

ISSUED BY THE PUBLIC RELATIONS DEPT., ROOM 711 FRISCO BLDG., ST. LOUIS 1, MO.

No. 338

June 28, 1957

FRISCO LOADINGS: - For period June 15 to June 21, 1957, inclusive, Frisco revenue freight loaded on-line and received from connections totaled 15,840, compared with 15,599 for the previous 7-day period and a total of 17,254 for the corresponding period last year.

CONGRATULATIONS: - To W. Thomas Rice who moved up from presidency of the Richmond, Fredericksburg and Potomac Railroad to presidency of the Atlantic Coast Line Railroad. He succeeds Champion McD. Davis, effective August 1.

Mr. Davis is retiring after 64 years of railroad service with the ACL and its predecessor, the Wilmington & Weldon. He will be 79 on July 1. He began his career in 1893 as a messenger boy.

Mr. Rice, 45, has been president of the RF&P since 1955. He will be succeeded at that railroad by Wirt P. Marks, Jr., former general counsel of the RF&P.

VOTE ON MERGER: - Stockholders of the Chicago & North Western Railway Company, at a special meeting on October 2 in Chicago, will vote on the ratification and approval of a resolution by the railroad's board of directors, proposing a merger with the Litchfield & Madison Railway Company.

Ben H. Heineman, chairman of the C&NW Board, announcing the special meeting, said that his railway had already acquired 97.4 per cent of the total of 180,000 shares of the L&M's common stock.

CARS ARE COSTLY: - Some idea of the tremendous rise in the cost of railroad equipment may be obtained from testimony being given before the Interstate Commerce Commission in its present inquiry into the cost of operating passenger service.

William F. Betts of the AAR Bureau of Railway Economics, told the ICC that in 1934 a passenger coach could be purchased for less than \$20,000 and that in 1954 this cost had risen to more than \$170,000. During the same period, he said, the average cost of dining cars had stepped up from \$30,000 to nearly \$300,000. Betts declared that in the past quarter-century the Nation's railroads have spent more than \$1.4 billion on new passenger rolling stock, with approximately two-thirds of the amount having been spent during the last 10 years.

* COURT LIMITS USE OF UNION DUES: - The Georgia Supreme Court, in a recent decision, held that the worker cannot be compelled by his union to pay money to support ideas, politics, and candidates which he personally opposes. The Georgia Court, following the United States Supreme Court in upholding the "closed shop" labor act, said it did not believe that a "closed shop" contract required that the worker had to make contributions to promote ideological and political issues and candidates, as an alternative to losing his job.

DINING CAR COSTS RISE: - You doubtless have felt many times that you got a \$1 meal that cost you \$1.50. Just reverse this and you get an idea of what it cost railroads in 1956 to operate. Last year for every \$1 meal the dining cars turned out, their average cost was \$1.42, or an increase of two cents over the preceding year, according to the Bureau of Transport Economics and Statistics.

The cost in the Eastern region was a little lower, averaging only \$1.24, but it hopped up to an average of \$1.60 in the Western District, the Bureau reported.

Revenue from dining cars and buffet service in 1956 increased .9 per cent or a total of \$68.4 million, but at the same time expenses were jumping 2.3 per cent over the previous year, from \$94.9 million to \$97.1 million.

PREDICTS CONSOLIDATIONS: - Prediction that the Nation's railroads will some day consolidate into 25 large systems was made recently in St. Paul by Robert S. Macfarlane, president of the Northern Pacific Railway Company.

Speaking before the Midwest Institute of Transportation, the Northern Pacific chief executive expressed the view that consolidation of many railroads offered the best opportunity for improvement of operations and the provision of cheaper transportation with better service. He said that such consolidation could be made without disrupting the economy of any particular section of the country or individual communities, and that the impact on labor would be very minor. He said he expected such consolidations to be coming up within 15 to 20 years.

NSC AWARDS ANNOUNCED: - Six of the Nation's Class 1 railroads and two switching and terminal lines have been named winners of the Railroad Employees' National Safety Award of the National Safety Council.

The winners were: Union Pacific; Atlantic Coast Line; Duluth, Missabe & Iron Range; Monon; Charleston & Western Carolina; and Texas Mexican. The switching and terminal lines were: Chicago & Western Indiana and the River Terminal Railway of Cleveland.

According to the NSC, the over-all Class 1 rate of employes killed or injured was 8.09 per million manhours worked.

SEE RISE IN LOADINGS: - Carloadings in the Southeastern territory of the United States are expected to be 0.54 per cent greater in the third quarter of 1957 than they were in the same period of 1956, according to the Southeast Shippers Advisory Board. The board, meeting in Memphis, was told that 1,076,613 freight cars will be needed in the third quarter of this year to handle all of the business offered.

Appearing among the commodities expected to show increases are aluminum ore and concentrate, up 38 per cent from 1956; automobiles and trucks, up 10 per cent; cotton, 10 per cent; and iron and steel, 35 per cent. Decreases were forecast in cottonseed and vegetable products, and lumber and forest products.

"AEROTRAIN" TO BE STUDIED: - General Motors will begin studying the results of a year's operation of its "AeroTrain," early in July. The new type train has been in service on various railroads under a lease agreement during the past twelve months and will be returned to the company on June 30. Its most recent service has been between Philadelphia and Pittsburgh.

"We have now had over a year's experience with the passenger acceptance and operating efficiency of this new type of equipment, which will be invaluable to us in developing trains of tomorrow," Walter W. Patchell, vice president-research and development of the Pennsylvania Railroad, declared.

REVENUE FREIGHT: - Loading of revenue freight for the Nation's railroads for the week ended June 15 totaled 746,125 cars. This was a decrease of 55,303 cars or 6.9 per cent below the corresponding week in 1956, and a decrease of 33,832 cars or 4.3 per cent below the corresponding week in 1955. Loadings in the week ended June 15 were 12,648 cars or 1.7 per cent above the preceding week. Loading of commodities for the week ended June 15 compared with the preceding week this year and the corresponding week one year ago follows:

	This Week	Last Week	Last Year
Coal	143,622	138,842	142,992
Miscellaneous freight	354, 091	348, 681	381, 200
Merchandise L.C.L.	53,671	53, 121	59, 322
Grain and grain products	47,897	47, 184	62,021
Livestock	4,944	5, 113	6,576
Forest products	42,119	41,332	47, 102
Ore Coke	89,024 10,757	88,583 10,621	89, 363 12, 852
COKE	10, 151	10,021	12,852

alerate at a at a ste at a

BRIEFS: - The railroads spent \$155,000,000 last year for forest products. Crossties accounted for \$83,000,000 of this sum, and switch and bridge ties and lumber accounted for \$25,000,000 more.

....... The railroads of the United States represent an investment of about \$35,000,000,000. About 60 per cent of this investment is in fixed property, and about 40 per cent is in rolling stock.