

PENN CENTRAL

POST[®]



NEWS FOR AMERICA'S LEADING RAILROAD FAMILY

MAY 1972

Am. Party Fair

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TRUSTEES ISSUE PLAN FOR REORGANIZATION

The Trustees last month presented Part I of their Plan for Reorganization of Penn Central Transportation Company.

Their report, submitted to the U. S. District Court, stated that if their plan is fulfilled, Penn Central will be "in a strong financial position for sustained future operations in bad times as well as in good."

Their plan is based on three major conditions, which the Trustees had set forth in a previous report to the Court, and which they now repeated and stressed as being essential.

The three conditions are:

1. Slimming the railroad to a heavy-traffic "core" system, and eliminating the financial losses due to poorly patronized freight lines.

2. Obtaining full compensation for the losses in providing passenger service for Amtrak and commuter areas.

3. Reduction in the size of yard and road crews. The Trustees have already stated that the reductions in present crews "will be gradual, and protection will be afforded present employees." (See discussion beginning on page 5.)

In addition, the reorganization plan depends on an increase in freight revenues to levels that have been forecast.

The Trustees said they believe that their plan is feasible, but they emphasized that this "depends on the speed with which these things can be carried out."

Further Reports

The Trustees said they will issue reports in coming months, focusing on each major part of the reorganization plan. They gave the following timetable:

The July 1, 1972 report will deal particularly with progress on the crew-consist issue.

The October 1, 1972 report will focus on the Trustees' decision about the Penn Central lines to be included in the reorganized system.

The January 1, 1973 report will focus on progress toward obtaining adequate compensation for passenger service.

The April 1, 1973 report will complete the Plan of Reorganization, including details on the treatment of the railroad's leased lines and operating subsidiaries, financial claims against the railroad, and other matters.

After that, the U. S. District Court would presumably hold hearings to determine whether the Plan is sufficiently feasible to submit to the Interstate Commerce Commission for approval.

If either the Court or the Commission should decide that the Plan would not be able to solve the railroad's problems, the Court could decide, depending on the circumstances, to permit concerned parties to file other plans for reorganizing the railroad or for liquidation.

Freight Progress

Among favorable factors discussed in the Trustees' report is an anticipated growth in freight traffic. They reported the results of an intensive study of business trends in the major commodities handled by Penn Central, including interviews with 125 of the railroad's largest shippers. The conclusion was that by 1976, Penn Central freight volume would be 9 percent above the 1970 level.

The Trustees called attention to important advances in the railroad's ability to compete for business.

"In the past 15 months," they said, "the quality of Penn Central's freight service has improved to the point where it is generally regarded by the shipping public as first class.

"One of the reasons for the precipitous decline in Penn Central's freight volume, particularly following the merger, was atrocious ser-



The four Trustees were appointed by U. S. District Court Judge John P. Fullam in July, 1970, to direct the reorganization of Penn Central Transportation Company. They are:

George P. Baker, former Dean of the Harvard Business School.

Willard Wirtz, Secretary of Labor under Presidents Kennedy and Johnson.

Richard C. Bond, Board President of John Wanamaker of Philadelphia, Inc.

Jervis Langdon, Jr., former President of the B&O and the Rock Island.

vice which users of transportation avoided like the plague.

"In the future, Penn Central's presently good service will be made even better. This is bound to put more tonnage on the railroad and should allow Penn Central to grow with the economy instead of going downhill."

The Trustees' report also said that in the past, business was lost to the trucks because of Penn Central's "rigid pricing policy." To attract new business and hold existing business, the Trustees have authorized more than 100 individual rate adjustments on a variety of commodities, including:

Rock salt, grain, crude oil, soda ash, semi-finished steel, manufactured iron and steel, potatoes, cement, wall board, asbestos sheeting, wood pulp, alcoholic liquors, motor vehicles, auto parts, carbolic acid, sand, paper, sugar, magnesium, limestone, frozen citrus concentrates, buses, and turbines.

"The Trustees intend to pursue the course of improving Penn Central's competitive position by supporting its better service with realistic—and innovative—pricing," the report said.

"Progress is also being made in the gradual elimination of traffic carried for less than cost. A 25 percent increase in rates on cereal traffic (light-loading yet requiring high-quality box cars) is an example."

The Trustees called particular attention to the current drive to build up piggyback business. The aim is to show as many shippers and carriers of highway freight as possible that the railroad provides a "cheaper highway" for their loaded truck-trailers. (Cover photo.)

The outcome of this campaign may have more effect than any other factor on the long-term viability of Penn Central and other railroads of the Northeast, the Trustees said. They are confident of ultimate success in this sales effort, they said, because the economics—particularly with operation by reduced-size crews—favors the railroad "highway."

Tailoring Trackage

To determine the ultimate size and shape of a reorganized Penn Central, a study has been made of the traffic moving on the Railroad's 20,000 miles of line. It has been found that approximately 80 percent of the freight business comes from 11,000 of these miles.

The Trustees are now proceeding as rapidly as possible to identify additional miles of railroad that can effectively be added to this 11,000 mile "core."

"The information presently available to the Trustees suggests that the emerging system may well be substantially larger than 11,000

route miles," they said.

On the other side are the portions of railroad that are "clear losers—lines which promise to hurt rather than help in the struggle for earning power," the Trustees said. They have already identified a total of 3,992 such miles of line that should be abandoned, they said; and current studies may identify at least 1,600 additional miles of line for abandonment.

However the Trustees said that changing conditions could change their decisions—"a line that is a loser today may be a winner tomorrow, or vice versa."

"The present planning of one of the nation's largest shippers could transform two Penn Central branches, now total losers, into important feeder lines; and other branches, also present losers, could spring into life overnight in serving new or relocated mining operations in the bituminous coal-fields," the Trustees said.

In addition, they said, the economy of reduced-size crews "would have a profound effect upon the revenue-cost relationships of some of these marginal lines."

New Stock Issue

The reorganization plan provides for new capitalization, including issuance of Penn Central Transportation Company common stock and mortgage bonds.

According to the plan, the Penn Central Transportation Company's new stock and bonds would be issued to creditors and others having claims against the company. The new stock and bonds would be used to settle their claims or to exchange for the securities the creditors now hold.

The Trustees stated they could not yet predict how much each class of claimant could expect to receive in new stock and bonds. "Much work must be done and many claims must be analyzed and adjudicated before a precise prediction can be made," the Trustees explained.

A total of 26,254 statements of claims have been filed by individuals and companies, to the total amount of \$3,348,620,840 (\$3.3 billion).

However, almost \$200 million of this consists of duplicate filings, and other claims have not been included because of various provisions of the Court's instructions.

Based both upon the records of the Debtor and assessment by the Trustees of claims timely filed, the Trustees consider the aggregate liability of the Company with regard to claims included in this accounting is approximately \$1.6 billion.

The Trustees said there will be further reports in which they will describe each claim and state whether they have objection. The first report is scheduled to be filed by July 1, 1972.

PC PEOPLE



WISDOM AT ALTOONA, PA.: When Harold D. Larson started work as a railroader shop laborer 25 years ago, he was told it was smart to wear safety goggles. He took that to heart. "I admit that putting on goggles every day is a nuisance," he says. "But then comes the day when it pays off, and you're very glad you went to all that trouble."

The fateful day came to Mr. Larson recently. He was renewing the main lead terminals on a diesel traction motor. Molten solder burst up into his face. But safety goggles saved his eyes from injury.

In the photo above, from the Altoona Mirror, Harold Larson (left) receives a Wise Owl award from R. C. Hesley, general foreman, Motor Shop. The award is given to individuals who are saved from eye injury by safety glasses. On hand with congratulations are D. W. Grim, superintendent, Locomotive Shop-Components, and R. C. Ambelang, general superintendent, Locomotive Shop.

'TOUR GUIDE' AT SYRACUSE, N.Y.: Conductor Robert E. Hotchkiss, who works on passenger trains across New York State, feels obliged to do something more than just collect tickets. He gives talks to his passenger audience about the sights and history of the Mohawk Valley as the train rolls between Syracuse and Albany.

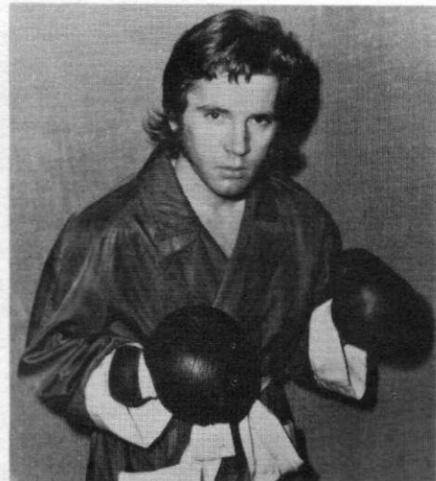
Conductor Hotchkiss' unusual project was featured in the publication *Upstate*, the Sunday supplement of the Utica Observer-Dispatch. The article said he got started on this history kick because of his curiosity about the sights he saw daily from his train window. He began traveling all through the area with his family on weekends, and pored through books at the public library in Minoa, near Syracuse.

One day, he encountered four women passengers who were annoyed by a train delay, and he brightened the tedium by telling them about the sights they would see on the trip. The response was so enthusiastic that he's made it a regular feature of his trains.

OLYMPIC CONTENDER AT BUFFALO, N.Y.:

Dennis Cudney, who is trying out for a berth on the Olympic boxing team, has a lot going for him. This Penn Central brakeman, who fights under the label of Irish Rocky Cudney, was the 147-lb. novice Golden Glove champ of Western New York in 1970—his first year of serious boxing. In 1971, he won the same title in open competition, won the AAU championship for western New York, made the National Golden Gloves finals, and fought on a USA team against Canada and Rumania.

