



# CINDERS

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Newsletter of the

PHILADELPHIA CHAPTER

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## End in Sight for Nine-Week Strike

Tentative settlement with a key operating union may finally end the strike which has idled SEPTA's commuter rail system for the past nine weeks. Several days of tense negotiations between the United Transportation Union and SEPTA resulted in an agreement announced on May 9, subject to ratification by the union's membership later that week. If approved by the UTU--largest of 15 unions representing SEPTA rail workers--the pact will likely bring a quick end to the walkout, which began on March 15. About 225 conductors and trainmen are represented by the UTU.

Approval of a similar contract late last month by the Brotherhood of Railway & Airline Clerks, an influential non-operating union, failed to create the hoped-for domino effect of settlements, but the UTU announcement created new momentum. Just one day later, the International Brotherhood of Electrical Workers reached a tentative agreement with SEPTA, also subject to ratification by the membership. The IBEW leadership had hammered out a settlement several weeks earlier, but the 130 members had voted down that contract. Three smaller unions already have signed with SEPTA, and another was reported near agreement. With the UTU and IBEW in the fold, however, most observers believe the remaining unions will quickly fall into line, paving the way for a swift resumption of service.

SEPTA's managers recognize the enormity of the task now facing them in rebuilding the shattered commuter system. To pay for the new labor contracts, they believe that SEPTA must recapture at least 50,000 daily riders, substantially more than the 38,000 who were using the system immediately prior to the strike. Incentive plans and increased service are among the marketing strategies which SEPTA will employ in an all-out effort to bring back these riders.

The City and suburbs continued to cope well with the long shutdown of their regional rail system. The Broad Street subway and Market-Frankford line as well as Red Arrow rail and bus routes are carrying near-capacity loads during peak periods, while automobile ride-sharing and staggered work hours at some center-city businesses have helped blunt the effects of the strike.

Meanwhile, press reports indicate that many strikers and their families are facing severe economic pressures, having been denied unemployment benefits and food stamps while most of their unions do not provide strike funds. Adding to these woes, the SEPTA-paid health and hospital plan for rail workers expired at the end of April. Still, there appears to be a widespread determination among union members to hold out for acceptable contracts, in spite of what some call SEPTA's policy of "starving" them into submission.

In early April, Philadelphia City Councilmen Joseph E. Coleman and David Cohen asked SEPTA and the unions to submit the remaining issues to binding arbitration. The unions agreed but SEPTA refused, as it had earlier, arguing that the transit authority's responsibility to enter into affordable contracts "cannot be delegated to some third party unaccountable to the taxpayers and commuters of the region." Coleman and Cohen then filed suit in Philadelphia Common Pleas Court to force SEPTA to accept binding arbitration, but at SEPTA's request a special three-judge Federal court in Washington agreed to hear arguments in the case. On April 29 the Federal court, which has jurisdiction in Northeast commuter matters, dismissed the suit on grounds that it was improperly filed in a Pennsylvania Court rather than in Washington.

Thus the burden for settling the strike went back to negotiations at the bargaining table in Philadelphia, where activity had been minimal during the court proceeding. The quick settlement with the influential Clerks Union fueled optimism that BRAC's agreement would set a pattern for other striking unions, but that optimism faded when UTU leaders turned down a SEPTA wage offer on May 4. Union officials said that they had already made two major concessions by agreeing to reductions in crew size and elimination of mileage rules which result in extra pay for crew members who work more than 130 miles a day. Negotiations were to continue under the supervision of Common Pleas Court Judge Bernard J. Goodheart, who has been acting as mediator in the dispute since mid-February.



A strange thing happened on the way to Amtrak's assumption of Rio Grande's passenger service, which took place on Sunday, April 24. On Thursday, April 14, after the westbound *Rio Grande Zephyr* passed through Spanish Fork canyon in Utah, a massive mudslide buried the right-of-way and the small railroad hamlet of Thistle, UT. The train returned to Denver via the Union Pacific on Friday, April 15, with UP GP40X #9003 leading the D&RGW units. Effective April 16, the *RGZ* operated only between Denver and Grand Junction, CO, with Trailways buses ferrying passengers between there and Salt Lake City.

The State of Wyoming, meanwhile, attempted to prevent the route change by going to court to secure an injunction against Amtrak. Amtrak decided to temporarily keep the train routed via the UP between Denver and Salt Lake City until the D&RGW route is reopened, which may be some time. At the present time, trains are held at Denver and Ogden on the westbound and eastbound trips to allow for schedule differences caused by the shorter operating time over the UP. At Denver, at least Amtrak arranged for sightseeing tours of Denver during the nearly three-hour layover on the westbound trip.

Following the discontinuance of the *RGZ*, six of the train's cars were moved to Chicago the night of April 25, and then to Beech Grove shop on Thursday, April 28. Cars 1106-Silver Colt, 1107-Silver Mustang, 1108-Silver Pony, 1115-Silver Banquet, 1120-Silver Aspen and 1121-Silver Pine were the cars transferred. The former three are dome coaches, the latter two flat-top coaches and the 1115 is, of course, the diner. Remaining on the D&RGW are cars 1105-Silver Bronco, 1140-Silver Shop and 1145-Silver Sky, which are a dome-coach, dome-lounge and dome-observation-lounge, respectively. Car 4801, the ex-Union Pacific back-up diner, is retained, as well as baggage-coaches 1230 and 1231 and the ski-train equipment. No disposition has been noted to date.

The Auto-Ferry program at Amtrak seems to be shaping up nicely. Negotiations to purchase 30 auto carriers from the trustees of Auto-Train were to be concluded April 21 and a "hospital train" scheduled to convey the cars from Sanford, FL to Beech Grove shop. As to passenger cars, there is an existing authorization from Amtrak's board to do 33 cars and we have seen some cars moving from storage at Beech Grove for consideration, at least.

It is expected that meal service for the Auto-Ferry may feature two types of cars, from what we can see thus far. Four existing leg-rest Heritage coaches (4622, 4609, 4614, 4625) will become 8600-8603, equipped with tables for meals. Five lounge cars will be converted to HEP and configured as buffet cars. The new 8700-8704 series will convert from cars 3311, 3310 (ex-*Sunset* lounges), 3320, 3321 (*Congressional* parlors later rebuilt as galley-lounges) and 3920 (ex-*Twin Zephyr* parlor later rebuilt into a snack-coach).

Three Great Dome lounges are at Beech Grove (9361, 9362, 9365) and reports indicate they may be rebuilt for the above service. The following 15 cars are also being given consideration as well: eight dome coaches (9460, 9463, 9465, 9469, 9471, 9475, 9477, 9486), five 11-bedroom sleepers (2250-2253, 2265), and two 10-6 sleepers (2651, 2676). This would account for 27 cars, and reports have it that the three ex-*Zephyr* 11-bedroom cars at Beech Grove will also be rebuilt, leaving three cars unaccounted for, if the above proves true.

Meanwhile, Beech Grove has turned out the following "new" HEP cars since our last report: the last two "clocker" conversions (7628-7629), Slumbercoach 2096, baggage 1187 and the second dome-coach (9401).

Elsewhere, nine more Amfleet II cars are expected within the next month to wind up the program. Coaches 25118-25124 and lounges 28023-28024 will complete the lot. The last eight coaches and three lounges will be assigned to Sunnyside yard at New York. The coaches will go on the New England Metroliners, while the lounges will spell Amdinettes in the shops for the Metroliner improvement program, outlined in the next paragraph.

