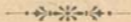


San Diego,

Pacific AND

Eastern

Railroad



A RAILROAD FOR  
RAILROAD MEN.



GOULD, HUTTON & CO., PRINTERS  
SAN DIEGO, CALIFORNIA.

## San Diego Pacific and Eastern R. R. PROSPECTUS.

This road will start at the bay front, in the city of San Diego, California, running thence through the city, through Old Town, and up the San Diego river in a northeasterly direction, crossing the city limits about four miles from the starting point, running thence in a northeasterly and easterly direction through the fertile valley known as Mission Valley, on the San Diego river; thence through a part of the world-famous El Cajon Valley, where nearly two hundred carloads of raisins are raised each year, together with hundreds of tons of peaches, prunes, apricots, pears, lemons, oranges, almonds and English walnuts, besides thousands of tons of grain. The line then runs through Sycamore Cañon valley, the Santa Maria valley, the Ballena valley, the Valle de San Jose, the San Jose del Valle, the San Felipe, the Vallecitas; all of these valleys are world famous as being among the most productive pieces of country in the United States; thence across the northern end of the Mojave Desert (at which point it is only about sixty miles wide), thence to the line between Nevada and California, thence through the southeast corner of the state of Nevada, reaching in that state immense mining regions, to the great coal fields of southern Utah; the intention being to make this a transcontinental line.

San Diego has been selected as the starting point from which to build the San Diego, Pacific & Eastern Railroad, for the following reasons:

*First*—Being situated on the Bay of San Diego (a harbor with no superior in any

part of the inhabited world), it will command the shipping, both export and import, to foreign countries tributary to the Pacific Ocean.

*Second*—A line has been explored showing a considerably reduced mileage to the East as compared with the existing trans-continental lines, south of the snow line, and susceptible of far easier grades.

*Third*—Starting from San Diego the line will penetrate a territory at least five hundred miles square now devoid of adequate railroad communications, and rich in all the elements necessary to a prosperous community and through which rights of way can be secured at practically no cost and most substantial subsidies obtained.

*Fourth*—In the city of San Diego most excellent terminal facilities can be obtained at a very nominal cost, the equal of which in Eastern and other cities, provided with similar railroad facilities, have cost railway companies more than the entire cost of the proposed line.

The land bonus already pledged from thoroughly reliable men show that the amounts received from that source will be almost equal to the cost of grading the road. It is proposed to build this road without issuing bonds, so that every dollar earned will go directly to the holders of the stock. This will be the only railroad in the United States free from bonded indebtedness. It can, therefore, never be forced out of the ownership of the men who hold the stock. The capital stock of the company has been placed at \$1,000,000 to be increased as the work progresses, and will be sold only at par, each share being placed at \$10, the intention being to make this a Railroad Men's Railroad.

To insure the stockholders against the manipulation of stock jobbers, the incorporators have wisely provided against any bonded or other indebtedness, and have decided that five hundred shares is the highest number that any one can own; as a further precaution, it is suggested that the several local Lodges and Divisions of the different Brotherhoods subscribe for this stock as an investment, apart from the investments made by individual members. If each Lodge and Division will subscribe one share for each member it will place the control of the stock beyond a possibility of manipulation. No man is to be employed excepting he be a stockholder; and the directors and officers to be selected from men in actual service on the road. If the project receives the support it should at the hands of the employees of the railroads of the country, there will be a living example of what labor can do which will be an improvement over strikes or arbitration. Why should not the railroad men own and operate their own roads?

In order to succeed, the railroad employees of the whole country must rally to the project. If one-fourth of all the employes will contribute fifty cents per month, this road will be built, and they will readily do even better than this if they fully understand that it is in the hands of their friends. If they will unite and respond, success is sure.

San Diego is the natural gateway on the Pacific coast between the United States and all the Central and Southern American and Asiatic countries, and this road when completed will be the most important railroad property in the United States, and one that will shorten the dis-

tance across the continent 24 hours.

