

Transport Central

Robert Oliphant

T H E R E A N D T H E N ?
W E R E N O N E ?

First, let me say that I do not claim to be an expert in any phase of commercial passenger travel. I do consider myself a railroad buff and a vociferous reader of transportation news. What I have to say in this essay is based on my own opinions and your reactions are most welcome; in fact, they are earnestly requested. Imagine yourself a typical traveler, first for recreation and second for business; then place yourself in the descriptive situations that follow.

The real decline in rail passenger travel began following the end of the Korean War. American railroads had just completed or were about to complete the re-equipping of their best passenger services with "modern" lightweight, streamlined cars that cost the stockholders millions of dollars. At the time, the investment looked good for the foreseeable future and the trains were introduced with lavish advertising that at first attracted new patronage. But the railroad industry failed to recognize that the automobile industry was just beginning to come out of a period dominated by war production. By 1955, a year that many experts claim to be the best quality- and sales-wise in the auto industry it was quite clear that, barring bad times financially, the automobile was to be the dominant factor in passenger transportation for many decades.

Then, in 1958, came the arrival of the jet airliner. Already, the DC-6 and DC-7 propeller planes had cut deeply into the Eastern roads' passenger revenues, notably those of the New York Central, Pennsylvania and the New England roads. The thought of six hour service coast-to-coast and four hour service from Chicago to the West Coast plus lovely stewardesses (instead of grumbling old male attendants aboard the trains) waiting on one and all hand and foot effectively sealed the fate of long distance passenger trains of all types. Today, 10 years after the first jet liner, the airlines are still buying them, in many cases for expansion and soon as replacements for the first generation. There are more automobiles on the road this year than the year before, and each year sees a new record. Intercity buses have become spectacular in design and speed (if not in comfort) and are holding their own, more or less.

So, you might say, if all these people are travelling, why aren't the railroads getting a piece of the action? If you happen to be a timetable collector like I am, look at the schedules of any road during the 1958 to, say, 1963 or 1964 period. In most cases you'll see cheery little blurbs about traditional friendly hospitality on their streamlined trains with special fares that, from an economic standpoint, could not be beat. In other words, the carriers were trying. And they continued to try as long as they could afford to, but increasing labor costs, very strong competition for freight, relatively static freight rates and the rising cost of living forced management to look at all possible ways of reducing costs. In an industry where technological innovation has been at a virtual standstill for nearly half a century, assuming you were a stockholder what item in the profit and loss column are you going to be concerned with most as the difference between net profit and loss becomes less and less each year, and no "miracle" solution is on the horizon? That passenger train service column, for sure. You've advertised, cut rates, maintained good equipment but the loss is greater each year, regardless of the accounting method the railroad has used. The 1958 Transportation Act recognized wasteful transportation and set up legal machinery to allow discontinuance of such operations. If you're in management (and want to stay there), hang the tradition and cut your losses!

Section 13 proved to be beneficial to all during the 1958-66 period, as

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ROBERT OLIPHANT: "AND THEN THERE WERE NONE" (Continued)

little harm was done to the traveling public by the discontinuance of the runs, and great savings were passed on to the consumer through lower freight charges (in fact, U. S. roads held their rates in line on all commodities for a period of over five years, at a time when other costs were skyrocketing) created by the abolition of losing passenger runs and the closing of related facilities, not to mention reduced labor costs.

Still the decline in patronage continued, though at a far slower pace, and when the Post Office Department (itself a big loser) decided to discontinue almost all Railway Post Office services and at the same time move bulk mail at lower rates in piggyback freight trains, the bottom dropped out for the remaining passenger trains. (It might be noted here that the Railway Express Agency, owned by the railroads, was encountering increased competition for package express business during the same period, notably from freight forwarders, United Parcel Service and most recently the Post Office itself, following the adoption of increased maximum sizes for Parcel Post. REA has pulled most of its cars off of passenger trains in a move toward containerization similar to that of the Post Office.). In late 1966 and during all of 1967 the railroads jointly determined that the passenger battle was beyond winning (no stockholder would go along with any large outlay for a return that just wasn't there) and began to abuse Section 13 in such a way that the safeguards placed in the law are no longer effective.

