(COPY)

March 10, 1933.

Mr. Guy V. Shoup:

The present economic conditions have resulted in a sharp decline in both freight and passenger traffic, and it is necessary that we immediately effect economies in train operation. To accomplish this, we desire to solicit your assistance in making reductions in train service in the state of Arizona which have been deferred for a long time awaiting either decision from the Arizona Corporation Commission or adjournment of the Arizona State Legislature.

Following are the cases pending, on which we want to get immediate action -

Fort Huachuca - Lewis Springs Branch

Now operating two round trips daily. We have proposed to discontinue those mixed trains and instead operate one freight train a week for carload freight, and operate bus-truck between Fairbank and Fort Huachuca to handle passengers, baggage, mail, express, and less-car-load freight.

This has been pending decision of the Arizona Corporation Commission since early in 1932.

Phoenix - Maricopa Branch

Now operating one round trip motor passenger train a day. We have proposed to discontinue that train.

The Superintendent has had up with attorneys Baker and Whitney since February 17 to discontinue.

Globe - Miami (Part of Globe Branch)

Now operating two round trip motor passenger trains daily. We have proposed to discontinue those trains.

Action has been deferred pending decision on substitute bus-truck franchise, but it has now been decided that we shall provide no substitute service, although arrangements will be made with local operator to handle passengers, baggage, mail, and express between Globe and Miami.

The Superintendent has been instructed today to negotiate with local attorneys for immediate discontinuance of those trains.

Bowie - Globe (portion of Globe Branch)

Now operating one round trip motor passenger train daily (steam service being used temporarily) and we have proposed reduction to one round trip three times a week.

Action has been deferred for decision of interested departments, but Superintendent has been instructed today to negotiate with local attorneys for immediate reduction passenger train service to tri-weekly frequency.

Phoenix - Winkelman

Now operating one round trip motor passenger train daily except Sunday (steam service being used temporarily) and we propose to reduce to one round trip three days a week.

Action has been deferred for decision of interested departments, but the Superintendent has been instructed today to negotiate with local attorneys to reduce the service to tri-weekly frequency.

Tucson - Nogales

Now operating round trip steam passenger train daily, and we propose to reduce to daily except Sunday.

Superintendent has been instructed today to negotiate with local attorneys for immediate discontinuance of the Sunday passenger train service.

Douglas - Cochise

Now operating three round trip mixed trains a week. We have proposed to discontinue that service.

We have application pending with the Interstate Commerce Commission to abandon the line, and should have Law Department ruling as to whether we may or may not discontinue or reduce the service without waiting for Interstate Commerce Commission's decision. That, of course would require authority of the Arizona Corporation Commission.

Benson-Benson Junction: Now operating four round trip mixed trains each week.

Fairbank - Tombstone: Now operating round trip mixed train daily except Sunday.

Fairbank - Patagonia: Now operating two round trips mixed train a week.

We have proposed to reduce service Benson - Tombstone to two mixed round trips a week, and Benson - Patagonia one round trip mixed train a week.

Mr. Guy V. Shoup: March 10, 1933

Superintendent was instructed yesterday to negotiate with local attorneys for filing of application with Arizona Corporation Commission to effect the desired reduction.

Lordsburg - Clifton

Now operating daily round trip mixed train and we have proposed daily except Sunday service.

Superintendent has been instructed to operate that train daily except Sunday effective March 19, and to assemble data to determine if it be advisable to further reduce to tri-weekly. Being interstate, those reductions can be effected without notice to the state commission. (This item for your information only and not to be handled with Messrs. Baker & Whitney at this time.)

I am sure you will appreciate the urgent need for quick action in these economy measures, and shall be glad to have your personal assistance in transmitting instructions to the local attorneys by telegraph, in order that they may be effected at the earliest possible moment.

Will you please keep me closely posted on the status of each case?

Sgd. A. T. Mercier

Mr. Mercier:
Recommend for signature.

