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VERIFIED STATEMENT  
OF  
JAMES R. WINKLER  
ON BEHALF OF  
CHEMTECH PRODUCTS, INC.  
REGARDING  
FINANCE DOCKET 32760

My name is James R. Winkler. I am Director of Traffic and Transportation for Chemtech Products, Inc. with offices at 1633 Des Peres Rd., Suite 210, St. Louis, MO 63131. I have been employed by Chemtech Products, Inc. and its predecessor company, Chemtech Industries, Inc. since November of 1975; and I have held my current position since May of 1993. It is my responsibility to evaluate all of Chemtech's transportation requirements, and to select the best alternative to fill those needs. My professional qualifications include 34 years of industrial transportation management; and I am a licensed ICC Practitioner.

Chemtech Products, Inc. is a manufacturer of industrial chemicals and acids and has two production plants located in E. St. Louis, IL. We are also a user and distributor of chemicals and acids produced for us by manufacturers located in Florida, New Jersey, New York, North Carolina, Wyoming and Mexico. Currently, we use the Union Pacific Railroad on movements from Brownsville, TX. to Phoenix, AZ., E. St. Louis, IL. and Niagara Falls, NY. In addition, we use their services on movements from E. St. Louis, IL. to Warm Springs, CA., and on purchased products shipped to E. St. Louis, IL. from several Wyoming origins. Insofar as our utilization of the Southern Pacific Railroad is concerned, our current movements involve shipments from E. St. Louis, IL. to Newark, CA. and purchased products moving to E. St. Louis, IL. from several Wyoming origins. Chemtech's annual rail transportation expense is approximately \$1,000,000.

It is our understanding that the Union Pacific and Southern Pacific Railroads plan to file an application seeking regulatory authority to merge. Chemtech strongly supports this action and views it as a positive step which will insure the long term viability of rail service in the geographic area served by these two carriers. We feel that a merger of these two carriers will: (a) improve service to customers now served by the Southern Pacific; (b) create predictable and acceptable transit times when Southern Pacific lines are involved in the route (a condition which does not currently exist); (c) stabilize and improve the railroads operating costs, and (d) create lower shipping costs by virtue of productivity gains realized by the merged carriers.

Chemtech Products Inc. feels that a merger of the Union Pacific and Southern Pacific Railroads will help us to remain competitive and effectively serve our customers. We therefore urge its approval at the earliest possible date.

By: James R. Winkler  
Title: Director of Traffic & Transp  
Date: September 5, 1995

VERIFICATION

STATE OF Missouri )  
 ) ss.  
COUNTY OF St. Louis )

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

James R. Winkler  
James R. Winkler

Subscribed and sworn to before me this 5th day of September, 1995.

Vicki D. Bracey  
Notary Public

My commission expires:

10-31-95

**VICKI D. BRACEY**  
Notary Public-State of Missouri  
St. Louis County  
My Commission Expires 10/31/95



# CHICAGO-SUBURBAN LUMBER SALES, INC.

Wholesale Distributors of Quality REDWOOD Products

7459 WEST FRANKLIN STREET • FOREST PARK, ILLINOIS 60130 ☐ 771-8181 AREA 312

My name is Joseph Romano. I am President of Chicago Suburban Lumber Sales, Inc., 7459 Franklin Street, Forest Park, Illinois.

We are a small family owned business and are very dependent on Union Pacific to transport our lumber and keep us competitive. We have been in business in Forest Park for more than forty-five years and are located on a former CNW siding.

We support the merger of Union Pacific and Southern Pacific. Over the years, many carloads of lumber have been shipped to us through the UP to the CNW and now, UP direct. The proposed merger of UP and SP will provide us new single line access to SP served lumber origins in Oregon and Northern California. In addition, the improved routes of the merged system will give us the benefit of reduced transit time and more efficient carload and intermodal service.

I urge approval of the merger because I believe that it will be in the best interests of the shipping public.

I, Joseph Romano, declare under penalty 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 28th day of October, 1995.

  
Joseph Romano



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  
Chief Ethanol Fuels, Inc.

Submitted by:

Duane Kristensen  
Marketing Manager-Distiller  
Dried Grains  
Chief Ethanol Fuels, Inc.  
4225 East South St.  
Hastings, NE

October 21, 1995



**VERIFIED STATEMENT  
FINANCE DOCKET NO. 32760**

We, as representatives of Chief Ethanol Fuels, Inc., wish to convey our corporate and personal opinions on the proposed merger of the UP and SP railroads. We are located at Hastings, Nebraska and have access to the BN and UP railroads, which we use both extensively.

Chief Ethanol Fuels, Inc., is a 30 million gallon fuel ethanol facility. We convert approximately 12 million bushels of corn and grain sorghum into an environmentally friendly automotive fuel source.

Chief Ethanol Fuels, Inc., transports this fuel into many ethanol deficient areas of the United States. The Pacific Northwest and California are just a couple of areas that we are presently shipping to.

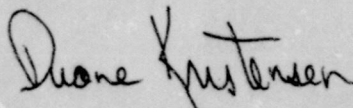
The by-product of our facility is distillers dried grains (DDGS). This product is shipped into protein feed deficient areas like Arizona, California, and the inter-mountain regions. Chief currently is shipping approximately 100 rail hopper cars of DDGS and 50 rail tank cars of ethanol per month.

We are very concerned with the continuation of maintaining two strong and healthy railroads at our facility. We believe that the proposed merger of the UP-SP will support that.

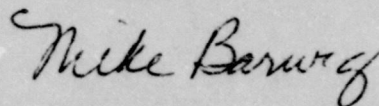
Also, the merger will provide shorter single line routes to our California destination, as well as single line service to SP served destination in Arizona and California.

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

Sincerely,



Duane Kristensen  
Marketing Manager-  
Distillers Dried Grains



Mike Barwig  
Marketing Manager-Ethanol

We, Duane Kristensen Mike Barwig, declare under penalty of perjury that the foregoing is true and correct. Further we certify that we are qualified and authorized to file this verified statement. Executed on September 29, 1995.

VERIFIED STATEMENT  
of  
**CARY K. BRADFORD**  
on behalf of  
**THE CHINET COMPANY**

My name is Cary K. Bradford. I am the Manager of Logistics of the Foodservice Business Unit for The Chinet Company. My company's address is 242 College Avenue, P. O. Box 1016, Waterville, Maine 04903. I have been employed by The Chinet Company for over 30 years working in various positions within the operations, customer service and logistics areas. I am currently responsible for overseeing the customer service, production planning and scheduling, and traffic departments.

The Chinet Company manufactures and markets molded wood pulp foodservice and packaging products, as well as Chinet® brand, Strongholder® trays and various other products. Our company has plants in Waterville, Maine, Hammond, Indiana, Wenatchee, Washington and Albertville, Alabama. We have commercial warehouses in Los Angeles and Sacramento, California. A large volume of our products is produced in Mexico and shipped through Eagle Pass to Los Angeles and Sacramento, California. We also ship waste paper from Arkansas and Texas to Sacramento, California.

We want to express our support for the proposed merger between Union Pacific and Southern Pacific Railroads. The proposed merger will result in significant benefits for our company.

Single line service would be available for many more of our shipments, resulting in less handling and reduced transit times. Single line service also reduces the complications involved in freight damage claims because carrier responsibility is very clear.

The combination of the UP /SP systems will also result in service improvements. The combined UP / SP will have an improved route through the central corridor. Further, because we import from various destinations in Mexico, we can benefit from having new and improved access to all of the major Mexican gateways. The fact that this service is by a single carrier should help to decrease the time necessary for border crossings and should allow faster transit times. Upgrades that UP can fund for Southern Pacific's El Paso to West Colton line would also benefit our movements from Mexico to California. We anticipate more reliable service and reduced transit times for our shipments over that line.

Another benefit of the merger will be our ability to take greater advantage of Union Pacific's superior car tracking system. It is important for our company to know when our cars will be delivered in order that we



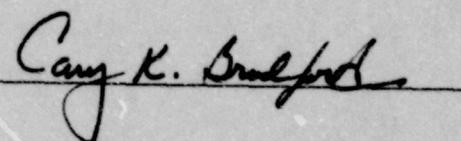
Page 2.

may schedule our operations more efficiently. With UP's sophisticated, user friendly system, we can check on the progress of our shipments more easily and with greater confidence.

For all of these reasons, we support the merger of Union Pacific and Southern Pacific railroads.

I, Cary K. Bradford, declare under penalty 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 31, 1995

Cary K. Bradford 



October 6, 1995

VERIFIED STATEMENT

OF

JUDY NEWMAN

on behalf of

CIMARRON GAS COMPANIES

I, Judy Newman, Distribution Coordinator for Cimarron Gas Companies, have held this position for five and one-half years. My main responsibilities have been to position my cars into the loading facilities and to following them to the facilities in which they are being unloaded, also the invoicing and payables pertaining to the product and transportation charges.

Cimarron Gas Companies is a marketing company for liquefied petroleum gas in the mid-continent area, moving the product by truck and tank car. As a shipper in this area, we depend upon the SP for service from Kansas to Texas. We believe that the proposed merger would be in our company's best interests as well as the interests of other shippers. This would benefit my customers by better, on-time service, and better utilization of equipment and crew. By combining strengths of both the UP and SP, this would result in improved service for both shippers and receivers.

The UP/SP will be able to reposition both cars and locomotives more efficiently. Cars and locomotive power will move better between the Pacific Northwest, California, and Texas. The difference in peak seasons for the two railroads plus effective use of triangulation and backhaul moves will improve equipment supply for shippers. As a result of this, railroad-owned equipment supply will improve, and shippers using private equipment should enjoy savings on fleet size requirements.

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

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

*Judy Newman*



# **CCW Cincinnati Commercial Warehouse**

*We will, at all times, deliver products and services that conform to our customers' requirements.*

**Subject: Merger of Union Pacific and Southern Pacific**

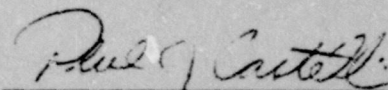
My name is Phillip J. Castellini, General Manager of Cincinnati Commercial Warehouse, Headquarters in Cincinnati, Ohio. We are a warehouse company that receives food products and perishables from California for local distribution and storage.

My company supports the proposed merger of Union Pacific for our western rail moves. We appreciate the professional treatment we receive from their Customer Service Department. They have been competitive on rates and have provided excellent service. I can rely on their schedules. As can be appreciated, this is important to a company that only provides warehouse services.

We view the proposed merger as an opportunity to extend UP's excellent service to California points now served exclusively by SP. We believe that the merged system would incorporate the strengths of both railroads. The result of the merger should be more timely and consistent service, and more competitive rates. These improvements would allow us to increase our effective source territory and make us more competitive.

We ask the ICC to approve this merger.

I, Phillip J. Castellini, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorize to file this verified statement. Executed this seventh day of November, 1995.



Phillip J. Castellini



INC.  
BOX 110  
Albion, NE 68620  
(402) 395-5051

Crop  
Care  
Specialists

OFFICES IN:  
Bassett (402) 684-2311  
Bartlett (308) 654-3265  
Chambers (402) 482-5211  
St Edward (402) 678-2242

VERIFIED STATEMENT  
of  
DAN MEYSENBURG  
on behalf of  
COASH, INC.

My name is Dan Meysenburg. I am the area manager for Coash, Inc. My office address is Box 110, Albion, NE 68620.

Coash, Inc. is an independent fertilizer and agricultural chemical dealership with eight UP-served locations located in Nebraska. We use our Albion plant to offload product and deliver it to our plants.

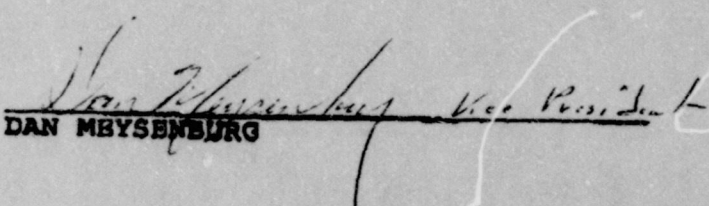
I am aware that Union Pacific and Southern Pacific have requested authority to merge, and my company supports such a merger.

We are excited about the possibility of expanding into new markets as a result of this merger. We will now have available new single line service across SP routes into substantial new agricultural markets in both California and Arizona. Single line service results in simplified logistics, faster transit times, more reliable service, and greater carrier accountability. Thus, we see the proposed UP-SP merger as creating a significant opportunity for us to expand our business.

We look forward to the new opportunities that will be made available to us through the proposed merger. We ask that the Commission promptly grant authority for the creation of a merged Union Pacific and Southern Pacific railroad system.

I, Dan Meysenburg, declare under penalty 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 11-9-42.

  
DAN MEYSENBURG



Coffey & Camp Lumber

21 South Second  
Dexter, MO 63841  
314-624-5908

RE: Merger of Southern Pacific Rail Corp. with Union Pacific Corp.

My name is Richard Hodder and I am part owner of Coffey and Camp Lumber, 21 South Second, Dexter, MO 63841. Coffey and Camp has been in business for 50 years.

Two years ago the hardware and retail sales of the company were sold to Riddle and Son, except for the labor of loading green woods and pallett material to be shipped to various parts of the country, mainly California.

I have always maintained a good relationship with the local railway system, known to us as the Cotton Belt. Until changes were made three years ago I had no problems receiving box cars, and feel the downsizing of the Illmo, Scott City Missouri local was indeed the beginning of frustration for me and my customers.

Many small companies rely on our dock to deliver the materials they truck in on a timley basis, but due to lack of communication on the S.P.'s part, we have not been able to get box cars on time, the right size, or in good enough condition to ship in. We have been asked to place orders for cars two weeks prior to needing them and still do not get a car on time. We have to beg alot.

I believe in the proposed merger and feel strongly that it will come to nothing but good. Therefore I support it wholeheartly and urge the Commission to approve the merger.

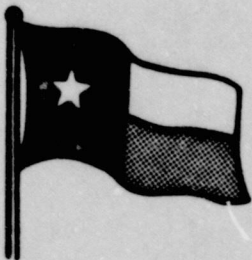
I, Richard Hodder, declare under penalty of perjury, that the forgoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.

Executed on this date, October 12, 1995

Sincerely Yours,

*Richard D. Hodder*

Richard D. Hodder



## COLORADO MATERIALS COMPANY, INC.

October 6, 1995

Verified Statement of  
Donald M. Snider  
on behalf of  
Colorado Materials Company  
P.O. Box 2109  
San Marcos, TX 78667

RE: Finance Docket #32760 Union Pacific Railroad/Southern  
Pacific Railroad Merger.

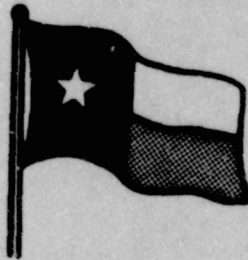
Colorado Materials Company is a limestone quarry and asphaltic concrete producer located between Austin and San Antonio, Texas. Our company has been in operation for more than twelve years. We are a wholly owned subsidiary of Hunter Industries, Inc., which has been in business for more than twenty-two years. Hunter Industries is a heavy/highway and earth moving company which employs approximately four hundred persons.

I joined the company in 1984 as the sales manager. Part of my daily duties is assuring our customers material needs are met in a timely and accurate manner, both truck and rail. Our annual production is in excess of four million tons, of which approximately twenty percent is shipped via the Union Pacific Railroad. I am pleased to state that Colorado Materials Company is very excited about the proposed merger and wholeheartedly supports the application.

As a single line user on the Union Pacific, our marketing area is widespread. We see the increased opportunities offered by the merger as tremendous. There are new markets in which to compete and others which, with the merger, presents to us the chance to be even more competitive than we currently are. Countless times in the past we have missed opportunities because we were too far to access via rail or because our railroad was not in the "market", losing out instead to a producer on a competing line or to truck markets.

To us it is apparent the merger would provide improvements in equipment utilization, routing of traffic, timeliness of the shipment, all of which is so important in our business. For instance, a movement to Bay City, Texas is currently routed through west Houston. It should be possible to route this via, the Southern Pacific, into Victoria, Texas then onto Bay City.





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## COLORADO MATERIALS COMPANY, INC.

The route is shorter, the congestion in Houston is avoided, perhaps alleviated, the equipment turnaround is faster, our customer is pleased with the service provided, thus everyone involved has benefited.

So much of Eastern Texas is served by the Burlington Northern/Santa Fe and Southern Pacific railroads. With the additional suppliers from the Union Pacific now gaining access, the competition should be intense.

The construction and highway industries in Texas is very healthy. With such an increase in competition that this merger would create, I cannot help but assume that the end result is more dollars saved (created) for more business in the future. For all of these reasons, Colorado Materials Company heartedly endorses this application.

Sincerely,

A handwritten signature in cursive script, appearing to read "Donald M. Snider".

Donald M. Snider  
Sales Manager

cau

VERIFICATION

STATE OF Texas )  
 ) ss.  
 COUNTY OF Comal )

Arnold Schneider, 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.

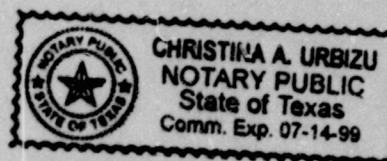
Christina A. Urbizu  
 Name-Typed

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

Christina A. Urbizu  
 Notary Public

My Commission Expires:

7-14-99





VERIFIED STATEMENT

OF

DAVID R. WILLIAMS  
ON BEHALF OF  
COMMERCIAL DISTRIBUTION CENTER  
16500 EAST TRUMAN ROAD  
INDEPENDENCE MO. 64050  
PHONE: 816-836-1500  
FAX: 816-836-0643

NAME: DAVID R. WILLIAMS  
TITLE: TRAFFIC MANAGER

I HAVE WORKED FOR C.D.C FOR ALMOST NINE YEARS. I STARTED OUT AS AN INVENTORY CLERK, THEN TO DOCK AND RAIL SUPERVISOR. I WAS PROMOTED TO TRAFFIC IN 1993 AND BECAME TRAFFIC MANGER IN 1994. BEFORE C.D.C I WORKED FOR THE MOPAC, UP RAILROAD FROM 1974 TO 1986.

COMMERCIAL DISTRIBUTION CENTER (C.D.C) IS A FULL DISTRIBUTION WAREHOUSE. WE DISTRIBUTE FOR VARIOUS CUSTOMERS, FRESH, DRY, FROZEN AND CHILLED COMMODITIES. WE ARRANGE FOR TRANSPORTATION, TRUCK, RAIL, INTERMODAL, ETC. MOST OF BUSINESS DERIVES FROM FROZEN FOODS. VEGETABLES, TOMATO PASTE, BUTTER, SEAFOOD, MEAT, ETC. WE HAVE 70 TRUCK WELLS AND 20 RAIL SPOTS TO WORK WITH IN OUR FACILITY.

WE RECEIVE PRODUCTS FROM THE EAST AND WEST COASTS. FROM TEXAS AND MEXICO. ALL INBOUND FREIGHT IS PREARRANGED THROUGH OUR CUSTOMERS. OUTBOUND IS ARRANGED EITHER THROUGH CUSTOMERS OR THROUGH C.D.C. TRAFFIC DEPARTMENT. WE USE MAINLY TRUCKLOAD BUT DO USE RAIL PART OF THE TIME. WE SHIP TO ALL 48 STATES, CANADA AND MEXICO. AN AVERAGE YEAR WE WILL RECEIVE AND SHIP FROM 100 CARS TO 500 CARS.

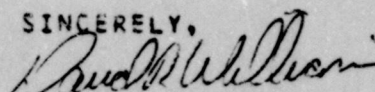
WE UNDERSTAND THAT UNION PACIFIC AND SOUTHERN PACIFIC ARE REQUESTING AUTHORITY TO MERGE. WE STRONGLY SUPPORT THIS AS A MEANS OF IMPROVING SERVICE AND STRENGTHENING COMPETITION.

HOPEFULLY THIS MERGER WILL ENHANCE MORE EFFICIENT ROUTES AND AND GREATER COMPETITION BETWEEN THE MAJOR RAILROADS. ALSO WE HOPE THIS WILL ENHANCE THE SERVICES NOW PROVIDED AND ALSO CREATE A WIDER VARIETY OF SERVICES.

WITH THE UP AND SP MERGER HOPEFULLY TRANSIT TIMES WILL BE CUT DOWN BY DAYS NOT HOURS. AS OF NOW CARS COMING IN FROM THE WEST COAST ROUTED SP TAKE FROM 10 TO 14 DAYS TO ARRIVE AT MY FACILITY. WITH THIS MERGER IT COULD BE CUT DOWN TO 7 DAYS I BELIEVE. THAT WOULD UTILIZE MORE BENEFITS FOR OUR CUSTOMERS PLUS FREEING UP MORE EQUIPMENT FOR FURTHER USE.

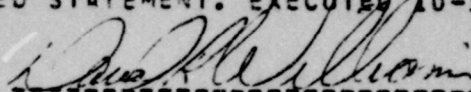
I BELIEVE THIS MERGER BETWEEN THE UP AND THE SP WOULD BE A GREAT BENEFIT FOR THIS COUNTRY. NOT ONLY WILL IT CREATE A STRONGER COMBINATION FOR BOTH RAILROADS IT WILL CREATE A MORE COMPETITIVE MARKET FOR ALL SHIPPERS WHO NOW UTILIZE THE SERVICES OF THE RAILROADS. COMPETITION IS WHAT BUILT THIS COUNTRY AND MADE IT STRONG. WITH THE COMBINATION OF THE UP AND SP IT WOULD CREATE A COMPANY WHO WOULD BE ABLE TO COMPETE WITH A RAILROAD THE SIZE OF BN/ATSF.

SINCERELY,



DAVID R. WILLIAMS  
TRAFFIC MANAGER

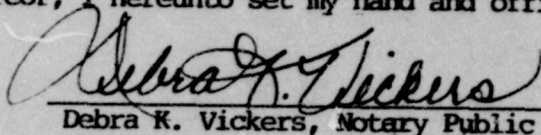
I, DAVID R. WILLIAMS DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT. FURTHER I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT. EXECUTED 10-12-95.



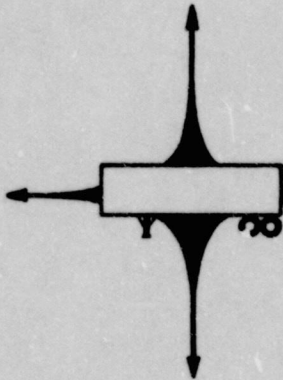
SIGNATURE

State of Missouri, County of Jackson, ss.

On this the 12th day of October, 1995, before me, the undersigned officer, personally appeared David R. Williams, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

  
Debra K. Vickers, Notary Public





# COMPASS CONSOLIDATORS INC.

47 Stephen Street  
Lemont, IL 60439  
Phone: (708) 243-0200  
Operations fax: (708) 243-0250  
Accounting fax: (708) 243-0266

October 10, 1995

## View on the Proposed UP/SP Rail Merger

Jim Valentine  
Compass Consolidators Inc.  
Cincinnati, OH.

In view of the proposed merger of the UP/SP railroads, we here at Compass Consolidators in Cincinnati Ohio, offer our support for a merger which should increase competition among the various railroads and provide an increased level of performance with regard to reliable, on time deliveries.

Our office performs several hundred time sensitive moves on a yearly basis. Because of past performance failures, use of the SP was not an option because of equipment availability, on time performance and customer service. A merger would bring these requirements for time sensitive shipments up to an acceptable level.

Competition should also be increased in several lanes due to the creation of a price/service competitive alternative to the BN/ATSF merger.

This will create a winning situation for shippers, IMC's and railroads. Shippers will be more satisfied with the service. IMC's should see an increase in shipments which translates into more traffic for the railroad industry.

Sincerely,

Jim Valentine  
Regional Manager  
Compass Consolidators Inc.  
Cincinnati, Ohio

VERIFICATION

State of Illinois

ss.

Courty of Cook

Subscribed and sworn befor me this

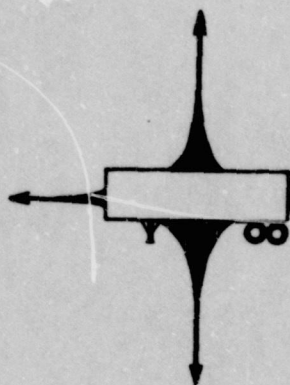
10<sup>th</sup> day of OCTOBER, 1995

John Tralewski  
Notary Public

My commission Expires:







# COMPASS CONSOLIDATORS INC.

4519 Cascade Road S.E.  
Grand Rapids, Michigan 49546  
(616) 942-9879  
FAX (616) 942-8646

October 6, 1995

## STATEMENT OF SUPPORT

From Rick Baker  
Compass Consolidators Inc.  
Grand Rapids, Michigan

RE: UP/SP application Finance Docket Number 32760

I am the Sales Manager of the Grand Rapids, Michigan office. I have a good working relationship with the Union Pacific Railroad. I understand that the Union Pacific and Southern Pacific have petitioned for authority to merge. I strongly support this merger. I am confident that this will lead to improved service, and better customer service on all of the rail lanes. The proposed merger is in this office's best interest, and I want to go on record as supporting it.

Supporting reasons for my position include:

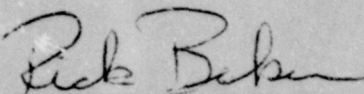
Improved intermodal service. On the SP I have experienced many miss loadings of trailers on to flat cars, incorrect cities, assigned to trailers. Trailers that were not loaded, or unloaded and sat at the ramp for many days. Trailers that were loaded but were not moved for 3-11 days. These situations, and many others have had a negative effect on my image of the SP railroad.

Customer service. I have had many positive and professional business contacts and conversations regarding equipment status and basic information. The UP has always satisfactorily been able to provide the necessary information to allow me to assist my customer. Through written, verbal, and electronic means I have received the answers I needed to my or my customers questions or changes.

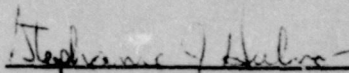
Management, I am confident that the UP will provide the skills and strengths it possess to assist and redefine the SP's dysfunctional management and operating system.

Let me restate my strong belief that the UP and the SP merger will benefit me, my customers, and the Country.

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



Rick Baker



Witness



**COMPASS CONSOLIDATORS, INC.**  
**2957 SOUTH 51ST STREET**  
**MILWAUKEE, WI 53219**  
**PHONE: (414) 543-4466 FAX: (414) 543-5497**

**VERIFIED STATEMENT**  
**of**  
**DALE K. TANBERG**  
**ON BEHALF OF**  
**COMPASS CONSOLIDATORS, INC.**

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

My name is Dale K. Tanberg. I am the manager of the Milwaukee branch of Compass Consolidators, Inc. I am responsible for rates and routings for Compass's Milwaukee branch. I have been with Compass for four years, and I have worked in the transportation industry since 1978.

Compass is a freight consolidator with headquarters in Lemont, IL. The primary business of the Milwaukee branch involves international container shipments (approximately 1000 units per year), which move through Wisconsin to the West and East coasts and the Southeast. We use both Union Pacific and Burlington Northern/Santa Fe.

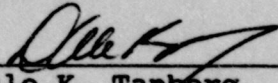
We strongly support the proposed merger of Union Pacific and Southern Pacific. It has been our experience that Southern Pacific has serious rail transit and customer service problems. Indeed, our service problems were so severe that we no longer ship with Southern Pacific. In contrast, Union Pacific has always been a reliable and customer-oriented company. The merger should greatly improve the quality and reliability of intermodal service on Southern Pacific traffic lanes.

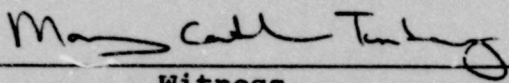
Service to our destinations should be more consistent following the merger. We will benefit from routing improvements which will allow Union Pacific-Southern Pacific to offer more reliable third-day service between Los Angeles and Chicago. The existence of alternate routes and increased ability to create run-through trains will help minimize traffic congestion. The merger should also provide greater assurance of equipment availability. By efficient use and repositioning of their combined equipment fleets, the Union Pacific and Southern Pacific should be able to assure their customers of greater availability of railcars and locomotive power.

In addition, the merger should increase the competitiveness of the intermodal business by creating a stronger competitive alternative to Burlington Northern-Santa Fe's intermodal service.

I urge you to approve the proposed merger of the Union Pacific and Southern Pacific.

I, Dale K. Tanberg, declare under penalty 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.

  
\_\_\_\_\_  
Dale K. Tanberg

  
\_\_\_\_\_  
Witness





MANUFACTURERS OF WEST COAST HEM-FIR LUMBER  
PHONE (503) 746-1601 FAX (503) 746-7292

Plant Location: GOSHEN, OREGON

MAILING ADDRESS: P.O. BOX 70128, EUGENE, OREGON 97401-0128

October 9, 1995

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

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

Dear Mr. Williams:

My name is R. B. Cone. I am President of Cone Lumber Company, a lumber manufacturing company. My address is P. O. Box 70128, Eugene, Oregon 97401. I have been in the lumber business for twenty-four years. I have held the positions of Forester, Planer Foreman, Sawmill Superintendent, Sales Manager and now, President. I am intimately familiar with the transportation needs of our company.

Our plant site is Goshen, Oregon. We ship our product throughout the West Coast region (I-5 Corridor) and into the Midwest. Our I-5 traffic primarily moves by truck today. We also export products, moving them by truck to dock for container export shipment. Our traffic destined to the Midwest moves by rail. In 1994 we shipped 39 cars of lumber by rail, a substantial portion of which was shipped via reload on the BN. In the same year we shipped 688 trucks.

We support the proposed merger of UP and SP. The enhanced efficiency of the merged system and the addition of UP's financial strength and service quality to the SP route system will benefit us. Reduced transit time, dependable and reliable schedules, the elimination of congestion, better equipment, utilization and integrated operations should reduce costs and result in a more competitive rate and service structure in the I-5 corridor. With these improvements rail becomes a more attractive choice for our transportation needs. The expanded single line market access throughout the Midwest should allow us to penetrate new markets.

Although the settlement between UPSP and BNSF does not directly affect us, the enhanced competitive environment in the I-5 corridor will benefit all shippers in the region. The presence of two strong rail competitors

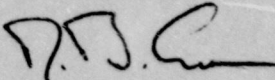
throughout the corridor will result in a vigorous competitive environment in which we can choose from many transportation options. We fully support the settlement.

It seems clear that SP's survival is in jeopardy with the dominance of the newly merged BNSF. The merger of UP and SP not only assures this survival, it assures a long term, strong competitive environment in rail transportation in the West.

We urge the Commission to grant approval for the proposed merger.

Sincerely,

CONE LUMBER COMPANY

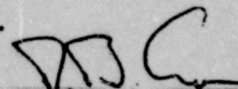


R. B. Cone  
President

RBC:cb

I, R.B. Cone, declare under penalty 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.

  
R. B. Cone



**CW<sup>T</sup> CON-WAY TRUCKLOAD SERVICES**  
Con-Way Transportation Services, Inc.

J. RONALD LINKOUS  
President and Chief Executive Officer

October 24, 1995

The Honorable Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
12th and Constitution Avenues  
Room 2215  
Washington, DC 20423

ENTERED  
Office of the Secretary

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Public Record

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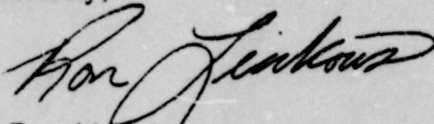
Dear Mr. Secretary:

On behalf of Consolidated Freightways, Inc. family of companies, for whom we purchase annually nearly \$180 million of container stack train and rail piggyback linehaul services as their intermodal operations provider, let me express our support for review and approval without delay of the significant rail merger and acquisition now before you and your colleagues on the Commission.

Con-Way Truckload Services is an asset-based, multi-modal truckload services provider and intermodal marketing company. We are a major customer of Class 1 rail carriers, including the Atchison, Topeka and Santa Fe, Burlington Northern and Union Pacific.

The current merger proposal before the Commission, specifically the UP/SP proposal, deserves timely review and expeditious approval. We are in favor of the merger because we believe it will create more efficient and service-sensitive national rail services. Delay of these market-driven business activities creates uncertainty among the rail shipping public and can result in unacceptable service deterioration to the detriment of rail customers and the consumer public. We ask that the Commission employ every resource to expedite the approval process.

Sincerely,



J. Ronald Linkous  
President & CEO

cc: Bob Robertson, CTS  
Jim Shattuck, Union Pacific  
Jerry Davis, Southern Pacific  
Norm Kirsch, Southern Pacific

JRL/dlf



CONSOLIDATED THERMOPLASTICS COMPANY

BLDG. M9 • P.O. BOX 1527 • FREEPORT CENTER • CLEARFIELD, UT 84016 • OFFICE 801-776-7900 • FAX 801-776-7914

OCTOBER 17, 1995

**VERIFIED STATEMENT  
OF  
JEFFREY W. WHEELER  
on behalf of  
CONSOLIDATED THERMOPLASTICS COMPANY  
CLEARFIELD UTAH PLANT**

**IN REFERENCE TO 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 AT.**

MY NAME IS JEFF WHEELER. MY TITLE IS WAREHOUSE AND PACKAGING  
FACILITATOR FOR CONSOLIDATED THERMOPLASTICS COMPANY (CT FILM). OUR  
ADDRESS IS BUILDING M-9 OF THE FREEPORT BUSINESS CENTER IN CLEARFIELD  
UTAH.

I HAVE WORKED FOR CT FILM FOR 18 YEARS IN THREE DIFFERENT  
MANUFACTURING PLANTS. IN MY CURRENT POSITION THAT I HAVE HELD FOR  
13 YEARS, I AM RESPONSIBLE FOR INBOUND RAW MATERIALS AND  
DISTRIBUTION OF OUR FINISHED PRODUCT. I HAVE WOKKED WITH UP, SP, AND  
SANTA FE RAILROADS.

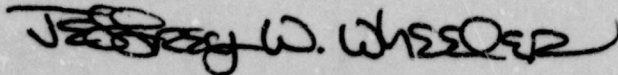
CT FILM IS A MANUFACTURER OF POLYETHYLENE FILM USED IN FOOD,  
MEDICAL, AND PERSONAL CARE PRODUCTS. OUR PLANTS ARE IN UTAH,  
WISCONSIN, DELAWARE, GEORGIA, AND ENGLAND. WE DISTRIBUTE OUR  
PRODUCTS BOTH DOMESTICALLY AND INTERNATIONALLY.



REXENE, OUR PARENT COMPANY, IS OUR MAJOR SUPPLIER OF RAW MATERIALS. THEY ARE IN ODESSA, TEXAS, AND ROUTE OUR SHIPMENTS MP/KC/UP. ANOTHER SUPPLIER IS DOW CHEMICAL WITH PLANTS IN LOUISIANA, AND ALBERTA CANADA.

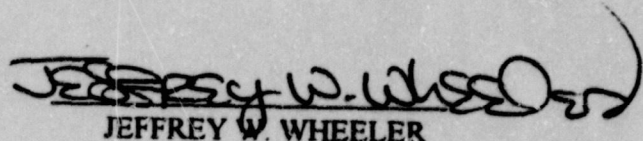
OUR FACILITY IS IN FULL SUPPORT OF THE PROPOSED MERGER. CT FILM SHOULD BENEFIT FROM THE COMBINED USE OF UP AND SP TRACK THAT WILL PROVIDE MORE DIRECT ROUTES FOR OUR RAW MATERIALS SUPPLIERS IN TEXAS AND LOUISIANA, AND REDUCE CONGESTION AT THE OGDEN YARD.

THE RECENT AGREEMENT BETWEEN UP, SP, AND BN / SANTA FE ENSURES THAT CLEARFIELD WILL CONTINUE TO HAVE ACCESS TO SERVICE BY TWO RAILROADS, AND THE MERGER WILL PROVIDE STRONGER COMPETITION FOR OUR SERVICE.



JEFFREY W. WHEELER  
WAREHOUSE AND PACKAGING FACILITATOR  
CONSOLIDATED THERMOPLASTICS COMPANY  
CLEARFIELD, UTAH

I, JEFFREY W. WHEELER, DECLARE UNDER PENALTY 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.



JEFFREY W. WHEELER

# CONTINENTAL LIME INC.



VERIFIED STATEMENT  
OF  
ROBERT D. BARKER  
ON BEHALF OF  
CONTINENTAL LIME INC.

I have been employed by Continental Lime Inc., 670 East 3900 South, Salt Lake City, Utah 84107, for five (5) years with the responsibility for the company's transportation requirements as Sales/Traffic Coordinator.

Continental Lime Inc. is a major producer of quicklime - calcium oxide - with plants located at Bloom, Utah (served UP); Pilot Peak, Nevada (will be served UP early 1996); Tacoma, Washington (served UP & BN); and Townsend, Montana (served MRL). Our product is shipped throughout the western United States and as far east as North Dakota for consumption by the steel making industry, electric power generating plants, water treatment plants, various mining industries including copper and gold, and the producers of caustic soda in the soda ash patch of Wyoming. Our annual rail transportation amounts to 3,000 cars plus.

Continental Lime Inc. supports and endorses the Union Pacific (UP) and Southern Pacific (SP) merger without qualification.

