

PENN CENTRAL TRANSPORTATION COMPANY EXHIBIT LIST

<u>Exhibit</u>	<u>Description</u>
1	Expert Report of Michael R. Weinman
2	Affidavit of Michael R. Weinman
3	Affidavit of George C. Ellert
4	Excerpt of testimony of George C. Ellert from 1990 Arbitration (pg. 149)
5	Excerpt of testimony of George C. Ellert from 1990 Arbitration (pgs. 559-563)
6	Excerpt of testimony of George C. Ellert from 1990 Arbitration (pgs. 571-574)
7	W-2's for Jack Acree
8	W-2's for Edward Benko
9	W-2's for Kenneth Day
10	W-2's for Harvey Doran
11	W-2's for Joseph Gastony
12	W-2's for George Gentile
13	W-2's for George Norris
14	W-2's for Christ Steimle
15	W-2's for Clarence Tomczak
16	W-2's for Frank Uher
17	May 2, 1969 Recall Notice to Jack Acree
18	Acree Personnel Document Record
19	Benko Personnel Document Record
20	Day Personnel Document Record
21	Doran Personnel Document Record

22	Gastony Personnel Document Record
23	Gentile Personnel Document Record
24	Norris Personnel Document Record
25	Steimle Personnel Document Record
26	Tomczak Personnel Document Record
27	Uher Personnel Document Record
28	Billinsky Personnel Document Record
29	Crtalic Personnel Document Record
30	Foecking Personnel Document Record
31	Janke Personnel Document Record
32	Jarabeck Personnel Document Record
33	Kochenderfer Personnel Document Record
34	P. McLaughlin Personnel Document Record
35	McNeely Personnel Document Record
36	Novotny Personnel Document Record
37	Opalk Personnel Document Record
38	Pentz Personnel Document Record
39	Schreiner Personnel Document Record
40	Scuba Personnel Document Record
41	Sophner Personnel Document Record
42	Sowinski Personnel Document Record
43	Bilinsky Assistant Controller Record
44	Crtalic Assistant Controller Record

- 45 Foecking Assistant Controller Record
- 46 Janke Assistant Controller Record
- 47 Jarabeck Assistant Controller Record
- 48 Kochenderfer Assistant Controller Record
- 49 P. McLaughlin Assistant Controller Record
- 50 McNeely Assistant Controller Record
- 51 Novotny Assistant Controller Record
- 52 Opalk Assistant Controller Record
- 53 Pentz Assistant Controller Record
- 54 Schreiner Assistant Controller Record
- 55 Scuba Assistant Controller Record
- 56 Sophner Assistant Controller Record
- 57 Sowinski Assistant Controller Record
- 58 June 23, 1969 Letter from D.J. Weisbarth (Re: Steimle, Doran, Gentile, Tomczak)
- 59 July 2, 1969 Letter from C.L. Stalder (Re: Doran, Gentile, Tomczak)
- 60 August 22, 1969 Letter to Mr. J.A. Lyons (Re: Steimle, Gentile, Tomczak, Doran)
- 61 August 28, 1972 Letter to Mr. Kochenderfer
- 62 August 28, 1972 Letter to Mr. Sowinski
- 63 August 28, 1972 Letter to Mr. Janke
- 64 September 30, 1972 Letter from Mr. Picciano (Re: Jarabeck, Janke, Novotny, Kochenderfer, Sowinski, Pentz, Sophner)
- 65 October 1, 1972 Letter from Mr. Picciano (Re: Janke, Kochenderfer, Sowinski)
- 66 October 3, 1972 Letter from Paul Scuba (Re: Sowinski)

- 67 October 3, 1972 Letter to Mr. Sowinski
- 68 October 3, 1972 Letter to Mr. Kochenderfer
- 69 October 3, 1972 Letter to Mr. Janke
- 70 October 17, 1972 Letter from Mr. N.P. Patterson (Re: Janke, Kochenderfer, Sowinski)
- 71 November 15, 1972 Letter from Mr. N.P. Patterson (Re: Jarabeck, Novotny, Pentz)
- 72 November 30, 1972 Letter from Mr. S.D. Dutrow (Re: Kochenderfer)
- 73 March 12, 1973 Letter from George Ellert to Mr. N.P. Patterson (Re: Janke, Sowinski, Kochenderfer)
- 74 April 24, 1973 Letter from Mr. Zakarian (Re: Janke)
- 75 Excerpt from Deposition Transcript of John Gallagher
- 76 Excerpt from Deposition Transcript of Robert McNeeley
- 77 Excerpt from Deposition Transcript of James Knapik
- 78 February 21, 1968 Furlough Notice
- 79 January 10, 1969 Job Abolishment Notice to Watjen, Feldscher, and Franz
- 80 January 14, 1969 Letter from Watjen to Scheper
- 81 January 16, 1969 Letter from Watjen to Scheper
- 82 January 26, 1969 Letter from Feldscher to Scheper
- 83 January 16, 1969 Letter from Franz to Scheper
- 84 January 10, 1969 Job Abolishment Notice to O'Neil
- 85 January 28, 1969 Letter from O'Neil to Scheper
- 86 February 28, 1969 Letter from Bundy to Scheper
- 87 September 22, 1969 Letter from Bundy to Scheper

- 88 January 10, 1969 Job Abolishment Notice to Wilger
- 89 Judge Lambros 11/29/79 Order
- 90 May 9, 1969 Letter from Lyons
- 91 May 19, 1969 Letter from Claimants to Weisbarth
- 92 May 16, 1969 Letter from Stalder
- 93 Augustus v. Surface Transportation Board, 2000 U.S. App. LEXIS 33966 (6th Cir. 2000)
- 94 Surface Transportation Board Decision, December 2, 1998, STB Finance Docket No. 21989
- 95 1980 Arbitration Agreement
- 96 March 14, 1967 Agreement
- 97 February 16, 1965 Agreement
- 98 December 21, 1966 Agreement
- 99 July 11, 1969 Agreement
- 100 November 16, 1964 Merger Protection Agreement
- 101 Agreement entered into between the Pennsylvania-New York Central Transportation Company and Clerical, Other Office, Station and Storehouse Employees of The Pennsylvania-New York Central Transportation Company Designated Herein by Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, Effective February 1, 1968

PCTC'S EXHIBITS

PTSI Transportation

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**Report
on
Passenger Trains
at
Cleveland Union Terminal**

September, 2007

Source of data by page in report on Cleveland Union Terminal		
Page Description	Type of page	Source(s) of data
Number of Trains Using Cleveland Union Terminal	Data Table	The source for this table is the detailed train inventory for the dates indicated. Original source documents for that inventory are the Official Guides, public and employee timetables for the selected dates as listed in the Inventory of Train Schedules
Trains Using Cleveland Union Terminal	Chart	The source for this table is the detailed train inventory. The chart shows the number of trains on one date for each year. The dates for each year are as follows: May 1961, 7/1/62, March 1963, 10/25/64, 4/25/65, 10/30/66, 9/17/67, 7/15/68, 4/27/69, 5/15/70, and april 1971. Original source documents for that inventory are the Official Guides, public and employee timetables for the selected dates as listed in the Inventory of train Schedules
Cleveland Union Terminal (Number of Cars Handled)	Chart	From data table Cleveland Union Terminal
Cleveland Union Terminal Average Number of Employees	Chart	From data table Cleveland Union Terminal
Revenue Passengers Handled at Cleveland Union Terminal, New York Central Trains - Late 1967	Data Table	Rail Passenger Feasibility Study prepared for Penn Central Railroad by Carl R. Englund, Jr., June 30, 1969. Chart 4 on page 37, Chart 8 on page 41, and Chart 9 on page 42.
Cleveland Union Terminal	Data Table	The source for the above data is documents provided by Blank Rome LLP, which are copies of selected pages from C.U.T. reports to the ICC. The reports are "Railroad Corporations-Operating-A" for 1961-1965, "Railroad Annual Report Form C" for 1966-1973, and "Railroad Annual Report R-2" for 1974-1975
Inventory of Trains by Date	Data Table (2 page table)	Official Guides; public and employee timetables for the selected dates as listed in the Inventory of train Schedules
For Trains Using C.U.T - City Codes	Data Table	Prepared by PTSI for ease in use of above table.
Penn Central Merger Operating Study, Transportation Terminal, Report No. 18, Cleveland, Ohio, 1st Revision, November 9, 1965	Cover of the document	Document provided by Blank Rome LLP
Exhibit 15, M. of E. Department Merger Committee	Page from indicated document	Penn Central Merger Operating Study, Transportation Terminal, Report No. 18, Cleveland, Ohio, 1st Revision, November 9, 1965. Document provided by Blank Rome LLP.
New York Central System, letter DTH to RDT	Copy of the letter	Timpany Papers Vol VI
Penn Central Revenue	Chart	From Operating Revenue Data Table
PRR, NYC, NH Passengers	Chart	From Passenger Stastics Data Table
PRR, NYC, NH Passenger Miles	Chart	From Passenger Stastics Data Table
NYC Passenger, Mail & Express Revenue	Chart	From Operating Revenue Data Table
R Passenger, Mail & Express Revenue	Chart	From Operating Revenue Data Table

Source of data by page in report on Cleveland Union Terminal

Page Description	Type of page	Source(s) of data
NYC Passenger Revenue	Chart	From Operating Revenue Data Table
Pennsylvania Railroad Passenger Revenue	Chart	From Operating Revenue Data Table
New Haven RR Passenger Revenue	Chart	From Operating Revenue Data Table
Passenger Statistics	Data Table	PRR data from PRR annual reports as follows: 1960 page 51, 1961 pages 56 and 59, 1965 pages 21 and 24 (copies provided by Blank Rome LLP), & 1966 pages 15 and 17 (copies provided by Blank Rome LLP) NYC data for 1947-1961 from an attachment "New York Central Railroad Passenger Statistics" to "statement of William R. Main, Assistant Vice President, Passenger Sales and Service, the New York Central Railroad Company" before the ICC, Finance Dockets Nos. 21989 and 21990 (copy provided by Blank Rome LLP). NYC data for 1965-1966 from The New York Central Railroad Company Statistical Supplement to 1966 Annual Report, page 25. NH data for 1947-1954 from Railroad Passenger Service Costs and Financial Results by Stanley Berge, page 66. NH data for 1959-1960 are from its annual report NH60 page 18. NH data for 1965-1966 are from Report of the Trustees on the Operations of the New York, New Haven and Hartford Railroad Company for the Year 1966, page 4874.
Operating Revenue	Data Table	Penn Central column "From ICC reports." Source for 1968-1972 is ICC "Railroad Operating-Operations-A", of PC copies of selected pages of which provided by Blank Rome LLP. Data is in Section 300, line 3, column j. Source for 1973-1975 is ICC "Railroad Annual Report R-1" of PC copies of selected pages of which provided by Blank Rome LLP. Data is in Section 300, line 1, column j. For Column "Passenger" data for years 1960-1969 is from "The Wreck of the Penn Central", page 133. For columns Passenger, Mail, and Express for 1961-1971: Source for other data is a copy of a page provided by Blank Rome LLP. Column "Sum" is the addition of columns passenger, mail, and express for each year.

Source of data by page in report on Cleveland Union Terminal

Page Description	Type of page	Source(s) of data
		NYC: column "From ICC reports." Source for 1936-1961 Exhibit No. A sheet 1 Witness W. R. Main for Finance Docket No. 21989 and 21990 attached to Statement of William R. Main, Assistant Vice President Passenger Sales and Service, The New York Central Railroad Company (document provided by Blank Rome LLP). Source for 1966 and 1967 are ICC "Railroad Corporations-Operating-A" reports of NYC, copies of selected pages of which provided by Blank Rome LLP. Date is in Section 300, line 3, column j. Columns Passenger, Mail, and Express for 1959-1960 from NYC 1960 annual report page 15. Columns Passenger, Mail, and Express for 1964-1966: Source: page 27 of 1966 and page 19 of 1965 annual report of NYC, copies of selected pages of which provided by Blank Rome LLP. Column Sum is the addition of passenger, mail and express for each year. PRR: column Passenger. Source 1936-1961 is PRR 1961 annual report, pg. 56. Source 1962-1966 is PRR 1966 annual report pg. 15. Columns mail and express. Source 1957-1961 is PRR 1961 annual report pg. 55. Source 1962-1966 is PRR 1966 annual report p 9, copies of select pages of which provided by Blank Rome LLP. Column Sum is the addition of passenger, mail, and express for each year. NH for 1947 - 1954 is from Railroad Passenger Service Costs and Financial Results by Stanley Berge, pg. 66 NH for 1959-1960 is from its annual report NH60 page 15. NH for 1965-1966 is from Report of the Trustees on the Operations of the New York, New Haven, and Hartford Railroad Company for the Year 1966, page 4871
Map, Cleveland, Ohio	Map	From NYC RR Employee timetable
Map, Greater Cleveland	Map	Railroad Atlas of North America, Great Lakes East, page 51
Map of Downtown Cleveland	Map	Street Atlas of Cleveland and Cuyahoga County, 1969-1970 edition
Map of New York Central RR	Map	From NYC RR Public timetable
Map of Erie Lackawanna RR	Map	From EL RR Public Timetable
Map of Nickel Plate RR	Map	From Official Guide
Map of Intercity Railroad Passenger Routes	Map	From Amtrak Public timetable
Twilight of the Great Trains	Pages from book of that title	The book
Passenger Train Decline, 1960-1971	Map	Trains Magazine, July 2002
US Railroad Passengers Excluding mmutation	Chart	From data table North American Railroad Passenger Stastics

Source of data by page in report on Cleveland Union Terminal

Page Description	Type of page	Source(s) of data
US Railroad Passenger Miles Excluding Commutation	Chart	From data table North American Railroad Passenger Statistics
North American Railroad Passenger Statistics	Data Table	Source for 1929-1965 for the US columns is Statistics of Railroad Passenger Service, AAR, October 1966. Source for 1966-1970 for the US is Travel Trends in the United States and Canada, 1975, pg 71. Source for Canadian National is a handwritten transcription.
Individual railroad passenger miles	Data Table	Source or individual US RR: The Future of Rail Passenger Traffic in the West. Source for "remainder of US RR: calculated by subtracting the sum of the individual US RR on this page from the data table North American Railroad Passenger Statistics. Source for CN is a handwritten transcription.
Individual railroad passengers	Data Table	Source or individual US RR: The Future of Rail Passenger Traffic in the West. Source for "remainder of US RR: calculated by subtracting the sum of the individual US RR on this page from the data table North American Railroad Passenger Statistics. Source for CN is a handwritten transcription.
Cleveland Transit Ridership	Data Table	Horse Trails to Regional Rails, page 341
Cleveland Transit Ridership	Chart	From data table Cleveland Transit Ridership
Facts About Downtown	page from a book	Northern Ohio's Interurbans and Rapid Transit Railways, page 145
Population Trends of Large Cities Served by Rail from Cleveland	Data Table	From the internet at http://www.uwm.edu/Dept/CED/publications/milwec/chap1.html Table 1.1 in Chapter 1: Population Trends
Pages 132 and 133	pages from a book	The Wreck of the Penn Central, pages 132-133
Handwritten Transcription	copy of the transcription	Handwritten Transcription
Intercity Passenger Traffic in the United States	copy of a page with the data	itself

Order of Materials

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PCC003888

Initial Report of June 29, 2007

PTSI Transportation

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June 29, 2007

Mr. Jason Groppe
Mr. Michael L. Cioffi
Attorneys
Blank Rome LLP
201 East Fifth Street
1700 PNC Center
Cincinnati OH 45202

Dear Messrs. Groppe and Cioffi:

I am pleased to enclose a very brief "tickler" report, drawn exclusively from research materials in our office library.

As brief as this series of charts and graph, and accompanying text, may be, it clearly indicates the precipitous decline in railroad passenger traffic which took place following World War II, and accelerated in the years following the mid-1950's.

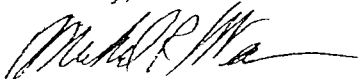
Sadly, though this decline has been stemmed by Amtrak, it has not been reversed. However, trends from railways around the world, and external circumstances such as fuel shortages and global warming, show that it is both possible and necessary to do so.

We remain ready and at your service to expand on this work, or to redirect it, depending on your needs.

I shall be on business travel in the U.S. from Tuesday July 24 to Tuesday July 31, and then on business travel in the U.K. from Friday August 3 to Monday August 13. Apart from that, I am free to meet with you at any time, here or in Cincinnati or Washington. I am reachable by phone and e-mail while in the U.S. (my office phone number above reaches through to my mobile), and by e-mail while out of the country (I check it every day or every other day).

Thank you for this opportunity to be of service.

Sincerely,



Michael R. Weinman MCIT
President
Sincerely,

PCC003890

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A BRIEF REVIEW OF INTERCITY RAILROAD PASSENGER TRAFFIC IN CLEVELAND OH AND NORTH AMERICA BETWEEN WORLD WAR II AND 1971

**Prepared for
BLANK ROME LLP**

July 2007

Charles H. Bode III
Research Librarian

Michael R. Weinman MCIT
Managing Director

PCC003891

A BRIEF REVIEW OF INTERCITY RAILROAD PASSENGER TRAFFIC IN CLEVELAND OH AND NORTH AMERICA BETWEEN WORLD WAR II AND 1971

The charts and graphs on the following pages depict the rather sad decline in the intercity railroad passenger business in the years following World War II. This secular decline continued up to May 1, 1971, when the National Railroad Passenger Corporation (Amtrak), relieved the private freight railroads in the United States of most of their intercity rail passenger service obligations.

Using data in the technical library of PTSI Transportation, these charts and graphs indicate that with very few exceptions, passenger traffic, revenue passengers, passenger-miles, and consequent train movements, went into a tailspin in the years following the war. Economic trends tended to exacerbate this decline, as did completion of limited-access highways. Nationally, two important factors in the diminution of the services were the 1958 start of construction on the National Defense Highway system, now known as the Interstate system, and the almost simultaneous introduction of the jet aircraft into revenue passenger service.

In the years following these important events, the decline and fall of the Railway Express Agency and critical decisions by the U.S. Post Office resulted in a significant reduction in mail and express shipments on passenger trains, with consequent impact on the intercity passenger rail network.

As trains were felled by loss of riders, mail, and express, the connecting trains they fed weakened, and they too became the subject of discontinuance petitions before the Interstate Commerce Commission or the various state commissions. As losses mounted, and became more evident, certain railroads became more skillful in their train-off cases. The most optimistic railroads were running a few popular passenger trains, some of which were still making money "above the rail" (on an avoidable-cost basis). However, even they could see that the post-war crop of locomotive and car equipment, and much passenger infrastructure, required eventual replacement, and revenues were simply insufficient to recapitalize this investment.

An exception was Canadian National. Under the leadership of late PTSI Transportation Associate Garth Campbell, then CN chief passenger marketing officer, and others (including current PTSI Transportation On-Board Services Associate Harold Murray, who had charge of dining and sleeping car service for CN), CN launched an aggressive campaign to reverse the decline in passenger traffic. Using savvy fare strategy, much second-hand U.S. equipment, and brand marketing techniques, CN literally stopped the decline and doubled use of its trains within a few years. However, many of the same long-term challenges beset CN. Since it could not reduce its cost base, the rapid gains were reversed when new management failed to enthusiastically back the passenger service.

On both sides of the 49th parallel, government realized that only public investment and legal action could save any shreds of intercity passenger service (and avoid the catastrophe which might ensue if passenger losses and the difficult economics of the period brought down entire railroad systems). Amtrak was formed in the U.S. in 1971, and VIA Rail Canada quickly became its rough equivalent.

Illustrating how desperate the situation had become, Cleveland Union Terminal was, by late 1967, handling less than one busload of intercity passengers in and out, and about 100 or less commuters, each weekday. From the 85 daily trains in and out in 1950, less than 20 used the huge terminal complex in Cleveland's Public Square by 1967. Nickel Plate (NYC&StL) passenger service through Cleveland had been discontinued by this time, and the Erie-Lackawanna was represented by one commuter round trip.

In late 1967, the New York Central discontinued its famous Twentieth Century Limited (which bypassed Cleveland Union Terminal, using the faster Lakefront line), as part of its Empire Service recast of the intercity passenger services in New York State. The remaining trains were rationalized. Except for one primarily mail and express train, and the former New England States, which assumed the "Century" role as primary east-west intercity train, most were but one or two coaches, and handled precious few passengers. Even this would falter by 1968 when the Penn Central merger took place, with passenger losses far more prominent. By 1971, all former New York Central passenger trains vanished from Cleveland. When Amtrak restored one round trip, it used a new station on the Lakefront.

North American Railroad Passenger Statistics

Year	United States		United States		United States
	Railroad Revenue Passenger Miles (other than commutation) (millions)	Canadian National Passenger Miles (millions)	Railroad Revenue passengers carried (other than commutation)	Canadian National Passengers	Railroad Passenger Revenue (other than commutation) total
1929	24,180		321,449,000		\$796,369,683
1939	18,645		219,896,800		\$375,754,399
1940	19,773		224,625,828		\$376,427,401
1941	25,272		254,125,890		\$473,486,577
1942	48,763		383,299,210		\$975,556,088
1943	82,582		572,494,395		\$1,596,381,920
1944	90,231		595,299,438		\$1,733,297,381
1945	86,327		571,225,032		\$1,657,911,043
1946	58,840		451,974,770		\$1,196,174,128
1947	39,921		359,725,873		\$895,551,936
1948	35,329		310,735,726		\$887,781,402
1949	29,622		245,994,418		\$781,989,015
1950	26,781		209,094,275		\$734,417,231
1951	29,749		214,302,289		\$816,971,094
1952	29,261		209,018,367		\$817,066,446
1953	26,904		200,941,188		\$749,094,074
1954	24,537		189,538,718		\$670,950,727
1955	23,747		183,618,130		\$641,102,307
1956	23,348		181,459,930		\$649,612,465
1957	20,988		162,036,998		\$619,214,921
1958	18,473		139,837,415		\$551,538,405
1959	17,501	1,272	129,824,369	12,693,777	\$525,806,875
1960	17,064	1,201	122,669,236	12,023,530	\$517,609,135
1961	16,154	1,076	118,100,832	12,104,791	\$497,523,318
1962	15,858	1,129	117,190,787	12,342,782	\$492,130,686
1963	14,396	1,189	114,522,247	13,598,961	\$457,887,585
1964	14,048	1,613	114,786,407	15,500,649	\$443,402,894
1965	13,260	1,782	106,282,578	16,409,281	\$416,408,487
1966	12,903	1,996		16,843,639	
1967	10,920	2,495		18,349,159	
1968	8,737	2,046		14,842,007	
1969	7,622	1,837		13,799,279	
1970	6,179	1,738		13,433,037	
Source	a and b	"I"	a	"I"	a

Revenue Passengers Handled at Cleveland Union Terminal
New York Central Trains - Late 1967

Train	Passengers Arrival Load	Passengers On	Passengers Off	Passengers Departure Load
<u>Buffalo - Cleveland - Chicago</u>				
Westbound				
Train 27	74	(nonstop via Lakefront)		74
Train 63	15	8	3	20
Train 51	21	5	16	10
Total	110	13	19	104
Eastbound				
Train 64	20	6	7	19
Train 28	69	11	5	75
Train 98	11	2	3	10
Total	100	19	15	104
<u>Cleveland - Cincinnati</u>				
Westbound				
Train 15		5		5
Eastbound				
Train 16	10		10	
Sum of above trains	220	37	44	213
<u>Cleveland - Indianapolis</u>				
Trains 315 and 316		Loads varied from 3 to 7		

Data from Rail Passenger Feasibility Study (Source Document "h")

Daily Train Movements at Cleveland Union Terminal

	Grand Total	NYC Total	NKP Total	Erie Total
1949	85	61	10	14
1950				
1951				
1952				
1953				
1954	71	51	10	10
1955				
1956	75	56	10	9
1957				
1958	60	42	10	8
1959				
1960				
1961	47	31	8	8
1962				
1963	42	27	8	7
1964				
1965				
1966	26	24	0	2
1967	16	14	0	2
1968				
1969				
1970				
1971	14	12	0	2

Source: The Official Guide of the Railways and New York Central public timetables

