

The President's Page

HE most important ingredient that makes one company different from all others is people. A competitor can have equal facilities, can have access to the same markets, can purchase the same tools and supplies, or can use the same business methods. By making the effort he can duplicate any of these things.

But the one thing that cannot be duplicated is people and their attitudes toward their jobs.

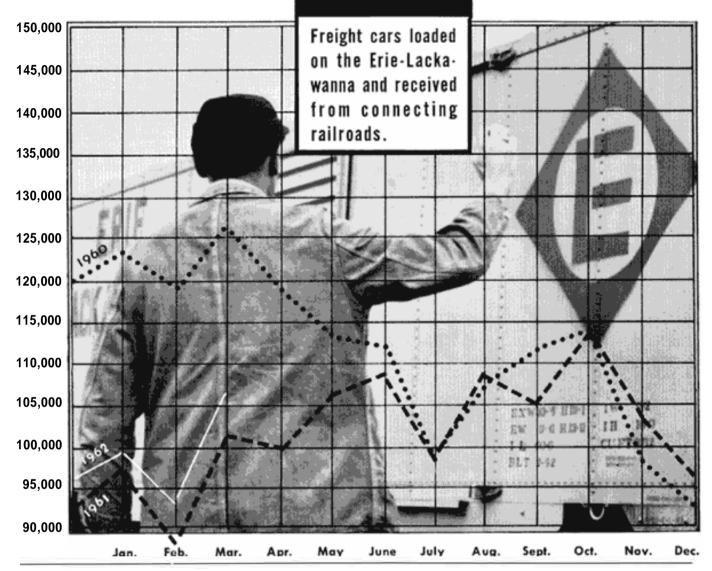
A company of any size needs people who have a variety of skills and knowledge--people who know how to get things done. Above all, the future of any organization depends on people who know how to work together as an effective team.

The recent orbital space flight was one of the most outstanding examples of team-work we have ever seen. At that time, Astronaut Alan B. Shepard, Jr. was asked: "Where do you fellows get your luck?" His reply has a lesson in it for all of us. He said, "We make our own luck, by careful attention to details and duty."

This point of view contributed greatly to the success of the flight and did much to bolster the nation's morale. It can do the same in building a brighter future for our railroad.

Mym Lunes

BUSINESS INDICATOR



ITH a salute usually reserved for ocean liners on their maiden voyages, or for returning heroes, ten brand-new, brilliant-red New York City subway cars rode around New York's Battery last month on Erie-Lackawanna Car Float 6051. The cars were the first of 236 which the Transit Authority will put into operation this year.

Shipped from St. Louis, where they were built, the cars were

ERIE-LACKAWANNA RAILROAD MAGAZINE

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April, 1962

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George C. Frank . . . Asst. to President Bruce A. Wilson . . . Associate Editor John F. Long . . Photographer-Reporter

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ON OUR COVER

received by E-L at Buffalo, and apart from the spectacular water parade in New York Harbor, there were other interesting facets to the novel movement.

During the rail journey east, the cars rode on their own trucks, but, because of the difference in car height, we had to use "transition couplers" to make the higher-above-track railroad couplers fit the lower transit car couplers. Also, the cars had to be placed at the rear of the train, so that their draft gear and couplers would not be subjected to the strain of pulling a string of heavily-laden freight cars. There were, of course, strictly-adhered to speed restrictions.

Needless to say, there wasn't a hitch. Even the weather man cooperated in New York with a brilliant, blue, spring day.

It was a rare moment of glory for our venerable car float. She performed proudly with the spume of the fireboats waving their watery welcome, and the traditional three-toot salutes greeting her along the way.

April, 1962

"Ideas must work through the brains and arms of good and brave men, or they are no better than dreams." TELL-A-GRAM
Things to Talk About...

"And ye shall know the truth, and the truth shall make you iree."

John/VIII/32

BOOTLEG TRUCKING received a setback when a Federal Court in Louisiana ruled that three wholesale food and beverage companies were unlawfully hauling sugar in company-owned trucks to avoid deadhead trips. Enroute to northern states, the trucks transported sugar on which the ownership was transferred by a broker at the beginning and end of each trip. The Court ruled buying and selling sugar was not the primary business of the food and beverage firms, and moving sugar for someone else constituted "for hire" carriage for which the companies had no authorization.

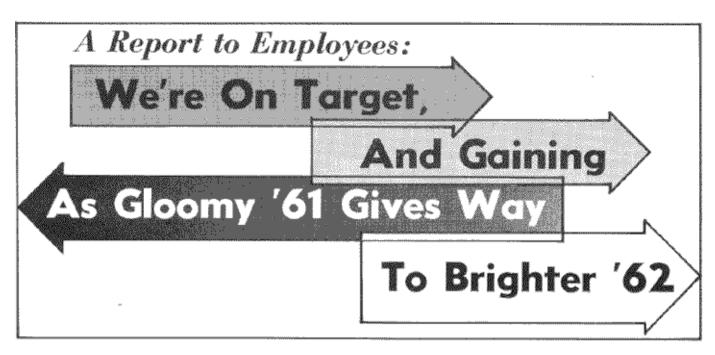
IT'S YOUR MONEY -- Federal, state, and local government expenditures this year to aid and promote competitors of the railroads will average more than \$271 for every family in the nation, according to an A.A.R. analysis. A special study of government budgets showed a record total of \$13.8 billion -- up almost \$1 billion from last year -- will be spent to aid highway, waterway, and airway carriers. In contrast, the self-supporting railroads in 1960 spent \$1.4 billion of their own money for construction, maintenance, and tax payments on their rights-of-way.

"NOT IN THE PUBLIC INTEREST" was the report given to Congress regarding S.1197, the Hoffa-trucker bill, by the Interstate Commerce Commission. The bill would require railroads to keep rates higher than competitors' rates and would nullify rate-making relief gained by the railroads under the 1958 Transportation Act.