Irish Rocky inherited his fast fists from his father, Edward, a PC conductor and president of Buffalo Lodge 187, UTU Trainmen. The elder Cudney was CCC boxing champ at Fort Niagara, N.Y., in 1938, and Company champ at the Army Field Artillery School in Fort Sill, Okla., in 1944. He has been managing his son's progress.



Recent Appointments

SYSTEM OFFICES

Engineering
Bucceri, F. C. Shop Engineer M.W., Canton, O.
Charles, J. Asst. Production Engineer, Cincinnati, O.
Daley, E. T. Field Engineer M.W. Equipment, Canton, O.
Dean, O. J. Production Engineer-Track
Martin, R. G. Asst. Field Engineer M.W. Equipment, Canton, O.
Rudy, G. A. Equipment Engineer, Pittsburgh
Sarver, H. M. Equipment Engineer M.W. Shop, Canton, O.
Scott, McKenley Asst. Production Engineer, New York
Weaver, E. H. Asst. Field Engineer M.W. Equipment, Canton, O.

Equipment

Brennan, L. W. General Superintendent-Shop, Beech Grove, Ind.

Finance & Accounting

Carlin, W. J. Supervisor Car Accounting
Hull, N. J. Controller
Lyver, J. B. Supervisor-Rates & Divisions
Preston, W. B. Supervisor-Repetitive Waybill Coding
Thomas, R. W. Director-General Accounting
VanSciver, R. J. Mgr.-Revenue Systems Coordination
Willie, R. P. Asst. Director-General Accounting

Industrial Engineering

Annest, G. D. Asst. Industrial Engineer, Beech Grove, Ind.
Booth, J. A. Methods Analyst
Gardner, W. C., Jr. Industrial Engineer, New Haven, Conn.
Keirn, G. A. Senior Industrial Engineer

Labor Relations & Personnel

Barnett, K. N. Office Manager, New York
Bernier, M. D. Examiner
Cole, B. E. Supt. Labor Relations & Personnel, New York
Fellona, E. F. Examiner, New York
Fogerty, T. G. Training Supervisor
Funk, J. C., Jr. Examiner, Buffalo
Grant, P. R. Asst. Examiner, New York
Harris, A. S. Examiner, Buffalo
Mansure, P. R. Medical Officer
Sarkisian, O. J. Asst. Supervisor Personnel, Cleveland
Schwab, K. F. Superintendent Labor Relations
Stone, S. H. Supervisor Personnel, Chicago

Legal Administration

Book, J. D. Asst. to Chief Claim Agent
Clinefelter, W. E. Chief Claim Agent, Chicago
Devecka, M. D. Chief Claim Agent, Pittsburgh
Dumm, E. J. Asst. Chief Claim Agent, Pittsburgh
Hubbell, C. K. Asst. General Attorney, Chicago
Hunter, R. J. Chief Claim Agent
Sloan, E. C. Asst. Chief Claim Agent

Walkovets, R. A. Asst. General Attorney

Mail & TrailVan Service

Shafer, S. R. Asst. Vice President-Mail & TrailVan Operation

Passenger Service

Gilmore, J. M. System General Manager Passenger Operation
Jones, P. S. Manager Customer Service, New York
Long, K. A. Passenger Train Service Analyst
Shoemaker, J. K. General Supt. Passenger Operation

Sales & Marketing

Altman, C. R. District Sales Manager, Detroit
Dreyer, F. D. Asst. Manager-Metals
Fennelly, R. E. Manager TrailVan Sales, Cleveland
George, W. A. Division Sales Manager, Newark, N.J.
Gibson, S. C. Mgr. National Accounts-Metal, Pittsburgh
Good, R. P. Division Sales Manager, New York
Ivy, I. R. Sales Manager, Pittsburgh
Jaeger, D. G. Asst. Sales Manager, New York
Johnson, M. E., Jr. Asst. Mgr. Industrial Development
Laws, O. P. Asst. Mgr. Intermodal Sales and Terminal Service, Chicago
Lust, J. Asst. Mgr. Intermodal Sales and Terminal Service, Detroit
Marino, C. R. Sales Representative, Pittsburgh
McIntyre, A. K. Mgr.-Freight Service & Special Equipment, New York
Mollard, W. H. Mgr.-TrailVan Sales, Detroit
Moyer, J. R. Mgr.-Intermodal Sales
Mundy, J. F. Market Planning Analyst
Murphy, J. D. Sales Manager
Murphy, T. D. Office Manager-Intermodal
Parrey, T. L. Mgr. TrailVan Sales-Intermodal, Winston-Salem, N.C.
Peace, T. J. Mgr. TrailVan Sales, Baltimore
Podas, R. S. Mgr.-Industrial Development, Columbus, O.
Rankin, M. K. Mgr. TrailVan Sales-Intermodal, Kansas City, Mo.
Ryan, J. P. District Sales Manager, Omaha, Neb.
Stook, C. E., Jr. Asst. Mgr.-Intermodal Sales and Terminal Service
Sumerfield, R. A. Asst. Sales Manager
Stoops, J. W. Asst. Mgr.-Intermodal Sales and Terminal Service, New York
Wente, W. H. Mgr.-Industrial Development, Chicago
Wilkinson, R. O. Mgr.-Industrial Development
Williamson, H. E. District Sales Manager, Altoona, Pa.

Yards & Terminals

Lafferty, N. C. Supervisor Flexi-Flo Terminals, Buffalo
Reitz, H. Supervisor Flexi-Flo
Sluce, D. F. Supervisor Flexi-Flo Terminals, North Bergen, N.J.

Systems Development

Marks, W. B. Asst. Computer Analyst
Nau, G. M. Senior Computer Analyst

Transportation

Archer, B. J. Agent, Fulton, N.Y.
Chapman, W. D. Asst. Supervising Agent, Columbus
Devan, W. J. Supervising Agent, Columbus
Ferrari, J. E. Asst. Supervising Agent, Pittsburgh
Henry, W. D. Asst. Supervising Agent, Cleveland
Kiernan, L. P. Supervising Agent, Buffalo
Kilroy, B. J. Asst. Supervising Agent, Boston
Kurash, D. W. Asst. Supervising Agent, Pittsburgh
Lange, W. W. Asst. Supervising Agent, Chicago
Mattler, E. Asst. Supervising Agent, Boston
Olive, E. E. Asst. Supervising Agent, New York
Oliver, L. A. Asst. Supervising Agent, Buffalo
Robbins, F. T. Agent, Readville, So. Braintree, Mass.
Robbins, J., Jr. Asst. Supervising Agent
Stilabower, C. M. Manager-Stations Staff
Terry, P. E. Asst. Supervising Agent, Chicago
Tourje, T. S. Asst. Supervising Agent, Lockport, N.Y.

CENTRAL REGION

Baird, D. D. General Inspector-C&S, Pittsburgh

Allegheny Division

Boyer, K. W. Asst. Supervisor-C&S, Altoona, Pa.
Renn, W. C. Material & Equipment Engineer, Williamsport, Pa.

Pittsburgh Division

Padula, N. J., Jr. Supervisor-Track, Blairsville, Pa.

Valley Division

Randles, H. R. Supervisor-Track, Mansfield O.

EASTERN REGION

Tretter, J. J. General Foreman, Norfolk, Va.

Harrisburg Division

Campbell, J. A. Office Engineer, Phila.

New Jersey Division

August, D. F. Asst. Master Mechanic, Meadows, N.J.
Bishop, C. H. Supervisor-Track, Kingston, N.Y.
Ervin, B. T., Jr. Asst. Supervisor-C&S, Trenton, N.J.
Thomas, H. J. Supervisor-Track, New Brunswick, N.J.
West, B. G. Supervisor-Track, Phillipsburgh, N.J.
Wismer, L. A. Supervisor-Track, Weehawken, N.J.

METROPOLITAN REGION

Harnish, P. J. Chief Regional Engineer, New York
Pattison, R. K. General Manager, New York
Socckett, B. S. Supervisor-Training, New York

NORTHEASTERN REGION

Buffalo Division
King, R. A. Trainmaster, Lockport, N.Y.

Mohawk-Hudson Division

Erwin, S. D. Terminal Trainmaster, Dewitt, N.Y.
Mussrallah, J. R. General Foreman-Car, Selkirk, N.Y.
Rattiff, O. W. Trainmaster, Dewitt, N.Y.

New England Division

Connors, J. W. General Foreman, Worcester, Mass.
Higgins, G. J. Master Mechanic, Boston, Mass.
Kelly, J. E. General Foreman, Cedar Hill, Mass.
Pietal, H. J. General Foreman, Westfield, Mass.

NORTHERN REGION

Detroit Division
Teskey, W. L. Division Equipment Engineer, Detroit

PHILADELPHIA COMMUTER AREA

Pice, E. L. Superintendent-Suburban Equipment, Phila.

SOUTHERN REGION

Cincinnati Division
Butler, A. B. Supervisor-Track, Sharronville, Ohio
Dwinnell, W. B. Division Engineer, Cincinnati

Columbus Division

Higginbotham, M. H. Asst. Terminal Superintendent, Columbus
Underwood, J. T. Trainmaster, Findlay

Southwest Division

Craig, A. G., Jr. Office Manager, Indianapolis
Pluto, J. V. Trainmaster, Jeffersonville, Ind.

WESTERN REGION

Chicago Division
Sanders, S. E. Trainmaster, 59th St., Chicago
Sullivan, R. T. Transportation Inspector, Chicago
Wilson, D. L. Terminal Trainmaster, Elkhart, Ind.
Ypma, J. Asst. Supervisor-Track, LaPorte, Ind.