The 400 or so remaining trains (one-way runs; there are about 200 round-trip services) are basically a bad scene. Norfolk & Western's Powhatan Arrow leaves Cincinnati each morning with nothing more than a GP-9, a baggage car and a dome coach. The only passenger train between Chicago, Pittsburgh and Washington consists of a single Pullman, a SlumberCoach, a diner-lounge, a dome coach and a flat-top coach. The Penn Central's former 20th Century Limited is an eight or nine car consolidation of trains that formerly operated separately to Detroit, Toronto, Boston and New York, often with additional sections plus other trains preceding or following. Kansas City Southern ran clean, on-time and friendly trains over a route that had little air or bus competition nor good paralleling highways between two large metropolitan terminals, serving two fair-sized communities enroute, while promoting the service with heavy advertising. The story is the same in all these instances (recreational, business and no real competition)—nobody was riding. Certainly there are exceptions—the New York or Chicago to Florida runs, Chicago-New Orleans, Chicago-Milwaukee-Twin Cities and Chicago-Denver services. These are all heavily-patronized lines (though not as heavy as they once were) and all have reduced schedules, with one or two packed trains remaining.

The passenger train in the U. S. is an antique. Experiments in modern equipment design like MetroLiners and TurboTrains remain to be tested on a traveling public that has become disenchanted with dreary cars on unreliable schedules or has grown up with little awareness of the present existence of the passenger train, much less with the thought of actually riding one in preference to an auto or plane. For one, I wouldn't hazard suggesting a trip by rail to a friend for fear of being laughed at (or losing him as a friend if he did

take me up on the suggestion.) My last business trip by rail included an unexplained 4½ hour delay of the California Zephyr at McCook, Nebraska, forcing me to completely rearrange my itinerary beyond, and being left to my own devices 15 miles from Cedar Rapids, Iowa at 1:00 AM following a derailment of another train.

I do believe in the passenger train for family travel; there is no better way to see this beautiful country than by rail. The Vista-Dome is the eighth wonder of the world. In a way, our national heritage is at stake if we do not revise Section 13 to save certain passenger trains from extinction. Cooperation from the Federal government and the operating unions plus advertising and travel agency assistance will put many of these services on a paying basis. The taxpayer won't be hit for more than a penny per person (if that); the carrier will not have a financial burden; and the traveling public will have the rare opportunity of sightseeing, gourmet dining, relaxing, sleeping and exercising without a seat belt until the day our planet is no longer worth seeing or moving about on. Many more of those 200 trains are going to disappear, and rightfully so, but we will have those services that economically should not be but, happily, will be there when one wants to get away from the rush of urban life. They will be there for our increasing leisure hours, and perhaps will fill the bill when air traffic gets choked.

If there is to be a passenger train (other than commuter or Megalopolis services) by 1970 or 1971, Section 13 must be revised with the cooperation of all involved, and now. The cost will be slight in comparison to the alternatives (more airports, more highways—all at your expense). Let's get some balance in our transportation system now, and let's start with the area where the cost is least—the railroads.

(Bob Oliphant is a graduate of the University of Illinois and currently works in Traffic. He is a long time railroad buff, and a founder of TC.)

THE RAILWAY REPORT

NORTH AMERICAN PASSENGER TRAIN
DISCONTINUANCE PETITION REPORT
1 JULY - 30 SEPTEMBER 1968

<u>Road</u>	<u>Trains</u>	<u>Between</u>	<u>Action</u>
ATSF	14-15	Williams Junction-Grand Canyon	PENDING
	27/190		
	201/28	La Junta-Denver	PENDING
	42-47	Williams Junction-Phoenix	PENDING
	66/77/75		
	76/78/65	Clovis-Fort Worth-Houston	OFF
B&O	115-116	Gainesville-Dallas	OFF
	9-10	Pittsburgh-Cumberland	OFF
	11-12	St. Louis-Cincinnati	OFF
	37/51		
	52/40	Cumberland-Martinsburg	PENDING
C&E	3-4	Chicago-Danville	DENIED
CP	321-322	Toronto-Hamilton	PENDING
CofGa	9-10	Birmingham-Albany	PENDING
CN	620-623	Montreal-Sherbrooke	PENDING
	624-625	Montreal-Sherbrooke	PENDING
	626	Montreal-Sherbrooke	PENDING
CB&Q	11-12	Galesburg-Lincoln	PENDING
	23	Chicago-Minneapolis	PENDING

