE BETTER AND MORE EFFICIENT FACILITIES TO REMEDY SUCH DELAYS.

O Oficinas Monterrey
Apdo. Postal No. 270
Hidalgo Pte. 540 C.P. 64000
Tels. (3) 345-14-16 y 345-14-19
Fax. (3) 345-69-48
Monterrey, N.L., México

O Oficinas México
Unión No. 30
Col. Tlatilloco
Tel. (5) 556-84-44
Fax. (5) 355-74-82
México, D.F.

O Oficinas Guadalajara
Ave. Vallarta No. 1266 2o. Piso
Tels. (3) 625-13-05 y 625-12-96
Fax. (3) 625-12-96
Guadalajara, Jal., México
ANOTHER EXPECTED BENEFIT OF THE MERGER BETWEEN UP AND SP WILL BE TO FACILITATE OUR INTERMODAL TRAFFIC. WE HAVE ENCOUNTERED PROBLEMS WITH THE AVAILABILITY OF PIGGYBACK TRAILERS FOR INTERMODAL SERVICE. CURRENTLY, UP AND SP BRING PIGGYBACK TRAILERS INTO MEXICO. SP CANNOT SUPPLY ENOUGH PIGGYBACK TRAILERS IN MEXICO FOR OUR TRAFFIC NEEDS. THE COMBINATION OF UP AND SP WILL INCREASE THE NUMBER OF PIGGYBACK TRAILERS AVAILABLE TO SHIPPERS ON THE UP-SP SYSTEM. WE EXPECT THAT UP-SP WILL BE ABLE TO MANAGE ITS FLEET MORE EFFECTIVELY SO THAT THERE WILL BE MORE PIGGYBACK TRAILERS AVAILABLE TO SHIPPERS IN MEXICO. EVEN IF UP-SP DOES NOT PURCHASE MORE PIGGYBACK TRAILERS SIMPLY MANAGING THEM MORE EFFICIENTLY WILL IMPROVE THE SUPPLY.

WE HAVE LEARNED OF THE SETTLEMENT AGREEMENT BETWEEN UP-SP AND THE MERGED BN-SF. UNDER THE TERMS OF THE AGREEMENT, BN-SF HAS BEEN GIVEN TRACKAGE RIGHTS TO EAGLE PASS AND BROWNSVILLE, TEXAS, AND ACCESS TO LAREDO VIA A CONNECTION AT CORPUS CHRISTI WITH THE TEX-MEX. WE WERE AWARE THAT SP HAD GIVEN BN-SF HAULAGE RIGHTS TO EAGLE PASS IN BN-SF MERGER PROCEEDINGS. THE UP-SP/BN-SF AGREEMENT ENHANCES THOSE RIGHTS BY PROVIDING BY TRACKAGE RIGHTS TO BN-SF AT EAGLE PASS. THIS INCREASES COMPETITION AT THIS IMPORTANT BORDER CROSSING BY INCREASING, FROM ONE TO TWO, THE NUMBER OF RAIL SYSTEMS PROVIDING DIRECT SERVICE. OVERALL THE SETTLEMENT AGREEMENT PROVIDES NEW COMPETITION FROM BN-SF AT SEVERAL IMPORTANT BORDER CROSSING INTO MEXICO. THIS NEW COMPETITION SHOULD IMPROVE SERVICE AND PROVIDE NEW POSSIBILITIES FOR DEACERO.

WE THINK THAT THE PROPOSED UP-SP MERGER WILL BE A GREAT HELP TO MAINTAIN COMPETITION, AND WE SUPPORT APPROVAL OF THE APPLICATION.

I AM JOSE LUIS MEDINA G. 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

JOSE LUIS MEDINA G.
VERIFIED STATEMENT
OF
JOHN C. RAMSEY
ON BEHALF OF
DIAMOND HILL PLYWOOD COMPANY

My name is John C. Ramsey, President and Chairman of the Board of Diamond Hill Plywood Company, located in Darlington, S.C. I oversee all phases of our company and have for three years.

Diamond Hill Plywood Company is a Wholesale Distributor of Building Materials with ten (10) distribution and sales locations as well as one re-load facility, which are located throughout the South East. These facilities rely on the SPA or UP railroads to cover shipments from some of our West Coast Suppliers.

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

With approval of the application, UP and SP will be able to combine the strengths of their rail systems. As a result, shippers and receivers on both systems will enjoy improved service, including more single line service and a number of more efficient new routes, all of which will improve service reliability, reduce transit times, and lower costs. This should benefit all our locations by shortening the transit time from coast to coast. Combining and jointly managing the car fleets of UP and SP should also result in improved equipment availability.

Another benefit we foresee is increased opportunities for pre-blocking which would allow traffic to be run around terminals entirely. In particular, we see likely pre-blocking benefits for paper and forest products moving from Oregon to Northeast/Southeast.

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

I, John C. Ramsey, 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 1995.

John C. Ramsey
VERIFIED STATEMENT

OF

JERRY KUISTI
on behalf of
DWP Trucking, Inc.
DWP Reload Center, Inc.

1. Jerry Kuisti
President, DWP Trucking, Inc.
President, DWP Reload Center, Inc.
3808 N. Sullivan Road, Bldg. 20
Spokane, WA 99216

Owner of DWP Trucking, Inc. for the past 11 years, is responsible for rates, routes and maintenance schedules for a fleet of 20 trucks running approximately 1.9 million miles in the Northwestern United States. Prior to that, ran a small fleet of five trucks that were leased to various carriers for ten years.

2. DWP Trucking, Inc., was Incorporated in 1982 in the State of Washington. Its' primary business is transporting freight by truck in the Northwest.

DWP Trucking, Inc. has established a reputation for quality service, timely pickup and delivery, as well as a market for hauling freight on a contract basis for Corporate Clients which include: Boise Cascade, Georgia Pacific, Dellen Wood Products, Weyerhaeuser and Louisiana Pacific.

In January 1995, DWP Trucking Inc., established DWP Reload Center, Inc. in the Spokane Industrial Park, Velox Washington. DWP Reload Center, Inc. has 120,000 sq ft of inside warehouse storage and three acres of outside storage. The Company has both U/P and B/N Rail Sidings and can provide expedient inbound and outbound service for its' Corporate Clients. By establishing this warehouse, reload center and DWP Trucking's fleet of trucks, we are able to pick-up Client's products in the Northwest from their facilities, transport those products to DWP Reload Center, Inc., and reload the products on rail cars for points in the USA, Canada and Mexico. Due to this type of service, we believe that the proposed merger would be in our Company's best interest, as well as, the interest of other shippers. We heartily endorse the UP/SP application.

3. With this merger between the UP/SP, shippers such as ourselves will benefit from
single line service, more efficient routes, improved service and competitive pricing from the B/N Santa Fe.

4. Many of the UP points not served by SP will be linked on a single line basis with many SP points not served by UP. For example, shippers will enjoy single line service between UP Northwest points to California, Arizona and New Mexico among others.

A. With this merger, service benefits from combined systems means shorter and more efficient routes.

Examples of routes that will be shorter as a result of the merger include the following:

<table>
<thead>
<tr>
<th>ROUTE</th>
<th>MILEAGE SAVINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago – Oakland</td>
<td>180</td>
</tr>
<tr>
<td>Seattle – Los Angeles</td>
<td>556</td>
</tr>
</tbody>
</table>

B. Also, the merger will allow better equipment utilization. UP/SP will be able to reposition both cars and locomotives more efficiently. Both will move better between Los Angeles, San Francisco and the Pacific Northwest, as well as, between California and Texas. The difference in peak seasons for the two railroads plus effective use of the triangulation and backhaul movers will improve equipment supply for shippers.

C. With the B/N Santa Fe merger and the UP/SP merger, shippers should enjoy competitive pricing, better car availability and service.

5. We believe that the proposed merger will provide significant benefits to shippers. Our company supports the Application – UP/SP Merger: Finance Docket #32760.

I, Jerry Kuisti, 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 9/5/95.

Jerry Kuisti, Owner  
DWP Trucking, Inc.  
DWP Reload, Inc.
STATE OF Washington )
COUNTY OF Spokane ) ss.

Jerry Kriest, 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 15th day of September, 1995.

Notary Public

My Commission Expires:

2-1-98
VERIFIED STATEMENT
OF
ROBERT V. EADES, JR.
on behalf of
EADES COMMODITIES COMPANY

My name is Robert V. Eades, Jr. I am the President of Eades Commodities Company located at 10854 John Galt Blvd, Omaha, Nebraska. I have held this position for ten years. I have responsibility for all rail transportation decisions including freight contracts, track leases, and allocation of our private railcar fleet.

Eades Commodities Company is a merchandising company offering grain and grain by-products for feed ingredients to dairies, feed mills, and feed lots. These products include corn hominy feed, grain screenings pellets, wheat midds, beet pulp pellets, soyhull pellets, soybean meal and distillers dried grains.

Some of our customers are not directly served by rail. For these customers, products are moved from origin by rail to off-load sites close to them and then distributed to individual customers by truck. Eades has seven offices and unload locations throughout the country. Our rail unloading locations and the serving railroad include: Port of Stockton, Stockton, Ca., (UP,SP,ATSF) Crestmore, Ca., (UP), Vado, Nm., (ATSF), South Springs, Nm., (ATSF) Strawn, Tx., (UP), and Stephenville, Tx., (CTE).

Origins of our rail shipped products include: Lincoln, Ne., (UP, BN) Hastings, Ne., (UP), Cedar Rapids, Ia., (CNW), Minneapolis, Mn., (BN) Kansas City, Ks/Mo., Chicago, Ill., St. Louis. (UP,ATSF,BN,SP, various others). Eades Commodities Company will ship approximately 2000 carloads per year representing 150,000 tons. We ship both railroad owned and private hopper cars. Eades Commodities presently owns ten and leases seventeen covered hopper cars.

We believe that the proposed merger of the Union Pacific and the Southern Pacific would be in our company's best interest as well as the interest of other shippers. We strongly support the merger as a means of improving rail service in our markets.

Two main advantages are offered supporting our position. The merger will result in a faster turnaround for both our private cars and railroad owned cars. The system-wide single line service and reallocation of the two covered hopper car fleets will allow more efficient use of cars. Several routes we will
use are shortened by several hundred miles. The result will be quicker turn around time and increased car availability for shippers.

Second, ECC will be able to ship to markets now unavailable to us. Because of competition and the economics of lower single line rates, our movements to most Southern Pacific destinations has been limited to shipping on single line from SP origins. The reason for this is a majority of our origins are UP served and are now generally limited to UP destinations. After the combination and when true single line pricing is available, ECC will be able to offer competitive prices to Southern Pacific destination customers. A few of these SP customers include:

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>State</th>
<th>SP</th>
</tr>
</thead>
<tbody>
<tr>
<td>J.D. Heiskell Co.</td>
<td>Tulare, Ca.</td>
<td>Ca.</td>
<td>(SP)</td>
</tr>
<tr>
<td>O.H. Kruse Co.</td>
<td>Pixley, Ca.</td>
<td>Ca.</td>
<td>(SP)</td>
</tr>
<tr>
<td>Coast Grain Co.</td>
<td>Ontario, Ca.</td>
<td>Ca.</td>
<td>(SP)</td>
</tr>
<tr>
<td>Arizona Grain Co.</td>
<td>Higley, Az.</td>
<td>Az.</td>
<td>(SP)</td>
</tr>
<tr>
<td>Nuda Trading</td>
<td>Phoenix, Az.</td>
<td>Az.</td>
<td>(SP)</td>
</tr>
</tbody>
</table>

Eades Commodities Company has been a customer of the Union Pacific Railroad and the Southern Pacific for over ten years. The Union Pacific is a financially strong and well managed company. Past experience has shown that the Union Pacific has the ability and the resources to incorporate the Southern Pacific and make a success of a merger of this magnitude. The Eades Commodities Company supports this application.
PAGE 3.

VERIFICATION

STATE OF \textit{Nebraska} \( ) \) ss.
COUNTY OF \textit{Douglas} \( ) \)

ROBERT V. EADES, JR., 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.

\begin{center}
\textit{Robert V. Eades, Jr.}
\end{center}

Subscribed and sworn to before me this \textit{16} day of \textit{Oct.}, 1995.

\begin{center}
\textit{CONNIE SCHELLERER, Notary Public}
\end{center}

My Commission Expires:
\begin{center}
\textit{5-30-99}
\end{center}
My name is Dan Swallow and I am responsible for logistics/distribution for Edgington Oil Company. Between 1981 and 1991, I was in charge of negotiating contract rates, leasing tank cars, and other transportation and logistics issues. In 1991, Edgington Oil was sold to another company and my responsibilities increased, although I continue to be responsible for transportation for Edgington Oil Company.

Edgington Oil has a refinery in Long Beach, CA where we produce asphalt. We ship approximately 99 carloads per year of liquid asphalt. Our customers are in the highway and road construction industries. We also sell roofing asphalt used for waterproofing and weather resistance. Our outbound rail traffic also moves on the UP to Colton, CA where it interchanges with the Southern Pacific or the Burlington Northern/Santa Fe and is routed to Phoenix. Liquid asphalt must be shipped in tank cars at temperatures above 300 degrees. The precise temperature requirements for transport of liquid asphalt, as well as safety concerns, have prompted us to move a substantial amount of our products by truck. In recent years, however, rail has begun to become a viable alternative.

We support the Union Pacific/Southern Pacific merger application discussed in Finance Docket No. 32760. The merged system should increase the efficiency of rail transport of liquid asphalt and will give us access to important new single-line service.

In particular, we anticipate that the merger will offer new single-line service between our Southern California plant on the UP and three major Phoenix-area customers located on the SP. These customers include Navajo Western and En Ron Oil Co. Access to this single-line service will make us competitive with liquid asphalt producers that now serve the Phoenix market. We also expect to benefit from reduced transit time on the UP/SP merged system. We endorse the proposed merger.

VERIFICATION

I, Dan Swallow, declare under perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on 12/19, 1995.

Dan Swallow
EL PASO DISPOSAL RECYCLING DIVISION

My name is Carlos Salamanca, General Manager for El Paso Disposal's Recycling Division located at 5353 El Paso Drive, El Paso, Texas 79905.

I have been involved in the recycling business for more than nine years in various positions, the most recent one in charge of developing recycling operations for El Paso Disposal.

The recycling division of El Paso Disposal currently ships more than two million pounds of recyclable paper fiber form El Paso every month to multiple paper mills in the USA and Mexico.

Weyerhaeuser, Smurfit and Nationwide Magazine Recycling, Inc. are among our most important domestic customers. Crisoba, Ekman Fiber of Mexico and Grupo Gema represent the largest group of mills we serve in Mexico.

By March 1996, our Recycling Divisions should start operations at our new facility in Sunland Park, New Mexico where we will be able to process close to 10,000 Tons per month of recyclable materials including paper fiber, plastics, leather, and other products.

We strongly support the merger of Southern Pacific Railroad and Union Pacific Railroad because we believe that it will enable us to better service our customers by means of increased rail car availability in El Paso, updated computerized service infrastructure, and addition single line service to our USA destination. The combined route structure of UP-SP should open new market opportunities for us. Further, we look forward to improved service for our southbound movements into Mexico thru USA-Mexico border crossings.

