11-30-95 A 1648V13 2/5 STB FD 32760

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 Logistics Resource Management, Inc.

> > Submitted by:

C. L. (Vern) Wise Associate Logistics Resource Management, Inc. 32521 Southwest Juliette Drive Wilsonville, OR 97070

October 21, 1995

VERIFIED STATEMENT OF

C. L. (Vern) WISE

on behalf of

LOGISTICS RESOURCE MANAGEMENT, INC.

The following is a verified statement of C.L.(Vern) Wise, Associate with Logistics Resource Management Inc. I have been associated in and with transportation for approximately 36 years in marketing and sales with a rail carrier and 3 years with this firm. I am presently responsible for rates negotiations, marketing, maintaining service standards and management of LRM private car fleet.

LRM utilizes the services of most class I rail carriers nationwide, routing shipments via the SP and UP.

I am making this statement in support of the Union Pacific /Southern Pacific merger. LRM is a large user of rail and is very very dependent of rail service. It is very important to us that our rail system and service remain strong..

With this merger, improved service would be maintained from western states originated traffic to eastern markets.

Due to the BN/ATSF merger, the UP could be drastically affected and too, I do not believe the SP would or could survive. The SP has been struggling for some years, and if the merger is not approved, the rail line is destined to either collapse, require government assistance, or be sold and divided to a number of carriers. This would not be in the best of interest to the Nation and customers who are dependent upon the Southern Pacific.

For reasons stated above, I fully support the proposed UP/SP merger.

I, C. L (Vern) Wise, declare under penalty of perjury the foregoing is true and correct. Further I certify that I am qualified and authorized to file this statement. Executed September 27, 1995.

Associate

OFFICIAL SEAL

MADE OU STARKER

NOTA: SLIC - OREGON
COM: ON NO 027955

MY COMMISSION EXPIRES OCT 21 200

Mary Fau Hashu
Notary Public

Commission expires 10/21/98

M.A. Patout & Son, Ltd.

SUGAR - MOLASSES - SYRUP

ESTABLISHED 1825

3512 J. Patout Burn Road Patoutvi Jeanerette, LA 70544

October 2, 1995

Re: SP-UP MERGER

Dear Members of the Interstate Commerce Commission,

Enclosed you will find a verified statement of M. A. Pacout & Son, Ltd.'s position on the matter of Finance Docket No. 32760, Union Pacific Corporation, Union Pacific Railroad Company and Missouri Pacific Railroad Company -- Control and Merger -- Southern Pacific Rail Corporation, Southern Pacific Transportation Company, et al. As you will see M. A. Patout is in full support of the merger and we would like to take this opportunity to thank you for allowing us the privilege to comment on this matter.

Very truly yours,

Thomas L. Dule Thomas G. Duhe

Corporate Sec. & Transportation

Supervisor

TELEPHONE

318-276-4592

318-276-- 595

318-276-7945

318-273-4274

FAX

October 2, 1995

VERIFIED STATEMENT

OF

THOMAS G. DUHE on behalf of M. A. PATOUT & SON, LTD.

I, Thomas G. Duhe am the Corporate Secretary for M. A. Patout & Son, Ltd. and a member of the Board of Directors of Patout Equipmer Company. I am also a full time employee of M. A. Patout & Son, Ltd. My primary area of responsibility to the company is to arrange and supervise the sale, pricing and transportation of the sugar produced here in Patoutville. I am a college graduate and have spent my entire working life in the sugar industry. I have been employed by M. A. Patout & Son, Ltd. since January of 1989. My address in care of M. A. Patout & Son, Ltd. is 3512 J. Patout Burns Road, Jeanerette, La. 70544. My phone number here in Patoutville is (318) 276-4592.

M. A. Patout & Son, Ltd. is a manufacture of sugar, syrup and molasses. We are the largest sugar company in Louisiana and are currently expanding our production capacity by an additional 80% over the next 3 years. Also the Patout family has been continually operating in the sugar business here in Patoutville since 1825. Although sugar factories in Louisiana only operate for about 90 days per year, in 1994 we produced 263,115,955 pounds of sugar and 6,313,642 gallons of molasses with a combined value of over \$50,000,000.00. All of this production can be shipped by rail. M. A. Patout owns 3.9 miles of rail spur which connects to the Southern Pacific main line, via a Louisiana & Delta owned siding near Jeanerette Louisiana and is served by the Louisiana & Delta Railroad.

During the 1994 crop which began on September 30, 1994 and ended on January 2, 1995 our factory operated 7 days a week with no breaks for the Holidays. During this time Louisiana & Delta Railroad provided continuous and excellent service. Unfortunately the same cannot be said for Southern Pacific. Approximately 25% of our sugar production was moved solely by L. & D. to the Supreme Refinery located near Thibodaux Louisiana. This movement went very smoothly with both M. A. Patout and Supreme being completely satisfied with the service from L. & D.. The remaining 75% of our sugar production was to be moved during the crop to Imperial Sugar, located in Sugarland Texas. This movement was complicated by the fact that M. A. Patout is served by Southern Pacific through L. & D. and Imperial being served by Union Pacific, requiring an interchange in Houston, Texas. Our entire Molasses production was sold to Westway Trading, a molasses broker and shipped to many destinations by rail and truck. The purchase of our products are covered by multi year contracts which stipulate delivery during the months of October, November,

December and January. The freight revenues to the railroad based on current production figures and freight rates is well in excess of \$2,000,000.00 annually.

In addition to the rail business generated by our current production, M. A. Patout & son, Ltd. is engaged in a major expansion which is scheduled to be complete prior to the campaign of 1998. Not only will this expansion increase our production by 80% with a corresponding increase in shipments but the entire project is based on receiving all of the raw material (sugar cane) by rail. Although sugarcane is routinely moved by rail in Florida and other parts of the world, no sugarcane is currently being moved by rail in Louisiana. M. A. Patout is in a joint venture with three other sugar mills and Louisiana and Delta Railroad has agreed to deliver the entire production from the Lake Charles area to the four mills. We have already funded the project with over \$1,000,000.00 and planted almost 1,000 acres of cane in the Lake Charles area. It is imperative that Louisiana and Delta le allowed to continue service as scheduled along the line that is currently owned by Southern Pacific from Lake Charles to Faceland.

M. A. Patout & Son, Ltd. strongly supports the SP/UP merger as currently proposed, with SP retaining trackage rights and naming L. & D. as their agent for the line from Avondale to Lake Charles, which is to be sold to BNSF. As this would give us dual line access to our largest customers which should reduce delays and improve scheduling. The merger should also improve car supply and overall efficiency of the railroad resulting in lower cost and improved railroad performance that would not only benefit M. A. Patout but also our customers. M. A. Patout also draws some comfort from the idea that we will shortly be doing business with a company that is much stronger financially and one that should survive well into the next century.

Respectfully submitted,

Thomas L. Duhe Thomas G. Duhe, Sec.

VERIFICATION

I. Thomas G. Duhe, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am Qualified and Authorized to file this verified statement. Executed on October 2, 1995.

Thomas & Dule

M. R. SWANSON, INC.

Shipper & Distributor - Potatoes • Onions P.O. BOX 2094 BAKERSFIELD, CA 93303 PHONE (805) 327-9771 — LD (805) 327-9772 FAX (805) 327-5718



Verified Statement of Marlin R. Swanson on behalf of M.R. Swanson, Inc.

My name is Marlin R. Swanson. I am the owner of M.R. Swanson, Inc. My business address is 3040 19th Street, Suite 3, P.O. Box 2094, Bakersfield, California 93303. My telephone number is (805) 327-9771. My fax number is (805) 327-5578. I also have offices in Santa Maria, California. I have worked in the transportation industry for forty-nine years. For the first eight years of my career I was employed by Pacific Fruit Express in Bakersfield, California. From 1954 to 1956 I was Sales Assistance and Traffic Manager for Joe Phillips of Bakersfield and Fresno, California. In 1957 I became Sales Manager for Youngstown Grape Distributors. I remained with Youngstown until 1967 when I became a partner in the firm of Baumel & Kurtz. Since 1975 I have owned and operated M.R. Swanson, Inc.

M.R. Swanson, Inc. is a brokerage and transportation company that specializes in the potato trade. I represent growers located in the area of Bakersfield and Edison, California. I contact buyers on the East Coast to arrange for the sale and purchase of potatoes. I also arrange for transportation of the spuds to the East Coast. I originate shipments on the SP and on the BN-SF, to destinations in Chicago and the East Coast.









I support the merger between SP and UP. The merged system will be able to provide more single line service, more efficient routes, and reduced armsit times. A perfect example of this is potato shipments to Chicago, or through Chicago to points east. BN-SF has the best service between Southern California and Chicago, with UP a distant second. SP does not offer a viable single line route to Chicago for perishable goods. In the past, I arranged for transportation of potatoes on the old "perishable line," which originated in Southern California on the SP to Ogden, Utah, where it connected with the UP to Chicago. That service is no longer available. Last year, I routed spuds on the SP to Stockton, connecting with the UP to Chicago. There are invariably delays at Stockton, not only because of congestion in Stockton, but also due to the interchange with UP. The merger will create a competitive route for UP-SP between Southern California and Chicago, and will eliminate the delay from interchanging traffic. This will provide more viable competition for BN-SF.

Another benefit of the merger is better supply and utilization of equipment. SP has not had the financial resources to purchase needed equipment, and each year access to mechanical reefer cars used for potato shipment becomes more difficult. After the merger, UP-SP will have better financial resources to purchase needed equipment. UP-SP will also have the benefit of the combined UP and SP equipment inventories.

I expect and hope that UP-SP will become more aggressive in terms of equipment and service for the potato market. At a minimum, improved efficiencies of operation may permit better utilization of the existing mechanical reefer fleet. I have also read of **P-SP's plans to use the merged system to cycle equipment more quickly, which should also help with equipment supply.

Rail shippers need to know that they will have access to high quality service in the long run. One way to assure quality service is to have competition between equals that will continually strive to improve service and win new business. The merger of UP and SP will create a system that is the approximate equal in size to the merged BN-SF, and will create a competitor that will have the financial wherewithal and route structures to provide effective competition to BN-SF. As a shipper who uses both SP and BN-SF, competition will be enhanced if SP were a stronger system. Indeed, SP may be unable to survive without the merger with UP. The merger of UP and SP will create a new system that will combine SP's excellent routes with UP's capabilities to help assure quality service in the future. I strongly support approval of the merger.

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

Executed on October 20, 1995.

Marlin R. Swanson



P. O. Box 42842 · Houston, Texas 77242-2842 · Tel: 713-297-2670

OVID M. JOHNSON, JR. Senior Vice President Minerals & Chemical Operations

> Verified Statement of Ovid M. Johnson, Jr. Sr. Vice President M-I Drilling Fluids L.L.C.

We are fully aware of the proposed merger between the Union Pacific and Southern Pacific Railroads and a settlement agreement between the UP/SP and BNSF.

We have been briefed fully on the proposed merger and based or that briefing fully support it.

We believe that the merger will create economic efficiencies, improve service, allow more flexibility and remain very competitive due to the BN/Santa Fe settlement agreement.

Our present high volume movement of Barite to the Texas Louisiana Gulf Coast from Nevada for use in drilling critical oil and gas wells allows us to be competitive with foreign sources of this material. We feel that the merger will allow us to continue to operate our Nevada mines and not be wholly reliant on outside U.S. sources.

The combination of the two companies should also lead to an improved financial situation for the unit which will allow much needed capital input into the system.

I, Ovid M. Johnson, ir. declare that 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 November 9, 1995.

Ovid M Johnson, Jr.



maks wood products co.

503/461-0600

P. O. BOX 2940

EUGENE, OREGON 97402

Verified Statement of Linda Reed on behalf of Maks Wood Products Co.

October 25, 1995

My name is Linda Reed. I am in the sales department of Maks Wood Products, Eugene, Oregon. I was employed by I. P. Miller Lumber in Monroe, OR for 13 years before coming to Maks Wood Froducts 10 years ago as a lumber trader.

Maks Wood Products is a stocking wholesale lumber firm selling primarily Douglas Fir. We buy from mills on the West Coast and ship rail principally to customers in California and occasionally shipments into the southeast. In the past we have shipped more than 200 carloads per year. Due to poor service provided by the SP and to non-competitive freight rates, we have shifted 98% of our traffic from rail to truck.

We support the proposed merger of the UP and SP. Combining the financial strength and reliable service of the UP with the SP route structure, we feel will increase the efficiency of rail service available to us. This will better enable us to get our materials to destination. Because of the heavy demand for truck availability, we need a reliable and affordable alternative.

We urge the ICC to grant quick approval to the proposed merger in order for benefits to be realized by us. In light of the pressures created by the newly merged BNSF, it is important for real competition to be preserved. This is much more likely with a strong merged competitor(UP/SP) than with a smaller UP and a smaller and weaker SP.

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

Executed on October 25, 1995.

Linda Reed

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 Marks Forest Products

> > Submitted by:

Bennie LaCoste Sales Manager Marks Forest Products 160 Carnegie Place Fayetteville, GA

October 11, 1995

VERIFIED STATEMENT OF BENNIE LaCOSTE ON BEHALF OF MARKS FOREST PRODUCTS

My name is Bennie LaCoste and I am employed by Marks Forest Products which is headquartered in Birmingham, Alabama. I currently manage the Atlanta sales office which is located in Fayetteville, Georgia. My phone number is (404) 719-9591, my fax number is (404) 719-0399.

Marks Forest Products recently merged with Georgia Timber Specialists, a company that I owned. A significant portion of the transportation needs for Georgia Timber Specialists were met by rail; this is also true for Marks Forest Products. We ship lumber from various locations in the southeast throughout the United States. Because cost effective transportation is crucial to our business, we are especially interested in the merger of Union Pacific and Southern Pacific. We look forward to reduced transit times, expanded and improved single line rates, more efficient and direct routing, and increased car supply. The combination of SP's commercial and route network strengths with the UP's stronger service and equipment offering will deliver tremendous benefits. We strongly support this merger as a means of improving service and competition.

I Bennie LaCoste, declare under penalty of 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.

Signature

Bennie Caliste



111 Gordon Baker Road, Suite 300, North York, Ontario M2H 3R1 Tel: (416) 496-9655 or (800) 423-3417 Fax: (416) 496-1874

VERIFIED STATEMENT OF DAVID CHRISTENSEN on behalf of MARSULEX, INC.

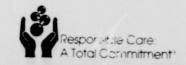
My name is David Christensen. I am the Manager of Rail Services for Marsulex, Inc., 111 Gordon Baker Road, Suite 300, North York, Ontario, M2H 3R1, Canada. Marsulex strongly supports the merger of the Union Pacific and the Southern Pacific railroads. The merger will result in faster service and lower rail rates for Marsulex and will improve competition in the rail industry. In view of the fact Burlington Northern/Santa FE will be granted running rights in all locations where each exist now.

As the Manager of Rail Services for Marsulex, I am responsible for managing Marsulex's tankcar fleet of 1500 cars and for negotiating all rail and truck contracts for Marsulex. Before coming to Marsulex. I had been employed by CN Rail for 35 years in various marketing and sales positions.

Marsulex is North America's largest provider of removal services for sulphur products generated by base metal smelters and oil refineries. In addition, Marsulex markets all of the liquid sulphur dioxide, sulphuric acid, and alum produced by Westcoast Energy, Inc., and a large portion of the sulphuric acid produced by Sherritt, Inc. Marsulex also produces and markets alum.

Marsulex has operations throughout the United States and Canada. Our chemical-producing plants are located in Timmins, Ontario; Fort Saskatchewan, Alberta; and Sayreville, NJ. Marsulex has sulphuric acid storage facilities in Sayreville, NJ, Chicago, IL; River Rouge, MI; Cleveland. OH; Niagara Falls. Ontario; Spragge, Ontario; and Tracy (Sorel), Quebec. In addition, we have transfer facilities in Auburn, ME; Albany, NY; Ottawa, IA; Chicago, IL; and Saint John, New Brunswick.

We use various modes of transportation -- including rail, truck, and water -- to move approximately 900,000 metric tons of sulphur products annually. The major origins of our rail traffic are Sudbury, Ontario and Timmins, Ontario, which are served by CN Rail, CP Rail and Ontario Northland Transportation. Major destinations for our products include Buffalo, NY; Chicago, IL; Beaumont, TX; Shreveport, LA; and Cedar Rapids, IA.



One major benefit for Marsulex which will result from the merger of Union Pacific and Southern Pacific is the more efficient routing and decreased congestion between Chicago and our destinations in Texas and Louisiana. Marsulex ships 400 cars of spent sulphuric acid to these destinations every year. The merger will minimize congestion at choke points like Houston, and will reduce rail-terminal handling of Marsulex's tank cars, thereby lowering our shipping costs and speeding up our shipments. These service improvements also promise to reduce our equipment costs and allow us to achieve greater utilization of our existing fleet.

A further benefit of the merger will be improved access via a single carrier to points in California and the Southwest served by both Union Pacific and Southern Pacific. The integration of Union Pacific and Southern Pacific routes will give us competitively priced access to markets in these regions and potentially open up new markets for our products.

We are particularly pleased with the competitive benefits that this merger will bring. The merger will make Southern Pacific a better and more vigorous competitor to the massive Burlington Northern -Santa Fe railroad. Competition will be further improved because the Burlington Northern-Santa Fe will be granted trackage rights ensuring that there will continue to be rail-to-rail competition in all locations where it currently exists. This will be real competition between two evenly matched competitors.

In summary, Marsulex urges that the Union Pacific-Southern Pacific merger be approved. The merger will provide faster, less costly service and foster vigorous competition among the railroads.

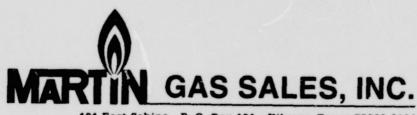
I, David Christensen, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 6, 1995,

David Christensen

Manager of Rail Services

Marsulex, Inc.

WITNESS: H. Dosling



101 East Sabine - P. O. Box 191 - Kilgore, Texas 75663-0191 (903) 983-6221 - Fax (903) 983-6215

DICK WILKINSON
Vice President of Sulfur

VERIFIED STATEMENT

OF

RICHARD F. WILKINSON, JR. on behalf of MARTIN GAS SALES, INC.

I am Richard F. Wilkinson, Jr., Vice President of Sulfur for Martin Gas Sales, Inc., based in Kilgore, Texas. I am responsible for the Sulfur Division for our company. Specifically, Martin Gas owns 123 molten sulfur tankcars and leases on a long-term basis another approximately 130 sulfur tankcars. The Sulfur Division's annual rail freight bill is approximately \$6.0 million. The company buys molten sulfur from various oil refineries and natural gas processing plants throughout the Gulf Coast region and transports via rail the majority of this total to customers in Florida.

The Union Pacific is our major originating rail carrier (approximately 70% of total). Our company has no originating sulfur business with the Southern Pacific.

We understand that Union Pacific and Southern Pacific are requesting permission to merge. My company supports this merger because we think that merger will make the combined company more efficient and give Martin Gas better service.

Richard F. Wilkinson

VERIFICATION

COUNTY OF Dregg ss.
Richard F. Wilkinson, Jr., being first duly sworn, deposes and
says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.
Richard F. Wilkinson, Jor.
Subscribed and sworn to before me this day of November 1995.
Notary Public
My Commission Expires:



October 16, 1995

MICHAEL R. CHECCHI General Manager (415) 957-4929

Mr. Vernon A. Williams
Acting Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, DC 20423

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

Dear Mr. Williams:

I am writing to you to extend my favorable support of the Union Pacific Railroad Company's application to merge with the Southern Pacific Transportation Company.

I am the Vice President-General Manager of Matson Intermodal System, an intermodal marketing company based in San Francisco, with offices throughout the United States. Matson Intermodal ranks in the top 15 companies of its type in the intermodal industry. In 1994, Matson Intermodal arranged nearly 60,000 rail shipments on behalf of its customers. Prior to joining Matson, I worked for American President Companies as Director, Logistics.

Matson Intermodal enjoys a favorable working relationship with all Class 1 railroads in the United States. It is my belief that a carefully structured combination of Union Pacific and Southern Pacific organizations will lead to a more efficient rail operation, translating into lower operating costs and lower/competitive rate levels for customers. The compromises reached with the Burlington Northern/Santa Fe railroads appear to be prudent and should insure a competitive market for rail services.

Sincerely,

Michael R. Checchi

Vice Presdient-General Manager

Michael R. Cal

Matson Intermodal System, Inc.

"I declare under penalty of perjury that the foregoing is true and correct. Executed on this 16th day of October 1995."

Michael R. Checchi

September 26, 1995

VERIFIED STATEMENT

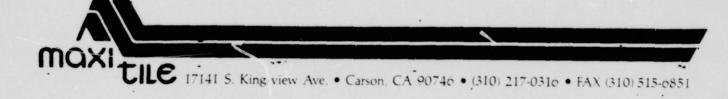
OF Rodney Kerr on behalf of

MAXI TILE, 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 Rodney Kerr and I am presently the Siding Product Marketing Manager of Siding and Tile backing for Maxi Tile, Inc. 17141 Kingsview Ave. Carson, Ca. 90746. The phone number is area code (310) 217-0316: fax number (310) 515-6851. My normal duties and responsibilities include buying all product needed for production of siding, and tile backing (lime, woodpulp, sand, cement). Our parent company is French Saint-Gobain Group. Further, I am responsible for all transportation logistics whether it be rail or truck into customers throughout the US.

Maxitile, Inc. is a member of the French Saint-Gobain Group. Established in 1665, Saint-Gobain is now one of the world's largest industrial groups with yearly sales in excess of \$13 billion. U. S. Roofing material companies include Certain Teed, Ludowici Celadon and Maxitile. Maxitile, Inc. has been in business for over 11 years, we presently depend on rail transportation at Mexico's border crossing Eagle Pass, Tx. The options by which we ship depends upon the competitive freight we can obtain by rail or truck.



Maxitile, Inc. is served by the FNM rail carrier in Mexico which will be affected by BN/ATSF merger, and whether Southern Pacific will be able to compete with a mega railroad depends upon whether they will be allowed to merger with another carrier. We feel that it is in the best interest of Maxitile, Inc. to support the merger with the UP/SP in order for our business to remain competitive both in the US and Mexico.

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

Rodney Kerr, Siding Product Marketing Manager 17141 Kingsview Ave. Carson, Ca. 90746

FOREST PRODUCTS CO.

INCORPORATED 1976

VERIFIED STATEMENT
OF
L. JAMES WEEKS
ON behalf of
MAYWOOD-ANDERSON FOREST PRODUCTS CO.

My name is L. James Weeks. I am the president of Maywood-Anderson Forest Products Co. My company's address is P. O. Box 7947, Eugene, Oregon 97401. I have been involved in the wood products industry for the past 30 years. As president of Maywood-Anderson Forest Products Co., I am responsible for the sales functions of my company.

Maywood-Anderson Forest Products Co. is involved in the wholesale supply of lumber and plywood. We currently ship from Oregon to various destinations throughout California.

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

Our company stips products from Oregon to various markets in California. As a wholesaler, we are able to buy from suppliers served by various rail carriers. For movements south, however, our primary rail alternative is SP's I-5 corridor. Unfortunately, our service on this line has been inadequate. We have experienced delays in transit times. Union Pacific has indicated that they will improve service throughout this line by reducing congestion at terminals, and providing more efficient routing of cars as well as pre-blocking of trains. For example, both SP's Eugene and Roseville yards are in need of improvements or expansions. SP, however, has simply not had the capital to make these improvements. Such improvements will lead to a decrease in transit times for our shipments, and make our rail traffic more reliable.

As a result of the merger of the UP and SP, we have available to us many more potential origins served by UP throughout Oregon, as well as many new destinations in California previously served only by UP. These combined origin and destination points open up new potential markets for our products. We are also excited about the prospect of having single line service to Las Vegas. This is a market area where we were interested in expanding.

P.O. Box 7947 Eugene, Oregon 97401 Tel: (503) 744-3333 Fax: (503) 744-3338

MANYWOOD - ANDERSON

FOREST PRODUCTS CO.

INCORPORATED 1976

An important benefit of this merger to us will be the combination of the UP and SP car fleets. Currently, Southern Pacific uses standard forest products cars for our shipments. Union Pacific, however, has a large supply of center beam flat cars which can be used for lumber products. The combination of these two car fleets should allow us to make more efficient use of rail for our shipments.

As part of a settlement agreement between UP/SP an BN/Santa Fe, the BN/Santa Fe has been granted trackage rights through the I-5 corridor. This will create a BN/Santa Fe route from Oregon down through the I-5 corridor into California, allowing BN/Santa Fe to compete much more effectively for rail traffic from Oregon. The competition between the two carriers should result in better rates for our shipments, and we strongly support this settlement agreement.

The mileage savings that will result on our route from the combined UP/SP system should allow us to compete more effectively with other lumber customers who are currently served by BN/Santa Fe. This may allow our company to gain new customers in areas we previously could not access. Our company is encouraged by the fact that the UP/SP will now be a strong, financially viable Western competitor to the newly merged BN/Santa Fe. We believe it is imperative that strong rail competition exist throughout this Western market, which will result in better rates and service for our company.

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

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

Executed on (07.17,1991

L. JAMES WEEKS

P.O. Box 7947 Eugene, Oregon 97401 Tel: (503) 744-3333 Fax: (503) 744-3338



(414) 769-1901 FAX (414) 769-1144

VERIFIED STATEMENT of HUGH A. GORDA on behalf of MBT FERTILIZERS, INC.

My name is Hugh A. Gorda. I am the Marketing Representative (Southeast) for MBT Fertilizers, Inc. a producer and shipper of fertilizer headquartered in Milwaukee, WI. I work in the Tampa office of MBT Fertilizers, located at 464 Bosphorus Avenue, Tampa, Florida 33606.

MBT Fertilizers has a long term contract with the City of Houston to upgrade and market biosolids ("Houactinite") produced at the Houston Wastewater Facility, which lies on an SPowned spur connecting it to the Houston Belt Terminal (HBT). The fertilizer produced in Houston is shipped by rail and by truck. Houactinite shipments are moved almost exclusively by truck to customers in Texas, Oklahoma, and California. Approximately 30% of our shipments to the Southeast is sent by rail (Union Pacific connecting to CSX) and about 70% by truck. Around fifteen percent of our trucking has been in response to customers' requests, but the balance has been in response to poor rail service and shortage of equipment.

I have worked for forty years in the fertilizer business, including twenty years as the President and Chief Executive Officer of companies I founded. In my current position as Marketing Representative for MBT, I am responsible for establishing a customer base in the Southeast and securing freight to service those customers. I am also working on developing new sources of supply in Florida and California.

We strongly support the merger of the Union Pacific and the Southern Pacific. We expect that the merger will reduce delivery times to our customers and expand our equipment supply. We also will benefit from access to better BN/Santa Fe service from Houston following the merger. In addition, we look forward to improved service on SP routes as a result of the merger.

Our experience with SP has been terrible. MBT contracted with SP to ship the biosolids produced in our Houston plant (with CSX assistance in providing rail cars). We substituted a tariff system for the contract, but SP issued a restricted tariff requiring us to prepay the freight, despite the fact that we had a letter of guarantee of payment of any freight bills not paid by our customers. For nearly a year we attempted unsuccessfully to get SP to issue an unrestricted tariff. Delivery of cars by SP was so poor that the appearance of a railcar at our facility was always a surprise. Our repeated phone calls to rectify this situation were rarely returned.

In the beginning of January 1995, we began to deal with UP and CSX. We were quickly issued an unrestricted tariff by UP. Equipment problems were also resolved; cars appear reasonably on time and in sufficient quantities. Moreover, even though our shipping costs increased when we switched to UP, overcoming the problems of lack of cars and poor service make it advantageous to ship with UP even at a higher rate. Our only continuing service problem has been SP's delay in moving the cars between our facility and the UP connection on HBT. Delays of up to three days for spotting the cars between our facility and the UP connection on HBT. Delays of up to three days for spotting the cars and up to five days for pulling loaded cars has caused us severe operating difficulties. A recent purchaser of 2100 tons of Houactinite trucked all but 285 tons of the fertilizer, occause of the delays involved in shipping by rail.

I expect that the merger of the UP and the SP will significantly improve MBT's rail service. With single-line service between our facility and our UP connection, we should reduce idle car time for each shipment by two to six days. We also expect our access to equipment to improve following the merger. The UP and the SP will be able to reposition their equipment more efficiently, because of better rail connections and increased opportunities for triangulation and backhaul. This should give shippers like MBT greater and more reliable equipment access. These improvements should allow us to have more reliable rail service to some of our customers located in Texas and Oklahoma.

A further benefit of the merger is that we will have single-line access to potential customers on both UP and SP lines in California. Single-line service along SP's Southern Corridor route will improve following the planned upgrading of SP track between El Paso and Los Angeles. UP's superior abilities in tracking cars and in general traffic management will also contribute to improved service along the Southern Corridor.

In addition to enjoying the improvements in UP/SP service, MBT will have access to improved BN/Santa Fe routes. Under the terms of a recent agreement, following the merger, UP/SP would grant trackage rights to BN/Santa Fe between Houston and Iowa Junction, LA and sell BN/Santa Fe the SP line between Iowa Junction and Avondale, LA. This will give BN/Santa Fe a competitive route between Houston and the NS and CSX connections at New Orleans. MBT will thus have the choice of shipping its fertilizer to Florida customers by UP/SP or BN/Santa Fe.

I expect that the merger of the UP and the SP will improve all aspects of MBT's service. UP has a well earned reputation as a customer oriented railroad, and we would welcome the adoption of its philosophy by SP. The service improvements and competitive effects of the merger will benefit MBT in a number of ways. We firmly support the merger and strongly urge its approval.

VERIFICATION

I, Hugh A. Gorda, declare under penalty of 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.



Interstate Commerce Commission Finance Docket 32760 1201 Constitution Ave. N.W. Washington, D. C. 20423

Medply

My name is Clyde Lange and I am owner of Medply which is located in White City, Oregon on the WCTU railroad. We manufacture plywood and ship to various points in the U.S.. One of our biggest markets is the Northeast and we depend on Southern Pacific Lines to handle our traffic at the Black Butte, California interchange with the Central Oregon and Pacific Railroad.

We see many benefits that will be derived from the merger between Union Pacific and Southern Pacific. Better and more efficient routes to the Chicago gateway will help us market our product to this important area. We also look forward to better utilization of equipment which will improve our car supply. Since the BN and ATSF merger has been approved, the Union Pacific and Southern Pacific merger application should also be approved in order to have a balanced competitive rail system in the West. Again, Medply fully supports the UP and SP merger application.

I, Clyde Lang, declare under penatly of prejury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement.

Executed on 10-12-95

Clyde Lang

CL/mg



WESTERN DIVISION

GENERAL OFFICE 100 HOWE AVENUE SUITE 180 NORTH SACRAMENTO. CA 95825 PHONE (916) 488-7704

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ELK GROVE. CA

REDDING. CA E. CYPRESS AVE

REDDING, CA

ROCKLIN CA

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STOCKTON CA

VACAVILLE CA

YUBA CITY CA

CARSON CITY NV

MIDWEST DIVISION

GENERAL OFFICE 330 N JEFFERSON AVE SPRINGFIELD MO 65806 PHONE (417) 862-7001

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GREENFIELD MO

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NIXA MO

OSAGE BEACH MO

POPLAR BLUFF MO

SPRINGFIELD MO KANSAS ST

SPRINGFIELD MO EAST SUNSHINE ST

WEST PLAINS MO

FAYETTEVILLE AR

HARRISON AR

MOUNTAIN HOME AR

ROGERS AR

SPRINGDALE AR

"C MEEK

FOR

My name is Mark Miller. I am Purchasing Agent for Meeks Building Centers, located in Sacramento, California. I have been in my present position for eleven years. I am responsible for the purchase of all inventory for the company and am familiar with our transportation needs.

Meeks Building Centers operates retail building materials outlets in the Northcentral California area. Under our Western Buyers name we also operate a wholesale lumber and building products business. Although most of our retail facilities are off rail, we have rail served facilities in Sacramento and Elk Grove for the receipt of products for truck distribution to our facilities. Most of our traffic originates in the Pacific Northwest, including British Columbia. However, a substantial percentage originates in other areas of the West including, Colorado, Texas, Louisiana, Minnesota, and Idaho. Our rail volume is approximately two hundred carloads per year.

Meeks Building Centers fully supports the proposed merger of Union Pacific and Southern Pacific. We expect important benefits to accrue to shippers as a result of increased single line service to existing and new markets. Single line service is important in that terminal delay and congestion are minimized, transit time is reduced, and service reliability is improved. We have found that these efficiencies accrue to the benefit of shippers and, ultimately, the consumer, in the form of lower rates and better service. The combination of UP and SP allows us to reach points with single line service which are now only reachable by joint line service. The expanded single line service territory is important to a company such as ours. We will now be able to source product at UP points in the Pacific Northwest (Washington and Idaho) with single line rates and service. In addition movements from points in Colorado, Texas, Louisiana, and Minnesota will move on optimized routes with more reliable schedules.

