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THE BASICS

About Railroad Tycoon II - Introduction

Since the invention of the wheel, man has been obsessed with finding faster and more efficient ways of transporting people and goods to distant destinations. The ancient Romans used ruts or grooves in their roads to improve the flow and speed of traffic. In the 1600's, miners laid down wooden planks on which they led horse-drawn carts to lighten their workload, and increase the speed at which they could extract coal and other raw materials from the mines. However, few things changed the world as dramatically and quickly as did the introduction of steam power in the 1700's, and the invention of the steam-powered locomotive in 1804.

Initially replacing the horse for freight work and thus earning the long-lived moniker "the Iron Horse," the steam locomotive and the railways on which they ran revolutionized the means of transportation and inspired visionary entrepreneurs and generations of song writers. Virtually overnight, it became feasible to haul cargo over great distances, and the railroad industry quickly became a cash cow for landowners and the railroad barons themselves. For the first time, long-distance travel was reality, and new industries, folklore, and legends were created to cater to the needs and dreams of a more mobile population. Railroad Tycoon II takes you back to the momentous period in human history. You slip into the role as chairman of your own railroad, and it is your job to be better, faster, and just plain smarter than your competitors. Good business sense is a must, but so is a healthy dose of guts to go for the glory of building and ruling your own iron empire.

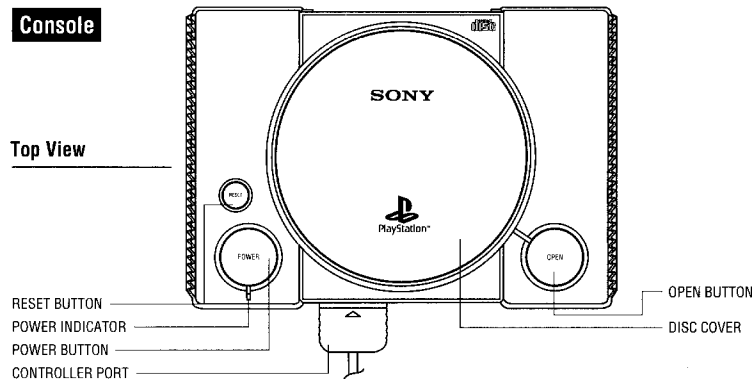
As your fledgling empire grows, you'll have the chance to bring rail travel to the cities of your choice, supplying them with goods they need. You'll also be given various tasks whose completion depends upon your ability to think faster than your competitors, make allies out of enemies, and above all, satisfy your shareholders. The stock market is another area where you can pad your fortune, or grind your rivals into dust. Or you can even hire managers -- each with unique bonuses that contribute to your success -- to assist you with every day operations. There are as many ways to accomplish your goals as there are individuals playing the game, and each scenario won't play the same way twice, resulting in a fresh game play experience every time.

GETTING STARTED

Set up your PlayStation game console according to the instructions in its Instruction Manual. Make sure the power is off before inserting or removing a compact disc. Insert the Railroad Tycoon disc and close the Disc Cover. Insert game controllers and turn on the PlayStation game console. Follow on-screen instructions to start a game.

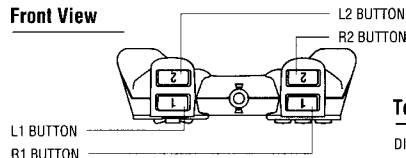
Console

Top View

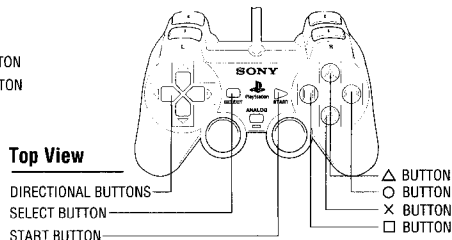


Controller

Front View



Top View



GENERAL CONTROLS

left stick

L2



- move the cursor
- speed up cursor movement under the cursor
- show help about the object under the cursor
- show help about the current button
- press the current button under the cursor

MAIN GAME SCREEN

L1 + L2

L1 + L1

L1 + L1

L1 + L1

L1 + L1

L1 + L1

L1 + L1

L1 + L1

L1 + L1

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L1 + L1

- enter the control menu/exit the current edit mode

- zoom in

- zoom out

- rotate left

- rotate right

directional buttons/right stick - scroll the map (analog controller)

L1 + directional buttons - scroll the map (digital controller)

select - options

R1+ - radar view

R2+ - shows object lists screen

R2+ - decrease game speed

R2+ - increase game speed

R2+ - toggles game speed

start - pauses game

Bulldozing mode:

L2

R1+

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

- bulldoze area
- change area size
- exit bulldozing mode

New station mode:

L2 or L2

R1+

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

- place new station
- change new station size
- exit station mode

Track laying mode:

L2

L2

L2

L2

L2

L2

L2

L2

L2

- lay track
- cancel track
- toggle single/double track
- change bridge type
- toggle electric/normal track
- exit track mode

Reset Method:

Press select. Highlight and choose "quit", then highlight and choose "yes" to reset the game at any point.