The company now holds franchises that will in the near future be of great value. The earnings of the road will be distributed to the stockholders in dividends and only the stock subscriptions used for building. As an investment the stock will be gilt-edge, but as a means of freeing the railroad men from the chains now riveted to them, it deserves the earnest support of every man who follows the railroad business in any branch.

There are no clerks; every officer fills a clerical position and will give his personal attention to all the work. No unnecessary assistants will be employed, no clerks will be hired until the growth of the business demands it; the strictest economy will be practiced in every branch.

For further particulars, address  
THE SAN DIEGO, PACIFIC & EASTERN  
RAILROAD Co.,  
San Diego, California.



The Brewster Hotel, Leading Commercial Hotel of San Diego

## ENDORSEMENTS.

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### Endorsement of Board of Trade.

SAN DIEGO, CAL., January 8, 1895.

At a regular meeting of the Directors of the Board of Trade of San Diego, held at the Board of Trade rooms on the 26th day of December, 1894, the following resolution was adopted :

*Resolved*, That the Board of Trade of San Diego hereby recommends the enterprise known as the San Diego, Pacific and Eastern Railroad, with its present board of directors, auditing committee and other safeguards, as being worthy of the careful consideration of the railroad men and the people at large.

I hereby certify that the foregoing is a true, full and correct copy of the resolution adopted at the meeting of the directors of the Board of Trade, held at the aforesaid date.

SAM F. SMITH, Secretary.

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### Endorsement of Chamber of Commerce.

WHEREAS, The project of building, operating and owning a railroad by the railroad men of the United States, to be known as the San Diego, Pacific and Eastern Railroad, has been presented to the San Diego Chamber of Commerce and has been fully investigated by its members; and

WHEREAS, It is the unanimous opinion that the project is feasible and will be of the greatest benefit to the city and county, therefore be it

*Resolved*, That the San Diego, Pacific and Eastern Railroad project, its officers and board of directors, be heartily endorsed; that we consider the project worthy of the earnest support of our citizens and the railroad men throughout the United States, and be it further

*Resolved*, That this resolution be entered on the records and a copy of the same be forwarded to the President of the San Diego, Pacific and Eastern Railroad Company.

The above preamble and resolutions were unanimously adopted at the regular monthly meet-

ing of the directors of the San Diego Chamber of Commerce held this date. [Attest.]

R. H. YOUNG, Secretary.

R. V. DODGE, President.

San Diego, Jan. 4, 1895.

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### Endorsement of City Common Council.

#### JOINT RESOLUTION NO 521.

WHEREAS, The San Diego, Pacific & Eastern Railroad, a corporation, organized by railroad men to build a railroad from the harbor of San Diego, through the large and flourishing communities lying in a northeasterly course, to cross the Southern Pacific Railway, the Atlantic and Pacific Railway, and make connection with other roads at Salt Lake City, Utah; and

WHEREAS, This great undertaking has been endorsed by other organized bodies of the City of San Diego, now therefore be it

*Resolved*, That the Common Council of the city of San Diego do hereby endorse and declare their entire confidence in the officers named in the articles of incorporation of the San Diego, Pacific and Eastern Railroad, and do further declare that the railroad men's railroad is worthy of the support of railroad men.

I hereby certify the above to be a true copy of Joint Resolution No. 531 of the Common Council of the city of San Diego as adopted by said Council January 7, 1895.

[Signed], GEO. D. GOLDMAN, City Clerk.

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### Endorsement of Division No. 398, Brotherhood of Locomotive Engi- neers.

WHEREAS, The project of building a line of railway from the City of San Diego, California, in an easterly direction, connecting one or several of the great through lines of railways with deep water, at the Bay of San Diego, has been brought to the attention of this Division, and

WHEREAS, The plan of the projectors of said line of railway, as proposed by them, is to have the railway built exclusively by the railway employees of the United States, to be owned by said

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employees, and to be operated under their control and management, and

WHEREAS, Said project appears to unfold great possibilities for the advancement of the present condition of railway employees, including a practical test of the principles advocated by federated labor organizations for many years, and

