

"The Spirit That Won The West" is back! The same ambition, hard work and force that drove our railroads and the early settlers to shape the American West is back to propel the Southern Pacific and Rio Grande railroads to the transportation needs of our customers today and to play a vital role in shaping the global markeplace of the future.

Last October's combination of the Rio Grande and Southern Pacific marked the beginning of a new era of innovative, customer-sensitive transportation services. There's a new spirit at Southern Pacific. We're improving train schedules, beefing up our fleets of rail cars and locomotives, concentrating on the service needs of our customers.

We're also turning to our employees who work on the trains, in the terminals and in the offices throughout the railroad seeking their help in making sure customers get the service they need. Our Adopt-A-Branch representatives, who strive for quality by meeting with customers and responding to their service needs, are leading the way.

SP wants to provide its customers with superior services. Services that offer a more diverse, cost-effective and efficient product. Services that can make a difference in our customer's businesses and contribute to their success.

SOUTHERN PACIFIC LINES



TIMETABLE For The

Adopt-A-Branch

San Joaquin

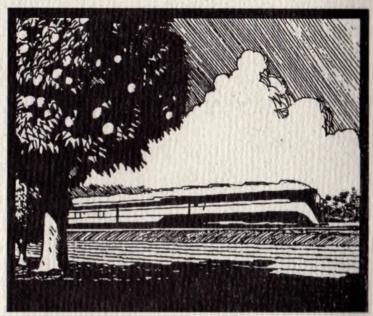


May 11, 1989

Bakersfield To Fresno

May 12, 1989

Fresno To Sacramento

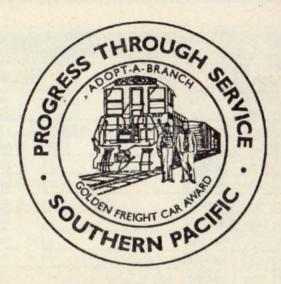


Welcome Aboard!

The combination of Southern Pacific and Denver & Rio Grande Western marks the beginning of a new chapter in western railroading. This special train is a way of demonstrating that all of us at the new SP/D&RGW have a personal commitment to you, our customers, to provide the best service we can.

Southern Pacific is using the steam locomotive SP 4449 on today's train as a symbol of "The Spirit That Won The West" because we are proud of our rich heritage and our contribution to quality rail transportation in the West.

On board, we have assembled some of our top leaders as well as front line employes who provide the day-to-day basic elements of service. We know this occasion will be meaningful to everyone on board.



ADOPT-A-BRANCH

The Adopt-A-Branch program began at Southern Pacific in 1985. It was started in Los Angeles by conductors who saw the need for better communication between the customer and those that actually provided the day-to-day railroad service to them.

The program was setup to focus on customer needs, open the lines of communication, and make the local freight conductor directly responsible for his customer's transportation requirements.

This is accomplished by having the conductors take a day and meet with the shippers directly, in order to more fully understand what can be done to better serve the local industries. After making customer contacts, the conductors assemble for a station meeting with local trainmasters, clerks and sales department representatives. There, in a team atmosphere, operational and service problems are discussed and solved. Once the initial contact has been made, the conductors return again periodically to reevaluate the customer's needs.

From the outset, the program has met with positive response from shippers and employees alike. In 1987 Southern Pacific received Modern Railroad's prestigious Golden Freight Car award on behalf of the Adopt-A-Branch program.

The success of the Adopt-A-Branch program comes from employees taking control and assuming personal responsibility to better serve their customers.

