

PENN CENTRAL



POST[®]

NEWS FOR AMERICA'S LEADING RAILROAD FAMILY

MAY 1971



CONTAINERS
Over Land and Sea
See Page Three

From 530 Companies: A Vote of Confidence

Will Penn Central make it?

Here come 530 companies that say it will.

They are companies that established new plants or expanded plants along Penn Central tracks during 1970.

They are investing a total of \$1,300,000,000 in land, structures and machinery.

It's a massive vote of confidence in the future of the Railroad—a vote of confidence in the ability of PC people to provide the kind of service these industries will need.

"This was one of the brightest features of the difficult and troubled year of 1970," says Vincent J. Floyd, director of industrial development at Philadelphia.

"This huge investment speaks very loudly about the reliance of these companies on Penn Central service.

"And our 1971 developments are even more impressive. New or expanded plants are being established along our tracks at the rate of two to three per working day."

The Industrial Development Department, with offices in 12 cities, is PC's main agency for helping industries find new plant sites. Men from Real Estate, Transportation and Engineering help.

"We provide full information about available acreage, soil conditions, power and water sources, labor supply and taxes," explains Otto W. Pongrace, PC director of industrial development at New York.

"We'll take representatives of the industry to suitable sites. We'll make

necessary contacts. We'll provide aerial photos. We'll help on zoning matters. We may even be able to help obtain financing.

"And we do all this without charge."

The reason, of course, is that new industries mean new business for Penn Central.

The new or expanded industries established during 1970 should eventually mean about 180,000 new carloads of freight per year for PC people to handle.

"And for the cities and towns involved, the new industries mean a new source of taxes, new people moving in, new housing construction, new customers for local businesses, and new job opportunities," points out James T. Orsborn, manager-industrial development, technical services.

"It's estimated that the new plants located during 1970 will ultimately provide about 32,500 jobs for these communities."

The 530 industrial projects initiated or completed in 1970 are spread across the System. Some examples:

Devault, Pa.: Lee Tire & Rubber Co., tire distribution warehouse.

Columbus, O.: Sears, Roebuck & Company, mail order distribution center.

North Haven, Conn.: Bethlehem Steel Corp., reinforcing bar fabricating plant.

Indianapolis, Ind.: Philco-Ford, appliance warehouse.

Macedonia, O.: Kelly-Springfield Tire Co., tire distribution warehouse.

Newark, Del.: Inland Container Corp., corrugated box manufacturing plant.

Selkirk, N. Y.: Ralston Purina Co., feed blending mill.

Congo, West Va.: Quaker State Oil Refining Co., refinery.

Kearny, N. J.: Tropicana Products, Inc., fruit juice distribution center.

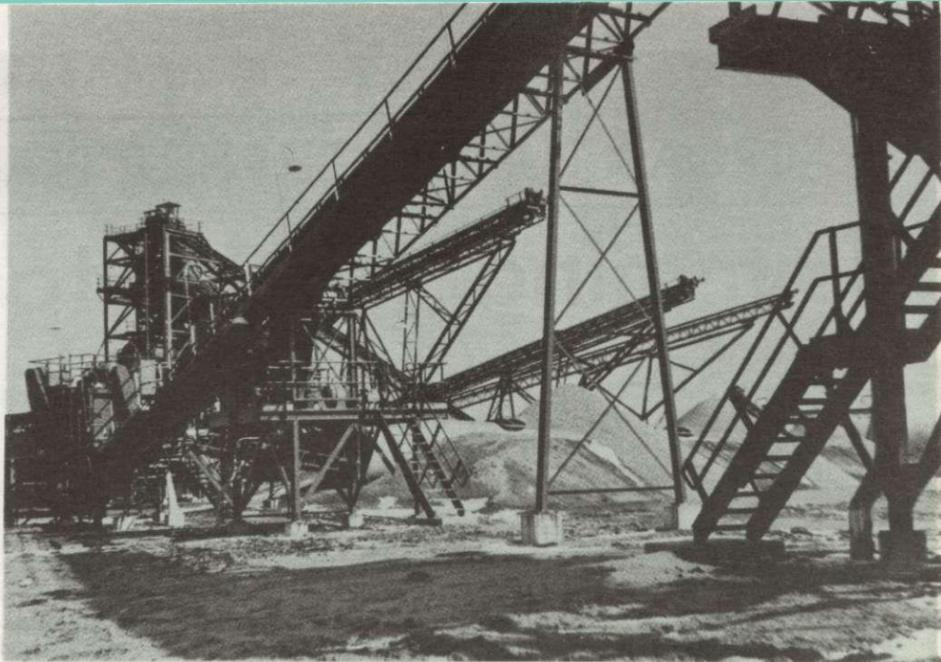
Syracuse, N. Y.: Koppers Co., wood pole distribution center.

Bridgeview, Ill.: H. J. Heinz Co., distribution warehouse.

Lapeer, Mich.: Union Camp Corp., paper products manufacturing plant.

Indianapolis, Ind.: Arvin Industries, Inc., distribution warehouse.

Baltimore, Md.: Fox Grocery Co., distribution warehouse.



Near Monmouth Junction, N.J., McCormack Sand & Gravel Company has built this new facility for loading freight cars that will move in PC unit trains to construction sites.

Boston, Mass.: Masonite Corp., distribution warehouse.

Lordstown, O.: General Motors Corp., manufacturing plant.

Battle Creek, Mich.: Levitt Building Systems, Inc., modular homes.

"Many of the new plants are being established in the 300 industrial parks served by Penn Central, where 69,000 acres are ready for development," says Richard A. Teichman, manager-industrial development, staff.

"Penn Central has 19,000 acres of its own available for sale to suitable industries. In addition, there are 220,000 acres belonging to private owners, for which our Industrial Development men can supply facts and contacts.

"All this land is in desirable rail-served locations in 16 states."

Among industries that have already indicated plans to expand facilities or build new ones in 1971 are:

Newark, Del.: Miller Brewing Co., brewery.

Lower Arroyo, West Va.: Watkins Salt Co., salt plant.

Lancaster, Pa.: R. R. Donnelly Co., printing and distribution center.

Findlay, O.: Whirlpool Corp., distribution center.

Orangeburg, N. Y.: Chrysler Corp., automotive parts depot.

Hammond, Ind.: American Can Co., can manufacturing plant.

Putnam, Conn.: International Paper Co., paper manufacturing plant.

Anderson, Ind.: Delco Remy Division of General Motors Corp., auto parts manufacturing plant.

Marysville, O.: North American Rockwell Corp., truck drive axle assembly plant.

North Brunswick, N. J.: Kelly-Springfield Tire Co., distribution center.

Millis, Mass.: National Can Co., can manufacturing plant.

Masson, Mich.: Manufactured Housing Division of Wickes Corp., modular homes.

Morrisville, Pa.: A. E. Staley Man-



At General Motors' new plant at Lords-town, Ohio, Conductor Gene Slepsky and Brakeman R. J. Schemtti move new autos.



Bridgeview, Ill.:

H. J. Heinz Company supervisor, Thomas Carter, checks switching schedule with G. E. Behn of PC industrial development and Conductor W. Schmidt.

ufacturing Co., corn processing plant.