Continental Lime Inc.'s support is based on concerns for the long-term health and viability of the SP and the new single-line rail service that will be a result of the UP-SP merger. The new single-line rail service will enhance and broaden Continental Lime Inc.'s markets in Colorado, Arizona, California and the Northwest. In addition, combining the UP and SP car fleets should improve equipment utilization and availability to Continental Lime Inc. and our customers. Also, single-line pricing should result in lower and more competitive freight rates.

It is Continental Lime Inc.'s view that rail competition in the western United States will be strengthened by the UP-SP merger in view of the approved BN-ATSF merger, as opposed to a weak and independent Southern Pacific.

Continental Lime Inc. supports the UP-SP merger as being in the best interest of Continental Lime Inc., our customers and the public.

*Robert D. Barker*  
Robert D. Barker

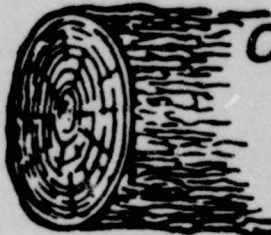


VERIFICATION

I, Robert D. Barker, declare under penalty 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.

Robert D. Barker

Robert D. Barker  
Continental Lime Inc.



## **Continental Timber Company, Inc.**

Home Office • 202 S. Cedar • Valley Center, KS 67147 • (316) 755-2361  
1103 Best Ave. • Suite C • Coeur D'Alene, ID 83814 • (208) 765-2669  
7070 W 107th Street • Suite 230 • Overland Park, KS 66212 • (913) 642-9479  
525 N. Garrison • PO Box 501 • Carthage, MO 64836 • (417) 358-4558  
2351 W. NW Highway • Suite 1100 - LB 106 • Dallas, TX 75220 • (214) 351-6644

Ronald Watkins  
Vice President  
Continental Timber Co., Inc.

October 3, 1995

I have been the owner and active manager of Continental Timber for over 15 years. We have sold over 100,000,000 dollars worth of building materials for the past several years. A large majority of this material has been shipped by rail.

The material shipped by our company has origins throughout the U.S., predominately in any area that lumber is produced.

The destinations include all major cities and many smaller communities throughout the entire U.S. We ship flat cars, box cars and vans along with flatbed trucks.

Many shipments originating by rail go to our reload centers in either Kansas City, which is serviced by the K.C. Terminal Railroad, or Valley Center, which is on the B.N. Railroad. Once these cars are placed in the reloads they are unloaded and distributed by trucks throughout the Midwest.

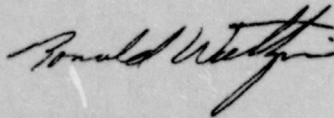
We believe the merger between the SF and UP railroads will be a good step forward for the railroads involved and the customers they service.



The merger will help in many ways. The most obvious, of course, is the elimination of excess personnel and red tape. I believe we will see a streamlined organization. This will make it easier to work with all aspects of the new organization.

We fully support the merger and hope that it will progress rapidly.

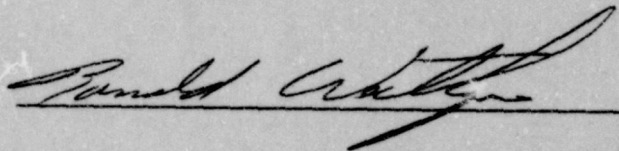
Yours Truly,



Ronald Watkins  
Vice President

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

Executed on October 3, 1995.



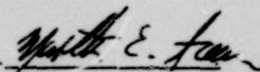
VERIFIED STATEMENT  
OF  
MARTHA E. TORRES  
ON BEHALF OF  
COPEQ TRADING

My name is Martha E. Torres, I am Logistics Controller of Copeq Trading, located at 12941 I-45 North, Suite 433, Houston, TX, 77060. Copeq is a trader of various kinds of glycols. Our main source is south of the border in Mexico. After buying the product in Mexico, we then sell to various customers in the Eastern United States. Since the product we trade is of low cost per unit, we have a very small profit margin. Hence, transportation costs play a major part in how our business runs. We ship close to 100 cars per year. All cars are shipped by rail through the Brownsville gateway.

Recently we have learned Southern Pacific is being acquired by Union Pacific. We fully support the merger of Union Pacific and Southern Pacific as it brings us new opportunities of competitive rate structures and service. The merger of UP/SP has created a place for the BNSF to compete for our business, business which has never been accessible to this system in it's history. We understand the new UP/SP systems will allow BNSF traffic to move from Brownsville to Houston, to New Orleans, and to Fair Oaks, Arkansas. This will allow BNSF to move traffic in areas never before traveled. We suspect BNSF will price aggressively to capture this newly created market. This will provide for a competitively balanced Western rail system, one in which all carriers will be able to reach the Eastern rail system.

We feel these are a few reasons why many companies like us will benefit from the merger of Union Pacific and Southern Pacific. Copeq Trading fully supports the application of merger between Union Pacific and Southern Pacific and hope approval come quickly by federal regulators.

I, Martha Torres, declare under penalty 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 31st, 1995.

  
Martha E. Torres





# Copperstate Emulsions

October 13, 1995

## VERIFIED STATEMENT

OF

WILLIAM M. ONACKI  
on behalf of  
COPPERSTATE EMULSIONS INC.

My name is William M. Onacki and I am the owner/president of Copperstate Emulsions Inc.. Copperstate Emulsions Inc. is located at 400 South 56th Street, Chandler, Arizona 85226. I have been in this position for the last five years. Prior to this time I was involved with this industry for 15 years. During this time I was the operations manager for Arizona Refining Co. responsible for asphalt supply and manufacturing of asphalt emulsions. Rail traffic was a important part of the business moving about 2500 cars per year. My time at Sahuaro Petroleum and Asphalt included much the same kind of work only on a larger scale involving freight movements in a tri-state area.

Copperstate Emulsions Inc. is a manufacturer of asphalt based road emulsion for the highway construction industry. Rail cars of base stock are received, processed and distributed. The importance of rail service to our company is critical to insure supply to projects under contract. Construction projects are subject to many different influences, i.e. weather, equipment failures etc. Material delays to the job are usually subject to penalties and disruption resulting in a cost not built in the project.

This same operation is also located in our Snowflake facility. In conjunction with asphalt emulsion supply this facility also supplies paving grade asphalt to stationary hotplants.

In this ever changing industry it is essential to have service that is dependable and cost effective. The merger of the Union Pacific and Southern Pacific railroads will give that approach to our situation. We therefore endorse the UP/SP application.

I, William M. Onacki, declare under penalty 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.

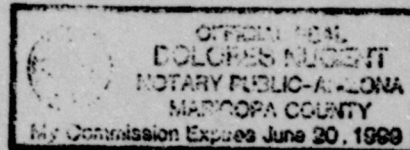
William M. Onacki

VERIFICATION

STATE OF Arizona  
COUNTY OF Maricopa

William M. Onacki, 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]  
William M. Onacki



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

Dolores Nugent  
Notary Public

My Commission Expires:

6/20/99





## **CORPORACION PIPSA, S.A. DE C.V.**

**VERIFIED STATEMENT OF  
ERNESTO REYES  
ON BEHALF OF  
CORPORACION PIPSA S.A. de C.V.**

**Attn: Interstate Commerce Commission  
UP-SP merger case  
Docket No. 32760**

My name is Ernersto Reyes, Export traffic manager of Corporacion PIPSA S.A. de C.V. Our address is Francisco I. Madero 233 Santa Catarina, N.L. Mexico. I have been working with this company for 4 years in the export traffic area, and my responsibility is to deliver our products to our differnt customers in the United States and Asia.

Our company's main products for export are Lead Oxide and Granular Litharge. We are rail served by the Mexican rail road FNM and we also ship via intermodal rail service.

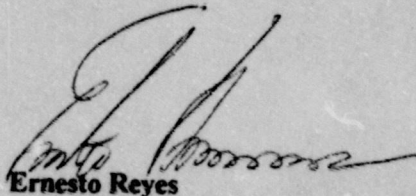
Since January, the Mexican economy has been heavily affected by the peso devaluation and high inflation. Therefore, we are giving priority to export markets. Since imports into Mexico have decreased, we have experienced equipment problems due to lack of sea containers in Mexico. This problem was solved, however, when SP offeed us the alternative of loading our products into box cars to be shipped to Long Beach, California, where they are transloaded into sea containers. In this way we have been able to keep our customers and deliveries in the Asia market. We also ship via rail to various customers in the United States, mainly in Ohio and Pennsylvania area.

We have learned that Southern Pacific and the Union Pacific are requesting authority to merge, which we believe would be a great bençefit to us and other shippers. With the merger of SP and UP, we expect the synergy and cost efficiency of putting together these two great lines to create better service and more competitive transportation prices. We strongly support this merger as a means of improving sevice and strengthening compotition.

We understand that under the settlement agreement between UP/SP and BN/SF, BN/SF will gain trckage rigths at Eagle Pass, Texas. Eagle Pass is our main border crossing. These trackage rigths will permit BN/SF to compete with UP/SP for our business through Eagle Pass. The merger will strengthen UP and SP so that they can compete against the merged BN/SF, which is almost twice the size of either UP or SP alone. We will have the benefit of two strong competitors who will be able to offer single line service and connections to many points. We view the settlement favorably because of the increased competition it will provide from two strong companies.

We believe that the proposed SP/UP merger will provide significant benefits to all shippers. We support approval of the merger, and of the settlement between UP/SP and BN/SF, because it will result in better overall service, reduced costs, and increased benefits to our company and our customers from increased competition.

I Ernesto Reyes declare under penalty of perjury that in 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.



Ernesto Reyes  
Corporacion PIPSA S.A. de C.V.





# CRAIG GRAIN, INC.

786 Industrial Avenue

Craig, Colorado 81625

Phone 824-6310

Verified Statement  
of  
Gordon Grandbouche  
on behalf of  
Craig Grain, Inc.

My name is Gordon Grandbouche. I am President of Craig Grain, Inc. Located in Craig, Colorado. I have been in the Country Elevator business for thirty years. I am responsible for the transportation needs of the company.

Craig Grain, Inc. Operates a country elevator in Craig, Colorado, which is served by SP. We accumulate wheat and barley produced in the area and ship to various markets. Currently, our product is shipped via Southern Pacific to various flour mills in Denver, Colorado and Ogden, Utah. We also ship by truck to the same locations. Our total annual volume is thirteen thousand to fourteen thousand tons.

Craig Grain supports the merger of Union Pacific and Southern Pacific.

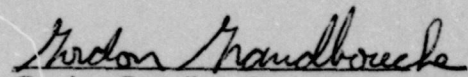
Our markets in Ogden are now served exclusively by either SP or UP, but not both. As a result, for movements to UP facilities, switching charges must be paid. With the merger, not only will the switch charge be eliminated, the consolidation and improvement of facilities coupled with coordinated operation and management will give us better and more reliable service in this area.

We have experienced some problems with car supply from SP. The combination of the two fleets, more efficient utilization of equipment through merger efficiencies, and coordinated management should alleviate these problems.

Finally, the merger will open new markets for us on the West Coast. The improved route from Salt Lake City/Ogden, using the most efficient line segments of the two companies to the West Coast, together with improvements at yards such as Roseville, may result in sufficient service improvements that the West Coast markets become feasible for us.

The addition of the financial strength of UP to the new system assures us of the availability of quality railroad service. We urge approval of the proposed merger.

I, Gordon Grandbouche, declare under penalty 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 18<sup>th</sup> day of October, 1995.

  
Gordon Grandbouche

**VERIFIED STATEMENT**  
*of*  
**RANDALL PUTNAM**  
*on behalf of*  
**CREST STEEL CORPORATION**

1. My name is Randall Putnam. I have been the president of Crest Steel Corporation ("Crest") since October, 1987, and an employee of the Company since 1974. The corporate headquarters of Crest are located in Carson, California at 1250 E. 223rd Street, Suite 108, and the Company maintains its largest distribution center in Riverside, California. It is this plant that is presently served by the Union Pacific Rail Road ("UPRR"), whereas the Company's Phoenix, Arizona, and Lindon, Utah, plants are not rail served. I was the one who originally negotiated the contracts between Crest and the UPRR (during the summer of 1989) which served as one important milestone in our Company's decision to build a greenfield plant in Riverside, California. Crest has received more than 2,500 rail cars into its Riverside plant since it opened its doors in February 1990.

2. Crest is a steel service center (SIC code 5051) which means we operate between the steel producers on the one hand and end users of steel on the other. Our primary function in industry is to provide steel fabricators and manufacturers of myriad products with their bills of material, typically within 24-48 hours of their call or fax to us requesting the materials. Crest adds value to its products by cutting to length, burning to size, drilling, cambering, coping, beveling, flattening, miter cutting, and other "prefabrication" services.

Most of the steel Crest buys is delivered in 70-90 ton lots via open gondola and rail flat cars, but much steel is also delivered by truck (typically 20 ton lots) especially when imported steel is aggressively priced since all steel cargoes passing through the Los Angeles/Long Beach docks destined for local service centers is delivered by truck. When Crest originally negotiated its contract with the UPRR we insisted on a provision allowing other carriers the right to deliver product to our Riverside facility. This requirement was accomplished via a switching agreement.



Crest's major sources of steel mill products manufactured in North America are Geneva Steel (Provo, Utah), CSI (Fontana, California), Nucor-Yamato Steel (Blytheville, Arkansas), Nucor Steel (Plymouth, Utah), Bayou Steel (La Place, Louisiana), Oregon Steel Mills (Portland, Oregon), Chaparral Steel (Midlothian, Texas), steel tube producers in the Chicago area, and various bar and small shape producers in the United States Midwest and central Canada. In addition, Crest is a major buyer of steel mill products manufactured in the Los Angeles area, Japan, Korea, China, South America and both western and eastern Europe. All of these latter products are shipped by truck to Crest's Riverside plant, or directly to Crest's customers in the Pacific coast states.

3. Crest understands that the UPRR and Southern Pacific have requested authority to merge. We strongly support this merger as a means of improving service to our Company and strengthening steel's competitive position among competing building materials.

4. There isn't a single integrated steel producer within 500 miles of Los Angeles, and the western U.S.A. mills produce neither the quantity nor the variety of steel required by Crest's primary markets. As a result, steel must be shipped thousands of miles by one method of conveyance or another in order to support commerce and construction in the growing western states. Rail transport, provided industry can wait 14-20 days for delivery, is one-half the expense of truck transport to the West from the Midwest, east and southeast. This phenomenon has been true since rail rates were deregulated in the early 1980's and the resulting reduced landed cost of steel in the West has been a literal godsend to service centers like our's, and the industries that need competitively priced steel to survive. Let it be especially noted that freight costs represent a major component of the steel cost equation. For example, structural steel delivered by rail from Chicago to Los Angeles will have a total cost of about \$0.25 per pound. Ten percent (10%) of the landed cost is the rail freight. Truck freight from Chicago to Los Angeles costs twice as much.

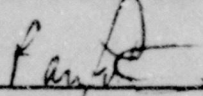
We have found the UPRR to be very sensitive to the importance of keeping their rail rates as low as possible in order to compete with other sourcing alternatives available to Crest. We cannot envision the UPRR, based on our six years of

history with them, raising their rail rates to a point where the railroad would start losing cargo to imported steel or other domestic carriers, be they rail or truck. There are simply too many alternatives to the aggressive buyer of steel to allow this to happen. The key to the combined UPRR/SP rail road will be to reduce their costs and to align themselves with steel mills who want to service this part of the country. If the combination of the F.O.B. steel mill price and UPRR/SP rail freight cost to our region is not competitive, we simply will take our business elsewhere. The rail roads made the mistake in the decades prior to the '80s of thinking they didn't need to compete—Crest Steel thinks they've learned their lesson forever and will now keep their customer focused mentality and their drive to keep getting more and more efficient.

Crest expects the proposed merger to generate even better service than we already enjoy from the UPRR. Combining the financial strength of the UPRR with the track controlled by the SP ought to mean faster and more economical single system service from the many origins that are located on the SP.

#### VERIFICATION

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

  
\_\_\_\_\_  
O. 11, 1995





Crown Pacific

121 SW Morrison St.  
Suite 1500  
Portland, OR 97204  
Ph: 503/274-7100  
Fax: 503/274-8787

## VERIFIED STATEMENT

OF

**MARIA GRIFFITH**

on behalf of

**CROWN PACIFIC**

I am Maria Griffith, Traffic Manager for Crown Pacific Lumber, L.P., headquartered out of Portland Oregon. Crown Pacific owns and operates over 575,000 acres of high quality timberlands and eight conversion facilities. These facilities are located in the Pacific Northwest region --Oregon and Washington -- and in the Inland Region -- Idaho, Montana and eastern Washington. Operating facilities include six sawmills, a plywood plant and a lumber re-manufacturing plant. Crown also buys and sells logs in domestic and international markets. We ship approximately 5000 carloads by rail each year, which is over half of Crown Pacific forest products. The remainder of our shipments move by truck. Most of our facilities are rail serviced by both Union Pacific and Burlington Northern/Santa Fe. Our facility in Montana is rail served only by BN/Santa Fe. Our facility at Gilchrist, Oregon is rail served only by Southern Pacific. Our rail shipments move through many parts of the country. This includes movements of logs from Mexico to the Pacific Northwest and movements of finished products from the Pacific Northwest to Southern California and Arizona, and from the Pacific Northwest to the Midwest and Upper Midwest.

As the Traffic Manager for Crown Pacific Lumber, L.P., my responsibilities include analyzing transportation options, negotiating contracts and maintaining high quality transportation service. I believe the proposed merger between Union Pacific and Southern Pacific (Finance Docket 32760), will be in the best interests of Crown Pacific as well as other rail shippers. We strongly support this as a means of improving services and strengthening competition for the following reasons:

1. **Better Routes** - The UP/SP merger will provide efficient new routes for Crown Pacific. The combination of UP and SP routes will create efficient single-line service along the I-5 Corridor. This will provide a much more direct route to the South for our facilities served by UP. Through an agreement with UP and SP, BN/Santa Fe will also gain a single-line route from the State of Washington to the Southwest. Shipments of logs from Mexico to UP points in the Pacific Northwest will be able to move over the SP's Southern corridor route, up through the I-5 Corridor. Our SP - served facility at Gilchrist will have more direct single-line routes to the Midwest and Upper Midwest, which should provide new Market opportunities.

2. **Better Service on SP Lines** - We expect that the merger will result in significant service improvements on SP lines. Crown Pacific has experienced very serious service problems with the SP. We have encountered frequent equipment shortages and major delays at SP facilities, particularly at West Colton in California ( often referred as the "black hole"). Our customers have become very upset about the long transit times for movements on the SP. Our problems with the SP have been so serious that for a period of time we stopped using rail service entirely for our Gilchrist facility and shipped everything by truck at that location. We are now moving approximately twenty-five percent of our Gilchrist shipments by rail -- still a much lower percentage than our other facilities. Merger of the UP and SP will mean that UP can devote its financial resources and strong management to the SP routes, improving services significantly and making SP service far more attractive to us. It will also ensure that SP-served locations are assured of service from a railroad with long-term financial viability.

3. **Better Equipment Availability** - Combine forces should result in better equipment availability for Crown Pacific. Both the UP and SP have experienced shortages of equipment and we have often chosen to ship on the BN/Santa Fe for that reason. A merger would give UP/SP a much larger, more flexible fleet, including the most extensive forest products car fleet in the industry. This will make UP and SP a much more attractive competitive alternative for us. In addition, Crown Pacific should benefit from better equipment utilization following the merger. UP/SP will be able to reposition both rail cars and locomotives more efficiently between the Northwest and the Southwest. Cycle times for cars will improve significantly due to more efficient routings, which will ultimately increase car supply not only for UP/SP cars, but also for private car fleets.

4. **Increased competition** -- Currently, BN/Santa Fe is nearly twice the size of UP or SP. Combining UP and SP will create a competitor that is equal to BN/Santa Fe in all major western markets. UP/SP will be able to meet or beat BN/Santa Fe transit times and reliability in California, Texas and Illinois markets. A merger between UP and SP will combine the financial stability of UP and the excellent rail routings of SP. UP and SP have agreed to allow access to other railroads in markets when they are the only rail competitors. The agreement with BN/Santa Fe will ensure that shippers continue to have good competitive options in the Pacific Northwest and elsewhere.

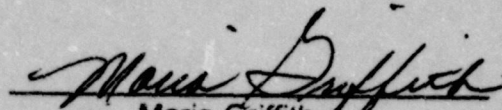
5. **Possible Shifts of Traffic to Rail** - The improved service offered by a combined UP/SP will make rail a much more attractive alternative for our movements. For at least some of our shipments that now move by truck, rail movement could be more cost effective after the merger. This is particularly true for shipments to and from our SP-served facility at Gilchrist and for north-south movements along the I-5 Corridor.



In summary, we believe the proposed UP/SP merger will provide significant improvements in service for Crown Pacific and will give us new competitive alternatives. We strongly support the merger.

  
Maria Griffith

I, Maria Griffith, 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 16, 1995.

  
Maria Griffith

VERIFIED STATEMENT  
OF  
ROBERT JOHN PAGE  
ON BEHALF OF  
DAINTY FOODS DIVISION OF MRRM (CANADA) INC

October 2, 1995

Reference; 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

My name is Robert John Page and I am the Logistics Manager for Dainty Foods - Division of MRRM (Canada) Inc. I am located at 725 Broadway Street, (P.O.Box 7249), Windsor, Ontario N9C 3Z1. I have been employed by Dainty for over 29 years. For the last 20 years I have been directly responsible for all matters relating to transportation and traffic at the corporate level. Prior to the foregoing I was employed by the Canadian Pacific Railway Co. (CP Rail) at their system headquarters in Montreal, Quebec. My total experience is based on 42 years of dealing with logistical matters.

I served on the Windsor Chamber of Commerce Transportation Committee for 15 consecutive years and as the Chairman for 2 years, in 1985 & 1986. In 1988 was recognized with an award from the Chamber. Twice I was elected Chairman of the Canadian Industrial Transportation League's Essex Region, 1973 & 1984.

Our business is rice milling, and the processing of rice. We have over 200 product lines. "Dainty" is a brand name, which for over a century, has been associated with quality rice food products sold in Canada by a Canadian owned company. Our rice milling business was established in 1882 on the Lachine canal in Montreal, Quebec. In the latter part of 1966 we completed construction of a new mill in Windsor, Ontario and have provided employment for approximately 60 people over the past 27 years. The Windsor facility is served exclusively by the Essex Terminal Railway (ETR), a short line switching carrier.

(.....2)



The vast majority of our rice is imported from the United States, mostly Arkansas and to a small extent, Louisiana and Texas. In addition, we also move rice from California. The several mills that we purchase rice from in Arkansas are for the most part SP points, but there are 3 MP (UP) locations. On average we bring in approximately 10 cars per year from California exclusively via the UP-CNW.

In the year 1994, we moved 469 covered hopper cars of bulk rice to Windsor. These cars carry an average load of 194,000 lbs. hence our approximate bulk traffic volume transported by rail last year was 91 million pounds. In addition, we import 52 containers annually on an intermodal basis from Houston, Texas to Windsor, Ontario.

All of our inbound rail cars, originating with the SP or UP are given the line haul to Chicago, Il. for furtherance beyond to Windsor, Ontario. Presently this traffic is handled from Chicago via the Norfolk Southern to Windsor thence the Essex Terminal. We control the routing and pay all freight charges directly to the rail carriers.

It is obvious, therefore, that Dainty has a vested interest in the long term stability of the rail carriers that protect the loading of rice in the United States, particularly the Southern Pacific. The prospect of recurring car shortages and motive power naturally concerns us and is a serious threat to our operations.

As a rail user dependent on SP service, we view this merger as a means of ensuring we receive top-quality rail service from a financially sound carrier. The resources and discipline that the UP would bring to the merger are, in my opinion, positive factors. Moreover, our U.S. suppliers will specifically benefit by maintaining Dainty as an on-going large volume customer as a result of the ability of the UP/SP to provide reliable, efficient rail service.

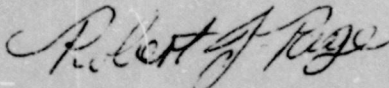
I view the combined strengths of both rail systems as a welcomed contribution towards better equipment utilization. The ability to reposition both cars and locomotives more efficiently is one of many benefits.

On another issue, the combined size of the BN/Santa Fe system, is one to be addressed from a competitive point of view. The UP/SP will be a worthy competitor in major western markets, particularly service time and reliability in the California-Chicago markets. SP alone cannot provide strong competition to BN/SF. It does not have the financial ability to compete with the recently merged BN/SF. The UP/SP merger will provide shippers throughout the west with the vigorous competition which cannot be duplicated by UP and SP separately trying to compete with BN/SF.

(.....3)

In conclusion, it is our belief that the proposed merger will provide significant benefits to shippers. Our company supports the application.

Yours truly,



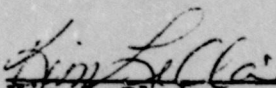
Robert J. Page  
Logistics Manager

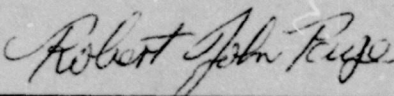


VERIFICATION

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

Dated at Windsor, Ontario, Canada, this 2nd day of October, 1995

  
Kym LeClair  
Commissioner of Oath

  
Robert John Page

Kimberly Marie LeClair, a Commissioner, etc.,  
Province of Ontario, while a Student-at-Law.  
Expires July 14, 1998.

# DAIRYMAN'S COOPERATIVE CREAMERY ASSOCIATION

*Milk Products*

Since 1909

**DCCA**

400 SOUTH M STREET  
TULARE, CA 93274-5405



TELEPHONE (209) 685-6800  
FAX (209) 685-6911

## VERIFIED STATEMENT OF

LEE E. BLAKELY  
on behalf of

### DAIRYMAN'S COOPERATIVE CREAMERY ASSOCIATION

My name is Lee E. Blakely, Senior Vice President of Marketing and Product Development for Dairyman's Cooperative Creamery Association (DCCA), located at 400 South M Street, Tulare, California 93274. I have a Ph.D. from Michigan State University and have been in the dairy products business for over thirty years. Prior to my present position, I served over twenty years as Vice President of Dairy Products Manufacturing and Distribution, two years in Sales and Marketing and six years in Food Processing-Production Management. In my present position, I am responsible for marketing all products, which includes processing orders and shipping products to the end user.

DCCA is a dairy cooperative which manufactures milk powders, butter and natural cheese. Annually, we ship approximately 130 million pounds of powdered milk, 85 million pounds of cheese and 80 million pounds of butter. We have four plants, all located in Tulare, California. We are served exclusively by Southern Pacific at all four locations. Most of our shipments move east to Midwestern and East coast markets.

We understand that the Union Pacific and Southern Pacific railroads are seeking approval to merge their companies to forge a larger, more financially stable railroad. For many reasons, we unequivocally support this merger.

At the present time, with only joint line service available to the Midwest through Roseville and the central Southern Pacific corridor, transit times suffer and the product doesn't move efficiently for us to consistently use rail transportation. One of our alternatives has been to use cross-docking so we can ship on Santa Fe, thereby realizing a delivery time of three to four weeks sooner than otherwise would be possible on the Southern Pacific system. However, that alternative carries additional costs which makes us less competitive in the marketplace.



Since most of our shipments move to the Midwestern and East coast markets, if we use SP, the shipments go through the Roseville yard which has the reputation of being a bottleneck in the trans-shipment process. That, coupled with the more tortuous SP route through the Central Corridor and similar terminal delays at Kansas city, makes it very difficult, both timewise and competitively to ship by rail. Quite frankly, most of the time, shipping by rail over SP takes too long to get to the Midwest and East coast markets, putting us at a distinct disadvantage in those markets.

We would anticipate that most of those problems would be corrected with a UP/SP merger. First, with the financial stability of Union Pacific, we would expect that improvements would be made at the Roseville and Kansas City yards, such that terminal delays would be reduced to an acceptable level. Secondly, we believe that with new routings which would take place over the new combined system, transit efficiencies would develop. For instance, by separating manifest and intermodal traffic over the Central Corridor, traffic over the Central Corridor would be less congested and would move much more efficiently. All of this would help reduce transit times to the Midwest and the East coast, hopefully lower our transportation costs and thereby allow us to compete more vigorously with our competitors who are situated in the Midwest. As you can see, we are absolutely dependent on good transportation rates because we are a West coast firm competing with Midwest manufacturers. In order to compete effectively, we need to be able to keep our transportation costs down. In order to do that, we need more efficient routes to the Midwest markets.

With the anticipated merger, we also believe the railcar supply will improve dramatically. With improved rail service to the Midwest, we expect even more new markets to open to us. Quite frankly, we will be able to take more of our traffic off motor carriers and put it on the rail. Furthermore, we will be able to avoid the costs of cross-docking that we now incur.

Another benefit that we expect to develop is new single-line service from our location to all major Mexican border crossings. We are excited about that prospect because it will allow us to expand our powdered milk and cheese markets into Mexico.

If this comes to pass, and we hope it will, we believe we could use as many as 300 to 500 cars annually to move our products in single-line service throughout the Midwest.

In summary, we expect this merger to produce great benefits for shippers and consumers. We enthusiastically support the merger as being a necessary response to the newly-created Burlington Northern Santa Fe, which we believe would otherwise dominate the transportation scene without the creation of a similar sized, financially sound railroad to compete with it head-to-head. We believe the competition will be substantial and certainly to the benefit of the American consumer.

Please register our enthusiastic support for this merger.

I, Lee E. Blakely, declare under penalty 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 31, 1995

Lee E. Blakely  
Lee E. Blakely



VERIFIED STATEMENT  
OF  
CARL SEWELL  
OF  
DANZAS CORPORATION

My name is Carl Sewell, Account Executive for Danzas Corporation, 751 Port America Place Ste. 800, Grapevine, TX 76051.

Danzas is one of the largest freight forwarders in the world. Being a leader in contracting transportation services, we are extremely concerned with maintenance of competition on all modes of the transportation industry, particularly the rail industry today.

Upon ICC approval of the BNSF merger, I am extremely concerned with an over balance of power in the western rail system. The approval of the Burlington Northern / Santa Fe merger has left one "giant" rail carrier in the western United States with huge markets, and many routes which creates a dominance with which Union Pacific and Southern Pacific can not compete as separate entities.

I fully support the Union Pacific / Southern Pacific merger. With this merger comes a suitable competitor of the BNSF. The UP/SP merger will allow me and my company to still be able to contract transportation needs for our customers who choose to ship by rail in the western United States.

With out approval of the UP/SP merger I feel Danzas would lose it's opportunity for many contract transportation services in the western United States rail system. Danzas now has to approach BNSF for close to half of the western rail rates. Today BNSF, being the largest rail carrier, has no competition to their cost efficiencies nor the ease of way they move their traffic. In effect there is no other carrier at this time to logically price rates against nor move traffic against BNSF.

It is my hope the ICC will approve the Union Pacific / Southern Pacific merger as quickly as possible so Danzas can have the opportunity to provide our many shippers the ability to negotiate western rail rates on an even playing field.

I, Carl Sewell, declare under penalty 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


*Carl Sewell / BNSF Account Executive*



# Davidson Industries Inc.

P. O. BOX 7 • MAPLETON, OREGON • 97453

(503) 268-4422 • FAX (503) 268-9909



*"Makers of  
Douglas Fir  
Products"*

October 31, 1995

Interstate Commerce Commission  
Attn. Finance Docket 32760  
1201 Constitution Avenue NW  
Washington, DC 20423

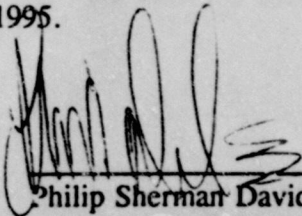
My name is Philip Sherman Davidson. I am the president of Davidson Industries, Inc.; which is a family owned lumber mill located in Mapleton, Oregon. I am a third generation Davidson and have grown up in this business. The Davidson family has owned this facility since 1954.

Our rail station name is Beck and our physical address is 09766 Highway 126, Mapleton, Oregon. At this facility we ship almost exclusively flat cars of green lumber (primarily centerbeams). We do have 2 locations that are served by the Southern Pacific Lines (the second being at Mapleton, Oregon). Our Mapleton facility is a wood chipping operation and is not currently using rail as a mode of transportation.

There have been times in the past that we have not been competitive (via the SP) and have lost the business to trucks and reloads. The BN, for instance, has had contracts that have been more attractive shipping out of the reloads in Eugene, Oregon. It is our feeling that the 'marriage' of the two lines will give our customers options they did not have before (from our mill). This merger will also give us flexibility of routing that we have not had in the past. In the past we have been unable to ship our product to points in Nevada for instance. This business has been dominated by the trucking industry.

Our rail shipping has declined drastically in the past few years, but we are solely dependent upon the Southern Pacific for our rail movements. We have had a very good relationship with the Southern Pacific and we believe the merger of the Union Pacific and Southern Pacific will make for a stronger, more stable and effective carrier. We also feel this is needed to create a more competitive atmosphere with the BN/Santa Fe. Our company supports this application and feel it would be beneficial to all shippers on our line.

I, Philip Sherman Davidson, declare under penalty 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 31, 1995.



Philip Sherman Davidson, President  
Davidson Industries, Inc., Mapleton, Oregon





**Desticon  
Transportation  
Services Inc.**

100, 8431 - 160th Street  
Surrey, British Columbia  
Canada V3S 3T9

Telephone (604) 597-0708  
Fax (604) 597-7464

VERIFIED STATEMENT  
of  
JADE STEVENSON  
on behalf of  
DESTICON TRANSPORTATION SERVICES, INC.

My name is Jade Stevenson. I am the president and owner of Desticon Transportation Services. My company is located at 100, 8431 160th St. Surrey, British Columbia, Canada V3S 3T9. I am responsible for all aspects of the business, including our rail transportation.

Desticon Transportation Services is involved in the business of consolidating truckload shipments of lumber into rail cars for movement into the United States.

We understand that Union Pacific and Southern Pacific intend to merge, and we support them in that endeavor.

Our company stands to benefit greatly from this merger, and from the settlement agreement entered into between UP/SP and BN/Santa Fe, in particular. That agreement gives BN/Santa Fe access to UP/SP's I-5 corridor. This will now allow BN/Santa Fe to compete for business throughout the I-5 corridor and will open new market areas to our company. Further, the settlement agreement grants UP/SP competitive pricing authority to BN points in the Pacific Northwest, including Vancouver. This will allow UP/SP to compete for our rail business and will give us an option between two large rail carriers for our shipments.

The effect of the settlement agreement and the combination of the UP and SP systems will be an opening of many new destinations in California to us. In essence, these are new markets we can tap for business. We strongly support the settlement agreement and merger as creating significant new benefits for shippers and vigorous new rail competition.

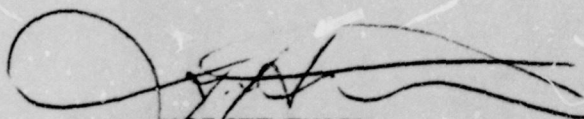
Finally, combining UP's and SP's car fleets would also help to alleviate car shortage problems. In the lumber business it is imperative that there be an adequate supply of rail cars for shipments. The traditional forest products boxcars of SP along with the center beam flat cars of UP will create a versatile fleet that will decrease waiting times for cars and allow our company to more effectively manage our rail shipments.

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

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

Executed on

Oct 20, 1995

  
JADE STEVENSON





## Development Corporation of North Platte

P.O. BOX 968 NORTH PLATTE, NEBRASKA 69103 (308) 532-4966 FAX (308) 532-4827 (800) 927-7514

October 25, 1995

Honorable Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Twelfth Street and Constitution Avenue, N.W.  
Room 2215  
Washington, D.C. 20423

RE: Finance Docket No. 32760, Union Pacific Corp., et.al. --  
Control & Merger -- Southern Pacific Rail Corp., et.al.

Secretary Williams:

The Development Corporation of North Platte supports the merger of the Union Pacific Corporation and the Southern Pacific Rail Corporation.

Consumers will benefit from this combined system through improved freight handling facilities, expanded rail service and transportation routing efficiencies. Communities will benefit from more competitive shipping rates and new markets available to local business and industry.

It will certainly benefit the North Platte/Lincoln County area because our area grain producers will have improved access to Southern Pacific grain and grain markets in the Pacific Southwest and western Mexico.

We appreciate the opportunity to unanimously support this merger.

Sincerely,

Brent Thompson  
Executive Director

cc: file





ATTACHMENT

ICC docket information for the UP/SP merger proceeding is as follows:

Finance Docket No. 32760, Union Pacific Corp., et al.--  
Control & Merger--Southern Pacific Rail Corp., et al.

Format to be used for verification:

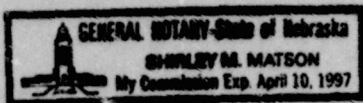
STATE OF NEBRASKA )  
COUNTY OF LINCOLN ) ss.

Brent Thompson, 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.

