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RUSSIAN RAILROADS 'WAY BEHIND': - Soviet Russia's railroads are a good 30 years behind those of the United States, eight U.S. railroad men, just returned from a 6,500-mile tour of the USSR, said last week. The eight, led by AAR Vice President--Operations & Maintenance C. D. Buford, were the first professional U.S. railroaders to visit the Soviet Union since 1930.

At a press conference in New York, Mr. Buford, acting as principal spokesman for the delegation, described the Russian rail system as the workhorse of domestic commerce, hauling almost all freight and passengers. It is predominantly single track, with mechanization conspicuous by its absence. The hand work required to operate and maintain Russia's 35 regional rail systems necessitated a work force of 3,500,000 men and women.

Although the American delegation saw few changes in the Russian railroad system that would move them to advocate physical changes in America's system, Mr. Buford said that the Russians, who have great respect for American rail technology and practices and are avid readers of U.S. rail trade publications, had made a careful study of their transportation problem, and concluded that the railroads offered the most economical form of all weather transport available to them. Plans for Russia's rail growth (about 10 per cent a year) are thus keyed to the growth of the economy.

The railroads, Mr. Buford said, are Russia's only remaining national industry that has not been decentralized. It continues to be operated from the top. The nature of this system is militaristic, with most employes in uniform.

ICC EXAMINER RECOMMENDS APPROVAL OF B&O PLAN IV PIGGYBACK SERVICE: - Despite heavy opposition from trucking interests, Interstate Commerce Commission Examiner Lawrence B. Dunn recently recommended approval of the Baltimore and Ohio Railroad's Plan IV piggybacking service, offered initially by the Railroad in October 1958. (Plan IV provides for rail transportation of shipper-owned trailers or containers on shipper-owned flatcars, with the railroad providing only the tracks and the motive power.) Examiner Dunn's recommendation now goes to the ICC's Rates and Practices Division for decision; unless appealed, the Division's decision will be final.

TANKER TOFC TESTED: - The Chicago & North Western will soon lessen the dangers of long distance highway transportation of inflammable and explosive materials. Recent tests by the C&NW, in conjunction with the AAR Bureau of Explosives, have brought tentative approval for piggyback handling of tank-truck trailers loaded with "restricted" liquids.

Impact tests of liquid-filled tanker-trailers on a standard 85-foot TTX flatcar were made at North Western's TOFC facilities in Chicago. Mr. Barry Rogers, director of C&NW's motor services department, said the tests promise to open the way for tank-truck shipments of so-called "restricted" liquids, as well as vegetable oils, ink and other non-restricted products. "There is every reason to believe," he added, "that a tank-truck carrying a so-called "restricted" liquid commodity can be handled more safely in piggyback rail service than on highways."

The first shipment of a "dangerous" or "explosive" commodity via tanker-on-flat-car will originate on the North Western at Chicago, and will furnish the final test of the series. The AAR Bureau of Explosives will supervise the test shipment which will be handled under a rate soon to be published by the C&NW.

The required Bureau of Explosives approval for shipment of restricted liquids in TOFC service has tentatively been given, pending outcome of the actual road test to be scheduled in the near future, according to a spokesman for the Railroad.

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"NO 3-WAY MERGER NOW," SAYS C&O: - While the Chesapeake & Ohio Railway might consider getting together with the New York Central after their plan for affiliation and merger with the Baltimore & Ohio Railroad is accomplished, they announced, July 27, that any three-way merger at this time is "out." In a letter to B&O President H. E. Simpson, July 25, C&O President A. E. Tuohy accepted an invitation to a meeting on August 15 with NYC President A. E. Perlman, but added that he will not discuss a three-way merger any further.

Reasons for C&O's position, according to Mr. Tuohy: Previous talks by the three presidents have already proved unproductive; three-way merger would effect an "unthinkable" reduction in C&O's dividend rate and would lower both C&O's financial position and the price of its securities; three-way merger would disrupt "established shareowner interests," and President Perlman, in a news story quoted by Mr. Tuohy from the Wall Street Journal of March 16, 1959, had already said that the NYC "won't be a merger candidate for about five years."

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FRISCO LOADINGS: - For the period July 23 to July 29, 1960, inclusive, Frisco revenue freight loaded on-line and received from connections totaled 13,115 cars, compared with 13,517 cars for the previous 7-day period, and a total of 13,327 cars for the corresponding period last year.

B&M SEES \$2 MILLION 1960 PROFIT: - The Boston & Maine Railroad looks for a profit of about \$2 million for 1960 if the remainder of the year is as good as the same period was last year, B&M President Patrick B. McGinnis told the New York Society of Security Analysts last week. A profit would be the Road's first since 1957, when it made \$765,000.

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RAILS PAY \$400 MILLION IN TAXES: - Class I railroads pay about \$400 million a year in taxes to state and local governments to support schools, police, fire protection and similar services.

This tax total, the AAR points out, is 27 times the amount of such taxes paid by Class I intercity motor carriers of freight, 63 times that paid by intercity buses, 80 times that paid by domestic airlines, and 400 times that paid by regulated water carriers.

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LOAN TO INDIA APPROVED: - Directors of the Development Loan Fund, Department of State, have approved establishment of a \$45 million loan to India to finance "foreign exchange costs of acquiring equipment, materials, supplies and services required for the modernization and expansion of the India Railway System." Included in the principal loan conditions is a requirement that not less than \$35 million of the total be "of United States origin."

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✓ FRISCO PERSONNEL: - Richard E. Hill has been employed as assistant director supervisory training - Supervisory Training Department - and will assume the duties of that position on August 15.

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STOCKHOLDERS TO VOTE ON MERGER: - Stockholders of the Seaboard Air Line and Atlantic Coast Line Railroads will vote on proposed merger terms at separate meetings in Richmond, Va., August 18. Directors of the two roads have already approved the merger plan.

Under the plan, SAL shareholders would retain their stock, and ACL stockholders would receive 1.42 shares of the new road for each share they now own.

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DO YOU KNOW... Railroads receive about 8 cents for moving a ton of mail a mile as compared with approximately 39 cents paid the airlines by the Post Office Department.

THE SERVICE WITHOUT THE JAM