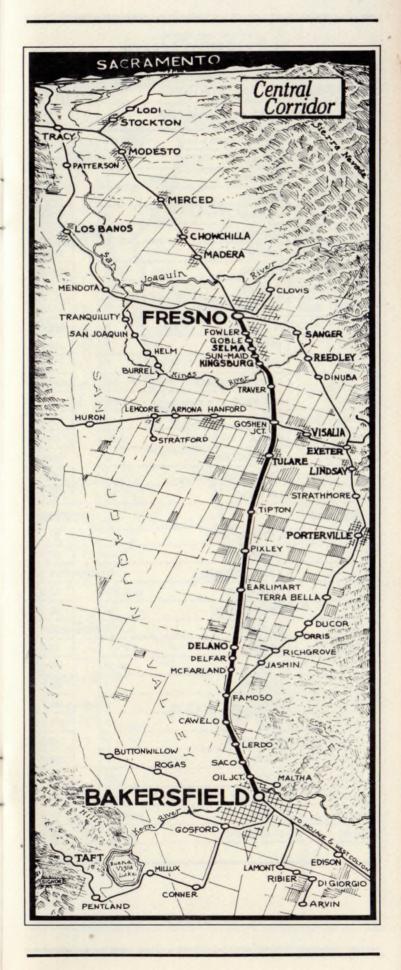
Adopt-A-Branch . . . part of "The Spirit That Won The West."

LOS ANGELES DIVISION BAKERSFIELD SUBDIVISION

WESTWARD		STATIONS		EASTWARD	
Station Number	Siding Feet	Fresno Line			Mile Post
17300		BAKERSFIELD .	BCPQTY	DT ABS	312.9
17083		OIL JCT	P		308.6
17080	8350	SACO	Р		305.8
17065	8330	CAWELO	Р		299.7
17055	8350	FAMOSO	Р		292.6
16486	8350	DELFAR	Р		283.1
16482		DELANO	Р	С	280.7
16474	8350	EARLIMART	Р	Т	272.4
16464	8350	TIPTON	Р	С	260.4
16440	8200	TULARE	Р		250.0
		ATSF CROSSING	MP		249.7
16430	11170	GOSHEN JCT	TP		239.1
		GOSHEN X-OVER	Р		238.6
16428	8300	TRAVER	Р		231.3
16420	8350	SUN-MAID	Р		223.2
16412	8350	GOBLE	Р		216.5
16207		CALWA TOWER (ATSF CROS	SING) MPY	DT	209.1
		FRESNO	TPY	ABS	205.5
16000		FRESNO YARD	BCPQTY	ABS	201.8

