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VERIFICATION

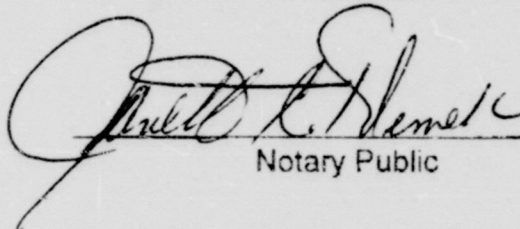
STATE OF ILLINOIS )  
 ) ss.  
COUNTY OF COOK )

Richard Stowers, 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.

Richard Stowers  
Name-Typed

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



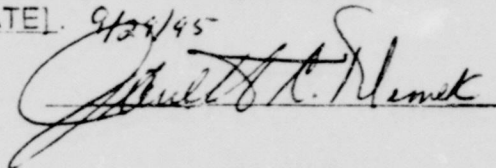
  
Notary Public

My Commission Expires:

July 2, 1997

VERIFICATION

I, Janett C. Klimek, 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] 9/29/95







**VERIFIED STATEMENT  
OF  
ALONSO ALANIS  
ON BEHALF OF  
INDUSTRIAS MONTERREY S.A. DE C.V.**

Alonso Alanis Fuentes, Import manager of Industrias Monterrey S.A. de C.V. with address Avenida Universidad 992 Nte. San Nicolas de los Garza, N.L., my responsibility with my company is the logistics of buying raw materials required for our market, all over the world, as well of contracting freight to bring into Mexico raw materials as to contract freight to export galvanized steel coils to USA, Canada and other countries.

I am responsible of the traffic department of my company; 25% of our production of steel products, produced in our plant that are exported to USA and Canada.

Industrias Monterrey S.A. de C.V. is a galvanizing steel company; at this moment the largest in Latin America, we have in our company 3 galvanizing plants, 2 cold rolled mills, and one picking line, that makes a total of 1'000,000 metric tons of finished products.

We are a mayor supplier of galvanized steel coils in Mexico and are exporting approximately 50% of our installed capacity.

We are not rail served, and use the FNM team track, to load and to unload steel coils.

Our exports to USA and Canada are primarily sold in the central states of USA eventhought we have clients in western and eastern states.



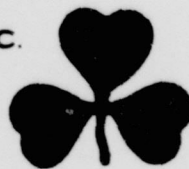
We understand that Union Pacific and Southern Pacific will be filing an application with the ICC this coming November for an approval to merge. We strongly support this as means of improving service; since we realize more efficient routs will be available to shippers and consignees of rail traffic.

We believe that this proposed merger will provide benefits to users of rail transportation in our case more equipment will be available, and better routs also. Our company supports the application.

I, Mr. Alonso Alanis, 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. Alonso Alanis Fuentes  
Industrias Monterrey, S.A. de C.V.  
Import Manager

INMAN AND COMPANY, INC.



12530 S.E. JENNIFER STREET  
P O BOX 407  
CLACKAMAS, OREGON 97015-0407  
(503) 655-0092

VITAMIN AND MINERAL SPECIALTIES

FAX (503) 657-0793

**Verified Statement of  
Ron Davis  
on behalf of  
Inman & Company, Inc.**

Interstate Commerce Commission  
Union Pacific-Southern Pacific Merger Proceeding  
Finance Docket No. 32760

My name is Ron Davis. I am Secretary and Treasurer of Inman & Company, Inc. in Clackamas, Oregon. I have been with Inman for twenty years. I am responsible for purchasing, sales and transportation.

Inman & Co., Inc. manufactures vitamins and minerals. Our plant is located in Clackamas, Oregon and is served by Southern Pacific. We receive various feed products from Grand Junction, Colorado, Florida, Utah and Nevada. We receive five to seven hopper cars per month.


The combined UP-SP will be able to provide more efficient routes and improved carload service with reduced transit time. This is particularly important to small businesses such as our company, which must look for every advantage to cut costs and improve our service to our customers.

Equipment supply and utilization are very important to us. We have suffered with SP's poor service and equipment shortages. The combination of the two fleets and efficient joint management will result in an improved equipment supply for the movement of our business. We rely upon the railroad to provide equipment, and their ability to reduce the time it takes for a hopper car to go from Oregon to Colorado or Florida and back, and to have cars that are in good condition, will be a big benefit to us and should lower our costs.

We are enthusiastic in our support of the proposed merger of UP and SP. 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, greater 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 quick ICC approval of this merger.

I, Ron Davis, 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 16th day of October, 1995.

  
Ron Davis



**VERIFIED STATEMENT OF  
JOHN MICHAEL McELHONE  
ON BEHALF OF  
INTERAMERICAN LOGISTICS INC.**

1. **My name is John Michael McElhone. I am 53 years old and reside at 9 MacArthur Drive in Campbellville Ontario Canada. I am president of Interamerican Logistics Inc., located at 7215 Millcreek Drive in Mississauga Ontario Canada.**

**My education includes an MBA in Transportation from Northwestern University in Evanston Illinois. My business background includes experience with Canadian Pacific, Laidlaw Transport and Can-Am Freight Services. I have been president of Interamerican since 1976.**

2. **Interamerican is a third party logistics company serving 18 major clients including Sears Canada, Whirlpool, Toyota, Compaq, Colgate Palmolive, Cyanamid, Coleman, Rubbermaid, Molson Breweries, Labatt's Breweries etc.**

**Interamerican provides service between Canada, United States and Mexico as well as within each of these countries. In serving these clients, Interamerican uses a combination of rail intermodal service, roadhaul service and truck LTL service. We are becoming increasingly involved in rail bulk and carload service.**

**Our services and clients span the continent. However we experience heavy concentrations to and from California, to and from Texas and to the Pacific Northwest. Major border crossing points are in the states of Washington, Minnesota, Michigan and New York.**

**Interamerican is currently a significant user of Union Pacific service to and from Texas, California and Utah. We ship lesser volumes to and from other locations on the Union Pacific network.**

**We are heavy users of the stack train operators who operate on Union Pacific lines. These carriers include APL Stacktrain Services, OOCL and others.**

We traditionally have excluded Southern Pacific from our routing guides due to continual service failures over the long term. We do use stacktrain services over the SP lines such as Sealand...however even these are considered as inferior service when compared to UP routings.

3. We support the merger because it will open new intermodal routes to and from our clients' operating centres. We believe that the Union Pacific will gradually be able to improve the Southern Pacific service to levels that will allow us to convert traffic from the highway back to intermodal service.

4. Our reasons for supporting this merger are as follows:

Adequate service and capacity on the I-5 corridor. This laneway is important to several of our customers and has never been service competitive.

Expansion of the EMP program to the Texas to California market.

Access from El Paso to Vancouver.

Improved service to and from captive SP points.

Improved stacktrain service on SP routes.

Fewer combination rates...more direct rates.

Shorter routes, faster transit times.

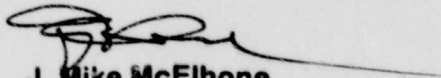
Increased capacity in major centres such as Los Angeles, Chicago etc.

5. The most important factor for Interamerican in supporting this merger is to provide competition to the newly formed BNSF company. We are concerned that a smaller, high service company has been taken over by a larger, often lethargic organization. BN's intermodal service has been poor over the last few years. As the acquiring company, this haphazard attitude may rub off on Santa Fe.

Most of Interamerican's shipment involve risk. They are just in time, hazardous, high value, fragile etc.

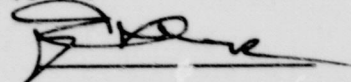
It is imperative to us that intermodal maintain high service lanes. We believe that strong well-funded competition is necessary to ensure the continuation of high service intermodal.

6. Interamerican supports the merger of the Union Pacific and Southern Pacific.



J. Mike McElhone  
President

I, Mike McElhone, 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 95-10-17.







VERIFIED STATEMENT

OF

MARK INGLIS  
on behalf of

INTERMOUNTAIN ORIENT/RFL DIVISION

My name is Mark Inglis, Vice President of Intermountain Orient, RFL division. I am responsible for managing and developing sales for our products. I have 22 years of experience in wood products marketing. On behalf of Intermountain Orient, I submit this statement to indicate our company's strong support for the Union Pacific/Southern Pacific Merger.

Intermountain Orient is a diversified specialty forest products wholesaler and manufacturer. The RFL division is based in Lake Oswego, Oregon. Intermountain Orient had \$65 million in sales last year. Our primary business involves buying lumber and building material products from manufacturers and wholesaling them to customers located throughout the United States. We arrange the transportation for all of these products. We also have our own warehousing and distribution operation in Birmingham, Alabama, that generated \$25 million in revenue in 1994. Our manufacturing facility is located in Vernal, Utah and accounts for approximately 10% of our sales volume. We have sales offices in Boise, Idaho, Birmingham, Alabama and Lake Oswego, Oregon.

We move forest products from the Pacific Northwest, including Oregon, Washington, and Idaho throughout the United States. Approximately 50% of our railroad traffic moves on flat cars, another 15-20% is shipped in box cars, and the remaining 15-20% is intermodal traffic using piggyback service.

The merger will vastly improve the quality of service on routes today served by the SP. The SP's geographic coverage makes it an attractive rail carrier, but its financial difficulties have undermined its operations. We have experienced numerous and recurrent service problems on SP's lines. Our shipments have been routinely delayed on SP's routes. We have also encountered locomotive and equipment problems. We have found that switch points at SP interchanges are overly slow. SP's chronically poor service has forced us to choose alternate rail routings and truck/railroad combinations.

RFL Division of Intermountain-Orient, Inc.

P.O. Box 361 • Lake Oswego, Oregon 97034 • (503) 684-0774 • (800) 547-1929 • FAX (503) 684-0776

The UP/SP merger will address SP's persistent problems and create an integrated railroad that will substantially improve our ability to move forest products by rail. SP's service should improve dramatically. We will no longer be forced to avoid SP, and we will be able to take advantage of SP's routings and the single-line service that UP/SP can offer.

The merger will make the greatest difference for our shipments into South Texas and Louisiana, where SP has extensive route coverage but service problems have eliminated SP as an option. Forest products that do travel by rail are routed via the UP or the BN/SF to a Dallas or Houston reload center where they are transferred to truck. We expect to use SP routings for this service following the merger, which will lower our transportation costs.

The merged system will offer critical new single-line service along the West Coast I-5 corridor, joining SP's Southern Corridor route for movements from Oregon and Washington all the way to Texas and Louisiana. This new service will allow us to shift much of our truck traffic to rail, which will be more cost-effective and efficient. It will also allow us to develop new customers in the Southwest. Service to Louisiana will be improved as a result of upgrades in SP's El Paso-Colton Route, plus the plan to use UP's lines for single-line movements east of Houston.

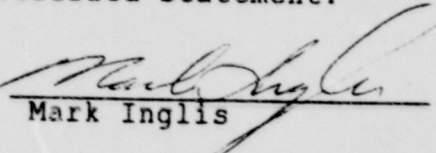
The merged system will also offer important new direct service between the Pacific Northwest and New Orleans via Dallas, Amarillo and Denver. This will allow us to move lumber products into Louisiana more quickly and efficiently. We will also take advantage of this route for shipments from the Pacific Northwest directly to customers in Denver, a market that we also hope to expand. Transit times into South Texas will also be improved as a result of upgrades along SP's lines between Southern California and El Paso, and between El Paso and Dallas.

The merger will also lead to improved equipment utilization that will decrease transit times and result in greater operating efficiencies. Carload service, for example, will be improved because the combined UP/SP system will be able to take advantage of a larger fleet of equipment and an integrated route system, yielding substantial opportunities to reposition cars for more efficient movements. These efficiencies will reduce our transportation costs and improve our ability to compete.

In short, the merger will assure that there is a rail carrier who has the capital resources to provide sustained, high-quality service on the routes that we must use to serve our customers effectively. We urge the ICC to approve the merger application.

**VERIFICATION**

I, Mark Inglis, 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.

  
Mark Inglis





**Inter-Chem**

INTERNATIONAL CHEMICAL COMPANY  
Southbridge Office Park  
1887 East 71st Street  
Tulsa, OK 74136-3984  
Telephone (918) 496-7711  
Fax (918) 492-1719  
RCA Telex 284468  
284468 INCHM UR

**Confidential**

**October 3, 1995**

**VERIFIED STATEMENT**

**OF**

**AARON CHOQUETTE  
on behalf of  
INTERNATIONAL CHEMICAL COMPANY**

My name is Aaron Choquette, Manager of Sulphur Operations, responsible for logistics, negotiating freight rates, administration of contracts, managing Inter-Chem's railcar fleet, customer service and working with our marketing team for the shipment of molten sulphur.

I have been with Inter-Chem for five (5) years in which time I have been involved with the transportation of various fertilizer chemicals, petcoke, coal and sulphur via truck, rail, and barge. This involvement takes the form of all the aforementioned areas.

Inter-Chem is currently made up of four primary business segments:

- International Fertilizer Trade
- Domestic Fertilizer Trade/Distribution within the USA
- Sulphur Trade/Distribution
- Coal/Petroleum Coke Trade

Inter-Chem's International Trading Group is active in China, India, Brazil, Mexico, Venezuela, Trinidad, Columbia, Argentina, Chile, Honduras, Guatemala, and Costa Rica in the American Continents. Inter-Chem trades in excess of 1,000,000 metric tons of finished chemical fertilizers per year in international markets. We maintain an export warehouse for phosphates in Tampa, Florida, and have been involved in warehousing and sales/distribution of fertilizers in the Brazilian markets as well.

Our domestic trading team covers phosphates, nitrogen, liquids, and potash in the USA markets. Inter-Chem owns a liquid terminal in Oxford, Kansas, and has dry warehouse storage in Tulsa, Oklahoma, Houston, Texas, and several other locations on the USA river system. We market by truck-load, railcars, and river barges. Our domestic trading activities range in the neighborhood of 400,000 short tons per year.



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**Inter-Chem's sulphur trade should reaches several hundred thousand long tons a year. We control a fleet of rail cars for the transportation of molten sulphur in the USA and Canada. We also own molten sulphur storage tanks for the collection and distribution of sulphur. We maintain marketing offices in Tulsa, Houston, and Tampa.**

**Inter-Chem has long been a coal producer/miner in the state of Oklahoma. We also market petroleum coke as an alternative fuel within the USA.**

**The majority of Inter-Chem's rail freight contracts exist within the Sulphur department. The origins in which we ship from encompass the whole of the North American continent. As such we have current contracts with many of the Class I railroads and a shortline or two.**

**Inter-Chem has had a contractual relationship with the UP for several years. They have proven themselves to be a quality carrier in that they have served our needs and met our expectations with regard to negotiating freight rates, moving cars, and sending clear and accurate billing. It will be of benefit to Inter-Chem when the current SP origins are able to improve and raise their level of service to that of the UP.**

**The merger of the UP and the SP will enlarge their traffic capacity across the Wichita and N. Little Rock corridors, allowing Inter-Chem to move their sulphur cars more efficiently and more consistently ex El Dorado, KS. This will allow Inter-Chem to better serve an origin which is rather secluded with consistent car supply while, at the same time, helping to reduce trip time on the cars.**

**Currently, we ship product out of both Edgewood, TX and Eustace, TX. The first point is served via the UP and the second served by the SP. By merging the two railroads, Inter-Chem should be able to operate in a more flexible environment amongst the two origins.**

**With the BN obtaining UP/SP Gulf coast trackage rights along with the merger, competition should be increased in that region. By giving another railroad competitive access into this area Inter-Chem can be guaranteed competitive freight rates.**

**Finally, the UP/SP merger as seen by Inter-Chem should allow these railroads to better compete against the BN/SF merger. This will help Inter-Chem to remain competitive in our markets with suppliers on each originating carrier.**



**Inter-Chem**

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**In the end Inter-Chem's equipment utilization will increase, our traffic will be more fluid, and there will be more competition among the railroads in many of our markets. Inter-Chem will remain equally competitive on BN and UP originations. Inter-Chem, therefore, supports this merger.**





**Inter-Chem**

INTERNATIONAL CHEMICAL COMPANY  
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1887 East 71st Street  
Tulsa, OK 74136-3984  
Telephone (918) 496-7711  
Fax (918) 492-1719  
RCA Telex 284468  
284468 INCHM UR

**VERIFICATION**

STATE OF OK )  
COUNTY OF TULSA ) ss.

Aaron Choquette, 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.

Aaron Choquette

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

Notary Public

My Commission Expires:

4/16/96



# IRON AND METALS INC.

5555 FRANKLIN STREET

DENVER, COLO. 80216

(303) 292-5555

October 12, 1995

VERIFIED STATEMENT  
OF  
MURRAY COHEN  
on behalf of  
IRON AND METALS INC.

To Whom It May Concern,

I, Murray Cohen, am Vice President and Part Owner of Iron and Metals Inc.. I have been with the company for 12 years and am a graduate of the University of Colorado at Denver. My position includes the overseeing of all ferrous operations, sales and purchases as well as assisting in the overall management of the company.

Iron and Metals Inc. is a major processor of both ferrous and nonferrous metals in the Rocky Mountain region. We ship metals all over the country. Our nonferrous grades go intermodal while the iron and steel go by railcar.

We ship the majority of our steel scrap to C. F. and I Steel in Pueblo, Co. We also ship via the SP to GST in Kansas City, AB and I in Oakland and to SMI in Seguin, Texas. We ship some scrap steel to Chaparral Steel in Midlothian, Texas via the Santa Fe. There are times when we ship scrap to Nucor in Plymouth, Utah via the UP. There are other mills throughout the midwest that we ship to using the BN.

We are in favor of the proposed merger between the UP and the SP because we feel this larger company created will improve our service and ability to compete. Recently, the SP has had problems providing enough gondola cars for shipping steel scrap. The proposed merger should help expand the pool of cars available for shipment. Also, the merger will give us access to more markets for ferrous scrap in the West, Midwest, and in Mexico.

We also expect to receive improved overall service as a result of this merger. We understand that many routes will be shortened and that this merger will help both railroads compete with the BN/Santa Fe. It is very important to us to have the SP and the UP remain competitive in that we rely heavily on them to move our material. We also look forward to



# IRON AND METALS INC.

5555 FRANKLIN STREET

DENVER, COLO. 80216

(303) 292-5555

having a greater opportunity to do business with Mexico.  
In concluding, we feel the merger would be beneficial to us and  
to all companies in the region. We support this application.

Sincerely,

Murray Cohen  
Vice President  
Iron and Metals Inc.

I, Murray Cohen, 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.





October 13, 1995

**VERIFIED STATEMENT**  
**OF**  
**PETER P. FOTE**  
on behalf of  
ITEX, a Division of IRM, L.P.

My name is Peter P. Fote and I am the Business Development Manager for the Western Region of ITEX, a Division of IRM, L.P., Salt Lake City, Utah, herein known as ITEX. I have been employed with ITEX for two years. Along with Business Development Manager responsibilities, I also provide the following services: project engineering management for remediation projects; contract scheduling coordination; monitoring of contract cost controls; and interface with QA/QC Engineer for project sampling and field layout. I have extensive knowledge in RCRA/CERCLA site investigations on organic contaminated sites; QA/QC plan development and data qualification; RI/FS design for privately owned and Superfund sites, and cost estimating for remedial work plans.

ITEX is one of the nation's leading privately held environmental service firms focused on the management and treatment of hazardous and industrial waste. ITEX is in the interim process of pursuing a Class V Commercial RCRA Subtitle D Landfill Permit to be known as the Green River Landfill, L.L.C. This landfill will be located on the Southern Pacific Railroad at Green River, Utah. Our inbound products will originate from all potential waste streams located from many areas within the United States and Canada. The cost effectiveness of the waste-by-rail approach opens all areas of the country as possible origination points.

As a new shipper that will be dependent on Southern Pacific service, we welcome a Union Pacific/Southern Pacific merger as a means of ensuring quality rail service from a financially sound carrier. We are concerned with the financial condition of Southern Pacific. ITEX believes the merger of Union Pacific and Southern Pacific is the solution to the survival of Southern Pacific. Also, the merger will provide single-line access to numerous markets for ITEX. Single-line service and pricing will be critical to our being able to compete in the marketplace.

Peter P. Fote  
Western Division

I, Peter P. Fote, 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.

Peter P. Fote  
ITEX  
Western Division

**VERIFIED STATEMENT  
OF  
LINDSEY C. GREENE  
ON BEHALF OF  
J.H. BAXTER & COMPANY**

My name is Lindsey C. Greene. I am the Traffic Manager for J.H. Baxter & Company. Our business address is P.O. Box 5902, San Mateo, California 94402. My telephone number is (415) 349-0201, or 345-2441. My fax number is (415) 570-6878. I am responsible for all traffic management issues for J.H. Baxter & Company.

I have over forty years experience in the shipping industry. I began working in the industry in 1949 for Pacific Fruit Express, with responsibility for rates and divisions. In 1951, I went to work for the Milwaukee Road as chief clerk and local freight agent. In 1953, I began working for Philco Corporation as Western Traffic Manager. From 1954 to 1974, I worked for Crown Zellerbach Corporation as Assistant General Traffic Manager. Since 1974, I have worked as a traffic consultant and as Traffic Manager for J.H. Baxter & Company.

J.H. Baxter & Company is a wood products company. We manufacture poles, pilings and similar wood products. We also apply appropriate preservatives and treatments to wood products to ensure their durability. We have four major facilities on the West Coast: Arlington, Washington, served by BN-SF; Eugene, Oregon, served by SP; Weed, California; and Long Beach, California. Generally, our rail traffic is to long haul destinations east of Omaha. We also use trucks extensively out of our Eugene, Oregon, and California plants, to provide delivery to our customers in California. Our annual freight bill exceeds \$4 million.

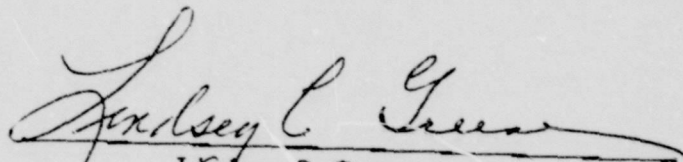
We strongly support approval of the merger between UP and SP. With the merger of UP and SP, the combined UP-SP will offer more competition to the newly merged BN-SF. The acquisition of SP is necessary for UP to offer competition to BN-SF in many significant markets. From our Arlington, Washington plant, we ship to the Midwest and the East Coast. We originate this traffic on the BN-SF. From time to time, we have explored alternatives to BN-SF for transcontinental traffic, and we expect to take advantage of possible transloading to the merged UP-SP system as a viable alternative to BN-SF. Absent the merger, neither UP nor SP can offer us service for this transcontinental traffic.

The merger provides other obvious benefits to shippers. One is improved equipment supply to shippers on the SP. The SP has not had the financial resources to invest in modern equipment for its rail customers, or a sufficient quantity of equipment for customers. In the past, when we have shipped on SP, we have experienced problems with car supply and damaged goods. The merger of UP and SP will immediately increase both the quality and quantity of equipment available to rail customers of the combined system. In addition, a strong UP-SP will be able to continue to invest in modern equipment. I also understand that UP-SP has reached a settlement agreement with BN-SF, in which UP-SP gained trackage rights that will permit it to "cycle" equipment more quickly. This will make more equipment available to more customers in a more timely fashion.

As a BN-SF shipper, we have studied the settlement agreement between UP-SP and BN-SF. The trackage rights given to BN-SF under the settlement agreement may open new markets for us. Just as UP-SP will be a stronger competitor, so will BN-SF offer more options and opportunities for new competition. We will benefit from this competition as a shipper on either BN-SF, or UP-SP.

The merged UP-SP will be a strong competitor for BN-SF. UP-SP will be able to offer more routes, and more services, to its shippers than can either UP or SP. We are in favor of the increased competition and options offered by the merger, and urge its approval.

I, Lindsey C. Greene, 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.

  
Lindsey C. Greene



## J. R. SHORT MILLING COMPANY

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500 WEST MADISON STREET • SUITE 3150 • CHICAGO, ILLINOIS 60661-2598  
TELEPHONE 312-559-5450 • TELEX 759512 • FAX 312-559-5455

October 11, 1995

Mr. Vernon A. Williams  
Secretary  
Case Control Branch  
Attn: Finance Docket 32760  
Interstate Commerce Commission  
1201 Constitution Avenue, N.W.  
Washington, DC 20423

RE: Union Pacific/Southern Pacific Merger -- Finance Docket 32760

Dear Mr. Williams:

My name is E. W. Anderson. I am Vice President of Transportation for the J. R. SHORT MILLING COMPANY. My office is located at 500 West Madison Street, Suite 3150, Chicago, Illinois 60661. I have been employed by the J.R. SHORT MILLING COMPANY for over seventeen years and have been in transportation for over forty years.

The J.R. SHORT MILLING COMPANY is a dry corn miller with plants in Kankakee, Illinois and Toronto, Ontario. We are manufacturers of corn meal, flour and grits for the brewing, cereal and snack food industries in a very competitive market. A by-product of our milling operation is hominy feed which is used by the feed industry in New Mexico, Arizona and California, as well as other parts of the country. Our customers are located throughout the United States, Canada and Mexico and we have extensive markets worldwide. The preponderance of our export business moves over the West Coast via the Southern Pacific Railroad.

While we are not a party to the Union Pacific/Southern Pacific merger proceedings, it is extremely important that this merger be approved. The merged system will provide us with single line access to all international boarder crosses into Mexico greatly improving service reliability and transit times. Further, this combined system will greatly reduce transit times by utilizing the most direct route available on our shipments to the West Coast, will allow traffic to move with minimal delays during maintenance season by rerouting trains to alternative routes when necessary, and enable the J.R. SHORT MILLING COMPANY to

better manage their private equipment by reducing cycle times over shorter and more efficient routings.

The most recent merger of western roads enhances the market position of our competitors. It is imperative that the applicant carriers proposal be approved so that we can maintain our competitive position in the market place. Therefore, our company strongly supports this application.

Sincerely,

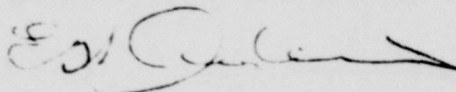


E.W. Anderson

Vice President/Transportation

EWA:mkm

I, E.W. 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 11, 1995.



September 26, 1995

Verified Statement

of

James B. O'Brien, Jr.  
On Behalf of  
James River Corporation

My name is James B. O'Brien, Jr., Manager, Rail Transportation for James River Corporation. I have been employed in the transportation sector for thirty five years. My present responsibilities include managing all aspects of Rail Transportation for James River Corporation and I am authorized to make this statement on behalf of the company.

The purpose of this verified statement is to express my company's views on the proposed Union Pacific/Southern Pacific merger. James River Corporation produces paper, paper products and woodpulp, as well as certain plastic products and coated film. The company maintains 61 manufacturing facilities in North America. During its most recent fiscal year, James River Corporation spent \$450 million on transportation services, including \$115 million for railroad transportation. Union Pacific and Southern Pacific jointly serve our plant at Orange, TX as well as our facility in Portland, OR. Southern Pacific provides service to our Halsey, OR. and Garden Grove, CA. plants. Our Orange, TX. plant receives plastic resins in covered hopper cars and the Garden Grove, CA. plant receives pulpboard in boxcars, whereas, the Halsey, OR plant utilizes Southern Pacific for boxcar loads of inbound Scrap Paper. The Portland, OR location ships printing paper via both Union Pacific and Southern Pacific. Further, we ship considerable intermodal traffic between the East and the West.

We believe approval of the Union Pacific/Southern Pacific merger will improve service as well as the financial health of the carriers, therefore, we support the application.



**VERIFICATION**

STATE OF VIRGINIA )  
CITY ) ss.  
COUNTY OF Richmond )

JAMES B. O'BRIEN, JR. being first duly sworn, deposes and says that he has read the foregoing document, know the facts asserted therein, and that the same are true as stated.

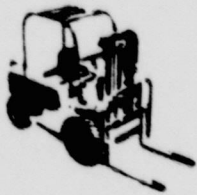
James B. O'Brien, Jr.  
James B. O'Brien, Jr.

Subscribed and sworn to before me this 28<sup>th</sup> day of SEPTEMBER, 1995.

Mark L. Mallory  
Notary Public

**My Commission Expires:**

My commission expires April 30, 1997



# KC RELOAD CENTER, INC.

## Freight Transfer and Storage

VERIFIED DOCUMENT

or

Keith Henry  
in behalf of  
K.C. Reload Center, Inc.

Keith Henry, President and General Manager  
K.C. Reload Center, Inc.

I have worked for this company for 6 years. Prior to this I worked for a wholesale distribution, Hilde Lumber & Supply Co., Inc. for 11 years. I was involved with sales of the company as well as all traffic movements rail and truck.

K.C. Reload Center, Inc. operates primarily as a destination reload and freight forwarding facility. We are located within 1/4 mile of I-44, I-49, I-70 and I-29 all major interstates. We have done some loading out by rail and are looking for more freight that we move in this manner.

K.C. Reload handles 90% lumber products. A large manufacturer of Doug Fir forest products is Hampton Lumber. They are served by the UP. They cannot ship to my facility due to the rate structure.

K.C. Reload is generally on the receiving end of goods shipped. Most of the products currently come from Canada or the South.

We recognize the Union Pacific and South Pacific are requesting authority to merge. We feel that the results from this merger would be positive and would help us by opening corridors to the West.

This merger would speed up service to us and our shippers. It would activate all freight lines that were not accessible before. It should create more competitiveness between major carriers.

Some service benefits to K.C. Reload Center could involve new products coming from the UP lines in Eugene, Portland, Oregon etc. straight line hauls are always faster and more economical.

Short line hauls would improve our service Wichita to Kansas City.

The intermodal service would be better utilizing the hub in Kansas City again bringing more product from different regions.

Terminal Coordination would enhance our serviceability to our customers by getting quicker car load delivery due to routing consolidation.

6815 Wilson Rd, K.C. Mo. 64125

816-241-1209 • FAX 816-483-7720 • WATS 800-736-0412

*We Believe in Service and Strive to Give It*



route specialization would increase K.C. Reloads ability to coordinate future shipments with its customers. Speeding up service increasing customer turns on inventory.

The Mexican single line would enable K.C. Reload indirectly to enter into business with Mexico. One of our potential customers could ship paper products via Aspen Products Kansas City, MO to Mexico. We would benefit possibly from the origin aspect of the business.

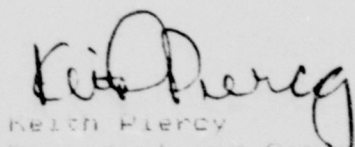
Equipment would naturally increase from the merger. Allowing more freight to be handled by K.C. Reload. Carload hold ups in freight yards should be less.

The merger from a competitive stand point would allow more shippers to move shipment by rail instead of truck. Truck rates in the midwest are currently among the lowest in the nation. Kansas City is a hub center for products to be centralized for reshipment. This would give more of my customers a better chance to compete by converting truck load shipment to rail.

The long term commitment from a merger UP and SP would insure a stable pricing structure and assurance that the company will be able to change with out interruption of service due to economic gyrations.

It is my conclusion that this merger will have positive effects on my business. It will provide more access to shippers. It will ensure competitiveness with other merging carriers BN Santa Fe. It will provide shippers with long term commitment. It should improve its rate structure doing away with numerous amounts of contracts. Creating a more equalized and fair trade environment for all businesses. It will enable shippers who have to use trucklines due to lack of or no service at all, convert to rail. It will increase K.C. Reloads opportunities to expand its business. It will increase all revenues associated with our business as well as our shippers business. Most of all it brings big business and small business together closing the gap of alienation so many of us have suffered with over the years. We fully endorse and support this merger.

Cordially,



Keith Piercy  
President and General Manager



A significant benefit of the merger would be on movements from our Utah manufacturing site where Union Pacific is the carrier at the point of origin and Southern Pacific is the carrier at the termination of the movement, such as at our terminal located in Fontana, CA.

For these reasons we support the proposed merger and urge its approval.

Yours truly,

KEMIRON PACIFIC, Inc.

*Lawrence N. Hjersted*

Lawrence N. Hjersted, PE  
President

LNH/kt

I, Lawrence N. Hjersted, 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 Oct. 9 1995  
(date)

*Lawrence N. Hjersted*  
(signature)

*[Signature]* 9/9/95  
(witness)

# KEYSTONE

TERMINALS, INC.

CORPORATE HEADQUARTERS  
SUITE 507  
MEADOWS OFFICE COMPLEX  
301 ROUTE 17 NORTH  
RUTHERFORD, NEW JERSEY 07070  
N.J. TEL: (201) 935-0011  
FAX: (201) 935-1765

**SHIPPER'S AGENT**

October 11, 1995

Verified Statement  
of  
Robert Giarratano  
on behalf of  
Keystone Terminals, Inc.

I, Robert Giarratano have been employed with Keystone Terminals, Inc., an intermodal marketing company, for twenty five years. During the past fifteen years, I have held the position of Director of Operations. As Director of Operations, I am responsible for managing a staff of twelve people. My staff and I handle a customer base that ranges from 850 to 1000 accounts. Our thirty years of intermodal experience has enabled us to grow our sales to 50 million dollars. Unlike the way most intermodal marketing companies operate, our company manages with a central dispatch. From our corporate location in Rutherford, N. J. we offer customers a nationwide service that enables them to ship from any point in the country. Our ability to respond quickly and competitively is integral for our continued success.

The Union Pacific and Southern Pacific merger will provide an improved intermodal environment. The Southern Pacific railroad for the past few years has steadily lost our marketshare due to their inability to maintain consistent service levels. These service problems directly impact our customers, which range from raw materials to department store merchandise. Inefficient transportation results in higher costs for all involved. With today's demanding markets, zero tolerance regarding service problems must be a mutual goal for all intermodal partners. We believe that this may be accomplished by this merger.

We have encountered a variety of problems with SP service. First, eastbound shipments from California on the SP have been delayed for up to five days at the Kansas City junction. Second, traffic originating on the East Coast and moving southwest via Chicago to Texas points has also been delayed. Flat car shortages and yard congestion have contributed to these delays. We have also faced power shortages on SP's lines.

BRANCH OFFICES  
BALTIMORE, MD - CINCINNATI, OH  
HOUSTON, TX - SOUTH KEARNY, NJ - WAYNE, PA

The Union Pacific's financial viability will allow them to address the issues necessary to meet today's intermodal requirements. Better transit times, increased terminal capacity, assurance of quality service, as well as comparable competition to the BN/SF merged system will provide a win/win for our industry.

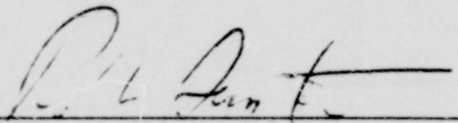
We specifically expect to benefit from improvements in Chicago to Los Angeles intermodal service. We understand that the new UP/SP system is planning to route time-sensitive intermodal traffic over SP's southern Tucumcari route and handle slower traffic over UP's northern Overland route. This route specialization will decrease transit times between Chicago and the West Coast. It will also provide competition for the BN/SF. Similarly, the planned coordination of terminals between Chicago and Los Angeles will enhance the speed of traffic along this route. Keystone Terminals will also benefit from UP/SP's plan to upgrade terminals in Kansas City and St. Louis.

In conclusion, we fully support the Union Pacific/Southern Pacific merger.

#### VERIFICATION

I, Robert Giarratano, 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.

  
\_\_\_\_\_  
Robert Giarratano





**Kia Motors America, Inc.**

2 Cromwell  
P.O. Box 52410  
Irvine, California 92619-2410  
(714) 470-7000 • FAX (714) 470-2800

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**VERIFIED STATEMENT OF**

**ROBERT W. BARNARD, JR.**

on behalf of

**KIA MOTORS AMERICA, INC.**

In response to the intended merger of the Union Pacific Railroad and the Southern Pacific Railroad, we would like to offer the following verified statement:

I am the National Logistics manager for Kia Motors America, Inc. Our company headquarters office is located at 2 Cromwell, Irvine, CA 92718. In my position, I am responsible for United States port operations, domestic distribution and transportation, (including railroad), and the importation of Kia vehicles.

I have held this position for the past two years. Prior to joining KMA I was the Vice President and General Manager of Pacific Vehicle Processors, Inc. This company is engaged in the homologation of imported vehicles through the port of Hueneme, CA. Before joining PVP in 1992 I was the National Port Operations Manager for Hyundai Motor America for six years.

Kia Motors America is in the business of marketing and distributing Kia vehicles throughout the United States. We currently offer two vehicles for sales in the United States. The Sephia, a four door sedan, and the Sportage, a sport utility vehicle. Our plans are to introduce a mid-sized sedan in 1996, a two door image vehicle in 1997 and a subcompact in 1998, along with various versions of our current models during that period.

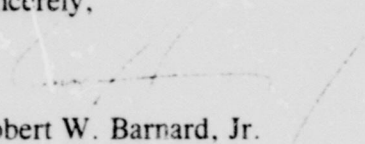
We currently utilize two ports of entry in the US and seven rail distribution centers. The Union Pacific currently services rail distribution centers in Rolla, CO, Mesquite, TX and Westfield, TX. They are servicing these centers from origins in Los Angeles, CA and Tacoma, WA. KMA will ship approximately 10,000 units via the UP in 1995 and approximately 13,000 units in 1996.

It is the understanding of KMA that the Union Pacific and the Southern Pacific railroads have requested the authority to merge their companies. We support this as a means of improving service. Particularly on the part of the SP, whose service and ability to bid competitively has been hampered by limited management and financial resources in the past. Hopefully this merger will strengthen the SP with the addition of competent management and financial resources.

In the past KMA has not had the option to rail vehicles from Benicia, CA and Hueneme, CA due to non-competitive SP rates for switch fees and rail transportation service. This merger will allow greater flexibility for KMA, dramatically improved service, rate structure and facility access by competing railroads.

We at Kia Motors America, Inc. strongly support this merger as a means of providing significant benefits to service and increases in competition between the western United States class one railroads. We hope that this merger will be approved.

Sincerely,



Robert W. Barnard, Jr.  
National Logistics Manager  
Kia Motors America, Inc.



VERIFICATION

STATE OF California )

) ss.

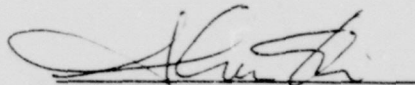
COUNTY OF Orange )

Robert L. Brown, Jr., being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same is true as stated.



Name Typed

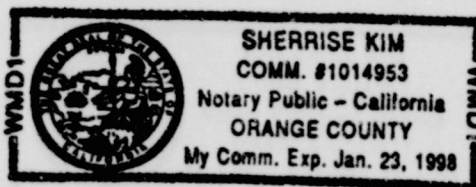
Subscribed and sworn to before me this 11th day of October, 1995.



Notary Public

My Commission Expires:

1-23-98





**KILGORE ECONOMIC DEVELOPMENT CORPORATION**

**909 N. Kilgore St., P. O. Box 990**

**Kilgore, TX 75663**

**Phone: 903-983-3522 Fax: 903-983-3523**

October 10, 1995

**VERIFIED STATEMENT  
OF  
AMANDA PRATT NOBLES  
on behalf of  
UP/SP MERGER**

My name is Amanda Pratt Nobles, CED, and I am the Economic Development Coordinator for the Kilgore Economic Development Corporation. I am responsible for the coordination of all economic development activities in the City, with the purpose of increasing capital investment and jobs in Kilgore through base employer expansions, start-ups, and relocations. I am a Certified Economic Developer through the American Economic Development Council. I have been in economic development for 9 years and have held this position since April of 1989.

Kilgore Economic Development Corporation works with existing and new businesses to achieve the goals of expanded tax base and jobs for the community. I market locations for industrial facilities, assist industries with market development, act as ombudsman for businesses with problems related to permitting, training, transportation and most any other subject. In carrying out this job, I am aware of industries' concerns, problems and needs related to receiving of raw materials and shipping of finished goods.

The raw materials entering Kilgore consist of a variety of resins destined for the plastics industry, clays for the manufacture of plumbing products, rock, sand and gravel for building projects and petroleum products. Finished goods generally leave Kilgore by truck due to the need for quick delivery demanded by customers.

I believe that the proposed merger of Union Pacific and Southern Pacific will be beneficial to shipping in Kilgore, and will enable Kilgore to offer potential new industrial clients additional transportation benefits; therefore I support the merger.

The benefits that I anticipate seeing as a result of the merger include improved service, particularly in rail shipments to the West Coast, the Pacific Northwest and to the gateway cities into Mexico. More direct, shorter routes will reduce transit time and will give shippers an alternative to trucking and the higher costs associated with it. This should reduce some of the stress placed on our national highway system due to overloaded trucks and excessive tractor-trailer rigs on our roads.

In these days of the global marketplace, our companies need quick and efficient access to ports on the West and Gulf coast so that the world markets available through those ports become customers. Economical access to these new markets can increase sales for existing industries which will add jobs for our citizens; however, the access must be economical or the price of the product to the customer will not be competitive. I expect the UP/SP merger to increase the number of direct routes and the availability of cars to these points and to give the Kilgore shippers a less expensive alternative to current modes of transportation. This can result in competitively priced products that can be sold in the global market.