We are convinced that we and our clients will be better served as a result of the approval of the proposed UP-SP merger.

I, Carlos Salamanca, 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.

Carlos Salamanca

Witness
October 19, 1995

VERIFIED STATEMENT

OF

MARGARET C. ORDAKOWSKI
On behalf of
ELKEM METALS CO.

Interstate Commerce Commission
Union Pacific - Control and Merger - Southern Pacific Rail Corp.
Finance Docket: No. 32760

My name is Margaret C. Ordakowski, I have been in transportation for 30 years, including 16 years with Elkem Metals Company, in the capacity of Traffic Manager. My educational background is a graduate degree from University of Pittsburgh and a law degree from Duquesne University. My experience has always been in transportation and logistics. I submit this statement to indicate Elkem Metals’ strong support of the proposed Union Pacific/Southern Pacific railroad merger.

Elkem Metals is a ferroalloys and metals producer having plants in Ashtabula and Marietta, Ohio and Alloy, West Virginia as well as Pryor, Oklahoma. We also utilize approximately 40 public warehouses and ship by rail, truck and barge. Calcium carbide is produced at our Pryor and Ashtabula facilities. We have a $38 Million freight budget. We spend approximately eight to nine million dollars on barge transport each year and nearly one million on transport by UP and SP.

The Pryor, Oklahoma plant is served by the UP. From Pryor, we ship by rail to Phoenix, interchanging with the SP at El Paso. The UP also handles our products to SP interchanges for ultimate destinations on SP served points in Fallon, Nevada, and Union City, California, near Los Angeles. We ship from Pryor to Sacramento via UP and a transload. We ship UP direct from Pryor to Hardy, Utah. From Pryor, we also send calcium carbide to the Mexican border crossings at Eagle Pass and Laredo. From our Chicago warehouse we move products via a combined UP/SP route to an SP point at Ogden, Utah. A third party coordinates intermodal movements from Pryor to the Northwest.

The nature of our business is “just in time” system and we need the transportation system that can make the happen on a consistent basis. The merger will greatly help our needs as well as those of our customers.
We anticipate that the merger will provide important new single-line service to the destinations to which we ship today and will also enhance our ability to reach customers with shipments originating at our Ashtabula, Ohio plant. The merger will mean that calcium carbide transported from our facility in Pryor, Oklahoma will move on a single-line basis to customers in Fallon, Phoenix, Union City, Sacramento and San Leandro, California. We will also benefit from new single-line service to the Mexican gateway at Eagle Pass, and single-line service between Chicago and Ogden.

Our Pryor plant is now operating at full capacity. The improved routes opened by merger will give us the flexibility to increase production at our Ashtabula plant. From Ashtabula, we will be able to ship to our customers in the west via Conrail, interchangeing with the merged UP/SP system at either Chicago and East St. Louis and California. In particular, we expect to reap benefits from mileage savings between both the Chicago and East St. Louis gateways and Northern California. We also expect service to improve because of better routes between Chicago and East St. Louis and Phoenix and capital improvements planned for the Southern Corridor. These improvements could make it economical for us to reach new markets in the Western United States.

Elkem is also positioned to take advantage of improved carload service and more efficient equipment utilization. We own a fleet of covered hopper cars and lease gondola cars to transport calcium carbide. The hazardous nature of calcium carbide makes it critical that equipment moves efficiently by rail. Single-line routes and mileage savings mean reduced transit times and cycle times for our equipment. These time savings can be directly translated into substantial cost-savings for Elkem and for our customers. Improvements in intermodal service will enhance service for our shipments between Pryor and the Northwest.

The UP/SP merger should improve competition of rail and other modes of transportation. Better routes and more single-line service could make rail a more attractive alternative for some of our movements. The economics could cause us to switch some of our shipments from truck or barge to rail. In addition UP/SP should be a more efficient competitor to the new BN/Santa FE system than the UP or SP alone. We should have a better set of competitive alternatives after the UP/SP merger.
Finally, a UP/SP merger will ensure that locations now served by SP continue to receive service from a financially viable railroad. We depend heavily on having reliable service to a number of SP points. In recent years, SP’s financial difficulties and service problems have been a source of concern with us. With the merger, UP resources would be available to assure long-term quality service for facilities served by SP.

We support the merger because it would be good for the U.S. transportation network. A stronger rail system supports other modes of transportation and the industries throughout the U.S..

**VERIFICATION**

I, MARGARET C. ORDAKOWSKI, declare under penalty or 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 19, 1995.

[Signature]

MARGARET C. ORDAKOWSKI
VERIFIED STATEMENT OF
VICTOR HUGO CARDENAS ON BEHALF OF
EMPRESAS LONGORIA, S.A. DE C.V.

My name is Victor Hugo Cardenas Modrow. I have Undergraduate and Postgraduate studies on International Trade. I am the Traffic Coordinator for Empresas Longoria, S.A. de C.V., a cotton producer/cotton trader company. We are located at Bosque de Duraznos No. 65, Fracc. Bosques de las Lomas, 11700 Mexico, D.F., Mexico. I have held this position for two and a half years; and I have been working in the transportation area for ten years. My responsibilities include handling of imports and exports of raw cotton. This involves buying or selling activities, to arrange and check letters of credit, supervise transportation of cargoes, arrange custom brokers and check custom duties, among others.

Under normal conditions, we import about 15,000 cotton bales (each bale of about 480 pounds) in a one year period.

We are one of the three major cotton companies in Mexico. We supply raw cotton in bales to the textile industry in Mexico. We have a distribution center (warehouse with a spur for receiving railroad cars) located in Tultitlan, Estado de Mexico. We only use railroad cars for import cargo. All cargo is delivered by truck from our warehouse to our customers. Regarding import cargo, we generally receive SP, UP, MP, SSW cars and sometimes we receive BN cars also.

Main cargo origins are: Memphis, TN, New Orleans, LA, Rio Grande Valley & Corpus Christi, TX as well as San Joaquin Valley, CA. Almost all our cargo crossborder at Brownsville, Texas and with final destination at Tultitlan, Edo. de Mexico. Almost all cargo imported is being transported by rail.
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.

We are sure that the merge of UP and SP will bring service benefits to SP and UP customers. The various points to be linked between UP and SP will let our suppliers and us enjoy a single-line service which will end in a more efficient control of the cargo. Since cotton territory in U.S.A. is located in the southern part (western, central and east) we will enjoy single-line service for our shipments coming from the western markets, like San Joaquin Valley and Arizona.

Absolutely, our company supports the application, since we believe that the proposed merger will provide significant benefits to shippers/receivers.

Sincerely,


I, Victor Hugo Cárdenas Modrow, 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.
VERIFIED STATEMENT
OF
DOUG HANSEN
ON BEHALF OF
FARM SERVICE COOPERATIVE

As Grain and Transportation Division Manager for Farm Service Cooperative, P.O. box 429, 2308 Pine Street, Harlan, Iowa, 51537, it is the responsibility of my position to forecast, schedule and order freight, rail or truck, to meet the needs of the country elevator located at Denison, Iowa. Division Manager at Farm Service Cooperative is a position I have held for the past three years. Prior to the division managers position my responsibilities included assistant merchandiser for four years and country elevator manager for three years.

Farm Service Cooperative, better known as FSC to the farming communities in Southwest Iowa, is a business owned by approximately 3700 farmers living in Crawford, Shelby, East Pottawattamie, Cass, Harrison and neighboring counties. This business supplies the owners, as well as others who wish to purchase from the Cooperative with a complete line of livestock feeds, animal health products, petroleum products, crop production items such as fertilizers agricultural chemicals and seed, grain drying and storage. In addition, FSC provides grain marketing, transportation services and financing for agricultural purposes.

FSC’s general offices are located in Harlan, Iowa with branch offices in ten surrounding communities. Four of these locations are located on rail lines. The country elevator at Denison, Iowa is served by the Union Pacific. Denison is FSC’s largest retail outlet and second largest grain elevator as per annual volume (3 million bushels). The majority of this grain moves to the southern feeder markets via the U.P.

Farm Service Coop understands that the Union Pacific and Southern Pacific are requesting authority to merge. We believe that the proposed merger would be in our company’s best interest. The benefits to our cooperative would be expanded market opportunities on a single line railroad with the origin being Denison, Iowa and the destination being feeder markets in the San Joaquin and Imperial Valleys. Mexico would also become a market that currently is not available as single line move which would allow western Iowa grain to be more competitive for export.

The merger of the two railroads would allow for the financial strength of the UP to be combined with the routes of the SP to create efficiencies otherwise lost and costing the shipper additional time and capital, ie: better management of a leased car pool that can be operated more effectively and efficiently, quicker turn/better utilization, reduced expense.

FSC believes that the proposed merger will provide significant benefits to the shipper. Our company supports the application.
I, Doug Hansen, 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 18, 1995.

[Signature]

Providing Quality Supplies, Services and Marketing at a Competitive Price for the Economic Benefit of Its Members and Their Co-operative.
October 13, 1995

VERIFIED STATEMENT
OF SEAN EMRICK
on behalf of
FARWEST STEEL CORPORATION

Re: Finance Docket No. 32760
Union Pacific - Southern Pacific Merger

My name is Sean Emrick. I am Purchasing Manager for Farwest Steel Corporation of Eugene, Oregon. I have been in the steel industry for four years, the last two years in purchasing, dealing with both truck and rail transportation. I am in charge of purchasing and transporting over 200,000 tons of steel annually for our inventory.

The company operates Steel Service Centers in Eugene, Medford, OR, Boise, ID, Seattle, WA and Salt Lake City, UT. We process and distribute steel products at these centers. The Eugene and Medford facilities are located on the SP. The Boise and Salt Lake City facilities are located on the UP and the Seattle facility is switched by the UP. Farwest Steel receives more than 500 carloads by rail per year from our suppliers. Many of our suppliers are located in Chicago, Texas, and Salt Lake City. We could ship this traffic by truck and receive it in a couple of days. Shipping the same traffic by rail usually takes a couple of weeks. We constantly run cost benefit analysis to weigh the costs of quick truck freight versus less expensive but slower rail freight.

We wholeheartedly support the proposed merger of the Union Pacific and Southern Pacific rail systems. Our company will benefit from expanded single line service for our traffic. Single line service over more efficient routes will produce general increased efficiency, better service and reduced transit time, all of which accrues to the benefit of shippers. Our enhanced ability to anticipate and control inventory is of great benefit. We believe that the increased strength and efficiency of the merged system will improve our ability to manage our traffic and allow us to continue to use rail. Further, the increased efficiencies will enable rail to remain price competitive.
We are encouraged that the improved and broader single line service that the merger will provide will enable us to continue using rail and should actually allow growth in our rail traffic.

This combination will ensure that we receive top-quality service from a financially sound carrier with single line access to numerous points. We believe that the efficiencies from this merger will result in improved service, car supply, reduction in transit time and improved carload service. The enlarged reach of single line service available to us can only serve to enhance our business and open new markets.

We urge the ICC to approve this merger.

I, Sean Emrick, 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 this 13th day of October, 1995.

Sean Emrick

SE:sk
My name is Barry P. Keyes, Chairman of FDSI Management Group Inc, 16000 Ventura Boulevard, Suite 301, Encino, CA 91436-2730.

I am a founder of FDSI Consulting and Management Group. This firm specializes in implementing programs and managing them for our clients. I deal in Domestic transportation as well as International.

Prior to FDSI, I spent twenty years in the transportation industry and served as Executive Vice President and partner of Williams Enterprises. The operations consisted of Trucking, Driver Leasing, Truck Leasing U-Drive, Private Warehouses, Public Warehousing, Shippers Agent, Transportation Brokerage, Record Retrieval and Consulting.

I have served as Vice President of Los Angeles Transportation Club, Board of Directors for Transportation Brokers Conference of America, and Board of Directors for National Association of Shippers Agents Board of Directors Stephen S. Wise, Temple, President of City of Hope Chapter, and Commissioner for the State of California, Commission on Real Property.

FDSI Management Group Inc is one of the leading providers of Third Party Logistics Services, controlling in excess of $200 million in freight costs annually. FDSI is responsible for in excess of 8000 Intermodal units annually, utilizing the major intermodal ramp points of the Southern Pacific and Union Pacific from and to various Midwest and Southeast destinations.

We believe that the proposed merger would be in our company's best interests, as well as the interest of other shippers. We heartily endorse the UP/SP application. The primary benefits we foresee are:

1. Benefits to our customers through more efficient routes such as Memphis to Los Angeles/Oakland or Seattle to Los Angeles. The mileage savings will result in faster, lower-cost service to our customers.

2. The UP/SP merger will offer more frequent and reliable service in key intermodal carriers such as those between Chicago-California, Memphis-California, and Seattle-California. These service improvements will enhance our current position with our customers and enable us to continue to divert truck traffic to intermodal.
As a strong supporter of the Southern Pacific, we have been concerned about the SP's service and long-term viability in comparison to the merged BN and ATSF. The combined UP and SP will create competition that is fully equal to BN/ATSF in all major western markets. The combined UP and SP will be able to match BN/ATSF service and reliability in the California to Chicago markets.

We believe that the proposed merger will provide significant benefits to shippers and receivers. Our company supports the application, under Finance Docke* 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.

1. Barry P. Keyes, 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 OCTOBER 3, 1995.

Barry P. Keyes

VERIFICATION

State of CALIFORNIA)

County of LOS ANGELES

BARRY P. KEYES, 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.

Deidric A. Weller

Subscribed and sworn to before me on this 3rd day of October, 1995.

Notary Public

My Commission Expires:

12/6/96
Verified statement of George Ziegler on behalf of Ferro Union Inc. Dated this 11th day of October, 1995.

I am writing in support of Finance Docket number 32760 regarding the proposed merger of the Union Pacific Corporation, Union Pacific Railroad Company, Missouri Pacific Railroad, and the Southern Pacific Transportation Company, Southern Pacific Railroad Corporation, et al.

Ferro Union is a steel fabricating, warehousing, and distribution firm with facilities in Torrance, California, Stockton, California, and Houston, Texas. We are rail served by the Southern Pacific at all facilities with Houston also having access to the Burlington Northern Railroad. This merger should enhance rail service at all of our locations.

In Torrance our primary relationship with the Southern Pacific Railroad is that of consignee. We receive various metal products such as coiled sheet, steel beams, plate, tubing, and rod products via rail. The material is generally delivered from mills in Texas, Illinois, Utah, and Oregon, processed, then trucked to our local customers. By virtue of this merger we expect this facility to benefit by improved service, greater availability of equipment, reduced transit times, and access to a wider vendor market.

In Stockton, after completing a relocation from a facility served by the Union Pacific to a plant serviced by Southern Pacific, we will again be dependent on quality rail transportation. We anticipate the benefits listed above, but also expect to see increased rail competition in the Northern California area as well. This strengthened competitive stance of the western carriers should assist Ferro Union in competing effectively in this market.

Our Houston plant is also heavily rail oriented with the Southern Pacific being the primary rail provider. Again, we anticipate marked improvements in service, car supply, transit times, and market access.