ONE THING LEADS TO ANOTHER: Government funds are being proposed to promote shipping on the St. Lawrence Seaway, in competition with ports on the East Coast. Seaway Development Corp. officials are planning an advertising campaign and are lobbying for Federal funds to pay for it. Both U.S. and Canadian seaway supporters admit tonnage has not yet come up to earlier expectations. The advertising campaign would be aimed at diverting freight traffic from coastal ports. The Seaway is scheduled to open April 15 (ice permitting); but Erie-Lackawanna and other railroads have been serving commerce and industry all year around, regardless of the weather.

TEAMSTER STRIKES may occur if Illinois and Texas trucking companies do not honor contract provisions requiring payments of \$5 for each highway trailer moved in railroad piggyback service, James R. Hoffa, union president, indicated. The threat is aimed at laws in both states which declared the contract provisions illegal. Court tests are also planned to determine if the laws are constitutional, a union spokesman indicated.

PRESIDENT KENNEDY has endorsed the need for coal pipelines in letters to both branches of Congress. Without regard for the effect on railroad employment, he said the pipelines would stimulate work in coal mining areas and should have the right of eminent domain to condemn private property. Coal, on the other hand, is the largest single commodity carried by Eastern railroads. Companion bills giving the right to take private property for coal pipeline constructions, were introduced by Congressman Harris and Senator Magnuson following the President's letter.



N "The President's Letter," a part of the Annual Report which was mailed to share-owners in March, President Milton G. McInnes summed up the year 1961 as "... one of unparalleled

change and adjustment for the entire railroad industry which had its poorest year financially since 1946. The rate of return on investment for



all railroads was the lowest since 1938. Fortunately, your company was able to weather a very difficult year."

Every railroad in America felt the effects of a generally depressed economy and over-regulation by the government. Unlike the others, however, Erie-Lackawanna was faced with the added task of merging two railroads into one.

Make no mistake about it, 1961 was a difficult year; a bad year.

The twelve months took their toil, but like a champion who may be buffeted and battered and still refuses to be beaten, so our railroad refuses to be beaten. We're fighting back! And this is the spirit that weaves its way between the lines and beyond the gloomy statistics of the report.

President McInnes' letter goes on: "While much remains to be done to bring the railroad back to a

profitable operation, it appears that a definite turning point for the better was reached in the last five months of the year."

Revenues began to show an encouraging upward climb, and average monthly losses had been cut in half by the year's end.

During 1961, management's target had three bulls-eyes: (1) control of costs, (2) increased revenues, and (3) integration of the two merged properties into a single, efficient transportation system. We'll examine these three areas, but first let's take a look at the year in brief.

The past year began with freight traffic at its lowest ebb in many years, and it stayed that "way throughout the first half.



As we mentioned earlier, there was a mild upswing during the last five months, but freight revenues from all sources were off 4.3%.

As the saying goes, things were tough all over. Fewer automobiles were built, fewer household appliances went to market, fewer steel products of all kinds were manufactured; and when you don't need steel there is no reason for hauling iron ore and coal and coke and limestone.

It's a gigantic chain reaction, and Erie-Lackawanna was at its mercy.

In addition, the steel for many products--such as reinforcing bars, nails, and barbed wire--that did get built and moved and sold, came from European mills and reached U. S. plants via the St. Lawrence Seaway.

On top of everything else, there were the stumbling blocks of governmental interference, restrictions, and biased ratemaking inconsistencies. Many of our problems stem directly from the refusal of the ICC to allow railroads to put into effect new principles of ratemaking, as specified in the Transportation Act of 1958.

Of course, the only difference between stumbling blocks and stepping stones is in the way you use them. Our railroads are doing all within their power to use the stumbling blocks to illustrate the desperately urgent need for more favorable treatment at the hands of the controlling agencies.

Your voices raised in support of our common cause have been appreciated in the past, and will do

(Please turn the page)

REPORT TO EMPLOYEES: ON TARGET AND GAINING FOR '62

(Story begins on page 5)

much in the months to come to help secure an equality which will allow us to meet our competition on even terms.

STEPS HE SHOULD TAKE

DETTER

SERVICE

Now, let's take a look at our bulls-eyes and see how they were affected by last year's business.



Primary target throughout 1961 was the conservation of cash to meet payrolls and other current and fixed obligations. Spending of virtually every nature was curtailed, consistent with safe and efficient operation.

Maintenance programs were kept to a minimum, supply inventories were reduced, surplus real estate was disposed of, the sale of scrap was stepped up, and interest payments on the company's contingent debts were not made.

Part of the cash needed to carry the railroad through this most difficult period came in the form of a \$15,000,000 loan. This money was used primarily to finance essential additions and betterments to the property.

In this latter respect, the only projects undertaken were those related to the merger, those that would produce a high rate of return, or those that would give us increased revenues through improved service.

Maintenance of track, roadway, bridges, and other structures, cost the company \$22,249,362 during 1961, a savings of 5.6% under similar costs in 1960.

On the other hand, the cost of maintaining cars and locomotives rose 3.8% in 1961, to a total of \$40,147,226.

Traffic department activities used up \$6,008,401 in 1961, a decrease of 10.1% from 1960; and transportation expenses-this includes all station, yard, and train operating costs--were \$110,688,374, a savings of \$747,653 compared with 1960.

tion allowances added about two million dollars to the cost of running the railroad during the year.



REVENUES

There were no general rate increases in 1961. Instead, the railroads made every effort to formulate rate policies and rate scales which would enable them to compete more favorably for available tonnage. For example, Erie-Lackawanna and other railroads are giving special attention to an incentive pricing program which has the objective of giving shippers lower rates for heavier loadings, and lower

ERIE-LACKAWANNA INCOME DOLLAR



As in recent years, far and away the single greatest cost of operating the railroad was wages for employees. Out of every dollar of income received by the company, employees got 58.1 cents.

rates for goods now being moved by trucks and barges. Also, there is a need to reappraise rate scales for goods being moved at prices below profit levels.

Once again, the brightest light

PAYROLL COSTS PER EMPLOYEE 5 6,632 5 6,632 5 6,632 5 6,632 5 6,632 5 6,632 5 6,632 5 6,633 5 6,633 5 6,633 5 6,633 5 6,633 5 6,633 5 6,633 5 6,633 5 7,151 5

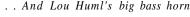
Despite the need for stringent cost control, employee wage increases, insurance, health and welfare benefits, and liberalized vacain a dark year was the increasing "Piggyback" revenue. Begun in 1954, this service has grown to (Please turn to page 14)

Joe Rizzo's banjo . . .