<u>Road</u>	<u>Trains</u>	<u>Between</u>	<u>Action</u>
CB&Q	41-42	Omaha-Billings	PENDING
CRI&P	11-14	Chicago-Peoria	OFF
C&NW	153-216	Green Bay-Ashland (except summer months)	PENDING
FEC	1-2	Jacksonville-N. Miami	OFF
GN	3-4	Fargo-Minot	OFF
IC	9-10	Carbondale-Birmingham	PENDING
L&N	6-7	Cincinnati-New Orleans	OFF
MILW	117-118	Chicago-Madison	1 YEAR (1)
MP	3-4	St. Louis-Fort Worth	PENDING
	7/27-28/8	St. Louis-Fort Worth	OFF
	14-15	St. Louis-Kansas City	PENDING
	16-17	St. Louis-Kansas City	PENDING
	23-24	New Orleans-Marshall	OFF
NAR	1-2	Edmonton-Dawson Creek	PENDING
NP	11-12	Little Falls-International Falls	OFF
N&W	15/25-26/16	Portsmouth-Cincinnati	WITHDRAWN
	121-124	Chicago-St. Louis	PENDING
PC	3-30	New York-St. Louis	4 MOS.
	50	Chicago to New York	9 MOS.
	53	Pittsburgh to Chicago	9 MOS.
	65-66	Chicago-Cincinnati	1 YEAR
	91-92	Buffalo-Albany	OFF
	354	Detroit to Buffalo	OFF
	357	Ann Arbor to Chicago	PENDING
	407-420	Boston-Worcester	PENDING
	409	Boston-Worcester	PENDING
	431-432	Boston-Worcester	PENDING
	570-571	Baltimore-Harrisburg	PENDING
RF&P	8	Richmond to Washington	OFF
SCL	8	Jacksonville to Richmond	OFF
	7	Hamlet to Jacksonville	OFF
	15-16	Hamlet-Birmingham	OFF
	17-18	Albany-Jacksonville	PENDING
	75-76	Jacksonville-Tampa	PENDING
	95-96	Atlanta-Jacksonville	PENDING
TH&B	371-376	Hamilton-Welland	PENDING
SP	1-2	New Orleans-Los Angeles	PENDING
	51-52	Oakland-Los Angeles	PENDING
	53-54	Sacramento-Lathrop	PENDING
	101-102	Ogden-Oakland	1 YEAR
	11-12	Portland-Oakland	PENDING
WP	17-18	Salt Lake City-Oakland	1 YEAR

NOTES: (1) To be operated Fridays, Saturdays, Sundays, Holidays and University of Wisconsin (Madison) semester break travel periods only. Time given in action column represents period train(s) ordered to operate by Interstate Commerce Commission pending final action. "Pending" indicates petition has been filed before appropriate commission but no action has been taken and train is currently operating.

NEWSFRONT

BURNING DOWN THE BARN -- Over-reaction seems to be the catchword these days. In the wake of the recent controversy over causes of congestion at O'Hare International Airport (one of several fields so cited), the city of Chicago's Aviation Department saw fit to "leak" details of a report recommending the forced transfer of all level III (air taxi) flights from the Northwest Side field to either Meigs (on the lakefront) or Midway (on the South Side), supposedly to ease said crowding by making more room for the "majors". No sooner had the contents of this report been duly reported by the Chicago Tribune than a storm of protest arose from the affected carriers. A spokesman for the three major commuter lines (Commuter, Midstates and Air Wisconsin) charged that Aviation Commissioner Downes had "double-crossed" the taxi operators, and that at a meeting earlier in the week about a routine terminal building expansion proposal nothing had been said about not only not enlarging existing O'Hare facilities but instead ordering the small carriers out of the field completely.

The very next day, Commissioner Downes averred that the upcoming report had said no such thing, and that it was not the intent of the city Department of Aviation to request or even order the taxi operators to move. Then, in almost the same breath, he quoted city policy that airline service at Midway should be expanded, obviating the necessity for interconnection between the various levels of service at O'Hare. Further complicating the whole affair is a possible FAA order that would ban general aviation operations from using O'Hare if the aircraft used weighs under 12,500 pounds—the upper limit for taxi services. It remains to be seen just how long the taxis will be able to use O'Hare.