Ferro Union is very much in favor of improvements in our rail transportation system and view this merger as a strong step in that direction. We encourage the Interstate...
Commerce Commission to approve this proposal and understand that although there will be fewer carriers, there will be stronger competition.

Verification

I, [Signature], 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 [Date]

Witnessed by [Signature]
September 6, 1995

VERIFIED STATEMENT
OF
ALEJANDRO CERVANTES R.
on behalf of
FIMEXPO, S.A. DE C.V.

1. My name is ALEJANDRO CERVANTES, Partner and Director of the Metals and Minerals Unit of FIMEXPO, S.A. de C.V.
Our office is located in Río Sena No. 54, Mexico, D.F. 06500, Phone: 525-566 37 00 and fax 525-535 96 97.

FIMEXPO is fully integrated Mexican Trading Company with four main areas:
- Financing
- Soft Commodities
- Metals and Minerals
- Non Ferrous Scrap

I am responsible for the last two areas. As a Trading Company, we export coffee, cocoa and all spice pepper under Soft Commodities, and non-ferrous metals, non-ferrous concentrates and copper and aluminum scrap under Metals & Minerals.

A good percentage of our exports is handled by railroad. We negotiate transportation contracts and rates directly with Railroad Companies and Trucks.

2. We are presently exporting non-ferrous concentrates from the North Central part of Mexico, into various destinations in the U.S.A. and Canada at a monthly rate of about 2,300 wet metric tons and these concentrates are shipped by railroad from the Mexican Border.

Approximately 1,000 metric tons of various types of scrap are also exported from our scrap yard in Mexico City to various destinations in the U.S.A.

We are always looking for competitive advantages, that we could obtain from suppliers, carriers and rates that will allow our company to stay in the International market as a competitive one.
3. We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service, strengthening competition, continue receiving top quality rail service and competitive rates.

4. We know that with the approval of the application, UP and SP will be able to combine the strengths of their rail systems such as: new single line service, eliminating high costly switching charges, more efficient routes, improved intermodal service, route specialization, better equipment utilization and long term quality service.

In the case of Mexico, the combined railroad will be able to offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico. SP customers will be able to utilize "Despacho Previo" for expediting border crossings.

Until today, the BN/Santa Fe Railroad is nearly twice the size of the UP or SP. SP/UP merger will create a competitor that will be equal to the BN/Santa Fe in various markets. We consider that competition is the best way to keep quality in operations.

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

I, ALEJANDRO CERVANTES, 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 6, 1995.

ALEJANDRO CERVANTES
FIMEXPO, S.A. DE C.V.
Director of Metals & Minerals
September 26, 1995

VERIFIED STATEMENT

OF

Kenneth R. Turnbull
Sales Manager
Fort Vancouver Plywood Co.

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

I, Ken Turnbull, am Sales Manager for Fort Vancouver Plywood Co., in Vancouver, Washington. I have worked in the lumber industry for 28 years, and was formerly assistant sales manager for Medford Corporation in Medford, Oregon. I currently am responsible for all sales, marketing and transportation for Fort Vancouver Plywood. I make this statement in support of the proposed merger of Union Pacific and Southern Pacific.

Fort Vancouver Plywood is a cooperative, shareholder mill producing high grade plywood marketed throughout the United States. We are both a shipper and receiver by rail at our mill located in Vancouver, Washington. Our facility is served by the Burlington Northern with a reciprocal switch to the Union Pacific. We ship about 8 railcars and 60 trailer on flat car shipments per month. We also ship 110 to 120 carloads per year on the Union Pacific through our reload in Portland. We receive veneer by railcar, about 25 carloads per year, primarily from Canada and from the Southeast via Kansas City and St. Louis.

Fort Vancouver expects the proposed merger to vastly improve service for both inbound and outbound shipments. For incoming shipments, we expect more consistent and reliable service via the SP lines from Kansas City and St. Louis. There should be fewer delays on SP's routes through these terminals.

Improved service for Fort Vancouver's outgoing shipments will include better availability of railcars and power locomotives, new single-line service, shorter transit times and fewer foul-ups at interchanges. In the past, Fort Vancouver has found SP's service to be less than user-friendly, but this should improve when it is combined with UP.
On the combined UP/SP routes, Fort Vancouver could move more of its product into Southern California and Texas. The proposed merger will make new points in these areas available to us on a single-line basis. At present, moving product into Texas via SP is too costly, but we expect the merger to make it much more cost-efficient. Fort Vancouver presently ships by truck to California, and some of this traffic could be switched to rail if the price and service are right.

The Union Pacific and Burlington Northern compete head-on for our shipments, and we expect this competition to be strengthened because of the proposed merger. We also expect that the SP will improve its financial condition and be better able to serve rail users.

Fort Vancouver Plywood Co. supports the proposed merger because of the benefits it will bring in improved service, better routes, and strong rail competition.

Kenneth R. Turnbull

VERIFICATION

STATE OF WASHINGTON )
) SS.
COUNTY OF CLARK )

Kenneth R. Turnbull, 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.

KENNETH R TURNBULL

Subscribed and sworn to before me this 27TH day of SEPTEMBER, 1995.

Notary Public

My Commission expires: 6-23-98
VERIFIED STATEMENT
of
MARK G. MOUNSEY
on behalf of
FTL, INC.

My name is Mark G. Mounsey. I am the President of FTL, Inc., located at 3333 NW 35th Avenue, Portland, OR 97210. I am writing to urge the ICC to approve the proposed merger of the Union Pacific and the Southern Pacific.

FTL is a regional truckline based in Portland. We have a number of trailer yards and distribution facilities in Oregon (in Portland, Eugene, Medford, and Bend) and in Seattle, WA. In addition, we have terminals and warehouses in Portland and Seattle. A major portion of our business is TOFC and COFC shipping, accounting for $10 million in 1994. We ship about 50% of this intermodal traffic with the Burlington Northern/Santa Fe and 25% each with Union Pacific and Southern Pacific. We also have a cross dock operation at our new warehouse on the Portland Terminal Railroad, which is jointly operated by BN/Santa Fe, UP, and SP.

I have had 26 years of experience in sales and operations with various trucking and intermodal marketing companies. As President of FTL, I have Primary responsibility for all sales, marketing, operational, and financial activities of the company.

FTL will realize a number of benefits from the merger of the UP and the SP, the most significant of which will be the introduction of new UP/SP single-line rail service along the I-5 Corridor between Seattle and Los Angeles. This will provide shippers in Canada and the Pacific Northwest with better access to Southern California and the Southwest. The I-5 Corridor service should also give shippers better access to rail equipment, as the railroad will have greater ability to reposition its equipment efficiently. We expect these service improvements will make intermodal a viable option for more shippers. With our facilities in Oregon and Washington, FTL should be able to take full advantage of these new shipping opportunities.

FTL is also looking forward to the planned upgrading of intermodal terminals at Portland following the merger. The SP terminal is currently too small. Trucks must line up outside on the road, which slows operations and increases the risk of accidents.

FTL anticipates benefits from increased rail competition. Both UP/SP and BN/Santa Fe will be better competitors following the merger. It is my understanding, under the terms of a recent
agreement. UP/SP will sell BN/Santa Fe the SP line from Bieber to Keddie, CA and grant other trackage rights in Northern California, which will enable BN/Santa Fe to introduce single-line service between Southern California and Oregon for the first time. UP/SP will gain trackage rights between Bend and Chemult, OR, allowing them to connect UP’s track in Central Oregon to SP’s route to California. Thus, Oregon shippers will have improved routes to the south on both UP/SP and BN/Santa Fe. Strong competition between the railroads should further improve service. FTL stands to gain from these arrangements, particularly at its Bend facility, located near BN/Santa Fe and UP/SP lines which will now connect Central Oregon to Southern California and the Southwest.

FTL expects rail competition to intensify after the merger throughout the Pacific Northwest, even in Portland, which will be served by two railroads instead of three. The competition among two strong, evenly matched railroads should be more intense than competition among one large and two smaller carriers.

We believe the merger of the UP and the SP will improve service for our Oregon Customers and strengthen rail competition in the Pacific Northwest. FTL’s business should expand as a result of these changes. We strongly support the merger.

VERIFICATION

1, Mark G. Mounsey, 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 __, 1995.

By Mark G. Mounsey
VERIFIED STATEMENT
of
Donna R. Kohler
on behalf of
Furman Lumber, Inc.

My name is Donna R. Kohler. I am Director of Transportation for Furman Lumber, Inc. I have been with Furman Lumber for seventeen years. I am authorized by Furman Lumber to make the following statement.

Furman Lumber, Inc. is a Massachusetts Corporation headquartered in Billerica, Massachusetts. Furman Lumber is a wholesale lumber distributor with fourteen distribution centers in thirteen states. We have been in business for thirty-six years and in 1994 generated 500 million dollars in sales. We buy lumber from the eastern, western and southern United States, as well as eastern and western Canada. We sell into all 48 states. Furman Lumber will ship approximately 16,000 rail cars in 1995.

I am making this statement in support of the Union Pacific/Southern Pacific (UP/SP) merger. Furman Lumber is a large user of rail and dependent on rail service for most of our shipments. We ship very heavily from U.S. origins on both the Southern Pacific and the Union Pacific Railroads, and have distribution centers located on both lines. It is very important to us that our rail service remain strong.

With this merger Furman Lumber would now have single line service to three of our distribution centers. Our transit times to the gateways, such as Chicago and Memphis would be improved. It would also provide intermodal service improvements, especially where the BN has abandoned destinations such as Dallas and Houston.

Due to the BN/ATSF merger I do not believe the SP will be able to stand alone. The SP has struggled for a very long time. We are in danger of losing the SP, and perhaps it would end up being divided among many carriers, this would not be in the best interest of the shippers who are dependent upon the Southern Pacific.

While it is early in the process, UP/SP has been forthcoming in stating they would give access to other carriers where a non-competitive situation exists. While this is important to Furman Lumber, the viability of the UP/SP in light of the BN/ATSF merger is more important.

It is for the reasons I have stated above, Furman Lumber, Inc. supports the proposed UP/SP merger.
I, Donna R. Kohler, 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 August 22, 1995.

[Signature]

Donna R. Kohler
VERIFICATION

STATE OF Oregon  )
COUNTY OF Clackamas  ) ss.

[Name], 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.

[Signature]

Subscribed and sworn to before me this 22 day of August, 1995.

[Notary Seal]

Notary Public

My commission Expires:

[Notary Seal]

175
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 CO., et al
VERIFIED STATEMENT

OF

CHARLES PURCELL
ON BEHALF OF
G&D TRANSPORTATION, INC.

My name is Charles T. Purcell. I am Vice President of G&D Transportation, 314 Wesley Road, Creve Coeur, Illinois 61611. I have held this position since the inception of the business on, April 1, 1984. My responsibilities consist of Administrative and Management duties as well as assisting in customer relations. Prior to joining G&D Transportation I held the position of Vice President & Controller with O’Neill Brothers Storage and Transfer Company, 706 S.W. Commercial Street, Peoria, Illinois 61602. My responsibilities consisted of maintaining all accounting procedures and assisted in contract negotiations.

G&D Transportation, Inc. is an industry service provider specializing in intermodal drayage, contract carrier distribution and over the road truckload transportation. We are a family owned and managed enterprise with locations in Peoria, Rockford, Oswego and Decatur Illinois. As an intermodal drayage company, we have had many years of experience dealing with the Union Pacific and Southern Pacific railroads through our IMC customers.

We are aware of the intention to merge the Union Pacific and Southern Pacific (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) and I am pleased to come forward at this time and offer my favor and full support in that regard. The merger will benefit me with the ability to offer my IMC customers a broader base of equipment in their efforts to capitalize on sales opportunities resulting from an enlarged service area. Economies realized in our operating balances will be passed on to our IMC customers and ultimately to the shippers. In creating new markets through the merger, I anticipate increased transportation business in areas where I was unable to compete before. I foresee the merger providing many benefits for the shippers and ultimately this enhancement will result in growth opportunities for my company.
I, Charles T. Purcell, 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

Charles T. Purcell

STATE OF Illinois ss.
COUNTY OF Tazewell ss.

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

Frank McCloud
Name-Typed

Subscribed and sworn to before me this 10 day of October, 1995.

Larry W. Hankins
Notary Public

My Commission Expires:

OFFICIAL SEAL

LARRY W. HANKINS
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRED APRIL 10, 1998
VERIFIED STATEMENT
OF
DAVID R. GAHAGEN
ON BEHALF OF
GAHAGEN IRON & METAL CO.

I, David R. Gahagen, am the Vice President of Gahagen Iron & Metal Co., 4431 E. 64th Avenue, Commerce City, CO 80022. I am in charge of all scrap ferrous shipments from Gahagen Iron & Metal Co. I have held this position for the last 20 years.

Gahagen Iron & Metal Co. is a scrap processing company located on the Union Pacific line. Since 1936 we have processed scrap in the same location. We purchase scrap iron and then process it into certain sizes and grades. Once this is done, the processed scrap is loaded into gondolas and shipped to steel mills or foundries.

The railroad routes that the scrap is shipped over depend on which mill or broker purchases our scrap. This can change on a monthly basis. Generally speaking, however, the majority of tonnage is shipped over the Southern Pacific or DRGW. Most of our scrap is purchased by CF&I in Pueblo. We have shipped to Utah, Kansas, Iowa, Texas, and Illinois. Our annual tonnage is approximately 14,000 tons.

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

Since so many of our shipments now move joint line between SP and UP, our most obvious benefit is new single line service. A second major benefit to us is gondolas. At present, we are forced to use gondolas from SP since Minnequa CO is served by SP and not by the UP. Under this arrangement, we are having major problems getting cars when ordered and if our orders are not complete by the end of the month, we are subject to price reductions depending on the market. With the merger we anticipate that gondola supplies will be substantially greater since we will also have access to UP’s fleet. When we have shipped scrap via the UP to Kansas City, we have had problems getting gondolas.

Gahagen Iron & Metal Co. urges the ICC allow this merger to happen. In our case, it can only be a help.

I, David R. Gahagen, 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 16th day of October, 1995.

DAVID R. GAHAGEN
September 16, 1995

VERIFIED STATEMENT
OF
BILL E. TURKETT
on behalf of
GARVEY GRAIN, INC.

IN FINANCE DOCKET ND. 32760

1. I am Bill E. Turkett, Vice President-Transportation for Garvey Grain, Incorporated, P.O. BOX 12560, Wichita, KS 67277. I have been actively engaged in grain transportation for twenty six years (eight years with Garvey Elevators, Inc. at Ft. Worth and Amarillo, Texas and Eighteen years at Garvey Grain, Inc., Wichita, KS).

2. Garvey Grain, Inc. is a regional grain company providing grain storage and merchandising service to Kansas farmers and country elevators. We operate a twenty million bushel terminal elevator at Wichita, Kansas; handling wheat, milo and soybeans. The terminal is served by Union Pacific, Southern Pacific and BNSF thru reciprocal switching. Local switch service is provided by Kansas Southwestern Railway.

In addition we operate six country elevators served by BNSF and Central Kansas Railway. We regularly load seventy five and one hundred car unit trains moving to Texas and Louisiana Gulf Ports. Smaller units move to domestic flour mills, domestic cattle and poultry feeding destinations, and to Mexico. We handled in excess of 12,000 car loads last year.