Twenty-two Skiddoo& Oh You Kid!

Shades of Clara Bow and John Held, Jr.! Thirty members of Alpha Epsilon Pi, Kent State University fraternity, grabbed their best girls and tossed one of the swingingest parties we've heard of for a long time. They chartered two vintage E-L coaches and enjoyed their Roaring Twenties soiree while the cars traveled from Kent to Youngstown and back. Wearing costumes of the period, the gals and guys took over the Youngstown depot and turned it into their own Honky-Tonk dancehall.

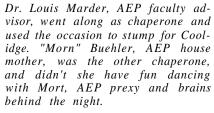
. . . And Lou Huml's big bass horn













Keystone Cop Neil and Flapper Sue were Roaring Twenties regulars.









Carol would have been a pretty captive if they'd "'raided the joint!'"

E-L patrolmen Stephen Tarajcak and Vernon Packett agreed: "We sure like those stylesl"



DON HULL, Youngstown, O., took the top trophy in the Singles event by blasting a neat and nifty 702 series. This "local boy" was at home on those lanes in more ways than one!



AL OSWALD and MATTY HADAWON-ETZ, both of Bloomfield, N. J., scattered maple to the tune of 1,294 pins to cop the Doubles award.



THE FLINTSTONES were regular cave-men, scattering 3,066 pins to win highest Team honors. The boys who did it are: (LtoR) CHARLES GRUBER, Capt., Marion; PAUL RICE, Meadville; GERALD MAYNARD and FRANK MINER of Marion, and WORLEY SPAIN, Youngstown. Not shown on this page is ACHILLE POUX, Meadville, who showed up long enough to cop All Events honors, but left before we got his picture.



KEITH BENSON, Chicago, got polished off twice: once in a tight game, and later by BILL EBERT, Hammond, SHARON BERGERON, and her dad, LEN, Chicago.

17th ANNUAL ERIELACKAWANNA BOWLING TOURNAMENT

Three hundred forty-eight E-L head (pin) hunters invaded the Holiday Bowl Lanes in Youngstown, O., on Saturday and Sunday, April 7 and 8, to participate in the 17th annual system kegling conclave.

The maples took a terrific pounding.

So did some of the bowlers!

Our photographer was there, too; but he wasn't aiming at headpins. He "shot" the men from east and west, who came to see which ones were best.



Some Buffalo bowlers present were: (L to R) WALLY PETERS, PETE CLAYBACK, CLARENCE SCHUELER, and GORDON McKENNA. Their pretty scorekeeper was MRS. ELAINE ELLWAY.



TRANSPORTATION from train to lane was by chartered bus. We caught this bevy of bowlers before they got inside to begin their pin-blasting.

DO WE REALLY NEED A NEW CANAL?



Its locks forever closed and rotting; its torpid waters undisturbed and useless, the Ohio Canal is a mute symbol of a mode of transportation that once was vital to our nation.

Vital, because the canals existed where there were no rails or roads;

Vital, because in the beginning they were the products of free enterprise-not the wards of overburdened taxpayers;
Vital, because there simply was no better way to do the job.

We've come a long way from the mule on the towpath.

O one today can deny the fact that canals played an important part in the early development of our country. At one time about 100 of these artificial waterways cut across our land; four of them were between Lake Erie and the Ohio River.

The Erie Canal--the most famous of them all-became the main stem of New York State's present-day Barge Canal, and today citizens of that state support its annual losses with their tax dollars. As a matter of fact, the burden is so great that New York State would like to see Uncle Sam take over the operation and maintenance of the Barge Canal. That would mean that all of us would be contributing our tax dollars to help support a red-ink operation.

Nevertheless, these man-made rivers did batter at our economic barriers, and the songs and legends of their lusty lives enriched our cultural heritage. In their day they were dynamic and daring and vital.

So, too, in their day, were Hannibal's elephants; and so, later, was America's first locomotive, the *Stourbridge Lion*. But the valiant little *Lion* couldn't budge one of our modern boxcars, and no one today would dream of crossing the Alps on an elephant.

This is 1962. We've come a long way from Hannibal's elephants, and from the Erie Canal, and from the doughty little *Lion*. A few short weeks ago, a man flew from Los Angeles to New York City in 2 hours one and one-half minutes. Shortly before that, another American broke the grip of gravity and seared

an orbital trail around our Earth.

This is 1962, and America's railroads--still the first line of transportation; in spite of economic and regulatory harassment--are experimenting with exciting new forms of motive power and new ways to do even better the job they already do better than any other form of transportation.

In view of all this, it is utterly incredible that a group of self-seeking politicians, businessmen, and federal freeloaders are trying desperately to shove us 150 years back into transportation history, and 2.75 Billion dollars deeper into debt.

They are trying to sell us a canal, of all things! A canal that would run for 105 miles from Beaver, Pa., on the Ohio River, to Lake Erie, near Ashtabula, O.

They are trying to sell us a canal which is supposed to be dug through some of the most incredibly unlikely and impossible terrain you could find for such a purpose; a canal which will be unusable for more than a third of the year; a canal which, when it is in use, will benefit no more than a mere handful of industries in the Youngstown-Warren,O.-Pittsburgh, Pa., area; a canal which if it ever gets built, is going to disrupt the lives of countless thousands of citizens. Not only those citizens who will live along its sludgey banks, but in one way or another, every one of us from Augusta, Maine to Zamora, California. Let's look at some facts.

The Army Corps of Engineers plans for the canal (Please turn the page)

April, 1962

DO WE REALLY NEED A NEW CANAL?

(Story begins on page 9)

to follow the Beaver River north to the Mahoning River through Youngstown and Warren, O., then into Grand River Valley in northeastern Ohio, and on into Lake Erie. One hundred five miles long, the canal would have a bottom width of 226 feet (too narrow to be of any future use as a part of the St. Lawrence Seaway), except for the snaky ten-mile stretch through Youngstown, where a maximum width of 200 feet is indicated.

How much is all of this going to cost? Hold on to your chair, friend Two and Three Quarter Billion Dollars!