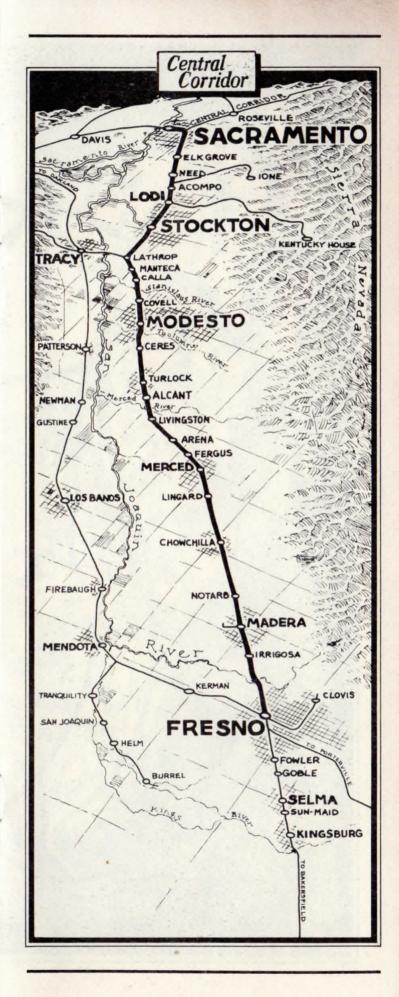
SPEED TABLE

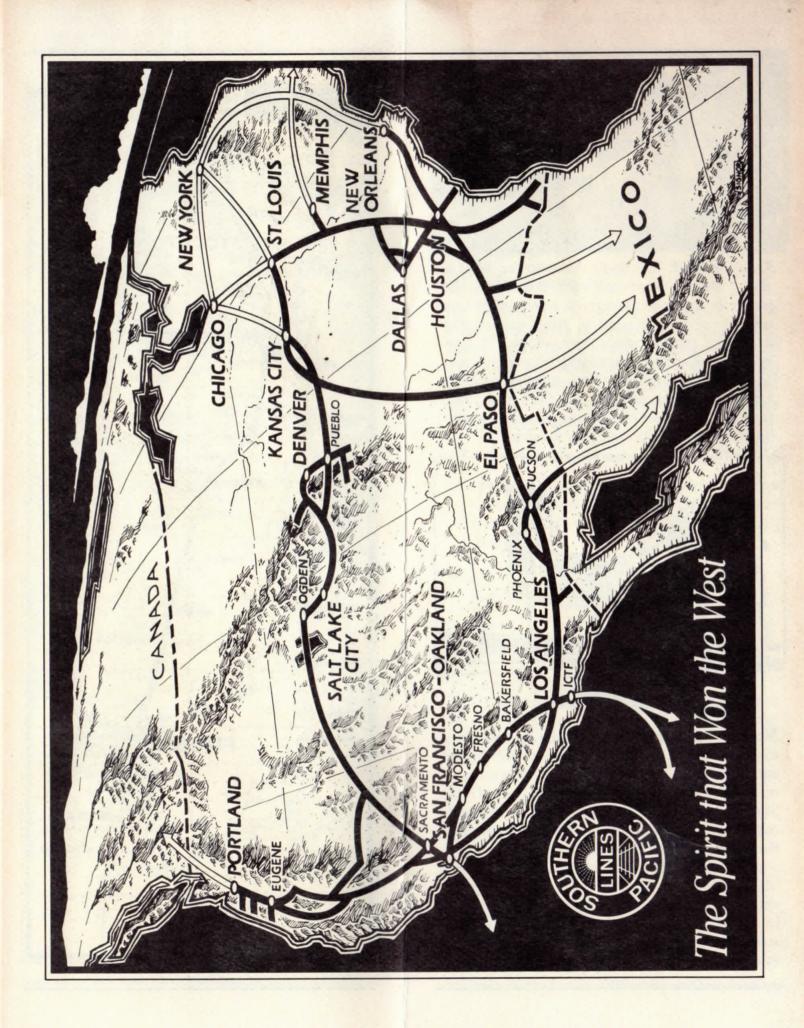
Time		Miles Per	Time Mi		Miles Per	Time Mi		Miles Per
Mins.	Sec.	Hour	Mins.	Sec.	Hour	Mins.	Sec.	Hour
_	45	80.0	1	08	52.9	1	46	34.0
_	46	78.3	1	10	51.4	1	48	33.3
_	47	76.6	1	12	50.0	1	50	32.7
_	48	75.0	1	14	48.6	1	52	32.1
_	49	73.5	1	16	47.4	1	54	31.6
_	50	72.0	1	18	46.1	1	56	31.0
_	51	70.6	1	20	45.0	1	58	30.5
_	52	69.2	1	22	43.9	2	-	30.0
_	53	67.9	1	24	42.9	2	05	28.8
-	54	66.6	1	26	41.9	2 2 2 2 2 3 3 3	10	27.7
_	55	65.5	1	28	40.9	2	15	26.7
_	56	64.2	1	30	40.0	2	24	25.0
-	57	63.2	1	32	39.1	2	30	24.0
_	58	62.6	1	34	38.3	2	45	21.8
_	59	61.0	1	36	37.5	3	_	20.0
1		60.0	1	38	36.8	3	30	17.1
1	02	▶ 58.0	1	40	36.0	4	_	15.0
1	04	56.2	1	42	35.3	5	-	12.0
1	06	54.2	1	44	34.6	6	-	10.0



