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
Sun Garden Packing Company

Submitted by:

Patrice Lynn Goularte
Traffic Manager
Sun Garden Packing Company
1582 Monterey Highway
San Jose, California 95110

October 12, 1995
VERIFIED STATEMENT

OF

PATRICE LYNN GOULARTE
on behalf of
SUN GARDEN PACKING COMPANY

Patrice Lynn Goularte, Traffic Manager of Sun Garden Packing Company. I have been involved in the transportation and canning industry for the past fifteen years. Prior to Sun Garden Packing Company I was Traffic Manager for Garden Valley Foods for several years.

Sun Garden Packing Company is a tomato packing company and has a full line of tomato products packed in an assortment of varieties and sizes. Sun Garden is located in San Jose, California and is served by the Union Pacific Railroad open to Southern Pacific Transportation through reciprocal switching. We ship rail carloads via both railroads in addition to numerous TOFC/COFC shipments. Sun Garden Packing is affiliated with Atwater Canning Company, Atwater, California and is served exclusively by the Southern Pacific. We ship both rail car and TOFC/COFC from Atwater.

The majority of Sun Garden product is shipped to the East Coast. Sun Garden has contracted with several outside warehouses to inventory product. These warehouses are located in Texas, Missouri, New York, Florida, Illinois and Pennsylvania.

As Traffic Manager of Sun Garden Packing Company, I support the merging of the Union Pacific and Southern Pacific Railroads. I feel that the merger will strengthen competition, improve service, assure long term quality service and provide shorter/quicker routes. It is my opinion that this merger will offer numerous advantages to companies that may not be currently shipping via the railroad which will increase the volume of rail car movement.

With this merger, the Mexico area will be more easily accessible. The routings will be more efficient, the crossings shorter and the utilization of "Despacho Previo" will expedite border crossings.
Equipment utilization will be more efficient. Box cars have been scarce during Sun Gardens pack season and we feel the merger will improve car supply through better and more efficient car utilization and shorter cycle times.

We believe the proposed merger will provide significant benefits to the California canning industry. Our Company supports the application.

1. Patrice Lynn Goularte, 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.

[Signature]

Patrice Lynn Goularte
VERIFIED STATEMENT
of
W. DENNIS HUNTER
on behalf of
SUNAC AMERICA

I am W. Dennis Hunter, Assistant Vice-President, Intermodal for Sunac America, 1400 Graham Bell, Boucherville, Quebec, J4B 6H5. I am writing in 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.).

Sunac America (Sunac) is an intermodal marketing company. We buy transportation services from railroads and trucking companies and sell transportation to shippers. Sunac also operates a truck brokerage. We are based in Boucherville, Quebec and have offices in Mississauga, Ontario, Winnipeg, Manitoba and Vancouver, British Columbia. We arrange transportation for 20,000 intermodal units annually between Canada, the United States and Mexico on a number of railroads including Union Pacific, Southern Pacific and Burlington Northern-Sante Fe. Important routes for Sunac include Chicago-Dallas, Chicago-Houston, Chicago-Laredo. We also send intermodal shipments between Chicago and Los Angeles via the Southern Pacific.

I have been in the transportation industry for 43 years, 39 of which with CP Rail in various positions including Director of Sales Training, Director of Sales, Retail Intermodal and Director of Sales, Wholesale Intermodal. I have been with Sunac four years and in my present position, I am responsible for intermodal pricing and operations.

Sunac supports the merger of the Union Pacific and the Southern Pacific because we believe it will lead to better transborder intermodal service between Canada, the United States and Mexico.

Sunac ships some of its business with the Southern Pacific but have been disappointed with the service rendered by this railroad. We have experienced slow and unpredictable transit times caused by shortages of locomotive power and equipment. I believe that Southern Pacific service will improve following the merger with Union Pacific. Terminal consolidations, the ability to use alternative routes, and increased opportunities to build run-through trains should result in faster service between Chicago and Dallas/Houston/Laredo. By upgrading rail lines on Southern Pacific’s Southern Corridor route and moving slower manifest traffic to Union Pacific’s Central Corridor lines, service between Chicago and Southern California should be faster and more reliable. The efficient repositioning of the combined equipment fleet of the Union Pacific and the Southern Pacific should make more equipment available.
A new intermodal terminal facility in San Bernardino will also help reduce congestion in the Los Angeles area.

A significant benefit of the merger will be improved transit across the Mexican Border. The combination of the Union Pacific and Southern Pacific will improve access to all important gateways between the United States and Mexico. The adoption of Union Pacific’s efficient border crossing procedures for Mexico traffic originating on the Southern Pacific will also improve service. Under those procedures, trains are pre-cleared for passage into Mexico. Similarly, for traffic coming from Mexico into the United States, Union Pacific has established a pre-waybilling system allowing expedited clearance of U.S. customs. Use of this system for traffic bound to Southern Pacific destinations should reduce delays.

The merger will improve rail intermodal competition. Today, Burlington Northern-Santa Fe is the leader in east-west intermodal service. After the merger, Union Pacific-Southern Pacific will be in a position to compete head-to-head with Burlington Northern-Santa Fe, particularly between Chicago and California. Competition for traffic to Mexico will also improve, as Burlington Northern-Santa Fe will have access to the important gateways of Brownsville and Laredo (via the Tex-Mex Railway) under the terms of a recent agreement. I expect intermodal service to improve as a result of the strong competition between two equally matched railroads.

I wholeheartedly support the proposed merger of the Union Pacific and Southern Pacific.

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

W. Dennis Hunter
October 6, 1995

VERIFIED STATEMENT
OF
MARK HALPERN
on beh. of
SUPERIOR TRANSPORTATION SYSTEMS, INC.

Mark Halpern, Vice President of Warehousing and Distribution. I have financial responsibility for all Northwest warehousing locations in Oregon and Washington. I develop and prepare all pricing proposals for new business relating to warehousing, crossdocking, and transloads. I also solicit new sales opportunities with potential customers. I am part of the senior management team within this organization. I have been with this organization three years. I have been in the transportation and warehouse environment for fourteen years.

Superior Transportation Systems, Inc. has been in business for 15 years. We are a full service logistics company. We provide warehousing, transportation (all modes), and office services. We have operating locations in Los Angeles and Rancho Cucamonga, CA. Eugene and Milwaukie, OR, and Tukwila, WA. We also have agent terminals in Salt Lake City, UT, Phoenix, AZ, and Denver, CO. Our corporate offices are located in Lake Oswego, OR at One Centerpointe Drive, Suite 400. All of facilities are served by the SP or UP except for Rancho Cucamonga which is served by the Santa Fe. The majority of our business is over the road trucking up and down the I-5 corridor. Most of the rail business we currently receive comes into our Los Angeles, CA and our Milwaukee, OR locations. All the cars that come into the Los Angeles facility arrive via the Southern Pacific. The Milwaukee facility is serviced by a short line, EPTC.

The traffic patterns of our inbound to Los Angeles, CA originates from the Northwest and Northeast. The majority of the cars inbound to Milwaukee, OR originate from the Northeast. We also receive at these two locations intermodal containers which originate from the Midwest and the Northeast. At this time the only other terminal that receives inbound cars is our Eugene terminal. These cars originate from our Los Angeles, CA facility and arrive via the SP. For the most part, we are a receiver of goods for distribution to the local market.

At this time, we support the merger between the SP and the UP. Our reasons for supporting such a merger are as follows. We believe this will help to make both railroads stronger and competitive in the industry. Our main goal in supporting this merger is for the hope that service will be tremendously improved along the I-5 corridor. We have many opportunities that we would like to pursue and with the strength of this merger it will allow us to pursue those opportunities. Furthermore, with approval of the Burlington Northern/Santa Fe merger this will enhance competition in the market place. We unfortunately have to say that an important reason for our company approving this merger is due to having to cancel our service with the Southern Pacific in certain lanes due to service. As stated earlier, we expect an immediate increase in service due to the strength the Union Pacific Railroad offers.

In conclusion, we believe this proposed merger will provide significant benefits to shippers. Superior Transportation Systems, Inc. supports the application.

I, Mark Halpern, 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 OREGON
COUNTY OF CLACKAMAS

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

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

[Signature]

Notary Public

My Commission Expires:

[Signature]
VERIFIED STATEMENT OF ESTELA VELASCO
ON BEHALF OF
TALLOW & OIL PRODUCTS, S.A. DE C.V.
(Agents for National Beef Packing in Mexico)

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

Tallow & Oil Products, S.A. de C.V., as representatives in Mexico of NBP International Inc., commercialize product into the entire Mexican Republic.

At this moment all my customers in Mexico receive tallow from NBF plant in Liberal, Ks., USA either via Eagle Pass or Laredo border crossings. Southern Pacific is the line we have been using all the time as the source plant is only served by them. After the BN-ATSF merger, Liberal is now opened to service also to the new BN-ATSF system, as well as the Eagle Pass border, due to the haulage rights that the SP allowed, enabling us to have a new price and service alternative to serve our customers.

We understand that the Union Pacific and Southern Pacific are requesting authority to merge. We believe that this proposed merger would be in our company’s best interest, as well as the interests of other shippers, because we’ll enjoy the benefits of the best combined UP-SP routes and coordinated facilities.

The immediate results we expect are expedited and better handling of our traffic, more single line service, lower cost of operation, greater operating efficiency, better utilization and quicker turn around of the equipment, and more expedited cross-boarder service. In summary, the merger should improve logistics for routings and create more possibilities for service. The overall results should be 100% positive.

We have also learned of the settlement agreement between UP-SP and BN-ATSF. The trackage rights given to BN-ATSF system at Brownsville, and Eagle Pass, Tx. and the access to Laredo, via Tex Mex RR, will give our customers a new competitive action between two strong systems BN-ATSF and UP-SP. The merger will create a competitor that will be equal in size to the BN-ATSF system and the new competition between these two carriers will benefit my customers. In conclusion, we support the UP-SP merger as it will benefit the shipping community both in the USA and Mexico.

I, Estela Velasco, 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.

Yours truly,

Estela Velasco
General Manager
INTERSTATE COMMERCE COMMISSION
UP/SP MERGER CASE
DOCKET No. 32760

REFERENCE: TAMSA RESPONSE TO UP/SP MERGE.

TAMSA VERACRUZ INDUSTRY HAS SUFFERED FROM LACK OF FLAT BEDS OR GONDOLAS THAT WE REQUIRED FOR OUR EXPORTS TO USA AND TO CANADA. WE HAD TO SHIP VIA WATER TO HOUSTON, INSTEAD OF THROUGH FNM RAILROAD TO MEXICAN BORDER POINTS DUE TO LACK OF EQUIPMENT.

WE UNDERSTAND THAT WITH THE SP AND UP MERGE, ACCESS TO FOREIGN RAILROAD EQUIPMENT IN MEXICO WILL BE MUCH MORE CONSISTENT THAN AT PRESENT. FURTHER, UP/SP COMBINE ROUTES WOULD BE FASTER AND BEING THAT THE UP/SP AGREED TO GRANT TRACKAGE RIGHTS TO OTHER RAILROADS, SUCH AS THE AGREEMENT BETWEEN BNSF AND UP/SP, SAME WILL PRESERVE AND INTENSIFY RAIL COMPETITION, AND WE WOULD THEN HAVE NEW ADDITIONAL OPTIONS FOR OUR INTERNATIONAL SHIPMENTS OF SEAMLESS TUBES.

BEING THAT UP AND SP RAILROADS ARE DEFINITELY BUILDING A STRONGER RAILROAD, THIS IS VERY INTERESTING FOR CUSTOMERS LIKE TAMSA, AS WE DO AGREE WITH:

A) IMPROVED TRANSIT TIMES; MORE DIRECT SERVICE.
B) EXPEDITED SHIPMENTS TO/FROM MEXICAN MARKET.
C) OPTIMAL USE OF BOTH RAILROAD LINES AND FACILITIES
D) REDUCED DELAYS FOR MAINTENANCE DISRUPTIONS
E) MORE ACCESS TO FLATS AND GONDOLAS.
F) A NEW FINANCIALLY STRONGER RAILROAD SYSTEM
G) NEW MARKET OPPORTUNITIES
H) INCREASED RAILROAD COMPETITION
AS ALL ABOVE WILL BE OBTAINED WITH THE UP/SP MERGE, AND WE WILL HAVE RELIABLE ACCESS TO FOREIGN EQUIPMENT IN OUR VERACRUZ PLANT, AND WE WILL ENJOY FASTER ROUTES AND SERVICE, AND BNSF AND UP/SP HAVE AGREED TO GIVE TRACKAGE RIGHTS TO THE BNSF AT LAREDO, BROWNSVILLE AND EAGLE PASS, TX., THIS PROPOSED MERGER WILL AVOID A MONOPOLY, BY MEANS OF THIS WE SUPPORT UNION PACIFIC AND SOUTHERN PACIFIC MERGING. WE ARE NOT A SMALL COMPANY, WE ARE PART OF AN INTERNATIONAL HOLDING IN THE WORLD PLACE, AND REQUIRE COMPETITIVE RATES AND RELIABLE ACCESS TO RAILROAD EQUIPMENT.

IN MY MANAGEMENT POSITION WITH TAMSA (TUBOS DE ACERO DE MEXICO, S.A.) WE DO SUPPORT UP AND SP'S PROPOSED MERGER, AS IT WILL BENEFIT OUR INTERNATIONAL TRADE AND OUR LOGISTICS OPTIONS.

I DECLARE THAT THE ABOVE STATED IS TRUE AND CORRECT, AND CERTIFY THAT I AM QUALIFIED TO FILE ABOVE STATEMENT, WHICH IS EXECUTED ON SEPTEMBER 26, 1995.

LIC. CHRISTIAN SIEMENS
CHARTERING DIVISION MANAGER

CC: FEDERICO CHACON VOSS: ASSISTANT TRAFFIC MANAGER TAMSA-VERACRUZ
Verified Statement
of
Eric S. Strohmeyer
on Behalf of
Target Transportation

This statement is prepared by myself, Eric S. Strohmeyer, for Target Transportation. I currently hold the title of Director of Intermodal Affairs. I have been with Target Transportation since May of 1994. My responsibilities include rating (revenue), routing, and pricing (costing) freight, coordinating the activities of our sales force, as well as contract negotiations. I am very familiar with railroad operations and am ultimately responsible for every piece of freight moving over our intermodal network.

I have over 7 years of experience in the field of transportation. I held previous positions with BC Transportation of Newark NJ, an intermodal motor carrier (Manager - Company Truck Operations, Head Dispatcher - New England, Dispatcher, Customer Service.), Weldon Materials of Westfield NJ, one of New Jersey's largest suppliers of masonry and aggregate building supplies (Dispatch - Customer Service) and the Black River and Western RR of Ringoes NJ (Assistant to the Signal Maintainer).

Target Transportation, a licensed ICC property broker based in Hillside, New Jersey, has been in business since 1982. Target is wholly owned by James E. Kelly, its President and CEO. Target Transportation is a member of both the TCBA and IANA and is recognized by many in New Jersey as one of the more aggressive transportation companies in the state.

Target Transportation has been acting as a shippers agent / intermodal marketing company since 1991 when we signed our first volume marketing agreement with CSX Intermodal. Since that time, Target Transportation has signed volume marketing agreements with over fifteen major railroad and steamship companies, including both the Union Pacific and Southern Pacific railroads. Target also continues to maintain its brokerage division, which moves over 3500 truckload and less than truckload shipments annually. Target Transportation current sales are in excess of 4 million dollars annually.

Our annual rail traffic volume has grown from 231 loads in 1991 to 1,830 loads annually by the end of 1994. Target Transportation is on target to reach 2,300 loads by the end of calendar year 1995. That is an increase in trailer loadings of 21% in a year in which the economy has been less than ideal for growth. It also understates the growth of most of our business, in that our largest account, Snapple Beverage (recently purchased by Quaker Oats) has reduced the volume they do with us by 70% (250 units YTD in 1995
versus 1000 units in 1994). Target Transportation produced over 1220 units (an increase of 146% in non Snapple traffic over 1994 numbers) to not only replace the lost traffic, but to continue our annual volume growth trend for a fourth straight year.

Much of our traffic will be affected by the proposed merger. Our largest suppliers of equipment and services for Target, in order of importance, are CSX Intermodal, Maersk Domestic, Inc., Centennial Express (NYK Lines) and the Southern Pacific Railroad. The three former companies all use the services of the latter for transportation west of the Mississippi River. We also use the services of the Union Pacific and since the opening of our new regional sales offices (1995) in Dallas TX and Seattle WA, we have been aggressively seeking additional opportunities to route freight over the Union Pacific. Since more than 70% of our traffic will either originate or terminate on the combined UP-SP system, we at Target feel that we can make the following statements in regards to the proposed merger:

Target Transportation supports the merger of the Union Pacific and Southern Pacific railroads. We feel that the combined systems will allow for major improvements in infrastructure, especially on the Southern Pacific and, more importantly to us, new and improved services, specifically in the following lanes:

- Chicago IL - Kansas City KS
- Chicago IL - Los Angeles Ca
- Chicago IL - Oakland Ca
- Dallas TX - Los Angeles Ca
- Dallas TX - Portland Or
- Dallas TX - Seattle WA
- Kansas City KS - Chicago IL
- Kansas City KS - Los Angeles Ca
- Kansas City KS - Oakland Ca
- Los Angeles Ca - Chicago IL
- Los Angeles Ca - Dallas TX
- Los Angeles Ca - Seattle WA (I-5 corridor)
- Seattle WA - Dallas TX
- Seattle WA - Los Angeles Ca

Target Transportation is currently moving traffic and negotiating with additional customers in all the lanes mentioned above. We feel though that the combined systems will provide us with additional opportunities we currently are unable to provide based on our lack of a volume marketing agreement with the now combined Burlington Northern / Santa Fe system. The new combined systems of the Union Pacific and Southern Pacific...
will give Target complete coverage of the west. The following lanes though, are lanes in which we have the most interest.

Target has been unable to penetrate the Dallas - Los Angeles market because of extreme competition from the Santa Fe / JB Hunt consortium which has a virtual lock on both volume and non volume shippers in that lane. The combined Union Pacific (Dallas TX - El Paso TX) and the Southern Pacific (El Paso TX - Los Angeles CA) route to the west coast will now provide shippers and their agents an opportunity to receive competitive rail service options in this lane because of this new, shorter routing with similar rail mileage to that of the Santa Fe's route to Los Angeles CA. We currently are doing business with shippers that move traffic in this lane. With this new service, Target will be able to move approximately 1100 loads in that lane in one year, a piece of business valued at 1.3 million dollars in annual sales to us (an increase of 20% in annual sales).

Target has also been unable to penetrate the I-5 corridor market because of the lack of a carrier that can provide single line service to and from Seattle and points in southern California. We at Target feel with the combined systems and a new single line service in that corridor we will be able to move approximately 1500 loads in a single year. Once again, this piece of business is valued at 1.5 million dollars in annual sales to us (an increase of over 25% in annual sales). Our agents in the Seattle have indicated strongly that service will also have to be improved in this corridor in order to retain the business we are currently negotiating for in this lane. We feel the Union Pacific will make the necessary capital expenditures to ensure that improvements in the services in the I-5 corridor are made.

Over 50% of our business is transcontinental. We currently move most of this freight in containers. Our stack train services we offer our customers are provided by various stack train operators mentioned earlier. The Southern Pacific has been the successful bidder for this business. However, rail service has been far from satisfactory (i.e. they are consistently having service failures). We at Target feel that the Union Pacific will make the necessary improvements in infrastructure and service that will improve service and reduce costs, therefore providing our shippers with a better transportation product than what they are receiving now. With improvements in our transcontinental service, Target will be able to grow additional traffic in this market by 100%, from 1200 loads to 2400 loads annually, a piece of business valued at 2.4 million dollars a year in annual sales to Target.

In conclusion, we at Target Transportation feel that the benefits of this merger far exceed the potential loss of competition in redundant lanes where once the Union Pacific and the Southern Pacific competed with each other. However, since the Burlington Northern / Santa Fe will be provided with provisions (both trackage rights and haulage rights) that will maintain competitive options for our customers, albeit through other
competing third parties who have a volume marketing contract with the BNSF, our services will indeed experience competitive pressures from other rail sources. All things said, Target Transportation will see continued growth, of which a part of that growth will have been the direct result of the outcome of this proposed merger. We believe that the proposed merger will provide significant benefits to our customers. We support this merger application.

On Behalf of Target Transportation

Eric S. Strohmeyer
Director of Intermodal Affairs

I, Eric S. Strohmeyer, 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 10/24/95

Eric S. Strohmeyer

ESS/ess
Verified STATEMENT

OF

DAVID R. NICKELL
on behalf of

TERMINAL CONSOLIDATION COMPANY

My name is David R. Nickell. I am President of Terminal Consolidation Co., dba Kansas City Piggyback, Inc. I am manager and part-owner of this multi-transportation company. I am ultimately responsible for all transportation decisions. I have held my position since 1988 and have been with the company since 1980. My educational background includes a Bachelor’s Degree in Business Administration from Augusta College and an Associate Degree in Traffic & Transportation from Jefferson State College. On behalf of Terminal Consolidation, I am writing to express our strong support for the Union Pacific Southern Pacific merger application.

Terminal Consolidation is a multi-faceted transportation company headquartered in Kansas City, Missouri. One of our major roles is as an Intermodal Marketing Company. We also offer ocean container storage and repair, freight consolidation and distribution, truck brokerage, local and regional trucking, and rail piggyback consolidation.

We offer rail piggyback services to customers in Kansas, Missouri, Oklahoma, Arkansas, Iowa and Illinois. We handle TOFC and COFC business originating at Kansas City and St. Louis ramps for shipment both eastbound and westbound. We use the services of all major rail carriers. Our trucking division also drays rail trailers to and from rail ramps. We handle 7,200 trailer and container units each year.

The proposed UP SP merger will enhance substantially our ability to serve our customers and will open new markets and opportunities for our intermodal services. The merger generally will improve terminal capacity because the UP SP system will be able to coordinate movements. Eliminating dual terminals will allow UP SP to optimize terminal usage and move traffic through the system more efficiently. We understand that the UP/SP system plans to upgrade the intermodal terminals in Kansas City and St. Louis. These upgrades also will help to reduce congestion at both of these major gateways. In
addition, these upgrades will draw more intermodal traffic to Kansas City and St. Louis, increasing the demand for both our piggyback and drayage services.

The UP/SP system will be able to use the best combination of UP’s and SP’s routes for more direct and efficient service, particularly between Kansas City and St. Louis and the West Coast. We are well positioned to benefit from UP/SP’s plans to concentrate intermodal traffic on SP’s Southern Corridor, reducing congestion and transit times. This will allow our time-sensitive shipments to be transported on an expedited basis.

The merger will enhance the customer base for our intermodal marketing services. UP/SP is planning to offer truck-competitive rail service along the I-5 corridor between Washington and California. This new single-line service should attract traffic away from truck and to rail, creating customers for our intermodal operation. The merger also will initiate more efficient intermodal service between Southern California and the Southwest, particularly Arizona, allowing us to expand our customer pool.

The North American Free Trade Agreement (NAFTA) has opened opportunities for American businesses to access new markets in Mexico. The UP/SP merger provides a mechanism for taking advantage of these expanded opportunities because intermodal service to all major Mexican border crossings will be vastly improved. Our customers served by UP or SP will be able to move traffic through any of six gateways on an integrated rail network, making it simpler and more efficient to do business in Mexico. Traffic to and from SP-served points will be able to take advantage of UP’s efficient border-crossing procedures, eliminating delays at the border.

The merged UP/SP system will offer important equipment benefits for our intermodal business. SP has allowed both its equipment and its trackage to deteriorate. The new combined system will have the financial strength to upgrade SP’s equipment and facilities. In addition, the UP/SP rail network will be able to take advantage of flexible routings, optimizing the use of equipment by utilizing backhaul and triangulation opportunities to ensure that equipment moves to locations where it is needed.

In our experience, the UP has proved to be a capable, service-conscious carrier. We believe the merger of the UP and SP will help SP to improve its service levels, including its customer service function as well as transit times.
The BN/SF merger has created the most comprehensive and efficient rail network in the West. UP and SP alone will never be able to provide effective competition. The merger of UP and SP will create a second rail carrier capable of competition with BN/SF in the Western United States. In addition, trucks provide strong competition for railroads in the transportation of truck load volumes in the Midwest and West. Improved rail service for intermodal shipments would benefit our company in marketing and competing with truck carriers.

The UP/SP merger will mean significant benefits for our intermodal operation and we urge the ICC to approve the merger application.

VERIFICATION

I, David R. Nickell, 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 \(24, 24\) 1995.

David R. Nickell
Verified Statement of

J. Celtyn Hughes
on behalf of
Texas Industries, Inc.

My name is J. Celtyn Hughes and I am the Director of Transportation for Texas Industries, Inc. (TXI). I have worked for TXI for over 25 years and held various management positions including General Manager, Operational Controller and Corporate Audit Manager. I have been in my current position since 1990. I am responsible for all rail and truck transportation of both inbound and outbound materials and products.

TXI produces cement, aggregates and related products for the construction industry and operates numerous concrete ready mix plants throughout Texas and Louisiana. Our annual transportation costs are approximately $65 million; 1/3 of which is rail and 2/3 truck.

The majority of our rail shipments originate in Texas as follows:
- Aggregates from Bridgeport, TX (UP) into the Dallas/Ft. Worth metroplex.
- Cement from Hunter (UP) to Houston, Beaumont and Alexandria LA.
- Sand from Paradise TX and Waurika OK (UP) to the Dallas/Ft. Worth area.
- Cement from Midlothian TX (ATSF) to Denver CO, and various locations in Texas, Louisiana and New Mexico.
- Aggregates from Arena and San Antonio (SP) to Houston.

TXI anticipates that the proposed Union Pacific/Southern Pacific will open new markets for our products in Texas and Louisiana, along with expanded access to the Houston metropolitan area and East Texas through SP's extensive rail coverage. In addition, the merged system will allow single line access to potential construction industry customers in the Plano, Corsicana and Athens TX areas from our Bridgeport and Waurika origins.

The merger will also give us the option of single line service to Denver from our Hunter cement plant.

The recent agreement among UP, SP, and BN/SP could provide new competitive and marketing opportunities for our Midlothian location.

The proposed merger will provide better and more rail owned equipment, improved utilization of equipment and a greatly improved financial viability of the SP. We believe the proposed merger will provide benefits to shippers and receivers and, therefore, are in support of the merger application.

J. Celtyn Hughes, being duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.
Verified Statement
of
Kim Coker
on Behalf of
Texas Liquid Fertilizer

1. Kim Coker  Division President
Texas Liquid Fertilizer / Abell Corporation
P O Box 947
Hempstead, Texas  77445

We are a fertilizer distributor. We have three (3) locations; Point Comfort Texas located on Deep Water it is on the Point Comfort and Northern Railroad, Hempstead Texas located on the Southern Pacific Railroad, and Holland Texas located on the Union Pacific Railroad.

We receive fertilizer from South Louisiana and North Carolina by rail as well as shipping from Point Comfort to our other plants.

We believe the merger will help reduce our overall freight cost and are in favor of the merger.

We will be able to reach our Hempstead plant on a single line which should improve our service and reduce our cost.

Kim Coker
VERIFICATION

STATE OF TEXAS

COUNTY OF WALLER

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

KIM COKER

Subscribed and sworn to before me this 30 day of OCTOBER, 1995.

MARY C. MENK
Notary Public

My Commission Expires:

11-19-96

MARY C. MENK
NOTARY PUBLIC
State of Texas
Comm. Exp. 11-19-96
VERIFIED STATEMENT OF:  Simon L. DeVries
ON BEHALF OF:  Thiokol Corporation
                       Space Operations

Name:  Simon L. DeVries
Title:  Manager, Operational Logistics, Space Operations

I manage the Operational Logistics department for Space Operations. This includes Hardware Transportation (heavy and medium vehicle, crane, and forklift operations, and heavy mechanics and millwright functions), Personnel Transportation, and Logistics Services (traffic functions, hazardous material documentation and training, and logistics engineering).

I have been in this position for six years, and I hold a Bachelor of Science Degree in Logistics Management.

Space Operations manufactures the reusable solid rocket motor (RSRM) for NASA’s Space Shuttle program.

Our shipping facility in Corinne, Utah, is used to load and ship up to seven flight sets of RSRM segments per year which consists of 60 to 70 car loads at approximately 200 tons each. Also, at this site we receive, via rail, raw materials such as the ammonium perchlorate used in our propellant manufacturing process and fired RSRM segments.

Primarily the RSRM shipments move from Corinne, Utah, to Kennedy Space Center, Florida, and back. However, on occasion shipments are made to and from other locations such as Huntsville, Alabama, and Vandenberg Air Force Base, California.

We fully understand that Union Pacific Railroad (UPRR) and Southern Pacific Transportation Company (SPTC) are requesting authority to merge. We strongly support this merger and recognize the potential for additional and improved routes, as well as service that could be available to our company.