Anytime a shipper has a choice between methods of transporting raw materials and finished goods, it is good for business and for the consumer. The proposed merger will give shippers this choice, and for this reason, I support the application.

Respectfully,

*Amanda Pratt Nobles*

Amanda Pratt Nobles, CED  
Economic Development Coordinator  
Kilgore Economic Development Corp.

I, Amanda Pratt Nobles, 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.

*Amanda Pratt Nobles*

State of Texas}  
County of Gregg}

Amanda Pratt Nobles, 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.

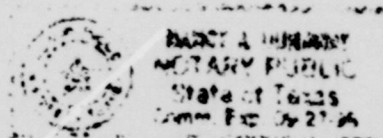
*Amanda Pratt Nobles*  
Amanda Pratt Nobles

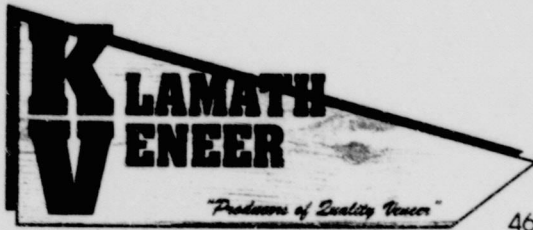
Subscribed and sworn to before me this 11th day of October, 1995.

*Nancy A. Dunaway*  
Nancy A. Dunaway, Notary Public

My commission expires:

9-27-98





4605 Lakeport Blvd. • P.O. Box 998 • Klamath Falls, OR 97601 • FAX 884-5368

503-882-6664

*luís machado*





## KLÖCKNER STEEL TRADE

A DIVISION OF  
KLÖCKNER NAMASCO CORP.

19782 MacArthur Blvd., Suite 270  
Irvine, California 92715

Telephone: (714) 833-8970  
Telefax: (714) 833-3637  
Telex: FTCC 822140

OCTOBER 10, 1995

### VERIFIED STATEMENT

OF

HELMUT MICHALIK  
FOR  
KLOCKNER STEEL TRADE  
DIVISION OF KLOCKNER NAMASCO CORPORATION

REGARDING UNION PACIFIC'S INTENT FOR MERGING WITH SOUTHERN PACIFIC RAILROAD, WE WOULD LIKE TO EXPRESS OUR SUPPORT FOR SUCH A PROPOSED MERGER. WE WELCOME A STRONG RAILROAD SINCE IT IS BENEFICIAL FOR THE LOCAL INDUSTRY AND CONTRIBUTES TO THE ECONOMY AS A WHOLE.

MY NAME IS HELMUT MICHALIK, VICE PRESIDENT FOR KLOCKNER STEEL TRADE - WEST COAST, LOCATED IN IRVINE, CALIFORNIA. I HAVE BEEN IN CHARGE OF THIS OFFICE SINCE MARCH OF 1979 WITH AN OVERALL EXPERIENCE IN THE INDUSTRY OF MORE THAN TWENTY-FIVE YEARS.

KLOCKNER STEEL TRADE, A DIVISION OF KLOCKNER NAMASCO CORPORATION WITH ITS HEAD OFFICE IN NEW YORK, IS ACTIVE WITH ITS VARIOUS BRANCH OFFICES THROUGHOUT NORTH AMERICA. IN ADDITION, TWENTY THREE SERVICE CENTERS HANDLE THE PROCESSING OF STEEL. ON THE AVERAGE 2.1 MILLION TONS OF STEEL ARE BEING HANDLED NATIONALLY AS WELL AS INTERNATIONALLY. THE WEST COAST OFFICE MANAGES A TOTAL OF APPROXIMATELY 120,000 TONS ANNUALLY, WITH A LARGE PORTION BEING SHIPPED BETWEEN SOUTHERN CALIFORNIA AND WESTERN CANADA. LAST YEAR ALONE, A TOTAL OF APPROXIMATELY 70,000 TONS WERE DELIVERED VIA UNION PACIFIC TO ALBERTA.

WHEN ANALYZING THIS MERGER THE COMMISSION SHOULD OBSERVE THE OVERWHELMING POSITIVE POINTS

- (A) BETTER SERVICE TO BOTH UP AND SP CUSTOMERS  
SHORTER AND MORE EFFICIENT ROUTES - I.E. MIDWEST (CHICAGO) TO THE WEST COAST (PORTLAND, OAKLAND, LOS ANGELES)  
RELIABLE AND IMPROVED SERVICE BY CLOSING OLD LINES AND/OR LINKING UNUSED LINES NOT SERVED BY SP AND/OR UP  
UP AND SP INTERMODAL EQUIPMENT FLEETS COMBINED WILL IMPROVE THE EFFICIENCY OF THE MERGED SYSTEM



KLÖCKNER  
STEEL TRADE

VERIFIED STATEMENT  
OCTOBER 10, 1995  
PAGE 2

(B) COMPETITIVENESS

SINCE BN AND SF MERGED AND ALMOST DOUBLED THEIR SIZE, THE NEW PROPOSED MERGER (UP/SP) CREATES A COMPETITIVE AND BALANCED FACTOR IN THIS REGION.

UP, FINANCIALLY STRONG, CAN SUPPORT SP'S GOOD ROUTING SYSTEM, SINCE SP DOES NOT HAVE THE VOLUME NOR THE CAPITAL NEEDED.

IN VIEW OF THE RECENTLY ESTABLISHED NAFTA SYSTEM, BOTH NEIGHBORS, CANADA AS WELL AS MEXICO, OFFER EXCELLENT NEW ROUTING OPPORTUNITIES IN COMBINATION WITH THEIR OWN RAIL SYSTEM. THIS CAN ONLY BE ACCOMPLISHED WITH STRONG PARTNERS. HERE AN UP/SP COMPANY WOULD OFFER AN IDEAL PARTNERSHIP.

OVERLAPPING EFFORTS BY UP AND SP WOULD BE AVOIDED. ENERGY WOULD BE USED ON OTHER OPPORTUNITIES IN ORDER TO ENLARGE THE BENEFITS TO SHIPPERS.

(C) LONG-TERM SERVICE EFFECT TOWARDS THE INDUSTRY

THE SUPPLY OF RAIL OWNED EQUIPMENT SUCH AS CARS AND LOCOMOTIVES WILL IMPROVE AND THEREFORE SHORTEN TIME OF DELIVERY.

CAPITAL INVESTMENT NEEDED WILL BE USED MORE EFFICIENTLY, AND BOTTLENECKS WILL BE OVERCOME.

IN THE OVERALL VIEW KLOCKNER STEEL TRADE FULLY SUPPORTS THIS MERGER SINCE IT PROVIDES BENEFITS FOR ALL OF US, IN PARTICULAR OUR OWN COMPANY NATIONWIDE. IMPROVEMENTS WILL BE A MUST.

VERIFICATION

I, HELMUT MICHALIK, 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)

VERIFICATION

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF ORANGE )

HELMUT E. MICHALIK, 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]  
Name-Typed  
HELMUT E. MICHALIK

SUBSCRIBED AND SWORN TO BEFORE ME THIS 11TH day of OCTOBER, 1995.



[Signature]  
Notary Public

MY COMMISSION EXPIRES:

4/7/99



KMS95-4709  
September 12, 1995

Interstate Commerce Commission  
UP/SP Merger Case  
Docket No. 32760

Dear Sirs:

Support for the Merger between Union Pacific and Southern Pacific

Since the establishment of our company in 1973, we have been using the rail as a very important means of transport.

Currently our company produces attachments for bulldozers, buckets for excavators, press machines, etc. in Ciudad Sahagún, Hidalgo, Mexico, and approximately 80% of our raw materials such as steel plates are imported from steel mills in the U. S. and Canada by rail through Laredo, TX.

We are always looking for competitive advantages that can be obtained from suppliers, carriers and rates that will allow our company to stay competitive in the international market.

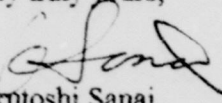
As we strongly believe that competition is the best way to improve services such as better cars, faster and shorter routes, better terminal coordination and more efficient reservation system, we feel sure that this proposed merger between Union Pacific and Southern Pacific will provide significant benefits to its customers.

Considering the fact that both companies have agreed to give trackage rights to the BN/ATSF at Laredo, Brownsville and Eagle Pass, TX, this proposed merger will avoid a monopoly and compete fairly.

Our company supports the application.

I declare that the foregoing is true and correct, and certify that on behalf of the company I represent, I am qualified and authorized to file this verified statement executed on September 20, 1995.

Very truly yours,

  
Kikntoshi Sanai  
General Manager  
Sales and Traffic Department



THE KROGER CO.

• 1014 VINE STREET •

CINCINNATI, OHIO 45202-1100

**VERIFIED STATEMENT  
OF  
DENNIS HERNDON  
ON BEHALF OF  
THE KROGER CO.**

My name is Dennis Herndon, Manager, Corporate Transportation for The Kroger Co., located at 1014 Vine Street, Cincinnati, Ohio. I have held my current position for five years and have a total of 12 years in transportation experience with The Kroger Co. My responsibilities include the procurement of transportation services for a variety of food items including produce, frozen foods, and carbonated beverages. I am involved with providing transportation services for over 40 manufacturing plants and distribution centers, as well as over 1,200 retail grocery stores.

Our company ships fresh produce from the West Coast to the Midwest, Southwest, and Southeast. Current Union Pacific rail routings include over 600 annual railcars of Idaho potatoes. In addition, we use over-the-road truck service for our shipments. We ship more than 600 carloads by rail and over 18,000 truckloads each year.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support the proposed merger. We believe it will improve service and will also result in stronger competition.

Specifically, the service benefits would include better equipment utilization, due to a larger, more flexible fleet and greater opportunities for repositioning equipment. This would result in more refrigerated equipment capacity in California during produce season. Kroger would also benefit from more efficient routes of the combined system, from better coordination of terminals, and from increased opportunities for pre-blocking. We will benefit from new single-line service between SP points on the West Coast and

UP points in the Midwest and Texas and between UP points on the West Coast and SP points in the Midwest and Southwest. These improvements in routes and coordination of facilities and traffic movements will result in greater consistency of service and reduced transit times, which are of great importance for our temperature-controlled shipments.

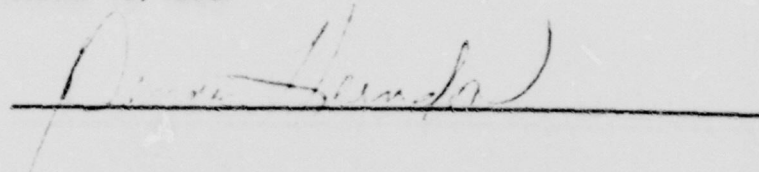
Kroger will benefit greatly from improved intermodal service resulting from the merger. Following the merger, the combined Union Pacific/Southern Pacific will be able to offer third-morning service between the West Coast and Chicago. In addition, Union Pacific/Southern Pacific plan to upgrade Southern Pacific's Corridor route and to concentrate intermodal traffic on that route. This will result in improved service for all of our movements on Union Pacific/Southern Pacific from the West Coast. In addition, Union Pacific/Southern Pacific will offer a realistic alternative to the intermodal service offered by Burlington Northern/Santa Fe. In some cases, Union Pacific/Southern Pacific intermodal service may prove to be an efficient alternative to over-the-road truck transportation.

Kroger welcomes the Union Pacific/Southern Pacific merger as a way to strengthen competition in rail transportation. The new Burlington Northern/Santa Fe system is highly efficient and has a broad route system. The Union Pacific and Southern Pacific separately could not offer effective competition to the Burlington Northern/Santa Fe system. The combination of Union Pacific and Southern Pacific would be more equal to Burlington Northern/Santa Fe and would offer an effective competitive alternative.

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

#### **VERIFICATION**

I, Dennis Herndon, 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.

A handwritten signature in dark ink, appearing to read "Dennis Herndon", is written over a solid horizontal line.





Kruger Inc.  
Newsprint Sales Division

October 12, 1995

**VERIFIED STATEMENT  
of  
JACQUES RANCOURT  
on behalf of  
KRUGER, INCORPORATED**

My name is Jacques Rancourt. I am Corporate Director Transportation for Kruger Inc., headquartered in Montréal, Québec. I have had more than twenty years experience in transportation/distribution. I am responsible for all matters regarding the transportation, distribution and warehousing of Kruger Inc. products.

Kruger Inc. is a producer of Newsprint Paper, Specialty Paper, Groundwood Coated Paper, Paperboard, and Lumber. Our major mills are located at Bromptonville, Québec, Trois-Rivières, Québec and Corner Brook, Newfoundland. Our major rail movements are from Bromptonville to Maryland Heights, Missouri and from Trois-Rivières over Detroit and Chicago thence to Denver, Colorado via SP. From Corner Brook we ship via ocean vessel to the Port of Houston thence via SP to California destinations. Kruger ships more than five hundred carloads per year to Denver and Maryland Heights.

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. 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 ocean movement from Corner Brook to California points via the Port of Houston to a rail direct routing via the merged UP/SP system west of Chicago.

.../2

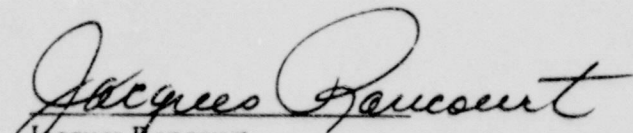


- 2 -

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 pressures placed on SP by this huge competitor. The UP/SP 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, Jacques Rancourt, 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 12th day of October, 1995.

  
Jacques Rancourt

# FOSTER

## L.B.FOSTER COMPANY

Foster Plaza  
Transportation Department  
P.O. Box 2806  
Pittsburgh, PA 15230-2806  
(412) 928-3493  
(412) 928-3510 (FAX)

VERIFIED STATEMENT  
OF  
DAVID H. STEINGRABER  
ON BEHALF OF  
L. B. FOSTER COMPANY

My name is David H. Steingraber. I am the manager of transportation and logistics for L. B. Foster Company, located at 415 Holiday Drive, Pittsburgh PA, 15220. In this position, I have responsibility for overseeing all transportation issues for Foster. I have been employed in the field of industrial transportation for more than twenty five years, am a practitioner before the ICC, hold certified membership in the American Society of Transportation and Logistics, and am degreed in this discipline.

The purpose of my testimony is to support the proposed merger between the Union Pacific and Southern Pacific Railroads.

L. B. Foster Company manufactures, fabricates and distributes steel pipe and tubular products, railway track rails and trackwork, structural steel, and construction and highway products, with both national and international markets.

Foster ships from and to all geographic areas of the United States, Canada and Mexico, and depends heavily on railroad service to supply our operations and to service our customers.

The merging of UP and SP would benefit Foster by increasing single line rail service across a huge expanse of America, providing for more effective utilization of transportation assets, and enhancing our ability to market and compete in a world economy.

Combining the routes of UP and SP, for example, will result in a more direct route to our Pacific Coast markets which should result in reduced operating costs and improved transit times.

Another important consideration of this merger will be the improvement in equipment supply and utilization.

In addition to basic gondola and flat cars, Foster uses specialized equipment to market its products. The combined car fleets of UP/SP will give us greater access to equipment which we can utilize, allowing us to ship with greater reliability, and thereby reducing our inventory costs and increasing customer satisfaction.



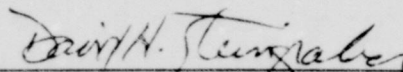
As a shipper to many destinations throughout the Western United States, we are aware that as a result of this merger we may see a reduction in the number of carriers serving some destinations from three to only two. On balance, however, we believe our company will benefit in that the financially weak Southern Pacific will be replaced with a strong viable carrier. This will create two strong competitive carriers available for western movements. Competition between these two major systems--UP/SP and BNSF--will result in improvements in service and rates.

We are confident that the UP/SP will be able to more aggressively price our shipments than SP has done in the past. SP has suffered from a weak financial position which has not allowed it to effectively compete with other carriers on price. We believe that the new UP/SP, because of its stronger financial position and increased efficiencies, will be in a better position to offer lower rates for our company's shipments in order to be more competitive with motor carriers, and will allow us to take greater advantage of rail for our shipments.

Our company looks forward to and supports the merger of Union Pacific and Southern Pacific railroads.

I, David H. Steingraber, 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 17, 1995 .

  
\_\_\_\_\_  
DAVID H. STEINGRABER

VERIFICATION

STATE OF Pennsylvania )  
COUNTY OF Allegheny ) ss.

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

David H. Steingraber  
David H. Steingraber

Subscribed and sworn to me before this 17<sup>th</sup> day of October, 1995.

Diane K. Close  
Notary Public

My Commission Expires:

6/03/99

Notarial Seal  
Diane K. Close, Notary Public  
Green Tree Boro, Allegheny County  
My Commission Expires June 3, 1999  
Member, Pennsylvania Association of Notaries

L. Neill Cartage Co., Inc.  
5400 Proviso Drive  
Berkeley, Illinois 60163

October 23, 1995

708.547.7671

FAX: 708.547.8561

VERIFIED STATEMENT

OF

RORY A. NEILL  
on behalf of  
L. NEILL CARTAGE CO., INC.

My name is Rory A. Neill. I am Executive Vice President of L. Neill Cartage Co., Inc., Berkeley, Illinois. I am primarily responsible for marketing, sales, and operations for the company. I have 20 years of experience in warehousing and distribution.

Neill Cartage is a warehousing and distributing center for paper mills, local printers, and paper merchants. Our main facility is located in Berkeley, Illinois at Proviso Yard. Our primary business involves distribution of paper products in the tri-state area around Chicago, including Illinois, Wisconsin and Indiana. We offer our customers services including pool truck distribution, area-wide pickup and delivery, intermodal cross-dock handling, freight consolidation and forwarding, and private fleet management. We often work directly with railroads so that the railroads can quote one price to customers for rail transport and storage. We depend on quality service from the Western United States into Chicago. The Union Pacific's former CNW line at Proviso Yard directly serves our facility, transporting over 2,000 carloads of paper each year from various paper mills, many located in the West. Today we have minimal business on SP.

We urge the ICC to grant the Union Pacific/Southern Pacific application to merge. The merger will considerably enhance the Chicago market's access to paper suppliers in the West, increasing the customer base for our services. In particular, the merged system will be able to offer a shorter, single-line route to Northern California and reduce transit times along this corridor. As Midwestern companies draw on the Northern California market for more of their paper requirements, the need for our paper storage and distribution services will grow.

Our customers are also likely to look to more paper mills in the Pacific Northwest to meet their needs because the merged system will offer single-line access to SP origins in Washington and Oregon. Our business will similarly increase as the merged system will be able to quote one price for this expanded rail service and our warehousing operation.

Midwest paper products users served by UP through our facility will also have access to Arkansas paper suppliers served by SP as a result of additional single-line service after the merger. The increased volume of inbound paper products shipments to Chicago from Arkansas should boost the market for our storage and distributing services.



Finally, the merged system's access to an expanded and integrated supply of cars and other equipment will substantially enhance our business. The pooled system will be able to maneuver cars more effectively, taking advantage of backhaul and triangulation opportunities, as well as the different seasonal patterns of UP and SP traffic. These efficiencies will ensure that there is an adequate supply of cars to handle the increasing inbound shipments of paper products. This will make it possible for us to increase the volume of our business.

The merged UP/SP system will provide important competition for the recently merged BN/SF system in the Western United States. The BN/SF now has a large and efficient route system, reaching points throughout the Western United States, including numerous locations in the Pacific Northwest. No single railroad, including UP and SP, can offer similar service. UP/SP will be large enough and efficient enough to compete with BN/SF. This will also help us to compete with businesses located on BN/SF.

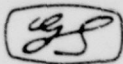
In short, Neill Cartage endorses the merger because new single-line service to paper producing areas, combined with enhanced operating efficiencies, will increase our customer base and allow us to grow our business.

#### VERIFICATION

I, Rory A. Neill, 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 12, 1995.

  
Rory A. Neill



# Laminadora Mexicana de Metales, S.A. de C.V.

FABRICA DE TORNILLOS TUERCAS Y REMACHES

Lago Zurich 168  
Amp. Granada Deleg. Miguel Hidaigo  
C.P. 11520 Mexico, D.F.  
FAX (5) 203-22-48

Tels.: 545-71-00 y 250-75-22  
Apartado Postal 824  
C.P. 06000 Mexico, D.F.  
Telex 01773101 SISAME

REG. FED. CONT. LMM-410816 3EO  
CED. EMP. 031362  
REG. CAM. NAL. INDUSTRIA  
HIERRO Y ACERO No. 74



September 21, 1995

To The Interstate Commerce Commission  
UP/SP Merge case  
Docket # 32760

Subject: UP/SP proposed merge support.

To Whom it May Concern:

Laminadora Mexicana de Metales is a national Mexican corporation; our line of business is the manufacture and wholesale of screws, nuts, bolts, etc. Being our manufacturing plant located in Mexico City, our sales efforts are focused with the Mexican market, but we also attend vigorously US and Canadian market opportunities in North America, as well as other countries.

We support the proposed merger of the UP and SP. We do so based on the benefits that we as owners or customers would obtain, including improved intermodal service, more access to better equipment, shorter and faster routes, new market possibilities, more gateway options, and the new trackage rights and access granted to BN/SF as part of their settlement agreement with UP/SP. It is also important to us that UP is a strong railroad; combining it with SP's gateways and routes, will result in one railroad system that will be able to provide strong competition to the recently merged BN/ATFS railroads. But perhaps of most importance to us is the fact that Mexico and Mexican institutions will, at last, have diverse options and routes through existing border crossings, with radically improved service.

Our Corporate concern is to obtain cost competitive freight and transportation service options; both for our southbound shipments for which we have used truck, piggyback and railroad service, as well as for our finished goods northbound shipments.

Our line of business demands cost competitive logistics; as same can make our products not competitive, mainly in the international market place. Due to it, and considering that we will have better service and competitive rates and new options, we do support the UP/SP proposed merger. In a fair exchange, would like to hear from the SP or the UP Railroad or the I.C.C., their comments regarding this letter. Look forward hearing from you soon.

In my corporate position as Director for the Company that I manage, on this date of September 21, do certify that all above stated is true and correct and that I am qualified to file above, for the benefit of Laminadora Mexicana de Metales, S.A. de C.V.

Berndt Sommer  
General Director

# Landmark Forest Products

WHOLESALE BUILDING MATERIALS

October 11, 1995

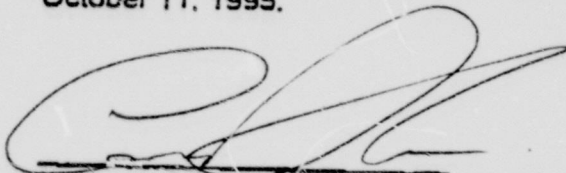
VERIFIED STATEMENT  
OF  
LANCE N. DUKE on behalf of  
LANDMARK FOREST PRODUCTS

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

Landmark Forest Products is primarily a distributor of panel and lumber products to wholesale and retail customers in the West Coast. We operate in the Los Angeles basin and outlining areas; Riverside, Ca., Pomona, Ca., Colton, Ca., Fontana, CA. The options by which we ship depend upon the competitive freight we can obtain by rail or truck. The major part of our business is to work with the rail carriers, and service is a priority with our business. We are optimistic that the merger will help to alleviate the service problems the Southern Pacific has been experiencing for the last four years.

Landmark Forest Products has been forced to bring shipments of lumber and panel products into the San Bernardino area via ATSF and transload to SP's customers due to lack of service and rates by the Southern Pacific. Our company supports the proposed acquisition of SP by the Union Pacific as a means to improve rail freight services.

I, Lance N. Duke, 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 stat. Executed on October 11, 1995.



Lance N. Duke, V.P. and General Manager  
Landmark Forest Products



September 29, 1995

**VERIFIED STATEMENT**

**OF**

**J. MICHAEL COATES**  
**on behalf of**  
**LCI LTD.**

My name is J. Michael Coates and I am currently the Director of Purchasing for LCI Ltd. I joined LCI Ltd. in 1986 as their Traffic Manager and in 1988 I was promoted to Director of Operation. Recently I took a lateral move to the Director of Purchasing when our purchasing agent resigned. One of my responsibilities has always been the negotiating of all contract rail rates LCI Ltd. uses to move their products.

Prior to joining LCI Ltd. I was the Market Manager-Bulk Intermodal Distribution Services (BIDS) for CSX Transportation. I had been with CSX Transportation and it's predecessor rail companies for 14 years and prior to that I attended college at Florida Jr. College in Jacksonville, FL and the University of North Carolina at Wilmington, NC.

LCI Ltd. is a privately held company and the largest supplier of Specialty Fluorides in North America. LCI is a small business with 35 employees with sales totaling \$50 million per year. Most of our traffic moves in railcars either directly to our customers or through various bulk transfer operations where we transfer product from railcar to truck for delivery. A large portion of our rail traffic originates in Central Florida at various fertilizer plants (Cargill Fertilizer, Farmland Industries, etc.) on the CSXT where we move Fluorosilicic Acid, a waste product generated from DAP Production which is used to fluoridate drinking water through out the USA and Canada. Approximately 5,000 tons of the product does move to the west coast of the USA into San Francisco, CA area via CSXT-UP. We have the choice of moving it over New Orleans, LA or Memphis, TN gateways and could use the SP or the new BN/Santa Fe but neither of these companies appear to be interested in our business judging from their lack of response to our inquiries.

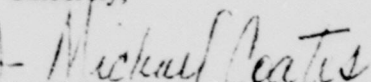
LCI also owns a Hydrogen Fluoride manufacturing plant in Juarez, Mexico where we move Hydrogen Fluoride and it's associated products (Hydrofluoric Acid, Ammonium Bifluoride, etc.) into the USA at the El Paso, TX border. At this location we are served by the Union Pacific Railroad, Southern Pacific Railroad and the Santa Fe Railroad.

The primary use of Hydrogen Fluoride (HF) had been in the production of Chlorofluorocarbons (CFC's) like Freon. However, CFC's were banned from production recently under the Montreal Protocol and today HF is used to manufacture alternative refrigerants Halochlorofluorocarbons (HCFC's) like 134A. HF has also been used to a large degree by the petrochemical industry (refineries) as a cracking catalyst at the alkylation units of the refineries raising the octane level of gasoline. LCI ships a good deal of HF from El Paso, TX to various refineries in the Midwest (Ashland Petroleum in St. Paul, MN, Clark Oil in Blue Island, IL), Northeast (Occidental Chemical in Buffalo, NY, Ausimont in Thorofare, NJ) and Canada (Cameco Fuels in Port Hope, ON). The Union Pacific originates 100% of our traffic into these areas because they have the most direct routes to the connecting railroads like Conrail, Canadian Pacific or CSXT. On the otherhand we use the Southern Pacific and Santa Fe when shipping to our customers in Arizona (Kerley Chemical in Phoenix, AZ) and California (Dow Elanco in Pittsburg, CA) because the Union Pacific does not serve the area or their route is too circuitous.

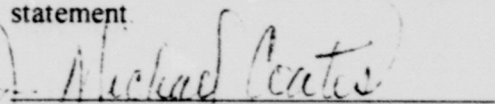
LCI Ltd. is in favor of the SP/UP merger because we have always found the Union Pacific to be more responsive to our needs and with the combining of these two major railroads we are confident response times will be improved where only the SP once served but also service will be improved as a result of more efficient routes and new single line service. We also buy sulfuric acid (on a delivered basis) from various southwestern smelters that are only served by the SP. These suppliers are encouraged by the increase in competition and the assurance of long-term quality service as a result of the merger which will only improve their service to LCI Ltd.

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.

Sincerely,

  
J. Michael Coates  
Director of Purchasing

I, J. Michael Coates, 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.

  
J. Michael Coates  
Director of Purchasing  
LCI, Ltd.

Executed on October 16, 1995

STB

FD

32760

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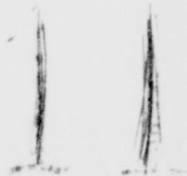
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Finance Docket No. 32760, VOLUME 4, PART 3



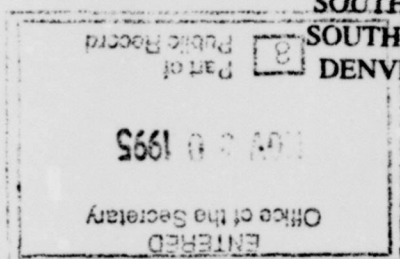
Before the  
INTERSTATE COMMERCE COMMISSION

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

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

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

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

November 30, 1995

2 of 2



September 14, 1995

**VERIFIED STATEMENT**

**OF**

**Royby Vincent**

**Royby Vincent**  
**Sect. Treasurer-Sales Manager**  
**Liberty Rice Mill**  
**P. O. Box 218**  
**Kaplan, Louisiana 70548-0218**  
**Phone 318/643-7176**  
**Fax 318/643-1929**

I have been associated with Liberty Rice Mill since 1943 and in the present position since 1970 which includes the decision making of all transportation matters.

P.O. Box 218  
Kaplan, LA 70548-0218

Liberty Rice Mill, Kaplan, La. is a processor of rough rice producing clean rice, brewers rice and rice bran. Kaplan was a rail station on the L&D RR until a fire destroyed a bridge discontinuing rail service to the plant, however with the assistance of the L&D RR, a transload facility was built at Abbeville, La. in order for us to continue to utilize rail transportation. The Louisiana and Delta Railroad connects only with the Southern Pacific Railroad. Our rice and rice by-products are shipped rail throughout the U S and exported through various ports worldwide and through border crossings into Mexico.

Sales Department  
318-643-7176

Purchasing Department  
318-643-7175

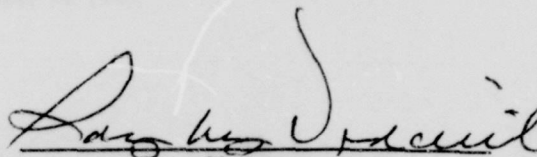
Telex:  
586640 LIB-MIL

Fax:  
318-643-1929

We have been advised that the Union Pacific and the Southern Pacific are to make a request to combine their rail systems. Liberty Rice wholeheartly supports this request as it will open up single line rail haulage to new and existing customers in the mid-west and western United States. In our opinion, it will also improve the financial health of the Southern Pacific, which because of the BN/ATSF merger would if left to stand alone be the smallest of the three Western Railroads.

The UP/SP merger if allowed will provide us a strong rail system which would be able keep us competitive in the distant market places. We therefore urge a favorable decision be made on this merger between UP/SP.

I, Royby Vincent, 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 14, 1995.

  
Signature

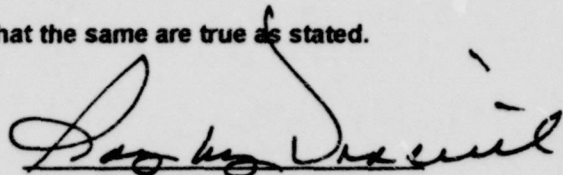


VERIFICATION

STATE OF LOUISIANA

PARISH OF VERMILION

Royby Vincent, 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.

  
Royby Vincent

Subscribed and sworn to before me this 14 day of SEPTEMBER, 1995.

  
Notary Public

My Commission Expires:

UPON DEATH



# LOGAN LUMBER COMPANY

2272 LARKIN CIRCLE • SPARKS, NV 89431 • TELEPHONE: (702) 359-7300 • FAX: (702) 359-7087

October 6, 1995

OCT 7 1995

RE: Finance Docket No. 32760  
UP/SP Merger

Logan Lumber Company is in the lumber and building material business serving Northern Nevada and California. We purchase lumber, plywood, OSB, hardboard siding and related products. Our lumber is being purchased primarily from the western states, plywood from western and southern states, OSB from the upper midwest and southern states, and OSB siding from Georgia.

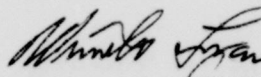
Shipping time is of primary importance; our cash flow and customer satisfaction is dependent upon it. We are currently being serviced by Southern Pacific Railroad only.

We look forward to the UP/SP merger which will certainly expedite our inbound shipments from the midwest and south; in fact, this will assist us in increasing inbound shipments over 100%.

May UP points not currently available on the SP will add new vendors to our current list enabling us to achieve a more competitive place in the market area.

Sincerely,

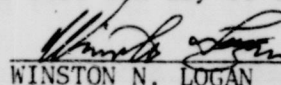
LOGAN LUMBER COMPANY



WINSTON N. LOGAN  
PRESIDENT

WNL:jt

I, WINSTON N. LOGAN, declare under penalty of perjury that the foregoing is true and correct. I further certify that I am qualified and authorized to file this verified statement. Executed this 6th day of October, 1995.

  
WINSTON N. LOGAN

October 13, 1995

VERIFIED STATEMENT  
OF  
RODNEY Z. PRICE  
on behalf of  
LONGVIEW ASPHALT, INC.

My name is Rodney Z. Price. I am General Manager for Longview Asphalt, Inc., Post Office Box 3661, Longview, Texas, (903) 758-0065. I have held this position for seven (7) years. Prior to April 1988, I was an Engineer with the Arkansas Highway Department for sixteen (16) years. I am a graduate Civil Engineer from the University of Arkansas and a Registered Professional Engineer in both Arkansas and Texas.

Longview Asphalt operates permanent hot mix asphalt plant facilities at Longview and Nacogdoches, Texas. These facilities are serviced by Union Pacific and Southern Pacific, respectively. We supply hot mix asphalt, aggregates, base material and other construction materials to city, county and state highway departments, independent contractors and private individuals. Most of our inbound material is received by rail. Our inbound movements primarily consist of aggregates used in the production of hot mix asphalt used in highway construction. I am familiar with rail operations and service.

I understand that Union Pacific and Southern Pacific are requesting authority to merge. As a shipper dependent on SP service, we welcome this merger as a means of ensuring that we receive prompt and efficient service from a financially sound carrier with single-line service between numerous points.

Longview Asphalt has several portable asphalt plants that we use for highway construction projects in East Texas. This merger would allow us to take advantage of additional quarries on the SP and/or UP lines, depending upon the location of the construction project, for a more competitive pricing structure. The single-line service would certainly be more efficient than the two-line system we now operate under.

One of the biggest problems facing our rail system today is the shortage of POWER. With this merger, one would hope that the more efficient use of power units would result in faster service, especially from the SP.

Better service, quicker deliveries, lower rates - these are the reasons this merger should be approved. We support the merger 100 percent.



I, Rodney Z. Price , 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 .

LONGVIEW ASPHALT, INC.

Rodney Z. Price  
Rodney Z. Price  
General Manager

Samuel B. Robey  
WITNESS  
10/13/95

# Louisiana Pacific Corporation

## VERIFIED STATEMENT

OF

JAMES ELLISOR  
on behalf of  
Louisiana Pacific Corporation

I am General Manager for Louisiana Pacific North West Division, P.O. Box 4000-98, Hayden Lake, Idaho 83835.

Louisiana Pacific Corporation operates lumber, plywood, particleboard, OSB and pulp mills throughout North America producing a wide range of forest products which are transported nationwide via both rail and truck. We operate mills and use rail reload facilities which are served via both U.P. and B.N. Railroads. Our total rail shipments amount to approximately 5,000 carloads annually with rail freight payments in excess of \$20 million annually.

Louisiana Pacific Corporation firmly supports the Union Pacific (UP) and Southern Pacific (SP) merger.

We feel rail competition in the western U.S. will be strengthened by a UP-SP merger and will be necessary to provide effective competition against the recently approved BN-ATSF merger.

Many of our markets involve shipping into and out of present S.P. territory. Experience has shown us that the present SP system is unable in its present condition to provide competitive transit times as compared against both present and anticipated BN-ATSF service. Two large competitive systems will provide us with enhanced rail services into many of our most important markets. Both the UP and the SP would be at definite disadvantages if not allowed to combine their operations.

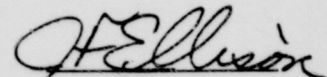
We depend on our rail carriers to provide a great deal of our transportation services. We need financially solid rail carriers that can directly compete to provide our transportation needs at the lowest possible cost. Our support is based heavily on the fact that Union Pacific's financial strength will provide the ability to make the necessary capital investments to insure SP's long term viability. We feel a combined UP-SP system will result in an additional strong western carrier with the ability to support our mills with single line services, faster transit times, lower rates, better locomotive power, and increased car supplies.

The UP-SP merger would also provide us with shorter more efficient routes in many areas. Examples would include shipments of lumber originating within the Inland Northwest to SP destinations in California, Arizona, and Texas. In some cases terminal coordinations will allow us faster service through major bottleneck areas. By combining UP and SP operations in Portland, Oregon, Los Angeles, California, Kansas City, Missouri, and Chicago, Illinois we believe opportunities such as pre blocking of trains and single terminal consolidation points will offer us faster service to our customers.

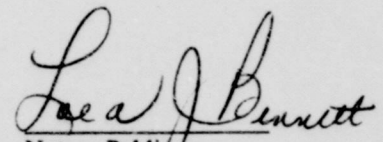
VERIFICATION

STATE OF IDAHO                    )  
  )SS.  
COUNTY OF KOOTENAI            )

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

  
James Ellisor

Subscribed and sworn to before me this 28<sup>th</sup> day of Sept., 1995.

  
Notary Public

My Commission Expires:

1-20-98



**VERIFIED STATEMENT  
FROM  
RICHARD C. EIDSON  
M&B CARRIERS, INC.  
OCTOBER 13, 1995**

M&B Carriers is a drayage company that picks up and delivers equipment to the three railroads in Southern California. We have been in business since 1991, and handle import/export containers from the Los Angeles, and Long Beach harbors as well as free running trailers and private railroad containers for intermodal marketing companies.

As a local drayage company in Southern California, we handle equipment for all the local railroad ramps (SP-LA, ATSF, and UP-LA), as well as SP's ramps in the City of Industry and Long Beach, and ATSF's ramp in San Bernardino. All 40 tractors running for M&B Carriers are radio dispatched as well as having computer messaging capabilities. All our tractors are also equipped with teletrac units which enables us to track each tractor at anytime within 100 feet of its actual location.

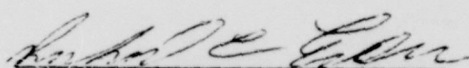
M&B Carriers is definitely in favor of the proposed merger between Union Pacific Railroad and Southern Pacific Railroad. We feel the merger would benefit the local drayage industry in Southern California.

The consolidation of equipment would greatly benefit the trucking companies in the Los Angeles area by allowing us the opportunity to turn equipment more efficiently which would cut down on freeway time and dead miles time with empties.

The consolidation of ramps should help in utilizing terminal operations more efficiently and eliminate duplication of work, which in turn should assist the drayman in improving service.

**VERIFICATION**

I, Richard C. Eidson, declare under penalty of perjury that the foregoing is true and correct except as to those matters stated as being based on my information and belief and those I believe to be true and correct. I am qualified and authorized by my company to file this verified statement.

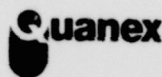
  
Richard C. Eidson

**MACSTEEL**

5225 Planters Rd.  
Fort Smith, AR 72916-9549

P.O. Box 1592  
Fort Smith, AR 72902-1592

(501) 646-0223  
FAX (501) 648-5592

**MACSTEEL®****VERIFIED STATEMENT**

of  
**RAY STONE**  
on behalf of  
**MACSTEEL**

Re: Interstate Commerce Commission, Finance Docket No. 32760  
Union Pacific Railroad, et al --Control and Merger--Southern Pacific  
Rail Corp., et al.

My name is Ray Stone. I am the Manager for Customer Service of MACSTEEL,  
5225 Planters Road, Fort Smith, AR 72902-1592.

MACSTEEL is a specialty steel producer, which manufactures engineered SBQ carbon and alloy SEAM FREE steel bars for critical or safety part applications. Our products are used in the automotive and trucking industries and by the military. We use rail transportation to deliver scrap metal to the plant and to ship our finished products. Our plant is located on the Fort Smith Railroad, which connects to the Union Pacific at Fort Smith. Our sources of input are scattered throughout several states, including Arkansas, Mississippi, Louisiana, and Texas. Most of this metal comes to us via the UP. The steel we produce is sent to a number of places including Navasota, TX (UP connecting to SP at Fort Worth), Crystal Lake, IL via the UP, Wayne, MI (UP connecting to CSX at Chicago), Jackson, MI (UP connecting to Conrail), and to Mexico through the UP gateway at Laredo.

As manager of Customer Service at MACSTEEL, I am in charge of the transportation of our products to our customers. I am also responsible for ensuring that the products meet our customer's specifications.

MACSTEEL supports the merger of the UP and the SP, because we believe that the merger will result in improved rail service between MACSTEEL and our customers and suppliers. After the merger we should have faster and more consistent service to Chicago, because the UP/SP will have the ability to use alternate routes and increased opportunities to build runthrough trains to reduce and avoid congestion on these routes. In addition, we will gain single-line access to our customers in Navasota, TX.