The Metroliner improvement program which began in mid-April with a coach, dinette and club, features exterior striping like the Amfleet II cars, with a distinctive "Amtrak's Metroliner Service" logo. At least 72 Northeast Corridor Amfleet cars are scheduled through this program (46 coaches, 13 clubs and 13 dinettes), with coaches being cycled through Wilmington shops and the others through Beech Grove. Interiors are finished in shades of blue. The refurbished cars receive a new number, exchanging a "9" for the existing middle digit. Thus, Amdinette 20213 will become 20913, coach 21814 will become 21914 and club 20679 becomes 20979. Together with coach 21984, this first refurbished trainset will go into service on trains 288 and 289. Two round-trips are temporarily using "half clubs" while "full clubs" are being overhauled; these are trains 282, 104, 285 and 287.

## ON THE SCENE (Continued from Page 2)

Other equipment adjustments find the *Crescent* carrying a 2050-series Slumbercoach between Atlanta and Washington, using a pool of cars shared with the *Montrealer*. Amlounge cars 28304-28306 have moved from the *City of New Orleans* to the *Spirit of California*. On the latter train, the newly-assigned cars released Amdinettes to the *San Joaquins* and had themselves been bumped from the New Orleans run by new Amlounge II's.

The Florida trains were assigned a second diner to help cope with near sell-out loads generated by the All Aboard Amtrak promotions. But, the 25 Heritage diners were stretched to cope with these extra assignments. Of the 25 cars, 14 were on the *Silver Meteor* and *Silver Star*, three each on the *Crescent*, *Broadway Limited* and *Lake Shore Limited*. This left two cars, one of which is bad ordered and the other on display at Washington on April 24. Needless to say, additional diner conversions are being considered, and the April 24 time change found the second diner dropped on the (shorter) *Silver Star*.

The *Cardinal* offers tray meals to Corridor riders on days the tri-weekly Chicago cars run, served in the 3100-series lounge cars.

Mileage fans will be able to ride "new" trackage between Michigan City and Kalamazoo between June 13 and September 2, when trains 350-351 (temporarily redesignated 360-361) will run via Elkhart instead of Niles to facilitate trackwork— this will happen on weekends only.

Amtrak has offered 131 cars for sale, including some cars which were apparently offered once before. Perhaps twice as many cars are still in storage, but some will be reactivated to serve the planned auto-ferry service. By category, the for-sale list includes 16 baggage, six baggage-dorm, 22 sleepers, 11 sleeper-lounges, 11 lounges, four snack cars, 43 coaches, 16 diners and two instruction cars.

NJ Transit will be using up to eight E8's on the North Jersey Coast trains, but they owe their use to the transfer of GP40P's and F40PH's to Hoboken. There, they are needed to aid the unfortunate U34CH's. In addition, six Chicago RTA F7's are to be leased by NJT for similar duty. They are to be leased from May 1983 for 18 months and will apparently retain their existing 400-series numbers. NJT is also using RDC's as Gladstone branch shuttles during the reconstruction of electrical facilities. Eight RDC's are active, they being the 551 and 558 (ex-CNJ), 5180, 5185-5189 (ex-PRSL).

On the Long Island Rail Road, a new paint scheme for the M-1 MU's eliminates the blue side-stripe but adds a yellow nose for visibility. An interim scheme had both the blue and yellow, while several cars were repainted with a yellow cab window area. Most M-1's have also received new, clear passenger windows. This summer, LIRR will operate a second limited-stop Sunday evening train between Montauk and New York. The existing train at 6:30 gains an 8:30 PM partner (replacing the slower 8:00 PM train). The club cars on LI are receiving a red stripe to differentiate them from the blue coaches.

New York MTA switched the Port Jervis trains to the Graham line to permit Conrail to file for abandonment of the old passenger line through Goshen. A relocated station was placed at Harriman and Middletown, and stops at Monroe, Goshen and Chester discontinued, with new shelters installed at Salisbury Mills, Cornwall and Campbell Hall.

Washington's WMATA on April 30 opened an initial segment of its Yellow Line between Pentagon and Gallery Place via L'Enfant Plaza and Archives stations. Service to Huntington via Alexandria must await delivery of at least 32 cars being assembled at Beech Grove from kits provided by Breda of Italy.

SEPTA has three Kawasaki LRV's down for major repairs (9021, 9091 and 9102). They have 145 PCC's in the fleet (including an unspecified number of cars in storage at Luzerne). Eighty-five Luzerne and five Callowhill cars are standard cars, while 20 Callowhill and 35 Luzerne cars are (or soon will be) GOH types. The five Callowhill standard cars are 2641, 2665, 2670, 2675 and 2687. Luzerne's cars consist of 25 2100-series, 18 2200-series and 42 2700-series cars. Note that there are no "air" cars or Toronto cars left in service. Also, it would be impossible to rebuild more than 145 cars today since several cars have been retired. Plans have been scaled back to the point where the standee-window cars now on the books will provide enough candidates to complete the GOH program.

Eighteen cars are active on SEPTA's Norristown High-Speed Line. Bullets 200-209 (except 202, out for repairs) and "Strafford" cars 160-168 have been noted. This is an update on a previous report.

Finally, six Long Island Rail Road MU cars have been written off — 9043, 9074, 9243-9244 and 9379-9380. Also, car 2800 was rebuilt from MU 2656 (this is a correction to Randall's Railway Passenger Car Annual).

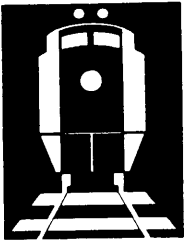
# PHILADELPHIA

## EXPRESS



### FRANK G. TATNALL, JR.

Though shut down by a strike for the past two months, SEPTA's commuter rail system is the scene of much activity. In addition to the daily operation of "patrol" trains and some station fix-up work (see story on page 1), SEPTA is trying to lease 28 of its stations as business offices. Blessed with good commercial locations, depots such as Swarthmore, Haverford, Langhorne, Willow Grove and Chestnut Hill West now have large "For Lease" signs in front of them. The idea is to rent the buildings for as little as \$200 a month and get the tenants to pay for their renovation, including a heated waiting room for rail passengers. If the tenant agrees to spend \$24,000 on repairs, he will get the building rent-free for ten years. Rydal station, on the West Trenton line, is the model for this program, having been turned into a financial consultant's office at a cost of \$50,000. Bids close May 16.



SEPTA also plans to do repair work on Chestnut Hill East line stations as part of a general upgrading of that branch to begin this summer.....Bids are being sought for renovations to Wayne Junction electric shop.....A number of old Reading MU cars were scrapped last month at Wayne Junction, including red, white and blue #9106 which had been involved in a collision. Several "green" cars were sent to a scrap yard in Frankford to be cut up.....Ten City-owned RDC's, #9153-9162, are stored in the Philadelphia Naval Base just west of Broad Street (see April Cinders). Two other City cars, #9151-9152, are at Newtown. The BRITISH COLUMBIA RAILWAY has again expressed interest in purchasing some of these cars to supplement its own RDC fleet.

Steelwork has begun on the One Reading Center office building, which will adjoin Reading Terminal at 11th & Market Streets. Owned by the Reading Company, the 32-story building will also adjoin the Gallery II shopping complex now nearing completion in the 1000 block of Market Street. Gallery II is due to open in October. The entire area will be served by the new Market East commuter rail station beneath Gallery II, replacing Reading Terminal which will be closed when the new center city rail tunnel is placed in service in July 1984. As part of this project, the latter-day facade has been stripped from the front of Reading Terminal, revealing the original stonework of the classic 90-year-old building. The terminal building and its famed arch-roof trainshed are being considered as part of a massive new convention center to be built in downtown Philadelphia (see March Cinders).

