SNOW! See Page Two
Nice way to build passenger business

Santa's mini-skirted helpers, who greeted PRR commuters one day in December, were expressing not only the Christmas spirit but the SEPTA spirit.

SEPTA stands for Southeastern Pennsylvania Transportation Authority. It's an agency set up by the Commonwealth of Pennsylvania to preserve and expand public transportation in Philadelphia and the surrounding four counties.

The agency's aim is to save the area from stranding in automobile traffic. It wants to persuade as many people as possible to leave their cars home and use public transportation to travel to work or to go shopping.

To help popularize this idea during the pre-Christmas rush, SEPTA sent four of Santa's helpers to the PRR's Penn Center Station. The girls greeted incoming commuters with gifts of shopping bags and balloons.

The message on the shopping bags was: Fast trains—shoppers gain. The balloons read: I ride a SEPTA train.

The agency hopes more and more people will act on these slogans—as thousands already have.

The Southeastern Pennsylvania Transportation Authority was established by an act of the State Legislature in 1963. It enabled Philadelphia and the four adjacent counties—Bucks, Montgomery, Delaware and Chester—to get together to solve their transportation problems.

SEPTA was authorized to buy, lease, operate or promote the improvement of transportation systems in the metropolitan area.

The authority entered into agreements with the Pennsylvania and Reading railroads, which operate suburban lines linking Philadelphia and the four counties.

The railroads agreed to increase the number of trains and reduce fares on certain lines. In return, SEPTA agreed to make annual payments to the railroads, covering a portion of the cost of operating the service.

Commuter service has been a money-losing proposition for years, especially since the big switch from the train to the private automobile. This trend received a tremendous push from the lavish use of public funds to build new highways.

"Despite the billions of dollars given to new freeway construction," SEPTA stated, "the highway program has not kept pace with the demand from suburban communities. And it becomes more apparent each day that cities built years ago for a horse and carriage age cannot miraculously stretch their narrow streets nor continue to turn over valuable land for parking."

Thus community leaders and public officials realized that public transportation had to be preserved and improved with government support. In 1968, the City of Philadelphia took the first pioneering steps in this direction by establishing the Passenger Service Improvement Corporation. A six-month experiment was started on the Chestnut Hill branch, one of the six commuter lines the PRR operates in the Philadelphia area.

The PRR expanded service and reduced fares. The City contributed money to help meet the increased costs.

At the end of six months, the branch was carrying 14 percent more passengers than the year before.

"We've proved it's possible to reverse the traffic trend that was choking the midcity area," declared a City official.

Thus encouraged, the City continued the experiment, and extended it to two other branches. Adjacent counties got interested. Together with the City, they formed an agency to extend the increased service into their areas.

When SEPTA was set up in 1963, it took over the existing commuter programs and started new ones in 1965 and 1966.

The results?

On the Chestnut Hill Branch, passenger volume is now 92 percent higher than before the experiment began eight years ago. On the Manayunk line, volume is up 83 percent; on the Torresdale line, close to 300 percent over a six-year period.

Even on three other lines where contract operations began only a year ago, patronage has risen: 7 percent higher on the Wilmington line, 5 percent on the Media line, 6 percent on the Paoli line.

"In his creed," wrote Mr. Beers, "is the admonition that man must help his fellow-man. "He has earned a reputation for going out of his way to help the elderly, the handicapped and mothers with obnoxious children. Wheelchair patients and the blind always receive his immediate attention."

If the majority of people performed their jobs in the courteous, efficient and unobtrusive manner that Johnson does, life would be less of a trial."

Presidents, plain folk and J. T. Johnson

During his 43 years as a Red-cap at the PRR station in Harrisburg, Pa., James T. Johnson served many notable passengers.

He recalls that he "handled President Eisenhower, President Truman, and the great President"—his way of referring to Franklin D. Roosevelt.

He also "handled" Joe Louis, Duke Ellington, Ronald Reagan, Bob Hope and other celebrities—as well as thousands of the non-famous.

The gracious treatment he has given equally to all passengers was the subject of a recent column by Reporter Paul B. Beers in the Harrisburg News.

"J. J. O'Donnell, retired PRR trainman, is welcomed by Mary Elizabeth DiPiano. The PRR will continue to explore ways of cooperating with government authorities to provide the needed service and at the same time to bring these financial losses to an end as soon as possible."