Due to the critical nature of our business as a major contractor to NASA’s space exploration program, we are obligated to secure the most efficient and economical service available. This merger would open new routes to us and provide options not otherwise available.
Frequently, we experience the adverse effects of increased traffic on current routes provided by UPRR. The specialized railcars used to transport RSRM segments are owned by UPRR and other carriers which limits our ability to ship economically via a different carrier. With this merger additional routes offered by SPTC would be open to us. These additional routes include a more southern alternative to avoid heavy traffic problems on UPRR’s northern routes moving east, and a warmer route option during the winter when extremely cold temperatures could have an adverse affect on the RSRM segments. Also, SPTC routes could provide Thiokol Corporation with the ability to more efficiently utilize our existing equipment and facilities, avoiding costly contract negotiations with a new carrier.

In addition to the benefits mentioned above, we see no adverse or detrimental effects to Thiokol Corporation, Space Operations as a result of the merger of UPRR and SPTC.

I, Simon L. DeVries, 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 ___ day of October, 1995.

Signature

I, Charles L. Wright, have read the foregoing document and know the facts presented therein, and assert them to be true as stated.

Witness Oct 9, 1995 Date
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
Total Petroleum, Inc.

Submitted by:

Donald M. Thompson
Manager Black Oils and NGL
Total Petroleum, Inc.
900 19th Street
Denver, CO 80202

October 16, 1995
Verified Statement
of
Donald M. Thompson- Manager, Black Oil and NGL
Total Petroleum, Inc.

I, Donald M. Thompson, Manager Black Oils and NGLs, of Total Petroleum, Inc. am responsible for asphalt, black oil and NGL product sales within Total Petroleum. I have been employed by Total Petroleum Inc. for approximately thirty years, since April 21, 1967. Previous positions within Total Petroleum include: marketing operations, product supply director and scheduler, product sales representative and account credit manager.

Total Petroleum (North America) Ltd. (TOPNA) is a Canadian holding company with a wholly-owned U.S. operating subsidiary, Total Petroleum, Inc. (Total Petroleum). 1994 net income was 23.8 million dollars from revenues of 2.2 billion dollars.

Total Petroleum, headquartered in Denver, Colorado, is a leading independent refiner and marketer of high quality petroleum products and convenience store items. Total Petroleum operates four refineries with a combined nameplate capacity of 197,000 barrels per day. 1994 refined product sales were 228.9 thousand barrels per day. Approximately ten percent of the Company's products are transported by rail. Asphalt, No. 6 fuel oil, sulfur, gas liquids and specialty chemicals are transported by rail in the central United States. Total Petroleum ships rail from Arkansas City, Kansas to Phoenix, Arizona (Atchison, Topeka and Santa Fe); Mont Belvieu, Texas (Atchison, Topeka and Santa Fe - Southern Pacific); Iron Springs, Utah (Union Pacific); Elko, Nevada (Union Pacific) and various Midwestern points via Union Pacific connections or Atchison, Topeka and Santa Fe connections. Traffic from Commerce City moves to Salt Lake City, Utah (Union Pacific); Pittsburg, California (Atchison, Topeka and Santa Fe); Portland, Oregon (Union Pacific); Seattle, Washington (Union Pacific); and Big Spring, Texas (Union Pacific). Traffic from Ardmore, Oklahoma moves via Atchison, Topeka, and Santa Fe. Some of these movements are routed by Total Petroleum and some are routed by a third party, Consolidated Oil and Transportation.

Marketing activities are primarily focused in Michigan, Kansas, Oklahoma, Arkansas, northern Texas and Colorado. Total Petroleum employs approximately 6,400 people.

The shares of TOPNA are listed on the American, Toronto, Montreal, and Pacific stock exchanges. Total S. A., a French company listed on the Paris, London and New York stock exchanges, owns 54 percent of the Common Shares of TOPNA. The Total S. A. Group operates in 80 countries with activities in oil, gas, and chemicals.

Total Petroleum understands that Union Pacific and Southern Pacific (UP/SP) are requesting approval to merge. We strongly support this as a means of improving service and strengthening competition. We believe that the proposed merger will provide competitive and service benefits to shippers. Our company supports the application.

Total Petroleum supports the merger because we anticipate improved service and competitive benefits as an UP/SP customer. Specifically, Total Petroleum anticipates the following...
benefits:

1. New single-line service will be available between Arkansas City, Kansas and Phoenix, Arizona.

2. Single-line service will be available between Arkansas City, Kansas and Mont Belvieu, Texas.

3. Single-line service will be available between Arkansas City, Kansas and the Tucson, Arizona asphalt market.

4. Single-line service will allow for a more speedy turn of Total's 300 leased rail tank cars, reducing transportation costs.

5. The UP/SP merger will provide stronger competition to the Burlington Northern/Santa Fe merger. Also, US/PS's agreement to grant trackage routes to Burlington Northern/Santa Fe will result in two strong rail carriers competing with each other, for example, Commerce City, Colorado to Salt Lake City, Utah.

STATE OF COLORADO)

CITY AND COUNTY OF DENVER)

Donald M. Thompson, 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.

Date: 10/16/95

Donald M. Thompson

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

Eide, Notary Public

My commission expires:

8-6-98
RE: ICC FINANCE DOCKET NO. 0 32760

October 25, 1995

VERIFIED STATEMENT
OF
WILLIAM A. BAIRD
on behalf of
TOTALOGISTICS MANAGEMENT COMPANY

My name is William A. Baird. I am President of TotalLogistics Management Company, Inc. (TLM); business address, 900 University Blvd. Ste. 0 506, Jacksonville, Florida 32211. After receiving my Master's degree in transportation, I have spent the last twenty years in the outsourced logistics field. TotalLogistics Management performs all traffic functions for our clients including carrier selection, routing, rate negotiation, freight payment and claims.

Our company services clients in many different types of business, and they utilize all modes of transport. TLM clients ship bulk ores and mineral sands, TOFC shipments of bagged material, and slurry via rail tank cars. Several of our clients ship and receive freight via the rail carriers involved in the above docket and as such are vitally interested in these proceedings.

These clients source mineral sands in Florida and ship to destinations in the west and Mexico; source ore slurry in Georgia to western destinations; source ore in Mexico for shipment to the U.S.; originate bulk ore traffic in Australia for termination in the western U.S. utilizing west coast and Gulf of Mexico ports. There is bagged TOFC traffic that originates in Albuquerque, NM and moves directly via the Santa Fe to west coast destinations and via the ATSF to Chicago, IL for eastern locations.

We are advised of the docket wherein the Union Pacific and Southern Pacific are seeking authority to merge and we strongly support this action. We believe this course of action will benefit our clients by providing top quality service throughout their combined single-line service area and also will provide faster and more efficient service for inter-line connections. The merger efficiencies will produce better equipment utilization of private and railroad owned equipment.

We have clients who are anticipating expansions in the western U.S. and Mexico and they have all expressed support for this merger docket. When initial research was conducted for expansion programs, one of the areas of concern was rail service and competition. Once approved, the western U.S. should have two financially strong, viable rail systems; approval of the application will insure that competition and service reliability. This is one instance where two strong competitors is better than the UP and SF competing separately with the BN/SF.
In conclusion, and speaking specifically for TLM clients and their customers, I reiterate support for this merger application.

Respectfully submitted,

William A. Baird

VERIFICATION

I, William A. Baird, 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.

[Signature]

William A. Baird
VERIFIED STATEMENT OF
GERALD LOUSTALOT ON
BEHALF OF TRADE LOGISTICS

My name is Gerald Loustalot, the President of Trade Logistics a company that provides services worldwide. Our offices are located at 5777 West Century Blvd. Suite #850 Los Angeles, California 90045.

Trade Logistics provides services for companies throughout all of North America. The scope of the services covers RAIL, TRUCK, AIR & OCEAN. Trade Logistics works with our partners to move in excess of a quarter of a million shipments on railroads in North America. In addition to our fleet of Trade Logistics/Tantara trucks we provide brokerage services to meet all the surface needs of our customers. In providing air services to our clients we hold contracts with most of the domestic and international airlines. In addition to transportation services we offer warehousing, custom brokerage, domestic and international product sourcing and consulting.

The railroads have made excellent strides in improving services and communication over the last ten years. The degree of improvement varies widely depending on the railroad from excellent to very poor. The Union Pacific is one of the standouts for excellence and the Southern Pacific continues to struggle. We strongly believe that the merger of the Union Pacific and Southern Pacific railroads will be of great benefit to commerce in the United States and the ultimate consumer in North America. The following are the primary benefits that Trade Logistics views in the proposed merger:

1. Improved service between major markets in the United States. We see the service dramatically improving on shipment to and from the Pacific Northwest to California and Texas. Today the service is unacceptable for most shippers and the only choice is trucking. Another major improvement is service to/from California and Chicago, Memphis, all of Texas and Mexico.

2. Availability of equipment will improve. Union Pacific has control of their equipment and the Southern Pacific never seems to solve the problems of container and trailer availability. Last year we chose to move over eight hundred shipments in two months from the Portland Oregon by truck because the Southern Pacific simply could not provide the equipment and the other railroads could not meet the service requirements with indirect routes.

3. With the merger of the BN/SF there will be an imbalance in competition. The proposed merger with the UP and SP will ensure that the competition will improve and rates will stay at reasonable levels. Without the UP/SP merger the railroads may find that consumers will choose the trucking industry as the best alternative and rail revenues will be reduced. The consumer may also find the trucking industry does not have the capacity and business will suffer.
4. With the financial strength of the Union Pacific and the combined Southern Pacific routes' consumers will find that they will have a railroad that provides service without bottlenecks and long delays in service due to ramp transfers. Today the Southern Pacific routes, some are excellent, continue to offer poor service. Direct routes of the combined rail systems will improve service to both Union Pacific and Southern Pacific customers.

5. The merger will offer competition for the BN/SF for the international traffic from west coast ports. The international customer will benefit greatly for the efficient repositioning of equipment between west coast ports and inland cities.

6. The intermodal terminals will be improved and more efficient in Memphis, St. Louis, Kansas City and San Bernadino/Colton.

7. The combined routes and the volumes of both railroads will offer and improved single-carrier rail service. In addition there will be greater consistency of scheduled service for the shipping customers.

Trade Logistics is convinced that the merger of the Union Pacific and Southern Pacific railroads will provide efficiencies necessary to improve the transportation system in the United States and North America.

VERIFICATION

I, GERALD LOUSTALOT DECLARE UNDER PENALTY OF PERJURY THAT THE FORGOING IS TRUE AND CORRECT. FURTHER I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT.

EXECUTED ON OCTOBER 13, 1995

GERALD LOUSTALOT

WITNESS/ KENNETH MILLER
Verified Statement

of

Mark R. Ervin

on behalf of

Trailer Transport Systems

I Mark R. Ervin of Trailer Transport Systems would like to take the time to voice my opinion of the pending Union Pacific and Southern Pacific Railroad merger. I have been working in intermodal transportation for the past 11 years. I have extensive knowledge in the field of intermodal transportation. Holding the position of Vice President my duties include all aspects of sales and vendor routings, rates, financial document preparation, personnel and customer service. Trailer Transport has held volume shipping contracts with both the U.P. and S.P. for over several years allowing us to use all the services that each of them have offered.

Trailer Transport Systems is an Intermodal Marketing Company and was established in 1981. It operates as a single source transportation company for manufacturers shipping throughout the United States, Canada, and Mexico. We currently have 3 offices located in Buffalo, Rochester, and Syracuse, NY. Trailer Transport handles several thousand loads of traffic originating in the North East to various West Coast, Pacific North West, Canadian and Mexico destinations annually.

It has been brought to our attention that the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition in the intermodal industry. The basic premise of a railroad is that it is chartered for public convenience. The above mentioned merger would facilitate such conveniences for everyone to enjoy. It is without doubt that we strongly support this merger.

The reasons for such support are numerous but obviously the strongest is the ability of the shipper to utilize more efficient routes and improved intermodal service schedules. The merged system will be in a position to provide a more direct intermodal service to California and other important corridors. Terminal coordination would be improved by eliminating the paper exchange at current interline points throughout the U.S.

The current merger between the Burlington Northern and the Santa Fe leaves them without the competition that is needed to assure competitive pricing and service for all of our shipping partners. The U.P.-S.P. merger will create a strong competitor for the B.N.S.F. throughout the west to provide the competition necessary to assure competitive pricing and services. In conclusion, it is our strong opinion that the proposed merger between the Union and Southern Pacific Railroads will provide significant benefits to shippers abroad.
VERIFICATION

State of New York
County of Monroe

[Signature]

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

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

[Signature]

Notary public

My Commission Expires:

SHIRLEY J. LLOYD, Notary Public
State of New York, Monroe County
Commission Expires March 28, 1997
VERIFIED STATEMENT
OF

GARY STONE
on behalf of
Trans-Continental Systems

I, Gary Stone, as the Owner and CEO of Trans-Continental Systems, an intermodal trucking company am writing this letter to show my support for the merger of the Union Pacific Railroad and Southern Pacific Railroad. Trans-Continental Systems, Inc. has been in the transportation business for over eleven years. We are based in Cincinnati, Ohio and have offices in Chicago and Los Angeles. We have Owner-Operators and our own private fleet of twenty-five trucks which brings our total fleet to over ninety trucks. We are primarily a Chicago intermodal carrier and our niche is the Ohio Valley area. We run F.A.K. and general commodities to and from all of the railroads in Chicago. We are concerned with the interchange agreements with each railroad and the accuracy of the demanning times for each trailer.

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. It is certainly in our interest as well as that of other shippers. We rely on a strong rail system in order to provide third party agents and consolidators dependable service. It is important for freight to arrive at the ramps on time for us to make timely deliveries. It takes coordination between ourselves the railroad and consolidators to service the shippers in the marketplace today. There is no question that this merger will strengthen the Union Pacific and the industry nationwide. There must be competition and this only helps the customer get the service they deserve. There will be better equipment utilization and also improved routing across the country.

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

STATE OF OHIO  
COUNTY OF HAMILTON  

GARY W. STONE, 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
GARY W. STONE

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

JAMES F. THOMAS  
Notary Public, State of Ohio  
My Commission Expires March 31, 1999

[Notary Seal]

My Commission Expires:  
3/31/99
MY NAME IS PABLO MURAIIRA, VICE-PRESIDENT OF TRANSAMERICA E. AND I. TRADING CORP. WITH BUSINESS ADDRESS AT 4535 SOUTH PADRE ISLAND DRIVE, SUITE 31-A CORPUS CHRISTI, TX 78411. I HAVE BEEN WORKING FOR THIS COMPANY SINCE IT WAS FOUNDED IN MARCH 1989.

TRANSAMERICA E. AND I. TRADING CORP. IS A WELL-KNOWN BROKERAGE COMPANY THAT BUYS SCRAP IRON IN THE UNITED STATES AND SELL IT TO MEXICAN CUSTOMERS. LAST YEAR, WE MOVED APPROXIMATELY 220,000 GROSS TONS FROM THE TEXAS, ARIZONA, LOUISIANA & CALIFORNIA REGIONS AMONG OTHERS TO THE MEXICO-USA BORDERS OF EAGLE PASS, TX (70%) AND LAREDO, TX (15%) AND (15%) BROWNSVILLE AND EL PASO, TEXAS.

WE UNDERSTAND THAT WITH THE PROPOSED SP-UP MERGER, ACCESS TO ANOTHER RAILROAD WILL BE GRANTED WHERE THE MERGER WOULD REDUCE SERVICE FROM TWO RAILROADS TO ONE, ALSO, THAT BNSF WILL HAVE EFFICIENT ACCESS TO EAGLE PASS, TX. WITH THIS UNDERSTANDING, WE SUPPORT THIS MERGER AS A MEANS OF IMPROVING SERVICE AND STRENGTHENING COMPETITION.

WE BELIEVE THAT THE PROPOSED MERGER WOULD BRING OTHER BENEFITS TO US:

*THE GONDOLA CARS SUPPLY HAVE BEEN VERY TIGHT DURING THE LAST SEVERAL MONTHS, NOW, WITH MORE EFFICIENT ROUTES, WE EXPECT THAT THE AVAILABILITY ON THIS KIND OF RAILCARS WILL INCREASE.

*WITH STRONGER COMPETITION AT THE BORDERS, WE WILL BE ABLE TO BETTER RATE NEGOTIATIONS.

*WE WILL BE ABLE TO UTILIZE THE UP'S "DESPACHO PREVIO" FOR EXPEDITING BORDER CROSSINGS.

WE BELIEVE THAT THE PROPOSED MERGER WILL PROVIDE SIGNIFICANT BENEFITS TO SHIPPERS. OUR COMPANY SUPPORTS THE APPLICATION.

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

PABLO MURAIIRA
VICE-PRESIDENT
My name is Chris Mangialardi, President of Transport Rail Systems. I have had thirty years experience in the transportation field. After several years with the Santa Fe Railway, I went to work for Genex and Trailer-Train, two of my competitors, prior to starting Transport Rail Systems.

Transport Rail Systems, incorporated in 1986, is an intermodal marketing company. We move trailer and container shipments for our customers throughout the United States, as well as to and from Mexico and Canada. Our customers are primarily manufacturers. We handle more than 2000 containers and trailers annually, and our revenues are in excess of $2 million.

A large segment of our business involves shipments from our Chicago Intermodal facilities to the West Coast, in particular the Pacific Northwest and Northern and Southern California. For shipments to Southern California, we mainly utilize the container
program on the Southern Pacific. The majority of our shipments to Mexico are routed through the Laredo gateway on the Union Pacific. Traffic moving between Chicago and Houston or Dallas is routed on either the UP or the SP. We also ship from Houston to the West Coast.

Transport Rail Systems enthusiastically supports the proposed merger of the Union Pacific and Southern Pacific railroads because we expect the pooled UP/SP system will substantially enhance intermodal services.

We anticipate that the route specialization made possible by the merger will spur enhanced service efficiencies for intermodal traffic between Chicago and the West Coast. In particular, we expect that concentrating time-sensitive intermodal traffic on the SP’s southern Tucumcari route, while slower traffic moves on the UP’s Overland route, will result in a reduction in transit times and delays. We envision that these improved services will facilitate the expansion of our customer base in California.

The pooled UP/SP system will offer new single-line service and routing flexibility that will directly serve our customer’s needs. We plan to take advantage of new single-line intermodal service between Los Angeles and the Mexican gateway at Laredo. The merged system will provide instant access to many border crossings, permitting us to route our traffic through the most logical gateway. We plan to capitalize on this flexibility and access by developing new markets in Mexico. The combination of UP’s route between Dallas and El Paso and SP’s line between El Paso and California will provide vital new single-line service between Dallas and Southern California. We also
expect to benefit from the pooled system’s investment in these lines. In addition, the combined system will also enhance service quality between Houston and Southern California.

In conclusion, Transport Rail Systems strongly endorses the UP/SP merger as a means of providing long-term quality intermodal service.

VERIFICATION

I, S. Chris Mangialardi, 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.

S. Chris Mangialardi

Witness
VERIFIED STATEMENT

OF

JOHN. C. STEMBRIDGE
on behalf of
TREESOURCE, INC.

John C. Stembridge
Vice President, General Manager, TreeSource Inc.
Vice President, Sales & Marketing, WTD Industries, Inc.
PO Box 6316
Portland, OR 97228

TreeSource, Inc. is the wholly owned subsidiary, sales, and transportation agent of WTD industries, Inc. WTD Industries is one of the 10 largest volume producers of lumber in the United States, with 12 mills in Oregon, Washington, and Vermont, manufacturing softwood and hardwood lumber.

Our company manufactures a wide variety of softwood products, predominately from Douglas fir, hemlock, and white fir. The primary product is softwood lumber; either green or kiln dried. We produce both studs (generally 2X4 or 2X6 in lengths 8' to 10') and dimension lumber in a wide range of widths and thickness from 6' to 26'. Our Douglas fir products have a strong presence in California, New England, Kansas, Oklahoma, and the Pacific Northwest. Our kiln dried hemlock and white fir will generally show strength in Texas, the Midwest, and the Mountain States.

In fiscal 1995, we shipped over 700 million board feet of softwood and hardwood lumber. We sell our product to a large number of customers; primarily distribution centers, wholesalers, and directly to the large retailers.

TreeSource arranges transportation for most of the products sold. All rail shipments are sold on a 100% delivered basis. On rail we ship an average of 425 cars a month with total transportation costs exceeding 1.5 million dollars.

Of our 12 mills, 11 ship products via rail:
Central Point Lumber
Central Point, Oregon
Served by the (short-line) Central Oregon and Pacific interchanges with the Southern Pacific

Glide Lumber Products Co.
Glide, Oregon
Served by the (short-line) Central Oregon and Pacific, interchanges with the Southern Pacific.

Morton Forest Products Co.
Morton, Washington
Rail shipments originate from Morton Forest Products reload facility in Chehalis, Washington served by the Burlington Northern open to switch with the Union Pacific.

North Powder Lumber Co.
North Powder, Oregon
Served by the Union Pacific.

Pacific Hardwoods South Bend Co.
South Bend, Washington
Intermodal shipments travel beyond Portland, Oregon via the Southern Pacific, Union Pacific, or the Burlington Northern.

Pacific Softwoods Co.
Philomath, Oregon
Rail shipments originate at reload in Salem, Oregon and travel via Burlington Northern or Southern Pacific.

Philomath Forest Products Co.
Philomath, Oregon
Served by the (short-line) Willamette and Pacific interchanges with the Southern Pacific.

Sedro Woolley Lumber Co.
Sedro Woolley, Washington
Served by the Burlington Northern.

Spanaway Lumber Co.
Tacoma, Washington
Rail shipments move via various reloads and may originate Burlington Northern, Union Pacific, or Southern Pacific.
Trask River Lumber Co.
Tillamook, Oregon
Served by the (short-line) Port of Tillamook Bay, shipments may interchange with either the Burlington Northern or the Southern Pacific.

Tumwater Lumber Co.
Tumwater, Washington
Rail shipments move via various reloads and may originate Burlington Northern, Union Pacific, or Southern Pacific.

Depending on the origin mill and the origin railroad, our shipments may move various ways; a few examples could include:

- UP-Fremt-CNWCchgo
- SP-Ogden-DRGW-Hrgtn-SSW-KCity-SSWN-Chgo
- BN-Chgo
- SP-Corsc-SSW-Memph
- UP-KCity-Memph
- UP Direct
- SP Direct
- BN Direct
- BN-Portl-SP
- UP-Portl-SP
- SP-Coltn-UP
- SP-Bkfld-ATSF
- UP-Coltn-SP
- UP-Barstow-ATSF

At each of our 11 facilities involved in rail movements, TreeSource depends on, and is very much interested, that the rail carriers remain strong, competitive, and efficient.

We believe that the proposed merger would be in the best interest of our company, as well as, our customers. As a shipper, we are dependent on quality service; we welcome this merger as a means of ensuring that we receive "Top Quality" rail service from a financially sound carrier.

TreeSource emphatically supports the UP/SP application to merge, believing that the resulting synergism would benefit both shippers and carriers alike.

Some specific supporting reasons are:
The new single-line service, which would result, would enable us to utilize UP's overland central corridor route to the river gateways with shorter transit times.

-UP/SP would open up our SP-Oregon lumber origins to the Midwest market into several CNW and UP stations, allowing us to compete more effectively with other inland and Canadian kiln dried lumber producers.

-UP/SP would enable our SP-Oregon lumber origins to compete with Canadian kiln dried lumber producers into the Rocky Mountain States.

-UP/SP would serve to create a more efficient new single-line service from our UP served Washington State origins into Los Angeles, short-ending that route by approximately 500 miles.

-UP/SP would allow us into several MP stations in Texas with single-line services, enabling us to compete more aggressively with the BN/SF customers and Southern yellow pine producers.

-UP/SP would be able to reposition cars and locomotives more effectively, allowing traffic to move more efficiently between our shipments in the Pacific Northwest, California, and Texas. Car availability would also be enhanced.

The improved competitive situation in the I-5 corridor as a result of the rights granted to each carrier by the settlement between UP/SP and BNSF is of particular importance to us. The pricing authority granted UP/SP and the rights granted BNSF via Beiber create, for the first time, direct competition between two strong rail carriers for traffic moving through the corridor. To the benefit of the shippers and the public, these carriers will compete with each other and other modes for this traffic. We anticipate improved service and a competitive rate structure.

In conclusion, our company feels very strong about the union of these two railroads. The Union Pacific has always been a customer oriented rail line, with strong performance and a proven track record.
VERIFICATION

STATE OF Oregon )
COUNTY OF Washington ) ss,

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

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

OFFICIAL SEAL
DEBRA A. SUMICH
NOTARY PUBLIC - OREGON
COMMISSION NO 021001
MY COMMISSION EXPIRES JAN 02 1997

[Seal]
Notary Public

My Commission Expires:

5/3/97
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
Tricon Timber, Inc.

Submitted by:

Alan Erickson
Sales Manager
Tricon Timber, Inc.
24150 Frontage Road
Huson, Montana 59846

October 12, 1995
My name is Alan Erickson and I am employed by Tricon Timber in St. Regis, Mt. I have worked as Sales Manager with Tricon for ten years. My job responsibilities include sales, inventory control, coordination of traffic and freight. Before the recent downsizing, we shipped approximately 500 to 700 lumber cars and 500 to 800 chip cars per year.

Tricon Timber is a sawmill located in St. Regis, Mt. We currently ship lumber all over the United States, with the majority of our traffic going to the Midwest, Southwest and East. We receive and load box and chip cars daily.

We are very interested in seeing the Union Pacific and Southern Pacific railroads merge because it would make shipping our product much easier. As the rail condition currently stands, BN/Santa Fe have a corner on the rail market. In order for us to remain competitive in today's market, we must have good rates and delivery schedules we can depend on.

Southern Pacific has routes that would be beneficial to our mill because we could reach customers in California and Arizona. But the delivery is so awful and the rates are so high, we have let those markets go. Currently billing problems are virtually unsolvable, even with a wealth of information supplied by the shipper.

We believe that a merger between UP and SP would be beneficial to our business because it would open markets that have otherwise been closed, we could be assured of UP's fine delivery schedules and freight rates would be more competitive with BN/Santa Fe. We support the merger.
1, Alan Erickson, 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 1995

Signature

[Signature]

State of Montana
County of Missoula

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

[Notary Public]

My commission Expires: 10-30-1999
VERIFIED STATEMENT
OF
MARTHA DE LA PAZ GARZA
ON BEHALF OF
TUBACERO, S.A. DE C.V.

Martha de la Paz Garza, Export and Import Manager of Tubacero, S.A. de C.V. with address Guerrero Norte 3729, Monterrey, Nuevo Leon, C.P. 64000, phone number (8) 351 81 00, fax number (8) 351 6697/6617. I am responsible for the imports and exports of our company, I have 5 years of experience in this field but just started to work for Tubacero, S.A. de C.V. 7 months ago.

I am the head of the import department, export department and traffic department. I am responsible to optimize costs involved in our operation. Tubacero, S.A. de C.V. is a major supplier of steel pipe used by the petrochemical industry, for the construction of oleoducts, gasoducts and steel tubes used for pipe lines in general.

We are served by Ferrocarriles Nacionales de Mexico in our facilities. Our company participates in the international solicitation for construction of pipe lines, since we have the quality that market requires.

As a shipper dependent on rail transportation we welcome the announced intention of the Union Pacific and Southern Pacific to merge, since we anticipate as a result that we will receive top quality rail service from a financially sound carrier with single-line access to numerous points.
If the merger is approved, we will be able to utilize the strengths of rail transportation since we foresee improved equipment utilization, more areas in services that will be available for shippers.

Reductions in our costs, where a switching charge had to be added to our rates will also benefit our company, so if the merger is approved we will be able to meet the competitive challenge of the already approved merger BN/SANTA FE.

We are positive that the proposed merger will provide numerous benefits to shippers. Our company supports the application.

I, Martha de la Paz Garza, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 26, 1995.

Martha de la Paz Garza
Export and Import Manager
September 29, 1995

VERIFIED STATEMENT
FINANCE DOCKET NO. 32760
OF

SCOTT MANOS
on behalf of
TUBE AND STEEL CO. OF AMERICA

My name is Scott Manos, General Traffic Manager of Tube and Steel Co., division of Titan Industrial. Tube and Steel is located at 555 Madison Ave, New York, NY 10022. I have been employed with Tube and Steel for one year. I have had eight years of previous experience in project logistics. My previous employers have been, F.W. Myers, Rouses Point, NY, Pacific West Canadian, Calgary, Alberta, Canada and International Transport and Logistics, Houston, TX. I have an undergraduate degree in Agribusiness from Arizona State University and a Masters of International Management from the American Graduate School of International Management, (Thunderbird) Glendale, Az.

Tube and Steel distributes approximately 150,000 tons of hollow structural steel tubing from Ontario, Canada to multiple destinations throughout the United States. Of the total tonnage shipped, we ship 18,000 tons via rail to the West Coast of the United States. We ship utilizing Rule 11 from Chicago, with the Canadian National from Toronto to Chicago and then interchanging to U.S. carrier for final delivery. We ship on a prepaid basis. The U.S. carriers participating in our freight are, Union Pacific (roughly 80%), Southern Pacific (roughly 10%), Burlington Northern (roughly 5%) and the Santa Fe (roughly 5%). Tube and Steel supplies structural steel tubing to steel service centers, fabricators and direct to erection job sites.