Cleveland Division

Crissman, E. W. Trainmaster, Rockport

Fort Wayne Division

Spiese, G. E. Trainmaster, Kankakee



Will Congress act —in time?

Last July the Surface Transportation Act was introduced for consideration by Congress.

Since then, hearings have been held from time to time by committees of the Senate and the House of Representatives.

The Act has stirred wide interest. But the committees still have not decided to forward the proposal to the floor of the Senate and the House for a vote.

And time is growing short.

Unless action is taken soon, the Act may be sidetracked by Congress' summer recess and the election campaign. People concerned about the future of the railroads don't want to see this happen.

The Surface Transportation Act was drafted to assist all surface transportation—railroads, truck lines and barge lines. But the problems of the railroads are acknowledged to be most serious.

Five railroads, including the largest one, are in bankruptcy. A number of others are reported on the brink. Seventeen railroads operated at a net loss last year. Their losses totaled \$407,000,000.

Some railroads, particularly in the West and South, are doing relatively well. But the troubled roads could drag the whole industry down.

Congress isn't unsympathetic. But it has many other matters to consider. Some things have to wait.

The concern of the voters often helps determine which things will come first.

That's why railroad people are being urged to write to Congress—now.

Railroad people, more than any others, know the long-standing problems of the industry and the need for aid.

Right now, the most good can be gained by writing to the Congressional committees which are considering the Surface Transportation Act. The request is simply that the committees send this Act to the full Senate and House of Representatives for a vote.

The committee members are listed at the end of this article.

Here are some of the things the Act, if passed, would do:

- Require the Interstate Com-



"Congress can do a great deal to help the railroads," says Edward D. Barbic, freight conductor with 31 years' service. "It's up to us to write and show our concern. If railroaders don't do it, who will?"

merce Commission to act more promptly on new freight rates to enable the carriers to meet increases in wages and other costs.

- Prohibit the States from unfairly taxing transportation property more heavily than other property.

- Require that 5 percent of Federal funds given to States for highways be used to improve safety at grade crossings.

- Set up a Federal agency to grant loans or loan guarantees to hard-pressed carriers which otherwise cannot obtain needed financing. This means loans, not gifts; loans to be repaid in full, with interest.

- Expedite action on the problem of money-losing branches.

If you want to encourage action on the Surface Transportation Act, tell Washington—now.

In the Senate, the Act is identified as S.2362 and is being considered by the Commerce Committee. If the Senator from your State is on the committee, write to him. If not, write to the committee chairman.

Members of the Senate Commerce Committee are:

Warren G. Magnuson, of the State of Washington, chairman.

John O. Pastore, Rhode Island; Vance Hartke, Indiana; Philip A. Hart, Michigan; Howard W. Cannon, Nevada; Russell B. Long, Louisiana; Frank E. Moss, Utah; Ernest F. Hollings, South Carolina; Daniel K. Inouye, Hawaii; William B. Spong, Jr., Virginia.

Also Norris Cotton, New Hampshire; J. Glenn Beall, Jr., Maryland; James B. Pearson, Kansas; Robert P. Griffin, Michigan; Howard H. Baker, Jr., Tennessee; Marlow W. Cook, Kentucky; Mark O. Hatfield, Oregon; Ted Stevens, Alaska.

In the House of Representatives, the Surface Transportation Act is numbered HR.11207. It is being considered by the Interstate and Foreign Commerce Committee. If a Congressman from your State is on the committee, write to him. If not, write to the committee chairman.

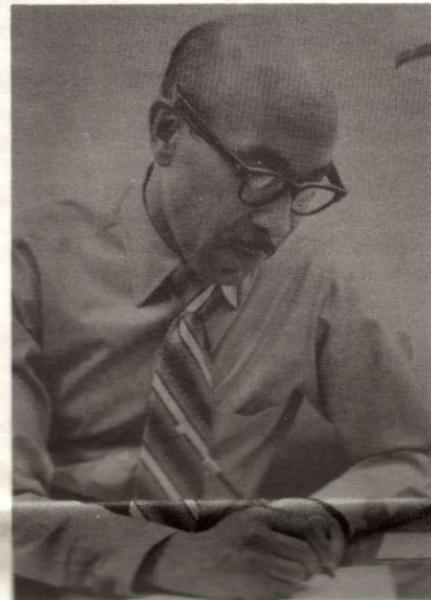
Members of the House Interstate

and Foreign Commerce Committee are:

Harley O. Staggers, West Virginia, chairman.

Torbert H. Macdonald, Massachusetts; John Jarman, Oklahoma; John E. Moss, California; John D. Dingell, Michigan; Paul G. Rogers, Florida; Lionel Van Deerlin, California; J.J. Pickle, Texas; Fred B. Rooney, Pennsylvania; John M. Murphy, New York; David E. Satterfield III, Virginia; Brock Adams, Washington State; Ray Blanton, Tennessee; W. S. Stuckey, Georgia; Peter N. Kyros, Maine.

Also Bob Eckhardt, Texas; Robert O. Tiernan, Rhode Island; Richardson Preyer, North Carolina; Bertram L. Podell, New York; Henry



"Writing to Congress is a simple thing, but so many people neglect it, even when it's for their own benefit," says Grover T. Caldwell, chief file clerk, Sales and Marketing Dept. "I hope all railroaders—and shippers, too—will write letters to support the Surface Transportation Act."



"I think this proposed new legislation will give the railroads a break that is long overdue—that's why I'm writing to Congress," says Pat Hanson, secretary in Penn Central's Coal and Ore Department.

Helstoski, New Jersey; James W. Symington, Missouri; Charles J. Carney, Ohio; Ralph H. Metcalfe, Illinois; Goodloe E. Byron, Maryland; William R. Roy, Kansas; William L. Springer, Illinois; Samuel L. Devine, Ohio; Ancher Nelsen, Minnesota.

Also Hastings Keith, Massachusetts; James T. Broyhill, North Carolina; James Harvey, Michigan; Tim Lee Carter, Kentucky; Clarence J. Brown, Ohio; Dan H. Kuykendall, Tennessee; Joe Skubitz, Kansas; F. Hastings, New York; John G. Schmitz, California; James M. Collins, Texas; Louis Frey, Jr., Florida; John H. Ware, Pennsylvania; John Y. McCollister, Nebraska; Richard G. Shoup, Montana.

Letter to a Senator is addressed: U.S. Senate, Washington, D.C. 20510.

Letter to a Congressman is addressed: House of Representatives, Washington, D. C. 20515.



Good Handling

PC yard and road freight employes are praised in a letter from E. C. Stibbe, Director of Traffic and Distribution for Questor Juvenile Products Company, Ravenna, Ohio.

In the past, he said, he has had "very few occasions when kind words could be spoken" for the PRR, the NYC or the merged Penn Central.

During recent months, he continued, "I have had high hopes for improvement, and am certain that the program you have set for achieving your goals is starting to pay off. This is particularly noticed in conversations with men repre-

senting your company."

Mr. Stibbe cited, as examples, two freight shipments from Wisconsin that received expedited handling through the Chicago Gateway and on to New York.

"I am certain that I can expect continued good handling on other cars that we are able to favor routing by your lines," Mr. Stibbe wrote. "My continued good wishes for improvement in PC operating ratios and performance."

In photo, Mr. Stibbe shows some Questor products to Walter J. Abernathy, PC division sales manager.



"I've already written to the chairmen of the Senate and House Committees about the Surface Transportation Act," says Ernest S. Hamm, freight engineer with 31 years' service. He's president of Div. 51, Brotherhood of Locomotive Engineers.

DON CONTI'S ALL STAR CAST

Don Conti worries.

What he worries about is the fact that while PC freight service is making spectacular improvements, some freight still gets damaged.

"We're gaining customers," he says, "but to hold them we must be sure to protect their freight against damaging impacts."

He buttonholes men in yard and road service. He tells them:

"We've got to be super-careful about this. At a time when our railroad is fighting to get back on its feet, it's a calamity to lose goodwill by mishandling of freight—and having to shell out our hard-earned dollars in damage claims."

Don Conti, who started work as a brakeman 20 years ago, is now supervisor of damage prevention on PC's Valley Division.

Recently he produced a slide presentation entitled, "How to Succeed in Freight Business by Really Trying."

It was a low-budget production. It cost under \$10.

The pictures were taken for Mr. Conti by Francis J. Faltz, supervisor of damage prevention on the Allegheny Division, using his own 35-mm. camera.

Mr. Conti did the narration, using a tape recorder borrowed from his teenage daughter, Charlene.

The actors were an all-star cast of Penn Central men who work at Sharon, Pa., and Youngstown and Mansfield, Ohio. They demonstrated things a skilled railroader does to



At Youngstown, O., Don Conti shows his slides to Brakeman Logan Spear, Engineer Al Anzalone, Fireman Bob Smith, Brakeman Nick Zarella, Conductor John Waelchli.



Don Conti is the "director" as Francis J. Faltz photographs Gene Evans checking air hose. The car carries a transformer.



Mr. Conti discusses the damage-prevention campaign with Theodore E. Jordan, the superintendent of PC's Valley Division.

prevent freight damage. Pictures at left show, for example:

Engineer William Taylor checking locomotive before taking it from enginehouse; and working throttle and brake for smooth starts and stops.

Brakeman Jack Mitchell checking for possible air-hose leak before coupling cars. He is hourly Maintenance-of-Equipment if anything's wrong.

Brakeman William Schofield positioning himself so his signals can be clearly seen.

Locomotive Engineer Earl Martis and Conductor Eugene C. Hodge reading an important reminder.

The pictures zeroed in on the movement of Westinghouse transformers and home appliances, but the safe-handling principles apply to all freight movement, Mr. Conti said.

"The best thing about this show is that it takes only six minutes," he pointed out. "We can present it to yard and road crews without tying up the operation."