SACRAMENTO DIVISION STOCKTON SUBDIVISION

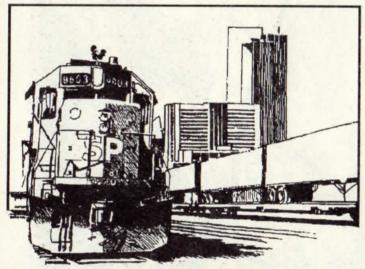
WESTWARD		STATIONS		EASTWARD	
Station Number	Siding Feet	East Side Line			Mile Post
16000		FRESNO YARD	BCPQTY	ABS	201.8
15920	10090	BIOLA JCT	Р		199.2
15910	8350	IRRIGOSA	Р		190.2
15835	14.5	MADERA	Р	194	183.9
15830	8410	NOTARB	Р		179.2
15815	8300	CHOWCHILLA	P		168.2
15810	8350	LINGARD	Р		156.6
15740		MERCED	BPQ		150.5
15736	8350	FERGUS	Р		147.4
15728	8350	ARENA	Р	С	139.8
15716	8350	ALCANT	Р	Т	129.6
15712		TURLOCK	Р	С	126.2
15704	8350	CERES	Р		117.4
,,,		TS RY CROSSING	М		114.7
15500		MODESTO	ВСРО		113.1
15480	8350	COVELL	P		108.0
15460	8350	CALLA	PT		99.4
	19	UP CROSSING	М		93.8
		UP CONNECTION			93.7
15120		LATHROP	PT		93.5 81.5
EASTW	ARD			WESTWAR	
15120	- H X17	LATHROP 6.2	PT	D	81.5
		UP CROSSING	AY	T	87.7
		ATSF CROSSING	MY	AB	90.2
14900		STOCKTON	BCPQTY	S	90.9
		UP CROSSING	М		92.3
14895		EL PINAL	Р	2MT	92.7
14885		AKERS		СТС	93.9
14800	6070	LODI	BPQT		103.3
14800		29			106.2
14780	8350	ACAMPO	P		
	8350	GALT	P	С	111.7
14780	8350 8350	GALT 3.8 NEED		C	111.7
14780 14725		5.5 GALT 3.8 NEED 7.4 ELK GROVE	Р		
14780 14725 14720	8350	5.5 GALT 3.8 NEED 7.4 ELK GROVE 6.1	P P	Т	115.5
14780 14725 14720 14712	8350	S55 GALT 38 NEED 7.4 ELK GROVE 6.1 FLORIN 30 POLK	P P	T C	115.5 122.9
14780 14725 14720 14712 14705	8350	5.5 GALT 3.8 NEED 7.4 ELK GROVE 6.1 FLORIN 3.0 POLK 1.2 BRIGHTON	P P P	T C	115.5 122.9 129.0
14780 14725 14720 14712 14705 14702	8350	5.5 GALT 3.8 NEED 7.4 ELK GROVE 6.1 FLORIN 3.0 POLK	P P P MP	T C	115.5 122.9 129.0 132.0







Ready to Roll. The Spirit that won the West is alive in the new Southern Pacific. It lives on in the power to move whatever you need...whenever and wherever you need it. Representing the latest in micropressor technology, 50 new locomotives are being acquired this year at a cost of over \$50 million, and these, together with the 110 units purchased since the Spring of 1987, have strengthened our powerpool of new and upgraded locomotives at your service. □



New Service. SP has inaugurated 13 new daily freight trains on faster schedules and with better connections, all designed to save you transit time on several routes. Five of them are new Track Star trains, including the San Joaquin Star which makes nightly sprint runs between Fresno and Roseville in order to save a day on connections with Central Corridor trains serving Eastern and Midwestern markets. The faster schedules were made possible by adopting the new "microblocking" technique, which identifies and consolidates blocks of time-sensitive traffic at point of origin to speed delivery to destination.



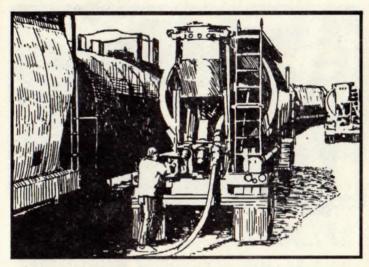
SP Liberator.