Daily Train Movements at Cleveland Union Terminal

New York Central

Year	East-West In EB	East-West In WB	St Louis In	Cincinnati In	East-West Out EB	East-West Out WB	St Louis Out	Cincinnati Out	NYC Total
1949	9	11	4	5	13	10	5	4	61
1954	7	10	4	4	9	9	4	4	51
1956	7	11	4	5	10	10	4	5	56
1958	6	9	2	3	9	8	2	3	42
1961	4	5	2	3	6	5	2	4	31
1963	4	5	2	2	5	4	2	3	27
1966	4	4	2	2	5	3	2	2	24
1967	3	2	1	1	3	2	1	1	14
1971	3	2	0	1	3	2	0	1	12

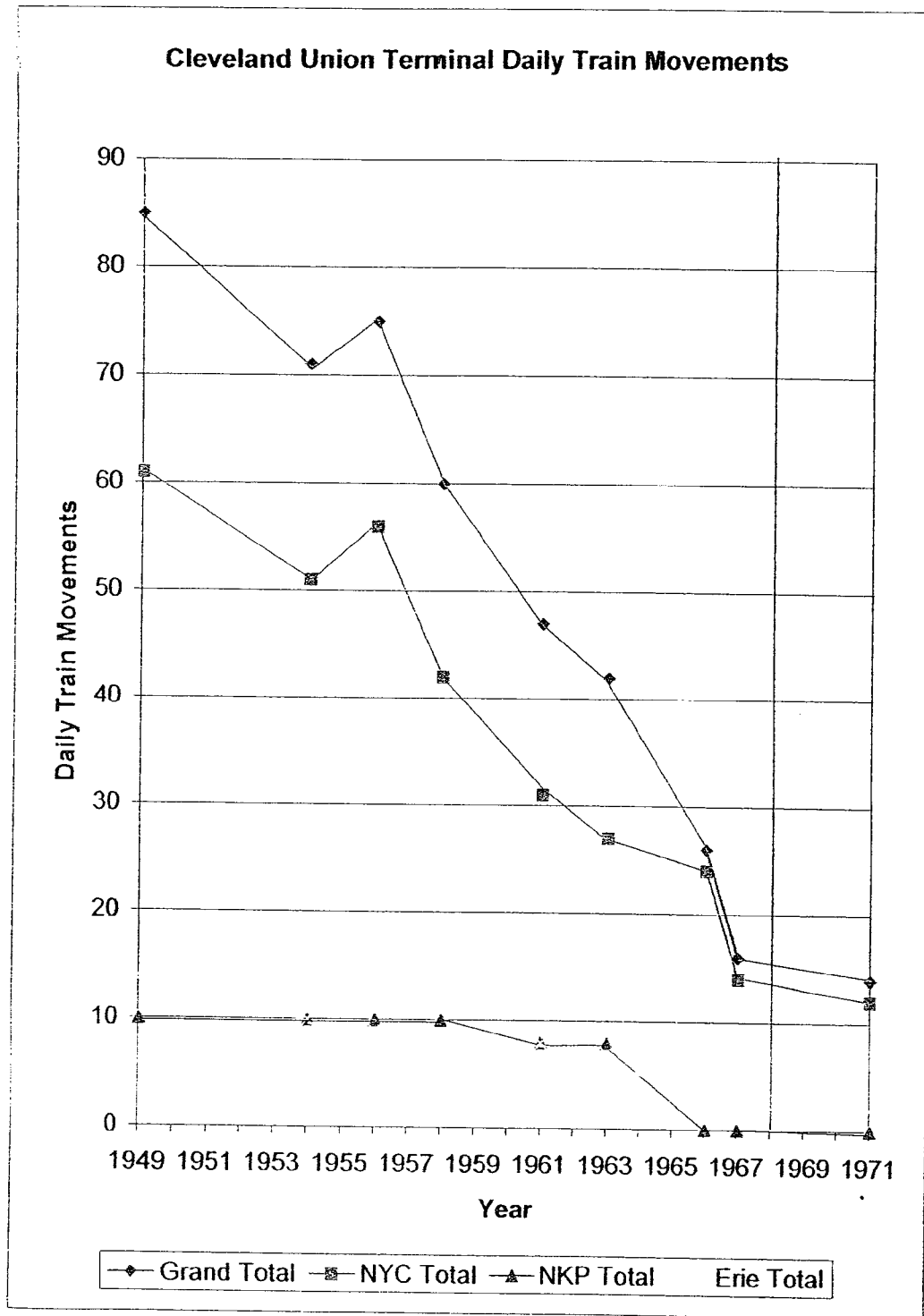
Nickel Plate

Erie

CUT

Year	NKP In EB	NKP In WB	NKP Out EB	NKP Out WB	NKP Total	Erie In	Erie Out	Erie Total	Grand Total
1949	3	2	2	3	10	7	7	14	85
1954	3	2	2	3	10	5	5	10	71
1956	3	2	2	3	10	5	4	9	75
1958	3	2	2	3	10	4	4	8	60
1961	2	2	2	2	8	4	4	8	47
1963	2	2	2	2	8	3	4	7	42
1966	0	0	0	0	0	1	1	2	26
1967	0	0	0	0	0	1	1	2	16
1971	0	0	0	0	0	1	1	2	14

Source: The Official Guide of the Railways and New York Central public timetables



Source Documents for Passenger Statistics

Code	Document Title	Data Title	Page	Author/Source	Date	Notes
a	unknown	Passenger Traffic and Revenues – Other Than Commutation - Total	4	unknown	unknown	Copies of selected pages of unknown document. Source of data indicated as "Reports of the Interstate Commerce Commission"
b	Travel Trends in the United States and Canada	Table 21 Intercity Passenger Travel in the United States	71	Business Research Division of the University of Colorado in cooperation with the Travel Research Association	1975 Edition	
h	Rail Passenger Feasibility Study	Chart A Chart 4 Chart 8 Chart 9	29 37 41 42	Carl R. Englund, Jr.	June 30, 1969	Prepared for Penn Central Railroad
i	Canadian National records	none				Handwritten transcription

Subj: RE: Penn Central
Date: 8/20/07 1:23:54 PM Eastern Daylight Time
From: Groppe@BlankRome.com
To: PTSITRANSPORT@aol.com

Mike,

You are correct that these jobs were passenger positions. Sorry that the info did not relate more to that end, I basically sent the file as it was marked, i.e., decline in passenger service. I guess my next question would be then, what documents will you need to prove the below stated issues:

- 1) that PCC had a business decline that necessitated a furlough based on the formula for overall business decline in the MPA section 1(b), as a disqualifying factor for receipt of benefits under the MPA (basically, did PCC's decline in passenger service and possibly other areas, meet the formula in the MPA--of which you should have a copy that I faxed);
- 2) whether the number of trains passing through the C.U.T. declined over the years 1962-1972;
- 3) whether both carriers, prior to the merger, experienced a general business decline from about 1962 to 1968; and
- 4) how was the C.U.T. directly and negatively impacted by the Empire Service or any other force which would result in a decline of available jobs at the C.U.T.

Please let me know of what documents you would need to prove the above information, and I will do my very best to obtain it. Or, if you know how to obtain the documents or are already in possession of them, feel free to have at it. So basically, what are your thoughts on what information we have, what we are trying to prove, and what information will we need to achieve our goal.

I look forward to hearing from you.

Jason

Jason Groppe* | Attorney | Blank Rome LLP
 201 East Fifth Street, 1700 PNC Center Cincinnati, OH 45202
 Phone: (513)362-8738 | Fax: (513)362-8787 | Email: Groppe@BlankRome.com

From: PTSITRANSPORT@aol.com [mailto:PTSITRANSPORT@aol.com]
Sent: Saturday, August 18, 2007 10:47 AM
To: Groppe, Jason
Subject: Penn Central

Jason:

We did indeed receive the package of material for review and have given it a quick pass, and started to review in detail those pages relevant to our position.

PCC003899

Monday, August 20, 2007 America Online: PTSITRANSPORT

APPENDIX-0023

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

1. Did Penn Central have a business decline that necessitated a furlough based on the Merger Protection Agreement (MPA) formulae?

The MPA formulae dealt only with freight indices. It was silent in regard to the passenger business, which, according to most sources, was the single biggest cash outflow that Penn Central and many other railways had in this era.

The passenger business had been in a secular decline roughly since World War II. The only gains in passenger revenue recorded by Penn Central and its predecessors came in 1969, when the passenger revenues of the former New Haven Railroad, themselves declining about \$1 million each year, were added to those of the primary predecessor roads, and when, at the same time, high speed service was inaugurated in the Northeast Corridor (both of these latter additions having nothing to do with Cleveland).

2. Did the number of trains passing through Cleveland Union Terminal (CUT) decline over the years 1962 - 1972?

Yes; as detailed elsewhere in our work, the number of trains using CUT each day in 1961 was 35; by 1972 there were but 2.

3. Did both carriers, prior to the merger, experienced a general business decline from about 1962 to 1968?

We cannot comment on general business conditions, as we have examined in detail only the passenger revenues, ridership, and operations, which, as stated, declined each year up to and immediately after the merger.

4. How was CUT directly and negatively impacted by the Empire Service or any other force which would result in a decline of available jobs at CUT?

The following are but some of the factors negatively impacting the intercity passenger traffic through Cleveland in the 1950, 1960, and early 1970 eras.

- a) Empire Service - this restructuring of the New York Central passenger service in New York State (and the restructuring and discontinuances which were precursor thereto in 1967) eliminated journey opportunities, discontinuing some through services where these had existed. While successful in stemming the loss of both ridership and revenue in New York State, the changes had a slightly negative impact on "lines west", the routes from Buffalo to Cleveland, Cincinnati, St. Louis and Chicago.
- b) Mail Service - the U. S. Post Office instituted a policy of transferring mail from passenger service to freight trains, highway trucks, and air carriers. Automated sorting, the use of "zip" codes, and service and policy issues resulted in elimination of railway post office cars, and a substantial reduction in bulk mail carried by passenger train. Mail which had been handled at and through CUT was either lost to rail, or transferred in some cases to other facilities in Cleveland more highly automated, or adapted to non-passenger needs.

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

(continued)

- c) Railway Express Agency (REA) - the Railway Express Agency, which was owned collectively by American railroads, suffered a decline in business which resulted in cessation of all operations by 1975. During the declining years, some of its traffic was shifted to highway and air modes, accelerating the decline in revenue to the railroads. Most of the REA diversion from passenger trains occurred between 1966 and 1968.
- d) Interstate Highways - the program of Defense and Interstate Highways, begun under the Eisenhower administration in 1958, accelerated as the 1960 era progressed. This program, and certain state programs which resulted in such limited access highways as the New York State Thruway (which opened between 1954 and 1959) and the Ohio Turnpike (which opened in 1955), constituted a national, if de facto, public policy to shift both passenger and freight transportation to the highway mode. These highways, with no grade crossings of other roads or railways, and with no traffic lights, greatly decreased travel time for trucks, buses and autos.
- e) Suburbanization - the wholesale relocation of metropolitan residential population from the inner city and surrounding areas to dispersed suburbs resulted in the diminution of much activity in central business districts. Pre-suburbanization, city centers facilitated access to passenger trains through proximity to activity in and around downtown stations. The public transportation network was made possible by dense development within a few miles of downtown stations. Dispersal of this concentration hindered convenient access to trains because much activity was remote from the station, and because local transport in the suburban environment favored the automobile - and downtown stations had little parking available. This was realized in the northeast, with suburban stations such as Route 128 (Boston), Metropark (suburban New Jersey), and New Carrollton (suburban Washington) springing up in the 1960-1970 eras, but by 1962, the outer stations serving Cleveland had essentially dried up.
- f) Riots Following the Death of M. L. King, Jr. - these urban uprisings and others across the nation in the 1960 era resulted in a perception of unsafe conditions in cities, where downtown passenger stations remained. The consequent reluctance to use inner city facilities accelerated the decline in the passenger business.
- g) Decline of Local Public Transportation - CUT was constructed in a major commercial district, and served as its hub, both in terms of office and retail facilities, and as the focal point for urban rail and bus services in Cleveland. As such services declined, the ability to reach the terminal declined as well. While airports, which had always been in remote areas of and around cities, could construct parking on available land, this was not possible or inexpensive in locales such as CUT. These same issues affected cities at the other end of journeys which would start or end at CUT, again diminishing ridership.

RESPONSE TO BLANK-ROME QUESTIONS OF AUGUST 20, 2007

(concluded)

- h) Reduction in Connecting Passenger Trains - as connecting railroads discontinued passenger trains, Cleveland passengers had fewer and fewer travel options. The proportion of "overhead" or connecting traffic, at cities such as Buffalo, Chicago, and St. Louis, was substantial. As the weak roads exited the passenger business, destinations in Texas, the Dakotas, Iowa, and the south were eliminated as potential rail destinations from Cleveland.
- i) Inauguration of jet aircraft - When the first Boeing 707 entered commercial service in 1958, a "gift" from military development, journey times were reduced, and the tedium of air travel turned to the romance of air travel. Air carriers experienced higher aircraft and labor productivity, and the reliability of all-weather travel eliminated a major rail advantage.
- j) Construction of Suburban Airports - airports serving the jet age required new and bigger facilities, with lots of parking and "jet age" design. This was accomplished in city after city at the public expense, all the while the rail carriers had to maintain aging terminal infrastructure, and pay lavish tax rates on this property to boot. In Cleveland, the rapid transit system was extended to serve Hopkins Airport in the late 1960 era, a good indication that the air age had transcended the railway age as to passenger travel.
- k) Decline of Heavy Industry - Though less evident in Cleveland than some cities, the decline of manufacturing in the eastern U.S. established the "rust belt", decreasing jobs and economic activity disproportionately. This had an effect on travel served by CUT.
- l) Economic Recessions - A series of recessions in 1957 - 1958 and 1961 accelerated the losses suffered by the operators of passenger trains using CUT.
- m) Loss of Population - in addition to suburbanization, the gradual movement of population and economic activity to the sun belt saw 9 cities in the CUT service area (key destinations served from CUT) lose 450,000 residents from 1960 to 1970. Cleveland itself lost 125,000 residents, or 18% of its population, in this period.

September 13, 2007

Cleveland Union Terminal

PCC003903

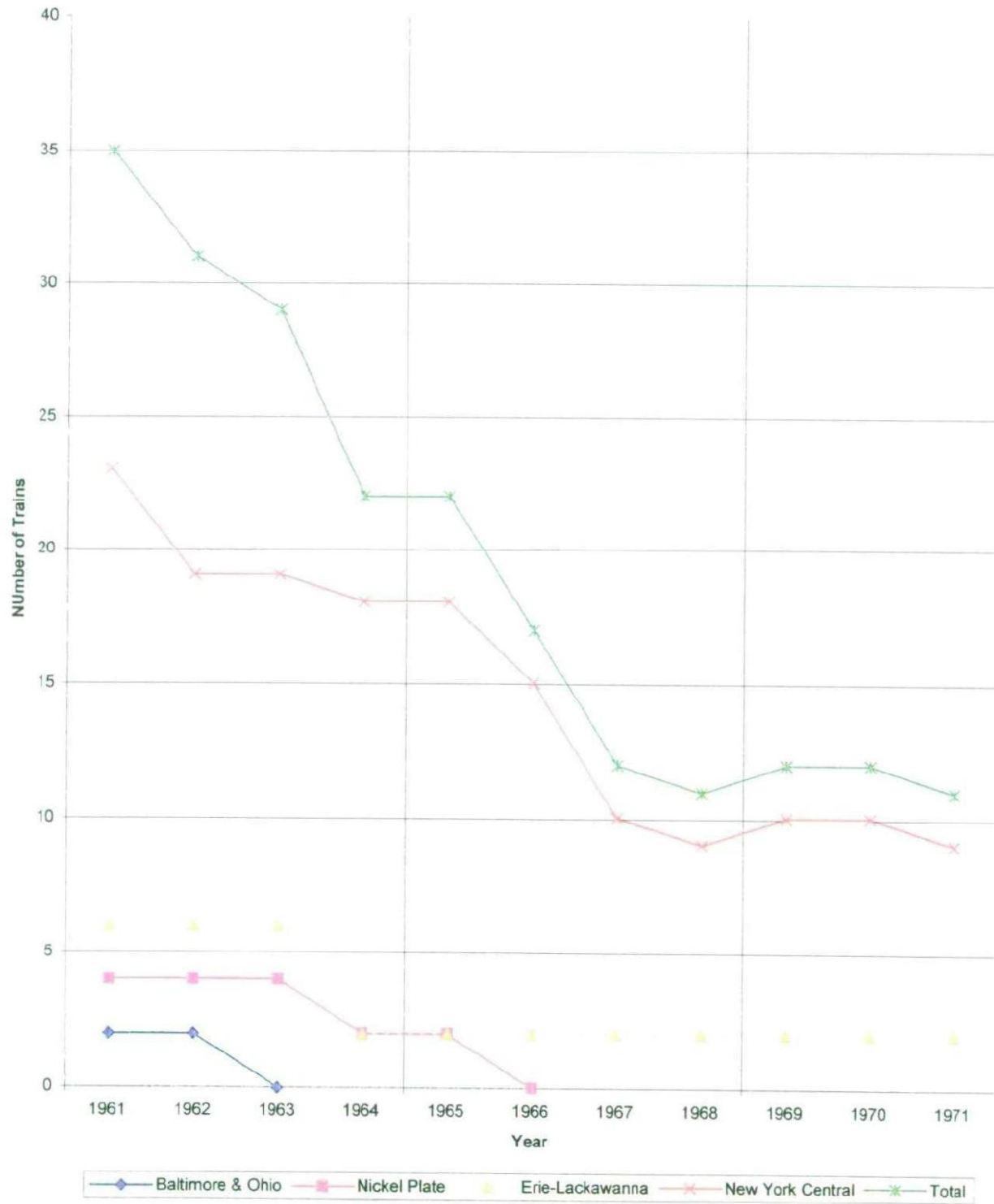
Number of Trains Using Cleveland Union Terminal					
Excludes Mail & Express Trains and Trains Not Stopping at CUT					
Date	PC/NYC	Erie- Lackawanna	Nickel Plate	Baltimore & Ohio	Sum
May-61	23	6	4	2	35
4/29/1962	19	6	4	2	31
7/1/1962	19	6	4	2	31
Mar-63	19	6	4		29
4/26/1964	19	2	2		23
10/25/1964	18	2	2		22
4/25/1965	18	2	2		22
4/24/1966	16	2			18
10/30/1966	15	2			17
4/30/1967	15	2			17
9/17/1967	10	2			12
11/5/1967	9	2			11
12/3/1967	9	2			11
1/26/1968	9	2			11
4/28/1968	9	2			11
7/15/1968	9	2			11
9/16/1968	9	2			11
4/27/1969	10	2			12
1/1/1970	10	2			12
5/15/1970	10	2			12
Feb-71	9	2			11
Apr-71	9	2			11

C:\CUTSummary Table No of Trains

9/17/2007

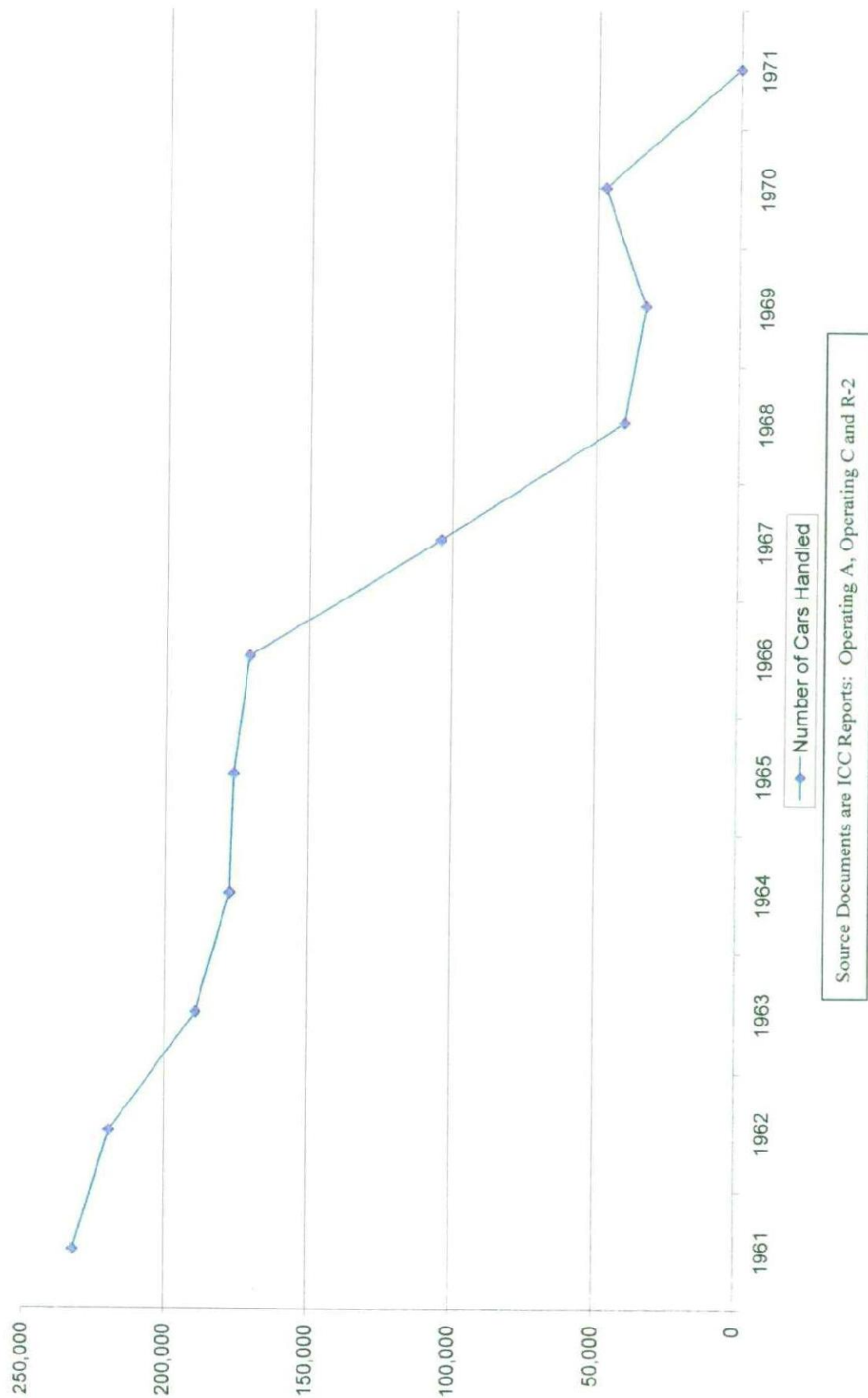
PCC003904

Trains Using Cleveland Union Terminal



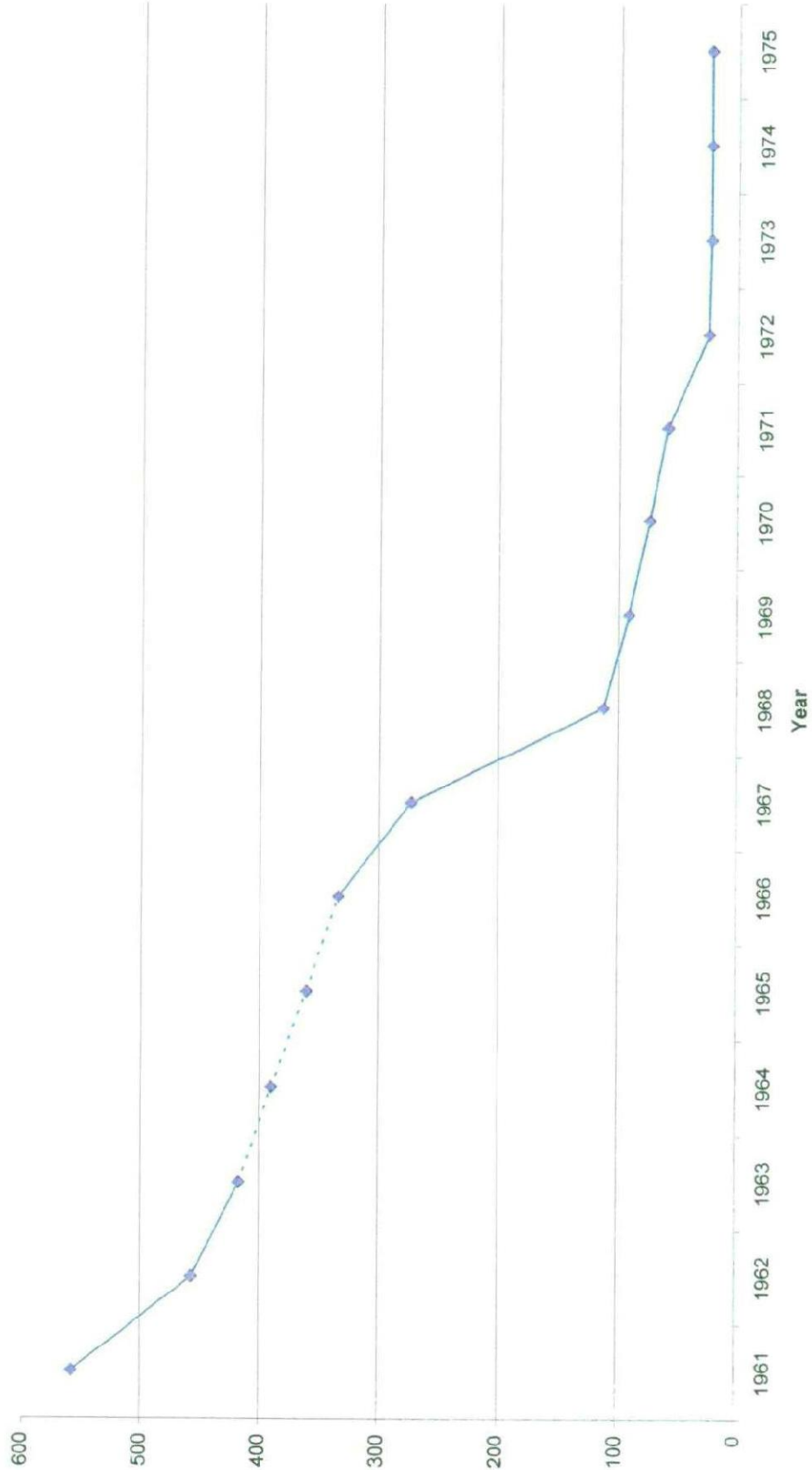
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Cleveland Union Terminal