Supervisors of damage prevention all over the Railroad soon will be filming similar slide presentations with the aid of local train and engine service employees, said Leo F. Battaglia, director of freight claims and prevention.

One of the people who saw Mr. Conti's show was V. E. Gadrax, manager of transportation for Westinghouse Electric Corporation at Sharon, Pa. He later wrote to J. Bruce Addington, PC's vice president-operation:

"This type of personalized message can only produce good results.

"This effort on the part of the Damage Prevention Department clearly indicates to me that the Penn Central is doing something to prevent damage, as opposed to explaining why damage happened or why claims cannot be paid.

"It provides us with one more reason to entrust our traffic to the Penn Central."

Invitation from the Reserve

Penn Central employees facing a military obligation and those who are members of the Army Reserve are invited to join two Reserve transportation units which are affiliated with the Railroad.

There are openings for officers and enlisted personnel. Members attend one weekend meeting each month, and engage in two weeks of summer training at Fort Eustis, Va., operating and maintaining a military railroad. Photo, right, shows some Penn Central members during summer training.

Units of the 717th Transportation Battalion hold their weekend meetings in Philadelphia. Weekend meetings of the 706th Transportation Group are in Chester, Pa.

For information write K.L. MacKavanagh, Penn Central Market Planning, 450 Six Penn Center, Phila., Pa. 19103.



746th Plans Reunion

Company C of 746th Railway Operating Battalion will open its 25th reunion on June 26 at Treadway Fiesta Inn in Willow Grove, Pa., near Philadelphia. The unit, which included many present Penn Central employees, ran military trains in France, Belgium and Germany during World War II.

For information write Arthur

J. Barry, 1606 Edgewood Road, Yardley, Pa. 19067.

And the 743rd

Penn Central people who served with the 743rd Railway Operating Battalion in World War II are invited to a reunion at Chattanooga, Tenn., June 27-29. Contact R. N. Bisset, 4120 5th Street, N.E., Minneapolis, Minn. 55421.



"So these are the pearly gates!"

THE TRAIN CREW ISSUE

Q. Mr. Maher, what are the prospects for settlement of the train crew issue, in your opinion?

A. I'm optimistic that a settlement will be reached in the near future, simply because there is no alternative. This is an essential part of the program to rescue our railroad from bankruptcy. We won't make it if we don't get this matter satisfactorily settled. As President Moore said, it's a matter of sink or swim.

Q. Will you please restate what Management is seeking?

A. To reduce the number of trainmen in yard and road service from the present three-man crews to a basic crew of two men—a conductor and one trainman. This would mean phasing out about 6000 assignments—but it does not mean dismissal of the men holding those assignments.

Q. Where do negotiations stand now?

A. As you know, a Presidential Emergency Board has studied the matter thoroughly during the month of April. The Board's report hopefully will provide a basis for a final settlement by Management and the United Transportation Union. I anticipate a meeting of minds, because I think everybody realizes by now that we must reduce costs wherever possible. We've got to stop the huge financial losses that threaten the very existence of the railroad.

Q. What is the present financial situation?

A. We're losing approximately five million dollars a week. We can console ourselves that this is better than a year or two ago, when we were losing six to seven million dollars a week; but this isn't an improvement you can survive on. No company, not even the richest, could go on losing five million dollars a week. It would soon come to the end of the road. And that's what's staring us in the face.

Q. Suppose, in spite of what you've said, no agreement is reached on the crew issue?

A. If that should be the case, both parties would be free to take action on their own 30 days after the Emergency Board reports to the President.

Q. In other words, Management could put new crew rules into effect, and the Union would have the legal right to strike. Is that correct?

A. Correct. But if a strike should occur, what would these employees be striking for? Not for their own job security—we've already given them assurance of that. The only result of a work stoppage would be to choke off our revenues at a time when we need every dollar to meet our payrolls and other expenses. A reduction in revenues at this time would be disastrous.

Q. In reducing crew assignments, you said the employees involved would have protection. Would you please spell that out?

A. Almost all these men already have guaranteed employment. All but a few come under the Merger Protective Agree-



John J. Maher is PC's Vice President-Administration. He started railroading in 1931 as a chainman in a surveying crew, went to college for an engineering degree, and returned to the railroad. He worked in maintenance-of-way jobs, became an assistant trainmaster, then was assigned to labor relations positions. He now has overall responsibility for personnel and labor relations.

ment, which means they will remain on the payroll until they retire or otherwise leave the service. They may be kept in the same assignments they now have, or may be given other train crew assignments with no adverse effect on earnings, and they will receive all scheduled pay increases.

A few of the men, not covered by the Merger Protective Agreement, nevertheless have special protection under the State laws of New York, Ohio and Indiana. These States, in canceling or modifying their full-crew laws, have specified that employment must be protected through continuation of the jobs that had been required under the full-crew laws. These jobs are to be preserved until they become vacant through retirement or other form of attrition.

Q. You say that protection of employment applies to almost all the men who would be involved in the crew reductions?

A. Yes—92 percent of these men are protected.

Q. What about the remaining 8 percent?

A. These are trainmen most recently hired. We have testified before the Emergency Board—and we previously notified the Union—that we are ready to negotiate protection for these employees with regard to employment for a period of time equal to their length of seniority as trainmen. This, incidentally, is the same kind of protection provided by Amtrak and agreed to in the recent national settlement with the United Transportation Union.

Q. To summarize, the effect of the changed crew rules will be that new employees won't be hired to fill the places of present trainmen as they leave the service.

A. Correct. And that's what is puzzling about any strike talk. Since these men have protected employment, they would be strik-

ing to perpetuate crew assignments for other people—people who haven't been hired yet—people who perhaps haven't been born yet. Is this an issue for which anybody would want to shut down the railroad?

Q. In the discussion about reduction in crew assignments, I've heard some trainmen say: "Why pick on us?"

A. They apparently aren't aware that there have been job reductions in all departments of our railroad. In March, 1968, the month after the Penn Central merger, the total number of employees, including those on the New Haven, was 103,325. Four years later, in March, 1972, the number had been reduced to 82,921, mostly by not filling positions vacated by retirement. This is a reduction of 19.7 percent. By contrast, train and engine service employees decreased just 11 percent.

Q. A. H. Chesser, president of the UTU, recently told newsmen that the crew-consist issue had been drummed up by Penn Central as a smokescreen to hide mismanagement and overstaffing at top levels. He went on to say, and I quote: "The only place you will find an excess of manpower is on the management level. They've got gobs of them there. You'll find all kinds of unneeded help in the ranks of trainmasters, superintendents, officers and other high-level personnel." Would you care to comment, Mr. Maher?

A. Well, Al Chesser is a dedicated man and I'm sure he sincerely believes what he says. But I'm afraid he has been misinformed. During the period when the number of train and engine service employees went down 11 percent, the size of headquarters transportation staffs went down more than 20 percent.

Out in the Regions, there has been an 18 percent reduction in the number of officials such as general superintendent, transportation superintendent, terminal superintendent, road foreman, terminal trainmaster, trainmaster, assistant trainmaster, general yardmaster, transportation supervisor, transportation inspector. Support positions in transportation went down 22.6 percent, including such positions as assistant superintendent-operation, supervisor-train movement, supervising operator, supervisor-locomotive control, supervisor-car distribution.

In fact, streamlining of official positions in all departments and at all levels has been an essential part of our railroad's cost-reduction program. The number of System vice presidents, for instance, was reduced from 35 to 11. To cite an example affecting me personally: When the Vice President-Personnel retired last year, his position was not filled and his personnel responsibility was added on to my existing responsibility for labor relations.

Q. A natural question is: Why all of a sudden can we operate with a conductor and one brakeman, when we've been using a conductor and two brakemen for gen-

erations?

A. It isn't all of a sudden, as you put it. New methods and operating devices have been coming in for a dozen or more years. These have made it practical and safe to operate with smaller crews.

Q. What kinds of devices are you referring to?

A. Take two-way radio, for example. It can replace hand signals when switching cars. When a curve in the track or an obstruction or bad weather interfere with seeing hand signals, the portable radio enables the man on the ground to talk directly with the engineman. This avoids errors and speeds the operation considerably by avoiding the time lost in walking to pass the information by voice or telephone.

Q. What other devices?

A. Modern braking equipment, including dynamic braking and pressure maintaining controls. These eliminate the need for manually setting brakes in a train—the task which was the original purpose of the brakeman and the origin of his job title. Another innovation is the hotbox detector. Today, with almost all rolling stock provided with pad-type lubricators or roller bearings, a wheel axle can get overheated without emitting smoke or flames visible from the caboose or the locomotive. But the hotbox detection device, installed beside the track, can detect small increases in temperature and flash immediate warning to the nearest block tower, thus preventing burned-off journals and resulting derailments. Other new things are high-load detectors and broken-wheel detectors, and all the safety devices built into our new electronic yards.

These things have made it possible to operate with smaller crews—and at the same time provide greater safety to the men on the job. As one example, the old practice of clambering over the top of a moving train to set retainer valves when the train is going down a long slope—a rather hairy operation—isn't necessary today.

Q. Is there possibly some feeling against these innovations because they lessen the need for manpower?

A. Possibly. On the other hand, the railroads have long been criticized for not keeping up with the times, not developing new methods to boost their efficiency. Now at last we're doing the kind of things we were criticized for not doing—things that will enable us to keep our costs down, keep our rates down, and better compete for business.

Q. Weren't smaller crews introduced in 1964?

A. Yes. This resulted from a decision in November, 1963, by a National Arbitration Board established by Congress. The Board consisted of two men representing Management, two representing Labor, and three neutrals appointed by President John F. Kennedy. The Arbitration Board ruled that individual railroads and the Brotherhood of Railroad Trainmen—predecessor of the United Transportation Union—were to negotiate on the size of train crews, and wherever they couldn't agree, to submit the issue to an arbitrator for a binding decision.