3. Garvey Grain, Inc. supports the merger application of Union Pacific and Southern Pacific in Finance Docket No. 32760.

4. We support the merger application for the following reasons:
   a. The merger will give us competitive access to grain produced along the SP-SSW in Kansas.
   b. The UP/SP will be able to furnish single-line service from Wichita, KS. to all major Mexican border crossings thus expanding our access to more destinations in Mexico.
   c. The merged system will provide better car utilization thru shorter routes, reduced transit time thru major terminals, and more efficient utilization of motive power. Faster turn around time on our private car fleet and railroad owned equipment will provide more cars for loading at Garvey Grain.
   d. The merged systems will provide shippers a stronger competitive environment in the wake of the BNSF merger.
5. Conclusion:

Garvey Grain, Inc. has had a long and beneficial relationship with the Union Pacific. We believe that the proposed merger will provide benefits to most shippers. Our company supports the application.

Bill E. Turkett
Vice-President-Transportation
VERIFICATION

STATE OF KANSAS  }
COUNTY OF SEDGWICK  } ss.

Bill E. Turkett, 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 E. Turkett

Subscribed and sworn to before me this 16th day of October, 1995.

DEANNA M. STRAUB
NOTARY PUBLIC

My Commission Expires: 9/6/97
My name is William D. Shrack. I am currently General Transportation Manager for General Mills, Inc. Number One, General Mills Boulevard, Minneapolis, Minnesota, 55426. I am responsible for have Managers reporting to me who are responsible for transportation for General Mills facilities, including those served by rail. I have held this position all of the past year and have held various Distribution/Transportation positions within General Mills, Inc. for over 25 years.

General Mills, Inc. is a manufacturer and distributor of processed foodstuffs, including many foodstuffs made from grain and grain products. Many of these products are shipped to and from General Mills facilities via rail. General Mills has major production facilities on both the Union Pacific and Southern Pacific Railroads, including:

**On the Union Pacific**

- Two Flour Mills, one at Kansas City, Missouri which is open to reciprocal switching to all railroads serving Kansas City, the other at Des Moines, Iowa which is open to reciprocal switching with other Des Moines rail carriers although the level of switch charge precludes the use of those carriers.

- A food service Manufacturing Plant at St. Charles, Illinois with no alternate rail service.

- A Consumer Foods Manufacturing Plant at Cedar Rapids, Iowa which is also open to reciprocal switching via a short line railroad with connections to other Class One railroads.

- Numerous Grain Elevators located throughout the state of Idaho.

**On the Southern Pacific**

- A Flour Mill at Vallejo, California which is exclusively served by a short line railroad with connections only to the Southern Pacific.

- A Consumer Foods Manufacturing Plant at Lodi, California which is also open to reciprocal switching with other Class One railroads, although the current level of the switch charge precludes economic use of those other carriers.

*At each of the above locations, we are served exclusively by either the Union Pacific or Southern Pacific Railroad.*
Traffic patterns impacted by the proposed merger of the Union Pacific and the Southern Pacific Railroads are primarily limited to the Western United States. The primary commodities shipped in these lanes are grain and grain products. The number of shipments per year exceeds ten thousand cars.

General Mills, Inc. supports the proposed merger of the Union Pacific Railroad with the Southern Pacific Railroad for the following reasons:

- General Mills operates its second largest flour mill at Vallejo, which is located on a short line railroad operating under lease on trackage owned by the Southern Pacific Railroad. Prior to the Staggers Act of 1980, rates to General Mills - Vallejo from wheat-growing areas in Idaho located on the Union Pacific, were equalized with those of our competitors in northern California under rates collectively set by the Pacific Southwest Freight Bureau. With changes brought about the Staggers Act, equalization of joint rates with single line rates were eliminated, resulting in higher combination rates. As a result of these higher rates, due to the economics of a two-line haul, General Mills is operating this facility below capacity. Combining the two railroads will enable General Mills - Vallejo to advantage itself of single-line rate economics from its traditional wheat-drawing area.

- General Mills merchandises large quantities of grain originated from its country elevator network within the state of Idaho. Current markets are limited by the economies of single-line versus double-line hauls to California. A combined Union Pacific/Southern Pacific Network would give General Mills single-line economic rate efficiencies which will enable it to expand its wheat merchandising activity in northern California.

- General Mills has many ingredient shipments that move trans-continentally, east and west, that originate or terminate on the Southern Pacific. Inconsistent and irregular SP service causes General Mills many man-hours of labor tracing and expediting, as well as the added expense of trucking shipments to supplant delayed shipments. The combination of SP/UP will improve service on these routes that currently involve both the SP and UP.

- Currently, due to the deteriorating financial condition of the Southern Pacific Railroad, SP service has declined causing lost customer business and diversion of business to less efficient modes. A merged Union Pacific/Southern Pacific will add financial stability and improve operating service, which is required to service accounts traditionally serviced by rail.

CONCLUSION:

For the above reasons, General Mills, Inc. supports the proposed merger and believes it will provide significant benefits to our continued operations in the western United States.
VERIFICATION

STATE OF MINNESOTA

COUNTY OF HENNEPIN

William D. Shrack, 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.

William D. Shrack

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

Notary Public

My Commission Expires:

1-31-00
October 16, 1995

To: Interstate Commerce Commission

RE: UP/SP MERGER - FINANCE DOCKET #32760

VERIFIED STATEMENT OF:
JAMES D. MIDDLETON
PRESIDENT
GENEX, L.P.

My name is James Middleton, President of GENEX, L.P., 191 Waukegan Road, Northfield, Illinois 60093. I began my career at GENEX in January of 1976 after graduating from Marquette University (Milwaukee, Wisconsin) with a B.S.B.A. degree in Accounting along with a Finance minor. I was named President of this firm in 1981.

I have been active in the industry as a five year Board Member of the Intermodal Marketing Association (predecessor organization to the Intermodal Association of North America), Traffic Club of Chicago Education Committee Member, participant in Northwestern University’s Transportation Center Management Programs, as well as a member of the Council of Logistics Management, the National Industrial Transportation League, and other various Trade Associations.

GENEX, established in 1963, is primarily an Intermodal Marketing Company. As such, we solicit full load traffic from shippers/beneficial owners and we arrange to move this traffic via rail line-haul throughout North America. Approximately 90% of our 1994 revenues of $30 million were generated via rail intermodal, using all of our nation’s Class I railroads, many regional lines, and many stacktrain operators.

More than 50% of our business originates with the origin ramp city of Chicago, Illinois with much of this freight being “transcontinental” in nature.

As we move into the 21st century, American business will need the best freight transportation system possible. This system will have to be most efficient and cost effective at delivering products to market. Without such a strong transportation system, America will lose competitiveness in world markets.

I strongly believe that the proposed UP/SP merger will help build the type of railroad that the country will need in the future.

First and foremost, I believe that the merger will improve the level of service provided to the beneficial owner customers. Improved single-line routings will reduce transit times and increase transit reliability and consistency. Use of both the UP and SP lines will allow the UP/SP to offer reliable third morning intermodal service between Chicago and California for the first time. The merger could also add to increased volumes resulting in a higher level of “critical mass” needed for more frequent departures per day throughout the system.
Another major benefit will be the financial strength of the combined railroads. Attention can be focused on capital improvements to terminals, rolling stock, and the technology to best manage these assets. The result will lower the cost of efficiently running the combined roads.

I also look forward to a combined UP/SP intermodal equipment fleet. The combined fleet would seem larger than the sum of its parts because of the improved ability to manage equipment turns, availability, positioning and rationalization. This situation would result in improved customer satisfaction; more equipment available when and where needed.

I also believe that intermodal transportation competition in the Western USA will be fully preserved. The BNSF will provide tough rail competition thereby giving shippers the choice of carriers which they desire. The combination of UP and SP will be a more effective intermodal competitor, more the equal to BN/Santa Fe than the UP or the SP standing alone. And let us not forget the competitiveness of our truckload highway carriers.

In conclusion, I support the proposed UP/SP merger because I think major benefits will accrue to our shipper beneficial owner customers.

Sincerely,

[Signature]

James D. Middleton
President

VERIFICATION

I, James D. Middleton, 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 16, 1995.

[Signature]
VERIFIED STATEMENT

OF

CODY MILLER
on behalf of
GIFFORD-HILL & COMPANY

My name is Cody Miller and I am Vice President of Gifford-Hill & Company. Among my duties are transportation services. Gifford-Hill & Company is in the concrete products and construction materials business. My department procures the aggregate resources, by lease or purchase, and coordinates the transportation to ship the products to market. We have construction materials facilities in Texas, Oklahoma, Arkansas, and Louisiana. We have railroad ballast plants in Oklahoma, New Mexico, Arizona, and two (2) in California. We ship approximately 18 million tons of material annually; estimated to be seven (7) million by truck and eleven (11) million by rail. There is a chance that the merger could add to our shipments by rail.

The majority of our rail shipments within Texas are handled by the Union Pacific. We transport sand from our plant in Waco, TX to the Dallas/Fort Worth market. From our quarry in Ogden, TX, we send stone on the UP to the Houston area as well as to central and east Texas. Our Perch Hill, TX plant northwest of Fort Worth ships stone on the UP to the Dallas/Fort Worth metropolitan area and to east Texas. Our gravel plant in Eagle Mills, AR utilizes the Southern
Pacific for shipments to Shreveport, LA, and the gravel plant in Little River, AR on the KCS also ships into the Shreveport market. Another gravel plant at Delight, AR on the UP ships into east Texas and the Shreveport market. All of our ballast rail transport is currently handled by the SP and the BN/SF.

Gifford-Hill anticipates that the proposed Union Pacific/Southern Pacific merger will open new markets for our products in a number of areas in Texas and we therefore support the merger.

Gifford-Hill will benefit from greater access to the Houston metropolitan area and east Texas. SP's extensive rail coverage in the Houston area will allow us to expand the customer base for our crushed limestone. In addition, the merged system will allow us to have single-line rail access to potential customers in the construction industry in the region surrounding Plano, TX on the SP northeast of Dallas. The merger will also enable our Ogden, TX plant to ship crushed limestone on a single-line rail basis to a major concrete producer located in Beaumont, TX on the SP. Finally, the merger will create new single-line service along the I-45 corridor between Dallas and Houston. This single-line service route will connect our Perch Hill, TX plant with concrete customers in Corsicana, TX and Athens, TX.

Enhanced terminal capacity in Shreveport, LA will bolster operating efficiencies for gravel shipments originating at Eagle Mills, AR. Furthermore, the merger will give us a choice between two terminals at Shreveport -- the Cart Yard on the SP or the Caliborne Yard on the UP -- providing significant flexibility for our traffic movements.

Gifford-Hill also supports the merger because it will facilitate the sale of railroad ballast for use on UP's lines, which today do not directly serve our ballast production facilities.
VERIFICATION

I, **CODY M. MILLER**, 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.


[Signature]

Cody M. Miller
Verified statement of Niilo Hyytinen on behalf of Glass Mtn Pumice concerning the proposed merger of the Union Pacific and Southern Pacific Railroads.

I am Niilo Hyytinen, president of Glass Mtn Pumice. I founded Glass Mtn Pumice in 1977 and have managed it since its inception.

Glass Mtn Pumice mines and distributes volcanic pumice for a variety of industrial and building uses at its location near Tionesta, CA on BN-ATSF railroad.

The bulk of our product is shipped by rail to our Rio Linda, CA distribution yard switched by Union Pacific railroad at Bombay, CA. We are concerned that whoever switches our receiving location (Bombay) that it results in the lowest possible freight rate.

Historically, one of our obstacles when shipping rail is that the two railroads must be combined to provide each one with some relatively short mileage hauls. This phenomenon produces some disproportionately higher freight rates when the hauls of the two railroads are combined and the prices are then furnished to us.

We also operate a reload on Southern Pacific railroad at Perez, CA on the so-called Modoc cutoff line, in an attempt to reach customers served by that railroad.

With the sale of the Bieber Line (south of Bieber) to the BN-ATSF, they will achieve a longer, single-line service from our mine to serve customers switched by either of those two railroads.

Therefore, we strongly support the merger of Union Pacific and Southern Pacific railroads.

Southern Pacific will be strengthened by the financial stability of Union Pacific railroad and competition in the Western United States along a north-south axis will be preserved by the sale of the Bieber line to the Burlington Northern railroad.

Additionally, the combined car fleets of the UP-SP and BN-ATSF should enhance the availability of cars for loading pumice to Glass Mtn Pumice.

We urge consideration of this transaction for the benefit of ourselves and other rail shippers and receivers who can benefit from it.

Sincerely,

Niilo Hyytinen, President
Glass Mtn Pumice
VERIFICATION

STATE OF NEVADA
COUNTY OF WASHOE

Niilo Hyytinen, 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.

Niilo Hyytinen

Subscribed and sworn to before me this 11 day of October, 1995

Leslie A. Maldonado
Notary Public

My commission expires:

September 26, 1997

LESLE A. MALSANDO
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES SEPT. 26, 1997
My name is Carl Schachter, and I am employed as Traffic Manager for Golden Aluminum. My office is at the corporate headquarters which is located at 1600 Jackson Street in Golden, Colorado. I have been employed with Golden Aluminum Company for almost eight years, and have been involved with the transportation and logistics industry for over twenty years. My responsibilities include negotiating, securing, and tracking all inbound and outbound domestic and international freight contracts and tariffs with all modes of carriers including TL, LTL, intermodal, ocean and rail carriers. I also monitor performance based on service and price, and work closely with the purchasing and sales department to maximize customer service and profitability.

I received my Bachelor of Science in Business Administration from Regis University in 1993. I am affiliated with the Denver Traffic Club, the Delta Nu Alpha Transportation Fraternity and the Council of Logistics Managers. I am also a candidate for Certification with the American Society of Transportation and Logistics.

Golden Aluminum operates two aluminum rolling mills, one located in San Antonio, Texas which is served by the SP and the other located in Fort Lupton, Colorado which is served by the UP. The heart of our Mini Mill is an innovative continuous-casting block caster which was designed by a subsidiary of Golden Aluminum, Lauener Engineering. This process uses a broad range of scrap and primary aluminum ingot. It casts aluminum directly into thin slab, which is then reduced to hot band in one continuous operation, thus saving many steps compared to the conventional casting process.

In operation since 1991, the San Antonio Mini Mill uses used aluminum beverage containers (UBCs) as the primary raw material for alloying. In addition, primary aluminum is also used. The 360,000-square-foot facility produces 30 different products, including up to 12-out body stock widths and 3105-series building materials, at casting rate of 65,000 pounds per hour. The current annual capacity is 205 million pounds.
Located in northeastern Colorado, the Fort Lupton Mini Mill has been producing 5000- and 3000-series end stock, tab stock and building materials since 1986. With a fully utilized annual capacity of 72 million pounds, the facility produces 60 different materials for a variety of customers.

Partly due to the sensitive nature of the finished coil product, rail service has not been a successful distribution mode for either of the plants. In fact, the physical layout of each location prohibits direct loading of railcars. Transloading has been tried out of the San Antonio Mill, but coupled with the sporadic production output and the lengthy transit, truck seems to be the only viable option. Rail cars have never been used to ship finished coil out of the Fort Lupton facility.