We should also benefit from greater equipment availability. The combined UP/SP fleet of high cube gondolas, coil cars, and pipe flats will be the industry's most diverse specialized steel hauling fleet. By more efficient repositioning of the equipment, taking advantage of backhaul opportunities and triangulation, the UP/SP should be able to provide a better supply of equipment to shippers like MACSTEEL.

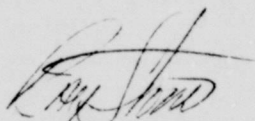
We expect one of the great benefits of the merger for MACSTEEL to be improved SP service. We ship steel to Navasota, TX on the SP and have experienced such difficulties with SP that we have considered canceling our rail contract. Shipments have suffered from serious delays, either when they have not been picked up from UP at the Fort Worth interchange, or when they have been delayed en route to Navasota. We anticipate that UP's financial and technical strengths will alleviate the problem of equipment shortages and make SP service more reliable than it currently is.

I believe that MACSTEEL will enjoy improved access to Mexico. Currently we ship steel to Mexico through UP's Laredo gateway. Following the merger, we will have single-line access to SP's Mexican gateway at Eagle Pass and its gateways to western Mexico.

The merger will also give us new single-line access to new customers. More efficient routes and coordination of facilities should result in reduced transit times for our shipments.

Overall, I believe that MACSTEEL will enjoy more reliable and faster rail service following the merger. I urge you to approve the UP/SP merger.

I, Ray Stone, 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.



Ray Stone  
Manager Customer Service



August 25, 1995

**VERIFIED STATEMENT**

**OF**

**STEVE KALLBERG**

**on behalf of**

**MANKE LUMBER COMPANY, INC.**

**RE: FINANCIAL DOCKET NO. 32760**

Stephen Kallberg, 1717 Marine View Drive, Tacoma, Washington 98422. I've been in the lumber business for twenty seven years. The last twelve as traffic manager for Manke Lumber Company. My primary responsibility is to achieve the best price, service and routing possible of all rail shipments from our two sawmills. Manke Lumber owns and operates two sawmills located in Sumner and Tacoma, Washington. Sumner production is primarily export to Japan with some domestic Cedar sales to the Georgia and Virginia markets.

The Tacoma sawmill produces approximately 115,000,000 board feet of Douglas Fir and Western Hemlock lumber annually. Our customers are retail lumber yards, wholesalers and contractor yards. Our primary rail markets are the Southwest and Northeast with secondary markets throughout the U.S. We are serviced by the Tacoma municipal Beltline which connects to the UP or BN. The majority of rail traffic is handled by the UP going to four major gateways; Chicago, Memphis, Barstow, CA and Colton, CA. In 1994 we shipped 485 cars of which 142 were shipped on the SP.

Manke Lumber STRONGLY endorses the proposed merger of the UP/SP and believe it to be in the best interest of our company and other Washington shippers. The following are reasons why we support this application so strongly.

A. The most glaring reason is single-line service to the entire southwest markets. This creates enormous sales opportunities for anyone on the UP. In the past it has been difficult to get competitive rates into many of the SP markets resulting in lost market shares. The UP/SP merger would eliminate these problems completely.

B. More effective routing

From Tacoma to Los Angeles would be 556 miles shorter than the present routes, saving approximately two to three days.

C. Terminal coordination

Would allow traffic to be handled more efficiently.

D. Equipment utilization

Merger would allow repositioning of cars and locomotive power. Equipment would move faster between Southwest and Northwest.

Having ample car supply at critical shipping times.

Railroad owned equipment supply will improve.

E. Enable us to compete with truck rates from Northern California and Southern Oregon.

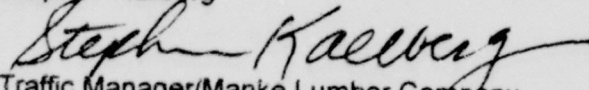
F. Enter new market in the Bay area/Stockton truck markets.

The UP/SP merger would give SP receivers a new feeling of confidence knowing they were being serviced by strong, reliable, service oriented, financially strong railroad. It is impossible to know how much business is lost to trucking because of poor service, but the merger would definitely eliminate those problems.

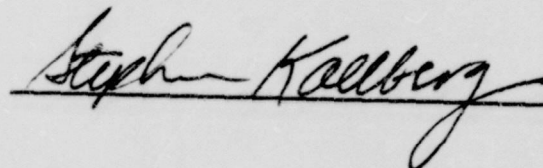
In the past, Manke Lumber has barged lumber into the Southern California market. Due to market conditions and effective rates we have converted many customers to rail, we feel this merger would enhance this existing business.

With the merger of the BN/SF it would be difficult for the UP or SP to compete independently. Combined they make formidable competition that is needed in the Western markets. With the financial strength of the UP and the routes of the SP this is a merger long over due and we strongly support this application.

Stephen Kallberg

  
Traffic Manager/Manke Lumber Company

I, Stephen Kallberg, 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 August 25, 1995.



**VERIFICATION**

STATE OF Washington  
COUNTY OF Pierce ) ss.

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

Stephen Kallberg  
Stephen Kallberg

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

Penelope Suckm  
Notary Public

My Commission Expires:

4-15-98



DAVID WEDAMAN  
PRESIDENT

## VERIFIED STATEMENT

OF

DAVID WEDAMAN  
on behalf of  
MARK VII TRANSPORTATION CO., INC.

My name is David Wedaman, President of Mark VII Transportation Company, Inc. I am submitting this statement on behalf of Mark VII in support of the Union Pacific/Southern Pacific merger application.

I have been with Mark VII Transportation for six years, serving both as Executive Vice President and President. I oversee all operations at Mark VII Transportation and am ultimately responsible for all transportation decisions. Prior to joining Mark VII Transportation, I was Vice President Administration and Red Eagle with American President Lines for seven years. My educational background includes a B.B.A. in Accounting.

Mark VII Transportation is a transportation services company founded in 1989. We offer intermodal, carload, air freight and truck brokerage services. Intermodal traffic accounts for 43% of our overall business. We are headquartered in Memphis, Tennessee, and have 130 sales offices throughout the country. Our gross revenues last year exceeded \$425 million.

We use all rail and motor carriers to serve our customers' transportation needs. Our major business is from and to all rail ramps in Chicago, Illinois, Southern California, Northern California, Texas and the Northeast. We are also heavily involved in moving import and export freight through these locations.

Mark VII Transportation supports the merger of Union Pacific and Southern Pacific because we expect to realize measurable

improvements in intermodal service throughout the western United States. UP/SP has announced plans that indicate it is committed to enhancing critical intermodal services. We expect that our transit times will decrease in all important lanes and that our movements in to and out of intermodal terminals will be more efficient after the merger.

Approval of the UP/SP application is vitally important in the wake of the recent Burlington Northern/Santa Fe merger. The BN/SF is now the clear leader in rail service in the West. It has molded a strong financial backing with an extensive and attractive route system. Although UP has adequate capital, its route system is not as far-reaching as BN/SF's. SP serves important corridors, but its severe capital constraints leave it unable to make needed investments to expand capacity. In addition, SP is plagued by recurrent service problems. A UP/SP merger can create a system with both the financial strength and route coverage necessary to compete with the BN/SF.

Competition will yield improved intermodal services on both UP/SP's and BN/SF's systems. We must rely on intermodal service because we compete directly with over the road trucks for much of our business. The merger is of pivotal importance to ensuring our continued success.

The merged UP/SP system will provide expedited service for our traffic between the Midwest and Texas. UP/SP will offer more reliable intermodal service between Chicago and Houston and Dallas as a result of terminal coordination, alternate routes, and the ability to build run-through trains.

A number of our moves are eastbound from California. Service between California and the Midwest will be greatly improved as a result of UP/SP's plan to concentrate time-sensitive intermodal traffic on SP's Southern Corridor, while slower traffic is routed on the Central Corridor. In addition, access to both SP's Los Angeles Intermodal terminal and UP's state of the art Chicago area terminals will give the system greater flexibility and improve service. Our westbound service from Chicago will also be enhanced. UP/SP plans to offer new third morning intermodal service to Northern California and improved service to Southern California.

We also expect to see improvement in service to the other gateways because of terminal renovations. We understand that UP/SP plan to upgrade intermodal terminals in Kansas City and St. Louis and to utilize a new terminal facility in West Memphis.

The UP/SP system has announced an exciting new single-line route along the West Coast's I-5 corridor. The use of UP and SP routes will allow UP/SP to offer the first truck-competitive single-line route along this important lane. We anticipate that the merger will enable us to expand our intermodal business along the West Coast. In addition, the I-5 corridor traffic will be able to connect to a new, expedited single-line route along SP's Southern Corridor to Texas. UP/SP plans to upgrade the Southern Corridor. This vast new single-line route will provide us with the flexibility to serve our customer's transportation needs completely.

UP, SP and BN/SF have entered into an agreement that will give BN/SF trackage rights in important corridors, ensuring long-term competition for intermodal services. For example, BN/SF will be able to provide new single-line service between New Orleans and Houston and Los Angeles. BN/SF will also gain a more direct route between Houston and Chicago.

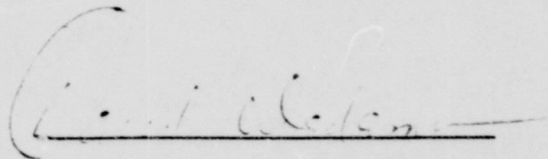
Improved intermodal service and enhanced capacity will make rail transport more attractive. Sustained, quality intermodal service will ensure that we are able to maintain our current customer base and generate more customers for our transportation services.

We view vigorous rail competition as an important component of our continued growth and success. The merger of UP and SP will provide this competition, and we urge the Interstate Commerce Commission to approve the merger application.



**VERIFICATION**

I, David Wedaman, 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 30, 1995.

A handwritten signature in dark ink, appearing to read "David Wedaman", is written over a horizontal line.

David Wedaman

# *Martrans International*

2819 22nd Street  
Wyandotte, MI 48192  
(313) 282-1960

## VERIFIED STATEMENT OF

JOHN J. DI CERBO

ON BEHALF OF

MARTRANS INTERNATIONAL

My name is John Di Cerbo, Manager of Traffic Services for MARTRANS INTERNATIONAL. I have over thirty years of varied transportation experience in all phases of transportation:

SUPPLEMENTAL AIR CARRIER  
OCEAN SHIPPING OPERATIONS  
GENERAL PUBLIC WAREHOUSING  
INTRA/INTERSTATE TRUCKING  
MARINE TERMINAL OPERATIONS  
COFC TERMINAL OPERATIONS  
RAIL TRUCK/TRUCK RAIL AND  
DIRECT RAIL OPERATIONS FOR  
STEEL PRODUCTS FOR 10 YEARS

The above experience was in either supervisory, management and/or ownership positions.

Our company currently provides consulting services for a number of major steel shippers (not suppliers) between points in the United States, between the United States and Canada and between the United States and Mexico. In addition steel movements in containers in domestic and overseas movements.

Major domestic points are between mid-west steel mills and the western United States.

Monthly railcar volumes by rail exceed fifty (50) and by container twenty-five (25).

Our company strongly supports the application for merger of the Southern Pacific and the Union Pacific. This single line service would strongly enhance the Laredo/Brownsville capability of moving increased tonnages utilizing Union Pacific equipment that is being returned empty in a northerly direction as opposed loaded to the west. By opening this western corridor to the Union Pacific delays that are currently being experienced would be eliminated and with greater utilization of equipment (CONRAIL EXCEPTED), rates would be reduced.

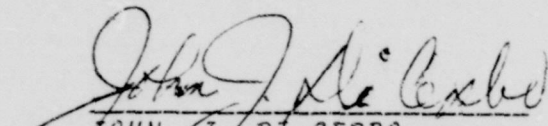
VERIFIED STATEMENT OF JOHN J. DI CERBO Cont'd

The competitive challenge that the recently merged BNSF brings to the west will be greatly expanded on the basis of additional rights-of-way that have been negotiated if the UP/SP merger is approved.

The single line UP/SP service would not only provide for a rate reduction on the basis of competition, much more important is the increased service capability that a combined operation naturally affords. Consolidation is a natural phenomenon that equates itself to a single factor: utilization. Increased utilization of their combined resources will increase productivity, reduce costs and improve service.

It is respectfully requested that this matter be given the very same expedient consideration as that extended to the BN/SF application and hopefully achieving the same end result.

I, John J. Di Cerbo, 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.

  
JOHN. J. DI CERBO  
Manager, Traffic Services

EXECUTED ON OCTOBER 12, 1995



Douglas Aircraft Company

**VERIFIED STATEMENT  
OF  
SHAWN MESHKIN  
MC DONNELL DOUGLAS**

I, Shawn Meshkin, Sr. Traffic Specialist, have been in the employ of McDonnell Douglas for the past 11 years. McDonnell Douglas manufacturers commercial airplanes and our plant is located at 3855 Lakewood Blvd., Long Beach, California.

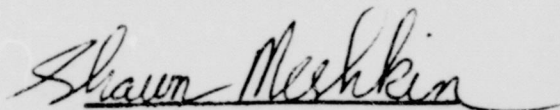
McDonnell Douglas is an assembly plant and is dependent on consistent on time service, or the lines will be shut down. We receive airplane parts from various points in Canada and the Midwest by carload and trailer load for the production of planes, therefore, we are familiar with manifest and intermodal schedules. The Long Beach facility is served by the Union Pacific Railroad, however, we do receive some products that originate on the ATSF.

I strongly support the proposed merger of Southern Pacific and Union Pacific. We believe that this merger is not only appropriate but that it is clearly necessary in order to maintain rail competition in the western states. I feel that with the operating rights granted by the UP/SP to the BN/ATSF in a recent agreement will certainly strengthen competition between two financially strong railroads.

I Believe that this merger is pro-competitive and will result in the creation of a more efficient routing and improved service to and from the west coast. I support this application to merge and urge the Commission to do likewise.

**VERIFICATION**

I, Shawn Meshkin, declare under penalty of perjury, that the foregoing is true and correct except as to those matters stated as being based on my information and belief and those I believe to be true and correct. Executed on 10-17-1995, 1995.





Mercedes-Benz

**Mercedes-Benz  
México, S.A. de C.V.**

**OCTOBER 19, 1995**

**VERIFIED STATEMENT  
OF  
ARTURO GOMEZ AND NATHAN KREIMERMAN  
ON BEHALF OF  
MERCEDES BENZ MEXICO S.A. DE C.V.**

MY NAME IS ARTURO GOMEZ; I AM TRAFFIC MANAGER AT MERCEDES BENZ MEXICO S.A. DE C.V. I HAVE HELD THIS POSITION FOR FIFTEEN YEARS.

MY NAME IS NATHAN KREIMERMAN; I AM PURCHASING MANAGER AT MERCEDES BENZ S. A. DE C.V. I HAVE HELD THIS POSITION FOR FIVE YEARS.

WE MAY BE REACHED AT:

MERCEDES BENZ MEXICO S.A. DE C.V.  
CARRETERA LA MARQUESA A TENANGO,  
STGO. TIANGUISTENCO  
EDO. DE MEX. MEXICO C.P. 52600  
MEXICO

AS PURCHASING AND TRAFFIC MANAGERS WE HOLD THE RESPONSIBILITY OF PURCHASING THE DOMESTIC AND INTERNATIONAL TRANSPORTATION SERVICES REQUIRED BY MERCEDES BENZ MEXICO AND OF CONTROLLING THE TRAFFIC OF GOODS TRANSPORTED BY THESE SERVICES.

MERCEDES BENZ MEXICO IS A CAR AND TRUCK ASSEMBLY PLANT IN MEXICO FOR THE MERCEDES BENZ TRADE MARK OF MOTOR VEHICLES.

WE CURRENTLY UTILIZE RAIL TRANSPORTATION EXCLUSIVELY FOR PIGGYBACKS COMING TO MEXICO FROM PORTLAND, OR. THIS TRAFFIC IS GROUNDED AT THE PORT LAREDO TERMINAL OF UNION PACIFIC AND TRUCKED INTO MEXICO. WE DO NOT USE RAILROAD SERVICES IN MEXICO. WE ARE CONSIDERING USING RAILROAD TO TRANSPORT PARTS FROM MEXICO TO PORTLAND, OR., AND TO CHARLOTTE, SC. EITHER IN PIGGYBACK, TRUCKING FROM ORIGIN IN MEXICO TO PORT LAREDO, AND REVERSING THE ALREADY DESCRIBED PROCESS, OR BY RAIL FROM ORIGIN IN MEXICO. ALL OUR OTHER NEEDS ARE COVERED BY TRUCK AND BY SHIP.

THE PROPOSED UNION PACIFIC AND SOUTHERN PACIFIC RAILROADS MERGER IS SEEN BY US AS BENEFICIAL TO BETTER SATISFY OUR TRANSPORTATION NEEDS. WE SUPPORT ANY APPLICATION THAT THESE MENTIONED RAILROADS MAY SUBMIT TOWARDS ACHIEVING THIS MERGER.

MERCEDES BENZ MEXICO WILL OBTAIN THROUGH THIS MERGER A SIGNIFICANTLY BETTER ROUTING THAN THE ONE IT IS USING FROM PORTLAND TO LAREDO VIA KANSAS CITY, BY TAKING ADVANTAGE OF THE MERGED SYSTEM'S TRACKAGE RIGHTS TO ESTABLISH SHORTER AND MORE EFFICIENT ROUTES, WHICH IN OUR CASE WOULD BE BETWEEN FORT WORTH AND DENVER, SHORTCUTTING THE EXISTING KANSAS CITY ROUTING.



Mercedes-Benz

**Mercedes-Benz  
México, S.A. de C.V.**

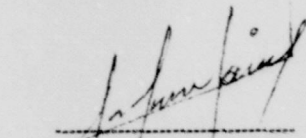
THIS WOULD PROVIDE SUBSTANTIAL REDUCTIONS TO OUR TRANSIT TIMES, IN TURN REDUCING OUR INVENTORY IN TRANSIT AND SIMPLIFYING OUR TRANSPORTATION LOGISTICS.

WE WILL ALSO BE ABLE IF NECESSARY TO HAVE OUR PRODUCTS ROUTED ON THE SP'S SOUTHERN ROUTE. WE HAVE PURPOSELY AVOIDED THE USE OF SP SERVICES IN THE PAST IN FAVOR OF UP'S WHICH WE CONSIDER SERVE BETTER THE NEEDS OF MERCEDES BENZ MEXICO.

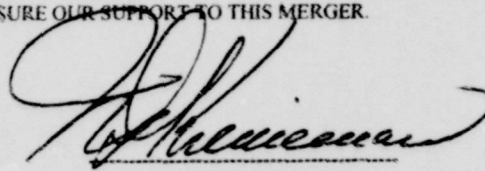
WE SEE AS WELL OTHER OPPORTUNITIES OF POTENTIAL FUTURE BENEFITS FOR MERCEDES BENZ MEXICO, AS: BRINGING MOST OF THE RAIL CONNECTIONS INTO MEXICO TO OPERATE UNDER UP STANDARDS WHICH WE CONSIDER MORE EFFECTIVE. THE MERGING OF RAIL TRAFFIC VOLUMES WILL PROVIDE OPPORTUNITIES FOR TRANSPORTATION EFFICIENCIES IN KEY CORRIDORS WHICH WILL ENHANCE THE COMPETITION BETWEEN THE RAILROADS CONNECTING INTO MEXICO IN BENEFIT OF THE RAILROADS USERS, MERCEDES BENZ INCLUDED.

WE EXPECT THAT THE AGREEMENT UP AND SP HAVE REACHED WITH THE BN/SF WILL PRESERVE AND INCREASE COMPETITION FOR OUR BUSINESS. WE UNDERSTAND THAT BN/SANTA FE WILL HAVE ACCESS TO EAGLE PASS AND BROWNSVILLE AND ALSO TO THE LAREDO GATEWAY THROUGH INTERCHANGE WITH THE TEXAS MEXICAN RAILWAY AT CORPUS CHRISTI. THIS WILL PROVIDE A GOOD COMPETITIVE ALTERNATIVE FOR SHIPPERS LIKE MERCEDES BENZ.

FOR THE ABOVE EXPOSED AND GIVING THE POSSIBILITY UNDER THE MERGER TO HAVE A MUCH LARGER RAILROAD THAN THE ACTUAL UP PROVIDING HIGH QUALITY RAILROAD TRANSPORTATION SERVICES THAT WOULD BE IMPOSSIBLE WITHOUT THE MEXICAN RAILROADS, WE REASSURE OUR SUPPORT TO THIS MERGER.

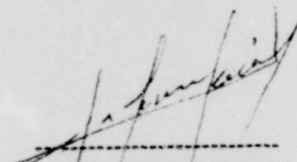
  
ARTURO GOMEZ

MERCEDES BENZ MEXICO, S.A. DE C.V.  
TRAFFIC DEPARTMENT

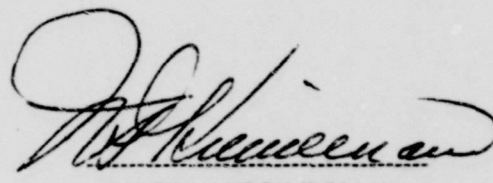
  
NATHAN KREIMERMAN

MERCEDES BENZ MEXICO, S.A. DE C.V.  
PURCHASING DEPARTMENT

WE ARTURO GOMEZ AND NATHAN KREIMERMAN DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER, WE CERTIFY THAT WE ARE QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED ON OCTOBER 19, 1995.

  
ARTURO GOMEZ

MERCEDES BENZ MEXICO, S.A. DE C.V.  
TRAFFIC DEPARTMENT

  
NATHAN KREIMERMAN

MERCEDES BENZ MEXICO, S.A. DE C.V.  
PURCHASING DEPARTMENT





# Mid-South Seeds, Inc.

POST OFFICE BOX 5960, #2 OAKLEY DRIVE  
NORTH LITTLE ROCK, ARKANSAS 72119  
TELEPHONE 501-945-1474

VERIFIED STATEMENT  
OF  
Herbert Clements  
on behalf of  
Mid-South Seeds, Inc.

RE: FINANCE DOCKET NO. 32760

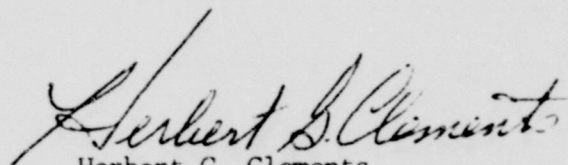
My name is Herbert Clements. I am Secretary-Treasurer of Mid-South Seeds, Inc. Our address is P. O. Box 5960, North Little Rock, Arkansas 72119. We have been located in North Little Rock since 1953 and are served by the Southern Pacific Railroad. I have been associated with Mid-South Seeds for the last 21 years, and part of my duties includes handling the transportation and routing of our inbound rail cars of seeds, primarily from the Pacific Northwest.

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 which would not be in the best interest of the shippers who are dependent upon the Southern Pacific.

We understand that Southern Pacific and Union Pacific are requesting authority to merge. As a shipper dependent on SP service, we welcome this merger as a means of ensuring that we receive top-quality rail service from a financially sound carrier with single-line access to numerous points, especially UP and SP points in the Pacific Northwest.

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

I, Herbert G. Clements, 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

  
Herbert G. Clements  
Secretary-Treasurer



1073 CHANNEL AVE. P.O. BOX 13286 MEMPHIS, TN 38113 901-775-0500

**BEFORE THE  
INTERSTATE COMMERCE COMMISSION**

**FINANCE DOCKET NO. 32760**

**UNION PACIFIC RAILROAD COMPANY  
CONTROL AND MERGER  
SOUTHERN PACIFIC TRANSPORTATION COMPANY**

**VERIFIED STATEMENT  
OF  
EDWARD T. DANIEL  
on behalf of  
MID-SOUTH Terminal Company**

My name is Edward T. Daniel. I am Vice President of MID-SOUTH Terminal Company, Pine Bluff Division. Our address is 4113 Emmett Sanders Road in Pine Bluff, AR 71601. My telephone number is (501) 535-6480. My fax number is (501) 535-2558. I have been employed here by MID-SOUTH or its predecessors for 20 years and have been involved in various degrees with the logistics of inbound and outbound freight during that entire time. I am currently exposed to multiple facets of rail and truck and barge issues including freight rates, equipment quality and supply, and service.

MID-SOUTH Terminal is a public warehousing company with facilities in six locations in Arkansas & Tennessee. All of our facilities have access to either the UP or the SP and we also serve the river ports in Ft. Smith, Helena, W. Memphis, Osceola, and Pine Bluff, AR, and Memphis, TN. We handle everything from scrap paper and finished paper to wood pellets, kitty litter, coil steel, and grain on a for hire basis. Our success as a public warehouse often hinges on transportation issues. Transportation costs make or break our ability to compete in certain destination markets or source from certain origins. Reliable, consistent switching and transit service allows us to plan our inbound and outbound movements to meet specific requirements of our customers. We have many years of experience dealing with shortcomings of Southern Pacific's rail service in Pine Bluff, but have continued to use them due to the markets they serve and the limited options we have had.

We strongly support the merger between the Union Pacific and the Southern Pacific. The combination of SP's commercial and route network strengths with the UP's stronger service will deliver tremendous benefits to Mid-South Terminals. We are very aware of and supportive of announced agreement between the UP and the BN to resolve competitive concerns that would have otherwise resulted from the UP/SP merger for customers that currently have had two carriers (e.g., UP & SP) and would have gone to only one carrier (UP) as a result of the merger without the benefit of the UP-BN agreement. Under this proposed plan, we can look forward to having two very viable and competitive rail suppliers in the Arkansas area. We applaud the UP for having had the foresight and sensitivity to the needs of the shipping public relative to the need to keep competition in the west alive and well.



**AMERICAN COMMERCIAL  
MARINE SERVICE COMPANY**

**A PARTNERSHIP OF**

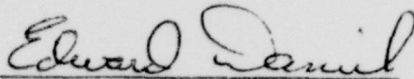


*Verified statement of Edward T. Daniel (Continued)*

We would be concerned about the long-term viability of the Southern Pacific if not granted the protection of the proposed merger. The newly combined BN/SF system and the always competitive Union Pacific will be too forceful for the weaker SP to withstand. The SP's financial stability has been dubious for over a decade, and its woes would only increase once the BN/SF starts realizing some of the competitive benefits of its new combination. The Southern Pacific is an extremely important supplier of rail services to us and further erosion of its ability to compete or even survive would cause significant exposure to Mid-South's ability to run a competitive service. A UP/SP merger addresses these concerns to our satisfaction.

We strongly urge that this merger be expeditiously approved by the Interstate Commerce Commission or its successor so that we may begin realizing some of the tremendous potential benefits that will result from the combination.

I, Edward T. Daniel, 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.



Edward T. Daniel  
Vice President  
Mid-South Terminal Company

Date 10-13-95

mdm/mm



# MID-STATE POTATO DISTRIBUTORS, INC.

4302 AIRPORT ROAD  
PLANT CITY, FLORIDA 33567

## VERIFIED STATEMENT

of

Fredrick A. McIsaac

On Behalf Of

Mid-State Potato Distributors, Inc.

My name is Frederick A. McIsaac and I am Vice President of Mid-State Potato Distributors, Inc., located at 902 South Alexander Street in Plant City, Florida 33566. I have worked in the produce business for a total of 23 years. I served as produce buyer for the Irving Acres Company in Presque Isle, Maine for 13 years. I have been in my present position with Mid-State for the last ten years. My primary responsibility at Mid-State is purchasing fresh potatoes, based on their cost and quality. I also am responsible for purchasing the transportation of the potatoes, based on the cost and transit time required.

Our company provides three basic services for a major Florida grocery chain, the first being purchasing the potatoes. The second is the sorting, grading and bagging of the potatoes, based on size and quality. The third is the delivery of the potatoes to the ultimate grocery store destination warehouse.

Mid-State purchases the potatoes from three main sources; Idaho, Colorado & California. The Idaho potatoes move primarily via the Union Pacific R.R. The Colorado product moves via truck due to a lack of rail service at the producing points. The California potatoes move primarily via truck ( from SP served origins ) because SP has an inadequate supply of working refrigerated rail equipment and because the transit time is so slow we are prevented from using rail most of the year. At certain times of the year, the Union Pacific has been able to supply the SP with reefer cars which we use to receive potatoes from the SP origins in California , but this is only for a couple of months of each year. The cars are routed via the SP - STOCKTON - UP - KANSAS CITY - MP - E. ST. LOUIS - CSXT. This is a very circuitous route which provides a marginally acceptable transit time.

We at Mid-State support the merger of the Union Pacific and Southern Pacific for two main reasons. First, this merger will result in a combined refrigerated fleet which will be the best in the nation. Because of the Union Pacific's strong financial position, we anticipate that the Southern Pacific's refrigerated fleet will be upgraded, insuring us of a steady flow of mechanically sound equipment. Once the merger is complete, the new Union Pacific system will be able to provide more cars and single-line service from central California to the New Orleans interchange for the CSXT. This is a shorter and more efficient route to Florida which will result in cost savings for the railroads and ultimately result in controlling costs for Mid-State Potato. In addition, we will also have access to new single-line service from Stockton to New Orleans on the BN/SF as a result of the recent UP/SP agreement with BN/SF which will grant the BN/SF trackage rights and the rights to purchase parts of the SP's line between Houston and New Orleans.

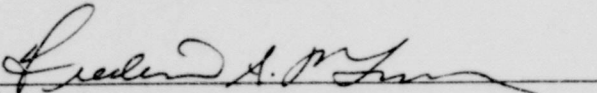
The second reason we support this merger centers on the Colorado potato producing region. The enlarged reefer fleet and new single-line service will provide the railroads with the potential to reach into this growing region. The merger also creates the potential for construction of truck/rail transloading facilities in Colorado. Such facilities would enable us to receive shipments by rail from Colorado instead of by truck. This shift would provide more revenue for the railroads and would result in significant savings for our annual transportation budget.

In view of the BN/SF merger and subsequent trackage rights agreement with UP/SP, we believe that two strong railroads in the West will insure long-term rail competition. The current rail situation -- BN/SF, UP, and SP as a third weak competitor -- simply cannot provide the sustained competition necessary to insure long-term quality service in the West. The merger of UP/SP will actually result in stronger competition, not less.

In closing, we strongly support the merger of the two railroads. We feel that the merger will insure the long-term stability of the rail industry in the western U.S., offer a strong competitive environment for the new BN/ATSF, and ultimately result in controlled transportation costs for Mid-State Potato.

I, Frederick A. McIsaac, 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

200 Industrial Parkway  
Branchburg, NJ 08876  
(908) 725-4900

181 Pringle Street  
Kingston, PA 18704  
(717) 287-4051

Kings Hwy & State School Rd.  
Warwick, NY 10990  
(914) 986-9090



**Verified Statement  
of  
GEORGE BILDERBACK  
on behalf of  
MIDSTATE LUMBER CORPORATION**

My name is George Bilderback, and I am the Purchasing Manager - Lumber, for Midstate Lumber Corporation. My address is 200 Industrial Parkway, Branchburg, New Jersey 08876. My telephone number is (908) 725-4900. I have been involved in the transportation industry since 1957. I began my career in Oregon working with lumber mills while in school. I held positions in lumber manufacturing for ten years, and worked with Weyerhaeuser as sales manager for several years. My responsibility at Midstate Lumber is to maintain the flow of products to meet our customers' needs. I am responsible for selecting mills, choosing quality, supervising pricing, arranging transportation, and all other aspects of purchasing for all wood products.

Midstate Lumber is a wholesale lumber distributor. We sell to retail lumber dealers only. We have three warehouse locations, all of them served by Conrail: Northbranch, New Jersey; Warwick, New York; and Kingston, Pennsylvania. Approximately 95% of our products come from suppliers on the West Coast, from mills in Oregon, California, Washington, Idaho, Montana, and Canada. We transport a majority (85%) of our products by rail from the West Coast. The major gateways utilized in transportation are Chicago and St. Louis, where connections are made to Conrail for delivery to our facilities. We ship between 500 and 700 carloads annually.

We were very excited to learn of the proposed merger between Union Pacific and Southern Pacific, and strongly support its approval. We urge the Commission to act expeditiously so that we can begin to profit from the improved service that we expect the merged UP/SP to provide.

We look forward to two major benefits from the merger: improved service, and reduced transit time. We are well aware of UP's reputation for service, and expect that UP will set the



standard for the combined UP/SP. SP's service is terrible. In January 1995, we stopped shipping on SP and transferred all of our business to BN-SF. Our business is very time sensitive and requires efficient service. SP was unable to provide adequate service. Shipments were delayed at the interchange at Eugene, Oregon between SP and CORP, further delayed on the I-5 Corridor, and at SP terminals in Kansas City, St. Louis, and Chicago. We complained to SP representatives in Denver and in California, but were unable to get responsive service. We finally concluded that SP was incapable of providing the service we require, and out of necessity to preserve our own business, had to stop shipping on SP. This was unfortunate, since many of the mills located on SP lines produce superior wood products which we prefer. Today, we purchase from mills located on the BN-SF, or transload wood from SP mills to BN-SF, and then ship by rail. We also use trucks or piggybacks for some shipments.

We expect the merged UP/SP to provide better service. UP/SP will have more efficient routes and greater capacity to handle traffic over different routes. UP/SP will have more efficient and direct Central Corridor service to Chicago over the SP-UP-CNW Central Corridor route. This will avoid the congested situation at Kansas City. UP/SP will be able to reorient traffic at Salt Lake City and Ogden, Utah, to further improve service on the Central Corridor. UP/SP will also be able to route traffic on UP's line through Idaho, to the Central Corridor, avoiding the I-5 Corridor. In addition, for traffic that must move down the I-5 to connect to the Central Corridor, UP/SP will offer improved single line service. As a result of the settlement with BN/SF, UP/SP will be able to relocate traffic and equipment on the West Coast using its trackage rights between Chemult and Bend, Oregon. Overall, there are myriad of ways that we expect UP/SP to utilize the system more efficiently to reduce transit times and provide more reliable service.

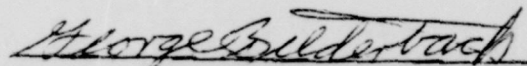
UP/SP will also be able to coordinate and improve the terminals at the gateways of Chicago

and St. Louis to improve connections with Conrail and minimize delays at the interchange. Since our traffic is very time sensitive, improved terminal operations are very beneficial.

As a result of the settlement with BN/SF, UP/SP will have pricing authority for shipments from BN points in Montana, west of Billings. This will provide us with new options for shipments from those mills, in competition with BN/SF.

Midstate Lumber requires quality service that responds to our needs and provides timely delivery. I have worked with SP for transportation of wood products for the majority of my career, but it has become increasingly obvious that SP is unable to provide quality service, or even competitive service. SP has valuable routes and access to important suppliers. The merger of SP with UP, which has the financial resources necessary to upgrade infrastructure, and an excellent reputation for reliable, timely service, will help assure continued, quality service to SP served mills. We strongly support the merger and look forward to UP/SP meeting our needs for timely delivery of wood products, so that we can, in turn, provide the quality of service our customers expect and deserve.

I, George Bilderback, 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.

  
George Bilderback



**VERIFIED STATEMENT  
of  
WILLIAM P. ROMAN  
on behalf of  
MILLER AND COMPANY**

My name is William P. Roman. I am Manager of Transportation/Distribution for Miller and Company of Rosemont, Illinois. I have held this position for twelve years. I manage all inbound and outbound transportation for the company. We ship via water, rail, motor, air and TOFC/COFC. We import, export and ship domestically.

Miller and Company sells and distributes raw materials to the Steel and Foundry Industry. These materials include pig iron, ferro alloys, silicon carbide grain and bricks, and calcined petroleum coke. We own a facility located in Birmingham, Alabama and also ship from facilities located in Chicago, Illinois and Burnside, Louisiana. We ship approximately 125 carloads per year over the SP system. Traffic from Burnside moves to Spanish Fork, Utah via IC/SP over E. St. Louis. Traffic from Chicago moves to Oakland and Southgate, California via UP/SP joint line service. Traffic from Birmingham moves to Provo, Utah via NS/SP over Memphis.

We support the proposed merger of UP and SP. Dependable, predictable, and efficient service is of particular importance to a shipper in our business as it helps us to plan and meet an efficient distribution schedule. The combination of the financially sound and service conscious UP with the SP system will result in important service improvements of benefit to us. More efficient routes, elimination of congestion, reduction in intermediate handling and the extension of single line service territory will enable UPSP to reduce transit time and establish and meet reliable schedules.

For example, our movements from Chicago to Oakland and Southgate will become single line. This traffic will traverse more efficient routes and together with the elimination of interchange and intermediate handling, the result will be reduced transit time, reduced loss and damage, and more dependable service.

Moreover, as a result of this improved service, equipment turnaround and placement will be improved. The combination of the two fleets and efficient, joint management will result in an improved equipment supply for the movement of our business. These efficiencies benefit shippers through improved service and lower rates.

We see strong reasons for the Commission to authorize the proposed merger. It 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 in the West for the long term. We urge the Commission to grant quick approval to this merger.



I, William P. Roman, 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 11th day of October, 1995.

William P. Roman  
WILLIAM P. ROMAN

KENNETH W. ADAMS

Senior vice president operations

VERIFIED STATEMENT  
OF  
KENNETH ADAMS  
on behalf of  
MILWAUKEE JOURNAL SENTINEL

My name is Kenneth Adams. I am the Senior Vice President of Printing Operations for the Milwaukee Journal Sentinel newspaper and have 40 years of experience in the newspaper field. My responsibilities include coordinating the inbound shipment of newsprint to our Milwaukee facility and warehouses throughout the state of Wisconsin.

Our facilities currently receive 65,000 to 70,000 metric tons of newsprint each year. In Milwaukee, we receive newsprint from suppliers in the Canadian provinces of Quebec, Ontario and Alberta and from the state of Alabama. Shipments from Quebec and Ontario are routed on the Canadian National Railroad to Chicago and then are handled by the Union Pacific to Milwaukee. Newsprint originating in Alberta moves via the Canadian National to Duluth where it interchanges with the UP and is transported (over the former CNW line) to Milwaukee.

The Milwaukee Journal Sentinel supports the proposed Union Pacific/Southern Pacific merger application, Finance Docket No. 32760, because it will provide us with new single-line access to newsprint suppliers at SP origins throughout the west.

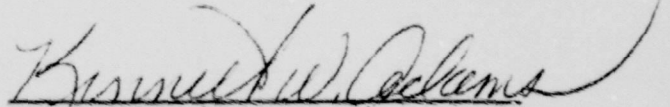
The merged system will permit us to draw on newsprint sources at SP origins that currently are not viable alternatives. In particular, after the merger we will have access to newsprint suppliers in the Pacific Northwest at Newburg, OR, and the following three locations in the Seattle/Tacoma areas: Longview, WA, Steilacoom, WA, and Usk, WA. We will also be better positioned to draw on suppliers in British Columbia.

Finally, we anticipate developing a relationship with a newsprint distributor in Snowflake, AZ. Newsprint could either be trucked to SP points or shipped from distributors directly served by SP. These shipments would be handled by the merged UP/SP system on a single-line basis to Milwaukee.

We believe that the merger will mean more efficient routes and improved transit times from potential new suppliers. In conclusion, we endorse the UP/SP application.

VERIFICATION

I, Kenneth 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 on October 17, 1995.

  
Kenneth Adams



**VERIFIED STATEMENT**

OF

**KATY BREMER**

ON BEHALF OF MITSUBISHI MOTOR SALES OF AMERICA

6400 KATELLA AVENUE  
CYPRESS, CALIFORNIA 90630-5208  
(714) 372-6000 (310) 493-1235  
TELEFAX (714) 373-1020  
TELEX 683453

MAILING ADDRESS:  
P.O. BOX 6400  
CYPRESS, CALIFORNIA 90630-0064

My name is Katy Bremer. I have been with Mitsubishi Motor Sales of America since our inception into the U.S. market in 1981. I am the Director, Corporate Logistics, and have been authorized on behalf of Mitsubishi to express our support for the pending Union Pacific/Southern Pacific merger. Mitsubishi has been a long-term partner with the Union Pacific Railroad, which was instrumental in the original creation of our logistical network. We also work very closely with the Southern Pacific Railroad, and the two railroads are the primary western railroads in our distribution of finished vehicles.

Mitsubishi Motor Sales of America (MMSA), located at 6400 Katella Avenue in Cypress, CA, is the American marketing and distribution arm of Mitsubishi Motor Corporation (MMC) based in Japan. Mitsubishi will sell approximately 240,000 vehicles in the United States in model year 1996. My responsibilities as Director include deciding among the carriers and routings for all Mitsubishi-produced automobiles to U.S. dealerships. Mitsubishi's vehicles are both imported from Japan and produced domestically in Normal, Illinois. We import automobiles into four ports - Tacoma, WA; Port Hueneme, CA; Baltimore, MD; and Brunswick GA. From the port of Tacoma, which handles in excess of 30% of our import volume, about 75% of these automobiles



are shipped inland to rail-served regional distribution centers located throughout the United States. We ship about 75% of our domestically produced autos from Normal, IL to the same distribution centers, and about 50% of our resale units are shipped via rail. As a result, we are a large consumer of rail transportation, shipping 12,000 carloads in 1994, and about the same number projected for 1995.