Overhead wire work is now largely completed on the Airport High-Speed line, and all trackage is in place except for the segment between "Arsenal" and "Brill" interlockings along AMTRAK's Corridor (45th to 58th Streets). Work has also begun on a new bridge which will carry Island Road over the Airport line in Eastwick. ....The former Reading passenger station in Quakertown has been leased out to a rail hobby shop (L&WV Chapter Laurel Lines).

The SEPTA board has added \$20 million in improvements to its 1983 capital budget for commuter rail projects, most of them connected to the new center city tunnel slated for opening next year. SEPTA is also budgeting \$1 million for preliminary engineering work on electrification of the Fox Chase-Newtown line. The money, most of which will come from the new five-cent-per-gallon gasoline tax, requires state or local matching funds which appear to be in short supply. SEPTA will also get \$8.2 million in Federal funds from the recently-enacted jobs bill.

SEPTA will increase rail and transit service without boosting fares, under terms of its \$397-million budget for Fiscal Year 1984 beginning this July 1. It is the first SEPTA budget in four years that does not include some type of fare increase. Among the service improvements will be more express service on the Broad Street and Market-Frankford lines, continuation of the frequent strike-related service on West Philadelphia subway-surface lines and the Media-Sharon Hill trolleys, hourly service at minimum on all commuter rail lines during evening and off-peak hours and new rush-hour express service on certain commuter rail lines. SEPTA said that it will institute these improvements without raising fares because it expects a 6.5-percent increase in state and local subsidies, a \$29-million saving in commuter rail costs and growth in commuter rail ridership. The budget also allows for a slight reduction in the cost of transit tokens from 71.4 cents to 70 cents each, reflecting a change in packaging from seven for \$5 to ten for \$7. The 1984 budget, representing a \$10-million increase over last year's, will be the subject of public hearings this month and final board approval in June.

SEPTA has been running four two-car trains of Bullet cars on its Norristown high-speed line during weekday rush hours to help carry displaced rail commuters from and to the Main Line area. Occasionally a two-car train of 160-series "Strafford" cars is also seen, and two-car trains of Kawasaki cars are used frequently on the Media and Sharon Hill lines. Rush hours at 69th Street Terminal these days are amazingly smooth, with thousands of passengers transferring from and to the Market Street elevated. Few tieups have been noted....

## PHILADELPHIA EXPRESS *(Continued from Page 4)*

....Red Arrow's 275 drivers and cashiers approved a new three-year contract with SEPTA on April 4, averting a strike on heavily-used rail and bus lines serving the western suburbs. The United Transportation Union granted SEPTA a three-day extension beyond the April 2 deadline to complete negotiations on the new contract..... In May, 165 Red Arrow mechanics and clerical workers represented by the Transport Workers Union approved a new three-year contract with SEPTA. Both the drivers' and mechanics' contracts closely follow the pattern established by the City Transit Division settlement in March, which provided for a 19.3-percent pay raise over the three-year contract period. Red Arrow, which is part of SEPTA's Suburban Transit Division, carries about 30,000 weekday passengers.

SEPTA has completed work on a new trackage arrangement at the 40th & Woodland portal of the subway-surface trolley lines. The work was done on schedule commencing at 10 PM Wednesday, April 13 and finishing at 5 AM on Monday the 18th. All five trolley routes were diverted to the 40th & Market subway station during the construction period, and weekday shuttle bus service was provided between 30th Street station and City Hall. SEPTA will complete the portal area by installing new shelters, benches, landscaping and lighting.

SEPTA is advertising for bids on 50 articulated buses.....The new Neoplan German-designed buses are experiencing a much higher than normal failure rate on SEPTA, and have caused shortages of equipment on some lines.....Have you noticed that SEPTA buses now have new Pennsylvania license plates bearing "MT" (for mass transit) initials?.....SEPTA plans to issue a revised system street map of the Philadelphia area this fall, the first revision in seven years.....The cleanup and repainting of the 30th, 34th and 40th Street stations gives a new look to this part of the Market-Frankford line. The bright blue-and-cream paint scheme is being well protected from graffiti artists and other vandals.....New steel catwalks have been installed along the entire length of the Market Street elevated.

Resignaling of AMTRAK's Northeast Corridor is fully explained in a detailed article appearing in the April issue of *Railway Age*. Among the most complex areas is West Philadelphia, where planners of the Northeast Corridor Improvement Project have designed a new "54th Street" interlocking to replace "Brill" and expand the mainline from four to six tracks between "54th Street" and "Arsenal" interlocking at University Avenue. The two westernmost tracks (#4-5) will be used by SEPTA commuter and Airport High-Speed line trains, the two middle tracks (#2-3) will carry Amtrak trains into and out of 30th Street Station, and the two east tracks (#0-1) will be devoted to CONRAIL freight traffic to and from the High Line branch. Of the 50 interlockings between Boston and Washington to be "reconfigured" as part of the \$2.5-billion NECIP, only eight have been completed, including "Holly" near Claymont, DE. Also under construction is a Centralized Electrification & Traffic Control center in 30th Street Station, a space-age installation which will control all train movements and power distribution on the Corridor mainline between Wilmington and Washington, DC. In spite of the vast array of new signaling and interlocking equipment to be installed in this territory, the familiar position-light signals will remain--as will the present 12,000-volt, 25-Hertz power system which was originally slated for replacement by 25,000-volt, 60-Hertz hardware.



AMTRAK is currently assigning eight 800-series Metroliner cars to Harrisburg-Philadelphia trains 600 and 617, in order to handle the influx of SEPTA commuters using Malvern station. At times these trains have utilized AEM-7 locomotives and eight Heritage coaches, but the unusually-long Metro train appears to be performing well.....AMTRAK staged its "Great American Rail Roadshow" at Washington Union Station on April 23-24, at

which Superliner cars, a reconditioned dome car and other passenger equipment were displayed. In addition, CONRAIL, NORFOLK SOUTHERN, CSX and DELAWARE & HUDSON were represented with various locomotives and freight equipment. Many thousands of people turned out for the free show, in spite of inclement weather.

AMTRAK has issued a statement detailing accomplishments of the seven-year-old Northeast Corridor Improvement Project. While most of the trackwork in the \$2.5-billion program is complete, the emphasis has shifted to reconfiguring of interlockings and signal improvements (see above). Through 1982, 502 track miles of continuous welded rail and 397 miles of concrete ties have been installed along the 456-mile length of the Corridor. On December 6, 1982 the one millionth concrete tie was installed during a ceremony at Perryville, MD. The results include routine speeds of up to 110 mph between New York and Washington and 100 mph between New York and Boston, and the Federal Railroad Administration has just approved Amtrak's plan to raise maximum speeds to 120 mph south of New York. This will allow the Express Metroliners to reduce their New York-Washington running times from two hours and 49 minutes to about 2-1/2 hours. In 1983, the rebuilding of 29 interlockings (out of a total of 122) is programmed, along with catenary system work south of New York and between New York and New Rochelle. Maintenance of way facilities were completed last year at Perryville, MD and Providence, RI and the Adams base near New Brunswick, NJ will be placed in service this year. In 1982 a total of 102 bridges were worked on or completed and 50 more will be repaired in 1983. Station rehabilitation was carried on last year at Baltimore, Wilmington, Trenton and Newark, NJ and work on the New London (CT) station was completed. This year the rebuilt Baltimore and Trenton stations will be unveiled and a new station at New Carrollton, MD opened. Major work will be done this year on stations in Providence, New Haven and Stamford, CT (*Traffic World*).