SP Liberator is Southern Pacific's EDI (Electronic Data Interchange) program. It is a series of software programs designed to provide you, our customer, with a significantly faster and simpler approach to communicating with us and includes every aspect of your shipping transactions.

SP Liberator allows you to do the following:

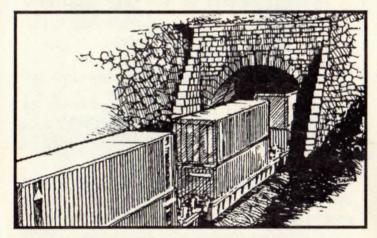
- Generate or initiate shipping instructions electronically either via the personal computer or via the mainframe computer.
- ° Locate and trace shipments in real time.
- Access intermodal rates electronically.
- Speed up the processing of contract or tariff rates through our E-Mail program.

If you are interested in learning more about the SP Liberator we have a short ongoing presentation for you on the train today.



Bulk Distribution Terminals.

Southern Pacific and CSX Transportation have signed a joint development agreement to construct a series of bulk distribution terminals on SP Lines. Under the agreement, CSX will make available to SP its experience and expertise in designing, building and operating the facilities. The terminal is a rail-to-truck transload facility which allows shippers to combine the economics of rail transportation with the flexibility of short haul truck distribution to customers without rail service. SP plans to build terminals throughout its 15-state system.



Mountains don't stand in our way.

SP's Central Corridor route gives you another straight shot for traffic across the west - including double-stack containers. Southern Pacific's unique network geography - and our safe, high-speed tracks and roadbed - can make your shipping faster, easier, and more efficient, whether you're moving double-stacks through the Sierra or trilevels through the Rockies. Only today's Southern Pacific Lines offers you the flexible options of single-system through routing on both the Central and Southern Corridors.



Southern Pacific Salutes Sacramento!

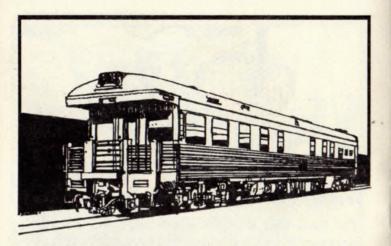
"The Spirit That Won The West" will come alive in Sacramento with a symphony of events throughout 1989, celebrating the City's Sesquicentennial, 150 years of progress in "the historic capital of the West."

From its beginnings in 1839, with John Sutter founding the first settlement on the banks of the American River, Sacramento has grown to play a pivotal role in the development of California and the West. Just ten years later, the city became the gateway to the gold fields and the thousands that followed to settle in the rich valleys of northern California. The legendary Pony Express started in Old Sacramento and the West's first railroad was completed here in 1856. Ground was broken here in 1863 on the Central Pacific Railroad, the nation's first transcontinental line.

Thus its heir, the far-ranging Southern Pacific Railroad, was born in Sacramento and continues today to play an important role in the city's economy. The Sacramento Locomotive Works provides repaired and reconditioned locomotives to points throughout the 15 state system.

Designated California's capital city in 1854, Sacramento has grown into a cosmopolitan, multifaceted city with a deep commitment to its historic roots. The California State Railroad Museum, the nation's largest and finest of its kind, is located here, in Old Sacramento. The museum displays steam locomotives, diesels, freight and passenger cars in an exciting interpretive setting. Southern Pacific maintains a continuing partnership with the California State Railroad Museum to place the positive aspects of railroading in the public consciousness. Southern Pacific is pleased to participate in Sacramento's 150th Anniversary with the arrival of the special train and the display of the celebrated steam locomotive, SP 4449, in Old Sacramento.

Happy Birthday Sacramento! SP Salutes You!



Today's train is composed of a variety of classic railroad cars, each with a rich heritage and uniqueness of its own...

DLMX 5811, SP 295, SP 298 "Headend" cars carrying tools and supplies for the locomotive, electricity and air compression for the train, supplies for the diner, quest luggage and spare parts.

SP 292 A "10-6" sleeper originally built by Budd for the Sunset Limited train in 1950. Car is now used primarily for dining car and lounge car crews.