FLYING HIGH -- North Central has exercised options on five more DC-9s. The CAB also recommended the carrier for the Twin Cities-Denver route....North Central has also filed an application for nonstop service between Chicago, Lansing and the Tri-Cities of Saginaw, Bay City and Midland in Michigan. The line now flies the run with intermediate stops....Northwest wants to link San Diego to Seattle and Portland....Northeast filed to intervene in the route case involving service linking Milwaukee, the Twin Cities, Atlanta, Tampa and Miami, asking that the case be expanded to include flights to Fort Lauderdale and Orlando....The CAB has refused a request by 12 airlines for expanded industry talks on possible fare adjustments as a way to relieve air congestion. The airlines had met jointly to discuss other means for combatting crowding at major airports....The CAB also said it would extend implementation of the "blocked space" cargo policy to passenger lines as well as the all-cargo carriers. Under that policy, an airline may contract with shippers on a long-term basis for a certain amount of space on certain runs at lower-than-tariff rates....Air Canada and Continental are the latest carriers to move their cargo operations into a new \$6.5 million terminal at O'Hare. Eastern will join them November 1....National will build a \$15 million hangar at Miami International Airport that will be capable of accomodating two SSTs....A hangar using the world's largest single hyperbolic paraboloid is being built for United in Minneapolis....Ten air taxi mail routes will be established to serve Illinois and Michigan cities by the end of the month....The DC-3 will officially vanish from the scheduled airlines in the U. S. by the end of the year; some are in service currently for Ozark, Trans-Texas, North Central and Frontier, but they will be retired by year's end. Gooney-bird lovers need not despair, however; they are still quite numerous on international routes...Continental is soon to begin construction on a new hangar at Stapleton Field in Denver.

PLANE FACTS -- Piedmont has placed its second Boeing 737 in service, and has received its third YS-11....Mexicana is now offering its passengers in-flight telephone service....United is expanding its overhaul base in San Francisco; UAL facilities will have to handle a fleet of no less than 618 jet aircraft by 1980....Air Madagascar has become the 21st carrier to order the Boeing 737 twin-jet....Hawaiian Airlines sold its remaining two DC-6As to Yemen Airlines....The CAB has granted permission for Eastern to lease seven DC-9-30s from New York's Bankers Trust Company....UTA-French Airlines is now operating long-range DC-8-62s on all flights from Los Angeles to Paris....SAS has ordered six additional DC-9s....Pacific Southwest (TC - 11 Oct 68) has already sold three of its Electras (how's that for speed?).

TAXI TOPICS -- Trans East is soon to begin service between Bangor and Quebec City....Altair has started Richmond-Wilmington service....Pocono Airlines (the Allegheny Commuter) has inaugurated runs between Hazleton and Newark using Beech 99 craft....Vercoa Air Service has been named by Allegheny as its replacement at Danville, Ill. Vercoa is to provide daily Danville-O'Hare service....Galaxy Airlines has started operations between Cleveland and Port Columbus and Dayton, using 4 DC-3s bought from North Central....Sun of St. Louis has acquired Florida Airways of Miami....Using 3 Beech 18s, Fleet Airlines is now providing non-stop service between Duluth and Fargo....Gateway Aviation has inaugurated service between Chicago-LaCrosse and LaCrosse-Milwaukee using De Havilland Twin Otters.

COMMISSION COMMENTS -- The Interstate Commerce Commission has decided not to investigate Penn Central's petition to drop #570-571, Harrisburg-Baltimore, effective October 20....The same body has decided to investigate the touchy issue of passenger train costs; Chairman Tierney told Senator Magnuson (who requested the study) that the ICC would consider "actual net costs" and "methods of reducing or meeting such costs".The California Public Utilities Commission has denied SP's petition to discontinue the San Joaquin Daylight (#51-52, Oakland-Los Angeles and #53-54, Sacramento-Lathrop connections) because the trains fill a need and because SP failed to compete for the business....UP has been authorized to purchase the Mt. Hood Railroad, a 21 mile Oregon short line.

CUT-BACKS -- In an effort to reduce passenger and locomotive operating costs, C&O will close its Ashland, Ky. repair facility, consolidating the former at Huntington, W. Va., and the latter at Huntington and Russell, Ky.....CP is trying, again, to discontinue subsidiary Esquimault & Nanaimo's RDC run, #1-2, Victoria-Courtenay....The Belt Railway of Chicago, in the midst of an 80-day strike by BRT members (who want an additional man on the road's 75 two-man-operated runs) has announced its engines are being "mothballed" for the winter in preparation for a complete shutdown. The Wisconsin Electric Power Company, which relies on BRC switching services, is dangerously low on coal reserves and has appealed for National Mediation Board aid in the dispute.

BUDD-ING SUCCESS? -- The Budd Company announced late last week that six of its GE-equipped high-speed Metroliner cars had made successful performance tests in operations between Washington and New York. Budd says the equipment is now awaiting acceptance by the Penn Central, though the railroad gave little encouragement to the Budd announcement. In a terse one-paragraph reaction, John Dorrence, PC's Northeast Corridor project director, said he was happy that Budd had met with success, and went on to say that the PC looks forward to the day when it can accept the cars according to contract terms.