Brent Thompson

NAME - TYPED

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



Stanley M. Matson  
Notary Public

My Commission Expires:

April 10, 1997

Format to be used for affirmation (alternative to  
verification):

I, \_\_\_\_\_, declare under penalty 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 \_\_\_\_\_



# Diablo Timber

VERIFIED STATEMENT  
of  
JOHN CLIGNY  
on behalf of  
DIABLO TIMBER

My name is John Cligny, and I am the General Manager of Diablo Timber. My company is located at 5747 Highway 29, P.O. Box 3690, Napa, California 94558. I have been involved in the lumber business for the past 15 years dealing with the distribution and wholesale of lumber products. As General Manager for Diablo Timber, I am currently responsible for overseeing all operational functions of the company with regard to the wholesale distribution of lumber products.

Diablo Timber is engaged in the distribution of lumber products to retail markets as well as the re-manufacturing of lumber products. We currently ship our products from the Pacific Northwest markets of Oregon and Washington to the California area.

I have been informed that Union Pacific and Southern Pacific are seeking authority to merge their companies. My company supports their application.

An important benefit of the merger for my company will be the improvement of service along SP's Oregon to California I-5 corridor. In the past we have experienced significant problems with our traffic on that route. Specifically, we have suffered slow transit times which have impacted the number of rail shipments we were able to make. As a result of the merger, we feel that Union Pacific will be able to commit resources to improving service on the I-5 corridor. The improvement in service, transit times and car turn-around times will make the rail traffic on the I-5 corridor more competitive with truck and allow us to make greater use of rail transportation.

We also expect a large increase in the number of rail cars available for the shipment of our product. Southern Pacific has been relying on the standard lumber cars to ship our products, with the advent of the merger, Union Pacific will be able to utilize its inventory of center-beam flat cars to create a very versatile lumber car fleet. This will enhance our ability to ship our product more efficiently, and should allow us to take greater advantage of rail for our shipments.

We also read that BN/Santa Fe and UP/SP have agreed to a settlement which will ensure continued rail competition throughout the Western United States. My company specifically will benefit from new rail competition in the I-5 corridor as a result of BN/Santa Fe being granted certain trackage rights in that area. This should result in improved service and better rates for our shipments along the I-5 corridor as a result of the vigorous competition that will occur between the railroads.





## Diablo Timber

I understand the agreement also grants UP/SP new pricing authority into the Pacific Northwest as a result of the settlement with BN/Santa Fe. This will also result in greater service for our company and make rail traffic more cost competitive with truck.

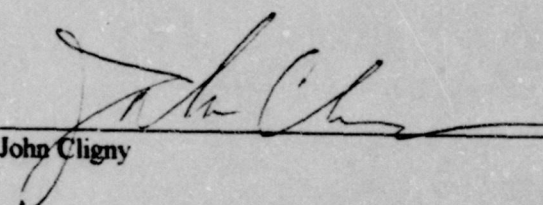
We realize that the merger will result in a reduction in the number of rail carriers serving the West. We believe, however, that the newly merged UP/SP will be a strong competitor to the BN/Santa Fe system and it is vital for that competition to continue so that customers can demand greater improvements in service and rates. We are enthusiastic about the prospect of that new, strong competition in the Western market, and feel it will result in great benefits to our company as well as other shippers.

Diablo Timber enthusiastically supports the merger of Union Pacific and Southern Pacific railroads, and we look forward to the strengthened competition that will result from the merger and ultimately lead to improved service and more cost effective rail transportation.

I, John Cligny, declare under penalty 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

  
John Cligny



Steve Geneva  
Manager - Transportation

**Verified Statement of  
Steve Geneva  
on Behalf of  
Diamond Shamrock  
October 31, 1995**

My name is Steve Geneva. I am the Manager of Transportation for Diamond Shamrock headquartered in San Antonio, TX. I have been in the transportation industry for 39 years with 8 years working for the Norfolk Western Railroad and the past 31 years working for Diamond Shamrock. The intent of this statement is to register my full support for the Union Pacific's acquisition of the Southern Pacific.

Diamond Shamrock is a highly focused, regional refiner and marketer of petroleum products such as gasolines, diesel fuel, jet fuel, liquid petroleum gases and other petroleum products. We have two refineries located in Texas. Our larger refinery is located in Machovec, served exclusively by the Santa Fe Railroad, and the smaller one is located in Three Rivers which is served by the Missouri Pacific Railroad.

In 1994 we moved 900+ railcars and through September 1995 we've moved 1300+ railcars over the Union Pacific Railroad alone. As you can see Diamond Shamrock is committed to rail transportation. We have found that single line hauls have been the most efficient in terms of pricing, equipment utilization and customer satisfaction. We have had limited success marketing our products into geographic regions that would be a natural destination for our products but have been hindered by the necessity to utilize two or more railroad. The UP/SP acquisition will give Diamond Shamrock the opportunity to ship on a single line basis to destinations served by UP.

Although not as much as other railroads, we do rely on the Southern Pacific Railroad for transportation. In most instances, there have been serious service delays as a result of utilizing two railroads verses one railroad. For instance service delays have occurred when the UP and SP move product from Three Rivers, TX to Ft Collins, CO and from Fontana, CA to Odessa, TX. Today these specific points must utilize two railroads to move our freight and if the acquisition goes through, the UP/SP would be able to handle the freight directly on a single line basis.

Again, we support this acquisition as we strongly believe that there are direct benefits to the shipping public.

Sincerely,

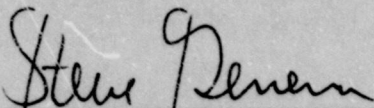
Steve Geneva



**State of Texas**

**County of** BEXAR

**I, Steve Geneva, declare under penalty 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** 27th OCT 1995



**Signed: Steve Geneva**

October 20, 1995

To: ICC

Reference: Merger Between UP/SP

Statement of:

Henry L. "Buddy" Micelle  
Produce Buyer  
Dixie Produce & Packaging, Inc.  
P.O. Box 23647  
5801 G Street (70123)  
Harahan, Louisiana 70183  
(504)733-7500

I, Henry L. "Buddy" Micelle, Produce Buyer for Dixie Produce & Packaging, Inc. urge you to approve the merge between UP/SP.

Dixie Produce & Packaging, Inc., Harahan, La. is a wholesale purchaser and distributor of produce in Southeast Louisiana. We receive potatoes and other produce by rail off the Southern Pacific.

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

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

I, Henry L. "Buddy" Micelle, declare under penalty 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.

Henry L. "Buddy" Micelle  
Signature

HLM.mgc



504.733.7500 p.o. box 23647 harahan, louisiana 70183



VERIFICATION

STATE OF LOUISIANA

PARISH OF JEFFERSON

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

Henry L. "Buddy" Nicelle  
Name HENRY L. "BUDDY" NICELLE

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

George C. Signor Jr.  
Notary Public

My Commission Expires:

Issued for Life

# DYNO POLYMERS INCORPORATED

1405 Antelope Road  
White City, OR 97503  
Telephone: (503) 826-2651  
Telefax: (503) 826-3231

October 16, 1995

## VERIFIED STATEMENT OF

JIM L BARNES

ON BEHALF OF

DYNO POLYMERS INCORPORATED

I, Jim L. Barnes, am the General Manager of DynoPolymers Incorporated facility at 1405 Antelope Road, White City, OR. 97503. As General Manager I am responsible for and serve as council to all department managers. These include Administration and Finance, Research and Development, Manufacturing, Transportation and Maintenance and Engineering departments. I have been employed in this capacity for the past 2 years. Previous employment was with Georgia-Pacific as a manager in their production facility located at Ukiah, CA. for a period of ten (10) years.

The Dyno Polymers Incorporated production facility at White City, Or. processes approximately 150-200 million pounds of product annually. Major products are adhesive polymers, formaldehyde, urea-formaldehyde pre-polymers, phenol-formaldehyde resins and urea formaldehyde resins in a great variety. The majority of which are utilized in the wood products industry. In addition we handle, process, and transport a number of chemicals and chemical compounds for resale.

The majority of our raw materials are received via rail transport. Methanol is received from Hoechst-Celanese in Edmonton Canada and from Methanex Corp. in Medicine Hat Canada. Phenol comes to us from a variety of locations such as Blue Island, Penn. (JLM Corp), Plaquemine, La. (Georgia-Gulf Corp.), and Bayport Tx. (Shell). In addition, we ship a variety of formaldehyde-based products to Anchorage Alaska (Union Oil), Bishop Tx. (Hoechst-Celanese) and in a few instances have transferred by rail some of our products to one of our own facilities in Virginia, Minnesota.

All of our rail service is initiated, or ends, through a feeder line (CORP) that is serviced by Southern-Pacific. We rely heavily on the SP to supply a mainline service that is both reliable and efficient. As a shipper dependent on SP service, we believe this merger to be a means to ensure that we will continue to receive top quality rail service. In addition, we believe that the proposed merger will improve services while at the same time strengthening the competition between the rail way carriers.

As a shipper we will benefit from the merger through more efficient routing, more reliable service in "key corridors, and effective movement around terminals via more pre-blocking. Additionally, we will benefit from the increased size of the carrier. (More assurance of long-term association through the increase in carrier strength.) We feel that the combined strong points of both carriers will make a more versatile and

178

**DYNO**

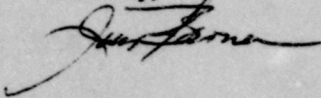
Chemicals



effective single unit. SP,s low capital and heavy route burden will bring a considerable expansion of distribution to UP,s high dollar strength and low distribution profile. Capital layout will not necessarily be less for the single unit but, will undoubtedly be more effective due to the double expenditure in areas where they now overlap.

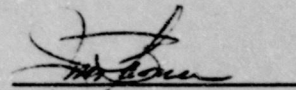
Single unit strength may provide a significant reduction in rail rates. This , in turn, could make rail shipping a competitive carrier source for transportation of some of our low margin products . We believe that the proposed merger will provide significant improvements /benefits to shippers. Our company supports the application.

Sincerely,



jlb

I, Jim L. Barnes, declare under penalty 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 11/16/95



SIGNATURE.



*E. Boyd & Associates, Inc.*

P.O. Box 99189, Raleigh, North Carolina, U.S.A. 27624-9189

BEFORE THE  
INTERSTATE COMMERCE COMMISSION

---

FINANCE DOCKET NO. 32760

UNION PACIFIC RAILROAD COMPANY  
CONTROL AND MERGER  
SOUTHERN PACIFIC TRANSPORTATION COMPANY

---

E. Boyd & Associates, Inc. is an international trading company specializing in the marketing and distribution of food and lumber (building) products. During the past year we have moved over 600 refrigerated rail cars. This is counting cars booked in our name and some cars booked in our suppliers name carrying our cargo. One of our key markets is the Pacific Rim countries. The products that we sell them are often sourced from the middle and southeast US with access via the west coast ports. Transportation is of critical importance to our company. It influences the service we are able to give our customers and is a large factor in our ability to compete on cost.

At first look, our company was concerned that the merger of Union Pacific Railroad and Southern Pacific Transportation Company would limit competition and force prices higher. After studying some of the details of the merger and the agreements between BN/SF regarding north south traffic in California, it appears that service should improve. Therefore I have concluded that this action will not be anti-competitive. Given that this is true, we are in support of the merger.

Thank you.

Sincerely,

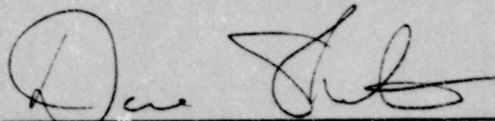
Dave Shelton  
Director of Operations



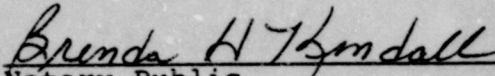
State of NORTH CAROLINA

County of WAKE

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

  
\_\_\_\_\_  
Dave Shelton

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

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

My Commission Expires:

10-02-99

STB

FD

32760

11-30-95

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**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  
E.A. Miller Company**

**Submitted by:**

**Rick Stevens  
Transportation Manager  
E.A. Miller Company  
560 West 400 North  
Hyrum, Utah**

**November 10, 1995**

October 5, 1995

VERIFIED STATEMENT

OF

RICK STEVENS  
on behalf of

E.A. MILLER COMPANY

Finance Docket 32760

My name is Rick Stevens, I work for the E.A. Miller Company at Hyrum, Utah. I manage the transportation for the company. We ship tallow, in tank cars on the Union Pacific and Southern Pacific railroads. Shipments move from our facility at Hyrum, Utah to West coast ports for export. Hyrum, Utah is a local point on the Union Pacific.

We have discussed the proposed merger with the railroad and believe the merger will be in the best interest of our company. We strongly support the merger as we feel service will be improved and we will have single line access to points we now ship to with two or more carriers. An example would be a movement of tallow we have from Hyrum, Utah, to Long Beach, CA for export. The present movement is via UP-Colton-SP. After the merger, this move will become a single line haul. Rates on single line hauls are historically cheaper and single line service means no lengthy time delays in interchange.

We believe the merger is necessary for the Union Pacific and Southern Pacific Railroads to compete with the Burlington Northern Santa Fe Railroad which with the recent merger, has become the largest railroad in the country.

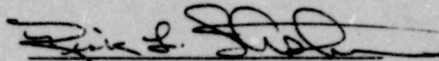
With the recent trackage rights agreements between the Union Pacific, Southern Pacific and Burlington Northern, we believe new opportunities will become available for our company to ship into markets that have previously been unavailable to us. We are presently experiencing unacceptable delays in transit because of congestion in the West Colton (Southern Pacific) yard. We believe after the merger the transit time will improve.

We believe after the merger, single line hauls to all major crossings into Mexico will be available to us. We may be able to compete successfully, with better rates and service, in the Mexican tallow market.



page 2

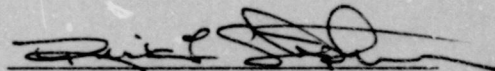
We believe the proposed merger will significantly improve our companies ability to compete in our present markets as well as other markets that may become available to us.

  
Rick Stevens

#### VERIFICATION

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

Executed on Oct. 9, 1995.

  
Rick Stevens



**DAVID C. WENGER**  
*President and Chief Executive Officer*

**VERIFIED STATEMENT  
of  
DAVID C. WENGER  
on behalf of  
EASTERN AMERICA**

My name is David C. Wenger. I am the President and Chief Executive Officer of Eastern America, 8501 Hegerman Street, Philadelphia, PA 19136. 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)

Eastern America is a shipper of consolidated loads of general freight and third-class mail for the U.S. Postal Customers. We have several facilities in Eastern Pennsylvania, including facilities in Philadelphia and Morrisville, PA. We ship approximately 2600 intermodal units and 210 railcars annually. A significant percentage of our traffic is between the Philadelphia area and the West Coast. Our West Coast shipments move through Chicago and travel on Union Pacific, Southern Pacific, and the Burlington Northern/Santa Fe. We also have some shipments to and from Mexico that move on the Union Pacific. In addition to our shipping business, we warehouse and distribute carloads of bulk commodities.

As President and CEO of Eastern America, I am in charge of all aspects of our shipping and drayage business. I spent three years in the position of General Traffic Manager for Mattel, CA. I have been in the transportation field for over 30 years. I hold a B.A. degree and a Certificate in International Transportation.

I strongly believe that the merger of the Union Pacific and the Southern Pacific will benefit all east-west shippers by improving intermodal and regular freight service, strengthening the competitiveness of the SP, and increasing competition in the rail industry.



Verified Statement of  
David C. Wenger  
on behalf of Eastern America  
Page 2

The combined UP/SP will be a more efficient east-west rail carrier. UP/SP will concentrate its intermodal traffic between Chicago and Southern California on SP's Tucumcari and Southern Corridor routes, and move slower manifest traffic to the UP's Central Corridor route. As a shipper of both container and carload traffic we will benefit from this route specialization. In addition, the combination of UP and SP lines will reduce mileage for much of the traffic between Chicago and California. These improvements will allow UP/SP to offer new third-morning service between Oakland and Chicago and more consistent third-morning service between Los Angeles and Chicago. Eastern America also expects to benefit from the fact that the UP/SP will offer single-line service to all major Mexican border crossings, providing more flexibility for those movements.

The merger of the UP and the SP will also produce other operating benefits. More efficient movement of their combined equipment fleets will lead to greater availability of equipment for shippers. The merger will create more opportunities to construct run-through and pre-blocked trains, which will reduce congestion and speed delivery. The consolidation and improvement of terminals and terminal operations should also reduce delays at terminals in Chicago and Los Angeles. Reduction in transit times resulting from these efficiencies and from more direct routes of the merged system are desperately needed and are very important to Eastern America.

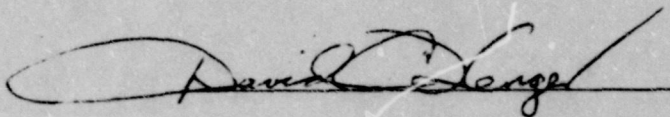
I also believe that by merging with the UP, the SP will be able to improve its service and will gain the financial strength that it currently lacks. Eastern America has experienced service problems with the SP in the past, particularly with regard to slow and unpredictable delivery. I believe that the capital improvements, new routes, and other benefits that will result from the merger will give SP the help it needs to succeed in today's competitive rail industry.

Verified Statement of  
David C. Wenger  
on behalf of Eastern America  
Page 3

Currently, the BN/Santa Fe enjoys routing possibilities and competitive advantages unmatched by other railroads. It is the clear leader in intermodal traffic from East to West. The combined UP/SP will be able to compete with the BN/Santa Fe on equal terms. In fact, the combined UP/SP will be the only viable competitor to BN/Santa Fe. The vigorous competition that will exist between UP/SP and BN/Santa Fe should create pressure to improve the quality of intermodal and other freight service between Chicago and the West Coast. Creation of the UP/SP will also strengthen competition with other modes of transportation.

Eastern America supports the UP/SP merger and urges ICC approval.

I, David C. Wenger, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 23, 1995.

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





**EMERALD  
FOREST PRODUCTS**

P.O. BOX 2746 • EUGENE, OR 97402-0276

(503) 683-1984

October 26, 1995

Interstate Commerce Commission  
Attn: Finance Docket 32760  
1201 Constitution Ave. N.W.  
Washington, DC 20423

**EMERALD FOREST PRODUCTS INC**

**VERIFIED STATEMENT  
OF**

**RON VICKERS  
ON BEHALF OF  
EMERALD FOREST PRODUCTS INC**

I, Ron Vickers, Vice President of Emerald Forest Products, Inc., located in Eugene, Oregon on the Southern Pacific Lines. We are also reciprocally switched by the Burlington Northern Sante Fe. Our company produces plywood and veneer and ship to various points in the United States. One of our biggest markets is the Northeast part of the country. We depend on rail services to get our products to market.

We fully support the merger of the Union Pacific and the Southern Pacific. Many benefits will be the outcome of these two merged railroads. Emerald Forest Products will be able to enjoy shorter routes to the important Chicago and E. St. Louis gateways. We will also benefit by having available a better equipment supply. We need a financially strong railroad serving our plants and it is doubtful that the Southern Pacific could compete with the Burlington Northern Sante Fe if this merger was not approved. Again, we support this merger as a means to keep our plywood moving competitively to our various markets.

I, Ron Vickers, declare under penalty 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 10-24-95

Ron Vickers

# **ENVIROSOURCE**

**EnviroSource Treatment & Disposal Services, Inc.**  
4350 Navarre Avenue  
Oregon, OH 43616-3518  
(419) 698 3500 Fax (419) 698-8579

**Brice Dille**  
Director of Transportation

## **VERIFIED STATEMENT OF BRICE DILLE** on behalf of **ENVIROSOURCE**

I, Brice Dille am the Director of Transportation for Envirosource located in Oregon, Ohio. My responsibilities include overall transportation and logisitcal support for the operating divisions of ENVIROSOURCE. I have held this position for four months, and prior to that I held a similiar position at USPCI, Inc. for four years. Over the last five years, I have been responsible for moving over 1,000,000 tons of material on the Union Pacific Railroad. In my current capacity, our estimated yearly railroad shipments on the UP will approximate 75,000 to 150,000 tons.

ENVIROSOURCE is an environmental services company that supplies industrial customers with long-term specialized services, primarily the recycling, handling, stabilization, or landfilling of environmentally sensitive wastes or by-products. Five facilities are major users of railroad services. They are as follows:

IMSAMET OF IDAHO-Post Falls, ID-Served by the Burlington Northern  
IMSAMET OF UTAH -Wendover, UT-Served by the Union Pacific  
IMSALCO-Goodyear, AZ- Served by the Southern Pacific  
ENVIROSAFE OF IDAHO-Grandview, ID-Served by the Union Pacific  
ENVIROSAFE OF OHIO-Oregon, OH-Served by the Norfolk Southern

The bulk of the freight that is moved by ENVIROSOURCE is moved from the eastern railroads onto interchange points in the midwest and carried by the Union Pacific to Envirosource's Western facilities.

As a shipper dependendent upon top quality service and competitive rates from the Union Pacific, ENVIROSOURCE supports this merger.

Due to the nature of our business and the location of our western facilities, ENVIROSOURCE would not be able to remain competitive without the ability to move freight via rail at rates which allow us to compete against facilities loacted geographically closer to our customers. It is our belief that the combined UP/SP railroad will increase our competitive advantage versus our non-rail competitors. These savings will be the result of increased single-line movements which should eliminate two-line switching charges and increased equipment utilization of our equipment due to more efficient routing options available to the combined railroads.



It is our belief based upon the public information provided by the Union Pacific Railroad that the combined UP/SP railroad should be able to produce these savings.

In conclusion, based upon reasons stated previously, it is our belief that the proposed merger will provide significant benefits to our Company. Therefore our Company supports the application.

VERIFICATION

STATE OF OHIO

COUNTY OF LUCAS

BRICE DILLE, 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.

Brice Dille  
BRICE DILLE

SUSCRIBED AND SWORN TO BEFORE ME THIS 16th DAY OF OCTOBER, 1995

Patricia A. Duncan  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

7-28-99

PATRICIA A. DUNCAN

Notary Public

My Commission Expires 7/28/99  
Recorded in Wood County





# EUGENE F. BURRILL LUMBER CO.

Manufacturers of Kiln Dry White Fir and Douglas Fir Studs

P.O. BOX 220 • MEDFORD, OREGON 97501 • (503) 826-2221

INTERSTATE COMMERCE COMMISSION  
ATTN: FINANCE DOCKET 32760  
1201 CONSTITUTION AVE NW  
WASHINGTON DC 20423

October 10, 1995

**VERIFIED STATEMENT  
OF  
MICHAEL A. YOUNG  
on behalf of  
EUGENE F. BURRILL LUMBER CO.**

My name is Michael A. Young. I am Sales Manager for Eugene F. Burrill Lumber Co. Our facilities are located at 8425 Agate Rd., White City, Oregon 97503. I have been Sales Manager for 18 years. Traffic is my responsibility. At present we are shipping approximately 60,000,000 board feet of lumber per year. 20% by truck (approx. 364 trucks), and 80% by rail (approx. 600 cars).

Eugene F. Burrill Lumber Co. is a privately owned corporation in Southern Oregon. We are located on The White City Transit Railway Line which is connected to The Central Oregon & Pacific Railroad, which turns all traffic over to The Southern Pacific at either Black Butte, (in California), or Eugene Oregon. When it comes to Rail traffic, The SP is the only show in town.

Eugene F. Burrill Lumber Co. is a sawmill. We produce quality lumber products which are shipped to many destinations scattered all across the continental United States. We have only the one operation in White City, Oregon, and we are captive to the Southern Pacific Rail Road when it come to rail traffic. Many of our customers are located on the east coast or other locations where any other method of shipment besides rail is cost prohibitive.

It is imperative that we be serviced by a strong competitive Rail Road. We welcome the merger between the SP and UP as a means of ensuring that we receive top-quality service from a financially sound railroad. We believe the proposed merger would be in our company's best interest as well as the interests of our customers. We heartily endorse the UP/SP application.

The merger of the SP and UP should open up opportunity for shippers and receivers alike. Hundreds of UP point which were not available to SP shippers and receivers before, will now be linked on a single-line basis with SP points which were not available to UP Shippers and receivers.

We believe the proposed merger of the SP/UP will provide major benefits to the shippers on both lines. Our company supports the application.

Respectfully,

Michael A. Young  
Sales Manager  
Eugene F. Burrill Lumber Co.

I Michael A. Young, declare under penalty 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.

  
Michael A. Young



EXPRESS SYSTEM INTERMODAL, INC.

---

**VERIFIED STATEMENT**

of

**DAVID B. CRAMPTON**

on behalf of

**EXPRESS SYSTEM INTERMODAL, INC.**

1. For the last three years I have been in charge of Orient Overseas Container Line's (OOCL) domestic repositioning program as Senior Manager Domestic Business. The domestic repositioning program is handled through a wholly owned subsidiary, Express System Intermodal, Inc. (ESI). In this position I am directly responsible for providing rail transportation for our customers in North America. This position involves rail negotiations and services from all of the major rail carriers including the Union Pacific and Southern Pacific.

2. ESI is the stack train operator for OOCL. ESI provides rail and truck services on a door to door or ramp to ramp basis for steamship lines, NVOCC's, OOCL's Customers and Domestic Intermodal Carriers. We maintain rail contracts with Union Pacific, Southern Pacific, Santa Fe, Burlington Northern, Conrail, Norfolk Southern, CSX, ICG, Soo Lines, Canadian National, Canadian Pacific. ESI will handle approximately 30,636 containers via rail in 1995 for third parties other than OOCL. OOCL will handle an additional 90,000 Intermodal container rail movements in 1995.

3. We strongly support the proposed rail merger between the Union Pacific and Southern Pacific in order to maintain competition between the western rail carriers. Two strong carriers competing with each other will provide more alternatives to their customers than one dominant carrier. The rail merger between the Union Pacific and the Southern Pacific will balance the merger between the Burlington Northern and the Santa Fe. The Burlington Northern and Santa Fe merger will create a situation where there will be one large rail carrier that will dominate West. The two smaller carriers Southern Pacific and Union Pacific will be unable to compete with them. In the past the BN and UP were of roughly equal size and competed head to head in the Chicago Northwest corridors. The UP will be less than one half the size of the new BN-ATSF and will not have the same customer base or resources to draw from to compete competitively on a long term basis.

In the Southwest, the Southern Pacific is a much weakened carrier whose long term future is in serious doubt. Their service has been seriously eroded and it is



questionable if we can maintain using them in the LA to Chicago corridor. The UP is close to capacity in this corridor and as a result they are not a viable substitute for many Intermodal customers currently using the SP. Only the ATSF-BN will have the resources and capacity to take the customers leaving the SP. This situation will leave only two carriers competing in the Southwest, the ATSF-BN and the UP with the ATSF-BN handling a major portion.

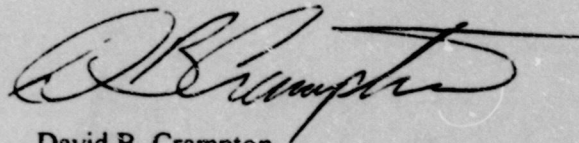
With the UP-SP merger the new company will be able to provide competitive service with equal resources to the ATSF-BN. It appears to us, that eventually without a UP-SP merger there will be still only be two choices for rail carriers in the West. Without the merger the UP will be in lesser role to the ATSF-BN and the SP will cease to exist. It would be better for rail customers to have two strong carriers instead of one strong carrier and one weaker carrier. Rail customers will have a real choice if they are able to choose between two strong railroads.

4. A UP-SP merger has the ability to expand the options and service we currently are able to receive from the SP or UP separately. The combination of the two railroads could offer double track service to Chicago, by utilization of the two main lines in one direction only. The ability to have single line service from LA to Seattle or LA to Laredo will expand our opportunities and improve our service levels.

A UP-SP merger will give rail customers increased terminal capacity in both LA and Chicago. Currently only the SP has terminal capacity in LA or Chicago. The merger will allow rail customers to utilize the SP surplus terminal capacity with service levels competitive those of the BN-ATSF. A merger between the UP and SP will also allow rail customer's service in proximity to the LA Harbors through the ICTF or on-dock.

5. We believe this merger is pro-competition and will benefit ESI with increased service and lower rates. We believe two companies actively competing with each other is a far better business environment than one where a mega company dominates the environment. We support this merger and ask the Commission to do likewise.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. B. Crampton", written in a cursive style.

David B. Crampton  
for  
Express System Intermodal

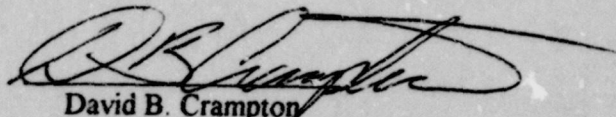
**VERIFICATION**

STATE OF CALIFORNIA)

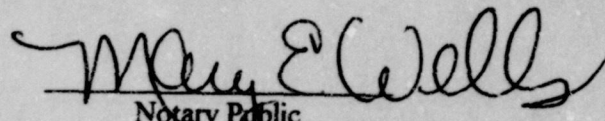
) ss.

COUNTY OF ORANGE )

I, David B. Crampton, declare under penalty of perjury that the foregoing is true and correct except as to those matters stated as being based on my information and belief and those I believe to be true and correct. I am qualified and authorized by my Company, Express System Intermodal, to file this verified statement.

  
David B. Crampton

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

  
Notary Public

My Commission Expires:

Jan 03, 1997





# FALCON RICE MILL, INC.



P.O. DRAWER 771 CROWLEY, LOUISIANA 70526 PHONE: (318) 783-3825

Verified Statement  
of  
Tom Dew  
on behalf of  
Falcon Rice Mill

My name is Tom Dew, and I am the Traffic Manager of Falcon Rice Mill in Crowley, Louisiana. Falcon Rice Mill is in the business of buying, storing, selling, milling and shipping rice to customers all across the U.S. and Mexico.

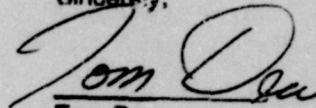
We currently ship rice to California and Mexico by rail. We enjoy service by both the SP and the UP. Under the agreement made with the BNSF, in order to preserve multiple carrier competition, we would enjoy new service from the BNSF.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support the proposed merger because we believe it will improve service and strengthen competition for our traffic.

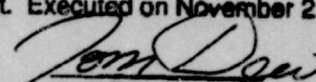
We feel that the most significant opportunity afforded to us by the merger will result from the BNSF Agreement. The new BNSF service will enhance the opportunities available to us on rail transportation. We believe that the competitive element provided by the BNSF will be significant to our efforts to serve our customers and compete in our marketplace. This agreement will give the BNSF access to the major Mexican gateways and provide a competitive alternative for our traffic destined for Mexico. Having service from 2 strong railroads with broad route systems (UP/SP and BNSF) will provide us with stronger competition than we enjoy now. We also expect to see improved asset utilization and an improvement in the availability of equipment due to operating efficiencies and repositioning opportunities available to the combined system.

We believe that this merger will provide significant benefits to us as rice shippers. Our company supports the application.

Sincerely,

  
Tom Dew

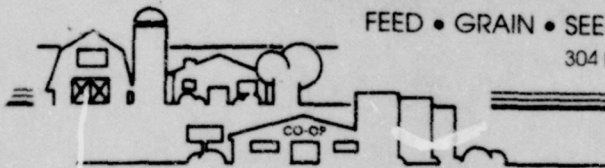
I, Tom Dew, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on November 2, 1995.

  
Tom Dew

# FARMERS COOPERATIVE COMPANY

FEED • GRAIN • SEED • FERTILIZER • LP GAS • PETROLEUM

304 ELLSWORTH, DOWS, IOWA 50071



September 20, 1995 FAX# 515-852-4139

Dows Elevator Phone:  
852-4136

Petroleum Phone:  
852-4565

After 5:00 pm  
852-4137

Rowan Town Mart Phone:  
853-2242

Rowan Elevator Phone:  
853-2214

Chemical Plant Phone:  
852-4138

**Verified Statement  
Of  
James A. Meek  
on behalf of  
Farmers Cooperative Company  
Dows & Rowan, Iowa**

My name is James A. Meek. I am currently General Manager of the Farmers Cooperative Company, Dows & Rowan, Iowa. I have been employed with the Dows Coop for over 7 years as General Manager. Prior to this position, I was the Assistant Manager at the Farmers Cooperative Company, Buffalo Center, Iowa, for 10 years.

Our company is a local cooperative which deals in grain, feed, seed, fertilizer, and chemicals. We also offer other services such as brokerage trading on grain and livestock. The majority of our grain is shipped by rail via the UP/CNW rail system. Our main shipping destination is generally for domestic processing. So far this year, we have shipped 1050 jumbo hoppers of grain from our Dows location.

My company believes that the proposed merger would be in the best interest of our member/customers as well as the other grain shippers in our trade territory.

I firmly believe that the UP/SP merger will allow or open new markets for our locally produced grain. By expanding our market access, I believe that we will be able to offer more consistent and competitive prices to our members. Another factor that I feel will be important is the merger will reduce the mileage between some major rail points. This should help us as shippers keep the overall rates lower.

Also, the UP/SP merger will help both railroads be in a better competitive advantage to compete with the BN/Santa Fe. As most of us in our industry believe, you have to be as big and as strong as your strongest competitor to survive and provide service to our own local customers.

In conclusion, my company would encourage you to approve the UP/SP merger application. Increased efficiencies and market access are enough to justify the approval.

Sincerely,

James A. Meek  
Manager



VERIFICATION

STATE OF Iowa )  
COUNTY OF Franklin ) ss.

James A. MEEK

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

James A. MEEK

(Signature)

Name-Typed

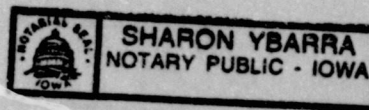
Subscribed and sworn to before me this 20 day of September, 1995.

Sharon Ybarra

Notary Public

My Commission Expires:

9-10-96





**FERRANTI-PACKARD DE MEXICO, S.A. DE C.V.**

Km. 8 Carr. Guanajuato-Silao  
Apartado Postal 299  
Guanajuato, Gto., México

**Guanajuato, Gto., September 7 1995**

**Interstate Commerce Commission  
UP/SP Merge Case  
Docket No 32760**

**To Whom it concerns :**

**Reference : Railroad Merging Between SP and UP**

We want to introduce to you our Company Ferranti Packard de Mexico SA de CV , our Company is a wholly owned subsidiary of Rolls-Royce Industries Canada Inc. Here in Mexico this Plant is dedicated to the manufacture of Power Transformers. Actually 70% percent of our Sales and Production is for the US and Canada Market . Also for our Manufacture we Import Raw material and Transformers accessories from US mainly. The units that we are manufacturing they have dimension up to 16.5' High and 13' width with a weight up to 44,000 LB and need to be Transported by rail. For the export of our Transformers we have used both Companies Southern Pacific and Union Pacific so we can give our comments of the advantages that we can see with this merger.

1.- As the Transport of our Product requires the special route clearances studies , the merger will give better routes and a quick answer of clearances requirements.

2.- The routes will be more efficient with the result of better deliveries of our Product.

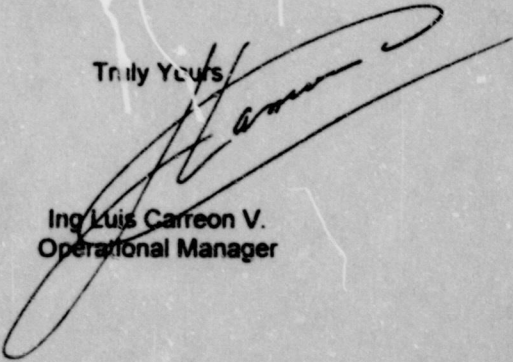
3.- More availability of Special Platforms for our kind of service.

I consider that the SP and UP merge will be to us the confidence of a Strong Company that can give us the support in the Export of our Transformers.

Our position will be in favor of the merge of SP and UP.

Hereby I certify that I am qualified and authorized by my Company to sign this statment

Truly Yours

  
**Ing Luis Carreon V.  
Operational Manager**

Tel: (473) 3-05-05  
Fax: (473) 3-14-15

UNA EMPRESA ROLLS-ROYCE INDUSTRIES CANADA, INC.



# Fleischmann's Yeast Inc.

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VERIFIED STATEMENT  
of  
DOUGLAS JOHNSON  
on behalf of  
FLEISCHMANN'S YEAST, INCORPORATED

My name is Douglas Johnson. I am the plant manager for Fleischmann's Yeast. My company is located at 921 - 98th Avenue, Oakland, CA 94603. I have been involved in the transportation side of my business for the past 20 years. I have held various operating and production responsibilities over my career. I am currently responsible for the management of plant production capacity as well as transportation of our product.

Fleischmann's Yeast is involved in the manufacture and distribution of baker's yeast. The company has three production plants located in the U.S.; in Oakland, California, Memphis, Tennessee and Charlotte, North Carolina. The company has 17 distribution branches located throughout the United States and Canada.

I am aware the Union Pacific and Southern Pacific have requested authority to merge. We support such a merger.

Our company ships product to many destinations across the United States. We look forward to the substantial resources that Union Pacific will be able to commit to improving rail service throughout the merged UP/SP system. We anticipate that Union Pacific will focus on relieving congestion at major terminals as well as reducing transit times. Union Pacific currently has in place a state of the art car tracing system which can be used for the new UP/SP system. This system will provide much better tracing of our car movements than Southern Pacific is currently able to provide. This improvement in car tracing will allow us to take greater advantage of the just-in-time delivery, and to reduce our inventory costs.