WHEREAS, This Division has full confidence in the merits of the proposed line of railway, including the practicability of the proposed route, the standing of the men who are forwarding the project and the manner whereby the financial part of the plan is to be managed, and the methods to be employed in conducting the business of the railroad during construction, and in operation after completion, and

WHEREAS, An investigation has revealed to us a practical scheme of fully advised methods, therefore be it

*Resolved*, That this Division of Brotherhood of Locomotive Engineers endorse the project of building the said San Diego, Pacific & Eastern Railroad, or by whatsoever name it may be called, and that we give to the accomplishing of the project our hearty moral and financial support, believing as we do that its success will do much toward advancing the material and moral welfare of railway men, and be it

*Resolved*, That J. Roy Stearns, a member of good standing, is a fit and proper person to represent the interests of the Brotherhood of Locomotive Engineers upon the Board of Directors of said proposed railroad company, and that the said Division of Locomotive Engineers endorse his appointment to said Board of Directors; and be it further

*Resolved*, That these resolutions be spread upon the minutes and proceedings of this Division, and that a copy thereof be forwarded to the Board of Directors of the said San Diego, Pacific & Eastern Railroad Company.

I hereby certify that the above is a true and correct copy of the resolution adopted at a meeting of this Division held on the 13th day of January, A. D. 1895.

R. S. THOMAS, Secretary Div. 398.

**Endorsement of Lodge No. 386,  
Brotherhood of Locomotive Fire-  
men.**

WHEREAS, The project of the San Diego, Pacific & Eastern Railroad Company, a corporation



organized under the laws of the State of California for the purpose of building a railway line from the City of San Diego eastward, connecting the great through lines of railway with deep water at the Bay of San Diego, has been presented to Lodge No 386, Brotherhood of Locomotive Firemen, and

WHEREAS, the plan of the incorporators and projectors of said railroad enterprise is to have this line of railroad built entirely by the railroad employees of the United States, to be owned by railroad men and operated solely under their management and control; and

WHEREAS, This project has been thoroughly investigated by the members of this Lodge of Brotherhood of Locomotive Firemen, and

WHEREAS, Said project, when carried to a successful completion will tend to greatly improve the present condition of the railroad men and bring to a practical test the principles advocated by all great leaders in the field of labor for many years; and

WHEREAS, This Lodge has entire confidence in the merits of the project, including the practicability of the route, the standing of the men at the head of the enterprise, and the manner whereby the financial part of the plan is to be managed both during the construction of the road and afterwards in its operation; therefore, be it

*Resolved*, That this Lodge No. 386, Brotherhood of Locomotive Firemen do hereby endorse and declare their entire confidence in the officers of the San Diego, Pacific & Eastern Railroad Company, and further declare that the Railroad Men's Railroad is worthy of the hearty moral and financial support of the railroad men of the United States, believing as we do that the success of this this enterprise will do much towards advancing the material and moral welfare of the railroad men; be it further

*Resolved*, That J. M. Dodge, a member in good standing, is a fit and proper person to represent the interests of the Brotherhood of Locomotive Firemen upon the Board of Directors of said railroad company, and that this Lodge of the Brotherhood of Locomotive Firemen endorses his appointment on said Board, and be it further

*Resolved*, That these resolutions be made of record on the proceedings of this Lodge, and that a copy thereof be forwarded to the President of the San Diego, Pacific & Eastern Railroad Company.

I hereby certify that the above is a true and correct copy of the resolutions adopted at a meeting

of this Lodge, held on the 10th day of March, A. D. 1895.

WM. CARR ETHERINGTON,  
Sec. Lodge No. 386, Brotherhood of Locomotive Firemen.

Officers of Lodge: Master, David L. Marrs, Vice-Master, T. H. Robertson; Past Master, Frank Demaree; Secretary, Wm. Carr Etherington; Recorder, R. V. Dodge.