Cockeysville, Md.: McCormick & Co., spice manufacturing and distribution plant.

Boston, Mass.: Hoerner Waldorf Corp., paper products manufacturing plant.



Kelly Springfield's new plant takes shape along the Penn Central in North Jersey.

Supervisor E. C. Molengraft, Jr., charts locations of desirable plant sites in many parts of Penn Central territory. PC people can supply full details to interested companies.



He didn't pass by

A disabled auto blocked one lane of busy Route 9A, in Westchester County, N.Y., with traffic swerving and screeching around it.

Along came Charles Wohlfahrt, Penn Central communications and signal maintainer, in a PC truck.

He didn't pass by.

He parked at the side of the road, lighted a fusee, ran back along the highway and placed it to warn oncoming traffic.

Then he helped the driver of the disabled car to diagnose the trouble: leaking transmission fluid.

Mr. Wohlfahrt drove to a service station, bought some fluid,

returned, got the auto moving and escorted it to the service station.

But he still wasn't finished. He stayed to help the mechanic complete the repairs.

The grateful motorist was L. Allan Wright, manager of employe relations at General Electric Company. He later wrote to PC President William H. Moore, commending Mr. Wohlfahrt: "He not only responded effectively to a traffic accident potential, but also continued to offer aid and assistance well beyond any reasonable expectation."

In his reply, President Moore wrote. "It is most gratifying to hear of such courtesy and kindness, which reflect so favorably on our company."

Trimming tracks to fit needs

Last January 26, Penn Central Transportation Company was able to borrow \$100 million through the sale of trustees' certificates guaranteed by the Federal Government.

The money was assigned for the payroll and other necessary expenses of operating the Railroad.

In return for providing the guarantee, the U. S. Secretary of Transportation set certain terms, including the following:

1. "The Trustees shall submit to the Secretary (of Transportation) a plan for the abandonment of lines of railroad which are uneconomical and, in their judgment, not required in the public interest."

2. "The Trustees shall submit to the Secretary a plan for the sale of non-transportation assets of the company and its corporate subsidiaries."

3. "The Trustees shall initiate and diligently pursue such actions as may be required to carry out the plans submitted."

This is being done.

The first report on proposed track abandonments has been presented

by the Trustees to the Federal Railroad Administration of the U. S. Department of Transportation.

The matter of disposition of non-transportation assets is now under active consideration.

In discussing track abandonments, the Trustees proposed that Congress pass a new law to simplify action by the Interstate Commerce Commission, as follows:

First, the I. C. C. would determine whether the railroad is losing money on the route it wants to abandon.

Second, if the I. C. C. finds that the railroad is in fact losing money, the railroad would at once receive public funds to continue operating the route. These payments would be, in effect, a subsidy to the communities and to the users of the service.

Third, the payments would continue unless and until the I. C. C. authorized abandonment of the line.

"In either event, the railroad would be able to eliminate the loss," the Trustees pointed out.

Penn Central operates approxi-

mately 20,000 route miles of railroad.

The Trustees stated that portions of line become surplus "in response to changes in population and business concentration, transportation technology and pricing, and the requirements of shippers and receivers."

"The economics of transportation dictate that most of the traffic now moving on light density rail lines should be handled by truck and/or piggyback trailers and containers."

Meanwhile, the Trustees are proceeding with a line abandonment program under existing law.

"This program embraces lines which are believed to be uneconomic and not required in the public interest," they stated.

The program is divided into three phases.

Phase I consists of 16 lines or portions of line, totaling 114 route miles. Applications to discontinue these have already been filed with the I.C.C., or, in one case, the Transport Commission of Canada.

Phase II consists of 63 lines or portions of line, totaling 667 route miles.



Study of surplus track is made by John T. Evans, manager-transportation research, and by Thomas M. Scott, research analyst.

The Trustees have received authority from the U.S. District Court to file these abandonment applications with the I.C.C.

Phase III, for which action has not yet been taken, involves about 1,000 route miles.

None of these abandonments affects passenger operations.

Judge Fullam comments on wages and work rules

A wage increase that was authorized in national negotiations went into effect on April 1 for three unions—Clerks, Maintenance of Way, and Hotel & Restaurant Employees.

Another increase is scheduled for October 1.

The Trustees, in a hearing before Federal Judge John P. Fullam, stated that before he approves the October increase, they want to report



on what progress is being made in setting up a Joint Labor-Management Standing Committee to revise work rules.

Judge Fullam, in charge of the Railroad's reorganization under the Bankruptcy Act, ordered the Trustees to make such a report to him by September 1.

He then made the following remarks from the bench:

"I think it would be appropriate at this time to make a few comments. These are, of course, simply preliminary comments. They don't necessarily represent the final posture that the Court will take.

"The question of the relationship between the employer and the employee in this situation is a very integral part of the question of whether a reorganization of this railroad is possible.

"I assume that the trustees share the Court's view that railroad employees should be well paid for the work they do and that the rates of pay should be competitive with rates paid in related industries, and that if the railroad is not going to be financially able to pay its employees adequately, then there is no use saying that the railroad can be made viable.

"In short, I don't think that the public, as the price for con-

tinuing rail operations, has the right to expect railroad employees to work for less than they should be earning.

"But the converse of that is equally true and extremely important in this situation, and that is that the railroad obviously cannot pay employees for work that they don't do. It cannot adhere to the antiquated concepts that have permeated the wage structure throughout the railroad industry. This business of people earning three or four days' pay or having to be paid three or four days' pay for less than a day of work is a concept which is going to have to be changed radically.

"The concept that the railroad must maintain perhaps as many as ten thousand employees that it doesn't need for efficient operation, and not only that it must retain these employees but that they must be replaced as they retire or die, is simply ludicrous, and I think that it should be made clear as early as practicable that this Court is highly unlikely to authorize any payments of further wage increases beyond

September unless and until some of these other matters are resolved or at least a solution seems very likely in the immediate future.

"And under no circumstances does this Court have any present intention of ever authorizing the trustees to borrow money in order to pay wage increases, unless there is an immediate prospect of profitable operation, even on the assumption of payment of such wages increases and on the assumption of payment of the borrowed money.

"So the point I wish to get across at this time is that all parties involved—and that includes, of course, not just these unions but other unions not involved in this particular set of contracts—are going to have to do some serious thinking about an overall revision of the work rules, the terms and conditions under which they work, and on the assumption that such changes can be made, they can expect to be paid, and, as far as the Court is concerned, they should be paid more than adequately compared with other related industries."

Speaking for American Youth

About 1500 persons gathered at Estes Park, Colo., in April to discuss the problems of American youth.

Howard Fitzpatrick was among them.

The gathering was entitled the White House Conference on Youth, and he was an official delegate.

Mr. Fitzpatrick, 23 years old, is a leverman in Penn Central's Metropolitan Region. He operates the switches that control trains crossing the Harlem River Bridge in New York City.

From the age of 12, he had lived in a foster home, and later worked there as a counsellor under auspices of the New York State Division for Youth.