This procedure was carried out in varying degrees in different areas. For example,



Pictured in the hearing room at Washington are the members of the Presidential Emergency Board. They are: Frank J. Dugan, Professor of Law at Georgetown Uni-

versity; Francis A. O'Neill, retired chairman of the National Mediation Board; and James J. Sherman, Professor of Economics at the University of Southern Florida.

on the New York Central, as a result of an arbitration decision affecting the Northern District, 52 percent of the crews operated with a conductor and one brakeman. In the NYC's Ohio Central District, Management and the Brotherhood of Railroad Trainmen signed an agreement that the minimum crew in yard service and all classes of road service would be a conductor and one trainman.

On the Pennsylvania Railroad, an agreement was signed with the Brotherhood which authorized a conductor and one brakeman for 204 crews in many parts of the System.

Q. Why were the arrangements for smaller crews discontinued?

A. The so-called Luna-Saunders Agreement provided that after January 25, 1966, there would be a return to a crew of not less than a conductor and two trainmen.

Q. And Penn Central is now seeking to change this agreement?

A. Yes. The agreement contained the following language: "This agreement will continue in effect until January 1, 1970, and thereafter until changed in accordance with the provisions of the Railway Labor Act, as amended." We are proceeding in strict conformity with the Railway Labor Act, which provides for the serving of notices on the other party, negotiation, mediation under the National Mediation Board, and suspension of any one-sided action when an Emergency Board is appointed.

Q. Are there reduced-size crews operating now on the Penn Central?

A. Yes. In Penn Central's Empire Service, there are six daily passenger trains between New York City and Albany-Buffalo, on which a conductor is on duty by himself, handling trains of two to four cars. This has been going on since December, 1967, and there hasn't been a single accident related

in any way to the fact of only one man in the train crew. There are also several Penn Central mail trains now operating with a conductor and one trainman. The switching of commuter trains between station and yard, in Philadelphia and New York, is done with just a conductor working with the engineman.

Q. How about other railroads?

A. The Chicago and North Western Railway is operating with a conductor and one brakeman in almost all its crews, except for Wisconsin, where a full-crew law is still in effect. And in Canada, the United Transportation Union is authorizing reduced-size crews, following a series of developments that parallel what's been happening on the Penn Central.

Q. Can you give some details?

A. In 1966, the Canadian National and the Canadian Pacific railroads served proposals on the union to eliminate the rule requiring a conductor and two brakemen in yard service. Negotiations were not successful. A Board of Conciliation was appointed by the government, but failed to arrange an agreement. The union struck. The strike was terminated by an Act of Parliament, which required arbitration of unsettled issues.

The United Transportation Union then signed agreements with the two railroads to negotiate crew sizes in yard service and later extended to passenger service; and in any case where agreement could not be reached, to submit the issue to binding arbitration.

To date, the UTU has agreed, without arbitration, to nearly 80 percent of the Canadian railroads' proposals to reduce crew size. Of cases referred to arbitration, the reduced-size crew has been sustained in nearly 90 percent of the cases. The result is that the two Canadian lines can

Continued on Page Seven

now assign a total of 419 crews with a conductor and one brakeman.

This does not mean dismissals. The crews are being reduced as retirement or other forms of attrition occur. So far, about 60 percent of these 419 crews have actually been reduced to a conductor and one brakeman.

Q. Why isn't this case-by-case method used in the Penn Central negotiations?

A. Management's negotiators did propose this very thing. The union's negotiators did not agree. You have to realize we've been negotiating on the crew-consist issue since last June. A variety of proposals have been put forth. Early in the negotiations, several of the UTU general chairmen submitted counter-proposals, demanding that the size of crews be enlarged instead of reduced. Management's negotiators took up this proposal and suggested the following:

On a trial basis, we would reduce the size of certain crews, and at the same time increase the size of a similar number of crews to be selected by the Union. Union and Management would jointly study these crews in operation, and would then decide on the permanent number of crewmen. If they could not agree, the matter would be referred to neutral arbitrators.

The Union negotiators did not agree to this proposal.

Q. What other proposals were there?

A. One was that Union-Management task forces be appointed on a System, Regional or local basis to study crew consists. Another was that, as a basis for observation and study, we adjust crews back to the levels that had been agreed upon or established by special boards of adjustment during the period Arbitration Award 282 was in effect, in 1965-1966. A third proposal was that a standard crew of a conductor and one trainman be established, with procedures for either party to request arbitration to change the size on a crew-by-crew basis. The point was that we believed Management should have the right to set crew sizes, but we didn't want to go ahead on our own—we wanted the details to be worked out by agreement with the Union. That's the desirable way to settle any disagreement.

Q. How was the Mediation Board



Busy at the counsel table for the United Transportation Union at the Emergency Board hearings at Washington are: UTU Vice President George Legge, Manager of

Field Service; UTU Vice President F. A. Hardin; UTU Vice President Paul McNamara; Associate Counsel John H. Haley, Jr., and Chief Counsel Lester Schoene, at right.

brought into the case?

A. In September, 1971, after it appeared that negotiations were not being productive, the Management negotiators advised the UTU that direct conferences were being terminated. The services of National Mediation Board were then requested by several UTU general chairmen and subsequently by Management. The Board entered the case in November, held meetings on Penn Central property in December, and at the Mediation Board offices in Washington in January. In the January meetings, the UTU representatives advised that they were not agreeable to talking crew consist until other pending matters, not related to crew consist, were effectively in mediation on Penn Central property. In response to this, the Mediation Board assigned separate groups of mediators to the different issues, and announced that there would be separate meetings: The crew consist issue would be handled in afternoon sessions, and the other issues in morning sessions, each day.

The UTU representatives stood on their position that all the issues should be mediated together, and at six locations on Penn Central property. On January 21, the Mediation Board advised both parties that medi-

ation would resume at its headquarters in Washington on January 24. On that day, management representatives were present. The UTU representatives were not, but they advised the Board by phone that their representatives were waiting at the six locations on Penn Central property to proceed with mediation in accordance with the UTU's proposed procedure. The Mediation Board then recessed indefinitely.

On February 1, 1972, the Mediation Board advised the parties that further mediation would not be productive, and in accordance with the Railway Labor Act, requested the parties to submit the dispute to final and binding arbitration. Management accepted this offer on February 3. The Mediation Board did not receive an acceptance from the UTU.

On March 1, Management informed the Mediation Board that it was withdrawing its offer to accept arbitration, but emphasized that it was doing so only for the purpose of moving the case along. It repeated its willingness to enter into an arbitration agreement if the UTU would agree. The National Mediation Board then advised the parties that its efforts had failed and it was withdrawing from the case.

Q. What were the next steps?

A. On March 14, Management wrote the UTU general chairmen that it would post new rules on size of crews two days later, to be effective April 1. This form of self-help is authorized by the Railway Labor Act after the procedures of negotiation and mediation have failed to resolve a dispute. On March 15, President Moore and I met with the general chairmen and the International officers of the Union at UTU headquarters in Cleveland. Mr. Moore and I affirmed our intention of instituting the new rules, but emphasized that this would not foreclose immediate and intensive bargaining on the merits. As a basis for discussion, we provided the UTU with a list of crew assignments that had been studied in formulating the Company's position.

The new rules were posted on March 16. President Chesser announced to the press that the union would retaliate if the new rules became effective.

On March 20, Chairman Ives, of the National Mediation Board, stated that in the public interest, he was requesting both



At counsel table for Management are: John J. Maher, PC Vice President-Administration; Basil Cole, Vice President-Legal Administration; Donald A. Brinkworth, Asst. Gener-

al Counsel. In background: Robert A. Swert, Director-Labor Relations; Richard B. Hasselman, Assistant Vice President-Transportation; H. Enghofer, office manager.

sides to meet with him. Joint conferences were held on March 23, 27 and 28, without result.

On March 31, the day before the new rules were to go into effect, President Nixon appointed a three-man Emergency Fact-Finding Board to investigate the dispute. This automatically froze the situation; neither side could take action on its own for 60 days.

Q. Is there a documentary account of all this?

A. I covered all this in my testimony before the Emergency Board on April 10. I will be happy to send a copy to any employe who requests it.

Q. You said that in the March 15 meeting with the UTU, you provided a list of crew assignments that had been studied in formulating management's position. What crew assignments were these?

A. These were 238 train crews in many parts of the system. The study involved yard, local switching and road assignments, during a variety of weather conditions, and during day and night. The assignments represented a cross-section of all the different kinds of PC operations.

Q. What was done with this report?

A. It was given to the UTU representatives and also entered as evidence before the three-man Emergency Board on April 12.

Q. A question might be asked: Why is Penn Central taking action on the crew consist issue, when other American railroads are not?

A. The answer is that we're a special case. Our situation is different from that of other railroads, our problems are different, and we are not involved with other railroads on this issue. Our sole concern is saving the Penn Central.

Q. When you say our situation is different, to what are you referring?

A. First of all, Penn Central operates in an area of large population centers located more closely together than in any other part of the country. This means relatively short hauls and many yards. We have the heaviest concentration of terminal operations of any major American railroad, a fact that tremendously magnifies our expenses compared with other railroads. For example, the Southern Railway, which does 40 percent as much business as the Penn Central, has only one-fifth as many yard crews. This is one of the reasons why our costs per ton of freight are so much higher than the Southern's.

In fact, Penn Central's trainmen expenses, in proportion to revenues, are much higher than on any other major American railroad.

Thus, any over-manning of train crews has a much more serious impact on the Penn Central than on the other roads.