Construction costs alone would total \$1.13 Billion. Amortization of the canal's cost over a 50-year period will add \$55 Million a year, giving us a total figure, Mr. Taxpayer, of \$2.75 Billion. That's quite a sizable debt for you and your heirs and assigns to assume.

Do you have any idea at all how much \$2.75 Billion is? Well, with that kind of money we could, for example, build 1,130 completely-equipped high schools, *plus* 55 new schools every year for the next fifty years!

You could buy the entire city of Pittsburgh at its present assessed valuation and still have more than a Billion dollars left over!

You could buy five cities like Youngstown, whose total assessed valuation is less than \$450 Million!

Certainly there is a more useful way to spend this amount of money--if it needs to be spent at all.

On a per-mile basis, this "Dizzy Ditch" would cost an unbelieveable average of \$11 Million per mile, including the 10-mile stretch through Youngstown, which would cost \$23 Million for each mile!

By way of comparison, the most expensive railroad trackage the world has ever known cost a mere \$3,800,000 per mile.

"Well," you say, "if we taxpayers are going to lay out all this cool cash, somebody is surely going to get some good out of it." And you are so right. But the "somebody" won't be you. It will be the canal boat and barge operators, who are going to run their behemoths

up and down the ditch absolutely free of charge; and it will be the small group of industries who will get their raw materials and their products hauled at your expense.

That's why they call it "cheap" transportation-cheap for them, but John Q. Taxpayer pays through the pose!

As for you. Well, you will have the dubious pleasure of spending the furlough time you will get as a result of the rails' lost business, sitting on the banks, watching the barges sweep by with the iron ore and limestone and steel and coal and coke which you used to haul in your gonds and flats and hoppers and boxcars.

If you live in the Grand River Valley, you will be able to see your town (there are nine of them) flooded by the thirty-mile impoundment of water which will be created by a dam there. You will watch your homes and farms and cemeteries vanish with the inundation.

There may be some sadistic pleasure in the knowledge that the flood may not last too long, however, because a consulting engineering firm has claimed that the valley is so porous it won't even hold water. Won't that be fun! to watch their million-dollar dam sitting high and dry while the lake behind it disappears underground?

The communities all along the canal are going to be hard pressed to support their schools and hospitals and governments without the heavy taxes now being paid by the seven modern railroads which serve the area.

Will the canal create new jobs for you displaced railroaders? No. Some 5,300 construction workers will have temporary work while the canal is being built, and there will likely be some permanent jobs around the locks, but the vast majority of those who will bear the cost will never realize a single tangible benefit.

If the canal gets built--and every one of us should do all in his power to see that it does not! then we are going to learn the hard way about the high cost of "cheap" transportation.



IN RETIREMENT

ROXIE PAULING doesn't look like a man with problems, but keeping track of his large and handsome family must give him pause from time to time.

The entire clan gathered to help celebrate Roxie's birthday recently: five daughters, four sonsin-law, four granddaughters, four grandsons, and one great granddaughter--four generations, all hale and hearty.

The picture was made at the family home in Toledo, O., but Mr. and Mrs. Pauling have been spending their winters in Florida.

Before his retirement, Roxie was Division Storekeeper at Marion, O.

Each monorail train is made up of 4 cars like this one being moved from lighter to flat car in E-L Hoboken yards. Cars average 13 tons each.



Moving across U.S.A. on E-L flats, the unique shipment paused at Marion, O., long enough for us to get this shot of Robert Paterson, car inspector, showing relative size of cars.



First monorail train was greeted in Seattle by J. D. Given, Asst. District Sales Mgr., & R. C. Franklin, Sales Representative.

The Monorail Train Is at the Fair And E-L Helped To Get it There

ERALDED as the municipal "Transportation of tomorrow," two gleaming monorail trains are operating in Seattle today, and Erie-Lackawanna helped to get them there.

The eight sections which make up the two four-car trains, arrived at Port Newark, N. J. from Germany, were loaded on E-L lighters there, and were moved to our Hoboken yards. At Hoboken, the cars were secured aboard E-L flat cars for the safe, swift trip to Seattle, and their role as an exciting part of "Century 21," the Seattle World's Fair.

Ten thousand persons an hour--450 each 95-second trip--will enjoy the thrill of speeding from the heart of the city to the fair grounds, a distance of a little more than a mile.

Traveling on slender, concrete "rails," the novel train will rush

silently along on rubber pneumatic tires--just like the ones on your automobile. Solid rubber wheels are designed to take over in case of a "flat."

Electrically driven, the trains get their power from a 600-volt rail running along the side of the concrete beamway.

The cars straddle the running beam through an inverted "U"-shaped cutout. Each set of "trucks" is made up of two drive wheels running along the top surface of the beam, and four horizontal guide wheels--two on each side, one above the other--to guide the train along its path.

The Monorail system has been tested in Germany, and has been installed as an amusement ride at Disneyland, California; but the Seattle venture is the first full-scale test of the trains in actual municipal service.



Here's the first train in service 21 feet above Seattle's streets. By the time you read this, second unit will have been tested and put into service. Train of 4 cars carries 450 passengers each trip.

April, 1962

L. B. Coleman Is New Chief Of New Haven



Lynn B. Coleman

Trustees of the New Haven Railroad have announced the appointment of Lynn B. Coleman as Chief Administrative Officer of that road.

A 27-year veteran in railroad management, Mr. Coleman had been assistant vice-president--operations of the Erie-Lackawanna Railroad since its merger with the Delaware, Lackawanna and Western system.

Mr. Coleman assumed his new duties on April 18, and is now responsible for the direct supervision of the New Haven's passenger and freight operations and traffic departments.

"His familiarity with the New Haven and eastern railroads, plus his wide experience in all phases of railroading, will be of great value in the day to day running of the New Haven. He will thus relieve the trustees of many administrative duties and allow us to devote more time to the problem of developing the basis for a plan of reorganization," the trustees said.

Erie-Lackawanna is one of the direct freight connections of the New Haven Railroad, and so Mr. Coleman is not saying "goodbye" to his E-L friends; only "so long."