His experience led to his appointment to the 1971 White House Conference.

The first such conference was held in 1910 under the sponsorship of President Theodore Roosevelt, and has been repeated approximately every ten years since.

A large conference of this kind takes a lot of preparation. Howard Fitzpatrick helped by attending three planning sessions.

"I was on the task force studying the economy and employment," he explains. "We went out and talked to Labor and Management people about the attitudes of young people in industry today, compared

with ten years ago.

"We then wrote up proposals for discussion at the main conference in April.

"We had people with very different kinds of experience in our group—students, ex-drug addicts, policemen."

Other topics discussed at the April conference included poverty, the draft, race and minority relations, education, justice, and ethics.

"At the conclusion of the conference, we wrote down our recommendations for President Nixon," says Mr. Fitzpatrick. "Two-thirds of the people there were under 24, so we provided a pretty good idea of what the youth of the country are thinking."

Howard Fitzpatrick has served as an Army machine-

gunner in Vietnam. He was wounded three times in eight months. The last addition to his Purple Heart Medal left him with a permanent foot injury.



CONTAINERS

Here's the big story on PC's big boxes

It's the big new glamour word in freight handling.

Containers.

These steel and aluminum boxes carry freight in a safe, convenient, economical way.

They go across the country.

And across the oceans.

"Containers are a revolution in shipping methods," says George Shimrak. "And we Penn Central people are in on the ground floor."

"In coming years, more and more of our Railroad's revenue—and a bigger and bigger portion of our paychecks—will come from container traffic."

George Shimrak is PC's assistant director of international sales. He's a stocky, ruddy-faced fellow who started work on the Railroad as a car repairman helper, and left to go to Geneva College, where he majored in business and captained the football team. Then he came back to the Railroad as a clerk, and worked his way up in the Traffic Department.

"I've got good reason to be optimistic about containers," he says. "Last year, we moved 25,000 containers of freight—a jump of 46 percent over the previous year."

"And we're able to interest more and more companies into shipping more and more items by this convenient method."

Like feathers, for instance.

A Chicago pillow manufacturer needed fast shipments of high-grade feathers from Europe. Containers proved to be the safest and most efficient way to transport them.

Martini drinkers in the Midwest get their olives and gin and vermouth from Europe in containers.

TV tubes, pinball machines, den-

tist's chairs, chewing gum and magazines are rushed in containers to Penn Central ports for loading on ships bound for Europe.

Auto parts, tires and electronic organs are shipped in both directions in containers.

Recently, the parts for prefabricated homes moved in containers from Indiana to Central Africa. They'll form an entire new community for Congolese families.

Even Santa gets an assist from containers. Toys, decorations, candy and other holiday trappings come in from all over the world in the versatile boxes.

"A lot of built-in advantages make containers so popular," points out Theron C. ("Ted") Foote, manager-international sales-staff.

"Transit time is cut to a minimum. Railroaders can load containers two to a flatcar in short order and move them at passenger-train speeds. They go through ports faster than other shipments.

"Damage and theft are minimized. The freight stays locked inside the container, with no handling all the way from the shipper to the consignee, wherever in the world he may be.

"Expensive packaging, bracing and in-transit loading and unloading are eliminated."

A container can be stowed on an ocean-going vessel in about 90 seconds. The dock-side crane putting it aboard can also take an inbound container off on the return move.

Aboard ship, a container sits flat on the deck or in the hold. When it's taken off the ship, a chassis with truck wheels is attached so it can be hauled over the highway from the dock to the nearest PC TrailVan yard.

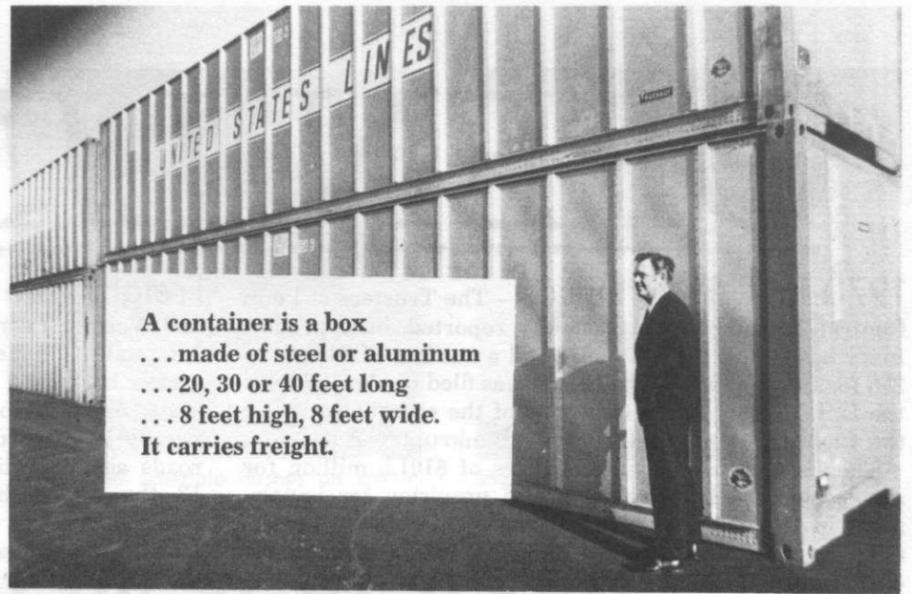
There it's put on a TrailVan flatcar. PC men take it to the destination terminal, where the container is taken off and trundled over the highway to the receiver.

Containers are owned by the

On the cover: A container-ship at Port Newark-Elizabeth Marine Terminal gets set to unload containers from Europe while it simultaneously takes on containers from American cities. The containers are drayed on wheels between the port and PC's new International Container Terminal.

Manager Joseph Ponzo and Dispatcher Joseph Jankay in the busy office at PC's new International Container Terminal.

Assistant Director George Shimrak discusses container handling methods with managers-international sales. Clockwise: J. W. Horrocks, Phila.; F. J. Slattery, Indianapolis; R. H. Jensen, Chicago; S. J. Marshall, New York; W. E. Storf, Baltimore; T. C. Foote, staff.



A container is a box
... made of steel or aluminum
... 20, 30 or 40 feet long
... 8 feet high, 8 feet wide.
It carries freight.

At Baltimore, W. E. Storf is gratified by busy dock filled with 40-foot-long containers.



Containers loaded with freight from the Midwest are removed from flatcars by William Butler and Peter McKenna at Penn Central's big new International Container Terminal.

steamship lines. Penn Central pays a fee for each day it has a loaded container on its tracks.

The steamship lines are building special ships to handle the steadily increasing traffic. These "container-ships" can carry up to 800 of the big boxes.

"Traffic across the North Atlantic is now almost completely containerized," Mr. Shimrak says. "So is the Puerto Rican trade. The Mediterranean is going that way fast, and the Australian Route is about ready to start."

"We Penn Central people are in an excellent position."

"We serve the major East Coast ports. And we're continually improving our facilities."

The biggest new improvement is in operation in North Jersey. The Port of New York Authority has completed a new terminal especially for movement of containers between railroad cars and ships docking in Port Newark and the Elizabeth Port Authority Marine Terminal. Penn Central operates the new container terminal.