PCC003906

Cleveland Union Terminal Average Number of Employees



Source Documents are ICC Reports: Operating A, Operating C and R-2

Revenue Passengers Handled at Cleveland Union Terminal
New York Central Trains - Late 1967

Train	Passengers Arrival Load	Passengers On	Passengers Off	Passengers Departure Load
<u>Buffalo - Cleveland - Chicago</u>				
Westbound				
Train 27	74	(nonstop via Lakefront)		74
Train 63	15	8	3	20
Train 51	21	5	16	10
Total	110	13	19	104
Eastbound				
Train 64	20	6	7	19
Train 28	69	11	5	75
Train 98	11	2	3	10
Total	100	19	15	104
<u>Cleveland - Cincinnati</u>				
Westbound				
Train 15		5		5
Eastbound				
Train 16	10		10	
Sum of above trains	220	37	44	213
<u>Cleveland - Indianapolis</u>				
Trains 315 and 316		Loads varied from 3 to 7		

Data from Rail Passenger Feasibility Study (Source Document "h")

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PCC003908

Cleveland Union Terminal		
Year	Average number of employees	Number of cars handled
1961	558	231,936
1962	457	219,433
1963	417	189,197
1964		177,477
1965		176,304
1966	334	170,830
1967	273	103,946
1968	112	39,913
1969	91	32,677
1970	74	47,268
1971	59	0
1972	25	0
1973	23	0
1974	23	0
1975	23	0
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	sheet CUT	

PCC003909

Num	From-To	Ma,	4/29/62	7/1/62	Mar-63	4/26/64	10/25/64	25/65	4/24/66	10/30/66	11/29/66	4/30/67	9/17/67	11/5/67	7	1/26/68	4/28/68	7/15/68	9/16/68	10/27/68	4/27/69	1/1/70	5/15/70	F	Apr-71
Passenger trains operating along the Lakefront, not using C.U.T.																									
New York Central/Penn Central																									
25	NYC-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
27	BOS-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru BUF-			thru				thru	
28	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru CHI			thru					
Passenger trains using C.U.T.																									
New York Central/Penn Central																									
15	NYC-CIN	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	orig CLE-CIN	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig
27	BOS-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru BUF-			thru	thru	thru	thru	thru	thru
35	NYC-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru BUF-			thru	thru	thru	thru	thru	thru
51	NYC-CLE	arr	arr	arr	arr	arr	arr	arr	thru NYC-CHI	thru		thru	thru	thru	thru	thru	thru BUF-			thru	thru	thru	thru	thru	thru
57	NYC-CLE	M-F, ar	M-F, ar	M-F, ar	M-F, ar	M-F, ar	ex Su ar	ex Sa ar	ex Sa ar	M-F thru NYC-CHI, Sun orig CLE-CHI		thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru
59	NYC-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			as arr pass. shown Oct 66			thru	thru	thru	thru	thru	thru
63	NYC-CHI	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru			thru	thru	thru	thru	thru	thru
201	CLE-CHI	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
209	CLE-CHI	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
245	CLE-CHI	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
315	CLE-IND	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig CUT & 26 & LF	orig CUT & LF	orig CUT & LF	orig CUT & LF	orig	orig	orig CUT & LF	orig	orig	orig	orig	orig
321	CLE-COL	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
323	CLE-CIN	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
327	CLE-CIN	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
329	CLE-CIN	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
341	CLE-SIL	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig	orig											
2	CLE-NYC *	split from 28	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
5	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
16	CIN-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
18	CIN-CLE	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
26	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru											
28	CHI-BOS	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru CHI-			thru	thru	thru	thru	thru	thru
64	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru BUF			thru	thru	thru	thru	thru	thru
90	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru CHI-			thru	thru	thru	thru	thru	thru
96	CHI-NYC	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru BUF			thru	thru	thru	thru	thru	thru
98	CHI-BUF	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru			thru	thru	thru	thru	thru	thru
222	CHI-BUF	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru	thru			thru			thru	thru	thru	thru	thru	thru
306	CIN-CLE	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr			arr			arr	arr	arr	arr	arr	arr
312	SIL-CLE	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr			arr			arr	arr	arr	arr	arr	arr
316	IND-CLE	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr			arr CUT & LF			arr CUT & LF	arr	arr	arr	arr	arr
322	CIN-CLE	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr	arr			arr			arr	arr	arr	arr	arr	arr
Note: NYC train 2 and 28 separated at CUT in May 61. 2 ran combined with 28 beginning with 4/29/62 TT - not counted as separate train in this tabulation after May 1961																									

For Trains using C.U.T.	
City Codes	
Baltimore	BAL
Boston	BOS
Buffalo	BUF
Chicago	CHI
Cincinnati	CIN
Cleveland	CLE
Columbus	COL
Indianapolis	IND
New York City	NYC
Pittsburgh	PGH
St Louis	StL
Youngstown	YNG
C:\Chuck Bode\CUT Passenger Service\CUT Train Inventory (City Codes)	
9/12/2007	

PCC003912

PENN-CENTRAL
MERGER
OPERATING STUDY
TRANSPORTATION TERMINAL
REPORT NO. 18
CLEVELAND, OHIO

October 22, 1965
1st Revision November 9, 1965

PCC003913

M. OF E. DEPARTMENT MERGER COMMITTEE
Information to Be Furnished by The Transportation Committee

LOCATION:

Cleveland

DATE:

9-24-68

Names of Specific Yards Involved:-

NYC Collinwood
NYC Orange Ave
PRR Rittenhouse St.
NYC Mayey
NYC Quinby
PRR W. S.
NYC E. 55 St.
PRR W. Broadway

NYC D.K.
NYC W. Park
NYC Lindele
NYC Rockport
NYC Fisher Bay
PRR Park (Waltham Heights)
NYC Park (Brook Park)
PRR Chrysler
NYC Front St
NYC Cleveland Union Term

Brief General Overall Description of Proposed Operation -

Refer to General Order by Transportation Committee

SWITCHER ASSIGNMENT -

Work Location	TRICKS WORKING						Remarks
	A No. Loco.	Class Desired	B No. Loco.	Class Desired	C No. Loco.	Class Desired	
NYC Collinwood	15		12		7		
NYC Orange Ave	1		1		0		
PRR Rittenhouse St.	12		8		6		
NYC Mayey	1		1		1		
NYC E. 55 St.	2		1		1		
PRR W. Byrdwater	2		3		3		
NYC D.K.	2		2		1		
NYC W. Park	3		2		1		
NYC Lindele	1		0		1		
NYC Rockport	7		5		4		
NYC Fisher Bay	1		1		1		
PRR Park (Waltham Heights)	3		3		2		
NYC Park (Brook Park)	2		2		2		
PRR Chrysler	3		3		2		
NYC Front St	0		1		1		
NYC Cleveland Union Term	2		5		2		

Timpany Papers
Vol VI

NEW YORK CENTRAL SYSTEM

New York, November 7, 1967

H-1

R.D.T.:

Re your inquiry about transfer of coach passengers train 51 at Cleveland:

Present practice has been to make up in advance part of the outbound train, which was programed when switch engine was discontinued and under this set-up coach passengers are obligated to transfer at Cleveland.

However, we now are planning on taking off the last switch engine at C.U.T. by November 20th and to prepare for this making certain changes effective November 13th which will include running this coach through to Chicago.

D.T.H.

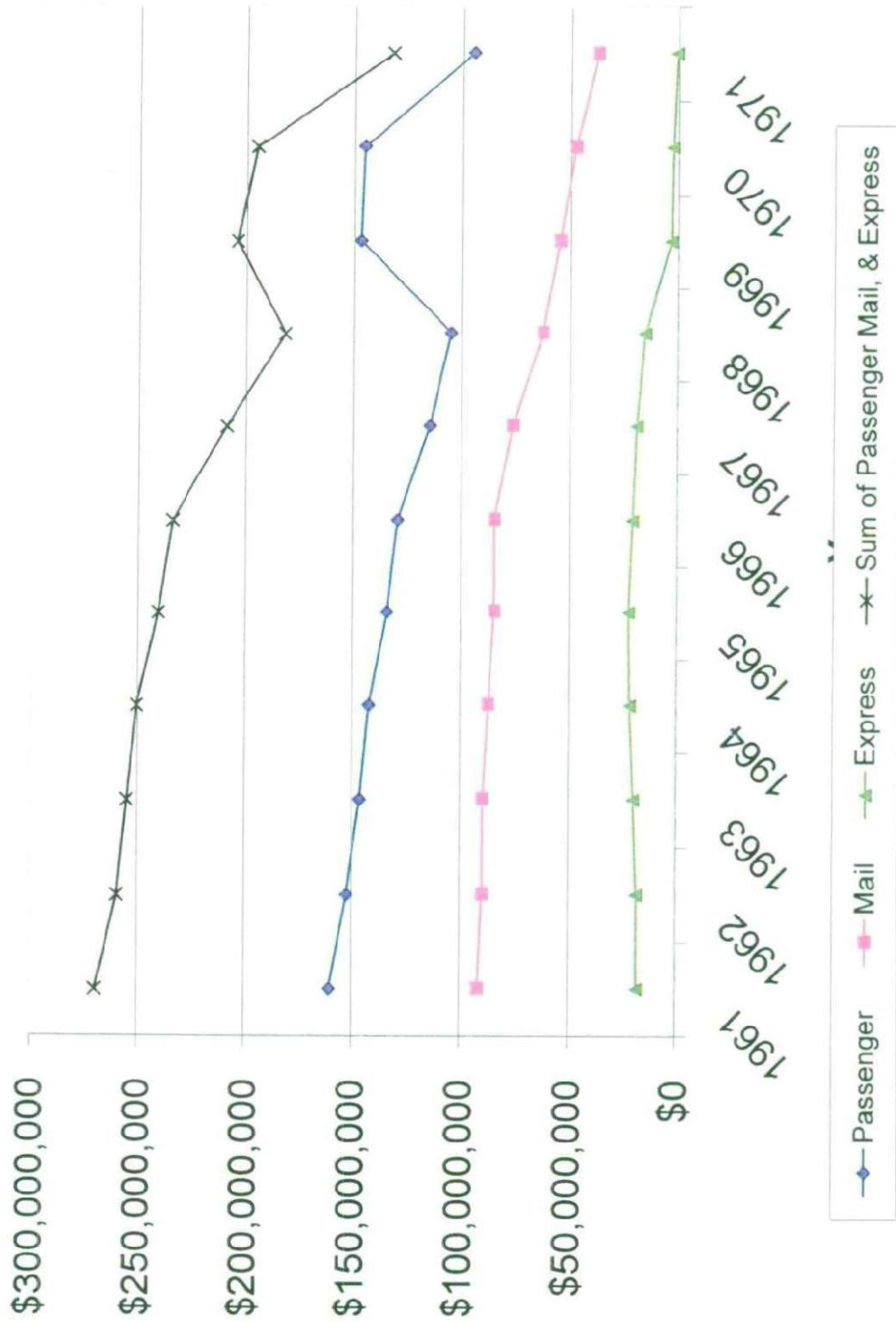
PCC003915

New York
Central,
PRR,
NH,
Penn Central
Passenger
Traffic

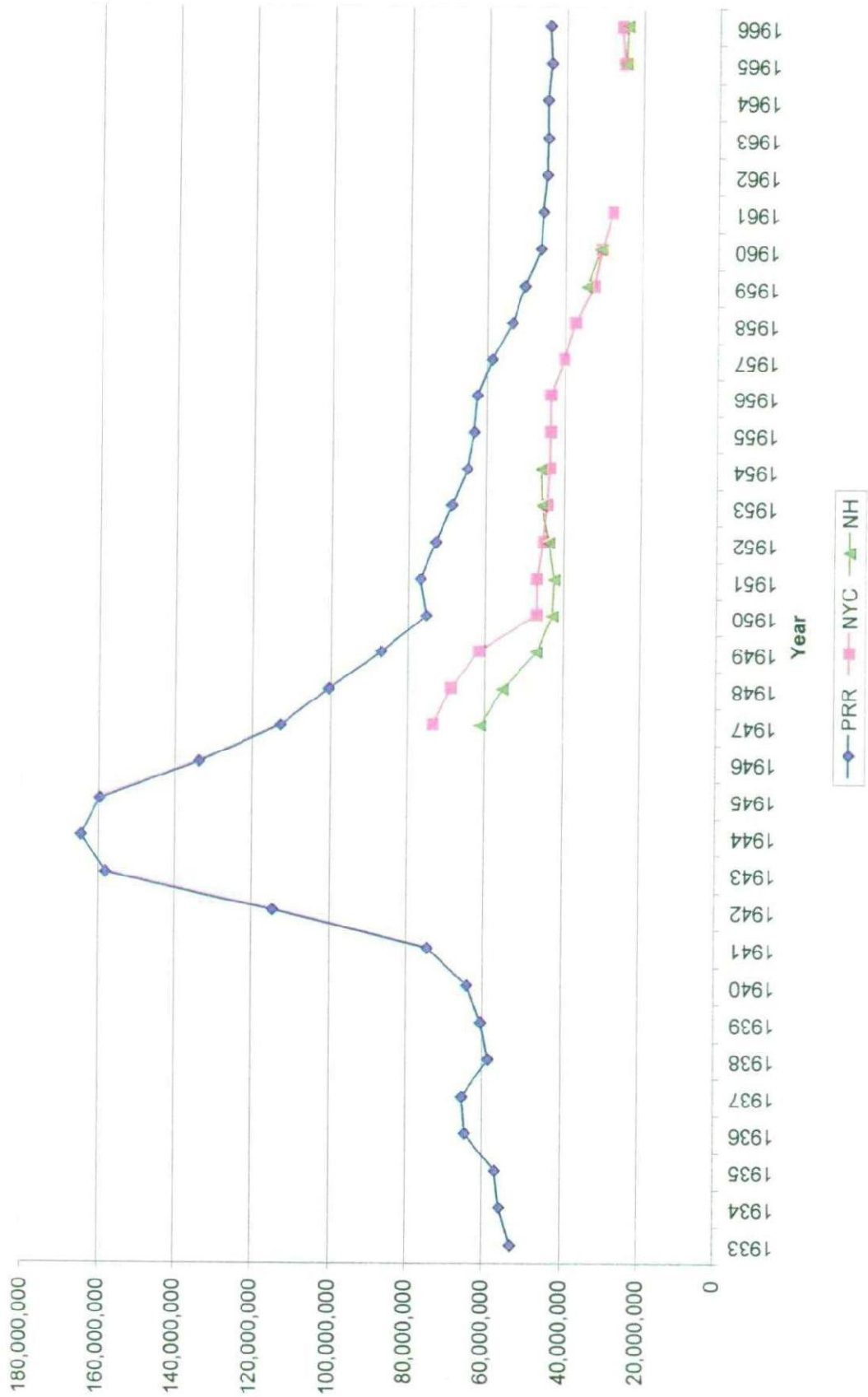
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Penn Central Revenue

Includes Combined Prior Companies

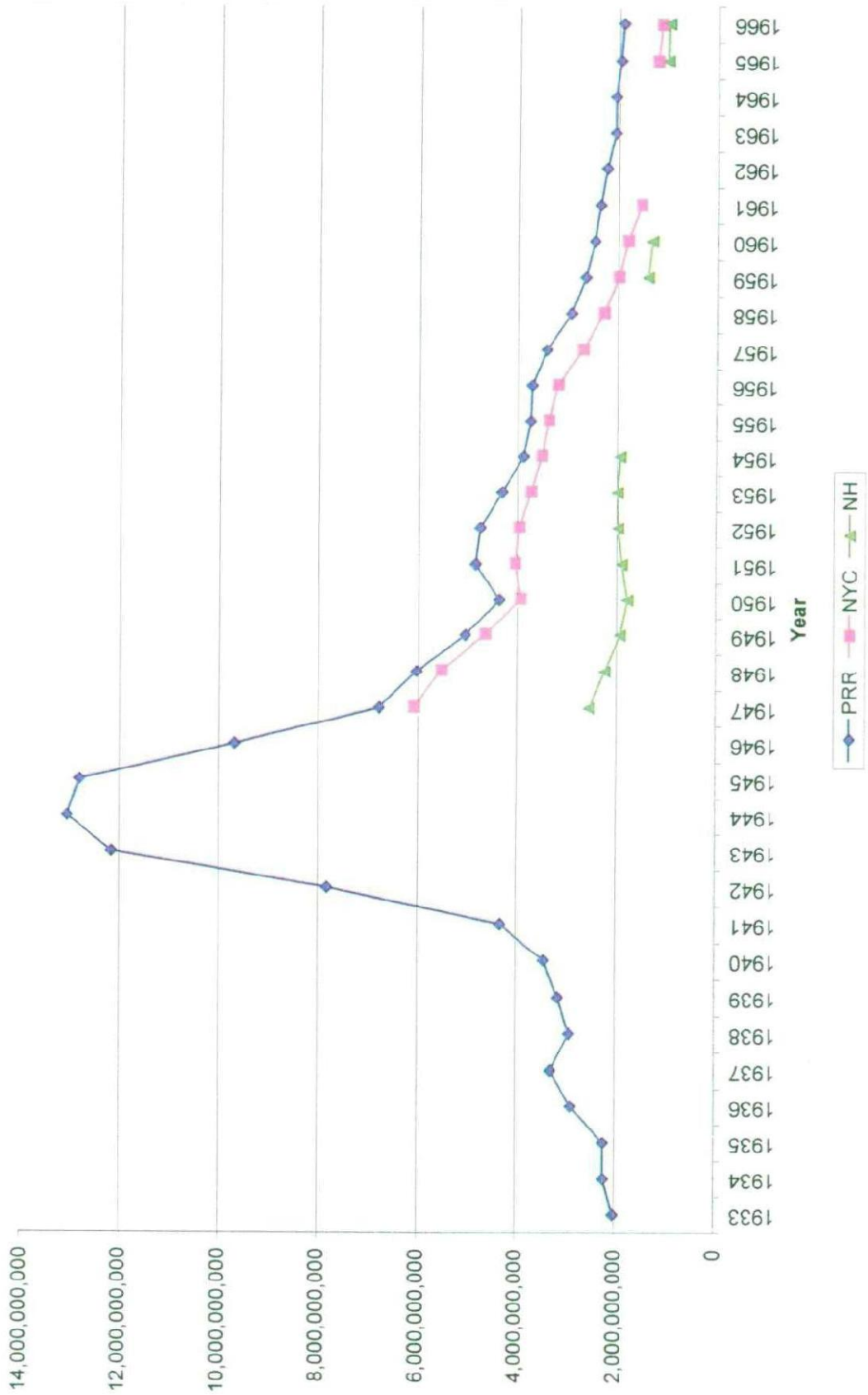


PRR, NYC, NH Passengers



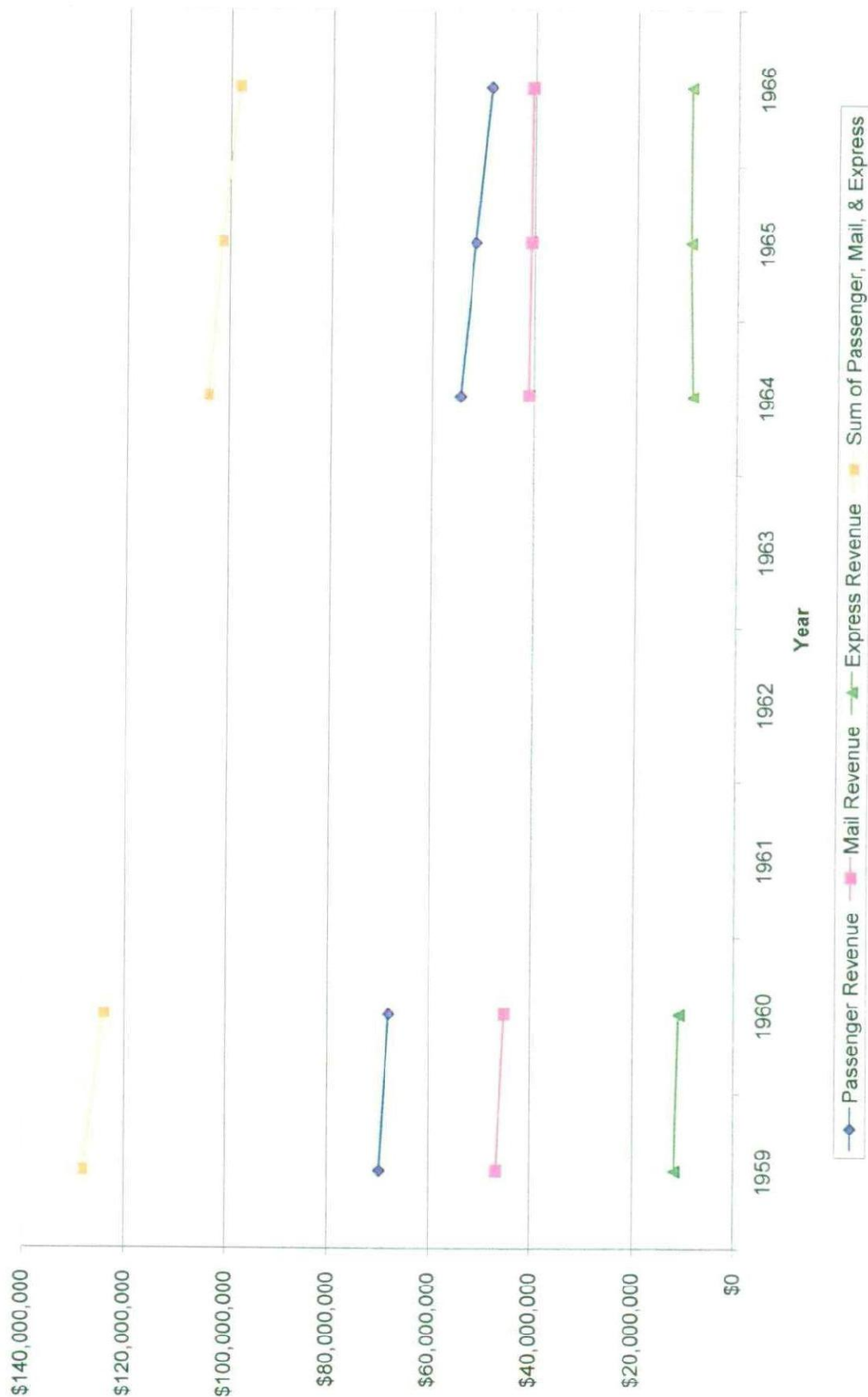
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PRR, NYC, NH Passenger Miles