The combined route structure of the UP and SP will enable the railroad to reposition and use our private cars more efficiently. As a result, we expect to be able to reduce equipment leasing costs, more efficiently schedule our deliveries, and reduce the overall cost of our rail shipments.

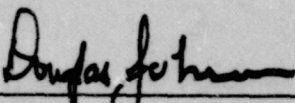
Currently, because the SP is in poor financial shape, we believe their rates are very high. It appears that Southern Pacific is in need of cash, and is looking only at short-term profits. Union Pacific is financially viable, and we believe that after the merger they will be able to reduce their rates because of service efficiencies and their longer term focus on increasing their business.

Finally, because a significant portion of our production is centered in California, it is important to us that there be strong competition for rail traffic in the Western United States. We feel that the Southern Pacific is a weak carrier, and is not able to compete effectively with the newly merged BAN/Santa Fe. The UP's significant financial resources, along with the Southern Pacific routes and markets, will create a strong Western carrier able to effectively compete with the BAN/Santa Fe. This, in turn, will lead to improved service and rates for our company.

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

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

Executed on 10/19, 1995.

  
\_\_\_\_\_  
DOUGLAS JOHNSON



*Forestglen*



LUMBER CO., INC.

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**WHOLESALEERS OF WESTERN FOREST PRODUCTS**

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P.O. BOX 310, MEDFORD, OREGON 97501 • PHONE (503) 773-3661 • FAX (503) 773-3663

My name is David Schott. I am responsible for the entire sales freight operation at Forestglen Lumber Co. Inc. Our address is 1307 W. Main Street, Medford, Oregon 97501-0021.

Forestglen Lumber Co. Inc. is involved in the brokerage of lumber to wholesalers and retailers. We ship over 3,000,000 board feet per year throughout the United States, via most of the nation's major railroads.

One of the important benefits of the merger to us will be the establishment of a new strong carrier in the West. While we understand that there will be a reduction in carriers from three to two, we are more concerned that the new combined UP/SP will be a strong western carrier able to provide improved service over the former SP. In my experience SP's service has been somewhat poor. I believe that the combined company will have the resources and ability to correct these service problems.

One of the significant advantages that we are interested in will be the upgrading of the lumber car rail fleet. I felt SP was under-equipped in the rail car supply area. I believe that Union Pacific has a much larger fleet of rail cars and significant resources to commit to improve that situation. Union Pacific has a sizable number of center-beam flat cars which are used in the lumber industry, and these cars, combined with Southern Pacific's traditional lumber cars, would make a more versatile fleet for use by the lumber industry, and our company in particular.

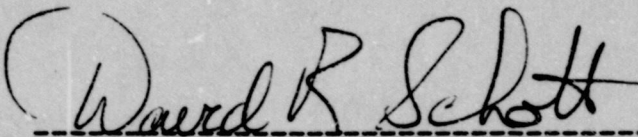
Possibly the most important benefit to our company will be a reduction in transit times along Southern Pacific's Oregon to California 1-5 corridor. We understand that the new combined UP/SP will be able to commit substantial resources toward improving service on that line. This will help our company immensely as the transit times are reduced; we will be able to ship more product by rail into California, and do it competitively with truck traffic. This will allow us to take greater advantage of rail service versus truck.

Another benefit to our company that follows from a new UP/SP merged company, is the ability of that company to compete more effectively with the new BN/Santa Fe System. I personally was concerned that the new BN/Santa Fe company eventually would be able to dominate the market without a strong competitor. I believe the new combined UP/SP will be a strong competitor to BN/Santa Fe, which should lead to improved service and reduction in rates as a result of that competition.

For these reasons, I believe the merger will have significant benefits for my company and I would urge you to approve it as soon as possible.

I, David Schott, declare under penalty 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

  
\_\_\_\_\_  
DAVID R. SCHOTT



# FRANKLIN INDUSTRIAL MINERALS



VERIFICATION STATEMENT  
OF  
MICHAEL C. POWERS  
ON BEHALF OF  
FRANKLIN INDUSTRIAL MINERALS

HEADQUARTERS  
612 TENTH AVENUE, NORTH  
NASHVILLE, TENNESSEE 37203  
615-259-4222

My name is Michael C. Powers. I am Manager of Transportation and Marketing Research for Franklin Industrial Minerals, 612 Tenth Avenue North, Nashville, Tennessee 37203. My duties include the coordination and planning for all transportation services for Franklin Industrial Minerals which includes plants in Crab Orchard and Anderson, Tennessee, Crawford, Nolanville and Limestone, Texas, Lowell, Florida, Dalton, Georgia, Kings Mountain, North Carolina and Velarde, New Mexico.

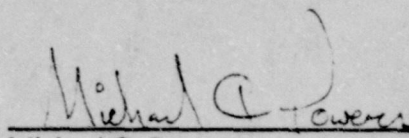
Total Freight for the 9 locations named above is in excess of three million tons of calcium carbonate, thirty thousand tons of mica, thirty thousand tons of silica, and forty thousand tons of feldspar. Our outbound commodities encompass a wide geographical region of the United States and other International locations. Due to our high freight volumes and domestic sales marketing areas, we utilize many rail carriers, including Southern Pacific and Union Pacific.

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

As we have utilized both carriers, we believe the merger will improve rail service for various reasons, *i.e.*, fewer multi-line movements and more efficient routing. We also feel that the recently negotiated trackage rights agreement between the Union Pacific, Southern Pacific, and BN/ATSF will nullify any anti-competitive complications that may have been caused by the merger in question, as well as improve single line service of the BN/ATSF.

I, Michael C. Powers, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this certified statement.

Executed on October 10, 1995

  
Michael C. Powers

BEFORE THE  
INTERSTATE COMMERCE COMMISSION  
WASHINGTON, D.C. 20423

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FINANCIAL DOCKET NO. 32760

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UNION PACIFIC CORPORATION  
UNION PACIFIC RAILROAD AND MISSOURI PACIFIC RAILROAD COMPANY

CONTROL AND MERGER

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

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VERIFIED STATEMENT

OF

THOMAS A. DURIAN

MANAGER TRANSPORTATION

FROEDTERT MALT CORPORATION

P.O. BOX 712

MILWAUKEE, WISCONSIN 53201-0712



I am Manager of Transportation for Froedtert Malt Corporation. My business address is 3830 West Grant Street, Milwaukee Wisconsin 53215.

I have held this position for the past 13 years and have a total of 25 years experience in the transportation industry.

As Manager of Transportation , my duties and responsibilities insofar as they relate to transportation of our products are as follows:

Froedtert Malt Corporation is engaged in the manufacture and sale of barley malt to breweries , distilleries and food processors located throughout the United States and the world. As such, we utilize the rates and services of all Class I Railroads.

Information related to carloads shipped and dollars spent on rail transportation costs is proprietary information , however , we will state that all but a fraction of one percent of our shipments move in and outbound via rail.

Our facilities are located in Minneapolis Minnesota , Winona Minnesota , Wahpeton North Dakota and Milwaukee Wisconsin.

All of our plants are served by Class I Railroads that interchange traffic with the Union Pacific Railroad and the Southern Pacific Rail Corporation on a regular basis.

Our purpose in filing a verified statement in this proceeding is to express our support for the proposed merger of the Union Pacific and the Southern Pacific Railroads.

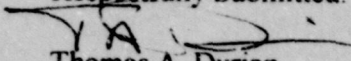
The trackage right agreements entered into by the Union Pacific and Souther Pacific Railroads with the newly merged Burlington Northern and Atchison ,Topeka and Santa Fe Railroad Co. will help to insure competitive access to markets and international gateways.

Rail competition is beneficial for Froedtert Malt because it provides us with better prices and service. Past rail mergers have already reduced the number of competitive choices available to shippers.

Without rail competition , such as the Burlington Northern - Santa Fe Union Pacific Southern Pacific settlement , Froedtert Malts business will suffer. We must be able to compete in a world environment and reduced transportations options will only further reduce our competitiveness.

To prevent any additional significant reductions in competitive transportation options, we support the Union Pacific Railroad and Southern Pacific Railroad request to merge.

Respectfully Submitted:

  
Thomas A. Durian  
Manager Transportation  
Froedtert Malt Corporation

DOC32760



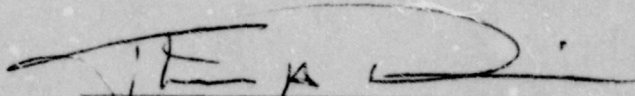
VERIFIED STATEMENT

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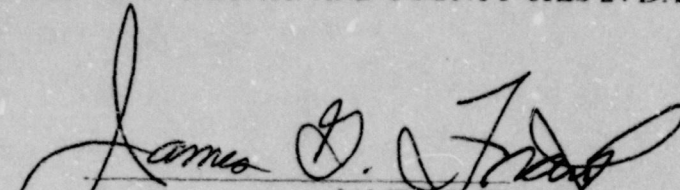
STATE OF WISCONSIN

COUNTY OF MILWAUKEE

THOMAS A. DURIAN, BEING DULY SWORN, DEPOSED AND SAYS THAT HE HAS READ THE FOREGOING STATEMENT, KNOWS THE CONTENTS THEREOF, AND THAT THE SAME IS TRUE AND CORRECT AS STATED.

  
THOMAS A. DURIAN

SUBSCRIBED AND SWORN BEFORE ME, JAMES G. FRANK, A NOTARY PUBLIC IN THE ABOVE STATE AND COUNTY THIS 24 DAY OF OCTOBER 1995.

  
JAMES G. FRANK

MY COMMISSION EXPIRES: JULY 12, 1998



## FRONTIER Terminal & Trading Company

P.O. Box 701497 • Tulsa, Oklahoma 74170-1497

Phone: (918) 496-7770

Fax: (918) 493-7473

VERIFIED STATEMENT  
OF  
WILLIAM WALLACE HAWTHORNE  
on behalf of  
FRONTIER TERMINAL & TRADING COMPANY

My name is William Wallace Hawthorne. I am Vice President-Sales for Frontier Terminal & Trading Company hereafter referred to as FT&T, Tulsa, OK where I have been employed since November 1st, 1990 when FT&T was formed. Previously, I was Traffic Manager for National Petroleum Sales, Tulsa, OK for seven years, and previously Traffic Manager with Mid-Region Petroleum for six years. Prior to then, I was Chief Rate Clerk at the Tulsa, OK office with ATSF Railroad for eight years.

FT&T is a Petroleum Marketing Company specializing in No. 6 fuel oil and Asphalt. We have terminal facilities at Muskogee, OK where we have service by the BNSF. We also have terminal facilities at Tulsa Port Authority, Oklahoma served by BNSF and with the SKOL with connections to the Union Pacific at Tulsa, OK. We also have storage tanks at Houston Fuel Oil Terminal, Houston, TX serviced by the PTRR. All of these terminals are also served by truck and barge. In addition to our terminals, we also purchase and market these products direct from various refineries and ship direct to our customers across the US. We market approximately 2,400,000 barrels of product per year. Year to date September, 1995 we have paid in excess of \$1,600,000 in rail transportation charges.

FT&T fully supports the Union Pacific and Southern Pacific's proposed merger because of our dependence upon the Southern Pacific and the need for upgraded and improved service along those lines, specifically in the El Paso to Houston corridors. In addition, newly formed single line service will improve our marketing potential into existing and new market areas. We look forward to reduced equipment costs as a result of decreased transit time and delays in the railroads. It is our belief that the combined system will give us relief from terminal congestion at critical terminals such as San Antonio, El Paso and Houston.

I believe the proposed merger will be a major benefit to Frontier Terminal & Trading Company and request your support of the proposed merger.



**VERIFICATION**

I W. W. Hawthorne, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. execution on \_\_\_\_\_

W. W. Hawthorne  
William Wallace Hawthorne

Subscribed and sworn to before me this 26 day of October 1995.

Kymberly A. Smith  
Notary Public

My Commission Expires:

12.9.95

# GTS Drywall Supply Co.

1524 MARKET STREET  
KIRKLAND, WASHINGTON 98033  
(206) 828-0608  
FAX (206) 889-5127

To: The Interstate Commerce Commission

From: Michael Nunn  
President  
GTS Drywall Supply Co.

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

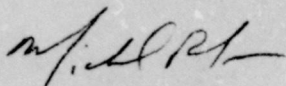
GTS Drywall Supply Co. is a wholesale drywall business with ten stores in the Pacific Northwest. Six of our stores are rail served, primarily by Burlington Northern. This allows us access to manufacturers in Iowa, Wyoming, and Texas. The majority of our business is conducted in Washington state.

I have been with GTS for five years and, as President, have full profit and loss responsibility. Additionally, it is my job to ensure that GTS remains viable and continues to provide good jobs to over 150 employees. We have been in business eighteen years.

We will benefit from the proportional BN / Santa Fe rates which will be available for UP / SP use between California and Washington. Currently, we are unable to utilize rail shipments from several Southern California suppliers because the SP and BN have been unable to come up with an arrangement which makes economic sense. By having access to these Southern California suppliers, we should be able to remain competitive in our markets.

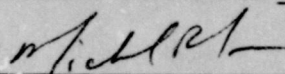
The proposed UP / SP merger with the proportional BN / Santa Fe rates will benefit GTS Drywall Supply Co. Accordingly, we support the application.

Sincerely,



Michael R. Nunn

I, Michael R. Nunn, declare under penalty 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.



Michael R. Nunn





Gardner Asphalt Corporation

P.O. Box 5449 • Tampa • FL 33675-5449 • 4161 East 7th Avenue • Tampa • FL 33605 • (813)248-2101

BEFORE THE  
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760

UNION PACIFIC RAILROAD COMPANY  
CONTROL AND MERGER  
SOUTHERN PACIFIC TRANSPORTATION COMPANY

VERIFIED STATEMENT  
OF

Mike Lazuk  
on behalf of  
Gardner Asphalt

My name is Mike Lazuk. I am Director of Transportation and Distribution for Gardner Asphalt. Our address is 4161 East 7th Avenue, Tampa, FL 33605. My telephone number is 813-248-2101. My fax number is 813-248-6768. I have been involved in transportation for the last 20 years. I am involved in all aspects of transportation for raw materials and finished products.

Gardner Asphalt manufactures roof coatings and paints. We have facilities located in five states (Texas, Illinois, Florida, Alabama and California), served by various railroads. Transportation is a critical component in our cost structure. The ability of a carrier to efficiently and effectively serve both our facilities and our customers is imperative.

We strongly support the merger between the Union Pacific and the Southern Pacific. We look forward to the new service routes provided by UP/SP and the competitive access promised to the BN/SF which should give Gardner Asphalt more opportunities for single line service into California as well as increased competition to Eastern gateways.

We are also encouraged that Union Pacific's ownership of the Southern Pacific franchise will mean increased capital for the improvement of track and terminals - two areas where SP had fallen over the years.

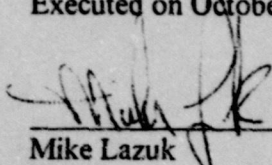


Gardner Asphalt Corporation

P.O. Box 5449 • Tampa • FL 33675-5449 • 4161 East 7th Avenue • Tampa • FL 33605 • (813)248-2101

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

I, Mike Lazuk, declare under penalty 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 26, 1995.

  
\_\_\_\_\_  
Mike Lazuk  
Director of Transportation and Distribution  
Gardner Asphalt



# GEORGE VERHOEVEN GRAIN, INC.

7000 Merrill Ave., Box No. 5 • Chino, CA 91708 (714) 393-5420 FAX (714) 393-5419

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## VERIFIED STATEMENT

OF

Randy Verhoeven on behalf of

GEORGE VERHOEVEN GRAIN, INC.

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

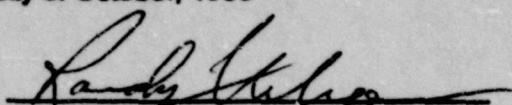
My name is Randy Verhoeven. I am presently the CEO and General Manager of George Verhoeven Grain, Inc., 7000 Merrill Ave., Chino, California 91710. My normal duties and responsibilities include buying all products needed for the production of animal feed. This would cover all transportation logistics whether it be rail or truck into all facilities and coordinating with both customers and rail carriers.

We provide feed for cattle, and other animal industries in California. A major part of our business is to work with the rail carriers, and service is a priority with our business. The option by which we ship depends upon the competitive freight rates we can obtain by rail or truck. We are optimistic that the merger will help to alleviate the service problems the Southern Pacific has been experiencing for the last four years. George Verhoeven Grain, Inc., utilizes the Burlington Northern, Santa Fe, Southern Pacific, and Union Pacific for its shipments.

Our shipments originate on BNSF or UP. While the routes by which we are serviced are established by the origin shipper, many of our shipments are terminated by Southern Pacific Lines. It is critical to us that Southern Pacific not only survive, but thrive. The merger of the financially strong Union Pacific with the route structure and market reach of SP insures that we will be served by a competitive rail carrier for the long term. With the merger of BNSF, we believe that it is essential that we have a rail carrier that is strong enough to compete with both BNSF and trucks. UPSP is that carrier. With this merger we will be able to ship and connect with all possible corridors across the United States at competitive rate levels.

Because many of our shipments now originate on UP and terminate on SP, one particular benefit of the proposed merger for us would be the creation of new single line service on this traffic. Such single line service will improve our logistics and enhance our customer service.

I, Randy Verhoeven declare under penalty 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 Twenty Sixth day of October, 1995

  
Randy Verhoeven





## *Giglio Distributing Company Inc.*

155 M.L. King Pkwy. - P.O. Box 4046 Beaumont, TX 77704 409 838-1654

### VERIFIED STATEMENT

OF

Earl Woodring  
on behalf of  
Giglio Distributing

I, Earl Woodring, am Operations Manager for Giglio Distributing, 155 Martin Luther King Parkway, Beaumont, Texas 77701. I have been employed by Giglio Distributing for eleven years, and have served as Operations Manager in charge of transportation for the past two years. I support the proposed merger of the Union Pacific and Southern Pacific railroads.

We are a distributor for Miller beer, receiving shipments at Beaumont, Texas, from Fort Worth. We presently are served by the SP, which switches our traffic at Beaumont from the UP from Fort Worth.

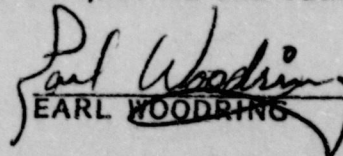
The first and foremost benefit that Giglio will see as a result of this merger is direct, single line service from the Fort Worth to our plant. Our costs should be lower because we will no longer have to pay the SP switch charge.

Another direct benefit to Giglio from this merger will be the ability to work with a merged system, rather than with the SP alone. We have experienced tremendous problems in terms of customer responsiveness from the Southern Pacific. Their maintenance of the rail at our plant has been severely lacking. Recently, the SP came in to repair it, and left it torn up for more than six weeks, causing disruption not only in our rail shipments but also to our truckers.

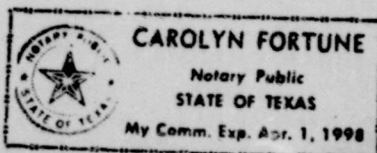
We have experienced inexplicable slowness in the SP's switch at Beaumont. With the service becoming single-line from Fort Worth to our facility, that problem should disappear. We also welcome this merger because it will make the Southern Pacific more financially viable and this will give us the long-term promise of continued rail service.

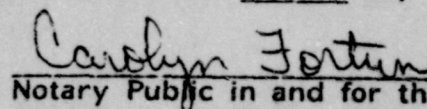
I, Earl Woodring, declare under penalty of perjury that the foregoing is true and correct. Further I declare that I am qualified and authorized to file this statement.

Executed Oct. 9, 1995.

  
EARL WOODRING

Given under my hand and seal of office this 9th day of October, 1995.



  
Notary Public in and for the State of Texas



**Paints**



**The Glidden Company**

925 Euclid Avenue  
Cleveland  
Ohio 44115 USA

Telephone (216) 344-8000  
Telex 196102 GLIDDEN CLV  
Fax (216) 344-8900

**VERIFIED STATEMENT  
OF  
GERALD E. BROWN  
ON BEHALF OF  
ICI PAINTS NORTH AMERICA  
THE GLIDDEN COMPANY**

My name is Gerald E. Brown, I am the Corporate Transportation Manager for ICI Paints North America, also known as The Glidden Company. I am responsible for arrangement of all transportation for ICI Paints, whether it be by highway, rail, water or air.

I graduated from Tri-State University, Angola, Indiana with a B.S. in Business. My major was Transportation. Since that time, I have taken many seminars in the field of Transportation and Federal Regulations. I have been with ICI Paints for twenty years and have held my present position since January 1, 1980. Prior to the twenty years with ICI Paints, I spent six years with the Fisher Body division of General Motors.

ICI Paints is the world's largest producer of paint. Within the United States, ICI Paints produces paint for contractors and consumers. In addition, we produce paint for the food and beverage industry to line cans and caps.

ICI Paints manufactures and distributes these products from eighteen plants in the United States. A number of our plants



receive raw materials by rail, primarily in bulk form. Items ordinarily received by rail include clays, talc, titanium dioxide, solvents, and resin solution. In addition, we use intermodal transportation for packaged goods as well as bulk products. Intermodal is used for both inbound and outbound products. We ship paint by rail from our Huron, Ohio plant.

ICI Paints facilities served by western railroads include the following:

- Los Angeles, California (SP open)
- Riverside, California (BN/SF, UP, SP)
- City of Industry, California (SP)
- South San Francisco, California (SP)
- San Francisco, California (SP)
- Oakland, California (UP)
- Tualitin, Oregon (BN/SF, SP)
- Salt Lake City, Utah (UP, SP)
- Houston, Texas (BN/SG open)
- Carrollton, Texas (BN/SF, UP, SP)

We use SP for rail movements at our facilities located at Carrollton, Texas, and San Francisco and South San Francisco, California. ICI Paints also has facilities located in Ohio, Kentucky, Pennsylvania, Maryland, Florida, and Georgia.

ICI Paints strongly supports the proposed merger of the Union Pacific and Southern Pacific railroads. We believe that the merger will improve service to our plants in various ways and that it will strengthen competition.

1. In many cases, the merger will cause our inbound rail movements to be on a single carrier rather than on multiple carriers, resulting in improved service and fewer delays. For example, talc shipments originating at UP points in Montana will

move in single-line service to our SP-served plants in South San Francisco and Carrollton, Texas. We will also have opportunities to shift some of our outbound movements to rail as a result of new single-line opportunities. We ship a substantial percentage of products from our California facilities to the Pacific Northwest. At this time, there is no viable intermodal service on this route, and we ship these products entirely by truck. New single-line intermodal service offered by UP/SP along the 1-5 corridor may make it cost effective for us to begin shipping by rail for movements north from our California plants.

2. ICI Paints should benefit more generally from improved routes following the merger. Shorter routes will result in quicker transit times, a point that is important to us. Because of the competitive nature of the paint business, it is important that we receive quickly the raw materials used in the manufacture of products. Many times we have had to resort to other methods of transportation because the rail movement has not been timely enough.

Improved routes should provide us with benefits particularly for intermodal service. We regularly move finished product from our Huron, Ohio plant to the San Francisco Bay area. By using a combination of their lines, UP/SP will have more direct routes to the West Coast and will be able to offer third-morning intermodal service from Chicago to northern California. We also use intermodal service to carry finished products from our Carrollton, Texas plant to points in California and to move clay from Georgia



to our West Coast plants. The combination of UP lines through Texas and SP's El Paso to Colton line will provide a good option for these intermodal movements, particularly in view of capital improvements UP/SP plan to make to increase capacity on this route.

3. ICI Paints should also benefit from improved service to Mexican gateways. We currently ship some paint from our Huron, Ohio plant to Mexico via tank car. In addition, we believe we have other opportunities to gain new business from major retailers that have plans to increase their Mexican operations and to sell into Mexico for uses involving beverage and food cans. A combined UP/SP, with rail access to all major Mexican gateways, would offer us more flexibility. North-south routes between the Midwest and Mexico should become more efficient as a result of UP/SP's ability to consolidate facilities and traffic and to build more run-through trains. In addition, for traffic from our SP-served facilities, we will now be able to take advantage of Up's efficient border-crossing procedures, reducing delays at the border. These changes should help us improve sales into Mexico.

4. The Up/SP merger should help to improve the service offered by SP and make it a viable competitor. We have experienced problems with SP service, particularly at our plant at Carrollton, Texas. Switching problems have caused delays, and we have had real problems getting cars moved on a timely basis. We expect that a merger with UP would result in improved service. UP would be able to devote financial resources to upgrading SP's equipment, routes and facilities and would apply its information technology expertise

and management philosophy to improve SP service levels.

5. The combination of UP and SP would result in stronger competition. The new BN/Santa Fe system is very large and efficient. UP and SP standing alone could not match the service offered by BN/Santa Fe. However, a combined UP/SP would be an effective competitor to BN/Santa Fe. Particularly in the area of intermodal service, ICI Paints would benefit from having two strong alternatives available.

At our facilities in Carrollton, Texas, the merger would reduce the number of rail options from three to two. However, we believe the merger will give us better service and better competition at this location. UP/SP will be a stronger competitor than either UP or SP alone, with better service and single-line access to more locations throughout the country. In addition, under an agreement with UP and SP, BN/Santa Fe will gain access to many new points and routes in Texas, Louisiana, California, and elsewhere. This will give us new alternatives for single-line movements to and from our Carrollton facility and our other plants served by BN/Santa Fe. For example our Texas plants may benefit from new access BN/Santa Fe will gain to points in Texas and Louisiana. We believe our plants will be better off with service from two stronger railroads (UP/SP and BN/Santa Fe) than from the current three.

ICI Paints will gain many benefits as a result of the UP/SP merger. We support the merger and urge that it be approved promptly.



I Gerald E. Brown, declare under penalty 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 31, 1995.

Gerald E. Brown

Gerald E. Brown

gb103001



VERIFIED STATEMENT  
OF

Lavonne Glover  
on behalf of  
Glover Feed Mills, Inc.

RE: FINANCE DOCKET NO. 32760

My name is Lavonne A. Glover. I am secretary-treasurer as well as ingredient buyer for Glover Feed Mills, Inc. Our address is 2602 South Jefferson in Mt. Pleasant, TX 75455. We are a family owned and operated feed manufacturer which has been in business since 1950. Our two sons have also joined us in operating the business.

Our main concern at this point is the ability for the SP to continue to compete with the larger rail lines, especially since the merger of the BN/AT&F. We are served solely by the SP and if for any reason our rail service is discontinued, we would be out of business. We have 75 employees with families who depend on Glover Feed Mills for their jobs.

We believe that the approval of the proposed merger would ensure that we continue to receive rail service from a competitive carrier with access to points in the mid-west which, at the present time, are not competitive for us.

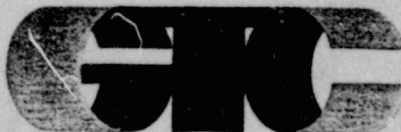
Our company supports this application. We believe that the proposed merger will be beneficial to Glover Feed as well as other rail customers.

I, Lavonne A. 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 11, 1995.

A handwritten signature in cursive script that reads "Lavonne A. Glover".

Lavonne A. Glover  
Secretary-Treasurer





**GOLDEN  
TECHNOLOGIES  
COMPANY, INC.**

8714 State Highway 60  
P.O. Box 628  
Johnstown, Colorado 80534  
(970) 587-5131  
Fax: (970) 587-6536

**October 13, 1995**

**VERIFIED STATEMENT**

**OF**

**JAMES PEARSON  
on behalf of  
GOLDEN TECHNOLOGIES COMPANY, INC**

I am Vice President - Finance, Administration and Commodities of the Golden Technologies Company, Inc. ("GTC") Johnstown, Colorado operations. Responsibilities include accounting, information services, human resources, regulatory, by-product sales, purchasing and transportation. I have over 25 years experience in public accounting and a manufacturing company environment. The last seven years have been essentially in my current capacity.

GTC operates three distinct business units through its Johnstown, CO operations: (i) a corn wet milling plant, (ii) a commodity division, and (iii) a fructo-oligosaccharide (FOS) development business. Plant locations include the operations at Johnstown, CO, a grain elevator at Platteville, CO, and a warehouse in Golden, CO.

Major products produced at the corn wet milling plant include high fructose corn syrup, corn starch, corn germ, gluten meal and wet feed. The Platteville grain elevator handles corn, wheat, cottonseed meal, malt pellets and other commodity products. A limited amount of FOS is currently marketed.

All locations ship and/or receive products by rail. Johnstown is located on The Great Western Railway, a short line railroad that connects to both the Union Pacific (UP) and Burlington Northern (BN). Platteville is located on the main line of the UP. Golden is serviced by the BN with connections in Denver (about 15 miles) to the UP and SP.

Major rail traffic patterns include the following:

- a) Approximately 3,000 rail cars of corn purchased at various points in Nebraska and shipped to Johnstown/Platteville.
- b) Approximately 600 rail cars of fructose shipped in GTC owned tank cars primarily to locations in California, Oregon, Utah and Washington.
- c) Approximately 200 rail cars of corn germ shipped from Johnstown/Platteville to Illinois.
- d) Approximately 200 rail cars of brewers dried grains (malt pellets) shipped from Golden or Platteville to locations in Arizona, California, Idaho and Texas.
- e) Approximately 100 rail cars of corn starch shipped from Johnstown to Golden, CO and various locations in California.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We believe that the proposed merger would improve service and increase the financial strength of the two carriers.


Service benefits to GTC include more efficient (and shorter routes), particularly to locations in California. Also, we expect to see less transit times which should equate to better service for GTC's customers. This could be especially true in some new growth markets.

The merger allows better financial strength for the SP and allows upgrades to their equipment and rail lines. In addition, we anticipate better utilization of railroad owned equipment (e.g., corn rail cars).

GTC supports the proposed merger between the Union Pacific and Southern Pacific because of the expected benefits to GTC and its customers.

#### VERIFICATION

I, James Pearson, declare under penalty 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.

  
\_\_\_\_\_



# Goodpasture, Inc.

PHONE 806 -- 637-2541

P. O. BOX 912

BROWNFIELD, TEXAS 79316

FAX 806 -- 637-3089

October 11, 1995

Mr. Vernon A. Williams, Secretary  
Case Control Branch  
Attn: Finance Docket No. 32730  
Interstate Commerce Commission  
1201 Constitution Avenue N.W.  
Washington, D.C. 20423

RE: Union Pacific Corp., Union Pacific Co. and  
Missouri Pacific Railroad Co. control and merger  
Southern Pacific, Southern Pacific Transportation  
Company

Dear Sir:

Goodpasture, Inc. is a shipper located in Brownfield, Texas P.O. Box 912 79316 and Seagraves, Texas on the SWGR Railroad. My name is Ken Keeney, Traffic Manager for 20 years in charge of moving all rail traffic.

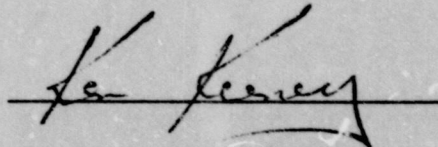
Goodpasture is a Grain and Fertilizer company shipping and receiving freight from various locations in the western half of the United States. Goodpasture, Inc. has over one hundred dealers that they supply fertilizer for the various farmers.

Goodpasture, Inc. has only one main supplier of nitrogen fertilizer solution at the present located on the ATSF. Goodpasture, Inc. supports the UP/SP merger in their efforts. As a shipper dependent on SP service Goodpasture welcomes the merger as a means of ensuring that we receive top quality rail service from a financially sound carrier with single line access to Lubbock, Texas from various MP/SP origins.

This merger would ensure competitive benefits with the BN/ATSF merger giving Goodpasture, Inc. two routes to receive inbound freight.

## VERIFICATION

I, KEN KEENEY declare under penalty 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 10-11-1995  
(Date)



pw



## Gopher State Scrap & Metal, Inc.

3401 3rd Ave.  
Mankato, MN 56001  
(507) 387-6504



### Verified Statement

of

Patrick Daly, President

Gopher State Scrap & Metal, Inc.

I am responsible for all inbound and outbound rail traffic, rates, destinations, weights, tariffs, billing, load scheduling, and general rail traffic problems.

One of our company's major sources of revenue is processing ferrous scrap so that it can be utilized as a basic bulk commodity for the nation's steel mills and foundrys. The Union Pacific provides the most economical and by far the most efficient means and methods for the transportation of our products. Our company is very dependent on the rail transportation, so it can not only move large tonnages quickly but maintain a consumer relationship (steel mills, foundrys, etc.) within the North American continent. The commodities we ship via Union Pacific are the backbone to the nation's reliance on resourceful recycling. Gopher State Scrap & Metal, Inc. also loads containers for shipment overseas, which are trucked from the plant at Mankato, MN. to Minneapolis/St. Paul, MN. for railroad shipments to the West Coast.

I believe that the merger of the Union Pacific and Southern Pacific Railroad could only enhance our position in creating new business relationships with consumers of our products in western and southern states of our nation and also create new ports of entry for our commodities in Mexico. This merger will benefit all scrap shippers and consumers on the Union Pacific because of more economical freight rates utilized because of single railroad handling of their freight.





## Gopher State Scrap & Metal, Inc.

3401 3rd Ave.  
Mankato, MN 56001  
(507) 387-6504



A significant factor that every rail snipper is aware of is that, when your shipment is routed on a single railroad, equipment turn-around, utilization, and car supply are greatly enhanced.

Because of the reasons stated in this letter and the Union Pacific Railroads efficiency, integrity, and the simple fact that it is one railroad that did not forget who the customer is, I, Patrick Daly, Gopher State Scrap & Metal, Inc., support the Union Pacific and Southern Pacific merger.

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

Lanny Walania  
witness

Patrick Daly  
signature

**VERIFIED STATEMENT  
OF  
RALPH DERRICK  
ON BEHALF OF  
GREATER SOUTH TRAFFIC**

**I, Ralph B. Derrick, Vice President National Accounts, of Greater South Traffic, which is located at 2417 E. Carson, Suite 120, Long Beach, Ca. 90810, have been in the employ of Greater South Traffic for six years in various capacities. I have been in the transportation industry for 25 plus years and feel I have a finger on the pulse of the shipping public.**

**Greater South Traffic is an Intermodal Carrier that markets the services of all railroads to our various customers throughout the United States. GST is a subsidiary of NYK Lines and deals heavily in containerized international freight as well as domestic shipments. GST has 26 offices and is responsible for approximately 300,000 units annually. We have contracts with all the major rail carriers and feel it is necessary to maintain a financially strong and healthy rail network.**

**I strongly support the Union Pacific/Southern Pacific merger. The BN/ATSF Fe merged system will be nearly twice the size of both the Union Pacific and Southern Pacific. A merged UP/SP will create a competitor that is fully equal to BN/ATSF in all major western markets.**

**Union Pacific has been a small player with GST from Southern California origins due to having inefficient routes to many markets. We foresee a great increase in UP participation with the merged system due to shorter direct line routes.**





**TOTAL QUALITY IS OUR #1 PRIORITY.**

2417 East Carson St., Suite 120  
Long Beach, CA 90810  
310-518-3008 WATS 800-624-3615  
FAX 310-518-2200

**The recently announced trackage rights deal between Union Pacific, Southern Pacific and Burlington Northern/Santa Fe is a leap forward and set the two companies as head-to-head competitors on every major rail route in the Western United States. In fact, it appears the deal opened up nearly 15% of UP and SP's track to BNSF.**

**This will be beneficial to GST as well as the overall shipping public as it will open up competition to many new markets and allow the UP/SP merged system to utilize the best terminals in key cities of each one. It will also allow the merged system to pool their private equipment such as SPDZ and EMPU containers, which will minimize equipment shortages and/or afford them the opportunity of re-positioning equipment in a more efficient manner.**

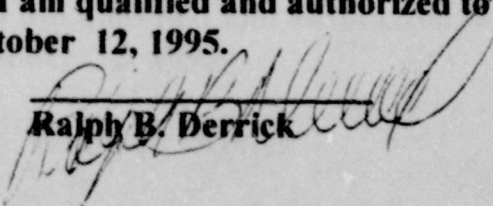
**We are particularly interested in the I-5 corridor and the benefits a merged UP/SP system will allow to the PNW and Canada on a single line system. Currently we have limited access via the SP from Los Angeles to Portland, but must dray equipment from Portland to Seattle which is costly and a non competitive mode to truck. Strongly feel that this will give GST an opportunity to market this corridor and capture new business.**

**The San Bernadino Ramp will also be a plus for customers located in the Inland Empire. Union Pacific has not been able to compete in this market due to the high cost of drayage into Los Angeles. The SP has the ramp but provides very poor service. A combined system should provide for improved service at a competitive rate due to the shorter distances and improved economies.**

**As indicated above, feel there are numerous benefits to a UP/SP merged system and I strongly support it.**

#### **VERIFICATION**

**I Ralph B. Derrick, declare under penalty 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.**

  
**Ralph B. Derrick**

*A Diversified Transportation Services Company  
Providing Innovative Solutions for Logistics Management*

**GREEN ROCK QUARRIES**  
115 RIDGE WAY  
OROVILLE, CA 95966  
(916) 589-3546 • (FAX) 589-5230

October 10, 1995

Verified Statement of Roger Green  
on behalf of Green Rock Quarries, Inc.