We understand that the Union Pacific and Southern Pacific are requesting authority to merge. We support the merger for the following reasons.

A) Since we ship approximately 90% of our rail tonnage to Union Pacific and Southern Pacific destinations, we believe a merger will improve overall transit times and delivery service. We believe this to be true as the merger will create more efficient routes and terminal coordination. We have experienced service failures in the past with the Southern Pacific and we believe the merger will provide and overall better service with the combine strengths of the two participating rail roads.
Verification Statement
Financial Docket No. 32760

B) The crux of rail shippers problems today is the problem of erratic equipment supply. A merger with more efficient routings and combined strengths of equipment control, would no doubt provide a more stable equipment supply environment. The steel industry located on the Eastern side of the U.S. is completely dependent on rail in order to compete with offshore products. Any other mode of transport is completely restrictive in terms of costs. Without an improvement in rail car turnaround and availability, we will continually lose orders to offshore tubing. A merger maybe the answer to improvement of the equipment supply.

In view of the two issues raised, we strongly support the proposed merger between the Union Pacific and the Southern Pacific.

Sincerely,

Scott Manos

I, Scott Manos, 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.
October 10, 1995

VERIFIED STATEMENT
OF
DEBBIE HSIAO
ON BEHALF OF
TZENG LONG U.S.A. INC.

This statement is being provided as support for 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.

Tzeng Long U.S.A. Inc. is a leading waste paper market in U.S.A. with two of own facilities establishment over 12 years. Our mother company Cheng Loong Co., Ltd. is a well-known listed company in Taiwan industrial paper and corrugated carton manufacturer. We are currently exporting 480,000 MT of waste paper grades every year to Taiwan, China, Bangkok and Philippines.

As marketing executive of TQL a position I have held since 1985. My areas of responsibility include the supervision and negotiation of scrap paper buying and delivery. Sourcing is one of the key ingredients of success in scrap paper trading or paper mill.

Due to the big volume of product which we must export, the transportation of the product plays a significant role in our daily business and it is imperative we a constant flow of product to our customers.

Our facilities are not rail-served and the scrap paper must be transloaded from railcars to container and trucked to the port. Due to the nature of our business, we receive scrap paper from many different shippers across the United States and delivered by Southern Pacific. We feel the merger between Southern Pacific and Union Pacific will enable us to negotiate with new scrap paper mills. Our industry is cyclical in nature, thus the merger will make it more competitive by allowing us to receive from a larger number of mills. The advantages we expect from the merger are: 1) Improved transit times and 2) Less congestion through main terminals. Both points are very important to our company's business.
We believe the merger not only benefits the customers in the United States but also the customers of the world as commodities being exported have been on continuous increase. Tzeng Long approves the merger between Southern Pacific and Union Pacific Railroads and believes there will be a new level of competition and service.

Sincerely,

Debbie Hsiao
Marketing Executive

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

[Signature]

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VERIFIED STATEMENT
OF
JAMES M. PETERS
ON BEHALF OF
UNION OIL COMPANY OF CALIFORNIA dba UNOCAL

My name is James M. Peters and I am Manager of Transportation for the Agricultural Products Group of Union Oil Company of California dba Unocal, located at 2929 E. Imperial Highway, Brea, California 92622. My telephone number is 714-572-7484. I have been employed by Unocal for twenty five years and have held my current position for ten years. I am responsible for all of the transportation requirements for the Agricultural Products Group which includes export shipping, domestic traffic, proprietary vessels and rail car leasing with an annual budget of $85 MM.

Unocal is a major manufacturer and distributor of chemical fertilizers with plants and storage terminals in Kenai, Alaska; Portland, Oregon; Kennewick, Washington; Sacramento and Stockton, California. All of our major shipping facilities are served by either the SP, UP or BNSF railroads.

A large portion of our rail volume originates in Oregon and Washington and is shipped into central and southern California. The majority of this traffic is routed UP Portland SP. Unocal is dependent on the SP for economical and reliable service to our customers and storage terminals and feel the merger will enhance our ability to serve our markets and therefore feel it is in the best interests of Unocal. It would be extremely difficult for the SP to be competitive as a result of the BN-SF merger as well as competing with the UP. We therefore strongly endorse the UP/SP merger application.

We feel that economic benefits of the merger will be achieved through better car utilization, allowing us to reduce our rail car fleet. This improved utilization will be due to the advantages of single line service, more efficient routing and increased locomotive power. We also feel reliability will be enhanced due to the UP's stronger financial condition enabling it to solve the SP's historical service problems.
We agree that the agreement reached between the UP/SP and BNSF will create a strong competitive environment and wholeheartedly endorse the proposed merger and urge a favorable and timely decision.

Yours Truly,

[Signature]

James M. Peters

Verification

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

[Signature]

James M. Peters
I, J.L. Kiney, am the manager of customer service and traffic for United Clays, Inc. and have held this position for the last seventeen years. In this position, I am responsible for the distribution of over four hundred thousand tons of minerals each year which require the use of over four thousand rail cars.

United Clays, Inc., headquartered in Brentwood, Tennessee, is engaged in the extraction, processing, and distribution of industrial minerals primarily clay and soapstone. Operating five plants in four states, we depend upon the railroads to move our products to customers in the United States, Canada, and Mexico. All of our plants are rail served: in Huntingburg, Indiana by the Norfolk Southern, in Sledge, Mississippi by the Illinois Central, in Gleason, Tennessee by CSX Transportation, and in Van Horn and Troup, Texas by the Union Pacific.

Thirty percent, well over one hundred thousand tons, moves each year to the tile and other ceramic industries in Mexico. The merger of the Southern Pacific with the Union Pacific will permit faster and more direct access to multiple border crossing points which will enhance our ability to better serve this market.

Our company views the proposed merger as an excellent step toward better railcar and power utilization, providing improved service to shippers and their customers while achieving an environmentally desirable reduction in energy consumption.

United Clays, Inc. fully endorses and strongly supports this proposed merger.
I, J.L. Kiney, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 9, 1995.

[Signature]

J.L. Kiney
VERIFICATION

STATE OF

COUNTY OF

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

J.L. KINEY

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

Wimberly County

[Signature]

Notary Public

My Commission Expires:

Sept 15, 1998
My name is J. T. Choi. I am Manager-Traffic for USS-POSCO Industries ("UPI") in Pittsburg, California. I worked in the Sales Department of POSCO for twelve years. I have worked as Marketing Researcher and Exporting Planner for UPI for one and a half years and I have been in my present position for six months. I am responsible for freight rate contracts with transportation companies and bi-weekly rail car orders. I am thoroughly familiar with the transportation needs of UPI.

UPI was formed in 1986 as a 50-50 joint venture between U.S. Steel and POHANG Iron and Steel Company, LTD of South Korea. We produce 1.4 million tons of flat rolled steel products per year at our facility in Pittsburg, California. Our products are transported to customers throughout the country, but, at the present time, our primary market is the West Coast. Our plant is directly served by ATSF and UP (trackage rights over ATSF). SP has access to the plant through a switching arrangement. As a result, SP’s access is inferior and more costly than that enjoyed by the other carriers. In 1994 we moved our 1.4 million tons of product to our customers by truck (80%) and rail (20%). The volume handled by SP in 1994 was 550 carloads. We would like to increase our use of rail transportation in the future.

We fully support the proposed merger of UP and SP. Dependable, efficient and predictable service is of particular importance. The combination of the financially sound and service conscious UP and the market reach of SP will result in important service improvements of benefit to us. The rationalization of routes, elimination of congestion and the extension of single line service territory will enable UP/SP to reduce transit time and establish and meet reliable schedules. Likewise, as a result of this improved service, equipment turnaround and placement will be improved service, equipment turnaround and placement will be improved and, with the combination of the two fleets, car supply will be improved. The benefits to UPI in both terms of improved service and increased market access are significant.
The combination of the two systems will solve many problems we have today. SP’s disabilities regarding access to our facility will be eliminated. We will now have direct single line movements to SP’s southern California receivers. Many of these shipments, which are now moved by truck, can be moved by rail over the merged system. Similarly, with SP’s California lines, the merger will create realistic single-line rail routes to UP shippers in the Los Angeles basin. These two improvements alone greatly increase the number of points in the Los Angeles area that reasonably can be served directly by rail.

It is a great benefit not only to us and our customers, but to the public at large, to reduce our use of trucks to the Los Angeles basin. Environmental effects are positive and traffic congestion is alleviated.

Additionally, the combination of the two systems opens single line access to the Pacific Northwest. The ability to reach UP points in Washington through single line service is attractive. Further, the settlement reached by UP/SP and BNSF not only addresses the competitive issues in the 1-5 corridor, but opens new markets to us over UP/SP to BNSF points in the Pacific Northwest and western Canada. We support approval of this settlement. It will enhance competition in this corridor and throughout the western United States. We see many additional market opportunities for us as a result of the increased availability and reach of single line service provided by both merged carriers. The benefits of this enhanced competition to shippers and the public cannot be overstated.

An additional benefit to UI that we would anticipate from route rationalization if the SP and UP were merged is enhanced competition for our inbound traffic from Birmingham, Alabama. With the improved UP/SP route structure, we feel that they could compete with BNSF for this traffic, both as to service and rates.

Finally, overall competition in the transportation industry in the West will be enhanced. We recognize that certain destinations to which we ship (Portland and Los Angeles) will experience a reduction from three to two rail carriers. However, the vigorous competitive environment resulting from two strong, service sensitive railroads (UP/SP and BNSF) is far preferable to that which can be expected from the stand alone UP and the struggling SP attempting to compete with the newly merged BNSF. The addition of UP’s financial strength and management team to the excellent routes of SP will assure that vigorous rail competition remains in the West.

We urge the ICC to approve this merger.

I, J. T. Choi, 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.

_____________________________
J. T. Choi
Manager - Traffic
My name is James L. Egging, I am President and owner of Vanport Express, Inc. I founded the company eight years ago. I have 23 years of experience in the transportation industry. My background includes both sales and operations for transportation companies including Consolidated Freight, Trancon, Seward Motor Freight, Time D. C., James River Corp, and traffic manager for a steel company.

Vanport Express, Inc., is a third party shippers agent. (Intermodal Marketing Co.) Vanport Express, Inc. is a regional I.M.C. based in the Pacific Northwest (Vancouver, WA). With $7,000,000 is sales in 1994, Vanport is one of the major intermodal rail shippers on the Southern Pacific Railroads I-5 corridor. Eighty percent of Vanport's freight moves on the North-South I-5 corridor.

Vanport also has freight that moves to various points in the U.S., Canada, and Mexico. Vanport Express, Inc. uses the Union Pacific Railroad on all East bound freight out of the Pacific Northwest.

Vanport Express, Inc. strongly supports the merger of the Union Pacific and Southern Pacific Railroads. To have a financially strong Railroad on the West coast I-5 corridor is the key to Vanport's future.

Vanport has lost business to the trucking industry on the North-South lane do to equipment shortages at all of the ramps. Poor service during peak times has also driven business off. Intermodal shippers need the influx of Union Pacific equipment on the Southern Pacific line to regain some of the business we have lost because of equipment shortages.

As it is now, there is only one true rail line servicing the west coast, and that is the S.P.R.R. So by the U.P.R.R. taking over the S.P.R.R., you are not decreasing competition you are only adding serious strength to the existing service.

Also, the agreement by UP/SP to give BN/ATSF direct access over the I-5 corridor will provide another single rail option which will greatly increase the level of competition in this corridor over what exists today.
On the East bound freight out of the Pacific Northwest, there are only two true competitors now, the Union Pacific, and the Burlington Northern. No one who has been in the business for more than a week would use the Southern Pacific on Eastbound freight. The transit time is about five to seven days longer. The Southern Pacific has no direct route East out of the Pacific Northwest. With the UP/SP merger, there would not be less competition out of the Northwest.

It has been my experience that the U.P.R.R. is the most stable railroad in the U.S. In terms of personnel, policy, and commitment. The Union Pacific's customer service department has always been the best in the industry. We expect that Union Pacific will bring Southern Pacific up to UP's standards.

The West coast of the United States supports the sixth largest economy in the world. With a world class economy we cannot afford to operate with anything less than a world class railroad.

I feel that with the merger of the U.P. and the S.P. the future of Vanport Express, its employees, and their families is on much more solid ground.

The Burlington Northern/Santa Fe merger gives that railroad an unfair competitive edge over UP and SP. Vanport has not been a BN/Santa Fe customer, so this situation would give my competitors who are BN/Santa Fe customers an unfair advantage over Vanport.

I feel the UP/SP merger is a necessity if there is going to be competitive equality for the existing UP, SP shippers. We need the long term stability, and quality service that this merger would bring.

Sincerely,

James L. Egging

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

James L. Egging

Witness
VERIFIED STATEMENT
of
JAMES W. KJELLBERG
on behalf of
VIKING FOREST PRODUCTS, INC.

1. I am James W. Kjellberg, Transportation Manager of Viking Forest Products, Inc. at 7716 W. 78th St., Minneapolis, Mn. 55439. We sell in excess of 2,000 carloads of lumber per year as well as significant volumes of truckload shipments. I hold a Bachelor of Science in Business Administration. I have served in my present capacity for 13 years and served in the same capacity at Emmer Brothers Company for 4 years. Prior to that I held various transportation positions at Pillsbury Co. for 12 years.

Viking Forest Products is a wholesaler of forest products buying from producers throughout the U.S. and Canada and selling to customers throughout the U.S. We buy from many mills located on both the UP and SP and ship to many customers on both railroads. In 1994 we moved approximately 500 cars via these carriers.

As a wholesaler of forest products we believe that the proposed UP/SP merger would best serve our company’s interests as well as that of the general shipping public.

The improvements in service that would result from this merger would be most beneficial to our operations through shorter routes and single line service.

Combining of duplicated services would result in the realization of considerable cost savings. The UP's strengths would be a source of improvement for facilities currently served by the SP.

Equipment utilization would be improved by faster transit times and a balancing of car needs between the two carriers. This would reduce the periods of car shortages.

We would be in a better position to market UP produced forest products to SP destinations and vice versa because of the above economies.

The combining of the BN and Santa Fe will produce a juggernaut that would be difficult for the SP or UP to compete with on a single line basis. The SP has been struggling for several years to compete and supply the necessary service. At this point in time they have been unable to do it alone. The BN/Santa Fe merger will only serve to weaken their position.
We believe that this proposed merger is needed to provide significant benefits to the shipping public. Viking Forest Products supports the application.

VIKING FOREST PRODUCTS, INC.

James W. Kjellberg, Traffic Manager

I, James W. Kjellberg, 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.

James W. Kjellberg
VERIFIED STATEMENT

OF

KENNETH FLETCHER

ON BEHALF OF VOLKSWAGEN OF AMERICA, INC.

My name is Kenneth Fletcher, I am employed by Volkswagen of America, Inc. ("VW"). My address is 3800 Hamlin Rd., Auburn Hills, MI 48326. I am responsible for the coordination of VW’s North American vehicle operations. I have been with VW for the past 19 years. My entire career with VW has been in Traffic and Distribution Management.

VW has authorized me to submit this statement expressing the company’s strong support for the Union Pacific - Southern Pacific merger.

VW is a worldwide corporation whose principal business is the manufacture, assembly and sale of cars, trucks and related accessories. VW operates a major manufacturing assembly plant in Puebla, MX near Mexico City. Automobiles assembled at the Puebla plant are shipped to processing centers throughout the United States and Canada. Destinations include San Diego, CA; Houston, TX; Brunswick, GA; Wilmington, DE; Boston, MA; Vancouver, BC; Toronto, ON; Montreal, PQ; and Halifax, NS.

Additionally, VW moves large volumes of automotive component parts from the United States and Canada to our Puebla, MX assembly plant. Significant movements originate at Leamington, ON; Battle Creek, MI; Detroit, MI;
Galesburg, IL; and Barrie, ON. Highly reliable service is critical because our Puebla plant relies on tightly scheduled arrivals of auto parts shipments in order to minimize inventory costs and meet production schedules.

From VW's perspective, it is vital that Union Pacific and Southern Pacific receive the authority to merge their two rail systems. A merger of these two railroads will achieve tremendous benefits for VW and other shippers. One major benefit of approval of the application will be to assure long term quality service for SP shippers. We have experience shipping via both UP and SP, and the combination of UP's management and SP's route network will lead to significant improvements in the reality of responsiveness of the services available on all SP routes. The SP's ability to enhance its service opportunities has been jeopardized by the intensified competition that will be provided by the merged BN/SF. One strong competitor for the BN/SF system—in the form of UP-SP system—is better than two weak ones.

In addition to ensuring SP's survival, the merger will allow the combined carriers to make important capital improvements to position the carriers for efficient competition with BN/SF and trucks over the long run. UP is financially strong, but lacks the most efficient routes to many markets. SP has many excellent routes but has lacked the capital to take advantage of those routes to the maximum extent possible. The merger system will be able to apply capital dollars wherever they will accomplish the greatest benefit in overcoming operational bottlenecks, equipment shortages or making possible innovative new services to improve the handling of existing traffic and attract new business to the railroad.
The transaction will allow the carriers to further intensify competition with other railroads (especially BN/SF) and other modes in other ways as well. A combined UP/SP system also will make possible improved services that neither could achieve independently. VW will benefit from important new single-line routes which provide advantages to shippers as compared to joint-line movements.

VW will also benefit from improvements in service on the other routes. For example, the merger should reduce congestion and delays on the railroad's routes between E.St. Louis and Texas over which many of our autos and auto parts move. Any improvement in reliability over those routes would be of great benefit to VW.

The combination of these carriers' route networks should also allow for greater ability to optimize utilization of scarce multilevels that arrive empty on the SP at Houston and other Texas points for redeployment in Mexico for loading via UP's Laredo gateway, allowing for reduced empty movements and more efficient utilization of the overall fleet.

Not only will the merger achieve these substantial benefits for the shipping public, it will not result in the elimination of railroad competition in light of the Applicants' agreement with BN/SF to provide competitive access to points that would otherwise lose competitive rail service. A connection with the Texas-Mexican Railroad at Corpus Christi, which could preserve the existing competitive rail access to the Laredo gateway to Mexico, is an important element in applicants agreement with BN/SF. Such access will ensure that the transaction will preserve existing railroad-to-railroad competition and will not create a situation where only a single railroad remains to handle VW's traffic through that gateway.
Accordingly, VW believes the proposed merger of the UP and SP is strongly in the public interest and we urge the Commission to approve it.
VERIFICATION

STATE OF \textit{Michigan}\textsuperscript{1}

\textit{ss.}

COUNTY OF \textit{Macomb}\textsuperscript{1}

\textit{Kenneth Fletcher,}\textsuperscript{2} 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.

\textit{Kenneth Fletcher}

Subscribed and sworn to before me this \textit{27th}\textsuperscript{th} day of \textit{Sept.}, 1995.

\textit{Linda Jean Cherry}

Notary Public

My Commission Expires:

\textit{2-11-98}

\textsuperscript{1} The text appears to have been corrected or added with a pen. The correct label for the county should be \textit{Macomb}, not \textit{Macomb}. The state label appears to be corrected from \textit{Michigan} to \textit{Michigan}. The date and commission expiry dates may also need to be corrected.

\textsuperscript{2} The name written on the document is \textit{Kenneth Fletcher}, not \textit{Kenneth Fletcher}. This appears to be a typographical error.
W L WORKMAN, INC.

VERIFIED STATEMENT

of

E. W. MACAULAY

on behalf of

W L WORKMAN, INC.

My name is E. W. Macaulay, and I am the Vice President of Sales for W L Workman, Inc. My company is located at 113 North Church Street, Suite 318, Visalia, California, 93291. I have been involved in the transportation industry for the past 17 years. Previously I served as Vice President of Transportation for Workman Enterprises. Within the past year, I have become the Vice President of Sales with W L Workman, Inc.

W L Workman, Inc., is involved in the warehouse and distribution of lumber, paper, canned foods, and various other commodities. Our company has warehouses in Lindsay and Porterville, California. We receive goods from the Pacific Northwest, Texas, and Mississippi. Our company ships products throughout the United States.

I am aware that the Union Pacific and Southern Pacific have requested authority to merge their companies. My company supports such a merger.

With the merger of Union Pacific and Southern Pacific, there will be an expanded territory that our company can reach by single line service. In particular, we would enjoy single line service from California to many UP destinations throughout the Midwest. This single line service should result in reduced transit times which allow for quicker and more reliable service. This will make our company more competitive with other warehouse and distribution companies. We will be able to distribute our product more efficiently with significant cost savings.

Another benefit of the merger will be an overall improvement in service. Union Pacific will be able to use its resources to improve service throughout the new combined rail system and to provide greater information on and control over our shipments. Improvements in car availability will also result from the combination of the UP and SP car fleets. The combined UP/SP car fleet would be quite large and would allow the railroad to reposition its cars resulting in better equipment utilization and our rail shipments more efficiently, with greater confidence, reducing our inventory and carrying costs.

Our company also feels it is important that the UP/SP be a strong competitor to the newly merged BN/Santa Fe. That will be the result of the proposed combination. The UP/SP will be financially sound and will offer a rail network roughly comparable to the BN/Santa Fe. This competition is critical if our company is to ever realize improvements in service and rates.

Post Office Box 1102, Visalia, California 93279 (209) 625-2506
My company supports this merger between Union Pacific and Southern Pacific.

I, E.W. Macaulay, 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

E W. Macaulay
Verified Statement
of
James W. Manning
on behalf of
Waste Management, Inc.

I have been employed by Waste Management, Inc., 3003 Butterfield Road, Oak Brook, Illinois 60521, for 3 years and have worked in the procurement of rail services and rates. Prior to my employment with Waste Management, Inc., I spent 10 years in the Sales and Marketing Department of the Chicago and North Western Transportation System. My current position is Manager of Transportation.

Waste Management, Inc. is the world’s leading provider of environmental services. We have disposal and treatment facilities located throughout North America. Our Columbia Ridge Landfill in Arlington, Oregon is located on the UP and our Butterfield Station Landfill in Arizona is located on the SP. Our materials are shipped on the combined system, as well as all major railroads in North America. We do this to help our customers solve their environmental problems in the most cost effective way possible. Our annual rail transportation is in excess of 3,000 units and growing.

Based upon the Union Pacific/Southern Pacific news release, dated September 26, 1995, outlining the competitive access agreement with the BNSF, Waste Management, Inc. endorses the Union Pacific (UP) and Southern Pacific (SP) merger.

Waste Management, Inc. bases its support for this merger on concerns for the long term viability of a stand alone Southern Pacific. Reliable rail service is critical for WMI to provide a low cost, competitive service to our customers.

Waste Management, Inc. supports the UP-SP merger as being in WMI’s, our customers’ and the public interest.

James W. Manning
Verification

I, James W. Manning, 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.

James W. Manning
Manager, Transportation
Waste Management, Inc.
VERIFIED STATEMENT
OF
JAMES D. TUCCINARDI
ON BEHALF OF
WEBER DISTRIBUTION

October 9, 1995


Weber Distribution is dependent on SP service at three of its facilities, we welcome this merger as a means of ensuring that we receive quality rail service. This merger should improve service and strengthen our position as a third party supporter in Southern California.

Since my employment in 1991, we have negotiated rail contracts for shipments by our customers of food grade products, paper and related products, furniture, K.D. and other general merchandise.

Our railcar reports acknowledge receipt of railcars from the Southern Pacific Lines, according to the following profile.

RECEIPT PROFILE
OF
50 FT. STANDARD RAILCARS

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<td>161</td>
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</table>
Weber Distribution primarily ships products to various locations in the United States, Mexico, Canada and Western ports for export. We operate ten warehouses in Southern California and of these ten, as previously stated three are served by the Southern Pacific Lines. Our inbound railcars originate in the Eastern portion of our country which includes the Midwest, the East Coast and Southwest and are originating on the Norfolk Southern, Conrail, Kansas City Southern and other interlining railroads.

Weber Distribution is excited about the possibilities the proposed merger will bring to our company. Increased power and single-line service between the UP South Central points and the SP California points will greatly enhance the shipping of products from the areas noted above. Our company lost some business this past season due to the unavailability of boxcars in certain regions of the Midwest. However, we are optimistic that the merger will help to alleviate this problem.

Our company appreciates and supports all of the continuing efforts being made by the Southern Pacific Lines and the Union Pacific Railroad to improve rail freight services to our company.

Sincerely,

James D. Tuccinardi
Account Executive - Logistics

JDT:ats
95100903

VERIFICATION

I, James D. Tuccinardi, 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.

James D. Tuccinardi
VERIFIED STATEMENT

of
CURT WERNER
on behalf of
WERNER ENTERPRISES

My name is Curt Werner. I am the Executive Vice-President and Chief Operating Officer of Werner Enterprises, 1-80 and Highway 50, Omaha, NE 68137. I am writing with regard to the proposed merger of the Union Pacific Railroad and Southern Pacific Rail Corporation (Finance Docket No. 32760). I strongly support the proposed merger, which will improve intermodal service between many of our destinations through more efficient routing and investment in new technology.

Werner is a motor carrier which operates nationwide. Werner began intermodal operations just over a year ago, and we already ship approximately 300 units each month on UP. Our main routes are between Los Angeles and Chicago, Los Angeles and St. Louis, and the Southeast and Northern and Southern California. In addition, Werner has some business in the Pacific Northwest. In the eastern United States, we use CSX, Norfolk Southern, and Conrail. In the West, we mainly use UP, although we have some business with SP and the Burlington Northern/Santa FE.

I have worked for Werner for 11 years. In my current position as Executive Vice-President and Chief Operating Officer, I oversee all of Werner’s divisions, including, dry van, regional, short haul, temperature control, flatbed, intermodal and logistics services.

I foresee a number of benefits for Werner arising out of the merger between UP and SP. Perhaps the greatest such benefit will be improved routings for our intermodal shipments. Rapid transit times are essential for anyone in the intermodal business to be competitive, and the shorter routings and avoidance of congestion that will result from the UP/SP merger should result in faster, more reliable transit times. For example, following the merger our shipments from Los Angeles to Memphis and to the Southeast will travel along SP’s Southern Corridor route to El Paso and then on UP’s line through Dallas. This route will be more direct than the current route, will avoid congestion in the Salt Lake City area, and will make our expedited service from Los Angeles to Memphis more reliable.
Similarly, the combination of UP and SP lines will create efficient, alternative routes between Southern California and points in the Midwest, including Chicago, St. Louis, and Kansas City. Traffic from Los Angeles to Chicago, for example, will be able to move along the SP’s Southern Corridor and then north through Tucumcari. This will provide an alternative route which will enable UP/SP to offer new third-morning service to Chicago, thus providing meaningful competition to Burlington Northern/Santa Fe along this important route. Our shipments between Los Angeles and St. Louis and Kansas City will also benefit from this alternative routing.

A further routing benefit will be the introduction of new single-line service from Seattle to Los Angeles along the I-5 Corridor. This new service will permit greatly improved Intermodal service along the West Coast, making it possible to move traffic by rail that now moves on the highway. Also, the agreement between UP/SP and BN/Santa Fe will provide a second new single-line option along the I-5 Corridor, giving us a choice of two strong rail carriers with substantial intermodal experience.

Other advantages besides routing will result from this merger. New investment, such as the improvement of rail lines between Dallas and El Paso and between El Paso and Los Angeles will improve service between Southern California and the Gulf and points in the Southeast. Werner also stands to benefit from new and renovated intermodal terminals at key points such as Memphis and San Bernardino/Colton. We also believe improvements, such as RoadRailer technology.

I believe that the merger of UP and SP will increase rail competition in the West. Currently, the BN/Santa Fe enjoys routing possibilities and operating efficiencies well beyond those of those of its smaller competitors. It is the only railroad with a developed route system throughout the western United States. With its service problems, the SP standing alone is not a strong competitor of the BN/Santa Fe. However, the merger of UP and SP will create a strong railroad, which can fully compete with BN/Santa Fe for intermodal traffic on an equal footing. With better routes and more intense competition between two evenly matched competitors, I expect better service.

The merger of UP and SP is good for intermodal transporters like Werner. Through the creation of new single-line service and shorter and more efficient routes that bypass congested terminals, the merger offers the possibility of faster and more reliable Intermodal service throughout the western United States. Werner and other intermodal shippers will also benefit from new capital investment and improved competition. On behalf of Werner Enterprises, I strongly urge that you approve this merger.
I, Curt Werner, 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.

Curt Werner
Executive Vice President &
Chief Operating Officer
My name is Gordon D. Gustafson. I am the Vice President-General Manager of Western Intermodal Services, Ltd. My address is 935 West 175th Street, Homewood, IL 60430. I have held this position since November 1989, and am responsible for all functions of our company, including dealings with railroads and operating our network of distribution centers. I joined Western Intermodal in 1986 in a sales and marketing position. My previous experience is in accounting and marketing with the Duluth Missabe and Iron Range Railway Co. and the Elgin Joliet and Eastern Railway Co., beginning in 1973, and thus have over twenty years of experience with the railroad industry.