Since Mitsubishi currently utilizes the services of Union Pacific and Southern Pacific exclusively in the West, we welcome the merger as a means of ensuring that we receive top-quality rail service from a financially sound carrier. We believe that service would be significantly enhanced through the combined efforts of UP and SP working together as a single rail system. Mitsubishi could benefit from significant new single line services for autos that we currently import through Tacoma, by shipping to destinations on SP in Arizona, Nevada and Utah. In addition, a combination of both carriers' routes between Kansas City and California would allow for reduced mileage and faster and more reliable service to Northern and Southern California markets for our domestically produced automobiles.

More generally, by utilizing the strengths of the two rail systems, Mitsubishi would enjoy better transit performance by allowing auto network trains to be routed on the most efficient combined routes of both carriers, bypassing potential chokepoints and spending less time in terminals. In addition, route specialization where both carriers have existing routes between key points will allow our auto network traffic to move expeditiously in corridors that are currently at capacity or suffer degraded service as a result of

interference with slower manifest traffic. These benefits will be of great value to us at Mitsubishi as we strive to improve the quality of the services we offer to our Regional offices and local Dealerships.

Also, by being able to utilize the locomotive fleets of both railroads as one, the combined system should significantly reduce the number of times auto network trains carrying Mitsubishi automobiles are delayed for power, which occurs today on both the UP and SP - thus improving transit performance on the railroad and reducing the time needed to deliver an automobile to a prospective Dealer.

In addition, we believe that availability of empty multi-level equipment will be improved for Mitsubishi and the auto industry as a whole as a result of the operating efficiencies gained by a UP/SP rail system operating as one. This has been a critical issue in time of high demand for vehicles being produced at our Normal, Ill. facility. By utilizing the reduced cycle times that would result from operating as one rail system, empty multi-level availability at Normal, IL would be enhanced. This would also allow Union Pacific to free up capital to be spent in other areas of critical need by allowing for a reduction in the amount of monies needed for investment to support equipment.

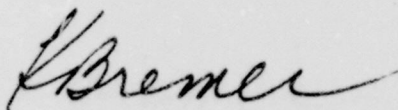
Perhaps more importantly, the transaction is needed to let UP and SP keep pace with the heightened competition from the new BN/Santa Fe system. We believed that we had developed the most efficient automobile distribution network as possible by working with the Union Pacific and Southern Pacific as separate entities. In light of recent rail industry



developments, the BN/Santa Fe would be twice the size of UP or the SP, which could have an impact on the ability of these railroads to compete individually. Combining UP and SP will create a rail system that is fully equal to the BN/Santa Fe and allow Mitsubishi to enhance the current distribution network in place. Although a UP/SP merger will reduce the number of rail alternatives available to Mitsubishi from three to two in many of the major corridors in which we ship, in fact having two highly efficient and strong competitions - BN/Santa Fe and UP/SP - will be preferable to the current situation.

For reasons stated above, Mitsubishi believes that the proposed merger will provide significant benefits to us and we urge approval of the application.

I, Katy Bremer, declare under penalty of perjury that the foregoing is true and correct. I further certify that I am qualified and authorized to file this statement. Executed on October 17, 1995.

  
Katy Bremer

1198 Hwy. 39  
Blackfoot, Idaho 83221



Telephone  
(208) 684-4436

**Verified Statement**

**of**

**L. Ray Carlson  
on behalf of  
Modern Mills Rockford, Inc.**

I'm Ray Carlson, General Manager of Modern Mills Rockford, Inc., located at 1198 West Highway 39, Blackfoot, Idaho. I've been General Manager at Modern Mills for 15 years. My education is in marketing from Idaho State University. Prior to my employment at Modern Mills, I operated a men's and woman's clothing store for 15 years.

Modern Mills is a grain marketing company. We handled over 4.5 to 5.0 million bushels of wheat annually of which 90% is shipped on the Union Pacific railroad. We also manufacture and market certified wheat, barley, and oat seed. In addition, we have a feed mill that manufactures feed for livestock. No other railroad services our area.

Ninety percent of the wheat shipped goes to Portland for export. We also ship to various destinations in California on the UP and the SP. Some years our wheat finds its way to the eastern mills around Chicago and south to Mexico.

We understand that the Union Pacific are requesting authority to merge with Southern Pacific. We strongly support this as a means of improving service.

We feel that this merger would be of a benefit to ours and other companies that depend on the railroad for transportation. Our company used to ship barley into the California markets but have not been able to be competitive in this market for the last 8 - 10 years. This merger could reopen many barley and wheat markets in California, and benefit our company and growers in our area by providing single-line service to SP-served destinations in California. We could also have the opportunity to market more wheat to our Mexican neighbors because the UP-SP will provide service to more Mexican gateways.

With approval of the application, UP will be able to better serve our industry with better utilization of covered hopper cars, and locomotive power.

We believe that the proposed merger will provide significant benefits to shippers. Modern Mills supports the application.

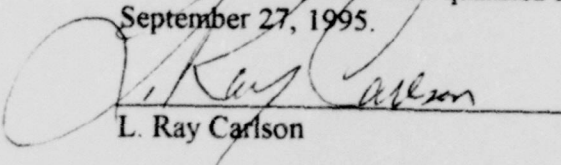
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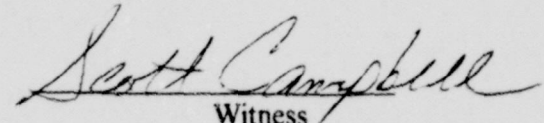
**OCT 16 1995**

**BOISE SERVICE UNIT**

VERIFICATION

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

  
L. Ray Carlson

  
Witness



The Morning Star Packing Company  
P. O. Box 2238  
Los Banos, CA 93635  
Phone 209 827-7804 Fax 209 826-8266

10/17/95

**Verified Statement  
Of  
Jerry Shaw  
On Behalf Of  
The Morning Star Packing Company**

My name is Jerry Shaw. I am employed by the Morning Star Packing Company located in Los Banos, California. I am responsible for the warehousing and shipping of Morning Star's finished product, tomato paste. Also, I am responsible for the receiving of supplies including box parts, bags, drums, and production and safety supplies. I have fifteen years experience in warehousing, shipping and receiving. I have been with Morning Star for the last five years.

Our company processes tomatoes into tomato paste for distribution throughout the United States. In 1994, we shipped 652 rail cars of tomato paste from our Los Banos, California plant to various destinations throughout the country. In the first eight months of this year, we shipped 400 cars from Los Banos. In August of this year, our newest facility, located in Williams, California, became operational. We anticipate the 1995 pack to be 180 million pounds at Los Banos and 160 million pounds at Williams. These figures represent an increase in our business over 1994 when the pack at Los Banos was 207 million pounds.

Reliable rail transportation is an essential element of our transportation needs. We wholeheartedly support the merger of Union Pacific and Southern Pacific. Our plants will directly benefit from the service improvements that will result from the merger of the financially strong and service conscious UP with the route structure and market reach of SP. The ability to route traffic over the most efficient routes, the reduction of congestion at terminals through improvements such as pre-blocking, which allows the bypass of intermediate terminals, and the expansion of single line service will enhance the service available to us in many positive respects. Congestion at the Roseville, California and Kansas City terminals has plagued our SP traffic for some time. The foregoing improvements together with the terminal improvements and consolidation at Kansas City should eliminate this congestion. Reduced transit time, minimized intermediate handling and efficient routing will result in more reliable and efficient schedules and service. This improved service and enhanced single line access should allow us to divert traffic which is now moving by truck to an ATSF transload facility back to rail direct, thus conserving valuable resources and reducing our costs.

Another area of importance to us is car supply and utilization. Although much of our traffic moves in box cars (bins), some of it must move with drums which require bulkhead doors. UP has a solid supply of these RBL cars and has been able to meet our needs at our facility in Yuba City. SP, on the other hand, cannot supply enough of these cars in a timely manner. The combination of the fleets of both railroads together with the service improvements and the merged company's enhanced ability to efficiently reposition equipment should resolve these equipment supply problems.

We urge the ICC to grant quick approval to this merger in order that these important benefits to the shipping public and our company can begin to be realized.

I, Jerry Shaw, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file the Verified Statement.

Executed on 10/17/95

Jerry Shaw  
Jerry Shaw



P.O. Box 3017, St. Louis, MO 63044

(314)770-9433 fax (314)770-9441

VERIFIED STATEMENT  
of  
WAYNE C. TIMEUS  
MTE, INC.

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

My name is Wayne C. Timeus. I am the President of MTE, Inc., P.O. Box 3017, Bridgeton, MO. I firmly endorse the merger of the Union Pacific and the Southern Pacific, as I believe it will significantly improve intermodal service in the United States.

MTE, Inc. is an intermodal transportation company offering truck, TOFC, ocean, and air freight service. We have annual revenue of \$7-10 million, with \$3-4 million coming from our rail intermodal traffic. Every year, MTE ships approximately 1500 units with Burlington Northern-Santa Fe, 700-800 units with UP, and smaller amounts with SP and Conrail. We ship throughout the U.S., Canada, and Mexico. Our main routes in the U.S. are Memphis-Oakland, St. Louis-Oakland, St. Louis-Los Angeles, and Kansas City-Pacific Northwest.

I have been in the transportation industry for 32 years. I was in sales and management at Norfolk-Southern for 25 years. As President of MTE, I oversee all aspects of the company from personnel to sales to operations.

I expect that the merger of the UP and the SP will lead to improvements in intermodal service along our most important routes. The merger will create shorter routes between many destinations. For example, UP-SP will save over 200 miles on our shipments between Memphis and Oakland by routing traffic on UP's line between Dallas and El Paso which connects to SP's Southern Corridor route. We also anticipate considerable mileage savings for our traffic between St. Louis and Northern and Southern California. We welcome these efficiencies, because shorter routes mean faster transit times for our shipments.

In addition to reduced mileage, a number of other improvements should reduce transit times for our traffic and make intermodal service more reliable. Plans to upgrade rail lines, such as UP's line between Dallas and El Paso and SP's Southern Corridor, will make service more reliable. Terminal improvements and coordination



of UP and SP intermodal terminals in Los Angeles will reduce drayage. The greater volume of intermodal shipments of the combined UP-SP will give the railroad the ability to run trains more frequently, increasing opportunities for run-through trains that should bypass terminal congestion. Also, UP-SP plans to concentrate intermodal traffic on the Southern Corridor and manifest traffic on the Central Corridor. This should permit faster, more efficient intermodal service from UP-SP.

We also anticipate greater equipment availability following the merger. The combination of UP's and SP's equipment fleets provides a larger, more flexible pool of locomotive power and railcars. Efficient repositioning of this equipment, taking advantage of the opportunities for triangulation and backhaul, should make more equipment available for companies like MTE, which rely on railroad-supplied equipment.

(MTE has had problems with the service on SP. Specifically, we have experienced traffic delays and shortages of locomotive power. We hope and expect that the merger of the UP and the SP will result in improved SP service. UP's financial and equipment resources should help to solve equipment shortages and permit capital investment to increase capacity and reduce congestion at SP facilities.)

I believe that the merger will increase competition in the intermodal market by creating a railroad that will be able to match the operating efficiencies and routing possibilities of BN-Santa Fe. Today, BN-Santa Fe is the clear leader in intermodal service between the Midwest and California. Following the merger, the UP-SP will be competing on an even footing with BN-Santa Fe to all our major destinations and will become a more attractive competitive alternative for us. I expect that the competition between two strong railroads will improve intermodal service.

I support the UP-SP merger and strongly urge that the proposal to merge be approved.

I, Wayne C. Timeus, 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.

*Wayne C. Timeus*

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  
Multi-Modal Technologies, Inc.

Submitted by:

J. Tucker Lamkin  
Vice President  
Multi-Modal Technologies, Inc.  
10015 Valley View Court  
Wexford, PA 15090

October 11, 1995

VERIFIED STATEMENT

OF

J. TUCKER LAMKIN

on behalf of

MULTI-MODAL TECHNOLOGIES, INC.

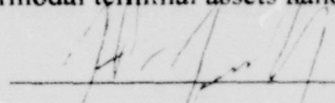
I am a Vice President, Secretary and Principal of the above referenced company. I have a broad background in rail transportation both in passenger and freight services. I have been directly involved in routing rail traffic for the past fifteen years in my various capacities. Prior to my involvement with Multi-Modal, I owned and operated an intermodal terminal in Newark, New Jersey, leased from the D&H bankruptcy court. In my current position I analyze various rail patterns including excess equipment, route efficiencies and intermodal terminal operations.

My company is involved in the shipment of industrial and hazardous waste products in various approved intermodal containers. Our containers move between truck, rail and barge modes of transportation with the containers normally transferring at rail intermodal terminals. The waste products we ship are to permitted disposal facilities throughout the continental US. We currently are focusing on radioactive waste and the two primary disposal facilities are located in Utah and eastern Washington. Our points of origin have recently been from intermodal terminals in Chicago or from eastern origins through Chicago terminals.

As a shipper utilizing private intermodal equipment, one of our primary concerns is the service times for our equipment. My company strongly supports the UP/SP merger as a means of ensuring a high quality service to points in the western US that are important to our business. Most of our equipment is transferred at intermodal terminals. A merger of these two railroads will provide us with an improved intermodal service by combining the best of each company's intermodal assets. Our key corridor for shipping is the Chicago to Salt Lake City route. The UP/SP merger will provide a third morning service between Chicago and Oakland. This will definitely enhance our equipment times to Salt Lake City.

In summary, our company supports the UP/SP merger. From our perspective, the combination results in: improved financial strength, improved service to our shipping points and improved intermodal terminal assets handling our equipment.

Signed By:

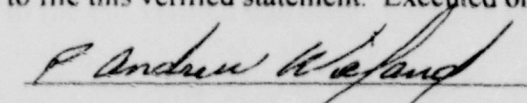


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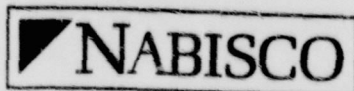
Vice President

VERIFICATION

I, P. Andrew Wieland, 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.







NABISCO BISCUIT  
COMPANY

2221 Front Street  
P.O. Box 2208 Central Station  
Toledo, Ohio 43603  
(419) 691-5200

VERIFIED STATEMENT  
OF  
MARC A. CURTIS  
ON BEHALF OF  
NABISCO BISCUIT COMPANY

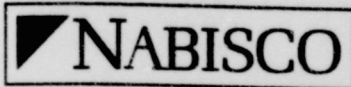
My name is Marc A. Curtis, Traffic Manager of Nabisco Biscuit Company, 2221 Front Street, Toledo, OH 43603. I have been employed with Nabisco Biscuit Company for 14 years and have held the position of Traffic Coordinator for 6 years prior to my appointment of Traffic Manager.

Our plant at Toledo, OH, located on the Norfolk Southern Railroad, is a wheat milling facility providing flour for our entire biscuit group.

Rail transportation is vital to our distribution network. We use rail both on our inbound wheat and outbound flour and the merger of the UP and SP has significant impact on our business.

On the inbound side, the SP and the UP handle most of our wheat business from Kansas and Nebraska to Chicago for furtherance to Toledo, OH. Car supply and service is vital. Lately we have seen drastic shortages of grain cars by both carriers which has caused us serious supply problems. Also, we have experienced service delays on the SP which, I understand, was the direct result of power and crew shortages.

I believe with the sound financial position of the UP, we should expect to see from this merger improvements to both car availability and service.



NABISCO BISCUIT  
COMPANY

2221 Front Street  
P.O. Box 2208 Central Station  
Toledo, Ohio 43603  
(419) 691-5200

I also want to address the BN/SF merger and need for strong continual rail competition in the West. I presently ship flour from Toledo, OH, to California via ATSF and the need of a strong SP and UP to compete in this market is important. I do not believe that the UP and SP each alone would provide us a competitive rail option.

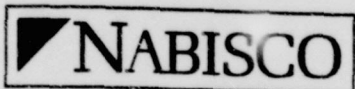
In this regard, I fully support the UP/SP merger application.

Sincerely,

Nabisco, Inc.  
Toledo Flour Mill

A handwritten signature in cursive script that reads 'Marc A. Curtis'.

Marc A. Curtis  
Traffic Manager



NABISCO BISCUIT  
COMPANY

2221 Front Street  
P.O. Box 2208 Central Station  
Toledo, Ohio 43603  
(419) 691-5200

**VERIFICATION**

STATE OF OHIO )

) ss.

COUNTY OF Lucas )

Marc A. Curtis, 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.

Marc A Curtis

Marc A. Curtis

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

Trilene Leggett

Notary Public

My Commission Expires:

5/15/2001





## **NEBRASKA TURKEY GROWERS COOPERATIVE**

308-468-5711 • P.O. BOX 640 • GIBBON, NEBRASKA 68840

**VERIFIED STATEMENT**  
**OF**  
**REO C. WEEKS**  
**on behalf of**  
**NEBRASKA TURKEY GROWERS COOPERATIVE**

My name is Reo C. Weeks, General Manager, Nebraska Turkey Growers Cooperative. I have held this position since 1975. My responsibilities include overseeing the procurement of contract carriers to ship over 50 million pounds of turkey and turkey products annually throughout the United States. I have a B.S. in Animal Science and an M.S. in Poultry Science from the University of Nebraska at Lincoln.

Nebraska Turkey Growers Cooperative, located at P.O. Box 640, 12 Lawn Avenue, Gibbon, NE 68840, is a turkey processing and marketing cooperative. The co-op's products are shipped from Gibbon to locations throughout the United States including California and Gulf ports for exports. We currently ship approximately 30 carloads annually by rail. Our Gibbon facility is served by the Union Pacific. From Gibbon we ship turkey products via the UP to Woodland, WA, San Francisco, CA and to Oregon.

We heartily endorse the proposed merger of the Union Pacific and Southern Pacific railroads. The merger will improve service and strengthen competition. In particular, the merged system will provide our outbound turkey shipments with new single-line service, more efficient routes and better equipment utilization.

We will benefit from new single-line service between Gibbon and San Francisco. Currently, we move our turkey products on the UP to San Francisco which is open to reciprocal switch on the SP. The new single-line service will decrease transit times because we will no longer lose the time now necessary to switch the shipment to the SP in San Francisco.

We also anticipate that route specialization will reduce transit times and congestion for our turkey co-op and other manifest shippers on UP's Overland route as intermodal traffic will be concentrated on SP's Tucumcari southern route. Finally, the merged system's equipment resources--particularly access to SP's mechanical refrigerated box cars--will enhance our ability to move our perishable poultry products.

#### VERIFICATION

I, Reo C Weeks, 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.

Reo C Weeks

# NEVADA RECYCLING, INC.

P.O. BOX 14130  
LAS VEGAS, NEVADA 89114  
(702) 643-7711  
(702) 643-9523 FAX

**Verified Statement  
of  
David Baldwin  
on behalf of  
Nevada Recycling, Inc.**

My name is David Baldwin and I am the General Manager for Nevada Recycling, Inc. located at 5000 Range Road, Las Vegas, Nevada. I have been with the Company since 1988 and in my present position for one year. My overall job responsibility includes the transportation of product to our customers.

Our company primary business is to purchase and sell scrap metal and paper. On the average, we forward over 35,000 tons of scrap metal by rail each year. The majority of our rail business is to Nucor Steel located at Plymouth, Utah and is routed by Union Pacific.

We understand that the Union Pacific and the Southern Pacific railroads are requesting authority to merge as stated in Finance Docket No. 32760. As a shipper dependent on the Union Pacific for the movement of our outbound scrap, we welcome this merger as a means of ensuring that we will receive top-quality rail service.

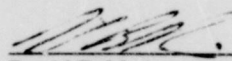
We believe this merger will produce the following benefits:

**Better Equipment Utilization:** UP / SP will be able to reposition cars and locomotives more efficiently. The difference in peak seasons for the two railroads, plus effective use of triangulation and back haul moves, will improve equipment supply. The combined UP / SP fleet of high cube gondola cars will create the largest and most diverse specialized steel hauling fleet to meet customers' needs.

**New Markets:** This merger will result in new single line rail service which will enable us to compete in new markets located in Arizona, California and Mexico.

Nevada Recycling, Inc. takes the position that this proposed merger will provide benefits and improvements for all involved. Our company supports this application.

I David Baldwin, 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 13, 1995.

  
David Baldwin  
General Manager





V200C-089-95  
October 10, 1995  
Mexico City

Attn. Interstate Commerce Commission  
UP/SP Merge Case.  
Docket N°. 32760.

VERIFIED STATEMENT  
OF  
AGUSTIN LANDERO  
ON BEHALF OF  
NISSAN MEXICANA, S.A DE C.V.

My name is Agustin Landero, and I am currently the Logistics Manager for Nissan Mexicana S.A de C.V. Our Corporate Office is located in Av. Insurgentes Sur 1958, Col Florida, 01030, Mexico D.F. My telephone number is: 628-2646; fax 628-2732.

I am in charge of the transportation of assembled vehicles; the majority of them are exported to the United States and, less volume, to Canada. We also import vehicles from the U.S. For this movements we use rail as our primary mode of transportation. We are also currently in negotiations to shift our current truck shipments of auto parts between Smyrna and Mexico to double stack rail service (DTS). Due to the economic crisis in Mexico, Nissan strategy is to reduce our transportation and inventory costs to the maximum extent possible. This requires reliable, efficient transportation service, to meet our goals.

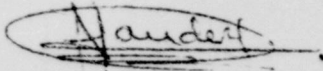
To obtain the current service we open a bid between the UP and the SP, from either the BN; GTW; CSXT. For the last years or so, the UP has provided the service on the exports to Canada, approx. 240 multilevel car per year. Effective may of 1995, the SP is the one that was awarded the transportation contract for USA, with current and growing volumes of 150-160 multilevels per month and a yearly forecast of 1920 cars.

We have been informed of the proposed UP-SP merger. UP and SP are two of the major carriers to which we have looked for service in the past. We expect that the merger will combine the best of the two systems, to provide more efficient service, better routes, better equipment utilization, and lower prices. This merger is particularly important given the approved merger of BN-SF, which has created a large and stronger railroad. The UP-SP merger will create an equal competitor.

We see this merger as a real alternative to continue having good and reliable service in accordance with the trackage rights that includes access to the US-Mexico border points of Laredo, Bronsville and Eagle Pass, Texas. In addition, we understand the agreement gives BN-SF trackage rights from Texas to Memphis, Tennessee. With these new rights, BN-SF will be able to offer new single line service from Eagle Pass to Memphis, in competition with UP-SP. We expect to benefit from this new competition.

I Agustin Landero, 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.

Yours truly,

A handwritten signature in dark ink, appearing to read "Landero", is enclosed within a hand-drawn oval. The signature is fluid and cursive.

Agustin Landero  
Nissan Mexicana Manager



**NONPAREIL**

**NONPAREIL CORPORATION**

40 N. 400 W. Groveland Road  
Blackfoot, Idaho 83221  
(208) 785-5880 1-800-824-7607

Idaho Potato Packers Corporation  
Blackfoot, Idaho

Nonpareil Dehydrated Potatoes, Inc.  
Blackfoot, Idaho

Nonpareil Processing Corporation  
Blackfoot, Idaho

**VERIFIED STATEMENT  
OF  
Mr. Chuck Ulrich**

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

As the Transportation Manager for Idaho Potato Packers Corporation, I, Chuck Ulrich, offer this Verified Statement in consideration of the proposed merger as a Shipper's Support Statement. I have been the Transportation Manager for six years, with responsibilities in railroad conveyance and overland shipping by truck. I am also responsible for assuring payment from carriers and receiving companies. My background and qualifications from my position include a College Degree from Brigham Young University and 11 years of experience in the railroad industry before assuming my duties with Idaho Potato Packers.

Idaho Potato Packers is the largest fresh packing shed under one roof in the United States. We ship fresh potatoes to all parts of the country, with shipments periodically to the Caribbean also. Our plant, located in Blackfoot, Idaho, is serviced by the Union Pacific at our Collins Siding. We ship via the Union Pacific to points across the United States, with heavy traffic into the New York, Detroit, Michigan, Indiana, Tennessee, Ohio, Maryland, West Virginia areas. We do considerable business shipping Inter-Modals into St. Louis with Werner Enterprises. On a good day we get two interchanges from the Union Pacific, or 16 cars total daily.

As a shipper that is dependent on the Union Pacific, we recognize many benefits that we will receive from this merger. Among those are equipment supply, more single line routings to new markets and improved transit time due to operating efficiencies of the combined system. We are aware that fleet management of refrigerated equipment will improve with the addition of Southern Pacific cars, and by taking advantage of equipment repositioning and backhaul opportunities. We also feel that our opportunities will expand to new markets in the Southwest, as well as being more competitive in existing markets due to single-line efficiencies in transit time. We further recognize that new and existing shipping lanes will allow the new combined system to route all traffic more directly and

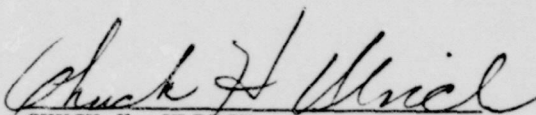




thereby improve transit times through a decrease in congestion along the main corridors connecting the West Coast to the Midwest and the eastern gateways. We expect our business will grow and become more competitive with these improvements in rail service.

In conclusion we support the proposed merger, and feel that the merger will provide significant benefits to us and other shippers. As the largest shipper of fresh potatoes in the country, we favor any business merger that will increase our ability to ship potatoes "problem-free" across the nation.

I, Chuck Ulrich, 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 10-19-95.

  
CHUCK H. ULRICH



# NORPAK

PLASTIC CONTAINERS 20550 Corsair Blvd., Hayward, California 94545 (510) 782-4322 Fax (510) 783-5078

To: Interstate Commerce Commission

Re: Finance Docket No. 32760  
SP/UP Merger

**Verified Statement  
of  
Pat Lambertson  
on behalf of  
NORPAK / B.W. NORTON**

My name is Pat Lambertson. I am Materials Manager for NORPAK / B.W. Norton, located in Hayward, California. I have been an Analyst, Purchasing Manager and the Materials Manager. I have twenty three years experience in moving chemicals. I manage the inflow of all raw materials and the outflow of all finished goods for the company.

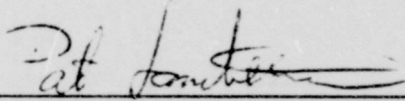
B.W. Norton (NORPAK) manufactures plastic containers. We ship HDPE plastic resin into our two facilities in California. Our Hayward, California facility is located on the Southern Pacific in the San Francisco Bay area. Our Vernon, California facility is located on the Union Pacific in the Los Angeles area. Our major rail moves are from Quebec, Canada and Taft, Louisiana to the Hayward facility and Eldon, Texas to the Vernon facility. In 1994 we shipped approximately 60 carloads over SP.

We support the proposed merger of UP and SP. Efficient, reliable rail service is essential 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 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. The efficiencies that will be realized in the central corridor route through rationalization of routes, reduction in grades, reduced intermediate handling, and elimination of congestion at terminals through consolidation and improvement of facilities will accrue to the benefit of our company in the more expeditious, reliable movement of our traffic from Quebec to Hayward. Likewise, route rationalization and the elimination of congestion at terminals and intermediate points should accrue to our benefit in our movements from Eldon and Taft to Vernon and Hayward, respectively.

Of equal importance to us is the ability to deal with one strong serving carrier at both of our facilities. This will simplify customer service through our vendors. Additionally, car tracing will be improved, not only by dealing with one carrier, but also with the addition of the more sophisticated car tracing system of UP applied to the entire system.

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.

I, Pat Lambertson, 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 11th day of October, 1995

  
\_\_\_\_\_  
Pat Lambertson

# North American Lime Management Company

Corporate Offices  
Alton, Illinois 62002-2247

October 10, 1995

7 Alby Street  
P.O. Box 2247  
Phone 618-465-7741  
Fax: 618-465-7786

## Verified Statement

of

Marshall W. Walters  
on behalf of  
North American Lime Management Company

This statement is being submitted by

Marshall W. Walters, Traffic Manager for North American Lime Management located at #7 Alby Street, Alton, IL 62002.

I have been employed with the above firm since October 1988. My duties include transportation negotiations with railroads, rates, contracts, service problems, tracing, freight payment and auditing of all prepaid freight bills. I also maintain a fleet of over three hundred leased tank and covered hopper cars.

Other duties include supervising and maintaining bulk terminals, bulk and bag truck shipments.

My transportation work experience started in 1965 with the Rock Island Railroad followed by working with Freight Forwarders, Shipper Associations and trucking firms. I have worked in Chicago, New York and St. Louis and belong to the Traffic Club of St. Louis, Inc.

Mississippi Lime Company at Ste. Genevieve, Missouri is the largest Lime plant in North America and among the top four shippers of aggregates on the Union Pacific Railroad.

We provide Lime and Lime products for the Steel, Paper, Water, Ink, Paint and Electric Power Industries.

Mississippi Lime ships via rail throughout the United States; however, we are dependent on service through the St. Louis Gateway.

A merger of the UP/SP should result in better transfer of rail shipments via St. Louis and Chicago. Our firm would also be able to maintain a service level equal to competitive Lime companies on the BN/ATSF route.

The equipment utilization would be improved and could reduce the total overall costs by lowering transit times to our customers.



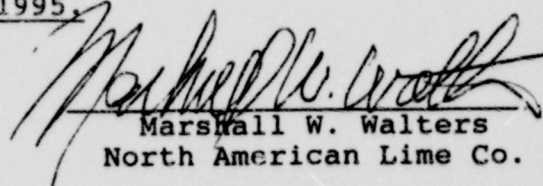
M.W.W. Statement  
October 10, 1995  
Page Two

We are also hopeful that the merger will eliminate interchange delays at Ogden, UT and in California and provide our customers with shorter, more efficient routes.

We believe the proposed merger will provide additional benefits to shippers and support this application.

VERIFICATION

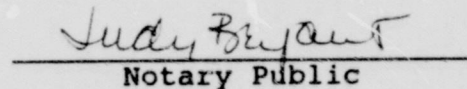
I, Marshall W. Walters, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.  
Executed on this date: October 10, 1995.

  
Marshall W. Walters  
North American Lime Co.

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



(Seal)

  
Notary Public

My Commission Expires:  
2/21/97

October 16, 1995

VERIFIED STATEMENT  
OF  
BARRY F. MOORE  
on behalf of  
NORTHWEST PACKING COMPANY

My name is Barry F. Moore. My position with Northwest Packing Company is Manager of Customer Service and Traffic. I have held this position with NWP since April 1993. Immediately prior to joining NWP, I was the Manager of Rail Operations for Superior Transportation Systems (a private rail car owner and operator). I have 25 years experience in the Transportation/Distribution Industry. In my current position, I am responsible for all traffic shipped from NWP's three (3) west coast food processing plants: Northwest Packing Company, Vancouver, WA; San Benito Foods, Hollister, CA; Toma Tek, Firebaugh, CA.

Northwest Packing Company is a Food Processor primarily servicing the Institutional Food Market. NWP (Vancouver, WA) is the largest independent pear processor in the Northwest and the largest Bartlett pear processor on the west coast. Our two (2) California plants (San Benito Foods and Toma Tek) are tomato only processing facilities. Our products are sold nationally and internationally. By the very nature of the product produced at our plants (high volume - low value), we are dependent on rail transportation. Western region traffic is primarily handled at our respective plants on a Customer Pickup basis. Midwest and Eastern region traffic is primarily handled through a network of forward distribution warehouses supplied by box car shipments from our plants. In total, Northwest Packing Company ships approximately 1,600 rail cars annually (Northwest Packing Company 300 cars, San Benito Foods 800 cars, Toma Tek 500 cars) to a variety of midwest and east coast customers and warehouse destinations. With freight charges being such a significant part of our per case market price, access to efficient and economic transportation service is a critical success factor in our ability to compete in our many market areas. Our Vancouver, WA plant is serviced by both the Burlington Northern and Union Pacific railroads. Our California plants are serviced by the Southern Pacific railroad only.

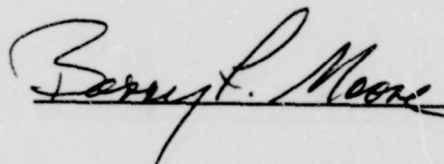
Northwest Packing Company strongly supports the Union Pacific/Southern Pacific application for merger. Any action that will improve SP rail service and efficiency will have substantial, direct benefit to Northwest Packing Company. SP service east is currently plagued by yard congestion and lack of locomotive power. A UP/SP merger will help relieve California yard congestion by allowing current SP Pacific Northwest traffic to move east from origin via UP routing rather than moving south to California before heading east. Improving yard congestion will not only improve rail car transit time to outbound destination, it also will improve rail car cycle time for empty cars returning to the west coast for reloading. Both rail transit time and car availability are factors that significantly effect our ability to compete in eastern markets.

In light of the recent BN/ATSF merger, our continued ability to compete using the SP rail system is of great concern. Our competitive position in eastern markets is directly linked to the SP's ability to perform both operationally and financially. Without competitive rail rates and service, we cannot compete. With the merged BN/ATSF, NWP currently is at a competitive disadvantage on rail traffic from California. We see SP transit times from California to connecting eastern railroad junction cities averaging 10-14 days. Our east coast sales offices advise competitors BN/ATSF traffic reach all the way to the east coast in the same amount of time. This has prompted some of our customers to direct their rail freight from our plant by truck to reload locations that can access either the ATSF or the UP. The SP will continue to lose traffic from our California plants if service conditions do not improve. Continued loss of traffic and related revenues will further diminish the SP's ability to remain viable as a rail carrier. California shippers captive to the SP system cannot stand diminished service provided by a weakened rail carrier while competitors served by the BN/ATSF reap the benefits of a joined line service. The operational efficiencies offered by the proposed SP/UP merger will help level the competitive playing field.

The loss of any SP rail traffic from our California plants has a further and potentially more severe impact. Our Hollister and Firebaugh locations are at the end of branch lines that may become candidates for abandonment if rail traffic falls below certain threshold levels. NWP is committed to keeping rail traffic on our rail line but market factors do prevail in routing decisions. Transit time, equipment availability and freight cost are determining routing criteria. If the SP is not competitive in any of these decision areas, traffic will go to the carrier or mode that is able to consistently perform. The traffic spiral effect NWP fears is deteriorating rail service leading to continued rail traffic loss which ultimately may lead to loss of rail service entirely. The larger question of viability of rail service to our California plants has import to the competitive viability of our plant operations as well as to the larger well being of the communities where our plants are located.

Northwest Packing Company believes the proposed SP/UP merger will provide significant benefits to shippers on either of the merging lines. We further believe this proposed merger will benefit other western rail shippers not directly served by the SP or UP by providing a combined line that will be able to compete with the new BN/ATSF combined line. Service improvements brought about by fair and even competition will benefit all shippers.

I, Barry F. Moore, 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

A handwritten signature in dark ink, appearing to read "Barry F. Moore", is written over a horizontal line.



**COMPLETE**  
Specializing in oversize

**TRANSPORTATION**  
Heavy Haul      DryVan      Lowbed

**SERVICES**  
Flatbed Dropdeck

**OB'S  
INDUSTRIES  
INC.**

**VERIFIED STATEMENT  
OF  
DEL BRITTON  
on behalf of  
OB'S INDUSTRIES**

I am writing in reference to the Finance Docket No. 32670, 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.

My name is Del Britton and I am presently the CEO and General Manager of transloading via truck/rail products for OB'S Industries, P.O. Box 559, Colton, CA 92324. The phone number is area code 909/422-1330; fax number 909/422-1343. My normal duties and responsibilities include negotiating truck rates, and contracts with rail carriers for customers who cannot be served directly by rail. This would cover all transportation logistics whether it be rail or truck into all facilities and coordinating with both customers and rail carriers.

OB'S Industries is a transloader of various products, including lumber, iron and steel, paper products and grain products in the West Coast. We operate in the Los Angeles basin, and outlying areas such as Adelanto, CA, San Diego, CA, and Las Vegas, NV. The options by which we ship depend upon the competitive freight we can obtain by rail or truck. The major part of our business is to work with the rail carriers, and the customers they serve that cannot be accessed directly by rail. Customers not served directly by rail include Landmark Forest Products and Las Plumas.

OB'S is excited about the possibilities the proposed merger will bring to our company. One of our goals is to expand our customer base. With the merger we will be able to expand our business as rail movements become more efficient and less costly and thus a more attractive option for shippers who require transloading. SP has been so cash-strapped it hasn't had the flexibility of the other major carriers to compete on price. After a merger with UP, there should be less pressure on the combined company's short term bottom line, allowing it to pursue increased market share through more aggressive pricing. Further, with the greater resources of the UP, the combined UP-SP should be able to invest in track, terminal, and yard improvements that are long overdue on congested lines such as SP's I-5 corridor, and points such as West Colton and Roseville. More competitive rates, increased investment, single line service, and greater equipment availability, can all be expected to result in significant diversions from truck to more efficient rail-truck movements. This means more business for my company.

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**COMPLETE**  
Specializing in oversize

**TRANSPORTATION**  
Heavy Haul      DryVan      Lowbed

**SERVICES**  
Flatbed Dropdeck

**OB's  
INDUSTRIES  
INC.**

Page Two

I, Del Britton, 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.



---

Del Britton

STB FD 32760 11-30-95 A 1648V11 2/5



# Ochoco Lumber Company

Manufacturers of Ponderosa Pine

P.O. Box 668 • Prineville, Oregon 97754

(503) 447 6296

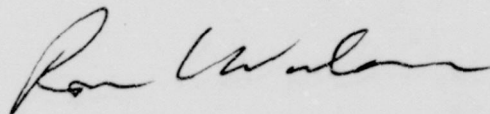
Verified Statement  
of  
Ron Wilson  
on behalf of  
Ochoco Lumber Co.

Interstate Commerce Commission

My name is Ron Wilson and I am Marketing Manager for Ochoco Lumber Company located in Prineville, Oregon on the COPR. We manufacture Ponderosa/Lodgepole Pine.

We strongly support UP/SP merging because we see many benefits to this combined system. We will benefit with single line routes from and to California, Oregon, Washington and Idaho to and from Prineville, Oregon. More efficient transcontinental routes to our markets will result from this merger. We need healthy competition, and the UP/SP system will be able to compete effectively with the recent BNSF merger. Again, we fully support this merger between Union Pacific and Southern Pacific.

I, Ron Wilson, 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 9, 1995.



Ron Wilson  
Ochoco Lumber Company  
Marketing Manger



## OLD HICKORY CLAY COMPANY

October 5, 1995

### VERIFIED STATEMENT

OF

JOHN R. SMITHMIER  
on behalf of  
OLD HICKORY CLAY COMPANY

I am the Order/Shipping Manager of Old Hickory Clay Company, P.O. Box 66, Hickory, KY 42051-0066. I have held this position for four years. My responsibilities include arranging all transportation logistics and making freight decisions. Rail equipment used by our company includes covered hoppers, box cars, private slurry cars, and intermodal shipments.

Old Hickory Clay Company is a raw material supplier of ball clay. Our operation includes mining, processing, research and development, transportation, and servicing to a variety of industries, including ceramic tile, sanitary ware, adhesives, potteries, and brick makers, to list a few. Our plants in Hickory, Kentucky, and Gleason, Tennessee, are served respectively by rail by the Paducah and Louisville Railway and CSXT. We serve many customers in the West and Southwest, whose routing includes service by the UP. Customers in California, Arizona, Texas, Washington, Idaho, as well as Mexico, are served via UP.

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 feel we would be benefited by more efficient routes and improved intermodal service. We have been advised that our Memphis-Los Angeles route would have a mileage savings of 580 miles as a result of the merged systems' ability to use both UP and SP lines. This savings would shorten our delivery time by approximately two days to the west coast enabling us to provide better just in time service to our customers in that area.

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Post Office Box 66  
Hickory, KY 42051-0066 • USA  
Phone (502) 247-3042  
Fax (502) 247-1842

The merger will provide an equal competitor to BN/Santa Fe for western markets. UP/SP will be able to match service time, reliability, and price to provide more competition in this area. This should result in stronger competition generally.

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

VERIFICATION

STATE OF KENTUCKY     )  
                              : ss.  
COUNTY OF GRAVES     )

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

John R. Smithmier  
JOHN R. SMITHMIER

SUBSCRIBED AND SWORN to before me this 5 day of  
October, 1995.

Carolyn Smithmier  
NOTARY PUBLIC  
KENTUCKY STATE AT LARGE

My commission expires:  
10/17/98



VERIFIED STATEMENT

OF

KENNETH L. ENZOR  
ON BEHALF OF  
OMYA, Inc.

My name is Kenneth L. Enzor. I am employed by Omya, Inc., 61 Main Street, Proctor, Vt. as Director of Logistics and Customer Service, and my responsibilities include the management of the various Logistics and Transportation activities for Omya, Inc. and other subsidiaries.