I am Roger Green, Executive Vice President of Green Rock Quarries of Oroville, California. I founded Green Rock Quarries, which has been in the business of mining and distributing crushed rock products since 1983.

Green Rock Quarries ships the bulk of its production by rail, using a site on the Union Pacific Railroad at Elsey, California. Good rail service, at competitive rates, is key to the survival and health of Green Rock Quarries.

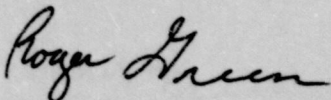
We fully support the proposal of Union Pacific Railroad to merge with Southern Pacific Railroad. Our business has been limited, historically, to points served by Union Pacific, because of our inability to secure competitive rates when having to use both railroads over comparatively short mileages. Having single line rates to points on Southern Pacific from Union Pacific origins will facilitate our being competitive in Northern California markets.

With improved financial viability of Southern Pacific, more monies will be spent improving track on Southern Pacific lines. We can be a major supplier of track ballast to Southern Pacific lines in California, which will result in additional business for Green Rock Quarries, as well as improve service to potential customers of Green Rock Quarries, served by Southern Pacific lines.

As I believe you can see, there are many synergies to be gained here between rail shippers and receivers in Northern California and the Union Pacific and Southern Pacific railroads. In the end, the general public will also, to a large extent, become a major beneficiary of the proposed Union Pacific - Southern Pacific merger.

Therefore, we urge consideration to the finding a favorable decision in the case of the proposed Union Pacific - Southern Pacific merger.

Sincerely,



Roger Green  
Green Rock Quarries, Inc.



VERIFICATION

STATE OF California )  
COUNTY OF Butte ) ss.

Roger Green, 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.

Roger Green  
Roger Green

Subscribed and sworn to before this 11<sup>th</sup> day of October, 1995.



Lynne M. Kannard  
Notary Public

My Commission Expires:

Sept. 20, 1996



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**Greenwood International**  
INCORPORATED

P.O. Box 69249  
Portland, Oregon 97201  
(800) 547-6814  
Fax (503) 245-5460

**Verified Statement  
of  
Nate Oas  
on behalf of  
Greenwood International**

My name is Nate Oas. I am employed by Greenwood International in Portland, Oregon. I hold an M.B.A. and have spent five years in the steel trading business. I am responsible for inventory, customer service, purchase and sale and the import of our products. I am thoroughly familiar with the transportation needs of our company.

Greenwood International is an international trading company specializing in steel and lumber distribution. We have facilities in Laredo and Houston, Texas and Portland, Oregon. We ship steel from Houston to Los Angeles and Portland. We also bring steel from Mexico through Laredo to Los Angeles and Portland. Where possible, we have generally moved this traffic over UP, because their routes and service have been better than those of SP. We also move traffic by truck.

We support the merger of UP and SP. Our traffic from Houston and Laredo will move over improved, rationalized routes. With its greater resources and control of the joint facilities of UP and SP, we anticipate significant improvements in existing facilities at Houston and Colton, together with improved routes between El Paso and W. Colton. Likewise, route improvements that can be made available for our traffic through the I-5 corridor are important to us. These improvements will result in efficiencies for our shipments, including optimized routes, consolidated and improved facilities, enhanced equipment supply and utilization and integrated management. The results include reduced transit time, reduced cycle time, less congestion, reduced intermediate handling and more frequent, dependable service. Generally, these efficiencies allow more aggressive pricing. Thus, the shipper gets better service for an improved price.

We also understand that the merged system would separate much of its intermodal traffic from its manifest traffic in order to offer faster, more frequent, and more reliable intermodal service than either carrier alone can offer today. As a shipper of intermodal traffic, we anticipate the ability to increase our use of rail service instead of truck.

We are encouraged by the settlement reached by UPSP and BNSF. We will have real rail competition for our traffic through Laredo for the first time. In addition, the new BNSF route through the I-5 corridor assures vigorous competition for the movement of that traffic. We look forward to the enhanced competitive environment for transportation throughout the West.

The combination of the financially strong UP with the SP system assures us of the availability of vigorous, competitive rail transportation for the long term.



# *Hanel Lumber Company, Inc.*

3289 Neal Creek Mill Road  
P. O. Box 185  
Odell, Oregon 97044  
(503) 354-1297 • FAX (503) 354-2804



October 25, 1995

I, John Spaulding, am a Sales Representative with Hanel Lumber Company, 4865 Highway 35, Hood River, Oregon 97031. I have thirteen years of service with Hanel Lumber Company, and am currently responsible for selling about 300,000 board feet of lumber per day. I oversee the shipping of that stock. I submit this statement in favor of the proposed merger of the Union Pacific and Southern Pacific railroads.

Hanel Lumber Company produces kiln-dried Doug-fir and Hem-fir lumber, primarily used in the construction industry. Our only rail loading facility is in Odell, Oregon. At this site, we can load from both sides of a car. We are served by the Mt. Hood Railroad, an independent branch line off the Union Pacific. Our customers also move our lumber via a local reload on the BN. Our cars generally move to Chicago for points beyond, or to Midwest points like Milan, Illinois. We shipped 266 cars, primarily A-frames, in 1994. We estimate shipments of 220 cars in 1995.

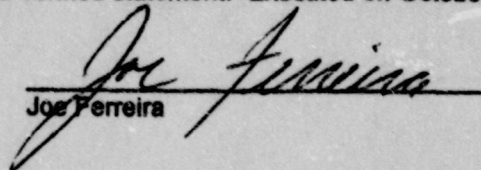
The major reasons that Hanel Lumber Company supports the merger of the UP and Southern Pacific include, first, the new single line service capabilities that the merged system will offer, and second, the increase in competition that this merger will cause, both among railroads and between trucks, rail and barge.

Hanel Lumber Company currently ships truckloads of material into Northern and Southern California. It is our sincere hope that the merger will make rail competitive with trucks into these markets. We feel we could better serve our existing markets in California by rail instead of truck, if the single line service were available via SP and Union Pacific.

The merger also should open up the markets of Phoenix/Tucson and Albuquerque for our lumber. We do not currently ship a lot into these markets, but when we do, it goes by truck. With the new single line service via SP/UP, we could expand our customer base and sales in the Southwest.

We expect that the consolidation of facilities will help the UP and SP to improve their transcontinental service, for example, by making the best use of their respective terminal facilities and pooling equipment for use where it is in highest demand.

I, Joe Ferreira declare under penalty 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.

  
Joe Ferreira



10/13/95

**Verified Statement**  
**of**  
**Joe Ferreira**  
**on behalf of**  
**Hagle Lumber Company, Inc.**

I have been employed since 1978 at Hagle Lumber Company, Inc., and currently hold the position of vice-president of purchasing. I have been employed in the lumber and building materials field for over twenty years. My primary responsibility is the procurement of required lumber and panel products in a timely and cost effective manner.

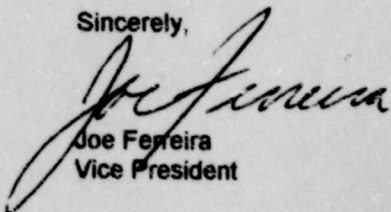
Hagle Lumber Company, Inc. operates a ten acre wholesale/retail distribution yard in Somis California. We have been in business since 1978, supplying lumber and panel products for residential construction. In peak construction years, we have run as many as one thousand carloads of lumber and panel products through our facility (and through local reloads) annually. Rail purchases account for between 70 and 80 percent of our incoming material. Rail deliveries originate primarily in northwestern and central Oregon, northern California, eastern Texas, Arkansas, and Louisiana.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. As a company heavily dependent on SP service, we support this merger as a means of improving service, and making both the SP and it's customers more competitive.

Lumber mills located in regions not currently served by the SP (Washington, eastern Oregon, and Idaho) would be opened up to us thus broadening our potential sources of supply. We would also look for quicker ship times, as some routes could be shortened, and more power could be made available. Hopefully, a stronger, more efficient SP should allow us to compete on an equal footing with competitors who are able to utilize BN/Santa Fe shipments to the eastern edge of our trading area.

We believe that this is the right thing to do, and will provide benefits both locally and nationally. Our company supports the application.

Sincerely,



Joe Ferreira  
Vice President

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  
Hagle Lumber Company, Inc.

Submitted by:

Joe Ferreira  
Vice President of Purchasing  
Hagle Lumber Company, Inc.  
3100 Somis Road  
Camarillo, CA

October 21, 1995





While Union Pacific originally contemplated abandoning the Jonesboro-Cherry Valley line which serves my Harrisburg facility as part of the merger, my discussions with them have led to the identification of additional marketing opportunities for my product. Therefore, Union Pacific has decided not to pursue the abandonment of the line as part of the merger. I anticipate that the consolidation of UP and SP will lead to greater efficiencies in service and car supply which will benefit the new combined railroad and shippers like myself.

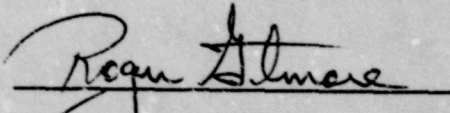
Therefore, I strongly support the merger of the UP and the SP. I ask that the application be promptly approved so that shippers and receivers can begin enjoying the benefits of this merger as soon as possible.

Roger Gilmore

---

#### VERIFICATION

I, Roger Gilmore, declare under penalty 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.

  
Roger Gilmore

Gulf Rice Arkansas, Inc.

Mill

403 S. Main Street, Post Office Box 4, Crawfordsville, Arkansas 72327 Tel. 501/823-5700 Fax 501/823-5757

Dryer-Storage

303 N. Railroad Street, Post Office Box 231, Harrisburg, Arkansas 72432 Tel. 501/578-9551 Fax 501/578-9950

An Affiliate of Gulf Pacific Rice Co., Inc.



VERIFIED STATEMENT

OF

ROGER GILMORE  
on behalf of  
GULF RICE ARKANSAS, INC.

Interstate Commerce Commission  
Finance Docket 32760  
Union Pacific Corp., et al. -- Merger and  
Control -- Southern Pacific Rail Corp., et al.

My name is Roger Gilmore. I am Vice-President, General Manager of Gulf Rice Arkansas, Inc. My office is located at 408 Cole Street, P.O. Box 231, Harrisburg, AR 72432.

Gulf Rice Arkansas has two facilities located on Union Pacific. One is in Harrisburg, AR, and the other is in Crawfordsville, AR. From those facilities we ship rice to various locations, including the Gulf ports in Texas and Louisiana. We ship to customers in Utah, Iowa, Pennsylvania, Oklahoma, New York, and Colorado, as well as exporting rice to both Canada and Mexico.

We have been advised that Union Pacific and Southern Pacific are requesting authority to merge their companies. I submit this statement as an indication of the support of Gulf Rice Arkansas for this merger proposal.

It is our belief that the merger of the Union Pacific and Southern Pacific systems will result in improved operations for those shippers in our region and our State. Harrisburg is served only by Union Pacific. However, I fully expect to be able to take advantage of the new single-line service that will be available to our company as a result of the combination of the two railroads. Specifically, the combination of UP and SP will allow me to ship rice more efficiently to my existing customers. Also, new single-line access to the West and Southwest, including Southern Pacific points in Texas, New Mexico, Arizona, Colorado, Utah and Oregon, have the potential of making new markets available to me and other shippers in the state of Arkansas.

Gulf Rice Arkansas, Inc.

Mill

403 S. Main Street, Post Office Box 4, Crawfordsville, Arkansas 72327 Tel. 501/823-5700 Fax. 501/823-5757

Dryer-Storage

303 N. Railroad Street, Post Office Box 231, Harrisburg, Arkansas 72432 Tel. 501/578-9551 Fax. 501/578-9950

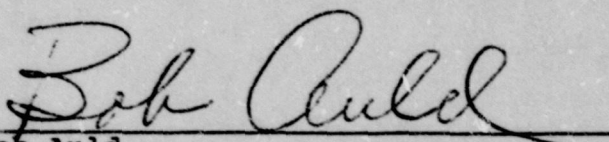


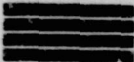
Finally, the combination of the UP and SP car fleets should help to reduce our persistent car supply problems. The new system would have greater flexibility in managing a combined fleet and more opportunities to triangulate traffic to avoid empty return miles. In addition, the improved service that will result from the merger should reduce car turn-around times helping to make more rail cars available for our shipments.

We strongly support the merger of Union Pacific and Southern Pacific, and we urge the Commission to approve it.

I, Bob Auld, declare under penalty 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 2, 1995.

  
Bob Auld



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## Guitteau-Newland Lumber Co., Inc.

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P.O. Box 566  
Eugene, Oregon 97440  
Tel. (503) 485-4025  
Fax (503) 485-6448

VERIFIED STATEMENT  
of  
BOB AULD  
on behalf of  
GUITTEAU-NEWLAND LUMBER CO.

My name is Bob Auld. I am the vice president of Guitteau-Newland Lumber Co. My company's address is P.O. Box 566, Eugene, OR 97440. I have been involved in the lumber business for the past 15 years. I am currently responsible for overseeing sales for my company.

Guitteau-Newland Lumber co. is involved in the wholesale supply of lumber. We currently ship product from our UP origin in Portland to Los Angeles and Las Vegas. We also ship on the SP system from Salem, Oregon, to various destinations throughout California.

We understand that Union Pacific and Southern Pacific are seeking authority to merge. We support them.

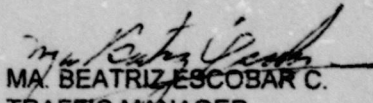
As a result of this merger, our shipments from Portland to Los Angeles will now be made through new, efficient single line service. This would simplify logistics, as we would only need to deal with one carrier, and help to reduce transit times, because intermediate handling would be eliminated. We also expect Union Pacific to make improvements on SP's I-5 corridor route. In particular, upgrades or expansions are long overdue at SP's yards at Eugene, Oregon and Roseville, California. These improvements should help to greatly reduce transit times. SP, however, has simply been too financially strained to make these needed investments. With these improvements, both the cost and service of the new UP/SP should become more competitive with motor carriers over the I-5 corridor traffic.

We also look forward to new market opportunities with the combination of Union Pacific and Southern Pacific routes. Our shipments from our Cascade Warehouse in Salem, Oregon, which is located on the SP, will now have new UP destinations available through single line service. Likewise, our traffic from our reload center in Portland on the UP will now have new Southern Pacific destinations available through single line service. The merger will open new markets to our company and allow us to expand our business, particularly in California markets.



SINCE "UP"/"SP" HAVE AGREED TO GIVE OTHER RAILROADS TRACKAGE RIGHTS TO ALLOW COMPETITIVENESS AND AVOID MONOPOLIZED ROUTES; AND AS FAR AS THEY GIVE US SECURITY AND RELIABLE TRANSPORTATION SERVICE AND COMPETITIVE RATES, WE, "GRUPO MEXICO", STRONGLY SUPPORT THE PROPOSED MERGING.

I, MA. BEATRIZ ESCOBAR C., DECLARE UNDER PENALTY 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 THE 8TH, 1995.

  
MA. BEATRIZ ESCOBAR C.  
TRAFFIC MANAGER



## GRUPO MEXICO, S.A. DE C.V.

INTERSTATE COMMERCE COMMISSION  
UP-SP MERGER  
DOCKET NO. 32760

REF GRUPO MEXICO'S MERGER SUPPORT

WITH REFERENCE TO THE PROPOSED "SP" AND "UP" RAILROADS MERGING, HEREWITH OUR COMMENTS:

OUR COMPANY IS A MEXICAN MINING CORPORATION, WITH REFINERY, SMELTERS AND PLANTS, LOCATED IN ALMOST ALL MEXICAN TERRITORY, PRINCIPALLY IN THE NORTH.

GRUPO MEXICO, S.A. DE C.V. IS THE CORPORATIVE COMPANY FOR:

MEXICANA DE COBRE, S.A. DE C.V.  
MEXICANA DE CANANEA, S. A. DE C.V.  
INDUSTRIAL MINERA MEXICO, S.A. DE C.V.  
MINERA MEXICO INTERNATIONAL

WITH ADDRESS IN MEXICO CITY, AS FOLLOWS:

AV. BAJA CALIFORNIA NO. 200  
COL. ROMA SUR, MEXICO, D.F. C.P. 06761  
PH: 564-7066 - FAX: 564-7321

OUR GROUP IS PRODUCER OF COPPER METALS, ZINC METALS CADMIUM, COPPER, ZINC LEAD AND MOLIBDENUM CONCENTRATES; SILVER, GOLD AND SULFURIC ACID. GREAT PART OF OUR SHIPMENTS, BOTH DOMESTIC AND INTERNATIONAL, AS WELL AS THE SUPPLY OF EQUIPMENT AND OTHER PRODUCTS, IS EFFECTED VIA RAILROAD AND WE USE DIFFERENT GATEWAYS, TO AND FROM U.S.A.

OUR MAIN PLANTS ARE LOCATED IN THE STATES OF SONORA AND SAN LUIS POTOSI, FROM WHERE WE EXPORT TO U.S. MARKET, ABOUT 120,000 METRIC TONS YEARLY, WITH AN EXPECTED INCREASE OF UP TO 100%, STARTING 1997.

WE HAVE LEARNED ABOUT THE MERGING OF "UP" AND "SP" AND WE KNOW THAT WITH THE APPROVAL OF THIS APPLICATION, BOTH COMPANIES WILL BE ABLE TO COMBINE THE STRENGTHS OF THEIR RAIL SYSTEM AND PROVIDE BENEFITS SUCH AS: MORE EFFICIENT ROUTES TO MOST MEXICAN GATEWAYS, FASTER AND MORE RELIABLE SERVICE, BETTER TERMINALS COORDINATION, BETTER CAR AND LOCOMOTIVE AVAILABILITY AND UTILIZATION, MORE EFFICIENT AND DIRECT ROUTES, ETC..

...2





**Grupo Gamesa**

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- 2 -

We have been informed, that the Southern Pacific and the Union Pacific railroads are requesting permission to merge. We strongly support this merger, because combining these two railroads we will see the benefit of availability of equipment, competitive rates, competitive service, and direct routes with a new single line service to Mexico. The use of the "Despacho Previo, is very helpful, crossing times of grain trains is more expedited.

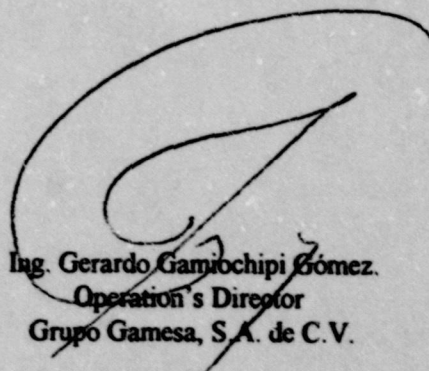
We personally see a good competition between the Burlington Northern/Santa Fe and the Southern Pacific/Union Pacific in the grain markets of Texas and Kansas.

The BN/ATSF recently merged and made a very large and strong Railroad. UP and SP together will create a good competitor to the BN/ATSF and that will help to provide shippers or receivers a new option to Mexico.

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

Our company supports the application, because we believe that this will create significant benefits to shippers.

I, Mr. Gerardo Gamiochipi, declare under penalty 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.



Ing. Gerardo Gamiochipi Gómez.  
Operations Director  
Grupo Gamesa, S.A. de C.V.



**Grupo Gamesa**

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**VERIFIED STATEMENT  
OF  
Ing. Gerardo Gamiochipi Gómez.  
on behalf of  
GRUPO GAMESA, S.A. DE C.V.**

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

**Subject: UNION PACIFIC / SOUTHERN PACIFIC RAILROAD MERGE,  
DOCKET.**

My name is Gerardo Gamiochipi Operation's Director of Grupo Gamesa, S.A. de C.V., our Corporate office is located in Monterrey, N.L., our phone number is (8) 348-04-25, Fax 333-07-50. I am the head of 4 main areas, Logistic, Sales, Purchases (Domestic and Importation) and Stock Control. My working experience has always been in these areas for 10 years.

Our total imports of wheat, soybean, edible tallow, etc., is approx. 260,000 Tons. per year for our Cd. Obregon Plant, most of our traffic is done by railroad (80%) and the rest by truck. We negotiate transportation contracts and rates directly with railroads, trucks and sea carriers.

Grupo Gamesa, S.A. de C.V. produces a large line of products: wheat flour, soybeans meal, cookies, crackers, rice flour and other sideliners. Our company has 3 different production lines; flour, oil and cookies, all those located in:

- 2 Flour mills. one in Cd. Obregón, Son. and another in Monterrey, N.L.
- 1 Oil extraction mill. located in Cd. Obregón, Son.
- 1 Oil refinery Plant, located in Cd. Obregón, Son.
- 6 Cookies and crackers factories in Celaya, Gto., México, D.F.(2), Mérida, Yuc., Cd. Obregón, Son. and Monterrey, N.L.
- 1 Rice flour mill in México, D.F.

And several final product warehouses around the country.





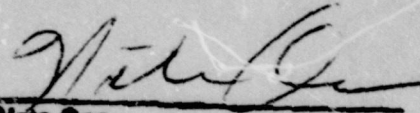
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**Greenwood International**  
INCORPORATED

P.O. Box 69249  
Portland, Oregon 97201  
(800) 547-6814  
Fax (503) 245-5460

We urge approval of the application.

I, Nate Oas, declare under penalty 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  
25 day of October, 1995.

  
\_\_\_\_\_  
Nate Oas

STB

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Finally, we welcome the proposed merger as a means of providing strong competition to the Burlington Northern and its merger with the Atchison, Topeka & Santa Fe. The UP/SP merger should help level the playing field to ensure that shippers like Hanel Lumber will continue to have competitive rail service in the future.

I, John Spaulding, declare that the foregoing is true and correct. I further declare that I am qualified and authorized to file this statement.

Executed on October 25, 1995.

Sincerely,

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

John Spaulding  
Sales Representative


**HARBOR  
EXPRESS,  
INC.**

711 WEST "B" STREET  
WILMINGTON, CA 90744  
(310) 513-6478  
(310) 513-6483  
FAX: (310) 835-3794

**VERIFIED STATEMENT  
OF  
PETER YS KIM  
on behalf of  
HARBOR EXPRESS, INC.**

1. For the past ten years I have been, and am currently, President of Harbor Express, Inc., a motor common carrier operating under authority granted by the Interstate Commerce Commission in docket number "ICC MC 251251" (the Company). I am directly and wholly responsible for the overall operations of the Company and its relationship with customers, which include shippers, receivers, freight intermediaries and beneficial owners of freight.
  2. The Company is a motor carrier engaged in providing intermodal motor transportation. It operates in Southern California between various rail facilities, on the one hand, and shippers and receivers, on the other. In 1995, we will handle approximately sixty thousand (60,000) trailer movements to and from all three railroads (UP, SP and BNSF) facilities.
  3. We strongly support the proposed merger of Southern Pacific and Union Pacific. We believe that the merger would make UP and SP more competitive with BNSF in all major intermodal transportation corridors between Southern California and many midwestern cities and Gulf area. The BNSF already represents a new dominant carrier in the marketplace. Judging from BNSF's strengths in financial ability and vastly diversified routes between Mississippi and West Coast which will be reinforced by the synergy from the economy of scale, it is a foregone conclusion that, standing alone, SP would further lose market share and the revenue base that is necessary to running of a reliable transportation provider.
  4. UP is a natural partner for SP for several reasons: (i) its California intermodal terminals are complementary; (ii) SP customers gain northern corridor services via UP allowing more competitive service for all West Coast ports; (iii) UP customers gain faster transit time between West Coast and Dallas, Memphis and New Orleans area through shortened single-line route via SP; and finally, and perhaps most importantly, (iv) UP brings necessary capital to SP which will enable SP to run its trains in a far more predictable manner.
  5. I believe that this merger is "pro-competitive" and will result in more economical and efficient intermodal transportation to and from the West Coast. We support this application to merge and urge the commission to do likewise.
- I, Peter YS Kim, declare under penalty of perjury that the foregoing is true and correct. I further certify that I am qualified and authorized to file this statement.

Sincerely,

  
PETER YS KIM  
President  
Harbor Express, Inc.



# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of California

County of Los Angeles

On October 12, 1995 before me, Sharon Kim, Notary Public  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Peter YS Kim  
NAME(S) OF SIGNER(S)

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



WITNESS my hand and official seal.

*Sharon Kim*

SIGNATURE OF NOTARY

## OPTIONAL

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

### CAPACITY CLAIMED BY SIGNER

☐ INDIVIDUAL  
☒ CORPORATE OFFICER  
President

TITLE(S)

☐ PARTNER(S) ☐ LIMITED  
☐ GENERAL  
☐ ATTORNEY-IN-FACT  
☐ TRUSTEE(S)  
☐ GUARDIAN/CONSERVATOR  
☐ OTHER: \_\_\_\_\_

### DESCRIPTION OF ATTACHED DOCUMENT

Verified Statement

TITLE OR TYPE OF DOCUMENT

One

NUMBER OF PAGES

DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

Harbor Express, Inc.

SIGNER(S) OTHER THAN NAMED ABOVE



**HARBORLITE®**

1950 East "W" Avenue, P.O. Box 100, Vicksburg, MS 39097-0100  
Telephone (616) 649-1352 FAX (616) 649-3767

13 October, 1995

**VERIFIED STATEMENT  
OF  
WILLIAM G. BLUNT  
ON BEHALF OF  
HARBORLITE CORPORATION**

1. This statement is in reference to ICC Finance Docket No. 32760--Union Pacific Corporation, Union Pacific Railroad and Missouri Pacific Railroad Company--control and Merger--Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et.al.

I have been President of Harborlite Corporation for sixteen years, and have under my purview consolidated annual interstate rail shipments totaling 320,000 tons of perlite ore, not further processed than broken, crushed, or ground.

2. Harborlite Corporation is served at its Arizona mine location by the Magma Arizona Railroad, connecting with the Southern Pacific at Magma Junction; and at its New Mexico mine location by the D&RGW at Antonito, Colorado, connecting with the Southern Pacific at Pueblo.
3. Harborlite Corporation endorses the proposed merger for the reasons stated below.
4. Harborlite Corporation has been an interstate transportation customer of the Southern Pacific and Union Pacific railroads for many years. Since deregulation, both companies have been more responsive to competitive forces than they had been in the past.

Existing eastbound rail movements in our industry are heavy, and railroad power equipment, hopper car availability, and infrastructure at major switching yards such as Kansas City have been inadequate, causing long transit delays during periods of peak demand. Some of our major rail customers have specifically expressed their intent to look for alternate sources of mineral supply, solely because they are concerned about the ability of the Southern Pacific to improve this situation.

The Southern Pacific has been working hard to improve its service, and has made significant progress; but in spite of SP's major financial commitment to making equipment improvements, the size of the task makes full realization of these goals unlikely in the near term unless additional resources are involved.

We believe the merger of the Union Pacific and Southern Pacific could provide that additional commitment, to the benefit of all concerned. It was our experience following deregulation that the railroads became more competitive, to the benefit of the transportation customer. We do not believe that allowing these two companies to combine would lessen that benefit.



Verified Statement of W.G. Blunt  
10/13/95  
page two

5. We believe the proposed merger will be in the best interest of our Company and other shippers. We support the application.

I, William G. Blunt, declare under penalty 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 13 October, 1995



William G. Blunt

**Harcros Chemicals Inc**

5200 Speaker Rd.

P.O. Box 2930, 66110-2930

Kansas City, KS 66106-1095

Tel 913/321-3131

TELEX 477266 FAX 913/621-7718



**HARCROS**

CHEMICAL GROUP

October 23, 1995

**VERIFIED STATEMENT OF THOMAS S. GALBREATH JR.  
ON BEHALF OF  
HARCROS CHEMICALS, INC**

1) My name is Thomas S. Galbreath Jr. I am the Corporate Traffic Manager for Harcros Chemicals, Inc. Our corporate offices are located at 5200 Speaker Rd., Kansas City, Kansas, 66106. My responsibilities include procurement and pricing for all For Hire Transportation for my company. I've held this position for the last two years, and before that I was Assistant Traffic Manager for 15 years.

Harcros Chemicals is a Manufacturer and Distributor of Industrial Chemicals with 26 branch locations within the United States.

Our company receives Soda Ash from Green River, WY, via Bulk Rail to many of our locations. Other commodities are, Sulphuric Acid from Hayden, AZ.

Please see "Exhibit A" for a list of all of our facilities. We are served by the Southern Pacific, Union Pacific and Atchison, Topeka and Santa Fe Railroads at several of these facilities.

2) During 1994 your company shipped 341. Cars with Revenue \$564.461 via the Union Pacific and Jan/Sept 1995. Shipped 346 cars with Revenue \$687.594. Primary movements of Wyoming Soda Ash to St. Louis, Mo, St. Paul, MN. and in intermodal business out of Reno, NV. to Memphis, TN.

Harcros Chemical understands that Union Pacific and Southern Pacific are requesting authority to merge.

We strongly support this merge, as a means of improving service and strengthening competition.

Harcros Chemicals believes the merge would be in our company's best interest, as well as the interests of other shippers. We endorse the UP/SP application.

Continue . . .



3) Improved Transit Times and reliable Single Line Service from Reno, NV and Wyoming Soda Ash origins to our various mid-west plants.

Current bottlenecks at Kansas City and St. Louis will be coordinated to handle traffic more efficiently. Pre-blocking will allow traffic to run around terminals.

With approval of application, UP and SP will be able to combine the strengths of their rail systems. As a result, shippers and customers will enjoy improved service.

4) We believe that the proposed merge will provide significant benefits to shippers. Harcros Chemicals supports the application.

T. S. Galbreath

Carl S. Shepherd  
Notary Public

6-2-97



**Harcros Chemicals Inc**  
**Chemical Distribution****Corporate Office**

5201 Speaker Road

P.O. Box 2930

Kansas City, KS 66110-2930

913-321-3131

FAX 913-621-7716 TELEX 477266

**EXHIBIT (1)****Director - Sales & Distribution:****Phil Engel - Central****James Skelton - East**

TELEPHONE	CENTRAL	FAX NO.
214-638-8034	Dallas, TX 75212, 2627 Weir St.	214-634-9728
319-322-3511	Davenport, IA 52802, 2040 W. River Drive (PO Box 3276, 52808)	319-322-6152
303-321-3802	Denver CO 80207, 5035 E. 39th Ave. (PO Box 7427, 80207)	303-322-6387
713-861-4781	Houston, TX 77007, 1701 Oliver St. (PO Box 3185, 77253)	713-861-7991
913-621-7748	Kansas City, KS 66106, 5200 Speaker Rd. (PO Box 2930, 66110-2930)	913-621-7718
501-565-8446	Little Rock, AR 72209, 3100 W. 65th St. (PO Box 4489, Asher Station, 72214)	501-565-5320
405-685-7741	Oklahoma City, OK 73119, 3909 S. Meridan Ave. (PO Box 19268, 73144)	405-685-0626
402-331-4525	Omaha, NE 68127, 9000 F Street	402-331-9242
318-424-7723	Shreveport, LA 71107, 1011 Jack Wells Blvd. (PO Box 7884, 71137)	318-424-0554
314-389-4740	St. Louis, MO 63115, 4330 Geraldine Ave.	314-389-0319
612-647-0149	St. Paul, MN 55104, 584 N. Fairview Ave.	612-647-1061
918-446-1555	Tulsa, OK 74107, 3810 S. Elwood (PO Box 9716, 74157)	918-446-1304
316-263-1244	Wichita, KS 67211, 727 E. Osie (PO Box 2340, 67201)	316-263-5709
<b>EAST</b>		
404-435-6676	Atlanta, GA 30339, 2625 Cumberland Pkwy, Suite 290	404-436-3029
205-424-6126	Bessemer, AL 35023, 1496 Hwy 150 (PO Box 603, 35021)	205-424-6130
601-569-3177	Jackson, MS 39201, 1030 Wholesale Row (PO Box 8278, 39284-8278)	601-355-2850
812-537-8620	Lawrenceburg, IN 47025, 456 Nowlin Ave.	812-537-8626
901-948-3321	Memphis, TN 38113, 1585 Harbor Ave. (PO Box 13007, Riverside Sta. 38106)	901-774-0295
205-457-5316	Mobile, AL 36610, 1480 Telegraph Rd.	205-457-5335
205-381-2420	Muscle Shoals, AL 35662, 300 Pepi Drive (PO Box 2647, 35662)	205-381-2439
615-256-8636	Nashville, TN 37210, 1418 Poplar Lane (PO Box 101484, 37224-9971)	615-244-7014
504-642-8391	St. Gabriel, LA 70776, Hwy 30 (PO Box 270)	504-642-0090
813-247-4531	Tampa, FL 33619, 5132 Trenton St.	813-247-7917
919-475-1391	Thomasville, NC 27360, 1005 Randolph St. (PO Box 248)	919-475-5900
603-424-5545	Merrimack, NH 03054, 441 Daniel Webster Hwy (PO Box 340, 03054)	603-424-8140
207-856-6756	Westbrook, ME 04092, 50 Larrabee Rd. (PO Box 587, 04092)	207-854-8976
913-621-7711	Corporate Purchasing, Carl Segaves	913-621-7818
913-621-7741	Marketing Mgr.-Freestyle/Industrial, Tom Hillyer	913-621-7718
913-621-7747	Harcros Organics	913-621-7746



MUTUAL PLYWOOD CORPORATION

VERIFIED STATEMENT  
OF  
TRACY TROGDEN  
on behalf of  
HARDEL MUTUAL PLYWOOD CORPORATION

My name is Tracy Trogden. I am the Sales/Traffic Manager for Hardel Mutual Plywood. P.O. Box 365, Olympia, WA 98507. I am writing in regard to Interstate Commerce Commission, Finance Docket No. 32760 (Union Pacific Railroad et al. -- Control and Merger -- Southern Pacific Railroad Corp. et al.)

Hardel Mutual Plywood Corp. manufactures various sizes and grades of plywood. We have a mill located in Olympia, WA which is served by Union Pacific and Burlington Northern/Santa Fe. We also have a reload facility that we will be moving from Olympia to Centralia, WA where it too will be located on both lines. We ship our plywood by rail to Chicago and the upper Midwest on the Burlington Northern/Santa Fe and to Arkansas and Louisiana on the Union Pacific. Each month we ship 15-20 railcars. In addition, some of our plywood moves by truck to markets in California.

As Sales/Traffic Manager at Hardel I am responsible for sales of plywood to customers, invoicing and credit review. I have been at Hardel for ten years.

Hardel is strongly supportive of the proposed merger of the Union Pacific and the Southern Pacific. As we are located on both Union Pacific and Burlington Northern/Santa Fe lines, we are in a position to benefit from the improvements in the Union Pacific rail network as well from the positive competitive effects of the merger.

Hardel is very interested in expanding our sales in California and the Southwest. As a result of the merger, Union Pacific/Southern Pacific will offer new single-line service along the I-5 Corridor from Washington State to California, Arizona and New Mexico. This will give us faster and more reliable access to these markets, possibly at a lower cost, making us competitive with the mills located in Oregon, which already have single-line access to California and the Southwest on Southern Pacific.

Moreover, the Union Pacific/Southern Pacific will grant important operating rights to the Burlington Northern/Santa Fe, which will enable them to also begin single-line service between Washington State and Southern California. Thus, following the merger, there will be competing single-line service to Southern California where now there is none. This single-line service should make rail more competitive with trucks to these destinations.

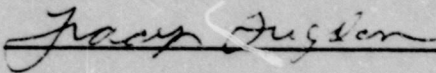


Statement Continued Page 2

The new I-5 Corridor route will also speed up the repositioning of equipment, giving us better access to equipment. In addition, the combination of the Union Pacific's supply of centerbeam flat cars and Southern Pacific's rebuilt forest products boxcars will give Union Pacific/Southern Pacific an extensive and versatile car fleet for forest products.

The merger will also increase competition with the Burlington Northern/Santa Fe, which has the most fully developed route system in the West by far. It is now very necessary that there be a railroad which is in a position to compete on equal terms with the Burlington Northern/Santa Fe. The combination of the Union Pacific and the Southern Pacific would create a railroad that is sufficiently large and efficient to offer vigorous competition to the Burlington Northern/Santa Fe.

I, Tracy Trogden, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.  
Executed on October 30, 1995.

  
\_\_\_\_\_



## HARRINGTON TRUCKING, INC.

October 9, 1995

To Whom It May Concern:

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

My name is Robert Craig Andersen. I am part owner and General Manager of Harrington Trucking Inc., a Utah Corporation. I have been with the company since it's inception on July 1, 1975 and have been primarily responsible for all of our rail related traffic.

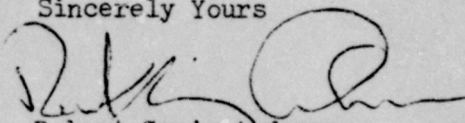
Harrington Trucking Inc. is one of the largest intermodal drayage firms in the Utah market. We deal with over three hundred (300) intermodal marketing offices and customers located throughout the United States and Canada. We are also the Container Yard Facility for five major steamship lines.