In a May 5 appearance before the Women's Transportation Seminar in Philadelphia, AMTRAK President W. Graham Claytor, Jr., said that the Philadelphia-Atlantic City line "will be rebuilt." He further stated that Amtrak's Atlantic City service will be profitable if casinos provide the same incentives to train riders as they now do to charter bus passengers. A final plan for the service must be submitted to Amtrak by NJ TRANSIT not later than June 1 and the rebuilding job would take from 2-1/2 to three years to complete, Claytor said. He indicated that the cost would be somewhat more than the currently authorized \$30 million, but because of

## PHILADELPHIA EXPRESS (Continued from Page 5)

Administration opposition to the project it will be several months before Congress decides how much to spend on it. Amtrak, he said, will be able to offer two-hour service from New York to Atlantic City and one-hour and 15 minute service from Philadelphia.

AMTRAK President Claytor last month told reporters that delivery of new and rebuilt passenger equipment resulted in the following improvements in 1982: Almost 90 percent of cars were available for service, up from 81.6 percent in 1979; systemwide on-time performance reached 79.1 percent, up from 57 percent in 1979; air conditioning failures fell to 153, compared with 1,233 in 1979; written customer complaints declined to 12 per 10,000 riders, compared with 25.2 in 1979.....AMTRAK plans to begin an auto-ferry service between Lorton, VA and Sanford, FL by October 1, 1983 and Mr. Claytor expects it to be a profitable venture.....AMTRAK plans to make parking improvements at 30th Street Station (Rail Travel News).....The emergency jobs bill enacted by Congress in March provides \$80 million for AMTRAK capital improvements, most of which is expected to be spent on the Northeast Corridor (NARP News).

The "Real People" television show will travel from Chicago to Boston to Washington on an AMTRAK special May 22-25. The train will consist of an F40 locomotive and five cars, except that an AEM-7 will be used from New Haven to Washington. The train is scheduled to leave New York's Penn Station at 12:45 PM Wednesday, May 25, arriving 30th Street Station, Philadelphia, at 2:19 PM and departing at 3:46 PM, during which time the party will tour the Independence Hall area. Other stops in the Corridor will be at Newark, NJ, Trenton, Wilmington, Baltimore and Washington (Central New York Chapter Green Block).....AMTRAK President Claytor was featured in the May 9 issue of Forbes Magazine, in which he is quoted as saying, "If we can't keep our revenue-to-cost ratio improving, the whole system is in jeopardy."



CONRAIL and the Brotherhood of Locomotive Engineers reached agreement on a new contract last month, averting the possibility of a systemwide strike on April 30.....Despite a 23 percent decline in revenues, CONRAIL has reported net earnings of \$12.6 million in the first three months of 1983, its best first quarter performance ever. With total revenues of \$729.7 million, the 1983 results compare with a loss of \$23.5 million on revenues of \$944.2 million in the year-ago period.....Chase Manhattan Bank of New York has agreed to help a group of rail unions arrange a financing plan to purchase CONRAIL (see April Cinders). The Railway Labor Executives Association said it would make a formal purchase proposal in June.

CONRAIL has received high marks in a report issued last month by the U.S. Railway Association, which monitors Conrail's performance and makes periodic reports to Congress. USRA Chairman Stephen Berger said that "I have great confidence in Conrail's management and am cautiously optimistic about the carrier's prospects." Berger warned, however that "tough problems remain ahead" in Conrail's struggle to become profitable and sell itself to the private sector. The USRA report compared Conrail with major profitable railroads for the past four years, and found that CR's costs were generally higher. USRA pointed out that, even in the face of "great economic adversity, Conrail last year was able to achieve significant operating efficiencies and reductions in expenses and labor costs." On June 1, USRA must submit another report to Congress on whether Conrail can become profitable, the first step in a Congressionally-mandated procedure through which the Federal government is expected to sell the railroad by 1984 (Traffic World).

Charles N. Marshall has been named as CONRAIL's vice president-marketing, replacing Richard H. Steiner who resigned last month. Joseph S. Fadale is now assistant vice president-chief mechanical officer, CONRAIL, replacing Hollis A. Henderson, who retired. Marshall was formerly general counsel-commerce in Conrail's law department and Fadale had been general mechanical superintendent-shops at Altoona.....CONRAIL will shift its Northeastern Region general office from New Haven, CT to Selkirk, NY, near Albany, effective in October.....CONRAIL has obtained a \$100 million unsecured line of credit from Morgan Guaranty Trust Company of New York, and 11 other banks. The railroad said it had no immediate plans to use the loan money but could apply it to equipment purchases. Conrail had previously drawn down \$3.3 billion in Federal loans to rebuild its system but last received Government money in June of 1981.....CONRAIL has removed the westbound track on most of the New York branch between West Trenton and Weston, NJ.....CONRAIL last month retired more than 100 diesel locomotives out of its 3,500-plus fleet. SW8's #8623, 8681 and 8689 were traded to AMTRAK for two E8 passenger locomotives, according to reports.....CONRAIL has received another heavyweight business car from SOUTHERN RAILWAY. New CR #4 which arrived in Reading late last month is believed to be ex-SOU #4.....West Falls yard in Philadelphia has been closed and Abrams yard near Norristown has had its operations cut back. Through freight trains are once again operating to and from South Philadelphia yard, instead of originating and terminating at Abrams. Midvale yard in North Philadelphia has been equipped with a larger radio antenna in order to give instructions to CONRAIL freights operating on AMTRAK's Corridor, a function previously handled by West Falls and before that 44th Street.

CONRAIL is guaranteeing that vessels docking at its newly-renovated Pier 124 coal facility in South Philadelphia will be loaded at an average rate of 15,000 tons per 24-hour period, or Conrail will pay detention fees of \$335 per hour. The move is seen as an effort to attract more export coal through Philadelphia in competition with CSX and NORFOLK SOUTHERN facilities at Baltimore and Hampton Roads.....CONRAIL has agreed to sell its 300-mile Canada Southern line to CANADIAN NATIONAL and CP RAIL. The little-used line extends from Detroit, MI to Niagara Falls, NY, and includes a strategic tunnel under the Detroit River.....The Interstate Commerce Commission issued a decision May 2 deregulating rates on most commodities moving in box-cars. The controversial decision, which is sure to provoke legal challenges, was the result of a petition filed by CONRAIL more than a year ago.

## PHILADELPHIA EXPRESS (Continued from Page 6)

Creditors of the BOSTON & MAINE have approved the reorganization of that railroad, clearing the way for its takeover by Timothy Mellon's Guilford Transportation Industries. If all goes well, Mellon will complete his planned merger of MAINE CENTRAL, B&M and D&H sometime this spring. A few MEC diesels have already been painted in the new Guilford scheme of charcoal gray body, orange stripe, large white "G" and "Maine Central" lettering.....Four ex-CONRAIL U30B diesels arrived at NEW HOPE & IVYLAND's New Hope shop on April 15. The blue GE's are #2875, 2876, 2880 and 2887, with the 2875 now repainted into green with yellow trim and red ends for use on the proposed Shore Fast Line operation in South Jersey. SFL is affiliated with NH&I and is expected to haul principally sand and stone.....Ex-Lackawanna 2-6-0 #565 was loaded on a flatbed trailer at New Hope May 7 for the journey to Scranton, PA, where the small locomotive will be placed on display at the former passenger station. The station will be rebuilt into a hotel in conjunction with the expected development of the Steamtown Museum, to be transplanted from Vermont.....Three ex-Red Arrow trolleys are also stored at New Hope, St. Louis cars 19, 20, 22.