Dialog boxes:

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

- OK/Yes
- Cancel/No

Menu interface screens:

left stick

L1 + left/right directional button

up/down directional button

scroll up/down (digital controller)

press the default button

exit

select/activate highlighted item

button prompt help screen

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

L2

- moves cursor (analog controller)
- previous/next button (digital controller)
- scroll up/down (digital controller)
- press the default button
- exit
- select/activate highlighted item
- button prompt help screen

List screens

shows object lists screen. Use the buttons at the bottom to switch between stations, trains, players and companies. You can use the shortcuts:

L2+

L2+

L2+

L2+

L2+

L2+

L2+

L2+

L2+

L2+

- stations
- trains
- players
- companies

From each list you can go to detailed view of the current item by selecting it twice or pressing the details button on the bottom right. The detailed view allows changing the item properties.

Main Menu Options

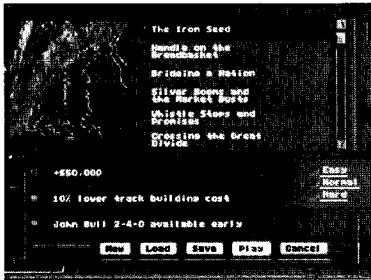
- Campaign – Play 18 consecutive campaigns to become a true railroad Tycoon.
- New Scenario – Lets you create a game scenario in various locations around the world.
- Settings – Here you can adjust the overall parameters of the game.
- Credits – Displays credits

Tutorial

Railroad Tycoon II is a complex game. We recommend reviewing the manual completely before starting to play the game. However for those of you who would like to plunge right in, we've created a little tutorial to help get you started. To access the tutorial, choose New Scenario then Tutorial and then choose OK.

Campaign

Railroad Tycoon II's campaign mode enables you to play through 18 individual campaigns designed to be played consecutively. The first few scenarios start off fairly simple, then escalate in difficulty.

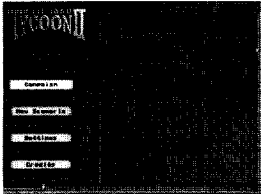


To start a new campaign:

1. Choose a campaign map. You will have to at least try the campaigns in order. If you fail on one of them, you can move on to the next campaign. Later, you can come back and retry the one you failed on.
2. Choose a difficulty. We suggest Normal difficulty if you're experienced with strategy games, or Easy difficulty if you're not. Stay away from Hard difficulty until you've mastered normal difficulty and really want to be challenged.
3. Choose a Bonus modifier. The bonuses available will change from one campaign to the next. Choose wisely, the bonus you choose will affect the strategy you employ to complete the campaign.
4. Choose Play to start the campaign.
5. Choose Load if you've played before and would like to continue your career as a Tycoon.
6. Choose Save after you've completed a campaign.

To quit a game:

1. Press the Select button.
2. Highlight and select Quit.
3. Highlight and select YES.

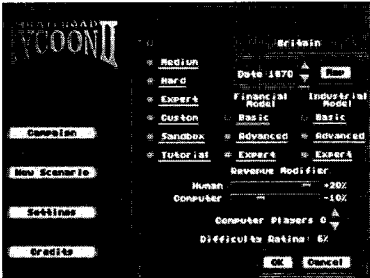


New Scenario

Railroad Tycoon II's Scenario mode provides you with detailed control over various game maps to design scenarios forever challenging game-play.

Skill Levels

- **Easy** – Basic Financial and Industrial models are selected. Human player receives a +20% Revenue Modifier, while the computer receives a -10% Revenue Modifier.
- **Medium** – Advanced Financial and Industrial models are selected. No Revenue Modifiers for either computer or human players.
- **Hard** – Expert Financial and Industrial models are selected. Human player receives a -10% Revenue Modifier, while the computer receives a +10% Revenue Modifier.
- **Expert** – Expert Financial and Industrial models are selected. Human player receives a -20% Revenue Modifier, while the computer receives a +20% Revenue Modifier.
- **Custom** – With the custom setting you control the Financial Model, Industrial Model and Revenue Modifiers for the scenario.
- **Sandbox** – In this mode you simply build and run trains. Money and competition are non-factors—all Financial and Industrial settings are toggled off—so build to your heart's content.
- **Tutorial** – Starts the game tutorial.



As you change the skill level, or any of the other Options settings, notice that the Difficulty Rating at the bottom of the screen alters to reflect the changes you make.

Main Interface

Main Window

This is where the actual game play takes place. Consider this your window on the world. This area contains the icons you will use to interact with the world.





Control Menu

The series of buttons along the left side of the main window represent the primary actions you can perform within the game.