The availability of single line service will also assist us in locating new retail sites. Absent the merger, we could only consider SP locations for new retail sites. With the merger, we could consider UP sites, such as potentially attractive locations like Las Vegas, Nevada.

In terms of service, we are also expecting the elimination of delays at terminals such as Roseville, California. We have had our traffic delayed because of congestion at Roseville. The combination of the financially sound UP with SP will result in a company that can afford to make the necessary improvements at facilities like Roseville. SP has been too financially weak to make such improvements. In addition, the merged company will be able to shift traffic to the most efficient routes and facilities, thus removing the pressures on facilities such as Roseville.

The merger and the settlement reached by UPSP and BNSF in this proceeding will also create a far more competitive environment for transportation in the I-5 corridor and the Pacific Northwest generally. The rights received by UPSP under the settlement allow them to quote competitive rates from a variety of new points in Washington and Idaho and at Vancouver, without the need to consult BN. We support the settlement and believe that two strong rail competitors are preferable to the situation where smaller, weaker carriers are introduced to address perceived problems.

For the foregoing reason we urge approval of the UPSP merger.

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MERIDIAN OIL

verified STATEMENT of BENARD C. HENDRICK on behalf of MERIDIAN OIL

My name is Benard Hendrick, and I am the director of the NGL Marketing Division of Meridian Oil. My company's address is 5051 Westheimer, Suite 1400, Houston, TX 77056-2124

My company is involved in the shipping of natural gas liquids to various markets from our Wingate, New Mexico facility. Currently our facility is served by the BN/Santa Fe.

We are aware that Union Pacific and Southern Pacific intend to merge. We support such a merger.

There are significant benefits to shippers of permitting railroads to combine their routes and facilities. Movements are more efficient and less costly, and railroad accountability increases, while loss and damage decreases from less handling. Carriers themselves are often more financially healthy if they are permitted to combine their traffic and assets rather than investing in redundant assets that will be underutilized. All of these benefits will be realized through a merger of Union Pacific and Southern Pacific.

Additionally, we are aware that as a result of the merger, BN/Santa Fe and UPS have entered into a settlement agreement. That settlement agreement gives BN/Santa Fe trackage rights over the central corridor from Denver to Oakland, and over various lines in Texas and extending into New Orleans. These new rights could create significant new market opportunities for our company.

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

I Benard C. Hendrick, declare under penalty of 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.

Benard C. Hendrick



VERIFIED STATEMENT OF ANGEL LOREDO ON BEHALF OF METALSA, S.A. DE C.V.

I, Angel Loredo am Production Control Manager for Metalsa, S.A. de C.V. and have held this position for 8 years. Our company is located at Carretera Miguel Aleman Km. 16.5 Apdo. Postal 102, Apodaca, Nuevo Leon, Mexico. My responsibilities in this position involves the handling of our productive material imports which we use in our manufacturing process and also, the export of our finished products.

Metalsa is a company which is dedicated to the manufacture of automobile frames, stampings, and gasoline tanks. We supply the major U.S. and Japanese automobile manufacturers operating both in Mexico and the U.S.. Our plant is served by Ferrocarriles Nacionales de Mexico.

Our company ships steel coils from Houston, Texas to our plant via the Laredo, Texas gateway. Due to equipment constraints and poor transit times in the Houston to Laredo lane, 85% of these moves are shipped by truck, the remaining 15% are shipped by rail. We also ship via rail, chassis components from Milwaukee, Wisconsin to our plant via Laredo, Texas.

Our exports include assembled automotive frame flats and assembled components to Milwaukee, Wisconsin. These exports are shipped 65% by truck and 45% by rail.

We understand that the UP/SP are requesting permission to merge their two railroads. As a supplier to the automotive industry, our company demands consistent and reliable service in order to meet our customers just-in-time needs. We believe that many of the causes of unreliable service we have experienced in the past with both the UP and SP could be eliminated by the union of these two railroads. A merged system with multiple border crossings would allow them to use crossings more efficiently to different parts of the U.S. and therefore result in more reliable and consistent service. In addition, we see the possibility for the offering of additional services which neither railroad could probably justify on their own.

Transit time from Houston to Laredo, Texas on our steel coil movements has consistently been poor via rail due to the congestion in this short corridor. This has basically left us no other option but to ship via truck. A merged system will result in Prince Transition Theorem Houston and San Antonio which will allow for alternative

Carr Miguel Aleman Km. 16 Apodaca, N. L., México 66600 Tel (8) 369-74-00 Fax (8) 369-74-01

38900 Hills Tech Drive Farmington Hills, MI 48331 Phone (810) 488-6070 Fax (810) 488-6161



routings thereby reducing transit time and also providing better management of equipment. Improved rail efficiencies in this lane will again provide us with more shipping options.

Better routing and handling of traffic from Laredo, Texas to Milwaukee, Wisconsin and the the Great Lakes region will occur because of the addition of the SP's trackage rights gained from the BN/ATSF merger to the existing UP routings. These additional track capacities and classification yards will give the merged system more capacity to help us consistently meet just-in-time plant requirements.

A joint UP/SP intermodal network would benefit us in that the offering of more frequent train schedules and more dedicated automotive trains would provide us with another shipping option on those moves we currently have to handle by truck to the Wisconsin area because of heavy volumes and transit time requirements.

We feel that the merger of the UP/SP Railroads will provide us with very positive benefits and therefore my company's position is one of full support for the UP/SP merger application.

I, Angel Loredo Manager of Production Control, declare under penalty of perjury that the foregoing is correct. Further, I certify that I am qualified and authorized to file this verified statement executed on September 15, 1995.

Angel Coredo

Manager Production Control

September 11, 1995

SPRINGFIELD, MISSOURI 55802

A.C. 417/885-7100

VERIFIED STATEMENT OF JOSEPH R. DIXON OB BORALT OF MID AMERICA DAIRYMEN, INC.

Joseph R. Dixon, Corporate Logistics & Distribution Manager is a voterant of over 25 years in the transportation and distribution industries. He has worked for Fortune 500 companies as a corporate manager and as a senior-level consultant. He is an ICC practitioner, a member of the Association of Transportation Practitioners, a member of Council of Logistics Management, and a Certified Member of the American Society of Transportation and Logistics. He holds an MBA from Indiana University and Bachelor of Industrial Engineering from General Motors Institute.

Mid America Dairymen, Inc., is a milk marketing cooperative serving 12,313 dairy farm families in 30 states from coast to coast and but let to border. Owned by dairy fam.—members, Mid-Am picks up the milk at the farm and markets it through its own plants or directly to other handlers (bottlers), who package it as beverage milk. The Formulated Dairy Foods Group manufactures and markets cultured dairy, food ingredient, and in-can sterilized products. The Dairy Foods Group manufactures and markets chaese, lutter and dried products. The Product Development center focuses on applied research to create dairy-based products to extend the current line products and develop new products.

Mid-Am plants are located in Willows, CA; Sabetha, KS; Tangipahoa, LA; Fergus Falla, Winsted, Winthrop, and Zumbrota, MN; Cabool Clinton, Eldorado Springs, Lebanon, Monett, and Springfield, MO; Dodge, Hartington, Nerfolk, Orchard, Oxford, and Raverina, NE; Portales, NM; Pollock, SD; Schulenburg, TX; Arcadia, Bloomer, Boscobel, Bruce, Chili, Greenwood, and Juda WI. Mid-Am participates in the following joint ventures: Rober Foods, Inc., in Thorp, WI, Spring Valley Cheese in Loyal, WI; Golden Harvest Popearn in Ontario, CA, Kansas City, MO, and Richmond, VA; Highland Dairy in Fayetteville and FL Smith, AR, Wichita, KS, Springfield, MO, and Norman, OK; Roberts Dairy in Des Moines and Iowa City, IA, Kansas City, MO, and Omaha, NE; Golden Cheese Company of California in Corona, CA; and Southern Foods Group in Dallas, Houston and San Antonio, TX, and Shreveport and New Orleans, LA.

Mid-Am ships raw milk and dairy-based products all across the United States by truck, air and rail and exports dairy products to Japan, Mexico, Puerto Rico Canada, Hong Kong, Algeria, China, Singapore, Africa, Argentina, Brazil, Greece, Korea, Nigeria, Philippines, Saudi Arabia, Taiwan, Thailand, Tunesia, Turkey, Viet Nam, Arab Emirates, Jamaica, Spain and Venezuela by truck, air, rail, and sea.

We support a merger of Union Pacific and Southern Pacific as a means of improving service and strengthening comeptition. We believe that the merger will result in reduced transit time that will allow Mid-Am to increase our utilization on rail.

Mid-Am ships many different types of products, dry and refrigerated, by several methods. It will benefit Mid-Am to have a single-line carrier available to points now served separately by Southern Pacific and Union Pacific and to have expanded intermedal service across the United States and to posts for export.

Joseph R. Dixon

I, Joseph R. Dixon, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 11, 1995.

Joseph R. Dixon

VERIFIED STATEMENT OF JOHN MADGETT ON BEHALF OF MID-WEST TERMINAL WAREHOUSE COMPANY

October 13, 1995

I am John Madgett, Executive Vice President of Mid-West Terminal Warehouse Company and President of its subsidiary, Mid-West Terminal Distribution Services, Inc. (both Missouri corporations). Our executive offices are located at 1700 Morth Universal Avenue, Kansas City, Missouri 64120. I have been with the Mid-West Terminal Warehouse company for over 30 years and in my present position for over 25 years. I am responsible for the entire operation of the Company, including the personnel and general operations. Mid-West Terminal is a public warehouse company, operating a warehouse in the Executive Park area of Kansas City and a River-Rail-Truck Terminal at Missouri River and State Line, in Kansas City, Missouri-Kansas. Because of the nature of our business, selling service and space is our only merchandise. We must have efficient rail services, especially in the handling of bulk fertilizer products, which we receive in trainload quantities from the southeast, Canada and New Mexico and ship throughout the Midwest and we have shipped as carloads as far west as to points in California. Because we depend on efficient, ample rail service for our continued growth, we support merger of the Southern Pacific Railroad into the Union-Pacific Railroad System.

Signed,

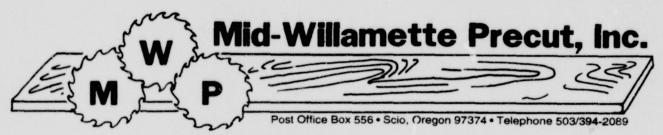
John O. Madgett

Executive Vice President

Omnogue

VERIF!CATION OF STATEMENT BY JOHN MADGETT ON BEHALF OF MID-WEST TERMINAL WAREHOUSE COMPANY

STATE OF Missouri
COUNTY OF Jackson
John O. Madgett, 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.
- Dunocher
John O. Madgett
Subscribed and swom to before me this 12th day of October, 1995.
Teri L. Buchen
Notary Public
My Commission Expires:
TERRI L. BRONSON Notary Public-Notary Seal STATE OF MISSOURI JACKSON COUNTY



VERIFIED STATEMENT
OF
SHARON SATTERWHITE
on behalf of
MID-WILLAMETTE LUMBER INC

My name is Sharon Satterwhite. I am Traffic Manager of Mid-Willamette Lumber Inc. I have been involved in traffic matters since 1976.

Mid-Willamette Lumber operates tree lumber remanufacturing plants in Oregon. Our finished product includes landscape timbers and stakes. Most of our product is shipped from our plants in Scio, Central Point and Lyons to the East to Chicago. Also, we ship to Phoenix, Arizona and Denver, Colorado. Our Scio and Lyons facilities are located on the Corp Railroad which connects with SP. Our Tolo facility is located on the Corp Railroad which also connects with SP. In 1994 we shipped approximately 200 carloads.

We support and proposed merger of UP and SP, because it offers us many benefits in terms of quality and reliability of basic line haul rail service. The efficiencies that will arise from rerouting of traffic over shorter combined routes and elimination of congestion at terminals will result in reduced transit time and better car utilization. Additionally, the increased reliability of scheduled line haul service will allow us to continue to use the rail service for our transportation needs.

Another important benefit of the merger to our company will be the enlargement of the railroad's lumber car fleet. We use centerbeam cars for the transportation of our product. In the past we have experienced many delays and shortages in the supply of these cars. We know that Union Pacific has a substantial number of such cars, and the addition of those cars should lead to significant improvements in the supply of rail cars.

As a shipper dependent on SP, we have been concerned about the ability of SP to make the important quality improvements necessary to remain competitive in the present transportation market. This

concern is of particular importance in light of the recently approved BNSF merger and the pressures placed on SP by this huge competitor. The addition of UP strength and quality coupled with the efficiencies inherent in the combined route structure will assure that vigorous rail competition remains in the West. This merger assures long term quality SP service which is essential to our business.

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

We urge the Commission to grant quick approval to this merger in order that its benefits can begin to be achieved.

I, Sharon Satterwhite, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed this 12th day of October, 1995.

Sha on Satterwhite

Compressing Company

VERIFIED STATEMENT

0: PHILLIP HESTON on behalf of

MILLER COMPRESSING COMPANY

Phillip K Heston has served as Vice-President and General Manager of Miller Compressing Company, a 93 year old scrap metal processor, since 1993. Miller processes and ships over 700,000 net tons scrap metal for remelting purposes each year. Miller employs 250 workers in Wisconsin and Illinois. Miller is served by both the Union Pacific(formerly CNW) and CP Rail.

Miller Compressing Company is currently shipping scrap metal to: Northwestern Steel & Wire CF & I Nucor Steel- Nucor, Utah IPSCO North Star Steel- various locations Several brokers and mills on spot basis

Miller Compressing Company supports the proposed merger of the UP and SP. We will gain better access to Western markets and receive the benefits of decreased terminal time with new single line service. These more efficient routes and services will improve gondola utilization, effectively increasing the utilized size of both fleets. We will also be able to access markets that the SP now serves that we are virtually locked out of because of combination rates, this will put us on a level playing field with our competitors on the BN/ATSF. Mills will also benefit from more reliable shipments, thus allowing them to run with JIT inventory.

In conclusion, Miller Compressing Company supports the proposed merger because we feel the benefits in equipment issues, service, and new markets are good for the scrap metal processor and consumers, alike. This will allow Miller Compressing Company to be a more effective and active participant in the scrap metal market.

I, Phillip K Heston, declare under penalty of 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.

This Festi

Milwaukie Transfer P.O. Box 589 Clackamas OR 97015 503-656-2685 Fax 503-657-2922

VERIFIED STATEMENT OF ROBERT D. CLOUSE ON BEHALF OF MILWAUKIE TRANSFER

My name is Robert D. Clouse. I am the co-owner of Milwaukie Transfer. My company is located at 15360 SE Railroad, Clackamas, Oregon 97015. I have been involved in the trucking industry for the past several years, and for the past year have been co-owner of Milwaukie Transfer. I am responsible for the the marketing and sales functions at my company.

Milwaukie Transfer operates as a transload facility for customers who are not rail served. We load and unload cars for these customers. Our facility in Clackamas receives cars via SP from various origination points in California.

I am aware that the Union Pacific and Southern Pacific railroads are requesting authority to merge. My company supports such a merger.

Currently our traffic originates in California and travels on the I-5 corridor north to Oregon. The service that we have experienced from SP is lacking. One problem has simply been congestion. With the advent of the merger, we believe Union Pacific will be able to expend resources to improve service along the I-5 corridor, which will result in quicker transit times.

The second problem we have faced with SP service has been the lack of available equipment. We believe that the merger will result in a combined UP/SP car fleet that will be larger, and should allow the railroad to more effectively reposition cars, thereby reducing car turn-aound times. These improvements in transit and car turn-around times will allow the shippers we serve to make greater use of rail over the I-5 corridor because the service and rates will now be comparable to truck.

The merger may also increase the use of rail, and thus our business, by creating new single line service opportunities for California and even Arizona and Nevada shippers.

We have also been concerned about the ability of SP to improve its service in light of the newly merged BN/Santa Fe. With the merger, however, UP's financial strength and reliability will help to make the UP/SP a strong and efficient rail carrier able to effectively compete with the BN/Santa Fe. This merger will assure a strong competitive environment for rail transportation in the Western United States.

We enthusiastically support the merger of Union Pacific and Southern Pacific.

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

Executed on (

ROBERT D. CLOUSE

Mitsui USA

October 13, 1995

VERIFIED STATEMENT

OF

GENYA IWASAKI on behalf of MITSUI & CO. (U. S. A.), INC.

Since June 1995 I have been assigned as Senior Vice President and General Manager for the Corporate Traffic Logistics of Mitsui & Co. (U. S. A.), Inc., the U. S. subsidiary of the large Japanese trading company. We import and export a wide range of products including steel, lumber, chemicals, machinery, ferrous raw materials, grain and fertilizers, among many others. In 1994 our total cales volume exceeded \$13.5 billion.

As a trading company, we utilize the services of all major ports of entry as well as all types of transportation services throughout the country. A trade lane of increasing importance to our company is Mexico where we have recently established a subsidiary company, Trinet Logistics (Mexico) S. A., to further develop our logistics services between Mexico and the United States. Rail and truck services are the primary modes of transportation for this undertaking.

We understand that the Union Pacific and Southern Pacific are requesting the authority to merge their operations. We wish to go on record in support of the merger for several reasons:

-equipment utilization will be improved, in particular, a greater number of Southern Pacific coil cars will now be available to the Union Pacific at Laredo, TX to expedite Mitsui's shipments of steel coils from Mexico to the U.S.

-competitive balance will be maintained as a result of the agreement reached by the UP/SP with the Burlington Northern Santa Fe whereby UP/SP has granted substantial trackage rights to their competitor. Mitsui feels confident that we will not incur any rate increases as we most likely would in the absence of such an agreement.

-the financial strength of the UP, when combined with the key routes of the SP, will allow the merged company to maximize future capital investment in areas where it is most needed. This can only increase the competitive nature of the rail industry.

Mitsui & Co. looks forward to this merger which will benefit us and other shippers alike.

Sincerely.

Genya Iwasaki

Senior Vice President and General Manager

VERIFICATION

I, Genya Iwasaki, declare under penalty of 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.

Genya Iwasaki

VERIFIED STATEMENT
OF
Terry A. Blake
President
Montar Distribution Services, Inc.

Montar Distribution Services has been in business for over two years. Our customer base is the non rail served industries of the greater Portland and S.W. Washington area. We are a rail reloader for these industries.

In making this statement we are in support of the union Pacific/Southern Pacific merger. We are dependent on the rail system to serve our customers in the most efficient and cost effective manor possible. With this merger we will be allowed to ship to more destination points than previously possible with just the Southern Pacific servicing our facility. It is critical for us to be able to use an additional carrier (or combined carrier) to enhance our ability to serve our customers growing markets beyond what is currently available through a single carrier.

With the merger of the BN/ATSF the SP has been put into position of not being able to stand alone against such a large competitor. The SP has struggled for quite sometime now and needs to join with the UP to form a viable competitor to the BN/ATSF. By this merger we could serve more of the U.S. more efficiently. With greater use of combined resources the efficiency of both carriers will be enhanced. Thus saving time and resources while providing faster transit times and more efficient routing of shipments.

We support this merger and believe it will allow our company to better serve the industry of America. This will better serve the transportation needs of the U.S. for today and in the future.

I, Terry A. Blake, declare under penalty of 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.

Terry A. Blake, President



October 12, 1995

VERIFIED STATEMENT OF DALE R. PATON on behalf of MOOSE JAW ASPHALT INC.

My name is Dale R. Paton and I am the Marketing Manager for Moose Jaw Asphalt Inc. located at 1777 Victoria Avenue, Regina, Saskatchewan, Canada, S4P 3B4. I have held this position for four years and am responsible for the marketing and distribution of our asphalt products.

Moose Jaw Asphalt produces both conventional and specialty type asphalts at our production plant located at Moose Jaw, Saskatchewan. We lease 72 tank cars and ship approximately 400 carloads of asphalt per year within Canada and the United States. We utilize the rail services of CN, CP, UP, BN and CCP.

Because the cost of transportation is a significant portion of our total cost, Moose Jaw Asphalt Inc. has and will support any initiatives which would improve rail service and reduce transit times so that our rail fleet can be managed at minimal cost. We see benefits to this merger by allowing Union Pacific to take advantage of shorter routes and improved locomotive availability through consolidation of the Union Pacific and Southern Pacific locomotive fleets.

Moose Jaw Asphalt believes that the UP/SP merger will provide significant benefits to us and our customers. We support the merger as being in our best interest.

Dale R. Paton

VERIFICATION

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

Dale R. Paton

Moose Jaw Asphalt Inc.



(916) 221-3406

Verified Statement of Susan Gatlin on behalf of

MOUNTAIN GATE LIMESTONE QUARRY, INC.

My name is Susan Gatlin and I am the Administrative Assistant for Mountain Gate Limestone Quarry, Inc. (MGQ). Our mailing address is P.O. Box 493099, Redding, California 96049. Our telephone number is (916) 221-3406, and fax (916) 221-0959. I have three and one half years experience in transportation and other functions as the Administrator for MGQ. My duties include handling all transportation, organization and other matters for MGQ.

MGQ mines and sells agricultural limestone and construction aggregates. We lease a section of track that connects to the Southern Pacific Main Line, and we ship limestone rock south on Southern Pacific to Tracy, California, in open top hoppers. We also transport agricultural limestone north on Southern Pacific to Tangent, Oregon, in covered hoppers. In 1994, we shipped approximately 156 cars from our leased track.

We expect to benefit from reduced transit times and more reliable service as improvements occur generally in service on the I-5 Corridor. Because of congestion on this route, we have experienced delays in shipments that have adversely affected our business. The combined UP-SP will be able to improve service on the I-5 Corridor because of its ability to manage traffic along the I-5 using its increased capacity and the ability of a combined system to move more traffic. The combined UP-SP will have alternative routes that it can utilize for different categories of traffic that will relieve congestion and provide more efficient service for all shippers on the route. As a shipper who transports materials north and south on the I-5 from Northern California, improvements to service on this route will be a major benefit.

The merger will also provide access to better, and more, equipment. We do not have our own fleet of rail cars and rely on

Southern Pacific to supply cars. One of the major problems we have encountered is a chronic shortage of rail car supply from Southern Pacific. As a consequence of the merger, we will have access to the combined UP-SP fleet of more than 140,000 rail cars (increased from Southern Pacific's fleet of 44,000 cars). which immediately makes more equipment available to shippers. Further, opportunities will exist to improve rail car utilization on the I-5 Corridor by repositioning equipment. The UP-SP system will be able to use its increased efficiency, and reduced transit times, to effectively make more equipment available to shippers. The expected improvement in equipment availableity will be a substantial benefit to MGQ.

In addition, we have read about the settlement agreement between UP-SP and BN-Santa Fe. The settlement has several implications for I-5 shippers. BN-Santa Fe will have a new, single line route over the Bieber Pass, which will relieve congestion on the old SP line between Klamath Falls and Stockton. This will help our shipments south from Redding to Tracy, California. UP-SP received trackage rights between Chemult and Bend, Oregon, which will improve its ability to reposition cars between California and the Pacific Northwest. Thus, we will receive direct benefits from the combination of UP and SP, and then further benefits as a consequence of the settlement between UP-SP and BN-Santa Fe.

We urge the Commission to approve the merger as coon as practicable.

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

Susan Gatten

Mountain View Reload Inc.

419 SUMAS WAY ABBOTSFORD, B.C. V2S 4N2 U.S. M/A - P.O. BOX 1718, SUMAS, WA. 98295 Telephone (604) 850-5788 or 856-8712 (Vanc.) FAX (604) 850-5789

VERIFIED STATEMENT OF NORM DAIGNAULT On Behalf of MOUNTAIN VIEW RELOAD INCORPORATED

My name is Norm Daignault. I am the president of Mountain View Reload Incorporated. My company is located at 419 Sumas Way, Abbotsford, British Columbia V2S 8C4. As president, I oversee all the functions of my company.

Mountain View Reload is in the business of lumber distribution. We provide transportation alternatives for lumber manufacturers and buyers. We truck lumber from our customers' locations to rail heads and load the rail cars for them. This allows the customer to have access to destinations throughout the United States.

We are aware that Union Pacific and Southern Pacific have requested authority to merge. We support such a merger.

Currently we ship only on the BN into the United States. We feel because we are "captive" to the BN, we are not receiving competitive rates. We are aware that as a result of this merger, the UP/SP and BN/Santa Fe have reached a settlement agreement. One of the provisions of this agreement will allow UP/SP to have single line pricing authority for moves originating in Vancouver, British Columbia. This single line pricing authority allows the UP/SP to compete for our business from Vancouver. We believe this new competition to BN will result in better rates for our shipments, and will offer an alternative carrier to us.

Another aspect of the settlement agreement is that BN/Santa Fe has been given trackage rights to the I-5 corridor, and this now allows BN/Santa Fe a single line route into California and Arizona markets. This will once again result in vigorous rail competition between the two carriers throughout the California and Arizona markets. As a result of the merger, the UP/SP now offers single line service to many destinations throughout California previously unavailable to these railroads individually.

We believe it is important that there be strong rail competition throughout the Western U.S. We are acutely aware that when a rail carrier is not subject to competition, our rates seem to be higher. We feel the UP/SP will be a strong Western competitor to the newly merged BN/Santa Fe. This should result in improved service and better rates for our shipments.

.../2

Mountain View Reload Inc.

419 SUMAS WAY ABBOTSFORD, B.C. V2S 4N2 U.S. M/A - P.O. BOX 1718, SUMAS, WA. 98295 Telephone (604) 850-5788 or 856-8712 (Vanc.) FAX (604) 850-5789

Page 2

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

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

Norm Daignault

Mumme's

Hondo Phone 426-3313 / San Antonio Phone 741-8035 P.O. Drawer 369 Hondo, Texas 78861

October 11.1995

VERIFIED STATEMENT

On behalf of MUMME'S, INC.

I, Lowell T.L. Proctor, am the Vice President of Mumme's, Inc. located in Hondo, Texas. I have been in charge of Mumme's Incorporated's rail transportation requirements for fifteen years.

Mumme's, Inc. is primarily a country elevator and fertilizer facility located on the Southern Pacific rail line main track from San Antonio to El Paso, Texas. Mumme's, Inc. buys grain from farmers and various venders and ships large portions of these purchases to points in Mexico, California, Arizona, and Texas Gulf ports using approximately 200 jumbo hopper cars each year. Mumme's also buys approximately 100 rail cars of fertilizer per year on rail for blending at our facility. These cars are shipped from points in South Carolina, Lousiana, and Oklahoma. At various times feed ingredients and grains are shipped to Mumme's by rail from the Midwestern States.

The officers of Mumme's, Inc. strongly support the requested authority to merge the Union Pacific and Southern Pacific rail systems. Because Mumme's, Inc. is dependent solely on SP for rail service we believe the merger will insure us of better rail service for the following reasons:

- SP/UP will be better able to provide top quality service with single-line access to a larger number of destinations.
- The merger will provide more efficient routing to terminal points.
- Mumme's, Inc. will benefit by having access to a larger pool of jumbo hopper cars which are now normally in short supply during our harvest.
- 4. The difference in harvest season timing between the geographical separation of the areas served by the UP and SP will allow more efficient utilization of locomotives and rail cars.

- 5. Mumme's, Inc. nas not been able to compete in some California markets because of rates and services provided by the Santa Fe. The combining of UP and SP will help provide a competitor equal to the combined BM/Santa Fe rail system and possibly open up new markets for us.
- The merger will provide alternate routing for shipping in event of natural disasters or maintenance of rail beds.
- 7. We believe the merger will guarantee long term, quality rail service. This may not be the case if SP is forced to compete within benefit of the merger against the combined resources of the BN/Santa Fe.

We believe the merging of the Southern Pacific and the Union Pacific Railroad Companies will benefit us equally as a shipper and a receiver of goods. Freight rate differentials and service are often the determining factors in gaining or retaining customers.

We have confidence the proposed merger will provide significant benefits for Mumme's, Inc. and the other shippers located on the UP or SP rail lines; therefore, our company supports the application for merger.

Lowell T. L. Proctor

Vice President Mumme's, Inc.

I, Lowell T.L. Proctor , declare under penalty of 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

Towell of troctor

NAPZ DRAYAGE

VERIFIED STATEMENT
of
FRANCIS G. NAPIERSKI
on behalf of
NAPIERSKI DRAYAGE LTD.

My name is Francis G. (Frank) Napierski. I am President and General Manager of Napierski Drayage LTD. dba NAPZ Drayage LTD., a Nevada Corporation. NAPZ is the largest intermodal drayage company in Nevada. We handle in excess of 1,400 intermodal loads a month, to and from the Union Pacific and Southern Pacific Intermodal Facilities in the Reno/Sparks, Nevada area. I have been managing drayage companies in this area since 1980. I am on the board of Directors of both The Nevada Association for Transportation and Distribution, and The Nevada Motor Transport Association.

NAP? has built it's business on customer service. As part of that service, our customers expect us to "keep an eye on" railroad related matters that could impact their operations. A merger of the local railroads, obviously, falls into that category. In fact, I feel it has more potential impact on this area than any railroad related event in the last fifty years.

The Reno/ Sparks area has developed into a very large west coast distribution hub. It is my belief, and the belief of many of the large distribution center managers that having two railroads contributed greatly to the growth of our large warehousing and distribution community, (second only to tourism in importance to this states economic health).

The Union Pacific and Southern Pacific railroads have requested authority to merge from the ICC. This is a support statement for that merger application.

The proposed merger of the two railroads will combine the strengths of these two large rail systems, and will result in a large financially sound carrier capable of effectively competing with the newly merged BN/Santa Fe. This merger will assure the continued availability of competitive rail service on a long term basis for shippers in northern Nevada. As a result of this merger there will be a competitive balance maintained between the UP/SP and BN/Santa Fe which will result in vigorous competition between these two rail carriers and ultimately allow the shipping public to enjoy improved service and better rates.

A merger of both railroads serving this area would limit railroad competition, were it not for "trackage rights" being granted to the BN/Santa Fe by the UP/SP. I understand that the UP/SP have granted the necessary trackage rights to the BN/Santa Fe, and that BN/Santa Fe will be able to provide intermodal service using SP's intermodal ramp at Sparks. In addition, I feel BN/Santa Fe will be a more effective competitor than the Southern Pacific Railroad has been.

I feel the merger of the UP and SP, with the trackage rights to the BN/Santa Fe, will:

- 1. Provide shippers with the advantages from the stronger, well run, and aggressive railroad that the combined railroads would become.
- 2. Raise the possibility of "STACK TRAIN SERVICE" to and from northern Nevada. (The lack of which now has us at an economic disadvantage in competition with Los Angeles and the San Francisco Bay Area, in trying to draw more warehousing to our area.)
- 3. With the entry of a new competitive railroad Nevada would gain a dynamic and healthier competitive climate in railroad rates and services.

For the above reasons, I support the Union Pacific's petition to merge the Southern Pacific Railroad into the Union Pacific System.

Sincerely.

Francis G. Napierski

President and General Manager

All .

October 20, 1995

I Francis G. Napierski declare under penalty of 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 20th day of October, 1995.

FRANCIS G. NAPIERSKI

PRESIDENT AND GENERAL MANAGER

NATIONAL FRUIT PRODUCT COMPANY, INC. P.O. Box 2040, Winchester, Virginia 22604-1240 703-662-3401 FAX 703-665-4671



Verified Statement
of
Joseph R. Wenzel
on behalf of
National Fruit Product Company, Inc.

My name is Joseph R. Wenzel. I am Corporate Logistics Manager for National Fruit Product Co., Inc., located in Winchester, Virginia. I have been in the transportation business for seventeen years and with National Fruit for the last fifteen years. I am responsible for the total transportation of the Company.

National Fruit is a food manufacturer with headquarters in Winchester, Va. We have facilities in Winchester, Kent City, MI, Delta, CO, and Lincolnton, NC, with warehouses in Denver, CO and Phoenix, AZ. The rail carriers serving our facilities are the Winchester & Western at Winchester, CSXT at Kent City, and Southern Pacific at Delta, Denver and Phoenix. We ship by rail from our facilities to warehouses for local distribution by truck. Our traffic over SP is growing and expected to exceed 300 carloads per year in the future.

We support the merger of Union Pacific and Southern Pacific. As the bulk of our rail traffic is between our facilities, three of which are located on and served by SP, the strength and viability of SP is of particular importance to us. The combination with UP will infuse the system with financial and technological strength. Additionally the efficiencies of consolidation arising from more efficient routes, consolidation and improvement of facilities, an upgraded maintenance program, an integrated equipment fleet, and integrated and efficient management should include better transit time, improved equipment utilization and more frequent and more reliable service. These improvements not only accrue to the benefit of the carriers, but also to the shippers.

We are particularly encouraged by the introduction of the more sophisticated UP car tracing system into the merged company. As a great deal of our traffic is moved from the East to the West in backhaul equipment, this improvement is valuable to us.

