

Southern Pacific Company Outlines Plans For Oregon-California Railroad Development

[The following statement, addressed to the Klamath Falls Chamber of Commerce and outlining Southern Pacific Company's plans for railroad development in Oregon and northern California, was made public at Klamath Falls, July 30, 1925, by Paul Shoup, Executive Vice-President, Southern Pacific Company.]

IN response to requests that we clarify the situation with respect to our plans for the development of transportation facilities in Klamath Falls, southern Oregon and northern California generally, they have been matured to the extent that enables me to make the following statement on behalf of the Southern Pacific Company, authoritatively—in making it comprehensive, statements heretofore published are to some extent reviewed therein:

1. The Southern Pacific has acquired subject to approval of the Interstate Commerce Commission an interest in the Strahorn Railroad (the OC&E), and application has been made to extend this road to a point on Williamson River, and also to Silver Lake and eastward to Lakeview.

The Southern Pacific has made application to the Interstate Commerce Commission for authority to extend its line southward through the Malin and Merrill territory forty miles to Cornell. The Southern Pacific which has acquired all the common stock of the N. C. O. subject to the approval of the Interstate Commerce Commission has agreed to broad-gauge the entire line into Lakeview.

2. The Strahorn Line (the OC&E), if the taking over of an interest in this system is approved by the Commission, will within six months after their approval be made part and parcel of the Southern Pacific system so far as rate making is concerned, Mr. Strahorn having concurred in this plan.

3. Through the applications made and such other applications as are necessary the Interstate Commerce Commission will be asked for authority to create a line through from Klamath Falls to connect with the Central Pacific, giving a route via Ogden that will be reasonably direct and avoid the present longer haul through Weed; and upon approval of the Commission we will promptly undertake the construction of this line and build it within the time set by the Commission.

4. Our study of the territory to be served, construction costs, and operating conditions are not yet complete, but we will complete these investigations within a reasonable time and upon their completion will announce the route to the East to be taken to connect with the Central Pacific.

We have been asked whether or not there is any prospect that a cut-off between the Natron Line and

the Strahorn Line (the OC&E) at Williamson River would be constructed in the event we took over the Strahorn Line (the OC&E), thereby placing Klamath Falls off the direct through route from Ogden to the East via the Central Pacific. It has not at any time been given any consideration, in fact, the suggestion did not come from us, nor do we know who suggested such a route.

5. If our applications are approved we will locate our terminal for this district at Klamath Falls. This involves a very considerable payroll at Klamath Falls which will be increased as our traffic grows. This terminal would be located within six or eight miles of the center of the city. We wish to get as close in as may be practicable but it is impossible at this time to name a more specific location.

All these plans and promises are as definite as we can make them just at this time and are, of course, predicated upon the assumption that our applications are approved by the Commission, without destructive competition; and the support of Klamath Falls for our program is assumed.

Supplementing the foregoing statement of our work as planned, it will be noted that not only will Klamath Falls become a very considerable railroad center, but that through our lines will be able to reach substantially all of the markets of the United States for its products with direct service. Locally it will be connected with all its tributary regions where railway service can be justified. It will be on a main trunk line between north Pacific Coast points and California. It will be on a through line between Portland and western Oregon and the East; this line will give direct service to the East for the Klamath region.

With the very great natural resources of this region under development, direct railway service to markets, and the establishment of important terminal activities here, Klamath Falls is assured of a bright future and, it seems to me, has the right to feel optimistic.

May I, in this connection, say I think we should not overlook the great development coming to this section as a resort region; to my mind your possibilities in that direction are as yet not comprehended. We will be glad to co-operate in making them known.

(SEE MAP ON OTHER SIDE)