Former New York Central and Penn Central President Alfred E. Perlman died in San Francisco April 30 at the age of 80.....CSX has won the 1983 Golden Freight Car award from Modern Railroads Magazine for its Orange Blossom Special piggyback train. The train was started last winter to haul Florida produce to the Northeast, and has established itself as the fastest freight train in the U.S., making the 1,021-mile run from Taft, FL to Wilmington, DE in an average of just over 21 hours.....Robert W. Blanchette has resigned as Federal Railroad Administrator, not long after his former boss, DOT Secretary Drew Lewis, also left the government.....Stockholders of the WESTERN MARYLAND last month approved the merger of WM into the CHESAPEAKE & OHIO. Effective May 1 the BALTIMORE & OHIO took over all WM operations and the famed "Wild Mary" became another fallen flag. All three carriers are part of the CHESSIE SYSTEM, which in turn is controlled by CSX CORP.

President Reagan has signed a proclamation designating the week of May 15 as National Transportation Week.....CANADIAN NATIONAL has passed the word that it wants to sell its subsidiary CENTRAL VERMONT RAILWAY, most likely because of the new competition created by Guilford System.....U.S. Steel is working on a much-publicized deal to import unfinished steel from Scotland for finishing at its Fairless Works in Bucks County, a move which would result in shutdown of all steelmaking at Fairless and loss of several thousand jobs.....The City of Camden expects to receive \$14 million in state and Federal funds to build a transportation center near the existing PATCO Broadway station.

Buckingham Valley Trolley Association is studying the possibility of offering daily service on the Penn's Landing Trolley line during the first week in July, a period of peak tourism. The line will operate Thursdays through Sundays in June, July and August, and weekends only in May and September through November.....BVRTA has acquired air PCC #2647 from SEPTA for scrap price. Work continues on the rehabilitation of ex-PTC double-end car #5205, which will be operated on the Penn's Landing line along Philadelphia's waterfront.....WILMINGTON & WESTERN has acquired five ex-Pennsy MP54 MU cars, to be demotorized for service on W&W's tourist trains. They are red #415; red, white and blue 442 and 450 from SEPTA; blue 300 and 301 from WASHINGTON TERMINAL.

## NRHS MEMBERS AUTHOR BOOK ON HARRISBURG AREA TROLLEYS

Valley Railways, the story of trolley operations on the west shore of the Susquehanna River near Harrisburg, PA, is now available.

Written by Harrisburg Chapter Members C. L. Siebert, Jr. and Richard H. Steinmetz, the 96-page book contains a complete history of Valley Railways and its predecessor companies from 1894 to 1938. The product of more than 20 years of research, the book is 8-1/2 x 11 inches in size and contains maps, schedules and 149 photographs. Included is a chapter on the closely associated, electrified Dillsburg branch of the Pennsylvania Railroad.

Valley Railways may be obtained for \$9.95 postpaid (Pennsylvania residents add 60 cents sales tax) from:

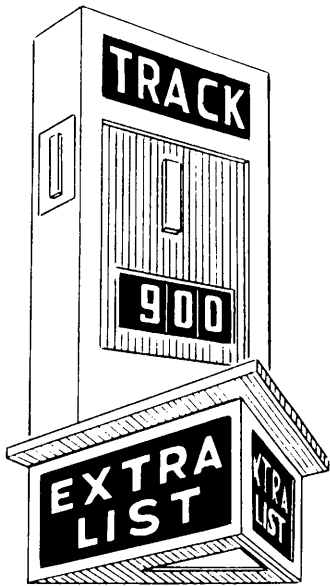
C. L. Siebert, Jr.  
2420 Yale Avenue  
Camp Hill, PA 17011

## NRHS MEMBERSHIP CARDS MAILED TO MEMBERS

Philadelphia Chapter members should now have their 1983 NRHS membership cards, after a task force of national officers last month processed a large backlog of dues reports.

While not all chapters were included in this effort, we have received word from National President V. Allan Vaughn that the mailing of cards to Philadelphia Chapter members was completed at that time.

If you have paid your current dues but have not received your current membership card, please notify President Eastwood immediately.



MAY 15, 1983: Special Amtrak train from Lancaster and Harrisburg, PA to Harpers Ferry, WV and return, via Amtrak, Conrail and Chessie System, sponsored by Lancaster Chapter, NRHS. Train leaves Lancaster 6:30 AM and Harrisburg 7:08 AM, arriving Harpers Ferry 1:45 PM. Return is scheduled for 10:18 PM at Harrisburg, 11:15 PM at Lancaster. Route will include Conrail Port Road branch and Chessie Old Main Line. Fare: \$46 per person. Order tickets from: Lancaster Chapter, NRHS, 342 West Fritz Avenue, Quarryville, PA 17566, enclosing stamped, self-addressed envelope.

MAY 17: Tour of Reading Terminal, Philadelphia, sponsored by the Foundation for Architecture and conducted by Gerald Cope of Cope Linder Associates, architects. Tour begins 12 Noon. Fee: \$3 per person. For information, contact: Philadelphia Chapter, American Institute of Architects, 117 South 17th Street, Philadelphia, PA 19103 (telephone 215-569-3186).

MAY 20: Illustrated lecture on the Tom Thumb, Baltimore & Ohio's first locomotive, by John P. Hankey, former historian of the B&O Railroad Museum in Jacob and Anita France Auditorium of the Maryland Historical Society, Baltimore. Program begins at 6:30 PM. A cash bar will be available before the lecture, which is free and open to the public.

MAY 20-22: Cass Scenic Railroad Railfan Weekend Spectacular at Cass, WV, featuring special runs behind Shay geared locomotives on Bald Knob. All tickets: \$35 per person (children under 5 free). For tickets and information write: Cass Scenic Railroad, Railfan Weekend 1983, P. O. Box 75, Cass, WV 24927, enclosing stamped, self-addressed envelope (telephone 304-456-4300).

MAY 21-22: "Pennsylvania Railroad Locomotive Spectacular" at Strasburg Rail Road and Railroad Museum of Pennsylvania, Strasburg, PA, coordinated by Pennsylvania Railroad Technical & Historical Society. Saturday will be John Bull Day, featuring rededication of PRR John Bull replica and operation of locomotive under steam with 1855 Cumberland Valley combination car. Ceremonies begin 11 AM. Sunday will be "GGI Day," with special ceremony in recognition of GGI locomotives #4800 and 4935 on display at Museum. All-PRR vintage consist of D16 Class 4-4-0 #1223 and wooden passenger cars will operate on Strasburg Rail Road, beginning at 10 AM, followed by special run of John Bull to Leaman Place.

MAY 22: Tour of SEPTA trolley routes 6, 23 and 56 using an all-electric PCC car, sponsored by New York Division of Electric Railroaders' Association. Trip leaves Luzerne depot, 10th & Luzerne Streets, at 11 AM, returning at 5 PM. Fare: \$11 per person. Order tickets from: New York Division, ERA, P. O. Box 3001, Church Street Station, New York, NY 10008, enclosing stamped, self-addressed envelope.

MAY 29-30: West Shore Express excursion from Hoboken, NJ to Selkirk, NY and return via Conrail West Shore freight line, sponsored by Tri-State Chapter, NRHS. Train leaves Hoboken Terminal 8:30 AM each day, returning about 6:30 PM. NJ Transit F40 locomotives and commuter cars will be used. Fare: \$39 per person. Order tickets from: Tri-State Railway Historical Society, P. O. Box 2243, Clifton, NJ 07015, enclosing stamped, self-addressed envelope.

JUNE 5: Tour of SEPTA's Norristown high-speed line using car #201, last of the maroon-painted Bullets, sponsored by Branford Electric Railway. Fare: \$12 adults, \$6 children, \$1 extra on day of trip, \$1 discount for Branford members. Order tickets from: BERA-Red Arrow Fund, P. O. Box 2264, Short Beach, CT 06405.