Another factor that makes our situation different is, of course, the fact of our bankruptcy. No other railroad, not even the other bankrupt railroads, has anything comparable to our tremendous debt. With this twin burden of debt and high expenses, we're having a tough time struggling back to solid ground. We must, we simply must, lighten our load by eliminating every unnecessary cost. We need the help of all our employes—trainmen and everybody else—to achieve this. And we don't have much



During recess at the hearings, PC Vice President J. J. Maher chats with General Chairmen of the Union: J. J.

Kenefick, Syracuse, N. Y.; D. L. Tolman, Boston; J. D. Burke, Cleveland; J. D. Charbonnier, Springfield, Mass.

time to do it.

Q. Time in what regard?

A. In regard to the decision the Federal Court must make concerning the fate of our railroad. On April 1, the four Trustees appointed by the Court filed the first portion of their plan for the reorganization of the railroad. They told the Court that three key conditions must be met if the railroad is to be made a going concern again. These conditions are (1) receiving full compensation for passenger service, (2) eliminating the losses from money-losing branch lines, and (3) reducing the size of train crews.

The most crucial of these conditions is the matter of train crews, and the Trustees have committed themselves to returning to the Court on July 1 with a report on the results of the effort to settle this issue.

This gives us less than two months. An awful lot is riding on the outcome of the current negotiations.

Q. The final disposition of the railroad, you mean.

A. Yes. Several of our creditors have told the Federal Court that they doubt the railroad can be successfully reorganized. One of the largest claimants has urged the Court to order the Penn Central Company to restrict itself to real estate and other interests, and liquidate the railroad—that is, to sell it off in pieces to whoever might want to buy, and to scrap the remainder. Several creditors have asked the Court to set an early date when a final decision would be made on whether to proceed with the present plans for reorganization or to dispose of the railroad.

The Court is required to take the creditors' views into consideration. We're hopeful that the Court will not declare in favor of liquidation, but we must present solid evidence that we can overcome the present financial problem of multi-million dollar losses, week after week.

That's why it is so vital that the Trustees be able to go to the Court on July 1, 1972, and report that the train-crew issue has been settled with the Union.

Q. But if the UTU agrees to the railroad's proposal, there still won't be an immediate reduction in crew costs because

the men will have protected employment.

A. That's true. But the Court will be given assurance that cost reductions will take place as retirements occur. It is this assurance—a definite, solid plan—that will influence the Court's decision.

Q. An alternative solution being mentioned is nationalization of the Penn Central—a government takeover.

A. Yes, but I question who would actually want that—who would expect to benefit by it.

Q. May I read a statement by Lester Schoene, the UTU attorney, before the Emergency Board? I quote: "We have not been advocates of socialization, and we are not advocates of socialization now . . . but we are all of the view that, as compared with the price that the Trustees say it will take to reorganize the Penn Central Railroad, we would prefer nationalization."

A. This viewpoint implies that if the government takes over the railroad, all jobs will be guaranteed. Does anybody really believe that? Does anybody expect that the taxpayers will be agreeable to having the government buy a bankrupt concern and continue to pay out the taxpayers' money to carry money-losing operations and pay for employes not absolutely needed? England nationalized its railroads, and that certainly didn't preserve jobs.

Q. Can you give any details on that?

A. When the British Government took over the railroads, in 1948, there were about 650,000 railroad jobs. Now there are 275,000. Money-losing trackage was given up. The lines in operation were cut from 19,000 miles to less than 12,000 miles. And a recent report says that the chairman of the British Railways Board is speculating on further reduction to a trunk-line system with somewhere between 5000 and 7000 miles, total.

Finally, to those who think railroad employes would enjoy becoming government workers, I'd suggest they compare typical government salaries with typical railroad salaries, and wage increases granted recently to government workers with the wage increases granted recently to railroad people.

They're No. 19...

They try harder.

Penn Central is divided into 19 operating Divisions. Each year they compete for the best record in accident-prevention.

In 1971, the Detroit Division finished at the bottom—19th place.

Detroit averaged 20 lost-time injuries for every million man-hours of work. (By contrast, the top Division, Cincinnati, averaged 4½ injuries per million man-hours.)

What does this mean for 1972?

"It means we try harder," said G. Earl Williamson, who became superintendent of the Detroit Division in October, 1971.

"It means we're out to make the best improvement on the System.

"This isn't just a matter of statistics. It's a matter of keeping flesh-and-blood people from getting hurt."

Earl Williamson is a brawny fellow who started railroading as a crew dispatcher in 1942—then took leave to serve with the 5th Marine Division. He fought on some of the shootingest beachheads in the Pacific, including Saipan and Iwo Jima, and wound up with a bullet in his left leg. Because of battlefield conditions, the bullet was never removed.

"It's a constant reminder that prompt treatment of any injury is essential—and that's a must on this Division," Earl Williamson emphasizes.

It's just one of the things the Division is stressing. Others include:

- Use of goggles, ankle bands and other safety gear where required by the job.
- Regular inspection of tools and equipment for safety.
- Good housekeeping to eliminate tripping hazards.
- Observation of employes' work habits by supervisors, who will make notes of good performance as well



You're in style if you're wearing hardhat and goggles when you're working under a car, says Pipefitter Richard P. LaMance.

as any safety failings, and discuss the latter with the employe involved.

• Invitation to employes to contribute safety suggestions.

The campaign has stirred interest all over the Detroit Division. Here are some typical comments:

Yard Conductor John Ditter: "This Division has its work cut out for it, if it's to climb up from the bottom."

Carman Anthony J. Tabone, recording secretary of the Transport Workers Union: "Our union is going all out to cooperate with management in this safety program—we know it's for the men's own protection."

Conductor Albert H. Revoir, Livernois Yard: "Management has to do its share—like getting this yard cleaned up."

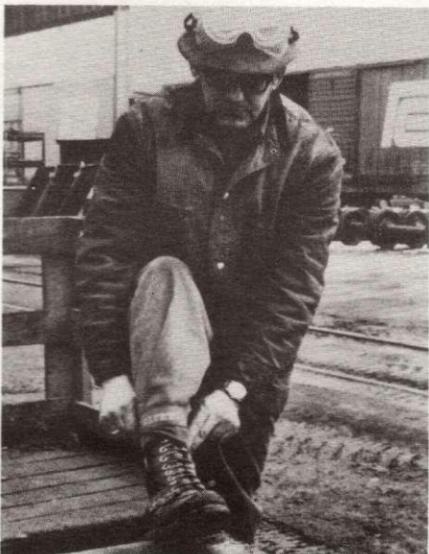
Pipefitter Richard P. LaMance: "I'm all for working by the safety rules—I'd better—I've got six children to support."

Welder George Taylor, Central Car Shop: "I've got my own personal record to preserve—23 years without a lost-time injury."

Locomotive Engineer Mike Haydu, DB-4 crew: "Safe equipment provided by management, careful handling by us—that's what's needed to do the job."

Trackman Marshall Scales: "My hobby is wrestling, a dangerous sport, but you don't get hurt if you follow certain precautions. Same thing applies to the job."

On the third Tuesday of each month, precisely at 1:30 p.m., Superintendent Williamson opens a safety meeting in Room 142 at the PC terminal in Detroit. Present are members of his headquarters staff,



Carman Anthony Tabone's wise habit: Securing trouser bottoms before starting work. He's the TWU recording secretary.



Detroit Division's goal is: "Best Improvement in '72." Discussing the campaign are J.E. Howick, engineman; Sharon Bramlett, keypunch operator; John Ditter, yard conductor; G. Earl Williamson, superintendent; Don Austin, engineman; Tony Widby, fireman.

the chairmen of three district safety committees—and any supervisor whose area has had a reportable injury in the past month. (An injury is reportable, according to government regulations, if it disables the employe for more than 24 hours.)

The supervisor is asked to explain how the accident happened, and what he's doing to prevent the same kind of thing from happening again.

Some supervisors describe the sessions as a tough experience. "But injuries are tougher," says Superintendent Williamson.

How's Detroit doing in '72?

In January, the Division moved up from 19th place to 18th place.

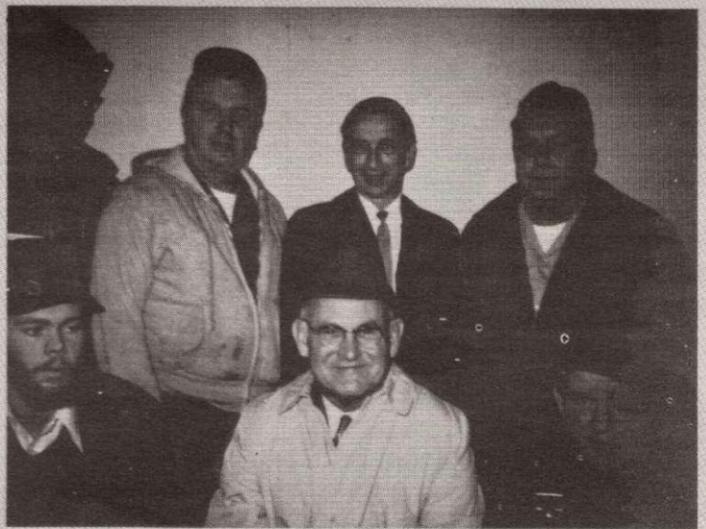
By the end of February, it had climbed to 16th place, and had reduced its injury rate 66 percent below the 1971 figure.

In March, the safety record slipped—but there are bound to be some setbacks in any campaign," Earl Williamson says.

"This only strengthens our intention to keep plugging and make 1972 a really good year."



First put your suitcase on the platform, then you can climb the steps with both hands free to hold the railings. It's the safe way, illustrated by Charles Stitman, Mike Haydu and Orvin Lamke. General Foreman R. F. Camp likes their safety style.