Golden Aluminum collection and processing facilities for UBCs are located in Grand Terrace, California; Denver, Colorado; and Buffalo, New York. Most UBCs have been trucked into the mills because of the vendor's need for quick payment and the lengthy transit time for both the SP and the UP from these and other origins. However, the rail mode has been used extensively for primary aluminum shipments into both mills. First I will discuss primary aluminum shipments into the San Antonio Mill.

Primary aluminum has been sourced out of the Pacific Northwest and these cars have been routed UP and then transloaded to trucks for delivery to the San Antonio Mill. The SP rail yard in San Antonio is notorious for its congestion, and this routing seems to minimize problems. Much imported Russian aluminum is also brought in through the ports of Houston or New Orleans. In 1994 our car usage was 149 cars and thus far this year our usage is only 47 cars. This corresponds to over 30 million pounds of prime in 1994 and almost 41 million pounds in 1995. It is clearly evident that rail use is way down and this is directly due to SP service issues. I personally visited D. R. Allison, the trainmaster in San Antonio, to see the situation first hand. He blamed poor service due to lack of manpower or equipment, and the congested track layout as a further constriction. Truck has become the preferred mode of choice due to the constant rail problems experienced with the SP.

The Fort Lupton Mill receives all of its primary aluminum by truck after it is warehoused in a BN warehouse facility in Denver and then trucked up to Fort Lupton. Usage for 1994 was 33 million pounds, and so far this year the Fort Lupton Mill has used over 35 million pounds; all shipped by BN boxcar into Denver.

As a shipper dependent on SP service in San Antonio, Texas, I welcome this merger. I believe that the proposed merger would be in the best interests of
Golden Aluminum as well as our suppliers. This merger would be a means of improving service as well as strengthening competition.

With the approval of the merger, the UP and SP will be able to combine their strengths in order to more adequately compete with the combined forces of the BN/Santa Fe.

The SP will be able to draw from the vast financial and physical resources of the UP. Cars will be repositioned more efficiently, and bottlenecks which choke the flow of traffic may be more readily removed. Congestion in San Antonio can be eliminated and competitive service can be restored.

Golden Aluminum currently has plants served exclusively by SP and UP. The proposed merger will allow for access arrangements for a second railroad at San Antonio. This will allow for improved competition.

Finally, Golden Aluminum has been concerned about the poor service from SP. In light of the BN/Santa Fe merger, it is obvious that the SP needs outside assistance in order to be a viable transportation option. In fact, for the San Antonio Mill, Golden Aluminum has replaced SP boxcars with truck due to numerous, repetitive service problems. The merger will have the potential to attract traffic from truck back to rail.

I feel that the proposed merger will provide significant benefits to Golden Aluminum and other shippers, and I heartily endorse the UP/SP application.
VERIFICATION

STATE OF Colorado

COUNTY OF Jefferson

Carl Schachter, 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.

Carl Schachter

Name-Typed

Subscribed and sworn to before me this 16th day of October, 1995.

Margaret J. Schoenwald
Notary Public

My Commission Expires: 4/21/99

dg/cs/statement/ms

My Commission Expires Apr. 21, 1999
MARGARET SCHOENWALD
1600 JACKSON ST.
GOLDEN, CO 80401-1921
VERIFIED STATEMENT
OF
WAYNE WITHERS
on behalf of
GOLDEN STATE LUMBER, INC.

My name is Wayne Withers. I am the president of Golden State Lumber, Inc. ("Golden State"). Golden State is located at 150 South Napa Junction Road, American Canyon, California 94589. Golden State sells lumber products to developers and builders in the Northern California market as well as within the states of Oregon and Washington. I have spent over twenty years of my working life in the lumber business, and in that time I have worked in virtually every aspect of the lumber business from retail to wholesale. Currently, I oversee the marketing, distribution, and production functions of my company on an executive level as well as overseeing personnel and customer relations areas.

I have recently been apprised of the proposed merger between the Union Pacific and Southern Pacific Railroads, and I wish to extend my unqualified support to that proposal.

Golden State ships a large volume of product from Oregon and Washington to the Northern California market. Because of this, an important benefit of the proposed merger to our company would be the new single line service which we would enjoy from Union Pacific origination points within Oregon and Washington into the California I-5 corridor. We also anticipate benefits on our Southern Pacific origin traffic. In recent times, the service on Southern Pacific's Oregon to California line has proven to be slow and rather inefficient, with turnaround times suffering as a consequence. If the proposed merger comes to pass, Union Pacific would be able to devote its resources to improving service on that vital part of the rail system. This, in turn, would help to improve transit times and provide more efficient, reliable rail service along the I-5 corridor. These improvements would make rail service more competitive with truck traffic along the I-5 corridor, and would undoubtedly enable Golden State to reap greater benefit from the use of rail service in connection with its California market.
I believe Golden State would also enjoy an improvement in the supply of railroad cars available to ship our products. With the merger, Union Pacific and Southern Pacific would be able to offer a more varied fleet of railroad cars for use in the transport of our lumber products. Currently, Southern Pacific utilizes traditional lumber cars, while Union Pacific has a significant supply of center-beam flat cars. The combination of these types of cars would result in a more versatile fleet, which would allow us to utilize the rail car fleet to ship our product with much greater efficiency. That, in turn, will ultimately result in an improved turnaround time for our shipments.

Another overall benefit Golden State would receive from the proposed merger would be the creation of a strong western competitor able to compete effectively with the newly merged Burlington Northern/Santa Fe rail system. Although the proposed merger would result in a reduction in the number of carriers serving some locales from three to two, I believe in the long run that the proposed merger would result in better, stronger rail service because a merged Union Pacific/Southern Pacific system would result in a more efficient, more flexible entity able to offer competition to the Burlington Northern/Santa Fe railroad. This increased competition will certainly result in improvements in both the service and the rates Golden State is presently receiving. I believe that in the absence of the proposed merger, Southern Pacific will eventually become a much weaker link in this nation’s transportation chain, to the great detriment of the necessary service they provide and the customers to whom they provide it.

I also understand Union Pacific and Southern Pacific have already reached an agreement with Burlington Northern/Santa Fe concerning this proposed merger. The information I have received indicates the agreement addresses competitive issues arising from the proposed merger and goes a long way toward guaranteeing there will continue to be strong rail competition, particularly along the I-5 corridor. This will benefit my company. As a result, I foresee the competition between rail carriers along the I-5 corridor becoming even greater, which should allow my company to obtain better rates and improved service.

In light of the various benefits described above, I believe the proposed merger between Union Pacific and Southern Pacific will result in greatly improved rail service for Golden State Lumber, Inc.
I, Wayne Withers, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to submit this Verified Statement.

Executed on October 10, 1995, at American Canyon, California.

Wayne Withers
My name is Takehisa Miyake and I am the president of Golden State Metals, Inc. My company's address is P.O. Box 70158, Bakersfield, California 93387. As president of Golden State Metals, Inc. for the past five (5) years, I have been responsible for all executive functions at my company. Golden State Metals, Inc., is in the business of purchasing various types of scrap iron and reselling these products to various companies. Our company ships within California and Oregon.

I have been informed that the Union Pacific and the Southern Pacific railroads are requesting authority from the ICC to merge their companies. My company supports such a merger.

One of the important benefits of such a merger to my company would be the institution of single-line service between Bakersfield, California (which is served by the Southern Pacific Railroad) and Long Beach, California (which is exclusively served by the Union Pacific Railroad). Fully, eighty (80) percent of our traffic is routed between these facilities. New single-line service will reduce transit times and improve service reliability. We will have greater control of the distribution of our products and possible cost savings for our rail traffic. This would allow my company to take greater advantage of rail traffic.

Our company also utilizes Southern Pacific's California to Oregon I-5 corridor route for our shipments. Currently, the service we receive on that line is slow and unreliable. We believe that, as a result of the merger, Union Pacific Railroad will be able to use its resources to improve service and transit times along that route. The improvement in service would allow us to ship more of our products by rail rather than by motor carrier.

Another reason we have suffered significant delays in our shipments has been Southern Pacific's inadequate supply of railroad cars. We believe that the combination of the equipment fleets from the Union Pacific and the Southern Pacific will serve to alleviate such shortages in the future. The Union Pacific brings a stronger fleet to Southern Pacific shippers and the diversity and size of the new combined car fleet under single management will allow the railroads to more efficiently utilize their cars.
We also support the settlement that has been reached in the proceedings between the Union Pacific/Southern Pacific and Burlington Northern/Santa Fe. As part of that agreement, Burlington Northern/Santa Fe has been given trackage rights into the I-5 corridor, which will allow it to compete with the Union Pacific/Southern Pacific for traffic along that route. This should result in improved service and better rates for our shipments traveling from California to Oregon. We look forward to this added competition.

As a result of the merger, we are aware that we may suffer a reduction from three to two in the number of carriers serving some of our destinations. We feel, however, that this will be offset by the Union Pacific/Southern Pacific becoming a strong carrier able to effectively compete with the newly merged Burlington Northern/Santa Fe. This will ultimately be a much better alternative than allowing a weakened Southern Pacific to attempt to compete with two larger, financially sound carriers.

For all of the above reasons, we look forward to approval of the merger as quickly as possible.

I, Takehisa Miyake, declare under penalty of perjury that the foregoing is true and correct. Furthermore, I certify that I am qualified and authorized to file this verified statement.

Executed on: October 9, 1995
Signed: Takehisa Miyake
My name is Ross A. Cook and I am Vice President of Sales and Customer Service for Gordon Trucking, Inc. Gordon Trucking operates 600 trucks on an interstate basis, serving truckload shippers throughout the west. I have responsibility for soliciting, procuring, and moving over 2,000 truckload shipments of freight weekly in the Western United States. A significant number of my company’s shipments could be more efficiently moved via intermodal transportation from the states of Oregon and Washington to California, however historically there has not been good, efficient, and reliable intermodal service between Oregon, Washington, and California.

A number of my customers have continually expressed a desire to move their freight via means of intermodal rail/truck, but until now we have had little hope of being able to accomplish this successfully. We at Gordon Trucking now have learned that the Union Pacific and Southern Pacific are requesting authority to merge. We are in strong support of this as a means of improving both service and strengthening the competitive environment for intermodal service in the western corridor.

As a high volume prospective intermodal shipper of general commodities freight that at this point is entirely dependent on the Southern Pacific service from Oregon to California, we welcome this merger as a means of insuring that we can receive top quality rail service from a financially sound carrier with single line access to and from the states of California, Oregon, and Washington.

We believe the prospective merger of these two rail carriers will provide an excellent single line service which in turn will be more efficient and better coordinated to ensure successful on-time service to our customers between points along the west coast. We feel that the UP/SP merger will be able to offer a faster and more frequent reliable service along the Seattle to California corridor.

As our market place continues to push more towards converting our business to rail intermodal, we feel more concerned that a merger such as the UP/SP is essential. We firmly believe the proposed merger will be in our company’s best interest as well as the interests of other similar shippers. We heartily endorse the UP/SP application.
VERIFICATION

STATE OF WASHINGTON )
COUNTY OF PIERCE ) ss.

Ross Cook, 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.

Ross Cook
Name-Typed

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

Notary Public

My Commission Expires:
2-20-98
The Grand River Dam Authority is a wholesale electrical utility/conservation and reclamation district/state agency, supported by electrical and other revenues instead of taxes, and serves 24 counties in this northeast corner of Oklahoma. GRDA provides electrical power for cities, industries, and electrical cooperatives in this sector of Oklahoma. GRDA operates two coal-fired power generation facilities located near Pryor, Oklahoma. This complex generates in excess of 5,000,000 megawatt hours of electricity per year and consumes nearly 4,000,000 tons of coal a year. This coal is moved by Union Pacific from Kansas City to Pryor, Oklahoma. GRDA’s coal-fired complex is served by the Union Pacific Railroad. Coal is delivered by the Union Pacific in unit trains of approximately 115 railcars from the Powder River Basin of Wyoming.

We support the UP/SP merger as a means of maintaining long-term competitive rail transportation service from western coal markets to our facility. We believe that the merger will provide increased opportunities for the merged company to manage rail transportation deliveries of coal to our facilities. These opportunities would include efficient equipment management, reduced train cycle times because of less congestion in key terminals, more direct routes, and opportunities to avoid terminal congestion. Generally, the UP/SP merger will provide more efficient routes, stronger competition, improved service, opportunities for route specialization, and optimized capacity. Overall, the UP/SP merger will provide stronger, more competitive competition for western transportation and, as a result, better and more economical transportation for customers.

We believe that the proposed merger between UP and SP would be in GRDA’s best interest, as well as the interest of other shippers. The merger will provide for a stronger, more viable and competitive Union Pacific. We strongly support the UP/SP application. Competitive, reliable transportation of coal to our facility is essential to GRDA’s role of providing low-cost electricity to our customers.
VERIFICATION

STATE OF OKLAHOMA  
COUNTY OF CRAIG  

Mr. Ron Coker, 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.

RON COKER

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

Donna M. Davis
Notary Public

My Commission Expires:

02-31-96
October 6, 1995

Interstate Commercial Commission
Attn: Vernon A. Williams, Secretary
1201 Constitution Avenue N.W.
Washington, DC 20423

VERIFIED STATEMENT
OF
HAROLD G. POULIN, JR.
on behalf of
GRANITE ROCK COMPANY

My name is Harold G. Poulin, Jr. I am Vice President and General Manager - Aggregate Division, as well as Division Manager of Transportation, and a member of the Executive Committee and Board of Directors of Granite Rock Company located in Watsonville, California. I hold a BSCE degree from Purdue University. I have been in the aggregate business for 25 years and have been Division Manager of Transportation for the last five years.

Graniterock's primary business is the production and sale of granite aggregate material. Our production site is the Wilson Quarry located at Aromas, California, which is rail served. We also operate a quarry in Hollister, California, which is served by truck. We ship our product by rail from Aromas to distribution facilities located in South San Francisco, Redwood City, Santa Clara and San Jose, California. From those facilities the product is distributed by truck to points in the surrounding Monterey and San Benito Counties. In 1994 we shipped 9,037 carloads by rail.

We enthusiastically support the proposed merger of UP and SP. Efficient reliable rail service is critical to the success of our business. We believe that the combination of the financially strong and service oriented UP with the route structure and market access of SP will produce efficiencies which will accrue to the benefit of shippers such as our company. The rerouting of traffic over the most efficient line segments, the elimination of congestion at terminals through planned improvements, and the better use of the facilities, will result in reduced transit time, better schedules, and more reliable and consistent service.

Equipment supply and utilization are very important to us. The combination of the two fleets and efficient, joint management will result in an improved equipment supply for the movement of our
business. We believe these efficiencies accrue to the benefit of shippers in the form of improved service and lower rates.

We are encouraged that the improved and broader single line service that the merger will provide may enable us to divert more of our traffic from truck to rail. At the least it will enhance the competitive environment for the transportation of our product.