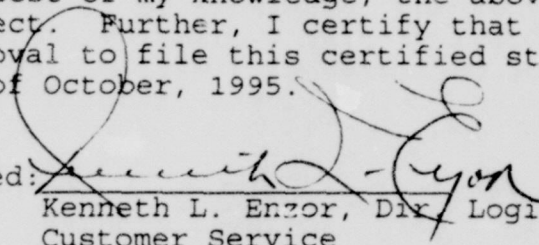
We are a major manufacturer of Calcium Carbonate, which is used in the Paint, Plastic and Paper Industries. Primarily this material is transported in shipper leased tank cars to the Paper Industry, and Box Cars and Covered Hopper Cars to the other industries. We know the value of good, reliable, dependable and competitive rail service from our plants to the ultimate consumer.

We have manufacturing plants located at Hill, Ala., Florence, VT., and Perth, Ont Canada. We utilize many rail carriers in reaching our markets, of which, the Southern Pacific and Union Pacific are included.

We are aware that the Southern Pacific and Union Pacific are in the process of seeking authority to merge into one major rail carrier. It is of our opinion that this merger will be in the best interest of our companies and the overall shipping/receiving public.

Through this statement, we would like to submit our support in the request of this merger and we urge that the ICC give full consideration of their approval as soon as possible.

I, Kenneth L. Enzor, declare under penalty of perjury, that to the best of my knowledge, the above information is true and correct. Further, I certify that I am qualified and have approval to file this certified statement. Executed this 11th day of October, 1995.

Signed:   
Kenneth L. Enzor, Dir. Logistic &  
Customer Service  
Omya, Inc.

# OREGON McKENZIE LUMBER PRODUCTS CO.

4120 S.E. International Way A-204 • Milwaukie, OR 97222  
Phone (503) 786-4604 • Toll Free 1-800-874-8420  
Fax (503) 786-4618

## SUPPORT LETTER FOR THE SP/UP MERGER FROM OREGON McKENZIE LUMBER PRODUCTS

My name is Jack McLaughlin, and I am a senior VP in charge of plywood sales and traffic for Oregon McKenzie Lumber Products. Our address is 4120 S.E. International Way, Suite A-204, Milwaukie, Oregon 97222. I have over 40 years experience in the sales and traffic area. I am writing to express my support for the merger of the Union Pacific and Southern Pacific railroads.

Oregon McKenzie Lumber Products is headquartered in Eugene, Oregon. The company sells plywood on an exclusive basis for the Medply Corporation, and ships it to destinations throughout the U.S. We also ship our plywood by truck and rail from White City, Oregon, on the SP lines to points in California and over the UP lines to points in Chicago.

One of the important benefits of this merger to our company will be the improvement of single line service on SP's Oregon to California I-5 Corridor. Currently SP's service has been of such a nature that we were unable to utilize it fully for our shipments. We have experienced problems with transit times and turnaround times which have kept us from making greater use of rail traffic. We continue to use truck traffic for nearly 75% of our shipments. With the advent of the merger, we feel that UP will be able to commit its resources to improving service on that line which should allow them to offer more competitive rates on the I-5 corridor and allow our company to make more use of rail traffic.

Another important benefit of the merger to our company will be the enlargement of the railroad's lumber car fleet. In the past we have experienced many delays in the supply of rail cars for our shipments. We know that Union Pacific has a substantial number of lumber cars, and the addition of those cars should lead to significant improvements in the supply of rail cars. Our company will then be able to take advantage of that supply to maximize our use of rail traffic.

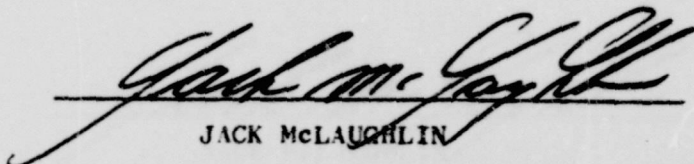
Another important benefit to our company will be the institution of single line service between SP's Oregon line and UP destinations in the Midwest. We currently ship a substantial portion of our product to Chicago, and the institution of single line service should help to lower the costs of our movements and allow us to increase the amount of rail traffic that we currently ship to the Midwest.

Because of the benefits that I have discussed above, our company supports the merger of the Union Pacific and Southern Pacific railroads and we would urge the Commission to approve it also.

I, Jack McLaughlin, 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

10-9-95

  
JACK McLAUGHLIN



**VERIFIED STATEMENT**  
**OF**  
**ANDREW STROUD**  
**on behalf of**  
**OVERNITE TRANSPORTATION COMPANY**

My name is Andrew Stroud, Manager of International and Intermodal Services for Overnite Transportation Company of Richmond, VA. I have been with Overnite for 11 years. Overnite is a wholly-owned subsidiary of Union Pacific Corporation. Overnite is operated entirely independently of the Union Pacific Railroad.

I have held my current position for seven years. Prior to becoming Manager of International and Intermodal Services, I held positions as Intermodal Coordinator, Intermodal Administrator and other positions in our Pricing/Costing departments. I am responsible for obtaining rail transportation to move our LTL (Less than Truckload) freight nationwide. My responsibilities specifically include all contract and rate negotiations for intermodal service. In addition, I manage almost 1040 pieces of Overnite-owned trailers for use in Intermodal service.

Overnite is the fifth largest LTL trucking company in the United States. We ship nearly 30,000 trailers nationwide annually, about 20,000 of which move in the western part of the country. Specifically, we take advantage of rail intermodal service from Chicago to numerous western destinations, including Dallas/Houston, Los Angeles, Oakland, Portland, and Seattle. We also have shipments that move from Memphis to the west coast.

The proposed merger of Union Pacific and Southern Pacific Railroads will provide improved service and enhanced competition for the Burlington Northern/Santa Fe merged system.

Overnite will receive substantial benefits in the Chicago and Los Angeles corridors where we ship approximately 2400 trailers annually. Currently, our LTL service needs require us to route our intermodal traffic in this corridor on the BN/SF because neither the UP, nor the SP, can meet our requirements. The UP/SP merged system will be able to offer third morning intermodal




service, which will be fully competitive with BN/SF. In particular, route specialization will allow intermodal traffic to move efficiently on SP's Tucumcari route while other traffic will be concentrated on UP's Overland route. The merged system will also permit better access to intermodal service from the "Inland Empire" in California. Consolidated terminals at both Chicago and Memphis will also relieve congestion, facilitating westward intermodal routing.

The merged system will also provide an attractive alternative for shipments from Chicago to Oakland because the new system's routes will be shorter than either railroad's westbound options today.

In addition, the merger will insure long-term service quality and financial viability for SP, and will insure that the new system has the financial capabilities to make necessary capital improvements.

#### VERIFICATION

I, Andrew D. Stroud, 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.



---

Andrew D. Stroud

P & R METALS, INC.

2222 NORTH ALAMEDA STREET

COMPTON, CALIFORNIA 90222

(213) 774-0595 FAX: (310) 537-1624

September 12, 1995

VERIFIED STATEMENT  
OF

Irma Diaz  
on behalf of

P & R Metals, Inc.

I, Irma Diaz, am the import and export manager for P & R Metals, Inc. I have been in this position for the last eight years.

P & R Metals, Inc., is a Recycling Company and has been in business for the last 30 years.

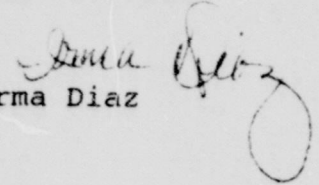
As a Recycling Company our major import and export product is scrap copper. We are presently moving our scrap metals from various parts of the United States and Mexico, and I am responsible for the freight involved in this process which is mainly performed by railroad.

We are always looking forward for competitive freight rates, we think the merger of Southern Pacific and Union Pacific will give us better handling of our material, more availability of equipment and shipping destinations as well. We also consider that this merger will strengthen competition.

For all of these reasons our Company strongly support the application for this merger.

I certify that I am qualified and authorized to file this verified statement.

I Irma Diaz, declare under penalty of perjury that the foregoing is true and correct.

  
Irma Diaz



**P.W. GILLIBRAND COMPANY**

*Asphalt Paving Materials*  
ROCK • SAND • GRAVEL  
INDUSTRIAL SANDS AND MINERALS

VERIFIED STATEMENT  
OF  
PHILLIP GILLIBRAND  
ON BEHALF  
OF  
P.W. GILLIBRAND COMPANY

SUBJECT: UNION PACIFIC-SOUTHERN PACIFIC MERGER PROCEEDING DOCKET  
NO. 32760.

My name is Phillip Gillibrand, President/Owner of P.W. Gillibrand Company and CZS Corporation Inc., Simi Valley, Ca. My responsibilities include managing the operations of the Gillibrand's and CZS Corporation which mines minerals, aggregates and Industrial Sands and a producer of asphalt paving material. I have held this position for over 39 years.

P.W. Gillibrand has been a miner and a producer for over 39 years in California. We have two operations and 10 different plants, and are currently being served by the Southern Pacific and truck.

We currently produce and ship over three million tons per year of all products produced through out California including some export business.

In 1994, our rail revenue amounted to \$150,000, but we expect to increase rail growth substantially within the next five years.

As a shipper dependent of SP service, we welcome the merger of Union Pacific and Southern Pacific as a means of ensuring top-quality rail service from a financially sound carrier with single-line access to numerous points.

We believe that the new single-line route of the (UP/SP) would benefit us as the customer and the UP/SP because it presents an opportunity to improve service and reduce costs and lower rates.

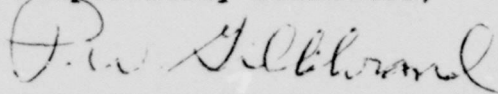
We believe that the proposed merger will provide significant



benefits to P.W. Gillibrand, and our company supports the application. 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, P.W. Gillibrand 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.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "P.W. Gillibrand".

P.W. Gillibrand  
P.W. Gillibrand Company

# PACIFIC CHEMICAL DISTRIBUTION

**BULK HANDLING • HANDLING • STORAGE**

6250 CABALLERO BLVD., BUENA PARK, CALIFORNIA 90620  
(714) 521-7161 FAX (714) 521-7133

October 4, 1995

## VERIFIED STATEMENT

OF

JAMES N. TAUSZ

on behalf of

PACIFIC CHEMICAL DISTRIBUTION CORPORATION

The following statement has been prepared by James N. Tausz, President and co-founder of Pacific Chemical Distribution Corporation. My company is headquartered at 6250 Caballero Blvd., Buena Park, California 90620. We also have locations in the cities of Paramount, California and Lakewood, California. As President, I have ultimate responsibility for all aspects of our business, more specifically the establishment of bulk terminals, warehouse locations, solicitation of customers and directing the nature and size of our business.

The company was started in 1977. I have been active in the company since its inception and have been President since 1983. I am a graduate of Arizona State University with a Bachelor of Science degree in Chemical Engineering and a Masters degree in Business Administration. Prior to starting this company, I was the Western Regional Sales Manager for Kaiser Aluminum and Chemical in charge of sales and product distribution of specialty chemicals in 13 western states as well as western Canada & Mexico.

Pacific Chemical Distribution operates break-bulk terminals for raw material plastics. We also operate several warehouses for storage & material handling of raw material plastics and we are the largest custom packager of plastics on the West Coast. Both our warehouse locations are rail served- UP in Paramount and SP in Buena Park, California. We off-load the hopper-cars of plastics at our rail terminals into pneumatic trailers for local delivery. We bring in hopper-cars of plastics to our warehouse locations to be packaged into bags or gaylords. Our break-bulk facilities are located on the UP in Paramount, Calif. and

Lakewood, Calif. and on the SP in Buena Park, Calif. We have over 120 railcar spots at our locations and receive between 600 to 800 hopper cars per year- the majority originating in the Gulf Coast, Houston, Freeport, Port Arthur, Baton Rouge and Plaquemine, for example, with the balance coming from the Midwest or Northeast part of the country, as well as Eastern Canada.

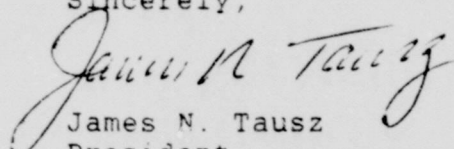
As a break-bulk terminal operator dependent upon both UP and SP service, we welcome this proposed merger as a means of ensuring improved service, enhancing the competitive status of both rail lines, and securing a long term commitment to our business and our customers (shippers). We have experienced service problems with the Southern Pacific RR that is putting our company at a competitive disadvantage. Long transit times across country and particularly switching delays at the Colton yard delay critical shipments and cause our customers to lose orders to their competitors.

The primary benefits of the proposed merger as they would impact our business are:

- better equipment utilization- leading to improved transit times.
- single line service between our major shipping points in the Gulf Coast.
- shorter, more efficient routes- again leading to shorter transit times.
- meeting the competitive challenges of the BN/Santa Fe in the Texas- California route and strengthen competition in general.
- financial stability to expand local terminal facilities- directly increasing our capacity to handle additional business.

It is my belief that the proposed merger can and will provide significant benefits to shippers and ultimately to their customers. My company strongly endorses the proposal and looks forward to the application's swift approval.

Sincerely,



James N. Tausz  
President  
Pacific Chemical Distribution Corporation



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

Executed on October 4 1995

James N. Tausz

*James N. Tausz*



## PACIFIC COAST building products

3001 I Street  
P.O. Box 160488  
Sacramento, CA 95816  
(916) 444-9304

October 12, 1995

Verified Statement of Tom Gruneisen  
on behalf of  
Pacific Coast Building Products

I am Tom Gruneisen, Traffic Manager for Pacific Coast Building Products, Inc. of Sacramento, California. I have held this position since 1976. In my duties as Traffic Manager, I over see traffic in and out of our sixteen (16) manufacturing sights as well as our thirty supply houses.

Pacific Coast building Products is very much in favor of merging Union Pacific and Southern Pacific Railroads. PCBP has a number of manufacturing and distribution facilities served by both railroads. It is currently not efficient to try to move products between plants by rail when one plant is served by U.P. and the other by S.P.

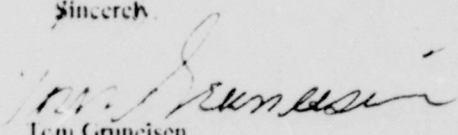
Since all our plants are in the Western United States, many times, combining two railroads in a move that would give one railroad or the other a relatively short haul would result in rates that are competitive, not even truck competitive. Often, service on shorter hauls is slower than on longer ones, again resulting in a non-competitive posture for rail carriers.

Given single line service, we could move products by rail from Tacoma, WA. (B.N.-U.P.) to Richmond, CA. (ATSF-S.P.) and/or the reverse. We could move product from Apex (Las Vegas), NV. (U.P.) Newark, CA. (S.P.) again in single line service, a movement that, post merger would be much more attractive to the merged Railroad.

With the U.P. granting rights to Burlington Northern to allow them to handle North/South traffic on the West Coast, we now have the opportunity to choose between two large, strong rail competitors.

We are very excited about the prospect of the proposed merged Union Pacific Southern Pacific Railroads and strongly endorse and support this transaction.

Sincerely,



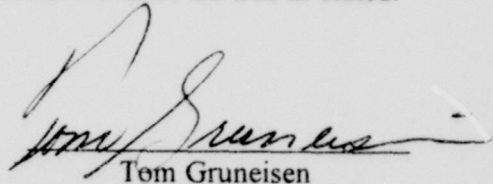
Tom Gruneisen  
Traffic Manager

Pacific Coast Building Products, Inc.

## VERIFICATION

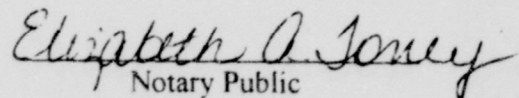
STATE OF CA )  
 ) ss  
COUNTY OF SAC )

Tom Gruneisen, 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.

  
Tom Gruneisen

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



  
Notary Public

My Commission Expires:

5-26-97



October 11, 1995

VERIFIED STATEMENT  
OF  
DON GRILEY  
on behalf of  
PACIFIC METALS SERVICES

I am writing to endorse the application for merger of the Southern Pacific Transportation Company and the Union Pacific Railroad Company.

Pacific Metals Services is a warehousing and distribution company involved in the handling of aluminum billets, ingots, and blooms. Our facility is located in Carson, CA and is served exclusively by the Southern Pacific. Most of the product we receive originates in Washington and is interchanged to the Southern Pacific at Portland, OR. Our vendors include Intalco Aluminum and Alcoa.

We support the merger of the SP and the UP as a means of expediting our traffic and ensuring a strong competitor to the BN/SF. Our railcars currently move on a joint line route and this merger will allow us to move traffic in a single line haul. This will reduce the transit time and alleviate delays due to terminal congestion in many areas. The trackage rights granted to the BNSF will guarantee competition in the I-5 corridor and keep rail rates in line.

We also expect benefits for ourselves and all rail consumers through increased fleet size and a larger fleet of locomotives. Pacific Metals approves and supports this merger as an improvement in the transportation industry and believe the combination to be in our best interest. Please approve the application for merger and insure competition on the railroads in the West.

VERIFICATION

I, Donald J. Griley, 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 11 October 1995

Donald J. Griley Witnessed by Fred Richardson



VERIFIED STATEMENT  
of  
BRIAN JONES  
on behalf of  
PACKWOOD LUMBER

RE: Union Pacific Railroad, et al. -- Control and Merger -- Southern Pacific Rail Corp., et al. (Interstate Commerce Commission, Finance Docket No. 32760)

My name is Brian Jones. I am the Sales Trader for Packwood Lumber, P.O. Box 229, Packwood, WA. 98361. I am writing on behalf of Packwood Lumber to strongly endorse the proposed merger of the Union Pacific and Southern Pacific.

Packwood Lumber is a sawmill located in the southern part of Washington State which produces lumber for nationwide delivery. We use Napa-Vine Reload, located on the Union Pacific and Burlington Northern - Santa Fe lines, and ship our lumber by rail to the East through Chicago and Memphis. Currently we ship approximately 10-20 cars a month, but we would like to expand shipments to 25-40 cars a month.

I have worked in lumber and plywood sales for six years. My responsibilities include all transportation logistics, inventory control, and the pricing and sale of our products.

I believe that the merger of the Union Pacific and the Southern Pacific would be good for our business. The merger will give us new single line service to markets served by Southern Pacific in Oregon, California, Arizona, New Mexico and Texas. Single line service is important to us, because it avoids the cost and delays of interchange thereby making our products more competitive.

Under the terms of a recent agreement, Union Pacific/Southern Pacific will grant trackage rights to Burlington Northern/Santa Fe which will allow the Burlington Northern to also offer new single-line service along the West Coast. This will give us much more direct access to customers located along Burlington Northern/Santa Fe lines throughout California, Arizona and New Mexico. This agreement also ensures that there will be vigorous rail competition in Washington State, which should benefit shippers like Packwood.

We also expect that the merger will result in improved availability of equipment. In addition to having more equipment, the combined Union Pacific/Southern Pacific will be able to reposition its equipment more efficiently.

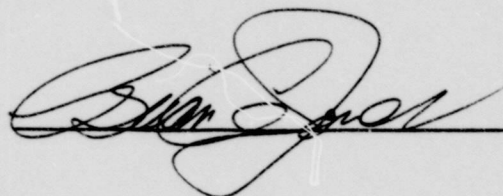
206-494-5175  
FAX 206-494-9275

P.O. Box 229  
12832 U.S. Highway 12  
Packwood, Washington 98361 U.S.A.



Packwood strongly supports the merger of the Union Pacific and Southern Pacific as it will improve rail competition in Washington State and give Washington producers better access to markets in California and the Southwest.

I, Brian Jones, 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 24, 1995.

A handwritten signature in black ink, appearing to read "Brian Jones", written over a horizontal line.



**OF IOWA** Food Products, Inc.

**Tom Rechsteiner, President**

100 Papetti Parkway ~ P.O. Box 124  
Lenox, Iowa 50851

Phone 515-333-2252  
Fax 515-333-4637

October 10, 1995

Verified Statement of: Pat Perez, Operations Director  
On Behalf of: Papetti's of Iowa Food Products, Inc.  
Re: Union Pacific and Southern Pacific Merger

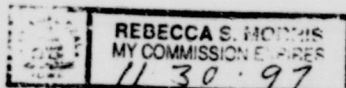
My name is Pat Perez, Operations Director for Papetti's of Iowa Food Products, Inc. My duties include all scheduling of incoming and outgoing raw materials and finished products. I have held this position for 15 years, prior to which I worked for the same Company.

Papetti's of Iowa is a food processing plant specializing in egg products. This Co. ships product coast to coast as well as exporting product in refer cars.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. As a shipper on UP service and potential interchanges with SP we welcome this merger as a means of ensuring that we receive top quality rail service. At the present time our Company is using rail service to California and Texas. We are anticipating an increased demand for rail service in the near future. We would welcome any changes that would mean better service and increased efficiency and savings to our Company.

Sincerely,

Pat Perez, Operations Director  
Papetti's of Iowa Food Products, Inc.



*Rebecca S. Morris*  
10-11-95



250 SOUTH 5TH STREET  
KANSAS CITY, KANSAS 66101  
OFFICE PHONE: (913) 281-3709  
FAX (913) 281-5786

"WE HANDLE ALL YOUR TRANSPORTATION NEEDS"

VERIFIED STATEMENT  
OF  
JIM PAVLICH  
on behalf of  
PAVLICH, INC.

My name is Jim Pavlich. I am the Secretary/Treasurer of Pavlich, Inc., 250 South 5th Street, Kansas City, Kansas 66101. I am writing with regard to the matter before the Interstate Commerce Commission in Finance Docket No. 32760, Union Pacific Railroad, et al. -- Control and Merger -- Southern Pacific Rail Corp., et al. Pavlich wholeheartedly supports the merger of the Union Pacific and the Southern Pacific and urges your approval of the merger.

Pavlich, Inc. is a family-owned and operated company involved in the transloading and local deliver of a wide variety of products in Kansas City, Jefferson City, and Springfield, Mo. We are located on the Union Pacific Line in Kansas City and Jefferson City; in Springfield, we handle traffic shipped via the Burlington Northern-Santa Fe. Pavlich unloads railroad hopper cars and distributes the materials by truck to local customers. Among the products we handle are salt, rock, sand, and fertilizer. Pavlich handles approximately 1000 railcars annually.

I have worked with Pavlich for 25 years. I am responsible for overall management of the operations of Pavlich.

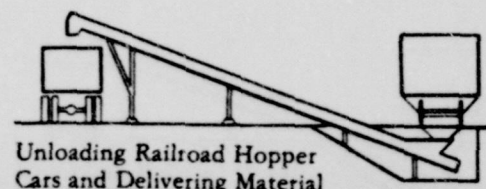
I expect that the merger of the Union Pacific and the Southern Pacific will be good for our business. The merger will give shippers located on the Southern Pacific single-line access to our transloading facilities in Kansas City and Jefferson City, and this should increase the number of suppliers whose goods we can transload and deliver to our local customers.

In addition, the merger should result in greater availability of equipment through the efficient use of the combined equipment fleets of the Union Pacific and the Southern Pacific.

385



Local & Long Distance



Unloading Railroad Hopper  
Cars and Delivering Material





250 SOUTH 5TH STREET  
KANSAS CITY, KANSAS 66101  
OFFICE PHONE: (913) 281-3709  
FAX (913) 281-5786

"WE HANDLE ALL YOUR TRANSPORTATION NEEDS"

We have had problems in the past resulting from congestion and delays in the Kansas City area, and these problems adversely affect the efficiency of our operations. We expect that the merged system will be in a better position to address these problems.

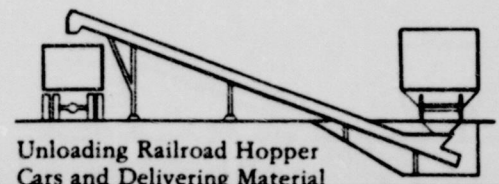
We fully endorse the Union Pacific-Southern Pacific merger.

I, Jim Pavlich, 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.

386



Local & Long Distance



Unloading Railroad Hopper Cars and Delivering Material



## Pegasus Transportation Group Inc.

8111 LBJ FWY. STE. 1210 • DALLAS, TX 75251 • 214-669-1341 • FAX: 214-783-0052

### VERIFIED STATEMENT OF

JOHN MCFADDEN  
on behalf of  
PEGASUS TRANSPORTATION GROUP INC.

My name is John McFadden, and I am president of Pegasus Transportation Group Inc. located at 8111 LBJ Fwy., Suite 1210, Dallas, Texas 75251. I have a degree in transportation from Eastfield College. I have been in operations for a rail carrier, sales for an intermodal marketing company, regional manager for a truckline, and currently own a truckline and truck agency in the North Texas area. I have over twenty-six years of experience in the transportation industry.

My company provides both intermodal services on a national and international level to shippers all around the United States, Canada, and Mexico and regional trucking services to shippers in the North Texas area. We also provide rail intermodal drayage services and are drayage agreement partners with all of the rail carriers and steamship lines operating in the North Texas area.

Our rail intermodal customers ship products from and to all points on the North American continent. We handle such products as glass bottles from Waco, Texas to Wisconsin, roofing shingles from Dallas, Texas to California, lumber products from Eugene, Oregon to East Coast points, food products from Texas to Canada, building products from Oregon to Mexico, and textiles between the United States and Mexico.

We provide these services through intermodal agreements with the UP, SP, BNSF, KCS, CR, NS, CSX, APL, WC, and various others rail carriers. Our freight charges to these various carriers exceeds over ten million dollars per year.

This letter is being written to take a strong stand in support of the current UP/SP merger agreement.

The merger will speed transit times between Texas and Arizona/California cities by providing a route across the Texas panhandle in lieu of the South Texas route the SP currently utilizes. It will also speed transit times by reducing the terminal handling of trains in major markets and blocking on trains.

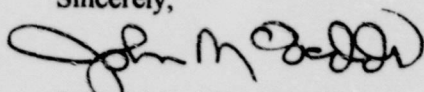
It will insure the SP Ry. will be a major contributor to transportation services in the western United States in competition with the BNSF. This will foster a good competitive spirit between the two companies. It will improve service between the United States and Mexico by offering single line service through the major border gateways.

The merger should allow better equipment utilization by eliminating over capacities, more control, and allocation of assets on both railcars and locomotives. This will allow us to provide better equipment supplies to our customers during peak shipping seasons.

Finally the merger allows both carriers to strengthen each others weaknesses. The UP cannot serve many of the markets the SP serves. There is some concern the SP will not be able to survive on its own against the BNSF if they do not find a partner. If their service continues to deteriorate, SP may not be a viable transportation provider in the future. The merger would assure us and our customers of long-term quality service.

We believe that the proposed merger will provide us and our customers many more benefits then the present separate UP & SP systems offer. Our company supports the application.

Sincerely,

A handwritten signature in dark ink, appearing to read "John McFadden", written in a cursive style.

John McFadden, President



I, John McFadden, 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 the 26th day of September, 1995.

John McFadden Pres.

John McFadden

Witnessed by : Millie McCay

October 9, 1995

**VERIFIED STATEMENT  
OF  
BILL WILLIAMS  
on behalf of  
PETROGAS, INC.**

My name is Bill Williams and I am the Manager of U.S. Trading for Petrogas, Inc. located at 11757 Katy Fwy, Suite 516, Houston, Texas 77079. I have held this position for almost two years and prior to that I was a trader for CanStates Energy for about eighteen months.

We have approximately 150 tank cars under lease and ship over 1,000 carloads of propane and butane annually. We also use the Cochin Pipeline and various trucking firms to move our product to market. We ship propane and butane from Alberta to the Midwest, Pacific Northwest, and California via the CP, SP, UP, BN, and CP railroads.

Petrogas, Inc. strongly supports the merger of the Union Pacific and Southern Pacific railroads as we see numerous benefits to this merger. A major corridor for us is the movement of propane from Alberta sources to Northern California destinations via CP-Eastport-UP which has to move through the congested Salt Lake City corridor. The merged route would allow this to move via the much shorter CP-Eastport-UP route over Portland. This would reduce the transit time and should afford us the opportunity to move the same amount of product more expeditiously with fewer tank cars which will reduce our tank car lease costs.

I have heard in recent days 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 Canadian gateways to California and Arizona. I understand also that UP/SP will get 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 conditions of the BN/ATSF agreement added to it will clearly strengthen rail competition, not diminish it.

There are numerous additional efficiencies to be realized from the merger of these great rail carriers, i.e., terminal consolidations, shorter routes, and improved power equipment

availability. The merged system will be able to minimize bottlenecks and allow UP to reroute shipments over alternative routes when certain lines are being upgraded or going through routine maintenance. The merged entity should have more financial strength in which to reinvest capital dollars for continued safety related maintenance. A stronger more productive entity should ensure continued growth and improvement as it competes with a stronger rival in the form of the BN/ATSF.

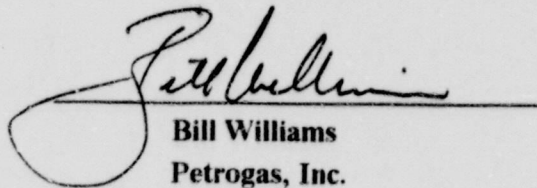
We believe that the UP/SP merger will provide us with significant benefits and we support this merger as it will be in our best interest and that of our customers.

A handwritten signature in dark ink, appearing to read "Bill Williams", is written over a horizontal line.

Bill Williams

VERIFICATION

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

A handwritten signature in dark ink, appearing to read "Bill Williams", is written over a horizontal line.

Bill Williams  
Petrogas, Inc.



# PIGGYBACK PLUS

1070 NW MURRAY RD.  
PORTLAND, OR 97229

## VERIFIED STATEMENT

OF

Thomas C. Cook  
on behalf of  
PIGGYBACK PLUS, INC.  
October 10, 1995

As president of Piggyback Plus, I bring 15 years of intermodal service - all phases, eight years as a market analyst for the Port of Portland and eight years as a transportation specialist at Boise Cascade to the company. At the Inland Tariff Bureau I also developed rates for paper and lumber.

Piggyback Plus is a ten year old company moving intermodal freight for major and small businesses nationwide. Our employees have years of experience as rail and retail intermodal shippers and shipper's agents. Service is the backbone of the intermodal industry; competitive rates are the sales tool. Keeping service in mind, we heartily support the Union Pacific/Southern Pacific (UP/SP) merger with great expectations.

Currently SP service is seriously lacking in all phases of our usage. Customer service agents lack the ability to resolve our transit problems. The service network is somehow detached from field operations = no inhouse communication, no follow-up and no resolution. The result is complete frustration for us and a negative customer SP reputation. The bottom line is probably the lack of power, facilities, equipment and routing efficiency resulting in seriously slow transit times. The UP/SP merger should improve on all of these problem factors.

The UP has a better intermodal reputation overall, which will lend credibility to the SP, but both railroads will benefit from the expanded routing, equipment utilization and competitive factors.

Piggyback Plus moves freight of all kinds with more volume of wood, paper and chemical products. Equipment used includes 20, 40, 45, and 48 foot containers and trailers. The UP/SP equipment availability in the Pacific Northwest (PNW) and Northern California (NCalif) would hopefully be improved. From and to the PNW and NCalif areas would be more directly routed with timelier deliveries. Chicago/Oakland and Seattle/Los Angeles are corridors

503-643-2300 Local  
800-327-4449 USA  
503-644-3116 FAX



Page Two  
UP/SP Merger Statement  
October 10, 1995

that could only improve with the UP/SP merger. Currently service from Roseville to Dallas and Oakland to Pine Bluff, AR has been unreliable, untimely and unsatisfactory. Customers are requesting we switch to the Santa Fe. That factor then directs attention to the possibilities for renewed interest in UP/SP service, because consumers are willing to "give it a try."

New business is currently being routed on other railroads. Even though pricing is competitive, the actual transit times and equipment availability continue to create a lack of trust toward SP routing. The I-5 corridor will definitely be a ready market for upgrade of intermodal service.

The UP/SP merger, because of the competitiveness of like service and over-the-road, needs to address competitive service. The Piggyback Plus position has always been support of intermodal business. We are not involved with much trucking. There is enough freight for both modes of transportation. Realistically both are needed to move the huge variety of products. The UP/SP merger should better use current duplication of equipment and facilities by rerouting for more timely deliveries, positive response to opportunity with available equipment and competitive pricing. The UP/SP merger will provide a product that will better serve the consumer.

VERIFICATION

I, Thomas C. Cook, 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

Thomas C. Cook

witness Robert S. Davis



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  
Pipe & Tube Incorporated

Submitted by:

Ronald Anderson  
Vice President &  
General Manager  
Pipe & Tube Incorporated  
5575 West 4700 South  
Salt Lake City, UT 84118

October 13, 1995

October 12, 1995

**VERIFIED STATEMENT**

OF

RONALD ANDERSON

On behalf of

PIPE & TUBE, INCORPORATED

My name is Ronald Anderson, I am Vice President and General Manager of Pipe & Tube, Incorporated. I manage the day to day operations and transportation matters for our company.

Our company manufactures and distributes pipe and tubing products throughout the western states. Most recently we have brought pipe in from southern California, for distribution to customers in Utah. We are rail served by the DRGW, closed to reciprocal switching.

We understand the Union Pacific and Southern Pacific will seek permission to merge. We support the merger and believe it is necessary for the Southern Pacific to continue to compete and remain a viable railroad in the fiercely competitive transportation industry. We know the Southern Pacific has been struggling financially for the past several years and it is questionable whether they can survive on their own. Also, the Union Pacific has had severe congestion on their lines which has caused serious delays and poor service. We believe the merger will solve congestion and service problems on both railroads and will provide greater capacity and faster service.

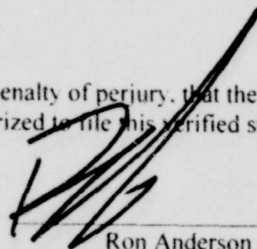
Our company supports the merger of the Southern Pacific and Union Pacific Railroads.



Ronald Anderson

**VERIFICATION**

I Ronald 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 13, 1995



Ron Anderson

---

**VERIFIED STATEMENT**

**OF**

**MICHAEL J. MUZA**  
**on behalf of**  
**PONDEROSA FIBRES OF AMERICA**

My name is Michael J. Muza. I am the Corporate Materials Manager for Ponderosa Fibres of America, 1100 Circle 75 Parkway, Suite 260, Atlanta, GA. 30339. I am responsible for all the purchasing of waste paper for our four paper mills around the country. I started in 1981 at the Oshkosh, WI. facility as a raw materials receiving manager. My duties included inspection of the waste paper shipped to us along with scheduling the means of transportation. I moved to my present position in Atlanta in 1988 after working at the Santa Ana mill for 10 months as raw materials receiving manager.

Ponderosa Fibres is the world's largest producer of De-inked Market Pulp. De-inked Market Pulp is made from waste paper that has been collected from high rise office buildings, print shop scrap paper and various paper mill waste papers. With our mills located in Augusta, GA., Oshkosh, WI., Memphis, TN. and Santa Ana, CA., we have the capabilities to supply recycled pulp to the paper industry not only in the United States, but also throughout the world. We ship our product to North American customers by railcar and truckload, depending on their preference.

We believe that the proposed merger would be in our company's best interest as well as the interests of other shippers. We presently receive raw materials from a number of suppliers throughout the United States via railcar and truckload quantities. Ponderosa has the opportunity to build recycling mills in areas of the country where the raw materials are sometimes hard to obtain. By the use of rail service, we can construct new facilities in low costs regions and receive our raw materials from large metropolitan areas. A perfect example of this is the present construction of our mill in Wallula, WA., a joint venture with Boise Cascade. Because of these opportunities, we heartily endorse the UP/SP application.

In the waste paper recycling business, purchasing raw material can be very competitive when demand for fiber is extremely high. To keep a paper mill operating at a profit, you





must keep your cost for raw material purchases at a very low level. To have a number of mills purchasing from one certain location will dry up the supply very quickly and cause prices to rise. Therefore, Ponderosa has drawn from areas of the country that our competition has not pursued. By introducing the use of railcars and intermodal service, we are able to ship product to our facility and not disrupt the local markets. We have proven this theory in the past at our Santa Ana, CA. location. With Dallas, TX. being a large area of waste paper, we have been able to transport paper to the west coast at either the same or even at a lower cost than what we would have to pay for the same item out of Los Angeles, CA. This not only keeps our Texas supplier happy because his product is moving, but eliminates additional pressure on the L.A. market with one less buyer competing for the same item.

The future for Ponderosa Fibres and the demand for recycled pulp should continue to grow. The opportunity to construct new operations in out-of-the-way places will only be successful if the raw material can be purchased and delivered at an economical value. With the proposed merger of the UP/SP systems, a stronger, more competitive transportation service should be developed. In our industry, if you can't build the mill in the forest, you must bring the forest to the mill.

I, Michael J. Muza, 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.



GARDEN CITY, HUBBARD, NEW PROVIDENCE, UNION

September 28, 1995

VERIFIED STATEMENT OF: Rick Vaughan  
Prairie Land Cooperative  
115 East Oak Street  
Hubbard, Iowa 50122  
(515-864-2266)

I am currently the General Manager of Prairie Land Cooperative. I have been with this company for six months. Prior to this, I have worked for Heartland Cooperative in Des Moines, Iowa, Avon Grain Company in Des Moines, Iowa and Mid Iowa Cooperative at Yale, Iowa. My past experiences have all been primarily focused in the grain business.

Prairie Land Cooperative is a full service farm supply cooperative located in north central Iowa. We handle grain, agronomy products, feed, petroleum products and LP. We have facilities located at Hubbard, Lawn Hill, Union and Garden City. Union and Garden City are both located on the Union Pacific (formerly CNW) and both have the ability to load 75 car trains. Additionally Garden City has origin weight capability.

Our grain trains move to several destinations. These include the Mississippi River, the domestic processor - Clinton, Cedar Rapids and Eddyville, the Gulf and to Mexico.

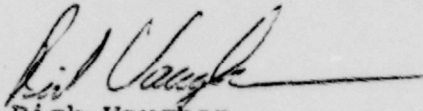
I understand that the Union Pacific and the Southern Pacific are requesting the authority to merge. I would see the following benefits to our company.

1. Creation of a financially strong carrier that could provide our company with new markets.
2. A carrier that could provide competitive challenges to the new BN/Santa Fe railroad.
3. Assure our company of long term service.

4. Improved information technology to help our company with the car ordering and placement functions.
5. Improved car utilization that will help keep our rates competitive with alternative forms of transportation.

Because of the above mentioned reasons and the fact that rail transportation is so important to our company, our company definitely supports this decision.

Thank you.



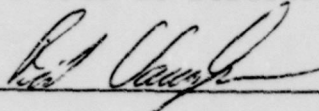
Rick Vaughan  
General Manager  
Prairie Land Cooperative



VERIFICATION

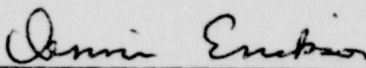
STATE OF Iowa  
COUNTY OF Hardin

Rick Vaughan, 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.



Rick Vaughan

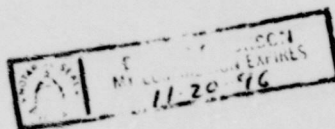
Subscribed and sworn to before me this 4<sup>th</sup> day of October, 1995.



Notary Public

My Commission Expires:

11-20-96



October 17, 1995

**VERIFIED STATEMENT**  
**OF**  
**THOMAS B. HANSEN**  
**on behalf of**  
**PREDELIVERY SERVICE CORPORATION**

1. Witness's name, title, responsibilities and credentials

Thomas B. Hansen is the Senior Vice President and Chief Operating Officer of Predelivery Service Corporation. Predelivery Service Corporation is headquartered at 222 N. Sepulveda Blvd. in El Segundo, California. Mr. Hansen and the company's President and Chief Executive Officer Mr. Thomas Mignanelli, purchased the company from Ford Motor Company in September of 1994. Prior to that the Company was operated as a wholly owned subsidiary of Ford for more than 25 years.

2. Description of company, its products, facilities (including servicing carriers), traffic patterns, and use of rail transportation

Predelivery Service Corporation has operations in Mira Loma, California, Baltimore, Maryland and Benicia, California. Predelivery Service Corporation offers automotive services primarily to dealers and manufacturers of domestic vehicles in addition to providing services for manufacturers importing or exporting automobiles through the ports of Baltimore and Benicia.

Predelivery Service Corporation maintains operations adjacent to or part of rail facilities in all three locations. We handle approximately 150,000 vehicles annually. We are dependent on rail transportation for the receipt and, in some cases, delivery of the vehicles we service. Our primary customer is Ford Motor Company. Vehicles manufactured by Ford are shipped to us from plants located in the Midwest and East. Our operations are currently served by the Union Pacific in Mira Loma, the Southern Pacific in Benicia and the CSX in Baltimore. From Benicia and Baltimore we provide services for of vehicles imported by Ford Motor Company. Approximately 65% of the imports we handle are distributed via rail transportation throughout the United States.

3. Statement of Position on the UP/SP Merger

We understand the Union Pacific and Southern Pacific are requesting authority to merge. Having two rail dependent business operations in California, one served by the Union Pacific and one served by the Southern Pacific, we believe the proposed merger would be in our Company's best interest. In addition, it will benefit the customers we serve, which in turn will improve our ability to retain current business as well as attract new business.