JUNE 6: Ringling Brothers' "Red Unit" circus train arrives Conrail's South Philadelphia yard from New York. Probable arrival time: early afternoon. The 39-car train will remain in Philadelphia during performance of "The Greatest Show on Earth" at the Spectrum from June 7 through June 19, departing early the morning of June 20 for Oklahoma City.

JUNE 10: "Visit to the Commuter Tunnel," a one-day course offered by the Wharton School of the University of Pennsylvania, led by John Barringer, Philadelphia Railway Consultants; David Beck, architect, David Beck Associates; and Betty Casans, urban archaeologist, John Milner Associates. Lasting from 10 AM to 3 PM, the program includes a walking tour of the construction site and control center, a slide presentation, and lecture on the City's past as derived from more than 60,000 artifacts unearthed during the course of constructing the \$325-million tunnel. Fee: \$35, lunch not included. Registration may be made through the University of Pennsylvania, College of General Studies, Special Programs, 112 Logan Hall/CN, Philadelphia, PA 19104 (telephone 215-898-6479 during school hours), with checks payable to "University of Pennsylvania." Make reference to Course #501.

JUNE 10-26: "Scandinavian Rails 1983" tour of railways in Denmark, Norway, Sweden and Finland, sponsored by Overland Chapter, NRHS. Total cost of \$2,695 per person (double occupancy) includes air transportation New York to Copenhagen, Oslo to New York, first class Eurailpass, all hotels, most meals, sightseeing, steamship fare and transfers. Deposit of \$400 will hold reservations until April 15 when balance is due. For reservations and information write: Richard M. Billings, President, Overland Chapter, NRHS, 1214 12th Street, Moline, IL 61265 (telephone 309-764-1834).

JUNE 18-19: Edaville Railroad Railfan Weekend and Collectors' Flea Market at Edaville Railroad, South Carver, MA. Special freight, passenger and mixed train runs on two-foot gauge Edaville Railroad. Two-day tickets good on all trains: \$14 adults, \$6 children. For information, write: Edaville Railroad, Route 58, South Carver, MA 02366 (telephone 617-866-4526).



## EXTRA LIST (Continued from Page 8)

JUNE 25-26, JULY 2: Skyline Limited via Southern Railway from Alexandria to Front Royal, VA and return, using 4-6-2 #750 and/or green-and-gold FP7 diesels. Fare: \$30 adults, \$27 children, reserved air-conditioned or open-window coaches \$2 extra, \$75 first-class fare on Washington Chapter's car Dover Harbor (July 2 only). Sponsored by Washington area NRHS chapters and Chesapeake Division, RRE. Order tickets from: Steam Train, P. O. Box 762, Gaithersburg, MD 20877, enclosing stamped, self-addressed envelope.

JULY 1: Electric Railroaders' Association will sponsor European tour to Belgium and Netherlands, with flexible return date. Highlights of the trip include visits to Amsterdam, The Hague, Brussels, Charleroi, Oostende and more. Complete flyer giving full details is available from: William J. Madden, ERA, 28-53 Utopia Parkway, Flushing, NY 11358. Please include #10 stamped, self-addressed envelope with your request.

JULY 3, 9-10: Piedmont Limited via Southern Railway from Alexandria to Charlottesville, VA and return, using Norfolk & Western J-class 4-8-4 #611. Fare: \$30 adults, \$27 children, reserved air-conditioned or open-window coaches \$2 extra, \$75 first-class on Dover Harbor (July 3 and 9 only). Sponsored by Washington area NRHS chapters and RRE. Order tickets from: Steam Train, P. O. Box 762, Gaithersburg, MD 20877, enclosing stamped, self-addressed envelope.

JULY 16: Valley Limited on Southern-Norfolk & Western from Alexandria, VA to Hagerstown, MD and return via Riverton Junction, VA and Shenandoah Valley line, using Southern FP7 diesels. Fare: \$34 adults, \$32 children, \$85 first class. Order tickets from: Steam Train, P. O. Box 762, Gaithersburg, MD 20877, enclosing stamped, self-addressed envelope.

JULY 17: Ferry move from Alexandria to Richmond, VA using N&W #611 enroute to NRHS Convention. Information from: Old Dominion Chapter, NRHS, P. O. Box 8583, Richmond, VA 23226.

JULY 20-24: "Rails to Richmond 1983", NRHS national convention at Richmond, VA, hosted by Old Dominion Chapter. Trips include Norfolk & Western 4-8-4 #611 to Balcony Falls, VA via Chesapeake & Ohio and to Norfolk, VA via N&W, ex-Savannah & Atlanta 4-6-2 #750 to Keysville, VA and Southern FP7 diesels to West Point, VA. CSX Chairmans Hays T. Watkins will be featured speaker at July 23 annual banquet. Convention headquarters will be at Hotel John Marshall in downtown Richmond. Complete information and reservation form will be mailed this spring or write: Old Dominion Chapter, NRHS, P. O. Box 8583, Richmond, VA 23226.

AUGUST 17-20: "Narrow Gauge East," third national Narrow Gauge Convention at Holiday Inn, 260 Goddard Blvd., King of Prussia, PA. Program includes modular layouts, displays, tours, banquet, clinics. Registration: \$40, spouse \$30, children \$25 (before July 1), optional East Broad Top tour \$29 (August 19), banquet \$15. Information from: Narrow Gauge Convention Committee, P. O. Box 96, Audubon, PA 19407.

## CHAPTER OFFICERS ELECTED AT APRIL 15 MEETING

By a unanimous vote of members present at the April 15 Chapter meeting, the following persons were elected as officers of the Philadelphia Chapter for 1983-84:

R. L. Eastwood, Jr., president  
 Frank G. Tatnall, Jr., first vice president  
 Michael L. Burshtin, second vice president  
 Marie K. Eastwood, secretary  
 Earle P. Finkbiner, treasurer  
 James S. Myers, national director

This will mark President Eastwood's 12th consecutive term as head of Philadelphia Chapter, now fourth largest in NRHS.

The meeting was held as usual in the Engineers' Club.

## UPDATE OF CHESSIE FREIGHT SCHEDULES

The following train should be added to the Chessie System freight schedules as published in Cinders for February 1983:

TRAIN	WILMINGTON ( <i>Wilsmere</i> )	BALTIMORE ( <i>Bay View</i> )	POTOMAC YARD
OBSS (a)	Lv 1000	Ps 1130	Ar 1400

(a) - Except Monday

Train OBSS operates from Wilmington, DE to Taft, FL as the counterpart of northbound OBSN, the Orange Blossom Special trailer train which hauls perishable shipments from Florida via CSX lines. OBSN is scheduled to arrive in Wilmington at 0345 daily except Monday, but generally operates six to eight hours earlier. Both trains will be temporarily discontinued in June at the end of the Florida citrus season.

## END IN SIGHT FOR NINE-WEEK STRIKE *(Continued from Page 1)*

The major unions have vowed that no one will return to work until all 1,000 rail workers have contracts. However, the press reported that six members of the Railroad Yardmasters of America returned to their jobs in late April in spite of picket lines maintained by the 11 striking unions. Previously, members of all four settled unions had honored the strikers' picket lines without exception.