We have been concerned about the ability of SP to continue to provide quality rail service on a long-term basis in light of the pressures created by the newly merged BNSF. The merger of UP and SP satisfies those concerns and assures the shipping public of a vigorous and competitive environment for transportation services in the western United States.

In conclusion, I urge the ICC to grant quick approval to the proposed merger in order that its benefits can be realized.

I, Harold G. Poulin, 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 6, 1995

Harold G. Poulin, Jr.
MY NAME IS PAUL HAACKE. I AM THE GENERAL MANAGER OF LUMBER PRODUCTS FOR GROVE LUMBER. OUR ADDRESS IS 1351 S. CAMPUS AVE., ONTARIO, CALIFORNIA 91761. MY TELEPHONE NUMBER IS (909) 947-1312. MY FAX NUMBER IS (909) 947-2944. MY NORMAL DUTIES AND RESPONSIBILITIES INCLUDE NEGOTIATING LUMBER RATES AND CONTRACTS WITH LUMBER MILLS AND RAIL CARRIERS. THIS INCLUDES ALL TRANSPORTATION LOGISTICS, INCLUDING RAIL AND TRUCK, INTO OUR ONTARIO FACILITY, AND COORDINATING WITH BOTH CUSTOMERS AND RAIL CARRIERS.

GROVE LUMBER IS A DISTRIBUTOR OF LUMBER PRODUCTS TO THE CONSTRUCTION INDUSTRY IN THE LOS ANGELES AREA. FROM OUR ONTARIO FACILITY, WE SUPPLY LUMBER TO CONSTRUCTION SITES IN THE LOS ANGELES AREA, EXTENDING OUT TO RIVERSIDE, COLTON AND FONTANA. GROVE LUMBER IS SOUTHERN PACIFIC SERVED, AND OUR FACILITY IS LOCATED AT THE END OF SOUTHERN PACIFIC BRANCH LINE IN ONTARIO. WE PURCHASE LUMBER PRIMARILY FROM SOUTHERN PACIFIC SERVED MILLS IN OREGON. THE METHODS WE USE TO SHIP LUMBER INTO OUR ONTARIO FACILITY DEPEND UPON THE COMPETITIVE FREIGHT WE CAN OBTAIN BY RAIL OR TRUCK. IN ADDITION, SERVICE IS A PRIORITY IN OUR BUSINESS, SINCE WE SUPPLY LUMBER TO CONTRACTORS WHO MUST MEET CONSTRUCTION SCHEDULES AND DEADLINES. WE SPEND MORE THAN $1 MILLION A YEAR ON TRANSPORTATION AND IT IS AN IMPORTANT PART OF OUR COST OF DOING BUSINESS.

GROVE LUMBER STRONGLY SUPPORTS THE SPEEDY APPROVAL OF THE MERGER BETWEEN UNION PACIFIC AND SOUTHERN PACIFIC. WE ARE OPTIMISTIC THAT THE MERGER WILL IMPROVE THE SERVICE PROBLEMS THAT WE HAVE EXPERIENCED FOR THE LAST FOUR YEARS ON SOUTHERN PACIFIC, AND THAT THE LEVEL OF SERVICE WILL IMPROVE. IN OUR DEALINGS WITH SOUTHERN PACIFIC, WE HAVE EXPERIENCED SUBSTANTIAL DELAYS IN DELIVERY. OUR RAIL CARS GET HUNG UP IN SOUTHERN PACIFIC TERMINALS AT COLTON, AND THEN AT KAISER, RESULTING IN SUBSTANTIAL DELAYS. THIS IS IN ADDITION TO DELAYS ENCOUNTERED IN MOVING RAIL CARS FROM OREGON TO SOUTHERN CALIFORNIA. DURING THE PAST YEAR, WE HAVE PURCHASED LUMBER FROM MILLS IN OREGON, TRANSLAODED IT ONTO UNION PACIFIC RAIL CARS WHICH ARE SHIPPED TO SOUTHERN CALIFORNIA VIA UNION PACIFIC THROUGH COLTON TO MIRA LOBA, WHERE THEY ARE THEN UNLOADED AND THE LUMBER COMPLETES ITS JOURNEY BY TRUCK TO OUR FACILITY IN ONTARIO. THIS ENTIRELY AVOIDS THE SOUTHERN PACIFIC, AND WE FIND THAT THROUGH TRANSLAODEING WE RECEIVE BETTER, MORE RELIABLE SERVICE THAN SOUTHERN PACIFIC CAN PROVIDE USING DIRECT RAIL. WE DO NOT BELIEVE THAT THIS SHOULD BE THE CASE.
GROVE LUMBER EXPECTS THAT, AS A RESULT OF THE MERGER, THE EXCELLENT SERVICE WE RECEIVE FROM UNION PACIFIC WILL BE AVAILABLE TO US AS A CUSTOMER OF THE COMBINED SYSTEM. WE WILL THEN BE ABLE TO TAKE ADVANTAGE OF RELIABLE, DOOR TO DOOR, SINGLE LINE RAIL SERVICE TO SHIP LUMBER INTO OUR ONTARIO FACILITY. WE ALSO EXPECT THAT UNION PACIFIC - SOUTHERN PACIFIC WILL HAVE THE FINANCIAL RESOURCES TO MAKE THE CAPITAL INVESTMENTS NECESSARY TO MAINTAIN TRACK IN GOOD CONDITION. WE UNDERSTAND THAT SOUTHERN PACIFIC HAS NOT BEEN A FINANCIALLY SUCCESSFUL CARRIER, AND LOOK FORWARD TO ITS COMBINATION WITH FINANCIALLY STRONG UNION PACIFIC, WHICH CAN AFFORD TO MAINTAIN AND IMPROVE ITS FACILITIES TO PROVIDE BETTER SERVICE TO ITS CUSTOMERS.

MORE RELIABLE SERVICE AND FASTER TRANSIT TIMES ARE VERY IMPORTANT IMPROVEMENTS WE EXPECT FROM THE MERGER OF UNION PACIFIC AND SOUTHERN PACIFIC. IN ADDITION, WE WILL HAVE SINGLE LINE SERVICE FROM A LARGER NUMBER OF MILLS IN OREGON AND WASHINGTON AS THE UNION PACIFIC SERVED MILLS BECOME ACCESSIBLE TO US AS PART OF THE COMBINED SYSTEM.

WE STRONGLY SUPPORT APPROVAL OF THE MERGER. WE EAGERLY LOOK FORWARD TO IMPROVEMENTS IN SERVICE THAT WE WILL ENJOY AS A RESULT, AND WE APPRECIATE AND SUPPORT ALL THE EFFORTS TO IMPROVE RAIL FREIGHT SERVICES TO OUR COMPANY.

I, PAUL HAACKE, 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 OCTOBER 13, 1995.

PAUL HAACKE
VERIFIED STATEMENT OF ING. RAFAEL OROZCO ON BEHALF OF GRUPO IDESA

Attn: Interstate Commerce Commission UP-SP Merger Case Docket No. 32760

My name is Rafael Orozco, Traffic Manager of Grupo Idesa with offices in Golfo San Jorge # 58 Col. Anáhuac, 11320 México, D.F. Mexico City D.F. my telephone number is (525) 3 26 20 71, and my fax number is (525) 326 20 45.

Our Group has several chemical plants located in Apizaco, Tlaxcala and Puebla. My main responsibilities are to handle the imports, export and domestic traffic of different chemical raw materials between USA suppliers and clients, Mexican ports and my different plants. It is my responsibility to try the best transportation package for my Company, and to choose the most reliable carriers from both railroad and vessel companies, with the best prices and services. I have been working for the chemical industry for almost 15 years, and through this experience I have learned the importance of transportation to my industry and our ability to compete. We understand that Union Pacific and Southern Pacific are seeking authority to merge. Many of the Louisiana and Southern Texas chemical plants with whom we do business are served by either or both of railroads. We support the merger as a means of improving service, strengthening competition, and continuing our ability to get top quality service and competitive rates. We have benefited from competitive rates in the past and believe that we will do in the future. As an SP customer, we will be able to utilize better the “Despacho Previo” service for expediting border crossing from chemical plants in Texas because of UP’s greater consistency of service.

We have been informed that UP-SP has agreed to grant trackage rights to BN-Santa Fe, Eagle Pass, Brownsville, Texas, and access to Laredo via Tex Mex, for all plants now jointly served by UP and SP.

This will assure that there is competition from the BN-Santa Fe system, which is a big company with many resources and access to important markets. In addition, since BN-SF will now compete with UP-SP at those points where UP and SP were the only competitors, there will still be a choice for us. Because of BN-Santa Fe’s trackage right under the settlement agreement, including trackage right between Brownsville and Houston (Algoa) and rights to various individual industries, we are not concerned about a loss of competition for traffic between our plants in México and the Houston chemical market as a result of merger.
We believe that the proposed merger, particularly in view of the trackage rights to BN-Santa Fe, will provide significant benefits to shippers to our business. We support the application.

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

Yours Truly.

Ing. Rafael Orozco
BEFORE THE
INTERSTATE COMMERCE COMMISSION
FINANCE DOCKET NO. 32760 (8/4/95)

Union Pacific Railroad Company - Control and Merger
Southern Pacific Lines

Verified Statement of
Gulf Coast Limestone

Submitted by:

Robert R. Robinson
Gulf Coast Limestone
1402 3rd Street
Seabrook, Texas 77586

October 13, 1995
VERIFIED STATEMENT
OF
ROBERT R. ROBINSON
on behalf of
GULF COAST LIMESTONE

Gulf Coast Limestone, Inc. has shipped limestone by rail for over 30 years from Kerr and other locations in central Texas to points all over the eastern half of Texas. We ship over 8,000 car loads on the various railroads yearly.

We are in support of the UP/SP merger (Finance Docket No. 32760). Our reason for supporting the merger are: Better rail service, better equipment, lower rates, generally more efficiency in rail operations, and easier access to sales/marketing personnel.

VERIFICATION

I, Robert R. 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 on October 13, 1995.

[Signature]
VERIFIED STATEMENT
Of
EDWARD P. JORDAN
On behalf of
H. C. SPINKS CLAY COMPANY, INC.

My name is Edward P. Jordan. I am employed by H. C. Spinks Clay Co., Inc., P. O. Box 820, Highway 79, Paris, TN 38242 as Sales/Marketing Manager. I hold a Bachelor of Science degree from the University of Georgia and have been involved with the management of rail transportation for industry for the past twenty-five years. I have previously been employed by Thiele Kaolin Co., Sandersville, GA and Albion Kaolin Co., Hephzibah, GA and was involved in management with these firms also.

H. C. Spinks Clay Company is a mining and processing company which supplies ball clays to the ceramic industry (namely Sanitaryware, tile refractories, dinnerware and other ceramic products). We ship our materials throughout the United States and Mexico.

I understand Southern Pacific/Union Pacific will shortly ask the ICC for permission to merger into a single carrier. We believe that this merger will be in the interest of our company and the general shipping public as well.

We are very concerned about the sensitivity of maintaining a degree of competition among the remaining rail carriers so as to maintain a competitive pricing structure. It is our belief that a combined Southern Pacific/Union Pacific can better compete with the recently approved BN/ATSF. A single carrier should be able to provide competitive rates into the West/Southwest where on occasions the rail rates are equal and sometimes greater than the price of our material itself.

We urge approval of the Union Pacific/Southern Pacific merger request.

I, Edward P. Jordan, 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 26, 1995.

Edward P. Jordan

STATE OF TENNESSEE
COUNTY OF HENRY

Personally appeared before me, Edward P. Jordan, with whom I am personally acquainted, and who acknowledged that he is the Sales/Marketing Manager of H. C. Spinks Clay Company, Inc.

This the 26th day of September, 1995.

My commission expires 2-25-98.
Verified Statement
of
John F. Meyer
on behalf of
Hager Group Companies

Interstate Commerce Commission
Union Pacific-Southern Pacific Merger Proceeding
Finance Docket No. 32760

My name is John F. Meyer. I am Corporate Traffic Analyst for the Hager Group Companies headquarters in Grand Rapids, Michigan. Since May of 1994 my responsibilities include the arrangement and management of all rail transportation for Hager. I am responsible for the tracing of all rail cars inbound to Hager Distribution and Hager Wood Preserving at six locations in the Midwest. I am also responsible for the tracing of all inbound rail cars to reload points in Chicago, Illinois, along with Windsor, Ontario, Canada. As a result, I am intimately familiar with the rail transportation needs of Hager Group Companies.

The Hager Group Companies are involved in the wholesale lumber business. We purchase lumber products from locations throughout the country and distribute them to local lumber yards in the Midwestern United States. Our distribution facilities are located in Lorenzo, Illinois; Indianapolis, Indiana; Springfield, Ohio; and Grand Rapids, Saginaw, and Gaylord, Michigan. We receive beams from White City, Oregon, plywood from Dillard, Oregon, and laminated beams from Vaughn, Oregon. These points are served by the CORP railroad which interchanges with the Southern Pacific for line haul service. We receive plywood from Oakdale, Louisiana via the Union Pacific. All of this traffic moves through the Chicago gateway and is interchanged to other carries for delivery to our facilities. The receiving carriers at Chicago are CSXT for traffic to Grand Rapids, Michigan, GTW (CN North America) to Saginaw and Gaylord, Conrail to Indianapolis, and ATSF to Lorenzo. They are the serving carriers at our facilities except for Gaylord which is served by a short line carrier, the Lake State Railway Company, that connects with the Central Michigan Railway Company (another short line carrier) at Bay City. The CMGN also serves Saginaw. The CMGN shortline carrier connects with the GTW. We also receive lumber from various other points in the South, Eastern Canada and Western Canada. Our rail volume in 1994 was approximately three thousand cars.
We understand that the Union Pacific and the Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. Efficient, reliable rail service is critical to the success of our business. We believe that the combined route structure coupled with Union Pacific's financial strength and service management will produce efficiencies which will accrue to the benefit of shippers such as our company. The rerouting of traffic over the most efficient line segments, the elimination of congestion at terminals through planned improvements, and the better use of facilities will result in better schedules, more reliable and consistent service, and reduced transit time, which is particularly important to us.

We have recently adopted Just-In-Time receipt and distribution. We will benefit from the reroute of traffic which originates at Southern Pacific's origin in Oregon to Union Pacific's more northerly route to Chicago. This will result in a substantial transit time reduction for that traffic. For example, presently we experience transit times in excess of nearly two and one half, to three weeks to Lorenzo, Illinois and longer to other locations. We believe that by avoiding the congestion created by California traffic on Southern Pacific's route, we can reduce that transit time by one, to one and one half weeks. We need this transit time reduction and feel that this merger will cause it to happen.

Additionally, Union Pacific-Southern Pacific will be able to better manage the combined equipment fleet, reposition cars and locomotives more efficiently. This will result in both transit time reduction and better car supply and utilization.

The proposed merger combines the strengths of the systems and will result in a stable financially sound carrier capable of meeting the competitive challenge posed by the newly merged BNSF. It assures the continued availability of quality competitive rail service for the long term. We urge the Commission to grant quick approval to this merger in order that it's benefits can begin to be achieved.
VERIFICATION

John F. Meyer, 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 F. Meyer

Subscribed and sworn to before me this 11 day of October, 1995.