Harrington Trucking Inc. strongly supports and endorses the proposed Union Pacific and Southern Pacific Railroads merger. We feel that the combined strengths of these two railroads can do nothing but improve the service into our market area. It should also improve the quality and quantity of available equipment for the sizable increases we have seen in the traffic originating in the Utah marketplace.

With single line carrier access to Utah from a number of locations, the UP/SP railroad should be able to provide a timely and cost effective alternative to our customers who are currently using highway carriers. This will enhance both Harrington Trucking's business and the railroads.

We have been concerned about the financial condition of the Southern Pacific Railroad in the recent years and with the BN/ATSF merger, the survival of the Southern Pacific Railroad is at stake. We fully support the merger of the UP/SP Railroads in order to make a financially strong, efficient and reliable Intermodal carrier into our area.

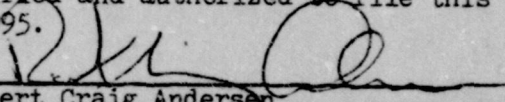
Sincerely Yours



Robert Craig Andersen  
General Manager

### VERIFICATION

I, Robert Craig Andersen, under penalty 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 Craig Andersen



October 18, 1995

# **HARVEST STATES**

COOPERATIVES

Before  
the  
Interstate Commerce Commission

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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.

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Verified Statement of Michael H. Bergeland  
Group Vice President, Grain & Agri-Services  
Harvest States Cooperatives

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I am Michael H. Bergeland, group vice president of Harvest States Cooperatives, based in St. Paul, Minnesota. My career with Harvest States dates back 28 years and includes positions of increasing responsibility in grain marketing and elevator operations. In 1987, I was named senior vice president and director of country services, a position I held until being named group vice president of grain and agri-services in 1988.

As a regional farmer cooperative serving the grain marketing needs of producers and affiliated local co-ops, Harvest States is a major user of rail transportation for grain shipments both to customers throughout this nation and to export terminals serving our overseas buyers. During our 1994-95 fiscal year, Harvest States handled more than one billion bushels of grain, and overall revenues totaled \$5.1 billion. Our large and expanding grain origination area extends from the Upper Midwest across the Northern and Central Plains to the Pacific Northwest. Harvest States and its almost 600 member cooperatives serve an estimated 150,000 producers. We also are long-time UP customers.

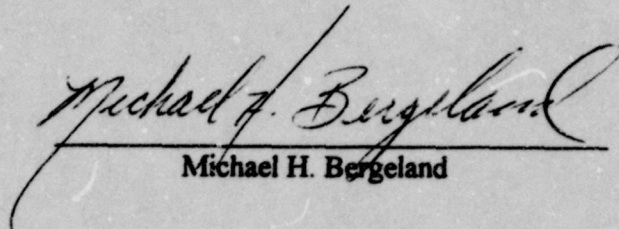
Harvest States is submitting this statement to voice support for the proposed Union Pacific-Southern Pacific merger. Our support for the proposed merger is based on: 1) The fact that the rail network resulting from the transaction will facilitate shipments of grain to certain of our operations, as well as shipments of grain and processed products from their origination points to various customers; 2) Our hope and expectation that the merger will mean a more effective and efficient use of rail transportation equipment. The combined car fleets of the UP and SP and the differing dates for grain harvests along their various routes should contribute to a larger and more timely car supply.

Verified Statement of Michael H. Bergeland

Finance Docket No. 32760

Page 2

Quality rail transportation is crucial to the agricultural infrastructure on which we, our member-producers and affiliated local cooperatives depend. We believe the proposed merger is consistent with meeting that quality objective.

A handwritten signature in cursive script, reading "Michael H. Bergeland", is written over a horizontal line. The signature is fluid and stylized, with the first and last names being more prominent.

Michael H. Bergeland



VERIFICATION

State of Minnesota:  
County of Ramsey:

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

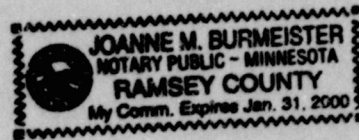
*Michael H. Bergeland*

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

*Joanne Burmeister*  
(Signature of Notary Public)

Notary Public, State of Minnesota  
My Commission expires:

*January 31, 2000*



**DYCE****CHEMICAL INC.**☐ 1353 TAYLOR PLACE, BOX 30176, BILLINGS, MT 59107

(406) 248-3131

☐ 10021 63RD AVE. NW, DICKINSON, ND 58601-8548

(701) 225-8760

☐ 390 EXCHANGE PLACE, P.O. BOX 1708, OGDEN, UT 84402

(801) 627-4540

October 5, 1995

*Certified Statement*

*Of*

*Rodney Hallsten*

*on behalf of*

*HCI Dyce Chemical, Inc.*

*I have been employed by Dyce Chemical, 390 Exchange Place, Ogden, Utah 84402 for twenty-one years and have worked in various capacities for the company, including the company transportation requirements. I am presently the Branch Manager.*

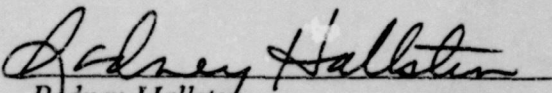
*Dyce Chemical is a subsidiary of Marken Enterprises, which makes up the HCI Company, the sixth largest chemical distribution company in North America. Our products are shipped into our various locations across the United States.*

*Dyce Chemical, Inc. Supports and endorses the Union Pacific and Southern Pacific merger.*

*Dyce Chemicals support is based on our concern for the long term health and viability of the Southern Pacific and the new single line rail service that will be a result of the Union Pacific and Southern Pacific merger. The new single line service will improve our operations by being able to deal locally with one carrier to take care of our needs. Reliable rail service is critical to our being able to take care of our customer needs.*

*It is Dyce Chemicals view that rail competition in the Western United States will be strengthened by the Union Pacific and Southern Pacific merger, in view of the approved BN - ATSF merger, as opposed to a weak and independent Southern Pacific.*

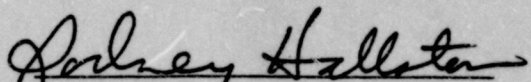
*Dyce Chemical views the Southern Pacific and Union Pacific merger as being the best for both our selves and the public interest.*

  
Rodney Hallsten  
Branch Manager



*Verification*

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



Rodney Hallsten  
Dyce Chemical, Inc.



# HELM FERTILIZER CORP.

9950 Princess Palm Avenue, Suite 312, Tampa, FL 33619 USA  
Telephone: 813-621-8846 Fax: 813-621-0763  
TWX: 5106014578 Easylink: 62930668

BEFORE THE  
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760

UNION PACIFIC RAILROAD COMPANY  
CONTROL AND MERGER  
SOUTHERN PACIFIC TRANSPORTATION COMPANY

VERIFIED STATEMENT  
OF  
SHELLEY S. MACCAGLIA  
ON BEHALF OF  
HELM FERTILIZER CORPORATION

My name is Shelley Maccaglia. I am Supervisor of Domestic Operations for Helm Fertilizer Corporation. Our address is 9950 Princess Palm Avenue, Suite 312, Tampa, FL 33619. Our telephone number is 813-621-8846. As Supervisor of Operations, I am involved in product disbursement, procurement and coordination of transportation services. I have been with Helm Fertilizer Corporation for four (4) years and have six (6) years previous transportation experience.

Helm Fertilizer Corporation is a wholly owned subsidiary of Helm AG based in Hamburg, Germany. Helm is one of the largest chemical trading companies in the world with 1994 sales of US \$4 billion. It is also a major pharmaceutical manufacturer in Germany. Our company is part of the fertilizer group and we have responsibility for trading and distribution of agricultural fertilizer in the western hemisphere.

Our operation is a combination of vessel cargo trading in Latin America plus domestic USA sales through our own distribution terminals in Memphis, Tennessee and Helena, Arkansas. Although our primary domestic sales have been in the midwest, our target growth area is the southwest and Pacific Coast. Often time our success, particularly in new markets, hinges on serviceability and price, which is directly affected by transportation.

We believe that the proposed merger between the SP and UP will be in Helm's best interest as well as in the interest of other shippers. Our experience with the SP has been one of high quality service and attractive freight pricing. This service along with more efficient routes and better equipment utilization warrant us to endorse the SP/UP merger application.

I, Shelley S. Maccaglia, declare under penalty 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.

Shelley S. Maccaglia  
Supervisor of Domestic Operations  
Helm Fertilizer Corporation





# Heritage BAG COMPANY

Verified Statement of  
Martin B. Lowe  
on behalf of  
Heritage Bag Company

My name is Martin B. Lowe. I am the Chief Financial Officer of Heritage Bag Company, headquartered in Carrollton, Texas. I have been with the Company for more than thirteen years. I am responsible for finance and administration, including transportation.

Heritage Bag Company is a manufacturer of polyethylene trash can liners. From origins in Texas, Louisiana and Calgary, Alberta we ship to our facilities at Carrollton, TX, College Park, GA, Fairfield, OH, Commerce, CA and Bridgeport, NJ. Carrollton is served by SP; College Park and Fairfield are served by CSXT; Bridgeport is served by CR; and Commerce is served by the L.A. Junction which connects with BNSF, SP and UP. We ship more than one thousand hopper cars per year.

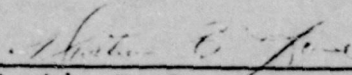
We support the merger of Union Pacific and Southern Pacific. We recognize that for facilities like Commerce City we will have one less competitive option with the merger, but we believe ample competition will remain between UP/SP and BN/SF and that we and other shippers will realize important benefits with the integration of UP and SP that outweigh any possible competitive concerns. More efficient and improved routes, reductions in terminal delays through expansion, upgrades, and the use of more preblocking to bypass terminals, and integrated operations and management will all result in reduced transit time and more frequent, dependable service.

There are a number of specific ways in which we expect to benefit from the proposed merger. For example, our traffic from Texas and Louisiana to California should benefit from improvements in the route between El Paso and Colton, as well as improvements at SP's Colton yard itself. Likewise, our traffic from Canada to California will benefit from I-5 route improvements, including upgrading of SP's Eugene and Roseville yards. In addition, and perhaps more importantly, that traffic should benefit from enhanced competition resulting from the settlement between UP/SP and BNSF, which creates a new single-line BNSF I-5 alternative for the first time, besides creating a new central corridor route for BNSF by giving them rights between Denver and California. The settlement also provides UP/SP with pricing authority from BN/SF points in the Pacific Northwest, including Vancouver. This will open new potential markets for us.

There has been some concern that SP may not be able to survive given its precarious financial condition and troublesome service record. We share that concern, particularly in the face of pressures from the newly merged BNSF. The addition of UP's financial and management strength to SP's route system and market reach ensures the availability of vigorous, competitive rail service throughout the western United States. Moreover, the settlement agreement between UP/SP and BNSF assures that competition in the central and I-5 corridors will be even more vigorous than today.

We request that the Commission approve the merger of SP and UP.

I Martin B. Lowe, declare under penalty 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 24th day of October, 1995.

  
\_\_\_\_\_  
Martin B. Lowe



**SPECIES**

Douglas Fir  
Ponderosa & Sugar Pine  
Hem Fir

**HI-RIDGE LUMBER CO.**

P.O. BOX 455  
YREKA, CALIFORNIA 96097

PHONE: (916) 842-4451  
FAX# (916) 842-6375

October 2, 1995

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

RE: Union Pacific Corporation, Union Pacific Railroad Company  
and Missouri Pacific Railroad Company - Control and Merger -  
Southern Pacific Rail Corporation, Southern Pacific  
Transportation Company, et al, Finance Docket 32760

Dear Mr. Williams:

I am writing to support the above merger. I am employed by Hi-Ridge Lumber Company in Yreka, California and retain the titles of Vice-President and Sales Manager. In addition to sales, my responsibilities include traffic, credit and purchasing. I have been employed by Hi-Ridge Lumber Company since 1960.

Hi-Ridge Lumber Company is a California corporation and has operated a sawmill and planing mill in Northern California since 1953. We are now producing sixty to seventy million board feet of softwood lumber annually. Our species distribution includes Pine, Hem Fir and Douglas Fir. Two-thirds of our production moves intra-state with the remaining one-third shipping throughout the continental United States. We are located on the Yreka Western Railroad which interchanges with the Central Oregon and Pacific Railroad at Montague, California in Siskiyou County. The Central Oregon & Pacific interchanges with Southern Pacific Lines.

We are supporting the UP/SP merger since it should continue to provide us with competitive freight rates into various regions of the Lower Forty-Eight. We believe the merger should particularly help us in moving our product through the Chicago Gateway. This is of special concern to us since a large proportion of our Hem Fir dimension is routed through this area.

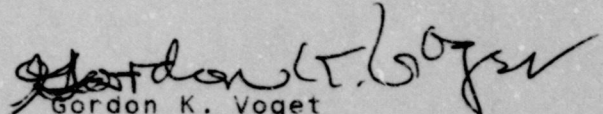
Due to the desperate timber crisis in our area we have been investigating the possibility of importing logs and lumber from the Russian Far East. As a result, we are most interested in having access to as many West Coast ports as possible. Competitive freight rates and efficient service from these ports into Northern California could become a matter of vital concern to us. The merger should maintain and enhance our options as we study the feasibility of importing logs and/or lumber into our area.

Page 2

Finally, we support the UP/SP merger since we foresee many increased efficiencies accruing to the operations of the combined lines. This can only redound to the benefit of shippers such as ourselves in the form of lower freight rates and enhanced service.

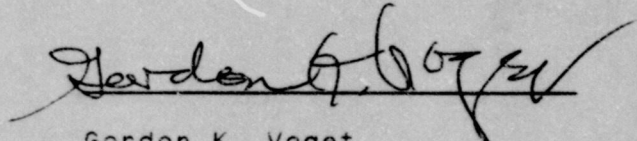
Respectfully submitted,

HI-RIDGE LUMBER COMPANY

  
Gordon K. Voget  
Senior Vice-President

I, Gordon K. Voget, declare under penalty 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 21<sup>st</sup> 1995.

  
Gordon K. Voget





**Hill Brothers Intermodal Logistics, Inc.**  
**A Hill Brothers Transportation Company**  
13327 F Street  
Omaha, Nebraska 68137

September 12, 1995

VERIFIED STATEMENT

OF

ROBERT W. LEGRAND  
on behalf of  
HILL BROTHERS INTERMODAL LOGISTICS, INC.

Robert LeGrand has worked within the transportation industry for over twelve years. His transportation experience began with Greif Brothers Corporation in Omaha, where he served as Plant Production Manager for four years. Greif Brothers has its own fleet of tractors and trailers. Transportation logistics is one of the responsibilities of the Plant Manager. Robert then took a position as the Vice President of operations for a Kansas City based intermodal/brokerage company, Worley Enterprises. He remained in this position for six years. In 1993 Robert returned to Omaha to form an intermodal division for Hill Brothers Transportation. The intermodal division developed into a separate C corp, known as Hill Brothers Intermodal Logistics, Inc. and Robert currently serves as President.

Hill Brothers Transportation is an over the road trucking company that has been in business since 1985. Hill presently operates three hundred and twenty-five tractors. Since the introduction of intermodal, the Hill Brothers trailer fleet has grown to eight hundred plus.

Hill Brothers has its own AAR interchange. All private equipment moves under "HLBZ" prefix and is numbered per AAR specifications. All new equipment standard specifications include lift pads, grid extension plates, and one hundred and ten gallon fuel tanks. Hill Brothers has developed, in conjunction with the Union Pacific Fruit Express, a refrigerated services contract and moves frozen food between Omaha, Nebraska and Lathrop, California, and between Chicago, Illinois and Lathrop, California. Hill Brothers Intermodal is also very active with the EMPU program, utilizing forty-eight foot domestic containers. Hill Brothers Transportation has terminals in Omaha, Kansas City, and Dallas. All intermodal operations are conducted from a separate intermodal office located at 13327 "F" Street in Omaha. The major traffic lanes served are from the Midwest to the West Coast, from the Midwest to the Pacific Northwest, and from the Midwest to the South.

Hill Brothers Intermodal utilizes all software packages available to conduct EDI, billing, tracing and reservations, E.G. (Rez 1, Star, Lynx, and S.P. Locator). Hill Brothers Intermodal is committed to one thousand lifts with the Union Pacific Railroad this year and presently does approximately seven to ten lifts with the Southern Pacific weekly.

Hill Brothers Transportation strongly supports the merger of the Union Pacific and Southern Pacific railroads. We feel that this merger would initiate faster transit times and more reliable service in many of the lanes we currently utilize. We recognize that this merger would create stability and promote more opportunity for



Hill Brothers Intermodal Logistics, Inc.  
A Hill Brothers Transportation Company  
13327 F Street  
Omaha, Nebraska 68137

rail service to numerous points. We feel that the proposed merger would be in our company's best interest.

One of our biggest lanes is Kansas City to Los Angeles and back. In the past, we have experienced numerous problems on the Southern Pacific line including, but not limited to:

- 1) Shortage of locomotive power
- 2) One to two day delays in-transit due to line congestion
- 3) Ramp congestion


We feel that this merger would eliminate these problems.

We recognize that in many lanes this merge system would shorten rail travel miles along with providing much more consistent service by pooling the two railroad's locomotive assets.

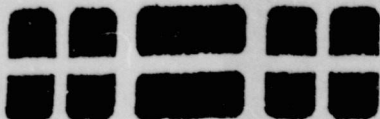
The merger would provide opportunity between South Texas and the West Coast and between the Los Angeles Basin and the Pacific Northwest. These are areas that up until now were not considered good intermodal markets in comparison to truck.

We at Hill Brothers Transportation believe that through the Union Pacific/Southern Pacific merger, our company, along with other shippers will see significant benefits in service and new intermodal opportunities. Our company supports this merger.

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

  
\_\_\_\_\_  
President, Hill Brothers Intermodal Logistics, Inc.





## Hill Country Hardwoods, Inc.

P.O. Box 200578 • Austin, Texas 78720-0578  
(512) 335-0099 • Fax (512) 335-6843

VERIFIED STATEMENT  
of  
CHRIS YOUNG  
on behalf of  
HILL COUNTRY HARDWOODS

My name is Chris Young, I am a sales representative for Hill Country Hardwoods located in Austin, TX. I have been in the transportation industry for three years. I have also been a lumber wholesaler for 3 years.

Hill Country Hardwoods is a wholesale supplier of kiln dried hardwood lumber. We have customers throughout the south to whom we sale lumber coming from the West Coast. It is my responsibility to locate, purchase, and provide transportation to our customers.

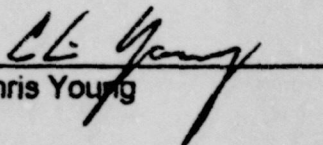
Rail transportation plays a major role in our business. Being over transportation, I negotiate rates with rail carriers, and work closely with the carriers during times of transit. Southern Pacific is a major carrier we use to carry products from the West Coast.

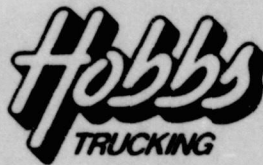
Recently, we have learned Union Pacific will seek approval to merge with Southern Pacific. We fully support the merger of these two railroads.

A combined UP/SP system will allow for new single-line service capabilities. Currently, we have limited options as far as what facilities we can ship from going to the West Coast due to no reciprocal switching between UP and SP. A larger fleet will also be created with the combination of the two carriers; currently there is a short supply of A-frame flat cars on the Southern Pacific; the merger will alleviate this problem.

Federal approval of the UP/SP merger will provide an excellent opportunity for Hill Country Hardwoods to have a stronger carrier.

I, Chris Young, declare under penalty 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 Thursday, October 19, 1995.

  
Chris Young



## **HOBBS TRUCKING CO.**

501 EAST JULIANNA STREET • ANAHEIM, CA 92801-2587 • 714/776-2520 • FAX 714/776-3091

October 16, 1995

**VERIFIED STATEMENT OF:**

Mr. Richard Faber, General Manager  
Hobbs Trucking Company  
501 E. Julianna Street  
Anaheim, CA 92801-2587  
PH: 714 776-2520

To Whom It May Concern:

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

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

As a SP rail served transload and warehouse operator, Hobbs Trucking facilitates the distribution of packaged and/or rolls of newsprint paper and many other valued commodities that are shipped in railroad cars. Furthermore, Hobbs Trucking provides complete inventory control and storage services which enhances the distribution efforts of Southern Pacific and its customers. Hobbs Trucking is a fully integrated partner of the rail network.

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

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

Given the aforementioned, Hobbs Trucking believes that the merger between these two railroads will benefit not only our operation, but also the overall transportation network of the





**HOBBS TRUCKING CO.**

501 EAST JULIANNA STREET • ANAHEIM, CA 92801-2587 • 714/776-2520 • FAX 714/776-3091

country. If you have any questions regarding this support statement, please feel free to contact our office.

Sincerely,

**HOBBS TRUCKING COMPANY**

A handwritten signature in dark ink, appearing to read "Richard W. Faber", written over a horizontal line.

Richard W. Faber  
Secretary-Treasurer

**Verification**

I, Richard W. Faber, 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.

A handwritten signature in dark ink, appearing to read "Richard W. Faber", written over a horizontal line.

**Polyester Intermediates**  
Hoechst Celanese Corporation  
4600 Highway 421 North  
P.O. Box 327  
Wilmington, NC 28402  
(910) 341-5500

**VERIFIED STATEMENT  
of  
JOHN H. RAWLINGS  
on behalf of  
HOECHST CELANESE POLYESTER INTERMEDIATES**

Re: Finance Docket No. 32760, Union Pacific Corp., Union Pacific R.R. and Missouri Pacific R.R. - Control and Merger - Southern Pacific Rail Corp., Southern Pacific Transportation, et al.

My name is John H. Rawlings, and I am employed by Hoechst Celanese Corporation as Order Fulfillment Manager of the Polyester Intermediates Group. Included in this responsibility is the purchasing of approximately thirty million dollars in rail freight transportation services.

Southern Pacific is the major supplier of our rail service. Approximately 4000 tankcar shipments of ethylene glycol and diethylene glycol, representing approximately 750 million pounds of a total 2 billion pounds moving by rail, originate from the Hoechst Celanese Chemical Group facility in Bayport, Texas. These shipments are the essential raw materials for the production of polyester resins, polyol resins and specialty chemicals at seven Hoechst Celanese manufacturing sites in the Carolinas. The businesses based in Wilmington, North Carolina are responsible for assuring lowest cost and timely delivery to all seven sites, and the Order Fulfillment Department provides the support logistics services to insure consistent supply.

We support the request by Union Pacific and Southern Pacific, if approved, will provide long term benefits to all the various entities of Hoechst Celanese related to our business.

The merger should result in measurable service improvements. For example, most of our shipments pass through the congested Houston terminal area. With the combined yards and lines of UP and SP, we expect reductions in congestion at Houston and improvements in transit times for our shipments. Reduced transit times are particularly important for our company given our substantial fleet of private cars. Quicker turnaround times for that equipment would allow us to save equipment investment dollars and improve our bottom line.



We expect other improvements in service to come from extending to SP the superior customers service and technology of the UP. Whereas we have had problems with SP's customer service and, in particular, with SP billing errors, UP is known to have a strong customer service organization and orientation and far better computer systems that should result in more timely and accurate bills. Furthermore, UP has more sophisticated, user-friendly computerized car tracing systems that would be available to us with the merger. These systems would allow us to better track our cars and follow the progress of our shipments, which would increase the certainty of our inbound supplies, allow us to decrease our inventory carrying costs, and permit us to advise our customers more accurately on delivery dates.

Beyond these immediate improvements, an important long-term benefit of the merger is that it would create a merged UP/SP that is far more financially secure and able to face the future that SP is today. Due to its failure to earn adequate operating income over the last ten years, SP has been and continues to be heavily constrained in its ability to make capital investments in its facilities. With the additional capital that UP would provide, UP/SP would have the financial strength to invest in technologies, locomotives, and infrastructure necessary to serve growing markets in the Gulf rail corridor and compete with newly created BNSF system over the long-run.

In sum, we believe the chemical industry and rail shipping manufacturers as a whole will benefit from this merger. We support the application of UP and SP to merge, and ask for you to approve the same.

Thank you for the opportunity to express our position.

I, John H. Rawlings declare under penalty 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

John H. Rawlings  
John H. Rawlings

STB

FD

32760

11-30-95

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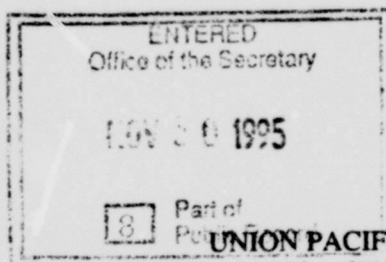


Finance Docket No. 32760, VOLUME 4, PART 4

13



Before the  
INTERSTATE COMMERCE COMMISSION



Finance Docket No. 32760

**UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY  
AND MISSOURI PACIFIC RAILROAD COMPANY  
— CONTROL AND MERGER —  
SOUTHERN PACIFIC RAIL CORPORATION,  
SOUTHERN PACIFIC TRANSPORTATION COMPANY, ST. LOUIS  
SOUTHWESTERN RAILWAY COMPANY, SPCSL CORP. AND THE  
DENVER AND RIO GRANDE WESTERN RAILROAD COMPANY**

**RAILROAD MERGER APPLICATION**

**VOLUME 4, PART 4**

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

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

PAUL A. CUNNINGHAM  
RICHARD B. HERZOG  
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Harkins Cunningham  
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Washington, D.C. 20036  
(202) 973-7600

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

**FILED**

NOV 30 1995

INTERSTATE  
COMMERCE COMMISSION

CARL W. VON BERNUTH  
RICHARD J. RESSLER  
Union Pacific Corporation  
Martin Tower  
Eighth and Eaton Avenues  
Bethlehem, Pennsylvania 18018  
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PAUL A. CONLEY, JR.  
LOUISE A. RINN  
LAWRENCE E. WZOREK  
Union Pacific Railroad Company  
Missouri Pacific Railroad Company  
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ARVID E. ROACH II  
J. MICHAEL HEMMER  
MICHAEL L. ROSENTHAL  
Covington & Burling  
1201 Pennsylvania Avenue, N.W.  
P.O. Box 7566  
Washington, D.C. 20044-7566  
(202) 662-5388

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

November 30, 1995



# HOQUIAM PLYWOOD COMPANY, INC.

P.O. BOX 737  
Hoquiam, Washington 98550

October 10, 1995

VERIFIED STATEMENT  
OF  
RICHARD L. BLACKMUN  
on behalf of  
HOQUIAM PLYWOOD CO., INC.

My name is Richard L. Blackmun. I am the General Manager of Hoquiam Plywood Company, Inc. ("Hoquiam"), P.O. Box 737, Hoquiam, WA 98550. Hoquiam is a manufacturer of plywood in the Pacific Northwest. Hoquiam strongly supports the merger of Union Pacific and Southern Pacific, as it would have the effect of lowering our transportation costs and giving us better access to markets in the western United States.

I have worked in the wood products industry for thirty years, and have spent the last four years in sales and transportation of wood products. As General Manager, I am responsible for selling and arranging the transportation of the plywood we produce and for purchasing and shipping of the veneer we use to manufacture plywood.

Hoquiam is located in Hoquiam, WA, and uses both rail and truck transport to distribute its products to Oregon, Washington, and California on the West Coast, and to Chicago, Memphis, and St. Louis in the Midwest. Currently, Hoquiam is served by Union Pacific and the Burlington Northern railroads, but railroads ship less than half of Hoquiam's annual sales. The remaining sales are shipped by road using various trucking companies.

Hoquiam ships over One hundred and Fifty rail cars of wood products annually, 90% of which are destined for the Midwest. The remaining 10% of our rail traffic goes to California. Hoquiam relies on trucking (nearly 600 truckloads annually) to deliver products to Washington, Oregon, and California.

The greatest impact of the Union Pacific-Southern Pacific merger for Hoquiam will be improved and cheaper transportation to Southern California, elsewhere in California, and other destinations served by Southern Pacific in the Southwest. The merger will create new single-line rail service down the "I-5 corridor" between Washington and California providing much more efficient routes and service by rail to California. This has two immediate benefits for Hoquiam: it will make our railroad

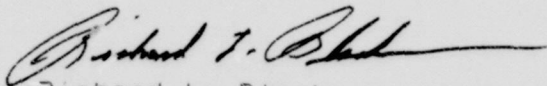
transportation faster and more reliable, and it will make it cheaper for us to ship by rail. The better and cheaper rail service will decrease our dependence on road transportation, and enable us to provide lower-priced products to our customers and increase our market share in these regions.

Another significant benefit of the merger for Hoquiam will be vastly improved rail access to new markets in Arizona and New Mexico, which Southern Pacific reaches but Union Pacific does not.

Overall, the merger of Union Pacific and Southern Pacific will allow the combined railroad to become a more effective competitor of the giant Burlington Northern-Santa Fe system, improving rail to rail competition throughout the West. In addition, the service improvements made possible by the transaction will allow railroads to make significant gains against their truck competitors, especially for forest products moving to California.

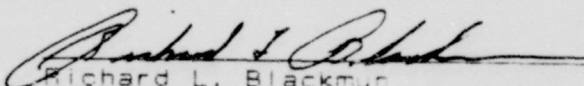
Therefore, Hoquiam strongly endorses the proposed merger.

Sincerely,

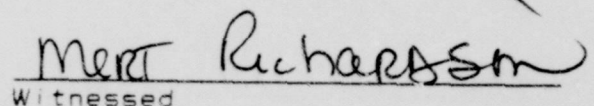


Richard L. Blackmun  
General Manager  
Hoquiam Plywood Company, Inc.

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



Richard L. Blackmun  
General Manager  
Hoquiam Plywood Company, Inc.

  
Witnessed





Hydro Agri North America, Inc.  
Suite 3200  
100 N. Tampa Street  
Tampa, Florida 33602

Phone: (813) 222-5700  
WATS: 800-94HYDRO  
800-944-9376  
FAX: 24 HOURS: (813) 875-5735  
EASYLINK: 62954636

VERIFIED STATEMENT  
of

Mike Routh  
on behalf of  
HYDRO AGRI NORTH AMERICA

Please consider the following information from Mike Routh, Marketing Representative with Hydro Agri North America (HANA), Tampa, Florida. As a member of the Fertilizer Commodities Marketing Team my responsibilities involve rail transportation from HANA's USA terminals as well as independent terminals that provide barge to rail transfer located in the US Gulf and Mississippi River System.

Hydro Agri North America (HANA) is a marketing and distribution division of Hydro Agri International. Hydro Agri International is responsible for all of the Agricultural Group's fertilizer activities outside Europe for Norsk Hydro. Headquarters in Oslo Norway, Norsk Hydro is the world's leading manufacturer of mineral fertilizer and has production plants in Norway, Sweden, Germany, the Netherlands, France, the UK and Trinidad & Tobago. In addition, Hydro is joint owner of similar plants in Qatar and the USA.

HANA markets and distributes 2.5 million short tons of fertilizer throughout North America. Our marketing team serves retail and wholesale markets with more than 35 ocean vessel ports and inland terminals that include HANA owned facilities in USA, Canada, and Mexico.

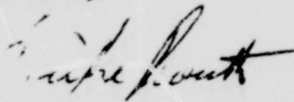
HANA just completed two new terminal operations in Houston and Point Comfort, Texas. Rail transportation and deep water ports are priorities for these locations. We plan to transport product to various destinations in the West and Midwest from these terminals, markets that are not always economically accessible by rail.

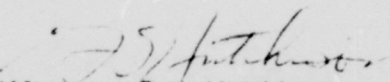
HANA believes the proposed SP/UP merger will furnish efficient service from/to new and existing originations/destinations by having access to multiple rail lines that are presently restricted by competitive reasons. We believe the merger will allow the SP/UP to report accurate information related to ETAs and covered hopper availability. Certainly this merger should provide all customers with a reasonable response time for new rate quotations.

HANA believes that the proposed merger will provide significant benefits to our organization.

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

Sincerely,

  
Mike Routh

  
Witness -- Greg Hutchison

October 12, 1995


Below is my statement re the pending UP/SP merger:

I am the traffic manager of Hyundai Motor America, located at 10550 Talbert Avenue, Fountain Valley, CA 92728. I have held this position for three years. In this position I am responsible for the transport of Hyundai vehicles from various ports of entry to dealership locations. This responsibility includes the selection of carriers and routings.

Hyundai Motor America is the U.S. sales and distribution affiliate of Hyundai Motor Company, based in Korea. We ship finished vehicles from ports in Los Angeles CA, Portland, OR, Brunswick, GA, and Newark, NJ to approximately 500 dealerships nationwide. Currently the only facility involving significant rail traffic is Portland, OR. From this facility we ship approximately 30,000 vehicles annually via the Burlington Northern to railramps in or around Chicago IL, St. Paul MN, Kansas City MO, Denver, CO, Dallas TX, and Houston TX. We also utilize Union Pacific to ship approximately 700 - 900 vehicles annually from Los Angeles, CA to the Chicago interchange for connection with Conrail eastbound.

Given the recently approved merger of the Burlington Northern and Santa Fe railroads, I support the pending merger of the Union Pacific and Southern Pacific railroads. This makes sense from an overall competitive standpoint. In addition, this merger could create efficiencies, improve equipment utilization, shorten transit miles, etc. for our current and any future UP business.

I, Brian Scott, declare under penalty 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.

  
\_\_\_\_\_  
Brian Scott  
Manager, Traffic





**IDAHO  
VENEER  
COMPANY**

Post Office Box 339 • East 704 Fourth Street  
Post Falls, Idaho 83854 • (208) 773-4511 / FAX (208) 773-1107

Oct 31st, 1995

Page 1 of 1

VERIFIED STATEMENT  
OF  
RICK PALMITER  
ON BEHALF OF  
IDAHO VENEER CO.

We understand the Union Pacific and Southern Pacific Railroads have requested authority to merge. We believe that the proposed merger would be in the best interests of Idaho Veneer Co, its employees and our surrounding community.

Idaho Veneer Co. is a forest products company that manufactures veneer and lumber for the furniture, panel and construction industries. For seven years I have been responsible for all aspects of rail transportation for lumber products and an integral part of our overall transportation program for lumber and veneer products manufactured by us.

Idaho Veneer Co. is currently served at the mill site only by the Burlington Northern Railroad. Although we sell lumber to all parts of the United States, our traditional lumber markets in which we have been most competitive have followed BN track eastward to Denver, Minneapolis, Chicago and markets beyond. Our Burlington Northern served status has necessitated our use of public reloads both to access Union Pacific served destinations and to provide competitive rates for Idaho Veneer Co.

Recent years has seen the percentage of our production transported via rail steadily decline. We feel that mills out of Eastern Canada enjoy transportation factors that lessen our competitiveness in our traditional rail markets, forcing Idaho Veneer Co. to rely more on smaller, regional markets accessible by truck. Our long term strategy to combat this is twofold: First, we intend to obtain the most competitive transportation rates possible into our traditional markets. Secondly, we plan greater penetration of west coast markets where we enjoy a geographical advantage over our increased competition from the east. We feel the proposed merger fits this strategy well.

Idaho Veneer Co. feels that the single line service and the shorter, more efficient routes provided by the proposed UP-SP merger will greatly increase our competitiveness, eliminating costly, awkward reload operations and providing a more competitive rate structure opposite the BN-ATSF.

contd.



**IDAHO  
VENEER  
COMPANY**

Post Office Box 339 • East 704 Fourth Street  
Post Falls, Idaho 83854 • (208) 773-4511 / FAX (208) 773-1107

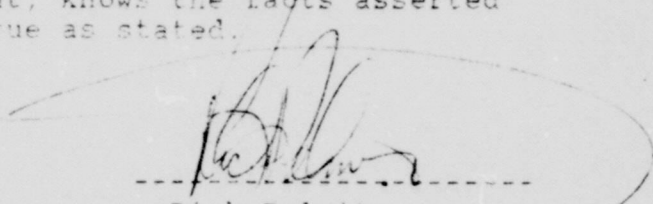
Page 2 of 2

We feel, that for the same reasons, the UP-SP merger will benefit not only Idaho Veneer Co, but resource based manufacturers throughout the western states. Idaho Veneer Co. supports the merger.

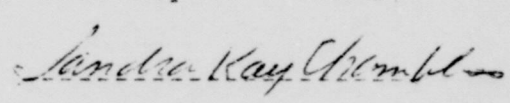
Rick Palmiter  
Sales Manager, Lumber Products  
IDAHO VENEER CO.

STATE OF IDAHO  
COUNTY OF KOOTENAI

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

  
-----  
Rick Palmiter

Subscribed and sworn before me this 31st day of October,  
1995.



Notary Public  
*Sandra Kay Grembl*

My Commission Expires:

12-19-97





# IMPERIAL HOLLY CORPORATION

## VERIFIED STATEMENT

OF

JOHN A. ROBINO  
on behalf of  
IMPERIAL HOLLY CORPORATION

My name is John A. Robino and I am currently the General Manager of Transportation and Distribution for the Imperial Holly Corporation. In this position I am responsible for all activity pertaining to the transportation and distribution of our outbound products as well as all inbound materials from and to eight plant sites, two bulk distribution facilities, and numerous public warehouses located throughout the United States.