Says George Shimrak:



The containers, on temporary wheels, are taken from Penn Central's terminal to dockside and put on ocean-going vessels.

"Such facilities, plus proper pricing as well as good service by Penn Central people, will help us win a substantial share of the booming container traffic."

"MORE THAN IS EXPECTED"

Trainman Archie F. Jones, Jr., feels that the passengers in his care deserve the best treatment he can give.

Like the case of Mr. and Mrs. Morton Holzman.

They had entered Penn Station, New York, too late to catch the last Metroliner for Washington.

They had to take another PC train. But it didn't make a stop at the Capital Beltway Station, outside Washington, where they had parked their auto.

Trainman Jones learned of their problem as he collected their tickets. He told them he lived near the Capital Beltway Station, and offered to drive them from Washington Union Station to their car.

Mrs. Holzman later wrote to Penn Central:

"Mr. Jones not only drove us all the way but also waited to make sure we could start our car, even though it was then 2:00 a.m. I feel I must commend your company for the foresight to employ someone as compassionate as Mr. Jones."

Archie F. Jones, a passenger trainman since 1941, lives in Lanham, Md. A former semi-pro football player, he now uses spare time to coach football for the Lanham Boys' Club.

President Moore replied to Mrs. Holzman's letter:

"Penn Central people like Mr. Jones—who do far more than is expected of them in their jobs and even on their own time—reaffirm my faith in our Railroad's ability to return to a viable and service-oriented operation."



OPEN LINE

REPORTS FROM ALL OVER

1970 loss: \$431 million—The Trustees of Penn Central Transportation Company reported, on a preliminary basis, that the Company had a net loss of \$431,248,275 for the year 1970. The report was filed on April 7 with the U.S. District Court in charge of the reorganization of the Company under the Federal Bankruptcy Act.

The 1970 figures include charges of \$101.5 million for accelerated track retirements and provision for impairment in the value of investments, including the investment in the Lehigh Valley Railroad, which entered reorganization under the Bankruptcy Act last July 24. The report is on an accrued basis—that is, it includes taxes and interest on debt that were due but not paid, in compliance with Court orders.

New department—Sales, pricing and marketing of rail service for the automobile and related industries will now be handled by Penn Central's new Automotive Department, announced Edward G. Kreyling, Jr., vice president-sales and marketing.

"The new department, unique in the railroad industry, has been formed to mobilize the assets of Penn Central to fully serve our automotive, machinery and rubber shippers, and to eliminate overlapping of responsibilities in those areas," he explained. "It reflects Penn Central's dedication to orienting its services and people to the needs of its customers."

Thomas B. Graves, Jr., heads the new department as assistant vice president-automotive. Welborn E. Alexander, Jr., has been appointed director-automotive marketing; and F. Dean Jackson, director-automotive sales.

PC sues to recover \$4 million—In 1969 Penn Central Transportation Company obtained a loan of \$10 million from West German banks and deposited the money in a Lichtenstein bank to draw interest until called for. Later the Railroad drew \$6 million for its freight car repair program and left the remaining \$4 million on deposit to accumulate interest. Subsequently the \$4 million came under the control of Fidel Goetz, a German businessman, who had investments in Executive Jet Aviation, in which Penn Central also had investments. The Trustees are now suing Fidel Goetz and associates for return of the \$4 million plus interest.

Dining on the Metroliner—Meal prices were sharply reduced in Metroliner club cars (Metroclub) when the second 6-month segment of the demonstration project got underway on April 1. Passengers now get a full-course dinner at their seats for \$2 instead of the previous \$3.50. Luncheon is reduced from \$2.50 to \$1.50; full breakfast, \$1.35 instead of the former \$1.75; continental breakfast, \$1 instead of \$1.35.

Menus in Metroliner snack-bar coaches were expanded to include at least two hot dish selections, such as roast beef, turkey, hamburger and frankfurter sandwiches.

Effective April 1, under terms of the government contract, a surcharge was added for six months to Metroclub fares: \$2 for distances up to 175 miles, \$4 beyond.

Since the start of Metroliner service on January 16, 1969, there have been almost 2½ million passengers.

New head of Penn Central Company—Archibald DeB. Johnson has been elected chairman, president and chief executive officer of Penn Central Company.

Penn Central Company is the parent holding company, and the stock bears its name. In other words, the stockholders own Penn Central Company, and Penn Central Company owns Penn Central Transportation Company.

The affairs of Penn Central Transportation Company are now under the direction of U.S. District Court Judge John P. Fullam and the four Trustees appointed by him. President William H. Moore operates the Railroad under the direction of the Trustees.

Mr. Johnson, who formerly was secretary-treasurer, succeeds Dr. Gaylord P. Harnwell who resigned as chairman and chief executive officer and director.

Former management investigated—The Bureau of Enforcement of the Interstate Commerce Commission has been investigating the "management of the business, the operations, the dealings and other practices" of Penn Central Transportation Company and affiliated companies. Statements were filed on April 15. A hearing was scheduled April 26 for cross-examination of those who have filed statements.

Freight rate increase—Last September, Eastern and Western railroads, including Penn Central, asked the Interstate Commerce Commission to authorize a 15% increase in freight rates to help them meet their higher costs. After prolonged hearings, the ICC granted a temporary increase of 8% on November 20, 1970. The railroads again petitioned for the full 15%. Effective April 12, the ICC authorized a rate increase for the Eastern railroads not to exceed 5.6% over the previous level. However, because of exceptions made by the ICC or by the railroads for certain commodities and movements, the increase is expected to average only 3.8%.

The railroads contend that this does not meet their increased costs and may have to appeal for an added increase. Edward A. Kaier, the industry's chief counsel for rates, stated that railroad wage increases are already considerably higher than the railroads had anticipated at the time their request was presented to the ICC.

The ICC's order acknowledges that to restore the railroads "to reasonably good health and viability, far more money is needed than the full amount of the increases proposed could possibly produce."

However, the ICC also criticized the railroad industry for deficiencies in freight service, and quoted complaints from a number of shippers.



Japanese meet Metroliner—A television crew from the Fuji Telecasting Company recently rode the Metroliner between Washington and New York, filming aspects of the service. They did the same on the Turbo Train between New York and Boston. The TV men are preparing a documentary, "Transportation Around the World," for broadcast in Japan.

The troubled railroad industry—Penn Central isn't the only railroad in financial trouble. Three other railroads are in reorganization under the Federal Bankruptcy Act—Lehigh Valley, Central Railroad of New Jersey, and Boston & Maine. Almost a third of America's 68 major railroads lost money in 1970. George M. Stafford, chairman of the Interstate Commerce Commission, recently told a Congressional hearing that 18 railroads are now in marginal financial condition. "We cannot predict bankruptcy, but we know it could happen," he said. "Continuation of inflationary pressures, widespread work stoppages on the railroads or in a particular industry, or a major natural disaster might be enough to push some over the brink."