Judith E. Dyke
Notary Public

My Commission Expires: December 4, 1996

STATE OF Michigan

COUNTY OF Kent
To Whom It May Concern:

My name is Eugene Kynaston, General Manager, Harrington and Company, Salt Lake City, Utah. I’ve been with Harrington and Company for 35 years.

Harrington and Company is a wholesaler for building supply products and hardware. We have been in business since 1946. We sale and distribute our products throughout Utah and parts of Idaho, Wyoming and Nevada. We are served by the Denver and Rio Grande Western Railroad Company, open to reciprocal switch to the Union Pacific. We source products primarily from California, Texas, Colorado, and Kansas. We have done business via rail, but due to deteriorating rail service, we have been forced to move our inbound materials via truck. Today, we move approximately 100 truckloads of products per month into our Salt Lake City facility.

We have heard the Union Pacific and Southern Pacific railroad are applying to the ICC, permission to merge. We would like to take this opportunity to let you know, Harrington and Company strongly supports a Union Pacific / Southern Pacific merger. We believe the combination of the Union Pacific and Southern Pacific, will provide the strength necessary for Harrington and Company to ship rail. Rail service will be critical to our being able to remain competitive in the marketplace.

We are greatly concerned about the financial condition of Southern Pacific over the last few years. With the merger of Union Pacific and the Chicago Northwestern, and the announcement the Burlington Northern Santa Fe merger, it became evident it would be increasingly difficult for the Southern Pacific to survive. We believe the merger of Union Pacific and Southern Pacific is the solution to the survival of Southern Pacific.

Sincerely,

HARRINGTON AND COMPANY

Eugene Kynaston
General Manager

VERIFICATION

I Eugene Kynaston, 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 October 10, 1995.

Eugene Kynaston
Verified Statement
of
Donald J. Hartung
on behalf of
Corn Processors, Inc.

My name is Don Hartung, Vice President of Hartung Brothers, Inc. 6813 Helena Road, Arena, WI 53503.

Part of my responsibilities included the operation of Corn Processors, Inc., a food grade corn plant that Hartung Brothers, Inc. purchased in May, 1994.

Hartung Brothers, Inc. is a family owned corporation started in 1975 and operates in seven states.

When considering the purchase of Corn Processors, Inc. the availability of a railroad servicing Uvalde, TX was very important to us. We have used the S.P. for service into Mexico in the past and have had the opportunity of quoting additional business there and elsewhere in the U.S..

As a shipper dependent on S.P. service. I feel that this merger will ensure a financially sound carrier, with additional hopper car capacity and improved routing for prompter service.

One additional advantage for Corn Processors. Inc. will be the ability to utilize “Despacho Previo” for the expediting of border crossing.

In closing, I believe that the merger of the Southern Pacific and Union Pacific will provide both Corn Processors, Inc. and our customers in the US and Mexico, a more competitive, reliable and better equipped railroad.

Sincerely,

Donald J. Hartung
VERIFICATION

STATE OF \(\text{WISCONSIN}\) )
COUNTY OF \(\text{IA}\) )

Donald J. Hartung, 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.

\[\text{Signature:} \quad \text{Donald J. Hartung}\]

Subscribed and sworn to before me this 11th day of \(\text{AUGUST}\), 1995.

\[\text{Signature:} \quad \text{Notary Public}\]

My Commission Expires:

\[4-12-98\]
I, Dennis Van Wagner, am the president of Hawk Pacific Corporation, P. O. Box 24383, Oakland, CA 94623. I am writing to express my support for the proposed merger of the Union Pacific and the Southern Pacific.

Hawk Pacific Corporation serves domestic and international shippers (rail, ocean, and intermodal) by performing piggyback drayage and container drayage. We also offer off dock CY Depot services, warehouse services and consolidations of wine shipments. We have a number of facilities in California (in Oakland, Napa, Lathrop, Sacramento, Roseville, Modesto, Bakersfield & Fresno) as well as one in Reno/Sparks, Nevada. Much of our business is with Union Pacific shippers, but we also serve shippers on other railroads including Southern Pacific and Burlington Northern/Santa Fe. Our Drayage business handles over 80,000 trailer and container loads annually.

I have been President of Hawk Pacific for 12 years. As President and Chief Executive Officer, I am in charge of the operations of the company. I have been in the transportation industry for 27 years. From 1975 to 1983, I worked for WPX Freight System, first as Vice-President for Sales and Marketing and then as President.

Because Hawk Pacific is a company that serves rail shippers, our business depends on the existence of quality rail service that satisfies shippers and attracts them to rail transportation. We believe that the merger of the Union Pacific and the Southern Pacific will improve rail service, which will in turn improve our business.

The expansion of single-line service between all Union Pacific and Southern Pacific points will enhance the speed and reliability of transportation by eliminating interchange for those shipments. It will also make tracing shipments simpler, since Southern Pacific does not have the ability to track customer shipments while Union Pacific does. In addition, the merger will increase the number of potential customers for our services by improving rail connections between Union Pacific and Southern Pacific locations.

New rail service options should attract new intermodal shippers who are potential customers for Hawk Pacific’s drayage services. For example, new single-line service along the I-5 Corridor between Washington State and Southern California will allow Union Pacific-Southern Pacific to offer intermodal service that will be more competitive with over-the-road transportation. Union Pacific-Southern Pacific will also offer new third-morning intermodal service between Oakland and Chicago. Until now, such service has only been available on the Burlington Northern-Santa Fe.
Other service improvements will also benefit our business. We expect that the merged railroad will offer improved supply of equipment, which should help resolve current equipment shortages. The combined Union Pacific-Southern Pacific will be able to reposition its equipment fleet more effectively, by taking advantage of triangulation and backhaul possibilities, resulting in greater availability of equipment for shippers. The improvement of terminals in Oakland, such as the planned Oakland Joint Intermodal Terminal, will expand capacity and create additional business opportunities for Hawk Pacific.

The merger should also stimulate growth in intermodal service by allowing the Union Pacific-Southern Pacific to compete on an equal basis with the Burlington-Northern Santa Fe. The BN-Santa Fe is the clear leader in the intermodal market, with a route system and competitive assets far greater than other railroads. The merger of Union Pacific and Southern Pacific will create a railroad which will be able to offer strong competition to the BN-Santa Fe.

A recent agreement between Union Pacific-Southern Pacific and BN-Santa Fe will further enhance competition by making both combined systems more efficient. Under the agreement, BN Santa-Fe will gain operating rights along the I-5 Corridor allowing it also the initiate new single-line service between Washington State and between Oakland and Chicago. in combination with the terminal improvements, should make intermodal transportation a viable option for more shippers. This benefits the public by reducing congestion and pollution, and it benefits drayage companies like Hawk Pacific.

On behalf of Hawk Pacific, I urge approval of the proposed merger of the Union Pacific and the Southern Pacific.

Sincerely,

[Signature]

Dennis Van Wagner
President
VERIFICATION

I, Dennis Van Wagner, 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 20, 1995.

[Signature]

Dennis Van Wagner
Verified Statement of
Barry R. Jarrett
Helena Chemical Company
6075 Poplar Ave. Suite 500
Memphis, TN 38119

I, Barry Jarrett, am responsible for Helena Chemical’s growth in the fertilizer business. For 25 years, I have been involved in the fertilizer industry; as owner of retail fertilizer plants in Indiana, a past President of the National Fertilizer Solutions Associations, member of the Board of Directors for The Fertilizer Institute, and past director of U.S. sales for Potash Corporation of Saskatchewan. Today, I am Director of Fertilizer Operations for Helena Chemical, a full service ag supplier to the farmer. We operate in 44 states as a total agricultural input supplier. We have storage and distribution facilities for our products shipped by barge, rail, and truck, depending on the options to our locations.

We use the UP/SP rail services at our Harlingen, TX, Petersburg, NE, Taylor, TX and Bardwell, TX outlets, and depend on rail service to keep us competitively supplied in these markets. Any consolidation that enhances efficiency or reduces tariffs on fertilizer, we support. We believe the merger will reduce that shipping time between producers and Helena warehouses in Texas, allowing greater utilization of rail cars.

The ability to compete with Santa Fe shipping points could help enhance Helena’s position in the Kansas, New Mexico, and California markets where we have major rail movement. The key factor that the merger will result in is a long term, viable supplier of rail transportation that we can depend on for service.
These factors all lead to allowing Helena to remain competitive in a marketplace that depends on timely, competitive logistics to our locations. Helena Chemical Company supports the merger of Union Pacific and Southern Pacific Railroad.

I, Barry Jarrett, 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 September 29, 1995.

Signature

[Signature]

Signature of Witness

[Signature]

My Commission Expires On
August 13, 1996
Verified Statement
of
Ray S. Parsons
on behalf of
Heritage Propane Corporation

1. I, Ray S. Parsons, Heritage Propane Corporation, Vice President of Supply and Wholesale, with offices at 105 South Main, Suite 127, Las Cruces New Mexico, 88004 (mailing address of Post Office Box 487, Las Cruces, New Mexico, 88004) am responsible for the propane supply acquisition and transportation for all Company operations in California, Arizona, New Mexico, Colorado, Wyoming, Nevada and Texas. I have held this position for 4 1/2 years. Prior to that I was President of The Ikard Corporation with retail propane businesses in Texas, New Mexico and Arizona (with wholesale export business to Mexico) for 15 years.

2. Heritage Propane Corporation is the ninth largest retail propane business in the United States selling over 120,000,000 gallons of propane to over 140,000 retail and wholesale customers through 105 outlets in 13 states and another 25,000,000 gallons per year to the export market in Mexico. Of these volumes of propane over 50,000,000 gallons move by rail throughout the Southwest and California.

3. We believe that the proposed merger of the Southern Pacific and Union Pacific railroads would be in our company’s best interests as well as the interests of other shippers. We firmly support the UP/SP applications.

4. The proposed UP/SP merger will provide our company with more direct routes, covering fewer miles, and at hopefully lower freight rates from LP gas producing areas of Colorado/Wyoming and various areas of Kansas, Oklahoma and Texas to our more distant retail and wholesale customers in California, Nevada, Arizona, and New Mexico. The proposed merger will also provide badly needed access to the various border crossings between the USA and Mexico.

5. The proposed UP/SP merger will allow our company to provide faster service at lower rates to our retail and wholesale customers in California, Arizona and New Mexico and will allow us to switch a significant amount of our supply from truck transport to rail transportation. It should also allow us to expand our export business to Mexican industrial, commercial and retail customers.
We believe that the proposed UP/SP merger will provide benefits to shippers. Our company supports the application.

I, Ray S. 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 this 4th day of October, 1995.

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

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

[Signature]

Notary
BEFORE THE
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32,760 (8/4/95)

Union Pacific Railroad Company - Control and Merger
Southern Pacific Lines

Verified Statement of
Hydrite Chemical Co.

Submitted by:

John Graff
Corporate Transportation
Hydrite Chemical Co.
300 North Patrick Blvd.
Brookfield, WI

October 2, 1995
My name is John Graff, Corporate Transportation Manager for Hydrite Chemical Co., which is located in Brookfield, WI. I began working for Hydrite in 1980 after graduating from college with a business degree. In 1989 I left Hydrite and began working for a trucking company as manager of a terminal in Milwaukee, WI and later as a manager of a terminal in Chicago, IL. In 1993 Hydrite contacted me and asked me to return as Corporate Transportation Manager. I returned to Hydrite in March of 1993. As Manager, I am responsible for Hydrite's private fleet operation and all outside transportation activity.

Hydrite is a manufacturer and one of the nation's largest chemical distributors. We specialize in the following industries:

- Food Processing
- Pulp And Paper
- Metal Finishing
- Industrial Applications
- Solvent Recycling
- Waste Management

Hydrite has manufacturing and distribution facilities primarily in the Midwest and one location in California. From these facilities we ship our products throughout the United States and to several foreign countries. In 1994 we paid out approximately 9.4 million dollars for outside transportation activities. Of this amount approximately 5% was paid for rail service. Additionally, there were approximately 350 tank cars that we received on an inbound basis for which we did not pay the freight.

Currently, the rail activity that the Union Pacific is involved with includes outbound shipments from Iowa to California and just recently we began shipping from Iowa to Mexico. Additional outbound potential involves intermodal shipments from Wisconsin to Louisiana. Inbound shipments include shipments from Texas to Wisconsin, Texas to Iowa, Texas to California, Illinois to Wisconsin and Illinois to Iowa.

The Union Pacific has been a good partner for many years. The service levels and pricing on our outbound shipments of manufactured product have been excellent, which has been critical for Hydrite to compete so far from home. With the recent change from the C&NW to the UP we have noticed that the service levels have improved markedly on our inbound shipments to our plant locations in Wisconsin.
We believe that our existing rail activity will be enhanced by the proposed merger of the Union Pacific Railroad and the Southern Pacific Railroad, and it will improve our competitive position in new markets. Hydrite Chemical Co. supports the application.

VERIFICATION

I, John Graff, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verification statement. Executed on October 2, 1995.
VERIFIED STATEMENT OF MR. K. S. PAHK
ON BEHALF OF
HYUNDAI INTERMODAL, INC.

I am the President for Hyundai Intermodal, Inc., located at 879 West 190th Street, 7th Floor, Gardena, California 90248-4228. This office represents Hyundai Merchant Marine Co., Ltd., as it relates to the movement of all containerized freight moving in the continental United States, both Import and Export.

As the President, it is my responsibility to establish the most cost efficient and service-competitive transportation package possible to protect our market share in the United States. As we compete on an international basis with many other international carriers, it is important that we take advantage of the most efficient modes of transportation possible. All of our containerized freight moves into and out of the interior United States via Rail, Double-Stack and Spine Car Intermodal Service.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support this as means of improving service and strengthening competition.

We feel that the approval of the UP/SP merger will benefit the Shipper in the following categories:

* Service benefits to SP and UP customers (new single-line service, more efficient routes, improved intermodal service, terminal coordination, route specialization, better equipment utilization, etc.)

* Competitive benefits (including meeting the competitive challenge of BN/Santa Fe, stronger competition generally, competition with other modes.)

* New Single-Line Service

* Service benefits from Combined Systems (1) Shorter, More Efficient Routes; (2) Improved Intermodal Service; (3) Terminal Coordination/Pre-Blocking; (4) Route Specialization/Capacity Optimization; (5) Better Mexico Service; (6) Better Equipment Utilization and (7) New Markets will open due to this merger.
Furthermore, opportunities for improved service through interchange gateways due to the ability to aggregate business from across a broader network to/from connecting Eastern and Southern carriers. Common business processes which would allow for simplified pricing and accounting administration, uniform information systems and simplified customer service within a broader geographic area.

We also appreciate the opportunity to offer our views on this proposed merger and urge the Interstate Commerce Commission to approve it quickly to enhance rail service and strengthen transportation.

I state under penalty of perjury that the foregoing is true and correct. Executed on this 17th day of October, 1995.

Sincerely,

Kee Soo Pahk
President
Hyundai Intermodal, Inc.

I, Gurjeet "Tito" Srao, 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 20th, 1995.