Navigation Menu



Economic Overview

You'll need to see what resources are demanded and supplied where. Selecting the Economic Overview button brings up a list of all potential cargo. If you scroll through the list and choose a cargo, that resource will be highlighted on the main map. Using this feature will help you determine what to transport to where.



Bulldoze

Things won't always go as planned, it's a good thing you can do something about it. When you select the bulldoze button, the cursor will change to a bulldoze brush that can demolish track and buildings on the map. To change the size of the brush, select the button at the right end of the Navigation menu. You can bulldoze almost any object, including resources, so be very careful how you use this tool. Keep in mind that you'll have to have enough cash on hand to pay for the demolition. To stop bulldozing, select the Bulldoze icon to deactivate the cursor.

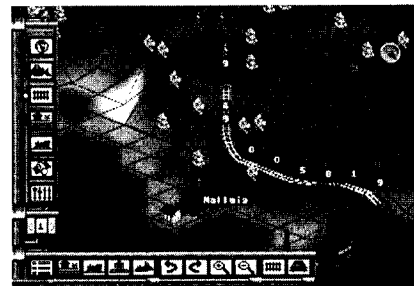
Lay Track



Selecting the track icon will activate the lay track cursor. Move the track cursor over the map to where you would like the section of track to start. Press and hold the X button to start the track. Move the snaking track section to your destination, and release the X button when you have the layout you want. Track can be laid between any two points, but can't be laid over oceans or through buildings. It will also not be laid if you can't afford it—as you lay track, the current cost is displayed at the bottom of the screen. To stop laying track, select the lay track icon to deactivate the cursor.

There are a few choices to make when laying track:

- **Type of Track** – Select your preference by toggling the track type button on the right end of the Navigation Menu. Lay single track on short routes that only one train is likely to use. Double track is a must for busy routes, especially those connected to large stations. In later scenarios, you may choose to lay electrified track, which costs more, but allows the use of fast, efficient electric engines.
- **Bridge Type** – Wooden, Stone and steel bridges will become available as the game progresses. Select the type you prefer from the icons on the right side of the Navigation Menu. Go with Wooden bridges to start with, then upgrade them later as you upgrade your track. Wooden bridges are cheap to build, but can only support single wide track, and force trains to slow down greatly as they pass over. Avoid building bridges whenever possible—they can be as much as ten times as expensive as regular track.
- **Cost** – When you begin laying track, you will see a total cost for the section of track that you are laying at the bottom of the screen. Keep your track cost down so you can spend money on more routes. Track cost is increased by steep grades, heavy forests, deserts, and other hostile terrain.
- **Grade** – Numbers that represent track grade are displayed along the sides of the sections of track as you are laying it. Ideally these numbers should be green, which translates to a flat grade. Blue numbers can be alright if there's no other way to get where you're going, but white numbers are big trouble. A grade greater than 4 is considered steep, and should only occur if the obstacle is unavoidable. Anything higher than 4 will kill most routes in the early 1800's when locomotives aren't very powerful, but can be acceptable later as locomotive power increases.



Build Station



By selecting this icon, you can place stations along your track to collect cargo from the surrounding area. When selected, the cursor moves a color-coded representation of a station across the map. You may choose to place your station anywhere near existing track. If the station is colored green, it is in a valid location, with a valid connection to existing track. If it's colored red, the station is in an invalid location. Surrounding the station cursor you'll notice a highlighted area. This is the station's collection area, and it varies with the size of the station. A collection area graphically represents the area that a particular station will collect resources from. Make sure to place stations so that their collection areas cover desirable resources. To change the size of the station, select the station size button on the right end of the Navigation Menu.

There are three station sizes:

- **Small Station (\$50K)**

Use for single resources, or areas where resources are very close together.

- **Medium Station (\$100K)**

These are good for small cities, since you'll want to include as much housing as possible in the collection circle.

- **Large Station (\$200K)**

Use this for hubs or large cities.

Purchase Train



Once you've started a company, laid track and built at least two stations, you're ready to start buying trains and hauling cargo. Selecting the trains icon brings up the Purchase Train dialogue box. If you buy a train, you'll be taken to the Train Detail Screen, where you can set up the train. For more information on purchasing and setting up trains, see the chapter on trains.

Game Options



Selecting this icon brings up a dialogue box where you can adjust the game settings, re-read the briefing, restart, resign, or quit the game.

Satellite Map



The Satellite map can be used to re-focus the main window view quickly to other areas. Select the icon to bring up the satellite view of the game map. The white box represents the area currently in the main window. Scroll the map using the directional buttons or select the cursor on the map to instantly move the main window to that point.

Navigation Menu



The series of buttons along the bottom of the main window allow you to navigate through the game menus and manipulate the game map for a better view.