I am writing to express support for approval of the proposed merger of the Union Pacific Railroad and Southern Pacific Railroad. This support is conditional on the approval and implementation of the line sales and trackage rights agreement between UP/SP and BN/ATSF.

Western Intermodal operates a network of warehouses which we link by various transportation methods: truck, rail, barge and combinations of them. We specialize in the handling and transportation of metals products. We and our related trucking and warehouse and distribution companies, handle 10,000 tons of metal products per day either in, to or from our warehouses, and from supporting shippers.
Locations we operate which are impacted by this potential merger are in Los Angeles and Richmond, CA, Kent, WA, Houston and Laredo, TX and Chicago, IL. We today utilize the service of the UP intermodal network and SP carload service to serve these warehouses along with competitive service offered by BN/ATSF.

Among the needs we have is timely reliable rail service, in both carload and intermodal rail environments between our warehouses. Today's situation on the SP is not reliable and in some cases not able to compete in a timely manner due to track routes. The UP does not provide a competitive alternative in some corridors today due to circuitous routes, such as Houston, TX to Los Angeles, CA. The merger, if approved with the trackage rights and sales as conditions of merger, will yield us the ability to deal with an effective operating railroad serving our facilities with track structure offering good competitive alternatives to BN/ATSF. This will give us the advantage of dealing with an operating system and a marketing/pricing group with common focus. We view this as advantageous in that our time required today to deal with multiple railroads will reduce, and a comprehensive program linking all our operations could be developed.

The competitive options which are available to timely link our warehouses will improve with the line sales and trackage rights proposed. For example, our Los Angeles, CA and Kent, WA facilities could be linked by both UP/SP and BN/ATSF, where today they cannot except for operationally cumbersome and uneconomic interchange, which does not enable rail as an effective alternative. We also will gain advantage in combined equipment ownership under common control.
Finally, the SP does not currently appear to be capable of correcting service problems which will ultimately lead to reduced use of their system by our organization. This merger with the UP who offers reliable service, with the efficiency the combined system could offer, seems to be a viable alternative to alleviate our concerns over the SP’s future. I would not want to see the SP travel the route of poor service leading to reduced use leading to reduced capital expenditures resulting in yet poorer service and the continuing downward spiral such as happened to the Rock Island Railroad years ago.

The potential network created by the UP/SP merger with BN/ATSF trackage rights and line sale agreements will generate the opportunity for increased business for the new entity and offer our warehouses increased available equipment and improved single line service with good competitive alternatives. We support the proposed merger of UP/SP, with the requirement of implementing the line sales and trackage rights agreements negotiated with BN/ATSF.
STATE OF ILLINOIS

COUNTY OF COOK

Gordon D. Gustafson, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts associated therein, and that the same are true and correct as stated.

Gordon D. Gustafson

Subscribed and sworn to before me this 13 day of October, 1995.

"OFFICIAL SEAL"
KARIE L. HOLMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5/10/98

My Commission Expires: 5/10/98
October 3, 1995

VERIFIED STATEMENT

OF

Richard D. Goodin on behalf of

Westwinds Warehousing & Distribution


My name is Richard D. Goodin, and I am presently the Executive Vice President and General Manager of transloading via truck/rail paper products for Westwinds Warehousing & Distribution, 1576 Omaha Ct., Riverside, CA 92507. The phone number is area code (909) 788-6122; fax number (909) 788-6290. My normal duties and responsibilities include negotiating truck rates, and contracts with rail carriers for customers who are not rail served. This would cover all transportation logistics whether it be rail or truck into all facilities and coordinating with both customers and rail carriers.

Customers not rail served: Riverside Press Enterprise, Inland Valley Daily Bulletin, Hemet News, Oceanside Blade Tribune to name but a few.

Westwinds Warehousing & Distribution is a warehouser and transloader of various products including Paper products and Kitty Litter on the West Coast. We operate in the Los Angeles basin, and outlining areas. 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 are not rail served.

Westwinds Warehousing & Distribution is excited about the possibilities the proposed merger will bring to our company. One of our company’s goals is to expand our customer base. With the merger we will be able to expand to the UP’s customers that are not rail served. Increased power and single-line service between the UP and the SP will greatly enhance new opportunities for our business as a transloader.
I, Richard D. Goodin, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 3, 1995.

[Signature]

Richard D. Goodin
Executive Vice President-General Manager
Westwinds Warehousing & Distribution
1575 Umaha Court
Riverside, CA 92507
This is a verified statement of Bruce W. Darnell, on behalf of Wheels International (USA), Inc., 883 Commerce Drive, Suite 2B, Conyers, GA 30207.

We are an I.M.C. (intermodal marketing company). We offer the following services to the shipping public: Piggyback, highway, OTR brokerage, box car, stack train & international moves, and various other logistical options.

Wheels International has been in business for over nine (9) years.

We would like to recommend to the I. C. C. that they approve the merger of the Union Pacific with the Southern Pacific Railroad to form one company. This is based on a few ideas, as follows. The Union Pacific financial outlook and position now would give strength to the Southern Pacific for future growth. Also, the Southern Pacific geographical location would allow the Union Pacific better positioning to remain competitive in light of the Santa Fe-Burlington Northern merger.

The Union Pacific and Southern Pacific merger would still be a reliable competitor, and still allow competition to remain, which is a vital link with so many mergers taking place. This would still allow strong carriers to align themselves to survive in the years to come.

SIGNED: 

DATE: 10-11-95

I, BRUCE W. DARNELL, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10-11-95.

BRUCE W. DARNELL
Verified Statement

of

Joe Mathews
on behalf of

Wilbur-Ellis Co

South Texas District

1. Joe Mathews, District Manager, Wilbur-Ellis Co. Southern Division, P.O. Box 1020, Edinburg, Texas 78540. Duties include but not limited to supervision of personnel, purchasing, and sales at six Agricultural retail locations located in Edinburg, Rio Grande City, Rio Hondo, Devine, Mathis, and Robstown Texas. I have been employed by Tide Products since 1983 until it was purchased by Wilbur-Ellis Co. in 1989. I have been the District Manager since 1992 in the South Texas area. I supervise three fertilizer terminal which are all serviced by rail (Union Pacific/ MoPac) at this time.

2. Wilbur-Ellis is a distributor of liquid and dry fertilizer, pesticides, and surfactants/adjuvants. Products are moved to locations by truck, rail, and barge depending on the local of the retail location. On an annual basis approx. 36,000 tons of fertilizer is sold by the six Wilbur-Ellis locations in South Texas with all of the fertilizer coming through one of the three fertilizer terminals. Nearly half of the 36,000 tons is delivered to these three terminals by rail, the balance of the fertilizer is delivered by truck or barge. One location in Rio Hondo Texas is serviced by rail (MoPac) truck and barge. The locations at Robstown and Mathis are serviced by rail (MoPac) and truck with the majority of the fertilizer coming in by rail. The fertilizer is then delivered to Wilbur-Ellis customers by truck. Fertilizer Fob points for this area of Texas are Houston, New Orleans/ Baton Rouge area, New Mexico, and Central Florida.

3. It is my understanding that Union Pacific R R and Southern Pacific Lines are requesting authority to merge. I support this merger as I believe it will result in improved service to the Wilbur-Ellis Co and its three fertilizer terminals located in South Texas.

4. I feel the requested merger will open up some future opportunities for me at Rio Hondo, Texas by being able to ship fertilizer by rail from Rio Hondo, Texas to Wilbur-Ellis joint ventures located in Mexico by way of Brownsville after unloading from a barge. The merger will also help me utilize my investments at Mathis and Robstown by allowing me to have better rail service to these two locations. Previously before these two locations were located on rail my supply of fertilizer was at the Port of Corpus Christi where I was required to have a truck tied up hauling fertilizer to these locations from the port. With relocation of these locations onto rail I can now utilize my trucks to haul to my customers.
rather hauling from the port. The merger will improve service to my locations by improved asset utilization by the railroad thus lowering freight rates to my locations.

5. In the future Wilbur-Ellis Co. will be expanding its market area into the Texas Winter Garden which is located west of San Antonio, Texas. Wilbur-Ellis will have two locations on the rail line currently being serviced by Southern Pacific Lines and one location being serviced by Union Pacific. By having one railroad service all of my locations in South Texas it will help me and my suppliers negotiate a preferred freight rate. If the merger does not go through I may not be able to have a favorable freight rate because of asset utilization by the railroad.

6. The merger of the UP and SP will also help me source fertilizer from other sources in the midwest and northwest that currently are not sources for me due high freight charges. The merger will let the UP and SP have shorter more efficient routes between these sources and Texas thus lowering my freight from these sources.

1. Joe Mathews, declare under penalty of prejury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on Sept. 27th, 1995

Joe Mathews
District Manager
South Texas District
Wilbur-Ellis Co./ Southern Division
STATE OF TEXAS  
COUNTY OF HIDALGO  

JOE MATHEWS, 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.

JOE MATHEWS  
Name-Typed

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

Karen E. Howland  
Notary Public

My Commission Expires:

8/4/97
VERIFIED STATEMENT

OF

CHARLES S. GOODELL
on behalf of
WILLARD GRAIN & FEED, INC./ WIL-GRO FERTILIZER

Wil-Gro Fertilizer is a family-owned producer of dry and liquid nitrogen fertilizers. The Union Pacific railroad provides the only service to our production facility in Pryor, Oklahoma. Our company also operates several storage facilities which are served by other rail carriers. We currently ship fertilizer throughout the Midwest and Texas. Wil-Gro Fertilizer ships approximately 1000 rail cars per year, however, after our expansion next year, we project shipping at least 3000 cars per year.

During my six year tenure as vice president of Willard Grain & Feed, Inc./Wil-Gro Fertilizer, I have often been frustrated by the competitive limits of rail shipment. The lack of single line service from our production facility in Pryor, Oklahoma, to the Southwest and California effectively bars us from competing in these markets. The recent merger of the Burlington Northern and Santa Fe rail lines exacerbates our competitive woes by strengthening our competition served by this more efficient rail carrier. The Union Pacific provides the sole service to our production facility, and we cannot reach all the markets served by the BN and SF as cheaply as their fertilizer producers.

Therefore, I was overjoyed to learn of the proposed merger of the Union Pacific and the Southern Pacific railroads. Now we will be able to compete with the BN and SF served producers, and we will gain access to the Southwestern and California markets. The timing could not be better since Wil-Gro Fertilizer is constructing another fertilizer plant in Pryor, Oklahoma, which will at least double our capacity by mid-1996. The UP and SP merger ensures our ability to realize our long-standing dream of competing effectively in the Southwest.
We understand that Union Pacific and Southern Pacific are applying for a formal merger. We strongly support this as a means of improving service and strengthening competition. Wil-Gro Fertilizer needs more effective routes to remain competitive with other fertilizer producers served by other rail networks such as the BN/SF. A new single line service on the proposed UP and SP will enhance our competitiveness and open new markets in the Southwest and California. Currently we must negotiate with two or three rail carriers or use trucks to reach these markets. Both of these alternatives price us out of the market. Lower transit times and quicker turn times will lower costs and will reduce wear on our private rail cars.

We need this merger to remain competitive with BN and SF served fertilizer producers, to reduce reliance on trucking, and to open new markets for our new production facility. We believe the proposed merger will increase competition and will be beneficial to shippers. We wholeheartedly endorse the application for merger of the Union Pacific and Southern Pacific railroads.

VERIFICATION

STATE OF TEXAS )
COUNTY OF COLLIN )

Charles S. Goodell, 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.

Charles S. Goodell
Subscribed and sworn to before me this 20 day of Oct, 1995.

[Signature]

Notary Public
My Commission Expires: 11/6/95
VERIFIED STATEMENT
OF
DENNIS JONES ON
BEHALF OF WinCup

I, Dennis Jones, declare that I am the Purchasing Agent for WinCup located at 5600 East Olympic Boulevard, Commerce, California 90022.

My responsibilities include the routing and scheduling of bulk rail cars into this facility served by the Union Pacific Railroad. We use between five (5) and ten (10) cars per month. I have been responsible for this function for the past ten (10) years. Prior to that, I was associated with Allen Industries as the Purchasing / Traffic Manager and was responsible for routing and scheduling incoming and outgoing rail cars. We were serviced by the Southern Pacific Lines.

WinCup manufactures plastic cutlery, straws, plates and cups. We have facilities similar to this in Houston, Texas and Stone Mountain, Georgia. Although not serviced directly by the Union Pacific Railroad or Southern Pacific Lines, both utilize routes in Texas.

We understand under Finance Docket No. 32760, the Union Pacific Corporation, Union Pacific Company and the Missouri Pacific Railroad Company and the Southern Pacific Transportation Company are proposing to merge. We strongly support the proposed merger.

We see this merger as being congruent to the recent BN/ATSF merger and will offer numerous benefits to customers who have suffered with the unreliable service of the Southern Pacific for many years.

WinCup will benefit directly from the proposed merger by the expanded capacity of the merged system which will allow the railroad to better segregate traffic to eliminate bottleneck points on the Union Pacific at Yermo, California and the Southern Pacific at Colton, California. The shorter and more direct routing of Texas will significantly improve our transit time and produce an overall shorter cycle time on our equipment. This shorter cycle time will reduce our vendors’ out-of-pocket expenses for rail equipment. We view the financial strength of the Union Pacific being of paramount importance to keeping the customers served by the Southern Pacific with adequate and reliable trackage to continue their rail operations and also to allow the customers to compete in the global market place today.

We believe that the proposed merger will provide significant benefits to consumers similar to WinCup. Our company supports this application.
I, Dennis 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 statement. Executed on this date, October 13, 1995.

Dennis Jones
Purchasing Manager
WinCup

Witness
Workman Enterprises, Inc., located at 211 Second Street, Exeter, California, 93221, under the sole ownership of Robert Workman, is a substantial consumer of rail services at all three of its warehousing locations in the Exeter area. Major inbound and outbound rail customers are dependent on the cost advantages of competitive rail service and the carrier's ability to provide a wide variety of car capabilities including refrigerated services.

Workman Enterprises' services include total warehousing, distribution, and crossdock. Products handled include paper, steel, lumber, canned goods, dairy products, and frozen foods. Inbound traffic patterns are Pacific Northwest, lumber and paper, East Coast, paper and pulp. Outbound distribution is Midwest, South, East Coast, Pacific Northwest, Canada and Mexico. Besides rail there is piggyback and container movement outbound by rail. Throughput rail traffic is pushing the 3,000 car marks on an annual base. This well-planned merger with the Union Pacific Railroad and its expanded service area provides new targets for our sales staff to obtain potential new business.

In my opinion, the proposed expansion is linked to increased car capacity and refrigerated car capacity and will provide a stronger consistent base of equipment and operating equipment needed to meet a realistic delivery schedule to our expanding customer base inbound and outbound. Currently our needs are not being met satisfactorily. Service transit times are erratic. This merger, in my opinion, will provide the financial strength and leadership to rebuild the present business opportunities that have moved to other carriers because of pricing and transit times that have become noncompetitive. The combined railroads utilizing Union Pacific management will, in my opinion, be extremely competitive and will allow customers to make sound business decisions that definitely will exceed past performance levels provided by Southern Pacific. By merging, customers that are Santa Fe/BN served will rethink their options. Expanded competitive service areas will appear through this planned merger.

Restructuring routes within the combined SP/UP system will allow a consistent flow of goods and products with considerable total mile savings. This is environmentally smart. It is also very cost effective. Faster and more frequent service drives' customers back to rail and increases productivity through efficiency. Opportunities for Central California warehouses such as mine should increase and we should see significant change in opportunity to provide warehousing and distribution more efficiently through this merger.
For railroads to remain competitive, mergers must take place to optimize existing rail routes, locomotives and high quality equipment. Equipment is a very important asset. Developing a systematic movement that maximizes profit potential and is environmentally sensitive to air quality is extremely important.

Disallowing the merger would allow those railroads already merged an unfair competitive position and would change the demographics of business locations causing them to lose their ability to utilize cost effective rail services.

This proposed merger must take place to preserve competitiveness throughout our country, Canada, and Mexico. Rail transportation is the long-term solution to our transportation needs in America. Without the ability to merge and regain competitiveness this country’s rail infrastructure would be badly impaired and consequently wiped out providing only a single service option via highway carriers. This would not be a good decision.

My company supports this merger and its benefits through a systematic development of competitive service meeting current needs and long-term goals.

An expanded market share of rail served business is a significant benefit to my company and the many customers it serves.

I, Robert Workman, 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 1, 1995.

Signature

Date 10-1-95
October 11, 1995

Verified Statement
of
Jerome Bellamy Jr.
on behalf of
World Resources Company

I, Jerome Bellamy Jr., Transportation Director, for World Resources Company (WRC), support the merger between Union Pacific and Southern Pacific. WRC is located at 8113 West Sherman Street in Phoenix, Arizona. I am responsible for WRC's inbound and outbound transportation needs. I have been employed by WRC since 1985, and hold my current position for the last three years.

World Resources Company, founded in 1976, is a leading international industrial recycling company. The company operates modern environmentally engineered facilities that specialize in the use of metal-bearing manufacturing residues to produce customizing metal-concentrate products. These products are sold to major non-ferrous metal producers worldwide, with most of our producers being shipped in gondolas by rail, using Southern Pacific and the Canadian National railroads.

I believe that the proposed merger would be in our company's best interests as well as the interest of the other shippers. We heartily endorse the Union Pacific/Southern Pacific application.

I feel that with the Union Pacific/Southern Pacific application being approved, it will strengthen the services and the availability of equipment to better supply the demand that's needed for shippers like WRC.

Sincerely,

Jerome Bellamy Jr.
Transportation and Scheduling Director

JB/ds
VERIFICATION

STATE OF Arizona } SS.
COUNTY OF Maricopa   }

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

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

My Commission Expires:

6-1-97
My name is George D. Worley. I am the President of Worley Enterprises, Inc., located at 5360 College Boulevard, Suite 120, Overland Park, Kansas 66211. I am writing to endorse the proposed merger of the Union Pacific and the Southern Pacific Railroads.

I majored in Business Administration at the University of Kansas, and I have over 30 years experience in transportation, operations, and marketing. I have been President of Worley Enterprises since 1982, and I am responsible for marketing and logistical management of all customer accounts for Worley Enterprises, and developing new marketing strategies for future growth and sales of my company.

Worley Enterprises, Inc. is an intermodal marketing and logistics management company, established in 1982. We provide domestic T.O.F.C. trailer and EMPU container services for a wide range of companies, some of which maintain Fortune 500 status. In 1994, Worley Enterprises paid the Union Pacific Railroad in excess of $475,000.00 in revenue for shipments routed via the UP. Important routes for Worley Enterprises are between Dallas, Texas and Harrisburg, Pennsylvania/Kearney, New Jersey on the UP, and between Denver, Colorado and the Southeast, either with UP through Memphis, Tennessee or Burlington Northern-Santa Fe through Birmingham, Alabama.

The main benefit of the UP/SP merger for Worley Enterprises will be the creation of a railroad that is competitive with the Burlington Northern/Santa Fe for intermodal traffic. Currently, the BN/Santa Fe offers unmatched intermodal services to many destinations. Its extensive route system gives it service options that other railroads cannot offer. This puts the BN/Santa Fe in a very strong market position. The combined UP/SP, however, will gain routing alternatives and operating efficiencies that will enable it to offer fully competitive intermodal service with BN/Santa Fe. I believe that intensified competition for intermodal traffic should improve service and result in better pricing for Worley Enterprises and other intermodal companies.

The merger will also create single line service between all UP and SP points. By connecting SP served markets in the Southwest with UP locations throughout the West, the merger will result in cost effective rail access to the Southwest for many of Worley Enterprises’ customers. This will have the effect of opening up important and expanding markets like Phoenix and Tucson. As a general matter, the merger will ensure that there is high quality rail service to all SP served points, provided by a railroad with financial strength. This will provide better shipping opportunities for Worley Enterprises and its customers over the long term.
The UP/SP merger will create shorter routes between many points. This should reduce transit times for Worley Enterprises' shipment to many destinations. It will also improve cycle times for equipment, resulting in better access to power units and railcars for shippers like Worley Enterprises, Inc.

Worley Enterprises strongly supports the merger of the Union Pacific and the Southern Pacific Railroads, which will result in strong intermodal competition with the BN/Santa Fe and improve service and access to new markets for many intermodal shippers.

VERIFICATION

I, George D. Worley, 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.

George D. Worley
President
Worley Enterprises, Inc.
In response to the Union Pacific/Southern Pacific merger case I, Brian E. Volkert, am responding on behalf of WOSCA Shippers Cooperative. I have been CEO of WOSCA since 1987. I have an MBA and am a former CPA.

WOSCA serves over 2,000 large and small shippers who are partners and customers in the cooperative. Its primary goal is to provide cost effective movement of freight. WOSCA’s freight patterns are West Coast between California and the Pacific Northwest, and Westbound from the East Coast, South and Midwest to the West Coast. WOSCA has nine facilities throughout the United States. Its facilities in Memphis, Seattle and Portland are served by the Union Pacific.

WOSCA endorses the Union Pacific/Southern Pacific merger. We feel that this merger would be in WOSCA’s best interest, as well as the interests of other shippers.

The merged company will be better able to support WOSCA’s needs for consistent service. In addition, we are optimistic the combined railroad will better capitalize on some natural lanes of business expansion that the Southern Pacific alone is not able to pursue.

WOSCA believes the proposed merger will provide significant benefits to the shipping public.
VERIFICATION

Finance Docket No. 32760

STATE OF WASHINGTON )
COUNTY OF KING )

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

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

My Commission Expires:

2.196
October 12, 1995

My name is Jim L. Stanton. I am Traffic Manager for:

Zipp Industries, Inc.
Highway 194 West
P. O. Box 1450
Plainview, Texas 79073-1450

I have been employed by this company in my present position for ten years. Prior to this position I worked for W. R. Grace and Co. I worked as a dispatcher at W. R. Grace & Co. for eight years until the Plainview, Texas terminal was closed.

I am responsible for both inbound and outbound freight. I negotiate freight rates, both truck and rail.

Zipp Industries, Inc. is a manufacturer of dry and liquid fertilizer. Our primary products are Ammonium Sulfate and NPK Homogeneous products.

Zipp's production plant is in Plainview, Texas. We have a blend plant in Hondo, Texas and a joint venture in Stockton, CA. We are currently in talks with another company (either selling to us or a joint venture) that has locations in Salt Lake City, Utah and Maricopa, Arizona.

Plainview, Texas is on the BN - Hondo, Texas is not on a rail line - Stockton, CA is on the ATSF - Salt Lake City, UT and Maricopa, AZ are on the SP. We ship bulk fertilizer (both truck and rail) from Plainview, Texas to the midwestern and western states. We also ship via rail to Houston, Texas and Texas City, Tx. for export.
Zipp Industries, Inc. supports the merger of the UP and SP. We feel this will lower our cost of inbound raw materials (Sulfuric Acid, Phosphoric Acid, etc.) due to single line access. We are more excited about outbound freight and number of points opening up that could not be accessed before.

We feel the merger of the SP and UP will make our company stronger. Our company supports the application.

Sincerely,

[Signature]

Jim L. Stanton
Traffic Manager

I, Jim L. Stanton, 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.

[Signature]

Jim L. Stanton

cc: Scott Roberson
    Don Painter
VERIFICATION

STATE OF TEXAS )
COUNTY OF HALE ) ss.

DON PAINTER, 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.

DON PAINTER

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

RENEA DULAMA
Notary Public, State of Texas
My Commission Expires: 8-31-97

My Commission Expires:
2/10/97
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VERIFIED STATEMENT

OF

BYRON R. BATEMAN

on behalf of

A & K RAILROAD MATERIALS, INC.

My name is Byron R. Bateman. I am Vice President for A & K Railroad Materials, Inc. headquartered in Salt Lake City, Utah. I am responsible for transportation within the company. Our company takes up rail sidings and yards that are sold or abandoned by railroads throughout the country. We also buy new and used rail and other track materials and re-sell them to railroads, shortlines and industry. We have interests in certain railroads and have facilities in California, Kansas, Oregon, Texas and Utah.

We generally move between 500 and 1000 rail cars a year from various origins where we take up rail, to destinations throughout the country. We also move scrap, rail and other track materials into Mexico.

We have been told that the Union Pacific Railroad will soon petition the ICC for permission to merge with the Southern Pacific Railroad. Our company is very much in favor of this merger and urge the commission to approve the merger as soon as possible.

Our facility in Salt Lake City is located on the DRGW/SP and is open to reciprocal switching with the Union Pacific. We have been concerned about the loss of competition at this location with the proposed merger. However, with the granting of trackage rights to the Burlington Northern Santa Fe Railroad, this concern has been addressed.

We ship heavy from Central California to Midwest destinations and expect improved service on the UP/SP in this corridor as the UP and SP both have direct routes from Southern California to Chicago and other Midwestern points. This should relieve congestion on the UP and improve service on both routes. We also expect improved competition from Oregon points to Texas and points in the south and southeast. We have been told by the Southern Pacific that they expect enlarged capacity, an infusion of capital and better service throughout their system.

We are also looking forward to better equipment availability when the two railroads combine. This has been an ongoing problem with the SP that has severely impacted our business and caused us to lose business on many occasions.
To summarize, we urge you to quickly approve the merger of the Union Pacific and Southern Pacific Railroads. We expect improved service on both railroads and improved equipment availability. We hope to see new single line hauls from and to points on the BN/ATSF, where we have previously had two line hauls. We expect to see the Southern Pacific strengthened financially through the influx of capital from the merger with the Union Pacific. Our competitive concerns have been addressed with agreement between the Union Pacific and the Burlington Northern on trackage rights. We only see positive results from the merger of these two major railroads.

Byron R. Bateman

VERIFICATION

I, Byron R. Bateman, 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.

Byron R. Bateman
On behalf of my colleagues here at ABL-Trans, I would like to add my voice in support of the Union Pacific/Southern Pacific merger.

My name is William M. Holecek and I am an Account Executive for ABL-Trans, located at 12631 E. Imperial Highway, Suite 204-B, Santa Fe Springs, CA 90670. ABL-Trans, an intermodal marketing company, is a wholly owned subsidiary of the Southern Pacific Railroad. ABL-Trans has volume contracts with every major railroad and stacktrain operator in the United States, as well as the national railroads of both Canada and Mexico.

I feel that the merger of these two great and historic railroads will benefit the shipping public in many ways, combining their extensive financial and equipment resources in bringing dramatic service improvements to their customer base(s). This will strengthen, rather than weaken, the current competitive rail situation in the West, as well as provide an even greater alternative to costly over the road truck service. These two scenarios will ultimately lead to better service and cost savings.

In answering calls from both the shipping public and government officials, whereby the wisdom behind such a merger has been called into question, the UP/SP merger committee have granted extensive trackage rights to their rail competitors, thereby allowing first time access to many customers presently served exclusively by either the UP or SP.
The recent merger of the Burlington Northern and Santa Fe Railroads have created a major force in the transportation industry. As it exists today, there is no equal among its competitors, and that could cause concern for some in the future as it exercises its extensive hold on the marketplace. A combination of the UP/SP would create a competitor that is fully the equal of the BN/Santa Fe in all western markets.

The rail industry will find itself with an efficient and financially sound company and the shipping public will benefit from increased, rather than decreased competition.

VERIFICATION

I, William M. Holecek, declare under penalty of perjury that the foregoing is true and correct. I am qualified and authorized by my company to file this verified statement.
My name is Wayne Pardue. I am Traffic Manager/Customer Service Supervisor for ABTCO. Our mailing address is P.O. Box 98, Roaring River, NC 28669. My telephone number is (910) 696-2751. My fax number is (910) 696-3410. I have been involved in the transportation industry for the last 25 years. I am responsible for the coordination and management of all modes of transportation, and I am also accountable for all customer service needs and issues.

ABTCO is the world's largest manufacturer of exterior hardboard sidings. We currently have facilities located in Roaring River, NC, Alpena, MI, Toledo, OH, Middlebury, IN, Hopkinsville, KY, Akron, OH and Ontario, Canada. Our facilities produce exterior hardboard siding, interior hardboard siding, vinyl sidings, ceramic tile, shutters, moldings & shingles. We produce over 260 million service feet annually.

We will be expanding our business into new markets throughout the West. The combined UP/SP system will offer single line service to a significant number of large markets in the Western U.S.. This will allow us to reach new customers and greatly expand our business using rail traffic. The merger should also produce enhanced service options from Eastern gateways into Mexico.

We strongly support the merger between the Union Pacific and the Southern Pacific. And, we 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.
Before the Interstate Commerce Commission

FINANCE DOCKET NO. 32760
UNION PACIFIC RAILROAD COMPANY
CONTROL AND MERGER
SOUTHERN PACIFIC TRANSPORTATION COMPANY

VERIFIED STATEMENT
OF
Wayne Pardue
on behalf of
ABTCO

I, Wayne Pardue, 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 November 3, 1995.