Gurjeet "Tito" Srao
Marketing & Pricing Manager
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On September 20, 1995 before me, Geoffrey Matsunaga, Notary Public

personally appeared Kee Soo Pahk

☐ personally known to me – OR – X proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

GEOFFREY D. MATSUNAGA
COMMISSION # 1065548
Notary Public - California
LOS ANGELES COUNTY
My Comm. Expires JUL 19, 1999

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Support Statement

Document Date: September 20, 1995 Number of Pages: 2

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer’s Name: Kee Soo Pahk

☐ Individual

☒ Corporate Officer

Title(s): President

☐ Partner — ☐ Limited ☐ General

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: __________________________

Signer Is Representing: Hyundai Internat., Inc.

Signer’s Name: __________________________

☐ Individual

☐ Corporate Officer

Title(s): __________________________

☐ Partner — ☐ Limited ☐ General

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: __________________________

Signer Is Representing: __________________________

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I am Dennis J. Hunter, West Coast Sales & Traffic Manager for I.K.O. Sales, Inc. My office is located at 15950 S. Sandalwood Rd., Oregon City, Oregon, 97045. I am responsible for all transportation by rail, truck or intermodal service for outbound finished roofing products shipped and sold to the Western half of the U.S. I have had this responsibility for the last 7 years with my present company, and eight years prior with Georgia Pacific Corporation.

I.K.O. Manufacturing Industries is one of the top five asphalt roofing shingle manufacturers in North America with mills in Canada, U.S.A., and Europe. These roofing mills require rail and truck inbound shipments of asphalt, oil, paper, and ceramic granules. I am involved only in the finished products shipped outbound from these mills. The primary mills I coordinate shipments with at this time are in Calgary, Alberta, Chicago, Ill., and Franklin, Ohio. I.K.O. has been in the roofing business for over 40 years under the same ownership.

The Calgary Mill is serviced by the C.P. with access to the U.S.A. markets on the U.P. and B.N. railroads. The Chicago mill has access with all major railroad companies. The Franklin Mill is serviced by Con-Rail which connects with U.P., S.P. and B.N./Santa Fe.

The roofing shingle business has been consolidating the last 20 years with fewer mills producing more products. Previously, when many mills were producing for local markets, transport was done almost exclusively by truck. Now with larger capacities from fewer mills, the need to ship greater distances by truck, rail and intermodal is our main focus.

The IKO Calgary mill ships over 90% of USA shipments by trucks to points in Oregon, California, Nevada, Utah, Idaho, and Montana. This mill has the ability to ship additional products, but lacks the trucks and rail equipment available in Canada.

A few years ago, IKO started shipping by rail from the Chicago and Franklin Mills to points in Oregon, Washington, California, Montana, Idaho, and Utah as well as Western Canada using the U.P., S.P., and B.N. These shipments averaged 200 plus cars per year. IKO has been hampered in these rail moves by lack of equipment available, knowledge of and access to routes available, slower transit times than available by truck delivery, and customers unaccustomed to rail delivery of the products.

IKO understands that U.P. and S.P. are requesting authority to merge. IKO strongly supports the merger as a means to provide IKO with improved service to many more points of delivery. A merged U.P./S.P. would allow us to be more...
productive in obtaining single line rail quotes quickly from a single carrier to move more products in the Western States.

At the present time the B.N./Santa Fe quotes into Arizona and S. California from IKO Chicago. This U.P./S.P. merger would provide more of a competitive market arena by providing new efficient single line rail routes from Chicago to California. The market area south of Portland, Oregon into N. California would also become more accessible from the Calgary Mill with a U.P./S.P. merger because U.P./S.P. would be able to provide single line service from Canadian gateways to California. In addition, U.P./S.P.’s agreement with B.N./Santa Fe will also give B.N./Santa Fe new single line rail access to California from Canadian gateways. This will result in better service and improved competition between two strong rail carriers.

As a company involved in a market with a growing demand it is imperative to our own future growth and success that we have improved method of product delivery. This merger would provide us with more available equipment as a result of more efficient routes, speedier turn around of equipment and a consolidated routing system. We strongly support this merger.

VERIFICATION

STATE OF Oregon )
COUNTY OF Clackamas ss.

Dennis J. Hunter, 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 stated.

Dennis J. Hunter

Subscribed and sworn before me this 11th day of October, 1995

Notary Public
Verified Statement
of
Robert D. Kerbs
on behalf of
Ind/Ag Chemicals Inc.
A wholly owned subsidiary of Western Farm Service, Inc.

My name is Robert D. Kerbs. I am the Vice President, General Manager of Ind/Ag Chemicals Inc., a wholly owned subsidiary of Western Farm Service, Inc. I am responsible for the purchasing, distribution and pricing of all fertilizer products sold by Western Farm Service, Inc., retail outlets. I have been in this current position since January, 1991. Prior to joining Ind/Ag, I was the General Manager of the Idaho operation for Western Farm Service, Inc. I have been employed by Western Farm Service, Inc., since July 15, 1969.

Ind/Ag Chemicals Inc., purchases approximately 950,000 tons of dry and liquid fertilizer per year which is marketed through the Western Farm Service retail outlets. Western Farm Service has approximately 38 outlets in California and Arizona; 12 in Oregon; 23 in Idaho and 37 in Washington. A significant portion (500,000 - 600,000 tons) of our product is manufactured in Idaho, Wyoming, Washington and Canada.

A majority of our product is delivered by UP, SP, or BN-SF. I strongly believe that a merger between UP and SP will not only give us better service but will also result in strengthening competition versus BN-SF. The new single-line service, from UP origins to SP destinations, will greatly improve service such as from the phosphate producers in Idaho and Wyoming to our retail outlets that are being serviced by SP in California. The new single-line service, to SP destinations, should also provide strong competition for shipment by truck that we currently use for much of our traffic.

We believe that the merger between UP and SP will give us better service at a competitive price. Our company supports the application.

I, Robert D. Kerbs, 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.

[Signature]

Robert D. Kerbs
OCTOBER 19, 1995

VERIFIED STATEMENT OF:
Michael D. Gilbert
On behalf of
INDEPENDENT DISPATCH, INC.

Interstate Commerce Commission
Union Pacific - Control and Merger - Southern Pacific Rail Corp.

My name is Michael D. Gilbert. I am President and Chief Executive Officer of Independent Dispatch, Inc., headquartered in Portland, Oregon. I have responsibility for all financial, operational, and marketing functions of the Company. I started the Company in June of 1980 after leaving IML Freight, Inc. of Salt Lake City, Ut. as Senior Vice-President of Sales and Marketing, with sixteen years of service. I write this statement in support of the proposed Union Pacific/Southern Pacific railroad merger.

Independent Dispatch, Inc. is a freight forwarder and contract carrier operating throughout the United States, Mexico, and Canada. We have intermodal contracts with most of the major railroads in the United States, and operate a fleet of long haul highway trucks. The company maintains sales offices in Seattle, Chicago, and Philadelphia, in addition to the headquarters location. Our combined revenues from intermodal and trucking operations exceed $40 million annually. We regularly use the services of BNSF, CSXT, NS, KCS, CR, UPRR, SPRR, as well as other smaller roads. We arrange movements of trailers and containers throughout the United States with the greatest concentration between the West Coast and Midwest and East Coast points.

We welcome the planned UP/SP merger. The merger will improve intermodal service that is vital to our customers and our business. In particular, the merged system will offer new single-line service along the I-5 corridor from the Pacific Northwest and continuing to Arizona, New Mexico and Texas, as well as improved access to Mexico. With the recent agreement between UP/SP and BN/SF, there will be additional competition on the I-5 route that should provide a viable alternative to truck and will allow us to provide more flexibility and better service to our customers.
We have encountered poor service on the current SP routes with slow and erratic operations. We anticipate that the merged system will improve transit times and reliability along this important route because a combination of UP and SP lines will be utilized and the merged system will have the resources to upgrade current SP lines as well as take full advantage of the intellectual capital available. We have been concerned about the long term viability of SP due to its service problems and financial situation. Merged operations will assure the long term future of these routes.

Independent Dispatch will also benefit from coordination of Chicago and Los Angeles terminals and enhanced service between Chicago and the West Coast. The merged system will concentrate intermodal traffic on SP's Tucumcari and Southern Corridor routes while slower traffic moves on UP's northern Overland route. This route specialization means that our time sensitive east-west intermodal shipments will be expedited. We expect service offerings between Chicago and California in the third-morning range.

Further, we visualize improved competition for intermodal traffic. The new BNSF system now has a large and efficient route system, and it is the clear leader in intermodal service today. The combined UP/SP should be able to offer real competition to this carrier which neither UP or SP can offer on their own. This improved service should also allow more effective competition with other transportation modes, offering opportunities to divert traffic from the already overcrowded highways.

Finally, we view the proposed merger as vital in continuing the quality of intermodal service to shippers throughout the United States and absolutely necessary to the Railroads in their efforts to reduce costs and to maintain the return on investment necessary to continue the growth of the intermodal segment of the industry.

VERIFICATION

I, Michael D. Gilbert, 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 20, 1995.

Michael D. Gilbert
VERIFIED STATEMENT
OF
OSCAR RODRIGUEZ
ON BEHALF OF
INDUSTRIA AUTOMOTRIZ, S.A.

I, Oscar Rodriguez am the Vice President of Marketing and Sales for Industria Automotriz, S.A. which is located at Carretera Nacional, Km. 995, Monterrey, N.L. I have involved in marketing and sales for Industria Automotriz for a total of ten years, six years based in the U.S. and four based in Monterrey, N.L. as Vice President.

Our company manufactures passenger and truck, wheels, body stampings, and assembles for OEM applications. Our present rail traffic consists of steel coil imports from Burns Harbor, Indiana and body stampings to Ford in Claycomo, Missouri. Our wheel and assembly applications are primarily shipped via truck to various U.S. destinations in the Great Lakes region.

We understand that the Union Pacific and Southern Pacific railroads are requesting authority to merge. After careful consideration, we strongly support this merger due to the belief that this merger will positively impact our company by improving the level of service we receive on our current rail traffic.

The additional track capacity in the North - South corridor between the Great Lakes region and the U.S. - Mexico border presents a way to better route and handle traffic in this area. This would allow us to better more our steel coil shipments which originate in Burns Harbor, Indiana in a more timely manner, enabling us to better utilize equipment and reduce our inventory costs. Improved routing and handling would also enable us to meet Ford’s just-in-time requirements on our stamping exports to Claycomo, Missouri in a more reliable manner.
The offering of a more expansive intermodal network also is a benefit to us in that we would gain another shipping alternative to our Pacific markets in which our only viable option presently, is truck. More shipping alternatives to this region would enable us to be more competitive and better serve our customers.

It is also important for us to have better access to more Mexican border crossings and maintain competition in each of them that has competition today. Union Pacific and Southern Pacific have made a commitment to keep competition strong at Brownsville and Laredo. Burlington Northern/Santa Fe have efficient access to Mexico at El Paso and Eagle Pass. The UP/SP merger will strengthen competition.

The impact of this merger to our industrial group would be a positive one and therefore we fully support this application.

Sincerely,

Oscar Rodríguez
V. P. Marketing and Sales
I, Oscar Rodriguez, V.P. of Marketing and Sales, declare under penalty of perjury that the foregoing is correct. Further I certify that I am qualified and authorized to file this verified statement executed on September 6, 1995.

Oscar Rodriguez
V. P. of Marketing and Sales
My name is Dennis C. Gallison, President of Industrial Logistics Inc.,
30664 Ramblewood Club Dr., Farmington Hills, Michigan, 48331. I have been in this
position for nine (9) years and responsible for handling transportation for various
industrial firms.

Industrial Logistics Inc., specializes in providing rail and marine transportation
services for manufacturing and wholesale distribution firms in the U.S. and Canada.
We represent firms that use the rail transportation of both the UP and SP and have
special interest in maintaining a high level of reliable, top quality rail service
for our customers.

Today, I handle on behalf of one of my customers, Sterling Oil & Chemical
Company, Inc., of Southfield, Michigan, shipments of "Petroleum Lube Oil" from
Texas and Louisiana to Detroit, Michigan via both the UP and SP. Recently I have
experienced a noticeable deterioration in services being provided by the SP. I
understand that this is the result of crew and power shortages at-key SP locations.

I have concerns with the long-term viability of the SP. My customers
require a financially sound rail carrier and I believe this merger will allow
for capital dollars from a financially strong UP to be spent on fixing the problems
on the SP.

In addition, there are instances where some of my customers would benefit
from shorter and more efficient routes which will result from the merged system's
ability to use both UP and SP lines. For example "Sugar" traffic from PNW and
Colorado points to some points in the Midwest, I would expect to see some
efficiencies in transit schedules.

In conclusion, having reviewed what this merger would mean to my customers
I fully support the UP/SP merger application.

Dennis C. Gallison
President
Industrial Logistics Inc.

I, Dennis C. Gallison, 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 15, 1995.
My name is Richard Stowers and I have been President of Industrial Storage Warehouse for the last two years. In my position I oversee all of the operations and day to day business of the company. I was Operations Manager for the company from 1989 until 1993. Prior to joining Industrial Storage Warehouse in 1989, I was Terminal Manager for Silica Sand Transport for three years.

Industrial Storage Warehouse is a public storage, industrial distribution, warehousing and transloading company located at 4343 West Ohio Street, Chicago, Ill., 60624. The primary commodities handled by our Chicago transload operation, which is on UP’s former CNW line within the Chicago Switching District, are steel products and lumber. Lumber shipments are primarily inbound, especially from Pacific Northwest origins. Steel shipments are both inbound and outbound. We handle approximately 400 containers, 300 trailers and 40 rail cars per month (50% of this traffic would be intermodal, 30% rail and 20% truck).
Some of our steel shipments are sent to Mexico through the Laredo border crossing.

I endorse the UP/SP merger as set out in Finance Docket No. 32760, Union Pacific Railroad Company and Missouri Pacific Railroad Company - Control and Merger - Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al. The merger will provide significantly improved rail service for our Chicago-based transload operation and will increase competition with Burlington Northern’s Chicago lumber reload.

The merger will benefit our transload operations because of the increased service capabilities resulting from the merger. In particular, the merger will provide shorter, more direct single-line service for lumber traffic originating as SP points in the Pacific Northwest, which now must move via SP’s circuitous route via Roseville or interline service via SP and either BN or UP. After the merger, those shipments will be handled seamlessly by UP/SP via UP’s more direct route. In addition, service on steel shipments to and from SP points in Houston and Texas will be greatly improved. We will be able to ship single-line via the UP/SP system, and service on UP and SP’s lines between East St. Louis and Houston, which are quite congested today, will be improved by coordinated operation of those lines.
Enhanced service quality is especially important as we look to expand both our steel and lumber markets. The merger will provide direct single-line access to more regions - especially SP points in California and the Southwest - which will enhance access to potential new markets.

The improved transit times and service efficiencies the merger generates will strengthen our ability to compete with lumber transload that is located on the BN/ATSF in Chicago. Neither UP nor SP alone can match the coverage and market access provided by the BN/ATSF and the merger will allow UP/SP to compete in more equal and stronger fashion. Also, the merger will insure long-term financial viability of the SP rail service on which we depend.

Sincerely,

Richard G. Stowers, President

RS/iep