### Endorsement of Division No. III, Order of Railway Conductors.

WHEREAS, The project of building a line of railway from the City of San Diego, California, in an eastern direction, connecting one or several of the great through lines of railways with tide water at the Bay of San Diego, has been brought to the attention of this Division, and

WHEREAS, The plans of the projectors of said line of railway, as proposed by them, is to have the railway built exclusively by the railway employees of the United States, to be owned by said employees, and to be operated under their control and management; and

WHEREAS, Said project appears to unfold great possibilities for the advancement of the present condition of railway employees, including a practical test of the principles advocated by federated labor organizations for many years; and

WHEREAS, This Division has full confidence in the merit of the proposed line of railway, including the practicability of the proposed route, the standing of the men who are forwarding the project and the manner whereby the financial part of the plan is to be managed and the method to be employed in conducting the business of the railroad during construction and in operation after completion; and

WHEREAS, An investigation has revealed to us a practical scheme of fully advised methods; therefore, be it

*Resolved*, That this Division of the Order of Railway Conductors endorse the project of building the said San Diego, Pacific & Eastern Railroad, or by whatever name it may be called, and that we give to the accomplishing of the enterprise our hearty moral and financial support, believing as we do that its success will do much toward advancing the material and moral welfare of railway men; and be it

*Resolved*, That C. R. Stewart, a member in good standing, is a fit and proper person to repre-

sent the interests of the Order of Railway Conductors upon the Board of Directors of said proposed railroad company, and that this Division of the Order of Railway Conductors do indorse his appointment to said Board of Directors ; and be it further

*Resolved*, That these resolutions be spread upon the minutes and proceedings of this Division and that a copy thereof be forwarded to the Board of Directors of said San Diego, Pacific & Eastern Railroad Company.

I hereby certify that the above is a true copy of the resolutions adopted at a meeting of this Division held on the 16th day of February, A. D. 1895.

J. W. BENJAMIN,  
Secretary Division No. III, O. R. C.

## Extracts from the By-Laws of the San Diego, Pacific & Eastern Railroad.

### ARTICLE IV.

SEC. 4. The Board of Directors may incur a floating indebtedness not to exceed at any time the assured income ; but no bonds shall be issued or other indebtedness incurred whatsoever by the Board of Directors.

### ARTICLE IX.

The Treasurer shall receive and keep all the funds of the Corporation and report the amount of the same daily to the Auditor, and pay them out only on the check of such officer as is authorized to draw checks by the Board of Directors, and then only on the approval of the Auditor, whose duty shall be to countersign said checks. The Treasurer shall give bonds of not less than \$100,000, said bonds to be approved by the Board of Directors.

### ARTICLE XIII.

#### THE AUDITING COMMITTEE.

SEC. 1. The duties of the stockholders' auditing committee of the San Diego, Pacific and Eastern Railroad Company shall consist of a careful examination of all accounts kept and all claims against said company, all vouchers and checks given by all officers of said road and detail reports made as often as once in every thirty days ; said reports shall be signed by a majority of the auditing committee.

SEC. 2. Said auditing committee shall consist of five members.

SEC. 3. They shall be selected by a majority of the stockholders' vote at the annual meeting. Vacancy on the Board of Stockholders' Auditing Committee shall be filled by the other members of the board and shall hold office until the next annual election.

#### ARTICLE XIV.

##### TRANSFER OF STOCK.

SEC. 1. Any stockholder of this corporation who shall be desirous of selling any of his shares shall offer the same for sale to the Board of Directors for the use of this Corporation at the market value thereof, and if said directors shall choose to take said shares for the use of this Corporation, said stockholder, executor, administrator or assign shall upon payment or tender to him of such market value thereof, and the dividends due therefrom, transfer and assign such share or shares to said Corporation.

SEC. 2. If the said directors, however, shall refuse to purchase said shares offered for sale and pay therefor the market value thereof, they shall cause to be stamped on the certificate so offered the words, "Transferable, San Diego, Pacific and Eastern Railroad Company," and said stockholder shall be at liberty to sell and dispose of the same to any person whatever.

(From the "Investor," Dec. 26, 1894.)