List Screen



Selecting the list button will bring up the list screen interface where you can check the status of all the stations, trains, players and companies in the current game. From any of these lists, a detailed screen can be activated for any individual item by selecting the detail button. See the Detail Screen for more information.

Station List



The Station list screen shows the basic supply and demand for all the stations.

Company List



The Company list screen displays all of the companies, including the one you control, in the game

Train List



The Train list screen shows all of your trains with their cargoes and destinations.

Player List



The Player list screen shows all of the players, including yourself, in the game.

Rotate Map and Zoom Map



There are four icons on the right of the Navigation Menu. From left to right, the first two allow you to rotate the map as necessary, and the other two enable you to zoom in and out of the map. The small compass in the upper right corner of the map will help you orient yourself. The red end of the needle always points to the north. The default compass position points up and to the left.

Detail Screens

Stations

Well-planned and well-placed stations are the backbone of any successful railroad. Having the right stations in the right places will go a long way towards ensuring the success of your venture.

The first step in building your railroad is determining where to place your stations, and what types of stations to place. Be conservative as you place stations or you'll burn through your money in a hurry. It's best to start a line with only two or three stations, then expand gradually. Where you place your stations is dependant on the economy of the scenario you're playing. A quick overview of the economic model of the game is in order...

The Economy

The economy in Railroad Tycoon II is a microcosm of the real world economy. Only the elements that directly affect the railroad business are shown on the map. Other methods of transportation (such as shipping, trucking, and so on) and other industries that don't rely on the rail system are assumed to exist, but only factor in as background elements, mitigating major fluctuations in rail service. While you can often make a modest profit simply hauling passengers and mail between the major cities, the biggest profits are to be had by supporting the industries on the map, supplying them with the cargoes they need, and delivering the cargoes they produce to other areas that need them.

While you can always deliver cargo to locations that don't demand them, you'll receive much less money for doing so. The amount by which the price is reduced depends on the Industry Model. On the Easy industry model you'll receive a decent price, not quite as much as if the station demanded it, but a solid price nonetheless. On the Advanced industry model, you'll receive much less. On the Expert industry model, you'll barely receive anything.

The Easy industry model also simplifies on another piece of the industry puzzle. With that model, all industries produce cargo all the time. A steel mill will always produce steel. On Advanced and Expert industry model, a steel mill will not produce steel unless it is supplied with both iron and coal.

The Expert Industry model introduces two additional features -- Industry Buying and Price Levels:

Industry Buying

On the Expert Industry model, you also have the opportunity to diversify your business interests by purchasing industries. Move the cursor over the industry you are interested in and press the X button to see its price. Bigger buildings cost more, but can also earn a bigger profit. Profits are determined by how well that building is being serviced by your railroad and/or other railroads. If it is being properly supplied with all it needs, and all its cargo are being taken to stations that demand them, then the building will be profitable.

Price Levels

On the two lower industry models, demand for goods is constant. A station either has demand for a particular cargo or it doesn't. On the Expert industry model, the level of demand, called the Price Level, can vary from 0 to 9. If you deliver a large quantity of cargo to a station in a short time period, the Price Level will fall. Over time it will rise again. If a station has not received any of a particular type of cargo for a while, the price level will rise, and a nice premium will be paid for the cargo.

Houses are a special type of industry. By themselves, they produce a small amount of passengers and mail. Where they really become

important is when they are clustered together. If a station has within its radius of effect at least four houses, then those houses constitute a town, which has a demand for goods, lumber, food and milk. Eight houses clustered together is a city, which demands everything that a town does, plus autos, cement, paper, oil, and coal. Note that houses are the only type of industry that you cannot buy.

The Role of Stations

Stations serve as your anchors within the economy. They enable you to pick up and deliver cargo from buildings located near them, as well as providing maintenance for your trains, keeping your entire operation running efficiently.

Both the stations and the buildings they service are somewhat representative. In the case of buildings, one factory on the game map might represent the entire Detroit area auto industry. One large station represents not only a station and accompanying facilities, but also a small network of feeder lines and sidings snaking out through the city to pick up cargo from the major industries.

It's entirely possible to build multiple stations with overlapping service zones.

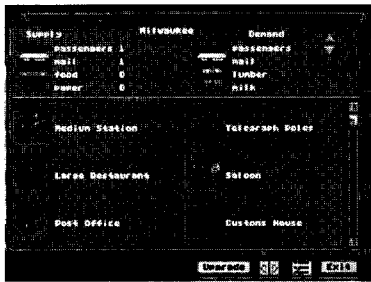
If a building sits within the zones of two different stations, it will ship out through whichever station has a train ready to accept it. Thus if an opponent puts down a big station in New York or London, you can out fox him by putting your own station nearby and doing a better (and faster) job of picking up cargo.

If a railroad does a particularly good job of servicing the industries around a particular station, the surrounding area will grow, adding new buildings and increasing in size.