These benefits and improvements should ensure the availability to us of competitive, efficient rail service for the long term. UPSP will be able to compete with BNSF and other modes for transportation business throughout the West.

We urge Commission approval of this merger.

I, Joseph R. Wenzel, declare under per	nalty of perjury that the foregoing is true and
correct. Further, I certify that I am qu	alified and authorized to file this verified
statement. Executed this \$20	day of October, 1995.

Joseph R. Wenzel



Mascouche, QC October 16th 1995

Verified Statement of CLAUDE BROUSSEAU on behalf of NEOS FOREST PRODUCTS LTD.

I. Claude Brousseau, presently hold the position of Traffic Coordinator for Neos Forest Products Ltd. Our address is 175 Louis Hébert, Mascouche, QC J7K 3C1. I am responsible for arranging treight for our timber supplies. Neos is a major wholesaler dealing in Eastern White Pine, Western Red Cedar, Ponderosa Pine, and other related products, for the sash and door industry. Our servicing rail carrier is Canadian Pacific Rail.

Our rail traffic originates from Oregon and California. For the past three to four years, our rail traffic has been very limited. Due to market conditions which have changed with regard to inventory control and storing, difficulties we have had with rail shipments in the past, and the time sensitive demands of our business, the bulk of our traffic is today handled by truck.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service and strengthening competition. We hope to be able to use the combined UP and SP to obtain faster delivery of timber from California and Oregon, with new direct service between California and Canada. As a receiver who is dependent upon SP service, we welcome this merger as a means of ensuring top quality service. We believe that the proposed merger will be in our company's best interests, as well as the best interests of other shippers.

Neos Forest Products (cont'd)

I, Claude Brousseau, declare under penalty of 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 16th 1995.

Claude Brousseau



475 North 28th Street Post Office Box 270 Springfield, Oregon 97477 (503) 746-6501

VERIFIED STATEMENT
OF
DANIEL S. OWEN
ON BEHALF OF
NESTE RESINS CORP.

I have been employed by Neste Resins Corp., 475 North 28th Street, P.O. Box 270 Springfield, OR 97477, for 6 years. One of my responsibilities as the Production Coordinator for Neste Resins is to control and monitor the rail traffic for the Springfield plant. This duty also requires me to review all collect freight transportation, demurrage, and hazardous storage charges the Southern Pacific Transportation Company places on rail movements.

Neste Resins Corporation is the second largest resin producer in North America with facilities at Springfield OR, Andalusia AL, Moncure NC, Spokane WA, Toledo OH, Winnfield LA, five plants throughout Canada, and one in Durango Mexico. All plants require rail service for inbound raw materials, while some will ship finished resin products by rail. The Springfield plant has an average of ninety (90) rail movements per month. Over 60% of these inbound cars to Springfield are interchanged between the Union Pacific (UP) and the Southern Pacific (SP) at Portland, OR, the SP being the final service company. Majority of the traffic has Canadian origin, currently routing CP-East Port-UP-Portland-SP.

Neste Resins Corporation supports and endorses the Union Pacific and the Southern Pacific merger.

Neste Resins Corporation support is based on concerns for the long term health and viability of the SP and improved transit resulting from removal of UP/SP interchange at Portland. The improved rail service will enhance the transit time for major raw materials that is required to produce formaldehyde for internal use and resins that will supply our cristomers. Reliable rail service is critical to keep our plant operating the twenty-four hours per day, 365 days a year it needs to continue our

production schedule. The Union Pacific has the financial strength and ability to make the necessary capital investment to ensure quality service.

It is Neste Resins' view that the rail competition in the Western United States will be strengthened by the UP-SP merger. A weak independent SP will have difficulty competing against the merged BN-ATSF.

Neste Resins Corporation supports the UP-SP merger as being in the best interest to Neste Resins, our customers and the public.

Daniel S. Owen

Production Coordinator

(David S. Owen

VERIFICATION

I, Daniel S. Owen, declare under penalty of 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 5, 1995.

Daniel S. Owen

Naviel & Care

Production Coordinator Neste Resins Corporation



Telephone: (412) 331-4200 FAX: General Administration (412) 771-0226 FAX: Sales/Customer Service (412) 777-4234

VERIFIED STATEMENT OF JOHN RIHN ON BEHALF OF NEVILLE CHEMICAL COMPANY

My name is John Rihn. I am the Traffic Manager for Neville Chemical Company located in Pittsburgh, Pennsylvania. I have twenty-seven years experience in sales and traffic management. As the Corporate Traffic Manager, I am responsible for all the transportation needs of the company, including LTL, truck, barge, air and rail.

Neville Chemical is a manufacturer of Hydrocarbon Resins. Our major facilities are in the Pittsburgh area and Anaheim, California. We ship our product throughout the country and to ports for export. Our annual transportation expense is in excess of \$10,000,000.

We support the merger of Union Pacific and Southern Pacific. Our raw materials and products are shipped by rail throughout the western United States. The ability to deal with one entity capable of handling all our transportation needs at our West Coast facility is of great benefit to us and our customers. Our logistics cost is reduced and control and management of our traffic is more efficient.

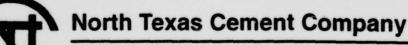
Single line service to and from the facility is valuable. The efficiencies inherent in such service accrue to the benefit of the shippers as well as the carrier. Improved and consistent transit time resulting from optimized routes, improved and consolidated facilities, reduced intermediate handling and pre-blocking is of particular importance to us. SP's existing service is not as reliable and responsive as we would like.

In addition, SP has not been aggressive in the pricing of their service. We can understand how their tenuous financial condition can force them to make pricing decisions based on their short term needs rather than the long term. However, this does not provide us with the competitive and stable pricing which we need. This stability is vital to our ability to maintain the Anaheim facility.

The combination of the financially sound UP with the SP should address these problems. A financially robust and well-managed UPSP will ensure the long term availability of competitive rail service throughout the West.

We urge the Commission to grant approval to the merger.

John R. Rihn



No. ADMI

P. O. BOX 520 • MIDLOTHIAN, TEXAS 76065 ADMINISTRATIVE OFFICES: (214) 723-7200 • FAX: (214) 723-7209 PLANT OFFICES: (214) 723-2301 • FAX: (214) 299-5127 November 7, 1995

VERIFIED STATEMENT of R. T. BEALL on behalf of NORTH TEXAS CEMENT COMPANY

My name is R. T. Beall, and I am the President of the North Texas Cement Company. My company's address is 900 Gifco Road, Midlothian, Texas 76065. I have been involved in the cement business for the past 26 years in various positions from project engineer, to Vice President of Sales, to my current position as President. I am responsible for overseeing all of the company's operations including sales, production, and strategic planning.

North Texas Cement Company is a manufacturer of Portland cement. We currently operate one plant in Midlothian, Texas, which is served by the Southern Pacific. The plant ships to Little Rock, Arkansas, Oklahoma City, Oklahoma, and Springfield, Missouri. Beginning in the third quarter of 1996, we will have a facility operating in Houston, Texas, which will enable us to ship imported cement by rail, truck and barge to various destinations throughout the U.S.

We support the proposed merger of Union Pacific and Southern Pacific.

As a result of this merger, we will now receive single-line service for our outbound shipments of cement from our Midlothian plant to various UP-served destinations throughout the Midwest. The combination of the UP and SP systems will create a strong single-line rail network throughout the Midwest which will allow us to expand the potential markets for our cement. By eliminating a carrier, an interchange, and other intermediate handling, single-line handling generally results in more responsive service and reduced costs. In addition, combining the routes of UP and SP would result in reduced mileages and congestion for much of our traffic.

The proposed merger would also address concerns we have had over both inadequate service from the SP and SP's long-term survival as an effective competitor. SP has had increasing difficulty competing with BNSF and UP, and given SP's current financial woes, there is no improvement in sight. Thus, although the proposed merger will result in a reduction in the number of available carriers in the Houston area from 3-to-2, we support the merger because it will combine UP's financial resources and rail network with SP's routes and facilities in order to create a stronger, more competitive rail carrier.

One good example of such benefits is equipment. SP's lack of rail equipment has seriously hampered our scheduling of shipments over the years. The combination of the UP/SP car fleets should help to alleviate this problem. In addition, anticipated service improvements that would follow the merger should reduce transit times and improve car turn-around times, resulting in improved equipment utilization and reduced costs.

Finally, it is only through a merger that UP and SP can hope to create a competitive counterbalance to the recently merged BNSF, which dwarfs both UP and SP individually. Rail carriers will pass through more of the benefits of mergers to shippers if competition remains after their merger. In this case, UP and SP have assured that competition will be vigorous post-merger by entering into a settlement agreement that grants new trackage and access rights to BNSF on an unprecedented scale. Most important to our company, the settlement agreement includes a new route for BNSF from Houston to Memphis, as well as a new route across Southern Louisiana to the New Orleans gateway.

Our company supports the merger of the Union Pacific and Southern Pacific railroads, and urges the Commission to approve that transaction.

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

Executed on 11/7/95

R. T. Beall

3313 West Second Street - The Dalles, OR 97058

Phone (503) 296-6161

DATE: 10-30-95

Verfied Statement of Robby M. Bell Traffic Manager Northwest Aluminum Company

My name is Robby M. Bell, Traffic Manager for Northwest Aluminum Co., 3313 West Second Street, The Dalles, Oregon 97058. I have worked for Northwest Aluminum for the past 9 years and have been their Traffic Manager for 2 years. Prior to becoming Traffic Manager I was their Shipping Foreman for 4 years. I am responsible for the domestic and export transportation of our metal.

Northwest Aluminum Co. assumed control of the idle Martin Marietta reduction facility in 1986. This facility produces aluminum ingot, billet and logs for the extrusion and casting industry and other related manufacturing industries. Combined capacity of our two casting plants at The Dalles is approximately 140-160 thousand tons of metal per year. The Dalles plant is served by the Union Pacific Railroad.

The metal produced at Northwest Aluminum is marketed throughout the U.S. as well as export to Pacific Rim countries and Mexico. Northwest Aluminum shipped a total of approximately 1,796 cars during the year of 1994. The principle domestic destinations included approximately 350 boxcars annually to Southern California via UP direct and Truck/Rail in conjunction with the SP; approximately 50 boxcars to Chandler, AZ via UP-Colton, CA-SP; approximately 1,400 boxcars and flatcars via rail direct to customers or via truck/rail to transloaders in AR, CO, GA, IA, IL, IN, KY, KS, LA, MD, MO, NC, NE, OH, OK, TN, TX. Traffic to these points move either UP direct or UP to their connections via the also ship approximately 600 major gateways. We trailers/containers per year utilizing intermodal which move via the major carriers, ie. UP, BN, SP. These transactions are handled in conjunction with third party shipper agents. Export shipments move both by rail and truck through the Port of Portland, OR, Port of Grays Harbor, WA and Laredo, TX. Our truck traffic consists of flatbed and vans covering the eleven western states.

The merged lines should offer a system that will ensure we receive reliable single-line access to customers in the California and Arizona markets that the UP currently does not have. The

service benefits should be especially noticeable due to shorter, more efficient routes in conjunction with the merged system. The UP/SP merger should improve the equipment supply for the customers. We should also be able to cut our production lead time by several days depending upon the additional equipment and shorter transit times that we experience.

We fully support the proposed merger of the Union Pacific and Southern Pacific Railroads to the degree that it results in better service ie. shorter transit times, greater and more varied equipment availability, and lower per pound shipping costs to a broader variety of destinations. The merger should provide a multitude of benefits to the shipping industry. Our company supports the application.

I, Robby M. Bell, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 30, 1995.



Verified Statement

of

JOHN D. YOKLEY

on Behalf of

NU-WEST INDUSTRIES, INC.

I am Vice President of Nu-West Industries, Inc., responsible for sales, raw materials purchases, rail negotiations, product distribution and fleet management. I have been at Nu-West for 7 years and in the fertilizer industry for over 20 years.

Nu-West is a producer of phosphoric acid and related dry phosphate fertilizer products. Our manufacturing facility is located on the Union Pacific Railroad at Soda Springs, Idaho. Principle markets are in WA, OR, MT, CA, AZ, CO, KS, NE, Mexico and Canada. In addition to outbound products, there are inbound raw materials; ammonia, sulfuric acid, and molten sulphur that move by rail into our facility.

We understood that Union Pacific and Southern Pacific are requesting authority to merge. We support this as a means of improving service and strengthening competition in the following ways:

----Quicker turnaround on system covered hopper cars and private tank cars.

----Service improvements associated with single line service to key AZ, CA, & OR. markets.

VERIFICATION

STATE OF:	Colorado)
COUNTY OF:	Arabahore) s:)

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

John D. Yøkley

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

Notary Public

My Commission expires:

Jan 20, 1999

VERIFIED STATEMENT
OF
N. JUNE DICKSON
on behalf of
NUCOR STEEL
JEWETT. TEXAS

As the Transportation Supervisor at Nucor Steel, a Division of Nucor Corporation, Jewett, Texas, I am responsible for rail rate negotiating, routing, and everything pertinent to outbound rail transportation. I have held this position for eleven years. Prior to coming to Nucor-Texas, I worked for Aluminum Company of America for ten years as Transportation Supervisor.

Nucor Steel is a steel mill located in Jewett, Texas that produces hot rolled steel at three locations (Jewett, Texas; Plymouth, Utah; Norfolk, Nebraska) served directly by the MP/UP. At our Jewett, Texas mill we are served by both the MP and BN Railroads. Our largest customer that receives our material by rail is Vulcraft, which is also a Division of Nucor Corporation.

We have shipped 59,576 tons (644 cars) to our Vulcraft divisions via MP. We ship steel by rail to all of our Vulcraft locations, and to customers in every state in the West. In addition, we ship to the Chicago area, the East Coast (MP/CR) and some southern states. Total shipped to outside customers year-to-date is 43,200 tons (467 cars) via MP. Most of the scrap metal used in our melting process is shipped by rail. Year-to-date, we received 413,910 tons (4,599 cars) of scrap metal by rail for our steel production via MP. As you can see, the railroads are a vital part of our operation.

We believe that the proposed merger would be in Nucor's best interest and we endorse the UP/SP application. Since both MP and BN/SF serve us, we feel the need for the stronger competition that this merger would bring about for shipments to the West Coast.

This merger would also help our critical car supply problems. On a daily basis we are running 15-20 cars short of our needs. Added car supply and stronger competition to the West Coast would allow us to enter new markets and better serve our long time customers.

VERIFICATION

STATE OF Lexas
COUNTY OF Low ss.
N June Dickson, being first duly sworn, deposes and says that he
has read the forgoing document, knows the facts asserted therein, and that the
same are true as stated.
N. June Dickson
Subscribed and sworn to before me this 6th day of November, 1995.
Alena Battoma
1992 Notary Public
My Commission Expires:
1-18-1996



Old West Ag, Inc.

30140 Hwy. 99E • P.O. Box 3 • Shedd, Oregon 97377 Office 491-3643 • Fax 491-3915

VERIFIED STATEMENT

of Mindy Jo Iverson on behalf of Old West Ag, Inc.

My name is Mindy Jo Iverson and I have been in Transportation related positions since March 1983. The companies and their departments I have held positions with are: Federal Express, Sales; Peavey Company, Inventory Accounting; Independent Consultant on Dispatch Systems in the Truck Brokerage Industry; Certified Transportation Sales instructor for trade schools in the state of Oregon; Southern Pacific, Sales; Timber Products, Traffic Manager, and currently Manager of Old West Ag, Inc., located at Shedd, Oregon.

Old West Ag, Inc. provides custom loading services in railcars, intermodal trailers and containers, bulk jumbo hoppers, and local trucking of grass seed and bulk Feed Pellets in the Willamette Valley. My responsibilities encompass all business, from Payroll to Sales of our Transportation Services. We currently load railcars in the Corvallis, OR area on the WPRR, Tangent-Shedd on the SP mainline, and BN on the OE line. Our destinations have a very wide range but our primary focus for railcars is the Phoenix, Texas and Southeast markets. Most other markets will move by Truck or Intermodal depending on equipment availability and time constraints. Our carload volumes have historically been around 50 loads per year of which I intend to double by the end of the 96/97 season. Our intermodal and Truck volumes exceed 150 per year depending on yield at harvest, time requirements for end customers inventory, transportation markets, etc.

The merger of the UP/SP will better allow my customers to effectively market their products featuring rail transportation due to more efficient and consistent transit times. With the better availability of equipment, movements of bulk feed pellets to Southern California will increase.

I support the UP/SP merger for reasons of more consistent transit times and more equipment availability. The new UP/SP railroad will better be able to supply equipment, will have more locomotives, and have more efficient routes into my markets. In order for Old West Ag, Inc. to survive in the future it is imperative that we have a viable competitor to the BN/ATSF railroad to bring our products to market.

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

Executed on November 3, 1995.

Mindy Jo Iverson

OREGON STEEL MILLS

P.O. Box 2760 Pertland, Oregon 97208-2760 Phone (503) 286-9651

November 9, 1995

Mr. Vernon Williams
Interstate Commerce Commission
Room 1315
12th and Constitution N.W.
Washington, D.C. 20423-0001

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

Dear Mr. Williams:

Oregon Steel Mills, Inc. and it's family of companies (CFI Steel, L.P., Pueblo, Co., Nana Pipe Corp., Napa Ca., and Oregon Steel Mills, Porlland, Or.,) are major users of rail services in the Western United States.

Our companies depend on rail competition to keep prices down and to encourage improvements in the services railroad offer. For many years, Union Pacific and Southern Pacific have competed for the opportunity to handle our rail needs. Because of this, we have been able to increase our business domestically, and are now able to participate in export opportunities to all areas in the world.

We have concerns that the merger of Union Pacific and Southern Pacific will reduce the competition we enjoy today. However, the settlement agreement between UP/SP and BNSF will help diminish many of these concerns.

We are also concerned about the ability of the Southern Pacific to survive as a stand alone rail carrier now that the BNSF merger has been approved. Southern Pacific is a major rail carrier for our companies. We experience inconsistent service today, and we would find it difficult to maintain much of our Southern Pacific rail business if service were to further decline. We urge the Commission to support this application, subject to the condition that the settlement agreement reached between UP/SP and BNSF is included to insure competition is maintained.

Sincerely,

Fred P. Swanson

Director of Transportation

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VERIFICATION

STATE OF Ougon
COUNTY OF Muthamah
Frederic P. Swanson, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted herein, and that the same are true as stated.
Frederic P. Swanson
Subscribed and sworn to before me this 6 day of Amember 1995.
Tommie J. Legian Notary Public
My Commission Expires: Soft 18, 1996 OFFICIAL SEAL TO MUSE J REGIAN OFFICIAL SEAL TO MUSE J RE

Verified Statement of Gerald L. Fausset on behalf of Oxnard Refinery In support of the Union Pacific/Southern Pacific Merger

Finan Docket No. 32760, Union Pacific Corporation, Union Pacific Company and Missouri Pacific Railraod Company--control and Merger --Southern Pacific Rail

Corporation, Southern Pacific Transportation Company, et al.

My name is Gerald L. Fausset. I am submitting this statement as the sales and marketing manager for Oxnard Refinery. located at East Fifth Street and Del Norte in Oxnard, California. I have been in charge of sales and marketing at the company for twenty nine years. Oxnard Refinery, a liquid asphalt producer, has operated in Ventura County since 1936. I am responsible for the sales and shipment of our asphalt products. We supply customers in California, Arizona and Nevada.

Oxnard Refinery has used the Leesdale siding of the Southern Pacific line since 1985 to ship liquid asphalt out of state to our customers in Ne ada and Arizona. We have had a ongoing arrangement with Conoco whereby we fill their railcars at Leesdale and ship them via SP - Colton- UP Boulder Junction Las Vegas. At different times over the years, we have leased cars from Conoco to ship liquid asphalt to our customer, Western Emulsion in Arizona. On average our monthly railcar shipments range from one to three cars. Although our rail transportation needs are not, by any measure, substantial, the availability of rail service is of great benefit to our out of state marketing and sales interests.

As a shipper dependent on SP and UP service, we welcome the proposed merger as a means of ensuring that we continue to receive service from a financially sound carrier with single-line access to numerous points. Specifically we are encouraged that a merger between UP and SP will provide improved service to our out of state customers. Improved service on a newly merged SP/UP rail line would possibly increase our rail transportation needs, as poor turnaround times, scheduling delays and tracking mishaps would be eliminated. Essentially our industry would greatly oppresiate a more efficient rail system which we believe would be realized via a UP/SP merger.

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

> > Executed on: 1995 (date)

ald & Fauxet

State of Calibraia)

GERALD L. Faussel, being tirst duly sworn, depose and says that he has read the foregoing document, know the facts asserted therein, and that the same are true as stated.

Subscribed and sworn to before methis

Notary Public)

409

My Compission Expires:



David J. Morris General Manager 900 Fourth Ave., Suite 3625 Seattle, W.A. 98164 (206) 624-6590 Fax (206) 340-2267

Bruno A. Ridolfi Mana of Operations

Fumiliro Yamamoto Chief Geologist

30700 Black Diamond - Ravensdale Rd. • P.O. Box 450 • Black Diamond, WA 98010 • (360) 886-1060 • Fax (206) 432-8755

VERIFIED STATEMENT OF DAVID MORRIS on behalf of Pacific Coast Coal Company

My name is David Morris, and I am part owner and General Manager of Pacific Coast Coal Company (PCCC). I am submitting this Verified Statement on behalf of PCCC and in support of the merger application of Union Pacific (UP) and Southern Pacific (SP). PCCC owns the John Henry Mine located in the State of Washington. The John Henry Mine has recoverable reserves of five million tons of coal with an annual capacity of 330,000 tons per year. The mine opened in 1986 and in the past few years diversified its ownership with a sale of a part of the ownership to Mitsubishi Materials Corporation. I personally own approximately 15% of the company. PCCC revenues exceed \$7 million annually.

The Mine's principal sales have been for export. Our high Btu content coal (approximately 12.000 Btu) has been marketed successfully in Japan and Korea. In the past we have shipped coal from the Mine via truck for loading in 50-100 car lots on BN's Ravensdale branchline for exempt contract transportation to Auburn onto Roberts Bank, British Columbia for loading onto vessels bound for Japan and Korea.

In addition to product from the John Henry Mine, PCCC also may market coal from Utah which moves off the Utah Central Railroad to Roberts Bank, British Columbia for export. The Utah Central currently connects to SP and the UP, which PCCC uses to reach BN lines for shipment to British Columbia.

We strongly support the proposed merger of UP and SP, which should bring better service and more competition for the transportation of our coal shipments.

In particular the settlement agreement UP/SP has made with BN/SF as part of the merger approval process holds great promise for us. The agreement preserves competition at the connection with Utah Central, which will have new access to BN/SF, through BN/SF's trackage rights over UP/SP's lines in Utah. Thus, this source of export coal will continue to be served by two competing railroads. Moreover, for the first time we will have the opportunity for single line service via BN/SF from the connection with Utah Central to Roberts Bank. British Columbia.

Even more importantly, the settlement agreement also provides for the combined UP/SP to have competitive rate making authority for traffic to and from BN points in the Pacific Northwest, including Vancouver. This introduces new competition for our export coal moves, because UP/SP will also be able to quote competitive rates from Utah to Vancouver for export, without the need for independent BN concurrence.

In general, the proposed merger would strengthen rail competition and serve the public interest. We urge Commission approval.

 David Morris, declare under penalty of 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.

> David Morris General Manager

Pacific Coast Coal Company

VERIFICATION

Washington

THE STATE OF δ δ COUNTY OF δ King

David J. Morris being duly sworn, deposes and says that he has read the foregoing statement, and that the contents thereof are true and correct to the best of his knowledge and belief.

SUBSCRIBED AND SWORN to before me on this 26 day of October, 1995.

Notary Public & Cleans

Daw Morms

My commission expires: Dovember 9, 1998

Before the

UNION PACIFIC / SOUTHERN PACIFIC

Finance Docket No. 32760

PROPOSED MERGER

VERIFIED STATEMENT OF

DENNIS TANAKA
TRAFFIC MANAGER
PACIFIC COAST PRODUCERS

My name is Dennis Tanaka. I am the Traffic Manager of Pacific Coast Producers, headquartered at 631 N. Cluff Avenue, Lodi, California. I have been employed by Pacific Coast Producers for approximately 23 years and have 30 years experience in the transportation field.

Pacific Coast Producers is a cannery cooperative with two cannieries located at Lodi and Oroville, California. Lodi is rail served by the Soutehrn Pacific Railroad and the Central California Traction Railroad. Oroville, California is rail served by the Union Pacific Railroad. At these canneries we can various fruits including fruit mix, fruit cockatil, to nato paste, tomato catsup, tomato puree, tomato sauce, peaches, pears, apricots tomatoes and pizza sauce.

In my capacity as Traffic Manager, I am responsible for the transportation of my company's products to our customers located throughout the United States. I am authorized by Pacific Coast Producers to submit this statement in support of the Union Pacific / Southern Facific proposed merger.

As a shipper dependent on rail service, we believe that the Union Pacific / Southrn Pacific merger would be in both our companies as well as the public's best interest. The merging of the Union Pacific and Southern Pacific Railroads would provide efficiencies that would benefit all concerned. It would provide more efficient routes, more single line service, better equipment utilization, increased opportunities in preblocking and would be a "win, win " situation. The efficiencies gained would improved rail car supply, faster turn around times and would improve the distribution of our product.

As meritioned above, our plant in Lodi, California is served by the Southern Pacific and the Central California Traction Railroads. At our Lodi facility located on the Southern Pacific, we have experienced several weeks delay in obtaining empty rail cars for loading. The Southern

Pacific has simply advised us that the empty cars were not available. Because of the long delays in obtaining empty rail cars, we have had to change several of our rail shipments to either truck or piggyback. Needless to say this was at a greater expense.

On the other hand, the Union Pacific Railroad has access to our Lodi facility thru the Central California Traction Railroad. Therefore we can attest to the Union Pacific's better service, reliability, car supply and transit times.

We also believe that competition is an <u>important factor in protecting service and transportation cost.</u> It is our understanding that the Union Pacific / Southern Pacific have agreed to grant access to BN/ATSF to all points that are going from two carriers to one carrier and to assure BN/ATSF with non-discriminating access to industries located on the Central California Traction Company.

Also with the recent Burlington Northern / Santa Fe Merger, we believe that a formidable competitor is needed to compete with them. The Union Pacific / Southern Pacific would be that competitor.

In conclusion, we believe that the UP/SP proposed merger with the access arrangment with BN/ATSF would be a tremendous asset to both ourselves and the public. It would provide the efficiencies that would benefit all concerned. Needless to say we support the proposed application.

Respectfully submitted.

DENNIS TANAKA

Traffic Manager

PACIFIC COAST PRODUCERS

(inu? Kenuke

VERIFICATION

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

Executed on October 10, 1995.

The Dinalle_



pacific pipe company

PIPE • VALVES • FITTINGS
FABRICATION • BENDING

Verified Statement of Dennis Black on behalf of Pacific Pipe Co.

My name is Dennis Black. I am Assistant Sales-Manager, Fabrication Division for Pacific Pipe Co. located in Oakland, California. I have been employed by Pacific Pipe for eighteen years in sales and managerial positions. My present responsibilities include customer service, project management and material shipment coordination. I am familiar with the transportation need of our company.

Pacific Pipe Co. sells steel tubular products and fabricated steel items. Our West Oakland facility is rail served by ATSF (BNSF) and SP. However, there is a local switching agreement which allows only ATSF to physically spot/pull Pacific Pipe traffic. While SF has competitive access, the delay inherent in the switching arrangement has caused problems. Most of our traffic originates in the East and moves over Midwestern gateways, thence BNSF or SP to our Oakland facility. Much of our outbound product is distributed locally by truck. SP handled about thirty carloads of our traffic in 1984.

We support the proposed merger of UP and SP. Although it is our understanding that the switching arrangement will not be affected by the proposed merger, the benefits and efficiencies resulting from the combination will alleviate our situation and, in many ways, improve our competitive position. The ability of UPSP to improve service beyond the switch will compensate for the switch delay. As a practical matter, our difficulties have been compounded by the delays and service difficulties of SP on their system. UPSP will be able to maximize routes, consolidate and improve facilities, reduce congestion, improve equipment supply and utilization, and establish and meet more frequent and dependable service standards. Transit time will be reduced, intermediate handling will be minimized, a superior car tracing system will be used and integrated operations and management will assure quality service. These efficiencies will not only accrue to the benefit of the carriers and shippers in the form of improved service, but should result in more competitive rates to the benefit of shippers and the public.

In addition, the new single routes available over BNSF through the central and 1-5 corridors as a result of the settlement between BNSF and UPSP enhances our market reach. We will have available to us single line service to the entire reach of both BNSF and UPSP. Further, the improvement in UPSP service in the central corridor and the availability of BNSF through the corridor will improve our competitive posture on our inbound traffic from the East. This settlement assures a long term, healthy and strong competitive environment in transportation in the West.

The combination of the financial and technological strength of UP with SP insures that UPSP will be a viable competitor with BNSF and other modes.

We urge the Commission to approve this merger.

I, Dennis Black, declare under penalty 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 30th day of October, 1995

Dennis Black



October 9, 1995

VERIFIED STATEMENT OF W. MARK RUSSELL on behalf of PACIFIC RESOURCE RECOVERY SERVICES

I, Mark Russell of Pacific Resource Recovery Services (PRRS) am writing in support of the proposed merger of the Union Pacific and Southern Pacific Railroads.

I have been with PRRS since the Company was founded. I have been affiliated with the Ellis Group since 1978 as an in-house contractor with Russell Engineering Company. As Operations Manager, I maintain all manifesting, documentation files, logs and facility compliance and inspection requirements, coordinate incoming and outbound shipments, and manage transportation needs in truck and rail contracts as well as rail car leasing.

PRRS is a licensed Treatment, Storage, and Disposal Facility (TSDF) established in 1990. We are located in East Los Angeles, adjoining the Union Pacific right-of-way. Our four acre site includes a paint manufacturing company (Ellis), and the thinner and solvent production operation, Pacific Coast Lacquer (PCL). PRRS maintains an on-site recycling unit generating about 2,000 gallons of reclaim thinner through distillation. PRRS consolidates high BTU liquids; waste paint, solvents and still bottoms for a supplemental fuels program used at cement kilns throughout the midwestern United States. We currently have ten rail tankers in our fleet and ship between 100,000 and 150,000 gallons of this material per month to sites in Nebraska, Indiana, Kansas, Arkansas and Texas. We are served by the Union Pacific locally and have existing contracted routes with them as well as the Burlington Northern/Santa Fe (BN/SF).

We strongly support the UP/SP merger. We are certain the combined resources would provide a higher service level to business in more efficient, streamlined freight shipments and ease of congestion at Colton and Yermo, California, as well as the Ogden/Salt Lake area. Alternative routing between Los Angeles and the Kansas City area would improve congestion and maintenance issues along the northern UP route, particularly during the winter months. Increased volumes and routing for UP/SP would generate better competition for the BN/SF, benefiting all concerned.

Page 2 UP/SP Merger

PRRS' success can be directly linked with rail service. We are currently working the Southern Pacific, exploring new markets and waste disposal options for solid materials. We anticipate continued growth in the coming years and would welcome the joining of the Union Pacific and Southern Pacific systems.

Sincerely

Mark Russell

Operations Manager

MR/ph

VERIFICATION

I, M. Russell declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10/9/95.

Multimue

WITNESSED BY



PACIFIC WESTERN LUMBER, INC.

VERIFIED STATEMENT OF SCOTT MUCHMORE ON BEHALF OF PACIFIC WESTERN LUMBER

My name is Scott Muchmore and I work for Pacific Western Lumber as the Traffic Manager. Our mailing address is P.O. Box 99177, Tacoma, Washington. Our telephone number is (206) 582-3573. I have been Traffic Manager at Pacific Western for ten years and I am responsible for all the transportation needs of the company. Before joining Pacific Western, I was Traffic Manager for Brazier Forest Industries in Tacoma for two years.

Pacific Western is a lumber wholesaler for industrial accounts, such as boatbuilders and rail car builders. We ship lumber from origins in the Pacific Northwest to destinations in California, Arizona, Texas, Colorado, Illinois, and Virginia. We ship approximately 75 rail car loads per year and approximately 2,200 truck loads per year.

We purchase lumber from both SP and UP served mills in Washington and Oregon. In some cases, we ship lumber from UP mills to SP served destinations in California and Arizona. We also purchase lumber from SP served mills and truck it to UP points in Nevada.

We strongly support the proposed merger between UP and SP. It will provide new single line service that will permit us to purchase and ship via rail directly to customers, rather than transloading at the origin or destination. It will also allow us to develop new markets and customers on UP lines in the Midwest and the Southwest.

The merger will provide new single line service down the I-5 Corridor from UP served mills in Washington and Oregon. The I-5 Corridor is extremely congested and the consolidation of UP and SP routes will permit better traffic management and more efficient service on this important rail corridor. Improvement in rail service on the I-5 Corridor will provide stronger competition to truck service which should be beneficial to us and provide more options for our shipments.