### What the Southwest Needs in Railroad Facilities.

The one great present need of this southwest country is cheap fuel. Make San Pedro and San Diego coal exporting ports (which can be done) instead of coal importing ports, and it will do more for the development of Southern California and the whole Southwest, it will indirectly build more irrigation canals and bring in more people to make homes in this section than if the whole of the Colorado river was dumped into Death Valley or the San Joaquin.

The question of transportation and fuel must be studied from all sides. For example, first, the foreign coal imported here, its cost, and the lowest price at which it can be (not is) delivered at Southern California ports. About one million and a quarter tons of foreign coal are imported annually

into the three ports of San Francisco, San Pedro and San Diego.

Second—The amount, cost and whence it comes of the fuel used by the Atlantic & Pacific, the Southern California and the Southern Pacific railroads in this section, and how to meet their competition.

Third—The bearing of cheap fuel and railroad facilities upon the agricultural, mining, smelting and manufacturing interest of the whole country lying between the mouth of the Grand Canyon and Mexico and the Pacific ocean, including the great valleys of the Gila and Salt rivers and the rich section around Phoenix, in Arizona.

This is not the proper place to go into details, but it can be demonstrated within the limits of reason, economy and a dividend-paying investment that there is an opening here for a railroad for the purposes indicated.

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## The Opportunity.

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There are two magnificent harbors in California. On the shores of one is San Francisco, on the other San Diego.

San Diego is the most advantageously located, and from this point should be built a through road to the East. It would prove to be the best railway property in the United States. Much of the commerce of the Western world must come through the port of San Diego. The climate of this section is unexcelled; the soil is most fertile and produces almost everything that man needs or desires. A great city at San Diego is inevitable, to be made still greater by the construction of the Nicaragua canal.

San Diego is several hundred miles nearer the Atlantic States and more than 500 miles nearer the Orient than is San

Francisco. A road can be built that will avoid the heavy grades of the other transcontinental lines, and also be south of the snow line, two most important advantages, besides being the shortest line.

#### A NOVEL PLAN.

Some months ago franchises were obtained through San Diego from the bay front and a railroad commenced with the intention of building eastward to a connection with some other line. The prevailing hard times and obstructions thrown in the way by parties not friendly to the project made it necessary to stop work.

To discuss the plan of building a transcontinental railroad by the usual method of issuing bonds, in this time of financial depression would be the height of madness; but a plan has been devised by a few of the most eminent railroad men of this section which determines beyond doubt the possibility of carrying out such a project as a good investment and a paying enterprise even at this day. It is a well-known fact that all great enterprises of this country are carried on with the aggregated savings of the masses. In many cases corporations are stocked for millions of dollars without one dollar of investment beyond the capital realized from the sale of the bonds. It is also a fact, one beyond possible dispute, that a large number of American railroads have been bonded in amounts far in excess of their cost. The originators and projectors of the San Diego, Pacific & Eastern Railroad Company, believing that the principle involved in overstocking and over capitalizing, is radically wrong, and believing also that the pres-

ent depressed condition in the industrial and financial world is in a large measure due to the application of this wrong principle, and believing further that the railroad men and the nation at large will be benefited by a railroad honestly built and honestly managed, have formulated a plan of building a railroad for railroad men, and have decided to make an appeal to those most vitally interested. Then followed a conference with the projectors of the road mentioned above, and a novel plan for securing funds was matured. They decided to seek capital from the people who are vitally interested in the running of railroads and to make a strong effort to get the railroad men to join together to build a road from the Bay of San Diego eastward; a road to be owned, controlled and operated by themselves.

The San Diego, Pacific & Eastern Railroad Company was then organized, incorporation papers filed with the proper County and State officials, and on the second day of January, 1895, a charter was issued to this company by the Secretary of the State for the State of California.

#### GREAT BENEFITS TO FOLLOW.

Such a move carried to success will be a very long step toward the solution of several very serious railroad problems. It will afford employment to a host of railroad men now forced to be idle. It will also afford a safe investment and one easily made under the plan that follows. It will give the world a lesson in railroading and show that when the construction is honest, stock not watered and the operation economical, there is

no need of a road going into the hands of a receiver.