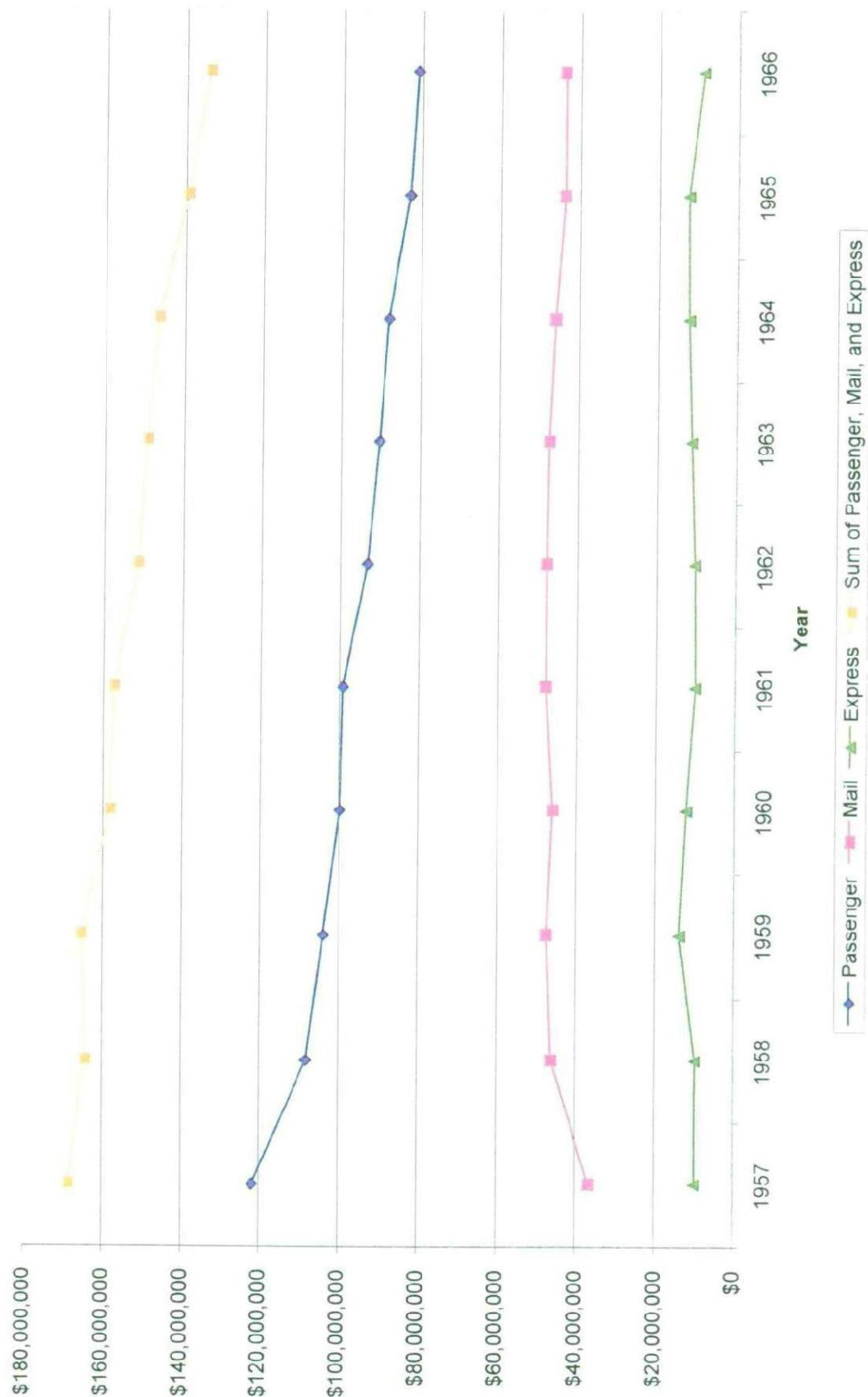
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NYC Passenger, Mail, & Express Revenue



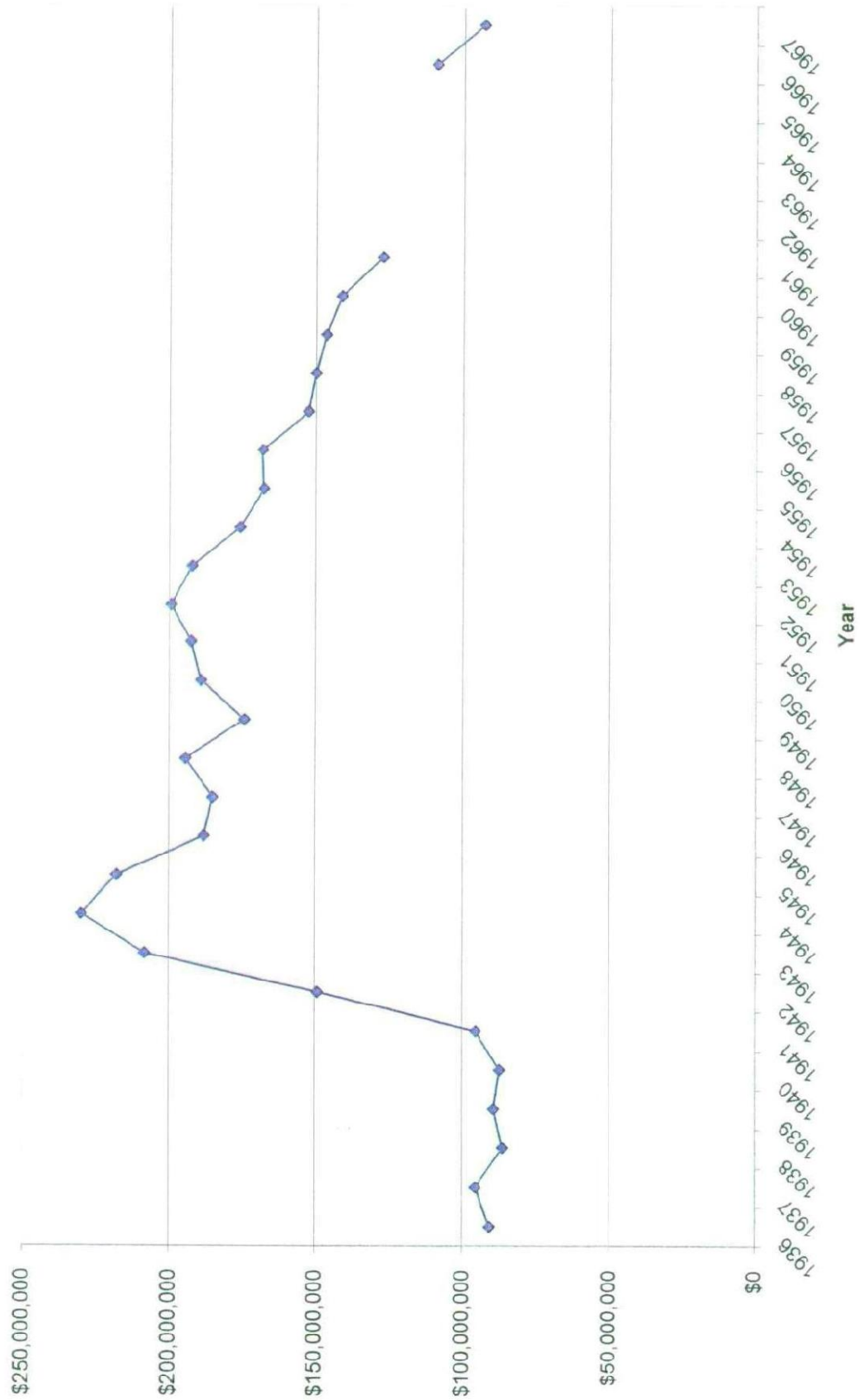
PCC003920

PRR Passenger, Mail, & Express Revenue



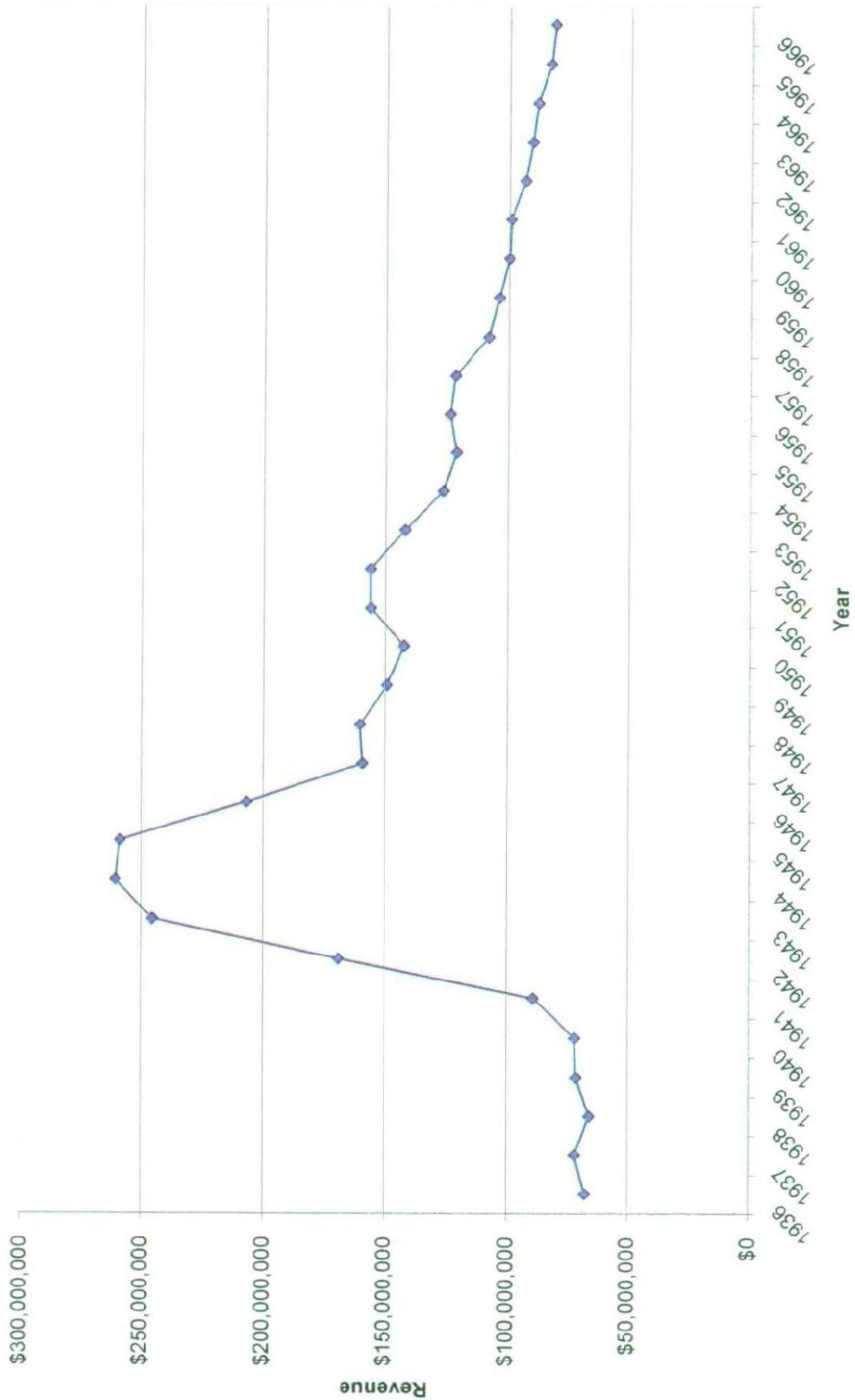
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NYC Passenger Revenue



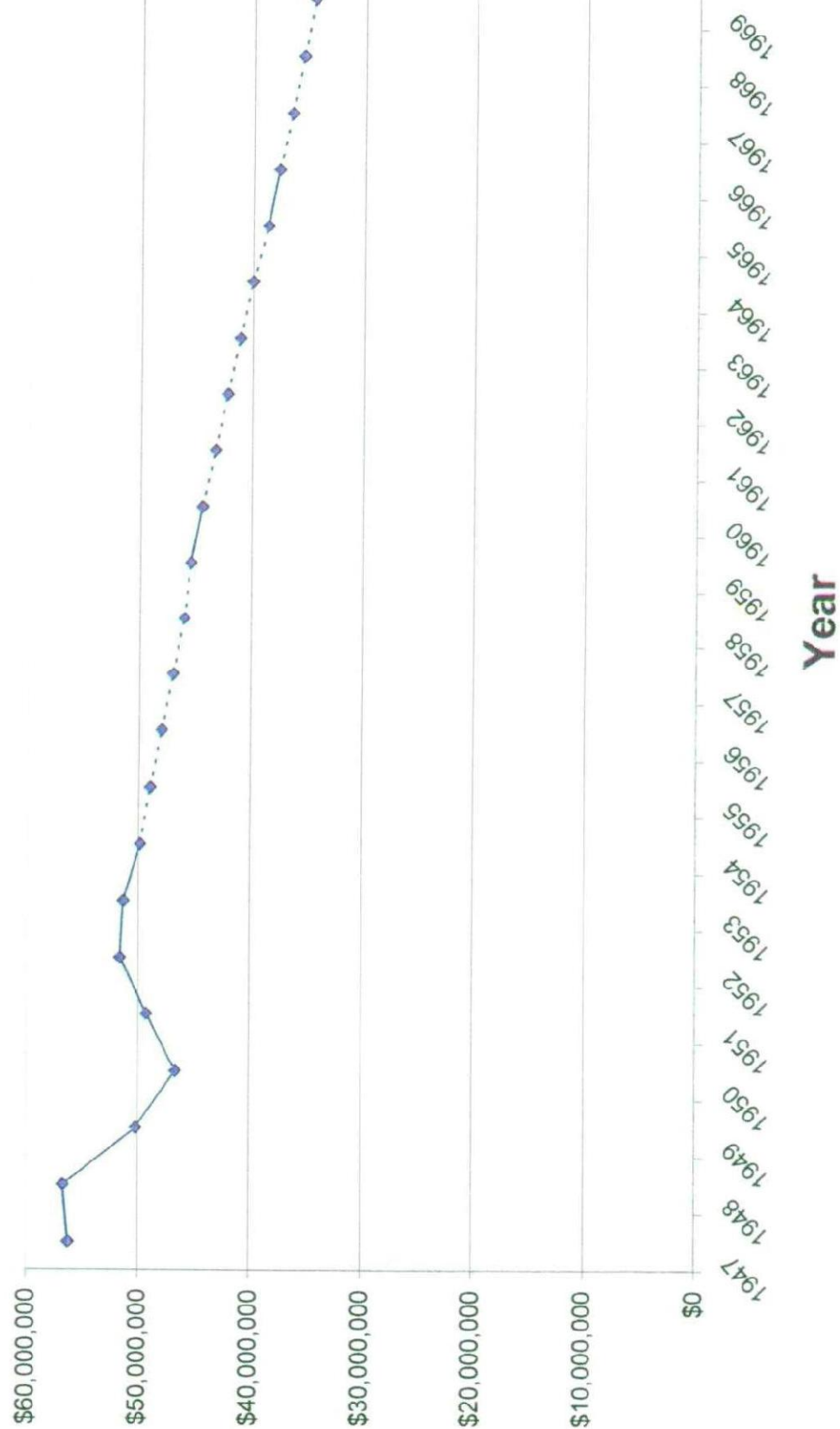
PCC003922

Pennsylvania Railroad Passenger Revenue



PCC003923

New Haven RR Passenger Revenue



PCC003924

Passenger Statistics												
PRR					NYC					New Haven		
Year	Number of revenue passengers	Revenue passenger miles	Passenger train miles	Passenger car miles	Number of passengers, excluding commutation	Number of commutation passengers	Total Passengers	Passenger miles, excluding commutation	Passenger miles commutation	Total passenger miles	Passengers	Passenger Miles
1933	52,842,776	2,016,644,556										
1934	55,544,011	2,209,927,783										
1935	56,739,729	2,217,260,257										
1936	64,617,913	2,881,802,420										
1937	65,394,792	3,294,745,624										
1938	58,593,288	2,913,408,446										
1939	60,476,322	3,147,222,511										
1940	64,243,942	3,441,634,923										
1941	74,500,567	4,329,900,913										
1942	114,694,200	7,829,325,781										
1943	158,183,306	12,168,328,832										
1944	164,611,427	13,051,158,071										
1945	159,680,534	12,802,328,169										
1946	133,745,122	9,695,343,671										
1947	112,900,366	6,783,773,154			35,193,000	38,259,000	73,452,000	5,324,990,000	754,443,000	6,079,433,000	61,155,000	2,545,011,000
1948	100,481,264	6,033,767,077			30,699,000	38,123,000	68,822,000	4,779,789,000	746,660,000	5,526,449,000	55,465,000	2,223,399,000
1949	86,895,802	5,049,454,648			23,445,000	38,173,000	61,618,000	3,898,518,000	751,352,000	4,649,870,000	46,741,000	1,915,703,000
1950	75,191,753	4,367,658,432			20,004,000	26,623,000	46,627,000	3,418,270,000	510,703,000	3,928,973,000	42,630,000	1,768,419,000
1951	76,872,554	4,840,992,392			20,000,000	26,742,000	46,742,000	3,537,533,000	508,663,000	4,046,196,000	42,244,000	1,880,291,000
1952	72,879,385	4,749,917,852			19,581,000	25,529,000	45,110,000	3,472,555,000	486,210,000	3,958,765,000	43,616,000	1,957,315,000
1953	68,794,294	4,322,524,811			19,504,000	24,689,000	44,193,000	3,256,924,000	474,393,000	3,731,317,000	45,461,000	1,971,531,000
1954	64,861,527	3,881,216,079			18,794,000	24,799,000	43,593,000	3,041,251,000	479,930,000	3,521,181,000	45,773,000	1,923,152,000
1955	63,147,597	3,744,399,639			18,559,000	24,874,000	43,433,000	2,897,313,000	482,215,000	3,379,528,000		
1956	62,476,136	3,719,881,765			17,507,000	25,952,000	43,459,000	2,694,697,000	502,117,000	3,196,814,000		
1957	58,742,612	3,429,731,750			15,585,000	24,441,000	40,026,000	2,218,476,000	475,214,000	2,693,690,000		
1958	53,612,015	2,928,127,073			13,573,000	23,605,000	37,178,000	1,811,774,000	461,052,000	2,272,826,000		
1959	50,235,598	2,649,568,522			12,449,000	20,007,000	32,456,000	1,571,686,000	404,297,000	1,975,983,000	34,253,091	1,369,102,276
1960	46,271,208	2,463,329,044	18,933,813	126,645,898	12,009,000	18,443,000	30,452,000	1,419,681,000	376,984,000	1,796,665,000	30,835,912	1,290,821,702
1961	45,706,404	2,350,290,792	18,877,864	120,438,558	10,635,000	17,076,000	27,711,000	1,181,585,000	349,455,000	1,531,040,000		
1962	44,828,078	2,221,868,905										
1963	44,654,036	2,053,085,611										
1964	44,772,961	2,047,314,932										
1965	43,847,281	1,951,580,362	17,929,016	99,856,994	8,810,221	15,979,932	24,790,153			1,207,014,604	24,374,788	1,005,703,050
1966	44,236,474	1,895,505,190	17,682,097	94,510,062	9,160,517	16,412,199	25,572,716			1,127,834,874	23,971,895	978,380,054
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Operating Revenue													H		
Penn Central					NYC				PRR						
From Penn Central reports					From NYC reports				From PRR reports						
Year	Passenger	Mail	Express	Sum	From ICC reports	Passenger	Mail	Express	Sum	From ICC reports	Passenger	Mail	Express	Sum	Passenger
1936										\$90,619,481	\$67,552,238				
1937										\$95,501,847	\$71,643,262				
1938										\$86,152,607	\$65,796,195				
1939										\$89,227,413	\$71,106,822				
1940										\$87,238,553	\$71,623,220				
1941										\$95,441,883	\$89,022,891				
1942										\$149,261,269	\$169,122,194				
1943										\$208,244,622	\$245,537,445				
1944										\$229,879,481	\$260,804,982				
1945										\$217,935,528	\$258,864,371				
1946										\$187,942,970	\$207,023,702				
1947										\$185,012,500	\$159,327,226				\$56,247,000
1948										\$194,156,932	\$160,304,005				\$56,696,000
1949										\$174,105,637	\$149,241,889				\$50,223,000
1950										\$188,972,066	\$142,373,976				\$46,681,000
1951										\$192,357,021	\$156,148,680				\$49,266,000
1952										\$199,272,237	\$156,316,370				\$51,677,000
1953										\$192,045,078	\$142,097,087				\$51,408,000
1954										\$175,609,739	\$126,503,784				\$49,886,000
1955										\$167,528,242	\$121,156,635				
1956										\$167,950,511	\$123,782,131				
1957										\$152,529,162	\$121,739,972				
1958										\$149,999,932	\$108,139,738				
1959						\$69,709,922	\$46,654,490	\$11,675,818	\$128,040,230	\$146,561,562	\$103,952,598				\$45,441,102
1960						\$67,936,647	\$45,159,430	\$10,870,992	\$123,967,069	\$141,291,711	\$99,849,348				\$44,441,369
1961	\$160,443,354	\$91,669,201	\$17,567,122	\$269,679,677						\$127,453,356	\$99,138,710	\$47,980,977	\$10,100,881	\$157,220,568	
1962	\$152,519,899	\$89,688,338	\$17,573,168	\$259,781,405							\$93,164,417	\$47,959,010	\$10,363,999	\$151,487,426	
1963	\$146,588,654	\$89,545,111	\$19,204,464	\$255,338,229							\$90,322,234	\$47,505,158	\$11,305,761	\$149,133,153	
1964	\$142,576,667	\$87,009,414	\$20,944,183	\$250,530,264							\$88,157,634	\$46,080,148	\$12,204,981	\$146,442,763	
1965	\$134,494,316	\$84,414,809	\$21,787,781	\$240,696,906							\$82,956,647	\$43,867,254	\$12,466,718	\$139,290,619	\$38,659,273
1966	\$129,661,193	\$84,525,160	\$19,931,394	\$234,117,747							\$81,046,658	\$43,932,740	\$8,777,166	\$133,756,564	\$37,652,322
1967	\$114,961,837	\$76,026,120	\$18,133,602	\$209,121,559						\$108,999,903					
1968	\$105,087,068	\$62,334,063	\$14,569,633	\$181,990,764						\$92,782,009					
1969	\$147,111,527	\$54,489,004	\$2,825,167	\$204,425,698											
1970	\$145,424,726	\$47,258,884	\$2,362,343	\$195,045,953											
1971	\$94,868,954	\$36,967,903	\$519,142	\$132,355,999											
1972															
1973															
1974															
1975															
C:\Chuck Bode\CUT Passenger Service\id1 (sheet revenues)					9/14/2007										

TWILIGHT OF THE GREAT TRAINS



Bill, one of the pleasures
of writing this was in getting
to know you. The Bro/C/O
for your wasn't down
chapter without you.
would

FRED W. FRAILEY

Fred Frailey

PCC003927

K
KALMBACH
BOOKS

TWILIGHT LIMITEDS

The railroad alliance that gave us the *Twentieth Century Limited*, *Broadway Limited* and *Merchants Limited* ultimately gave us heartburn.

◀ You could have stood in Englewood station on Chicago's South Side in January of 1964 and believed for a moment that the great trains were immortal. Jim Boyd's classic photograph of Pennsylvania Railroad's Broadway Limited and New York Central's Twentieth Century Limited, pausing on parallel main tracks to unload passengers on this bitterly cold morning, is a reminder of all that we've lost.