I am also responsible for Imperial Sugar Company's private fleet of 20 semi tractor trucks and 44 trailers. Known as Imperial Sweetener Distributors, this fleet operates as a separate division of the Imperial Sugar Company. I have held this position for one year. Prior to then, I was the General Manager of Transportation for six years, and for twenty one years before that, I was employed in the rail industry.

Imperial Holly's annual transportation budget ranges from \$60,000,000 to \$70,000,000. I have attended many seminars and academic programs on transportation-related topics, the most recent of which was the University of Tennessee Logistics Executive Development Program in April of 1994.

The Imperial Holly Corporation is a manufacturer of refined sugar. The corporation is basically divided into two parts. One, the Imperial Sugar Company, consists of a Cane sugar refinery located in Sugar Land, TX. The other, Holly Sugar Corporation, manufactures sugar from the processing of sugar beets at seven different plant sites in Montana, Wyoming, Texas and California. The combined total capacity of these two companies can produce 20 to 22 million hundredweights of sugar annually.

The refinery at Sugar Land is rail served by the Union Pacific and open to reciprocal switch by the Southern Pacific. Holly operates plants at South Torrington, WY, served by the UP and at Brawley, and Tracy CA, served directly by the Southern Pacific. Holly's plant at Betteravia, CA is served by the Santa Maria Valley Railroad which connects only with the Southern Pacific at Guadalupe, CA. The Holly plant at Hamilton City, CA is served by the California Northern Railroad which also connects only with the Southern Pacific Railroad at Davis, CA and Tehama, CA. Holly's other facilities at Sidney, MT, Worland, WY, and Hereford, TX, are all served by the Burlington Northern Santa Fe Railroad.

Most of the sugar produced in California by Holly Sugar is consumed in California. However, about 800 to 1000 rail carloads per year move from Brawley, CA to midwestern and eastern destinations. This traffic moves primarily via the SP to Kansas City thence via a connection to its final destination. A portion of these cars move direct to Chicago via SP.



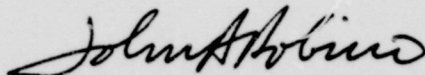
Holly also has a plant at South Torrington from which it ships 300 to 500 boxcars of packaged sugar to Chicago and St. Louis via the UP. Imperial Sugar ships carloads of sugar via the UP from Sugar Land, TX to the bulk distribution facility at Arlington, TX and to the St. Louis and Chicago areas. Imperial also ships approximately 5000 boxcars of raw sugar from Galveston to the refinery at Sugar Land via the UP. Holly ships 2000 to 3000 open hopper cars of beets from Oregon, Washington and California to its plants in California via the SP and the BN-SP.

The merged system would allow for more effective competition against the newly formed Burlington Northern Santa Fe as the UP SP would be able to offer similar efficiencies and savings to shippers on their lines. This is important to us as some of our competitors are served directly by the BNSF who can offer them benefits that the UP or the SP could not separately match. Examples of these benefits would include: more competitive rates because of the lower cost operation of a consolidated system; more consistent transit times because of consolidated routes; and a more reliable supply of equipment because of the better utilization that a consolidated equipment pool would offer.

As a corporation whose success is greatly dependent on rail rates and service, we strongly support efforts of the Union Pacific and the Southern Pacific to merge. If approved, we feel this combination would provide us with more reliable and consistent service. While the Southern Pacific has tried hard over the past two years to improve, it is clear they cannot sustain the level of service needed for us to effectively compete in the marketplace. A combined UP SP system when accompanied by the competitive

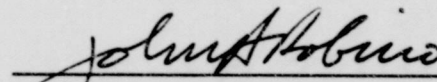
Page 4

access agreement reached with the BNSF, which, among other things, would allow for continued rail competition at our Sugar Land facility, would provide the best option available to the shipping public.



John A. Robino, General Manager  
Transportation & Distribution  
Imperial Holly Corporation

I John A. Robino, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10/25/95.

  
\_\_\_\_\_  
JOHN A. ROBINO





**SEPTEMBER 5, 1995**

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

**FILE: UP/SP MERGING SUPPORT FROM  
CONSIGNEE INDUSTRIAS DEL PAÑAL**

**TO WHOM IT MAY CONCERN:**

**WE ARE A MID SIZE FACTORY OF DIAPERS AND OTHER PRODUCTS FOR WHICH FOR ITS MANUFACTURE PROCESS WE IMPORT VARIOUS TYPES OF PRODUCTS SUCH AS PAPER TISSUE FROM CONNECTICUT, ELASTIC BANDS FROM TENNESSEE, WET TISSUES FROM WISCONSIN, POLYURETHANE FROM WISCONSIN, POLIACRILATE FROM VIRGINIA AND CELLULOSE FROM CONNECTICUT AND WASHINGTON AND WE CONTRACT TRUCK AND RAILROAD TRANSPORTATION TO GET THESE PRODUCTS TO OUR PLANT IN THE STATE OF MEXICO.**

**BOX CAR AND PIGGYBACK SERVICE ARE TWO MODES OF RAILROAD TRANSPORTATION WE ARE AT PRESENT USING AND WILL CONTINUE TO USE. WE DEFINITELY WOULD LIKE FOR THIS SERVICE TO BE IMPROVED AND WITH IT WE MEAN BETTER AND FASTER ROUTES TO MEXICAN BORDER POINTS.**

**ALTHOUGH OUR RECENT DEVALUATION HURT OUR BUSINESS SOMEWHAT, WE WILL REMAIN IN THE MEXICAN MARKET AND WILL CONTINUE TO PLACE PURCHASE ORDERS WITH OUR VARIOUS FOREIGN USA SUPPLIERS.**

**WE DO APPRECIATE LEARNING ABOUT THIS MERGING AND LETTING US GET INVOLVED WITH OUR OPINION TO THE I.C.C. TO WHOM IT MAY CONCERN, AS WE ARE INVOLVED WITH INTERNATIONAL LOGISTICS AS WE NEED TO CONTINUE FINDING COMPETITIVE TARIFFS AND RATES AND TRANSPORTATION OPTIONS.**

- PAÑALES DESCHABLES  
- TOALLAS FEMENINAS  
- PAÑAL ADULTO  
- TOALLAS HUMEDAS

INDUSTRIA DEL PAÑAL, S.A. DE C.V.  
Carlos E. Zelina No. 22, Xalostoc, Edo. de México, C.P. 55000  
Teléfono: 714 30-57 con 5 líneas. Fax: 714-30-48



(2)

INDUSTRIA DEL PAÑAL, SA DE CV AGREES WITH THE MERGE OF UP AND SP, AS OF COUSE IF IT WILL MEAN WE WILL HAVE BETTER ROUTES THAT WILL GO ALL THE WAY FASTER TO THE MEXICAN BORDER POINTS. THIS MEANS WE WILL HAVE SHORTER ROUTES, AS WELL AS FASTER INTERMODALISM SERVICE THAT CAN COMPETE WITH MORE EXPENSIVE TRUCK OVER THE ROAD SERVICE. IF MORE AND NEWER EQUIPMENT WILL ALSO BE MORE AVAILABLE, IT MEANS MY GOODS WILL SUFFER LESS DAMAGE (SUCH AS WATER DAMAGE), ETC.

ONE THING I READ IS THAT UP/SP AGREED TO GIVE TRACKAGE RIGHTS TO OTHER RAILROADS. THIS WILL GIVE CUSTOMERS A CHANCE TO OBTAIN VARIOUS OPTION.

AND AS THE UP IS ONE ECONOMICALLY STRONG RAILROAD, COMBINING IT WITH SP MORE BORDER ENTRANCES OPTIONS TO MEXICO, IT CAN BE EXPECTED TO HAVE MORE CONSISTENT SERVICE.

IN MY POSITION AS GENERAL COMPTROLLER FOR INDUSTRIA EL PAÑAL, WE DO SUPPORT THE ABOVE SAID PROPOSED MERGER, AS WE WILL HAVE BETTER SERVICE AND NOT FORGETTING THAT COMPETITION IS THE BEST WAY TO KEEP GOOD TRANSPORTATION AVAILABLE ALWAYS.

I ARTURO GONZALEZ ACUNA, DECLARE ON SEPTEMBER 5, 1995 THAT THE ABOVE STATED IS TRUE AND CORRECT, AND CERTIFY UNDER PENALTY OF PERJURY ON BEHALF OF THE COMPANY THAT I REPRESENT, THAT I AM THOROUGHLY QUALIFIED TO FILE ABOVE STATEMENT.

C.P. ARTURO GONZALEZ ACUNA  
GENERAL COMPTROLLER  
INDUSTRIA DEL PAÑAL, SA DE CV

- PAÑALES DESHUMEDADOS  
- TOALLAS FEMENINAS  
- PAÑAL ADULTO  
- TOALLAS HUMEDAS

INDUSTRIA DEL PAÑAL, S.A. DE C.V.  
Carlos B. Zetina No. 22, Xalostoc, Edo. de México, C.P. 55000  
Telefono: 714-39-57 con 5 líneas, Fax: 714-30-41





October 5, 1995

**VERIFIED STATEMENT  
OF  
WILLIAM B. CAHILL JR.  
On Behalf of  
INGOMAR PACKING COMPANY**

My name is William B. Cahill Jr. and I am Director of Marketing for Ingomar Packing Company. Our address is P.O. Box 1448, Los Banos, CA 93635.

Ingomar Packing Company is a California partnership located in Los Banos, California. Our facility processes California tomatoes into tomato paste. As an industrial ingredient supplier to the food industry, we pack our tomato paste in 300 gallon bag in box and/or 55 gallon metal and fiber drums.

Our Los Banos location is serviced by the California Northern Railroad with connection to Southern Pacific. With the majority of our customer base located away from California, we are heavily dependent upon the Southern Pacific for transportation to the east, the midwest and the southwest. During the past year we have moved approximately 100 railcars and would expect, because of our production increases, to move 150 - 175 cars during this year.

The bulk of our tomato paste is shipped in the returnable 300 gallon bag in box. Therefore we rely heavily on the Southern Pacific to return empty knocked-down bins to Los Banos from our customers under the terms of the "Bin Return Program."

Ingomar is dependent upon the Southern Pacific for its shipments from Los Banos. This merger of the Southern Pacific and Union Pacific will strengthen the financial base of our carrier and provide the assets of quality service.

The merger of these carriers will provide more power resources (locomotives), increased number of crew, and predictable transit times.

We believe the proposed merger with Union Pacific will strengthen the carrier servicing our facility in Los Banos, California.

l9soumad.doc



October 5, 1995  
Page 2

I, William B. Cahill 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 10-6-95

William B. Cahill Jr.  
WILLIAM B. CAHILL JR.

WBC:tw



September 9, 1995

VERIFIED STATEMENT

OF

BERT H. EWERS  
on behalf of  
INLAND EMPIRE DISTRIBUTION SYSTEMS, INC.

The witness is the founder and Vice President of the said organization. He is responsible for its operations and reports directly to his Board of Directors. He has worked in the public warehouse business for all of his working career which comprises forty years. He entered this work in Spokane in 1955, with the then Riverside Warehouses, Inc. The owner of that firm sold his company to a Houston firm by the name of Anderson, Clayton & Co., Inc. Ewers continued with that firm until 1983, at which time he started his own company now located in the Spokane Industrial Park, Building No. 32, Spokane, WA 99216. This company is also located in Pasco, WA. and has interests in a warehouse operation in Mountain Home, Idaho.

Inland Empire Distribution Systems, Inc., is a public warehouse operation serving 133 customers with inventories amounting to 25,000 different line items. IEDS serves an area to all points within 200 miles of Spokane. We receive our material from California and the midwest and east in the main. About 30% of it arrives via rail and the remainder motor freight. In the past we have loaded/unloaded approximately 400 units/month arriving/departing via rail. Most of this traffic originated from California.

Inland Empire Distribution Systems, Inc, supports the UP/SP merger.

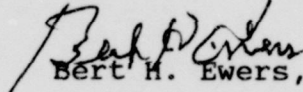
Our warehouse in Spokane, is served by two railroads, viz., the UPRR and the BNRR. Our customers, some lie without Spokane, and within Spokane, like this situation because they believe they get better service and better rates due to competition from common points.

And with increases in population and heavy road traffic, I believe the railroads will see more and more freight move on their rails to common points. Spokane is one of those points. I believe the UP/SP will be able to provide us with a degree of service that will allow us to compete favorably with other areas.

Rail competition in the Western U.S. will be strengthened by the UP/SP merger and the approved BN/ATSF merger as opposed to a weak SP, etc.

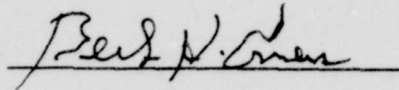
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We believe the proposed merger will work to the long term benefit of our community. Our company supports the Application.

  
Bert H. Ewers, Vice-President

#### VERIFICATION

I, Bert H. Ewers, declare, under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement.  
Executed on SEPT. 14, 1995.





October 5, 1995

VERIFIED STATEMENT  
OF  
INTERMODAL SERVICES, INC.  
1382 IPSEN ROAD  
BELVIDERE, IL 61008

My name is John W. Carlson. I am President and General Manager of Intermodal Services, Inc. and have held this position for eight and a half years. A key part of our business is assuring timely and consistent rail services. My company is responsible for at least 500 rail shipments per year, including scheduling rail loading dates, daily railcar tracing and expediting, and timely spotting at sites in several states.

Intermodal Services, Inc. serves the United States and Canada with combination rail/truck transportation of dry bulk materials including bentonite clay, diatomaceous earth, flour, sugar, seacoal, foundry sand additives, and spent equilibrium catalyst. We have rail/truck transload facilities in Adams, WI, Belvidere, IL, and Madison (East St. Louis), IL.

We also serve several shippers in a brokerage capacity utilizing rail/truck transfer facilities throughout the United States and Canada by directing the rail and truck shipment from rail origin to final truck delivery destination.

The majority of our rail traffic includes origins in California, Nevada, Oregon, Texas, and Wyoming. Rail destinations include our facilities in Adams, WI, Belvidere, IL, and Madison, IL, which are served by the UP. Rail carriers included in these movements are: Burlington Northern RR, Dakota, Minnesota and Eastern RR, Southern Pacific RR, and the Union Pacific RR.

On brokerage movements we utilize the above railroads plus Conrail, CSXT, CN, CP, Long Island RR, and Norfolk and Southern RR.

When railcars arrive at their rail destinations, we unload the cars into dry bulk pneumatic tank semi-truck trailers and distribute by truck to points in Illinois, Indiana, Iowa, Michigan, Minnesota, North Dakota, Ohio, Tennessee, Wisconsin, and Ontario, Canada. Our service depends totally on timely rail shipments, which the UP has provided for our eight and a half years of existence.

The products we transport are used in the liquid food processing, foundry, oil refining, and environmental industries.

We utilize the SP RR at Colado, NV; the UP and BN at Colony, WY, and Lovell, WY; the BN at Fort Worth, TX; the UP at Vail, OR.

Shipper facilities at Colado, NV and Vail, OR produce the same product: diatomaceous earth.

Shipper facilities in Colony, WY and Lovell, WY produce the same product: bentonite clay.

As a distributor dependent on SP service, we welcome this merger as a means of ensuring that we receive top-quality rail service from a financially sound carrier with single-line access to numerous points, and we believe that the proposed merger would be in our company's best interests as well as the interests of other shippers. We heartily endorse the UP/SP application.

Service benefits to SP and UP customers include new single-line service, more efficient routes, improved intermodal service, terminal coordination, route specialization, and better equipment utilization.

Competitive benefits include meeting the competitive challenge of BN/Santa Fe, stronger competition generally, competition with other modes, and assurance of long-term quality service for SP shippers.

We, at Intermodal Services, Inc. believe the proposed UP/SP merger will provide significant benefits to shippers. Our company totally supports the application.

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

*John W. Carlson, Pres.*  
John W. Carlson

Notary: *Todd Whitney Franklin*







## International Wood Products, Inc.

VERIFIED STATEMENT  
of  
TERRY HAGEN  
on behalf of  
INTERNATIONAL WOOD PRODUCTS

My name is Terry Hagen. I am the President of International Wood Products. My company's address is PO Box 1750, Clackamas, Oregon, 97015. I have been involved in the wood products industry for the past 18 years.

International Wood Products is involved in the wholesale supply and distribution of lumber products from our facility in Portland. Although our Portland facility is not rail served direct, we operate two transload facilities, one located next to our facility on the Southern Pacific and one located across town on the Union Pacific system. Our company utilizes the central corridor for approximately 90% of our plywood traffic.

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


The merger would allow us to reroute our Union Pacific origin traffic to our more conveniently located Southern Pacific transload facility. This single line service would help eliminate unnecessary costs and delays now caused by our use of Union Pacific's far less convenient transload facility located across town from our facility.

In addition, as users of the central corridor route, we expect to benefit from improvements in service over that corridor resulting from the combination of the two carriers' route systems and UP's ability to invest in SP's track and facilities. In the past, service was so poor over the Southern Pacific that we were forced to route via Union Pacific despite the far greater cost and time required to use Union Pacific's cross-town transload facility. After the merger, we expect service over the central corridor to improve dramatically, particularly from SP points, as terminal and yard facilities in such places as Eugene and Roseville are improved, redundant lines between Ogden and Salt Lake City are rationalized, and Union Pacific and Southern Pacific take advantage of their combined routes and traffic volumes to increase the separation of intermodal and carload traffic.

International Wood Products supports this merger, and urges the Commission to approve it.

I, Terry Hagen, declare under penalty 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 10/26/95

  
TERRY HAGEN

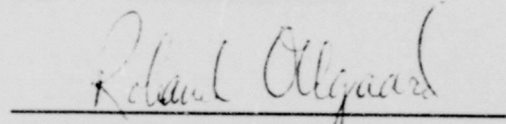
VERIFICATION

STATE OF Oregon )  
 ) SS.  
COUNTY OF Clackamas )

Terry Hagen, 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.

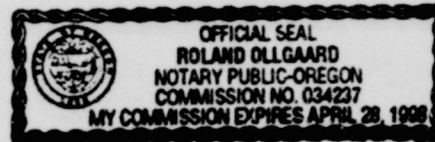
  
TERRY HAGEN

Subscribed and sworn to before me this 26 day of October, 1995.

  
Notary Public

My Commission Expires:

April 28, 1998







Gary I. Goldfein  
President

**VERIFIED STATEMENT  
OF  
GARY I. GOLDFEIN  
on behalf of  
INTERSTATE CONSOLIDATION SERVICE, INC.**

**October 10, 1995**

I am the President of Interstate Consolidation Service, Inc., 5800 E. Sheila Street, Los Angeles, California 90040. In 1965, I entered the trucking business as an employee of a local common carrier where I gained experience in trucking, warehousing and intermodal distribution. I was appointed to practice before the ICC on May 31, 1972. Later, Interstate Consolidation Service, Inc. was founded.

Among the professional organizations in which I am or have been involved are:

Member, Practitioners Association  
Past President, Traffic Club of Greater Los Angeles  
Past President, National Association of Shippers' Agents  
Member, Los Angeles Transportation Club  
Member, Delta Nu Alpha Transportation Fraternity  
Member, American Society of Traffic and Transportation

Interstate Consolidation Service, Inc. is an intermodal transportation company, with offices in Los Angeles, California; Oakland, California; Chicago, Illinois; and its Mexico Division in Otay Mesa, California. Interstate also operates two drayage companies, a container freight station, and an LTL common carrier division.

Among the services offered by Interstate Consolidation Service, Inc., are:

- Intermodal transportation company, moving trailerloads between all points in the United States, Mexico and Canada through contracts with all major rail carriers.

-1-

**General Offices:** 5800 East Sheila Street • Los Angeles, CA 90040 • Phone: (213) 720-1771  
Post Office Box 91-1224 • Los Angeles, CA 90091



- LTL from Southern California via our eleven hubs to all points in the United States and Canada, except Northern California, Arizona and Nevada.
- Drayage in Southern California with over 300 tractors serving all piers, rail terminals and area manufacturers.
- Cross-border service to Mexico via our terminals at Otay Mesa (San Diego) and Calexico, California.
- Warehousing and Bonded Container Freight Station services in our 200,000 sq. ft. of storage and cross-dock capacity in Los Angeles.

It is our understanding Union Pacific and Southern Pacific are requesting authority to merge. Interstate Consolidation Service, Inc. strongly supports this merger as a means of improving service and strengthening competition.

We believe the proposed merger would be in our company's best interests. We represent, by virtue of being a third-party intermodal marketing company, hundreds of shippers. Therefore, indirectly we are representing their best interests in supporting this merger. Benefits listed below:

- The merger would assure that the SP/UP would remain competitive with the new intermodal system being created by the Burlington/Santa Fe merger. It is imperative for our company's long-term success to have more than one strong choice in transcontinental intermodal service. As an example, choices in service routes and equipment availability are key.

- We are primarily concerned with intermodal service. The Chicago/California, Memphis/California, Seattle/California, and Pacific Northwest/Texas corridors will be improved under the proposed merger.

- The merger allows the two now separate companies to utilize the best terminals in key cities of each one. It should also be noted that the route between Chicago and Oakland will be shorter - 180 miles. Memphis/Los Angeles/Oakland service will be improved. Dallas/Los Angeles/Oakland will be improved, Seattle/Los Angeles will be improved, and Chicago/Salt Lake City will be improved.





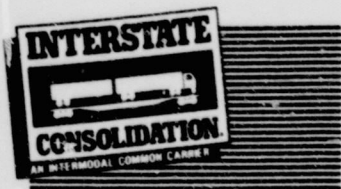
- It should be noted that new third-morning service between Oakland and Chicago, and more reliable service between Los Angeles and Chicago, will result from the merger.

- These are key service routes for our company and the shippers we represent, and necessary for our continued success in the intermodal market.

- The proposed merger will allow more efficient equipment positioning and will provide our company with better services as a result thereof. We are also involved in heavy import traffic. This will make more equipment available to us from West Coast ports to the Mid-West, and also from the Mid-West to West Coast ports.

- Other benefits include the possibility of new and improved intermodal terminals in key cities. Development of an Inland Empire intermodal facility near San Bernardino will support the intermodal services we market in the Los Angeles Basin.

In conclusion, we believe this merger is not only in the best interests of our company, but thousands of other shippers involved in intermodal transportation, and wish to state unequivocally that our company supports this application.



VERIFICATION

STATE OF CALIFORNIA)


SS

COUNTY OF LOS ANGELES)

I, GARY I. GOLDFEIN, 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.

  
\_\_\_\_\_  
GARY I. GOLDFEIN

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

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

My Commission Expires:

July 31, 1999







ITOCHU International Inc.  
San Francisco Branch  
One Maritime Plaza  
Suite 920  
San Francisco, CA 94111-3412  
TEL: (415) 399-3700  
FAX: (415) 398-4648

October 27, 1995

VERIFIED STATEMENT OF ERIC KOREKATA  
ON BEHALF OF ITOCHU AUTO METALS, INC.

I am Eric Korekata, Manager of Itochu Auto Metal, Inc. in San Francisco, California. I have been with Itochu since February 17, 1993. In my duties with Itochu, I am responsible for the Just-In-Time delivery and warehousing operations of New United Motor Manufacturing Inc.

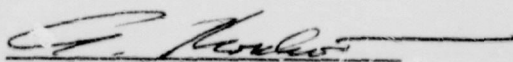
Itochu Auto Metal, Inc. supports the proposed merger of the Union Pacific and Southern Pacific railroads. Itochu moves steel in carload quantities from midwestern United States steel mills to Northern California via Union Pacific. Combining of Union Pacific and Southern Pacific will, we understand, result in the reduction of mileage between the Midwest and Northern California and, hopefully, result in shorter transit times for our steel shipments. This will be highly cost effective for both the railroads and Itochu, as it will allow Itochu and its customers to reduce inventories at destination, and allow the railroads to more efficiently dispatch our carloads, allowing a greater quantity of product to be moved with a similar available freight cars.

Availability of freight cars for the movement of steel products has been an issue with us, and with the combining of U.P. and S.P. car fleets, the efficiencies to be gained should result in more cars available to steel shippers through more efficient routing and improved transit times.

Itochu feels that the positive benefits of the proposed Union Pacific - Southern Pacific railroad merger are sufficient for Itochu to lend its support to this proposed transaction.

Sincerely,


ITOCHU AUTO METALS, INC.

  
Eric Korekata, Manager



ITOCHU International Inc.  
San Francisco Branch  
One Maritime Plaza  
Suite 920  
San Francisco, CA 94111-3412  
TEL: (415) 399-3700  
FAX: (415) 398-4648

I, Eric Korekata, declare under penalty 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 27, 1995.

  
Eric Korekata





FD 32760

October 23, 1995

Established 1897

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

Dear Sir/Madam:

My name is James Curtis and I have been employed by The J. M. Smucker Company since September 1994 as Corporate Transportation Manager. Prior to my arrival at Smucker's I had worked for Occidental Chemical and Nabisco Brands in various logistics positions since 1982.

The J. M. Smucker Company is a prominent manufacturer of fruit spreads and ice cream toppings. The J.M. Smucker Company utilizes several railroads including Burlington Northern/Santa Fe, Union Pacific, Conrail and primarily Southern Pacific. Major facilities are located in Orrville, OH, Memphis, TN, Salinas, CA; Oxnard, CA; Watsonville, CA; Woodburn, OR, Grandview, WA; Chico, CA; Harve de Grace, MD; New Bethlehem, PA; Ripon, WI and Pottstown, PA.

Our primary rail movements are shipments of frozen fruit on the Southern Pacific from the West Coast to storage facilities or manufacturing locations in the mid-west.

We strongly support the proposed merger of the Union Pacific and Southern Pacific. We believe that this merger will increase the availability of refrigerated box cars to our facilities and will improve transit times. In light of the prior combination of the Burlington Northern and Santa Fe, we feel that a merger of the Union Pacific and Southern Pacific will be necessary to provide competitive balance.

I, James M. Curtis, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement executed on October 23, 1995.

James M. Curtis  
Manager, Corporate Transportation

cc: Doug Edwards  
Dan Farber  
Elly Mackus

Office of the Secretary

OCT 25 1995



**J.M. THOMAS FOREST PRODUCTS, CO.**

2525 No. Highway 89-91  
P.O. Box 12668  
Ogden, Utah 84412

Ogden (801) 782-8090  
WATS (800) 962-8780  
FAX (801) 782-9652

Verified Statement  
of  
David Billingsley  
on behalf of  
J.M. Thomas Forest Products

Finance Docket - 32760

We buy our building materials from UP and SP served points in WA, ID, OR and CA. During the last year, our rail service has dropped off approximately 80%. This is caused due to a large amount of our raw materials coming off Southern Pacific points and the two carriers raising our rates, causing us to switch to truck transportation.

I support the UP/SP merger due to the fact that I will have single line pricing from more mills in California and Oregon, that are now Southern Pacific served. This affords us new opportunities from mills, to buy by rail, that due to price we have not been able to look at before.

I also support the UP/SP merger due to the fact that transit time from the SP served mills will be reduced due to no interchange at Ogden, UT with a merged system.

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

Executed on September 19, 1995.

David Billingsley  
Vice President



September 29, 1995

MINERALS & CHEMICAL GROUP

**Verified Statement  
Of  
Gary Long  
on behalf of the  
J. R. Simplot Company  
Minerals and Chemical Group**

My name is Gary Long and I am the Vice President of Marketing and Sales for the J. R. Simplot Company, Minerals and Chemical Group, 4122 Yellowstone Avenue, Pocatello, Idaho, 83204. My responsibilities include the overseeing of manufacturing, selling and distributing over 1.5 million tons of phosphate and nitrogen fertilizers in the western United States, Canada and Mexico. I have worked at the J. R. Simplot Company for 25 years, holding the Vice President position the last three years.

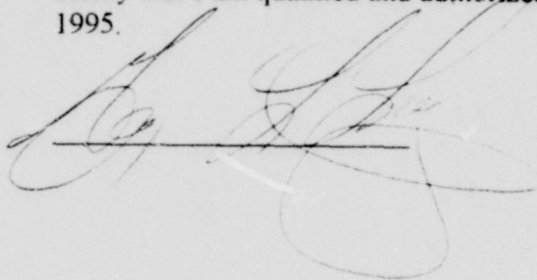
The J. R. Simplot Company is a privately held agribusiness corporation with headquarters in Boise, Idaho. Annual sales are \$2.8 billion, derived principally from food processing, fertilizer manufacturing, silica mining, and agriculture. Simplot employs approximately 10,000 people. The Minerals and Chemical (M & C) Group is a national phosphate fertilizer producer with facilities in 16 states and Canada. Although the M & C Group's principal business is agricultural fertilizers, it also is a key supplier of specialty fertilizers for turf and consumer markets, industrial chemicals, animal feed phosphates, and silica sand. At the heart of the M & C Group's success are its vast holdings of raw materials. The M & C Group's flagship operation, known as the Don Plant, is a modern, 1,200 acre complex located near Pocatello, Idaho, solely on the Union Pacific railroad. The Don Plant produces both dry and liquid phosphate based and nitrogen based fertilizers. It has an annual production capacity of nearly one million tons of shippable finished product as well as 400,000 tons of receivable raw materials. SF Phosphates Limited Company, a Simplot - Farmland joint venture, operates a state-of-the-art fertilizer manufacturing complex at Rock Springs, Wyoming, also located exclusively on the Union Pacific Railroad. It's annual production is about 460,000 tons of shippable finished fertilizer products as well as 350,000 tons of receivable raw materials. In addition to phosphate fertilizers, the Company owns the largest deposit of high-grade silica sand in the western United States. Silica sand is mined and processed near Overton, Nevada located on the Union Pacific Railroad, and marketed to glass manufacturers and foundries in California located primarily on the Southern Pacific Railroad.

The J. R. Simplot Company's Minerals and Chemical Group originates approximately 20,000 rail cars per year on the Union Pacific railroad which are transported to various rail destinations west of the Mississippi River. We currently ship to over 300 origin/destination pairs which constitute approximately \$20 million dollars in revenue to the Union Pacific, and \$7 million dollars in revenue to the Southern Pacific. Our primary markets reached via rail include California, Arizona, and Mexico where cars are interchanged to the Southern Pacific at Ogden, UT and Colton, CA. We have three manufacturing facilities located on the Southern Pacific in California at Lathrop, Helm, and El Centro where we receive over 2,000 rail cars per year. Our volume to all Southern Pacific customers annually exceeds 3,000 rail cars.

We understand that the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this merger as a means of improving rail service from a financially sound carrier capable of making the necessary capital investment to maintain rail competition in light of the new BNSF railroad. The Union Pacific today is financially strong, but lacks efficient routes to many of our primary markets in California, Arizona and Mexico. The Southern Pacific has many excellent routes but lacks the volume and capital to take advantage of opportunities. The merged system will be able to overcome bottlenecks and apply capital dollars to enhance service to the rail customers.

The BNSF will be nearly twice the size of the UP or SP. Combining UP and SP will create a competitor that is fully equal to BNSF in all major western markets matching the service and reliability. We believe our private car fleet as well as system cars will be enhanced by improved transit times. The combined railroad will offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico utilizing "Despacho Previo" for expediting border crossings such as Nogales, AZ. We will benefit from new single line service from Idaho and Wyoming to our customers in California giving us the opportunity to focus on efficiencies of unit trains and warehousing. We believe that the proposed merger will provide significant benefits to shippers. Our company supports the application.

I, Gary Long, declare under penalty 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.

A handwritten signature in dark ink, appearing to read "Gary Long", is written over a horizontal line. The signature is fluid and cursive, with the first name "Gary" being more legible than the last name "Long".



VERIFIED STATEMENT  
OF  
TERRY HICKS  
ON BEHALF OF  
JACOB HARTZ SEED CO., INC.

My name is Terry Hicks. I am the director of administration and treasurer for Jacob Hartz Seed Company. My company's address is P. O. Box 946, Stuttgart, AR 72160. I am responsible for reviewing and approving all freight charges as well as overseeing the payment of those charges for my company. I have been involved in the railroad freight business for the past 20 years.

Jacob Hartz Seed Company ships soybean seed to Mexico and Japan. These products are shipped via Southern Pacific single-line through Nogales, Arizona, and Long Beach, California, respectively.

We are aware that Union Pacific and Southern Pacific have requested authority to merge. We support such a merger.

As a shipper to Mexico, we are excited about the possibility of now having new and improved access to Mexican gateways. Union Pacific has a long history of working to improve transit times for its shipments over Mexican border crossings. We believe we could benefit from Union Pacific's experience, including its highly automated "Despacho Previo" customs clearance procedures, and take advantage of having new single-line service available to the Laredo gateway to Mexico. Improved access to the Laredo gateway creates exciting opportunities to expand into new markets within Mexico.

As for our soybean shipments through Nogales, Arizona, and Long Beach, California, with the merger we will now have a more efficient route on the UP line which runs from Ft. Worth to Sierra Blanca. This new route is more direct and should significantly reduce transit times and costs. We also understand that Union Pacific intends to make improvements on the SP line from El Paso to West Colton, and at SP's Colton yard itself. These improvements should also help to resolve many of the service problems we have experienced with the SP over the past several years for these shipments.

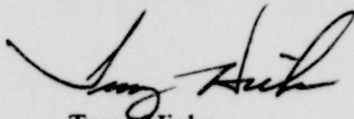
Finally, because we ship soybeans and soybean seed, we make heavy use of covered hopper cars.

The Southern Pacific has consistently been unable to effectively meet our needs for rail cars. We believe the combination of the UP and SP car fleets will lead to a drastic improvement in this situation and should alleviate our car shortage problem. The improvements that will be made to reduce transit times and congestion along the routes should also reduce car turn-around time and make more hopper cars available for our rail shipments.

For these various reasons, we support the merger of Union Pacific and Southern Pacific railroads.

I, Terry Hicks, declare under penalty 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.



Terry Hicks



# JARVIS METALS RECYCLING

7825 Peach Ave • P.O. Box 1943 • Lubbock, Texas 79408  
806 / 744-7091

Verified Statement of  
Steve Bruster  
on behalf of  
Jarvis Metals Recycling, Inc.

My name is Steve Bruster. I am a stockholder of Jarvis Metals Recycling, headquartered in Lubbock, Texas. I have been in the scrap recycling business for twenty-five years and have been involved with all types of transportation.

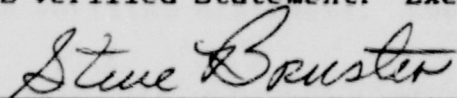
Jarvis Metals Recycling, under its own name, and under the names of Hobbs Iron & Metal and Levelland Steel and Supply, purchases, sells and transports for recycling all types of scrap metal, both ferrous and nonferrous. Our main facilities are Jarvis Metals Recycling in Lubbock, TX, Hobbs Iron & Metal in Hobbs, NM, and Levelland Steel and Supply in Levelland, TX. Our serving rail carrier in Lubbock is BNSF, although we are hoping also to receive haulage via SP due to its settlement agreement with BNSF in the BN-SF merger proceeding. UP serves us in Hobbs and Seagraves, Whiteface and Lubbock Railroad ("SW&L") serves us in Levelland. The SW&L connects to both BNSF and SP. We ship outbound scrap to customers in Seguin, TX, Midlothian, TX, and Minnequa, CO, all served by BNSF and SP, Swan Tx, served by UP, and Jevit, TX, served by SP. We ship approximately six hundred carloads per year.

We support the merger of Union Pacific and Southern Pacific. The ability to reach SP points from UP points by efficient single line service is of great benefit to us. Our logistics cost is reduced when we are able to deal with only one carrier for a particular movement. In addition, the efficiencies which accrue to carriers and shippers alike from a consolidation of two carriers are important. We will benefit from reduced transit time, greater and more efficient equipment supply and more frequent and reliable service.

The proposed merger will create a carrier that is capable of competing head to head with BNSF and other modes. Long term, it is not clear that SP can remain viable nor that UP will be able to fully compete with the larger and more powerful BNSF. This merger assures the maintenance of a healthy competitive environment for transportation in the West.

We request that the Commission approve this merger.

I, Steve Bruster, declare under penalty 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 19th day of October, 1995.

  
Steve Bruster

3303 LAKEPORT BLVD • P.O. BOX 1329 KLAMATH FALLS, OREGON 97601-0268 USA  
TELEPHONE 503-882-3451 ADMIN FAX 503-885-7454 OPER FAX 503-885-7423

VERIFIED STATEMENT OF  
RICK VAUGHN, on behalf of JELD-WEN inc

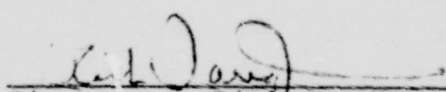
Interstate Commerce Commission  
Attn: Finance Docket 32760  
1201 Constitution Avenue N.W.  
Washington, DC 20423

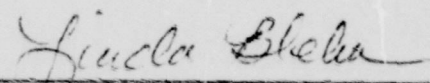
My name is Rick Vaughn and I am the Corporate Transportation Manager for JELD-WEN inc with Corporate Office at Klamath Falls, OR. Our company produces and sells lumber, moulding and millwork which includes doors and windows with five locations in Oregon and we ship to all points in the United States and overseas.