#### HOW TO ENCOURAGE THE PLAN.

There are many who believe in co-operation, but doubt the possibility of procuring sufficient numbers to insure success; for this reason the timid ones hesitate, fearing their energies and money will be wasted in the effort.

Under the plan proposed, all element of risk has been eliminated, as no payments are to be made until success is assured.

The railroad men are asked to subscribe for as many shares of the stock as each can afford, but at the same time they are asked *not to pay anything on such subscriptions until a sufficient number of shares are subscribed to insure the building of the road. After this amount is subscribed, and before any collections are made, the present Board of Directors will resign in favor of such board as the stock subscribers will elect through the different brotherhoods.*

This places the entire matter in charge of the Board to be elected by the railroad men of the nation.

The present Board of Directors do not ask the railroad men to furnish them any money. They wish the railroad men to build a road for themselves, and they propose to help them make this thing possible.

This last feature of the plan was adopted at the instance of Mr. Geo. W. Vroman, member of Division No. 88, Brotherhood of Locomotive Engineers, North Platte, Nebraska, Chairman of the General Committee of Adjustments for the Union Pacific Railway system, who has



consented to be the President of this organization, only on condition of the adoption of this feature for the protection of subscribers, and that this Board shall resign in favor of Brotherhood men as above outlined.

#### THE BOARD OF DIRECTORS.

For the purpose of putting the above plan into operation a board of nine directors has been chosen, all of whom, with the exception of the President are residents of San Diego, and a majority of whom are practical railroad men, experienced in different branches of the service, and enjoy the unlimited confidence of not only the different commercial institutions of this section of the country, but are unreservedly endorsed by the railroad element of Southern California. They are able to guarantee a service practically free from extravagance and mistakes. They have carefully investigated the proposition and have entered into the matter with a determination to win. They know the proposed route to be the best one leading from the Pacific to the East, and feel sure that San Diego is destined to be in the near future a commercial city.

The organization of this enterprise is in the hands of competent, able, energetic men, who enjoy the confidence and respect of this entire community, and who will use every honorable means to insure its success; but it is not their intention or desire to continue only till such time as the railway men (in whose interest this movement is inaugurated) shall take an active interest, when the present board will retire and will give them their hearty co-operation.

The citizens of San Diego are subscribing liberally to the stock of the company with the understanding that such stock can be taken at any time by the employees should they so desire. In addition many citizens of San Diego are subscribing a mileage subsidy, to be paid as rapidly as the road is constructed. In this way, subsidies in cash, amounting probably to ten per cent. of the cost of the entire road will be received.

#### STOCKHOLDERS' AUDITING COMMITTEE.

A Stockholders' Auditing Committee to be selected yearly by the stockholders, will exercise supervision over all the transactions of the company. To that committee, through the officers of the company, will be submitted monthly a report of all receipts and expenditures, together with all vouchers, for their approval.

#### AN APPEAL.

Railroad men, here is your chance to join together and do something for yourselves that will prove a lasting benefit. We ask you to select some one of your number in every organization or railroad division to take up this matter and secure subscriptions.

#### IN CONCLUSION.

Railroad men never before had such an opportunity. By joining together they can build, own, control and operate a transcontinental line. The plan is novel and should not fail to interest every one. The project carried to a successful completion will prove a great boon to every railroad man in the country. It will be

in the power of every one to help, the way is made so easy.

References: Merchants' National Bank, Chamber of Commerce and the Board of Trade, San Diego, and any commercial and financial institution of this section of the country.

Address all communications to  
THE SAN DIEGO, PACIFIC & EASTERN  
R. R. Co., San Diego, Cal.