PCC003928

The top executives of New York Central, Pennsylvania, New Haven and the railroad they all became, Penn Central, didn't seem to lose a moment's sleep, from the mid 1960s on, worrying whether you or I had a satisfactory trip on their passenger trains. The question that has hung in the air all these years since is simply this: Did those railroads' executives murder their passenger trains? Or did it matter what they did or didn't do to build or destroy their passenger businesses—would the result have been the same? I now think there is reason to reach either conclusion.

At the end of World War II, all three of the railroads which would comprise Penn Central spent huge amounts of money to reequip their passenger services. Between them, the Penn Central's future components put into service between 1946 and 1954 more than 1,400 lightweight cars, virtually all of them passenger-carrying cars, and almost all earmarked for intercity as opposed to commuter service. Their commitment at the dawn of the 1950s seemed beyond question. But having made this financial commitment, the railroads could not sustain

what they had created, especially in the face of the new jetliners and limited-access highways and the private automobiles bought by newly affluent Americans. Overwhelmed, they gave up.

New York Central and New Haven had little choice. The option was to invest for long-haul and short-haul service, respectively. Pennsy's choice was broader. It could invest in Northeast Corridor trains between New York City and Washington, or the long-haul business connecting New York with Chicago and St. Louis. Mistakenly, it chose the latter.

The Penn Central railroads wasted their money. Their hundreds of millions invested in passenger service brought them nothing. In addition, all were inexorably involved in the commuter-train business. Their bread-and-butter freight trains depended upon smokestack industries that were dispersing across the country.

I should hasten to say that these railroads displayed a lack of management skills. As service descended to abysmal levels by the mid 1960s onward, those responsible for these trains hadn't a clue how to sell passenger train transportation to the public.

The disappearing steel fleet

New York Central was by far the most enthusiastic booster of passenger trains after World War II. It put into service 742 new lightweight intercity cars—as many as Pennsy and New Haven combined. But what payback it ever got is hard to discern.

The backbone of the NYC passenger structure was its service across the state of New York. As of mid 1951, 33 first-class trains operated in each direction west of Albany—19 through or express trains, nine mail, express and milk trains and five locals. Imagine that: 66 trains a day is more than you will see, passenger and freight, on almost any rail segment today. Other parts of New York Central were heavily trafficked, too—between Buffalo and Cleveland, 23 first-class trains in each direction in 1951, and between Elkhart and Chicago, 18 round trips. All of this was on four-track and three-track main lines looked after by 152 interlocking towers between Grand Central and LaSalle Street stations that passed trains from one to another much as railroads in England had done since the last half of the nineteenth century.

For better and for worse, New York Central came under the control in 1954 of Robert R. Young (1897–1958), a Wall Street multimillionaire who ousted the NYC's existing management in a bitter proxy fight that hinged in part upon Young's assertion that Central could profitably operate more passenger trains rather than fewer. The man he recruited to run the Central, Alfred Perlman (1902–1983), had absolutely no attachment to passenger service. Perlman, a civil engineer by training, had been general manager of Denver & Rio Grande Western. At NYC, he quickly and no doubt correctly grasped that the railroad would go broke unless bold steps were taken, and those bold steps obviously included fewer passenger trains. Perlman then proceeded to pull off one of the boldest railroad turnarounds ever. In just a few years, the four tracks and three tracks became two, and the towers and their battalions of

levermen all but vanished, replaced by centralized traffic control that permits bidirectional operation on both tracks or through sidings. Modern retarder yards were built in the gateway cities—Albany (New York City and New England), Elkhart (Chicago connections) and Indianapolis (the St. Louis gateway). Layer upon layer of costs were shed.

And all the while passenger trains were cut off like limbs on a maturing tree. By 1956, before Perlman had even gotten a good start, the 33 round trips between Albany and Utica had become 26, the 23 trains between Buffalo and Cleveland were 19, and the 18 pairs of trains between Elkhart and Chicago shrank to 14. Buffalo-born John Kenefick had been brought to the NYC by Perlman in 1954 from Rio Grande, and was assistant general manager in Syracuse in 1956. "My mother lived in Buffalo," says Kenefick. "She invited us to Thanksgiving dinner. The New York Thruway had just opened. I had my own private business car, but what did we do? We plopped the baby in the back seat and took the Thruway. I remember thinking, 'With a convenience like this, who would want to ride a train?'"

New York Central in the 1950s may have been an exception to the rule that the Interstate Commerce Commission's formula for calculating fully allocated passenger train costs greatly overstated the actual costs. NYC, in company with Pennsylvania and New Haven, was so heavily laden with passenger trains that had you taken them all away overnight, truly huge savings might have resulted. In his autobiography *Keeping the Railroads Running: Fifty Years on the New York Central* (Hastings House, 1974), Karl Borntrager, NYC's senior vice president, recounts a cost study based on 1955 operations that assumed cessation of all passenger trains. His methodology presumed disinvestment in all the coach yards and engine terminals associated with passenger trains, including Grand Central and LaSalle Street stations, Cleveland Union Terminal and St. Louis Union Station. Concluded Borntrager: "I also assumed

that our own line between New York and Chicago would be reduced to a two-track operation. The results of this study indicated that the economies resulting from abandonment of passenger service exceeded the revenue derived by an amount substantially equal to the passenger service loss indicated by the ICC formula for dividing freight and passenger expense."

The noose kept tightening. In 1962, but nine pairs of trains roamed west of Buffalo. In 1965, the Albany–Utica corridor saw 14 train pairs, four of them exclusively devoted to mail and express, and the Elkhart–Chicago segment only seven, two of them mail-only. "Perlman's policy," insists Kenefick, who became NYC's VP-operations and later the president and chairman of Union Pacific, "was not to get out of the passenger business because we wanted to. It was to get out of the passenger business because we were losing our shirt." By mid 1966 the New York Central could be said to have but four trains worthy of note:

□ *Twentieth Century Limited* (New York City–Chicago), a 14-car streamliner that still called forth the red carpet at Grand Central Station each afternoon. But famous feet weren't stepping on that carpet. It was not a "smart" train to take anymore. This is not to say that Central quit trying. To the contrary, internal memos as late as the summer of 1967 set down rigid rules on just what equipment could be assigned to the premiere train. The problem was, nobody noticed. Some nights the Century was almost uninhabited. On May 20, 1967, the westbound Century carried but 18 people in coach, 34 in the sleepercoach (budget sleeper) and 40 in sleeping cars; its eastbound counterpart had 31 in coach, 42 in sleepercoach and 20 in the sleepers. In other words, you could have seated almost everyone in one seating in the twin-unit dining car.

□ *New England States* (Boston–Chicago), by then an abbreviated train that nonetheless merited a twin-unit diner, too. Interestingly, NYC still ran five

trains each way between Boston and Albany, but three were mail and express trains that carried no passengers and the fourth a Budd Rail Diesel Car.

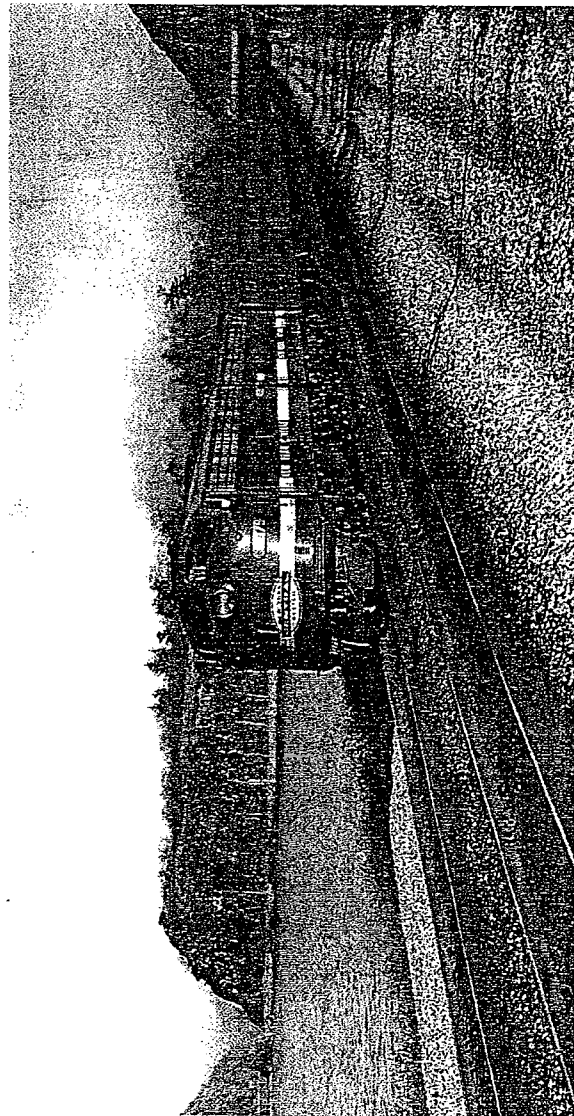
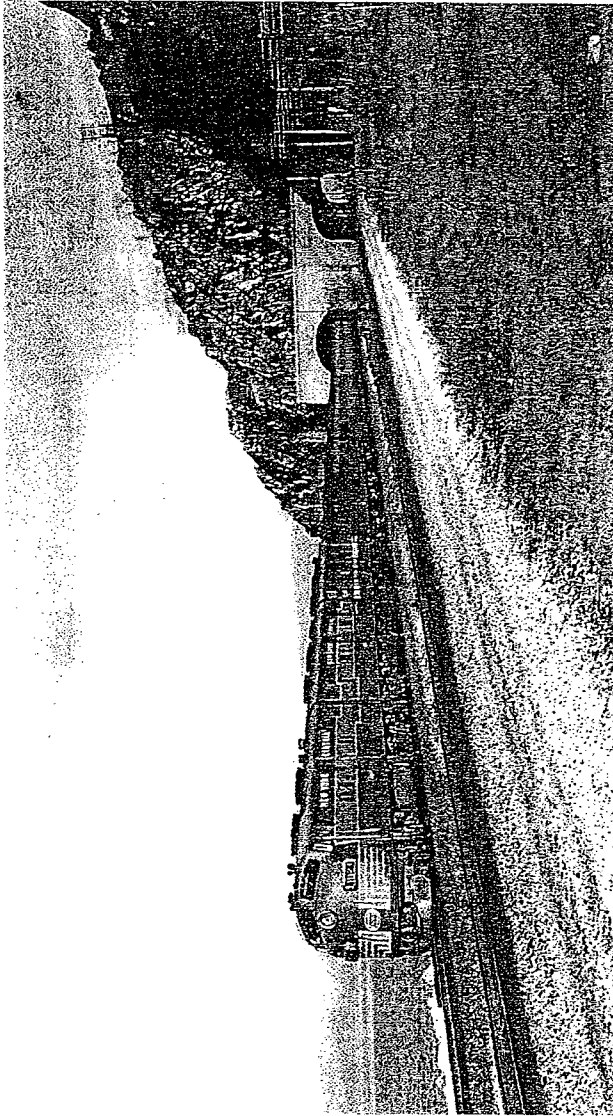
□ *Ohio State Limited* (New York City-Cincinnati), which going west fed cars to the Central's last passenger-carrying train to St. Louis, and going east handled sleepers and coaches from the Toronto connection at Buffalo.

□ *Wolverine* (New York-Chicago), routed via Canada and Detroit and including four sleepers.

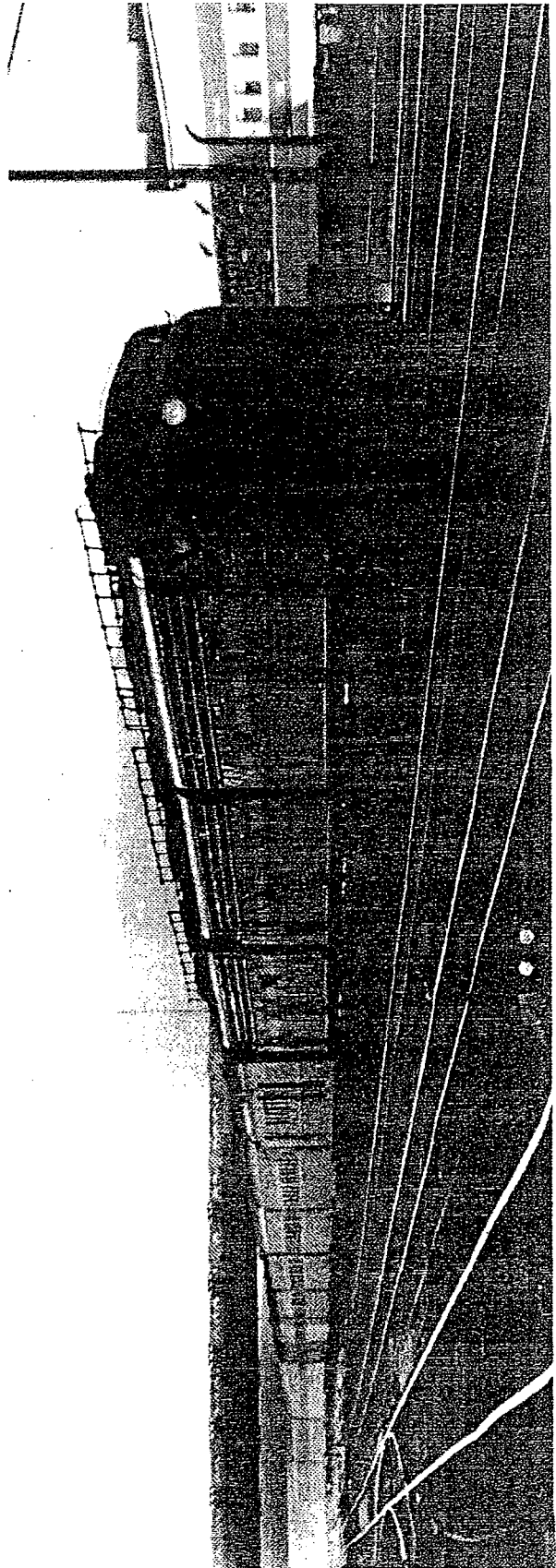
I never rode the *Twentieth Century*, although from trackside in 1966 it struck me as a handsome train. Many years later I discovered that a friend of mine, James McClellan, later to become Norfolk Southern's strategic planner, had started work that year for New York Central's Marketing Department. He too was impressed by the *Century* from afar, but upon riding it in 1966 reached a different conclusion: "It was a piece of junk." The train still had dedicated equipment, he said, but it was visibly undermaintained. The clientele was old—that, or railroaders riding on passes—and sleeping cars were shabby. "I knew on that first trip," says McClellan, "that the *Twentieth Century* was dying, that it wasn't going to last much longer. The corporation didn't care—certainly Al Perlman didn't. He called his passenger trains 'a stupid waste of money.'"

McClellan was right—the *Century* lived on borrowed time. The next summer a memo from the Passenger Transportation Department chided the terminals for substituting other cars for the assigned

► *Manhattan bound on a beautiful April morning in 1965, the Twentieth Century Limited (top) exits Bear Mountain Tunnel in Cold Spring, New York. Just ahead of it that morning was No. 16, the Ohio State Limited. (Victor Hand)*



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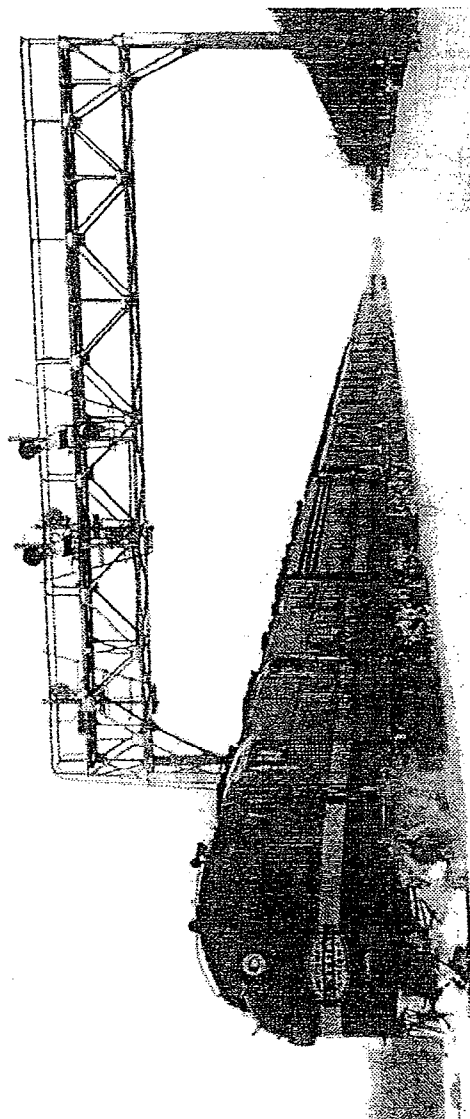


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equipment. But abruptly, on Saturday, December 2, 1967, with virtually no advance word, New York Central called a halt to its traditional way of running passenger trains. Effective November 5, it had combined the *Century* and *New England States* west of Buffalo. Late that same month the New York Public Service Commission gave its cautious assent to a wholesale restructuring of service within that state. Henceforth, eight trains would leave New York City at roughly two-hour intervals starting at 8:30 a.m., five of the eight departures continuing on from Albany to Buffalo. A similar pattern was begun between Buffalo and Grand Central.

More about the new Empire Service in a moment. What knowledgeable rail travelers noticed first was what did not run. Gone in both name and amenities were the *Twentieth Century Limited*, *Empire State Express* and *Ohio State Limited*, not to mention the *Wolverine*, Chicago-Detroit Twilight Limited and every other name train except the Chicago-Cincinnati *James Whitcomb Riley*. The account of the *Century*'s last westbound trip was perhaps best told by Rogers E. M. Whitaker, a New Yorker staff member who described his railroad exploits under the name "E. M. Frimbo." Whitaker had ridden the *Century* probably 50 times over his long life. Fortunately, a collection of his stories, *All Aboard With E. M. Frimbo*, was republished in 1997 in expanded form, with Anthony Hiss as coauthor. Whitaker went to bed in the sleeping car *Misouri Valley* while the *Century* waited in Buffalo for

▲ Flagships: Central's Twentieth Century Limited (top), at South Bend, Indiana, in 1965, and Pennsy's Broadway Limited, arriving Chicago in 1964, represented the best their railroads could offer. (Louis A. Marre, top, and John Gruber)



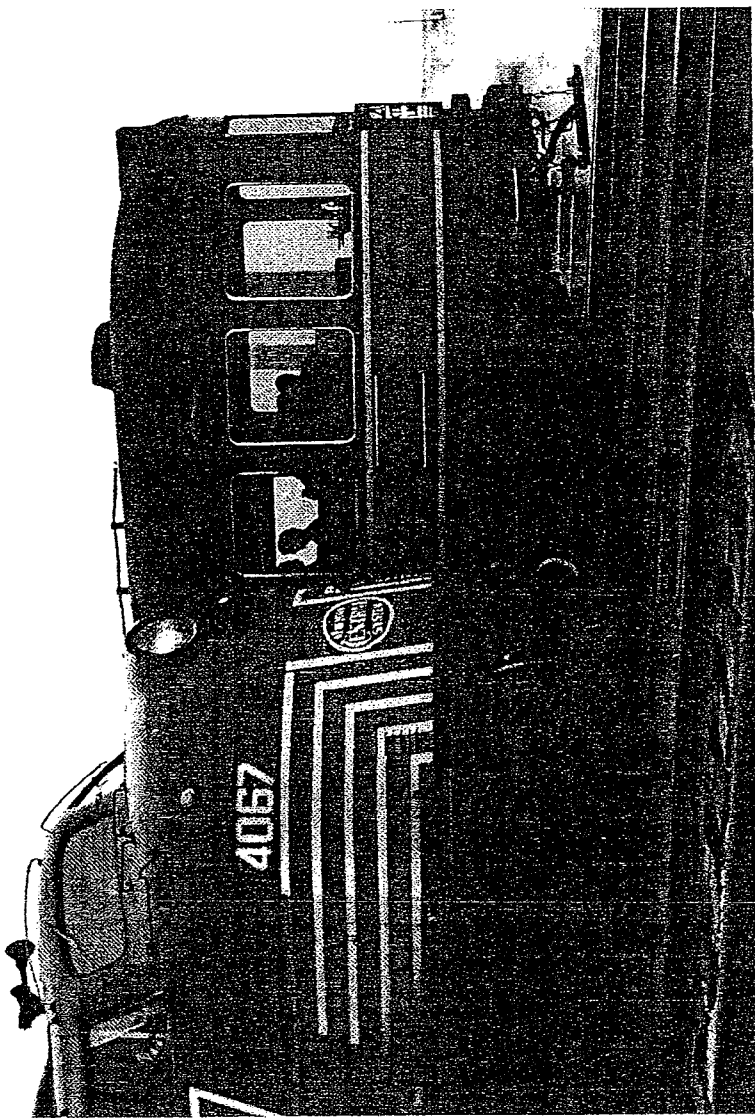
a late *New England States* out of Boston. When he got up late the next morning, his train hadn't even reached Cleveland, because of a derailment ahead of it that eventually led to a detour on the parallel rails of Norfolk & Western. "She sure is dying hard, isn't she?" said the conductor. Caught behind a slow N&W freight, the Central's finest train made 60 miles in seven hours.

The sentimental journey was turning to farce.

▲ The bane of New York Central was the bitter, snow-strewn winter its people and trains endured. In January 1963, train 90, the eastbound Chicagoan, slogs through Batavia, New York, near Buffalo, with an icicle 12-car train. (Victor Hand)

PCC003932

◀ Passing in style, the Twentieth Century Limited going east meets the Iroquois on double track in South Bend, Indiana, on April 8, 1961. (Louis A. Mairre)



same schedules as those of the old Twentieth Century Limited and New England States, on a nameless train created as their substitute. But it was an altogether different experience. "For those who rode the Century," wrote Richard J. Cook Sr. in *The Twentieth Century Limited 1938-1967* (TLC Publishing, 1993), "it was not the train's luxury appointments they remembered, but the aura of smartness that notables created for it." Well put, and the aura of smartness was gone at the end of 1967, as were the red carpet at Grand Central, the observation car and (for a while) the twin-unit diners.

You must concede this about the Empire Service, which began the next day, December 3: It showed that New York Central briefly tried to come to grips with its passenger service constructively. People simply weren't riding New York Central trains across its entire distance. So NYC sought to make the best of its core business within New York State. Forty coaches or snack bar-coaches were overhauled. Eleven westbound trains (10 eastbound) became eight each way—shorter, faster and cleaner than before. The man who undertook this project, Robert Timpany, an assistant vice president of operating administration, had Central's management trainees under his wing, and used them during the first few months to monitor the service, distribute timetables and generally make sure that the concept of short trains on brisk schedules did not die of corporate neglect. For a brief period, the plan appeared to be succeeding.

The sun came out. A woman who told us she was from Milwaukee said, "When we were stopped in those fields in the middle of the night, I felt just like Dr. Zhivago." And a woman wearing a mink hat said, "Everyone seems placid, and I'm glad. I guess maybe it's because it's the last run there will ever be of the Twentieth Century Limited."