Wayne Pardue
Traffic Manager/Customer Service Supervisor
ABTCO.
My name is Dan McElligott and I am employed by Adams Grain Co. I am responsible for merchandising and transportation of grain and grain products to and from our facilities in Woodland and Arbuckle, California. I have been with the company for five years.

Adams Grain Co. merchandises primarily local grain, refines vegetable oil, and processes inbound grain for feed. Our marketing area for grain is primarily California and Oregon, while oils are a national market. We just recently opened a new facility at Arbuckle capable of processing vegetable oils. Although we eventually plan to move all grain activity to this location it will be necessary to handle grain in Woodland for a few more years. Woodland received 252 railcars and shipped 120 cars in calendar 1994.

We are in support of the UP/SP merger and believe it will have a significant positive impact on the grain end of our business. Lacking single line service to the midwest corn market, we have found it more economical to transload at a nearby UP unloading site and truck to the mill, rather than going rail direct. Post-merger this inefficient operation will be unnecessary. We will be able to receive this traffic rail direct in single line service.

Single line service and pricing are important to shippers such as us. Single line service will open new markets for us and improve our position in existing export markets such as Portland/Vancouver, Kalama, Seattle/Tacoma, as well as the domestic market in the Los Angeles Basin. This merger, together with the settlement between UPSP and BNSF will make rail very competitive with trucks in this corridor. Additionally, the enhanced route structure to Mexico as a result of this merger will allow us efficient single line service to all major border crossings which enables us to market our wheat to Mexico.

The combination of the equipment fleets of UP and SP should serve to alleviate car shortages in the future. The ability to reposition and create greater car availability together with the greater utilization which can be achieved as a result of reduced transit time and shortened turnaround time accrues directly to the benefit of shippers.
Adams Grain Co. fully supports approval of the merger of UP and SP.

I, Dan McElligott, 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.

Dan McElligott
Declaro bajo protesta de decir verdad; Francisco Belden Fernández en representación Agro Servicios Ragasa, S.A. de C.V.

Mi nombre es Francisco Belden F. actualmente ocupo el puesto de Gerente de Compras Internacionales en las empresas de Grupo RAGASA, en donde llevo desempeñando dicha función, mi carrera profesional la inicie hace 16 años y la he llevado a cabo en empresas dedicadas a la industrialización de cereales y oleaginosas.

La actividad principal del Grupo Ragasa, es la molienda de semillas de oleaginosas entre las que destacan: frijol soya, canola, algodón, cártamo y girasol, en sus molinos ubicados en Matamoros Tamps, Guadalupe, N.L., Monterrey, N.L. y Hermosillo, Son. Así mismo, se cuenta con una integración en el Salto, Jal. donde se refinan e hidrogenan aceites vegetales.

De los insumos que industrializamos una proporción importante de frijol soya la importamos vía terrestre por ferrocarril, siendo la frontera de Brownsville/Matamoros la que usamos con mayor frecuencia para la internación de estos productos.

Durante un año promedio podemos importar nuestros productos en más de 5,000 carros originados principalmente en los estados de Kansas, Nebraska y Texas, siendo el destino principal el noreste de México.

Conocemos de la solicitud de fusión entre las líneas de ferrocarril Union Pacific y Southern Pacific, creemos que esta va a permitir mayor versatilidad en el transporte de ferrocarril a México.

Algunos de los aspectos que podemos apreciar como mejoras son:

1) Ruta más cortas que reduzcan el tiempo de tránsito.
2) Servicio directo (origen-destino) sin intercambios con otros ferrocarriles
3) Mayor cobertura geográfica de transporte que permita incrementos en las alternativas de proveedores para mayores intercambios en la frontera.
4) Mayor productividad en el uso de equipo al eficientar la capacidad de manejo de mayor volumen.
Bajo la premisa de que por lo menos 2 líneas continuarán sirviendo el cruce de Matamoros, combinado con lo expresado en los párrafos anteriores se logrará una mejora substancial en el servicio, y con ello mantener una competencia adecuada entre los ferrocarriles, evitando un monopolio.

Atentamente,

Francisco Belden Fernández.

Yo Francisco Belden F. declaro bajo protesta de decir verdad que lo antes escrito es correcto y verdadero, además certifico que estoy capacitado y autorizado para presentar esta declaración.

Francisco Belden Fernández.

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

(1) My name is ________________ and I reside at _________________.

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

And further deponent saith not.

Subscribed and sworn to before me this __________ day of __________ 19________.

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

__________________________
J. RICHARD WALSH
Consul of the United States of America

__________________________
J. RICHARD WALSH
Vice-Consul
I declare under oath: Francisco Belden Fernández, appearing on behalf of Agro Servicios Ragasa, S.A. de C.V.

My name is Francisco Belden F., and I currently occupy the position of International Purchasing Manager for the companies of the Ragasa Group, where I provide this service. I commenced my professional career 16 years ago, and have pursued same in companies engaged in the industrialization of cereals and oleaginous products.

The principal activity of the Ragasa Group is the grinding of oleaginous seeds, outstanding among which are: soybeans, canola, cotton, safflower and sunflower, at its mills located in Matamoros, Tamps., Guadalupe, N.L., Monterrey, N.L. and Hermosillo, Son. There is also a facility at El Salto Jal., where vegetable oils are refined and hydrogenated.

Of the supplies we industrialize, an important part of the soybeans are imported by us overland by rail, the Brownsville/Matamoros border crossing, being the one used most frequently for bringing these products into the country.

During an average year we can import our products in over 5,000 cars, originating principally in the States of Kansas, Nebraska and Texas, the principal point of destination being northeastern Mexico.

We have been advised of the application for merger between the Union Pacific and Southern Pacific railway lines, and believe that this will permit greater versatility in railroad transportation to Mexico.

A few of the aspects which we see as improvements are:

1) Shorter routes which reduce the transit time.
2) Direct service (point of origin-destination) without interchanging to other railroads.
3) Greater geographic transport coverage, permitting increases in supplier alternatives for greater interchange at the border.
4) Greater productivity in the use of equipment, due to more efficiency in handling large volumes.

Under the premise that at least 2 lines will continue to serve the Matamoros crossing, in conjunction with the comments contained in the
preceding paragraphs, a substantial improvement in service will be achieved, resulting in greater competition between the railroads and the avoidance of a monopoly.

Yours truly,
(Illigible signature)
Francisco Belden F.

I, Francisco Belden F., 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.
Monterrey, N.L., Mexico.
Executed on September 25, 1995,

(Illigible signature)
Francisco Belden Fernández

I, Francisco J. Laguardia, expert translator duly recognized before the Embassy of the United States of America, hereby declare that the foregoing is a true and complete translation of the original in Spanish, which I had before me.

Francisco J. Laguardia

Mexico City, Federal District, October 13, 1995.
October 13, 1995

STATEMENT OF

ALAN L. ENGLAND
VICE PRESIDENT MARKETING, SALES & TRANSPORTATION
on behalf of

ALEX TRADING INC.
wholly owned subsidiary of
CIA. MINERA LA VALENCIANA

RE: Finance Document No. 32760

Union Pacific Railroad Company - Control And Merger - Southern Pacific Corporation

I have held the above position for 5 years with my company. Previously, I was Vice President of Purchasing and Transportation for Owens Illinois Inc. with headquarters in Toledo, Ohio. While I no longer have any association with Owens Illinois as I have officially retired, this background and experience establishes credibility regarding my strong support of this control and merger issue. I have made transportation decisions for both a large international and small international company and believe this adds significance to my comments.

Alex Trading ships bulk hopper cars of Strontium Carbonate and Barium Carbonate to major TV glass customers mainly in the eastern part of the US from Mexico and therefore transportation cost is a major element in our delivered cost to our customers. Since we have competitors in Europe, South America and the Far East, we must have a lean viable cost effective and competitive rail system to compete globally notwithstanding competitors much closer to our customers than us in the US and Mexico.
We have alternatives to the combined UP / SP Companies including:

- Water transportation from Mexico to East Liverpool, Ohio with truck or other rail from there.
- Truck competition to some of our customers in Southwestern and Central regions of the US.
- Other rail competition.

Specifically, I support the UP / SP Control Merger for the following reasons.

⇒ The SP is currently a very weak company from the service, financial and management perspectives. In my opinion if they do not combine with the UP it is likely they will continue to weaken to the point of not being a viable operating company facing eventual financial failure. This would be a negative for both shippers and carriers. The combination of the two carriers will assure financial stability, but more importantly substantially improve operating efficiencies, facility consolidations, overhead savings and increased traffic.

⇒ Capacity can be enhanced by eliminating duplication of capital outlays, a more coordinated decision making process, and better cost/benefit analysis for needed system improvements.

⇒ Competition will still exist after the merger with lower cost, better service and more efficient operations permitting the combined railroad to be more competitive with water transportation and other railroads and certain truck carriers.

⇒ We are a major customer of the SP and their operating service is deplorable. Something must be done to improve their transit times from the US / Mexico border to E. St. Louis. If something like this merger is not accomplished I am concerned for their being able to survive in the market. We have tried to help them help themselves improve service, but they are just too weak financially and with poor efficiencies to do so.

⇒ As a Mexico shipper, the merged system will have single line access to all international border crossings. This will allow for expedited, pre-blocked and pre-cleared trains crossing the border. Eagle pass is currently a disaster in this regard.

⇒ More direct routing of our inbound bulk rail shipments will reduce the railroads cost and since there is still competition the reduced cost should benefit us.

⇒ We currently have serious car supply problems due to long transit times and inefficient handling of empties. The merged system will be more efficient with shorter transit times. Further, the merged system should be able to better allocate and utilize both power and cars. Shorter transit times will also allow us to better utilize our private car fleet.
In summary, I believe consternation over the question of this control / merger is academic. If something like this is not done, we as a shipper will have no alternative because the SP cannot provide the service required to compete and become efficient enough to survive financially. The reasons for this merger are far more compelling than that of the BN /SF at the time that merger was proposed. Further, once that merger became a reality, the UP / SP merger becomes a necessity.

My motivation for supporting this merger is that it serves the best interests of my company, all factors considered. Based upon my experience of 30 plus years in logistics and purchasing, there will be a few shippers who may not find the merger as strong an advantage as we do. However, there can be no question it will serve the best interest of the great majority of shippers in the US.

I, Alan L. England, 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.

Alan L. England
Vice President
Marketing, Sales and Transportation
VERIFIED STATEMENT

OF

LARRY W. HENRY

on behalf of

ALLIANCE SHIPPERS, INC.

I, Larry W. Henry currently hold the position of Vice President Logistics and Special Projects with Alliance Shippers, Inc., headquartered at 8104 W. 119th street, Palos Park, IL 60464.

My responsibilities include, but are not limited to, carrier and customer contract negotiation(s), management of our pricing and accounting processes, internal corporate consulting, and major account presentations. I have held several positions with Alliance Shippers, Inc. since joining them five years ago. Prior to this, I worked for Genex Terminal Company as Vice President Sales and Marketing for eight years and the Illinois Central Railroad for seventeen years.

Alliance Shippers, Inc. is a worldwide transportation company with annual sales for fiscal year 1994/1995 in excess of $415,000,000.00. In addition to nationwide domestic rail and intermodal options provided to our customers thru our intermodal marketing company business, we offer 48 state contract truck brokerage, small parcel next day air, refrigerated, custom house clearance, international freight forwarding and non vessel owner waterborn carrier services to Europe, the Pacific Rim and U.S. offshore locations.

We utilize all major railroads throughout the 48 contiguous states, Canada, and Mexico extensively in support of the above mentioned Alliance business units.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We believe the results of this proposed merger would be in the best interests of our customers and in further facilitating our company's continuing efforts to provide cost effective, reliable, and competitive rail transportation services.
Alliance Shippers, Inc. believes approval of the UP/SP merger will improve service by promoting more efficient use of rail routes, and will result in better equipment and asset utilization. This merged system can result in increased capacity and improved point-to-point transit times made possible by direct access to key service lanes and traffic corridors. A more direct route and reduced mileage will lower operating costs and fuel consumption, further promoting shipper and environmental benefits.

Examples of these improvements would be linkage of the Pacific Northwest with major city locations in California (the I-5 corridor), expedited third morning service from the Midwest to California and single line access to all international border crossings into Mexico.

We believe the proposed merger between UP/SP must be approved and consideration given to other rails to ensure open and fair competitive alternatives to the new BNSF system and other modes of competition in the market served by the proposed combined UP/SP system.

UP or SP alone may be unable to effectively compete with the new BNSF system. A combined UP/SP system can provide the much needed resources to resolve current problems with SP service.

Failure to approve this merger will be detrimental to the best interests of our customers and would limit and restrict our company’s ability to remain competitive.

Alliance Shippers, Inc. supports the UP/SP application to merge.

I, Larry W. Kenry, 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 22, 1995.
Verified statement of Harold Goldfine on behalf of Alliance Steel Service and Brokerage Company

My name is Harold Goldfine. I am the owner of Alliance Steel Service Co. My company’s address is 115 31st Avenue North, Minneapolis, MN 55411. Alliance Steel Service is engaged in the business of scrap metal processing. Our Minneapolis facility is served by CP/Soo Line. The principle commodity we ship by rail is ferrous scrap, both inbound and outbound. We ship to various consumer markets throughout the United States and Canada, and rely on BNSF, UP, and SP as Western connections.

I am submitting this statement in support of the proposed merger of UP and SP.

We rely on efficient, competitive rail service from our Western connections. A UP/SP merger would create a more efficient, lower cost carrier for our connecting shipments. The combination of UP and SP will offer many new efficient and shorter connecting routes. The new routes created by the merger should result in significant mileage savings on many of our shipments as well as offering corresponding reductions in transit times. The practical result of the merger would be an extension of the market areas where our company can compete for business.

Absent the proposed merger, we do not believe that the SP would have the financial resources necessary to effectively compete over the long term with other larger carriers. Competition requires that carriers focus on customer service and offering competitive rates. Our service with SP Pacific in the past has been poor. We have suffered from long delays in shipments, erratic service, and shortages of rail equipment. The UP/SP merger is necessary to create a financially strong carrier capable of offering improved service and rates and meeting the transportation needs of our company.

Further, in view of the recently completed merger of BNSF, the proposed UP/SP merger is necessary to retain a competitive balance. BNSF is far larger than either UP or SP alone. We would much rather have two vigorous competing systems (BNSF & UP/SP), than be dominated by BNSF with UP and SP as two separate, smaller and weaker competitors. It is important to shippers that there be strong competition throughout the rail industry, and we view the proposed merger of UP and SP as critical to accomplish that goal. We urge you to approve the proposed merger.
I, Harold Goldfine, 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 11-3-95

Harold Goldfine
My name is Thomas Lyon. I am the president of Allied Vista Inc, located at 2301 N. Akard, Suite 400, Dallas, TX 75201. I have been involved in the shipping industry since 1976, and I am currently responsible for overseeing all marketing and operation functions at my company.

Allied Vista is involved in the buying and selling of paper and other recyclable products. We have five processing plants, and broker additional products throughout the United States. Twenty percent of our shipments move into Mexican markets. We ship to Mexico via Union Pacific from locations in Dallas and Houston through Laredo. We also ship to Mexico via Southern Pacific from San Antonio through Eagle Pass, and via BNSF from Lubbock through El Paso.

We support the merger of Union Pacific and Southern Pacific.

As a result of the merger, we will now be able to access all major Mexican gateways using single line UP/SP service from our Texas locations. In addition, as a result of its settlement with UP/SP, BNSF will now have trackage rights to Eagle Pass and Brownsville, as well as access to Laredo via trackage rights to The Texas Mexican Railway at Corpus Christi. These new border-crossing opportunities over a new UP/SP and BNSF will provide us added flexibility in selling to various Mexican markets and in working with various transportation companies south of the border.

In addition on our movements from San Antonio we will now have the ability to use UP's more sophisticated border crossing operations for expediting shipments, including its automated "Despacho Previo." With its greater financial resources, we also expect Union Pacific to make improvements at Eagle Pass, which has long needed a moving scale to help expedite traffic that must be reweighed at the border. Unfortunately, given its cash constraints, SP has not made this improvement, despite the clear benefits it would bring to shippers.

The combination of UP and SP will also help us by making more points in the U.S. available to us via single line service. In many instances, the combined routes of the two carriers will create shorter routes or allow for the consolidation of facilities reducing congestion. The combination of the rail car fleets of both carriers under single management would also help to reduce our constant equipment shortages.
Finally, given the merger of Burlington Northern and Santa Fe, the proposed merger of UP and SP takes on a new importance. There is now a competitive imbalance in the West. That imbalance will be righted with the combination of UP and SP. The merger is the only way to create a strong, financially sound carrier able to compete with the BNSF.

For all of these reasons, we support the merger and urge the Commission to authorize it.

I, Thomas H. Lyon, 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 November 7, 1995.

ThOMAS H. LYON
VERIFIED STATEMENT
of
A. J. MacDonald
on behalf of
ALOX

My name is A. J. MacDonald. I am the manager of purchasing and traffic for the Alox company. My company's address is P. O. Box 517, Niagara Falls, NY 14302. I have been involved in the manufacturing, purchasing and transportation area for the past 30 years. I am currently responsible for the purchasing, traffic and customer service areas of my company.

Alox is involved in the manufacture of oil additives and rust preventives. We ship chemicals from an SP served facility at Martinez, California, to our plant in Niagara Falls, New York. The current routing is SP to St. Louis then CR to New York.

We are aware that Union Pacific and Southern Pacific are seeking permission to merge. Our company supports such a merger.

We rely on shipments from our California facility to our New York plant. As a result, we are encouraged that the Union Pacific will be expending its resources to improve service throughout the former SP system. A new UP/SP would be able to offer a central corridor service with significantly reduced mileages and reduced transit times. Union Pacific should also be able to reduce transit times over the central corridor route through intermediate pre-blocking of trains.

Another improvement that Union Pacific intends to make is to relieve congestion at various terminals such as Chicago, St. Louis and Roseville. Southern Pacific did not have the resources necessary to make the needed improvements. Union Pacific has substantial financial resources and realizes that drastic improvements are needed at these terminal facilities. The improvements in these terminals will help to expedite traffic and significantly reduce transit times.

Equipment supply is another area in which UP's greater resources can make a significant difference. Southern Pacific simply does not have the resources necessary to maintain an adequate supply of rail cars. Because of this problem, we have had to lease rail equipment to insure reliable delivery dates. With various improvements in service and the ability to jointly manage rail equipment, the UP/SP will be able to offer significant improvements in car turn-around times which should allow us to reduce the amount of equipment we currently lease, and result in a cost savings to our company.

We feel confident that the Union Pacific will be able to combine its strong financial resources with the SP routes to result in a strong Western carrier capable of
effectively competing with the newly merged BN/Santa Fe. We feel this competition is vital to insure that there is a focus on improved service and rates for rail shipments.

For these reasons, our company supports the merger of Union Pacific and Southern Pacific.

I, A. J. MacDonald, 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 6 Nov 95

A. J. MacDonald
Verified Statement of

Mark Pauluzzi on behalf of Alter Trading Corporation

I have been employed by Alter Trading Corporation for the past nine (9) years as Transportation Manager. I am ultimately responsible for all modes of transportation functions at all levels. I have also assumed the duties of Account Executive the previous three (3) years. This purchasing/sales position provides a greater understanding of the market forces driving our industry.

Alter Trading Corporation is a scrap recycling, processing and brokerage company founded in 1898. We operate ten (10) scrap yards in the following states: Minnesota, Iowa, Wisconsin and Nebraska. Eight (8) of our yards are either served by the UP or open to reciprocal switching.

We are responsible for approximately 1 million gross tons of ferrous scrap and 110 million pounds of non-ferrous scrap annually. Our largest volume consumer of ferrous scrap is Northwestern Steel and Wire located in Sterling, IL. Nucor Steel (Norfolk, NE) and Griffin Pipe (Council Bluffs, IA) are the second and third largest consumer respectively. All of these consumers are served by the UP. Cerro Copper (Sauget, IL) is our company’s largest dollar consumer as well as the largest non-ferrous volume consumer.

Alter Trading sees a multitude of benefits resulting from the UP/SP merger. On the surface, we support the merger to help open new markets. With car service directives exercised by the carriers in January of this year, joint line hauls have become increasingly cost prohibitive. By implementing single line movements, consumers served by the SP would be accessible. This change enables us to become more competitive in the market place and hopefully command a greater dollar for our scrap.

The merger should also circumvent circuitous routing. Direct routing will increase gondola utilization. With new single line service, timely delays at previous interchange points will be eliminated which will increase utilization. These benefits will ultimately help our industries cry for help: Gondola Shortage.
The merger helps us compete fairly in an open market. The UP, BNSF and CP are the three (3) Class I carriers operating in our geographical location. By opening new markets this merger would equalize any advantage our competitors enjoy from being BNSF served.

For all of the reasons cited above, Alter Trading supports the proposed merger. The merger should yield direct service in a timely and more efficient manner which will improve equipment utilization. These monetary benefits should ultimately be realized by the customer. This will allow Alter Trading to attain its goals of increasing its market share in the industry.

I, Mark Pauluzzi, 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.

Mark Pauluzzi
10/11/95
October 18, 1995

Before
the
Interstate Commerce Commission

Finance Docket No. 32760
Union Pacific Corporation, Union Pacific Railroad Company
and Missouri Pacific Railroad Company
Control and Merger

Verified Statement of Garry A. Pistoria
Group Vice President, Amber Milling Company
A Harvest States Cooperatives Company

I am Garry A. Pistoria, president of Amber Milling Company, a part of Harvest States Cooperatives, based in St. Paul, Minnesota. My career with Harvest States dates back to 1961 when I joined the organization at its Great Falls, Montana, feed division. I have worked in positions of increasing responsibility in the company’s grain marketing area and with Amber Milling. I took charge of Amber Milling operations in 1985.

As the durum and hard wheat milling arm of Harvest States, a regional farmer cooperative serving the grain marketing needs of producers and affiliated local co-ops, Amber Milling depends heavily on rail transportation for grain shipments from origination areas in the Northern and Central Plains, and the Southwest to our growing number of mills. Amber Milling currently ranks as the nation’s largest miller of durum. An expansion and diversification program now underway is increasing our durum milling capacity and enabling us to enter the market for hard wheat flour.

Amber Milling is submitting this statement to voice support for the proposed Union Pacific-Southern Pacific merger. One reason is that we expect that our large new mill, which has just begun operating at Kenosha, WI, will be drawing durum wheat from a broad area, including Arizona, New Mexico and California. The proposed merger would mean a single-line haul, instead of a two-line haul, which will mean improved rates and service.

In addition, Amber is building a hard wheat flour mill at Houston, TX, where we expect to draw grain primarily from production areas to the north. We anticipate the proposed merger will mean better service from these areas to our mill location.
Our hope and expectation that the merger will mean a more effective and efficient use of rail transportation equipment. Flexibility gained from the combined car fleets of the UP and SP should contribute to a larger and more timely car supply.

Quality rail transportation is crucial to the infrastructure on which Amber Milling depends, both in serving the customers of our mill operations and in providing a value-added market for our member-producers and affiliated local cooperatives. We believe the proposed merger is consistent with meeting that quality objective.

Garry A. Pistoria
VERIFICATION

State of Minnesota
County of Ramsey

Garry A. Pistoria, being duly sworn, deposes and says that he has read the foregoing statement, knows the facts asserted therein, and that the same are true as stated.

Garry A. Pistoria

Subscribed and sworn to me this 19th day of October, 1995

Notary Public

My Commission Expires:

January 31, 2000
verified statement of dorothy broderick on behalf of american backhaulers

my name is dorothy broderick. i am the intermodal director at american backhaulers located at 1400 n. dayton chicago il. i am responsible for moving freight via rail for my company.

american backhaulers is a freight brokerage. 98% of our freight is moved over the road. american backhaulers moves freight all over the united states. our rail department is the smallest department in our company but every year we continue to grow.

we understand the union pacific and southern pacific are requesting authority to merge. we strongly support this as a means of improving service and strengthening competition.

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

the proposed merger would provide more efficient routes and more single-line service. for example, the new system will provide better routes between california and chicago and new single-line service between california and the state of washington. in addition, union pacific and southern pacific could consolidate terminals and other facilities. the result would be more efficient service and reduced transit times. this should make union pacific-southern pacific more attractive as an alternative to over-the-road truck transportation. the merger could make it cost effective for american backhaulers to switch some movements from truck to rail.

i, dorothy broderick, declare under penalty of perjury that the foregoing is true and correct. further i certify that i am qualified and authorized to file this verified statement. executed on 10/20/95.
Verified Statement

of

American Colloid Company
One North Arlington
1500 West Shure Drive
Arlington Heights, Illinois 60004-7803

I, Jack L. Knaub, the traffic manager of the above stated company and I have held this position since August of 1995.

American Colloid Company is a mining and manufacturing company of bentonite and related bentonite products, which are marketed domestically and abroad.

Bulk and bagged rail traffic originated from Wyoming and South Dakota plant sites in volume rail shipments. We have various other plant locations within the United States that also ship and receive by rail.

American Colloid Company endorses the proposed merger application of the UP/SP.

Jack L. Knaub

I, Jack L. Knaub, 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.

Jack L. Knaub
October 13, 1995

VERIFIED STATEMENT
OF
CAROLYN TAN
on behalf of
AMERICAN POLYSTYRENE CORPORATION

I am writing to endorse the proposed merger of the Union Pacific and Southern Pacific Railroads. As the General Manager for American Polystyrene Corporation I am responsible for all operations of our company including the coordination of rail freight. I have been in my current position and with the company for almost 3 years.

American Polystyrene is located in Torrance, CA and our primary business is manufacturing polystyrene resin. Our facility is served exclusively by the Southern Pacific and we receive our raw material, styrene monomer, via rail from various shippers including Amoco Chemical Co., Chevron Chemical, and Rexene Corp.

The purchased raw material originate in Texas and Louisiana. SP is the carrier for our goods. It is imperative that we receive our goods at a timely manner since we do not want to run out of material and therefore stop production. Also, the equipment we receive is privately owned or leased tank cars that must be emptied and returned as quickly as possible to our suppliers. Therefore rail service is an integral facet of our business and we feel this merger to be a positive step in improving the service we receive.

By virtue of the recent consolidation of the BN and ATSF there is a disparity in the competition level of the Western rail carriers. We do not feel that the SP can compete on an equal basis and would soon deteriorate and we would experience a severe decline in service over time. By approving this application for the merger the ICC would breath new life into Southern Pacific and allow the surviving two roads to compete equally.

In addition, we expect to see reduced transit time and terminal delays through inefficiencies in routing and classifying traffic. The larger fleet of locomotive power should also provide for a better balance for all shippers and provide advantages to all rail customers. We realize there will be fewer carriers but feel the strengthened competition will benefit consumers and provide the best rail alternatives in the future.

American Polystyrene Corporation therefore supports this application for the merger and believe it to be in our best interests.
VERIFICATION

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

(\signature)

Witnessed by: (\name)
My name is Thomas H. Tuttle. I am the Traffic Manager for AmeriGas Propane, L.P. I have been employed with AmeriGas for almost two years. In addition, I have held several other transportation and marketing positions during my fifteen (15) years in the Gas Liquids industry.

AmeriGas is the nation's largest propane marketing organization. We serve over 900,000 customers in 43 states. We have 106 terminals/districts across the United States which are served by rail and we shipped over 6,500 rail cars in support of those facilities in 1994. As you can see, we are heavily dependent upon a reliable and wide-spread rail transportation system.

I believe the acquisition of the Southern Pacific by the Union Pacific would be of benefit to my company since they have a broad coverage of the market areas we focus upon. The combined assets would enhance service into key supply points. Faster rate making, more fluid traffic patterns and better utilization of our fleet would allow AmeriGas an opportunity to have greater market penetration as we become more competitive.

We support the acquisition of the SP by the UP under Finance Docket No. 32760 and look forward to seeing prompt ICC approval.

Sincerely,

[Signature]
Thomas H. Tuttle
Traffic Manager

[Seal]
Florence A. Child
Notary Public, State of Texas
My Commission Expires
Oct 7, 1996
VERIFICATION

I, Tom Tuttle, 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 November 1, 1995.

Signed: Tom Tuttle
My name is Darell R. Kennedy, Transportation Manager for Amvac Chemical Corporation, 4100 E. Washington Blvd., Los Angeles, California 90023. I am responsible for all transportation at Amvac that includes rail, truckload, intermodal, LTL truck and tank truckloads for domestic and international shipments. I have held this position for five months, prior to that I was Transportation Manager for Boise Cascade Office Products for two years. The first twenty-eight years of my career were with Star-Kist Foods with the last fifteen as Transportation Manager.

Amvac Chemical Corporation is an agricultural chemical company that specializes in a niche market where we provide custom service to our customers. We operate out of our plant in Los Angeles, California and various tank storage facilities throughout the United States. Our Los Angeles plant is served by the Santa Fe with reciprocal switching to the Union Pacific and Southern Pacific railroads.

We ship approximately one hundred carloads a year in twenty-eight leased tank cars from our plant in Los Angeles to tank storage facilities and direct to customers in the states of Idaho, Oregon and Washington.