Keep FREEDOM In Your FUTURE



HE United States Treasury
Department is conducting
the first large-scale Bond
drive since World War II, and ErieLackawanna is going to participate
wholeheartedly during the period
May 1 to May 15, 1962.

The pace of the Cold War has quickened. Freedom is in danger around the world. Our leaders caution us not to seek miracles or easy formulas to solve our problems. They warn that the struggle will be long and costly, requiring every ounce of our national courage, patience, and strength. Now is the time for every American to work at being a good citizen . . . to ask, and to find, what he can do for his country.

The Freedom Bond Drive is an opportunity and a challenge for all of us.

Sure, international tensions scream their dire predictions in the head-

lines of every newspaper every day. Sure, there are frustrations and mounting worries about the futures of our families, our homes, our nation, and about our very way of life. Buying Bonds is one good way of working off those frustrations; of easing those cares.

Of course, investing in Freedom Bonds is more than a patriotic gesture. It's a positive way of building up our economic strength to sustain the burdens of the Cold War, and it's a pretty fine way to strengthen our own financial futures as well. Being a good citizen, and turning a handy profit in the process, is a pretty good deal for anyone.

All E-L employees will be furnished-with their paychecks--an application card on which they may indicate their desire to purchase Bonds through the payroll deduction plan, or their desire to increase the amount of their present purchases.

The amount invested from each pay can be as little as \$6.25, but however much you invest from each paycheck, start now to buy your family's share of a free tomorrow.

Erie-Lackawanna has always had an outstanding record of performance in drives of this kind. Let us not let our Nation down during this crucial hour of her history.



HERE ARE THE E-L BROTHERHOOD OFFICERS. Joseph Allen, who became general chairman of the Brotherhood of Locomotive Engineers on the Erie-Lackawanna system last year when Shirley Sherwood of Hornell retired, was elected to his first full three-year term in the post. Seated, from left, are Mrs. Emalyn Robinson, Hornell, secretary to the general chairman; J. L. Stright, Meadville, secretary-treasurer; Joseph Allen; A. C. Scott, Jersey City, first vice chairman, and M. H. Persing, Hornell, second vice chairman. Standing, from left, are J. F. Germann, Buffalo, committeeman; J. H. Kithcart, Port Jervis and E. P. Smith, Huntington, trustees; N. J. Highby, Meadville, committeeman; S. S. McConnell, Hornell, trustee; M. J. Schaefer, Cleveland; J. A. Mullen, Youngstown; E. J. Horton, Port Jervis; R. J. Dillon, Chicago, and H. B. Jenkins, Marion, the latter five all committeemen. Allen will move his BLE office from Hornell to Cleveland sometime in June of this year.



N the pre-dawn hours of March 25th, Train 84 moved out of Buffalo bound for Hornell.

At 1:28 A.M. the quiet of the dispatcher's office in Buffalo was shattered by the sounding of a gong. "Eighty-four" was flashing past the electronic hot box detector at River Junction, and the "eye" of the device had spotted trouble brewing. Faster than you can read these words, the machine went into action to help prevent serious damage to the train and its lading.

After the detector had sounded its warning, it began to count journals so that the location of the defective car in the train could be spotted quickly; it printed a tape to record the relative temperature of the overheated journal and the position of the car in the train. Automatic block signals were activated 2½ and five miles east of River Junction, and by the time the train was stopped at the five-mile tower an electric sign there was flashing the words "Hot Box."

Almost at the same moment that all of this was happening, the Buffalo dispatcher had called the train crew by radio telephone to let them know that DLW car number 68808 had a hot box. Because of the amazing detector, he was able to tell them that 68808 was the 45th car from the caboose, and that the trouble was in the inside journal of the front truck on the south side of the car.

The faulty car was set off at Dal-April, 1962



IN RETIREMENT

To recognize the long years of taithful service which lie behind the listing of your name here, the Magazine wishes it had space for an appropriate article honoring each of you individually. Obviously that is not possible.

However, your name on this page is our way of extending to you the Company's gratitude tot a job well done, and our own good wishes for a long and happy retirement.