Additional traffic management benefits from the merger will be the improvement in service through the Central Corridor from Reno, Nevada, to Ogden, and onto the Midwest. At present, SP's line from the Bay Area goes to Ogden, then jogs down to Salt Lake City for continuation to Denver and points east. UP's line goes to Salt Lake City, then jogs up to Ogden for continuation east through Cheyenne. The merger will allow the realignment of these lines to provide more direct service and eliminate congestion and crossed traffic at Ogden/Salt Lake City. This will provide more efficient, direct service to our customers in Illinois and Virginia.

I also understand that a settlement agreement between UP/SP and BN/SF will permit BN/SF to provide service over the Central Corridor and to provide single line service down the I-5 Corridor. These new options will provide new competition for shipments over these corridors. It will make BN/SF served mills available as alternative sources of supply. The settlement agreement also gives to UP/SP price and service authority from BN served origins in Montana west of Billings, and from Vancouver, Canada. This pricing authority will provide us with the option to use these points as potential sources of lumber.

We support the merger because it will result in new, improved service and in new competition in our shipping lanes. We urge approval of the application.

I, Scott Muchmore, declare under penalty of 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.

Scott Muchmore
Scott Muchmore



October 13, 1995

2525 N. CASALOMA DR., P.O. BOX 2397 APPLETON, WI 54913-2397 PHONE(414)830-5050, TOLL FREE(800)333-2545, TOLL FREE FAX(800)332-5099

Mr. Vernon A. Williams
Acting Secretary
Interstate Commerce Commission
12th St. and Constitution Ave. N.W.
Washington, DC 20423

Re: Finance Docket 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.

Dear Mr. Williams:

This letter is written to express our support of the proposed merger of the Union Pacific Railroad Company and the Southern Pacific Rail Corporation.

As a supplier of school grade and educational paper in North America, we believe that the merger of these two companies would provide a competitive, seamless single line rail service to enhance our ability to service our present customers and future growth areas.

The merger of these two major rail systems will also enhance America's ability to market and compete in a world economy, decrease transit times to the west coast, and improve service to Mexico for our products.

Let me conclude this letter by reiterating the fact that we support the merger referenced above.

Yours very truly,

PACON CORPORATION

Jim Schmitz Controller ENTERED Office of the Secretary

NOV 3 1995

Part of Public Record

Page Two October 13, 1995

Mr. Vernon A. Williams Washington, DC 20423

Re: Finance Docket 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.

VERIFICATION

STATE OF WISCONSIN)
) ss.
OUTAGAMIE COUNTY)

Jim Schmitz, being first duly sworn, deposes and says that he has read the foregoing statement and that the contents thereof are true and correct to the best of his knowledge and belief.

Jim Schmitz

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

linebeta & force

Elizabeth J. Buss, Notary Public Outagamie County, Wisconsin My Commission expires 8/10/97.



October 13, 1995

PO. Box 2397 2525 N. Casaloma Dr. Appleton, WI 54913 (800) 666-2545 (414) 830-5055 Fax (414) 830-5069

Mr. Vernon A. Williams
Acting Secretary
Interstate Commerce Commission
12th St. and Constitution Ave. N.W.
Washington, DC 20423

Re:

Finance Docket 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.

Dear Mr. Williams:

This letter is written to express our support of the proposed merger of the Union Pacific Railroad Company and the Southern Pacific Rail Corporation.

As a supplier of decorative papers on a worldwide basis, we believe that the merger of these two companies would provide a competitive, seamless single line rail service to enhance our ability to service our present customers and future growth areas.

The merger of these two major rail systems will also enhance America's ability to market and compete in a world economy, decrease transit times to the west coast, and improve service to Mexico for our products.

Let me conclude this letter by reiterating the fact that we support the merger referenced above.

Yours very truly,

SUPERIOR SPECIALTIES INC.

Jim Schmitz Controller ENTERED
Office of the Secretary

NOV

3 1995

Part of Public Record

Page Two October 13, 1995

Mr. Vernon A. Williams Washington, DC 20423

Re: Finance Docket 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.

VERIFICATION

STATE OF WISCONSIN)

) 55.

OUTAGAMIE COUNTY)

Jim Schmitz, being first duly sworn, deposes and says that he has read the foregoing statement and that the contents thereof are true and correct to the best of his knowledge and belief.

Jim Schmitz

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

Elizabeth J. Buss, Notary Public Outagamie County, Wisconsin My Commission expires 8/10/97

Palestro Distribution Centers inc.

VERIFIED STATEMENT OF JOSEPH PALESTRO ON BEHALF OF PALESTRO DISTRIBUTION CENTERS, INC.

October 11, 1995

TO: INTERSTATE COMMERCE COMMISSION

RE: FINANCE DOCKET NUMBER 32760, SP/UP MERGER

My name is Joseph Palestro. I am President of PALESTRO DISTRI-BUTION CENTERS, INC. My address is 21118 Cabot Blvd., Hayward, CA. My telephone number is (510) 887-8280. My fax number is (510) 887-3032. I have twenty-five years experience in the distribution business.

PALESTRO DISTRIBUTION CENTERS, INC., operates two public warehouse and drayage facilities in the Hayward area; one at 21118 Cabot Blvd., and the other at 2350 Davis Street. In 1994, we received 79 inbound cars via the SP. Our Hayward facilities are served by SP. The majority of our inbound traffic consists of bags of "kitty litter" which are shipped in boxcars from Oil Dri Corporation of America, located in Blue Mountain, MS. This traffic is routed KCS - Shreveport - SP.

At the present time, it simply takes too long for us ro receive rail cars. We strongly support approval of the proposed merger because the combined UP-SP should be able to improve service, utilize more efficient routes, improve car load service, and reduce transit times. The combined system will have a route that is more than 200 miles shorter for shipments from Mississippi to the Bay Area. There will be less delay from time spent in switching yards as operations become more efficient. In addition, we will benefit from the application of UP's management and systems to SP's routes.

We will also benefit from improved intermodal service. We understand that UP-SP will separate its long-haul carload and intermodal shipments on different routes resulting in reduced intermodal transit times and more consistent service. In addition,

Page Two

INTERSTATE COMMERCE COMMISSION TO:

RE: FINANCE DOCKET NUMBER 32760, SP/UP MERGER

combined UP-SP intermodal volumes will allow for greater service frequency at many locations, and increased ability for preblocking and use of run-through trains. This will provide many benefits to intermodal shippers, such as reduced damage and shorter transit times.

A major concern for our company is availability of rail cars. SP has not had the financial resources to increase the size of its fleet, or to invest in new, larger capacity rail cars. The merger of SP and UP will give customers access to the larger combined fleet and UP's greater investment capacity and longerterm business focus. In addition, the merged system will be able to provide quicker turn-around times for railroad-owned and private cars. This will effectively increase the availability of rail cars.

We strongly support approval of the merger. We urge the Commission to act with all deliberate speed to permit the combination of the UP and SP.

I, Joseph Palestro, declare under penalty of 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.

Sincerely yours,

PALESTRO DISTRIBUTION CENTERS, INC.

Joseph Palestro

President

PALLET INC. Western Region Hea Iquarters 3021 Citrus Lane, Suite 250 Walnut Creek, CA 94598 1-800-66 REUSE

Tel: 510/939-2988 Fax: 510/939-2977

Verified Statement of Stuart J. Lerner on behalf of Pallet Pallet, Inc.

My name is Stuart J. Lerner. I am the Manager, Western Region, for Pallet Pallet, Inc. Our business address is 3021 Citrus Circle, Suite 250, Walnut Creek, California 94598. My telephone number is (510) 939-2988. I have fifteen years of experience in the pallet industry, ranging from sales to production. I formed L & M Pallet Company in 1984 and recently sold it to Pallet Pallet, Inc. My current responsibilities as Manager, Western Region, for Pallet Pallet involve management of all aspects of the Western Region's production and sales, including transportation.

Pallet Pallet manufactures finished pallets for sale to the agricultural, retail and grocery industries. We have two major manufacturing and distribution facilities in the Western Region: raw lumber to both Spreckels and Yuma from suppliers in Arkansas, Missouri, Oregon and Washington. Most of our inbound shipments are single line service on the SP. For example, lumber from Missouri originates on the SSW. Most of our shipments from the Pacific Northwest also originate on the SP, but we have some traffic out of Oregon and Washington that originates on the BN-SF or the UP on a proportional rate basis. We shipped more than 1,000 rail cars in 1994.

We strongly support the merger of UP and SP because it will provide substantial benefits and improved service. We expect that the merger will reduce transit times substantially. SP currently averages between 20 and 26 days for shipments from Missouri to either our Yuma or Spreckels facility. We expect that improved routes from the combined system will cut that significantly. The combined UP-SP should alleviate some of the congestion at the Kansas City terminal which should improve transit times from Missouri. Reduced transit times will be a major improvement from our perspective, since the time that lumber sits in a rail car reduces our efficiency and increases our costs of doing business.

The merger will provide more single line service opportunities. In particular, the merger will provide new single line service from Washington, and should result in improved service over the I-5 Corridor from points in Oregon and Washington to our facilities. The increased possibilities for single line service from UP origins in Washington and Oregon will open new sources of supply for us. We also understand that

PALLET

INC.

Western Region Headquarters 3021 Citrus Lane, Suite 250 Walnut Creek, CA 94598 1-800-66 REUSE

Tel: 510/939-2988 Fax: 510/939-2977

as a result of a settlement with BN-SF, the combined UP-SP will be able to quote rates for shipments originating west of Billings, Montana from BN-SF served facilities. This may provide new sources of raw material that can be shipped to our facilities economically.

Another important benefit of the merger is improvement in, and enhancement of, terminal capacity. We expect generally better service from Missouri and Arkansas due to the combination of better routes, greater resources and the generally better service offered by UP. The merger should also result in better utilization of terminals as the two systems combine their capacity and rationalize the use of terminals to provide better service. Congestion in central or "hub" terminals can delay traffic throughout the system. As a result of the merger, UP-SP will have increased terminal capacity that should help relieve congestion in hub terminals.

Yet another benefit Pallet Pallet expects to derive from the merger is improved car supply. SP and UP will have a combined fleet that is far larger than SP's existing fleet. We prefer to ship on higher capacity rail cars. SP does not have a sufficient stock of larger rail cars and furnishes Pallet Pallet with cars that are generally 156,000 pounds or less in capacity. We would prefer to use larger capacity cars which could decrease our shipments and make us more competitive. UP has larger boxcars and we expect to be able to use them after the merger. In addition, the increased efficiency of the combined system will permit improved utilization of the rail car fleet. This will help Pallet Pallet get access to larger boxcars for our shipments as it allows for greater use of the existing stock of rail cars. Further, the financial resources of UP-SP will make it easier to purchase new equipment, in contrast to the difficulty that SP has had in the past due to its financial problems. Improved supply of larger boxcars will be a benefit for Pallet Pallet and will make us a more efficient and competitive company.

In summary, we believe that we will derive substantial benefits from the merger of UP and SP. Transportation is an important part of our business and directly affects our ability to compete. We look forward to speedy approval of the merger between UP and SP so that Pallet Pallet can begin enjoying the many benefits that will inure to shippers as a result.

I, Stuart J. Lerner, declare under penalty of perjury that the foregoing is true and correct. Futher, I certify that I am qualified and authorized to file this verified statement. Executed on October 1, 1995.

Stuart J. Lerner



THE PAS LUMBER COMPANY LTD.

P.O. BOX 879 PRINCE GEORGE, B.C. V2L 4T8
Telephone: (604) 562-3361 FAX: (604) 562-5490

VERIFIED STATEMENT of ROBERT WESTON on behalf of THE PAS LUMBER COMPANY LTD.

My name is Robert Weston. I am a sales representative for The Pas Lumber Company Ltd. Our address is P.O. Box 879, Prince George, British Columbia, V2L 4T8. Our company is involved in supplying lumber to various customers in California and Arizona.

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

We are aware that as a result of the merger, UP/SP and BN/Santa Fe have entered into a settlement agreement. One of the conditions of the settlement agreement allows UP/SP to have single line pricing authority for moves originating in Vancouver. This single line pricing authority will allow UP/SP to effectively compete with the BN/Santa Fe for business originating in Vancouver destined to California or the Southwest. Another condition of this agreement allows BN/Santa Fe certain trackage rights into the I-5 corridor which allow BN/Santa Fe to offer single line service from Vancouver into the California and Arizona markets. The combination of this single line pricing authority and trackage rights will result in direct competition for rail business between these two carriers from the Pacific Northwest to points in California and Arizona. Companies like ours stand to benefit from such competitions through improved service and better rates.

We also believe the combination of the UP/SP will result in an extensive fleet of rail cars and locomotives which should more effectively serve the needs of our company for shipments into California and Arizona. With UP's strong financial resources, we also expect significant improvements in SP's yards in Eugene, Roseville and West Colton. These improvements should result in major reductions in transit times and car turn-around times, allowing us to make greater use of rail for our shipments.

Further, as a result of this merger, we feel that UP/SP will be able to take a longer term view of pricing and more aggressively compete on price with BNSF

for traffic throughout Arizona, New Mexico and the Texas markets. This strong competition for rail traffic could result in potential new markets for our business.

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

I, Robert Weston, declare under penalty of 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

ROBERT WESTON

/bg

PHONE 209 892 2611

• FAX 209 892 5209



VERIFIED STATEMENT OF RICHARD FETZER

My name is Richard Fetzer and I am the Manager of Transportation and Distribution for Patterson Frozen Foods. I have worked for Patterson Frozen Foods for 17 years and have been in my present capacity for about 15 years. As Manager of Transportation and Distribution, it is my responsibility to source all transportation carriers, negotiating contracts and rates and generally overseeing distribution of all of our products. I am also responsible for the customer service function in our company.

Patterson Frozen Foods is a processor of frozen vegetables for the retail and institutional markets. Our primary facility is in Patterson, California, but we service a number of facilities throughout the United States and Mexico including Value Frozen Foods in Monte Alto, Texas; Premier Frozen Foods in Bettendorf, Iowa; and Comidas Del Valle, Atotonico, Jalisco, Mexico.

We are aware that the Union Pacific (UP) and Southern Pacific (SP) Railroads will be seeking approval to merge their operations and companies. We would like to register our support for that merger.

At the present time, we are served at our Patterson, California facility by SP. Given our type of business, we require refrigerated equipment. During peak times in the past, we have experienced car shortages, which has forced us into more expensive truck transportation, at the time when we need rail transportation the most. We believe that with the merger of UP and SP, we will have access to the larger and better maintained UP refrigerated equipment fleet. This, of course, in turn generates greater competition with the truck traffic that we have had to fall back on during peak shipping times.

One of the more significant reasons that we are excited about the UP/SP merger is that single line service between our SP served California facility and points in the Midwest on the UP will make rail much more competitive with trucks. When you combine such single line service with access to UP refrigerated equipment, as I have indicated above, the result is a reduction in transit times at lower shipping costs, all to the benefit of our customers.

Presently, we have been experiencing horrible rail transit times by going through SP's Roseville, California and Kansas City terminals. This is primarily due to terminal facilities which are in dire need of improvements, but SP, as I understand it, does not have the resources to make improvements to those terminals.

VERIFIED STATEMENT OF RICHARD FETZER Page 2

Improvements at both the Roseville and Kansas City terminals will greatly reduce congestion that has heretofore impeded movement of our shipments. With the UP/SP merger and the financial stability of UP, the combined railroad would be better able to make those improvements, such that both terminal capacity and efficiency will be greatly enhanced, thereby resulting in more efficient handling of cars through those terminals. When you combine these terminal improvements with single line service and access to UP's refrigerated fleet, you can't help but realize better transit time from the West Coast to the Midwest, thereby moving traffic with more consistency and providing quicker turnaround time for cars. Of course, a quicker turnaround means in effect, ar enhanced car supply.

Also of significance in this matter is the recently announced agreement between UP/SP and Burlington Northern Santa Fe (BNSF). It is our understanding that BNSF has been granted trackage rights from California to Denver, where it can then connect up with its own system to the various points in the Midwest. Such a system can only guarantee healthy competition between a merged UP/SP and the already merged BNSF. With the granting of these trackage rights, we will have a healthy competition between two large, financially sound carriers. This can only benefit the shipper.

For all of the reasons set forth above, we strongly urge approval of the UP and SP merger.

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.

Richard Fetzer

Executed on

DFMRG. jds



3400 Grand Avenue Neville Island Pittsburgh, PA 15225 412/331-3300

VERIFIED STATEMENT of TERRY ONUFER on behalf of PDM INCORPORATED

My name is Terry Onufer. I am the Traffic Manager for PDM Incorporated. My company's address is 3400 Grand Avenue, Neville Island, PA 15225. I've been involved in transportation the 15 years. I have worked in domestic and international traffic. I am currently responsible for the transportation of inbound raw materials and outbound finished products for the plate division.

PDM is an engineering & fabrication company. The primary product is delivery and erection of liquid storage projects, bridge fabrication, and structural steel projects. PDM utilizes rail, truck and ocean vessels for its shipments. We have facilities located at Iowa, Utah, Penna.. These facilities ship throughout the United States as well as to international destinations.

We are aware that Union Pacific and Southern Pacific have requested authority to merge. My company supports such a merger.

A significant portion of our steel is currently shipped from Utah to various destinations in Texas and Louisiana. As a result of the merger, we expect to enjoy improved service to Houston and New Orleans destinations. Union Pacific has always been a more service oriented carrier than SP. We can take advantage, for example, of UP's superior car tracing systems and customer service. Union Pacific has also advised that they will address the congestion at major terminals, such as Houston. Hopefully, the improvements will result in improved transit times and more efficient routings. This is a direct benefit to our company.

The combination of the UP and SP car fleets will also result in a large, versatile fleet which should resolve the past equipment shortages suffered by the Southern Pacific. Union Pacific has the resources necessary to make capital expenditures in the future as well as making significant changes in car routings to improve car turn-around times. This will benefit our company in that better car utilization will make equipment more readily available to us for our shipments.

We feel that because of Southern Pacific's operating condition they were forced to look to short term profits, and as a result we were receiving poor service for our shipments. Union Pacific is financially strong, and will be able to focus on the long term with the goal of building market share by offering better rates to its customers.

Because we deal extensively in the Western U.S. markets, we are encouraged by the fact that the UP/SP will be a strong competitor to the newly merged BN/Santa Fe. We feel it is essential that there be competition for traffic shipping to the Western U.S. We believe this will lead to improved service.



3400 Grand Avenue Neville Island Pittsburgh, PA 15225 412/331-3000

Finally, we are aware that UP/SP has entered into a settlement agreement with BN/Santa Fe that would give BN/Santa Fe significant trackage rights. We understand that BN/Santa Fe will gain access to a route through the central corridor that would allow them to serve Utah for the first time, and to move traffic from Houston to Louisiana. These new rights will create an entirely new rail option via BN/Santa Fe to compete for our Utah to Texas and Louisiana business. This obviously benefits our company, and we strongly support this settlement agreement.

As Traffic Manager of PDM Incorporated, I support the merger of Union Pacific and Southern Pacific railroads.

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

Leng Coly 10/27/95

PETRO SOURCE REFINING CORPORATION

VERIFIED STATEMENT

OF

SCOTT BEALL on behalf of

PETRO SOURCE REFINING CORPORATION

My name is Scott Beall, I am Director of Marketing, and handle all of the rail transportation decisions for Petro Source Refining Corporation. We are located in Salt Lake City, Utah with our headquarters in Houston, Texas.

Our primary product is asphalt for construction of roads. We provide asphalt for State, County, and City roads throughout the Western United States. We are presently buying from or producing asphalt at Carr and Martinez, CA; Oklahoma, Colorado and Canada. We ship to points in Nevada, Utah, Colorado and California. We are presently shipping 800 to 1,000 rail cars per year. Our plans are to ship over 1,500 rail car loads next year.

We see many advantages for our company in the proposed Union Pacific, Southern Pacific merger. We have present moves form Carr, CA to Elko, NV and to Salt Lake City that move via SP-UP. These moves will become single line haul after the merger. We currently see delays at the interchange that seriously effect our business in an adverse manner. Further, we note the agreement reached with BNSF will continue to provide competitive options in the states of Nevada and Utah.

We have been concerned about the Southern Pacific's ability to compete in a competitive market filled with larger players. With the recent mergers of the Burlington Northern Santa Fe and Union Pacific Chicago North Western, it has become apparent that SP needs to find a merger partner to survive. We believe the capital investment brought to the Southern Pacific system with the merge of two railroads will greatly enhance the combined UP/SP's ability to provide improved service and expanded single line routing to new markets. Increasingly competitive rates across a larger rail system will allow Petro Source to significantly expand our business.

These are just a few of the reasons Petro Source Refining Corporation strongly supports the proposed Union Pacific, Southern Pacific merger. We urge the Interstate Commerce Commission to quickly approve the merger.

Scott Reall

VERIFICATION

I, Scott Beall, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on 10/13/95.

Scott Reall



Pine Cone Lumber Co., Inc.

895 E. EVELYN AVENUE
P.O. BOX 61207
SUNNYVALE, CALIFORNIA 94088
(408) 736-5491

October 19, 1995

Mr. Vernon Williams, Secretary Interstate Commerce Commission 1201 Constitution Avenue NW Washington, D.C. 20423

Dear Mr. Williams:

I am Brian Cilker and I am the general manager of Pine Cone Lumber Co., Inc. Our mailing address is P.O. Box 61207, Sunnyvale, California 94088. Our telephone number is (408) 736-5491. Our fax number is (408) 736-2559. As general manager, I oversee all aspects of the business, including sales and transportation. I have been working with Pine Cone Lumber in various capacities since 1980.

Pine Cone Lumber has been in existence since 1959. We distribute lumber and its various products to the construction industry. Our yard and warehouse are located in Sunnyvale and are served by SP. We receive lumber from suppliers located in Washington and Oregon via rail. Our suppliers may ship SP single line, or they may connect to the SP, depending upon their originating location. In 1994, we received approximately 112 carloads of lumber on the SP.

We strongly support approval of the marger application of UP and SP. We are highly dependent upon economical rail service to obtain lumber. The merger, along with the settlement reached with BN-SF, will result in improved service and expanded markets through new single line and more direct routing. The merger of UP and SP will provide substantial improvements in service along the I-5 corridor. A single carrier will for the first time be able to offer direct single line service from Seattle to Southern California. UP-SP's utilization of the corridor will also speed repositioning of empty equipment from Southern California to the Pacific Northwest. In addition, as a result of the settlement agreement between BN-SF and UP-SP, BN-SF will also have single line service from the Pacific Northwest into California, and UP-SP will have an improved route through Oregon and Washington and will also have the right to quote competitive rates from Vancouver and other BN points in the Pacific Northwest. With these various new services and impoovements, we will have additional sources of supply from UP mills in Washjington, Idaho, aand Montana as well as more direct access to Canadian mills. In

addition, we expect to enjoy a reduction in transit times and improved carload service.

We will also enjoy the benefit of the combined rail car fleet of UP and SP. This will combine SP's rebuilt forest product box cars with UP's supply of centerbeam flat cars to provide the most extensive and versatile forest products car fleet in the industry. This extensive fleet will be better utilized because of expanded backhaul opportunities, improved cycle times, and more flexibility in filling car orders, which in turn provide a greater incentive for investors to put capital into specialized forest product rail equipment.

I strongly support efforts to make better use of our railroads, in competiotion with motor carriers, to keep trucks off the highways. The I-5 is notorious for the heavy congestion from truck traffic. Use of trucks not only causes congestion, but it increases air pollution and causes additional safety hazards for automobiles traveling on the freeways. I am a member of a rail user coalition that strongly supports use of rail service whenever possible to help make our highways safer, cleaner, and less crowded. The proposed improvements to rail service on the I-5 will, for the first time, offer a truck-competitive route for shipments between California and Washington. Thus, the benefits of the merger flow to shippers, and directly to the public in the form of safer, cleaner highways.

We rely on rail service. We need high quality service, both today and in the future, if we are going to be viable competitors. The merger of UP and SP will help create a company that will satisfy those service needs. We urge the Commission to approve the merger of UP and SP.

I, Brian Cilker, declare under penalty of 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.

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sp.wps



POSEIDON FORWARDING COMPANY, INC.

"International Freight Forwarders and Customhouse Broker"

October 16, 1995

VERIFIED STATEMENT OF TERESA PITTILLO on behalf of POSEIDON FORWARDING, INC.

My name is Teresa Pittillo and I am president of Poseidon Forwarding, Inc.

Poseidon Forwarding, Inc., arranges for the export of refrigerated products (primarily poultry products) from various points in the Midwest and South to the Far East. As these loads generally weigh about 45 tons, they are largely moved by refrigerated railcar, so we rely heavily on the UP and SP to move our product to the West Coast ports.

While there is great variety in the freezer facilities we use from week to week, following are examples of some of our most frequently used routings:

Millard Refrigerated Services/Jackson, MS: SP car to Konoike Pacific in Long Beach and

Pacific Coast Container in Oakland

OK Foods/Ft Smith AR FSRR to UP car to Pacific Coast Container in

Oakland

Associated Freezer/Dallas, TX: SP car to Konoike Pacific in Long Beach

We arrange shipment of about 15 railcars each week out of various freezer facilities, which, because of 10 day to two week transit time to the West Coast, means that at any one time we have 25-30 railcars in transit. The status on these railcars is checked at least three times per week by our office, and we count on the UP and SP to provide us with accurate, up-to-date information.

The merger of the UP and the SP would help us through more efficient (and hopefully shorter) single line routes, better equipment utilization, and consolidated customer service.

Our company supports the application, as we believe it will provide significant benefits to shippers.

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

Sincerely,

President, Poseidon Forwarding, Inc.

2629 Sandy Plains Road, Suite 201, Marietta, Georgia 30066

CHB 12828

FMC3197R

Telephone 404/971-3125 Fax 404/971-5519

VERIFIED STATEMENT OF JOE B. FRANCO POTENTIAL INDUSTRIES, INC.

Joe B. Franco: Transportation Manager for Potential industries, Inc.

Responsibilities are as follows: handling all rail road movements, Domestic independent trucking and warehousing.

I have been in the transportation field for over fifteen years. Previous position held before coming to Potential Industries was with Nielsen & Nielsen, Inc. Primepapers, Inc. I held the position of Traffic Manager for nine years, controlling all rail road and trucking logistics. Potential Industries Inc. 922 East "E" Street Wilmington, CA 90744 has been in business for over 23 years. Potential Industries is primarily an exporter of baled waste paper to pulp and paper mills overseas. Our domestic business consists of supplying waste paper, plastic containers, aluminum cans and glass to domestic mills. Our railroad activity consists of 30 to 40 incoming cars of scrap paper a month and out bound shipments of scrap paper to Mexico via gateways in Texas.

The primary traffic lanes affected by the SP / UP merger are as follows:

From: Wilmington, CA

To: McAllen, TX; El Paso, TX; and Laredo, TX

To: Wilmington, CA

From: Bogalusa, LA; Memphis, TN; Twinsburg, OH; Texarkana, TX; Perry Station, AR: and Pine Bluff, AR

Other movements include: Twinsburg, OH to Rio Grand City, TX

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We support this as a means of improving our service needs. We believe that the proposed merger would be in our company's interest as well as the interests of other shippers. We endorse the UP / SP merger application. Our main concern is competitive pricing and the assurance of long-term quality service for current SP shippers.

We look forward to the new single line service between Union Pacific's south central points and Southern Pacific's California points; from SP Oregon lumber origins to UP destinations in the upper midwest; and especially lanes to southern gateways in Texas for entry to Mexico. This merger would provide single line service to all major Mexican border crossings via shorter more efficient routings and, therefore, result in more competitive pricing. The combined railroad will offer more expedited, pre-blocked and

pre-cleared trains to interior points in Mexico. SP customers will be able to utilize "Despacho Previo" for expediting border crossings.

We believe that the proposed merger will provide significant benefits to shippers. We support the application for merger for the reasons listed above.

I, Joe B. Franco, declare under penalty of 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.

SIGNED:

JOE B. FRANCO TRANSPORTATION MANAGER

WITNESS

VERIFICATION

State of California

County of Los Angeles

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

Joe B. Franco

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

Notary Public

My Commission Expires:

Dec 26, 1993

ROBERT M. WILSON

EVELYN H. WILSON VICE PRESIDENT

GERRY DHLIDAL

ROGER W. MITCHELL OPERATIONS MANAGER

> JOSEPH P. DIXON SALES MANAGER

POTOMAC FOODS

OF VIRGINIA, INC. P.O. BOX 1385 WINCHESTER, VIRGINIA 22604-7895

> (540) 667-7999 FAX (540) 667-8053



Verified Statement of Roger W. Mitchell on behalf of Potomac Foods of Virginia, Inc.

My name is Roger W. Mitchell. I am Operations Manager of Potomac Foods of Virginia, Inc. With offices in Winchester, Virginia. I am responsible for both internal operations and the transportation needs of the company. I have been involved in transportation for ten years, primarily with truck and intermodal transportation.

Potomac Foods of Virginia, Inc. is in the food brokerage business, arranging for the purchase, transportation and delivery of various food products throughout the country. As examples of our movements, we ship apple juices from Fullerton, CA to Scranton, PA, pear and apple products from points in Washington state to Chicago and the midwest, and frozen juices from Mexico via Laredo, TX to Michigan. Much of our traffic moves by truck. We would like to use rail transportation more often but we need service that is reliable and dependable, and we require proper equipment. Our estimated annual volume from Southern Pacific (SP) point is about sixteen carloads with present service. We believe that with improved service and equipment availability we could switch about 25& to 35% of out traffic to rail from truck.

Intermodal service is particularly important to us. As a result of the rationalization of routes, consolidation and improvement of terminals, reduced intermediate handling, and more efficient operational management transit time should be reduced, schedules should be more reliable and equipment availability and utilization improved. Union Pacific - Southern Pacific (UPSP) should offer faster and more reliable service in key corridors including Chicago to California. This improved linehaul service will be enhanced by utilization of the best terminals in Chicago, Los Angeles, Oakland and Kansas City. These are the type of improvements that will allow us to use rail to a greater degree.

We support the merger of the Union Pacific and the Southern Pacific railroads. We believe that UPSP will offer improved service for both intermodal and carload traffic moving between California and the gateways of Chicago, Kansas City and St. Louis. This is particularly important to us concerning movements like our product transit from Fullerton to Scranton. Further, the rationalized route structure of the merger system will allow us to increase our use of rail for other shipments.

As to equipment availability, UPSP should be able to reposition both cars and locomotives more efficiently. The difference in peak seasons for the two railroads plus effective use of triangulation and backhaul moves will hopefully improve equipment availability. As a result of these and other merger efficiencies, railroad owner equipment supply will hopefully improve.

The proposed merger combines the strengths of the two systems and should result in a stable, financially sound carrier, capable of meeting the competitive challenge posed by the newly merged Burlington Northern Santa Fe (BNSF).

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

I, Roger W. Mitchell, declare that the foregoing is true and correct to the best of my knowledge.

Executed this 11th. Day of October 1995.

Potomac Foods of Virginia

Freyor Fetcherel

Roger W. Mitchell

Operations Manager

many a moissail

11my commission expect 2 port 35, 1994

ProFlame, INC.

Third Floor
400 Bel Marin Keys Blvd
PO Box 5069
Novato California 94948
(415) 883-8717
FAX (415) 883-8726

October 13, 1995

VERIFIED STATEMENT

OF

NANCY J. BUNTING-CLINE on behalf of PROFLAME, INC.

I have worked as the Wholesale Manager of ProFlame, Inc. for 15 years, and am responsible for the transportation, marketing, and distribution of propane.

ProFlame has been in business for 47 years, and has utilized rail transportation for 25 years. We are utilizing Southern Pacific, Santa Fe and Union Pacific to service our seven terminals. These seven terminals service our 45,000 customers in California and Nevada.

The majority of our propane originates in Conway, Kansas, Mt. Belvieu, Texas, and Salt Lake City, Utah. Although, numerous other origins are utilized.

We strongly support the merger of the SP and UP, in that we believe the service and rate structure will improve tremendously. Obviously as a unit, efficiency will be accomplished with one single line carrier. It is our belief that combining the railroads will streamline the process and help ensure quality service to us. Southern Pacific has been the worst run railroad that we have ever dealt with. This merger can't help but improve the service. We wholeheartedly support this merger, and recommend your approval of this application.

I, Nancy J. Bunting-Cline, declare under penalty of perjury that the foregoing is true and correct. Furthermore, I certify that I am qualified and authorized to file this verified statement executed on October 13, 1995.

Nancy J. Bunting-Cline



Telephone: (214) 225-6685 • Fax: (214) 225-6689

Verified Statement
of
Ken Lilly
on behalf of
Quality Logistics Services, Inc.

I am Ken Lilly, General Manager of Quality Logistics Services of Hutchins, Texas. I am responsible for all aspects of contract/public warehousing at our Dallas, Texas facility. I am familiar with the transportation needs of our company.