We endorse and support the UP/SP application.

4. Supporting Reasons

We depend on the railroads for delivery of the automobiles we service for our customers. Improvements in the delivery chain assist in our ability to improve service to our customers. The combined resources of the UP/SP, including more efficient "best case" routes, terminal coordination and improved equipment utilization will improve transit timing for the customers we serve. In Northern California, the combination of resources for communication and reporting, through Electronic Data Interface, will enhance current rail movement within and into Northern California, as well as reduce delays. Capital and resources to modernize and improve operations will also be directed on the most rational basis.

5. Conclusion

We believe the merger will provide long term benefit to shippers and customers currently served by the UP/SP. Our Company supports the application.



**VERIFICATION**

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) ss.

THOMAS B. HANSEN, being first duly sworn, deposed and says that he  
has read the foregoing document, knows the facts asserted therein, and that the  
same are true as stated.

Thomas B. Hansen  
Thomas B. Hansen

Subscribed and sworn to before me this 17<sup>th</sup> day of OCTOBER 1995.

Carol Kay  
Notary Public

My Commission Expires:

6-14-96



VERIFIED STATEMENT  
of  
Mark Sheffield  
on behalf of  
PRESSURE VESSEL SERVICES, INCORPORATED

My name is Mark Sheffield, and I am the operations manager for Pressure Vessel Services, Incorporated. My company is located at 50 Chemical Way, Redwood City, California 94063. For the past three years I have been the operations manager at the Redwood City facility responsible for daily operations as well as overseeing of rail operations.

Pressure Vessel Service is in the business of distributing various chemicals. Our company has plants located at Redwood City, Visalia, and Santa Fe Springs. Among other shipments, we receive chemicals at our Redwood City plant via SP from UP origins in Tacoma, Washington, and Henderson, Nevada and Illinois origins in Louisiana, and from SP origins in Denver, Colorado.

We are aware that Union Pacific and Southern Pacific have requested authority from ICC to merge. We ask the ICC to grant that authority unconditionally.

Due to the current requirement for cars to transfer between the UP and SP we experience shipping delays and additional shipping costs. These delays and extra costs at times eliminate our ability to use rail shipments because of production requirements and competitive transportation costs. Merger of Union Pacific and Southern Pacific would allow us to increase our use of the rail service by faster shipping times and reduced transfer costs.

In the past we have suffered from lack of rail equipment for our shipments. The combination of the equipment fleets of UP and SP should also serve to correct car shortages. The railroads' ability to reposition and create greater car availability should result in more responsive service and additional cost savings to our company.

My company supports the merger of Union Pacific and Southern Pacific for the reasons I have stated.

I, Mark Sheffield, 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 10/16/95.

Mark Sheffield  
Mark Sheffield





**Proveedora Industrial de Insumos Básicos, S.A. de C.V.**

Av. del Ferrocarril No. 9  
Fracc. Esfuerzo Nacional  
Xalostoc, Edo. de Méx.  
C. P. 55320  
Tels.: 755-60-43  
755-70-47  
Fax: 755-52-25

SEPTEMBER 5, 1995

INTERSTATE COMMERCE COMMISSION  
UP/SP MERGER CASE  
DOCKET No. 32760

REFERENCE: PROVEEDORA INDUSTRIAL DE INSUMOS  
BASICOS MERGE SUPPORT LETTER.

FOLLOWING YOU WILL FIND OUR VIEWS REGARDING THE PROPOSED UNION  
PACIFIC AND SOUTHERN PACIFIC MERGING.

THE COMPANY THAT I REPRESENT AND MANAGE "PROVEEDORA INDUSTRIAL DE INSUMOS BASICOS, SA DE CV. IS A PRIVATE MEXICAN COMPANY ESTABLISHED AROUND 12 YEAR AGO. WE HAVE AMONG OTHER ACTIVITIES THE IMPORTS OF VARIOUS PRODUCTS THAT ORIGINATE IN USA. FOR ITS RETAIL IN THE MEXICAN MARKET. SUCH AS COKE FOR FOUNDRY PURPOSES. WE AVERAGE 5,000 TO 6000 METRIC TONS OF COKE PER YEAR THAT WE HAVE OUR SUPPLIERS SHIP VIA SP RAILROAD TO EAGLE PASS, TEXAS. OUR OFFICE AND PLANT IS LOCATED IN XALOSTOC, STATE OF MEXICO.

WE ARE AWARE OF THE UP/SP MERGE AND BECAUSE OF IT I AM NOW AWARE OF UP/SP MERGING PROCESS AND OF THE BENEFITS WE AS CUSTOMERS WOULD ENJOY OUT OF IT. IN ACCORDANCE TO OLD KNOWN ECONOMIC BENEFITS. WE BELIEVE THAT TRANSPORTATION COSTS MUST REMAIN REDUCED: A GOAL FOR EVERY INDUSTRY. THIS CAN BE ACCOMPLISHED IF VARIOUS TRANSPORTATION OPTIONS ARE AVAILABLE.

WE ARE MORE THAN WILLING TO ACCEPT THE MERGING OF THESE TWO RAILROADS AS IMPROVEMENT IN SERVICE AND ACCESS TO BETTER EQUIPMENT IS A MUST. THEREFORE WE WOULD AGREE WITH THE ICC TO ACCEPT THE MERGING AS WE WILL HAVE BETTER TRANSIT TIMES. AND BETTER EQUIPMENT: TWO ISSUES THAT NEEDED IMPROVEMENT IN THE PAST.

WE UNDERSTAND THAT SOME OF THE OTHER BENEFITS WE WOULD OBTAIN OUT OF THE MERGE WOULD BE: BETTER ROUTES TO MEXICAN BORDER POINTS: MORE RAILROAD EQUIPMENT CARS AVAILABILITY AND MORE EFFICIENT AND FASTER ROUTES. AS WELL AS A STRONGER AND LARGER RAILROAD WITH BETTER ROUTES FOR OUR COMMODITIES HANDLING.



**Proveedora Industrial de Insumos Básicos, S.A. de C.V.**

Av. del Ferrocarril No. 9  
Fracc. Esfuerzo Nacional  
Xalostoc, Edo. de Méx.  
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Tels.: 755-60-43  
755-70-47  
Fax: 755-52-25


- 2 -

WE ALSO LEARNED OF THE BN/ATSF RECENT MERGE AND WERE CONCERNED ABOUT THEM BECOMING A GIANT. I NOW GET THE IMPRESSION THAT THE UP/SP MERGE WILL BE ABLE TO COMPETE AND PARTICIPATE IN THE TRANSPORTATION MARKET AND BECOME AN EQUAL RAILROAD AS THE RECENTLY MERGED BN/SANTA FE. IN SIZE AND QUALITY.

WE READ TOO THAT UP/SP AGREED TO GIVE OTHER RAILROADS TRACKAGE RIGHTS TO ALLOW COMPETITIVENESS AND AVOID MONOPOLIZED ROUTES: WITH IT WE WILL HAVE MORE OPTIONS TO TARIFFS AND TO SERVICE. AND WE EVEN MIGHT BE ABLE TO REDUCE OUR INTERNATIONAL LOGISTICS EXPENSES.

AS ASSISTANT GENERAL MANAGER FOR MY COMPANY WE SUPPORT THE UNION PACIFIC AND SOUTHERN PACIFIC RAILROADS PROPOSED MERGER. CONSIDERING ALL OF ABOVE STATED BENEFITS.

DECLARE UNDER PENALTY OF PERJURY THAT ALL ABOVE STATED IS TRUE AND CORRECT. AND ON SEPTEMBER 5, 1995 DO CERTIFY ON BEHALF OF THE COMPANY THAT I OWN AND MANAGE. TO BE OBVIOUSLY QUALIFIED TO ISSUE ALL ABOVE STATEMENT.

  
SRA. RAQUEL GRAJALES CALVILLO  
ASSISTANT GENERAL MANAGER



4 Reservoir Circle  
Suite 105  
Baltimore, Maryland 21208  
(410) 486-0010  
(410) 486-0895 Fax

October 18, 1995

VERIFIED STATEMENT  
OF  
DONALD E. GORDON  
on behalf of  
QC CORPORATION

My name is Donald E. Gordon, President of QC Corporation. Our business address is 4 Reservoir Circle, Suite 105, Baltimore, MD 21208. I have owned and managed QC Corporation for the past 23 years and have been responsible for establishing transportation and freight rates. With a current production facility located in Cape Girardeau, Missouri, QC Corporation manufactures and distributes Ferrous Sulfate products throughout the United States and Canada. Because of the impact of outbound freight rates, freight costs continue to play an important role in maintaining market share especially against foreign competition on the west coast.

Ferrous Sulfate, a commodity like product, is consumed predominantly by Fertilizer and Animal Feed markets. Our Cape Girardeau, Missouri facility supplies these markets via over-the-road truck, intermodal piggy back, and rail. Located on a BN spur, QC moves approximately 17,000 short tons or 200 box cars and hopper cars of our product annually via rail. Our major rail traffic lanes include the following west coast destinations:

Seattle, WA	Portland, OR	Dayton, OR
Woodburn, OR	Milpitas, CA	Fresno, CA
Los Angeles, CA	San Diego, CA	

We also move rail cars to Illinois, Georgia, North Carolina and Texas. Most of our current moves are with the BN due to logistics and pricing.


We feel the proposed UP/SP merger will be in our company's best interests. If approved, the merger will provide our customers, especially those located in the west coast, with new single line service, more efficient routing and improved intermodal service. Utilizing the SEMO Port, located 10 miles from our Cape Girardeau, Missouri location, QC will have direct access to an UP/SP rail line service allowing us single line hauls to the west coast. We further believe the UP/SP will be able to reposition both boxcars and locomotion more efficiently allowing for greater utilization of equipment. Although we are not currently moving product into Mexico, with UP/SP single line hauls and expedited service through border crossings, potentially we will gain access to that market.



Verified Statement  
QC Corporation  
Page 2

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

Very truly yours,

  
Donald E. Gordon  
President

I, Donald J. Burke, 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 10/18/91.

*Paul E. Sauer*

## VERIFICATION

STATE OF MARYLAND )  
 ) ss.  
COUNTY OF BALTIMORE )

Donald E. Gordon . being first duly sworn, deposes and says that he has  
(name)  
read the foregoing document, knows that facts asserted therein, and that the same are true  
as stated.

Donald E. Gordon  
(named printed)

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

Charlato A. Wray  
Notary Public

My Commission Expires: \_\_\_\_\_

**CHARLOTTE A. WRIGHT**  
Notary Public - State of Maryland  
My Commission Expires December 5, 1997



OCTOBER 4, 1995

VERIFIED STATEMENT  
OF  
EDWARD GREUTMAN  
WESTERN REGIONAL DIRECTOR  
QUALITY INTERMODAL CORPORATION  
3605 LONG BEACH BLVD  
SUITE 410  
LONG BEACH, CA 90807

Presently I am the Western Regional Director of Quality Intermodal Corporation. My responsibilities include managing both operations and a sales force. The western region includes Washington, Oregon, Idaho, California, Nevada, Montana, Wyoming, Utah, and Arizona. I have set up a number of the QIC offices over the past seven years and have been in the intermodal / transportation business for 20 plus years. I worked for the DTI railroad at an intermodal facility for several years and in sales for the MKT railroad for several years. I have a 4 year college degree in business.

Quality Intermodal is an IMC. We are a southwestern based company and move a high percentage of our traffic in the area of the USA that this merger will affect. Presently this merger could have an effect on approximately 15,000 loads per year westbound into my region and 10,000 loads eastbound from my region.

I am writing this letter to request that the Union Pacific and the Southern Pacific be given the authority to merge as this will help to improve service in and out of my region. Also I see this as a way to strengthen competition. I am endorse the UP/SP application.

Some of the benefits I see coming from the proposed merger are as follows.

1. Greater equipment utilization. This merger will allow more equipment types to move in more corridors. Since the change over the years to go to stack equipment the generic trailer pools have dwindled. With the merging of carriers this will allow both carriers to pool their equipment making for better turn times because my draymen can reload at places they could not before as an example.
2. This merger will allow more efficient rail routes hopefully eliminating some of the congestion problems we have seen increase over the past few years in this region. With more efficient routes we will naturally achieve improved service which is our ultimate goal.

# Quality

INTERMODAL CORPORATION

I once again want to go on record in support of the proposed merger of the UP and SP. I wish I had more time to list of benefits but it seems we're all busy these days.

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

Ed Greutman





# R.T. Transportation, Inc.

P.O. Box 705  
Orland Park, Illinois 60462-0705

1-800-323-5750  
1-815-462-0299  
FAX 1-815-462-0681

October 16, 1995

Verified statement of Michael L. Milcarek on behalf of R.T. TRANSPORTATION, INC.

My name is Michael Milcarek, I am President of R.T. TRANSPORTATION, INC. and 50% owner. R.T.'s address is P.O. Box 705, Orland Park, IL 60462-0705, and our physical address is 14423 West Edison, New Lenox, IL 60451. Mr. Tom Miski owns the other 50%, and I basically supervise all aspects of our operation. I have been in transportation since 1967 in administration, operations and sales.

The Union Pacific handles a large portion of our rail business, in excess of \$1 Million a year. My personal transportation experience includes transportation courses at Morton Junior college, 28 years of practical experience, including on my own with R.T. TRANSPORTATION, INC. for the past 11 years. Prior to that I spent 9 1/2 years in sales with Santa Fe's motor carrier division.

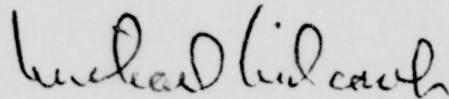
R.T. TRANSPORTATION, INC. moves rail traffic via piggyback primarily from and to Chicago market throughout the United States. R.T. TRANSPORTATION, INC. solicits and handles piggyback, car loads and over the road traffic.

Presently we are moving traffic from Chicago, IL to Dallas, TX: Los Angeles, CA, Northern CA, Sparks/Reno NV, New Orleans LA, to Chicago, IL. We also handle miscellaneous moves through the Midwest & Southwest & West.


Since I am an ex Santa Fe employee, I am aware of the needs for good rail service. I believe the merger of the Union Pacific and Southern Pacific would produce a rail service much needed in our industry. The merger should result in improved piggyback service, particularly between Chicago and California, and will position UP/SP to be a strong and effective competitor to BN/SF, therefore, R.T. TRANSPORTATION, INC. is in support of this merger.

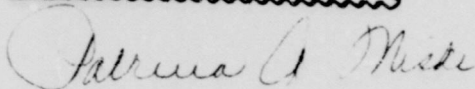
I, Michael Milcarek, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 16, 1995.

Sincerely,



Michael Milcarek, President  
R.T. TRANSPORTATION, INC.

Witnessed by:   
Karla R. Baggett/R.T. TRANSPORTATION, INC.



VERIFIED STATEMENT

OF

C. DWIGHT LAMMERS  
on behalf of  
RAIL FLITE TRANSPORTATION, INC.

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

My name is C. Dwight Lammers. I have been President of Rail Flite Transportation, Inc., Grimes, Iowa, for 16 years. I'm writing this statement to express Rail Flite Transportation's strong support for the proposed Union Pacific/Southern Pacific merger.

Rail Flite Transportation is mainly an intermodal drayage company. Our business primarily consists of trucking goods for Iowa shippers to and from rail ramps in Omaha, NE. and Kansas City, MO. Our Iowa operations are based in Des Moines and Cedar Rapids and our major customers include Quaker Oats, Procter and Gamble Distributing Company, and Maytag. We truck approximately 10,400 loads each year.

We believe the merger will enhance intermodal service in Omaha and Kansas City, and will address recurrent SP service problems. Improved intermodal service will allow us to continue to provide a consistent, high-quality drayage operation for our customers and will encourage more intermodal shippers to utilize Omaha and Kansas City, augmenting the market for our trucking services.

Rail Flite Transportation presently provides drayage services for intermodal traffic routed on the UP, the SP and the BN/SF out of Kansas City. Although SP and

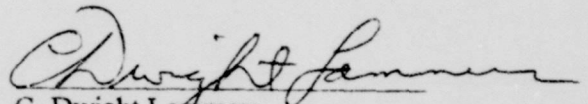


BN/SF have the most direct routes to Southern California, the SP's Chronic service deficiencies prevent it from being an attractive rail carrier. We have experienced persistent problems due to inconsistent SP service.

The merged UP/SP system plans to upgrade SP's lines and service between Kansas City and California. These upgrades will result in more reliable and faster service on this important corridor. Routing intermodal traffic over UP's lines east of Ogden, UT will also facilitate more reliable service to Northern California. We are also positioned to benefit from improved service to SP's Mexican Gateways at Eagle Pass and El Paso. In short, the UP/SP merger should substantially increase the intermodal traffic in Kansas City, and we urge the ICC to grant the application.

#### VERIFICATION

I, C. Dwight Lammers, 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 10-19, 1995.

  
C. Dwight Lammers

# **RAINIER EXPRESS LTD.**

2300 East 2nd Street  
Vancouver, WA 98661  
(206) 693-2000  
(503) 285-7710  
FAX (206) 693-9957

## **VERIFIED STATEMENT**

**OF**

**C. A. WALLNER**

**ON BEHALF OF**

**RAINIER EXPRESS, LTD.**

On behalf of Rainier Express, I am writing this statement to register our strong support for the Union Pacific/Southern Pacific merger. My name is C. A. Wallner, Vice President of Rainier Express, Ltd., Vancouver, Washington. I have 28 years of operational experience with Rainier Express, Pacific Motor Trucking, and Burlington Northern. I am responsible for all operational activities at the company.

Rainier Express is an intermodal drayage company that serves the greater Portland, Oregon/Vancouver, Washington area. We primarily dray from the UP, SP and BN/SF rail ramps in Portland. A small amount of our drayage business is off of Seattle rail ramps. Our trailer and container yard is located in Vancouver, Washington.

We are well positioned to benefit from the UP/SP merger because the merged system plans to upgrade intermodal terminals in Portland and the improved intermodal services offered by UP/SP will draw more business into the Portland area, increasing the customer base for our drayage operation. Our biggest problem today is the maneuvering in to and out of SP's ramp in Portland. SP has the smallest and least accessible ramp of the three rail carriers. The UP/SP merger will ensure that there is a combined ramp with greater capacity and the planned upgrades will make our drayage operation smoother and more efficient.

**QUALITY INTERMODAL DRAY SERVICE**

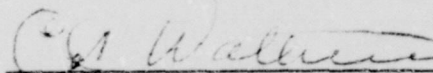
The merger should also attract more intermodal traffic to the Portland terminal. SP/SP plans to offer single-line service along the I-5 corridor of the West Coast between Washington and California, running through Portland. This new route will provide vital rail competition for the truck traffic that currently monopolizes this corridor. In addition, BN/SF has secured trackage rights that will enable it to offer a second single-line option on this important route. Our drayage business will be bolstered by the shift from truck to rail.

The UP/SP merger will strengthen rail competition in Portland and throughout the West. The Portland market is presently served by three railroads and will only be served by two after the merger. Today, however, SP suffers from service and financial problems that simply make it an ineffectual competitor. BN/SF is the clear leader because of its sound capital backing and comprehensive route structure. UP's solid financial portfolio and equipment supply, when combined with SP's extensive rail routes, will offer viable competition to the new BN/SF. We believe that having two strong railroads in the Portland market will be better for our business than the current three.

For all of these reasons, we encourage the ICC to approve the UP/SP merger application.

#### VERIFICATION

I, C. A. Wallner, 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.



C. A. Wallner





EUGENE, OR

HUNTINGTON BEACH, CA

FRESNO, CA

My name is Gaylon Paynter, purchasing agent for Randall wholesale Lumber . our company is located at Eugene, OR. I am responsible for the entire purchasing and shipping environment within my company. I have been in the purchasing and shipping area for over 18 years. Randall wholesale Lumber deals with the lumber and plywood building material market. We source materials, purchase and arrange shipment for our customers.

We currently ship our products on the SP Oregon to Calif. I5 corridor route to the destination yard at Wintersburg, Ca.

One of the most important benefits of the merger to us will be th improvement of single line service from Oregon to California. It is crucial to our business to make our shipments quickly and have a supply of rail cars available to make more shipments along the Oregon to California line. We believe that this merger will result in a drastic improvement of service on the crucial I5 corridor between Oregon and California. We understand the Union Pacific has the resources to commit to making those service improvements. The improvement of that service will allow rail to be more competitive with truck traffic and should allow us to take a greater advantage of rail service.

Another important benefit of the merger to us will be the railroad's ability to increase its supply of rail cars. The crucial item for us in our continued and expanded use of rail traffic is for quick turn around times and a large supply of cars to meet our particular needs. We understand the Union Pacific has a large inventory of center-beam flat cars which can be used for our lumber products. These cars, combined with Southern Pacific's standard lumber type cars, will make a large and versatile car fleet to be used for our lumber products. We believe this will have substantial benefits for us in our expanded use of rail traffic.

Another significant advantage to us will be the institution of single line service between SP's Oregon line and Up destinations in the upper midwest. This will inevitably lead to us being able to expand the market for our products into the Midwest region. This would be a significant benefit to our company.



EUGENE, OR

HUNTINGTON BEACH, CA

FRESNO, CA

We feel the merger will be of great benefit to our company even though it results in the reduction of carriers in the West from three to two. We feel that there will be a substantial improvement in service offered by the new strong carrier combination of UP and SP, and we feel that without the merger SP would become a very weakened competitor which would have very negative implications on our rail traffic.

Because of the benefits to our company that I have described above, Randall Wholesale Lumber Company wholeheartedly supports the merger of Union Pacific and Southern Pacific railroads. We urge you to support the merger and approve it as quickly as possible.

I, Gaylon Paynter, 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 9/27/95

Gaylon Paynter

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  
Raven Logistics, Inc.

Submitted by:

Duane Kuzak  
President  
Raven Logistics, Inc.  
3553 Pine Estates Drive  
West Bloomfield, Michigan 48323

October 16, 1995



October 10, 1995

VERIFIED STATEMENT

OF

DUANE KUZAK  
on behalf of  
RAVEN LOGISTICS, INC.

Statement Submitted to the Interstate Commerce Commission:

I wish to extend our Company's support to the joint application by the Union Pacific Corporation and the Southern Pacific Rail Corporation to merge which is before the Commission and is referenced as Finance Docket No. 32760.

To give you a brief description of my background, I previously worked for CN North America for 17 years. The last position I held at CN was as the Director Marketing- Lumber & Wood Products. In that position I was responsible for all the Marketing and Pricing activities in the Lumber Products area for the CN in the U S. I hold a BS and MBA degree from the University of Detroit and have 19 years of experience in the transportation field.

In February, 1994, I formed a new Company called Raven Logistics, Inc.. Raven Logistics is an International Freight Management Company specializing in strategic distribution planning for the Forest Product Industry. Raven Logistics provides expertise to those Companies who select third parties to represent their Companies in transportation matters. At this time, Raven manages the transportation affairs for seven different clients. They are,

<u>Client</u>
Quality Wood Treating- Prairie du Chien, WI
The Hager Group- Grand Rapids, MI
Banks Lumber Co- Elkhart, IN

<u>Primary Focus</u>
Operates six different lumber treating facilities.
Operates two lumber treating facilities, two wood fencing operations, four truss manufacturing operations and six lumber distribution centers.
Operates four lumber remanufacturing operations, two steel fabrication centers, two truss

Southeast Wood Treating- Jasper, AL	manufacturing facilities and two lumber distribution centers. Operates one sawmill and five lumber treating facilities.
Proboard- Atikokan, ON	Operates one particleboard/MDF manufacturing facility.
Continental Wood Preservers- Detroit, MI	Operates one lumber treating facility.
Bloch Lumber Co- Chicago, IL	Lumber wholesaling and utilizes eight lumber distribution facilities.
Best Hardwoods- Rancho Cucamonga, CA	Hardwood Lumber Wholesaling and operates one distribution facility.

Combined these Company's ship well over 10,000 rail cars annually. These accounts currently have 47 different rail receiving or shipping facilities located primarily in the Southern and Midwestern States. Our clients primary flows are Southern Yellow Pine Lumber shipments from the South and Southwest to their Northern locations. And Plywood, Ponderosa Pine Lumber, Western Spruce Lumber and Hem Fir Lumber shipments from Western, U.S and Canada back to Eastern locations.

Since our client base is primarily Lumber and Wood Products shippers, a merged UP/SP will provide to us more efficient service levels and in certain instances a single line route from the Southwestern and Western Wood Producing regions. Several of our clients will directly benefit by this proposed merger. The following paragraphs will illustrate the potential advantages a merged UP/SP will provide.

One of our clients, Hager Distribution, has changed their pattern of purchasing their plywood from Western, US mills located on the SP due to the inconsistent and slow transit time that is now provided by the SP to Chicago. Due to the price volatility in the lumber and plywood markets timely and consistent service is imperative. With a merged UP/SP I anticipate the service in this key corridor will be improved.

Another one of our clients, Quality Wood Treating, has facilities located on the UP, or accessible to the UP through reciprocal switch, in Minnesota and Wisconsin. With a merged UP/SP single line rates and routes from the Southwest could be established which will not only improve the transit times but will provide a competitive alternative to trucks. Roughly 40% of their traffic is currently trucked from this region.

As you can tell, Raven Logistics is excited about the prospects of a merged UP/SP operation and the potential benefits of this new Rail System.

October 10, 1995

Please accept this letter as our support for the merger as referenced in Finance Docket No. 32760.

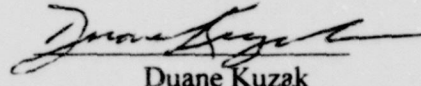
Sincerely,



Duane Kuzak  
President

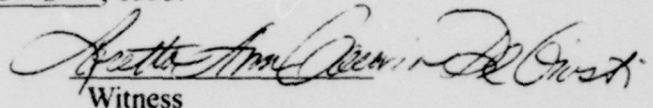
**Verification**

I, Duane Kuzak, 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 10-16-95



Duane Kuzak

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

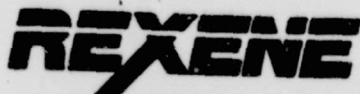


Witness

LORETTA ANN GAUVIN DEGIUSTI

Notary Public, Wayne County, MI *Acting in Oakland County*  
My Commission Expires Apr. 24, 1999





POST OFFICE BOX 3986 • ODESSA, TEXAS 79760 • 915-333-7200

VERIFIED STATEMENT

OF

P. R. MALCOLM  
on behalf of  
REXENE CORPORATION

My name is P. R. Malcolm, Director Of Distribution Services for Rexene Corporation, located at P.O. Box 3986, Odessa, Texas. I am responsible for Rexene's Distribution and Customer Service functions associated with its plastics and petrochemical manufacturing facilities in Odessa, Texas. My responsibilities include the inbound/outbound movement of all products by rail, totaling approximately 8,000 carloads and exceeding 1.3 billion pounds annually.

Rexene Corporation, through its Rexene Products and CT Film divisions, is a manufacturer of plastic resins, petrochemicals and plastic film. The Company's resins and petrochemicals are manufactured at its Odessa, Texas complex, which is land-locked and critically dependent upon rail transportation for the receipt of raw materials and shipment of finished products. While Odessa is single-source served by the UP, our plastic resins and petrochemicals are shipped daily by rail to destinations throughout the U.S. in bulk, in hopper and tank cars, and in packages via intermodal to the following geographic regions.

<u>REGION</u>	<u>ROUTING</u>
To:	
MIDWEST	UP DIRECT & UP - ST. LOUIS OR CHICAGO - CONNECTIONS
NORTHEAST	UP - ST. LOUIS OR CHICAGO - CONNECTIONS
SOUTHEAST	UP - MEMPHIS OR NASHVILLE - CONNECTIONS
WEST COAST	UP - EL PASO - SP & ATSF
Between:	
ODESSA & TEXAS	GULF COAST
	UP - HOUSTON - SP / SP - HOUSTON - UP

As a comparatively small producer in an industry dominated by multi-billion dollar companies, Rexene must focus its efforts on customized, value-added products and quality service to our customers. We have excelled in every area other than service to our rail customers, who represent more than 85% of our total product distribution. We believe that approval of the UP/SP merger will benefit Rexene in several ways.

- \* Odessa is situated midway between Ft. Worth and El Paso on a UP East/West main line that has been under utilized for a number of years, but has sufficient capacity for additional traffic. Consequently, this corridor has been operated more like a branch line than a main line, with only one through train each direction per day. The reliability and level of service has suffered severely due to the insufficient number of trains to pick up or deliver our cars, plus the fact that the two existing through trains are frequently already full.

It is our understanding that if the merger is approved, this line will serve as the UP's primary corridor from Memphis to the West Coast through Dallas/Ft. Worth/Odessa/El Paso and on to Southern California. The net effect will be significantly improved service as a result of the increased number of trains moving east & west through Odessa on a daily basis. We will no longer be starved for available train service/capacity to move our cars, which will provide a level of service that will allow Rexene to be a more viable competitor going forward.

- \* The merger is also designed to eliminate congestion at key yards, such as the UP's Centennial Yard in Ft. Worth, by allowing the combined UP/SP to send traffic over more direct routes available to the merged system, thus bypassing Ft. Worth whenever possible. Every car Rexene ships, other than Westbound, must go through the Ft. Worth yard. It is a major bottleneck in the UP's service on Odessa originated or destined traffic.
- \* Degradation of conditions and service on the SP are intolerable. Rexene is directly impacted on two specific SP traffic lanes involving large volumes.
  - a) Westbound shipments from Odessa to SP-served Southern California destinations (778 cars / 144MM lbs annually). Cars are consistently delayed 3-4 days at El Paso and 3-4 days at W. Colton waiting for motive power, which is compounded by the resulting congestion at these locations.
  - b) Between Odessa and SP-served origins/destinations in the Houston area (1643 tank cars / 280MM lbs

annually). SP's handling at Houston is extremely poor due to congestion, power shortages, lack of crews, etc. Service is generally poor overall in this lane due to existing SP conditions plus UP service delays at Odessa and Ft. Worth.

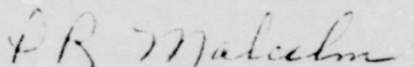
- \* Private car utilization/cost: Expected service improvements provided by the merger will reduce car cycle times, improve utilization, and reduce costs by allowing us to eliminate foreseeable surplus cars from our fleet. Rexene's private fleet is in excess of 1000 tank and hopper cars, with an annual cost of \$6-7MM.
- \* Service and economic benefits of single versus joint line routing of freight originating on or destined to SP points. With single-line service, we expect greatly improved service efficiencies that will reduce rail transit times on our shipments by 1 to 6 days. These major time savings will be the result of eliminating wasted time & motion by reducing delays from blocking, switching and interchanging cars. All of this equates to reductions in unnecessary cost for Rexene.

The benefits of a UP/SP merger far outweigh any foreseeable disadvantages. The SP plays a major role in Rexene's supply chain and finished goods distribution. Current alternatives in service and efficiency are non-existent. The SP's rapidly deteriorating trend must not be allowed to continue. SP's service has continued to worsen over the past several years, and we see no signs of improvement.

We believe that a UP/SP merger is the best solution to the SP's dilemma and in the best interest of Rexene and the shipping/receiving public. With these very important improvements in Rexene's rail service, our costs will be reduced and we will be more competitive and effective in serving our customers.

We therefore support the UP/SP merger proposal and encourage prompt approval of their application.

Respectfully Submitted,



P. R. Malcolm  
Director, Distribution Services



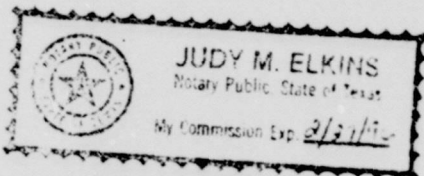
VERIFICATION

STATE OF TEXAS                    )  
  )  
COUNTY OF Ector                )

P. R. Malcolm, 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.

P. R. Malcolm  
P. R. Malcolm

Subscribed and sworn to before me this 19th day of  
October, 1995.



Judy M. Elkins  
Notary Public

My Commission Expires:

2/27/96

**VERIFIED STATEMENT  
OF  
WILLIAM H. BARTLETT**

My name is William H. Bartlett and I am Transportation Pricing Manager for Reynolds Metals Company. I have over 34 years experience in the transportation industry, including employment by railroad and trucking companies. I began my career at Reynolds more than 27 years ago. I have a bachelors degree from the University of Richmond, with a major in transportation. I am a registered Interstate Commerce Commission practitioner. I am generally familiar with the transportation needs of Reynolds Metals Company, and am familiar with the application for merger of SP and UP.

Reynolds Metals Company is a major worldwide corporation, with its core business in aluminum and strong diversification into packaging, consumer products and other businesses.

Reynolds is headquartered in Richmond, Virginia and operates over 100 plants and affiliated operations in 20 nations.

A fully integrated aluminum manufacturer, the company produces alumina, carbon products, and primary and reclaimed aluminum, principally to supply the needs of its fabricating operations. These include aluminum sheet, plate, extrusions, can, foil, electrical rod, building products, wheel, powder and paste, and chemicals plants. It distributes and processes aluminum, stainless steel and nickel-alloy mill products through a nationwide network.

The company produces plastic products ranging from vinyl siding to film, bags and containers and lids for consumer products, foodservice and packaging uses.

Reynolds markets an extensive line of home food management products under the Reynolds brand name, including Reynolds Wrap aluminum foil, one of America's best known brands.

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Reynolds has 29,100 employees and assets of \$ 6.7 billion. In 1994, revenues were \$ 5.2 billion. Reynolds ranks 101st in sales among the Fortune 500 U. S. industrial corporations.

Reynolds Metals Company supports the application for merger of Southern Pacific and Union Pacific.

Reynolds has plants located throughout the U. S. , including facilities located within the areas served by SP and UP. Reduction plants at Troutdale, Oregon and Longview, Washington produce primary aluminum ingot in various forms for customer shipments in addition to the shipments to other Reynolds facilities from which many of the value added products mentioned above are produced. The merger of SP and UP should reduce by several days the rail transit time from these plants to destinations in California that are now served by motor carriers.

Reynolds has an alumina plant located at Gregory, Texas on SP that ships chemical grade alumina to customers throughout the U. S., Canada and Mexico. The merger should provide improved service, including car supply, scheduled train service, customer service information on car tracing, and service reports. There are joint routings via SP and UP that would become single line and transit times should improve. Consistency of transit should improve due to fewer interchanges and chances for missed connections.

Reynolds has aluminum beverage can plants located at Kent, Washington, Hayward and Torrance, California, Fort Worth and Houston, Texas and an aluminum can end plant at Sunset Whitney Ranch, California that receive aluminum coil sheet from the Reynolds Alloys plant at Listerhill, AL and from other vendors located in the U. S.. Some of these plants are SP served, some are UP served. A merged railroad should provide more consistent service, better car utilization and improved information on shipment status. Service should improve with less delays caused at busy interchange yards such as Houston, Texas and St. Louis, Missouri.

Reynolds Metals has a good relationship with SP and UP, both railroads have been good transportation partners individually. SP has had problems securing new equipment, locomotive power and money to improve systems and improve customer services. The SP has never recovered from the problems it incurred in its attempt to merge with the ATSF.

The UP has been able to improve its system and has made major investments in track upgrading, car repair and expansion of rail cars fleets. Their customer service program is greatly improved and their information on shipment status and detailed reporting capabilities are state of the art.

Reynolds is in favor of a merged SP and UP system, not only for the improvements that the merged company would provide, but also because a number of our plants and customers are dependent on rail service by SP, and in my opinion the SP will not be able to compete with the merged ATSF and BN or the UP. Service would continue to deteriorate and our shipping and receiving would suffer. A failed SP could cause severe service problems for our plants and customers. The SP has been attempting to correct the service issues described, but it does not have the financial ability to solve the problems, at least not in the near term. The transportation user of today needs aggressive proactive solutions in order to compete in the marketplace. Reynolds believes that approval of the merger of SP and UP will best resolve these needs.

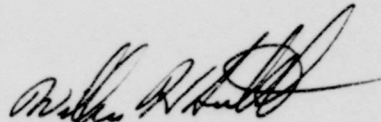
Reynolds also thinks that approval of the SP and UP merger application will create a more competitive railroad to compete with the ATSF and BN merged railroad. Reynolds does not have facilities with joint service by SP and UP, however, the UP and SP have indicated that locations currently served by both SP and UP will be given opportunities to obtain direct service via a competitive railroad.

Reynolds Metals Company strongly urges that approval of the application to merge SP and UP be granted.

VERIFICATION

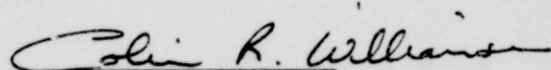
STATE OF VIRGINIA )  
 )  
COUNTY OF HENRICO )

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



William H. Bartlett

Subscribed and sworn to before me this 21<sup>st</sup> day of Sept., 1995



Notary Public

My Commission Expires :

June 30, 1998



**Rice Hull Specialty Products, Inc.**

**Hwy 146 Spur, P. O. Box 188**

**Stuttgart, AR 72160**

**501-673-8507**

**FAX 501-673-2116**

October 13, 1995

Vernon A. Williams  
Secretary  
Case Control Branch  
Attn: Finance Docket 32760  
Interstate Commerce Commission  
1201 Constitution Ave., N. W.  
Washington, DC 20423

RE: 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.

Dear Mr. Williams,

I, John Moore, vice-president of Rice Hull Specialty Products, Inc., Stuttgart, Arkansas, deal with the day-to-day concerns pertaining to traffic, both inbound and outbound, for this facility. I work with truck transportation as well as rail.

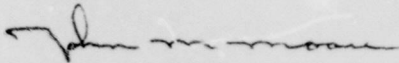
This plant ships in excess of 100,000 tons annually, and I work closely with the carriers who transport our products. This business is very competitive, and a few dollars here or there, or a load arriving a day or two late is very likely to make the difference in our ability to maintain our customer base. I have worked at this facility for over fifteen years and am now part owner of it. I take great interest in anything that will affect the company and the employees as much as this merger will.

I understand that Union Pacific and Southern Pacific are requesting authority to merge, and I support this as a means of improving service and strengthening competition. I have several reasons to support the merger. Better equipment utilization alone would benefit both the customers of the SP and UP. The new single line service, more efficient routes and improved intermodal service will certainly aide our firm. We have several customers in California who would benefit from the Dallas to Los Angeles route. Quite often, we have cars that are delayed in the Chicago and Los Angeles terminals up to nearly a week.

Terminal coordination would aide all of us. Also, at certain times of the year there are car and locomotive shortages, and we are unable to get the cars we need to load. If the merger will result in the repositioning of cars and locomotives, it obviously would benefit us.

In conclusion, I feel that the merger of UP and SP would improve the railroad's ability to serve Rice Hull Specialty Products, which would in turn improve service to our customers.

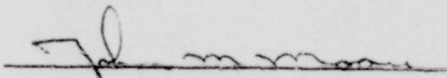
Sincerely,



John M. Moore  
Vice-President

#### VERIFICATION

I, John M. Moore, 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.

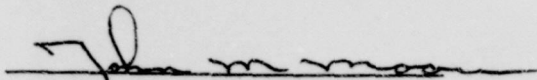


VERIFICATION

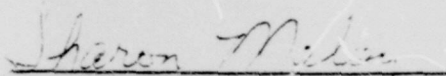
STATE OF ARKANSAS

COUNTY OF ARKANSAS

John M. Moore, 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 M. Moore

Subscribed and sworn to before me this 13th day of October, 1995.

  
Notary Public

My commission expires 10-13-2000.





VERIFIED STATEMENT  
OF  
PETER MANSON  
on behalf of  
ROMAR TRANSPORTATION SYSTEMS, INC.

My name is Peter Manson. I am Western Regional Vice-President for Romar Transportation Systems, Inc. I am responsible for all warehousing, distribution and intermodal operations run from our Portland office. I have had twenty-four (24) years of experience with Romar in both Boston and Portland in various warehouse, operational and managerial positions. Romar Transportation endorses the proposed merger of the Union Pacific and Southern Pacific railroads.

Romar Transportation Systems, Inc. is a multifaceted transportation company. We are headquartered in Chicago and have warehouse and distribution facilities in Chicago, Boston and Portland. Our Chicago facility is served by Illinois Central and BNSF, our Portland site on the UP, and our Boston facility is served by Conrail. We also hold intermodal contracts and operate a large truck fleet. Our annual revenues total nearly \$60 million annually.

The merged UP/SP system will directly impact our Portland business because of planned improvements in Portland terminal facilities and the advent of strong competing single-line service along the I-5 corridor. First, we expect to benefit from improvements in the intermodal terminal at Portland.

