



ISSUED BY THE PUBLIC RELATIONS DEPT., ROOM 339 FRISCO BLDG., ST. LOUIS 1, MO.

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**AIRLINES SUPPORT RAIL PLEA:** - The railroads received some unexpected support in their efforts for greater ICC authority over abandonment of unprofitable trains. The support came from two of three witnesses for the airline industry, in hearings before Senator Smathers' Committee on the "deteriorating" railroad situation.

C. L. Burwell, general counsel for the Independent Airlines Association, and J. P. Adams, executive director and general counsel for the Association of Local and Territorial Airlines, told Senator Smathers' Committee that they did not think any carrier should be required to maintain costly services that produce "nothing but continuing deficits." They also predicted that if the railroads abandon certain routes, there was the possibility that air carriers could fill the gap "successfully and profitably."

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**GRADE CASUALTIES DECLINE:** - Slight progress has been reported nationwide in the reduction of grade crossing casualties, in all categories, in January. Despite reductions, these accidents took a toll of 133 persons killed and 387 injured during the month.

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**CAPITAL OUTPUT TO DROP:** - It is estimated that railroad expenditures for new plant and equipment for 1958 will approximate \$868 million, or a decrease of 38 per cent from the actual expenditures of \$1,396,000,000 in 1957, according to a survey conducted by the Securities and Exchange Commission and the Department of Commerce.

The survey showed that all major industries, with the exception of public utilities, contemplate reducing their capital outlays by 13 per cent this year as compared to 1957. The public utilities are expected to step up their expenditures by approximately 4 per cent. Total capital expenditures in 1958 are expected to reach \$32 billion, compared to \$36,962,000,000 in 1957.



SAFETY TROPHIES PRESENTED: - The annual presentation of trophies in the Frisco's 1957 safety program was held at Springfield on Tuesday of this week. The Company's safety record for the year 1957 was the lowest in the history of the safety programs, as far as reportable injuries and employee fatalities are concerned. The ratio, however, was not as low as previous years, due to a decline in manhours worked.

Winners of the various trophies were:

President's Trophies: - Mechanical Department and Stores Department, the latter with no reportable injuries for the year.

Vice President's Trophies: - Transportation, Eastern District; Maintenance of Way, Western District.

General Manager's Trophies: - Kansas City Terminal and Springfield Terminal.

Chief Mechanical Officer's Trophies: - Springfield and Sherman.

Chief Engineer's Trophies: - Southwestern Division (South) and Eastern Division (E&W), each with no reportable injuries.

It was the ninth time the Mechanical Department had won a President's Trophy, having relinquished it only one time during the life of the safety competition. The Eastern District also established itself as an eight time winner of a Vice President's Trophy, while the Eastern Division (E&W) was a six time winner of a Chief Engineer's Trophy.

During the year the Company had only one employee fatality in contrast to five in 1956; 143 reportable injuries, a reduction of 20 from the preceding year.

In each case an employee member of the safety committee from the respective department, joined the department head in accepting the trophy. The presentations were made by R. J. Stone, vice president-operations, who also represented President Hungerford in presenting the President's Trophies; L. W. Menk, general manager; E. F. Tuck, chief mechanical officer and B. H. Crosland, chief engineer.

The ceremonies were held in the employee assembly room.

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FRISCO LOADINGS: - For period March 8 to March 14, 1958, inclusive, Frisco revenue freight loaded on-line and received from connections totaled 13,584, compared with 14,318 for the previous 7-day period and a total of 16,433 for the corresponding period last year.



HEADS A.R.E.A.: - Bernard R. Meyers, chief engineer of the C&NW Railway, was elevated to presidency of the American Railway Engineering Association at its convention in Chicago this month.

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LABORATORY TO EXPAND: - The Association of American Railroads will expand its facilities at the Research Center in Chicago by addition of a science laboratory during 1959 or 1960.

W. T. Faricy, chairman of the AAR Board, told the annual convention of the A.R.E.A. that the new science unit will contain an electronic laboratory, as well as facilities for metallurgical research, analysis of gases and exhaust, and development of new fuels for locomotives and cars. There will also be room for a nuclear reactor when such is needed.

The AAR Research Center began in 1950 with one building and has now expanded to three buildings.

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URGES ADOPTION OF RESERVE PLAN: - Unless Congress permits railroads to have some construction reserve, orders for new freight cars will practically "dry up by the middle of this year," W. T. Faricy, chairman of the AAR Board, has predicted.

He told the Pacific Northwest Advisory Board, in Portland, Ore., that the construction reserve plan, which the railroads are supporting, would not relieve them of paying taxes but would assist in financing new freight cars and other equipment by postponing payment of part of their taxes. This would be accomplished, he said, by permitting railroads to set aside money as a reserve for capital improvements, which it would be required to spend within five years. In the event the money was not spent for improvements, the amount would be restored to income and taxes at rates prevailing in the year in which the money was earned. Had such a plan been in effect in 1956 and 1957, Faricy said, the railroads would now have a reserve on which they could draw during the current period of recession.

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PERSONNEL CHANGES: - The following changes in Frisco personnel have been announced:

Appointments: - N. E. Wylie, assistant to vice president, headquarters, St. Louis, effective March 14.

R. H. Hacker, chief cost accountant, headquarters, St. Louis, effective March 15.



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