\* \* \* \* \*

SEPTA is estimated to be saving about \$500,000 a week by not operating its commuter rail system--most of it in the form of wages not paid--but Spokesman Robert Wooten hastened to point out that "we're certainly not making money. We're just losing it at a slower rate. We still have a deficit." The estimated rail deficit of \$17 million for Fiscal Year 1983 ending June 30, however, will very likely be reduced because of the strike, even though SEPTA must still spend about \$1.25 million a week to maintain the commuter lines and meet fixed costs. In addition to receiving subsidies already committed by Federal, State and local governments, SEPTA has also secured \$39 million in Federal funds to help cover the cost of transferring commuter operations from Conrail to SEPTA on January 1. SEPTA Treasurer George Miller told the *Inquirer* that \$34.5 million of this money has already been paid to Conrail, Amtrak and others for the purchase of inventory supplies, trackage rights and related expenses.

SEPTA officials have denied union charges that the authority is "profiting" from the strike and that the walkout is being prolonged in order to shut down the system permanently and divert its passengers to buses, trolleys and subway-elevated lines. "Nothing could be further from the truth," countered SEPTA Chairman Lewis Gould. "Look at SEPTA's record; all that we have done is to continue the system. If you don't have the commuter rails in SEPTA, there is no reason for the four counties other than Philadelphia to be part of SEPTA." The commuter rail system, he concluded, "is necessary to SEPTA. It is wrong to say that we have no incentive (to operate it). One hundred percent wrong." He did not comment, however, on City Transportation Director David Williamson's recent statement that "there could come a point if (the striking unions) refused to compromise or make adjustments, SEPTA is going to consider other ways to run the system."

Tending to refute the union charges is SEPTA's continuing efforts to maintain and upgrade its rail lines. A great deal of maintenance work on stations, shops and rights-of-way has been performed since the strike started, much of it made easier by the absence of traffic on the 12 commuter rail routes. Some of this work is being performed by SEPTA supervisors and some by outside non-union contractors such as Blue Ribbon Services, which has had its otherwise idle ticket sellers cleaning and painting the interiors of 30 rail stations. In addition, SEPTA has committed \$1 million for repairs to the Crum Creek bridge on the Media-West Chester line, and work continues on the \$325-million center city commuter tunnel which is due to open for service in July 1984.

SEPTA is still operating daily "patrol" trains on all of the commuter lines which it owns. These trains, which consist of four or five Silverliners manned by supervisory personnel, are intended to reduce rust on the rails and allow SEPTA to check on the condition of tracks and facilities.

\* \* \* \* \*

A companion strike against New Jersey Transit's rail system ended on April 4 after service had been shut down for 34 days. Members of the United Transportation Union approved a new contract with NJT. The Metro-North commuter system resumed full operation out of New York's Grand Central station on April 18, ending a 42-day strike. The 622 conductors and trainmen represented by UTU had walked off the job March 7, but returned to work under an agreement calling for binding arbitration of unresolved issues.



TRAINS OF THE NORTHEAST CORRIDOR, by Tom Nelligan and Scott Hartley. Published by Quadrant Press, Inc., 19 West 44th Street, New York, NY 10036, 96 pages soft cover. Price: \$9.95.

"Readable" is one of the first impressions that we have about Trains of the Northeast Corridor. While it is intended mainly to be a picture book, it is nonetheless a fine overall look at the Northeast Corridor: its past, present and future. Starting off, it takes a look at the history of the railroad itself, which actually became known as the Northeast Corridor in 1965. Then comes a tracing of the "ancient history" of the route and how the various pieces of trackage were eventually combined into today's NEC.

Pictures--which are one of the book's strong points--lead us through the next section, a view of many of the beautiful stations along the line. Up next are stories of the New Haven, Pennsy and Amtrak as we follow the ups and downs of the Corridor's operators. Throughout the book the machines that have called the NEC home are shown in clear, sharp pictures which are excellently reproduced. They are all there: GG1's, E60's, AEM-7's, Metroliners, Jersey Arrows, FL9's, K4's, DL109's, United Aircraft Turbos, plus freight tenants Conrail and D&H. The list goes on and on.

Color front and back covers, superb black and white photos inside and a text that won't put you to sleep. What more could you ask for? *(Reviewed by Jim Conroy in Call Board, newsletter of*

# CONRAIL CORPORATE PROFILE



## Conrail Headquarters:

6 Penn Center Plaza, Philadelphia, Pa. 19104  
(215) 977-4000

## Chairman and Chief Executive Officer:

L. Stanley Crane

## President and Chief Operating Officer:

Stuart M. Reed

## Freight Operations

Conrail operates over some 15,000 route miles in 15 states (Connecticut, Delaware, Indiana, Illinois, Kentucky, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Virginia and West Virginia), the District of Columbia and two provinces of Canada (Ontario and Quebec).

Conrail has five operating regions with 17 divisions within those regions. Following is a listing of the regions, including the divisions and headquarters cities:

- **Eastern Region, Philadelphia, PA**—New Jersey Division, Elizabeth, NJ; Philadelphia Division, Philadelphia, PA; Harrisburg Division, Harrisburg, PA.
- **Northeastern Region, New Haven, CT**—New England Division, Springfield, MA; Mohawk-Hudson Division, Utica, NY; Buffalo Division, De Pew, NY.
- **Central Region, Pittsburgh, PA**—Allegheny Division, Altoona, PA; Pittsburgh Division, Pittsburgh, PA; Youngstown Division, Youngstown, OH.
- **Southern Region, Indianapolis, IN**—Columbus Division, Columbus, OH; Southwest Division, Indianapolis, IN.
- **Western Region, Detroit, MI**—Cleveland Division, Cleveland, OH; Toledo Division, Toledo, OH; Chicago Division, Chicago, IL; Canada Division, St. Thomas, Ont.; Detroit Division, Detroit, MI; Michigan Division, Jackson, MI.

## Corporate Status and Future

Consolidated Rail Corporation (Conrail) was created by Congress as a for-profit company to acquire and revitalize most of the railroad freight service of six bankrupt carriers, and began operations on April 1, 1976. By early spring, 1983, Conrail had:

- met one of its two major goals—to provide rail freight customers in its 15-state Northeast and Midwest system with reliable service as good as that of any other railroad in the nation,
- made significant progress toward the second goal—financial self-sufficiency and entry into the private sector (the U.S. Department of Transportation currently holds most of Conrail's outstanding common stock).

In progressing toward that second goal, in 1983 Conrail faces two profitability tests as mandated by the Northeast Rail Service Act of 1981 (NERSA). In June 1983, the United States Railway Association (USRA) Board of Directors must determine if Conrail can become profitable, in November 1983, the USRA Board must determine if Conrail actually was profitable between June and October. (Conrail management has expressed confidence that with even a minimal national economic recovery, the railroad will be able to pass the profitability tests in 1983.) The next step in the Federally designed process is Conrail's transfer to the private sector, in a yet-to-be-determined manner by the U.S. Department of Transportation (DOT). Goldman Sachs, an investment banking firm, has been engaged by the DOT to assist in this process.

## Financial Results

In its first five years of operation, Conrail focused on the enormous task of restoring excellent rail freight service mainly through a massive rehabilitation and upgrading of the deteriorated physical system it inherited. Nearly \$3.3 billion was invested by the Federal government in Conrail through June, 1981. However, since then, Conrail has not required Federal funding for operations or rehabilitation, and does not anticipate the need for such funds in the future.

During 1982, Conrail and its subsidiaries obtained private sector financing of \$45 million for equipment and plant improvements, bringing the cumulative private sector financing to \$1.04 billion from April 1, 1976, through the end of 1982.

From 1976-1980, Conrail reported some \$1.5 billion in losses—including a \$243.7 million loss in 1980—while it completed the accelerated upgrading of the deteriorated rail properties inherited from its bankrupt predecessors.

