READ THIS STATEMENT REGARDING THE TRANS-BAY SUBURBAN SERVICE OF SOUTHERN PACIFIC

San Francisco, June 10, 1914.

To Our Patrons in Alameda County:

For your consideration are presented the following facts, relating to passenger fares between San Francisco and points on the electric lines in Alameda County and fares between points in Oakland on the same lines:

(1) The existing fares are much lower than those for like suburban service elsewhere in the United States. As examples of fares the following will be of interest:

NAME OF COMPANY	BETWEEN		Distance	One Way Fare	Round Trip Fare	Monthly Commutation Fare
Southern Pacific	San Francisco and	Thousand Oaks	11.8	$0.10	none	$3.00
" "	"	Seminary Ave.	12.2	.10	none	3.00
" "	"	14th & Franklin Sts.	7.1	.10	none	3.00
" "	"	Park St., Alameda	8.4	.10	none	3.00
" "	"	7th & Broadway	6.7	.10	none	3.00
" "	"	Market St., Oak.	5.9	.10	none	3.00
Chicago & Northwestern Ry.	Chicago	Austin	6.7	.14	.28	4.30
" "	"	Evanston	12.0	.24	.48	6.30
" "	"	Norwood Park	11.1	.22	.44	6.10
Chicago, Mil. Elec. R. R. Co.	"	Glencoe	7.6	.10	.20	none
" "	"	Highland Park	11.7	.15	.25	none
" "	Milwaukee	So. Milwaukee	10.2	.15	.25	none
Illinois Central R. R. Co.	Chicago	South Park	7.	.12	.20	4.05
" "	"	Avalon Park	10.	.18	.30	5.25
Twin Cities Rapid Transit Co.	Minneapolis	Browndale	6.25	.10	none	none
" "	"	Hopkins	9.54	.15	none	none
" "	"	Mayview	11.84	.20	none	none
Milwaukee Elec. Ry. & Light Co.	Milwaukee	County Line	9.03	11	none	none
" "	"	Moorland	11.07	.15	none	none

East St. Louis & Suburban Ry.	St. Louis	Edgemont	7.62	.10	none	*5.00
" "	"	Belleville	14.71	.20	none	none
Detroit United Ry. Co.	Detroit	Greenfield	8.32	.10	none	none
" "	"	Redford	12.61	.15	none	none
" "	"	Concors Creek	6.08	.10	none	none
Terre Haute, Indianapolis & Eastern Tr. Co.	Indianapolis	Augusta	9.55	.15	.25	6.45
" "	"	Morris	8.26	.10	.20	5.60
" "	"	Cumberland	11.10	.15	.25	7.45
International Ry. Co.	Buffalo, N. Y.	Tonawanda	9.46	15	25	5.00
Buffalo & Lake Erie Traction	"	Bay View	8.2	15	25	4.45
" "	"	Clover Bank	11.3	.20	.35	6.10
N. Y. C. & H. R. R. R. Co.	New York	University Heights	8.06	.14	.25	4.85
" "	"	Spuyten Duyvil	10.41	.18	.36	5.60
" "	"	Melrose	6.09	.10	.20	4.00
Staten Island Rapid Transit Ry.	New York	Grasmere	8.3	.15	.25	5.25
" "	"	Oakwood Heights	11.8	.25	.40	5.25
" "	"	Bay Terrace	12.4	.25	.40	5.75
Central R. R. of N. J.	New York	Newark	8.5	.17	.30	5.50
" "	"	Elizabeth	12 5	30	50	6.00
Erie R. R.	New York	Rutherford	9.5	.25	.40	5.50
" "	"	Passaic	12.4	.30	.55	6.25
" "	"	Homestead	6.1	.15	.25	5.00
" "	"	Ridgefield	10.2	.25	.45	5.60
West Jersey & Sea Shore R. R.	Philadelphia	Westville	6.9	.14	.23	4.80
" "	"	Woodbury	9.6	.20	.30	5.70
" "	"	Wenonah	12.7	.26	.41	6.60
N. Y. N. H. & Hartford R. R. Co.	New York	Mount Vernon	13.65	.35	none	6.75
Penn. R. R.	Philadelphia	Bryn Mawr	10.3	.26	.41	5.70
" "	"	Rosemont	11.	.28	.43	6.00
Long Island R. R. Co.	New York	Lafayette	10.9	.27	.44	6.00
" "	"	Woodside	5.0	.14	.25	5.00
" "	"	Forest Hills	9.2	.26	.45	6.80
" "	"	Jamaica	11.7	.30	.50	8.00
" "	Brooklyn	Jamaica	9.6	.10	none	none

*—50 Ride Ticket.