They delivered the goods

It was just one car—a covered hopper loaded with the mineral feldspar, used in making porcelain.

It was urgently needed by the American Standard Plumbing & Heating Division, at Tiffin, O.

But the New Year's weekend was coming up, and if the car didn't arrive when needed, the plant was faced with a halt of operations on Monday, January 3.

Penn Central people delivered the goods—on time

H. L. Shuff, Supervisor of Production Control at the plant, later wrote to the Railroad:

"I want to take this opportunity to express our appreciation for the excellent cooperation extended by Toledo District people, and especially Tiffin Yard Crew No.

70, on the delivery of Car SOU 96485 on December 31.

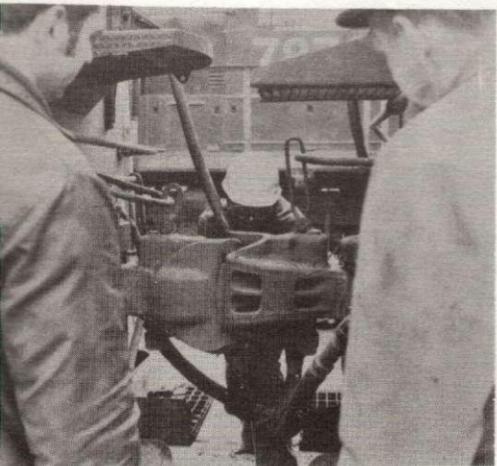
"The receipt of this car enabled us to continue operations on January 3, and the fact that the local crew stayed on the job on New Year's Eve is just another example of the type of cooperation we receive here in Tiffin.

"Please express our appreciation to all of your personnel for a job well done."

In photo are (top row) Brake-man Ralph T. Schell, Conductor Russell J. Brunover, Supervisor H. L. Shuff of American Standard, Locomotive Engineer Wilbur T. Helkey; and (bottom row) Fireman Don J. Darr, PC Freight Agent John C. Sullivan, Brake-man Ralph J. Mears.

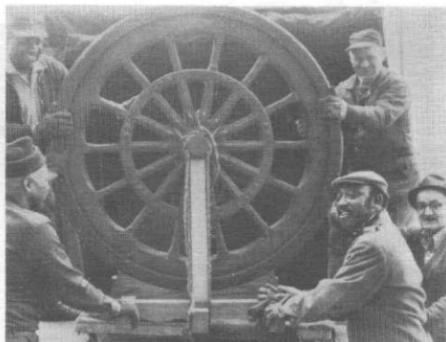


Engineman needs a clear view if he's to operate safely, says Laborer Tommie L. Moore, cleaning at Detroit Enginehouse.



Genl. Foreman J.D. Skinner and Safety Engr. R.N. Young watch Jack McLeod's safe way: He holds air hoses near ends so they won't lash up when uncoupled.

PC men move wheel of historic John Bull locomotive from warehouse to the auction. Top: F.D. Bullock and Eugene Watson. Bottom: W.S. Bullock, T.W. Davis and John Ranalli, foreman. Wheel sold for \$2,000.



SOLD!

Treasures of PRR history are snapped up at auction

The auctioneer's voice echoed through a specially walled-off section of 30th Street Station, Philadelphia.

"I see fifty," he proclaimed.

"Fifty-five."

"Sixty."

"Sixty and sixty and sixty and sixty..."

"Any more?"

"Sold!"

And the lucky bidder had acquired, for \$60, a collection of seven timetables, dated from 1837 to 1861.

Bidders had come from as far as California, Wyoming, Texas, Florida—more than 4000 persons in all—seeking a share in the largest auction of railroad memorabilia in history.

On sale were thousands of items from the former Pennsylvania Railroad library and the records storage warehouse in West Philadelphia. Some of the items had not been displayed for decades. The Railroad decided to make them available to interested persons—in order to clear out storage space—and to raise welcome cash.

The auction lasted three days.

Proceeds came to a total of more than \$150,000.

A substantial number of items were bought by a representative of

the Pennsylvania Historical and Museum Commission, and will eventually become part of a formal display, open to public view.

Other purchasers were railroad employes, rail fans, collectors, students of railroad history, and dealers in antiques.

The sale prices ranged from \$5 (for a set of public utility commission reports, 1926-1935) up to \$3200 (for 1150 pieces of scrip used to pay railroad workers during a Civil War cash shortage).

Other examples:

Two framed photographs of Lincoln funeral train and a Lincoln portrait: \$375.

Iron link-and-pin coupler: \$35.

Rail section from Baltimore Division bridge burned during Civil War: \$20.

Official Guide of the Railways for year 1904: \$425.

Pens used by PRR President A. J. Cassatt in signing Manhattan tunnel franchise, 1902: \$30.

Large 35-star flag that flew at the PRR shop in York, Pa., during the Battle of Gettysburg: \$225.

Swastika emblem from captured German locomotive: \$400.

31½-inch model of Old Portage Railroad horse-drawn passenger car: \$1000.



Auction was conducted by Samuel T. Freeman & Co., auction firm in existence since 1805.

Steam whistle used on the John Bull locomotive: \$375.

Wood from Conemaugh viaduct abutment foundation: \$20.

7 medals from 1904 St. Louis Fair: \$100.

Old bookkeeping machine on iron stand: \$10.

PRR annual reports, 1905-1910: \$25.

Handwritten record of authority for freight rates to Southern points, 1898: \$20.

3-98 PRR poster, 1880: \$350.

Drill used in starting work on Manhattan and Long Island railroad tunnel: \$90.

Framed print, "Pennsylvania Railroad Scenery," by Currier & Ives: \$300.

Bronze PRR monogram on oak plaque from former Board Room: \$400.

Admission tickets to the auction, and to the week-long exhibition that preceded the auction, cost \$2 each, and 4233 tickets were sold.

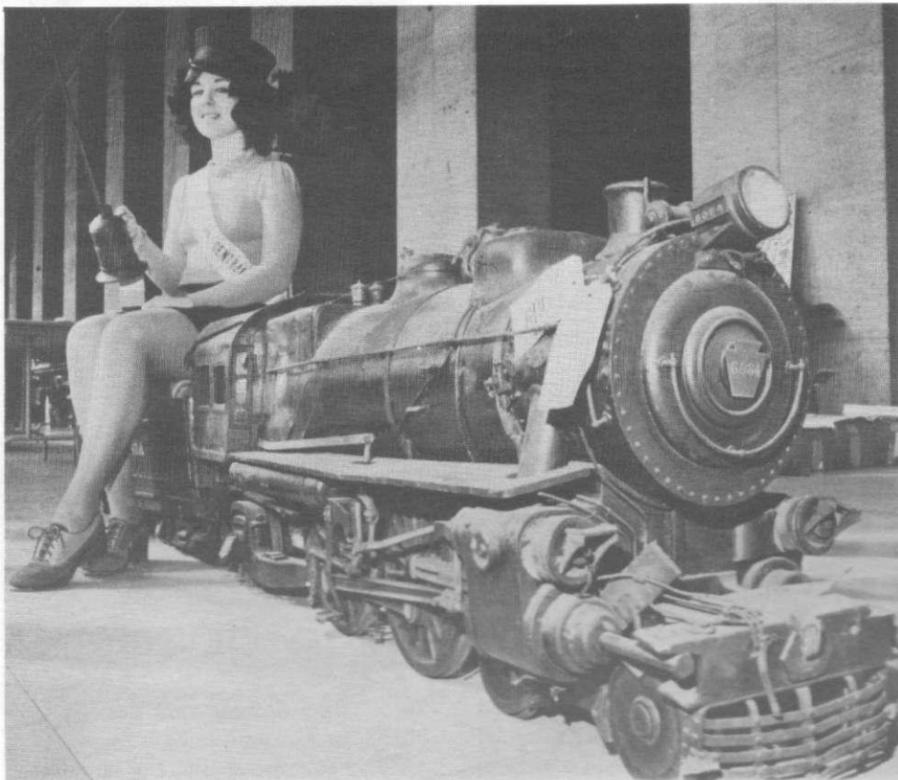
A booth adjacent to the auction area sold more than \$6000 worth of contemporary Penn Central jewelry and reproductions of memorabilia. Items still available for sale are shown on opposite page.



R.I. Alotta, manager—special projects, opens auction with 1876 station agent's bell. It later was auctioned for \$200.



Railroad reproductions and jewelry were sold by Miriam Diem and Virginia McLaughlin. Items are on opposite page.



Darlene Morelli, Safety Dept., advertises model of E6S engine (Wide World photo).

High bidder (\$2,300) for E6S engine model needs help to get it into station wagon.



Interested spectator was Walter S. Franklin, President of Pennsylvania Railroad from 1949 to 1954. He is 88 years old.



Legal notices published by order of U.S. District Judge John P. Fullam.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In the Matter of : In Proceedings for the
: Reorganization of a
PENN CENTRAL TRANSPORTATION : Railroad
COMPANY, :
Debtor : No. 70-347

NOTICE TO EMPLOYEES WHO CONTRACTED WITH
PENN CENTRAL TRANSPORTATION COMPANY
PRIOR TO JUNE 21, 1970

You are hereby notified that the United States District Court for the Eastern District of Pennsylvania has granted the Trustees of the Property of the Penn Central Transportation Company, Debtor, an extension of time to affirm or reject any contract entered into by the Debtor with any of its employees prior to June 21, 1970, pending further order of or upon application by any interested party to said Court.

GEORGE P. BAKER, RICHARD C. BOND,
JERVIS LANGDON, JR., WILLARD WIRTZ,
Trustees of the Property of Penn
Central Transportation Company,
Debtor.