NAME	TITLE	LOCATION	YEARS Date Service
Thomas Baines	Switchman	Scranton, Pa.	1-23-62 54
Jake Bostick	Janitor	Youngstown, Ohio	2- 9-62 21 1-31-62 38
Walter E. Buckner Orville L. Chadwick	Freight Conductor Clerk-Operator	Huntington, Ind. Norwich, N.Y.	10-31-61 46
Anatolio Colaiaco	Engineer	Port Jervis, N.Y.	2-14-62 39
William M. Crouse	Trackman	Randolph, N.Y.	2-12-62 25
Adelbert D. Davis	Engineer	Port Jervis, N.Y.	2- 5-62 35
Bert W. Deacon Sidney G. Durston	Repairman Foreman Master Carpenter	Scranton, Pa. Salamanca, N. Y.	3- 5-62 51 2- 0-62 34
Frederick \$. Faisst	Pipefitter	Hornell, N.Y.	2-12-62 36
Howard Germain	Carpenter & Painter	Buffalo, N.Y.	2-23-62 42
Charles H. Glatley	Yard Conductor	Hoboken, N. Y.	1-31-62 43
Rex A. Griffith	Road Conductor	Meadville, Pa.	2-23-62 30
Walter L. Hess Frank R. Hickman	Crew Caller Tug Deckhand	Hornell, N.Y. Hoboken, N.J.	1-30-62 32 1-31-62 43
Lance W. Holbert	Structural Steelman	Port Jervis, N.Y.	2- 9-62 35
Edwin H. Huffman	Division Sales Mgr.	Akron, Ohio	3-31-62 35
Henry E. Hughes	Trainman	Elmira, N.Y.	2-27-62 46
John J. Keggan, Jr.	Transitman	Marion, Ohio	2-14-62 44 2- 5-62 37
John A. Kehrwecker Benjamin F. Keller	Blacksmith Trainman	Marion, Ohio Scranton, Pa.	2- 5-62 37 1-24-62 36
Paul 5. Kindler	Asst. to President	Cleveland, Ohio	3-31-62 48
John Kinner	Water Service Helper	Buffalo, N.Y.	1- 4-62 39
Walter N. Lauer	Sales Representative	Toledo, Ohio	3-31-62 35
Harry N. LaVarnway	Laborer	Hornell, N.Y.	2-20-62 25
Orin W. Lehman Arthur F. Lemke	Yard Conductor Asst. Chief Claim Clerk	Akron, Ohio Chicago, Ill.	2-14-62 47 2- 9-62 29
Walter K. Liddle	Ferry Oiler	Hoboken, N. J.	1-18-62 36
Sadie J. MacDonald	Telegraph Operator	Youngstown, O.	2- 5-62 44
Joseph E. Machinski	Pipefitter	Scranton. Pa.	2-20-62 36
Timothy W: McCarthy	Yard Conductor	Patterson, N.J.	1-30-62 48 7-25-61 48
William F. Martin Henry Metzger	Locomotive Engineer Asst. Cashier Clerk	Scranton, Pa. Jersey City, N.J.	2- 8-62 34
Edward Morris	Coach Cleaner	Hoboken, N.J.	2-15-62 40
Elmer B. Nearpass	Car Inspector	Port Jervis, N.Y.	12-31-61 46
Thomas F. O'Grady	Ferry Bridgeman	Hoboken, N.J.	1-17-62 32
Merritt D. Palmer Steve J. Pavol	Conductor Machinist	Huntington, Ind.	1-31-62 21 10-19-61 36
Patrick J. Phillips	Engineer	Secaucus, N.J. Hoboken, N.J.	1-15-62 35
Phillip Pluko	Machinist	Scranton, Pa.	1-11-62 38
Harry C. Rath, Jr.	Asst. Auditor of Rev.	Cleveland, Ohio	3-31-62 44
Michael J. Reichlmayr	Locomotive Engineer	Buffalo, N.Y.	2-28-62 46
George Riedmiller John Ritzco	Carman Carman	Scranton, Pa.	1- 8-62 41 2-20-62 44
Edwin J. Ruefer	Engineer	Avoca, Pa. Port Jervis, N.Y.	2-20-62 44 20
Guy B. Shank	Engineer	Marion, Ohio	2-28-62 46
Earl C. Smith	Road Frt. Conductor	Buffalo, N.Y.	2-26-62 42
Ivan Spires	Pipefitter	Marion, Ohio	2- 5-62 33
Mark B. Stoffer Ray W. Stout	Road Conductor	Marion, Ohio	2- 5-62 44 2-1-62 39
Timothy L. Sullivan	Engineer Switchman	Hoboken, N. J. Binghamton, N.Y.	2-1-62 39
George W. Thompson	Asst. Comptroller-Dis.	Scranton, Pa.	1-31-62 43
Frederick M. Uhter	Section Foreman	Kouts, Ind.	3- 5-62 35
Josiah F. VanLoon	Car Inspector	Kingston, Pa.	1-18-62 39 2:-16-62 37
Harry D. Wicks Alexander R. Winnickey	Road Conductor Car Repairer helper	Elmira, N.Y. Salamanca, N. Y.	2:-16-62 37 3- 2-62 42
August Wirths	Conductor	Hoboken, N.J.	2- 6-62 42
Joseph S. Worgo	Derrick Engineer	E. Buffalo, N.Y.	2-28-62 34
John W. Wozney	Carman	Scranton, Pa.	1- 8-62 37

ton, and what might have turned into a costly problem was solved in a matter of minutes.

Installed in August of 1960, the electronic thermometers last year helped Erie-Lackawanna to find 158 "potential" hot boxes, according to G. C. White, vice president of opera-

tions.

"Our records show that every freight train, with one exception, which passed over the hot box detectors reached its destination safely," Mr. White said. "In the one case of trouble, investigation showed (Please turn to page 15)

MOVING UP ALONG THE LINE

NAME OF EMPLOYEE

LEO BLUM RUSSELL K. DOWNEY

FRANCIS V. HUFF

FRED C. KOHL

THOMAS J. McHALE

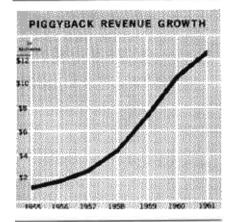
PROMOTED TO

Division Sales Manager, Akron, O. Trainmaster, Syracuse & Utica Branches, Syracuse, N. Y. Trainmaster-Road Foreman of Engines, Port Jervis, N. Y. Assistant Auditor of Disbursements, Scranton, Pa. General Yardmaster, Syracuse, N. Y.

REPORT TO EMPLOYEES: ON TARGET AND GAINING FOR '62

(Continued from Page 6)

where it represented \$12,500,000 of our total freight income in 1961, an increase of 18% over the previous year.



Another new service which holds great promise for the future is the movement of new automobiles on special tri-level ears.

In the passenger department a "creative selling" campaign enabled Erie-Lackawanna to retain most of the gain in passenger revenues it made in 1960.

Figures received since the Annual Report was issued show that while all railroads in the east had lower passenger revenues in 1961, Erie-Lackawanna had the second-best percentage of decrease. Our decrease was only 79/100 of one per cent. We were close on the heels of the railroad in first place, which had a 71/100 per cent decrease. The railroad in third place had a decrease of 2.1% and the largest decrease for any eastern railroad ran as high as 18.1%.

Revenues from carrying passenaccounted for \$15,947,811. Mail, express, and other "head end" work brought in \$9,907,707; and miscellaneous revenues -- switching charges, dining car receipts, and commuter contract payments--were \$13.027.701.

Income from rents, interest, dividends, and other sources was \$4,-136,716.

Adding up all of our 1961 revenues produces quite a sizable figure, but it fell short of meeting expenses by \$26,488,759.

A large part of the loss will be

erased by improved freight business and reduced expenses during 1962. In addition, the vigorous activities of our sales and industrial development departments are going to be vital factors in the 1962 results.

In 1961, new plants to be served by Erie-Lackawanna numbered 72 permanent industries and 13 temporary operations, while 13 companies announced expansion of their facilities. Revenues expected from these new plants, when they are in full operation, should total about \$3,500,000 annually.

MERGER MOVES

Of the major improvement projects undertaken in 1961, many were designed to consolidate the merged properties of the Erie and the DL&W. Relocation of trackage and freight house facilities at Niagara Falls, track and signal improvements on the Buffalo Division, and the expansion of the eastbound freight vards at Hornell, all helped Erie-Lackawanna to lay the groundwork for more profitable, more efficient freight service.