Quality Logistics Services, Inc. provides warehousing, transportation and distribution services. We have facilities in Dallas, Chicago, IL., Green Bay, WI., and Meridian, MS. At all locations we use a combination of rail and truck for transportation needs. We average two hundred rail cars per year in and out of our Dallas facility.

Our company supports the application of Union Pacific and Southern Pacific for approval of the merger of their two rail systems. The enhanced reach of single line rail service available to us will allow us to consider rail for more of our traffic. The reduced transit time and improved service and car supply, coupled with the elimination of interchange delays and handling should make the merged system more competitive with truck for the movement of our traffic.

We have been concerned about the ability of SP to survive. The addition of the financial resources of Union Pacific together with the efficiencies of consolidation, should create in UPSP the ability to complete vigorously with BNSF and other modes for the long term.

We urge the Commission to approve the merger of Union Pacific and Southern Pacific.

I, Ken Lilly, declare under penalty 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 1st day of November, 1995.

Ken Lilly

VERIFIED STATEMENT

R.F. SCANLAN IMCORPORATED BUSINESS TRANSPORTATION SPECIALISTS ALLENTOWN. PENNSYLVANIA 18102

MY NAME IS ROGER J. SCANLAN, PRESIDENT OF R.F. SCANLAN INC.,
BUSINESS TRANSPORTATION SPECIALISTS, LOCATED AT 1550 WALNUT ST.,
ALLENTOWN, PENNSYLVANIA 18102, WE PROVIDE TRANSPORTATION SERVICES
VIA ALL MODES FOR BUSINESS AND INDUSTRY. PERSONALLY, I HAVE BEEN
IN THE TRANSPORTATION BUSINESS SINCE 1958. PRIOR TO OFENING MY
OWN BUSINESS, I WAS EMPLOYED BY THE BETHLEHEM STEEL CORPORATION
FOR OVER 34 YEARS. IN LATER YEARS I SERVED AS SUPERVISOR OF RATES
AND SENIOR TRANSPORTATION ANALYST.

IN CUR BUSINESS WE SERVE STEEL COMPANIES AND OTHER BUSINESS ENTITIES, PROVIDING RATES AND ROUTES. WE CAN AND DO PROIDE SERVICE THROUGHOUT THE COUNTRY AND TO CANADA AND MEXICO.

WE UNDERSTAND THE SOUTHERN PACIFIC AND THE UNION PACIFIC ARE RE-

CUSTOMERS WILL BENEFIT BOTH ECONOMICALLY AND WITH BETTER SERVICE AS A RESULT THIS MERGER. ESSENTIALLY, THE MERGER WILL LEVEL OUT THE PLAYING FIELD WITH COMPETING CARRIERS IN WESTERN, SOUTHWESTERN AND TRANSCONTINENTAL TERRITORIES.

PHONE 610-434-4925/FAX 610-434-8563

/rjs

PAGE 2 //CONTINUED// R.F. SCANLAN INC. VERIFIED STATEMENT

I, ROGER J. SCANLAN, UNDER THE PENALTY OF PERJURY, DECLARE THE FOREGOING TO BE TRUE AND CORRECT. FURTHER, I CERTIFY THAT I AM QUALIFIED AND AUTHORIZED TO FILE THIS VERIFIED STATEMENT.

PRESIDENT

TITLE

DATED OCTOBER 25, 1995

VERIFIED STATEMENT

OF

KENNETH W. SHAW on behalf of RED RIVER INTERMODAL, INC.

I, Kenneth W. Shaw, Vice President of Red River Intermodal, Inc., P.O. Box 78173, Shreveport, LA 71137, do hereby submit this statement in favor of the UP/SP application. I've held this position for five years, prior to that I worked for KCS Railroad for thirteen years in various positions.

Our company provides intermodal transportation, ICC Brokerage services, and rail crossdocking services for companies throughout the United States. One of our strongest service corridors to the west and southwest.

We understand the Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this merger as a means of improving service and strengthening competition. As a result of this merger, UP/SP will enjoy better service due to a new single line; improved intermodal and terminal services; and better equipment utilization.

We are concerned that without the UP/SP merger, the BN/Santa Fe will will have an unfair advantage on shipping lanes west of the Mississippi eventually causing harm to the independent Southern Pacific and Union Pacific.

Our company whole heartily supports the UP/SP merger. We believe that the proposed merger will provide significant benefits to shippers and receivers.

Kenneth W. Shaw, Vice President

VERIFICATION

I, Kenneth W. Shaw, declare under penalty of perjury that the foregoing statement is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on this 19th day of October, 1995.

Clay Creaslan Kennshall Witness Kenneth W. Shaw, Vice President

1 ETHEL BOULEVARD WOODRIDGE, NJ 07075

TEL: (201)804-7633 FAX: (201)804-7683

VERIFIED STATEMENT

of

MIKE PEYKO

on behalf of

REDDY RAW, INCORPORATED

My name is Mike Peyko. I am the director of transportation for Reddy Raw, Incorporated. My office is located at 1 Ethel Blvd., Woodridge, New Jersey 07075. I have been involved in the transportation industry for the past 18 years most recently as the owner and director of transportation for Reddy Raw for the past 7 years. I am responsible for the entire transportation function of my company, including the selection of carriers as well as the determination of whether to ship by rail or by truck.

Reddy Raw, Incorporated is engaged in the buying and distribution of frozen food products in the Northeast region of the United States. The company has a location in Woodridge, New Jersey, and cold storage freezers located in Vineland, New Jersey. We purchase frozen food products in California, Oregon, Washington, Idaho and Texas, and distribute them to the Northeastern states.

We are aware of the proposed merger between Union Pacific and Southern Pacific, and my company supports that merger.

The most important aspect of our rail transportation is the transit time from our West Coast origins to our Eastern destinations. We currently experience significant delays with our SP service, resulting in transit times that are simply not acceptable. I would like to see transit times improved to the point where 10 days for a West to East Coast movement would be possible, but I would be happy if that transit time could at least fall within the range of 12 to 14 days. SP simply did not have the resources to make this happen. As a result of the merger, however, there will be significant mileage savings on some of the new routes which should help to reduce transit times. UP/SP has also indicated that they will relieve congestion at major terminals as well as making more use of pre-blocking of traffic to help reduce transit times.

Another concern of ours is the availability of refrigerated cars for our movement of frozen food products. Southern Pacific has an inadequate supply of refrigerated cars to meet our needs. The combination of the UP/SP car fleets should help to alleviate this problem. The size of this new fleet, along with the improvements in service which will lead to better car turn-around times, should work to substantially improve the availability of refrigerated cars. This would allow my company to have greater control over the timing of our shipments and result in a greater use of rail by my company.

The merger would also expand the Mexican gateways available to my company. This could open new markets for my company, an opportunity we covet.

Because many of our shipments originate in the Western United States, we are aware that, as a result of this merger, we could see a decrease in the number of carriers serving some points. So long as we have at least two vigorous competitors, however, we are not concerned. With the merger, and the settlement agreement between UP-SP and BNSF, that is exactly what we will get. The UP/SP will be a strong competitor to the newly merged BN/Santa Fe system. It will have the financial resources available to effectively compete and price its rail traffic competitively against the PN/Santa Fe and pervasive track and barge competition. This strong competition for Western rail business should result in better service and rates for my shipments.

I am particularly pleased with the new single line pricing authority granted to UPSP under the BNSF settlement agreement. This single line pricing authority will allow UP/SP to compete effectively with BN/Santa Fe for my business originating in Idaho. This offers me two price competitive rail carriers from which to choose, and should allow me to get a better rate for my shipments.

My company supports the merger of Union Pacific and Southern Pacific.

I, Mike Peyko, declare under penalty of 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.

MIKE PEYKO

REGENT INTERNATIONAL

October 9, 1995

VERIFIED STATEMENT OF DONNA BALZER REGENT INTERNATIONAL

My name is Donna Balzer. I have worked for Regent International for 13 years as the Operations Manager in charge of all product movement. My duties include inventory control and monitoring of rail traffic from the midwest to various locations including Las Vegas, NV, Sparks, NV, Seattle, WA, Portland, OR and Woodland, CA.

Regent International is a marketer of Motor Fuel Grade "Ethanol". "Ethanol" is used as an oxygenate in gasoline to reduce co emissions.

Currently, the majority of our product is moved by rail tank cars from the midwest. We ship to various terminals throughout the west including Cal Nev Pipeline, in Las Vegas, NV, GATX Terminals Corp. in Seattle, WA and Time Oil Terminals in Portland, OR.

We understand that Union Pacific and Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service. A single line service and better equipment utilization would benefit us directly by shortening our transit time from point to point and allow us more flexibility in our product purchasing.

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

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

Donne Balzer

cc: Doug Vind



REWICO (MEXICO), S.A. DE C.V.

Transporte Internacional

SEPTEMBER 4, 1995

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

SUBJECT: UP/SP MERGE SUPPORT LETTER FROM REWICO-MEXICO.

TO WHOM IT MAY CONCERN:

WE ARE AN WELL KNOWN MEXICAN FREIGHT FORWARDING INSTITUTION, AT PRESENT WE ARE REWICO-MEXICO AND HAVE OFFICES ALL OVER THE WORLD. IN THE PAST WE HANDLED THE LOGISTICS FOR THE MEXICAN RENAULT AUTOMOBILE PLANT WHICH MIGHT DETAIL HOW WELL EXPERIENCED WE ARE IN THE HANDLING OF ALL INTERNATIONAL MODES OF TRANSPORTATION, SUCH AS RAILROAD, TRUCKING, AIRLINES, STEAMSHIPS, ETC.

WE CONTINUE HANDLING FREIGHT AND COMPLETE LOGISTIC PLANNING'S FOR MEXICAN SHIPPERS AND CONSIGNEES, FOR WHICH WE RELY ON TRANSPORTATION COMPANIES SUCH AS SOUTHERN PACIFIC AND UNION PACIFIC, AMONG OTHERS. BEING THAT OUR LINES OF BUSINESS IS VERY COMPETITIVE, WE NEED TO REMAIN COMPETITIVE IN THE INTERNATIONAL LOGISTIC FIELD, BY SECURING RELIABLE TRANSPORTATION SERVICE, BEING THIS RAILROAD OR TRUCK OR STEAMSHIPS.

THE MERGING OF UP/SP RAILROADS WILL RESULT IN FASTER ROUTES TO MEXICAN GATEWAYS AND MORE RELIABLE INTERMODAL SERVICE; BETTER TERMINALS COORDINATION; MORE CARS AND LOCOMOTIVES AVAILABILITY AND UTILIZATION; NEW SINGLE LINE SERVICE BENEFITS AND MORE EFFICIENT SHORTER ROUTES; BETTER LONG TERM RELIABLE RAIL TRANSPORTATION SERVICE FOR SP CUSTOMERS, WE DO AGREE FULLY WITH ABOVE STATED MERGE. OUR CUSTOMERS PAY US TO DESIGN THE MOST RELIABLE TRANSPORTATION SERVICE POSSIBLE AND SAME MUST BE COST COMPETITIVE. UP AND SP MERGE COULD ASSIST US THOROUGHLY AND WE WOULD OBTAIN NEW RAILROAD SERVICES THAT COULD COMPETE WITH THE EXPENSIVE TRUCKING INDUSTRY.



REWICO (MEXICO), S.A. DE C.V.

Transporte Internacional

-2-

WE AGREE WITH IT AS WE NEED TO OBTAIN COST COMPETITIVE RAILROAD SERVICE ON ITS MODALITIES OF INTERMODALISM OR RAILROAD CARS, AND WANT MORE RELIABLE AND MORE EFFICIENT LCGISTICS. WE FEEL THAT THROUGH THIS TWO RAILROADS MERGING WE WILL HAVE IMPROVED TRANSPORTATION SERVICE, AS ONE RAILROAD IS FINANCIALLY STRONG AND THE OTHER HAS EXCELLENT ROUTES AND GATEWAYS TO MEXICAN GATEWAYS, THEN, WE WILL OBTAIN MUCH BETTER EQUIPMENT MANAGEMENT AND BETTER ROUTES AND RATE OPTIONS AND TRANSIT TIMES, ETC. ALSO, UP/SP WILL BE STRONG ENOUGH AS TO COMPETE WITH BN/SANTA FE RAILROAD.

WITH REGARD TO THE TRACKAGE RIGHT TO OTHER RAILROADS, WE AGREE WITH THE UP/SP GRANTING OTHER RAILROADS TRACKAGE RIGHTS IN VARIOUS CORRIDORS AS THAT WILL RESULT IN MORE TRANSPORTATION OPTIONS AND NO MONOPOLIZED ROUTES. THIS WILL BENEFIT OUR CUSTOMERS AND ALLOW OUR COMPANY TO REMAIN COMPETITIVE IN THE INTERNATIONAL LOGISTIC MARKET.

WE SUPPORT THE PROPOSED UP/SP MERGER, FOR OUR CUSTOMERS BENEFITS. AS WE WILL HAVE BETTER RAILROAD SERVICE TO PROMOTE AND TO COMMERCIALIZE.

DO DECLARE THAT ABOVE STATED IS TRUE AND CORRECT, AND CERTIFY ON BEHALF OF THE COMPANY THAT I MANAGE AND REPRESENT THAT I AM QUALIFIED TO FILE ABOVE STATEMENT, FOR THE BENEFIT OF OUR CUSTOMERS. THIS STATEMENT HAS BEEN EXECUTED ON SEPTEMBER 4, 1995.

Claude C. Payot

CLAUDE PAJOT

GENERAL DIRECTOR

THE RICE COMPANY

1624 SANTA CLARA STREET, SUITE 230, ROSEVILLE, CALIFORNIA 95661
TELEPHONE (916) 784-7745, TELEX 6730750 BLC UW / 6731921 PFC UW, TELEFAX (916) 784-7681

October 26, 1995

Verified Statement of J. K. Kapila on behalf of The Rice Company

My name is J. K. Kapila and I am the President of The Rice Company. The Rice Company is in the business of rice processing, storage and trading. Mexico is one of our principal markets for shipments of all types of rice products. The Rice Company has a stake in various mills / elevators throughout Mexico, and in several states in the U.S. (Arkansas, Louisiana and Texas). The U.S. locations are served by UP, and in a few cases by SP. The company will ship over 3,000 covered hopper railcars and about 500 boxcars to Mexico this year. The final destination for the railcars would be cities throughout Mexico.

We believe that the proposed merger would be in our best interests. We enthusiastically endorse the UP/SP application. Our customers will benefit from the new services that a UP/SP merger would create. Also, there is the assurance of long-term quality for the SP lines. With the approval of the application, UP and SP will be able to combine the strengths of their rail systems. As a result, both us and the receivers will enjoy improved and new services. For example, UP/SP will be able to provide single-line service to all major Mexican border crossings. This greatly boosts our company's service to our customers.

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

Sincerely, The Rice Company

J.K. Kapila President

4-2012

Verification

I, J. K. Kapila, declare under penalty of 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.

41-11-



W. R. COWLEY SUGAR HOUSE

RIO GRANDE VALLEY SUGAR GROWERS, INC.

(210) 636-1411 • FAX (210) 636-1449 • P.O. DRAWER A • SANTA ROSA, TEXAS 78593

JACK NELSON
President
Chief Executive Officer

VERIFIED STATEMENT

OF

JACK NELSON

on behalf of

RIO GRANDE VALLEY SUGAR GROWERS, INC.

I am Mr. lack Nelson, President-Chief Executive Officer of Rio Grande Valley Sugar Growers, Inc., P. O. Drawer a, Santa Rosa, Texas 78593. My responsibilities at RGVSG include all aspects of managing the sugar mill, from negotiating contracts for the sale of sugar and molasses; production of sugar and molasses; field and factory operations; maintaining accurate costs; and working with local, state, and federal governmental officials and laws relating to the sugar industry. My background includes working in the sugar industry since 1959.

From 1973 to 1986, all the sugar produced in the Rio Grande Valley was shipped by rail. Rio Grande Valley Sugar Growers, Inc. does not presently ship its sugar by rail; however, that possibility always exists for the future. Approximately 40% of the 55,000 tons of molasses produced annually by RGVSG is shipped by rail. This molasses goes to various parts of the country, presently into West Texas, Dallas, and Kansas.

We understand that Southern Pacific and the Union Pacific Lines are requesting authority to merge. We have no opposition to the proposed merger of these organizations. We feel that this merger would result in improved efficiency of the rail lines without a reduction in service. We believe that the proposed merger would provide significant benefits to shippers. Our company supports the application.

Verified Statement Southern Pacific-Union Pacific September 29, 1995 Page Two

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

Jack Nelson

STATE OF TEXAS

COUNTY OF HIDALGO

foregoing document, knows the facts asserted therein, and that the same are true as stated.

Jack Nelson

Subscribed and sworn to before me this

day of c

, 1995.

Notary Public

My Commission Expires:

10/13,97



Interstate Commerce Commission:

I am Jim Ayers, Sales Manager for Ritchie Sand. I have 25 years experience in sales and marketing. In 1992 I completed a Master of Science degree, with a double major in Marketing and Strategic Planning. I have spent the last several years as a marketing consultant in the aggregate business and 6 years prior to that I worked for Martin Marietta Aggregates. In 1995 Ritchie hired me to develop rail transportation for their companies.

Ritchie Sand produces 1,500,000 tons of sand a year. Ritchie Sand manages a fleet of 50 semi trailer trucks. We have been in the sand business since 1950. Ritchie also owns Ritchie Paving, Allens Ready Mix, and Rich-Mix products. Ritchie owns 3 asphalt plants, 3 ready mix plants, 2 sand plants and a bagging operation. Three of these plants currently has rail service. One is BN served and two are served by the UP/KSW. Within the next 18 months all operations, except one sand plant will be moved to a location that has rail service. One new site will be SP/BNSF the other will be BNSF. The third is currently in negotiation.

Currently, 100% of the rock used by Ritchie is trucked in. Most of this will be switched to rail. Ritchie Sand has initiated contracts that will begin sand deliveries, by rail, to Mill Creek, Oklahoma and Springfield, Mo.

The Ritchie companies strongly support the proposed SP and UP merger. All of the above shipments are on other railroads. The merger will in some cases provide us with a second way of getting to our destinations. Most importantly is that the merger will open markets that we presently cannot ship too. The merger could increase our sales in a most desirable manor.

Respectfully.

Sales Manage

3500 North West Street • Post Office Box 4048 Wichita, Kansas 67204 (316) 943-3500

Fax (316) 943-1328

VERIFICATION

STATE OF Kansas)
COUNTY OF Sedgwick) ss.)
Jim Ayers	, being first duly sworn, deposes and says that he has
read the foregoing document, kr	nows the facts asserted therein, and that the same are true
as stated.	
	Name-Typed
Subscribed and sv	Notary Public
My Commission Expires:	CHERYL J. BREWER NOTARY PUBLIC STATE OF KANSAS My Apot. Exp. 4444



Personalized, dependable intermodal service

P.O. Box 2018, Doylestown, PA 18901 • 215-270-0700 • FAX 215-230-0918 • 1-800-220-8587

VERIFIED STATEMENT OF TED KURIGER

on behalf of

ROCKWELL INTERMODAL INC.

My name is Theodore G. Kuriger. I am Vice President and half owner of Rockwell Intermodal. We are an intermodal Shippers Agent or IMC. We currently hold volume contracts with all major railroads in the U.S. as well as Canada. We ship everywhere in North America. Before Rockwell I was Sales Manager at R & E Consolidation for over four years. R & E is also a shippers agent. Prior to R & E I worked for Roadway Express.

As has been stated, Rockwell Intermodal is a shippers agent serving all of North America. We will ship thousands of truckloads in the course of a year. Over 60% of our shipments travel cross country and therefore a large percentage find themselves routed via SP or UP. Most of these routings are either Chicago to L.A. or St. Louis to L.A.

We here at Rockwell strongly support the merging of the Union Pacific and the Southern Pacific. We believe that this will improve service as well as competition. This merger is definitely in our company's best interests.

As things stand now we believe that both the UP and the SP are in a vulnerable position because of the BN/ATSF merger. If the UP nad SP can merge this will undoubtedly help with competition. Combined the UP and SP will be able to offer effective East-West competition against BN/SF that neither can acheive by itself. This is particularly important in the intermodal business.

In addition, we belive that service levels will rise as a result of this merger. Many lanes will become more direct and by combining the two companies we believe that most of the inefficiencies that we are experiencing now will be overcome. As of now the SP is having a very difficult time keeping up with customer demands and bottlenecks as well as lack of power are the norm. If the SP doesn't do something soon I expect that it's customer base will begin to erode. We believe that the merger will help them improve their service which has become by far the worst in the business.

Once again, let me state that we here at Rockwell wholeheartedly endorse this merger and are available for any questions that anyone may have for us in regards to this.

I, Theodore G. Kuriger 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 10-27-95

Pristing Mille Signature: Theodore S. Kuniga

Post Office Box 3967 Lubbock, Texas 79452 (806) 747-2581

VERIFIED STATEMENT

OF

Russell E. Womack

October 3, 1995

I. Name, title, responsibilities and credentials

Russell E. Womack President Russell E. Womack & Co. 1300 E. 42nd St Lubbock, Tx 79404

806-747-2581, phone 806-747-2583, fax

II. Descriptions of company, products, facilities carriers, traffic patterns and use of rail transportation

Russell E. Womack & Co., Lubbock, Texas, is a purchaser, packager and windlesale distributor of dried beans. We have been in business for over 50 years and I have been directly involved in the business since 1942. We purchase beans from various suppliers in the North Western states and receive shipments by rail car.

I have been advised that the Union Pacific and the Southern Pacific are to make a request to combine their rail systems. Russell E. Womack & Co. supports this request as it will open up single line rail haulage to new and existing suppliers which we do business with.

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

I, Russell E. Womack, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on September 28, 1995

Signature

Post Office Box 3967 Lubbock, Texas 79452 (806) 747-2581

VERIFICATION

STATE OF TEXPS

COUNTY OF LUBBOCK

Russell E. Womack, 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.

Russell E. Womack

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

Notary Public

My Commission Expires:

12-77-95





P.O. BOX 1087 SALEM, OREGON 97308 (503) 393-1193 FAX (503) 393-1052

VERIFIED STATEMENT
of
CHUCK MOORE
on behalf of

SANTIAM MIDWEST LUMBER COMPANY

My name is Chuck Moore, I am the Vice President of Santiam Midwest Lumber Company. I have been in the lumber business for over 38 years working in manufacturing for 11 years, and in the brokerage side of the business for the past 27 years.

Santiam Midwest Lumber is engaged in the wholesale supply of lumber and plywood products. We currently ship our products from the Oregon market (both SP and UP served points) to Grand Rapids, Michigan, as well as the Los Angeles area, Arizona and Texas.

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

The important benefit to my company will be the overall improvement in our rail service. Currently the service we endure from the Southern Pacific is poor. We suffer from long transit times and delays in delivery. As a result of the merger there should be many improvements in service as well as significant mileage savings on some of our shipping routes. Our route into Texas should benefit from a significant mileage savings, as well as our route to Michigan. We would also gain new single line service from Oregon to points in California, Arizona, Texas, and the Midwest served by UP. Union Pacific has stated they would make improvements in service to reduce congestion at various terminals as well as creating greater overall efficiency. This should lead to reduced transit times and better rates.

Improvements would also come to Southern Pacific's I-5 corridor, where service has been poor. SP's traffic has suffered from congestion at yards such as Eugene, Roseville, and Colton. Union Pacific will spend the necessary capital dollars to improve those yards. The resulting improved service will benefit our company by reducing transit times and making rail traffic more competitive with trucks through the I-5 corridor. This will allow us to make greater use of rail for out shipments.

Another problem that we have encountered is a lack of equipment. Southern Pacific simply does not have the capital resources necessary to correct such a problem. Union Pacific, however has a large fleet of cars and after the merger, equipment availability should be much better. The combined UP/SP car fleets should lead to better utilization of rail cars and should allow for quicker car turn around times. These will be direct benefits to our company.

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

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

Executed on 3/0 Oct 1995.

Scarpelli Materials, Inc.

1600 Rand Road . Des Plaines, Illinois 60016-3550 . 708-298-8636

Commercial

Industrial

Residential

October 24, 1995

Interstate Commerce Commission Washington, DC

My name is Daniel Scarpelli. As President and Owner of Scarpelli Materials, Inc., I am responsible for the shipment of a number of mineral and aggregate commodities with origins primarily in the West, and destinations throughout the United States. We ship via rail, truck, and barge. We have two facilities in Lemont, Il., one in Montgomery, Il., and one in West Chicago, Il.

SMI also acts as a handling agent (transloader) at a number of locations in the Chicago area. In this capacity, we transload materials from carload shipments to truck for delivery. This activity involves both mineral and metals commodities.

I believe that the merger of the Union Pacific and Southern Pacific railroads will be in my company's best interest. As a a shipper which uses both systems, I see the benefit of a financially sound carrier capable of serving many areas with single line rail service. The reduced transit time and more frequent and reliable service is of benefit to us. We believe that we will be able to solicit business in markets that were previously unreachable due to the costs and delay inherent in interline moves. This is particularly true in the case of low valued aggregates that currently move via cut rate truckers. In addition, we feel that we may be able to convert some of our barge traffic to rail, thus lowering our inventory costs and improving our delivery time.

The combination of the financially sound UP with the market reach of SP should create a carrier capable of competing with the newly merged BNSF and with trucks and barges as well. I believe that approval is in the bast interest of the shippers and the public.

Scarpelli Materials, Inc.

1600 Rand Road · Des Plaines, Illinois 60016-3550 · 708-298-8636

Commercial

Industrial

Residential

day of October, 1995.

2-

SMI supports the proposed merger and asks that the Commission approve the application.

Sincerely

Daniel A. Scarpe Vi

President

Scarpelli Materials, Inc.

Subscribed and sworn before

Signed: SEFFREX BOCARBELLI

MY COMMISSION EXPIRES 7/26/98

468

SHAPIRO BROTHERS

SCRAP IRON & METAL PROCESSORS

Phone: 314/937-9185

NINTH AND DELMAR

FESTUS, MO. 63028

October 10, 1995

TO WHOM IT MAY CONCERN:

Shapiro Brothers supports the prosed Union Pacific/Southern Pacific merger. We feel we will experience many benefits as a result of bringing these two railroads together.

As a scrap shipper, the merged UP/SP will benefit us greatly. Transportation plays a very important role as to where we sell our scrap metal. We have a hard time selling scrap metal to a steel mill located on other railroads. We would like to do more business with CF & I located in Pueblo, CO on the DRGW Railroad. With this merger I believe we will have that opportunity.

This merger would also increase car utilization and decrease terminal time. If the cycle time of gondola increases then the customers have the ability to ship more scrap metal.

In conclusion, Shapiro Brothers strongly supports the proposed merger because we feel the benefits experienced in market opportunities, equipment issues, and service are good for the scrap metal market. This allows Shapiro Brothers to be a more effective player in the market.

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

Ginny Haeusler, Financial Officer, 26 years

Shapiro Brothers, Inc.

Annual tonnage shipped 72,000

Served by Union Pacific Railroad

markets through out the United States

11-30-95 A 1648V13 4/5 32760

VERIFIED STATEMENT OF JAMES F. SANNEBECK SHARP FREIGHT SYSTEMS, Inc.

I am James F. Sannebeck, President of Sharp Freight Systems. Sharp Freight Systems is currently located at 1596 N. Brian Street, Orange, CA 92667. As the President of Sharp Freight Systems, I oversee the entire operations of the business. My Masters of Business Administration allows me to view our organization from a micro and macro prospective. Coupled with my educational background and fourteen years in the intermodal market I firmly believe my opinions echo those in the intermodal marketplace, "Support the Union Pacific / Southern Pacific merger."

Sharp Freight Systems currently controls the movement of 12,000 units annually on a transportation budget of twenty million dollars. As an Intermodal Marketing Company (IMC) Sharp Freight Systems markets the services of all railroads to various customers throughout the United States. Being based in Southern California, Sharp Freight Systems has captured a market niche which produces traffic in and out of Southern California. Currently there are only three choices for our customer base, Santa Fe, Union Pacific and Southern Pacific.

We are currently strong partners with the Santa Fe, but we must keep all railroads competitive to allow options for our numerous customers. Union Pacific has been a small player with us in the past as they do not have efficient routes to many markets our customers demand. The UP is strong financially but lacks access to numerous states; while Southern Pacific has many excellent routes but lacks the volume and capital to take advantage of its opportunities. The merged system will be able to overcome these bottlenecks and to apply capital dollars where they will accomplish the most. This should result in stronger overall competition. It is important that this competition be maintained and for the long term viability of the Southern Pacific and Union Pacific, the merger is required.

The BN/Santa Fe will be nearly twice the size of both the Union Pacific and Southern Pacific. Combining the Union Pacific and Southern Pacific will create a competitor that is fully equal to BN/Santa Fe in all major western markets. Union Pacific/Southern Pacific will be able to match BN/Santa Fe service time and reliability in the California-Chicago markets, as well as establish other services on a single-line system that has not been possible in the past. Mainly the trucking industry has dominated the Interstate 5 Corridor between the Pacific Northwest and California.

We understand that the Union Pacific and Southern Pacific are requesting the authority to merge. We strongly support this as a means of improving service with a financially sound and single line access carrier, while strengthening competition.

- The Union Pacific/Southern Pacific will be able to provide single-line service to all major Mexican border crossings via shorter, more efficient routing. The combined railroad will offer more expedited, pre-blocked and pre-cleared trains to and from interior points in Mexico. Currently interchange hangups between the Union Pacific and Southern Pacific at San Antonio to and from Southern California create delays that do not compete with truck carriers.
- The merged system will provide the first truck competitive service from Seattle/Tacoma to and from both Northern and Southern California. This is a corridor which has been monopolized by the trucking industry for years. Currently 90% of our traffic in this corridor is handled by the trucking industry because rail has been uncompetitive in both price and transit times.
- Shorter routes offered by the Merged Union Pacific/Southern Pacific will create more reliable, faster and frequent service in key corridors. For example, Chicago to California, Memphis to California and Seattle to California are to name a few. This improved routing should directly compete with the BN/SF merged service and truck operations.
- Terminals will be coordinated in numerous locations such as St. Louis, Kansas City, Memphis, Chicago and Los Angeles. This will increase pre-blocking of trains which allows traffic to be run around terminals eliminating unnecessary delays and improve overall efficiency. The efficiency will benefit our customer in reduced transit time and reduced cost.
- Consolidation of Union Pacific/Southern Pacific will have a positive effect of increasing equipment availability, due to shorter, faster routes, and more efficient handling of equipment in newer coordinated terminals. The availability of alternate routes will allow the merged railway to handle manifest traffic and intermodal traffic more efficiently by routing each category over separate corridors. For example, intermodal equipment will move efficiently between California and the Pacific Northwest directly competing with highway carriers.
- The difference in the timing of peak seasons for the two railroads plus the effective use of triangulation and backhaul moves will improve equipment supplies for our customers. Better utilization translates to lower costs for all to enjoy.

- Customers are concerned about the long term survival of the Southern Pacific Railway. Phil Anschutz has said, "that Southern Pacific simply can't make it alone in the wake of the BN/Santa Fe merger." We are concerned about the Southern Pacific Railroad ability to perform. Our volume has dropped 40% in fiscal 1995 due solely to service related problems on the Southern Pacific Lines.

I can see a multitude of additional benefits once the railroads are combined and they have had an opportunity to maximize their efficiencies. I believe that the proposed merger would provide significant benefits to our shipping community. I personally, on behalf of Sharp Freight Systems, support the application for a merger and recommend an expeditious approval of the application.

VERIFICATION

I, James F. Sannebeck, declare under penalty of 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.

James F. Sannebeck Sharp Freight Systems

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 Siemens Transportation System, Inc. Mass Transit Division

> > Submitted by:

Robin Arthur Stimson Director Business Administration Siemens Transportation System, Inc. Mass Transit Division 3035 Prospect Park Drive, Suite 150 Rancho Cordova, CA 95670

October 19, 1995

October 19, 1995

SIEMENS

MERGER SUPPORT STATEMENT

OF

ROBIN ARTHUR STIMSON

on behalf of

Siemens Transportation Systems, Inc Mass Transit Division

Siemens Transportation Systems (STS), Mass Transit Division is the leading U.S. supplier of light rail vehicles for urban mass transit. The division is headquartered in Rancho Cordova, California with the principal vehicle assembly facility located in south Sacramento with direct access to the Southern Pacific. STS Mass Transit currently operates three field offices in support of operating light rail vehicle fleets in St.Louis, MO, Denver, CO and San Diego, CA. In addition, STS Mass Transit also has a carshell manufacturing plant located in Carson, CA with access to the Southern Pacific.

STS Mass Transit typically ships between 30 and 50 completed light rail vehicles from its facility in Sacramento, CA to the customer sites located currently in St.Louis, MO, San Diego, CA, Denver, CO as well as Portland, OR and Los Angeles, CA in the near future. The completed light rail vehicles are tarped and shipped via a pool of dedicated 90ft flat cars specifically modified to accompdate the vehicles.