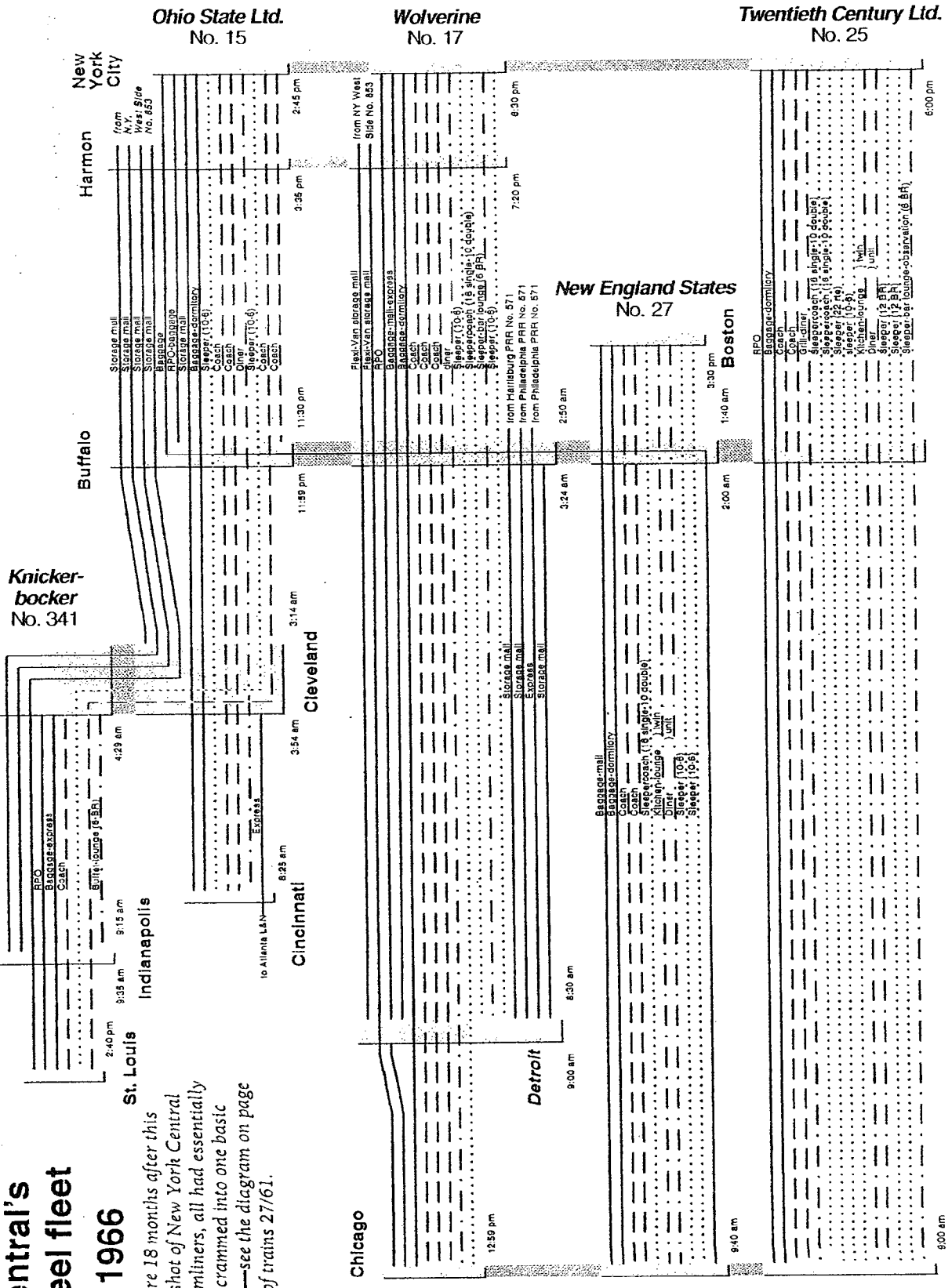
The train reached LaSalle Street just before 7 o'clock that Sunday evening—"late for its own funeral," I wrote in the next morning's *Chicago Sun-Times*. Thereafter you could still travel between New York City or Boston and Chicago, on roughly the

Relates Whitaker in his account of the last trip:

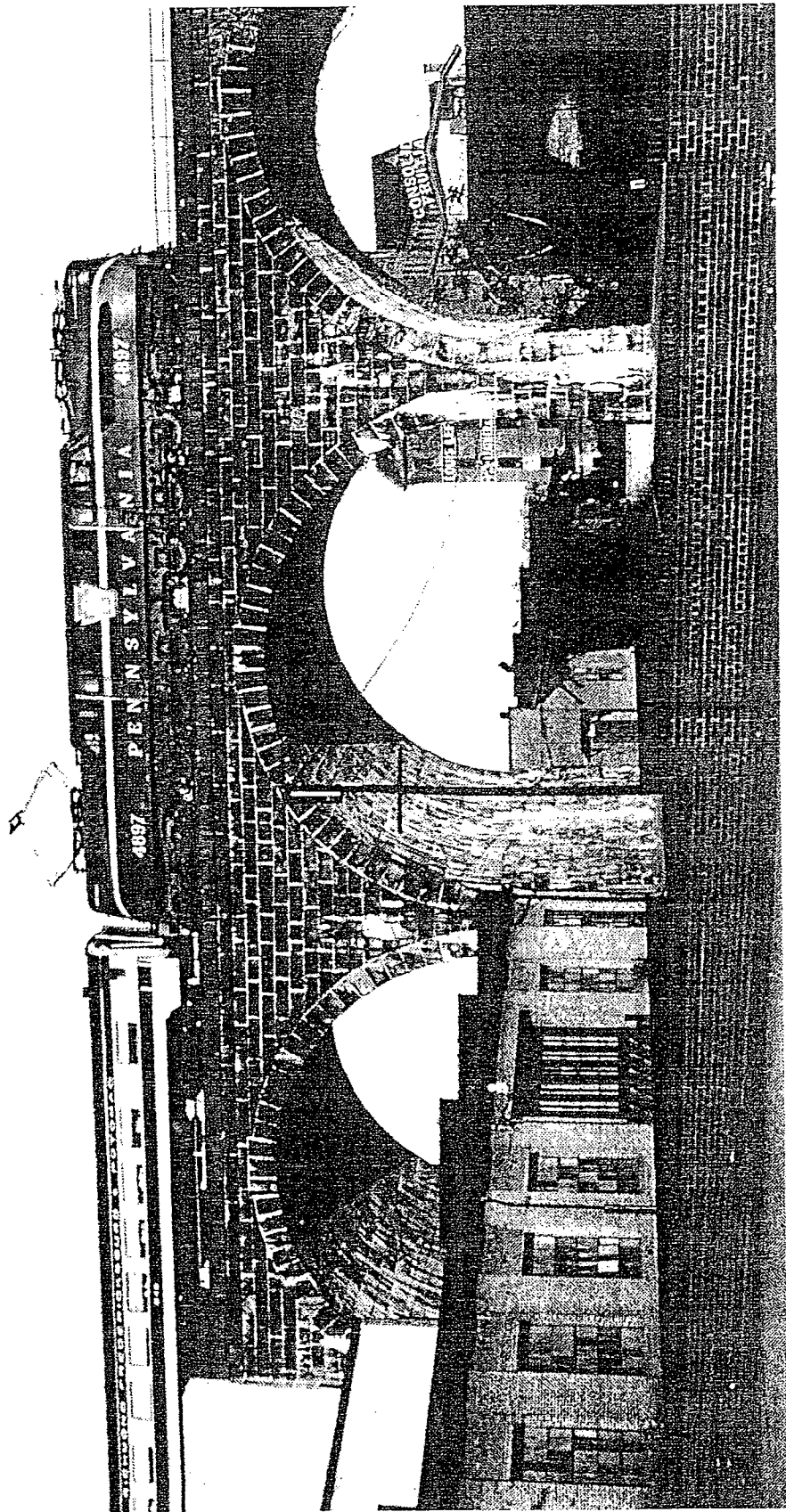
Lunch, after Cleveland, was a quiet meal. The steward was cheerful, and said, "Want to sit down? Here's a seat right here. Things aren't so bad." The passengers were glum. We had some more asparagus soup and a mushroom omelet. There was no liquor, because there are laws in Ohio and Indiana about Sunday drinking. Afterward, we went back to the observation car [Wingate Brook], along with a number of other people, to look at Ohio, and by and by everyone cheered up. Four sailors sat down with a pack of cards and started to play poker.

Central's steel fleet of 1966

A mere 18 months after this snapshot of New York Central streamliners, all had essentially been crammed into one basic train—see the diagram on page 184 of trains 27/61.



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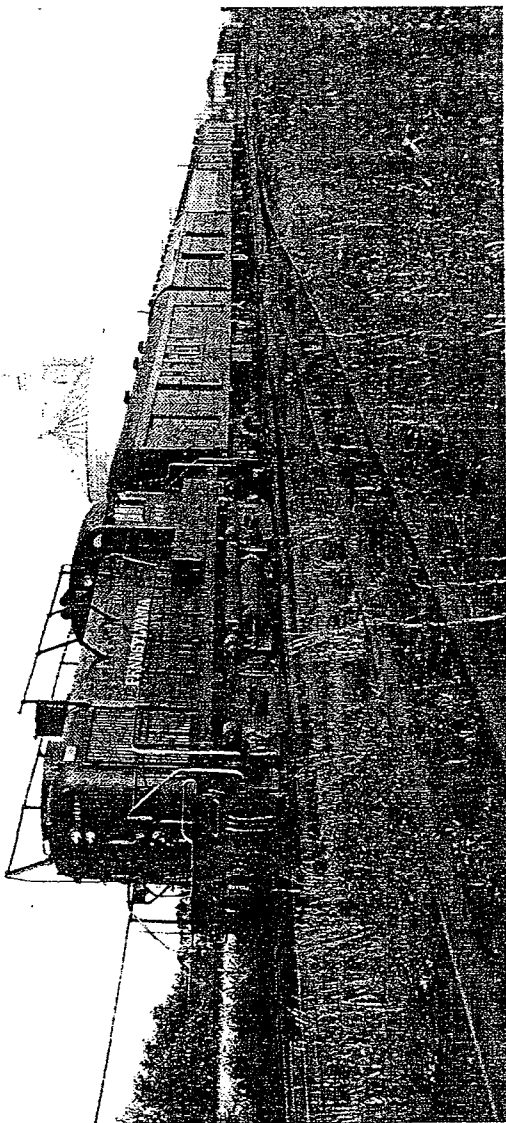
◀ Streamlined cars on the Corridor were apt to be those of other railroads. A GG1 leading an RF&P coach speeds the Edison through New Brunswick, New Jersey, toward Washington in 1963. (Victor Hand)

Pennsylvania Railroad

Pennsy's Broadway Limited outlived its old New York Central rival in name by almost three decades, until Amtrak let it die in 1995. The Broadway Limited was, in fact, the next-to-last daily train in America to be totally composed of only first-class cars, giving up this distinction in 1967 just a few months before Illinois Central's *Panama Limited* added coaches, too. But that's Pennsy for you. Love it, hate it, the Pennsylvania Railroad stood in a class by itself. New York Central in 1966 chalked up 1.1 billion passenger miles (one passenger carried one mile). Pennsy left it in the dust: 1.9 billion passenger miles. There was scarcely a passenger-train market in the eastern half of the country that the Mighty Penn did not figure in.

As an east-west passenger hauler, Pennsy stood on a par with New York Central through the 1960s, dominating the southern portion of the Northeast and upper Midwest while Central ruled the northern part. New York Central, for instance, had pretty much vacated St. Louis by 1960. It scheduled just one round trip for passengers, the *Southwestern-Knickebocker*, whereas the Pennsylvania had three. The one important route they held in common was New York City-Chicago.

However, the east-west lines paled beside Pennsy's north-south passenger line between New York City and Washington—what we know today as the Northeast Corridor. These 226.6 high speed,



electrified miles were unique to American railroading, combining a high volume of freight trains with an even higher volume of suburban, corridor and long-distance passenger trains in not just the col-
 ors of Pennsylvania Railroad but also those of New Haven, Southern, Chesapeake & Ohio, Atlantic Coast Line, Seaboard Air Line and Richmond, Fredericksburg & Potomac.

The Corridor could have been Pennsy's meal ticket. Internal studies concluded that it was operated profitably, thanks to high train loads. But hav-

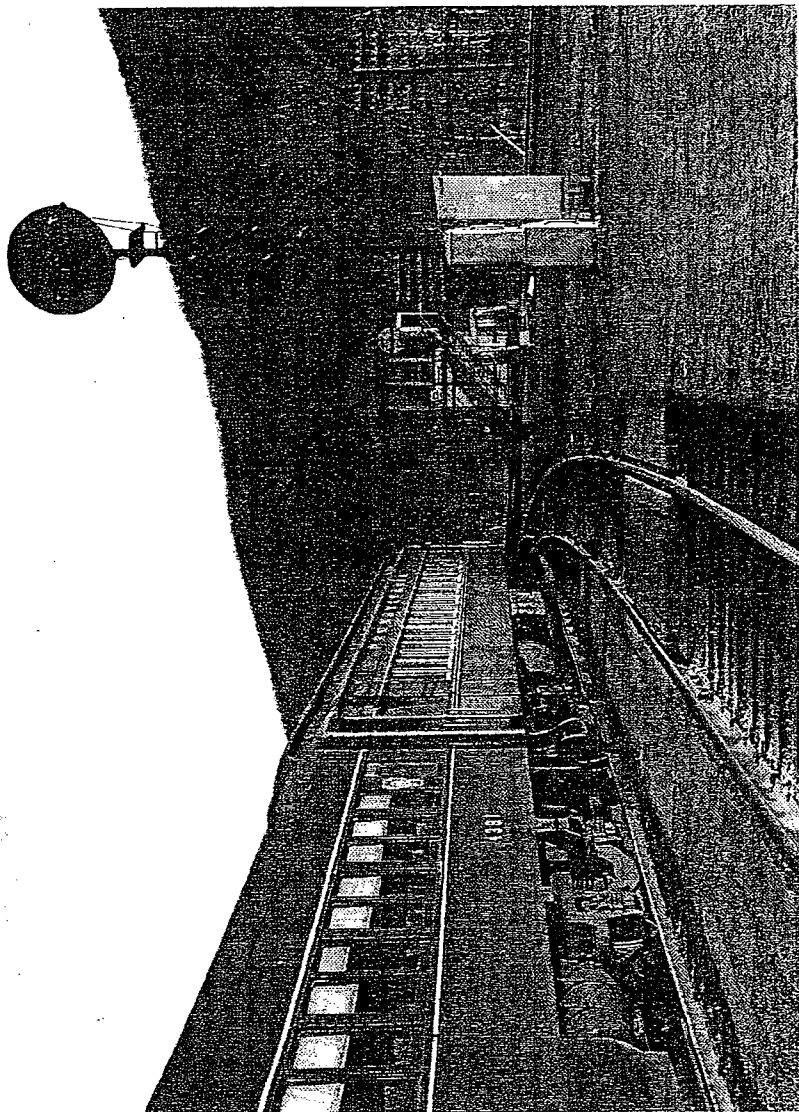
▲ By September of 1963, the Pennsy had but one rural branch line passenger train remaining, the Delmarva Express, which ambled 97 miles south of Wilmington to Delmar, on the Maryland border. Here the trainster rests, behind an RS3, awaiting its late afternoon departure for Wilmington. (Jim Shaw)

and 25 lounge and observation cars bought for long-distance east-west service after World War II, Pennsylvania ordered but 64 Northeast Corridor cars—the *Congressional* and *Senator* trainsets of 1952. This was a misallocation of resources—an error in corporate judgment—of monumental proportions.

In view of all this, the words of chairman Martin Clement, written in 1951 to vice president of operations James Symes, stand out as a prophecy that his own railroad did not heed:

Methods of transportation come and go, and it is clearly indicated that rail passenger transportation as a general mode of transportation is passing out. . . . I do not desire to prejudge or to influence, but I have watched road after road go out of the passenger business, into the freight business, and become prosperous. . . . The Pennsylvania Railroad must face the issue, and it's a paradoxical one. In the heavy concentration of population between Washington and Boston there is bound to continue for a long time to come sufficient volume of passenger transportation, on account of the convenience of terminals, the speed of operation, and the supportable frequency of service, to indicate a profitable passenger operation; but not on the rest of the system. And, it would seem that with proper mail and express rates and sufficient volume, there is warranted an overnight service between some of the principal key points—Buffalo, Cincinnati, Cleveland, Chicago, Detroit—with the big eastern cities. . . . But, outside of that, the service would seem to be done.

The decline in ridership was ultimately hastened by the Pennsylvania's edict during the recession of 1957 to forgo heavy maintenance of its passenger cars. The following year, when rival New York Central added coaches to its *Twentieth Century Limited*,



ing sunk a quarter of a billion dollars into the electrification of its New York-Washington and Philadelphia-Harrisburg routes in the 1930s, Pennsylvania thereafter spent very little for new passenger cars to run over them. Instead, it lavished its capital after World War II on its east-west "blue ribbon" trains, particularly the long-haul runs dominated by sleeping cars. And it was these trains, rather than the short-distance Corridor trains, that lost ridership quickly as the 1960s progressed. In contrast to the 212 sleeping cars, 144 overnight coaches, 40 diners

▲ The flagman of train 571, the Buffalo Day Express, awaits a highball at Emporium, Pennsylvania, on March 13, 1965. The pastoral scene is a collage of Pennsylvaniana: P70 coaches, keystone herald, position light signals and Victorian-era interlocking tower guarding the junction with the Erie branch. (Victor Hand)

Pennsy relaxed the maintenance ban on Broadway Limited equipment for what vice president-operations J. P. Newell called "sprucing up" of the Pullman train. That summer Newell instructed his regional managers to have officers ride the trains—in short, to "fly the flag"—in order to improve morale, which was reported to be low. The most minor repairs were authorized and a four-page pamphlet explaining the need for better service was distributed to rank and file. This was a sort of bootstrap program on the cheap for the cash-short railroad. Yet in 1961 the general ban on passenger car repair remained in effect! By then, reported Gregory L. Thompson of Florida State University in *The Journal of Transport History*, 621 of 793 coaches, 140 of 169 diners and 34 of 88 parlor cars were past due for repairs and making their infirmities known to passengers.

Even knowing all this, you cannot help but be drawn to that era. If you close your eyes, you can almost imagine the summer of 1960. It's 1:45 a.m. On one of the through tracks beneath cavernous Washington Union Station, RF&P has brought the *Havana Special* in from Miami, and Southern Railway its *Piedmont Limited* from New Orleans. From these trains and other equipment, a Washington Terminal RS1 switcher concocts a remarkable train, in this order: an Atlantic Coast Line baggage car, a Pennsy P70 heavyweight and three ACL lightweight coaches, trailed by ten New York City-bound sleepers—two out of Florida on the *Havana Special*, one from Richmond, three off the *Piedmont* from New Orleans and points south of Washington and four of Pennsy's sleepers added at Washington. A car inspector hands the airbrake clearance to the engineer on the forward of two GG1 electric locomotives. Presently train 108 will head north.

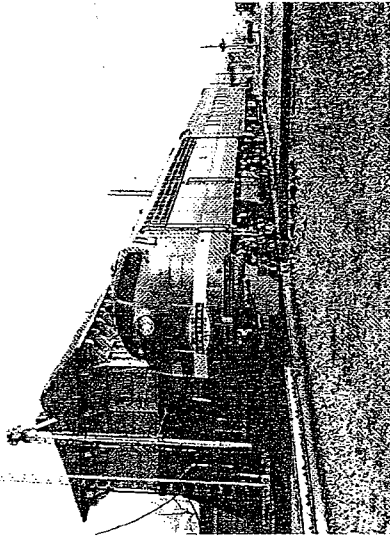
A mile away Dwight Eisenhower sleeps in the White House. But here off North Capitol Street, the half-century-old station never rests. The combined southbound *Havana Special*–*Piedmont* is being sepa-

told troubles later on. As the sixties wore on, the Pennsy wore out. There was too much fixed plant to maintain and more services to deliver than Pennsylvania could afford. But the railroad chose not to face up to this. The Pennsylvania of 1960 still bore witness to the great Standard Railroad of the World of its past. Soon enough it would evolve into the sad mess we remember today as Penn Central.

Pain Central

Railroads weren't my beat at the *Chicago Sun-Times*, but I kept inventing reasons to write about them. On Tuesday, March 3, 1970, my sources came in handy. That morning, I got off the overnight *Capitol Limited* from an assignment in Pittsburgh and went straight to work. Never before or after was I greeted at the door of the city room. But today Mac, the assistant city editor, leapt to his feet. "Fred!" he said, and led me to his desk. "Bill Granger was at an ICC hearing yesterday and overheard two Penn Central people talking to one another. From what he could infer, the railroad is going to dump all of its passenger trains except those on the East Coast. I want you to help Bill confirm this." William Granger, later to become a columnist for the rival *Chicago Tribune* and a novelist of some note, was a superb reporter whose intuitions proved absolutely right. By that evening we'd nailed down the story, which went to the top of page one in the next morning's late editions. And later that next day, after initial denials by PC, it became official, weeks before Penn Central intended: The mother of all railroads, reeling from two years of reversals and less than four months from its own bankruptcy, wanted to dump every passenger train west of Harrisburg and Buffalo. But I didn't know the half of it.

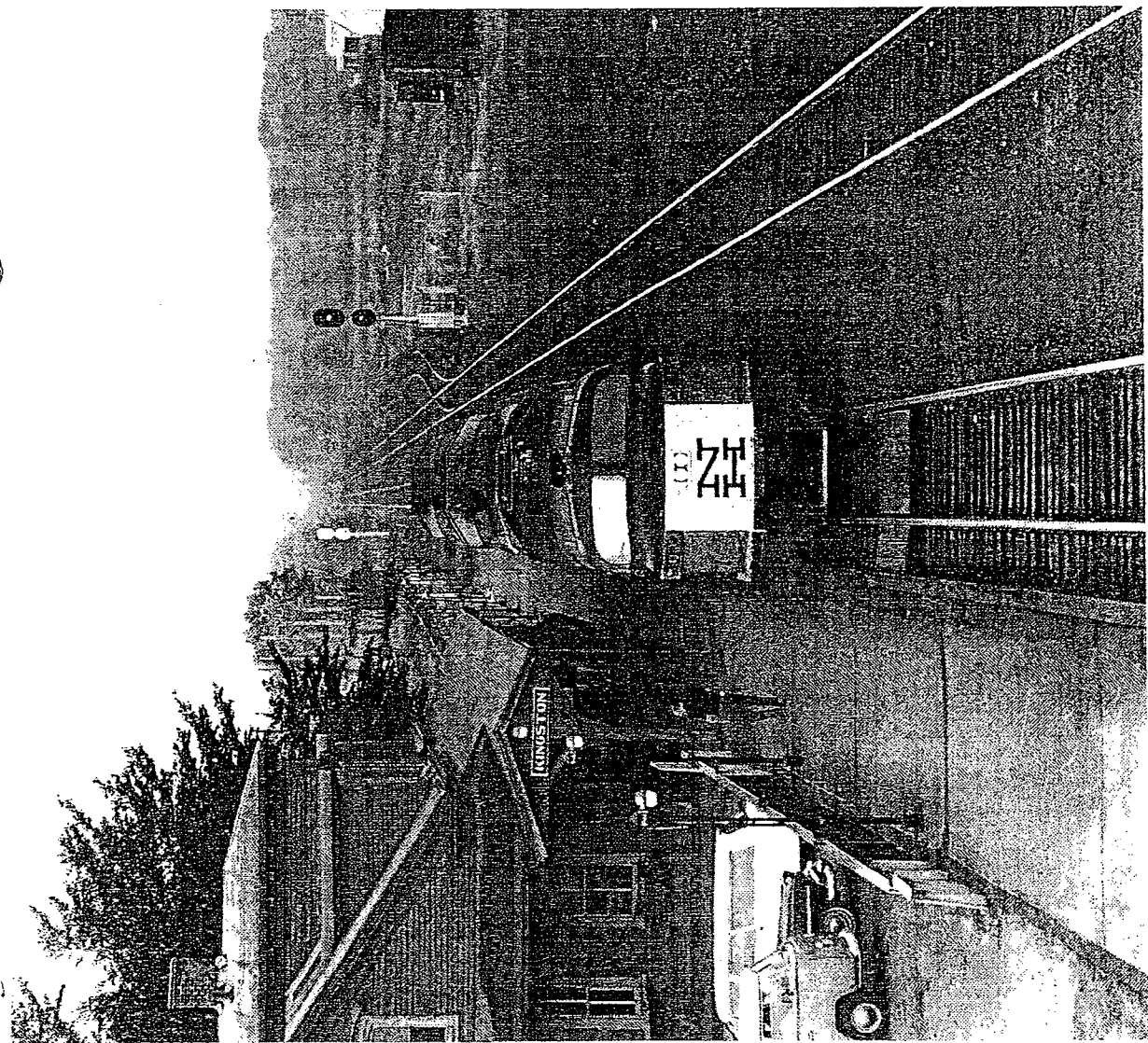
Everything that could spoil the Pennsylvania-New York Central merger of February 1, 1968, did. The executives of the two railroads had vastly different philosophies of how a railroad should be run,



At Pana, Illinois, a one-car remnant of Central's last St. Louis run, the Southwestern-Knickerbocker, about 1967. (Walter A. Peters; Herbert H. Harwood collection)

rated on adjacent tracks. C&O's northbound F.F.V. is due at 3 o'clock and Southern's *Crescent Limited* at 3:10, to be combined and leave town with 15 sleepers, a Southern diner and two coaches. Then will come the first of three southbound mail trains and before long, the dawn of another day. That day would later see leaving for New York the *Afternoon Congressional*, still the finest day train in America. Its eight-year-old equipment will include six coach-lounges, a twin-unit diner and kitchen-bar lounge and six parlor cars, one of them a blunt-end observation car.