Second, and most importantly, we are positioned to take advantage of substantially enhanced service along the West Coast. Currently, there is no single-line rail service along the I-5 corridor, making truck service a more attractive option for many of our customers. The merged UP/SP system will be able to offer extensive and frequent single line rail service along the I-5 corridor. In addition, UP/SP's recent settlement agreement with the BN/ATSF system gave the BN/ATSF trackage rights that will allow it to offer a second competitive, single-line service on the same corridor.

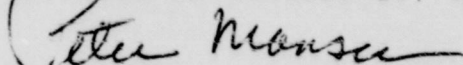


This comprehensive coverage of the Oregon-Washington-California route will draw more intermodal traffic to rail, infusing our Portland operation with new customers. In addition, the merger will assure the long-term financial viability of the merged UP/SP system and the consequent commitment to competitive rail service along the West Coast.

In conclusion, we strongly urge the ICC to approve the merger application.

#### VERIFICATION

I, Peter Manson, 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.

  
Peter Manson

## VERIFIED STATEMENT

OF

THOMAS J. ROSS  
on behalf of  
ROSS ENTERPRISES

My name is Thomas J. Ross and I represent Ross Enterprises. Ross Enterprises is a shippers' agent located at 2311 SE Parkcrest Ave., Vancouver, WA., 98684 and was established in the State of Washington in 1989. My position in the Company is President and as such I am responsible for all operations of the Company. Prior to Ross Enterprises I was employed by Union Pacific Railroad and held various positions in marketing and sales over a period of 35 years.

Under the role of a shippers' agent Ross Enterprises is engaged in logistical consulting, negotiation of freight rates, providing customized transportation proposals for various situations, and taking care of all the needed shipping arrangements starting with ordering equipment to the time the shipment is delivered to the consignee's door. In this day and age the concept of "outsourcing" is very popular and effective and Ross Enterprises has a strong position with its customers whom are not staffed with transportation oriented people.

Our Company is not rail served and we are never beneficial owners of the materials and products we are responsible for shipping. Our customers are located throughout United States and Canada. We ship products and materials of various descriptions and in all directions utilizing most railroads and numerous trucking companies as well as combinations thereof. Recently, we entered into the international arena and are involved in bulk, break bulk, and containerized shipments of materials to Mexico, South America, Europe and the Pacific Rim Countries. Many of our traffic patterns involve "steel wheel" bulk shipments originating in the greater Midwest for destinations in the Pacific Northwest, Canada, California, and to Gulf ports for eventual export.

The purpose of this statement is to offer support for the merger of the Union Pacific Railroad with the Southern Pacific Transportation Co. It is our belief that this proposed merger would be in our clients best interests and would greatly facilitate their marketing efforts to offer improved service and competitive transportation pricing to their traditional marketing regions as well as to those areas for which they strive. We further believe that this merger would create dramatic improvements for the greater shipping public.

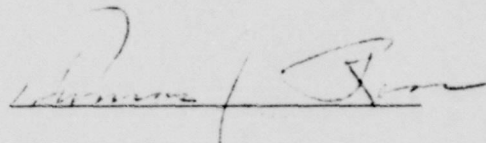


Approval of this merger would offer definite benefits to the greater shipping community. Single line service would be afforded to shippers and receivers at both ends of the new system. Our Company has a number of customers isolated on Southern Pacific in Oregon and Northern California who are at the mercy of the Southern Pacific in terms of service and pricing. Prompted by inferior service and combination pricing that often drives them out of the market, they often truck their products to transload facilities served by BN or UP as a means of circumventing the SP. Single line service would in a sense put these industries back on the railroad map and provide them with renewed competitiveness in the marketplace and the equality they've lacked while being stranded on the S.P. Accordingly, there would be numerous shippers and receivers at both ends of the new system that would reap all the advantages of single line service.

On another issue we believe this merger is of utmost importance in terms of meeting the competitive challenge of the new BN/Santa Fe system. In the wake of the new BN/Santa Fe, the Southern Pacific would be unduly compromised, perhaps to the point of ultimate extinction. Our nation's commerce would be much better served with a new, strong system that would provide needed competition for the BN/Santa Fe. Furthermore, Union Pacific would infuse their financial strength into the new system to create new efficient routes to many markets.

In conclusion, we believe that the proposed merger of the Union Pacific with the Southern Pacific Transportation Co. will provide significant benefits to our Company and to the companies that we serve. Our Company strongly supports the application.

I, Thomas J. Ross, 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.

A handwritten signature in dark ink, appearing to read "Thomas J. Ross", is written over a horizontal line.

**ROYCE INDUSTRIES, L.C.**  
2225 SOUTH 400 WEST  
SALT LAKE CITY UT 84115  
(801) 485-4900

**VERIFIED STATEMENT**  
**OF**  
**ROYCE C. RASMUSSEN**  
**ON BEHALF OF ROYCE INDUSTRIES, L.C.**

**October 16, 1995**

*My name is Royce C. Rasmussen, President of Royce Industries, a limited liability company. I have been in business in the Salt Lake City, Utah area for 11 years. I am involved in the business on a day to day basis and have enjoyed the opportunity of overseeing all activities.*

*Royce Industries is a service oriented business. Our shop is located in the heart of Salt Lake City, Utah with rail service on the Southern Pacific line which includes reciprocal switching with the Union Pacific. One of our many services includes railcar clearing, this encompasses a variety of railcars including box, hopper, gondola, and tank cars. We also offer other services varying from railcar transloading to minor modifications. Over the years we have enjoyed servicing the Southern Pacific and Union Pacific railroads and look forward to working with the Burlington Northern/Santa Fe railroad.*

*We look forward to the Southern Pacific/Union Pacific merger, because we see it as an opportunity to improve service by giving the railroads better access to our railsite. We believe this merger will also introduce the Intermountain area to the Burlington Northern/Santa Fe railroad, where we have not had much of an occasion to work with them.*

*Royce Industries looks upon this joint venture as an opportunity to improve our services that we offer. For example - it will enhance our bidding ability because of improved turn around and transit time. We also feel that it will make our services available to a larger market because of the availability of the three railroad lines - Southern Pacific, Union Pacific, and the Burlington Northern/Santa Fe, which up to this point were not all represented here in Utah.*

*Sincerely,*

*Royce C. Rasmussen*  
Royce C. Rasmussen  
President

**VERIFICATION**

**I, ROYCE C. RASMUSSEN, 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 16, 1995.**

*Royce C. Rasmussen*



**VERIFIED STATEMENT  
OF  
RON CANTRELL  
ON BEHALF OF  
S.E. RYKOFF**

**My name is Ron Cantrell and I am the Operations Manager for S. E. Rykoff, located at 761 Terminal St. , Los Angeles, CA 90021. We are a manufacturer and distributor of food and misc. supplies for restaurants, hospitals, schools and institutions. We have been very dependent on the railroad industry to provide transportation to and from our various facilities. We not only receive intermodal and carload traffic via rail, but ship to other distribution centers by rail.**

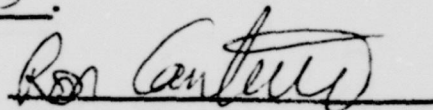
**S. E. Rykoff supports the proposed UP/SP merger, especially since agreement has been reached with the BN/ATSF merged system to allow operating rights and access in the various corridors announced recently. Feel that this will maintain the balance required for rail competition.**

**Our Los Angeles facility is located on the SPRR and we have experienced numerous frustrations due to transit delays and equipment shortages. I feel the combined system should improve both service and equipment availability. The merger will also insure the continuance of a financially strong railroad system on a long term basis that will be good for the shipping public as a whole.**

**I believe that a merged UP/SP system will provide us with numerous benefits and increased capabilities via a single line system, and I support the ICC application they are filing.**

**VERIFICATION**

**I, Ron Cantrell, 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 10-17-95.**







## SAN JOAQUIN REFINING CO., INC.

VERIFIED STATEMENT

of

PAULA C. RIVERA

Regarding: 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.

On behalf of San Joaquin Refining Co., Inc., allow me to introduce myself. I am Paula C. Rivera, the Transportation Manager, Supply and Distribution for San Joaquin Refining Co., Inc. We are located at 3452 Standard Street, P.O. Box 5576, Bakersfield, California 93388-5576.

I have been in the Petroleum Transportation Industry for the past twenty years or more, and have spent the past twelve of those years with San Joaquin Refining. As such, I am authorized to submit this statement in support of the merger proceedings between The Southern Pacific Transportation and The Union Pacific Railroad Companies.

The San Joaquin Refining Company's refinery is located in Bakersfield, California. We are currently being serviced by the San Joaquin Valley Railroad (SJVR), however we are open to reciprocal switches from both the Sante Fe and the Southern Pacific Railroads. Shipments from our facility travel all across the United States, and Canada.

I anticipate that this merger will streamline service to our customers by eliminating many multi-line hauls where we presently have no competitive transportation alternatives, for example: Brownsville, Texas; San Antonio, Texas and Salt Lake City, Utah. By the same token, single line hauls into many states will open up a tremendous opportunity for our company's growth.

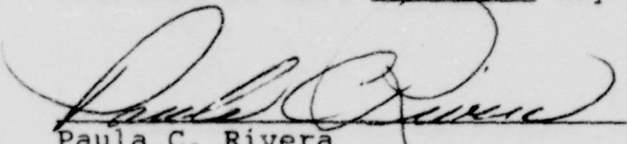
Along with an expected gain in market share and easier access to specific markets, I can conceive of a greater car utilization factor. Allowing that a more direct service and additional power on-line decreases origin to destination transit time, it stands to reason that the railcar return trip will also be able to be handled expeditiously. Equipment utilization, would then become a significant plus.

Beneficially, a simplified, combined system provides an opportunity for a streamlined competitive market, especially since Southern Pacific and Union Pacific have agreed to conditions that give BN/ATSF access to those points where Southern Pacific and Union Pacific are the only competitors. This shall result in enhanced competition because there will be two strong competitors in the West, each offering extensive single line service.

Therefore, in order to encourage the kind of quality, streamlined service that this merger would foster, The Southern Pacific Transportation and The Union Pacific Companies have San Joaquin Refining Company's categorical support.

"I Paula C. Rivera 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 12 day of October, 1995."

  
Paula C. Rivera  
SAN JOAQUIN REFINING CO., INC.

San Joaquin Valley Dairymen  
P. O. Box 2198  
Los Banos, CA 93635  
Phone 209 826-4901 Fax 209 826-6717

10/17/95

**Verified Statement of  
PETER CASSINERIO  
on behalf of  
SAN JOAQUIN VALLEY DAIRYMEN**

Interstate Commerce Commission  
Union Pacific-Southern Pacific Merger Proceeding  
Finance Docket No. 32760

My name is Peter Cassinerio. I am the Sales and Purchasing Manager for the San Joaquin Valley Dairymen (SJVD). For the past eleven years I have held the title of Sales and Purchasing Manager, and held numerous positions during the previous fifteen years. My responsibility in the sales and purchasing areas includes transportation and traffic arrangements.

SJVD is a co-op with manufacturing plants in Los Banos, California (California Northern served connecting to the SP), and in Turlock, California (UP served). We manufacture dried milk products and butter. Dried milk products are loaded into boxcars for shipment. Butter is loaded into mechanical refrigerated rail cars for shipment. We then ship these products to a variety of nationwide destinations. For example, we ship dried milk products from Los Banos to Cincinnati, Ohio; Houston, Texas; Kansas City, Missouri; South Bend, Indiana; and Ravenna, Maine. We ship butter from Los Banos to Chicago, Illinois; Edwardsville, Kansas; Hatfield, Pennsylvania; Salt Lake City, Utah; Kansas City, Missouri; and Green Bay, Wisconsin. For shipments from Los Banos, SP either serves the destination directly or else connects with different carriers such as UP, NS or CSR.

I strongly support the merger of UP and SP and urge the Commission to approve it as expeditiously as possible. The merger will allow UP and SP to combine their systems, which will result in more single line destinations from both our plants. For example, on shipments from Los Banos that terminate at UP-served destinations, we will now be able to get single line service from UP-SP. It will also provide for more efficient routing as the merged system is able to take advantage of the benefits of the merger. For example, with the combined routes of the UP and SP shipments from the Bay Area to Texas may be more than 600 miles shorter than existing UP single-line routes and over 250 miles shorter than existing SP single-line routes. There are also substantial mileage savings on shipments to the Midwest. For example, between Chicago and Salt Lake City, the new UP-SP line is about 189 miles shorter than the existing SP single-line. We expect



that the new single line capabilities and shorter routes will be a great benefit to our business.


I also support the merger because of anticipated benefits resulting from better equipment availability and better equipment utilization. For example, we ship refrigerated butter on cars supplied by SP. SP has only 50' rail cars available for refrigerated butter shipments. Our competitors served by the BN-SF ship butter in 52' refrigerated rail cars. Rail rates to our customers and our competitors' customers are the same, but our competitors' cost per case of butter is lower on BN-SF because of the added space in the 52' cars for more case of butter. With the merger, we will have access to the equipment of the combined UP-SP system at Los Banos. Because UP has 52' cars committed to refrigerated butter, we will be able to compete on a more equal basis with those served by BN-SF.

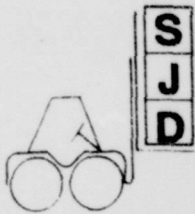
More generally, the merged UP-SP system should be better able to supply equipment for several reasons. First, the combined system will have the benefit of the equipment of both railroads, which means more equipment will be available and UP equipment will be amiable at locations formerly served by SP. Second, UP-SP is planning on using the combined routes of the railroads to relocate equipment more quickly, and to relocate equipment based upon seasonal demand. While SJVD produces butter and dried milk at a constant level, the ability to cycle equipment more quickly means, as a practical matter, that more equipment is available. Third, UP-SP will have the financial strength of UP, which means it will be able to purchase new equipment as needed. In our dealings with SP, we have sometimes experienced shortages of boxcars. As a consequence, we ship via truck which means that our costs increase. The combined UP-SP will be better able to meet our equipment needs to help us compete more effectively.

Finally, SJVD has been extremely pleased with the service we have received from UP in the past. We have experienced few delays and access to better equipment at our UP-served Turlock facility. We expect that the UP-SP system will combine the strengths of UP service, reliability, and dependability, with the routes and access of SP, to provide overall better service to customers such as SJVD.

The new UP-SP system will provide competitive alternatives that neither UP nor SP can offer on its own. The total benefits conferred on the the shipping public from operating efficiencies and increased cost savings will be substantial. We urge speedy approval so that the shipping public may begin to receive the benefits of the merger.

I, Peter Cassinerio, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the verified statement. Executed on October 17, 1995.

  
Peter Cassinerio



# **SAN JOSE DISTRIBUTION SERVICES**

## **FOREIGN TRADE ZONE # 18**

### **CONTAINER FREIGHT STATION**

**Verified Statement  
Of  
Gary Minardi  
On Behalf Of San Jose Distribution Services**

To: Interstate Commerce Commission  
Re: Union Pacific - Southern Pacific Merger Finance Docket # 32760

My name is Gary Minardi and I am a Director of and a Principal in San Jose Distribution Services, a warehouse/distribution services company. I have direct responsibility for management of the operations of the company, including marketing and sales. I have spent twenty one years in transportation and distribution.

We receive products by rail for warehousing and distribution. We receive approximately one thousand carloads annually. We have three facilities in San Jose, California, one of which is served by SP and one of which is served by the UP. These sidings are subject to high reciprocal switch charges between UP and SP which apply in the San Jose area.

San Jose Distribution Services supports the merger of Union Pacific and Southern Pacific. One major benefit to our company will be the institution of single line service and the resulting removal of the reciprocal switch charge between SP and UP in the San Jose area. This would allow our company to optimize the use of both of our rail sidings and reduce our overall costs.

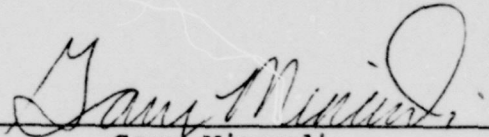
In addition to removing a switch movement in L.A. and its attendant costs, single line service is important to us because it reduces transit times and creates more reliable service. The reduced handling involved in single line service also results in less damage. We feel that the combination of the two route structures together with the operational improvements will open new markets to us which would not be feasible without the merger.

Additionally, we are in full support of the settlement agreement reached by UPSP and BNSF. This settlement will create full competition between two strong competitors which can only help shippers such as us. The entire BNSF system will be available to us for efficient routes in competition with UPSP. Markets will be opened and the competitive environment will remain vigorous.

We urge the Commission to grant approval as soon as possible to assure that the shipping public can begin to reap the benefits.



I, Gary Minardi, declare under penalty of perjury that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement executed this 11th day of October, 1995.

  
\_\_\_\_\_  
Gary Minardi



October 9, 1995

Verified Statement  
of  
Antonio Pedroza

on behalf of

Sanitarios Orion, S.A. de C.V.

My name is Antonio Pedroza, I am the Purchasing Supervisor of Sanitarios Orion, S.A. de C.V. with business address at Carretera Miguel Alemán Km. 14, Apodaca, N.L. México 66478. I have been working with this company for five years in the procurement area and my responsibility is to secure the supply of raw materials, materials and spare parts on time in order to maintain the production running.

Our company produces tile and bathroom furniture, and the raw materials such as clay and kaolin are necessary in our production process. We bring these raw materiales via Laredo, Texas where UP handles 30% and SP-TeXMex the rest.

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 have learned that under the settlement agreement between UP-SP and BN-SF, BN-SF has been given access to Laredo, Texas via a connection at Corpus Christi with the TexMex, this, will keep the competition at our main border crossing city, Laredo, Texas.

We think that the proposed SP - UP merger will provide significant benefit to all shippers, and, will be of great help to maintain competition. We support approval of the application.

I Antonio Pedroza, 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 9th, 1995.

A handwritten signature, appearing to be "Antonio Pedroza", enclosed within an oval border. The signature is written in dark ink and is somewhat stylized.

Antonio Pedroza  
Purchasing Department

Sanitarios Orion, S.A. de C.V.



Portland Transload Facility  
Foot of North Going Street  
Portland, Oregon 97217  
P. O. Box 6789  
Portland, Oregon 97226  
(503) 284-3014  
FAX (503) 284-3836

**VERIFIED STATEMENT**

**OF**

**Jay Parker  
on behalf of  
Savage Industries**

**Re: Union Pacific - Control & Merger - Southern Pacific Railroad  
Corp. Finance Docket No. 32760**

I, Jay Parker, am Operations Manager for Savage Industries, 2500 N. Going St., Portland, Or. 97217. Prior to my current position I was operation supervisor for Savage in Los Angeles, Transportation Manager for Savage in Portland, and Terminal Manager for Widing Transportation in Los Angeles. My current duties include overseeing all of the operations of Savage Industries in Portland.

Savage Industries manages the Union Pacific Reload Facility in Portland, Oregon, a clay facility served by the BN and a salt facility served by the SP. Our UP reload facility handles about 3,000 carloads of lumber, plywood and gypsum per year, while we handle 1300 carloads of inbound salt on the SP and 300 carloads of inbound clay for coating paper stock on the BN.

With the merger of the SP and UP, our company will be able to provide single-line access to the areas in Southern California and Arizona previously served only by the SP. This will not only make us more competitive with trucks, but also with barge transport to California, and with reloads and mills using the Burlington Northern. We expect this merger to improve the service offered on the I-5 truck corridor, and therefore to convert some of that truck traffic to rail.

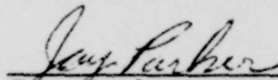


New single line service to points in Texas and the Southwest is another important benefit to our shippers. We believe that these new combined routes will help attract non-rail served mills, for example, on Oregon's coast, to use our facility and convert to rail shipping.

In addition to being faster on many routes, the combined UP/SP transit times will be more reliable as a result of combining UP management with the SP routes, and permitting them to use the best terminal facilities and technology of both railroads. We believe that this merger will provide the long-term assurance of a strong and competitive railroad equal to the combined BN/Santa Fe.

I, Jay Parker, declare under penalty of perjury that the foregoing is true and correct. I further declare that I am authorized and qualified to file this statement.

Executed 10-12 1995

  
Jay Parker

# SCHNITZER STEEL PRODUCTS CO.



2005 N. Burgard St. Portland, Oregon 97203  
P.O. Box 10047 Portland, Oregon 97210  
Phone 503/286-5771 FAX 503/286-6748

## Verified statement of Terry Glucoft on behalf of SCHNITZER STEEL PRODUCTS

My name is Terry Glucoft, General Manager of Schnitzer Steel Products, 12005 North Burgard Road, Portland, Oregon 97210. I have been General Manager of this facility for one year, and previously worked as the General Manager of the Fresno operation. We are located in Portland's Rivergate industrial area, and we are presently rail-served by the Union Pacific Railroad. Schnitzer Steel operates one of the largest steel scrap recycling operations in the United States with a network of scrap recycling and processing facilities in nine locations throughout Oregon, California and Washington. Those facilities are as follows:

LOCATION	SERVING CARRIER/ SWITCHING	[1994 VOLUME] (CARS)
McMinnville, Oregon (Cascade Steel Rolling Mill)	WPRR	8,740
Union City, CA Cascade Steel Depot	SP	994
El Monte, CA Cascade Steel Depot	SP	1,248
Portland, Oregon	UP-Open	1,739
Eugene, Oregon	BN-Open	701
Oakland, California	UP-Open	22
Fresno, California (Levis Iron & Metal)	ATSF-Open	629
Nimbus, California (Sacramento)	SP	808

Schnitzer Steel began recycling scrap metal in Oregon in 1908, operating as a family-owned business until November 1993, when Schnitzer Steel became a publicly traded company. Our Rivergate facility ships an average of 145 cars monthly (1,740 annually) of shredded and #1 scrap and cut stock in gondolas to Cascade steel Rolling Mills (a subsidiary company, located at McMinnville, Oregon), where the scrap steel is converted into steel reinforcing bar ("rebar"), merchant bar, fence posts, grape stakes, and special

sections. Additionally, 100,000 tons of pig iron is brought into the Rivergate facility by ship, and moved either by truck, or by rail when equipment is available, to the Cascade Steel facility at McMinnville.

When moved by rail, our shipments move UP-SP-WP, a joint line move.

With the merger of the Union Pacific and Southern Pacific, a number of significant benefits become readily apparent. First of all, our movements to our Cascade facility at McMinnville, will become single-line moves, with both improved transit times, as well as improved rates. Single-line service from our facility in Oakland, California to our Cascade facility in McMinnville will also replace a joint line move. Also, we expect the merger will open up new sources of scrap to us, specifically in California, which will become commercially available due to single-line service, just as our present scrap sources on the UP.

Other benefits of the UP-SP merger will be what we perceive to be a more reliable supply of high-cube gondolas, resulting from a combined UP-SP fleet. We have found that gondolas have always been in short supply on the SP system, and this has affected our production and increased our costs. Other benefits from a single-line system include increased opportunities to provide back hauls in gondolas because of our combined mini mill and scrap steel origins. Further opportunities will exist to improve our asset utilization using the West Coast I-5 corridor to reposition our equipment.

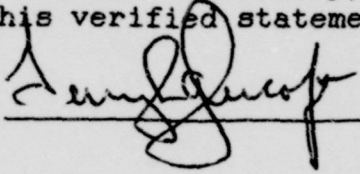
We realize that at some of our locations the prospective merger will mean a reduction in the number of carriers serving the area, e.g., Portland, Oregon and Oakland, California. However, we believe it to be more important to see two strong rail systems competing and to be served by one of them, than to try to preserve a weaker, non-competitive SP in the present rail environment.

As a significant rail user, we are keenly interested in the outcome of this matter, and see new business opportunities for us if the Application is approved. We believe that our transportation costs will be reduced by the merger, which provides competition with truck transportation, which we also use. We believe that the merger of UP and SP is a positive step forward toward balancing competitive forces at work in the rail transportation industry.

Schnitzer Steel enthusiastically supports the proposed merger between Union Pacific and Southern Pacific. We believe that creation of a financially strong railroad such as UP-SP will provide the necessary competition to the BN-SF, which will ultimately protect the shippers such as Schnitzer Steel, and ultimately the public interest.

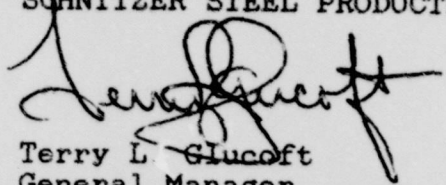


I, Terry Glucoft, declare under penalty of perjury that the foregoing is true and accurate. Further I certify, that I am qualified and authorized to file this verified statement.

Executed on October 5, 1995 by  , General Manager.

Regards,

SCHNITZER STEEL PRODUCTS COMPANY

  
Terry L. Glucoft  
General Manager

VERIFIED STATEMENT  
OF  
DUANE A. FISCHER  
on behalf of  
THE SCOULAR COMPANY

I am President of The Scoular Company, a diversified agri-business concern headquartered in Omaha, Nebraska at 2027 Dodge Street. I have been employed with The Scoular Company for 23 years in various capacities, primarily grain merchandising-related until becoming company President in 1990.

The Scoular Company actively trades grain and grain by-products throughout North America. Volumes include physically handling 65 million bushels of grain through company-owned facilities in Missouri, Montana, Kansas and Nebraska, as well as trading 300 million additional bushels. In addition, we transload approximately 20 million bushels per year in destination markets such as Texas, Utah and California. Our by-product volume exceeds one million short tons annually, including corn gluten feed, dried distillers grains, hominy feed, whole cottonseed, and wheat millfeed. To assist in these trading activities, we own or lease 557 covered hopper cars that we operate on both eastern and western carriers. In our fiscal year 1995, we paid rail freight on grain of \$50,854,000, of which 61.32% was Union Pacific and 1.19% was Southern Pacific. We also paid \$13,261,000 of truck freight and \$531,000 of barge freight. Of our total freight dollars paid for all modes of transportation, Union Pacific was \$31,181,000 of \$64,646,000, or 48%. Our largest facilities are all serviced by Union Pacific as well as another carrier, but Union Pacific enjoys the largest volume because of their approach to partnerships with customers. None of the recent merger activities (BN-ATSF, CNW-UP, or SP-UP) will reduce competition from any of our facilities. In fact, some of the markets in which we trade will have more effective competition than before, because the Southern Pacific had very limited resources while the BN-ATSF via trackage right, will bring more resources to the marketplace. Utah, Arizona and California are all destination markets for grain that will be more competitive than before.

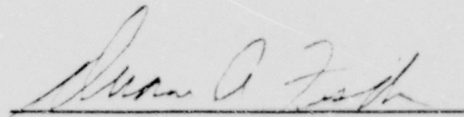
The largest single change for our company will be the access our Butte, Montana facility will have to the dairy feed mills in the Central San Joaquin Valley that are now serviced by the SP. Currently, we can only access about 20% of the California market on a UP direct basis. Additionally, our facility in Salina, Kansas will have access to SP served destinations in Arizona and California where previously our only efficient route to those markets was via the ATSF, and then only to ATSF served destinations.

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.

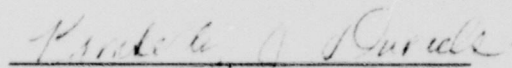
VERIFICATION

STATE OF NEBRASKA     )  
                                      ) SS.  
COUNTY OF DOUGLAS    )

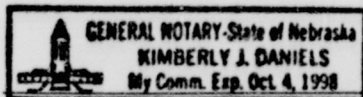
Duane A. Fischer, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

  
Duane A. Fischer

Subscribed and sworn to before me this 17<sup>th</sup> day of October, 1995.

  
Notary Public

My Commission Expires:







P.O. BOX 1607 LAKE OSWEGO, OREGON 97035-0807  
PHONE: (503) 968-1300  
INBOUND WATT: 1-800-735-5560 FAX: (503) 968-1400

Verified Statement  
of  
Tammy Jo Thorson  
on behalf of  
SCR Incorporated

My name is Tammy Jo Thorson. I am the traffic manager for SCR Incorporated. Our address is 7320 S.W. Husziker Road, Suite 207, Tigard, Oregon 97223. I am responsible for keeping track of all railroad cars, obtaining freight rates, and handling any traffic problems which may arise, as well as being responsible for the invoicing and billing of customers' shipments. I have been involved in the transportation industry for over six years.

SCR Incorporated is in the business of wholesale supply of lumber and plywood products. Our company supplies products to California destinations by rail from Eugene, Oregon into California. In the California market, approximately 50% of our product is shipped by rail.

We have recently learned of the proposed merger of Union Pacific and Southern Pacific Railroads and wish to register our support.

An important benefit of the merger to us will be the improvement of service throughout the entire rail system that we presently use. With the SP we simply feel that we have not been receiving the excellent service that we require. We believe that Union Pacific will be able to allocate some of its substantial resources toward improving customer service, and this should result in a great help to our business.

Of like importance to our company is the anticipated improvement of the SP single line from Oregon to California. That service has been somewhat sluggish, and turn-around times for rail cars have been very slow. With the merger we believe that the UP will be able to supply resources to improve transit times and overall service on the I-5 corridor. Such improvements will make rail more competitive with truck traffic along the I-5 corridor, and will allow us to ship even higher volumes of our product by rail into California.

We also believe that the merger will bring an improvement in overall service of the railroad. We believe that the combination of UP and SP will result in a strong western carrier able to compete effectively with BN/SF. While this will result in a reduction of the number of carriers in the Pacific Northwest from three to two, we believe it will be more than offset by the fact that the two remaining carriers will both be strong, going concerns instead of allowing SP to become a weakened company without the merger. In addition, we have recently learned that UP/SP have reached an agreement with BN/SF that will further stimulate competition along the I-5 corridor. We applaud and support this effort by the railroads.

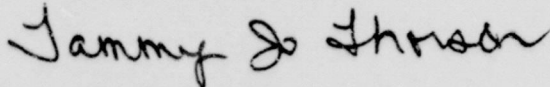
(Page 2)

Finally, the merger of UP and SP will make new single-line shipment opportunities available to our company. We will be able to serve UP points in California more efficiently than ever. The various benefits I have discussed may also lead to diversions of traffic away from trucks to the combined UP/SP.

Our company believes that the benefits I have discussed are important and will be a direct result of the merger between UP and SP, and we strongly support such a merger and urge you to move forward with your approval.

I, Tammy Jo Thorson, 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.

A handwritten signature in cursive script that reads "Tammy Jo Thorson".

Tammy Jo Thorson

# SHASTA-SIERRA LUMBER, INC.

WHOLESALE FOREST PRODUCTS AND INDUSTRIAL SALES

P.O. Box 1323 Eugene, OR 97440  
(503) 683-7000 1-800-225-3884  
Fax (503) 683-7006

VERIFIED STATEMENT OF  
MEL PELLOW  
on behalf of  
SHASTA-SIERRA LUMBER, INC.

My name is Mel Pellow and I am president of Shasta-Sierra Lumber, Inc. Our address is P.O. Box 1323, Eugene, Oregon 97440. My telephone number is (503)683-7000. My fax number is (503)683-7006. I have been in the lumber business for twenty-seven years, and have been a wholesaler for the past twenty-three years. I have owned my own business for the past nine years. Part of my responsibility is to oversee our transportation arrangements so that my lumber is competitive in the market.

Shasta-Sierra is a wholesale lumber company that sells all types of lumber, including timbers, dimension, plywood, OSB, fencing, etc. Last year we shipped approximately 10 million board feet by truck and rail. Most of our shipments originate on the Southern Pacific in the Willamette Valley, near Eugene, Oregon. We ship to destinations in New York, Eastern Canada, New Jersey, Louisiana, and Michigan. We also make some shipments to Los Angeles.

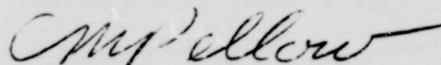
We urge the Commission to approve the merger between the Union Pacific and the Southern Pacific. We ship through Chicago and the merger would shorten the mileage for such a shipment by 541 miles, cutting our transit time and making us more competitive in the eastern market. We expect that the merger will result in more single line routes offered by the combined UP-SP, reaching more destinations. We also look forward to lower costs as a result of more efficient routes and equipment.

In addition, the merger of UP and SP should produce an integrated well-run system that will be able to compete more effectively with other modes of transportation, such as trucking. If rail can recover its role as a tough competitor for the trucking industry, this will help reduce our overall transportation costs. The merger will also open important markets for my company that were not reachable, on an economic basis, prior to this merger.

For these reasons, we urge the Commission to approve the merger of UP and SP.

I, Mel Pellow, 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.

Sincerely,  
Shasta-Sierra Lumber, Inc.



Mel Pellow  
President





300 Corporate Plaza • Islandia, NY 11722 • (516)232-9191 • Fax (516)232-1976

VERIFIED STATEMENT  
OF  
ANDREW GOODMAN  
on behalf of  
SHERWOOD LUMBER CORPORATION

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

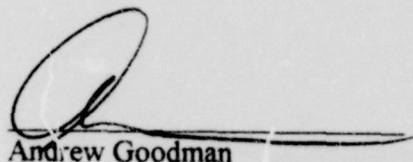
My name is Andrew Goodman. I am President of Sherwood Lumber Corp. I have been in the wholesale lumber business for many years. I am responsible for the overall operations of the company.

Sherwood Lumber Corp. is a wholesale lumber dealer located in Islandia, New York. We purchase lumber from SP and UP origins on the West Coast and ship to our reload facilities in Westfield, MA, New Haven, CT, Brooklyn, NY and Portland, OR for distribution. We ship approximately 950 carloads of lumber per year.

We support the merger of UP and SP. This proposed merger will result in a more efficient and responsive railroad. We believe there are many benefits for shippers who ship from multiple origins to multiple destinations. The quality and reliability of basic line haul rail service is critical to us. The efficiencies that will arise from efficient rerouting of traffic and the elimination of congestion at terminals will result in reduced transit time and better car utilization. The increased reliability of scheduled line haul service will aid in our quest to remain competitive in the lumber business. Single line routing and pricing over the proposed system will allow us to compete from SP points in Oregon and California for business with those who purchase lumber from BNSF mills in Washington, Idaho and Montana.

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.

I, Andrew Goodman, 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 11 day of October, 1995.



Andrew Goodman



## **SIERRA FOREST PRODUCTS**

### **VERIFIED STATEMENT**

of

**KENT DUYSEN**  
on behalf of  
**SIERRA FOREST PRODUCTS**  
and  
**SEQUOIA FOREST INDUSTRY**

My name is Kent Duyen, President of two sawmills, Sierra Forest Products, located in Terra Bella, California, and Sequoia Forest Industries located in Dinuba, California. I have been involved with the Sierra Forest operation for more than 24 years. The other sawmill was acquired in the last year. I am very familiar with the transportation and marketing of forest products from our region.

Both of our sawmills purchase federal and private timber and logs. We manufacture both green and kiln dried lumber, pulp quality chips, produce pallets, and manufacture bark products and soil amendments. The Terra Bella and Dinuba facilities are served by the San Joaquin Railroad, which is linked to the Southern Pacific line. The largest use of the Southern Pacific line is moving our pulp chips into Oregon. We move about 75 cars per month. Our lumber products flow primarily into Southern California and into the Southwest as far East as Texas. The movement of products in the Southwest has been primarily by

trucks the last several years due to the economics of trucks vs rail. Trucks are hauling cheaper than rail. At different times of the year, some of our products flow into the Upper Midwest by rail.

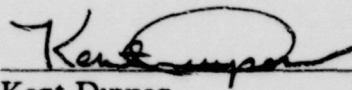
We support the proposed merger of the Union Pacific and the Southern Pacific. In general, I expect the merger to strengthen Southern Pacific's cash position and competitiveness. The merger, for example, should solve SP's continuing problems with providing cars. This past spring, for example, we had to cancel orders due to the lack or timeliness of deliveries of equipment.

I also believe the proposed merger will enhance our business going both into the Southwest and the Upper Midwest. Our freight costs determine the geographic regions to which our products flow. We are the most Southern sawmills in California, and have always had a freight advantage going into the Southwest. However, over the past years, we have lost an edge in our advantage. Ten years ago we shipped a lot more products by rail than we are today. SP's rail system has simply been unable to compete with trucks going into the Southwest. I believe this is due to better and more competitive rates used by mills to the North using other rail lines. With the merger, we believe we will have more competitive rail service. New single-line services and improved rates should make rail service more competitive to both the Southwest and the Upper Midwest. With those improvements, we expect to use more rail service to meet our transportation needs and to increase our business.



In summary, we see nothing but strong advantages for us in the proposed merger between Union Pacific and Southern Pacific. Our mills will have nothing to lose and everything to gain. If changes aren't made, we will continue to see our operations become less and less competitive in relation to other mills, and the pattern of decreasing rail usage will continue.

I, Kent Duysen, 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 6th, 1995.

  
Kent Duysen

**VERIFIED STATEMENT**  
**OF**  
**MARK J. O'DONNELL**  
**on behalf of**  
**SIMPSON PAPER COMPANY**

RE: 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

My name is Mark J. O'Donnell, Manager of Transportation, Simpson Paper Company, 21091 Hawes Rd., P.O. Box 637, Anderson, CA 96007. Contact phone number is (916) 378-6448.

In this position as manager my responsibilities are logistics of finished goods paper products, inbound materials and fiber supply for Simpson Paper Company. My experience in the transportation industry has focused mainly on pulp, paper, timber and wood products for the past 25 years.

Simpson Paper Company believes that the proposed merger of Southern Pacific Transportation Company and the Union Pacific Railroad produces a strong transportation alternative for shippers throughout the United States, including the Pacific Northwest. Simpson Paper Company requests the Interstate Commerce Commission approve the merger.

Below is a description of our locations for shipping paper products to destinations throughout the United States. We are virtually participating with all major rail carriers in originating, terminating and bridging traffic.

Simpson Paper Company headquarters is in Seattle, Washington. Simpson ships pulp and paper products from 10 different locations around the country. These locations include the following:

Vicksburg Mill	-	Vicksburg, MI
Ripon Mill	-	Ripon - CA
Shasta Mill	-	Anderson - CA
San Gabriel Mill	-	Pomona - CA
Allentown Warehouse	-	Allentown, PA
Simpson Tacoma Kraft Company	-	Tacoma, WA
San Jacinto Mill	-	Pasadena, TX
Plainwell Mill	-	Plainwell, MI
Centennial Mill	-	Gilman, VT
Evergreen Mill	-	West Linn, OR
Burlington Mill	-	Burlington, IA

The following are areas in which this merger would make a positive contribution:

- \* Greater equipment availability through faster more efficient transit time (boxcar loaded cycle time)
- \* Direct competitive single line service between California and Tacoma, single line service between the Northwest and points in the Southern and Eastern United States.
- \* Improvement in switching service to our mills.
- \* Stability to the new system with infusion of equipment.
- \* Allow the return to direct rail service on outbound finished goods shipments, that had been forced to a reload involving truck transportation because of lack of suitable boxcars and infrequent service, from our Anderson, CA facility.

CONTINUATION

VERIFIED STATEMENT OF MARK J. O'DONNELL:

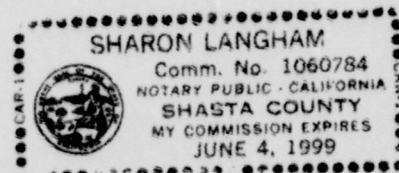
- \* Ability to service Port of Tacoma and Seattle direct from our California Mills.
- \* Direct intermodal service between the Northwest, California and Arizona
- \* Southern Pacific high cube boxcar fleet available to Simpson Tacoma Kraft Company at Tacoma, WA.
- \* One less partner in the operation of the Port Terminal Railroad Association in Houston, Texas.
- \* Greater car type flexibility when combining fleets of two class "A" carriers.

Simpson Paper Company supports the proposed merger as we believe it will enhance service, provide stability and improve competitive modal posture for the merging railroads.

I, Mark J. O'Donnell 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 13, 1995.

*Mark J. O'Donnell*  
MARK J. O'DONNELL

STATE OF CALIFORNIA )  
COUNTY OF SHASTA ) ss.



On 10/13/1995 before me, a Notary Public in and for said County and State, Personally appeared *Mark J. O'Donnell*

( ) personally known to me  
(☒) proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument, and acknowledged to me that *he* executed the same.

WITNESS my hand and official seal.

*Sharon Langham*  
NOTARY PUBLIC



Sulfur Distribution Specialists



## Smith & Weiss Enterprise and Trading Co.

---

62 Post Road West  
P.O. Box 2423  
Westport, CT 06880

Telephone 203-454-1711  
Fax 203-454-4204

October 6, 1995

### VERIFIED STATEMENT

OF

**TIMOTHY F. WEISS**

on behalf of

**SMITH & WEISS ENTERPRISE AND TRADING COMPANY**

62 Post Road West  
Westport, CT 06880

As President, I am responsible for all operations of the Company. I hold a Civil Engineering degree from the University of Dayton and an MBA from The Wharton School of the University of Pennsylvania.

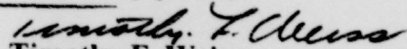
I founded the Company in October 1985 after ten years in Management Consulting with Coopers & Lybrand and eight years in the phosphate fertilizer industry with my last position being Vice President - National Account Sales and Purchasing.