SP 290 The "Audobon Diner." Originally built by Budd for the Sunset Limited train in 1950, this car retains its original colors of soft bayou green, turquoise and gulf blue. As created by Gustav Ketterer of Philadelphia, the interior featuress designs inspired by the famous wildlife artist John James Audobon.

SP 291 Lounge car "French Quarter." Yet another car built for the Sunset Limited, and retaining its original interior color scheme, this car features a barber shop, shower and sleeping accomodations for a crew of three.

SP 289 Lounge car "City of Angels." A Pullman-built car similar to the "French Quarter" delivered in late 1949 and used throughout the SP system. Restored for the 1984 Los Angeles Olympics and named "City of Angels."

Lounge car "Utah." Built for the Rock Island Lines in 1948 by Budd and christened "The Duncan," the car was acquired in 1985 by ANSCO Investment Co. World renowned Orient Express designer James Park of London was commissioned to renovate the car, assisted by Denver architect James Waltz.

Dome sleeper "California." Built by Budd in 1the mid 1950's for the Northern Pacific's North Coast Limited. The car was acquired by ANSCO in 1985 and renovated by James Park of London.

SP 106 Business car "Oregon." Built by Pullman in 1926 for the New York Central, SP acquired the car in 1953, rebuilt it as the "Shasta," a name it held until the early 1970's.

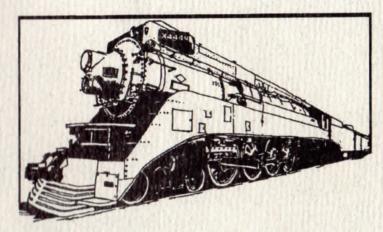
SP 100 Business car "Airslie." Built by Pullman in 1926 for the Southern Pacific in a traditional business car configuration.

SP 141 Business car "Oakland." Built in 1926 by Pullman for the Southern Pacific. The car is in much of its original condition although many lights have been upgraded, and air conditioning added.

SP 140 Business car "Stanford." Built in 1928 by Pullman for the Southern Pacific as the "Sunset." The car, very much in its original condition, was renamed in 1955 when the current "Sunset" was built.

SP 150 Business car "Sunset." Commissioned by Donald J. Russell, then president of the SP, the car was delivered from Pullman in November 1955.

Business car "Kansas." Built in 1950 for the D&RGW by Pullman as a chair car for the Royal Gorge and Prospector trains. Rebuilt in 1950 as a business car 100, and later named "The Wilson McCarthy" in honor of a former D&RGW president, the car was acquired in 1986 by ANSCO and renovated to its present condition. □



SP 4449. Considered to be the most beautiful locomotive in the world, the SP 4449 was built in Lima, Ohio, in 1941 by the Lima Locomotive Works. Commissioned for use on Southern Pacific's "Daylight" passenger trains between Los Angeles and San Francisco, the 4449 was the finest of the fleet; built at the peak of steam technology. After 16 years of dependable service, however, she was supplanted by diesel power and retired at Bakersfield, California. In April 1958, the 4449 was donated to the City of Portland, Oregon, and placed on permanent display in Oaks Park.

A static display was not to be the fate of the 4449, however, for in November 1974, the American Freedom Train Foundation chose her to pull the Bicentennial Freedom Train. After four months of restoration, the 4449 embarked on a two year, 36,000 mile trek across America's heartland.

In 1981, she was restored to her original "Daylight" colors of red, orange and black and operated to Sacramento to take part in the grand opening of the California State Railroad Museum. She later was displayed at the 1984 World's Fair in New Orleans. Movie goers will remember her as the colorful locomotive heading up the train in the 1986 film "Tough Guys" with Burt Lancaster and Kirk Douglas.

We would like to express our thanks to the City of Portland for letting us use the 4449. Also a special thanks for the many hours of service rendered by Doyle McCormack and his volunteer crew for the initial restoration of this fine locomotive and the preparation necessary for making this trip. \square