The Station Detail Screen

The Station Detail Screen can be accessed either by selecting the details button from the Station List Screen or by pressing the X button twice while the cursor is over the particular station.

This view shows what cargoes are demanded and supplied from the station. It also shows what structural improvements have been made to the station. You can purchase more structures by selecting the Upgrade button. Several structures increase passenger revenue, decrease turnaround time, or decrease the effect of delays upon certain cargo. (If you store the cargo well, your customers will be less upset with a slow delivery.) Some improvements are not available until later dates.



Cargo Supply Demand

At the top of the screen you'll see the cargo that are supplied and demanded by the station. If there are more than four cargo types available, you can use the arrows on the right to scroll the list down.

Locomotives

Train locomotives are the engines that provide motive force, to pull your cargo cars along the track toward their destination. From the beginning of the nineteenth century through the present day, locomotives have seen tremendous improvements in pulling power, top speed, and reliability. There are three principal types of engines—steam engines, diesels, and electric. A few other hybrids have been tried over the years, but none achieved widespread success.

- **Steam** – Steam engines burn coal, wood, or oil to heat a boiler. Steam pressure from the boiler drives pistons, which power the

train. Steam engines were the only engines widely used from the beginning of the rail era through the middle of the twentieth century. Eventually, diesels and electric replaced steam engines, for a variety of factors including their generally lower fuel and maintenance costs.

- **Diesel** – Diesel engines are actually diesel-electric engines, using an on-board diesel engine to generate electricity, which then powers an electric motor which then powers the wheels. This type of engine is more commonly known simply as a diesel. Diesels first entered widespread usage after World War II and (along with electrics) had almost completely replaced steam engines by the mid-fifties. Almost all engines in commercial use in North America today are diesels.
- **Electric** – Electric engines draw electricity from an external source and apply it to the drive wheels. While the first electrics appeared in the late nineteenth century, they weren't widely used until the 1930's. Electric engines are generally more efficient than diesels, but they require an expensive infrastructure of electrified track. Throughout Europe, most major lines are electrified, and electric engines are in heavy use. In North America, electric engines are only used in a few places, most notably the Northeastern U.S.

Cargo

Locomotives are used to haul cargo cars. Hauling cargo by rail is considerably more efficient and cheaper than hauling by truck, and is still the primary method by which a vast array of products (especially heavy, bulk goods) is transported. Railroad Tycoon II has 32 types of cargo cars, plus two special cars. Not all cargo is available on every map. You'll find coffee in South America, but not in Scandinavia. You'll find more wool in Australia than in Canada.

Your railroad is not buying and selling the cargo, but rather, being paid to transport it. Other factors, such as timelines of delivery and distance hauled affect the rate as well. In general, four major factors affect prices paid:

- **Demand** – If a station has demand for cargo, a much higher price will be paid. The exact difference depends on which industry model was selected from the options panel when the game was started. With the Expert industrial model, there is a specific price level for each cargo at each station that rises and falls depending on how many of those cargoes are arriving at the station. If the station is being flooded with a particular type of cargo, the price level will fall.
- **Distance** – Longer hauls pay a higher fee. Some cargo (such as mail and passengers) are particularly distance sensitive.
- **Speed** – A faster delivery will pay more. Again, some cargo are more sensitive to this (such as mail, produce, and milk).
- **Cargo Type** – More valuable types of cargo generally pay somewhat more than less valuable types. Processed steel pays more than raw iron ore.



There are two special car types that aren't used to haul cargo. The dining car increases passenger revenues by 20 percent. Use this on a train with three or four passenger cars to really make some money. The caboose increases train safety (which reduces breakdown and crashes), and train security (which reduces robberies).

Trains - Get Your Trains Rolling

The basics of train usage are as follows:

- Scout out a new route that needs a train.
- Purchase an engine reasonably well suited for the route.
- Use the Train Detail Screen to set up the train's route and consist.
- Keep an eye on the train to make sure its route remains useful.

The first step is to scout out a promising route. If you've just laid your track and stations, you probably had a route in mind. If your railroad is an ongoing venture, keep an eye on your stations, and whenever you see cargo pile up for a while at a station, you've found a likely spot to add a new train. Be careful not to add too many trains, or your lines will be choked with traffic congestion.

Next, you'll need to purchase an engine. Select the Purchase Engine button on the Control Menu. You'll be presented with a list of available locomotives—you'll be notified periodically when new ones are available. On the right side are the stats of the locomotive currently selected:



- **Cost** – The price to purchase the locomotive.
- **Maintenance** – Estimate annual maintenance costs.
- **Fuel** – Estimated annual cost of keeping the locomotive rolling.
Note: This can vary considerably depending on how far the train actually travels.
- **Acceleration** – A measure of how fast a particular locomotive can get to full speed.
- **Reliability** – A measure of the reliability of an engine.
- **Top Speed Matrix** – A matrix that shows the locomotive's performance on various grades with various numbers of cars.