As a company which has relied on SP service, we welcome this merger as ensuring that we receive top-quality rail service from a financially sound carrier.

We ship many of our vehicles directly east from Sacramento to destinations such as Salt Lake City, Denver and St.Louis. We expect that as a result of the merger shorter and more efficient routes combining the lines of both railroads will reduce the overall shipping time. Our shipments are normally very time sensitive and we are therefore supportive of all attempts to optimize shipment routings.

Many of the service delays we have expereinced in the past resulted from interchanges at various terminals in Salt Lake City/Ogden or St.Louis. From the merger we expect seamless movement through these important terminals to avoid any bottlenecks.

As a member of a large multi-national corporation we understand the competetive benefits a merger can provide and we as a customer of the Southern Pacific would expect the synergies developed through the merger to translate into not only service

SIEMENS

Merger Support Statement Page 2

improvements but also cost savings which can be passed along to the railroad's customers.

Most importantly, however, STS Mass Transit has always been concerned regarding the short- and long-term viability of the Southern Pacific Failroad. We have in the past had major problems using the SP due to severe lapses in ocomotive power availability and service performance. We realize that efficiency improvements and boot-strapping from the SP cannot solve many of the service problems alone. The merger will provide the SP with the capital needed to compete successfully and hopefully to optimatize its service.

I, Robin Stimson, declare under penalty of 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.

Sincerely.

Robin Arthur Stimson

Director Business Administration

SIERRA-SUNPOL RESINS, INC.

2475 Crocker Circle, Fairfield, CA 94533 (707) 437-4697 - Fax (707) 437-4698

October 9, 1995

Verified Statement of
BARRY E. BROMSTEAD
on behalf of
SIERRA-SUNPOL RESINS, !NC.

Interstate Commerce Commission

Interstate Commerce Commission
Union Pacific-Southern Pacific Merger Proceedings
Finance Docker No. 32760

My name is Barry Bromstead. I am President of Sierra-Sunpol Resins, Inc. My business address is 2475 Crocker Circle, Fairfield, California 94533. My telephone number is (707) 437-4697. My fax number is (707) 437-4698. As President, I oversee all functions of the company, including transportation. I have thirty years of experience in the chemical industry.

Sierra-Sunpol Resins, Inc. manufactures resins and polymers for various uses. Our major manufacturing facility is in Fairfield, California (Tolenas plant). It is served by the SP. We ship raw materials (such as vegetable oil) into our Tolenas plant by rail from various Midwest locations, such as Iowa, northeast Minnesota, North Dakota, and Kentucky. Inbound shipments connect to SP from various railroads, including UP, BN, NS and CSX. We ship finished products primarily to Charlotte, North Carolina and Charleston, South Carolina. Outbound shipments are shipped via SP connecting to either NS or CSX. We spent more than \$150,000 on rail traffic in 1994.

I support the merger of UP and SP as a means of improving service and urge the Commission to approve the merger as quickly as possible. Sierra-Sunpol expects to benefit from more efficient routes for our traffic. For example, for shipments from Tolenas to our East Coast destinations that are routed through Tennessee, the movement from the Bay Area to Memphis will be approximately 232 miles less on the combined UP-SP system than it is on the SP system. The merged UP-SP will have the opportunity to rationalize service to take advantage of the strengths of both systems, and provide better service to shippers.

Increases in efficiency and shorter routes should mean reduced transit times. This will permit us to serve our customers better, with less lead time for shipments, and more confidence that our raw

materials will arrive as needed and that our products will reach our customers on time. We have experienced some delays in shipments in the past on SP, and expect that the merged UP-SP will render more reliable service.

A major benefit of the merger of UP and SP will be improved equipment availability. The combined UP-SP will have more available equipment than does SP, and we will have access to this larger inventory of rail cars for our shipments as a consequence of the merger. Under joint fleet management UP-SP should also be able to cycle equipment more efficiently, which effectively increases the equipment available. The combined UP-SP will also have the financial strength of UP for purchases of additional equipment. SP has been struggling financially for some time, and its ability to purchase new equipment has suffered accordingly. The merger with UP should remedy this problem. I look forward to approval of the merger so that the shipping public can begin to receive its benefits.

I, Barry E. Bromstead, declare under penalty of 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.

Barry E. Bromstead



Couglas D. Smith Traffic Manager

VERIFIED STATEMENT

OF

DOUGLAS D. SMITH on behalf of SINGER FURNITURE COMPANY

To whom it may concern:

My name is Douglas D. Smith, I am Traffic Manager of Singer Furniture Company located at 3322 Hollins Road N.E., Roanoke, V. 24012. I have been employed by Singer Furniture for 27 years, with the past 22 years as Traffic Manager, my responsibilities include all transportation functions of Singer Furniture including rate negotiations, routings both domestic and international, via motor carrier, rail, ocean vessels and small packages. I am also responsible for outside warehousing at remote facilities including lease negotiations for services.

Singer Furniture has manufacturing facilities in Roanoke, Virginia, Lenoir, NC. and Chocowinity, NC as well as imported products from the Far East and South America.

Singer Furniture is ranked among the top 25 manufactures of Wooden Bedroom, Dining Room, Occassional and RTA furniture in the world.

Singer Furniture has along with seven manufacturing facilities in the United States, warehouse distribution facilities in Terrell, Tx., Chino, Ca. and Tacoma, WA..

All of Singer's manufacturing facilities are served by the Norfolk Southern Railway. The warehouse distribution facility in Chino, Ca. is served by the Southern Pacific Railroad and Tacoma, WA., facility by the Union Pacific Railroad. These two distribution facilities being the primary destination of rail traffic originating in Virginia and North Carolina.

As a shipper of box cars I strongly support the merger of the UP and SP as a means of improving service by eliminating circuitous routes thus bypassing some of the current bottlenecks, to get to the West Coast.

The cost savings to Singer Furniture on shipments to our West Coast Distribution Points by rail is about .40 cents per cubic foot of product shipped verses shipments by truck which is a significant savings.

Furniture shipments via rail have, completely disappeared on short hauls, in 1977 alone Singer Furniture shipped over 7,000 boxcars, today we will ship about 250 cars per year and without a competitive long haul carrier such as the SP and UP, more trucks will be on the roadways and the ultimate consumer will pay the price.

We Singer Furniture Company, believe the proposed merger between the SP and UP, to be a condition of survival of rail service as we know it today, and support the application for this merger.

Douglas D. Smith

I, Douglas D. Smith, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed on October 14, 1995.

Witness:





VERIFIED STATEMENT OF Richard Wilcox

on behalf of SKYWAY FREIGHT SYSTEMS, INC.

Skyway Freight Systems, Inc. submits this statement in support of the Union Pacific / Southern Pacific merger application. Skyway Freight Systems is a wholly owned subsidiary of Union Pacific Corporation, headquartered at 225 Westridge Drive, Watsonville, CA 95076 We operate our business entirely independently of Union Pacific Railroad.

My name is Richard Wilcox. I am responsible for the quality operation of all surface line hauls, both company owned and procured from outside sources.

Skyway Freight Systems is a technology-based logistics operating company. We specialize in providing customized logistics and transportation support for the time-definite and specialized freight markets. Our revenue grew by 23% in 1994, climbing to \$124 million. We ship on the UP and the SP (generally through an intermodal marketing company, or American President Distribution Services). We rely on quality intermodal service, especially in the important corridor between the San Francisco Bay Area and Chicago. We are also expanding our services into Mexico and Canada.

The UP/SP merger will provide important improvements in interraodal service for our transportation company. We envision that the UP/SP system will offer enhanced services on the routes we use and facilitate our expansion into new markets. Our eastbound traffic from Northern California to Chicago should be expedited after the merger as the merged system will be able to coordinate different types of traffic on different routes and handle extra capacity. We expect that intermodal service on the UP/SP system along this corridor will rival the service now offered by BN/SF. Combining UP's and SP's routes will produce significant savings in this lane. Improvements in Chicago area intermodal terminals also will assist us in serving our customers.

The North American Free Trade Agreement (NAFTA) has allowed us to exploit opportunities by expanding time-sensitive transportation and information services into Canada and Mexico, including door-to-door shipment tracking and customs processing. The merged UP/SP system will offer single-line service to all major Mexican gateways. These service initiatives will enable us to move more traffic into Mexico, and will allow us to tailor our business to serve our customers diverse transportation needs.

The merged UP/SP system will provide important competition for the recently-combined BN/SF. The BN/SF has the financial strength and comprehensive route structure that make it the premier rail network in the West today. The merged UP/SP system will be able to combine UP's management and capital resources with SP's attractive routes to offer real competition for the BN/SF.

SP's system today is plagued by service problems that are a result of its financial difficulties. UP/SP will have the resources to upgrade SP's system and to ensure long-term quality service on the merged system's expansive rail network. We welcome the opportunity to work with one integrated rail system for the bulk of our rail service needs. For all of these reasons, we endorse the UP/SP merger application.

Richard Wilcox

VERIFICATION

I, Richard Wilcox, declare under penalty of perjusy that the foregoing is true and correct. I further certify that I am qualified and authorized to file this verified statement. Executed on November 1, 1995.

Richard Wilcox



Verified Statement of Darrell DeHart on behalf of SNOKIST GROWERS

My name is Darrell DeHart. I am Distribution/Sales Administrator for Snokist Growers of Yakima, Washington.

Snokist Growers is a grower-owned fruit marketing cooperative in Washington, packing both fresh and processed fruit. Total tonnage processed is approximately 135,000 tons. Product is shipped both domestically and worldwide. Besides the corporate office in Yakima, Snokist has warehouses in Grandview, Sawyer, Yakima, Naches and Tieton. Our cannery is located in Terrace Heights. Contract owner/members number roughly 350, with some variation year to year. Our geographical area extends from Benton City to Naches with approximately 10,000 acres in production. Orchard size varies from five acres to several hundred acres; the average being in the 25 acre range. We are served by BNSF, but since a great deal of our product is destined to points in California reachable through the I-5 corridor, truck presently enjoys an advantage and most of this traffic moves by truck.

We support the merger of Union Pacific and Southern Pacific. This merger, coupled with the settlement agreement reached between UP/SP and ENSF, will enable us to use rail for much of our expanding business. Not only will we receive service from UPSP through their pricing authority for the first time, we will have available a new single line route via BNSF through the I-5 corridor. We will benefit from competitive single line pricing by two strong rail carriers over direct routes to our markets that previously could only be reached by cumbersome joint line routes with joint line pricing.

The combination of the financially strong UP with the route structure of SP will create a carrier capable of competing with BNSF and trucks for our business. The public benefits of enhanced competition for transportation services throughout the West and the I-5 corridor in particular, are immeasurable.

We urge the commission to approve this merger and the settlement.

I, Darrell DeHart, declare under penalty 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 25th day of October, 1995.

Darrell DeHart





SOUTHEASTERN PAPERBOARD, INC.

411 ROUSE LANE SUITE 100 ROSWELL, GEORGIA 30076 TELEPHONE 404-642-6555 FAX: 404 / 642-0695 BEFORE THE
INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760

UNION PACIFIC RAILROAD COMPANY
CONTROL AND MERGER
SOUTHERN PACIFIC TRANSPORTATION COMPANY

VERIFIED STATEMENT
OF
KATHI H. WATTS
on behalf of
SOUTHEASTERN PAPERBOARD, INC.

My name is Kathi H. Watts, I manage inbound and outbound rail transportation for Southeastern Paperboard, Inc. a position I have held for four years. Cur address is 411 Rouse Lane, Suite 100, Roswell, Georgia 30076. My telephone number is (770) 642-6555, my fax number is (770) 642-0695. I am currently exposed to all facets of rail transportation including freight rates, equipment quality and supply and service. In that position, I deal with all major railroads.

Southeastern Paperboard, is a paper sales company with a converting plant in Greenville, South Carolina and waste packing plants in Canton, Georgia and Hardeeville, South Carolina. Our success often hinges on transportation issues. Transportation costs make or break our ability to compete in certain destination markets or source from certain origins. We purchase damaged paper from locations around the country and Ship finished products out by rail. As a result, transportation is a critical part of our success. Transportation rates are key costs. Reliable, consistent switching and transit service allows us to plan our inbound and outbound movements to meet specific requirements of our customers.

We support the merger between the Union Pacific and Southern Pacific. I anticipate that the combination of SP's commercial and route network strengths with the UP's stronger service will produce a more competitive railroad. We are also impressed with UP/SP's efforts to address competitive questions through line sales/trackage rights arrangements with BN/Santa FE.

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

I, Kathi H. Watts, declare under penalty of 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.

Kathi H. Watts

Sales Representative

Lastid Watts

Southeastern Paperboard, Inc.



SPRECKELS SUGAR COMPANY, INC.

4256 HACIENDA DRIVE • P.O. BOX 8025 • PLEASANTON, CA 94588-8625 • (510) 463-3400 • FAX (510) 463-3714

VERIFIED STATEMENT OF RICHARD C. UNDERWOOD on behalf of SPRECKELS SUGAR COMPANY, INC.

My name is Richard C. Underwood, Director of Logistics for Spreckels Sugar Company, Inc. Our address is P.O. Box 8025, Pleasanton, California, 94588-8625. Spreckels Sugar Company produces refined sugar from various sources, but primarily from sugar beets.

In my present position, I am responsible for the logistics on shipments of refined sugar to various destinations, including Salt Lake City, Utah; Seattle, Washington; and Portland, Oregon. Our major facilities are located in Mendota, Manteca and Woodland, California. The Manteca facility is served by Southern Pacific, while Mendota is served by PRI and Woodland by CFNR, both short lines which connect exclusively to SP.

My previous experience has been as a Trainmaster for Conrail, as well as various management positions in various food companies, generally in the field of transportation and logistics.

Spreckels Sugar ships approximately 250 to 300 carloads of refined sugar per year from its California refineries to various destinations, including El Paso, Texas; Denver, Colorado; Salt Lake City, Utah; and along the I-5 corridor in California. Most of our business is done through the use of third-party agents. Our mair rail business, however, is the transportation of sugar beets by unit trains to our refineries from Lerdo, California; Klamath Falls. Oregon; and Mt. Shasta, California, all to Woodland, California (approximately 4,400 cars per year).

It is my understanding that Union Pacific and Southern Pacific are requesting authority from the Interstate Commerce Commission to merge. We strongly support this merger as a means of improving the service and strengthening competition in the transportation of our products. We believe that this merger will be in our company's best interests, as well as the interests of other shippers.

More specifically, we believe that our leased sugar beet unit trains will be handled more efficiently with improved transit time, thereby enhancing car supply by effecting a quicker turn-around of each unit train. These efficiencies could result in our being able to decrease the number of cars we lease. Also, the availability of improved service routes between our California facilities and points in the Midwest will allow us to negotiate more favorable transportation rates for the shipment of our raw materials, as well as our finished product. Such efficiencies will allow us to compete more effectively in the sugar industry, as well as allow us to improve our privately leased unit train fleet.

Because of the financial stability that the Union Pacific will bring to this merger coupled with its ability to invest in new equipment and facilities, we expect that the supply of railroad-owned equipment will improve, along with the efficiency of operation. Further, UP's excellent service and its proven state of the art car tracing technology will enhance equipment utilization and improve car supply to the benefit of shippers and, ultimately, consumers. These improvements will help eliminate past problems we have had of insufficient car supply, slow or erratic transit times, and other service failures which have plagued Southern Pacific in more recent times.

We strongly support the prospective merger of the Union Pacific and Southern Pacific. We believe that the benefits to us will be many and will help us to compete in the marketplaces where we trade. We believe that it is important to have two strong rail systems in the West, rather than one strong railroad, and two smaller railroads who are unable to compete effectively with the BNSF. A competitive balance is absolutely mandatory from a shipper's point of view.

I, Richard C. Underwood, declare under penalty of 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

Richard C. Underwood

Rehal C. Wilewood

VERIFIED STATEMENT OF ROSEMARY B. JONES ON BEHALF OF SPURLOCK ADHESIVES, INC.

My name is Rosemary B. Jones, Office Manager & Traffic Coordinator for Spuriock Adhesives. Inc., Malvern, AR. I have been employed at this plantsite for 23 years. This plant went into production February 1970. The plant was sold in early 1974 to Reichhold Chemical.

I was hired as a lab technician but later became Office Manager and Traffic Coordinator. responsible for tracking all raw materials into plant, doing production, ordering in raw materials, and finished goods. In order to keep track of all raw materials shipped into the plant, I developed a system.

We ship in around 22 tank cars of methanol and around 15-18 cars of urea monthly, plus 1 or 2 of phenol. All of these cars go into North Little Rock before they can come down to us. We are serviced by the UP, Including MP. Our methanol cars shipped out of Placquemine, LA make It to North Little Rock in a timely manner. Other methanol cars shipped from Woodward, OK (ATSF) seem to take forever to get to Dalias - Ft. Worth and connect to MP to go on Into North Little Rook.

Ures cars shipped from Arcadian at Woodstock, TN are given to the IC which connects up with MP at Memphis - usually in a timely manner. Urea cars shipped out of Donaldsonville, LA (MP) seem to take a lot longer working their way to North Little Rock and then back down to us. All the cars we receive go into North Little Rock before being routed on down to us.

I am all for the merger of Union Pacific and Southern Pacific. I expect it to improve service and strengthen competition.

Wa'll have more efficient service, route specialization, and competitive pricing.

The more efficient the UP and SP become, customers like Spuriock Adhesives will enjoy improved service and even other new services.

I, Rosemary B. Jones, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. Executed on October 22, 1996.

Office Manager & Traffic Coordinator

Spurlock Adhesives, Inc.

VERIFICATION

STATE OFARKANSAS)) ss.
COUNTY OF HOT SPRING)
Rosemary B. Jones, being first duly sworn, deposes and says that she has read the foregoing
document, knows the facts asserted therein, and that the same are tru: as stated.
Rosemary B. Jones
Subscribed and sworn to before me this 11th day of October , 1995.
Notary Public Gail McMillan
My Commission Expires:
7-18-96

State Sand & Gravel

13780 EAST IMPERIAL HIGHWAY
SANTA FE SPRINGS, CALIFORNIA 90670
(213) 921-9974 • (714) 994-0703

UP/SP Finance Docket No. 32760

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

October 11, 1995

VERIFIED STATEMENT OF:

Mr. Richard Mandel, Controller State Sand & Gravel Company, Inc. 13780 E. Imperial Highway Santa Fe Springs, CA 90670 PH: 310-921-9974

PH: 310-921-9974 FX: 310-921-8648

To whom it may concern,

This statement is being submitted in support of the pending application for the merger of the Southern Pacific and Union Pacific railroads. State Sand & Gravel unequivocally supports the establishment of a new, financially sound transportation partner.

State Sand & Gravel owns and operates a rock quarry in Palmdale, CA and a distribution yard in Vernon, CA. Both of these facilities are rail served exclusively by the Southern Pacific.

The Palmdale quarry extracts and processes rock and sand products which are used by construction companies in the Los Angeles basin. State Sand & Gravel ships 3600 carloads per year from Palmdale to their Vernon distribution yard. Vernon is located in the Los Angeles basin.

Although this rail traffic pattern is well established and the majority of State Sand & Gravel's product moves to market exclusively on SP lines, an increasing amount of this volume is starting to be shipped to the Los Angeles basin via truck. Service and railroad car availability concerns have forced State Sand & Gravel to use trucks as an alternative transportation vendor.

UP/SP Merger: Statement of Position

As previously mentioned, State Sand & Gravel unequivocally supports the pending Union Pacific and Southern Pacific merger. We believe that the new transportation company will be in a much better position to satisfy our needs for consistent and reliable transportation service. We look forward to having access to a larger equipment fleet and improved overall cycle times. Over the years, Southern Pacific has promised to provide highly responsive and cost effective transportation and distribution services. Unfortunately, we do not believe that the Southern Pacific alone can develop the processes

PLANT 7749 E AVE "T" LITTLE ROCK, CA 93543 (805) 944-5406 necessary to keep this promise. Therefore, we fully support the Union Pacific and their effort to acquire the Southern Pacific.

State Sand & Gravel appreciates this opportunity to be heard and looks forward to the establishment of a new and financially sound railroad partner.

RICHARD MANDEL

Controller

Verification

I, Richard Mandel, 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

Richard Mandel



STEEL INC

6245 CLERMONT STREET • TELEPHONE (303) 287-0331 • FAX (303) 287-0338 • COMMERCE CITY, COLORADO • 80022

VERIFIED STATEMENT
of
TED KARET
on behalf of
STEEL INC

My name is Ted Karet. I am the manager of purchasing of Steel Inc., located at 6245 Clermont St., Commerce City, CO 80022. Our company sells steel beams and steel plate. Much of our rail traffic is in-bound movements of steel products from Geneva Steel, located in Prove. Utah. Those movements currently originate on Union Pacific and are switched into our Commerce City facility by the BN, which provides exclusive direct service to our facility.

I am aware that Union Pacific and Southern Pacific have requested authority to merge, and particularly in view of the settlement agreement reached between UP/SP and BNSF, I support this merger.

My company will benefit from approval of the proposed UP-SP merger and the settlement agreement with BNSF. I understand that the settlement agreement would provide BNSF with direct access to Geneva Steel for the first time. This would create a new option for our company to use single-line BNSF service for our important shipments from Geneva Steel to our Commerce City location. Single line service would allow us to avoid the interchange of cars at Denver to BNSF, which now occurs on Union Pacific movements, and thereby improve reliability and transit times by avoiding unnecessary additional handling.

Moreover, with BNSF access to Geneva Steel, we would have the benefits of direct competition for our Geneva Steel movements for the first time. We will have the new option of BNSF single-line service, and the existing option of using UP/SP (with a BNSF switch at destination). Thus, we will not only have a new, more efficient service option for this traffic, but also increased competition for the movement. The proposed settlement will enhance efficiency and allow competition.

We strongly support the proposed merger and urge the Commission to approve it.

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

Executed on November 1, 1995.

Ted Karek
Ted Karet

STONE PRODUCTS C O R P O R A T I O N

VERIFIED STATEMENT

of

RICHARD BROWN

on behalf of

STONE PRODUCTS CORPORATION

Post Office Box 270 Napa, California 94559-0270 USA & Canada: 800.255.1727 International: 1.707.255.1727 Facsimile: 707.255.5572

My name is Richard Brown and I am the vice president of Stone Products Corporation. My company's address is P.O. Box 270, Napa, California 94559. I am currently responsible for overseeing the production and in bound transportation of raw materials used by my company. Our Napa facility is served by the California Northern, which connects to Southern Pacific.

Stone Products Corporation manufactures various decorative stones for the residential construction industry. Our company receives raw materials such as pumice from Bend, Oregon.

I am aware that Union Pacific and Southern Pacific have requested authority to merge their companies. The recent BN/Santa Fe merger resulted in a 20% increase in cost to our company. Service was not improved as the result of that merger.

If, as a result of a UP/SP merger, our company will have the possibility of new single line service to UP origins in Oregon and Washington that would result in better service and the suspension of the 20% freight increase, our company would support such a merger.

This should open new markets for raw materials to us. We are also aware that UP/SP and BN/Santa Fe have reached an agreement which allows UP/SP to have single pricing authority to BN origins throughout Washington, Idaho and Montana. This single pricing authority will also make new BN origins available to us for import of raw materials. We support such a pricing authority as it may lead to new market opportunities for our company.

In the past, there has been significant delays associated with traffic traveling through the I-5 corridor. These delays resulted from route congestions as well as congestion at yards, such as Roseville. Southern Pacific simply did not have the capital to make the improvements necessary to alleviate these problems. Union Pacific will be able to bring its substantial capital resources to bear to make the needed improvements. We envision a significant increase in service along the I-5 corridor which will make rail traffic rates more competitive with those of truck and allow our company to make greater use of rail traffic for our shipments.

In the past, there has been significant delays in the availability of rail cars. The combination of the equipment fleets of UP and SP should serve to alleviate such car shortages in the future. The railroads' ability to reposition and make more effective utilization of cars should result in a reduction of transit times and lead to shorter car turn-around times which is a direct benefit to our company.

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

I, Richard 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 Nov. 6, 1995

Richard Brown, VP Production

STRICKLAND Trading Inc.

101 Carnoustie Shoal Creek, AL 35242

Verified Statement
of
Craig T. Medders
on behalf of
STRICKLAND TRADING INC.

Strickland Trading Inc. is a trading company with its focus being iron and steel scrap metal. We have targeted the Southeastern and Southwestern United States. Our company has been in business for over 5 years and has grown significantly since its inception. We have worked with many different railroads in these areas and have found the UP to be one of the more customer oriented, customer friendly railroads serving our needs. Some of the other railroads we regularly utilize are as follows: CSXT, NS, SP, ATSF/BN, TM, BS.

Strickland Trading Inc. is enthused about the proposed Union Pacific / Southern Pacific merger and supports the idea of bringing these two railroads together. Several benefits to both the scrap market and our company are immediately evident as a result of the UP and SP operating as one.

First of all, it opens a formerly shut door to some new markets. In the past, it was a problem to source material from several SP facilities because a joint line rate or excessive reciprocal switch charge made the transportation cost prohibitive. In many cases, the SP switch charge to the UP was \$495.00 per car. Such a charge represents too great a percentage of the overall value of the scrap product being shipped. As a result of the merger, we will have additional opportunities with several scrap dealers, particularly in the Houston area.

Along the same lines, the proposed merger would result in more single line opportunities to the Mexico gateways. We would now have the ability to choose the most efficient route between Eagle Pass, TX or Laredo, TX. We also look forward to utilizing the efficiencies of the Despacho Previo system currently used by the UP at the additional SP gateways. It is our understanding this clearing process would be used at Eagle Pass and Nogales as a result of the merger.

In addition, many of the supplier's yards where we source scrap for Mexico will have a shorter and more efficient route to the new gateways. For example, dealers in the Midland, TX and Odessa, TX area would be closer to the Eagle Pass gateway.

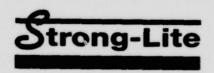
A final benefit, and one that is imperative to all scrap shippers, is the increased availability of gondolas as a result of the merger. With the two railroads working as one, it is easier to find backhaul opportunities for the equipment. This would mean improved utilization of the gondolas as the UP / SP could focus on repositioning equipment rather than spending several days switching the cars among the two railroads in the same city. As more and more mini-mills start up and increase the demand for the raw materials, the availability of gondolas will be crucial. SP has some excellent routes and will now have the equipment to take advantage. This is a great benefit for Strickland Trading Inc. as we attempt to provide the opportunity for a shipper on the SP to enter the Mexican market.

Verification:

I, <u>Craig T. Medders</u>, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file the verified statement. Executed on this 20th day of October, 1995.

(205) 995-9550

FAX: (205) 995-9549



October 10, 1995

To Whom it may concern:

In reference to Finance Docket No. 32760. I Larry N. Privett on behalf of Strong-Lite Products Corporation, supports the Union Pacific/Southern Pacific Merger.

Strong-Lite Products Corporation, ships Horticultural products to varies locations in the Southern regions of the United States.

Strong-Lite Products 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 Union Pacific/Southern Pacific application.

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

Larry N Privett

Operations Manager

Strong-Lite Products Corporation

Ramy Newsto

(501) 536-3453 • 800-255-9057 • Fax (501) 536-1033



STRUCTURAL WOOD CORPORATION

PHONE (612) 426-8111 WATS (800) 652-9058 FAX (612) 426-6859

Verified Statement

October 12th, 1995

of

Kurt Schumacher on behalf of Structural Wood Corporation

My name is Kurt Schumacher and I am the purchasing manager for Structural Wood Corporation located at 4000 Labore Road, St. Paul, MN 55042. I have been responsible for the purchasing and transportation of structural wood products for the past ten years. Typically, each year we receive about 40 carloads of material into our location and an additional 20 cars per year go directly to our customers.

Structural Wood Corporation has been a wholesale supplier and distributor of structural wood products for 28 years. At least 80% of the products that we buy come in via rail. Our primary locations that we get our products from are Houlten Main (serviced by the CP), Wilmington North Carolina (serviced by the CSXT), Red Bluff California, Fernley Nevada and Vaugn Oregon (serviced by the SP). We are serviced by a local switching company called the Minnesota Commercial.

We understand that the Union Pacific and the Southern Pacific are requesting authority to merge. We strongly support this as a means of improving service - particularly delivery times. The merger will certainly make more railcars available to the plants that ship to us. We almost always experience a week delay because the plants can not get railcars quick enough. We also believe that the merger will make more engines available to move the railcars once they are loaded. Currently we nearly always experience another 1-2 week delay because the railcars are "waiting for power". Recently we considerably reduced the number of cars that we get out of Fernley Nevada because our company could no longer put up with the constant delays occurring with our railcars on the Southern Pacific railroad. We switched our buying of this particular product from Fernley Nevada to Wilmington North Carolina. It is extremely important for us to get reliable service from the Southern Pacific for our primary goods and the SP has demonstrated again and again that they cannot handle the task reliably.

Verification

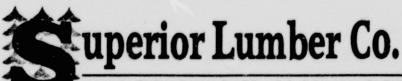
State of Minnesota County of Ramsey

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

Kurt Schumacher

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

My commission expires: 1/31/2000 Motary Public



2695 GLENDALE VALLEY RD. • P.O. BOX 250 • GLENDALE, OREGON 97442

October 16, 1995

Verified Statement on behalf of Superior Lumber Co.

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

My name is Mitch Swanson and I am Sales Manager of Superior Lumber Co. which is located in Glendale, Oregon on the Central Oregon and Pacific Railroad (CORP). We manufacture green dimension lumber and plywood.

Our primary market is to California with some products moving to Texas, Oklahoma and various other destinations. In 1994, we shipped 867 boxcars and flatcars via Southern Pacific. Our traffic is presently interchanged to Southern Pacific at Eugene, Oregon and Black Butte, California.

We see many benefits that will be the result of the merger between Union Pacific and the Southern Pacific. The merged system will provide us with shorter single line routes to the Eastern gateways. It will also improve the amount of equipment supplied to our facility in Glendale, Oregon. We see this merger as necessary in order for Southern Pacific to compete with the recently merged system of Burlington Northern and the AT&SF. The merger of the Union Pacific and Southern pacific will provide a healthy competitive environment in the West. The recently signed agreement on trackage rights and sale of some tracks between the UP/SP and BNSF should eliminate any competitive concerns that the public would have in the approval of this merger. Superior Lumber Co. strongly supports the UP/SP merger application.

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

Mitch Swanson Sales Manager

Executed on October 16, 1995.

Lumber & Plywood Divisions

Office: (503) 832-2153 Sales: (503) 832-2151 FAX: (503) 832-2893 Veneer Division

Office: (503) 832-1121 Sales: (503) 832-1130 FAX: (503) 832-1139 Superior Timber Co., Inc.

Office: (503) 832-1121 FAX: (503) 832-1139



A KONNIE ENTERPRISE 503-935-2231 - FAX 503-935-1287 NOTI, OREGON 97461

SPECIALIZING IN PRODUCTION OF QUALITY FINISHED LUMBER FROM FIR

CEDAR AND HEMLOCK

October 27, 1995

Interstate Commerce Commission Attention: Finance Docket #32760 1201 constitution Ave. NW Washington, DC 20423

VERIFIED STATEMENT
OF
JAY CHRISTIANSEN
on behalf of
SWANSON BROS. LUMBER CO.

To whom it may concern:

As Sales Manager of Swanson Bros. Lumber Co. for the past seven years, my responsibilities include lumber sales and transportation manager. I have worked in the lumber industry for over twenty years and have relied on Southern Pacific Railroad for lumber shipments to our various vendors.

Swanson Bros. Lumber Co. is a complete lumber mill located in Noti, Oregon. We specialize in the production of larger dimension and clear lumber. Swanson Bros. Lumber Co. is and has been dependent on the use of rail cars for the transport of lumber for the past fifty years. Southern Pacific has been an excellent source of rail car transport and is essential to the sale of our lumber.

Our company ships lumber to California, Illinois, Canada and other destinations throughout the U.S. and Canada.

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

Verified Statement UP/SP Merger - Page 2 October 27, 1995

A UP/SP merger would definately benefit our company's by opening new market areas. It would provide us with single line service to Nevada, Central California, and to the mid-west including export lumber to Texas ports. Equipment availability would also greatly improve.

VERIFICATION

I, Jay Christiansen, declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verification statement executed on October 27, 1995.

lay Christiansen, Sales Manager



CORPORATE OFFICE

5601 W. MOHAVE • PHOENIX, ARIZONA 85043 (602) 269-9700 / FAX (602) 272-9917

VERIFIED STATEMENT OF JON STEPHANOFF SWIFT TRANSPORTATION

I was very pleased to hear of the proposed merger of the Union Pacific and Southern Pacific Railroads, and on behalf of Swift, we extend our hearty support.

My name is Jon Stephanoff and I am the Director of Transportation for Swift Intermodal, located at 5601 West Mohave, Phoenix, AZ 85043. Swift Transportation is a large over the road carrier, employs five thousand, and maintains operations in eighteen states across the country. We receive \$500,000 annually in transportation revenue which until two years ago was strictly over the road handling.