Sgd. W. B. Kirkland

C
O
P
Y

415-22
San Francisco, January 21, 1933

Mr. T. B. Wilson:

Southern Pacific proposes to discontinue its rail motor car service between Globe and Miami, Arizona, now consisting of two round trips daily.

Understand that an independent bus operator now has franchise rights in the Globe-Miami territory and that it might be difficult for Pacific Greyhound to operate guaranteed service there for S.P. account.

Shall appreciate receiving your recommendations as to the most economical manner in which the substitute highway service could be performed.

Sgd. C. R. Harding

cc - Mr. J. H. Dyer
Mr. F. S. McGinnis

Information as to existing local operator between Globe and Miami received January 20th by telephone from Pacific Greyhound officers is first knowledge I have had of that feature. Possibly we can arrange through Pacific Greyhound to have the existing operator take over our S.P. traffic without guarantee.

Copy made by F.L.B. 1-25-33 for -

Mr. W. B. Kirkland, as information.

San Francisco, May 20, 1932.

Mr. Paul Shoup:

Your personal memo of April 21, suggesting review of motor car train service in Arizona and elsewhere:

Attach hereto copy of "Study of Motor Car Passenger Train Service on Pacific Lines" as prepared in Office of Superintendent of Transportation. The views therein stated are those of Operating Department officers, and meet with my approval.

You will note that there does not appear to be any opportunity to discontinue any of the service in Arizona at this time: as to the

Winkelman-Phoenix run, it is considered that the present service is the most economical that can be provided;

Trains 377 and 378 between Tucson and Phoenix are being held on in compliance with order of the Arizona Corporation Commission for a period of ninety days from April 24 last, to determine if, with earlier departure of the westward train from Tucson which the Commission specified, they can be made to earn out-of-pocket operating costs;

Globe Branch service seems to be the best that can be provided, automobile bus and truck service being impractical because the highway does not parallel the railroad at all points, and objectionable to certain of our patrons, and the

Phoenix-Maricopa run was inaugurated to provide connection from Phoenix with Train 2 at the latter point, when No. 2 was routed over the Gila line, instead of via Phoenix, in April.

As to other motor car runs on Pacific Lines, instructions have been issued to proceed with the discontinuance of Trains 291 and 294

between Colfax and Sacramento, and Trains 363, 364, 365, and 366 between Calexico and Niland. Having received, when we attempted in 1930 to discontinue the Colfax-Sacramento trains, a decision from the California Railroad Commission which embodied several objectionable terms, particularly in respect to passenger fares which would have upset our entire passenger rate structure, we are in this instance proceeding cautiously, and I understand that today the Superintendent and local representatives of the Freight Traffic Department are sounding out the Hillside shippers and endeavoring to convince them of the propriety of our proposed action. Soon as we know what is the attitude of those shippers we will be in better position to judge how next to proceed.

The discontinuance of the two pairs of trains between Calexico and Niland will of necessity have to await the close of the cantaloup shipping season, for the reason that they are employed to haul carload express shipments of melons to Niland for connection there with trans-continental trains.

In both the Hillside and Imperial Valley territories the motor train service will be partially substituted by other existing train service and partially by highway buses and trucks.

(Signed) J. H. DYER

cc - Mr. McGinnis

Copy of study attached.

Encl.

Mr. Dyer:
Recommend for your signature.

W. J. Kinsland

hwm

San Francisco, April 21, 1932.

PERSONAL

Mr Dyer
Mr McGinnis.

In view of the closing down of the mines or great reduction in forces in Arizona, I feel that we had better very promptly review all of our motor car service in that territory and see how much of it might be discontinued to advantage. We cannot undertake to maintain any service at an out-of-pocket loss. If it be essential, we can arrange, of course, for motor buses to take care of what business there is.

It might be well in this connection to check our motor service elsewhere also, March being a guide as to what we may expect during the next few months.

PS*WF