Since car weight varies, you can change the assumed weight per car, to see how the engine does when pulling something heavy (such as coal), and against something light (such as passengers).

In general, you won't find any train that's ideal in all categories. Cheap trains are often unreliable. The fastest trains also tend to have less hauling capacity, and so on. You'll notice that there is often a considerable difference between a train's top speed and its performance hauling a significant load.

Once you've purchased a train, the next screen you'll see is the Train Detail Screen. This is where you'll select destination and cargo for your train.

Train Detail Screen

The Train Detail Screen is the nerve center for controlling your trains. It's divided into three windows:

- **Route/Consist List** – The box on the left of the screen shows the route your train will take and what it will be hauling.
- **Train Info** – The top panel shows information on the current train.
- **Station Info** – The box on the right shows the available supply of cargo at the highlighted station and the demand at the next station on the list.

Route Consist List Box

On the left of the screen is a list box showing all currently scheduled station stops for the train, along with the list of cars that the train will haul from that point forward.

Normally your train will start at the top station on the list, travel to the next station down, and so on until it reaches the last station on the list. Then it will go back to the first station and repeat the route. You can redirect a train by selecting the small gray box under the

current cargo. The **Next Station** marker will change to reflect this. You can add a station to the route by selecting the **Add** button at the bottom of the screen and then choosing the station you want to add to the route from the list. The station will be added immediately after the highlighted station on the route list. You can remove a station from the route by highlighting a station on the list and selecting the **Delete** button at the bottom of the screen. To the right of the cars on each of the station stops you'll notice a stoplight icon. Select it to change its color. The color determines whether or not the train waits for cargo at this station before proceeding:

- **Green** – Don't wait for cargo. This causes the train to grab whatever is ready to go when it reaches the station. Use this when the cargo you plan to pick up at the station isn't that important, perhaps for the back end of a long route.
- **Yellow** – Wait until at least half (rounded up) of the cargo cars are full. This is a good compromise between speed and efficiency.
- **Red** – Wait until all cargo cars are full. Be careful with this option, if you overuse it, you might find that your trains spend most of their time waiting around in stations, rather than hauling goods and making money.

Station Info

The right side of the Train Detail Screen displays supply and demand for stations on the train's route. To add cargo to a train at a station highlight the station in the Route/Consist List then select the cargo in the station supply or demand box. To remove a cargo from a train at a particular station select the cargo in the Route/Consist List box.

Train Info

The train information is a capsule summary of the train's current state and recent history. At the top is a side view of the train with the cargo it is currently hauling. Below that is the train's heading and speed, its cargo weight, the engine's age, and chance of breakdown. As engines age, several things happen:

- **Slower Speed** – They lose about half percent off their top speed every year—a 20-year-old engine is about 10 percent slower than a new engine of the same type.
- **Higher Maintenance** – A 20-year-old engine costs about three times as much in annual maintenance.
- **Higher Breakdown Risk** – A new engine has virtually no breakdown risk; a 20-year-old engine has about a 60 percent higher risk than a 5-year-old engine.

For best results, you may want to look at replacing engines as they reach 15 to 25 years of age.

Train Routing

Proper train routing can have a great impact on the speed and profitability of your trains. For the most part you can let the trains go about their way without much supervision—track switching, use of sidings, and other operational details are automatically handled for you.

-Once told to travel between two stations, trains will automatically select the best route. If more than one is available, trains will generally follow the shortest route.

-Trains use the opponent's track if they need to. However, you will have to pay the owner of the track a portion of the revenue received equal to the portion of the total distance traveled which was on his track. However, the opponent doesn't absorb any of the train's operation cost. Bottom line is, try to use as little of your opponent's track as possible.

-You can also pick up and deliver cargo from and to your opponents' stations, at a cost of \$2,000 per car load picked up or delivered.

Again, use with caution.

-If you have an electric engine, the entire route from station to station must be electrified, or the engine will not move. You don't have to electrify your entire track, just whatever routes you want your electric engines to use.

Players and Company Detail Screens

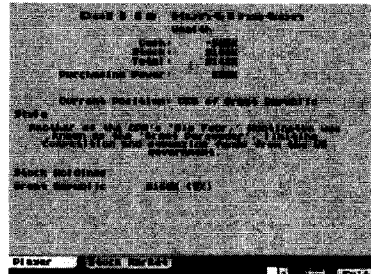
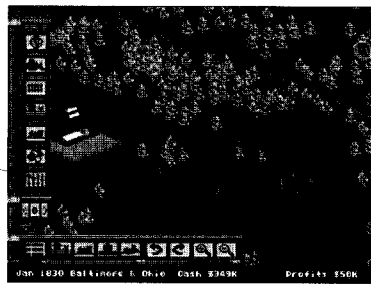
In Railroad Tycoon II, both the players of the age and the companies they built are the mechanisms for railroad development. You play as a railroad tycoon who is interested not just in building a great railroad, but in personal enrichment as well—sometimes at the railroad's expense.