More big cars—The Railroad has acquired 79 more 60-foot boxcars, especially designed for damage-free transportation of household appliances. PC now has 350 of these cars. With their 12½-foot height and 9½-foot interior width, they can carry more than double the payload of the traditional 40-foot boxcars. Damage is virtually eliminated by air-cushion bulkheads, specially metered truck springs, and cushioned underframe.

Helping the airlines—The Railroads, which are seeking government aid under the ASTRO program, are awed by the ease with which other forms of transportation receive billions in Federal funds. For example, Congress last year passed an Airports-Airways Bill providing \$10 billion over a 10-year period for expansion of the entire air navigation and traffic control systems.

Local service airlines receive cash subsidies. In the year ending last June, the Government gave the airlines \$34.3 million. The current subsidy has been increased to \$58.6 million. The airlines sharing this money are Allegheny, Frontier, Mohawk, North Central, Ozark, Piedmont, Southern, Texas International, and Hughes Air Corp.



"Railroad employees in general have a genuine interest in the progress of the Penn Central as it faces its reorganization problems. The article 'Hard Facts' in your January issue would be of much interest to our employees. May we reprint it?"

—W. W. Young, Sr., special representative, Richmond, Fredericksburg and Potomac Railroad Co.

Permission granted.—J.S.

"Could I receive the Penn Central Post or is it for working employees only? I retired as Freight Agent at Corning, N.Y., after 44 years' service."—F. R. Eddings, Tucson, Ariz.

Retired employees are entitled to receive six issues per year without charge: Jan., Mar., May, July, Sept., Nov. Send a letter giving retirement date and place, present address and zip code.

"The December issue included an article on a Railroad Explorer Post at Beech Grove Shops, Indiana, and said it is the first of its kind in the country. For the sake of accuracy, may I correct this statement? I was Explorer Advisor of Railroading Specialty Post 17, sponsored by the Ohio Railway Museum, Worthington, Ohio, chartered in May, 1967. And there may have been others prior to Post 17."—William C. Pletz, Columbus, Ohio.

"I like to read the Post to read about anyone that I know. I am retired for the past 20 years, and the way I feel, I think I will reach 100."—A. J. Donato, Delray Beach, Fla.



"I sent a money order for two Mini-Metroliner trains for \$5 each. I received only one. Can you please send the second one? The train is real nice and we have a lot of fun with the one we received."—Jay Waite, Adamsburg, Pa.

The Souvenir Office reports an additional set is being mailed. Train sets are still available at \$5 each. Send check or money order to Penn Central Souvenirs, 1040 Six Penn Center, Phila., Pa. 19104.—J.S.

Penn Central Transportation Company publishes this tabloid magazine for its employees. Address any communications to Penn Central Post, Six Penn Center, Phila., Pa. 19104

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Array of new information devices gives a striking new look to Penn Station, N.Y.



Customer phones about train schedule. Helen Byrne pushes buttons for answer.



The desired schedule flashes on screen. She uses rule to read the line she wants.



She gives the information to the caller. Penn Station gets over 10,000 calls a day.

INFORMATION IN A FLASH!

Helen Byrne, information clerk, answered her ringing phone at Pennsylvania Station, New York.

"Good morning, Penn Central, Mrs. Byrne," she said.

The caller wanted to know the schedule on trains to Washington.

Mrs. Byrne pushed two buttons on a console in front of her. Instantly a picture of the desired timetable flashed on a screen.

She gave the customer the information.

"What's the fare?" the customer said.

Mrs. Byrne pushed another button, the rate schedule appeared on the screen, she gave the information, and—"Thanks for calling Penn Central."

That's PC's new fast-facts machine in action.

It's called **CARD**. That stands for Compact Automatic Retrieval Display. A year was spent tailoring it to the needs of Penn Central's customers.

Behind each screen is a revolving drum containing microfilm slides called microfiches. Push the right button, and you can view the slide



"It didn't take long getting used to this new machine, and now it certainly speeds everything up," says Vera Mae McFadden.

you need.

"The information is available almost immediately," says Passenger Agent Edward J. Gaynor.

Adds Information Clerk Tom McCallion:

"We don't have to fight our way through piles of timetables and tariff books while the customer waits. One

minute can seem like an hour when you're waiting for train information."

Penn Station receives more than 10,000 calls a day. They come from as far as Schenectady, N.Y.; Toledo, O.; Providence, R.I.; and Trenton, N.J. The information clerk hears a tape that tells where the call is coming from before the caller even speaks, so the clerk can promptly push buttons that will show train information from the customer's location.

"We were given classroom instruction in the new machine, and then on-the-job coaching by the instructor," explains Information Clerk Adelaide Carney.

The instructor was provided by Intermodal Travel Services Corporation, developers of the new system.

"It should be a lot easier for new clerks to learn with this system than to learn to hunt and peck through timetables and rate books," says Information Clerk Joseph Roach.

Each machine can hold the equivalent of 72,500 pages of information, much more than in all the rate books and timetables.



Everett Welch reviews the new system with Ann Coppinger, Alicia Gallivan, Lorraine French, William J. Dee and Helen Byrne.

"The machine includes schedules and rate information for railroads all over the United States, and even Canada and Mexico," points out Information Clerk Bill Langton.

Penn Central is the first railroad to utilize the new system.

Says Passenger Agent Gaynor: "It's still in its infancy, but it has already proved its value."

Look what happened to Old 4549

It was a combine car—half baggage, half passenger. It had motors for multiple-unit service. It was the only car of its kind left on the Railroad.

Formerly used to haul newspapers, it was put out of business when newspaper distribution went to trucks.

So it sat on a siding, idle.

One day, F. S. (Pat) King, then general manager of the Philadelphia Commuter Area, pictured a new role for the 55-year-old car—a chance to brighten commuter service.

He discussed it with Frank D. Abate, superintendent-suburban equipment, and John K. Shoemaker, superintendent-suburban transportation. They liked the idea. Plans were drawn up. Parts were ordered.

And under General Car Foreman Thomas G. McGowan, Old 4549 was rejuvenated for a glamorous new life.

Foreman John Randall's men installed a 15-foot bar in the baggage compartment. The walls were paneled in walnut. Plaques of old timetables and steam engines were put up.

All this was the work of John Walsh, Joseph Zukowski, Terry Shinnise and Bruno Delfarrio, car repairmen.

Meanwhile, Upholsterers Joseph Crump and Joseph Pucca were dressing up the passenger end of the car by putting new vinyl covers on the 52 seats.

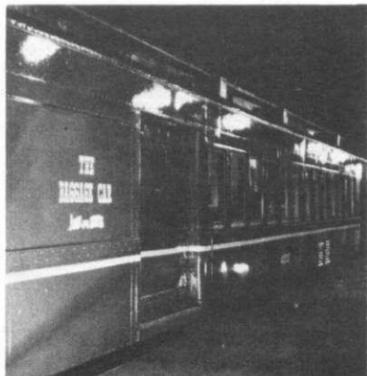
The outside got a new coat



Michael Scioli, PC clerk, dressed up in proper style for the car's opening.

of Penn Central green and a new number.

And now the car, bright and cheery, livens the homebound trip for harried businessmen. They can unwind with cocktails at \$1.35, beer at 75¢, and soft



Old-style lettering reveals humble origin of the bright new bar car.

drinks at 45¢.