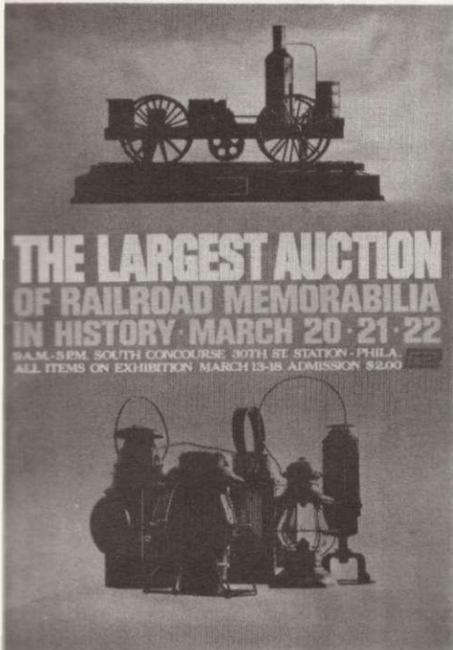
NOTICE TO ALL MEMBERS OF THE PENNSYLVANIA
RAILROAD VOLUNTARY RELIEF DEPARTMENT

Notice is hereby given that the Petition Of The Trustees To Extend The Time Within Which Executory Contracts Relating To The Pennsylvania Railroad Voluntary Relief Department May Be Affirmed Or Disaffirmed, For Ratification And Approval Of Payments To Said Department, And For Other Relief has been set down for hearing in the United States District Court at the United States Court House, Philadelphia, Pennsylvania at 10 A.M. on the 5th day of June, 1972, or as soon thereafter as the Court can hear the same.

In this Petition the Trustees are asking the Court to ratify contributions heretofore made by the Debtor to the Relief Fund for the payment of benefits and to authorize continued contributions by the Debtor as necessary for the payment of benefits, pending a final determination as to affirmance or rejection of executory contracts, if any, relating to the Voluntary Relief Department.

A copy of the Petition may be obtained on request from E. R. Harper, Secretary, Pennsylvania Voluntary Relief Department, 215 Food Fair Building, 3175 J. F. Kennedy Blvd., Philadelphia, Pa. 19104.

THE RAILROAD THEME



Items mailed anywhere in U.S., postage paid by PC Souvenirs. If your area has sales tax, please include the amount. For list of other items, write PC Souvenirs.



(B) SOUVENIR TICKET used at Auction, replica of 1876 Centennial ticket . . . \$1

(A) SOUVENIR POSTER of the historic PRR Auction, 21 by 30 inches . . . \$3



(C) 1837 POSTER reproduced on parchment-style paper, 12 by 15 inches . . . \$1



(D) EIGHT REPRINTS of old posters and timetables, 8½x11". Complete set . . . \$2



(E) HISTORIC MEDALLION of 40th anniversary of the first air-plus-rail service. Photo shows both sides . . . \$1



(F) OLD 999 Commemorative Plate. In 1893 this famed New York Central engine broke the then-existing speed record by traveling 112½ mph. Plate is 10½ inches wide, made of blended metals with the look and feel of Colonial pewter . . . \$10
Not Shown:

(G) Companion plate of John Bull . . . \$10
(H) Companion plate, DeWitt Clinton \$10



(Q) GOLD PLATED PC tie bar . . . \$2.25
(R) TIE TACK in same design . . . \$2.25

(S) FOUR PRR CALENDAR PAINTINGS reproduced on fine stock, 12x16 inches, suitable for framing or to keep in the portfolio provided. Plus Rand McNally's PC map, 20x33 inches. Complete set \$2



(I) PAPERWEIGHT for your Action memos is this Metro streak, 4¾" long . . . \$1.50
(J) BOOK COVER with Metroliner photo on enameled paper (not shown) . . . 25¢



(M) LOCOMOTIVE MUG of blended metals with look of Colonial pewter . . \$5
(N) ASHTRAY with matching design . . \$4
(O) MATCHING PLATE, 5" wide . . \$3.50



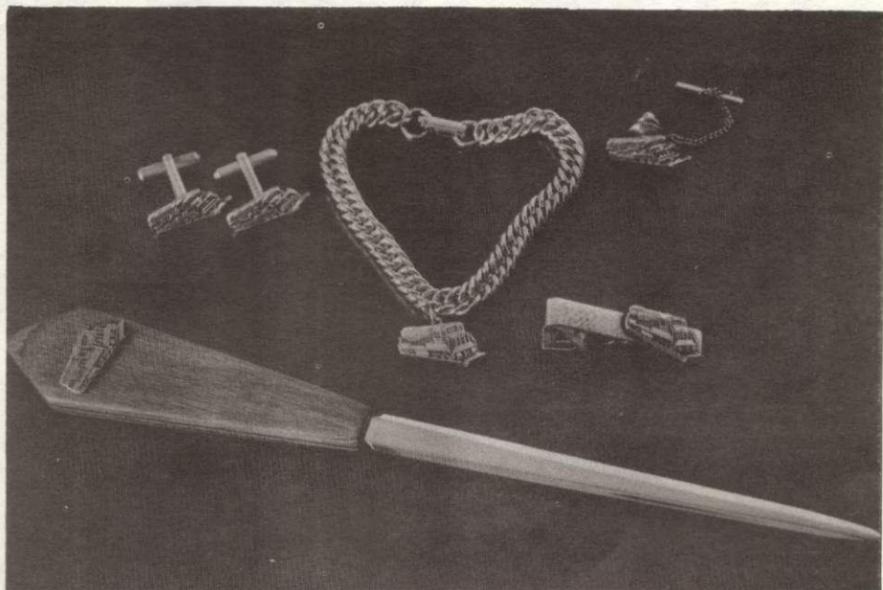
(K) PC GREEN luggage tag . . . \$1



(L) PATCH to sew on jacket or cap . . 50¢



(P) CIRCLE pin for women . . . 75¢



THE BRUTE, Penn Central's GF-25 workhorse diesel, appears in rhodium-plated, Florentine-finish emblem on these specially crafted items.
(T) CUFF LINKS, pair \$3 (U) CHARM BRACELET, \$2.75 (V) TIE TACK, \$2.25
(W) TIE BAR, \$2.25 (X) LETTER OPENER, \$3

To: Penn Central Souvenirs, 1040 Six Penn Center, Phila., Pa. 19104
Please send following items (prices include postage and handling):

| ITEM | QUANTITY | PRICE |
|-------------------------------------|----------|-------|
| (A) Souvenir Poster of Auction, \$3 | | |
| (B) Souvenir Ticket, \$1 | | |
| (C) Replica of 1837 Poster, \$1 | | |
| (D) Set of 8 Reprints, \$2 | | |
| (E) Air-Rail Medallion, \$1 | | |
| (F) 999 Commemorative Plate, \$10 | | |
| (G) John Bull Plate, \$10 | | |
| (H) DeWitt Clinton Plate, \$10 | | |
| (I) Metroliner Paperweight, \$1.50 | | |
| (J) Metroliner Book-Cover, 25¢ | | |
| (K) PC Luggage Tag, \$1 | | |
| (L) PC Cloth Patch, 50¢ | | |
| (M) Locomotive Mug, \$5 | | |
| (N) Locomotive Ashtray, \$4 | | |
| (O) Locomotive Plate, \$3.50 | | |
| (P) Circle Pin for Women, 75¢ | | |
| (Q) Tie Bar, PC Emblem, \$2.25 | | |
| (R) Tie Tack, PC Emblem, \$2.25 | | |
| (S) PRR Paintings and PC Map, \$2 | | |
| (T) Diesel Cuff Links, \$3 | | |
| (U) Diesel Charm Bracelet, \$2.75 | | |
| (V) Diesel Tie Tack, \$2.25 | | |
| (W) Diesel Tie Bar, \$2.25 | | |
| (X) Diesel Letter Opener, \$3 | | |

TOTAL _____

Name: _____

Address: _____

City _____ State _____ Zip _____

Enclosed check money order for \$_____ payable to Penn Central Transportation Company. Include any sales tax in effect in your area.

(Advertisement)

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- Special Savings Accounts
- Free Checking Accounts for Penn Central Employees only.
- Preferred Low Rate Installment Loan of \$ _____
for _____ months with weekly biweekly deductions

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THE RESPONSE HAS BEEN TREMENDOUS.

Over 28,000 Penn Central employees are already banking with IVB. In the last few issues of the Penn Central Post we've been telling you of the money saving services available to Penn Central employees. No matter where you live.

1. **THE SPECIAL SAVINGS ACCOUNT.** All you do is determine how much you want to save. There is no minimum or maximum required. Your savings are automatically deducted from your paycheck. IVB pays the highest interest rate the law allows. You can withdraw quickly, conveniently, by mail or in person—anytime. Your money is insured by FDIC. And once you've opened your Special Savings Account, you're entitled to enjoy still another service:

THE FREE CHECKING ACCOUNT. No matter where your home is, all Penn Central employees who save at IVB on the payroll deduction plan, are entitled to our Free Checking Account. Whether you live in Philadelphia, Boston, or Indianapolis you can make good use of the Free Checking Account. Use this account to pay your regular monthly expenses, the utilities, the mortgage, the department stores. Remember, our account costs you nothing, no service charges, no handling charges, no minimum balance, no limit on the number of checks you write. The more checks you write, the more money you'll save. Deposits may be made through payroll deductions, just as you do with your savings, in person or through the mail. When you use the mail, IVB pays postage both ways.

2. **THE LOW COST BANK LOAN.** This special low cost Banking Loan plan enables you to borrow more money at low rates for long periods of time. We make borrowing fast, easy and painless. Even your payments are deducted from your paycheck automatically.

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