The foregoing fares are quoted as representative of Eastern suburban fares. If any Alameda County civic or commercial body desires further information we will be pleased to furnish it in full as to the rates from any Eastern city of importance to points within a fifteen-mile radius of the suburban terminal.

(2) The fares under consideration are so low that they do not yield revenue sufficient to meet operating expenses, much less any return upon the millions of dollars invested. Complete statements as to the earnings and operating expenses will be furnished to the State Railroad Commission and copy thereof will be supplied to counsel for the protestants, with the request that the representative of any civic or commercial organization interested be allowed access thereto. Your careful scrutiny of this statement is invited and if you wish to employ expert accountants to analyze or check such statement they will be welcomed by our Accounting Department and full and cheerful co-operation extended to them in making such investigations. Our accounts are kept in accordance with the

system prescribed by the Interstate Commerce Commission. These statements will show not only that the revenues did not meet operating expenses for the whole service performed but also that this statement is true if any of the suburban lines be eliminated: for example,—if the Berkeley lines be considered as not having been built; or, indeed, if all but any one line be considered eliminated.

In every case a proper allowance is made for the service performed by the ferry boats and elsewhere in connection with the steam line traffic.

(3) The hearing before the State Railroad Commission is now set for June 16th. At that time expert valuation of the property involved in this service will be presented to the Commission. In addition thereto it will be shown how much of such valuation has actually been expended in money for the benefit of this service since June 30, 1906.

(4) It is believed that above all other considerations you desire good service, and when convinced as to the facts will be willing to pay a fair remuneration therefor. It is not

believed that you desire something for nothing. From representations made to the Southern Pacific Company it is known that your growing communities are desirous of having service maintained at a high standard; and to have betterments, additions and extensions made as fast as conditions warrant. A high standard can not be maintained in a growing territory except with the constant addition of capital investment. More cars must be bought—and steel interurban motor cars cost from $15,000 to $20,000 each—additional electrical machinery and transmission lines have to be created; public demand for safety devices, interlocking plants, signals, etc., increases; terminal facilities need to be enlarged, and so on. Upon what basis other than a fair return upon investment could you, if responsible for the operation of these lines, ask the stockholders of your company to make further needed investments. If investment already made had been unprofitable to the extent that there was not only no return therefor but a deficit to meet in operation, as is the case with the lines under consideration, would you not find the

situation difficult? It must be remembered that the expenses of railway operation during the last few years have increased greatly.

(5) The most recent extension is the line now terminating at Dutton Avenue, near San Leandro. Fares east of Melrose were established on a basis that the company believed would afford fair remuneration after a reasonable development had taken place, not expecting, of course, that during the pioneer period the line would earn its way. These fares so established compare favorably from the patron's viewpoint with rates for like service elsewhere in the United States. The fares, however, were immediately attacked on the ground of discrimination compared with other fares in Alameda County, and thus unavoidably was brought to an issue the whole question now up for consideration. It would, however, sooner or later, have had to come up for your consideration and ours, for after careful review of the operation of these lines, making every allowance for economies made or to be made by changes in service, abandonment of lines or otherwise, and for any possible in-

crease in business, yet there is found no prospect of the present fares yielding adequate revenue.

We ask in your consideration of this question, simply that you defer judgment until all the facts are at your command and until you have fully considered them.

A full presentation will be made to the State Railroad Commission. We believe that we will have the public support when the public is convinced as to the situation with respect to our earnings and expenses. It is earnestly hoped that you will have your representatives appear at the hearing before the Commission that they may be fully informed as to the testimony there presented.

We are asking only for a square deal and the facts fully developed will show what will constitute a square deal in this instance.

SOUTHERN PACIFIC COMPANY
By CHAS. S. FEE,
Passenger Traffic Manager.