Sometimes in a game you might control several companies in succession, either because you see new investment opportunities that beckon you to leave behind your original companies, or because the board of directors of your original company, ahem, "invites" you to seek employment elsewhere. You don't always have to start a company from scratch—sometimes you'll start as head of an established company, and sometimes you'll have the opportunity to grab control of a company from some poor sap...err...I mean, from the underperforming current chairman.

To access the Player Detail Screen, select the player tab at the bottom of the screen.



Then highlight the player you're interested in—you're the first one—and then select the details button



Company Detail Screen

The principle means for controlling and monitoring your company is the Company Detail Screen. This screen shows your company ledger. It has six tabs you can use to manage your operation.

Overview

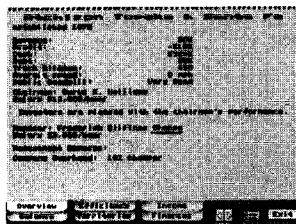
This tab has information related to you and your current manager, and gives you a quick look at your operation. You can choose to:

- **Resign as Chairman** – This option enables you to hand over the reigns to another leader. You can resign as chairman, and still hold on to all of your stock and wealth, then start another company.
- **View/Hire Other Managers** – Different managers give different bonuses. The better managers demand higher salaries, so you pay for what you get. Select "Change" to view, and perhaps hire, the current applicants.
- **Efficiency**—This tab displays how efficient your company is at hauling cargo. Some scenarios require that you run an efficient operation so you'll need to monitor this screen often.
- **Income** – This is just what it sounds like. This is your Income Statement that shows revenues (the good stuff) and expenses (the necessary evils of running a business) for the life of your business, and the past few years. For the financially challenged, the idea here is to have greater revenues than expenses.
- **Balance** – The Balance sheet. Here's where heavy borrowing, in the form of bonds or tons of stock offerings can come back to bite you.

Territories

Not everyone loves you. This tab enables you to access your railroad's Political View, Access Rights, and Goodwill by territories:

- **Political View** – This shows the political divisions on the current map. Some maps have no political divisions at all while others are divided into small countries and territories. From this view you can consult the governments of these territories and try to gain access to those places where you don't already have it.
- **Access Rights** – This view shows the territories that you currently have access rights in, as well as those you don't. You won't be able to lay track or run trains in territories where you don't have access rights.
- **Goodwill** – This view shows your current goodwill rating by territory. Run your operations efficiently, and your goodwill will improve. If a few too many trains go Boom, you might see your goodwill take a dive. Make nice with your neighbors—it pays.



Player Detail

The character you play is usually predetermined for the scenario you've chosen. Forty great tycoons are available, North American tycoons tended to be ambitious private businessmen, sometimes more eager to enrich themselves than to build a lasting successful company. European tycoons and tycoons from elsewhere throughout the world are sometimes private businessmen, and sometimes political figures, leading national railroad-building efforts. Political figures tended to be more concerned with building a large railroad, even at the expense of profitability or personal gain.

Finances

This is the tab you'll probably visit the most. Here is where you can issue bonds, issue stock, buy back stocks, change dividends, attempt mergers, and if you've had enough, declare bankruptcy.

- **Issue Bonds** – You won't be able to issue bonds unless you have a solid credit rating of at least B or better. The better your credit rating, the lower the interest rate charged (The prime rate also affects interest rates). Improve your credit rating by reducing debt, showing a solid profit for several years, and having a high level of assets relative to your total debt.
- **Issue Stock** – Select this option to issue company stock. Be careful when issuing stock, it usually lowers the stock price and will allow opponents to buy up portions of your company. You can only issue stock once a year.
- **Buy Back Stock** – Use this option to buy up company stock from the market. Take a look at its effect on your stock value. Investors are very particular about stock value—they want it to go up. Period. Don't disappoint them or you'll be out on your ear.
- **Change Dividends** – Change your company's dividend payout to shareholders here. The board of directors may not let you set this too high since it will drain your company's cash. If you own a lot of stock in your company, a high dividend rate is a good way to funnel cash from your company to yourself.
- **Attempt Merger** – This will not appear if you own the only company in the game. If there are other companies, select this and choose the one you want to merge with and then set the offering price. You'll see the resulting shareholder vote, and your companies will merge upon a positive result. You can only attempt a merger once a year. You'll get more votes if you offer a higher price. If you control stock in the target company, you can use those shares to vote in favor of the merger and increase the chance of success.
- **Declare Bankruptcy** – When you're carrying too much debt, and have no hope of paying it back, or when things are just going horribly, bankruptcy may be your only option. Sure half your debt will disappear, but this has consequences: you won't be able to borrow money, you'll have to forfeit all company cash, you won't be able to issue bonds for awhile, and you'll have a hard time issuing stock.