The Pennsylvania Railroad of 1960 looks quaint to our eyes because it was not changing, adapting, renewing and downsizing as were New York Central and the newly merged Erie and Lackawanna. Perhaps this comforted people at the time, but it fore-



and they would compromise neither individually nor collectively, resulting in checkmate at the top. Divided authority meant that no hand was on the tiller. The merger should have had the top people doing what they did best: chairman Stuart Saunders handling the politicians, president Alfred Perlman doing a bench-press on PC's inflated costs and VP-finance David Bevan providing the financial controls as well as the capital. But the three men seemed to have a mutual disregard for one another, and none did his job well. Even the Pennsy and NYC computers spoke in incompatible tongues.

Ten months into the merger, on January 1, 1969, the already unwieldy Penn Central was saddled with the New York, New Haven & Hartford—an adoption it had agreed to as a condition for its own wedding. The New Haven last made money in 1956 and entered bankruptcy in 1961. By its own estimation, 44 percent of New Haven's workers and \$11 million of its \$17 million operating loss in 1964 were attributable to passenger trains, both suburban and intercity. The next year it tried to rid itself of all its passenger trains, to no avail—the ICC said the New Haven could limp and wheeze along until Penn Central absorbed it and remedied its losses! Of course, nothing of the sort occurred within Penn Central. Rather, the decay just got worse, hurried along by cancellation of Railway Post Office and storage mail contracts in late 1967.

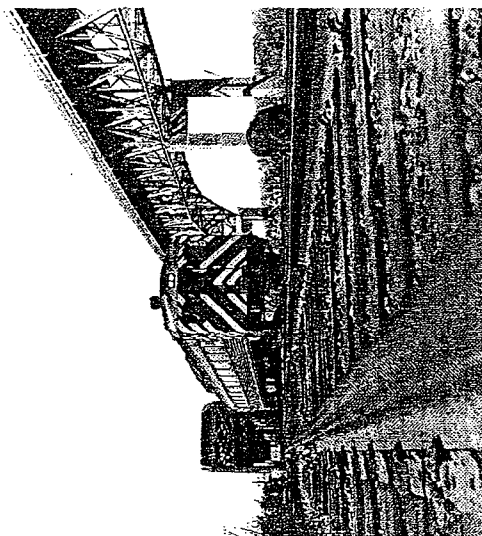
The attitude of the top executives of Penn Central toward passenger trains deserves special note.

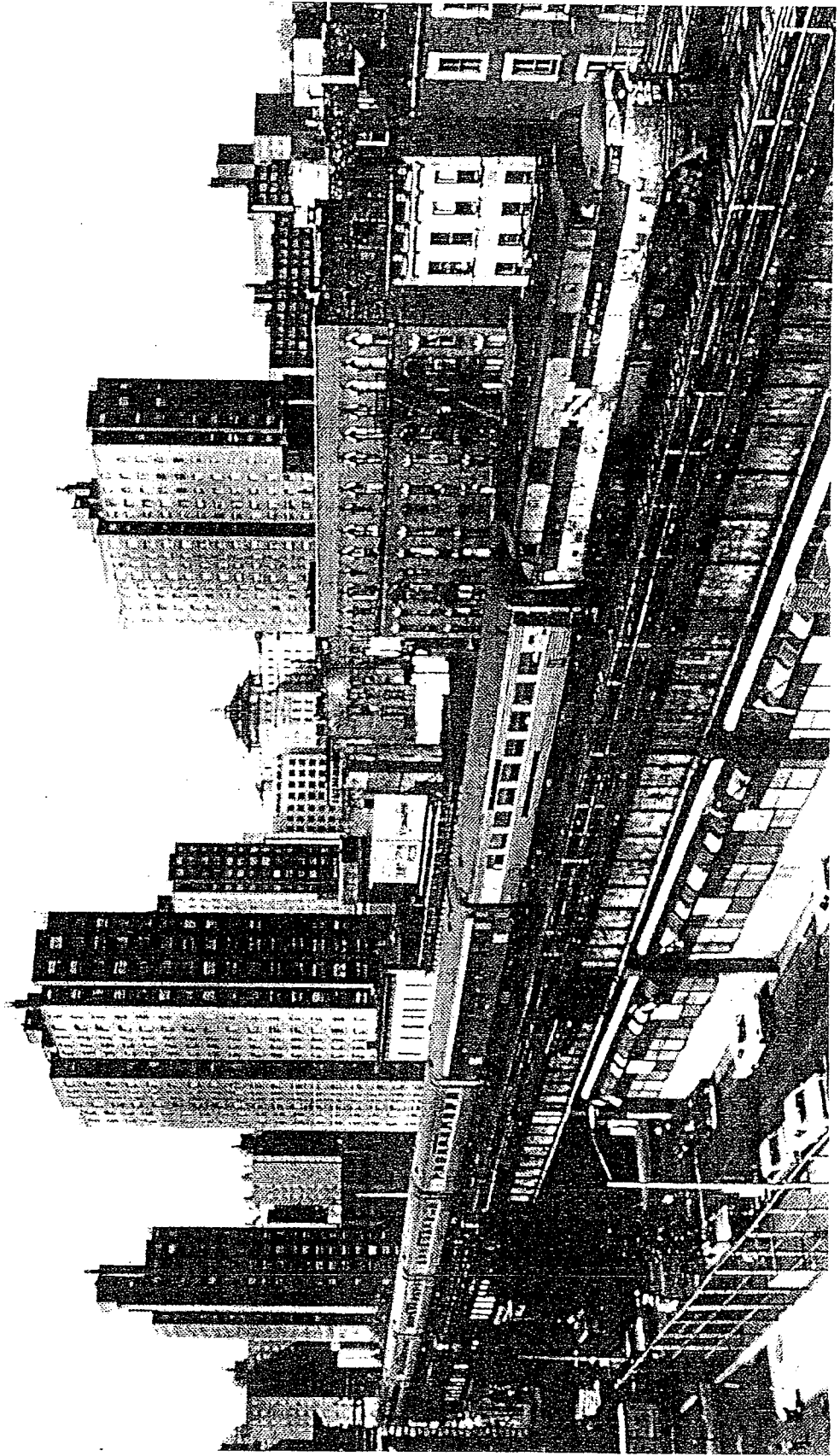
◀ The trains on this and the opposite page couldn't have done the solvency of Penn Central any good. At left, a New London, Connecticut-to-Boston local stops at Kingston, Rhode Island, in October 1969. (William D. Middleton)

Chairman Saunders lived in Ardmore, Pa., nine miles west of Suburban Station in Philadelphia. But did he ever ride Pennsy's own trains to work? No. Explained Saunders in an interview, after his sacking, with *Philadelphia Bulletin* reporters Joseph R. Daughen and Peter Binzen in *The Wreck of the Penn Central* (Little Brown, 1971): "At least a third of the days I wouldn't even go to the office. I was going to New York. Or I was going to Chicago or Detroit. I had suitcases, briefcases—I always had four or five briefcases. How the hell could I get on a Paoli Local with all that?" When one of Perlman's sons, who lived in Bucks County, Pa., west of Trenton, complained about Penn Central's dirty, late, hot and cold trains to Manhattan, all his father could think to say was, "If you don't like it, walk!"

Outside the New York City–Washington corridor, the only train of any flair that remained after the merger was the *Broadway Limited*, and even the *Broadway* had been shorn of glory. Just prior to the merger, the Pennsy, quietly working its way from one state railroad regulator to another, achieved every railroad attorney's sweetest dream. With no fare whatever, it got rid of its premier passenger train even though that train was clearing its direct costs! This takes some explaining. The all-sleeping-car *Broadway*, trains 28 and 29, was the train that state regulators allowed to be dropped. Few but regular riders noticed, because the Pennsylvania transferred the *Broadway*'s name to trains 48 and 49, the *General*. According to figures compiled by the railroad, both trains more than covered their above-the-rail costs during the 12 months through August of 1967—the *Broadway* by \$145,000 on revenue of \$3.1 million and the *General* by \$205,000 on revenue of \$3.7 million. But the railroad made its case that it could save \$1.4 million per year by merging these two trains, which arrived Chicago and New York City within 35 minutes of each other—the difference being that the *General* had a Washington–Harrisburg section and coaches whereas the *Broadway*

◀ This branch line run between New London and Worcester lasted in bucolic splendor until Amtrak. Train 572 in 1970 leaves the Shore Line route at Groton, Connecticut, and later ambles past woodland near Auburn, Massachusetts. Notice at left, towering above the Thames River, the nemesis of the New Haven: Interstate 95. (William D. Middleton)





had neither. The last "old" Broadway Limited ran December 12, 1967, 10 days after the *Twentieth Century's* demise. The "new" Broadway, now numbered 48 and 49, had five coaches along with six sleepers and the twin-unit diner, but no longer the View-series observation car.

In the Northeast Corridor, as the Boston-New York City-Washington line was now called, the *Aftersoon Congressional* of 1960 had pretty much been impeached by 1969, reduced to three coaches, a coach-snack bar, a parlor and a parlor-lounge. By then, aside from Florida trains and the *Broadway*, only the Boston-Washington Senator carried a dining car in the corridor.

Something good had happened, however: the *Metroliners*, the first of which began running between New York and Washington on January 16, 1969. The Pennsylvania Railroad was a supporter of legislation in 1965 that committed the government to spending \$12 million, and the railroad \$45 million, toward instituting high-speed service. The suspicion—vigorously denied by Pennsy then—was that this burden was assumed by the railroad as a way to lubricate the regulatory gears then grinding their way toward approving its merger with New York Central. (The government did not oppose the merger.) At any rate, the railroad's commitment eventually rose to \$70 million, of which \$21 million went toward an order for 61 Budd Co. electric mul-

◀ *Soon before New Haven's merger into Penn Central, EP-5 motor 373 leads the Bay State out of New York City for Boston. The 1955-era locomotive and its Pullman-built lightweight cars have obviously seen better days. (Victor Hand)*

ti-ple-unit cars—a mixture of 76-seat coaches, 60-seat coach-snack bar cars and 34-chair parlor cars. (Less than 50 of the cars had been accepted before formation of Amtrak in 1971.)

By October of 1969 six round trips per day were established. The one-way coach fare was \$17, versus \$15 for a conventional train. All trainsets were identical: two coaches, two coach-snack bars and two parlor cars. One of the round trips was a nonstop run of 150 minutes; the others took two hours. On a bitterly cold Monday morning in February of 1970 I rode No. 100, the 7:30 a.m. nonstop train from Washington, and was very impressed, up to a point. That point was somewhere east of Princeton Junction, N.J., when my speedliner ground to a halt and stood still for an hour while the crew bustled around outside, muttering something about a fire beneath the floor of my parlor car. Finally the northbound *Silver Meteor* stopped alongside our train and we all abandoned ship. I rode into Pennsylvania Station in a sleepercoach room.

This was typical of the original *Metroliner* cars through their entire lives. The bad-order ratio for these cars early on was as high as 30 percent. Even a rebuilding by Amtrak in the 1970s didn't really debug them. They were grossly overweight and rode like Sherman tanks. Ultimately Amtrak gave up and demoted the equipment. In their place, Amtrak ran *Metroliners* during the 1980s and 1990s with Budd-built cars of the same design but hauled by locomotives. In an interview with the authors of *Wreck of the Penn Central*, Saunders said: "Well, they operated test cars for six or eight months up here on the test track before the cars were actually built—to get experience. And as the cars were being built. Beyond that, we had such pressure on us from the government to put these damn things in operation. And we put them in operation before we should have. Because the politicians were hollering so and then [Transportation Secretary] Alan Boyd was putting the pressure on us."

The downward spiral

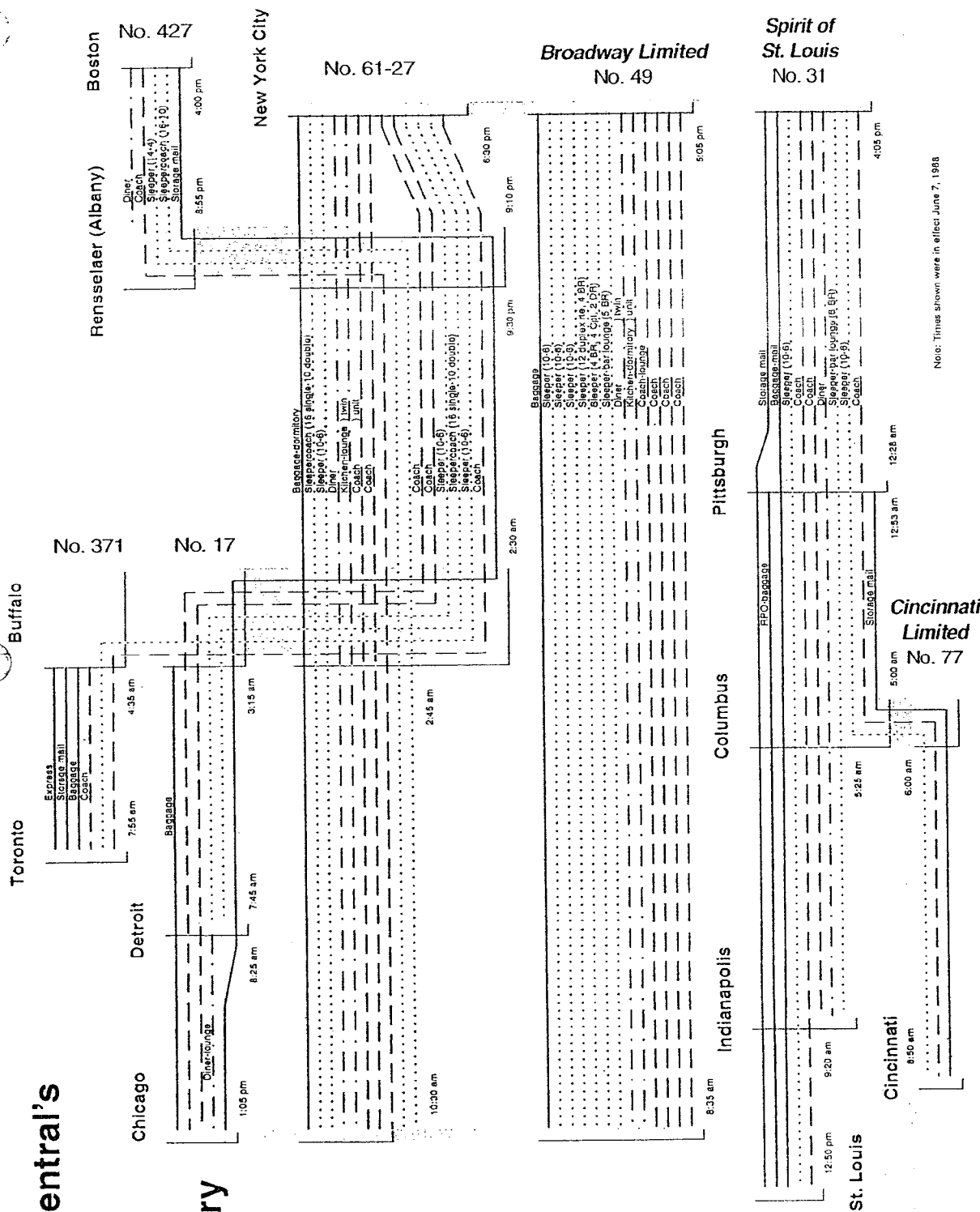
But the *Metroliners* back then were a sideshow to the main event, which was the steady deterioration of all other passenger trains PC ran. Perlman hated the damn things but was preoccupied. Saunders, more politically attuned, had other things on his mind, too. Even so, efforts were made at lower levels within the company to confront the cash losses in a positive way. One important catalyst was Carl R. Englund Jr., a New York Central alumnus from the 1940s and 1950s and then a consultant with a keen view of what made the former NYC and Pennsy tick. At the behest of H. C. Kohout, Penn Central's vice president of passenger service, Englund studied traffic flows not only of Penn Central, but of competing plane and bus carriers, on every route but the Northeast Corridor and New Haven lines.

His conclusions, delivered in mid 1969 from data collected late in 1968, were devastating. Almost nobody rode the trains, nor should they, given the time the trains took, the low standard of service and the ticket costs. "A high proportion" of trains operating west of Albany and Harrisburg carried fewer than a busload of passengers most days. Whatever lift had been given patronage by the introduction of Empire Service between New York City and Buffalo a year earlier had dissipated, and then some. Fewer than a dozen people per day were ticketed from New York City all the way to Buffalo. Excluding train 61-27, the successor to the *Twentieth Century*, the other four westbound trains left Albany with an average of 40 passengers each. By Rochester, the typical headcount was down to 25. The Water Level Route delivered, via Cleveland, an average of just 113 people per day to Chicago, and all but 35 were aboard train 61-27. East of Albany, the train that replaced the *New England States* typically hauled just two dozen people in its sleeping car and coach.

On the former Pennsylvania Railroad side, the news was equally bad. True, going west an average of 382 people a day passed through Pittsburgh on

Penn Central's steel fleet

February
1969



Note: Times shown were in effect June 7, 1968

Penn Central trains. But more than 100 of those were on the *Broadway Limited*, and the other six westbound trains delivered, on average, 40 passengers apiece.

Patronage of PC's Chicago-Cincinnati trains, via either Lafayette (ex-NYC) or Logansport, Ind., (ex-Pennsy), was but a trickle. And talk about trickles: On the route of the *Ohio State Limited*, between Cleveland and Cincinnati, less than a dozen people per day rode its coach-only successor. Outside the Northeast Corridor, Englund said, Penn Central was losing \$57 every minute on passenger trains—\$30 million per year.

Having delivered his bitter diagnosis of PC's passenger service, Englund proposed a solution of sorts: Do for the Pennsy side of Penn Central what the Empire Service had done for the Central side—pare down, simplify, shorten. By late 1968 40 cars had undergone rehabilitation for the Empire Service. Englund figured that fixing 40 more would permit Penn Central to conduct almost all off-Corridor passenger business with 34 two-car, one-diesel trainsets. There would be but one overnight train, between New York City and Pittsburgh, almost no arrivals after 8 p.m. and few departures before 8 a.m. Englund estimated the first-year losses of such service at \$8.5 million (including \$2.8 million to rehab coaches) and the second-year loss at \$5.1 million—a tremendous reduction from the \$30 million drubbing then being incurred.

A briefing was arranged for Englund to present his plan to chairman Saunders. According to accounts, it never began. Arriving at the briefing room after lunch, Saunders took one look at the assembled faces and the row of flipcharts, burped, said, "Kill the [expensive] trains!" and strode away. Thus began months of preparatory work that Bill Granger and I so rudely interrupted with our *Chicago Sun-Times* story.

The train-off hearings conducted by the ICC in the late spring and early summer of 1970 give us a

graphic picture of the service Penn Central provided. Combined ridership of the two round trips in and out of St. Louis in 1969 was less than 100 people a day—and just half that number by the end of the year, which comes to about a dozen people per train. Cleveland-Indianapolis Trains 315-316 on the old NYC carried a combined 16 people a day west of Crestline, Ohio, or about the number who rode the Harrisburg-Buffalo trains. The Chicago-Florida South Wind, run in conjunction with Louisville & Nashville and Seaboard Coast Line south of Louisville, had been preemptively reduced by Penn Central to a coach and lounge car. Frequency east of New Haven on the Shore Line was down to eight trains each way, and they carried an average of 80 people per train, or about what would fit into one densely packed car.

Were passengers the problem?

Yet in reading the ICC's documentation of these trains, I was struck by something else: So far as the railroad could ever show, they had about as much to do with Penn Central's failure as the cycles of the moon. Penn Central had a railroad operating loss of \$193 million in 1969 and \$102 million in the first three months of 1970. The railroad claimed that the 34 trains it wanted to shed had incurred a combined deficit of \$8.9 million in 1969, on revenue of almost \$22 million. The ICC figured the loss was really \$5.7 million. On top of that, the commission noted that PC on March 3, 1968, had begun to divert bulk mail from its passenger trains onto solid mail trains, and this decreased the revenues of the 34 passenger trains at an annual rate of almost \$5 million, or about what their proven losses were. In 1969, in fact, Penn Central grossed almost \$23 million from six pairs of mail trains operating between New York City and Chicago, New York City and St. Louis, New York City and Buffalo, Chicago and Cincinnati, Philadelphia and Indianapolis and Boston and Albany. In times past, this would have been consid-

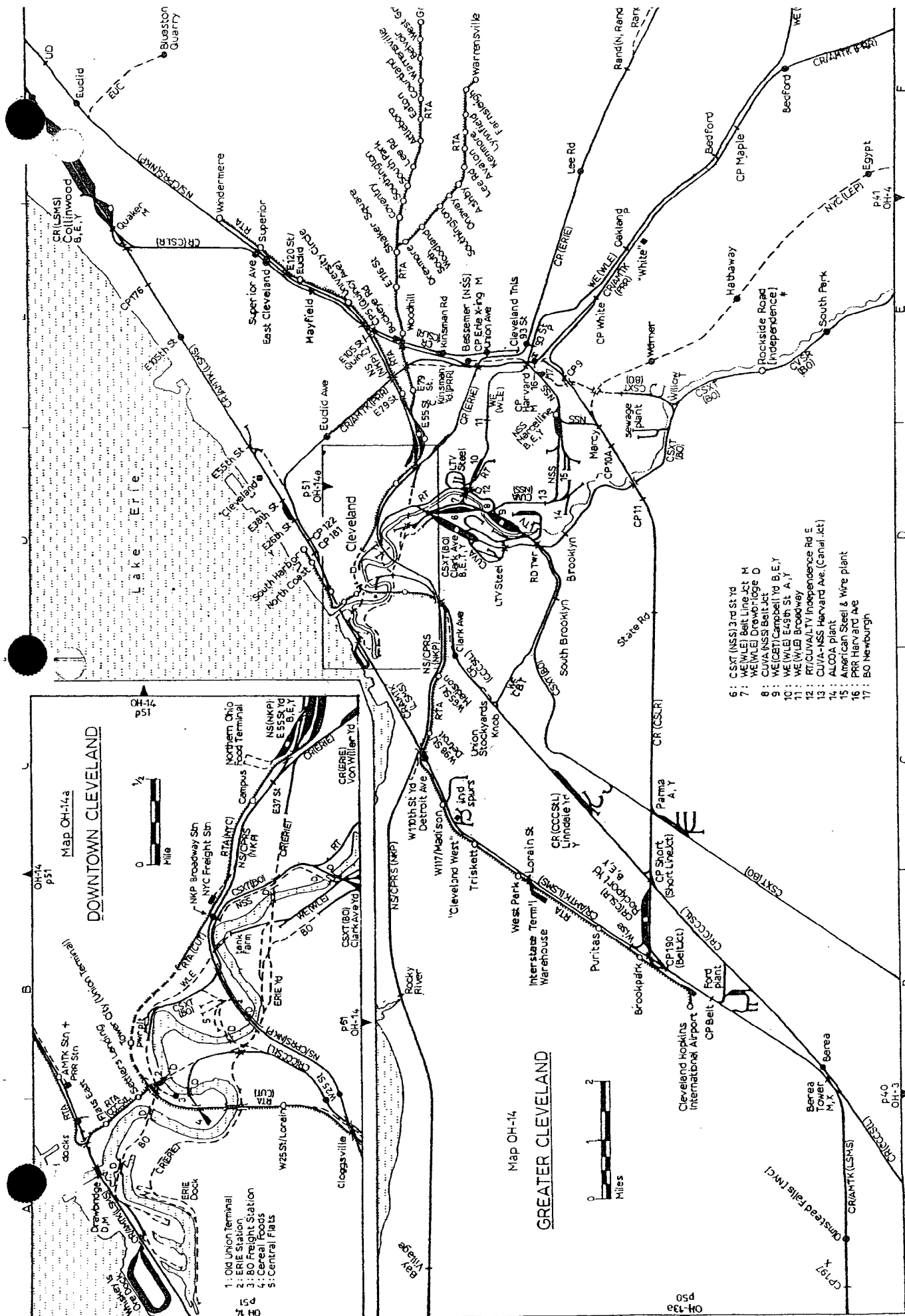
ered revenue in the passenger department's domain. Something besides intercity passenger trains was killing Penn Central.