Amvac Chemical Corporation supports the merger of the Union Pacific and Southern Pacific Railroads as the benefits of this merger would reduce cost and intransit time for our rail shipments to the Pacific Northwest.

The rail shipments to the state of Washington are currently being shipped via the Union Pacific through the states of Utah and Idaho. The reason for this route is an incident that occurred four years ago when one of our railcars derailed off a bridge into the Sacramento River in Northern California. The railroad involved in this incident was the Southern Pacific. This caused not only a financial hardship but a loss of sales and good will for Amvac. With the merger of the Union Pacific and Southern Pacific, Amvac will again be able to ship via the shortest route to the Pacific Northwest utilizing the quality safety standards of the Union Pacific. This change in route will result in a decrease in the distance by 500 miles. Amvac will be able to reduce intransit time and cost.

We are in the process of evaluating the possibility of shipping railcars from Los Angeles to Florida via the Union Pacific and CSX Transportation railroads. The merger of the Union Pacific and Southern Pacific would greatly benefit Amvac as we would be able to ship via the Southern Pacific southern route through New Orleans. This would save 300 miles intransit verses the northern route through East St. Louis.
The merger of the Union Pacific and Southern Pacific will create a strong competitor for the new Burlington Northern Santa Fe railroad. For Amvac the possibility of trackage rights or the sale of tracks creates competition in the California to the Pacific Northwest and California to Florida traffic lanes.

This merger will significantly benefit the rail service and costs for Amvac and our customers. We support the application.

VERIFICATION

I, Darell R. Kennedy, declare under penalty of perjury that the forgoing is true and correct. Further I certify that I am Qualified and authorized to file this verified statement. Executed on October 6, 1995.

Darell R. Kennedy

Witness Doug Adame 10/6/95
My name is Dave Disselbrett, and I am the sales manager for Amwest Forest Products. Amwest is located in Salem, Oregon. I have been involved in the lumber industry for over 25 years.

Amwest is a buying office on the West Coast for three wholesale distribution yards in the East Coast/New York/New Jersey area. We currently ship lumber from the West Coast to Chelsea and Holtsville, New York, and Kearny, New Jersey.

I am aware that the Union Pacific and Southern Pacific have requested authority to merge their companies. On behalf of Amwest, I support such a merger.

With the merger will come more efficient routes and service for Amwest shipments from the West Coast to our distribution yards in New York and New Jersey. For example, the combined UP-SP will have shorter routes to Chicago for SP shippers and be able to take advantage of the combined yard and terminal facilities of both carriers. The new improved services from the West Coast to Chicago will result in increased cost savings to shippers such as Amwest.

Another important benefit to Amwest will be the combination of the UP and SP car fleets. Currently Southern Pacific utilizes standard lumber cars for its forest products shipments. Union Pacific, however, has a large fleet of centerbeam flat cars which can be used in forest products. The combination of the two railcar fleets will result in a large and versatile car fleet able to better serve our shipping needs.

This merger will assure that shippers such as Amwest will enjoy long-term quality service from a financially strong carrier capable of making needed capital investments to maintain a competitive edge in the rail business.

Because of the many benefits we foresee from this merger, I support the merger of the Union Pacific and Southern Pacific railroads.

I, Dave Disselbrett, declare under penalty of perjury that the foregoing is true and correct. Furthermore, I certify that I am qualified to authorize this verified statement.

Executed on 10/25/95

Dave Disselbrett
My name is Joe Weatherly, I am Traffic Manager for Anthony Timberlands, Inc. Anthony Timberlands operates four sawmills and a lumber treating plant in Arkansas. My responsibilities as Traffic Manager include handling all transportation for Anthony Timberlands' products by both rail and truck. I negotiate rates, order equipment, handle billing on shipments and oversee all other day-to-day transportation-related issues for the company. I am submitting this statement to express the company's strong support for the merger of the Union Pacific and the Southern Pacific.

Each of Anthony Timberlands' facilities is served by rail. Our treating plant is located on the Union Pacific in Hope, Arkansas. Our sawmills are at Bearden (on the SP), Malvern (on the UP), Beirne (on the UP), all in Arkansas. We also have a mill in Florien, Louisiana, which is served by the Kansas City Southern. Last year we shipped over 900 carloads on the UP alone.

Anthony Timberlands supports the merger of UP and SP as a means of improving the level of rail service available to Anthony Timberlands and other shippers. The most important benefit of the merger will be to make possible expanded single-line services to many more locations from our facilities served by the UP and SP. Points throughout both carriers' systems will be accessible from facilities served by either, which will substantially improve our ability to get our products to market and to enter new markets.

Also important is the supply of equipment used to handle forest products shipments. The combination of UP and SP's equipment fleets—and improvements in the railroads' management of those fleets—will greatly expand the availability of the right kind of equipment when we need it.

Finally, we cannot overlook the fact that SP's service has been poor compared to that provided by trucks and other railroads. Combination with SP will ensure that acceptable levels of service are provided to our SP-served facility and promote the continued viability of SP's rail system.
Anthony Timberlands urges the Commission to approve the merger of UP and SP so that shippers can receive these benefits.

I, Joe Weatherly, 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 November 9, 1995.

Joe Weatherly
BEFORE THE
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760

UNION PACIFIC RAILROAD COMPANY
CONTROL AND MERGER
SOUTHERN PACIFIC TRANSPORTATION COMPANY

VERIFIED STATEMENT
of
Edward S. Hunt
on behalf of
Arkansas River Terminal Company

My name is Edward S. Hunt. I am General Manager of Ryan-Walsh Inc.,
d.b.a. Arkansas River Terminal Company. Our address is 9001 Lindsey Rd,
Little Rock, AR 72206. My telephone number is (501) 490-1521. My fax number
is (501) 490-2027. I have been employed by Ryan-Walsh for 8 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.

Ryan-Walsh is a cargo handling company that offers stevedoring and
warehousing services in about twenty locations throughout the southeast
including several that are in cities served by either the Union Pacific or the
Southern Pacific or both such as New Orleans, LA, Shreveport, LA, Houston, TX,
and Little Rock, AR. Ryan-Walsh in Little Rock, d.b.a. Arkansas River
Terminal Company has six facilities in the Little Rock area. We handle both
inbound and outbound rail cargo connection with our barge and truck business.
We are also providing packaging services for some of our customers packaging
such products as alumina and roofing granules. Outbound rail cargo consists of
packaged alumina, roofing granules, fertilizers, and bauxite. Our success
as a cargo handler and warehouser often hinges on transportation issues such
as reliable, consistent and affordable switching, competitive rail rates and
transit service to allow us to plan our inbound and outbound movements to meet
the specific needs of our customers. We have often been frustrated by the
extra switching charges involved with reaching the Southern Pacific from our
serving shortline (the Little Rock Port Authority Railroad.) In order to
reach the SP, we had to pay a UP reciprocal switch charge which often made
accessing the SP too costly.
We strongly support the merger between the Union Pacific and the Southern Pacific. The combination of the two systems will essentially give us access to the SP’s markets and routes without the extra costs of a reciprocal switch. We are also aware of and supportive of the announced agreement between the UP and the BN to reinstate competition to locations that currently have two carriers (e.g., UP & SP) and would have gone to only one carrier (UP) as a result of the merger. Under this proposed UP/SP agreement with the BN/SF, we can look forward to gaining access to the BN/SF’s vast network as well, and reaping the benefits of having two very viable and competitive rail suppliers in the Little Rock area. We commend the UP for having had the foresight to ensure its customers that it will preserve and enhance competition in Arkansas. We also believe that the SP’s financial difficulties over the past decade can best be addressed by a merger into the financially sound Union Pacific system.

We strongly support this merger and request that it be quickly approved by the Interstate Commerce Commission or its successor.

I, Edward S. Hunt, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.
Executed on October (3/5), 1995.

Edward S. Hunt  
General Manager  
Arkansas River Terminal Company
My name is Joseph W. Reardon. I have served as Vice President of Sales for Arkansas Steel Associates in Newport, Arkansas, since the Company's formation in October, 1989. I have actually worked at this Mill location since 1981 in the same capacity under a previous owner.

Arkansas Steel Associates is a world class supplier of tie plates. We presently roll 19 sections, 49 different plates, supplying all major railroads in the United States and Canada with custom tie plates. Our business also extends into Mexico. ASA receives approximately 300,000 tons of inbound scrap. We ship out 250/300,000 tons of tie plates, semi-finished products, and other products, with 80% to 90% inbound and outbound shipped by rail.

As a shipper dependent on Union Pacific service, ASA welcomes 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.

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

Hundreds of UP points not served by UP will be linked on a single-line basis with hundreds of SP points not served by UP.

Shippers will enjoy single-line service between UP South Central points and SP California points; from SP's Oregon lumber origins to UP destinations in the Upper Midwest; between Seattle/Tacoma and California; from UP's Iowa and Nebraska grain origins to SP feeder markets in the San Joaquin and Imperial Valleys; between UP intermountain points (e.g., Idaho, Wyoming) and SP California points; and between UP Upper Midwest points and SP points in the Southwest and California, among others.

UP/SP will be able to provide single-line service to all major Mexican border crossings via shorter, more efficient routings. The combined railroad will offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico. SP customers will be able to utilize "Despacho Previo" from expediting border crossings.
With this dramatic improvement in service to Mexico, Arkansas Steel to more efficiently enter the Mexican tie plate market and expand our sales on down further into South America.

In conclusion, Arkansas Steel Associates believes that the proposed merger between Union Pacific and Southern Pacific will provide significant benefits to shippers. Our Company supports the application.

AFFIRMATION

I, Joseph W. Reardon, Vice President of Sales of Arkansas Steel Associates, declare under penalty of perjury that the foregoing statements are true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on the 12th day of October, 1995.

/JOSEPH W. REARDON
VICE PRESIDENT OF SALES
ARKANSAS STEEL ASSOCIATES

VERIFICATION

STATE OF ARKANSAS

COUNTY OF JACKSON

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

Subscribed and sworn to before me, a Notary Public, by Joseph W. Reardon, on this 12th day of October, 1995.

/GINGER W. CARLYLE
NOTARY PUBLIC

My Commission Expires:

January 31, 2003

(SEAL)
MY NAME IS JIM INGRAM, PRESIDENT AND OWNER OF ASSET BASED INTERMODAL
CO., 3206 S. GLENBROOK, GARLAND, TEXAS 75041. MY EXPERIENCE COVERS 35
YEARS IN THE TRANSPORTATION BUSINESS. I STARTED WITH THE TEXAS AND
PACIFIC RR ON 1960 AS A CLERK IN TERRELL, TEXAS. IN 1966 I WAS TRANSFERRED
TO EL PASO, TEXAS AS A SALES REPRESENTATIVE. IN 1968 I WAS BROUGHT BACK
TO DALLAS, TEXAS TO BE CHIEF CLERK, INTERMODAL. IN 1970 I WAS APPOINTED
SALES MANAGER, NORTHERN REGION, BASED IN CHICAGO, ILL. FOR THE MISSOURI
PACIFIC RAILROAD. MY RESPONSIBILITIES INCLUDED TRUCK AND INTERMODAL
SALES FOR THE NORTHERN REGION (CHICAGO, MINNEAPOLIS, DES MOINES,
DETROIT, INDIANAPOLIS). IN 1975 I WAS TRANSFERRED TO MP HEADQUARTERS IN
ST. LOUIS, MISSOURI AS ASSISTANT MANAGER, TRAINING. I WAS RESPONSIBLE
FOR TRAINING, TRAINING MANUALS, AND SET UP OF WORKSHOPS ACROSS THE
COUNTRY FOR SALES AND OPERATIONS MANAGEMENT TRAINING. AT THE TIME,
OUR TRAINING WAS A VERY SUCCESSFUL PROGRAM AND WE WERE ASKED TO
TRAIN PERSONNEL FOR THE ERIE LACKAWANA RR AND THE SANTA FE RR. IN 1977
I RESIGNED FROM THE MP AND MOVED BACK TO DALLAS TO START MY OWN
THIRD PARTY COMPANY. I FORMED RIO CITY TERMINAL COMPANY WITH OFFICES
IN SAN ANTONIO, DALLAS, AND HOUSTON. EVENTUALLY I SOLD RIO CITY AND IN
1985 I STARTED AND RAN EXPERT FREIGHT TEXAS, A THIRD PARTY IN
INTERMODAL SALES. IN 1992 I FORMED ASSET BASED INTERMODAL FOR THE
PURPOSE OF MOVING MOTOR CARRIER EQUIPMENT ON THE RAILS.

ASSET BASED UTILIZES ALL THE MAJOR RAMPS ON THE SOUTHERN PACIFIC AND
UNION PACIFIC RAILROADS.

SP RAMPS--HOUSTON, DALLAS, SAN ANTONIO, MEMPHIS, LOS ANGELES,
PHOENIX, OAKLAND, AND PORTLAND.

UP RAMPS--HOUSTON, DALLAS, LAREDO, ST. LOUIS, CHICAGO, SALT LAKE
CITY, LOS ANGELES, LATHROP, OAKLAND, MEMPHIS, KANSAS
CITY, AND DENVER.

OUR COMPANY MOVES REFRIGERATED TRAILERS WITH FROZEN PRODUCT, CANDY
GROCERY PRODUCTS, AND FREIGHT OF ALL KINDS FROM BOSTON TO LOS
ANGELES AND ALL POINTS IN BETWEEN.
WE STRONGLY SUPPORT THE MERGER BETWEEN THE SOUTHERN PACIFIC AND THE UNION PACIFIC RAILROADS. WE FEEL THE MERGER WILL ALLOW US TO UTILIZE THE VARIOUS SERVICES OF ONE COMBINED RAIL VERSUS THE TWO WE NOW UTILIZE. WE THINK THE MERGER WILL ALLOW US TO INCREASE OUR USAGE OF RAIL SERVICES WITH OUR REFRIGERATED INTERMODAL TRAILERS. WITH REFRIGERATED TRAILERS, SERVICE IS OUR MOST IMPORTANT CONCERN. ON THE UNION PACIFIC SERVICE HAS BEEN EXCELLENT. THIS IS NOT THE CASE WITH THE SOUTHERN PACIFIC. THEIR ON TIME PERFORMANCE, CONGESTION, EQUIPMENT SHORTAGE, AND CREW SHORTAGES HAVE ADDED TO MANY SERVICE FAILURES. WE BELIEVE THE MERGER WILL ELIMINATE OR AT LEAST GREATLY IMPROVE ON TIME SERVICE. IMPROVEMENT TO AND FROM THE WEST COAST FROM TEXAS, MISSOURI, TENNESSEE, LOUISIANA, AND OTHER POINTS AS WELL AS COMBINED EQUIPMENT UTILIZATION, PERSONNEL, SHORTER MILEAGE BETWEEN RAMPS SHOULD GREATLY IMPROVE OUR USAGE OF RAIL SERVICE. THESE IMPROVEMENTS WILL GREATLY ENHANCE OUR MARKETING OPPORTUNITIES. BECAUSE OF THE RECENT MERGER OF THE BN-ATSF A STRONG SOUTHERN ROUTE FROM TEXAS TO CALIFORNIA IS VERY IMPORTANT TO OUR SHIPING NEEDS. WE DO NOT WANT TO RUN INTO ANOTHER SITUATION THAT HAPPENED WITH THE BN WHEN THEY CLOSED THEIR DALLAS AND HOUSTON RAMPS AND CUT OFF THE ONLY SERVICE BETWEEN TEXAS AND COLORADO. THEY DID THIS WITHOUT ANY REGARD TO THE SHIPPING PUBLIC.

OUR OVERALL THOUGHTS EVOLVE INTO ONE POSITIVE STATEMENT. THE SP UP MERGER WILL IMPROVE SERVICE, IMPROVE EQUIPMENT UTILIZATION, AND IMPROVE OUR MARKETING STANDARDS GREATLY OVER WHAT WE HAVE TODAY. WE ARE UNANIMOUS IN OUR SUPPORT OF THIS MERGER.
VERIFICATION STATEMENT

I, JIM L. INGRAM, 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.

[Signature]

WITNESS:

[Signature]
VERIFIED STATEMENT

OF

DELMAR GAUERKE

ON BEHALF OF AUNT NELLIE'S FARM KITCHENS

REF: Finance Docket No. 32760
Union Pacific Railroad/Southern Pacific Railroad Merger

I, Delmar Gauerke, have been Transportation Manager for Aunt Nellie's Farm Kitchens for the past 10 years. My prior service also being with Aunt Nellie's as an over-the-road fleet driver.

Aunt Nellie's is a major producer/canner of vegetables, juices, and sauces with a production facility at Clyman, WI, served by the UP. We also co-pack for several different companies, one being Tri-Valley at Modesto, CA, served by the MET; Thornton, CA (UP); Gridley, CA and Hollister, CA, served by the SP. We also receive via rail olives from Oroville, CA, via UP.

Aunt Nellie's currently uses both Southern Pacific and Union Pacific in doing business. Having single-line capabilities between Wisconsin and the West Coast, and shorter routes would provide us with improved transit times and greater service reliability.
I also believe equipment supply will improve as a result of operating efficiencies, the ability to reposition cars and taking advantage of backhaul opportunities and the seasonality of the food business.

A strong financially sound merged UP/SP is needed to compete with the BN/Santa Fe in the marketplace. The UP and the SP each standing alone cannot provide strong competition for the BN/Santa Fe.

As a shipper/receiver that is dependent on reliable rail transportation, we support the merger of the Union Pacific Railroad the Southern Pacific Railroad.
STATE OF ____________

) ss.

COUNTY OF ____________

Delmar Gauerke, 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.

Delmar Gauerke

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

Sharon L. Hennig
Notary Public

My Commission Expires: 

March 2, 1997
UP/SP Finance Docket No. 32760

October 16, 1995

VERIFIED STATEMENT OF:
Mr. Gerrit Vos, Vice President
Barr Lumber Company, Inc.
10742 Los Alamitos Blvd.
Los Alamitos, CA 90720
PH: 714-527-2285

To Whom it May Concern.

Barr Lumber is one of the largest lumber dealers in Southern California. We operated retail home centers throughout the Southern California market. Additionally, Barr Lumber supplies regional building contractors with lumber and panel products.

Barr Lumber Company currently uses the Southern Pacific as a primary transportation vendor. We purchase lumber and panel products from origins in Oregon and ships them via Southern Pacific to our two SP served distribution centers in Southern California.

The Southern Pacific must be able to provide a quality transportation service. Barr Lumber must be able to depend on the Southern Pacific. We believe that the combined operations of the Union Pacific and Southern Pacific will provide for numerous benefits.

*improved transit times and overall service reliability
*increased railcar availability
*single line access to new origins in the Pacific Northwest
Barr Lumber supports this merger and believes that it will enhance the overall quality of the rail service these transportation companies provide.

Verification

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

Gerrit Vos
October 16, 1995

VERIFIED STATEMENT
OF
THOMAS J. WYNESS
ON BEHALF OF
BARTON BEERS, LTD.

My name is Thomas J. Wyness. I am the Executive Vice President for Barton Beers, Ltd., 55 East Monroe Street, Chicago, IL 60603. I have been employed with Barton Beers, Ltd. for 8 years and have been Executive Vice President for the past 2 years. Prior to the foregoing, I was Senior Vice President of Transportation.

Our Parent Company is Canandaigua Wine Company, Inc. of Canandaigua, New York. Barton Beers, Ltd. is the third largest marketer of imported beers and fourth largest producer, marketer, and distributor of distilled spirits in the United States. Our Gross sales for 1994 was $1.2 Billion.

Barton imports from Mexico Corona Extra, Corona Light, Modelo Especial, Negra Modelo, and Pacifico brand of beers.

We use both the Union Pacific and Southern Pacific on our beer business from the Mexican gateways of Laredo, Eagle Pass, TX, and Nogales, AZ, and to our distribution centers in the Midwest, California, Washington, Colorado, and Arizona.

As a shipper dependent on rail service to these markets, we welcome this merger as a means of ensuring that we receive reliable top-quality service from a financially sound carrier. Over the past several months, we have seen some erosion of service on the SP on our business to the West Coast. This is the direct result of capacity restraints and financial difficulties affecting a service we need to get our product to our customers.

A financially strong merged system is needed to make the necessary capital investment and improvements to the existing SP plant.
Barton Beers believes strong rail competition is necessary in the marketplace. SP and the UP each alone cannot provide strong competition to the BN/SF. A merged UP/SP will provide shippers/receivers throughout the West with the vigorous competition needed to compete with the BN/SF. In addition, competition for traffic from Mexico will be preserved as a result of the new access BN/SF will have two Mexican gateways, including access to Laredo via the TexMex Railway at Corpus Christi.

In conclusion, we believe that this merger would be in our Company's best interest and we fully support the UP/SP merger application.
VERIFICATION

STATE OF ILLINOIS

COUNTY OF COOK

Thomas J. Wyness, 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.

Thomas J. Wyness

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

Notary Public

My Commission Expires:

4-19-96
Statement of Chris Moudry, Sec/Treas, Basin Fertilizer & Chemical Co., a fertilizer and agricultural chemical distributor to production farmers of south central Oregon and north central California. We receive about 80 rail cars that usually originate off of the Union Pacific line from Pocatello and Soda Springs, Idaho, Spokane Washington, and various places in the Mid-West.

We have noticed in the past few years that the Southern Pacific seems to be having increasing problems with engine power and timing of rail delivery. Timely delivery is important to the agricultural-chemical industry due to the short planting season in our area. Rail delivery is an important part of our fertilizer distribution program.

We are also concerned with our local rail lines. Southern Pacific seems to have let the line from Klamath Falls, Oregon to Winnemucca, Nevada go into disrepair so much that main line trains are not allowed on this line. It is our hope that a Union Pacific and Southern Pacific merger will provide enough traffic to maintain this line for through traffic and local delivery.

We believe that a merger of the Union Pacific and Southern Pacific will give Basin Fertilizer and thus our agricultural customers a stronger and more consistent rail carrier in our area.

Sincerely,

Chris Moudry, Sec/Treas.
Basin Fertilizer & Chemical Co.
I declare under penalty of perjury that the foregoing is true and correct. Further I certify I am authorized to file this verified statement.

Sincerely,

Chris Moudry, Sec/Treas
Basin Fertilizer & Chemical Co.
October 12, 1995

Verified Statement of Jim Michener on behalf of Baxter Healthcare Corporation.

Finance Docket No. 32760
Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -

As the Manager of the Shipment Control Center at Baxter Healthcare, I am responsible for Baxter’s
domestic rail boxcar and intermodal shipments. I have held this position for two years. I also have over
two years experience working in logistics at Baxter field locations.

Baxter Healthcare is both a manufacturer and a distributor of healthcare supplies. We ship approximately
5,000 intermodal movements per year. The majority of these shipments originate in Chicago, Memphis or
Western North Carolina with a final destination on the West coast. We also ship a small number of
boxcar shipments from North Carolina to the West coast.

We support the merger of Union Pacific and Southern Pacific. We believe this merger will result in
improved intermodal service in several of the corridors that Baxter regularly utilizes. We believe service
should also improve in the corridors we occasionally use for boxcar shipments. The merger will create a
financially strong railroad that will be able to compete with the BN/SF and have the financial resources to
upgrade some of the Southern Pacific’s intermodal facilities and lines.

As a major player in the healthcare industry, Baxter is constantly under pressure to reduce costs and
improve service to our customers. As we increase our use of intermodal service to lower costs, we need to
ensure that service improves as well. Due to the nature of our logistics network, this merger can only help
us achieve our goal of improved service and reduced costs.

Jim Michener
Manager, Shipment Control Center
VERIFICATION

STATE OF Illinois )
COUNTY OF Lake ) SS.

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

Jim Michener

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

Notary Public

My Commission Expires:

"OFFICIAL SEAL"
CAROLINE LARY
Notary Public, State of Illinois
My Commission Expires 7/11/98
My name is Arthur N. Rosenhahn, Director of Transportation for Bay State Milling Company, 100 Congress Street, Quincy, MA 02169. I have held this position for the past 11 years. Prior to that I was Manager of Rates for Bay State Milling Company for a period of 13 years. Previous to that I held various transportation positions with The Pillsbury Company for 14 years, the last position being Traffic Manager of their Buffalo, NY mill.

In my present position I have the responsibility for all transportation, via any mode, of raw materials (grain) inbound to our mills and of the finished commodity (grain products) to our customers.

Bay State Milling Company, established in 1899, is a producer of specialty grain products; wheat flour, rye flour, semolina flour (durum) and the by product, millfeed at six flour mills in the following locations:

- Tempe, AZ served by the SP
- Tolleson, AZ served by the SP
- Winona, MN, served by the UP and CP
- Clifton, NJ, served by CR
- Mooresville, NC, served by the NS
- Indiantown, FL, served by CSX

Our flour mills at Tempe, AZ and Tolleson, AZ gather spring wheat, winter wheat and durum from Arizona, Texas, Oklahoma, Kansas, Nebraska, Colorado, Montana, North Dakota, South Dakota and Minnesota by rail. The mills at Tempe, AZ and Tolleson, AZ are outside of the switching limits of Phoenix making them totally dependent on the SP for the 1,600 inbound carloads of wheat received annually. The finished flour products are distributed mainly via truck from Tempe, AZ and Tolleson, AZ into the Arizona and southern California markets. Tempe, AZ also loads 400 carloads of flour annually to southern California via The SP.
A merger of The Union Pacific and Southern Pacific would open additional single line sources of wheat for Bay State Milling Company. This is important because of the changes in crop characteristics from year to year because of weather conditions which preclude us from always purchasing our grain from the same origins.

We have suffered many service failures on the part of The Southern Pacific resulting in the forced shutdown of our Arizona mills. These forced shutdowns have been very expensive to us financially and have prevented us from servicing our customers in accordance with their requirements. This has long range negative effects in the highly competitive flour milling business. It is our expectation and hope that a merger of The Southern Pacific and Union Pacific will result in an infusion of Union Pacific resources that will enable us to obtain the level of rail service we require to continue to operate our mills and service our customers.

Bay State Milling Company fully supports the merger of the Southern Pacific and Union Pacific in anticipation that the combined strengths of these two railroads will insure our continued operation in Arizona.

I, Arthur N. Rosenhahn, 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 November 1, 1995
VERIFIED STATEMENT
OF
TIM BEAN
ON BEHALF OF BEAN LUMBER COMPANY

Re: Union Pacific/Southern Pacific Proposed Merger

My name is Tim Bean, Vice President Sales, of Bean Lumber Company and have held this position for 8 years. I make all arrangements for transportation of all inbound materials and negotiate all finished product rates from all carriers.

Bean Lumber Company is a privately owned lumber manufacturer and wood preserver located in Glenwood, AR with plants at Glenwood and Amity, AR and soon to open a facility in Buckner, MO. The plant at Amity is not rail served, with Glenwood and Buckner served by the Union Pacific. We ship both rail and truck with rail approximately 20% market share. In 1994 we shipped 404 railcars primarily to the Midwest and Northeast. The lumber market is a commodity market, therefore, transportation costs play a major role in determining what markets we are able to compete in.

Bean Lumber Company strongly supports the proposed merger of the Union Pacific and Southern Pacific Railroads. We feel this merger will benefit our company as follows:

1. Single line service to Arizona, New Mexico and California points served only by the SP.

2. Service improvements through major terminals such as North Little Rock and St. Louis. The vast majority of our business flows through these terminals.

We feel this merger will be very beneficial not only to Bean Lumber Company but will help to strengthen the Southern Pacific through the financial strength of the Union Pacific. Bean Lumber strongly supports this merger.

I, Tim Bean, 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 15th day of September, 1995.

TIM BEAN
VERIFICATION

STATE OF ARKANSAS
COUNTY OF CLARK

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

TIM BEAN

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

Notary Public

My Commission Expires: 9-12-2001
Belgrade Grain Company, Inc.

BELGRADE, NEBRASKA, 68623

VERIFIED STATEMENT
OF
WALTER G. AHLERS
ON BEHALF OF
BELGRADE GRAIN CO., INC.

My name is Walter G. Ahlers, and I am the President of Belgrade Grain Co., Inc ("Belgrade"), P. O. Box 66, Belgrade, NE, 68623. Belgrade is a grain and fertilizer marketer. I support the merger between Union Pacific and Southern Pacific because the combination of those two railroads will bring better rail service and access to new markets for our products.

I have been the President of Belgrade for 16 years, and have been involved in the transportation of grain for Belgrade for 20 years. In my current position, I am responsible for the purchase, sale, merchandising, and transportation of grain and fertilizer.

Belgrade markets grain -- especially corn -- and fertilizer, primarily in the Intermountain region of the United States, including Idaho, Wyoming, Utah and Colorado. Annually, we ship 500 cars (1.3 million bushels) of grain and fertilizer. An additional 100,000 bushels are sent by truck.

The merger of Union Pacific and Southern Pacific will create a more efficient railroad which will benefit Belgrade in several ways. First, the merger will improve car supply by speeding up the car turnaround rate and allowing the system to improve its seasonal utilization of a much larger combined car fleet.