For 1981, Conrail reported its first net income—\$39.2 million—on a basis using depreciation accounting for track structure. The income was the result of major initiatives in three areas: significant employee wage increase concessions, major operating cost reductions, and innovative and aggressive marketing and sales programs.

By continuing initiatives begun in 1981 and by utilizing provisions of NERSA, Conrail in 1982 overcame a 20.5 percent decline in carloadings of freight traffic handled to report a net income of \$174.2 million. This net income included \$91 million resulting from the sales of tax benefits under Federal safe harbor leasing regulations, and \$44.1 million from settlements of accounts with various passenger agencies for which Conrail had operated rail services through December 31, 1982.

## Cost Reduction Programs

Conrail was able to make substantial cost reductions in 1981-1982 in several specific areas, the first and foremost being through employee wage increase concessions in May, 1981. This action helped spur Congress to enact NERSA in August, 1981, which allowed Conrail to make necessary workforce reductions, substituting one-time severance payments funded by the Federal government for long-term wage or job guarantees for several categories of unneeded employees, launch a substantial program to eliminate several thousand miles of excess rail lines, and transfer commuter service obligations to designated regional and local agencies in the Northeast.

The agreement by Conrail's union workforce on wage increase concessions, which Conrail estimates will total approximately \$300 million dollars between 1981 and 1984, was implemented by deferring the first 12 percent in wage increases negotiated nationally in the new three-year contract between management and rail labor. Conrail's non-union employees have made proportionate wage sacrifices.

As part of its overall reduction of excess plant, in 1982 Conrail completed the first phase of a branchline rationalization program authorized under NERSA: the company eliminated approximately 2,600 route miles of line. While the program reduced Conrail's route system by about 15 percent, actual revenue losses were less than one percent. The process led to the creation of nine new shortline railroads, which took over operations of about 139 miles of the affected lines; in addition, four existing shortline railroads assumed service on another 218 miles of line. The second phase of the NERSA expedited branchline abandonment program began for Conrail in the fall of 1982 with the filing of "Notices of Insufficient Revenue" on 39 line segments, covering 152.6 miles of line, through December, 1982. This phase of the expedited branchline abandonment program is in effect until November 1, 1983.

On January 1, 1983, as mandated by NERSA, Conrail transferred its commuter rail service operating obligations to local authorities in the New York, northern New Jersey, Connecticut, Maryland

## Conrail at a Glance (March, 1983)

(Unless otherwise noted, all statistics are as of March, 1983.)

- **Employees:** 40,000 (approximately)
- Conrail has additional employment during its maintenance of way capital program (physical plant structure upgrading) season, which starts in the spring and ends in the late fall. During the 1983 capital program season, Conrail estimates adding a maximum of 2,500 employees.

**Locomotives:** 3,472

**Freight Cars:** 104,643

**Caboose:** 2,000

**Through Freight Trains:** 566

**Local Freight Trains:** 242

**Piggyback Terminals:**

Physical - 29

Satellite - 6

Total - 36

**Piggyback (TrailVan) Trains:** (daily average)

30 plus 4 mail trains

**Flexi-Flo Terminals:** 15

**Major Classification Yards:** 11

Conway (Pittsburgh), Enola (Harrisburg), Selkirk (Albany), Buckeye (Columbus), Elkhart, IN, Frontier (Buffalo), Big Four (Indianapolis), DeWitt (Syracuse), Allentown, PA, Stanley (Toledo), and Oak Island (Newark, NJ)

**Major Locomotive Repair Shop:**

Juniata (Altoona, PA)

**Major Freight Car Repair Shop:**

Samuel Rea (Holidaysburg, PA)

**1982 Freight Car Heavy Revenue Repairs:** 2,648

**1982 Locomotive Overhauls, Rebuilds and Conversions:** 381

(Overhauls - 289, Heavy Repairs - 92)

**Maintenance of Way, Roadway Rehabilitation (1982):**

Cross-ties installed - 1.6 million

Rail installed - 440 miles

Trackbed surfacing - 8,200 pass miles

**Net Ton-Miles (1982):**

69 billion (excludes non-revenue)

**Tons Handled (1982):**

177 million (estimate)

**Tons Handled—Key Commodities (1982):**

	(tons in millions)
Coal, Coke & Ore	73.1
Farm and Food Products	22.0
Iron and Steel	
(includes scrap metal)	16.6
Chemicals and Allied Products	14.4
Automotive	6.2

## Regulatory Reform

Another major force in Conrail's financial turnaround—in addition to NERSA—has been the marketing actions Conrail has taken as a result of the Staggers Rail Act of 1980.

The Act, which Conrail championed as a major step in regulatory reform for the railroad industry, permits railroads to shape prices and service to the transportation marketplace much more rapidly and with greater flexibility than in the past.

In 1982 for example, Conrail negotiated more than 180 transportation contracts, guaranteeing the railroad annual revenue estimated at \$300 million while assuring customers of stable freight car supplies and transportation prices as well as service guarantees in many instances.

Conrail also reduced prices on the rail transportation of commodities such as coal, steel, and fluxing stone while offering a wide variety of customized service packages.

In 1981, Conrail began revising and restructuring complex and unwieldy tariffs. The first such revision (grain) converted more than 4,000 pages of tariffs, supplements, routing guides and other indexes into a slim, 70-page tariff.

Conrail also has continued its aggressive, profit-oriented approach to marketing by requesting the Interstate Commerce Commission (ICC) to deregulate

PHILADELPHIA CHAPTER, NRHS, Inc.  
Post Office Box 7302, Philadelphia, PA 19101-7302

CHAPTER OFFICERS:

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Treasurer.....Earle P. Finkbiner  
National Director.....James S. Myers  
Membership Chairman.....Samuel L. James

Meetings: 7:30 PM, third Friday of each month (except second Friday in December), at Engineers' Club, 1317 Spruce Street, Philadelphia, PA. Dinner at Club 6 PM. No meetings in July or August.

Annual membership dues: \$18.00 per person, which includes Chapter and National dues. Chapter only dues \$9.00 per person per year. Dues payments should be sent to: Earle P. Finkbiner, Treasurer, 1401 Riverton Road, Cinnaminson, NJ 08077.

Address changes should be sent to the President at: P. O. Box 41, Huntingdon Valley, PA 19006-0041.

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EXCHANGE COPIES SHOULD BE SENT TO: Wm. P. MacIver, Jr., Exchange Editor, 150 N. Bethlehem Pike, Apartment D-11, Ambler, PA 19002.

## Our Meeting:

Our meeting on Friday evening, May 20, 1983 will feature a talk and display on the historical value of collecting rail transportation timetables.

Chapter Members Robert E. Russell, who also serves as President of the 600-member-plus National Association of Timetable Collectors, and Thomas E. Coval, NAOTC Membership Director, will present the program. Both are highly qualified in this fascinating aspect of the hobby. It is expected that many different and rare timetables will be displayed to our members.

All members and guests are encouraged to have dinner in the Engineers' Club dining room, beginning at 6 PM. **ADVANCE RESERVATIONS ARE NECESSARY**, and should be made to Vice President Tatnall **ON OR BEFORE WEDNESDAY, MAY 18, 1983 at 215-828-0706**. The cost of dinner is \$8 per person.

The program portion of our meeting begins at 7:30 PM in the Conference Room on the third floor, and the officers' meeting will be held at 7:00 PM in the first floor lounge. We meet at the Engineers' Club, 1317 Spruce Street, downtown Philadelphia.

We urge you to come out, bring a friend, enjoy a leisurely dinner, and learn all you didn't know about the collection of rail timetables — Friday, May 20!

PHILADELPHIA CHAPTER  
NATIONAL RAILWAY HISTORICAL SOCIETY  
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