Swift Transportation now also participates in the intermodal arena and is enjoying the benefits of utilizing railroads in corridors that are beneficial to us in cost and service. We have entered into transportation contracts with various U.S.A. railroads, but have used both UP and SP mainly on the west coast.

We look forward to the exciting opportunities that will now be available to us due to the expanded network. Of particular interest, is the Los Angeles-Chicago lane, which looks to be an area of traffic growth for Swift in the future. In general, the merger appears to offer a more consistent transcontinental network of service that allows us a single source service. Simply stated, from a shippers standpoint, this is a joint venture that truly makes sense.

We also have a major interest and investment in the I-5 Corridor between Portland/Seattle and southern California as we have purchased Roadrailer equipment, and land for ramp operations and entered into contracts with the Southern Pacific Railroad for full trainloads in this corridor. We anticipate this operation to exceed sixteen thousand units annually. Because of our large investments and plans for future growth we depend on a strong and healthy railroad system.

We are confident that a UP/SP merger will provide the assurance of long-term, top quality service from a financially strong system. Again, we want there to be no question that Swift Transportation fully supports the merger and encourages quick approval of their application.

VERIFICATION

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

MH lember (Signature)



5600 UNIVERSAL DR.

MEMPHIS, TENNESSEE 38118

901/368-5600

VERIFIED STATEMENT of DAVID R. JERNIGAN on behalf of IEX. INC.

NY NAME IS DAVID R. JERNIDAN. I AM BENERAL MANAGER DE TOX. INC., FAME UNIVERSAL DRIVE, MEMBERS. IN 38118. I AM WRITING IS VOICE MY LUMPORT FOR THE MERGIR OF THE UNION PACIFIC AND SOUTHERN PACIFIC FALLROADS, NOW BEFORE THE INTERSTATE COMMERCE COMMISSION IN FINANCE DOCKET NO. 32760 (UNION PACIFIC. et al. - CONTRIL AND MERGER, SOUTHERN PACIFIC ROLL CORP. et al.).

I HAVE BEEN IN THE THOMSPURISTION CITED FOR 45 YEARS. FOR THE PAST IN THE STAND I HAVE BEEN HE GENERAL MANAGER OF TOX, INC. AS DENEMBER MANAGED I AM RESPONSIBLE FOR THE OPERATIONS OF THE ENTIL COMPANY ONLY SUPPORT DIRECTLY TO THE OWNERS OF TOX. INC. BEFORE COMING TO TOX. I WORKED FOR GURDONS PRONCEORTS. INC. AS TRAFFIC MANAGER.

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IN ADDITION, TOX WILL BENEFIT FROM CAPITAL INVESTMENT THAT UNION PACIFIC AND SOUTHERN PACIFIC HAVE PLANNED TO FOLLOW THE MERGER. FOR EXAMPLE, THE PLANNED IMPROVEMENTS IN THE INTERMODAL TERMINAL IN MEMPHIS AS WELL AS THE COORDINATION OF INTERMODAL YARDS IN LOS ANGELES SHOULD IMPROVE INTERMODAL SERVICE.

THE MERGER OF UNION PACIFIC AND SOUTHERN PACIFIC SHOULD ALSO IMPROVE EQUIPMENT AVAILABILITY, AN ISSUE OF PARTICULAR CONCERN TO US. BY REPOSITIONING THEIR COMBINED EQUIPMENT FLEIT MORE EFFICIENTLY - USING BACKHAUL AND TRIANGULATION OPPORTUNITIES, FOR EXAMPLE - AND BY USING ALTERNATE ROUTING TO AVOID TERMINOL CONCESTION, UNION PACIFIC AND SOUTHERN PACIFIC SHOULD BE ABLE TO MORE MORE EQUIPMENT AVAILABLE TO COSTOMERS LIKE TOX.

THE RECENT AGREEMENT CONCLUDED BETWEEN UNION PAICIFC/SOUTHERN PACIFIE AND BURE INSTON NORTHERN/SANTA FE ENSURES THAT THE MERGEN WILL RESULT IN NEW COMPETITIVE OPPORTUNITIES FOR TOX. BUREINGTON MORTHERN ENDING FRANCISCOUTHERN ENDINGS RIGHTS IN NORTHERN ENDINGS FOR TOX. BUREINGTON NORTHERN ENDINGS FOR TOX. BUREINGTON NORTHERN ENDINGS FOR TOX. BUREINGS IN NORTHERN ENDINGS FRANCE WHICH WILL GOVERNOON. THIS MEANS THAT FOLLOWING THE STANKE OF THE FOLLOWING THE GOVERNOON. THIS MEANS THAT FOLLOWING THE GOVERNOON. THIS MEANS THAT FOLLOWING THE GOVERN THERE IS NOW. THE DESCRIPTION OF THE BUREINGS BUREINGSTON NORTHERN/COMPANY OF TROUBERS FOR THE BUREING THE THORTON TO CATIONS, WHICH WORLD BUREINGS FOR TERMS OF THE BUREING THE BUREINGS CARRIERS

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Timberlake Sales, Inc. P.O. Box 7510 Springfield, Illinois 62791

Verified Statement of Pete Crawford on behalf of Timberlake Sales, Inc.

My name is Pete Crawford. I am Feed Ingredient Merchandiser for Timberlake Sales, Inc. with offices in Springfield IL. I attended Union College in Schenecatdy, New York. Since 1983 I have been employed by Timberlake Sales. I am responsible for the purchase, sale and transportation of feed ingredients. I am familiar with the transportation needs of our company.

Timberlake Sales, Inc. buys, sells and arranges for the transportation of feed ingredients. We ship from our rail served facility in Chillochothe, Illinois to destinations in Texas, New Mexico, Arizona and the West Coast. While our facility is served by ATSF (not BNSF), we ship to many points on both UP and SP. Our overall annual rail volume is about nine thousand carloads.

We support the merger of Southern Pacific and Union Pacific. The improved service on the merged system from the junction to points served by UP and SP will be of benefit to us and our customers. The benefits of dealing with one fewer carrier with an improved route structure are many. Rationalized routes, consolidation and improvement of terminals, and the elimination of congestion translate into reduced transit time, improved supply and utilization of equipment, and better and more dependable service.

In addition, the expanded reach of the merged system will open up new markets for us in Central California and Arizona.

We believe that the combination of the strengths of the two systems will allow us to better compete with carriers that move traffic single line on the merged BNSF. Viable competition in transportation in the West is assured by approval of this merges.

We urge the Commission to grant approval to the application.

I, Pete Crawford declare under penalty of perjury that the foregoing is true and correct. Further I certify that I am qualified and authorized to file this verified statement. Executed this 26th day of October, 1995.

OFFICE: 405-946-1403

TOM L. DAVIS lumber co

3022 N.W. EXPRESSWAY . MAY-EX BUILDING . OKLAHOMA CITY. OKLAHOMA 73112

October 30, 1995

Verified Statement
of
Tommy Davis II
on behalf of
Tom L. Davis Lumber Company

My name is Tommy Davis II. I am president of Tom L. Davis Lumber Company. The company address is 3022 NW Expressway Suite 311 in Oklahoma City, Oklahoma. I have been involved with the company for 25 years and I am currently responsible for managing the entire operations of the company.

Tom L. Davis Lumber Company is a lumber brokerage firm. We import Douglas fir from Oregon, Washington and Northern California as well as redwood from Northern California. We also ship cedar and pine boards by car from the coast. A large portion of this lumber originates on the Burlington Northern and Union Pacific railroads as well as the Southern Pacific.

We are aware the Union Pacific and Southern Pacific intend to merge. We support such a merger.

As a result of this merger, we will receive new single line service from Southern Pacific served origins to Union Pacific served destinations. This opens up substantial new markets for our company and we anticipate receiving new business as a result of this change.

We also expect that as a result of the merger Union Pacific will be to making improvements in service to reduce transit time. They are expected, for example, to make improvements at major terminals as well as on line segments, such as a realignment through Salt Lake City and Ogden. We believe such improvements will lead to a reduction in transit times and should help to make our rail shipments more cost effective.

Finally, we have been fearful the Southern Pacific is a financially weak railroad and would not be able to survive over the long run against the merged Burlington Northern/Santa Fe. Southern Pacific simply does not have the financial resources necessary to make major capital improvements in equipment and rail, and cannot afford to update vital service functions. We feel the Union Pacific will bring its financial resources to bear to alleviate this problem, and the Southern Pacific/Union Pacific will be a strong, financially viable rail carrier able to compete effectively with the Burlington Northern/Santa Fe.

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

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

Executed on	10.30-95
	(A) -
	Commandar of
	TOMMY DAVIS II

My Commission Expires Jan. 24, 1995

Tranco, Inc. 1126 South 70th Street Suite SM8 West Allis, WI 53214

Telephone 414-475-3180 FAX 414-475-3256

Verified Statement

06

Edward P. Henry

on behalf of

Tranco, Inc.

My name is Edward P. Henry and I am President of Tranco, Inc., a heavy rigging and transportation company. We are located at 1126 South 70th Street, Suite SM8, West Allis, Wisconsin 53214.

I have held this position since July 1989. My past experience is; 1952-1970 with railroads, 1970-1983 Allis Chalmers Corporation, Milwaukee, Wisconsin as Traffic Manager, 1983-1989 Dawes Rigging & Crane Rental, Milwaukee, Wisconsin as Project Manager, and 1989-present as President of Tranco, Inc.

As stated, we are a heavy rigging and transportation company working for several Fortune 500 companies as a third party provider of transportation services. Our main thrust is the oversize/overweight products. We furnish suitable rail cars, clearances, loading, blocking, securing, routing, billing, insurance, unloading, and installing of equipment.

We originate shipments at all major ports to power plants within the United States. We also do the same for domestic shipments originating at the customer's plant, "anywhere U.S.A.". We also handle container shipments as required by our customers.

Our interest in the merger of the Union Pacific Railroad and Southern Pacific Railroad is directed in two primary areas. 1. Improving service. 2. Improving equipment utilization.

We feel the competition between the major carriers will be strengthened and the shipper will benefit in the long run.

It is our belief that merging two strong carriers can only reap benefits for those of us who faithfully utilize their services.

Some of the improvements we feel will develop are: 1. Single line service. 2. Shorter and more efficient routes. 3. Coordinated terminals should generate efficiencies. 4. Improve equipment supply.

Tranco, Inc. 1126 South 70th Street Suite SM8 West Allis, WI 53214

Telephone 414-475-3180 FAX 414-475-3256

We feel the merger will give us a carrier capable of going "head to head" with the BN/Santa Fe and that will be good for all concerned. The Union Pacific/Southern Pacific is a good blend in that each railroad has a particular strength to offer, thus producing a strong single carrier.

We also feel the merger will build a confidence amongst shippers that the Southern Pacific system will be stronger and guarantee long term quality service.

I, Edward P. Henry, declare under penalty of 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.

Edward P. Henry

VERIFICATION

STATE OF Wisconsin	
COUNTY OF Milwaukee	
Edward P. Henry , be	eing first duly sworn, deposes and says that he has
read the foregoing document, kn	nows the facts asserted therin, and that the same are
true as stated.	
	Edward P. Henry
Subscribed and sworn to be	fore me this 26 day of October , 1995.
	Blane a Jeckie
	Notary Public
My Commission Expires:	



Verified Statement of Donald R. Smith on behalf of TransWood, Inc.

My name is Donald R. Smith. I am Executive Vice President of TransWood, Inc. Our address is 2565 St. Mary's Avenue, Omaha, Nebraska 68101. My telephone number is (402) 346-8092. My fax number is (402) 341-2112. I have over twenty years of experience in the transportation industry. I have been associated with TransWood for the past seven years and hold an equity interest in the firm. As Executive Vice President, I run the day-to-day operations for all thirty-five TransWood terminals. I am responsible for sales and marketing calls. I work with Transportation Service Systems, Inc. (TSSI) to arrange services for our customers. I also negotiate creation of new TransWood sites for specific customer needs.

TransWood is a multi-faceted transportation company. We are a chemical construction materials transportation group that owns its own equipment such as tankers, flat beds, vans and high pressure trailers. We provide common carrier, contract carriage, driver leasing, management contracts, equipment leasing and labor consulting. We provide specialized carriage and transportation packages to meet the needs of individual customers. We have thirty-five terminals located in twenty-two states. Some of our terminals are rail served, and we operate trucking and transloading operations at our terminals. We do a great deal of business with Southern Pacific, and have made substantial investments in conjunction with Southern Pacific rail service.

TransWood strongly supports the merger of Union Pacific and Southern Pacific. The merger will provide TransWood with access to many new markets and new opportunities for growth. It will bring many more customers to our attention that we currently cannot do business with, either because they are not easily accessible to our facilities and systems, or we simply do not know about the customer and its transportation needs.

The merger will also result in more efficient routes and new single line service opportunities. These improvements help reduce transit time, which is a substantial benefit because it reduces our costs. For TOFC shipments, more efficient rail operation means that our trailers move faster and can be unloaded and trucked to their final destination more efficiently. This permits us to make better use of our truck fleet and effectively increases our spacity without requiring additional capital investment.

One example of how the merger will directly affect traffic is ur transportation of soda ash for a major customer of Southern Pacific. Page 2 Verified Stmt. - D.R. Smith

TransWood trucks soda ash from Green River, Wyoming to TransWood's Ogden, Utah facility, where it is transloaded into Southern Pacific rail cars. From Ogden, the soda ash is railed west for delivery in Lathrup, California, and east over Southern Pacific's Central Corridor to East St. Louis, where it connects to CSX for final delivery in North Carolina. Approximately twenty-eight cars a week go east, and ten cars a week go west. More than 1,500 rail car loads of soda ash per year are transloaded by TransWood at our Ogden facility. As a result of the merger, UP-SP will be role to take advantage of Union Pacific's Central Corridor route east from Salt Lake City, avoiding Southern Pacific's circuitous Central Corridor route through Grand Junction and Pueblo. In combination with improvements in traffic management and better utilization of the rail system, this route improvement should cause substantial reductions in transit times.

As noted above, the combined UP-SP will also have more opportunities for single line service that should increase efficiency. An example of this can be found in shipments of anhydrous ammonia from Alberta, Canada to Nevada. After the merger, the shipment can be routed single line on the combined UP-SP through Eastport, Idaho directly to Nevada. UP-SP will also be able to offer single line service into many markets that have not been available to Southern Pacific, such as markets in Iowa, Wisconsin, Minnesota, Nebraska, Wyoming, Idaho, Montana and Washington.

Combining Union Pacific and Southern Pacific service particularly in long-distance transcontinental and north-south markets, will allow the merged UP-SP to reduce switching and terminal delays by preblocking and running blocks around busy terminals such as Chicago, Kansas City and St. Louis. This will free up space at these congested terminals for local operations and transloading. Further, the availability of multiple routes will expedite intermodal transit times and increase the reliability of service.

The combined UP-SP should be able to utilize the combined UP-SP rail car fleet more efficiently and effectively. This also has significant benefits for our operations. Faster equipment turnaround from the rail industry means that rail cars will be available on a more consistent basis. This means that we can unload our trailers on a more regular basis and have more effective use of our assets. For example, at the present time at our Ogden, Utah facility, we do not receive rail cars on a steady basis, such as five cars per day. Instead, we receive ten to fifteen empty rail cars every two weeks in one lump delivery. This creates several problems.

Page 3 D.R. Smith - Verified Stmt.

First, we cannot load that many cars that quickly, and so incur extra dollars for demurrage charges. Second, we cannot use cur truck fleet as efficiently because we have loaded trucks waiting for rail cars, rather than delivering to available cars. Third, it makes it more difficult for us to serve our customers at the standards to which we hold ourselves. We will benefit from the consistent and reliable service we expect to receive from UP-SP.

The combined UP-SP system will be able to make many needed improvements in operations that neither Union Pacific nor Southern Pacific could make alone. We expect improvements in operations at Chicago as UP-SP takes advantage of the former CNW's (now UP's) state-of-art intermodal facilities in Chicago, in combination with Southern Pacific's intermodal routes. This combination should create new opportunities for our business. UP-SP will be able to make needed improvements in Southern Pacific's Tucumcari and El Paso-Colton lines, and improvements in the Colton yard, to facilitate operations and improve service. Southern Pacific does not have the financial resources to make these improvements absent the merger with Union Pacific. UP-SP will also be able improve intermodal facilities at Memphis, Kansas City, and St. Louis, which are major intermodal gateways for TransWood.

TransWood supports the merger of Union Pacific and Southern Pacific because TransWood strongly supports the continued availability of quality rail service. Southern Pacific has not been a financial success for the past several years. As a result, Southern Pacific has not been able to make needed technological improvements, or upgrade its tracks and terminals. TransWood has a long term lease at Ogden with Southern Pacific, and has a transloading facility in Southern Pacific's north Ogden yard. We are well aware of the merger of Burlington Northern and Santa Fe, and the large integrated rail system that has been created as a Southern Pacific does not have the financial or route resources to compete with the combined Burlington Northern-Santa Fe. Indeed, Southern Pacific cannot compete effectively with Union Pacific in the long term, and will always be, at best, a weak third railroad in the west, incapable of providing viable competition, or of generating enough income to maintain, much less modernize, its facilities. If the merger is not approved, we will most likely experience in the West the same inevitable decay of Southern Pacific that destroyed many Eastern railroads in the 1960's and 1970's. The merger of Southern Pacific with Union Pacific is essential to assure continued, quality rail service in the long term, by a financially viable system that is capable of competing with Burlington Northern-Santa Fe.

Page 4 D.R. Smith - Verified Stmt.

The merger between Union Pacific and Southern Pacific will result in improved service, more efficient routes, and stronger competition in the West between rail providers. Further, it will assure that strong competition will continue to exist in the long term. We urge the Commission to approve the merger of Union Pacific and Southern Pacific.

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

Donald R Smith

TRIPP LUMBER CO., INC.

P.O. BOX 7069 MISSOULA 406/5

MISSOULA, MONTANA 59807 406/549-0195 • FAX 406/728-4749

> VERIFIED STATEMENT of DAVID TRIPP on behalf of TRIPP LUMBER COMPANY

My name is David Tripp. I am the president of Tripp Lumber Company. My company's address is P. O. Box 7069, Missoula, Montana 59807. We surrently ship our lumber products to Colorado, Utah, California and Arisona.

We are aware that Union Pacific and Southern Pacific intend to merge. We support such a merger.

We are currently being served only by the EN. We are aware, however, that the UP/SP and BN/Santa Fe have entered into a settlement agreement which gives UP/SP the right to competitively price shipments from various BN served points within Montana. This ability to set prices unilaterally would make the UP/SP competitive with BN for our shipments, and open new markets to our company. This is especially true in view of the new I-5 service improvements that we can expect with a merger between UP and SP. Improved UP/SP service would result in significantly faster transit times and lower costs for our rail service.

As part of the settlement agreement, Southern Pacific has also granted BN/Santa Fe trackage rights through the I-5 corridor in California. This would also open new markets for us via RN by allowing them to compete with UP/SP for business throughout California. As a result, we anticipate better rates and improved service.

As a result of the merger, the UP/SP combined car fleet should help to alleviate previous equipment shortages suffered by Southern Pacific. Southern Pacific's fleet consists of traditional forest products boxcars while Union Pacific has a large inventory of center beam flat cars. The combination of these two types of cars should result in a large versatile fleet able to meet effectively our shipping needs.

More generally, the proposed merger would result in a financially viable carrier able to compete with the newly merged BN/Santa Fe. It appears that Southern Pacific does not have the resources necessary to compete effectively over the long term in the Western area. We believe the merger would foster vigorous rail competition throughout the Western United States between these two large carriers. This could only lead to benefits for our company. Thus, we strongly support the merger of Union Pacific and Southern Pacific.

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

Executed on CCT 20, 199



Interstate Commerce Commission 1201 Constitution Avenue, N.W. Washington, D.C. 20423

Attention: Finance Docket 32760

My name is Bob Stribling and I am Willamette Vailey Shipping Coordinator for Trus Joist MacMillan in Eugene, Oregon. Our Oregon Plants are located in Eugene, West Stayton and Junction City. The Eugene Plant is on the Southern Pacific but open to reciprocal switch to the BNSF. The West Stayton Plant is on the Willamette Valley Railroad and all the rail traffic is interchanged to SP at Woodburn, Oregon. The Junction City Plant is served by the BNSF. We manufacture Structural Engineered Wood Products. In 1994, we shipped 407 carloads outbound from our three plants and received 694 cars inbound of raw materials.

A financially stable railroad with consistent service is very important to Trus Joist MacMillan. In this regard, we support the merger application of Southern Pacific and Union Pacific railroads. We have been negatively impacted by poor service and lack of equipment in the past several years because Southern Pacific could not meet our needs. The approval of this merger will benefit Trus Joist MacMillan by providing additional equipment from the merged railroads and allowing us to ship our products via shorter single line service to many of our customers located in Washington, Idaho, Utah, Colorado, Nevada and California. We need a financially strong railroad serving our mills and approval of the UP/SP merger will provide us with a healthy Western carrier. We also will benefit with improved transit time because of better utilization of locomotive power. Presently, some of our cars sit in Southern Pacific's yards awaiting power. Again, Trus Joist MacMillan will fully support this merger request.

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

Executed on 10/16/95

Bob Stul

Bob Stribling
Shipping Coordinator
Willamette Valley Office
3950 Cross Street

Eugene, OR 97402 (503) 689-9000

U.S. INTEC INC.

Verified Statement Of Doreen Hamilton On behalf of U.S. Intec, Inc.

My name is Doreen Hamilton. I am Traffic Manager for U.S intec located in Corvallis, Oregon. I have been Traffic Manager for the company for six and one half years. I am responsible for the transportation of incoming raw materials to all five of our production facilities and outgoing finished products to warehouses for distribution.

U.S. Intec, Inc. is a manufacturer of commercial and residential roofing products. We have production facilities in Houston, TX; Port Arthur, TX; North Branch, NJ; Monroe, GA; Stockton, CA; and Corvallis,OR. We ship materials between our plants and warehouses. Our Corvallis facility is served by the Willamette and Pacific Railroad whose trunk line connection is Southern Pacific. Our facilities at Stockton and Houston are served by Southern Pacific. Our Monroe facility is served by CSXT. We ship approximately two hundred carloads per year by rail.

We are in favor of approval of the merger between Union Pacific and Southern Pacific. In general, the efficiency of consolidation and expansion of single line service is of benefit to all shippers with transportation needs in the Western United States. Improved routes, reduced congestion, improved terminal facilities and better equipment supply and use allow reduced transit time and more reliable service at competitive rates.

We also look forward to more aggressive pricing after the merger. SP's pricing has not been aggressive because of their poor financial performance. They have been forced to follow a short term cash flow strategy as opposed to a long term competitive strategy. The addition of UP financial strength together with the economics of consolidation will enable the merged system to work more closely with shippers to help their businesses grow.

Finally, we strongly support the SPSP-BNSF settlement agreement, particularly in how it impacts the I-5 corridor. The railroads have lost traffic to trucking due to poor service and a lack of real rail competition. The rights granted to each carrier by the settlement between UP/SP and BNSF will reverse the situation. For the first time, shippers will have a true rail choice throughout the corridor. The presence of two competitive rail carriers able to compete with each other and trucks can only work to the benefit of shippers.

This proposed merger preserves the availability of the SP route system and market reach by consolidation with the financially strong and technologically superior UP. The public can be reassured by the enhanced competition in transportation in the West. UPSP will be able to compete with not only BNSF, but with trucks as well.

For these reasons, we encourage the Commission to approve this merger as soon as possible

Doreen Hamilton

Northwest Region Sales
PO Box 1438, 5210 NE Elliott Circle
Corvallis, Oregon 97339
(800)541-6230 • Fax: (503)758-5332

VERIFIED STATEMENT OF LOUIS R. MASTANDREA ON BEHALF OF UNIMIN CORPORATION

My name is Louis R. Mastandrea, I am the Vice President of Distribution for UNIMIN Corporation located at 258 Elm Street New Canaan, CT. I've been employed by UNIMIN Corporation for the past 12 years and in my current position for the past 5 years.

UNIMIN Corporation is a world wide supplier of industrial minerals to the glass, fiberglass, oil & gas, ceramic and foundry industries. UNIMIN operates 41 mineral processing facilities throughout North America as well as in Norway. For calendar year 1995 UNIMIN Corporation will ship in excess of 10 million tons of industrial minerals by a variety of shipping modes. Due to the nature of bulk raw material shipments, we are heavily dependent upon rail transportation as a primary means of supplying products to our customers.

UNIMIN Corporation is a proponent of insuring that our nation's rail transportation network is viable and competitive. It is with these two primary items in mind that we prepare this statement.

The rail transportation industry is undergoing a dramatic movement towards much larger mega rail systems. This trend has been underway for a number of years and has been fueled of late by rapid domino effect mergers amongst carriers. The challenge before all users and providers of rail transportation, is to ensure that the system remains healthy, but does not do so at the expense of captive rail shippers.

As the frame work of our national rail transportation network unfolds, it is UNIMIN Corporation's opinion that the merger of the Union Pacific and the Southern Pacific will provide shippers with beneficial services currently fragmented by multiple carriers. From the standpoint of the mergers' benefits, UNIMIN Corporation believes that single line rail service and improved equipment utilization will be the most important benefit it would potentially receive.

Our long haul markets from the midwest to both California and Texas, would receive virtually single line service on most movements. The potential for UNIMIN's growing export business into Mexico would also potentially benefit from these two carriers merging.

It is our belief that this merger is necessary for the viability of the Union Pacific and the Southern Pacific, given the recent Burlington Northern/Santa Fe merger. Without this system being put in place, there would be an unfair competitive balance in the industry.

It is not however without some trepidation that UNIMIN Corporation supports the formation of larger rail systems. It has been clearly proven over time that the only true barometer of effective and competitive rail transport is sustainable competition.

Union Pacific and Southern Pacific have made a commitment to maintain competition at those locations where only Union Pacific and Southern Pacific provide service today. They have made good on that commitment by entering into an agreement with BN/Santa Fe that will not only maintain but also potentially enhance rail competition in many markets. UNIMIN Corporation expects the Interstate Commerce Commission and/or any other governmental agency assigned to rule on this proceeding, to closely examine the specific details of this agreement to ensure that competition can in fact be efficiently administrated. Vigorous competition between UP/SP, BN/Santa Fe and other rail carriers needs to be fostered once this transaction is complete. This competition will be stronger than if the UP and SP tried to compete as separate railroads.

UNIMIN Corporation has no doubt that the Union Pacific once merged with the Southern Pacific will provide a world class transportation system, for which benefits will be derived in the marketplace. We look forward to working with the new organization in developing dynamic and competitive transportation programs to best serve our customers as the new millennium approaches. UNIMIN Corporation stands committed to working with the new organization once approval is granted.

VERIFICATION

STATE OF CONNECTICUT	')
COUNTY OF FAIRFIELD) 55
LOUIS D. MASTAND	DE.

LOUIS R. MASTANDREA, 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.

LOUIS R. MASTANDREA Vice President/Distribution

Subscribed and sworn to before me this 2/2 day of October, 1995.

Notary Pubic

My commission expires:



VERIFIED STATEMENT OF

HARRY D. BERESFORD on behalf of UNITED STATES SHIPPERS, INC.

I, Harry D. Beresford, submit this statement on behalf of United States Shippers, Inc. in support of the Union Pacific/Southern Pacific merger application. I am President and CEO of United States Shippers, Inc., headquartered in Edmonds, Washington. I founded the company in 1982, and today oversee all of the company's sales, marketing, operational and financial activities. I have 22 years of sales and management experience with transportation companies, including Fred Tolan Traffic Service, Inc. and Manufactures Shipping Association (MSA).

U.S. Shippers is an Intermodal Marketing Company. We have sales offices in Seattle, Washington, Portland, Oregon, Chicago, Illinois, and Spokane, Washington. We hold intermodal contracts with every major rail carrier. We had \$65 million in revenue last year. Our main traffic is canned seafood, forest products, and truck parts.

Our primary movements today out of the Pacific Northwest are eastbound from Portland and Seattle. This traffic moves into all of the major gateways to the east, including Chicago, Kansas City, St. Louis, and Memphis. We also have shipments to points in Texas.

Over the road trucks are our principal competitors. The merger should allow rail to compete more effectively with truck service. One of the primary benefits of the merger will be vastly improved intermodal rail service on the I-5 corridor. Today, SP is the only rail carrier that offers service between Oregon and California. We are unable to utilize this route for intermodal movements. SP does not have the capacity to handle double-stack trains on this critical corridor because of a number of tunnels and bridges that pose clearence problems. Instead, all north-south West Coast traffic that could move via intermodal service now moves by truck. The UP/SP system will offer the first viable intermodal I-5 corridor rail service. UP/SP has capital improvement plans to modify tunnels and bridges to accomodate double-stack trains. We expect that this intermodal service will significantly bolster our business, and that we can attract a large number of customers away from our truck competitors. In addition, the

recently merged BN/SF system will have trackage rights in California that will allow it to offer a second, single-line option along the West Coast that may be able to carry some intermodal traffic.

The new I-5 corridor service will also give us another option for intermodal traffic routed to Texas. After the merger, this traffic could be routed, on a single-line basis, from the Pacific Northwest, through California, Arizona and New Mexico to Texas. We understand that the California Texas leg will be expedited for two reasons. First, UP/SP plans to concentrate intermodal traffic on the Southern Corridor and concentrate manifest shipments on the Central Corridor, decreasing transit times for the time-sensitive intermodal shipments. Second, the UP and SP have indicated that the merged system will upgrade SP's El Paso to Colton line, increasing capacity on that route.

The UP/SP merger will also address the equipment problems we have experienced on SP. In addition to inefficient service we have faced trailer shortages on SP. The merged system will have access to a larger supply of equipment. More importantly, coordination of terminals and availability of a more extensive route structure will allow UP/SP to reposition trailers and other equipment more efficiently between the Pacific Northwest and California.

Finally, the repeated problems we have faced with poor SP service and equipment merely underscore SP's precarious financial position. We believe that a successful UP/SP merger is the only means to assure the long-term survival of the SP system.

We endorse the UP/SP merger and urge the ICC to approve the application.

VERIFICATION

Harry D. Beresford

UNIVERSAL FOREST PRODUCTS INC. FAR WEST COMPANY

Far West Purchasing/Marketing PO Box 126 Woodburn, OR 97071

UFP Manufacturing Plant #235 PC Box 31690 Stockton, CA 95213

UFP Manufacturing Plant #236 PO Box 1970 Huntington Beach, CA 92647

UFP Manufacturing Plant #238 23730 Sunnymead Blvd., Bldg, B Moreno Valley, CA 92557

UFP Manufacturing Plant #245 PO Box 296 Woodburn OR 97071

One of five companies of Universal Forest Products. Inc. a nationwide network that manufactures, distributes and markets wood products. VERIFIED STATEMENT OF JUDY M. W!LSON on behalf of UNIVERSAL FOREST PRODUCTS, INC FARWEST COMPANY

My name is Judy M. Wilson, Transportation Manager of Universal Forest Product, Inc., Farwest Company. My responsibilities include rail rate negotiations and tracing for the Farwest Company. I have 22 years of experience in transportation, including rail, truck, intermodal, ocean and air and have been with Universal for 2 years, 4 months. Prior to joining Universal, I was Transportation Manager for McEwen Lumber, Division of International Paper for 4 years.

Universal Forest Products supplies and manufactures roof trusses and lumber products for the manufactured housing, do it yourself, and retail markets. Our office is located at 2895 Progress Way, Woodburn, OR 97071.

We receive inbound shipments of lumber at our manufacturing facilities from various mills throughout the western United States and Canada. Our facilities currently serviced by the SP are located in Stockton CA, Huntington Beach CA and Woodburn, OR. In 1994 we received 212 million board feet of lumber, only 18 % by rail, the majority was moved by truck.

Universal strongly endorses the proposed UP/SP merger, Union Pacific-Control and Merger-Southern Pacific Rail Corp. Finance Docket No. 32760. The merger will provide important new single-line service to all of our facilities and will substantially improve the quality of rail service.

Universal moves the majority of our inbound lumber via truck because the chronically poor SP service and high joint line costs have made rail shipment prohibitive.

The UP/SP merged system will be able to offer quality, single-line service along the I-5 corridor that simply does not exist today. The merged system will be able to provide more direct routes between Canada and the Pacific Northwest and our California facilities. Moreover, the agreement between UP/SP and BN/Santa Fe will create a second new single-line route between the Pacific Northwest and California, and this too should result in enhanced competition.

In conclusion, we view the UP/PS merger as an important step in providing quality, sustained rail service along the corridors in which we rely. We support the proposed merger as a means to ensure the viability and long-term strength of major rail carriers.

UNIVERSAL FOREST PRODUCTS INC. FAR WEST COMPANY

Far West Purchasing/Marketing

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UFP Manufacturing P ant #245

PO Box 296 Woodburn, OR 97071

One of five companies of Universal Forest Products. Inc. a manufactures distributes and markets wood products

VERIFICATION

I, Judy M. Wilson, declare 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.