I found particularly interesting the economics of operating the *Broadway Limited*. Of all the trains under the gun just then, it had (by PC's reckoning) the most labor-intensive operation but also the lowest annual deficit—\$103,000. How could this be? Each day's *Broadway* in each direction required 48 employees: six engineers, firemen and conductors, eight brakemen, five ticket collectors, eight porters and attendants and nine dining-car employees. Yet it was carrying about 120 people a day the entire way between New York City and Chicago—about one third of them in sleeping cars—and paltry as these numbers may seem, they were a lot better than almost any other train could muster. The *Broadway's* revenues, almost totally from passengers, were roughly twice those of any other train on the block, and its terminal costs were relatively minor compared to those of trains entering and leaving St. Louis. (Trains 27-28, the former *Twentieth Century Limited*, were claimed by PC to have lost \$870,000 between Buffalo and Chicago; that portion east of Buffalo wasn't involved.)

The ICC concluded that Penn Central could take off seven of the 17 round trips. But events had overtaken the commission. While hearings on this huge case were underway, Penn Central declared itself bankrupt. And by the time the commission's decision was rendered, President Nixon and Congress had reached consensus: The federal government would step in to preserve what was left of the intercity passenger train, and the status quo would prevail until a national system could be put in place. Unquestionably, Penn Central's dramatic train-off case, followed by its bankruptcy, jolted the government to quit wringing its hands and actually do something. From that came Amtrak.

Maps

PCC003945



NEW YORK CENTRAL

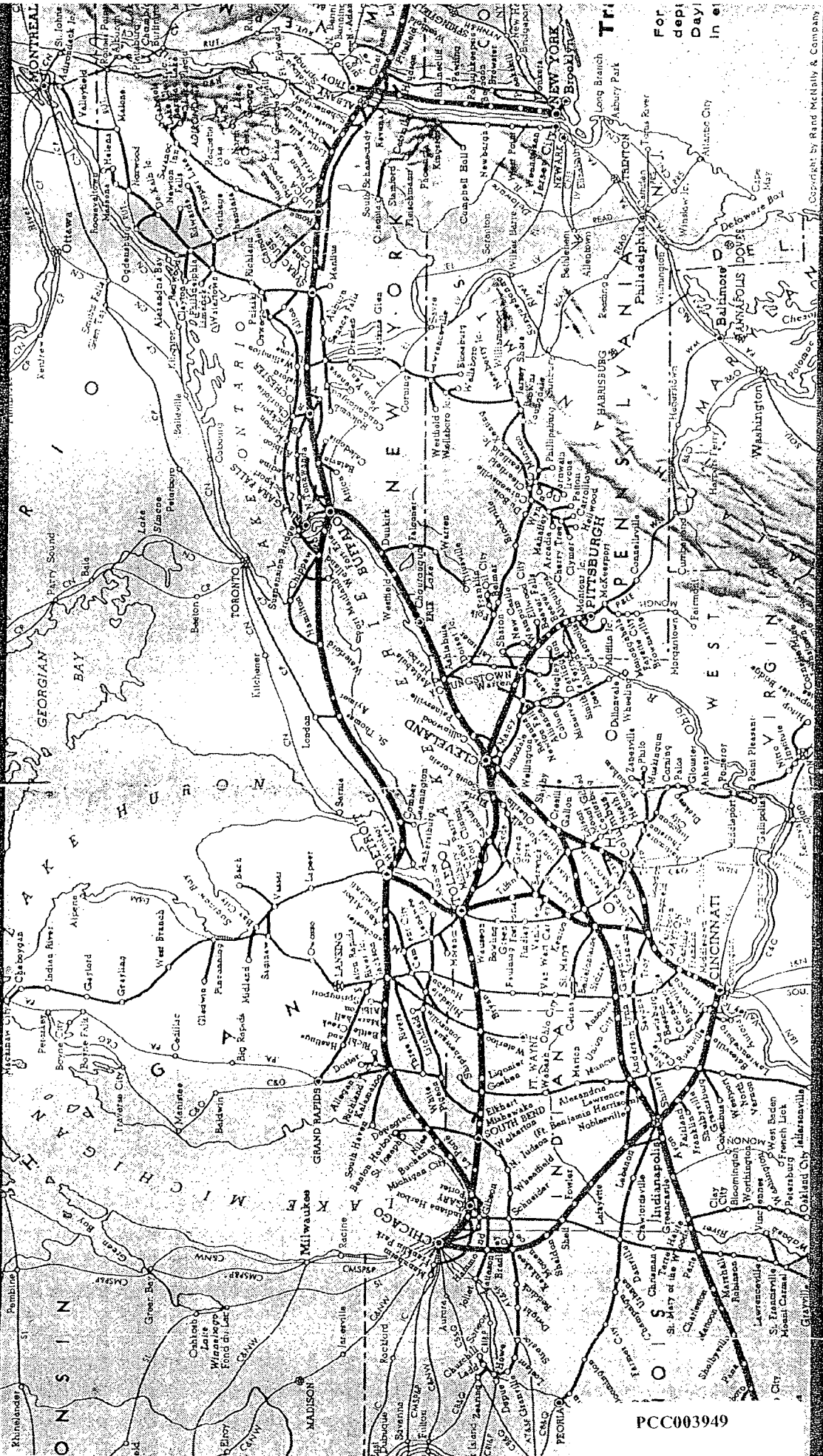


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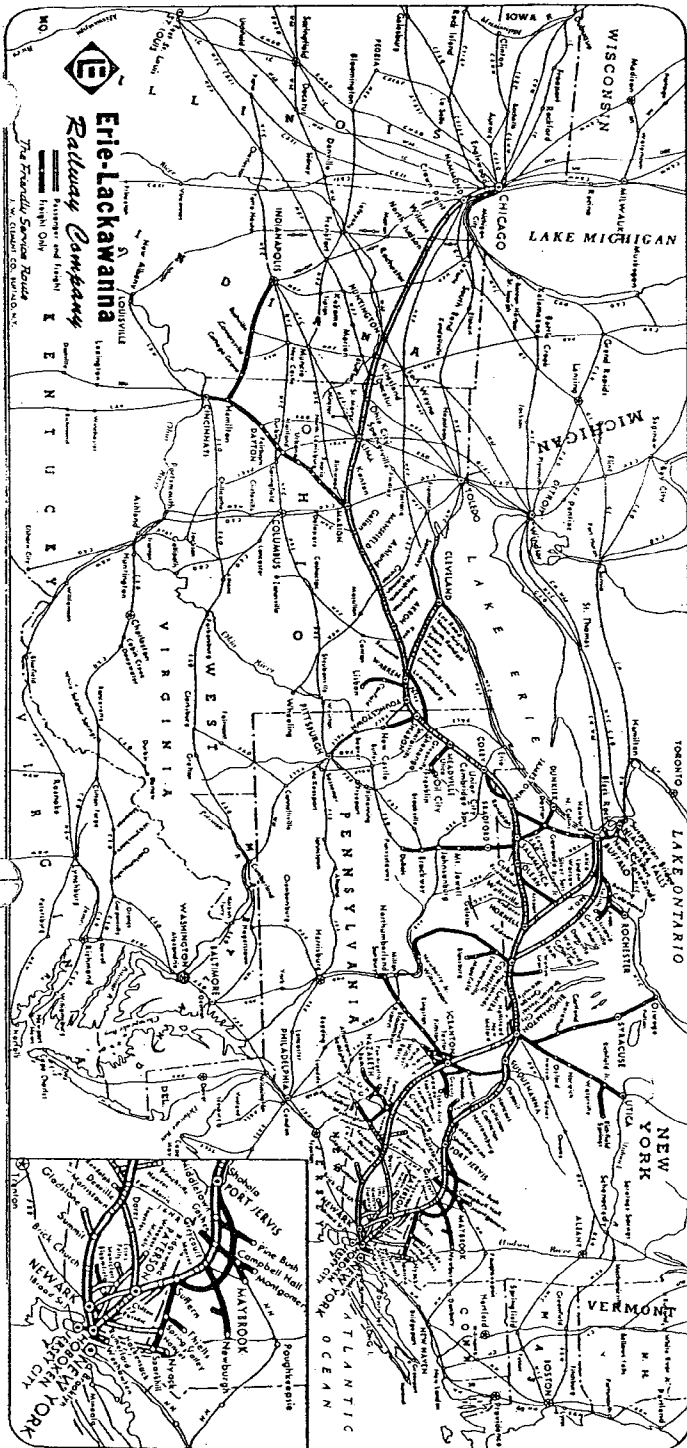


10...

containers deliver from door to door even if either door is miles from a your local New York Central Freight Office. See page 20 for complete listing.

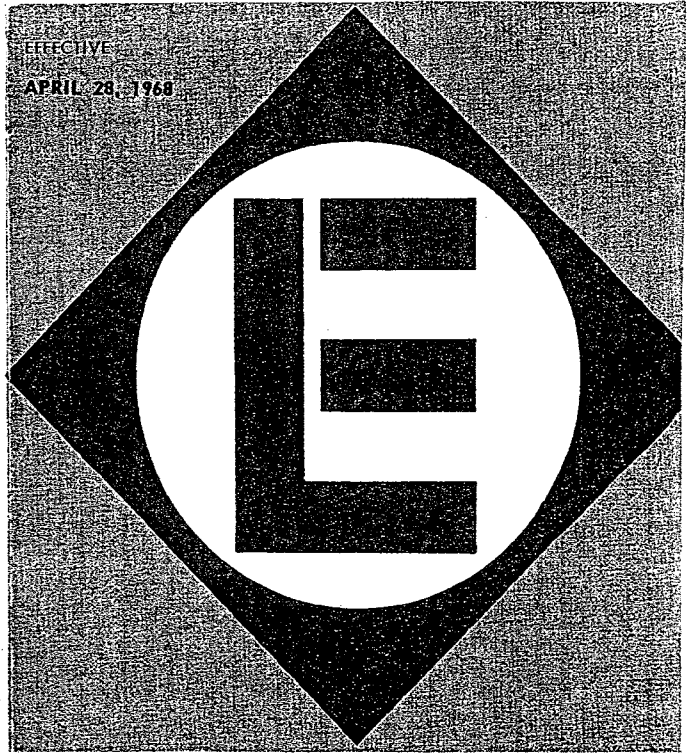


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FORM 1

EFFECTIVE
APRIL 28, 1968



ERIE LACKAWANNA

time table

*the Friendly Service
Route*

BETWEEN

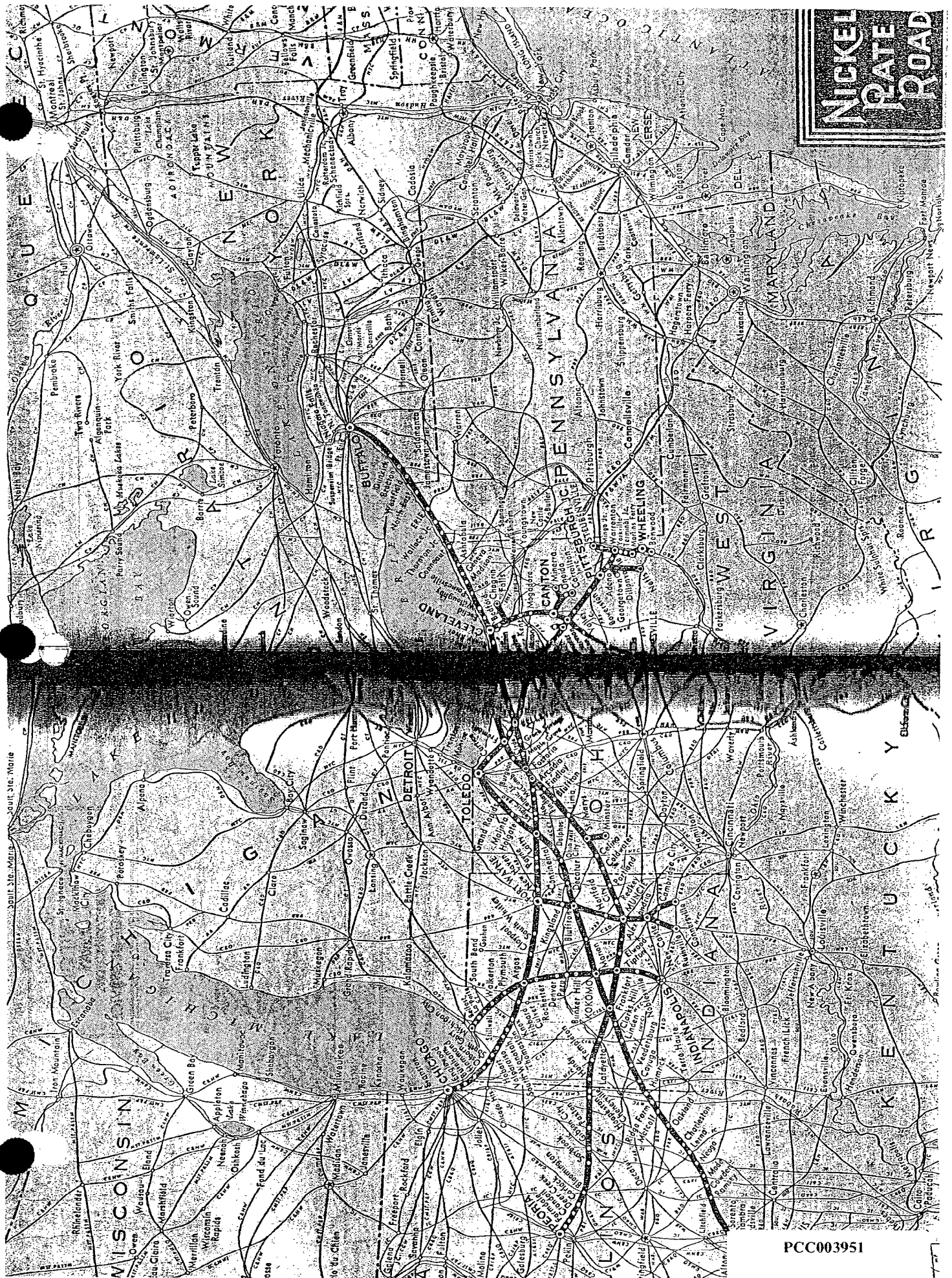
NEW YORK • THE POCONOS • SCRANTON • BINGHAMTON • ELMIRA
BUFFALO • JAMESTOWN • YOUNGSTOWN • CLEVELAND • AKRON • CHICAGO



ERIE LACKAWANNA RAILWAY

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APPENDIX-0074

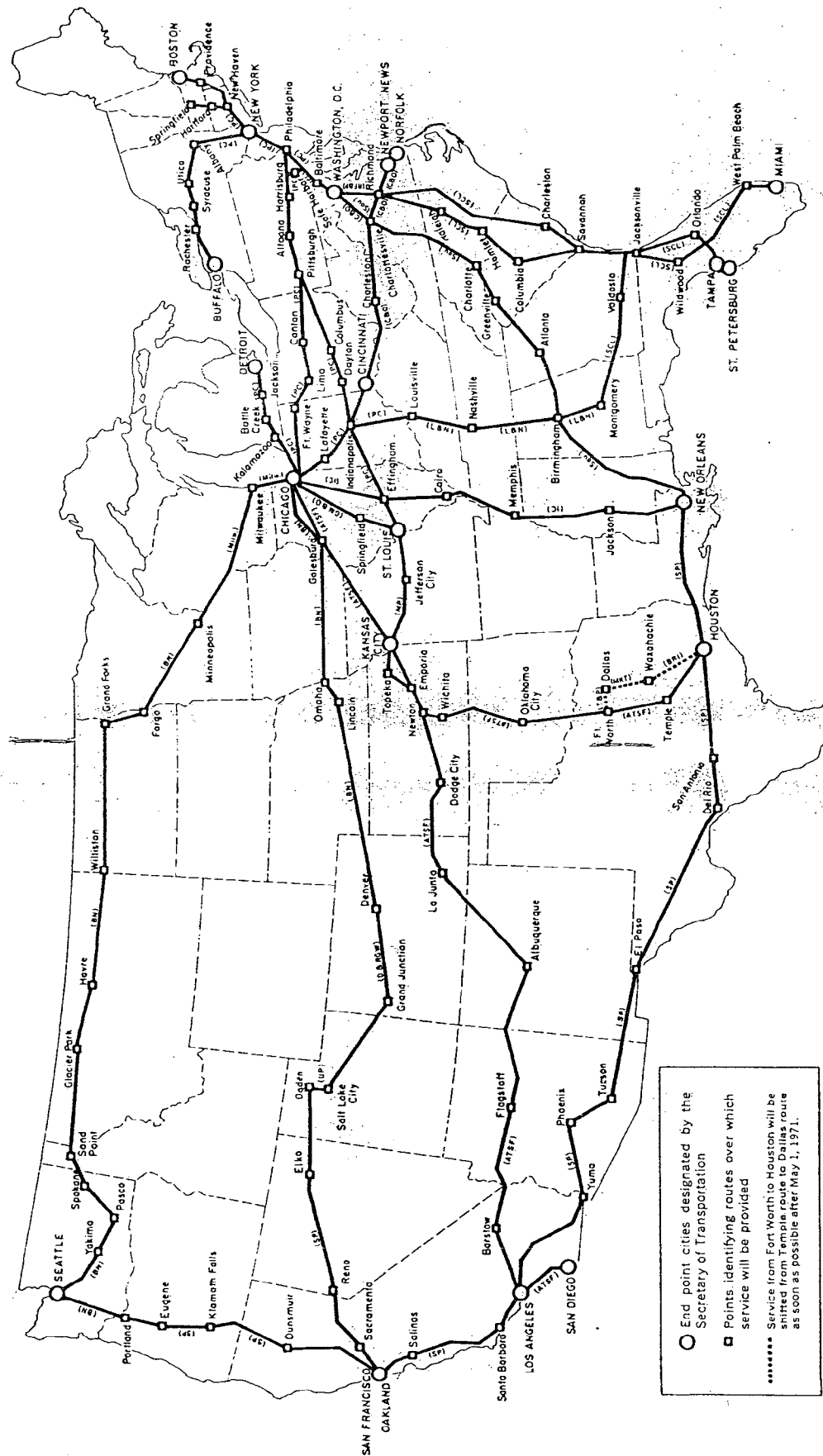


NICKEL
PLATE
ROAD

PCC003951

INTERCITY RAILROAD PASSENGER ROUTES

National Railroad Passenger Corporation



PCC003952

Decline Of Passenger Trains in the United States

PCC003953

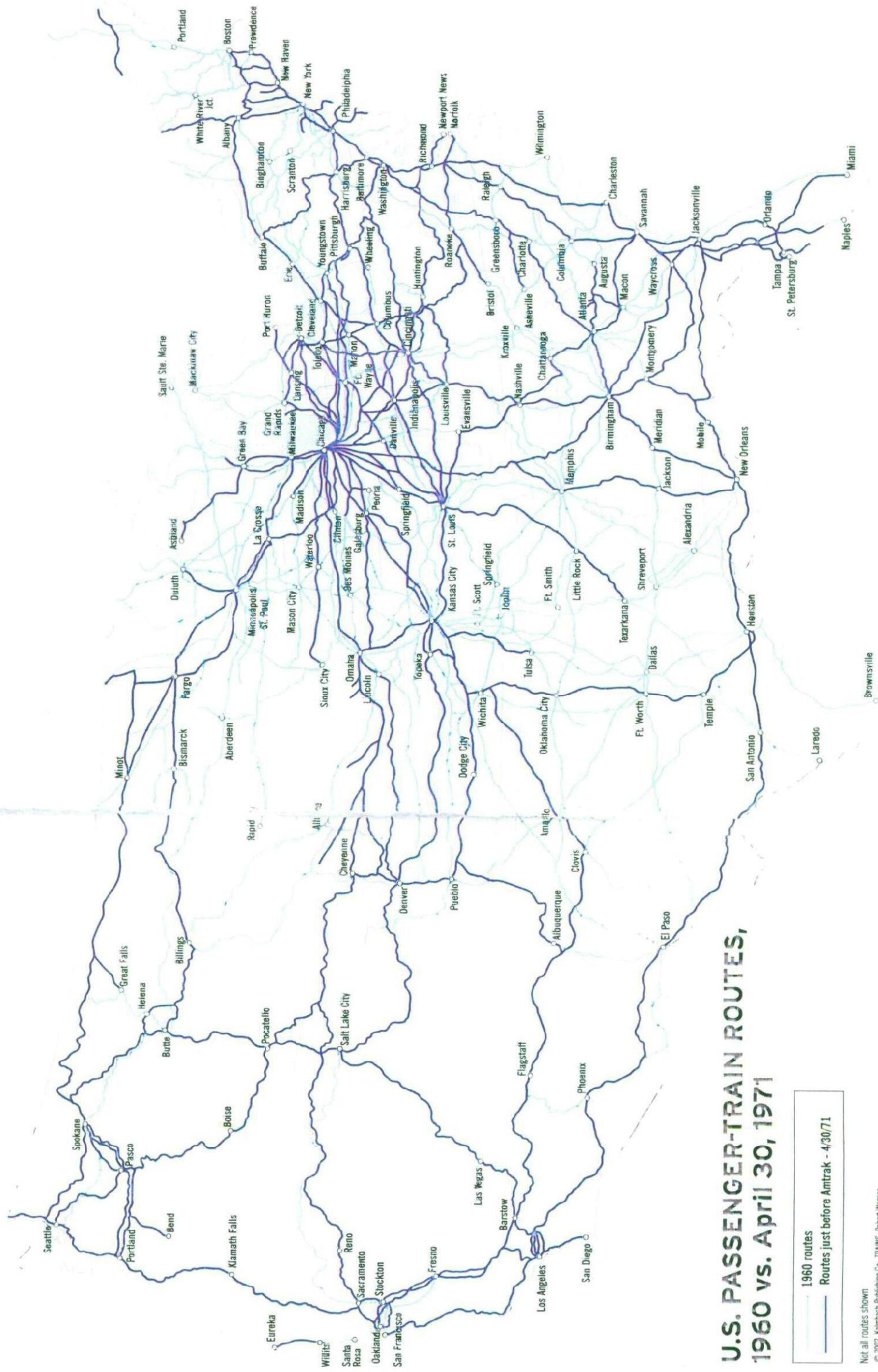
From 1960 to May 1, 1971, the U.S. passenger-train network was cut in half—twice. The first cutback was gradual, from 89,700 miles on 50 railroads in 1960, to 44,000 miles on 25 railroads on April 30, 1971. The second cut, on the night of April 30, 1971, was drastic: the next morning Amtrak operated just 23,000 miles on 20 railroads.

The decline was fueled by the jet plane, accelerated by the rapid construction of the Interstate Highway System, punctuated by Pullman quitting the sleeping-car business, and made inevitable by the U.S. Postal Service abandoning the RPO in favor of planes, trucks, and piggyback freight.

Note that several regions were hit especially hard. Almost cleaned out was the Southeast, the states south of Kansas City, and the New York-Buffalo corridor. Dallas and most of New England beyond Boston had no trains by 1971. In contrast, pro-passenger roads such as B&O-C&O, the railroads that comprised BN in its 1970 merger, Santa Fe, SCL, and UP dropped mostly just secondary locals and routes, but under aggressive train-off efforts, some carriers nearly made it to freight-only: MP-T&P under Downing Jenks (5050 route-miles to 775); Southern under D.W. Brosnan (2525 to 1250); and North Western under Ben Heinemann (2400 to 775).

Then there's Penn Central, whose desperate straits were the main reason Amtrak was created. PC still served 5000 route-miles in 1970, but PC and its predecessors had quit service on only 2350 route-miles in the 1960s.

This map, prepared by geographer Curt Richards, shows only intercity passenger-train routes. While 40 route segments had more than 10 trains each way daily (25% of those included commuter trains), most routes had only one to four trains a day in each direction. —J.D.I. I



U.S. PASSENGER-TRAIN ROUTES,
1960 vs. April 30, 1971

1960 routes
Routes just before Amtrak - 4/30/71

Not all routes shown
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