Second, new single-line service will be available to SP-served destinations in California, Arizona and other Southwest states, opening up markets that Belgrade cannot efficiently access at the present time. It will be of great benefit to all grain shippers in the Upper Midwest territory to have efficient access to the important receiving markets reached by Southern Pacific, which does not itself have access to significant corn originsations. For example, currently Belgrade cannot enter important feed markets in Arizona serviced by the Southern Pacific. The merger will also guarantee more effective, single-line service to other markets served by Southern Pacific, such as Colorado.

In addition, the merger promises to improve service levels throughout the SP system. Based on our experience with shipping via the Southern Pacific, Southern Pacific cannot match the service levels and efficiencies of the Burlington Northern-Santa Fe system, and Southern Pacific's continued vitality cannot be assured without this merger.
For these reasons, Belgrade wholeheartedly supports the Union Pacific-Southern Pacific merger.

I, Walter G. Ahlers, 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.

Walter G. Ahlers
President
Belgrade Grain Co., Inc.
October 2, 1995

VERIFIED STATEMENT

OF

Robert L. Glover on behalf of

BETTERMADE PLASTICS


My name is Robert L. Glover and I am presently the President of Bettermade Plastics 730 So. Epperson Drive, City Of Industry, CA 91748. The phone number is area code (818) 965-6960, fax number (818) 965-6044. As a shipper dependent on Southern Pacific service for our City of Industry facility, we welcome this merger as a means of ensuring that we receive quality rail service from a financially sound carrier. This merger should improve service and strengthen competition at our facility as the SP has not been able to supply the car type (60ft) that we are furnished by the ATSF, so they can both compete with both rates, and car supply.

Bettermade Plastics receive shipments of plastic products from various eastern points, we are a distributor of plastic products throughout the Los Angeles Basin. The options by which we ship depend upon the competitive freight we can obtain by rail or truck. Increased power and single-line service between the UP and the SP will greatly enhance the possibilities of shipping plastic products from the east to the west, and will help to alleviate our car supply problem.
Bettermade Plastics has several origin shippers which could be subject to lose of our business due to lack of service by the SP. The merger with the Union Pacific and Southern Pacific would allow us to remain competitive, and would strengthen the Southern Pacific as our carrier. In order to maintain our competitive positions in all our areas of business, we must be assured that the Southern Pacific be allowed to merger with the Union Pacific if we are to continue to ship and connect with all possible corridors across the US, and continue with competitive rates. Even though this merger will result in one fewer railroad in the West, we feel two strong carriers will provide more viable competitive choices than one mega carrier, one medium sized carrier and one weak carrier.

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

Robert L. Glover
President
Bettermade Plastics
730 So. Epperson Drive
City of Industry, Ca. 91748
VERIFIED STATEMENT
of
CHRIS PALMER
on behalf of
BIRMINGHAM INTERNATIONAL FOREST PRODUCTS, INC.

My name is Chris Palmer. I manage the western sales department of Birmingham International Forest Products. For fifteen years I have been responsible for coordinating sales of lumber products from the western United States. I am familiar with the movement of all species of lumber and plywood.

Birmingham International Forest Products is a lumber wholesaling company, located at 2100 Riverchase Center, Suite 218, Birmingham, AL 35244. We purchase lumber in the Pacific Northwest and ship it to destinations throughout the Midwest and East Coast.

We support Union Pacific and Southern Pacific in their application for authority to merge. The combined UP/SP system would offer many advantages for our shipments. For example, we would have new single line service opportunities available from origins in the Pacific Northwest to destinations throughout the Midwest. Single line service helps to reduce transit times and results in more reliable, efficient service by eliminating intermediate handling. In addition, movements from SP origins in the Pacific Northwest to the East Coast would also have a more direct UP route available, which would help to improve service and reduce transit times.

Short transit times and consistent, reliable service are important to our business. Unfortunately, SP too often has not been able to deliver. SP has not had the financial resources to make the improvements in its system necessary to meet its service commitments. It has fallen behind both BNSF and UP in a number of critical technical areas and we see no evidence that it can catch up by itself.

We see the proposed merger of Union Pacific and Southern Pacific as a means of bringing together the best aspects of both systems and creating a single system capable of meeting our needs and competing successfully with the new BNSF system. We expect the Union Pacific, with its greater financial resources and strong customer service reputation to make a dramatic difference in service to and from SP served points. UP runs a scheduled railroad, with strong management, and a superior computerized operating and car tracking system, which will help us follow the progress of our shipments.
We look forward to doing business with a merged UP/SP, and we urge the Commission to give its prompt approval to their application.

I, Chris Palmer, 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 11/4/75

CHRIS PALMER
VERIFIED STATEMENT
of
DON WILSON
on behalf of
BIRMINGHAM STEEL CORPORATION

My name is Don Wilson, Director of Transportation for Birmingham Steel Corporation, Post Office Box 1208, Birmingham, Alabama 35201. I have been in this position for thirteen years.

Birmingham Steel operates mini mills in six states with revenues of $900 million shipping in excess of 4 million tons annually of scrap iron, semi-finished and finished products. Our annual transportation revenues exceed $50 million and are expected to double by 1998 with 40% of these dollars to rail carriers.

This statement is made in support of the UP/SP merger. Of particular importance to us is the fact that we distribute more than 100,000 tons annually of steel products manufactured at our Seattle, Washington steel mill into the northern California, southern California, and Arizona markets directly and through various depot locations. Presently, we route BN/SP over Portland, Oregon. This (best available) routing certainly would be improved by a merged single line, with better service, more available equipment (gondolas) and more competitive pricing as we are forced to equalize freight with Southern California competitors. Since UP can serve our Seattle steel mill, we will now have single line service via UP/SP, and under the settlement agreement, BN/SF will have single line service into California and Arizona. As a result of the merger, we will have two possible options for single line routing into California and Arizona.

Other competitors are the new (soon to open) mill in Kingman, Arizona (ATSF) and Mexican imported rebar.

We understand that the combined UP/SP also plans to upgrade the I-5 Corridor from Washington to California, with among others, improvements at Eugene, Oregon and Roseville, California. These improvements should improve service on this important corridor. We certainly support the merger application of the UP/SP.
I, Don Wilson, 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 26th day of October, 1995

Don Wilson
Director of Transportation

Witness:

Sworn to and subscribed before me, a Notary Public, this 26th day of October, 1995.

My Commission Expires: 5/23/96
VERIFIED STATEMENT
of
JAMES L. LYKKE
on behalf of
BRAUN, RAY BROTHERS & FINLEY CO.

My name is James Lykke. I am President of the Braun, Ray Brothers & Finley Company, located at 105 S. 17th Street, Omaha, NE 68102. Braun, Ray Brothers has been in business for over 65 years as a Wholesale distributor of lumber products. The majority of our shipments originate in the Pacific Northwest and British Columbia, and are moved through our Omaha facility for shipment to various markets, primarily in the Midwest. Our Omaha facility is served by UP and BN. We move over 100 million pounds of freight per year via rail or truck.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support that request.

The proposed merger would create new market opportunities for us by allowing us to reach Southern Pacific lumber origins throughout Oregon and Northern California via single line service. These new origins would give us new sources of supply and help make our company more competitive in Midwestern lumber markets.

The combination of the UP and SP car fleets should also help to increase the supply of rail cars available for our shipments. Combining the railcars of UP and SP would create a larger, more diverse fleet available for our use, and with joint management and increased opportunities for backhauls, the fleet could be used more efficiently.

We also view the merger as creating an important competitive counterbalance in the West to the newly merged BNSF system. UP and SP complement each other well, and their combination will create a vigorous, capable competitor for BNSF. In our view, strong competition between these two large systems is the best way to insure a competitive railroad environment throughout the West.

Our company urges the Commission to approve the application of the Union Pacific and Southern Pacific to merge.

I, James L. Lykke, 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 November 3, 1995.

JAMES L. LYKKE
VERIFIED STATEMENT
OF
TIM COX
ON BEHALF OF
BRIAR GYPSUM

My name is Tim Cox. I am the Transportation Manager for Briar Gypsum, Inc., P.O. Box 509, Nashville, Arkansas 71852. I have held this position for eight months. Prior to this position, I worked in the Sales Department at Briar for five years.

My responsibilities include overseeing all shipments, both truck and rail, out of Briar Gypsum. This includes negotiating rates and securing means of transportation. I also approve all freight bills.

Briar Gypsum manufactures gypsum wallboard. We have one plant located 15 miles north of Nashville, Arkansas. We are served by the DeQueen and Eastern Railroad, which can interchange direct with UPRR, KCS RR, or BNRR.

Our company ships wallboard by both truck and rail. Volume is split about 50/50 between each mode. We currently average shipping 15-16 cars per day, mainly east of the Mississippi River.

We feel that the merger between Union Pacific and Southern Pacific would help to improve our service. Briar Gypsum strongly supports this merger.

Briar Gypsum could benefit from the merger through terminal improvements, particularly the North Little Rock/ Pine Bluff Terminal and the St. Louis Terminal. A very large percentage of our traffic flows through these terminals to eastern markets.

Also the ability to re-route trains to alternate routes when necessary will be very helpful. This would help eliminate bunching of cars in the event of a derailment or other maintenance work. Our rail cars are pooled assigned to Briar. It is very important to obtain the best turnaround times possible. Also, the merger would give Briar single line service to some highly competitive markets.

We believe the proposed merger would provide Briar Gypsum and other shippers significant benefits. Our company supports the application.

I, Tim Cox, 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.

[Signature]

073
VERIFIED STATEMENT

OF
JOE ALCANTAR, JR.
on behalf of
BROWN, ALCANTAR & BROWN, INC.

1. My name is JOE ALCANTAR, JR., Vice President and part owner and Director of Brown, Alcantar & Brown, Inc. Our company is located at 9630 Plaza Circle, El Paso, Texas 79927. Phone (915) 858-1022 Ext. 138.

I have been the Vice President of Brown, Alcantar & Brown, Inc., for twenty-one years and I am responsible for obtaining and working with new customers who use different methods of transportation including rail as well as recommending and soliciting freight rates from railroads.

2. Brown, Alcantar & Brown, Inc., is a Customs Broker and Freight Forwarder involved in international trade mainly between the U.S. and Mexico. As a Customs Broker/Freight Forwarder we work on a daily basis with the railroads. We provide service in clearing cargo through U.S. Customs as well as Freight Forwarding of cargo for export to Mexico. We handle on average about 100 import loads per month and 600 export loads per month.

As a Customs Broker/Freight Forwarder we are always looking for ways to offer better service as well as lower costs for our customers.

3. We understand that the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of offering improved service, better freight rates and strengthening competition.

4. We know that with the approval of the application, UP and SP will be able to combine the strengths of their rail systems such as single-line service, more efficient routes, improved intermodal service and lower operating costs.
In regards to exports to Mexico, the combined railroad will be able to offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico. Customers will be able to utilize "Despacho Previo" for expediting border crossings.

With the passage of NAFTA there will continue to be an increase of rail traffic in and out of Mexico and with this merger approval the railroad will be able to improve their service and capability for import/export traffic.

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

I, JOE ALCANTAR, JR., 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 15, 1995.

JOE ALCANTAR, JR.
Vice President
October 9, 1995

VERIFIED STATEMENT
of
ROBERT M. WORLEY
on behalf of
BRYAN/COLLEGE STATION ECONOMIC DEVELOPMENT CORPORATION

1. Robert M. Worley, Executive Director
   Bryan/College Station Economic Development Corporation
   4001 East 29th Street, Suite 180
   Bryan, Texas 77802
   (409)260-1755 FAX (409)260-5252

   My interest in the UP/SP merger is from the standpoint of an economic developer and the benefits to rail-served industry from the merger. I have been in the economic development business since 1977, having served five communities in such a role.

2. The Bryan/College Station Economic Development Corporation exists to enhance the economic well-being of Brazos County.

   We have a strong vested interest in keeping a strong railroad infrastructure in Texas in general, and the Brazos Valley in particular. It appears that the UP/SP merger would improve service and possibly lead to cost reductions. These actions would greatly enhance our ability to attract major rail users to Brazos County.

3. The Bryan/College Station Economic Development Corporation supports approval of the UP/SP merger.

   As an organization charged with the responsibility of working to improve economic vitality in Brazos County, we believe the proposed merger would be in our best interest and in the best interest of shippers who might be interested in establishing or expanding operations. We enthusiastically endorse the UP/SP merger application.

4. Supporting reasons for support of the UP/SP merger:

   * Improved service; e.g., service between Houston and California will improve because of operating coordinations, terminal integrations and new capital investments.

   * Improved competitive position; e.g., shippers will benefit from facility consolidations and
use of the best systems of each railroad.

*More stable company - assurance of long term good service; the new company resulting from the merger will be much stronger financially and will be capable of making needed capital investment to keep pace with competition.

5. We believe the proposed UP/SP merger will result in a stronger rail system for the nation and will provide significant benefits to shippers. The Bryan/College Station Economic Development Corporation supports the application.

VERIFICATION

I, Robert M. Worley, 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.

Robert M. Worley
Executive Director
October 24, 1995

Interstate Commerce Commission
Washington, DC

I am Richard E. Widdecombe, Vice President of Bulk Commodities Transport, located in Des Plaines, Illinois. I have been in my present position with the company for twenty-five years. My responsibilities include the management and supervision of all inbound and outbound transportation.

Bulk Commodities Transport is a transloader of minerals, aggregate products, metals, machinery and equipment. We ship via rail, motor and water carriers. We use facilities in Lemont, Montgomery and the Chicago area in Illinois. We are establishing a new location in Joliet, Illinois. We ship and receive in excess of three hundred rail cars annually. For the movement of traffic to and from the transload point, we maintain a working relationship with 127 owner-operator trucks.

We believe that the proposed merger of Union Pacific and Southern Pacific is in the best interest of our company and our business. The enlarged reach of single line rail service available to us is significant. This, coupled with improved transit time and improved carload factors are important to our business, increasing our capacity to transload products on a more reliable schedule for shipment or distribution. It is, of course, to our advantage that the railroads handle the longhaul traffic rather than trucks. The merged company will have the strength and ability to compete with the longhaul truckers for traffic which we then can transload for local distribution, using the strengths of both modes of transportation.

Finally, the merged system will have improved routes and full access to all Mexican border crossings. Our machinery traffic to Mexico will benefit from this improvement.
Bulk Commodities Transport supports the merger of UP and SP and requests that the Commission approve the application.

Sincerely,

Richard E. Widdecombe
Vice President
Bulk Commodities Transport, Inc.

Subscribed and sworn before me this 30th day of October, 1995.

Signed:

[Signature]

Jeffrey B. Coon
Notary Public, State of Illinois
My Commission Expires 07/25/98
VERIFIED STATEMENT

OF

KATHY A. GROH

on behalf of
BULL MOOSE TUBE COMPANY

My name is Kathy A. Groh, Traffic Coordinator of Bull Moose Tube Company. My office is located at our corporate address: 1819 Clarkson Road; Chesterfield, Missouri 63017. I am responsible for negotiating rail, barge, ocean and in-bound truck rates. I have held this position since February 1995. From January 1992 through January 1995, my title was Marketing Development Analyst. In that capacity, I handled the inside sales function for Bull Moose Tube’s international department, as well as routed all freight related to export orders.

Bull Moose Tube Company is one of the largest steel pipe and tube manufacturers in North America. We produce mechanical steel tubing in sizes from 1/2” to 4” round and 1/2” to 2-1/2” square (and associated rectangles) in gauges from 22 gauge to 9 gauge; structural steel tubing is produced in sizes from 2” to 12” square (and associated rectangles) in gauges from 14 gauge to 5/8”. Mechanical tube plants are located in Burlington, Ontario (Canada); Chicago Heights, Illinois; Gerald, Missouri; and Trenton, Georgia. Our structural tube plant is located in Elkhart, Indiana.

Our plant in Burlington is served by the CN; the plant in Elkhart is served by Conrail. However, both the plants in Elkhart and Gerald move material frequently with the SP; the plant in Elkhart also frequently uses the UP. Elkhart’s major rail traffic destinations served by the SP are Memphis, TN; California; Arizona; and Colorado. These destinations account for approximately 100 bulkhead flat car movements per year. Gerald-origin material moves over SP lines to California and Denver (for oncarriage by the BN to Vancouver) at the rate of roughly 25 to 30 cars per year. Elkhart also moves approximately 20 to 25 cars per year with the UP into Colorado and Utah, primarily.
Bull Moose Tube supports the proposed merger between the Southern Pacific and Union Pacific. It is our hope that the resulting railroad will be positioned to improve overall rail service and provide a healthy, competitive rail market with the BN/Santa Fe.

Three areas of improvement in which we are highly hopeful are: customer service; transit times; and car supply.

We frequently deal with customer service on the Southern Pacific and have had many unpleasant experiences resulting from either rudeness or lack of knowledge on the part of the customer service representative, a situation we have never faced with the Union Pacific. We are hopeful that the customer service policies and standards in place at the UP will be incorporated into the new railroad.

Transit times on the Southern Pacific have also been a problem, either due to misrouting or congestion over particular gateways. A larger railroad with more opportunities to smooth traffic flow should allow us to reduce delivery times to our customers. In addition, the plan to coordinate the terminal in St. Louis will prove especially beneficial in expediting our shipments which originate in Gerald, Missouri. Our transload facility is located in Venice, Illinois and it is always at least a seven day delay in getting a railcar from the transload facility onto the SP for movement west.

Over the past year, car supply of the type we use, i.e., 180,000# capacity bulkhead flatcars, has become very tight. We frequently must turn cars back because they are unable to carry the size load we have to ship. A greater pool of equipment from which to draw will, hopefully, alleviate this concern for us.

In the four years during which I’ve been involved in rail transportation, I’ve seen the level of service I’ve received from the Southern Pacific steadily decline. The proposed merger between the Southern Pacific and Union Pacific appears to be the first step toward a remedy for this and, on that basis, we support the merger.

Sincerely,

Kathy A. Groh
Traffic Coordinator

I, Kathy A. Groh, 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.

CHRISTINE A. DUENKE
NOTARY PUBLIC – STATE OF MISSOURI
ST. LOUIS COUNTY
MY COMMISSION EXPIRES FEB 27, 1997
My name is Steve Parson, I am Controller for Burns Lumber Company. My address is P.O. Box 1786, Medford, Oregon 97501. My telephone number is 503-773-6933. My fax number is 503-773-3388. As Controller, I am responsible for all accounting, credit, inventory control, tax reports and office management. I am also responsible for all traffic control procedures, including our shipments of lumber down the I-5 corridor to Southern California.

Burns Lumber Company is a wholesale lumber company. We purchase lumber from lumber mills in Northern California, Oregon and Washington, and ship it to facilities throughout California. Our 1994 sales were approximately $35,000,000.

I strongly support the merger of UP and SP. I have over fourteen years experience dealing with both UP and SP. In my experience, UP is a strong company which provides excellent service in all aspects. UP has responsive sales people and a good record of meeting its schedules for delivery. My experience with SP has not been as positive. I recognize that SP has not had the financial resources to upgrade its facilities and improve service, and this has been evident in the service I have received from SP. I expect that the merged UP-SP will adopt the UP quality standards, and service on the combined UP-SP will meet the high standards I have come to expect and demand from UP.

The merger of UP and SP will also result in more efficient routes as the two systems are rationalized and the optimum routes are structured. This effort, in combination with the general high quality of UP service, should result in decreased transit times and improved carload service.

The combined UP-SP will also have access to UP’s strong financial resources. This will permit the combined system to upgrade SP facilities to UP standards, for improved service and reliability.
Finally, I note the UP and SP have reached a settlement agreement with BN-SF that creates, for the first time, single line service from Seattle to Southern California. Further, the single line service will be provided by two competing carriers, UP-SP and BN-SF. This should be a tremendous boom to shippers. The merger generally should improve service along the I-5 Corridor, and the settlement should help more. I also note that under the settlement agreement, UP-SP has rights to quote rates for traffic originating on BN-SF's lines in parts of Montana, that moves over the Portland gateway. This will create additional competition between these systems for the shipper's benefit.

I strongly support the merger. Combining the strengths of UP management, service and reliability with the SP system should be a benefit to all shippers.

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

Steve Parson
Controller
VERIFIED STATEMENT

OF

ROBERT C. CHAMBERS

on behalf of

CT Services

This statement is being provided by Robert C. Chambers, President of CT Services. My duties include the day-to-day operation of our company and I have administrative responsibilities for the movement of vehicles from our company's locations to destination auctions throughout the United States. I have been a Corporate Officer of CT Services since September, 1987 and a Corporate Officer of Cordin Transport since 1982. I have worked in the automobile transportation industry since obtaining my Masters Degree in 1971.

CT Services administers programs through which automobile manufacturers repurchase used vehicles from daily rental car agencies throughout the United States. In addition, CT Services and Cordin Transport are responsible for the movement of motor vehicles on behalf of manufacturers, dealers and rental car agencies throughout the United States. CT Services operates 18 permanent facilities, 3 seasonal facilities and 11 on demand facilities in the Continental United States and Alaska. Vehicles are shipped from our locations to 54 auctions sites across the country. Facilities we are currently using include:

- Portland, Oregon
- W. Chicago, Illinois
- Reno, Nevada
- Las Vegas, Nevada
- Milpitas, California
- Kent, Washington

Most of our facilities are located along the East and West coasts of the United States. Typically our traffic moves from these facilities inland to auctions located in the central part of the United States. However, based on demand, we do move vehicles from one coast to the other.

We understand that the Union Pacific and Southern Pacific are requesting authority to merge. As a shipper dependent on Union Pacific services we welcome this merger as a means of assuring that we receive top quality rail service from a financially sound carrier. We believe that the proposed merger would be in our company's best interest as well as the interest of other shippers.
Specifically, the merger will benefit us on the following movements:

- Los Angeles, California to Portland, Oregon and return
- San Francisco, California to Los Angeles, California and return
- San Francisco, California to Portland, Oregon and return
- Los Angeles, California to Phoenix, Arizona and return
- Los Angeles, California to San Antonio, Texas
- Los Angeles, California to Houston, Texas
- San Francisco, California to San Antonio, Texas
- San Francisco, California to Houston, Texas

We believe that this merger is necessary to remain competitive in light of the recent Burlington Northern/Atchison, Topeka and Santa Fe Railway merger. We rely on railroad transportation to move more than 60% of the motor vehicles we transport in the United States. Over the past eight years we have found rail transportation to be very competitive with truck transport carriers even in short hauls of 300 miles. With the merger of the Burlington Northern/Atchison, Topeka and Santa Fe Railway we are concerned that unless the Union Pacific merges with the Southern Pacific the Burlington Northern/Atchison, Topeka and Santa Fe Railway will use their competitive advantage to reduce competition and ultimately increase transportation rates which will have a serious adverse effect on our business.

VERIFICATION

STATE OF MICHIGAN

COUNTY OF OAKLAND

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

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

My Commission expires:

9/13/99
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
C. H. Robinson Company
(Plano, TX)

Submitted by:

James K. Cypher
Branch Manager
C. H. Robinson Company
101 East Park Blvd.
Plano, TX 75074

October 21, 1995
VERIFIED STATEMENT
OF
JAMES K. CYPHER
ON BEHALF OF
C. H. ROBINSON COMPANY

I am employed by C. H. Robinson Company in the capacity of Branch Manager - Plano, Texas. I have held this position since January 1989. Prior employment and responsibilities include Sales / Marketing, National Piggyback Services, Inc. for the period May 1986 until December 1988 and Sales / Marketing, Missouri - Kansas - Texas Railroad for the period November 1972 until May 1986.

As a third party provider of transportation services, C. H. Robinson Company offers comprehensive domestic and international multimodal services. Robinson’s transportation division utilizes over 15,000 motor carriers. Robinson also has contract agreements with all major railroads and airlines. Robinson handled over 700,000 transportation shipments in 1994. Robinson was founded in 1905 and currently has 80 offices throughout North America. Robinson utilizes the intermodal services in all major service lanes with heavy emphasis in the Texas/West Coast and Texas/Midwest market.

We have read and heard that Union Pacific and Southern Pacific are requesting authority to merge and will file application with the ICC in November 1995. We strongly endorse the UP/SP application as the merged railroads will have the ability to improve service, reduce costs, improve equipment utilization as well as strengthen competition.

The merged railroads will greatly reduce, if not eliminate service delays in Texas/West Coast and Texas/Midwest service lanes. It should also reduce or eliminate service delays and congestion to/from Mexico via the El Paso, Texas gateway. Improve service and reduce congestion to/from Houston, Texas via the Chicago, St. Louis and Memphis gateways. The merged Union Pacific/Southern Pacific railroads will enhance competitive factors with truckload carriers as well as the newly created BN/SF railroad in the overall marketplace.

We believe that the merger of the Union Pacific and Southern Pacific will greatly benefit all shippers.

I, James K. Cypher, 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 K. Cypher
October 19, 1995

INTERSTATE COMMERCE COMMISSION
FINANCE DOCKET No. 32760
Union Pacific Corporation
Union Pacific Railroad
Missouri Pacific Railroad Company
- Control and Merger -
Southern Pacific Rail Corporation
Southern Pacific Transportation Company, et al

Gentlemen:

As a sales representative/consultant to C. W. S., Inc., I am very much in favor of the merger of Southern Pacific Lines and the Union Pacific Railroad.

Having worked in the railroad industry for nearly 42 years, in Management, and most recently as a Sales Representative and Consultant to C. W. S., Inc. for nearly 7 years, I emphatically support the notion that a healthy rail industry is vital to our country.

The sheer number of how many railroads there are, is not so much a criteria as is the quality and strength of the carriers to operate in such a competitive environment. The super highway system and the many highway transportation companies operating, has taken its toll on the railroad industry—more so than rail versus rail. So it is my candid opinion that another rail merger is not a disastrous movement in eliminating competition. To the contrary, a healthy rail system should actually foster competition, and rightfully so.

C. W. S. is a freight forwarder with operating authority in the 48 contiguous United States, specializing in handling and shipping steel. It is a truck-rail-truck mode, utilizing rail intermodal service for the city to city move, with our trucks performing only the pickup at origin and the delivery at destination. We ship thousands of truckload quantities in our truck-rail-truck service annually, utilizing most all the major railroads.

Our most fierce competition is the over-the-road trucks, and we are dependent on the best possible single line rail haul we can get between the major market centers. All the corridors we operate in are single line rail moves. The proposed merger will afford us single line service to market centers we are now not able to reach.

My greatest concern is, of course, the ability of C. W. S. to compete in the transportation of metal products between as many market centers as possible. This will not be possible...
unless necessary steps are taken to preserve the major rail carriers we now have, and promote economies that are possible by means of merger. where there is promise that the rail system will be healthier for it.

Sincerely.

C. W. S. INC.

Richard R. Farrell
Sales/Consultant

I, Richard R. Farrell, 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 26TH day of October, 1995.

Richard R. Farrell
My name is Robert L. Walton. I am Vice-President, Lumber Sales of Caffall Bros. Forest Products, a position I have held since 1981. The Company's corporate headquarters are at 25260 S.W. Parkway, Wilsonville, Oregon 97070. My length of employment with Caffall Bros. is 20 years, and my employment within the forest products industry in a lumber sales capacity totals 35 years. I am responsible for the majority of lumber sales volume activity within our Company, including arrangements for rail and other transportation requirements for our sawmills at Oregon City, Oregon and Longview, Washington, and an associated sawmill: Sierra Cedar Products at Marysville, California.

The Oregon City sawmill is served by the Southern Pacific; the Longview sawmill by Union Pacific and Burlington Northern; and the Marysville sawmill by Union Pacific.

Caffall Bros. is a manufacturer of cedar lumber. The Company has been in existence for over 70 years, and active in lumber manufacturing since 1976. In 1994 the Company had sawmill production of its own of 39.3 million board feet, and we were responsible for the sale of an additional 21 million board feet from Sierra Cedar Products. Over the past twelve months our Company shipped approximately 129 carloads from the above origin points, mostly via Union Pacific routings. We also originated over 300 intermodal van shipments.

We heartily and fully support the merger of the Union Pacific and Southern Pacific railroads, because our shipping origin points are mainly served by one of these two lines, and because we critically require competitive transportation alternatives. This appears to be even more urgent given the upcoming merger of BN-ATSF. Should an additional benefit of a UP-SP merger be a strengthened and more efficient Southern Pacific, this would certainly be a bonus, service-wise, to shippers such as ourselves.

I, Robert L. Walton, 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 November 7, 1995.

[Signature]

Robert L. Walton
VERIFICATION

STATE OF OREGON
COUNTY OF WASHINGTON

Robert L. Walton, 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]
Robert L. Walton

Subscribed and sworn to before me this seventh day of November 1995.

[Signature]
Notary Public

My Commission Expires:

[Date]

OFFICIAL SEAL
PAULA J. CARSON
NOTARY PUBLIC - OREGON
COMMISSION NO. 011677
MY COMMISSION EXPIRES JAN. 19, 1996
My name is R. E. Ceragioli. I am Vice President Customer Service for the California and Hawaiian Sugar Company, Inc. located in Crockett, California. I have worked in the sugar industry for thirty five years in a number of capacities. In my present position I am responsible for Customer Service and the logistics and distribution of raw and refined sugar.