We strongly support the merger of the Union Pacific and the Southern Pacific. Our company will benefit by having access to single line service on many corridors with more efficient routes. We believe that the approval of this merger is necessary in order to allow the UP/SP to effectively compete with the recently approved BN/SF system. We appreciate the Commission taking our support letter into consideration when hearing this case.

VERIFICATION

I, Rick Vaughn, declare under penalty 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: Rick Vaughn  
Corporate Transportation Mgr.  
JELD-WEN inc

  
Witness:





VERIFIED STATEMENT

OF

DON JOHNSTON

ON BEHALF OF

JOHNSTON FARMS

Johnston Farms is a grower, packer, and shipper of fruits and vegetables located in Edison, California. Johnston Farms is heavily dependent on rail carload service for the shipment of fresh table stock potatoes and citrus. Our major customers, serviced by rail, are located in the Northeast and Southeast United States and Eastern Canada. Over the last several years, Johnston Farms has averaged approximately 100 rail car shipments of potatoes and/or citrus per shipping season.

Johnston Farms packing and loading facility is located in Edison, California which is served by Southern Pacific Lines and is open to service by the Santa Fe Railway and Southern Pacific Railway. The past few years, however, Johnston Farms has relied most heavily on Southern Pacific to provide rail service to its major transcontinental markets.

Johnston Farms, in anticipation of a renewed commitment from the combined rail system, supports the merger of the Union Pacific and Southern Pacific. The merger would result in a significant improvement on the cycle times of refrigerated rail cars, due to shorter routes, reduced terminal congestion, and the combining of the UP and SP refrigerated car fleets. Transit times should improve substantially from more direct and single-line service to many markets and/or major midwest interchange points. These two carriers now serve many areas with different peak shipping seasons. Therefore, a combined system should realize greater utilization of their refrigerated cars. Finally, Johnston Farms believes that shippers in the Southern San Joaquin Valley should realize a more competitive pricing structure with produce of other producing states.

With the combined Burlington Northern/Santa Fe also serving the Southern San Joaquin Valley, Johnston Farms believes that this merger is essential to maintaining a strong competitive rail network in the Southern California region.

I, Don Johnston, declare under penalty 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

VERIFICATION

STATE OF CALIFORNIA )  
 )  
COUNTY OF KERN )

Don Johnston, 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 Johnston  
Don Johnston

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

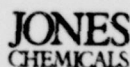
Robin A. Chambers  
Notary Public

My Commission Expires:

December 30, 1997







October 20, 1995

**VERIFIED STATEMENT**

**OF**

**ANNE S. WILCOX  
on behalf of  
JONES CHEMICALS. INC.**

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

My name is Anne S. Wilcox. I am the Corporate Traffic Manager for Jones Chemicals, Inc., a family owned chemical repackager and distributor established in 1930. My office is at 80 Munson Street, LeRoy, NY 14482, which is the Corporate Headquarters for the company. I hold a B.S. in Transportation and Traffic from Niagara University, Niagara Falls, NY, and have been the Corporate Traffic Manager for Jones since 1978. My responsibilities include the overseeing and coordinating of the rail traffic and outside truck carriers used in our operation.

Basically Jones Chemicals brings in rail cars of chemicals to the seventeen different branch locations, re-packages the chemicals into smaller containers, then distributes these containers via truck to a localized radius surrounding our plants. We also do a large amount of third party shipments, shipments directly from our suppliers to our customers. Our core business is to provide water treatment chemicals for water purifications to benefit and promote public health. We also provide chemicals and services to producers of everything from paper products to computers, from food and beverage product to automobiles.

We have seventeen (17) branch locations located throughout the United States. Their locations are as follows: Mobile, AL; Milpitas, CA; Torrance, CA; Ft. Lauderdale, FL; Jacksonville, FL; Beech Grove, IN; Reserve, LA; Wyandotte, MI; Festus, MO; Merrimack, NH; Caledonia, NY; Warwick, NY; Charlotte, NC; Barberton, OH; Houston, TX; Milford, VA; and Tacoma, WA.



Verified Statement of Anne S. Wilcox

Page 2

On an average, each of our facilities receives 125 rail cars a year. Our Torrance, CA facility is one of our larger plants, having received 175 rail cars in 1994. At Torrance we are serviced by the Southern Pacific railroad, so the operation and stability of this railroad is of vital concern to us. Torrance services the Los Angeles area with water and sewer purification chemicals, a matter of public health, so it's crucial that we be provided safe, reliable, efficient, cost effective rail service.

Jones Chemicals, Inc. views the proposed Union Pacific/Southern Pacific Merger as a benefit to our operation. We have had some concerns about the SP's service and long-term viability, especially in the wake of the BN/Santa Fe merger. Combining with the Union Pacific would assure long-term, top quality service from a financially strong system capable of making the necessary capital investment to maintain rail competition.

Having our chemicals delivered safely is our first and foremost concern. This merger would bring the UP's strong history of capital improvements into the SP system, with the combined capital dollars being applied to the upgrading and improvement of the SP's rails, thus insuring a safer rail network.

Along with safety, price is an issue as ours is a competitive business. We need to have a railroad that is in a competitive and stable position. The UP/SP merger would create a financially strong system capable of making the necessary capital investment to maintain much needed rail competition. The UP's strong financial position, and the SP's excellent routes would compliment each other into a competitive rail system, capable of challenging the BN/Santa Fe, which benefits all the shippers.

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

*Anne S. Wilcox*



**VERIFICATION**

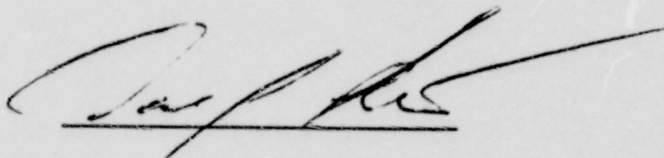
STATE OF New York )  
 ) ss.  
COUNTY OF Genesee )

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

Anne S. Wilcox

Anne S. Wilcox

Subscribed and sworn to before me this 20th day of October , 1995.



Notary Public

My Commission Expires:

**DONALD J. SMITH**  
Notary Public, State of New York  
Qualified in Genesee County  
My Commission Expires Nov. 30 1996

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# **JTS Enterprises, Inc.**

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TEL. 713/621-6740 • TLX 3765205 • FAX 713/621-2454

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## VERIFIED STATEMENT

OF

CAROLYN SQUIER

on behalf of

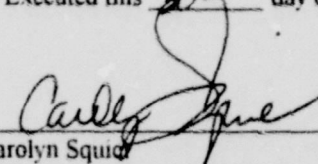
JTS ENTERPRISES

I, Carolyn Squier work for JTS Enterprises as a contract employee since the month of April 1995. My job responsibilities as Distribution Coordinator include, negotiating freight rates, moving loaded and empty railcars to the necessary points for reloading along with other duties. I was previously employed prior to April by Ferrell North America where I also performed Distribution Coordinator duties for a period of five years.

Our shipments vary from Chlorine from the South Texas area and LPG from the West Coast to the Belvieu area. We lease pressure tank cars to move both products due to its' hazardous content. Our main suppliers for LPG come from the Tosco ( Avon area) Refinery and Chevron ( ElSegundo), Texaco ( Wilmington) and we move this product to refineries generally in the Mont Belvieu area. On occasion we sell to refineries in the Pasadena area. We also do business in the Louisiana area on a spot basis, this area is becoming a truck dominated area due to the lack of railroad interest in updating their equipment, rates.

Our company supports the proposed merger of Union Pacific Railroad and Southern Pacific. The merger will greatly benefit companies like JTS. As a small and growing company our only hope is that the people we rely on to move our product will improve and grow along with us. The SP railroad has needed help in getting their railroad together for quite a few years. While they have improved their service in some areas, other areas still suffer, especially in the winter, which is when companies like JTS need consistent service to move our product. Merging these two railroads will cut down our choices in some areas, but it should create a more solid, competitive and efficient railroad which is what has been needed for a while. The Union Pacific has a great reputation for service and competitive rates and the Southern Pacific has the rail lines and the experienced personnel to add to the merger.

I, Carolyn Squier, declare under penalty 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 20th day of October, 1995.

  
Carolyn Squier





## KALAMA INTERNATIONAL

1200 SMITH, SUITE 2270  
HOUSTON, TEXAS 77002

PHONE: (713) 759-0333  
FAX: (713) 759-9735

September 20, 1995

For filing on  
ICC Finance Docket No. 32760

This letter is in regard to the proposed merger between the Union Pacific Railroad and the Southern Pacific Railroad. Kalama International supports this merger because it will provide better service to our company.

A UP/SP merger will provide us with greater access to the West Coast and will improve our ability to move traffic to East Coast gateways like St. Louis, Chicago, Memphis and New Orleans. Combining this two railroads will offer service opportunities that we do not have today. The combination will also enhance competition in the wake of the Burlington Northern and Santa Fe merger.

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

Sandra Whitmire

Witness



## KANSAS FEEDS, INC.

*Liquid Feed Supplements - All Types of Molasses*



Jack Denton  
President

P.O. Box 1555 - 1110 East Trail Street  
Dodge City, Kansas 67801

Bus.: 316/225-3500  
Res.: 316/227-7390

Verified Statement  
of  
Jack Denton  
on behalf of  
Kansas Feeds, Inc.

My name is Jack Denton. I am a part owner of Kansas Feeds, Inc. Our mailing address is P.O. Box 1555, Dodge City, Kansas 67801. My telephone number is (316) 225-3500. My fax number is (316) 225-3501.

I have resided in Kansas all my life. I worked for a molasses company from 1967 to 1983. In 1983, I started my own company, Kansas Feeds, with my partner John Synar. My responsibilities at Kansas Feeds include purchasing all byproducts used as raw materials, transportation of all of our products to customers, work with the railroads to get products in and sending the cars to their destinations.

Kansas Feeds buys and sells byproducts generated by large companies, such as distillers slops, corn solubles, corn steeps, molasses, fats and other related products, and blends these byproducts into feed for sale to cattle feed yards. Kansas Feeds has facilities in Dodge City, Kansas (BN-SF served), Scott City, Kansas (BN-SF served), Leoti, Kansas (UP served), Gering, Nebraska (UP served), Dalhart, Texas (BN-SF served), and a facility under construction in Welch, Oklahoma (UP served). We also own Cow Feed Company, located in Dalhart, Texas (BN-SF served) and J & J Agri Services, located in Sherman, Texas (BN-SF served). Kansas Feeds has 100,000 tons of storage at our combined facilities. We do not own any feed yards.

We ship the byproducts listed above to our Kansas Feeds locations from Liquid Corn, in Columbus, Nebraska (UP served); from Midwest Commodities in Marshall, Minnesota; from Cargill in Blair, Nebraska and from Penford Products Company in Cedar Rapids, Iowa.

We also own the Liquid Corn facility in Columbus, Nebraska (UP served). We currently have two additional Liquid Corn facilities under advisement, in Marshall, Minnesota (BN-SF served) and Hereford, Texas (BN-SF served).

From our Kansas Feeds, Cow Feed, and J & J Agri locations, we ship products to feed lots in Texas, Oklahoma, Kansas, Nebraska and the Imperial Valley (Southern California and Arizona). We ship approximately 3,000 carloads per year. We have gross sales of approximately \$24,000,000 per year.

We think the idea of a merger between UP/CNW and SP is a good idea and support its approval by the ICC. The merger will provide several benefits to our business. We ship products from UP served origins to SP destinations in Southern California and Arizona. The merger will permit us to keep these shipments on a single railroad, and we will save money and time if we ship over one railroad rather than two connecting railroads. The time savings



will come in different ways, from reduced time for shipments due to more efficient operations, to less time spent tracing cars that are late or lost, to less time spent calling SP customer service about shipments. Shipping on one railroad helps reduce the possibility that the railroads will lose our cars at interchanges, connections, or terminal yards. The combination of UP's financial resources with SP's routes will permit UP/SP to make needed improvements in SP's tracks and routes to improve lines that we understand SP does not have the financial resources to upgrade, such as SP's Tucumcari and El Paso-Colton routes.

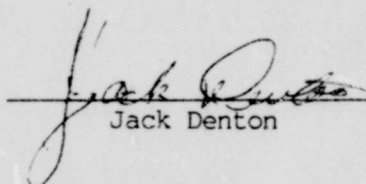
We also support the merger because the creation of single line service for shipments to our destinations in California should help us to better utilize our private fleet of cars. Kansas Feeds has a fleet of 250 private leased cars that we use for our shipments. We expect the combined UP/SP network to move cars move efficiently and quickly, which will allow us to make better use of our private fleet, effectively increasing its size without requiring additional investment on our part.

Better service and improved utilization of our fleet may allow us to pursue new business opportunities. For example, we will be able to take advantage of the increased number of destinations, to SP served points, that will be available to us via a single railroad. We will also have a single line access to all border crossings into Mexico, which may present new business opportunities.

As a shipper who utilizes UP and BN/SF, we support the merger because it will take the combination of UP and SP to provide competition to BN/SF. As a shipper, we favor strong competition between UP/SP and BN/SF to keep rates in line and to maintain quality service. BN/SF just raise rates for our traffic by 25%, which is a tremendous increase that will directly affect our business. This despite the fact that we ship over 3,000 carloads per year, and are not a small shipper. We expect that strong competition from the combined UP/SP system will help restrain BN/SF.

We support approval of the merger between UP and SP.

I, Jack Denton, declare under penalty 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.

  
\_\_\_\_\_  
Jack Denton

**VERIFIED STATEMENT  
OF  
KENNETH KOZAK  
ON BEHALF OF  
KBM CORPORATION**

I, Kenneth Kozak, have been the President of KBM Corporation since its inception in 1980. Prior to that I was Operations Manager for Scott Paper Company's Forest Chemical Products Division.

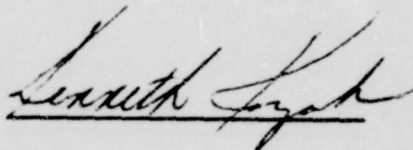
Our main business is the marketing and shipment of lignin liquor for various end uses. Most of these movements are via rail in 20,000 gallon tank cars. A large portion of our domestic shipments are from the Midwest to Southwestern States such as California, Nevada and Arizona.

As a potential shipper on SP, we support the UP/SP application to merge. Our fleet of leased tank cars could be reduced while providing better service if we had more efficient routings.

We, believe, that the proposed merger would provide significant benefits to private car owners by improving service and reducing transit times.

**VERIFICATION**

I, Kenneth Kozak, declare under penalty 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  
DOUGLAS W. MERRILL  
on behalf of  
KELLY-MOORE PAINTS**

My name is Douglas Merrill. I am Vice President-Manufacturing for Kelly-Moore Paints. My address is 1015 Commercial Avenue San Carlos, California 94070. My telephone number is (415)592-1294. I have been with Kelly-Moore Paints for the past twenty-five years in various capacities. As Vice President-Manufacturing, I am responsible for manufacturing and transportation for all paint manufacturing items.

Kelly-Moore Paints is a paint manufacturing company. Our main factory and headquarters are located in San Carlos, California, and is served by SP. We also have facilities in Hurst, Texas, and Seattle, Washington. We ship raw materials into our San Carlos facility from Johnson City, Tennessee.

We favor approval of the merger between UP and SP and are submitting this statement to show our support. We expect to enjoy substantial benefits as a result of the merger. The proposed merger would permit UP-SP to use more efficient routes, with reduced transit times and improved car load service. For our shipments from Johnson City, Tennessee to San Carlos, California, the combined UP-SP portion of the move from Memphis to Oakland will be more than 200 miles shorter. Reduced transit times and more efficient service are important benefits to Kelly-Moore Paints and will allow us to reduce costs and achieve a higher level of efficiency in our operations.

UP-SP will also be able to provide single line service in new routes that may benefit Kelly-Moore Paints. The new I-5 single line service from Seattle to California may provide additional options for rail shipment for our company. The single line service on the I-5 will provide effective competition for motor carrier service on that corridor, which will be beneficial for all companies shipping along the I-5.

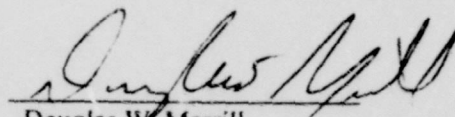
The increased efficiency and speed that will be provided by the combined UP-SP system will also allow better private fleet utilization. Shorter routes and faster, smoother operations will yield the equivalent of acquiring more cars. By utilizing our existing fleet of cars more efficiently, we will not have to increase the size of our fleet in order to increase our shipping capabilities.

*Verified Statement of*  
**Douglas W. Merrill**  
*on behalf of*  
**Kelly-Moore Paints**  
*Page - 2 -*

Kelly-Moore Paints relies on railroads for an important part of its production and distribution process. We need to be confident that we will receive quality service from our rail providers. Given the financial problems that SP has endured during the past ten years and its concomitant inability to invest in modernizing its infrastructure and obtaining up-to-date equipment, we have had serious concerns that SP would be able to continue to meet our quality standards. The merger of SP with financially healthy UP goes a long way toward assuaging our concerns and assuring that Kelly-Moore Paints will receive the quality service well into the twenty-first century.

I Douglas W. Merrill, declare under penalty 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

  
Douglas W. Merrill



KEYSOR-CENTURY CORPORATION

October 06, 1995

Vernon A. Williams, Secretary  
Interstate Commerce Commission  
1201 Constitution Avenue, Room 2215  
N.W. Washington, D.C. 20423

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

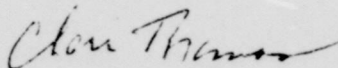
My name is Cheri Thomas. I am the Materials Supervisor (Traffic Department) for Keysor-Century Corporation located in Saugus, California. I have been involved at Keysor with shipping and receiving and freight management for approximately ten years. As Materials Supervisor my responsibilities include contract/rate negotiation for rail, intermodal, over-the-road, and air carriers. I am also responsible for freight deliveries using company owned trucks. My duties as Materials Supervisor require I make decisions on the most cost effective and expedient manner to ship our products to customers.

Keysor-Century is a family owned PVC manufacturer. We produce annually approximately 60 million pounds of PVC compounds and resins. Our products are used by floor tile, and plastic bottle manufacturers. We also make plastic for the phonograph record industry. Our company ships approximately 36 million pounds annually of resin via hopper car to customers in Texas, Illinois, and to the East coast. Keysor's competition Georgia Gulf, Borden, Geon, and Occidental are located in the Midwest and Eastern portions of the United States. Separately these manufacturers produce over a billion pounds of product annually. These larger manufacturers are a business challenge for Keysor due to their logistics, and because they produce and ship rail in greater volumes. Keysor's ability to compete with these manufacturers, is directly related to the cost of freight.

With the proposed merger of the Union Pacific and Southern Pacific Railroads, the issue of rail service and customer service is very important for Keysor to operate effectively. Keysor would like to experience a more efficient rail system. Keysor is also concerned about healthy freight rate competitiveness among the large rail carriers. We are hoping this merger will not only provide better service, but help reduce freight costs for Keysor. Keysor is looking for a better rail rate for a product which we could purchase out of Plaquemine, Louisiana. This product is currently SP direct out of Gregory, Texas, but service however is extremely poor. If we could go rail direct and have a comparable rate from Plaquemine, Louisiana, as our Texas movement, this would help Keysor's business operation immensely.

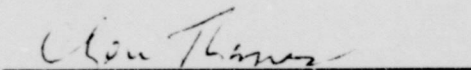
Since Keysor is located in California, we are already burdened with slow transit times and higher costs due to the logistics of our plant to our customers. We cannot afford additional burdens through escalating freight costs and longer transit times. We believe the UP/SP merger, will help keep a level playing field among competing railroads to provide better rates and service to customers.

Sincerely,



Cheri Thomas  
Materials Supervisor

I, Cheri Thomas, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 06, 1995.







# KINZUA RESOURCES, LLC

Route 2, Box 2100 Heppner, Oregon 97836  
Telephone (503) 676-9000  
FAX (503) 676-9441

## VERIFIED STATEMENT OF LINDA R. NAVE on behalf of KINZUA RESOURCES, LLC.

### RE: FINANCE DOCKET NO. 32760

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

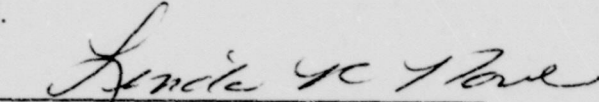
1. I am the Sales Manager and Shipping Supervisor for Kinzua Resources. I have held this position since May, 1994. Prior to that, I was the Assistant Sales Manager and Shipping Supervisor for Kinzua Corporation from 1990 to May, 1994. Kinzua Corporation was purchased by Kinzua Resources in April, 1994.
2. Kinzua Corporation operated the sawmill and planing facility at the present location from 1959 until 1994, at which time, Kinzua Resources purchased the facilities and have been continuously in operation. Kinzua produces lumber products and ships by truck, pig, and railcars. Up until 1994, Kinzua was serviced by the Heppner Branch Line of the UPRR. Presently, we are using a reload facility at the Hinkle yard.  
  
Kinzua services the Pacific Northwest area, Idaho, Utah, Montana, California, Nevada, New Mexico, Texas, and the Midwest.
3. 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.
4. We believe that the merger will benefit Kinzua Resources by providing single-line service to our California markets and those areas in the southern tier of the U.S. The merger will create an equal competitor with the BN/Santa Fe and allow Kinzua to be more competitive in our market place; together with creating a more reliable system in moving our products from the present UP routes into those areas currently serviced by the SP. In this regard, we should be able to divert more of our traffic from trucks to rail.

Verification  
September 20, 1995  
Page 2

We have found that the UP delivers a quality service and would expect the same quality to continue with the UP/SP merger. We believe that the proposed merger will provide significant benefits to shippers. Our company supports the application.

I, Linda R. Nave, declare under penalty 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 20 day of September, 1995.

  
\_\_\_\_\_  
Linda R. Nave



## VERIFICATION

STATE OF OREGON     )  
                              :  
COUNTY OF MORROW )

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

Linda R. Nave

Linda R. Nave

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



Patricia Watt  
Notary Public for Oregon

My Commission Expires:

Feb. 25, 1999



# LAS PLUMAS LUMBER CORP.

P.O. BOX 3487 • RIVERSIDE, CA 92519-3487  
(909) 681-2211 • FAX (909) 681-1922

October 3, 1995

Verified Statement

Of

Greg Martin

on behalf of

LAS PLUMAS LUMBER CORP.

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

My name is Greg Martin and I am presently the Purchasing Agent of Lumber Products for Las Plumas Lumber Corp., 6464 33rd Street Riverside, Ca. 92509. The phone number is (909)681-2211, fax number is (909)681-1922. My normal duties and responsibilities include buying all lumber and panel products needed for construction sites. This would cover all transportation logistics whether it be rail or truck into all facilities and coordinating with other Las Plumas Lumber Corp. locations in California and Las Vegas, NV reloads.

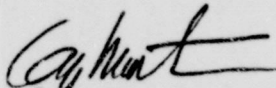
Las Plumas Lumber Corp. is a leader in the lumber, panel, and wood truss business on the West Coast. Construction sites are Las Plumas's customers, and almost all lumber comes from Oregon Mills served by the Southern Pacific, as well as Idaho Mills served by the Union Pacific. The options by which we ship depends upon the competitive freight rates we can obtain by rail or truck. In our Bakersfield, Ca. facility we are served by the SP, and in our Las Vegas, NV reload and Riverside, Ca. facility we are served by the UP. Increased power and single-line service between the UP and the SP points will greatly enhance the possibilities of shipping lumber from Oregon, Washington, and Idaho to our Las Vegas and Riverside, Ca. points, as well as our Bakersfield facility.

Las Plumas Lumber Corp. is tied to the lumber mills for freight charges on lumber products. In order to maintain our competitive positions in all our areas of business, we must be assured that the UP/SP remain competitive in their freight charges. In the past we've had limited use of rail direct service into Las Vegas, NV because of freight rates. We found that it was cheaper to ship into our Bakersfield and Riverside facilities and truck to Las Vegas, however this has limited our service into the Las Vegas market. We ask that you approve the UP/SP merger subject to imposing certain conditions to protect our competitive choices: (A) Las Plumas feels it necessary that the Burlington



Northern Santa Fe (BN) (SF) is granted continual access to California through either the "I-5 corridor or the "Inland Gateway" at Bieber, California, in order to insure a competitive climate. (B) Las Plumas also feels it necessary that UP/SP is granted trackage rights over the BNSF from Mojave, California to Barstow, California, to provide our Bakersfield facility with competitive rates from the Idaho "Inland Empire" area which has been controlled in the past by SF. 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, Greg Martin, declare under penalty of perjury that the foregoing is true and correct. Further I Certify that I am qualified and authorized to file this verified statement. Executed on October 3, 1995.



Greg Martin  
Purchasing Agent  
6464 33rd Street  
Riverside, Ca. 92509

Lefton  
Iron & Metal Co.  
205 So. 17th St.  
East St. Louis, Ill. 62207  
618-274-4900  
FAX 274-7308

**Verified Statement  
of**

**NORMAN LEFTON**

**on behalf of**

**LEFTON IRON & METAL COMPANY**

My name is Norman Lefton. I am Vice President of Lefton Iron & Metal Company. Our business address is 205 South 17th Street, East St. Louis, Illinois 62207. My telephone number is (618) 274-4900. My fax number is (618) 274-7308. As Vice President, I am responsible for coordinating all inbound and outbound traffic to our facilities. I have over twenty years of experience in transportation.

Lefton Iron & Metal Company is a scrap metal wholesaler. We have a ferrous scrap facility in East St. Louis on the TRRA and a non-ferrous scrap facility on Norfolk Southern, also in East St. Louis, Illinois. We bring the scrap metal into our facilities by truck. Our outbound traffic is by rail, primarily to Granite City and Federal, Illinois. To the former destination we use the TRRA, and to the latter we currently use the TRRA-GWWR. We ship approximately 300 railcars annually from our ferrous scrap facility.

Our ferrous scrap business relies heavily upon rail transportation, and transportation costs directly affect our bottom line. It is important that we have competitive service that is low cost and efficient. We support approval of the merger between UP and SP because we expect a financially stronger UP-SP will be able to provide service that is more competitive with other railroads in the region, and with other modes of transportation, creating more transportation options for my company. As UP-SP becomes more competitive in the region, we expect that they will be able to provide more attractive rates for moving traffic in the East St. Louis - Federal, Illinois, rail corridor, which we use for a major portion of our traffic. If SP is not given the opportunity to merge and become more competitive, then we will continue to do business with SP's competitors.



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One of the factors which, I believe, has prevented the SP from providing more competitive rates in the East St. Louis - Federal, Illinois, corridor and which I expect to be solved by the merger, is lack of equipment. We use gondolas for our shipments. SP simply cannot supply us with gondola cars. I expect that the merger with the UP, which has more and better equipment, and a greater ability to invest in additional equipment, will make UP-SP a better railroad, and able to compete more effectively for our business.

Finally, as a shipper operating in the East St. Louis area, we are constantly reminded of the rail congestion on the TRRA, and in the area. The merger of UP and SP may help rationalize traffic in the area, and bring UP's excellent traffic management to bear on a difficult situation. We understand that UP-SP's settlement with BN-SF could help in this regard, and we support that settlement.

For all of the above reasons, my company strongly supports approval of the merger between UP and SP.

I, Norman Lefton, declare under penalty 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 8, 1995.



Norman Lefton

November 1, 1995



**Verified Statement  
of  
Michael Olkowski  
on behalf of  
Lever Brothers**

My name is Michael Olkowski. I am Manager of Delivery Services for Lever Brothers. My office is in Englewood Cliffs, New Jersey. I have twenty years experience in transportation. For the last ten years I have been with Lever Brothers managing warehousing and distribution centers. The previous ten years, I was Manager for Warehousing and Transportation for American Can and James River. I am responsible for the transportation of all inbound raw materials and all outbound finished products in the United States.

Lever Brothers is a manufacturer of consumer soap products. The company has manufacturing facilities in Baltimore, MD, Atlanta, GA, St. Louis, MO, and Hammond, IN. We maintain Distribution Centers in Baltimore, Atlanta, St. Louis, Chicago, IL, Dallas, TX, and Tracy, CA. From these origins our products are shipped to customers throughout the United States. Our annual transportation budget for all modes of transportation is one hundred twenty-million dollars.

Lever Brothers supports the proposed merger of Union Pacific and Southern Pacific. Efficient, reliable rail service is an essential element in our transportation and distribution strategy. For sometime we have been concerned about the ability of Southern Pacific to make the investment necessary to provide competitive service at reasonable rates. Their service has deteriorated and they have been unable to invest to stem the tide. The addition of Union Pacific's financial resources and technological acumen will enable the merged carrier to invest the necessary funds and make the operational and managerial improvements that are required to compete with the newly merged BNSF and other modes of transportation throughout the western United States.

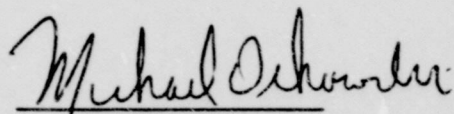


Unlike Southern Pacific, the merged carrier will no longer have to focus exclusively on the short term maximization of profits. Like Union Pacific, it will have more flexibility to compete aggressively in the market with other carriers, and will have the benefits of Union Pacific's superior computerized operations and tracking systems.

Most fundamentally, the merged carrier and its shippers will enjoy the efficiencies on single line service over the combined route structure of the merged system. Rationalized routes, improvements to facilities at terminals, including Chicago, St. Louis and Houston, and coordinated operation and management will result in reduced transit time, more frequent and reliable service and enhanced equipment, utilization and supply. UP/SP will be a carrier able to compete with trucks and BNSF alike.

The enhanced competitive transportation environment in the West can only benefit the shippers and the public in general. We urge the Commission to approve the merger.

I, Michael Olkowski, declare under penalty 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 day of October 1995.

  
Michael Olkowski  
11/1/95



## ***TRANSPORTATION SERVICES, INC.***

**P. O. Box 3178 • Springfield, MO 65808 • (800) 345-0174**

**VERIFIED STATEMENT  
OF MATT MACLAUGHLIN  
ON BEHALF OF  
L.P.H. TRANSPORTATION SERVICES, INC.**

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

My name is Matt McLaughlin and I am the Director of Operations and Intermodal for LHP Transportation Services, Inc., 2032 East Kearney Street, Suite 213, Springfield, MO 65803. I understand that the Union Pacific and the Southern Pacific have plans to merge, and I am writing to urge you to approve the merger.

I have worked for 12 years in the transportation industry. As LHP's Director of Operations and Intermodal I am responsible for arranging all aspects of our intermodal service.

LHP was established March 18, 1993 as a joint venture between the principal Prime, Inc. of Springfield, Missouri and Lee Hampton. LHP is a minority owned and managed company certified by the National Purchasing Council, Inc. LHP was recognized as Minority Supplier of the year in 1993 by the Upstate New York Regional Minority Purchasing Council. LHP will be party to over 2 billion dollars in new intermodal opportunity never having existed in US domestic lanes previously. Prime, the nations tenth largest carrier of over 1600 trucks and annual revenues of \$200-\$300 million, is looking to increase revenues from existing accounts, in offering intermodal services, by 12 to 18 percent.

We anticipate that some of our more important routes will be Chicago-Texas, Chicago-West Coast, Chicago-Pacific Northwest, Kansas City-Texas, Kansas City-West Coast, Kansas City-Pacific Northwest, West Coast-M/W, PN & W-M & S/E. Service along many of our important routes should improve following the merger of UP and SP due to mileage savings and upgrading of SP lines. UP/SP will be offering improved third morning service between Chicago and Los Angeles, and new third morning service between Chicago and Northern California. UP/SP will also be able to provide better service to both Northern and Southern California from Kansas City than either UP or SP alone could offer.

There should be greater equipment availability following the merger, as the UP/SP will be able to reposition their combined equipment pool more efficiently, by taking advantage of triangulation and backhaul possibilities.



Consolidation and improvement of terminal operations will also be of great benefit to intermodal shippers. Coordination of intermodal yards in Chicago and Los Angeles, for example, should result in reduced congestion and drayage.

An important effect of the merger of the UP and the SP will be to increase competition in the intermodal market. UP/SP will have the ability to be a strong and effective competitor with Burlington Northern-Santa Fe in the intermodal market, which is already having an adverse effect on lower volume shippers, that the UP/SP merger will balance. The existence of two strong competitors with nationwide systems should promote improved intermodal service throughout the country.

I welcome the merger of UP and SP. The merger should improve intermodal service through better UP/SP service through the strong competition that will exist between UP/SP and BN/Santa Fe.

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

Matt McLaughlin

# **L.M.S. International**

**A Warehousing & Distribution Company**

1908 Aduanales

Laredo, Texas 78041

(210) 722-6455 Fax (210) 722-8659

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**VERIFIED STATEMENT OF  
BILL HRNCIR  
ON BEHALF OF  
LMS INTERNATIONAL**

My name is Bill Hrcir, and I am the President of LMS International. Having grown up in the family business, I have been involved in all aspects of the operations since 1981.

We are a public warehouse and storing a wide variety of products in 5 different locations around Laredo. Three of the warehouses involve the handling of steel. Our volume of business with both the Union Pacific and the Texas Mexican Railway is approximately 5 - 6 cars per week.

We support the merger of the Union Pacific and the Southern Pacific. Although the purchase of the Southern Pacific is in essence the elimination of a competitor for the Union Pacific, we at our company feel that it is a beneficial move for all shippers sending to or shipping from Mexico.

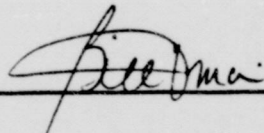
The Southern Pacific is a poorly run railroad. Having transload facilities on both the Union Pacific and the Tex Mex, I can tell you that whenever we have to depend on the S.P. we are at a distinct disadvantage - broken promises, unresponsive customer service department, and lack of equipment.

We began our rail transload activities on the Tex Mex. We were forced to locate another facility on the Union Pacific due to continued customer disgust in the Southern Pacific Railroad service. By allowing the merger, we feel that it will open the door for better run, more efficient and responsive railroads to work with the strong heart of the Tex Mex. This in turn will add value to my Tex Mex facility, while keeping the Union Pacific on its toes.

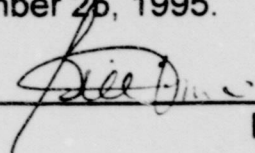
*Metals Industry    General Commodities  
Warehousing    Inventory Control    Distribution  
Rail/Truck Transfers*



It is my company's contention that a merger would be good for Laredo and its rail shipping community.

  
\_\_\_\_\_  
Bill Hrcir  
President - L.M.S. International

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

  
\_\_\_\_\_  
Bill Hrcir

Metals Industry   General Commodities  
Warehousing   Inventory Control   Distribution  
Rail/Truck Transfers

# LOGISTECHS, INC.

September 15, 1995

## VERIFIED STATEMENT

OF

STANLEY BINCZEWSKI

on behalf of

LOGISTECHS, INC.

Stanley Binczewski is the president and owner of Logistechs, Inc., 11213 East 31st Ave. Spokane, Wa.. Mr. Binczewski held the position of Traffic Manager at Kaiser Aluminum and Chemical Corp. Trentwood Works, Spokane, Wa. for 5 years prior to forming Logistechs, Inc.

Logistechs was incorporated in 1990 and shipped our first boxcar in August of 1990. Logistechs provides transportation services for Imsamet of Idaho, is a wholesale distributor of salt and related products, and provides transportation consulting services. The primary business involves moving raw salt and spent salt between Spokane, Wa. and Wendover, Utah. This move generates over 500 carloads per year and more than \$ 550,000 of annual revenue to the Union Pacific System.

Logistechs, Inc. strongly supports the merger of the Union Pacific and Southern Pacific railroads. Logistechs believes this merger to be in the best interests of both UP and SP customers in terms of service, competition from other merged railroads, and for providing the long term viability of The Southern Pacific. As a customer/shipper who has dealt with the SP since 1982, I am greatly anticipating dealing with the NEW UP/SP System. From dealing with one Customer Service Center, competitive rate making, shorter more efficient routing of my traffic, and sourcing new suppliers and markets for the products and services Logistechs supplies; this is a WIN - WIN situation for all shippers.

As a Transportation Consulting firm, Logistechs, Inc. has been very worried regarding the BN/Santa Fe merger and the effect on competition such a merger would have on the captive shippers of that system. The proposed UP/SP merger provides a much needed balance to the competitive problem of size, service, and reliability. The UP/SP merger will provide an excellent blend of capital and physical plant insuring competition in selected corridors, particularly the I-5 corridor from Seattle, Wa. to San Diego, Ca.

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In conclusion, Logistechs, Inc. believes that the proposed merger of The Union Pacific Railroad and The Southern Pacific Railroad will provide significant benefits to shippers. Our company strongly supports the merger application.

*Stanley Benzelski*

*9-19-95*  
*KM*  
*9-19-95*

STATE OF WASHINGTON )  
 ) SS.  
COUNTY OF SPOKANE )

  
Stanley Binczewski

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

Saren L. Maith  
Notary Public

My Commission Expires:  
~~Sept. 7, 1999~~