The Company distributes sulfur recovered under EPA regulations from natural gas processing plants and petroleum refineries. More than seven million tons of this element are recovered annually in the United States...seventy percent of which is consumed in phosphate fertilizer production. The Company purchases and resells a minor portion of the total, about 100,000 tons annually, to industrial and fertilizer accounts...taking title to the sulfur at its origin and shipping it in sixty leased tank cars.

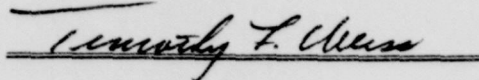
Thirty percent of our shipments, about 350 carloads annually, originate at plants served exclusively by the Southern Pacific and move eastward to interchanges with the CSXT at Memphis and New Orleans. The remainder originate on Eastern railroads and will not be affected by the proposed UP/SP merger.

We fully expect that the merger of the Union Pacific and Southern Pacific will result in efficiencies of scale and improved operating flexibilities. These efficiencies and flexibilities, especially pre-blocking of chemical shipments to avoid terminal congestion at Houston and parallel eastbound routes, should lead (a) to improved transit times which will, in turn, directly reduce our car costs per ton shipped thereby making us more competitive with alternate modes of transportation and (b) to lower transportation rates than those we would incur without the merger. Consequently, we strongly support it.

Very truly yours,

  
Timothy F. Weiss  
President

I, Timothy F. Weiss, 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.





POST OFFICE BOX 288  
26890 POWERLINE ROAD  
HALSEY, OREGON 97348  
TELEPHONE 503/369-2831

October 17, 1995

Verified Statement of Paul Zehr on Behalf of Smith Seed

My name is Paul Zehr, and I am a partner of Smith Seed. My company's address is P. O. Box 288, Halsey, Oregon 97348. I have been involved in the grass seed business for the past 25 years. I am involved in all aspects of my company such as the purchasing and marketing functions as well as sales and transportation of our products.

Smith Seed is in the business of the wholesaling of grass seed. Our company ships grass seed to various destinations in Texas, the Midwest, and along the Eastern Coast.

I have become aware that the Southern Pacific and Union Pacific intend to merge. My company supports such a merger.

An important benefit to my company from the merger would be an increase in the equipment fleet for the railroads. Currently we have experienced substantial delays in receiving boxcars from the SP. We have also suffered too many delays due to deficient SP locomotive power. The combination of Union Pacific's and Southern Pacific's boxcar fleets and locomotives should result in a large ready supply of box cars to meet our shipping needs. These changes should decrease turn around times, and allow us to make greater use of rail service.

Union Pacific would also be able to use its resources to improve service on former SP lines. There is now too much congestion on SP routes. Union Pacific has indicated that they would make improvements in the routing of traffic.

This merger would result in a strong carrier that would be able to compete with the newly merged BN/Sante Fe.

I, Paul Zehr, 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.

A handwritten signature in dark ink, appearing to read 'Paul Zehr', is written over the bottom of the text block.



## **SNYDER & COUNTS FEED**

**P.O. Box 575  
Craig, CO 81626**

**(970) 824-6023  
(970) 824-6622 (fax)**

October 12, 1995

Re: Union Pacific/Southern Pacific Merger

My name is Franklin L. Counts. I am the President, Owner and Manager of Snyder & Counts Feed, Seed & Supply Company, Inc. I have owned and managed this company for twenty years. I have always been involved and responsible for my company's rail traffic. I am in contact with railroads on a regular basis and, during the grain harvest, usually on a daily basis.

Snyder & Counts Feed is a country elevator that receives wheat and grains from farmers. We serve the three county area of Moffat, Routt, and Rio Blanco. We rely on Southern Pacific (DRGW) for outbound shipment of wheat and grains to flour mills for marketing. At present, we ship to mills in Ogden, Utah and Denver, Colorado. Snyder & Counts Feed is also a livestock feed manufacturing mill. We also use the Southern Pacific to receive inbound shipments of feed grains to the elevator.

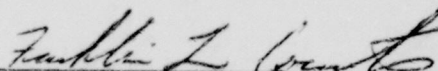
We support the proposed merger of Union Pacific and Southern Pacific. We feel that with a larger rail network and greater financial resources of a bigger company we should receive the same or better service, and competitive freight rates, which are vital to our business.

The merger should also improve the availability of grain hopper cars during peak harvest months, which has been a significant problem with Southern Pacific. The addition of Union Pacific's hopper cars to the fleet should make it easier for the combined entity to supply hopper cars in a timely manner.

The larger railroad system that would be formed by the merger of Union Pacific and the Southern Pacific means we may have new markets available for our outbound shipments and the sale of our commodities. The larger number of origins on the combined railroad will also increase our options for delivery into our area, and should allow us to expand our grain gathering area.

We support the merger and urge its speedy approval. Thank you for your consideration.

I, Franklin L. Counts, 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.



Franklin L. Counts



# **SOCIEDAD COOPERATIVA MANUFACTURERA DE CEMENTO PORTLAND LA CRUZ AZUL SCL**

I am Mario Martinez Montfort Gerente de Investigación y Desarrollo Comercial for SOCIEDAD COOPERATIVA MANUFACTURERA DE CEMENTO PORTLAND LA CRUZ AZUL, S.C.L. Torres Adalid # 517 03100 México, D.F.

I am responsible for the transportation of our products within México and to the United States.

Sociedad Cooperativa Manufacturera de Cemento Portland La Cruz Azul, S.C.L. produces and commercializes Portland, Pozolanic, Morter, Oil well and White cements.

We have two plants, one in Ciudad Cooperativa Cruz Azul, Hgo. and the other in Lagunas, Oax., both plants served by Ferrocarriles Nacionales de México. Our total production capacity is 5.5 million metric tons. per year.

Our main markets are domestic, 25 % México City and 35 % the South East part of the country. We export 10 % of our products to the United States, South and Central America.

Transportation patterns are 60 % motor carrier and 40 % rail. We export to the Texas State, 12,000 metric tons. of white cement per year, using Laredo as border crossing.

Our company strongly supports UP/SP merger, because we think can obtain the benefit of having a single carrier, better equipment utilization, control of our fleet, quality assurance and more route options, will assist us in gaining additional business.

I, Mario Martinez Montfort, 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.

EMPRESA 100% MEXICANA.

TORRES ADALID No. 517 COL. DEL VALLE, MEXICO 03100 D.F. A.P. 27-340  
TEL. 687-20-30 CON 20 LINEAS. TELEX: 17-61497 CAMEME. FAX: 687-42-29  
FABRICAS: CD. CRUZ AZUL, HGO. LAGUNAS, OAX.

October 9, 1995

**VERIFIED STATEMENT**  
**OF**  
**BILLY DUFFIELD**  
*on behalf of*  
**SOUTER CONSTRUCTION COMPANY, INC.**

My name is Billy Duffield, I am Vice-President and Owner of Souter Construction Company, Inc., P.O. Box 876, Conway, AR 72033. My family purchased Souter Construction from my Uncle Avery Souter in 1960.

We have been in business for the past thirty-five years doing extensive work for the U.S. Army Corps of Engineers, the Arkansas State Hwy. & Transportation Dept., the Soil Conservation Service and various private engineering firms. We have completed projects in Arkansas, Texas, Oklahoma, Florida and Louisiana.

We are a General Contractor that specializes in heavy construction, dealing with rock placement, excavation, site preparation, bank stabilization, erosion control, sheet piling, levees and related work. We own and operate several rock quarries and crushing operations.

We have been nominated by the Little Rock District Corps of Engineers for the "U.S. Small Business Contractor of the Year" two times and have received the "Administrator's Award for Excellence" twice in the last five years. In addition, we have received the "Outstanding Civil Works Award, Construction Contractor" and several "Certificate of Achievement" award for various projects completed, mostly in the Vicksburg District for work on the Red River. The most recent award we received was a "Safety Award" from the Jacksonville, Florida District.

We are presently riling rock (riprap) from the 3M Quarry in Little Rock to the Shreveport, Louisiana area. This contract has approximately 300,000 tons of riprap to be placed in the Red River for the U.S. Army Corps of Engineers. Since we first started shipping rock by rail in the 1980's, we have shipped over one million tons.

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 support this merger, hoping that with the combined strengths of UP and SP , they can give us shorter, more efficient routes, or even a single-line service as opposed to double line, which would cut our costs and possible create more business for us..


With the merger, UP/SP should be able to supply additional cars and locomotive power making the movement of our rock more consistent, which is important to us.

With the merger, it could open new markets for us, taking us to destinations we could not compete with in the past. Most of our competition is against truck haul or barge haul. This merger could open doors for us that have not been available in the past.

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

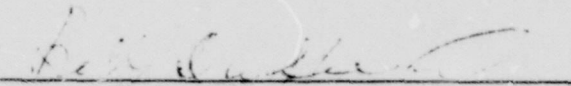
**VERIFICATION**

I, Billy Duffield, 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.

  
\_\_\_\_\_

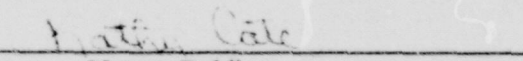
State of Arkansas  
County of Faulkner

Billy Duffield, 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.

  
\_\_\_\_\_

Billy Duffield

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

  
\_\_\_\_\_

Notary Public

My Commission Expires:

4-11-2001



## SOUTH COAST LUMBER CO.

Home of SOCOMI Brand Products

P.O. BOX 670

BROOKINGS, OREGON 97415

PHONE (503) 469-2136

October 12, 1995

Interstate Commerce Commission  
Attn: Finance Docket 32760  
1201 Constitution Ave. N.W.,  
Washington, D.C. 20423

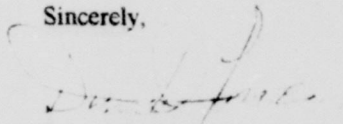
My name is Dan Froehle and I am Sales Manager for South Coast Lumber Company. I am responsible for sales and transportation of our plywood from Brookings, Or. to the forty-eight contiguous states. Since we are located off rail at Brookings, Or. our plywood is trucked to Grants Pass, Or. and loaded in boxcars. A sizeable amount of our shipments move to the Northeastern part of the U.S. Dependable car supply and constant service are extremely important to us and our customers. Last year we shipped 350 railcars via Southern Pacific Lines.

We strongly support the merger of the Union Pacific and the Southern Pacific. There are many important benefits that will be derived from this combination. A more consistent service via a shorter route to the Chicago gateway will greatly help in getting our products to the north eastern market. A more dependable car supply will result with the merged system. Single line service to Washington, Idaho, upper midwest, Las Vegas and California will help South Coast Lumber Company reach these important markets.

With the new agreement reached between the BNSF and the UP/SP on trackage rights and sale of some track, we believe that the western rail system will be competitively balanced and will result in long term rail efficiencies. South Coast Lumber Company fully supports the UP/SP merger.

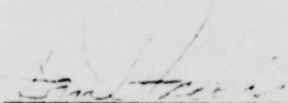
Again, we strongly support this merger.

Sincerely,

  
Dan D. Froehle  
Sales Manager

DF:mc

I, Dan D. Froehle, 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 10-12-95





BEFORE THE  
INTERSTATE COMMERCE COMMISSION

---

FINANCE DOCKET NO. 52760

UNION PACIFIC RAILROAD COMPANY  
CONTROL AND MERGER  
SOUTHERN PACIFIC TRANSPORTATION COMPANY

---

VERIFIED COMMENTS  
OF  
SOUTHERN POLYMER, INC.

My name is Paul Cochran. I am Operations Manager and part-owner of Southern Polymer, Inc. Our address is Suite 590, 6151 Powers Ferry Road, N.W., Atlanta, Georgia 30339. My telephone number is (404) 916-0607. My fax number is (404) 916-0608. As Operations Manager, I am involved in freight rate negotiations, and as part-owner, I am involved in all other aspects of transportation and operations. I have been involved in various facets of the transportation industry for the past fifteen years.

Southern Polymer is a plastics broker with approximately \$100 million in annual sales. We purchase miscellaneous and off-spec plastics from various producers in the Texas and Louisiana Gulf region and resell the plastics to purchasers throughout the United States. Some of our major suppliers are Union Carbide located in Seadrift, Texas; Phillips located in Houston, Texas; and Eastman Chemical located in Longview, Texas. We sell to customers in the East and Northeast, as well as in California and the West Coast. As a commodity broker, transportation is an important part of our cost of doing business, and has a major effect on whether we are

competitive. Transportation costs have a direct effect on our bottom line, and obtaining favorable rates with single line service is of tremendous value to our business. We utilize the services of several railroads, depending upon the origin of the plastics and the destination. We are often faced with arranging connecting service, with the accompanying delays, difficulties in tracing, lack of accountability and switching charges that adversely affect our service and profitability.

We strongly support approval of the merger between Union Pacific and Southern Pacific. The combined UP-SP will be able to offer new single line service, eliminate costly switching charges, and provide more efficient and direct routes. The combined UP-SP system will span a much broader route network that will provide single line service between sellers and purchasers in a much broader area. For example, we regularly deal with a customer located in Clinton, Iowa, on the former CNW, that purchases plastic originating at plants served by SP and BN-SF. The SP origin shipments will become single line shipments after the UP-SP merger, which should be more efficient and less expensive. In addition, our suppliers and customers are increasingly dependent on a broad, integrated network such as the combined UP-SP, so that they can remain competitive with firms served by the immense, newly fashioned BN-SF system.

The merger will combine the strengths of SP and UP. In our experience, SP's sales and marketing personnel have been innovative and aggressive, and this has been a real benefit to our business. At the same time, we recognize that SP has had several difficult years financially, and this has stymied SP's efforts to make needed capital improvements. UP has a consistent record of profitability and substantial capital reserves, which will permit the merged UP-SP to make needed investments to improve infrastructure, take advantage of new technology and otherwise improve

service to keep costs down and service competitive. The merger is necessary for the long-term viability of either UP or SP, and is essential to maintain competition in the rail industry. The merger of UP and SP is critical to establish a viable and balanced competitor to the combined BN-SF system.

The merger will open new markets to us through the broader reach of the combined UP-SP system and our ability to reduce transportation costs and reach new customers. In addition, we have reviewed the pertinent terms of the Settlement Agreement between BN-SF and UP-SP and believe it offers substantial opportunities to shippers such as ourselves who are dependent upon rail service. The agreement gives BN-SF new access to chemical companies and plastics manufacturers in Texas and Louisiana. For example, industries previously served by both UP and SP, located in Amelia, Mt. Belvieu, Orange and Baytown, Texas, will now be open to BN-SF under the terms of the Settlement Agreement. In addition, BN-SF has received trackage rights and access to similarly situated companies located on the rail line between Houston and Brownsville. With the merged BN-SF system in vigorous competition with the merged UP-SP system, we have untold new opportunities to explore new markets, new customer relationships, and more efficient transportation options.

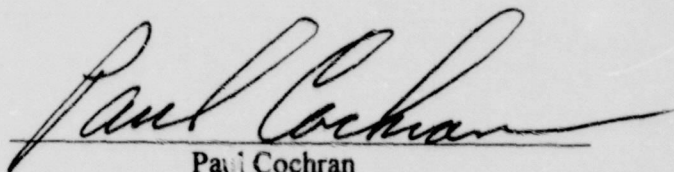
We are also aware of the fact that certain industries previously served by SP, UP and another railroad, such as BN-SF, or KCS, will now be served by two railroads rather than three. Because the two railroads will encompass all the points previously served, we will not be foreclosed from any markets because of the merger. Further, the two remaining railroads will still have strong incentives to compete and offer efficient service, low rates, and aggressive marketing



strategies. The simple fact is, shippers benefit from aggressive competition between strong, competitive railroads.

We believe that the merger of UP and SP will provide substantial benefits to shippers. As a company that makes a living from the transportation of commodities, it is to our benefit to have access to an efficient, integrated rail system. We believe that the merger will help achieve that goal. We urge the Commission expediently to approve the proposed merger between UP and SP.

I, Paul Cochran, 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.

A handwritten signature in cursive script, reading "Paul Cochran", written over a horizontal line.

Paul Cochran  
Southern Polymer, Inc.



P.O. Box 6628  
Phoenix, Arizona 85005-6628

Telephone  
Area Code 602 278-1108  
FAX  
Area Code 602 269-5042

October 11, 1995

VERIFIED STATEMENT

OF

John Bauermeister  
President  
on behalf of

SOUTHWEST FREEPORT DISTRIBUTION INC.

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

Southwest Freeport operates three warehouses in the Phoenix area and initial planning is in the works for another. Each of our warehouses is serviced by the Southern Pacific. The primary products that we depend on rail transportation for include newsprint, copper, and various food products. In the cases of newsprint and food products we are the receiver of inbound products. In the case of copper we are a rail shipper. The merger between the UP and SP will do two primary things that have impact for Southwest Freeport. It will create a stronger Southern Pacific franchise and it will create more efficient routes for some of our inbound food products and outbound copper products.

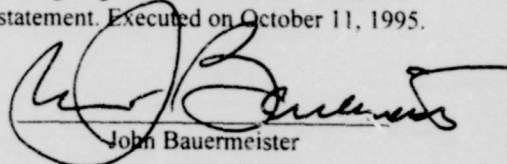
The merger between the UP and SP is needed to ensure the long term viability of the Southern Pacific as a reliable and competitive provider of rail service. We feel the merger should improve service levels as well as bring a new financial strength to the Southern Pacific's franchise. We have been providing the city of Phoenix with warehousing and distribution for nearly 25 years and we plan to continue to do so for the long term. As part of this plan we need a rail service provider to count on for the long term as well. Without the merger between the UP and SP we feel that Southern Pacific will have a hard time being competitive against more financially secure competition.

The merger will also create a significant efficiency in route structure for our inbound products from Arkansas. The addition of Union Pacific's route from Dallas to El Paso will provide a much more direct route for products moving from Arkansas and should improve transit time. Currently cars must move through Houston and San Antonio on there way into the Phoenix market.

For the reasons highlighted Southwest Freeport supports the merger between the Southern Pacific and Union Pacific Railroads.

Verification

I, John Bauermeister 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.



John Bauermeister

VERIFICATION

STATE OF ARIZONA

S.S. \_\_\_\_\_

COUNTY OF MARICOPA

John Baermeister, being of 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 me before the 11 day of October, 1995

Judy McCleary  
Notary Public

My Commission Expires: Feb. 12, 1997





## **SPECIALIZED RAIL SERVICE, INC.**

October 13, 1995

### **VERIFIED STATEMENT**

OF

**JEFFREY W. ARMSTRONG**  
on behalf of  
**SPECIALIZED RAIL SERVICE, INC.**

On behalf of my company, I would like to express our support for the proposed merger of the Union Pacific Railroad with the Southern Pacific Railroad. I am the vice president of Specialized Rail Service, Inc., located at 695 North Angel Street, Layton, UT., 84041. I have held this position since April, 1993. Prior to that, I worked for the Union Pacific for approximately sixteen years in various positions within the Marketing Department, primarily in the area of Intermodal product management. My educational background includes a B.S. degree in Business & Economics from Lehigh University, Bethlehem, PA. in 1977, graduation from the Academy of Advanced Traffic, New York, New York, 1979, and an MBA degree from Creighton University, Omaha, NE., in 1986.

Specialized Rail Service, Inc. was formed in July, 1992, offering various Intermodal contract services including drayage, transloading, Intermodal facility management, and material handling and storage. Our operations began with the management of the Union Pacific Intermodal facility in Las Vegas, NV. Currently, we operate in four additional locations, including Salt Lake City UT., Phoenix, AZ., Denver, CO., and the Georgetown/Lexington, KY. area.

We handle approximately 8000 loads per year through our drayage operations, and transload and deliver freight from about 500 rail cars per year for the Union Pacific at our Las Vegas, and Denver reload facilities. The commodities we transload include consumer goods, steel products, gypsum board, and forest products. Our Phoenix operation consists of a truck terminal with crossdock and rail spur located on ATSF Railway property. Our Salt Lake City and Kentucky operations offer primarily drayage service to Intermodal Marketing Companies throughout the United States.

Our company strongly supports the proposed merger of the Union Pacific and Southern Pacific railroad companies. As a provider of rail contract services primarily for these two carriers, the success of our company is extremely dependent upon the ability of these railroads to effectively compete in the Western transportation marketplace in terms of service and rates. We believe that the combination of the UP and SP is a natural and necessary step for these carriers to pursue in order to maintain and enhance their ability to provide superior transportation service to the shipping public. In today's environment, more and more shippers are turning to Just-In-Time inventory management, and are demanding that carriers, rail or motor, meet exacting

### **TERMINALS**

Phoenix 47 (602) 254-8960 • Denver, CO (303) 297-2372 • Salt Lake City, UT (801) 546-5566 • Las Vegas, NV (702) 388-9277  
Georgetown/Lexington, KY (606) 272-1674 • Louisville, KY (606) 272-1674



## **SPECIALIZED RAIL SERVICE, INC.**

service schedules on a consistent basis. A UP/SP combination will create a company more capable of meeting these demands than if they were to remain separate.

We believe that our company would benefit from the merger in several specific ways. Firstly, the combined system will offer improved, single-line service to numerous shippers by linking UP and SP service points. This would be particularly beneficial to us at our Las Vegas operations in reaching Forest Products shippers from SP origins in No. California and Oregon. This will also hold true for shipments of food products from SP points in Oregon and Washington to Southern Nevada, as well as, for scrap paper moves from Southern Nevada and Southern Utah back to Portland, OR. area receivers now served by the SP. Additionally, new single-line service will be created for numerous customers shipping between UP Intermountain points and SP California points.

Secondly, our drayage operations will benefit from a combined system which will provide overall improved Intermodal linehaul service. Faster, more reliable service will be achieved through reduced mainline congestion and shortened routes. More competitive Intermodal service will attract more traffic to rail handling thus increasing our potential customer base.

Thirdly, a combined system will improve our Intermodal equipment utilization at locations where service is currently offered by both the UP and SP. Utilization is improved through single location equipment sourcing for pick-up and termination of loads and empties. Also, better utilization is achieved within a merged system when using inbound loaded equipment for subsequent outbound loads. Since cross-over of equipment between carriers is not allowed in the areas we service, inefficiencies and increased costs result. This benefit would accrue to us at Salt Lake City, Denver, and Los Angeles.

The customers that our company services almost always have the opportunity to utilize carriers other than the SP or UP to handle their shipments. These carriers can be another railroad (BNSF) or motor carriers. Motor carriers in particular provide formidable competition to rail handling for the majority of the freight which we handle in conjunction with the UP and SP. To meet these competitive challenges in the Western markets, a Union Pacific and Southern Pacific merger is necessary.

It is our opinion that a merged UP/SP system will be of significant benefit to shippers and ultimately to the general public, and, as such, are in support of their merger application.

Sincerely,

*Jeffrey W. Armstrong*  
Jeffrey W. Armstrong  
Vice President

Specialized Rail Service, Inc.

### **TERMINALS**

Phoenix, AZ (602) 254-8960 • Denver, CO (303) 297-2372 • Salt Lake City, UT (801) 546-5566 • Las Vegas, NV (702) 388-9277  
Georgetown/Lexington, KY (606) 272-1674 • Louisville, KY (606) 272-1674

VERIFICATION

I, JEFFREY W. ARMSTRONG 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 .

Jeffrey W. Armstrong

STATE OF UTAH )  
COUNTY OF DAVIS ) SS.

Paul L. Bangerter, 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.

Paul L. Bangerter  
Paul L. Bangerter

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

Shaun R. Argyle  
Notary Public

My Commission Expires:

January 3, 1996



NOTARY PUBLIC  
**SHAUN R. ARGYLE**  
1360 South Foothill Blvd  
Salt Lake City, Utah 84108  
My Commission Expires  
January 3, 1996  
STATE OF UTAH



**Verified Statement  
of  
DAVID C. KANE  
on behalf of  
SPECIALTY MINERALS INC. and BARRETTS MINERALS INC.**

I. My name is David C. Kane. I'm Director of Transportation for Specialty Minerals Inc. & Barretts Minerals Inc., subsidiaries of Minerals Technologies Inc. with offices at 405 Lexington Avenue, New York, NY 10017. I've held this position with Minerals Technologies Inc. and its predecessor Pfizer Specialty Minerals Inc. since September 1991. I've been employed in the transportation industry for the past 16 years. I'm a licensed ICC practitioner.

II. Minerals Technologies Inc. is a resource and technology based organization that develops, produces and markets worldwide a broad range of performance enhancing minerals, mineral based, and synthetic mineral products. We are the leading producer and supplier to the North American paper industry of Precipitated Calcium Carbonate (PCC). We are also one of the world's leading developers and marketers of monolithic refractory materials for use by the steel, cement and glass industries. We mine, produce and ship by all modes of transportation natural mineral-based products, including limestone, lime, talc, calcium, and metallurgical wire products. Our total annual freight bill is \$40 million spent for all modes. Plants at Barretts, MT, Quinnesec, MI, and Wallula, WA are served by Union Pacific. Union Pacific participates in joint routes to and from many other Specialty Minerals facilities including a plant in Mexico. For their services we pay them \$5.5 million annually. A plant at Anderson, CA is currently served by SP. At one time SP participated in joint routes to two large customers in California from Specialty Minerals' plant at Lucerne Valley, CA (served by ATSF). One of those customers has shuttered their plant but not before changing to truck delivery from another supplier. The other customer is still operating but changed to a closer supplier who could economically deliver by truck. 99% of Lucerne Valley's output is shipped by truck, most to points in SP served territory.

III. We understand Union Pacific Railroad and Southern Pacific Lines are requesting authority to merge their operations to form one carrier. We strongly support this a means to improve efficiency for both merged carriers and provide improved rail service.

IV. Competition in markets served by the merged carriers is intense. We face competition from other limestone producers, competitors offer alternative products, located in different regions often closer to markets in which we must compete. Transportation cost is a significant part of delivered product price. We often compete in markets via rail where our competitors economically reach the market by truck making high quality rail service critical to our participation. Union Pacific quality service to Southern Pacific served locations will allow us to compete in markets where we've been blocked by poor rail service.

V. Single line service is more economical than joint line service. The merged Union Pacific/Southern Pacific will allow us to reach more customers in the Western United States from our Barretts, MT talc plant via more efficient single line routes.

VI. Specialty Minerals Inc. sales are growing at an annual rate of over 20% per year. Railroads are an increasingly vital link between us and our customers. A Union Pacific/Southern Pacific merger ensures, for the long term, an economical and efficient rail system to many of those customers in the Western United States. Synergy between the merged carriers will result in more efficient asset utilization. The Southern Pacific will benefit from access to Union Pacific's resources, capital, and technology.

VII. The agreement announced September 26 between UP and Burlington Northern Santa Fe allays many of our concerns about competitive rail access particularly at key Mexican border crossings. In the light of existing product, geographic, and intermodal competition, we believe the greater operating efficiency, lower costs, faster transit times and generally improved service resulting from a combined UP/SP system outweigh loss of intramodal competition in some markets.

VIII. Specialty Minerals Inc. and Barretts Minerals Inc. support the Union Pacific/Southern Pacific application to merge.

#### VERIFICATION

State of New York

County of New York

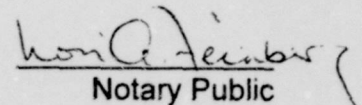
David C. Kane, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and the same are true as stated.



David C. Kane

Subscribed and sworn to before me this 10<sup>th</sup> day of October, 1995

LORI A. FEINBERG, ESQ.  
Notary Public, State of New York  
No. 31-5003665  
Qualified in New York County  
Commission Expires Oct. 26, 1996

  
Notary Public

My Commission expires:

10/26/96



October 9, 1995

Interstate Commerce Commission  
Attention: Finance Docket 32760  
1201 Constitution Avenue, N.W.  
Washington, D.C. 20423

Verified Statement of  
Edward R. Elston  
On Behalf of  
The Springfield Group

On behalf of The Springfield Group, I, Edward R. Elston, Business and Market Development Manager, offer the following supporting statements, for the consideration by the I.C.C., regarding the proposed merger between the Union Pacific Railroad and Southern Pacific Railroad.

I have worked in the forest products industry since 1962, 31 years with Weyerhaeuser Company and the past 2 years with The Springfield Group. Over these years, my responsibilities have included Manufacturing Operation General Manager, both in regional and corporate locations. Other responsibilities included Corporate Lumber Division Business and Marketing Manager. These responsibilities required a solid working knowledge of all transportation modes involved in moving product from mill to market in both domestic U. S. and international markets.

My present responsibilities with The Springfield Group, among other things, include the development of rail transportation services for all inbound raw material to our western mills and the establishment of rates for both inbound and outbound products.

The Springfield Group is a manufacturer of veneer and structural plywood. There are six western mills located in Western Oregon and one located in Georgia.

The western mills are served by Southern Pacific, Burlington Northern and two reloads served by Burlington Northern and Union Pacific. The Georgia mill is served by CSXT through a reload.

The products from the western mills generally route through the eastern gateways, primarily Chicago, connecting with Conrail and CSXT. Additionally, products are routed to California and Arizona.

487

**Main Office:**  
**Springfield:**  
**Eugene:**  
**Sweet Home:**  
**Myrtle Point:**

728 Centennial Loop, Suite 1, Eugene, OR 97401  
P.O. Box 719, 1651 South F Street, Springfield, OR 97477  
2340 Irving Road, Eugene, OR 97402  
28225 Santiam Highway, Sweet Home, OR 97386  
100 Maple Street, Myrtle Point, OR 97458

503 / 344-4886 FAX 503 / 683-6630  
503 / 726-2124 FAX 503 / 741-4672  
503 / 689-1882 FAX 503 / 689-1851  
503 / 367-3828 FAX 503 / 367-4398  
503 / 572-5899 FAX 503 / 572-3655



Products from Georgia are shipped to the eastern seaboard markets from Maine to Florida in addition to Ohio, Tennessee, Oregon and California.

The nine month year-to-date revenue to railroads from inbound raw material is \$900,000 and nine month year-to-date outbound revenue is \$710,000. The annualized estimate equals \$1,200,000 inbound and \$946,000 outbound.

In regards to the proposed merger. 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.

The service benefit, in particular, reducing shipping times from our Southern Pacific served mills, is the most significant. Our customers beyond the eastern gateways have experienced transit times in excess of 25 days and have refused to continue purchases unless we can provide other carriers such as Union Pacific or Burlington Northern. This has required our mills to utilize reloads.

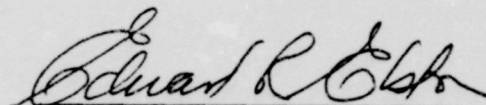
The single line service will especially be important as this will also reduce transit times resulting from interchange delays. In addition, it is expected that the shippers transportation cost will be reduced as a result of single-line operating efficiencies.

It is expected that the merger will increase the ability of the Union Pacific/Southern Pacific to compete with the Burlington Northern/Santa Fe. This should benefit shippers and their customers through reduced rates and improved service, both to Southern California/Arizona and eastern gateways from the Pacific Northwest.

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

I, Edward R. Elston, 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 9 day of October, 1995.

  
Edward R. Elston



# Stratton Seed Company

Phone: (501) 673-4433 • Fax: (501) 673-4299

P.O. Box 32 • 320 North Main Street

Stuttgart, Arkansas 72160

October 12, 1995

## VERIFIED STATEMENT

OF

WENDELL STRATTON

on behalf of

STRATTON SEED COMPANY


RE: Finance Docket No. 32760

My name is Wendell Stratton. I am President and General Manager of Stratton Seed Company, 401 West Arthur, P.O. Box 32, Stuttgart, AR 72160, (501)673-4433. I have a Bachelor of Science degree in agriculture, and minor in business. I have worked with Stratton Seed Co. for 25 years.

We are a retail farm supply operation for seed, fertilizer, and chemicals, and wholesale rice, soybeans, wheat, oats and lespedeza to the south and southeast U.S. seed markets. We receive potash by rail from Carlsbad, New Mexico or Canada. We are shippers of soybean seed by rail to Mexico via Texas, New Mexico or Arizona.

We support the UP/SP merger. As a shipper dependent on SP service, we welcome this merger as a means of ensuring that we receive top-quality rail service from financially sound carriers with single-line access to numerous points.

I, Wendell Stratton, 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.

  
Wendell Stratton, President



## **STREAMLINE SHIPPERS ASSOCIATION, INC.**

*A Not For Profit Organization*

### **VERIFIED STATEMENT Of TIM HORTON**

**On Behalf Of**

### **STREAMLINE SHIPPERS ASSOCIATION, INC.**

My name is Tim Horton, I am the Director of Transportation for Streamline Shippers Association. Streamline Shippers is the largest full service shippers' association in the United States. Streamline is headquartered at 5525 S. Santa Fe Avenue, Vernon, California 90058. My responsibilities for Streamline Shippers include the selection of our underlying common carriers, contract carriers, distribution centers, regional carriers, container freight stations, and setting the pricing for our membership. Streamline moved an excess of 32,000 trailers and/or containers in our fiscal year ending July 1995. Our transportation budget for that period was in excess of thirty-five million dollars. I have been the Director of Transportation for Streamline Shippers for over two years and prior to that I spent fifteen (15) years in various traffic related positions within Streamline Shippers.

As stated above, Streamline Shippers is a full service shippers' association. Streamline is a membership organization with over 3,000 members throughout the world. Streamline is in the business of providing transportation services to our members which consist mainly of small and medium size shippers. Our current traffic flow consists of approximately fifty-five percent (55%) domestic, forty-five percent (45%) international business. Of the domestic portion of our business, approximately eighty percent (80%) moves from the Southern California area throughout the rest of the United States. Streamline currently has contracts with all the major railroads, (including Southern Pacific and Union Pacific), as well as with many contract carriers.

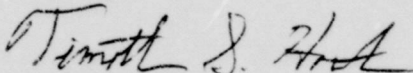
Streamline Shippers is aware of the request of the Union Pacific and the Southern Pacific to merge. We strongly endorse the application for the Union Pacific and Southern Pacific to merge. We believe this merger is in the best interest of our membership and will result in improved service and strengthen competition among the rail carriers. We expect our members to benefit from the effects of this merger in the following ways:



- ◆ Improved service reliability in the key Southern California to Chicago corridor, and Southern California to the Pacific Northwest corridor.
- ◆ Better equipment availability due to combined pool.
- ◆ More viable routing options between Northern California and Chicago.
- ◆ Merger of the Southern Pacific and Union Pacific should result in a strong competitor to the recently merged Burlington Northern and Santa Fe, thus providing another viable routing choice out of Southern California.

Streamline Shippers Association strongly supports the merger of the Union Pacific and Southern Pacific Railroads. We believe that the merger of these two railroads will strengthen rail and truck competition, thus providing viable transportation choices for our members in various market areas.

Sincerely,



Timothy S. Horton  
Director of Transportation

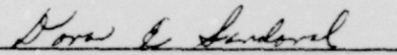
**VERIFICATION**

I, Tim Horton, 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.



Timothy S. Horton

Witness:



Dora E. Sandoval



THE STROH BREWERY COMPANY  
100 RIVER PLACE  
DETROIT, MICHIGAN 48207-4291  
(313) 446-2000

September 29, 1995

**VERIFIED STATEMENT  
OF  
VICTOR N. CONSIGLIO  
on behalf of  
THE STROH BREWERY COMPANY**

**Finance Docket No. 32760**

**Union Pacific Railroad Company-Control and Merger-Southern Pacific Corporation**

I am Victor N. Consiglio, Manager, Transportation with The Stroh Brewery Company of Detroit, Michigan. My company is involved in the business of producing and marketing high quality alcoholic/non-alcoholic beverages for worldwide distribution. I am responsible for all logistics/transportation matters as they relate to our five breweries, two distribution centers, and 1,300 customers. I have been involved in the logistics/transportation industry for over 22 years and have been authorized by The Stroh Brewery Company to act on it's behalf in this matter.

The Stroh Brewery Company ships thousands of railcar and intermodal shipments annually from our breweries to over 1,300 customer locations worldwide. Therefore, Stroh sees significant benefits to our transportation needs from a combined Union Pacific and Southern Pacific railroad network. Conversely, we see no anti-competitive consequences as a result. The Union Pacific Railroad serves two of our breweries, one in Longview, Texas and the other in St. Paul, Minnesota. In addition, the new Burlington Northern/Santa Fe merger provides for the ability of that newly formed railroad network to access both plant locations, therefore providing Stroh with the ability to route shipments via an alternate railroad in any direction. Furthermore, the combined UP/SP routings would provide for seamless service to our west coast distribution centers. In addition, the merger of the UP and SP would also provide for competitive intermodal routings from both breweries to the west coast and gulf coast to compete with the BN/ATSF intermodal network.

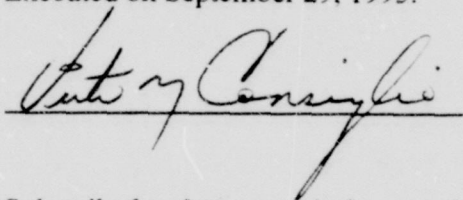
In my view, the transaction is in the public interest. Authorization of the UP/SP merger will permit those two carriers to combine a variety of marketing and operating programs that can only improve the quality of the service they are able to offer their customers, including The Stroh Brewery Company.

**Page Two - Verified Statement Victor N. Consiglio - The Stroh Brewery Company**

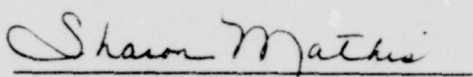
In particular, The Stroh Brewery Company would benefit by improving the quality of UP and SP transportation service by such measures as new and more efficient run through trains, yard consolidations, and movement of traffic over shorter routes, resulting in more reliable and faster transit times. In addition, better car supply through more efficient management of the two railroads' car fleets would be realized. Improving the coordination of train dispatching and equipment assignment which will produce more efficient train operations would lower costs and provide more reliable transportation service. One of the major problems in the past with the SP has been their lack of a sufficient/reliable locomotive fleet which caused many transit delays. I feel that with the managed utilization of the combined UP/SP locomotive fleet that this problem will no longer exist. Finally, the ability to route shipments from the Twin Cities and East Texas with virtual single-line service competition with the BN/ATSF to the west coast and gulf states would be of much benefit to our distribution of finished goods to both domestic and international destinations.

In summary, I can see a great benefit to The Stroh Brewery Company as a result of the ICC authorizing Union Pacific to acquire control of The Southern Pacific Railroad Company. Accordingly, I urge the ICC to move promptly on granting such authority so that these two carriers can begin to implement the coordination that promises so many benefits to the shipping public.

I, Victor N. Consiglio, 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.



Subscribed and sworn to before me this 29<sup>th</sup> day of September, 1995.

  
Notary Public

Sharon Mathis  
Notary Public, Wayne County, MI  
My Commission Expires July 10, 1999

My Commission Expires:

July 10, 1999

cc: J. Curtin  
M. Shapiro



## **VERIFIED STATEMENT**

**OF**

**CLIFFORD H. HOPLER**

**on behalf of**

**SUBURBAN PROPANE**

I, Clifford H. Hopler am the Manager of Rail Operations for Suburban Propane with its headquarters located at 240 Rt. 10 West, Whippany, NJ 07981. I have been with Suburban Propane for nineteen (19) years, almost all of that time within the Product Supply Department and Manager of its Rail Operations for the past 10 years.

Suburban Propane is one of the country's leading propane gas companies, supplying approximately one million customers nationwide. Suburban's propane gas is purchased at hundreds of supply points across the U.S. and Canada, including supply sources operated by major oil companies and independent natural gas companies. The propane is stored in strategically placed terminals throughout the U.S., then moved from these facilities to our own sales and service centers by both transports and tank cars.

Approximately 70% of the company volume is delivered by transports and the other 30% is delivered by tank car.

We at Suburban Propane understand that the Union Pacific and Southern Pacific are requesting authority to merge. We support this proposed combination as a means of improving services. We expect pricing will remain competitive as a result of stronger competition with the introduction of Areas to the BN/Santa Fe.

With approval of the application, the Union Pacific and Southern Pacific will be able to combine the strengths of their rail systems. As a result, hundreds of Union Pacific points currently not served by Southern Pacific will be linked on a single-line basis. For Suburban Propane this means a link between Mt. Belvieu, Texas and California, as well as the upper Midwest primarily Iowa and Wyoming.

Also, the BN/Santa Fe combination will be nearly twice the size of the Union Pacific or Southern Pacific. Combining Union Pacific and Southern Pacific will create a competitor that is fully equal to the BN/Santa Fe in all major western markets.

Suburban Propane believes that the proposed merger will provide significant benefits to shippers. Our company supports the application.

I, Clifford H. Hopler, 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.

Ross A. Howard  
Witness

Clifford H. Hopler  
Clifford H. Hopler

## VERIFICATION

STATE OF New Jersey )  
 ) SS.  
COUNTY OF Morris )

Clifford H. Hopler, 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.

Clifford H. Hopler  
Clifford H. Hopler

Subscribed and sworn to before me this 13th day of October, 1995.

Barbara J. Verdon  
Notary Public

My Commission Expires: \_\_\_\_\_

BARBARA J. VERDON  
NOTARY PUBLIC OF NEW JERSEY

APR 24 1999