California and Hawaiian Sugar Company produces, distributes and sells under the nationally known brand of “C&H*. From our facility at Crockett, CA, which is served by SP, we ship our product to points in Oregon, Washington, California, Arizona, Colorado, Chicago, Illinois and the Gary Indiana Metropolitan Area. In 1994, our rail transportation volume was 1140 carloads.

We support the proposed merger of UP and SP. Dependable, predictable, efficient and reliable service is of particular importance to a shipper in our business as it helps us to optimize our distribution schedule. The combination of the financially sound and service conscious UP and the market reach of SP will result in important service improvements of benefit to us. Routes used for our traffic will improve. For example, the route distance for our California-Chicago traffic will be reduced by about 180 miles. Traffic destined for points in Washington can now move single line. The optimization of routings, elimination of congestion at terminals, and the extension of single line service territory will enable UPSP to reduce transit time and establish and meet reliable schedules. Likewise, as a result of this improved service, equipment turnover and placement will be improved.

As users of private equipment, service reliability, service efficiency and reliable cycle time is of great importance. The reduced transit time and reduction of congestion and intermediate handling at terminals inherent in single line service translate into reduced cycle time for private equipment. Better equipment utilization allows us to better manage our fleet and reduce costs.

In conclusion, 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 which is critical to our company.

We urge the Commission to grant quick approval to this merger.

I, R. E. Ceragioli, 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.
California Cattle Feeders - Riverside, Ca  
Bud Childs Trucking & Transloading - Riverside, Ca.  
1500 Rubidoux Blvd  
Riverside, Ca. 92509  
909 686-2832  

State Sand & Gravel - Vernon, Ca.  

"Verified Statement Of Bud Childs"  

In response to the Union Pacific and Southern Pacific merger, I would very much like to respond to it. I am the President of Bud Childs Trucking and Transloading, President of California Cattle Feeders and I do custom transloading for State Sand & Gravel in Vernon California. First of all, I have been in the Transloading business for over ten years now in Southern California. I do construction and aggregate materials under Bud Childs Trucking, and agricultural materials under California Cattle Feeders. This division is operated under Mike Young, General Manager. I also do custom Transloading for State Sand & Gravel in Vernon, Ca. Together they total up to approximately 6490 cars per year that could be generated to the UP/SP Railroad. That breakdown is approximately 504 cars in the construction end, approximately 1536 agricultural, and a possibility of 4,450 cars for State Sand, if we can get the service that is needed.

Our shipments originate on several different railroads in the United States, and are shipped from all of the Southern - Midwest States, such as Georgia, Nebraska and Iowa, and are brought into the L.A. Basin. Many times routing on the UP or SP is delayed by as much as 7 to 10 days, because of routes the railroad has to take. This merger could help stop delays & costs. It should also help our company to expand our services to our valued customers and to ship more of their products by rail.

I do highly support the pending merger of the Union Pacific and Southern Pacific Railroads. The merger will benefit Bud Childs Trucking/California Cattle Feeders in the following areas:

1) New Market Opportunities: We would have competitive access to new markets not formerly available on one system. We would benefit especially from the SP in Colorado and MidWest States to the UP in Crestmore, Ca. California Cattle Feeders, Inc. would highly benefit from single line service on the UP Midwestern grain origins, and Bud Childs trucking would highly benefit from the UP/SP single line service from the Colorado, Utah areas into Crestmore for the Aggregate department.
2) **Reduced Transit Times:** Significant improvements in the transit times will be realized by separating traffic by category into different routes. Separating this traffic into different routes will reduce delays, improve consistency and produce faster transit times, because of more direct routes. Opportunities to coordinate equipment should result in increased availabilities of hopper cars.

3) **Financial Strength:** When you combine the strengths of UP/SP systems, customers will benefit from the financial stability of the most efficient, customer responsive transportation company.

Therefore I Bud Childs, declare under penalty and perjury that the foregoing is true and correct, and I request the ICC approve the UP/SP merger quickly as possible to enhance rail service and strengthen the transportation industry. Further I certify that I am qualified & authorized to file this verified statement executed on September 29, 1995.

*Sincerely,*

[Signature]

Bud Childs

President - California Cattle Feeders

President - Bud Childs Trucking & Transloading
My name is Barbara Taylor and I am Firelog Wax Supervisor for California Cedar Products Company. Our address is P.O. Box 520, Stockton, California 95201. I have been employed for ten years as a Firelog Wax Supervisor. It is my responsibility to purchase wax, arrange transportation, manage our fleet of private equipment and coordinate wax blends, all of which is used in the production of "Duraflame" Firelogs.

I understand that the Union Pacific and Southern Pacific are seeking approval to merge their railroads. Our company supports that merger for the reasons which follow.

Our facility in Stockton manufactures pencil slats and firelogs. Our pencil slat business is strictly non-rail and will be so in the foreseeable future, and our Duraflame Firelogs are distributed for us by a third party shipper. However, in the manufacture of the firelogs, we use a significant amount of wax obtained from various locations throughout the United States and Mexico. Transportation is by rail and in fact, we receive over 700 carloads of wax annually. Most of our wax comes from sources on SP which are already single-line hauls. However, a significant amount of wax comes from the Salt Lake City area from certain facilities, some of which are located on the Union Pacific and are presently joint-line hauls. Our shipments from that area are often delayed in Roper Yard in Salt Lake City and Roseville Yard near Sacramento.

With the merger of the Union Pacific and Southern Pacific, what was previously a joint-line haul requiring switching, particularly in Roper Yard, will now be a single-line haul, eliminating the delays we have experienced in Roper Yard, and hopefully any delays which have occurred in the Roseville Yard will be rectified by the resources which a more financially stable Union Pacific will bring to this merger.

With the new single-line service capabilities from Salt Lake City to Stockton which this merger will create, and with expected improvements at Roper and Roseville, we believe there will be a reduction in transit times, resulting in better private fleet utilization. Since we lease our cars, if we can get better and more efficient use of the cars, we should be able to reduce our car fleet with a significant savings in car rental.
Finally, although we initially had concern about the reduction in competition in the Salt Lake City area with the reduction of two railroads to one railroad, we are satisfied that the settlement agreement recently reached by UP/SP and BNSF has resolved our concerns. More specifically, the granting of BNSF trackage rights between Utah and California assures a vigorous competitive environment in rail transportation along that route. We support the settlement with BNSF and believe that two strong competitors are preferable to the situation where smaller, weaker carriers are introduced to address perceived problems.

For all of the reasons stated above, we enthusiastically support the merger of the Union Pacific and Southern Pacific railroads and urge approval of their application.

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

Executed on 27 October 1995.

Barbara Taylor
September 29, 1995

VERIFIED STATEMENT

OF

BERNARD C. DUFF
on behalf of
CALIFORNIA OILS CORPORATION

I, Bernard C. Duff, am employed by California Oils Corporation in the capacity of Traffic Manager. I am responsible for the transportation of our product to various locations in the United States by railroad and other surface carriers.

California Oils Corporation is located in Richmond, California. It is a vegetable oil refinery which manufactures edible oils for use primarily in the food industry. We are presently serviced by both the Santa Fe and Southern Pacific Railroads. In addition to shipping tank cars to various customer facilities we also have 2 distribution centers in the midwest which we supply by railcar.

In regards to the proposed merger of the Union Pacific and Southern Pacific I feel that it would benefit our company in several ways. Primarily I believe it would offer us better service based on the anticipated relief of congestion at Oakland and Roseville terminals. As to our incoming oil from Mexico I feel that we will get more efficient service due to access of better and shorter routings. We have experienced delays due to lack of power locally and the combined equipment of both railroads will diminish this problem or may even totally eliminate it.

The combination of the UP/SP should offer stronger competition to the BN/SF and rates should be expected to become lower as the railroads become more efficient which offers savings to shippers like myself. A great portion of our company product is currently shipped by truck but if the railroad merger can offer service comparable to the truck industry more of our product will be moved by rail.

California Oils Corporation supports the merger of the Union Pacific and Southern Pacific railroads. We believe that the proposed merger will provide us with better service at a lower cost.
I, Bernard C. Duff, 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.

[Signature]
My name is Kenneth C. Cox, and I am the General Manager of California Pacific Rice Milling, Ltd. Our mailing address is P.O. Box 725, Arbuckle, California 95912. Our telephone number is (916) 476-3235. I have worked at California Pacific Rice for the past nine years, and have been General Manager for the past two years. I oversee the daily operations of the plant, and coordinate all marketing and sales. This includes arranging transportation for rice from our plant to customers throughout the United States.

California Pacific is a rice mill operation located in Arbuckle, California. We package and market rice for approximately 200 independent growers. In 1994, California Pacific had approximately $50,000,000 in gross sales, which represents 12% of the California crop. We are served by the Southern Pacific at Genevra, California, and ship rice by rail to customers in the food processing industry and to major breweries. In 1994, we shipped approximately 88 carloads from our Arbuckle facility.

California Pacific supports the proposed merger between UP and SP. We feel that the merger will bring many benefits to our industry.

The UP/SP merger will have a significant, positive impact on car supply in our industry. Rice shipments require food-grade covered hoppers for rail transportation. At times, Southern Pacific is unable to supply enough covered hoppers. The combination of UP and SP will increase the available fleet of rail cars from SP's 44,000 to more than 140,000 rail cars in the UP/SP fleet. We expect that the UP/SP system will be able to make more efficient use of the combined fleet through a reduction in transit times, more efficient cycling of the equipment, new backhaul and triangulation opportunities, and a greater ability to relocate equipment to take advantage of seasonal fluctuations in demand.

As our industry grows, we need our transportation carriers to have the financial strength so that they can grow with us. The UP/SP merger will create a financially strong entity that will be able to provide quality rail service in the long term. We know that SP has not had the financial ability to make necessary investments in equipment in the past, which is one of the reasons that we experience shortages in equipment, and delays in shipments. With the merger, we believe that UP/SP will have the financial ability to invest in new equipment, modernize facilities, upgrade track, and make other investments as needed.
Another area of concern that is addressed by the UP/SP merger is the inconsistency in rail transit times that we have experienced on the SP. We feel that California Pacific will benefit from service improvements and new routes that will grow out of the combination of UP and SP. Our rail cars experience congestion and delays at major terminals that will be alleviated by the merger. For example, we ship a large quantity of rice to Golden, Colorado, on the SP route through Ogden and Salt Lake City, Utah. In the Salt Lake City/Ogden area, UP and SP have redundant poorly configured traffic flows that create unnecessary delay for movements by both carriers. Realigning these routes and rationalizing the operation at this congested area will improve transit times and increase reliability of service.

California Pacific also ships large quantities of rice to customers in Ohio, New York and Illinois. In addition to delays at Ogden/Salt Lake City, these shipments are subject to long delays at SP’s crowded Armourdale yard in Kansas City, and delays again at St. Louis or Chicago. The merger offers several improvements in routes and services that should provide faster and more reliable transcontinental shipments. First, UP/SP will be able to recreate the historic SP-UP-CNW Overland Route to Chicago, which can avoid the congestion at Kansas City. Second, in terminal areas where both UP and SP operate, such as Kansas City, St. Louis, and Chicago, efficiencies will be realized by coordinating UP and SP operations and rationalizing the two railroads’ facilities.

California Pacific Rice Mills urges the ICC to approve this merger.

I, Kenneth C. Cox, 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 C. Cox
October 16, 1995

VERIFIED STATEMENT OF:
Mr. Gary Harker, Executive Vice President
California Panel & Veneer Company
14055 Artesia Blvd
P.O. Box 3250
Cerritos CA 90703-3250
PH-310-926-5834

California Panel & Veneer Company is one of the largest veneer dealers in Southern California. We currently use the Southern Pacific as a primary transportation vendor. We purchase veneer and panel products from origins in Oregon and ship them via Southern Pacific to our SP served distribution center in Cerritos, CA.

The Southern Pacific must be able to provide a quality transportation service. Our company must be able to depend on the Southern Pacific. We believe that the combined operations of the Union Pacific and Southern Pacific will provide for numerous benefits:

* improved transit times and overall service reliability
* increased railcar availability
* single lines access to new origins in the Pacific Northwest

California Panel & Veneer Company supports this merger and believes that it will enhance the overall quality of the rail service these transportation companies provide.

Gary R. Harker
Executive Vice President

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

Gary R. Harker
October 25, 1995

VERIFIED STATEMENT

of

GARY R. BRYON

on behalf of

CANRON WESTERN

My name is Gary Bryon. I am the Purchasing Manager for Canron Western. My office is located at 4600 N.E. 138th Avenue, Portland, Oregon, 97230. I have been involved in the purchasing and traffic management area for the past 28 years. I am currently responsible for overseeing all traffic shipments and customs related functions as well as being responsible for the entire purchasing and procurement functions.

Canron Western is engaged in the business of Structural Steel Fabrication. We currently receive product from a BNSP served producer located at Blytheville, Arkansas, at our manufacturing facility in Portland, Oregon served by the UP.

Our company is aware that Union Pacific and Southern Pacific intend to merge. We support such a merger.

We understand that the UP/SP can offer new routes which have significant mileage savings over previous routes. Union Pacific has committed its resources to improving service across the central corridor as well as at various terminals along the route where congestion has been a problem, including Kansas City. They will use various methods to do this, including combining and upgrading facilities, separating faster and slower traffic, and increased use of preblocking. This should help improve transit times on the shipments into our Oregon facility.

We also expect to see benefits in rail car supplies. The combined UP/SP car fleet should be large enough to resolve our recurrent car shortages. We also understand that Union Pacific will make various improvements in service which will reduce transit times and improve car turn-around times. With a larger fleet, and greater utilization, we expect a much improved car supply.

continued.....
October 25, 1995

Another important benefit of this merger will be the creation of a strong western rail carrier able to compete with BNSF and other modes. The combined UP/SP system will have efficient routes and the financial resources necessary to provide that competition. This increased competition for rail business will lead to better service and rates for our shipments.

For these various reasons, our company supports the merger of Union Pacific and Southern Pacific.

Yours very truly
CANRON CONSTRUCTION CORP.
Western Division

G.R. Bryon
Purchasing Manager

GRB:hk

I, Gary Bryon, 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.
VERIFIED STATEMENT
of
Danne M. Greene
on behalf of Cascade Empire Corporation

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

I, Danne M. Greene, Traffic Manager for Cascade Empire Corporation, P.O. Box 2770,
Portland, OR 97208, have held this position for 14 years. My responsibilities include pricing
transportation and routing carloads of lumber and overseeing the traffic department. Cascade
Empire ships in excess of 3300 carloads per year and approximately 4800 truckloads per
year.

Cascade Empire Corporation is a lumber wholesale company with sales between $200-$300
million a year. We purchase lumber from mills located in Canada, the Pacific Northwest,
Southwest, and Southeast United States. We also import lumber from Mexico, Chile, and
Brazil. We ship lumber to every state in the US and also Canada. More specifically, we ship
lumber destined to the LA basin on the UP, SP, ATSF; Salt Lake City on the UP, SP; Denver
on the SP, UP, EN; Phoenix on the SP, ATSF; Dallas on the SP, UP, BN; San Antonio on
the UP, SF; Saint Louis on the BN, SP, UP, NS; Kansas City on the BN, SP, UP, NS;
Memphis on the BN, SP, UP, NS, CSX, IC. We also ship a majority of lumber over the
gateways for furtherance beyond.

Cascade Empire is a service oriented company who values our customers. We pr"de
ourselves in providing the best possible service and rely heavily on the transportation industry
to maintain their quality of service. We believe that the proposed merger would be in our
company's best interests as well as the interests of our mills and customers. We strongly
support the application.

With the merger, shippers and receivers on the SP and UP will enjoy improved service. We
will benefit from single line service between SP Oregon lumber mills to UP destinations in
the Midwest, UP Idaho, Montana, and Washington lumber mills to SP California points.
Shorter routes between LA-Memphis corridor, Seattle-LA corridor and Chicago-Salt Lake City
corridor will also be beneficial.
Service will also be improved where preblocking will be allowed to bypass terminals altogether. This will benefit Cascade Empire in the Oregon area on lumber destined to the Northeast and Southeast. In the past we have had price adjustments from our customers (due to falling lumber markets) where transit time on the SP exceeded 2-4 weeks. In almost all cases our cars were delayed at terminals due to no power and/or yard congestion.

Occasionally, Cascade Empire will not buy from SP served mills for fear orders will not ship promptly due to poor equipment availability or poor transit time. With the merger, better equipment utilization will be realized because cars and locomotive power will move efficiently between Los Angeles and the Pacific Northwest as well as between California and Texas.

Cascade Empire is involved in shipping lumber from El Paso, TX to British Columbia. Currently this traffic moves via ATSF-UP-CPRS. With the BN/ATSF merger we will also be routing via ATSF-BN-CPRS. Our shipper in El Paso also has SP tracks but we have been unable to utilize this alternative routing due to poor equipment availability and slow service. With the merger we will be able to approach the UP/SP for a seamless route, competitive rate and better service. This will be beneficial to all concerned as it will provide a competitive challenge to both railroads serving this origin.

Cascade Empire has rail competition at a number of our major markets to which we ship. As I mentioned above, we have three railroads serving the markets of L.A., Denver, and Dallas. The UP/SP merger will reduce those locations to a two railroad competition. We are not concerned by that, however, because SP cannot by itself, remain a competitive force in the rail industry. We feel that the combination of UP and SP will result in a strong railroad that can compete effectively with the BN/Santa Fe. As a result, the two competing railroad systems will provide stronger competition than exists today where we have three railroads. Where we only have both UP and SP today, we will have continued competition as a result of the UP/SP agreement with BN/Santa Fe which will give us BN/Santa Fe in place of SP. We support this agreement which provides a solution for us and many other shippers like us.

In conclusion, we believe the SP simply cannot maintain long term service and competitive rates by itself. Combining the UP and SP will create a competitor equal to BN/ATSF. Our Company supports the application.

Sincerely,

Danne M. Greene
Traffic Manager
I, Danne M. 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 September 28, 1995

[Signature]
VERIFIED STATEMENT

OF

DAN CASEBIER
ON BEHALF OF
CASCADE PACIFIC INDUSTRIES INC.

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

I AM DAN CASEBIER AND I AM GENERAL MANAGER OF CASCADE PACIFIC INDUSTRIES INC. LOCATED AT JASPER, OREGON. WE ARE A CUSTOM TREATING AND DRYING PLANT FOR LUMBER, PLYWOOD, AND OTHER WOOD PRODUCTS. OUR PLANT IS SERVED BY SOUTHERN PACIFIC LINES.

PLEASE ACCEPT THIS VERIFIED STATEMENT IN SUPPORT OF THE MERGER APPLICATION OF THE SOUTHERN PACIFIC AND UNION PACIFIC RAILROADS. WE NEED A FINANCIALLY HEALTHY RAIL SYSTEM AND FEEL THIS MERGER IS NECESSARY IN ORDER FOR THE SOUTHERN PACIFIC AND UNION PACIFIC TO COMPETE EFFECTIVELY WITH THE RECENTLY MERGED BNSF. IN ADDITION CASCADE PACIFIC INDUSTRIES NEEDS GOOD SERVICE AND AN AMPLE EQUIPMENT SUPPLY TO GET OUR MATERIALS INTO THE PLANT AND TO BE ABLE TO SHIP OUR PRODUCTS TO OUR CUSTOMERS. WE SEE APPROVAL OF THIS MERGER AS COMPLETELY POSITIVE. WE WILL ALSO BENEFIT WITH EXPANDED SINGLE LINE SERVICE VIA MORE EFFICIENT ROUTES TO OREGON, WASHINGTON, COLORADO, UTAH, NEVADA, CALIFORNIA, AND POINTS IN THE UPPER MIDWEST APPROVAL OF THIS MERGER WILL RESULT IN BETTER RAIL COMPLETION WITHIN THE WEST.

I, DAN CASEBIER, 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.

[Signature]

[FORMERLY TREATED DIVISION]
[DRYING AND MILITARY DIVISION]
October 12, 1995

Interstate Commerce Commission
Attr.: Finance Docket 32760
1201 Constitution Ave., NW
Washington, D.C. 20423

SUBJECT: Verified statement of Richard O. Pearsall on behalf of Cascade Pumice Inc.

Richard O. Pearsall is president of Cascade Pumice Inc. located in Paschutes, Oregon (Bend). In 1994, we shipped 156 carloads of pumice to California. We have been in business since 1947.

We strongly support the UP/SP merger. The merger of these two railroads will result in many benefits to our company, including better single line service routes from our plant to our customers in California.

We urge you to support this merger.

I, Richard O. Pearsall, 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.

Signed: 
Date: October 12, 1995
Witness: 
Date: 

VERIFIED STATEMENT
OF LISA M. SHASHEK
ON BEHALF OF
CASSENS TRANSPORT COMPANY

My name is Lisa M. Shashek and I am Assistant Secretary of Cassens Corp., Cassens Transport Company, Kenosha Releasing, Inc., and several other affiliated companies (referred to collectively herein as Cassens) which act as service contractors and/or haulaway carriers at various railroads in the United States. Cassens companies perform loading and unloading of new vehicles utilizing railroad multi-level cars from automotive plants and rail facilities, as well as delivering the vehicles to dealer destinations. We operate loading/unloading facilities in Valley Park/Fenton, MO; Belvidere, IL; and Detroit, MI. We also perform haulaway services from the above three locations, as well as Normal, IL; Aurora/Naperville, IL; Kansas City, MO; Chicago Heights, IL; Lafayette, IN; Marysville, OH; Sterling Heights, MI; Newark, DE; Toledo, OH; Sheffield, OH; Smyrna, TN and Windsor, Ontario, Canada.

We feel the proposed merger contemplated between the Union Pacific Railroad and the Southern Pacific Railroad will lead to improved rail service across the United States and Mexico. The utilization of all types of railcars distributed among the Union Pacific and Southern Pacific will surely increase railcar availability to all automotive manufacturers.

The merger of the two railroads will also increase the utilization of locomotives. Shortage of locomotive power plagues most railroads and with the continued growth of rail traffic, combined locomotive fleets will only add to the efficiencies of the merged company.

Cassens endorses the merger of both the UP and the SP. We honestly believe it will give the customers in the automotive field of which we are associated better service and reduced transit time.
Consolidation of duplicate or unnecessary facilities will only increase the merged companies' position. Competition is good for everyone and we are convinced the merged companies together will be an asset to the commerce in the regions they serve.

VERIFICATION

State of Michigan
County of Wayne

Lisa M. Shashek, being first duly sworn, deposes and states that she has read the foregoing document, knows the facts asserted therein, and the same are true as stated.

Lisa M. Shashek

Subscribed and sworn to before me this 1st day of November, 1995.

JOANNE THOMAS
NOTARY PUBLIC - WAYNE COUNTY, MI
MY COMMISSION EXPIRES 07/25/99

Joanne Thomas, Notary Public

Notary Seal
Collectively the owners of Centennial Gas Liquids have been involved in the marketing and transportation of petroleum products for over 40 years with a strong emphasis on rail traffic.

Centennial Gas Liquids is a privately held company involved in the transportation, storage and marketing of liquid petroleum gases for three years. During 1995 we will ship approximately 4000 car loads throughout the United States, Canada and Mexico with a focus on the Western U.S. A Union Pacific/Southern Pacific merger will greatly affect our business in several ways. We have considered the pros and cons of such a merger and we feel that the benefits outweigh any concerns we might have.

Specifically, we have three areas in which a merger will benefit Centennial Gas Liquids.

1. Movement of product up and down the "I-5" corridor: This is currently a costly multi-line haul. Ideally a single line move will move this traffic move more competitively, increasing the viability of business between Canada and Mexico.

2. Movement of product out of the Wyoming area into southern California and northern Mexico: This is an area of great concern to Centennial Gas Liquids. Again, a single line move should make prices more attractive for both our suppliers and customers, thus opening new markets and increasing traffic from Wyoming gas plants and refineries.

3. Increased accessibility to the petrochemical and refining complexes on the Texas Gulf Coast: Access is currently dominated by the Southern Pacific. The addition of UP origins and destinations will allow this market to gain efficiencies in product supply and distribution. As the hub of U.S. LPG marketing, access to this market is vital to Centennial.

Overall, we feel the combined UP/SP will provide a level of service and versatility required to compete with the newly merged Burlington Northern/Santa Fe Railways. Operating efficiencies such as improved routing and terminal coordination should afford our company further opportunities to enhance equipment utilization and generally increase traffic. We support the merger of the Union Pacific and southern Pacific and welcome the opportunities it will provide.

I, Stephen J. Creamer, 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.

[Signature]
STATE OF Colorado  )
COUNTY OF Denver    ) ss.

Stephen Creamer, 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.

__________________________
Stephen J. Creamer
Name-Typed

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

__________________________
Notary Public

My Commission Expires:

12/1/96
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
Cereal Byproducts Company

Submitted by:

Dale Danner
Division Manager
Cereal Byproducts Company
55 East Euclid
Mt. Prospect, IL

October 21, 1995
Verified Statement
of
Dale Danner
on behalf of
Cereal Byproducts Company

My name is Dale Danner. I am Division Manager of Cereal Byproducts Company, with offices in Mt. Prospect, IL. I have held this position for seven years. I am responsible for the purchase and distribution of our various grain and seed products for our Chicago office.

Cereal Byproducts Company purchases, sells and distributes feed and grain products. We arrange for and generally pay for all our transportation needs. Presently, about 80% of our traffic moves by truck, with the remainder moving by rail.

Our company supports the proposed merger of Union Pacific and Southern Pacific. One particular benefit to us is the ability to obtain single line routes and rates from UP Midwest origins to SP destinations in the West and Southwest. Not only will this expand our effective market access, the improved routes of the merged system will assure better service. This merger is a positive development in our ongoing effort to transport a greater proportion of our traffic by rail.

Part of my job responsibility involves contact with the railroads to assure timely shipment of our products and maintain competitive information on rates and service. Our company relies on expedient and dependable rail service. I know the Union Pacific and I know that they are committed to meeting their customer's needs by providing competitive prices and excellent service. Therefore, I strongly support the UP/SP merger and urge the Commission to approve the application. I believe that this is in the best interest of the shipping public and will assure that competitive rail service remains available throughout the West.

I, Dale Danner, 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 31 day of October, 1995.

Dale Danner
My name is Stanley E. (Stan) Davis. I am Director of Purchasing and Traffic for Chemical Products Corporation in Cartersville, Georgia and, Chemical Products Corporation de Mexico at Reynosa, Mexico. I am responsible for all inbound and outbound movements both International and Domestic. I have been in this capacity with Chemical Products Corporation since December 1983, and prior to that, I was Asst. Director from 1966-1983.

Chemical Products Corporation is the only US producer of Strontium and Barium Carbonates. Strontium and Barium Carbonate are both used in the production of television picture tubes to prevent x-ray emission. We have two production facilities. One facility is in Cartersville, Georgia and the other is in Reynosa, Mexico.

Our plant in Cartersville, is served by the CSXT Railroad and our plant in Reynosa, Mexico is served by the UP (MP) and SP railroads via Brownsville, Texas. I am, therefore, going to concentrate this statement toward our Mexican facility rather our Cartersville facility.

From Brownsville, our movements of Strontium Carbonate by rail go to Pennsylvania via the Union Pacific and Conrail Railroads. Also, we have boxcar movements of Strontium Carbonate from Brownsville, Texas to Domineuez, California via The Southern Pacific for export. Our volume for these areas total approximately 120 covered hopper cars per year to Pennsylvania and 400 boxcars per year to Domineuez, California.

As currently presented, we strongly support the proposed merger between the Union Pacific and Southern Pacific Railroads. We have had serious service problems with the Southern Pacific moving covered hopper cars of Strontium Carbonate from Brownsville, Texas to Lemont, Pennsylvania. We were forced to change to the Union Pacific railroad to make sure cars were weighed enroute and cars were delivered to the consignee in a timely manner.

We feel that the Southern Pacific Railroad's long-term survival could be in question because, in our opinion, until recently, income had not been re-invested sufficiently for repairs and equipment. This has been very evident to us as we experienced service problems over the past several years. We do not feel that even though the Southern Pacific has made great strides with Mr. Davis as the C.E.O., they will be able to operate efficiently and bear the cost burden created by lack of upkeep and growth in the past.
The merger of the Burlington Northern and the Sante Fe created a very large and possibly lethal competitor for both the Southern Pacific and the Union Pacific. Separately, they could both become ineffective in comparison at many locations.

At Brownsville, the Southern Pacific has switching rights on the Union Pacific (MP) Lines from Houston, Texas and can operate from Laredo via interchange with the Tex-Mex Railroad. This competitive environment is an absolute necessity for us.

We give our full support to the merger under the condition that, as suggested in the settlement agreement between UP/SP and BNSF, the Burlington Northern Santa Fe has the same switching rights into and out of Brownsville, Texas and Laredo, Texas as the Southern Pacific has today. Even though Brownsville is our primary shipping and receiving point, Laredo interchange is critical because of the possibilities of embargo's and circumstances that could close Brownsville for regular switching. If that happened, we could use Laredo to keep our plant operating.

I, Stanley E. 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 on October 20, 1995.

Director of Purchasing/Traffic