Stocks

Many of the great fortunes of the railroad age were built not through efficient railway building, but through merciless exploitation of the stock market. The nineteenth century saw a largely unregulated stock market used as a personal piggy bank by many of the tycoons of the day. Here's your chance to take all those stock market gambles your accountant brother keeps shooting down.

Stocks 101

Few individuals have enough wealth to build a railroad all by themselves. In real life and in Railroad Tycoon II, the most common practice is for one principal investor to put up as large a sum as he can afford, then solicit investors to invest money in the company, with all investors receiving shares in the company proportionate to their investment. If the company is profitable, it pays a portion of its earnings to its investors in small quarterly sums called dividends. The company will usually retain a portion of the earnings to use for growth. A profitable stock will both pay its owner a continuing sum in dividends, and rise in price to reflect the company's earnings. Investors can buy and sell their stock. In general, if several blocks of shares are sold soon after one another, the stock price will fall. If the company is still financially sound, the low share price might be a bargain waiting for a watchful investor to snap up. In Railroad Tycoon II, all companies in the game have tradable shares. Sometimes all the shares may be owned by one or more players, in which case none will be available on the open market. More commonly, players hold a portion of the shares in their companies, and other investors (the public at large) hold the remainder, creating a market of people always willing to make a trade with you, if you've got the money.

Stock Market Screen

The Stock Market Screen is where you can keep an eye on the share prices of your company and opponents' companies, and make investments as you see opportunities. You can access the Stock Market Screen by selecting the tab at the bottom of the Player Detail screen.

There are two sections to this screen. The top section relates to your personal holdings on the stock market. Most of your stock, at least initially, will be in your own company. From this screen you can Buy or Sell stock. Buying stock in a company will usually drive up the share price, at least temporarily. Selling stock will usually lower the price. There are two wrinkles added when you play with the Expert Financial Model active—Buying on Margin and Short Selling:

- **Buying on Margin** – When you buy stock on margin, you are in effect borrowing money to buy the stock. You use your existing stock as collateral for the loan. You may borrow up to half of the value of your stock holdings. The purchasing power figure you see on this screen is the sum of your cash, plus half your stock (which you can borrow against). As you go deeper into margin, your purchasing power will decrease to zero, at which point you can't buy any more stock on margin. Beware: if the value of your stocks fall, they are less valuable as collateral. If they fall far enough to drive your purchasing power below zero, you'll get a margin call from your broker, requiring you to sell off enough stock to restore your purchasing power. Unfortunately, selling off part of your stock can drive the price down, creating an even bigger hole for you to dig yourself out of. You can lose a lot of money quickly if you're heavily margined.
- **Short Selling** – This refers to the practice of selling stock you don't actually own. The shares are implicitly borrowed from a broker, and eventually you must repurchase the shares you short sell to pay the broker back. You hope to repurchase the shares for less than you originally sold them (basically—sell high, buy low.) Short sell a stock when you think it is over priced and due for a fall. But beware, if the stock price goes up instead of down, you could lose your shirt. Outside of the stock market, we call these practices gambling. Be very sure you know what you're doing before attempting to short sell or buy on margin. Also, be aware that the computer players know exactly what they are doing and can bankrupt you if you get in over your head with borrowed money or borrowed stock.

Corporate

The bottom of the stock market screen refers to corporate details about the selected company.

The categories of information available are:

- **Share Price** – The stock price at the end of the year. Share price is determined by a number of factors, including all of the other financial categories on this page, but most especially Earnings Per Share. Recent sales and purchases of the stock will also temporarily drive it up or down.
- **Book Value Per Share** – The book value (equity) of the company, divided by the shares outstanding. Book value is the total value of all the company's assets minus its debt. This can be negative for a company in debt.
- **Revenue Per Share** – Total Company revenue divided by shares outstanding. This can increase or decrease even if the company's revenue is flat, or if the company is increasing or decreasing the shares outstanding by issuing or buying back stock.
- **Earnings Per Share** – Profits divided by shares outstanding.
- **Dividend Per Share** – The dividend rate per share.
- **5 Year Weighted Return** – The total return that investors receive for buying a share of stock is equal to the sum of all dividends they receive, plus any increase or decrease in the stock's price. This figure shows the average annual return in cash dividends paid and price appreciation of the last five years, weighted more heavily for the more recent years. Investors like to make money—either through dividends or share price increases. Keeping this return up is a key factor in how happy investors are with a chairman's performance. If the stock price declines for long enough, investors may fire the chairman. The easiest way to keep this figure high is to steadily increase your profits. An alternative is to at least maintain your profits while steadily buying back shares, driving up the share price.