"It's sure making a hit," said PC Attendant Thomas A. Carr, serving drinks.

Commented one bubbly passenger: "This could be the salvation of Penn Central."



Charles Morton and Sherwood Harris serve them up with old-time flair.

News for Vietnam

What's the favorite newspaper in Vietnam jungles?

The Middleport News Item.

Well, at least it's the favorite for about 60 servicemen.

They're from Middleport, N. Y., and this newspaper brings the news from home.

The editor is Raymond Hammond, retired crossing watchman.

Back in World War II, he put out the Hammond Gazette for hometown boys overseas.

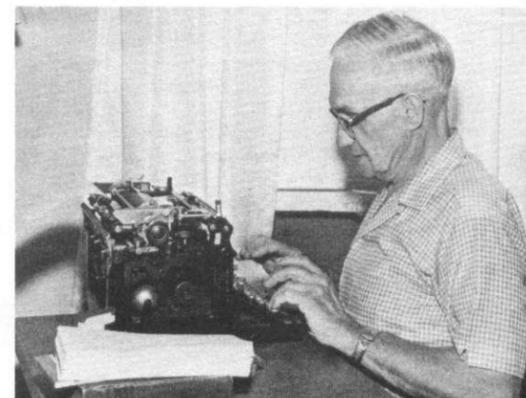
"Now, with our young men engaged in battle once more," Mr. Hammond says, "we decided we owed it to them to start publishing again."

"I agreed to be editor. Committees were set up to print the paper, address it, pay for the postage, and get news."

The paper is full of news about Royal-Hartland High, the Middleport Fire Department, the hunting season, and who grew the biggest pumpkin.

"As soon as the situation overseas clears up," Mr. Hammond says, "the Middleport News Item will go out of business."

"And I'm hoping I'll never have to publish a paper for a war again."



PC PEOPLE



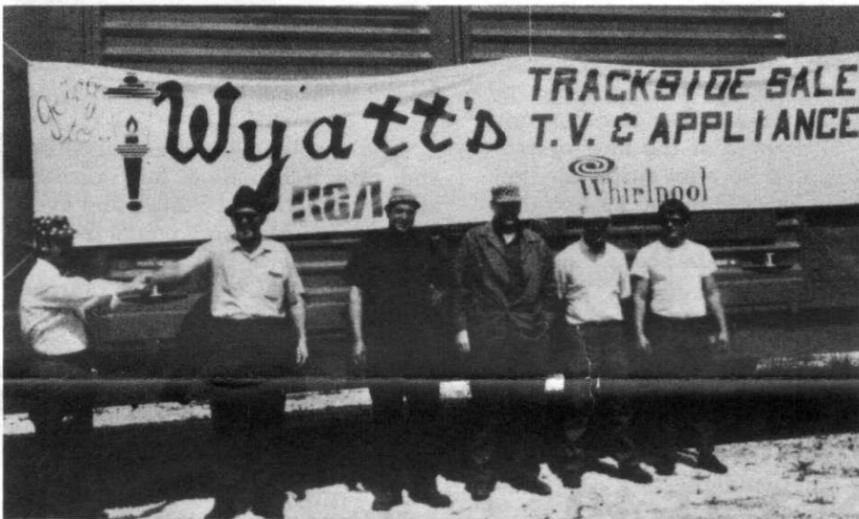
CAMPERS AT TOLEDO, O.: Railroaders who like the outdoors have formed the National Railroad Camping Association, which holds a yearly get-together somewhere in the great outdoors. Last year's gathering was near Mackinaw City, Mich. In the photo are Conductor Don Holmes, Engineman Lester Clayton and Conductor Earl French, employees at PC's Stanley Yard, Toledo. They're members of the camping association's Buckeye Chapter, which has 18 members.

Any railroader, regardless of location, is welcome to join, they say. Dues are \$5 a year. For information write Mrs. Don Holmes at 1717 Sugarbush Road, Oregon, Ohio 43618.

DRAMA AT PHILADELPHIA: The latest production of Ralph Spatz has gone on stage to a receptive audience. "It was a thrill to hear the laughter and applause," he says.

Mr. Spatz, who works in PC's Purchases and Materials Department, has been writing plays in his spare time for 20 years. His work has been seen in many little theaters.

He's been interested in theater since childhood, when he saw and read all the plays he could.



A HAPPENING AT ANDERSON, IND.: Why is Howard Rader, of Wyatt's TV and Appliances, thanking Conductor Russell G. Stone, and the four crewmen—Brakeman H. C. Schuyler, Engineman Earl L. Sharp, Brakeman Everett Willis, and Fireman R. J. Dowling?

Answer: They delivered a boxcar of home appliance in perfect order and in perfect time for a big sale at the Wyatt store. The movement from the yard to the store was reported to the public every step of the way over WHUT Radio. It was a promotional idea of Lew Shapiro, sales rep for WHUT and a confirmed rail fan.

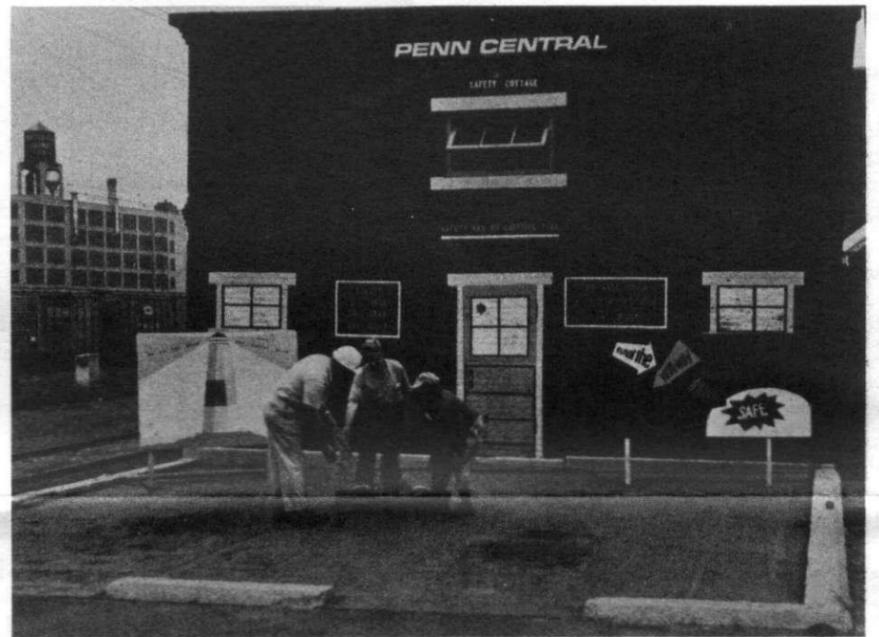


Tom Strunk, whose hobby is hunting and fishing, returned to his work in Cincinnati, O., last December. He has since been promoted to office manager and moved to Jeffersonville, Ind., where he says the fishing is great.