The past year also marked the start of our new electronic classification yard at Buffalo. When this facility is completed in 1963, we will be able to realize the full economies from 1961's freight rerouting program over the former Erie line between Buffalo and Hornell.

62 AND BEYOND

The future of Erie-Lackawanna will certainly be affected by the fast-moving merger developments within the industry, which gained momentum during the past year.

The present merger pattern in the east seems to indicate that there will be three separate lines, one comprising the Pennsylvania and New York Central, another the Chesapeake & Ohio and the Baltimore & Ohio, and the third the Norfolk & Western-Nickel Plate-Wabash combine.

We have sought to become a part of the latter group, primarily because we cannot hope to stand alone in the light of these merger developments, and because our present road would be a logical component of the enlarged N&W system, giving it access to the important New York and New England markets.

Regardless of the outcome of the proposed N&W merger, the Nickel Plate will be a partner in the construction, operation, and maintenance of the new electronic yard at Buffalo.

And there it is; the look back, and the look ahead.

The future is ours, and the future is here today. Each of us holds a part of it in his hands. The vitality of our service, the zeal and enthusiasm with which we approach our daily tasks will play a major role in the successful development of our company.

Knowing more about your company is a good first step. Employees who are interested may have copies of the Annual Report by writing to the Public Relations Department, room 1304, Midland Building, Cleveland 15, Ohio.

Latest news from our Veterans Association involves the adoption of a new constitution and by-laws.

The new by-laws state that firstyear dues for new members will be upped to \$3. Dues for the second and all future years will remain at two dollars. This new article will not go into effect until after June 30, 1962, so that the group can enroll as many new members as possible at the old rate.

Another constitutional change moves the date of the annual installation of officers from January to the first Saturday following Easter Sunday of each year. Here again, however, the change will not go into effect immediately.

Because of prior commitments, the '63 meeting will not be held until one week later than stated in the constitution.

J.F.K. MESSAGE **CALLS FOR** TRANSPORT **REFORMS**

"We must begin to make the painful decisions necessary to providing the transportation system required by the United States." So said President John F. Kennedy in his long-awaited transport message, received by Congress on April 5.

The basic theme of the 6000-word "Equal competitive opreport is: portunity under diminished regulation," and recommendations favorable to railroads include those which would give them freedom to compete with water carriers, truckers, and airlines.

The President also repeated his requests for repeal of the fare tax, higher user charges on the airways, and establishment of waterway user charges.

Our belief that railroads are not going to be subjected to a new of fruitless promises is strengthened by Mr. Kennedy's conviction that federal transportation policies "must be reshaped in the most fundamental and far-reaching fashion;" and that this is a task to which Congress "will wish to devote considerable time and effort.' The President said further that his specific recommendations "are of such urgency and importance that the Congress should begin consideration of them at the earliest practicable date."

We should remember, however, that this is a Congressional election year, and our solons are not apt to get themselves involved in lengthy, controversial issues.

The report calls for an end to "A chaotic patchwork of inconsistent and often obsolete legislation and regulation," and goes on to say that "If direct and decisive action is not taken in the near future, the undesirable developments, inefficiencies, (and) inequities... will cause permanent loss of essential services . . .

E-L President, M. G. McInnes, said of the report: "A thoughtful contribution to an urgent national problem. It will now be up to Congress to put the recommendations into effect.'



"To the families of those whose names appear here, we extend deepest sympathies and acknowledge with sincere gratitude the years of faithful service rendered to the company." Milton G. McInnes, President