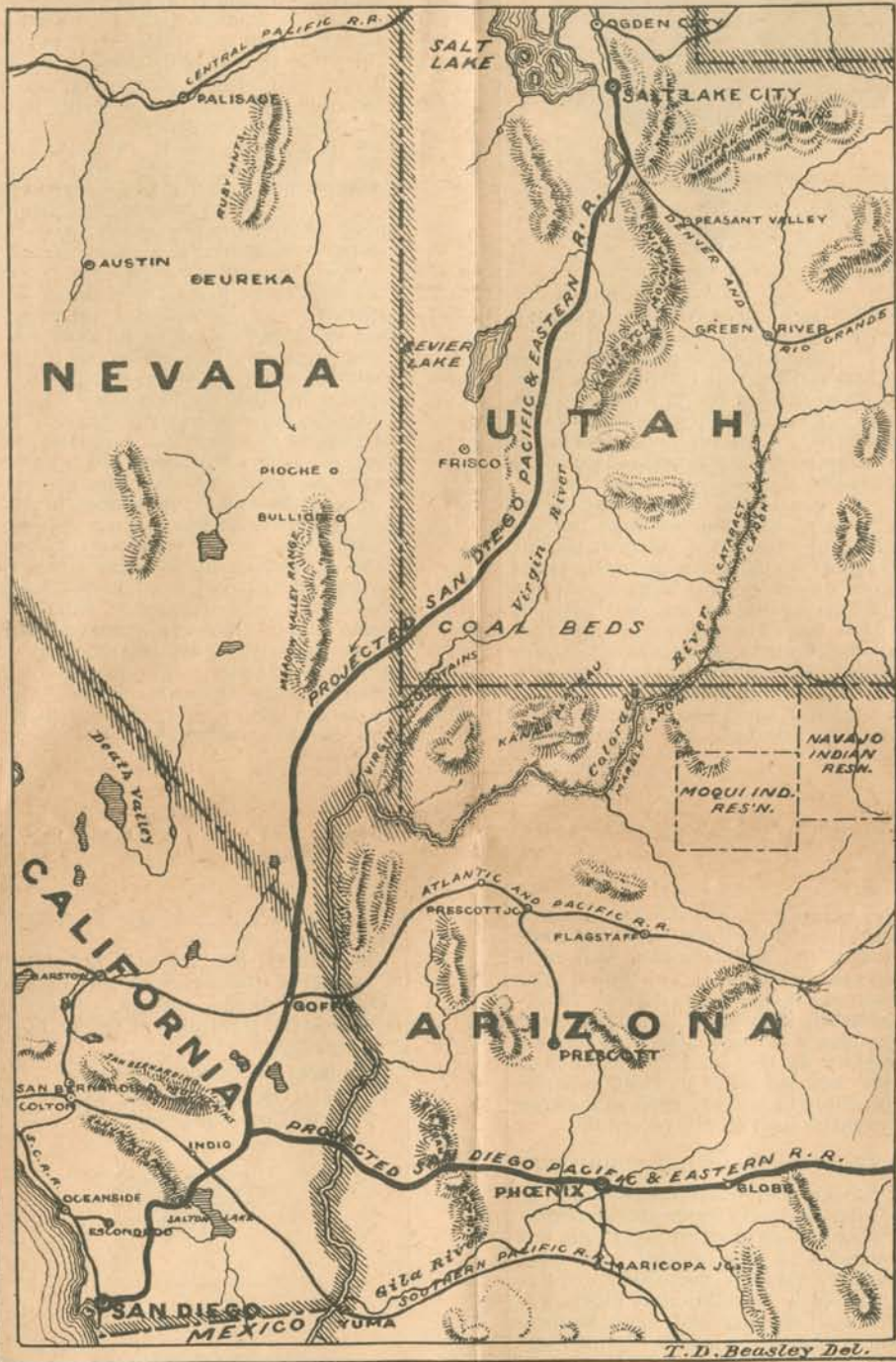


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Hotel del Coronado, the Leading Seaside Hotel of Southern California.

# MAP OF THE SAN DIEGO PACIFIC & EASTERN R. R.



GOULD, HUTTON & CO., PRINTERS AND BINDERS, SAN DIEGO



Hotel Florence, the Leading Tourist Hotel of San Diego.

No payments to be made until at least **100,000** Shares have been subscribed; and when the stock subscriptions have reached that number, the subscribers shall elect a new Board of Directors through the different Brotherhoods.

GEO. W. VROMAN, President.