HAPPINESS AT JEFFERSONVILLE, IND.: Last year a precedent-setting court decision allowed PC Rate Clerk Tom Strunk to undergo a life-saving operation to receive a kidney from his brother, Jerry. Court approval was necessary because Jerry, who is very close to his brother Tom, is mentally retarded, and was considered incapable of giving permission for the operation. The transplant was a success, and both brothers have completely recovered.

HISTORIAN AT PITTSBURGH, PA.: History Hobbyist Patrick Purcell hit print when the Bulletin of the National Railway Historical Society published his article on the Staple Bend Tunnel. It's America's oldest rail tunnel, completed in 1833 by the Commonwealth of Pennsylvania for the Portage Railroad. Part of this railroad became the present New Portage branch of Penn Central, between Gallitzin and Hollidaysburg, Pa.

Mr. Purcell, PC manager of pricing services, has been interested in history since elementary school. He spends most of his free time looking for historical finds to write about. He's now associate editor of the historical society's Bulletin. His latest article, on the Mt. Washington Cog Railway in New Hampshire, will be published soon.



EYE CATCHER AT SUNNYSIDE, N.Y.: They've dubbed it the "Safety Cottage." Actually it's the rear wall of the paint and upholstery shop at Sunnyside Yard, painted to resemble a cottage, complete with windows and door. Displays in front of the Cottage admonish Penn Central people to join the safety team and avoid working with defective tools. "It's the key to the stepped-up safety program of our master mechanic, Salvatore Lupi," says Vito Cozzolino, general foreman. "It's right at the foot of the steps into the yard—the first thing the men see coming to work. We don't want anyone to miss the message."

Recent Appointments

SYSTEM OFFICES

Financial Department
 Alberts, E. M. Collection Representative
 Burns, K. R. Collection Representative
 Davey, J. J. Manager—Accounting Operations, Indianapolis
 Gidley, T. M. Corporate Reports Analyst
 McElroy, P. F. Collection Representative
 Rubolino, J. R. Manager—Management Reporting and Analysis

Sales and Marketing Department
 Barsamian, G. Administrative Assistant, New York
 Bay, L. M. District Sales Manager, Davenport, Iowa
 Brakebill, J. R. Freight Sales Manager—Food Products, New York
 Carrier, M. N. Sales Representative, Chicago
 Furbush, J. A. Office Manager
 Harbaugh, D. F. Administrative Assistant
 Jezuit, W. R. Supervisor—Special Equipment, Chicago
 Keating, T. J. Administrative Assistant, Chicago
 Latch, H. R., Jr. Statistician
 Leonard, J. H. Office Manager, Baltimore
 Milholland, T. E. Staff Assistant
 Murphy, J. D. Assistant Freight Sales Manager, New York
 Noffsinger, J. F. District Sales Manager, Chicago
 Raemont, J. J. Sales Representative, Chicago
 Schmidt, S. T. Sales Representative, Chicago
 Warde, W. B. Supervisor—Freight Services, New York
 Webb, C. F. Sales Representative, Phila.

Personnel Department
 Davenport, T. G. Personnel Assistant, Chicago

Labor Relations Department

Varga, P. V. Examiner, Chicago
 Shaw, T. D. Examiner, Chicago
 Stone, Shirley H. Assistant Supervisor—Personnel, Cleveland

CENTRAL REGION

Costello, R. J. Transportation Inspector
 Dixon, S. B. General Road Foreman
 Findlay, J. S. Assistant Superintendent—Operations
 Frank, E. Supervisor—Train Movement
 Garrity, W. J. Assistant Superintendent—Operations
 Lightner, J. W. Transportation Inspector
 Neubauer, A. E. Supervisor—Unit Train Operation
 Owens, C. W. Assistant General Manager
 Pollum, J. B. Supervisor—Unit Train Operation
 Porter, T. O. Transportation Inspector
 Rodwick, M. J. Assistant Superintendent—Operations
 Short, R. L. Superintendent—Operations
 Spangle, C. D. Statistician
 Werremeyer, R. E. Supervisor—Locomotive Control
 Young, D. E. Manager—Operating Rules

Allegheny Division

Connelly, J. A. Assistant Superintendent

Pittsburgh Division

Anders, J. Q. Trainmaster, Shire Oaks
 Anders, N. G. Assistant Superintendent
 Bearinger, J. C. Statistician
 Brown, C. C. Assistant Superintendent
 Conte, P. C. Supervisor—Quality Control—Locomotive, Conway
 Felix, P. J. Terminal Trainmaster, Conway

Goodman, E. S. Terminal Trainmaster, Conway
 Harnden, R. G. Statistician
 Love, M. A. Trainmaster, Conway
 Miller, R. E. Production Engineer, Conway
 Padezanin, D. Assistant General Foreman, Conway

Polo, J. R. Supervisor—Communications and Signals
 Waters, T. M. Assistant Supervisor—Yard Procedures, Conway

Valley Division

Stroup, R. L. Trainmaster, Mansfield
 Wyatt, E. D. Trainmaster, Ashtabula

SOUTHERN REGION Southwest Division

Bly, G. E. Assistant Supervisor—Train Operation
 Connor, M. J. Trainmaster, Muncie
 Pearson, D. L. Supervisor—Crew Dispatchers, Big Four Yard

WESTERN REGION Cleveland Division

Taylor, W. I. Assistant Terminal Superintendent (Night)

Fort Wayne Division

Hendrickson, P. J. Office Engineer
 Meyer, R. H. Draftsman
 Sheron, C. D. Material Engineer

Toledo Division

Arthurs, N. L. Terminal Trainmaster, Stanley Yard

Emergency

An elderly woman riding an eastbound Penn Central train became ill and was taken off at Mansfield, Ohio.

Baggagemen **Joseph Bray** and **Walter Johnson** arranged for the woman to be taken to the General Hospital by ambulance. Station Agent **Joseph F. Evan** went there to check on her condition.

The hospital determined that her trouble was only travel fatigue, and Mr. Evan escorted her to a motel.

"However, his concern went much further," her son, Michael Lichtenstein, wrote.

"He called on her the next day at her motel, and when she still seemed to be weak from her exertions, he brought her to his own home, where his family took care of her.

"Then, on his own time and expense, he escorted her to Pittsburgh, saw that she was comfortably situated at a hotel, and then left her in the care of other members of our family who live in that city."

Why 163 people didn't get hurt

Statistics aren't interesting until you put flesh on them.

Take, for instance, the fact that Penn Central people in 1970 reduced the rate of injuries 9.6 percent below the 1969 rate.

"Let me put that in human terms," says Joseph A. Bonelli, PC manager of safety.

"If the 1969 rate had continued unchanged through 1970, we would have had 163 more employees hurt on the job than actually were. Or, to say it in more positive terms:

"Our improved safety performance in 1970 kept 163 employees off the injury list.

"When we think of what that means in pain avoided and disability prevented, we can all take pride in our achievement."

A delighted message came from President William H. Moore.

"I want to congratulate all Penn Central people who had a hand in achieving the encouraging safety record," Mr. Moore wrote.

He pointed out that the PC safety record is better than the average of American railroads, and added:

"Our goal is an injury-free railroad.