Judy M. Wilson

Verified Statement of Al Rufca on behalf of Van Den Bergh Foods Company

I am Al Rufea, and I am Director of Transportation for Van Den Bergh Foods Company. Our address is 2200 Cabot Drive, Lisle, Illinois 60532. I can be reached at (708) 955-2797.

As Director of Transportation, I am responsible for all transportation activities, including rail, TOFC, ocean, air, and motor. I have twenty-five years experience in the transportation industry. The last six years have been with Unilever, the owner of Van Den Bergh Foods. I also spent ten years with Chesebrough Ponds, the former owner of Ragu Spaghetti Sauce.

Van Den Bergh Foods is the largest processor of tomatoes in the United States. We manufacture Ragu Spaghetti Sauce, which is the largest selling brand of spaghetti sauce in the United States. One of our major transcontinental shipping movements is from Merced, California (SP served) and Stockton, California (STE served, with connections to UP, SP, BNSF, and CCT) to Owensboro, Kentucky. We ship over 2,000 cars annually from these origins to Owensboro.

We strongly support approval of the merger between UP and SP. We look forward to the many benefits that we as a shipper will enjoy as a result of the merger. We are particularly interested in the operating efficiencies that the combined system will achieve, and the lower costs that shippers will enjoy as a result.

The combination of UP and SP will result in more efficient and shorter routes from origins in the Bay Area of California to connections with CSX for shipment to Kentucky. SP's Central Corridor route has poor and inconsistent transit times. It appears the merger will create improved central corridor service to Eastern connections, in part, through separation of carload and intermodal traffic. We expect these improvements to result in lower costs to shippers.

Another benefit of the merger, which will help reduce transit times and associated costs, is the combination of terminals to reduce congestion and delays. In areas such as Salt Lake City, Kansas City, Memphis, and St. Louis, where both UP and SP have terminal operations, we expect that the merger will result in coordination and rationalization of operations to facilitate the flow of traffic and reduce delays.

We also look forward to a better supply and utilization of equipment as a result of the merger. Using SP, we have experienced shortages of the insulated and refrigerated boxcars that we rely upon. We know that UP has a larger and more modern railear fleet, and the combination of UP and SP's fleet will result in a greater availability of higher quality equipment. In addition, because of the efficiencies in transit times, as well as increased opportunities for backhaul and greater opportunities to reposition equipment to meet seasonal demands, we expect that the equipment problems we have experienced in the past will be remedied by the merger.

During the past twenty-five years, I have observed the consolidation of the rail industry, particularly since the passage of the Staggers Act. In my experience, the development of integrated systems capable of providing single line service has been a benefit to shippers. It has resulted in lower prices and reduced transit times. The UP/SP merger is the logical next step in the rationalization of the Western rail industry. Because of these considerations, I am not concerned that, after the merger, STE in Stockton will have two connections, BN/SF and UP/SP, rather than three connections. The two competing systems will both be large, integrated, financially sound rail systems, capable of balanced and robust competition. Absent the merger, BN/SF will dwarf either UP or SP, and there will not be a basis for effective competition in the long run. The settlement agreement between UP/SP and BN/SF, with its unprecedented trackage rights, creates many areas of new competition, including new competition over the Central Corndor. Shippers will benefit as UP/SP and BN/SF fight for our business.

We strongly support approval of the merger between UP and SP. It will create an integrated, financially viable carrier that will be able to provide cost-efficient service, and provide continued service without the financial constraints and limitations now facing SP. We urge the Commission to expedite approval of this merger so that shippers may begin to enjoy the many benefits and savings that will result.

I, Al Rufca, declare under penalty of perjury that the foregoing is true and correct.

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

Al Rufca

STATE OF KENTUCKY

COUNTY OF DAVIESS

IN TESTIMONY WHEREOF, witness the signature of Al Rufca, this 13th day of October, 1995.

Notary Public, State at Large

My Commission Expires: 2/28/95



VERNOR MATERIAL & EQUIPMENT COMPANY

HANDLING ROAD BASE MATERIALS SINCE 1958

Verified Statement of Kenneth K Vernor on behalf of Vernor Material & Equipment Company

I have been employed by Vernor Material for over fifteen years now. My current position is General Manager. Our main plant is located in Freeport Texas and has been served by UPRR, and only UPRR, since we installed a rail spur in the mid 60's.

We utilize UPRR services in different ways. First, Vernor Material supplies Brazoria County and various contractors with aggregate from Texas Crushed Stone out of Austin. UPRR transports this material. Vernor Material also utilizes UPRR to transport contaminated (non-hazardous) waste to our facility. We then recycle this material into different road base materials.

Due to our involvement of shipping these wastes by rail, we have worked with many different railroads. Vernor Material has even handled contaminated waste streams from UPRR and SPRR. The negative side to this is we have lost a lot of projects that involved transportation originating with another Rail Road. Since we are charged a transfer fee of \$4.80 per ton when the SPRR switches to the UPRR our bids must reflect this additional cost. We generally miss these jobs which usually results in this waste being land filled instead of recycled. Vernor Material feels confident if the SPRR merges with the UPRR our projects will increase and we will help save land fill space.

Vernor Material is supportive of the proposed UPRR/SPRR merger. We have had a strong relationship with UPRR and their personnel and look forward to moving into the next century with them.

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

Kenneth K Vernor General Manager

525

VERIFIED STATEMENT
OF
JEFFREY L. CORRIE
ON BEHALF OF
VIGORO INDUSTRIES, INC.
REGARDING
FINANCE DOCKET 32760

My name is Jeffrey L. Corrie. My position is Manager of Logistics for Vigoro Industries, Inc. whose offices are located at 6 Executive Drive, P.O. Box 1986, Collinsville, Illinois 62234. I have been employed by Vigoro Industries, Inc. (formerly Kaiser/Estech Divisions of Vigoro Industries, Inc. and Estech Branded Fertilizer) for fifteen years, ten years of which were in my current capacity. It is my responsibility to evaluate all of Vigoro's transportation requirements regarding rail and water and determine which mode or carrier best meets Vigoro's needs.

Vigoro Industries, Inc. is primarily a manufacturer and distributor of agricultural products as well as lawn and garden fertilizer throughout the United States. Vigoro currently operates approximately 200 retail service centers and plants in the Midwest and Southeast. Currently, Vigoro utilizes the Union Pacific Railroad services from Donaldsonville and Sterlington, Louisiana to Bainbridge, Georgia; Carlsbad, New Mexico to Boonville, Missouri; Little Mountain, Utah to Orrville, Ohio; various origins to Los Angeles, California; as well as numerous other origins and destinations. Vigoro utilizes the Southern Pacific services from Florida to various Southern Pacific destinations in Arkansas, Louisiana, Illinois and Texas. Vigoro's annual transportation expense is approximately \$35 million dollars.

It is my understanding that the Union Pacific and Southern Pacific Railroads are requesting the authority to merge. Vigoro supports this action as a way of improving service on both railroads, particularly the Southern Pacific, for these reasons.

- The Union Pacific Railroad has the resources to improve the Southern Pacific Railroads service level.
- The merger would create new single line routes which in turn should improve efficiency and reduce transit times.
- The merger should improve the distribution and utilization of railroad equipment.
- With a new single line service it may allow Vigoro to become more competitive in certain market areas.

Vigoro Industries, Inc. supports a merger of the Union Pacific and Southern Pacific Railroads and believes that this merger would be beneficial to our company.

BY:

TITI F.

DATE

VERIFICATION

COUNTY OF T. Clair) SS.
Jeffrey L. Corrie, 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.
Jeffrey L. Corrie Subscribed and sworn to before me this
Them Down Siturbusheder
Notary Public /
My Commission Expires:
My Commission Expires.
12/19/96

Verified Statement of Michelle Mosbaugh on behalf of Vinylasa International Inc.

My name is Michelle Mosbaugh of Vinylasa Inc. Vinylasa is a vendor to tile distributors throughout the United States. We supply theses distribution centers with tile from our center here in Houston, Texas. Transportation is a critical part of our business. To supply our customers efficiently with our product, it must be received timely and damage free. I manage our traffic to these specifications depending on market needs.

Recently our rail traffic has started to accelerate. Vinylasa is rail served by the Southern Pacific railroad in Houston, TX. It has recently come to our attention that Union Pacific is acquiring Southern Pacific.

In light of the recent merger of the BNSF, we find it essential that federal regulators approve the UP acquisition of the SP. BNSF will have significant dominance in the western rail system with out a combined UP and SP. It is easily seen in a new map of the BNSF system that BNSF routings are far superior to any other carrier in the West.

Further we approve of the UP/SP combination due to the fact that it will provide for better spottings. Being dependent on using rail owned equipment, our demand should be supplied better with a UP/SP combined fleet. Routings should also be to our favor with this acquisition. Not only will this create shorter transit times to many destinations from Houston, but it will also expand our markets to areas where we have never been able to reach by rail.

Union Pacific is a strong name in the rail industry and we welcome it's acquisition with Southern Pacific.

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

midelle Mosbough



MEMBER: NATIONAL GRAIN & FEED ASSOCIATION TEXAS GRAIN & FEED ASSOCIATION

VISTA TRADING

A Division of Sunkyong America, Inc. 16800 GREENSPOINT PARK DRIVE SUITE 225 NORTH HOUSTON, TEXAS 77060

TEL: (713) 876-8110 FAX: (713) 876-8115

VERIFIED STATEMENT OF HOWARD K. STONE on behalf of

Vista Trading A Div. of Sunkyong America, Inc.

I am writing this letter to express my support for the proposed merger between the Union Pacific, and the Southern Pacific. As Traffic Supervisor for Vista Trading I spend a great deal of time working with the Railroads. Many of my duties as Traffic Supervisor require me to work with the railroads on issues such as car availability, billing, tracing, contracts, and other issues as they arise. I have been the Traffic Supervisor for Vista Trading for three years.

Vista Trading is a division of Sunkyong America, a large Korean company, based in Seoul, South Korea. South Korea South Korea

We believe that the merger of the UP/SP will be in the best interest of not only our company but in the best interest of all grain shippers. We strongly support this merger as it will create a strong railroad, and a competitive environment for all railroads.

The merger will benefit Vista, and other companies through better service, in areas such as car availability, and better routing. Additionally, competition among the railroads will be an added benefit. As an exporter to Mexico the merger brings many benefits shorter, more efficient routing, and increased competition at all of the border crossings will be a few of the many benefit to all grain companies who export to Mexico by rail.

Regards.

Howard K. Stone

I, Howard K. Stone, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Further I certify that I am qualified and authorized to file this verified statement Executed on October 12, 1995.

HX Slone

BEFORE THE

INTERSTATE COMMERCE COMMISSION

FINANCE DOCKET NO. 32760,
UNION PACIFIC CORPORATION, UNION PACIFIC RAILROAD COMPANY AND
MISSOURI PACIFIC RAILROAD COMPANY
CONTROL AND MERGER
SOUTHERN PACIFIC RAIL CORPORATION, SOUTHERN PACIFIC
TRANSPORTATION COMPANY, ET AL

VERIFIED STATEMENT

OF

VAN L. HAYES, JR.

ON BEHALF OF

VULCAN MATERIALS COMPANY

SOUTHWEST DIVISION

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 Van L. Hayes, Jr. My address is Post Office Box 530187, Birmingham, Alabama, 35253. Since December 1, 1980, I have been Manager, Transportation and Distribution Services, for the Construction Materials Group of Vulcan Materials Company in its corporate headquarters located at the address stated above. My background includes a B.S. in Transportation, an M.B.A. and thirty-two years of experience in the transportation area.

Vulcan Materials Company is the nation's foremost producer of construction aggregates. Our customers are served by 127 permanent crushed stone plants and 81 other production and distribution facilities.

Vulcan is interested in this proceeding because it is a very substantial user of rail transportation in many of its construction materials operations. Our construction aggregates group made over 96,000 shipments during 1994.

The purpose of my statement is to express the support of Vulcan Materials Company's Construction Materials Group for the proposed merger of the Union Pacific and Southern Pacific.

We have one plant, at Dabney, Texas, which is served direct via the Union Pacific and one plant, at Uvalde, Texas, served direct by the Southern Pacific. In addition, at our Dabney plant, we truck material to a point where we can load direct on the Southern Pacific thereby using single line rates to SP destinations. From these two plants alone, we shipped over 5,000 cars in 1994.

We support the proposed merger of the Union Pacific and Southern Pacific because it provides a means of ensuring we receive top quality rail service from a financially sound carrier with single-line access to numerous points.

Another benefit we envision as a result of the proposed merger is an increased supply of rail equipment at both plants. Each railroad has a large fleet of rail equipment, the combination of which should provide the cars needed to meet some of the car shortage that now occur at different times on the separate systems. Moreover, one management should provide more flexible and efficient equipment use.

A major benefit to us will be new competitive single-line rail service into areas which presently require joint line service. Specifically, from our Dabney plant, we will no

longer have to truck to a Southern Pacific loading point when shipping to an SP destination. This, combined with common business processes, should allow for simplified pricing and accounting administration, uniform information systems and simplified customer service, all of which should make it easier to do business with the combined company.

For the reasons cited above, we believe the proposed merger will provide positive benefits to our operation. Therefore, Vulcan Materials Company's Construction Materials Group suports the subject merger.

VERIFICATION

STATE OF ALABAMA
COUNTY OF JEFFERSON
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.
Van L. Hayes Jt,
Subscribed and sworn to before me this day of October, 1995.
Notary Public
My commission expires:
October 17, 1998

11-30-95 A 1648V13 5/5 32760

VERFIED STATEMENT OF KEN PRICE ON BEHALF OF W & W STEEL COMPANY

My name is Ken Price. I am Vice President and Director of Purchasing for W & W Steel Company, which operates steel fabricating facilities in Oklahoma City, Oklahoma and Lubbook, Texas. I have been directly involved with the steel industry for over 36 years.

W & W has been in the structural steel fabrication business since 1945. Our survival in the business is dependent on competitively priced materials and transportation. We rely on a wide number of steel mill sources, including some that are served by Union Pacific and others served by Southernnn Pacific, to gair the benefits of competition among our suppliers.

W & W Steel Company supports the merger of Union Pacific and So thern Pacific that has been proposed in this proceeding. The merger will make single-line service available from mini-mills now served by SP to cur plant in Oklahoma City (presently served by UP), and from mini-mills now served by UP to our plant in Lubbock (now served by SP and ENSF). Single-line service is important to us because it reduces costs and delays that result from intermediate handling, and makes it possible for us to deal with a single carrier that is responsible for an entire shipment rather than with multiple carriers with divided responsibility.

The merger should also increase our opportunities for rail service on outbound shipments, most of which now move by truck. With greater opportunities for single-line service from our plants, we expect more responsive pricing and better service that could allow us to increase pour reliance on rail transportation. Improved rail service may also open entirely new markets for our products.

We also look forward to the merger extending UP's customer service and EDI system to all moves over the SP system. UP's computerized systems are more user friendly and provide supperior shipment tracking capabilities. These abilities allow UP to anticipate and respond to potential problems before they appear, and allow us to plan our shipments with greater certainty.

Finally, the merger will not only provide benefits for our UP and SP shipments, but as a result of the settlement agreement reached between UP, SP, and BNSF, we will also have opportunities for improved service via BNSF. We understand, for example, that the settlement creates a new central corridor route for BNSF, and additional rights in the Gulf area. These added routings should strengthen BNSF's ability to serve W & W at our Lubbock, Texas location and to compete generally with UP/SP. Competition, such as that created by the settlement agreement, provides the best guarantee of quality service and reasonable rates.

W & W Steel supports speedy approval of the proposed merger by the Commission so that we can begin enjoying the benefits described above.

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

Executed on NOVEMBER 9

Ken Price





VERIFIED STATEMENT

RICHARD J. SEITHEL

WESTERN AGGREGATES, INC.

To Whom it may concern,

This is a verified statement on behalf of Western Aggregates, Inc., headquartered at 11728 Highway 93, Boulder, Colorado. I am their West Coast Regional Sale. Manager/Rail Transportation Manager. I've held this position for 3 years. Prior to working with Western Aggregates, for 3 years I was the Vice President, Marketing & Sales for Port Costa Materials, Concord, CA. Before Port Costa Materials, I worked for the Canadian Pacific Railroad for 11 years in Marketing & Sales.

Western Aggregates, Inc., produces lightweight expanded shale aggregate, a specialty construction product. Lightweight expanded shale is a premium product that can be found in concrete floors in high rise buildings, lightweight masonry blocks, lightweight concrete rooftile, as well as many other products.

Western Aggregates, Inc., is local on the SP Rail system and currently rails to West Coast destinations and ports. We currently ship 550-700 rail cars annually to the West Coast. We are on pace to become a \$2 million account for the SP.

As a shipper dependent on SP service, we welcome the proposed Union Pacific and Southern Pacific merger as a means of ensuring that we receive top-quality rail service from a financially sound carrier with single-line access to increased destinations. We are currently limited in reaching certain customers in the Los Angeles basin area due to economic restrictions of a 2-line haul. The above merger would help resolve this problem. Furthermore, we strongly believe that the merger would improve overall service. Service is critical to our success since we are competing with 2 plants that produce like products in California, within trucking distance from the customer base.

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

I, <u>Richard J. Seithel</u>, declare under penalty of 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.

della de la contrata



September 11, 1995

Verified Statement of G. James Petteys on behalf of Western Hay Company, Inc.

G. James Petteys is the president of Western Hay Company, Inc. a Utah corporation. Western Hay Company maintains offices in Utah at 925 West 24th Street, Ogden, Utah 84401; and in Georgia at 700 Industrial Blvd., Valdosta, Georgia 31601.

Western Hay Company is involved with the distribution of agricultural commodities in the United State, district of Puerto Rico, Bermuda, Dominican Republic, and Japan. Most of the products sold involve transportation via rail at some point. The majority of our rail moves is with the Union Pacific.

Western Hay transports hay and straw products from various points in Idaho to Georgia for distribution. We also transport hay to various ports on both coasts for export. We transport cottonseed from Georgia to Idaho.

As a customer doing business with the Union Pacific, we strongly support the merger of the Union Pacific and the Southern Pacific. We feel it will improve our service and strengthen our ability to compete in the market place.

We believe that if the merger is approved we will be able to take advantage of more efficient routes, and improved intermodal service. We believe that the merger will provide us with laster and more frequent and reliable service to our markets and assist us in developing new markets for our products or areas of supply. We move a lot of cottonseed from South Georgia via the Union Pacific from Memphis to Idaho, a merger would help make available additional supplies of cottonseed which now are strictly Southern Pacific moves. We also feel that our transit time would improve

should the merger be approved by reducing the traffic in the midwest traffic lanes.

In conclusion we believe that the proposed merger will provide significant benefits to us as shippers. Our company supports the application.

Sincerely,

G James Petteys

President

Verification

STATE OF	UTAH)
) ss.
COUNTY O	F WEBER)

G. James Petteys, President of Western Hay Company, being first duly sworn, deposes and says that he has read the foregoing document, knows the facts asserted therein, and that the same are true as stated.

Subscribed and sworn to before me the <u>75</u> day of September, 1995.

My Commission Expires: 9/26/98





Verified Statement
of
Merlyn N. Richmond
on behalf of
WESTERN INTERNATIONAL FOREST PRODUCTS, INC.
Regarding Finance Docket No. 32760
UP/SP Merger Case

My name is Merlyn N. Richmond, Director of Transportation, Western International Forest Products, Inc. 9115 S.W. Oleson Road, Suite 302, Portland, Oregon 97223. I have held this position for 12 3/4 years, prior to that, I was Distribution Manager for 14 years at Boise Cascade Corporation, White Paper Group, and before that, I was a Rate Analyst and Senior Analyst for Shell Oil Co's. Transportation Department for 7 years.

I am responsible for making transportation decisions involving the movement of our lumber, plywood, gypsum wallboard and steel orders which consist of approximately 6,000 railcar loads and 7,000 truckloads and piggyback shipments annually.

I have a B.S. Degree in Business Administration from Portland State University and am an Interstate Commerce Commission Practitioner.

Western International Forest Products, Inc. is a wholesale forest products company buying and selling forest products, building materials and steel primarily in Canada and the United States. We operate a remanufacturing facility known as Bear Springs Forest Products. Western International Forest Products is a subsidiary company of Forest City Trading Group. Last year (1994) we shipped about 50% of our rail routed business, over 3,000 carloads, with the UP System or SP System carriers in the routing. Our primary markets are California, Texas, the Southeastern states and Northeastern states. We utilize origin reloads in Oregon serviced by the SP on a majority of our shipments to California. We've experienced a continued deterioration in our service via the SP, e.g., transit times of 4-5 days have now increased to 12-16 days in to the Los Angeles market. By comparison, our transit time via the UP, a more circuitous route is about 7-9 days. Just think what the UP/SP could do via the I-5 SP corridor from the Northwest to Los Angeles, etc. The SP takes 12-18 days from the Northwest over the Chicago and Memphis gateways compared to 6-8 days via the UP. The longer transit times via the SP system have resulted in continuing service complaints, loss of business, customer claims for declines in market value as well as a negative effect on our cash flow.

We feel a UP/SP merger would ultimately result in improved service and provide a financially sound carrier with single-line, expeditious access between more origins and destinations. The SP I-5 corridor is the most direct route form the Northwest to California; however, with continued

poor service via the SP we are unable to achieve the economies this routing should yield. It is our belief that if this merger is approved, the public would benefit from the inherent advantages of the SP and UP combined system.

Our experience in dealing with the UP involving, e.g., equipment needs and competitive rate matters has been more favorable than with the SP. For example, the Forest Products Industry preferred railcar type is 73' centerbeam flatcars. The UP just recently acquired an additional five hundred and eighty (580) 73' centerbeams to accommodate our mill loading and customer unloading preferences. This helps to alleviate disposition of dunnage (loading materials) for car loading purposes, which is more efficient and environmentally less westeful, resulting in reduced landfill, etc. Also, car loading time is cut in half. Financially, the SP is unable to continue adding 73' centerbeams to their fleet which is detrimental to us and our customers. There have been times when we have had to wait upwards of two (2) weeks for centerbeam equipment or load an alternative car type at higher costs.

The UP has progressively established competitive reload programs to centralize car loading/unloading in one area to minimize the need for multiple switching one or two cars to numerous mills for loading or customers for unloading. We feel the UP is the best in the reload business because they support efficient operators and make these programs function the way they were intended. We feel a combined UP/SP system would enhance these type of programs.

I understand that UP/SP have entered into an agreement with BN/Santa Fe which will not only maintain competition in the western United States, but also improve it. I understand that, through trackage rights and some line sales, UP/SP and BN/Santa Fe will both be able to provide service up and down the West Coast in competition with one another into the Southwest and also compete more with one another into the Midwest. This would produce more rail transportation alternatives for my company than are currently available today since both UP/SP and BN/SF will serve many of the same markets in the Pacific Northwest, Midwest and Southwest. If the UP/SP merger is approved along with the agreement with BN/SF, the reduction from three major Western railroads to two will actually improve competition, not reduce it.

Environmentally, the potential reduction in fuel consumption and ensuing elimination of pollution problems due to a more efficient rail system should make this proposed merger highly desirable not only from an economic point of view, but also from a health standpoint.

In view of the SP's financial instability, we feel this union with the UP, a financially sound carrier, would be in the public's best interests. Western International strongly supports this application.

I, Merlyn N. Richmond, declare under penalty of 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

Markon M. Richmond, declare under penalty of perjury that the foregoing is true and correct.

WESTERN

LUMBER CO.

POST OFFICE BOX 98 • MEDFORD, OREGON 97501 • TELEPHONE (AREA CODE 503) 779.5121 November 6, 1995

VERIFIED STATEMENT
OF
ROB BROWN
ON BEHALF OF
WESTERN LUMBER COMPANY

My name is Rob Brown and I am the owner of Western Lumber Company. I have owned Western Lumber Company for the past 9 years. I am responsible for all of the financial matters regarding my company as well as being the top sales producer.

Western Lumber Company is involved in the wholesale supply of lumber products from our office in Medford, Oregon, as well as branch offices in Portland, Oregon; Phoenix, Arizona; and Grass Valley, California. Our company buys lumber from various mills and wholesales it to various retailers. We primarialy use the bN/Santa Fe and the UP for these movements.

We have recently been advised that the Union Pacific and Southern Pacific railroads have requested authority to merge their companies. We support their attempt to merge.

An important benefit of the merger to our company will be the creation of improved routes between Oregon, California and the Southwest. We expect service improvements and reduced transit times, which will result in more reliable service and allow our company to be able to exercise greater control over our inventory and distribution, and to ship more product at a more cost effective rate. With the new UP/SP single line service, the price of rail transfort from new service areas will make rail service a competitive option to truck traffic.

I have also learned that the UP/SP and BN/Santa Fe have agreed to a settlement which allows UP/SP to have pricing authority for our movements which would originate on BN/Santa Fe points in Idaho and Montana. This will be a great benefit to our company because UP/SP's new pricing authority would allow rail pricing to be more responsive and competitive with BN/SF and with trucks. Previously we were unable to buy from the mills in Idaho and Montana because of the prohibitive cost of rail transportation from those areas. The settlement will allow us to take greater advantage of rail traffic to move our product from those markets to our various plants. I am also aware that in that settlement agreement UP/SP has been given trackage rights over. BN/Santa Fe between Bend and Chemult, Oregon. This will be of benefit to the rail movements our company will utilize because it will create shorter and more efficient routes for our traffic, resulting in better rates for our shipments.

Because our company ships from many different mills in the Pacific Northwest area to locations in the Southwest as well as California, we are aware that as a result of the merger we may see a reduction from three to two rail carriers serving some of our destinations. We feel, however, that rail competition will be fostered by this merger because it will result in the UP/SP becoming a strong Western carrier able to effectively compete with the newly merged BN/Santa Fe system. That result is preferable to allowing the smaller SP to attempt to compete on its own against the much stronger UP and the newly merged BN/Santa Fe.

In the past, Southern Pacific has been plagued by slow, unreliable and inefficient service. We are confident that as a result of the merger Union Pacific will be able to expend its resourcer to improve service over the current SP routes which will result in greater cost efficiencies for our rail traffic and allow us to make greater use of rail versus truck to ship our product. We also feel the merger will open up new sources of product to us as I had previously mentioned, specifically the mills in Idaho and Montana. My company will now be able to efficiently ship its products by rail to the California and Western United States markets.

Western Lumber Company supports the merger and is looking forward to the improvements in service and transit times that will result from it.

I, Rob 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 11/6/95

ROB BROWN



Specialty Oil Company, Inc.

A Quaker State Company



October 11, 1995

VERIFIED STATEMENT

OF

CURTIS YOUNG on behalf of WESTLAND OIL COMPANY/SPECIALTY OIL COMPANY

My name is Curtis Young. I am Director of Purchasing for Westland Oil Company/Specialty Oil Company a Quaker State Company, located at 2740 Valley View Drive, Shreveport, Louisiana, 71103. My duties include the purchasing of Lube Oil from various vendors, and monitoring of the inbound transportation to our facilities located on the Southern Pacific in both Shreveport, Louisiana and San Antonio, Texas. I have been Director of Purchasing for Westland Oil Company/Specialty Oil Company for 5 years, and prior to that was the Traffic Manager for 2 years.

Westland Oil Company/ Specialty Oil Company produces and packages specialty grade oil products. Our total volume of inbound rail shipments from the Houston petrochemical market via Southern Pacific rail service is in excess of 1,000 carloads annually.

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

Our company is in the process of locating a new plant facility at the Port here in Shreveport which without the merger will be served solely by Union Pacific. The merger will benefit our company by providing terminal consolidation between the UP/SP to allow and ensure consistent, competitive transit times, and the best possible routing from the Houston, Texas petrochemical complex to our facilities in both San Antonio and Shreveport. As well, we recognize that the merged UP/SP will provide an equal competitor to the recently merged Burlington Northern/Santa Fe.

As previously stated, our company believes that the proposed UP/SP merger will benefit us as well as other shippers. In addition, we rely on our transportation providers to deliver competitive and consistent service to meet our production needs, and the needs of our suppliers. Our company supports the application for merger.

Curtis Young

Director of Purchasing

VERIFICATION

STATE OF LOUISIANA PARISH OF BOSSIER

Curtis Young, 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.

Curtis Young

Subscribed and sworn to before me this 2th day of O2T

. 1995

Notary Public

My Commission Expires:

MY COMMISSION IS FOR LIFE



October 11, 1995

VERIFIED STATEMENT
OF
DENNIS CLEAVES
on behalf of

WI'BUR-ELLIS COMPANY

My name is Dennis Cleaves and I am the Operations Manager for Wilbur-Ellis Company located at 711 River Road, Umatilla, Oregon 97882. I have been in this position for three months.

Wiibur-Ellis markets fertilizers and crop protection chemicals to farmers in the Pacific Northwest from our two rail-served facilities at Hermiston and Clark, Oregon. We purchase these fertilizer and crop protection chemicals from suppliers in TX, CA, MO, WY, SK, ID, OK, and UT. These products are transported via Canadian Pacific, Union Pacific and Burlington Northern railroads. Our annual volume is approximately 100 carloads per year.

As a receiver of agricultural chemicals and fertilizers from all over the country, we believe that the merger of these two railroads would result in a more efficient delivery service to our plant with regards to both speed of delivery and ultimately, a more competitive price than exists at this time.

It is our view that this merger will allow the Union pacific and Southern Pacific to combine their locomotive and car fleets which will result in improved efficiencies, better utilization of equipment, and improved car supply. Reliable rail service is critical to our needs and the efficiencies of terminal and facility consolidation, plus the financial strength of the Union Pacific, the more effective use of capital, and the ability to route traffic on alternate routes to avoid maintenance delays will certainly benefit Wilbur-Ellis Company.

Wilbur-Ellis is greatly in favor of the UP and SP merger as we see it being in the best interest of curselves, our customers, and the general public.

Dennis Cleaves

VERIFICATION

I, Dennis Cleaves, declare under penalty of 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.

Dennis Cleaves

Wilbur-Ellis Company



World Minerals Inc. 137 West Central Avenue Lompoc, California 93436 Tel. 805-735-7791 Fax: 805-737-2497

UP/SP 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.

October 16, 1995

VERIFIED STATEMENT OF:

Mr. Tim Bloomer, Director of Distribution World Minerals Inc., 137 West Central Avenue Lompoc, CA 93436 (805) 737-2444

To Whom it May Concern;

The following letter is being written on behalf of World Minerals and its domestic companies, Celite Corporation and Harborlite Corporation. Both of these domestic companies are owned and controlled by World Minerals.

Celite Corporation operates a mining facility in Lompoc, CA. This rune exacts diatomaceous earth in crude form and ships this product to points throughout the continental United States. Although it is possible to truck the diatomaceous earth to a ATSF loading site, the Lompoc, CA mine is directly rail served by Southern Pacific and the majority of the outbound tonnage is shipped via SP lines. This mine produces approximately 225,000 total tons per year, of which 1600 carloads are shipped via SP lines annually.

Harborlite Corporation operates mining facilities in Antonito, CO and Superior, AZ. These mines extract a mineral name perlite in a crude form and ship this product to points throughout the continental United States.

The Antonito, CO facility is rail served directly by SP lines (DRGW) and although it is possible to truck the perlite product to a BN served transload site, the majority of the Antonito outbound tonnage is shipped via SP lines. This mine produces approximately 250,000 total tons per year, of which 2400 carloads are shipped via SP lines annually.

The Superior, AZ facility is rail served by SP lines via the MAA short line railroad which runs from Superior, AZ to the SP interchange point at Magma, AZ. This facility can also be served via ATSF truck/transload operation in Phoenix, AZ. Despite the ATSF tansload option, the majority of this mines outbound tonnage is shipped via SP lines and/or trucked directly to market. This mine produces

approximately 60,000 total tons per year, of which 390 carloads are shipped via SF lines annually.

Additionally, with regard to general traffic patterns, the majority of the aforementioned rail volume is destined to points which are not served by the Southern Pacific. Hence, the need for the multi-line rate structures.

UP/SP Merger: Statement of Position

World Minerals understands that the Union Pacific and Southern Pacific want to merge operations and form a new independent rail system. We support their desire to do so and feel that our best interests will be better served by this new transportation company. Among many other related benefits, we believe that the following major service requirements will be better served by this new vendor.

New single-line access to desired markets

Improved transit consistency

Increased fleet size to accommodate our growing business and demand for additional rail cars.

Reduced cycle time for private equipment - shorter direct rail routes between select origin/destinations points.

Given the aforementioned, World Minerals supports the application for the Union Pacific and Southern Pacific merger plans. If you have any questions regarding this support statement, please do not hesitate to contact me.

Tim Bloomer Director of Distribution

Verification:

I, Tim Bloomer, declare under penalty of perjury that the above is true and correct. Further I certify that I am quairied and authorized to file this verified statement. Executed on 10/16/95:______