NAME	OCCUPATION	LOCATION	DATE OF DEATH
*Anderson, Jacob W.	Cook	Dining Car Dept.	8-28-61
*Andrews, William Stanley Appel, John Charles	Crossing Watchman Laborer	Mahoning Division Meadville, Pa.	9- 3-61 2- 3-62
*Baker, Harry E.	Conductor	Buffalo, N. Y.	12-11-61
*Baran, Charles W.	Passenger Carman Laborer	Scranton, Pa. Buffalo, N. Y.	11-11-61 Unknown
*Bartlett, Curtis *Baxter, Samuel R.	Locomotive Engineer	Hoboken, N.J.	9-18-61
*Berg, Martin L.	Clerk	Buffalo, N. Y.	10- 6-61
*Blowers, LeRoy *Boyer, Franklin A.	Construction Foreman Car Inspector	Hoboken, IN'. J. Kingston, Pa.	10-23-61 9-30-61
Brownell, Harry Colton	Caboose Attendant	Hornell, N. Y.	11-25-61
*Bussanich, Matteo J.	Float Bridgeman	Marine Dept.	9-14-61
*Butler, John T. Calorico, Joseph	Foreman Machinist Helper	Scranton, Pa. Scranton, Pa.	12-27-61 2-12-62
*Campbell, Glenn Wood	Signal Maintainer	Mahoning Division	8-13-61
Chamberlain, Roy *Charnick, Michael	Carman Machinist Halper	Keyser Valley	11-12-61 12-14-61
Clark, Clifford Earl	Machinist Helper Work Equip. Repairman Helper	Scranton, Pa. Huntington, Ind.	11-24-61
*Colby, Henry George	Yard Brakeman Ticket Clerk	E. Buffalo, N. Y.	8-26-61 1- 9-62
Crowley, Joseph Stephen Cunningham, Thomas Martin	Clerk	Buffalo, N. Y. New York Division	1-21-62
*Curto, Joseph A.	Machinist	Buffalo, N. Y.	10-19-61
Dale, William Arthur, fir. Day, John Arthur	Electrician Clerk-Car Cleaner	Binghamton, N. Y. Buffalo Division	12-22-61 2-19-62
*Decker, John Merritt	Engineer	Susquehanna Division	9-21-61
*Demko, Michael *DeMott, Thomas B.	Machinist Helper	Scranton, Pa.	1-16-62
*Demott, Inomas B. Dexter, Edward Everett	Freight Handler Buyer & Expediter	New York, N. Y. Cleveland, O.	10-17-61 1- 2-62
Dockstader, Crowney Lynn	Car Inspector	Hornell, N. Y.	2- 9-62
*Driscoll, Frank Exavier	Purchasing Agent	Cleveland, O.	8-17-61
*Duggan, Patrick F. *Errico, Nicolo	Bookkeeper Trackman	Hoboken, N. J. New York, N. Y.	1-16-62 9-13-61
*Felger, Edward	Switchman	Buffalo, N. Y.	1-16-62
*Fisher, Robert B.	Substation Supervisor	Hoboken, N.J.	10-25-61 9- 3-61
*Fryczinski, Stephen Gahwyler, John	Stower Boilermaker	Buffalo, N. Y. Hoboken, N. J.	1-28-62
Gansley, Joseph Henry	Yard Clerk	Hoboken, N. J.	11-12-61
*Gardeen, Lelia S. Greblowski, Peter Martin	Matron Locomotive Engineer	Marine Department Buffalo Division	9-20-61 12-20-61
*Grist, Charles Francis	Car Repairer	Huntington, Ind.	9- 7-61
*Grubesic, Theodore Harris, Harold	Crossing Watchman	Marion Division	8-26-61
Holcomb, Robert Asa	Secretary Yard Conductor	Treasury Department Marion, O.	1-24-62 12-28-61
*Iacono, Antonio	Floatman	Marine Department	10-18-61
*Keinz, George Kern, Fred	Laborer	Utica, N.Y.	7-17-61
Kern, Fred Korba, William	Yard Conductor	E. Buffalo, N. Y.	1- 5-62
*Lenegan, Thomas J.	Fireman	Marion Division	11-20-61 10- 9-61
Lichtenberger, Frederick O.	Grease Cup Man Locomotive Engineer	Elmira, N. Y. Buffalo Division	1- 1-62
*Luc, Frank J.	Machinist	Secaucus Enginehouse	10- ?-61
*Macko, John *Marchuck, Max	Trackman	Syracuse, N.Y.	9-24-61
Martin, Eugene Francis, Jr.	Boilermaker Laborer	Secaucus, N. J. Scranton, Pa.	11-28-61 12-30-61
*McAlister, Victor Dee *McEnrue, Martin A.	Chief Clerk	Jersey City, N. J.	2-13-62
*McEnrue, Martin A. McIver, Frank	Locomotive Engineer Stower	ScrantonDivision New York, N. Y.	10- 9-61 12-15-61
Miller, Gust.ave Charles	Assistant Foreman	New York, N. Y.	1-27-62
Oberrath, Joseph Clarence	Patrolman	Chicago, Ill. Hoboken, N. J.	2- 2-62
*O'Donnell, James Aloysius *Olivo, Dan	Chief Clerk Trackman	Hoboken, N. J. Dover, N. J.	12-20-61 10- ?-61
O'Shea, George Francis	Clerk	Buffalo Division	12-26-65
Paules, Charles	Crossing Watchman	Mahoning Division	1-12-62
Petrillo, Frank *Pulido, George G.	Car Oiler Trackman	Hornell, N.Y. Portland, Pa.	12-20-61 10-15-61
*Roden, Martin H.	Leading Car Inspector	OswegoN.Y.	10-7-61
*Rogers, Frank Joseph Rowe, Orville	Yard Conductor	Buffalo, N. Y.	9-26-61
	Yardman	Chicago, Ill.	12-19-61
*Sassi, John *Sills, Leland George	Machinist Machinist	Hoboken, N. J. Hornell, N. Y.	10-30-61 12-20-61
Slobodnick, John	Carman Helper	Penhorn Car Shop	12- 6-61
Smith, Paul James *Smith, Walter B.	Trackman Freight House Laborer	B&SW Division Scranton, Pa.	12- 1-61 7-14-61
*Stephen, Harry Valentine	Clerk	E. Buffalo, N.Y.	12-10-61
*Strojny, Andrew	Laborer	Croxton, N.J.	8-19-61
*Tappe, Fred Otto	Yard Conductor	Buffalo, N.Y.	8-12-61
*Tavaglione, Nicola M. *Thayer, Arthur J.	Tug Fireman. Timekeeper	Marine Department Hoboken, IN'. J.	10- 2-61 9-29-61
*Tighe, William J.	Conductor	Syracuse & Utica Branch	Unknown
*Trenholm, Harry Sanderson Turner, Ralph Cecil	Track Supervisor	Delaware Division	1-9-62
Walsh, Edward Thomas	Carpenter Helper	Susquehanna Division	12-16-61
*Warner, Harold Eugene	Engineer Section Foreman	New York Division Allegany Division	12-25-61 12-10-61
*Wiechert, Dietrich M. *Retired	Painter	Brighton Marine Repair Yar	

ELECTRONIC THERMOMETERS

(Story begins on page 13)

that drifting snow during a severe storm had packed over the lens and had made the device inoperative." The taped record of 68808's hot box is reproduced at the head of this article. It is a graphic example of the way Erie-Lackawanna puts the chill on hot boxes that could cost the company a cool bundle.

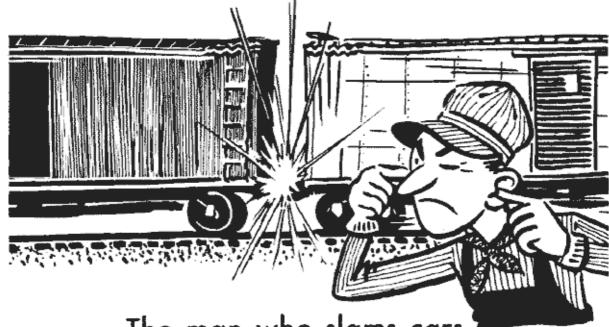
ERIE-LACKAWANNA RAILROAD **MAGAZINE**

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IF YOU CHANGE YOUR ADDRESS, CUT AT DOTTED LINE AND SEND THIS PORTION WITH NEW ADDRESS TO MAGAZINE OFFICE.

WHO WHAMME D THAT | CAR?



The man who slams cars isn't just hurting freight. He's hurting our business -hurting our jobs.

LET'S WISE HIM UP!

Erie-Lackawanna Railroad Company



The Friendly Service Route