"In reducing the pain, the grief, and the expense of injuries, we will be making a very significant contribution to our program of restoring our Railroad to efficient and prosperous operation."

The PC System injury rate in 1970 was 7.73. This means that for every million man-hours of work, there



Loose clothing causes snagging accidents. Freight Conductor J. W. Gregory, at Waverly Yard, N.J., plays safe with ankle bands.

were, on the average, less than 8 reportable injuries. An injury is reportable under Government regulations if it disables an employe for more than 24 hours.

The following Divisions all did better than the System-wide average:

Canada, St. Louis, Allegheny, Pittsburgh, Harrisburg, Columbus, New Haven, Cincinnati, Williamsport, and Chesapeake.

"But even some Divisions that did more poorly than the System average made good improvements over their own 1969 figures," Mr. Bonelli pointed out.

"The Detroit Division, at the very bottom of the list, actually reduced its injury rate by almost 30 percent, compared with 1969.

"However, the greatest improvement was scored by the top-ranking Canada Division. It reduced its injury rate by almost 80 percent."

Notable improvements were scored also by:

St. Louis Division, 44 percent; Michigan Division, 41 percent; New Haven Division, 27 percent; Maintenance of Equipment Department, 43 percent; Material Management Department, 39 percent; Dining Car Department, 34 percent.

Mr. Bonelli pointed to a number of factors in the System safety achievement:

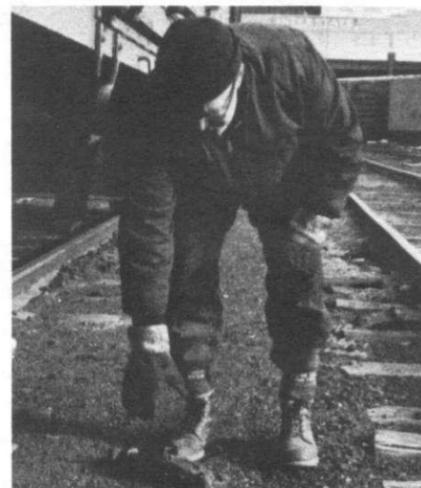
- The new positive-outlook safety manuals, which stress what to do instead of what not to do.

- More safety training, including the use of films made by PC Training and Safety men, with PC employes as "actors."

- Greater emphasis on elimination of hazards.

- On-the-spot investigation of serious accidents by System safety

Patrick F. Bentz, New York car repairman, removes what might trip a fellow employe.



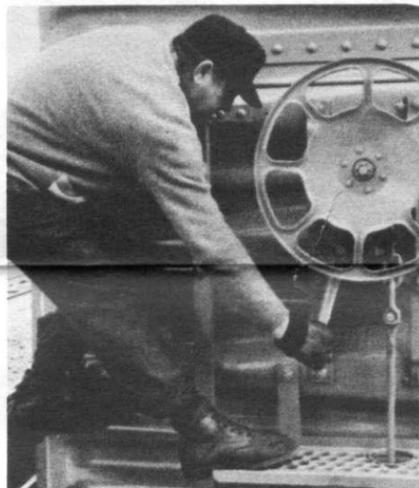
Safety rules aren't theories; they're based on sad experience. Men at Pavia Engine-house, Camden, N.J., review rules with Foreman Anthony Robino to avoid sad experiences.



Getting off, Machinist B. D. Miller, Enola, Pa., first has checked adjacent track, then makes sure he has a firm footing.



Brakeman Mike Mitchell, Harrisburg, uses cutting lever to open knuckle, instead of stepping unnecessarily between the rails.



J. W. Barch, Phila., is safe with a firm handhold, heel snug against brake board.



At Elkhart, Ind., Larry Jolliff takes good advice before starting his grinding wheel.

engineers, to prevent recurrences.

- Constant observation of work practices and recording them on CT-990 reports, to spotlight any unsafe habits for correction before an injury occurs.

"But all these things would have minor effect without a strong will to

safety on the part of PC people," Mr. Bonelli emphasized.

"Careful observance of the time-tested safety rules, and concern not only for one's own safety but for the safety of fellow employes, will enable us to make 1971 another banner year for safety."



Some people think it's efficient to ride their swivel chair from desk to filing cabinet. Result: bad falls. Linda Esola, personnel clerk at Chicago, wisely walks.

The oldest rule in the book, and the most vital: T. L. Airy, inspector at Baltimore, looks two ways before crossing any track.



BOY UNDER THE ICE!



Eight-year-old Virgil Hunter and his 10-year-old brother were excited.

A Penn Central track gang had come to work on the rails at Tyrone, Pa., near their home. The boys ran to watch.

Virgil slipped. He rolled down a bank onto an ice-covered stream. The ice broke and he disappeared.

Virgil's brother yelled. C&S Maintainer George Lykens rushed over.

The boy had drifted out of reach under the ice.

George Lykens called for help. Machine Operator Ray-

mond F. Piper and Welder Clair Geisinger came running. The three men rushed to the mouth of a nearby culvert, broke through the ice, groped in the dark water, and found the unconscious boy.

They were able to revive him. Then Supervisor C. D. Barefoot drove him to a hospital. Four days later, Virgil was back home in good shape.

But the Penn Central men weren't finished. They collected \$40 to buy Virgil new warm clothing. His mother was expecting her tenth child.

Said Allegheny Division Superintendent Kenneth F. Webel in a letter of commendation:

"This is another example of the type of people employed by Penn Central who are willing to risk their own well-being in extending efforts to help their fellow men."

The day the railroads didn't run.

On December 10, 1970, 800 coal miners were turned away from work.

The same day, Chicago experienced one of its worst traffic jams in public transportation history.

Auto companies shortened shifts and began layoffs.

An embargo was placed on other than first class mail traveling more than 300 miles.

Major utilities planned drastic cutbacks in power to homes and industry, and the auto companies prepared for a complete shutdown in 5 days.

The Office of Emergency Preparedness published a list of priority shipments such as food, medical supplies, fuel for heating and generating electric power, mail, and chemicals for purifying water and processing sewage.

On December 11, the railroads were running again, and the country returned to normal.

In 24 hours, the nation had witnessed what would happen to the entire country without its railroad system.

But the nation's railroad system still faces an imminent crisis—not of a temporary stoppage—but of total survival.

If we have not listened before, the 24 hours of December 10 should make us listen now.

And if there were any doubt as to the seriousness of the crisis, the critical problems faced by a major railroad recently should make us investigate and act immediately.

Is the railroad crisis real?

In 1969, one third of the nation's railroads operated at a loss. The results for 1970 are expected to be even poorer. And the immediate future is critical, unless action is taken now.

The reasons for the crisis are historical. The railroads are forced to operate under strangling, century-old laws that many respected government officials have called outdated and no longer justified. There is no freedom to eliminate deficit services, nor freedom to realistically compete for new business.

While staggering under discriminatory taxes, the railroads are not permitted to participate equally in government transportation programs.

The crisis is real.

It is a crisis not just for the railroads, but for every single American industry, employee and consumer. Its immediate solution, therefore, is the moral obligation of our elected government officials.

Twenty-four hours in December may have been the last warning.