SEPTA publicity project is arranged by J. F. Hennessy, stationmaster; Mrs. Gerry Chapman, of SEPTA public relations; and J. L. McConnon, SEPTA vice chairman.
That white stuff is SNOW

At Valparaiso, Ind., a PRR crew ran a special train to pick up 75 persons marooned in the blizzard.

At Gary, PRR men were searching through the storm for supplies to feed people in the station.

At Chicago, PRR men used a snow blower powered by a jet airplane engine spouting a 250-mile-per-hour wind to remove snow from yard tracks.

At Freehold, N.J., a diesel with a steel plate bolted on the front was used to clear a PRR branch line.

Those were some of the scenes etched on the white landscape after the skies dumped snow by the carload on many parts of the PRR System.

The Chicago area got the worst of it.

The snow began falling shortly after midnight on Thursday, January 26. It snowed continuously for 29 hours. The total downfall, 23 inches, was the heaviest ever recorded by the Chicago weather bureau.

At 59th Street Yard, Chicago, flames of a weed burner are used to melt the snow.

At Crown Point, Ind., Agent A. H. Kayser tells public about schedule changes.

At 59th Street Yard, Chicago, flames of a weed burner are used to melt the snow.

The snow belt extended across the northern portion of the PRR's Western Region, involving Indiana, Ohio and Michigan. Howling winds piled drifts six feet and higher in many places.

The communications gap was instantly filled by the PRR's new radiophone system, which linked the block towers, as well as linking block towers with moving trains.

The weight of snow and ice tore down communication pole lines along a 27-mile stretch between Van Wert, O., and Adams, Ind., on the PRR's Fort Wayne Division.

The vital train-dispatchers' line was reestablished by connecting to circuits leased from the telephone company.

Among the Eastern carriers serving Chicago, the PRR was the first to dig out and resume essential services.

At Gary, Ind., Agent Don A. Provo digs path in front of the passenger station.

Three new jet snow blowers provided high-powered help. These self-propelled machines have jet engines of the type used on Boeing 707 airliners. They produce a 250-mile-per-hour blast at a temperature of approximately 250 degrees, so they simultaneously blow snow away and melt ice.

One of these blowers, assigned to the Grand Rapids Branch, worked its way downtown to Fort Wayne, clearing snow as it went, and then went west to Colehour Yard, on the outskirts of Chicago.

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A second jet blower, assigned to Conway Yard, was rushed to Chicago on a flatcar.

A third was used to clear Enola Yard and the tracks west to Marysville, Pa., near Harrisburg.

Elsewhere on the System, PRR men operated more than a dozen snow plows and Jordan spreaders.

The latter are versatile machines used for ditch-digging as well as snow clearing.

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Similar measures were used in pole line breaks between Gibsonburg and Walbridge, O.; Elwood and Anoka, Ind.; Frankfort and Clymers, Ind.; and Marion, Ind., and Bunker Hill, Ind.

Meanwhile, PRR communication and signal crews went to work to restore downed lines.

Many stories of unusual service by PRR people filtered through the storm. Train 48, the westbound General, made a stop near Wheeler, Ind., to pick up people stranded on a bus.

At Valparaiso, Ind., the two commuter trains that normally run to Chicago had to be cancelled on Friday, January 27; but the crews remained at the station, helping dig out automobiles and helping passengers board the through trains.

"We received a telephone call advising that there were 75 people stranded at a farm three miles east of Valparaiso," reported PRR Agent Robert B. Maudlin.

"We obtained permission from the superintendent to dispatch a commuter train with an engine on each end to pick up these people.

"In the meantime, the sheriff's office telephoned that there were more people stranded two miles further east. We relayed word to the crew and they picked them up and brought them into Valparaiso."

Agent Maudlin and his clerk, Ernest T. Knapp, helped arrange temporary accommodations in the local armory, American Legion headquarters, churches and private homes.

An extra coach was added to No. 90, the South Wind, to pick up 18 mill workers stranded at Crown Point, Ind. The men were taken to Hebron, where Caterpillar tractors were used to get them home.

"We had other people for Kouts, La Crosse, North Judson and Wawca, who were afforded this unusual service," reported the PRR agent, A. H. Kayser.

He himself rode a "Cat" cross-country to help take an expectant mother to a clinic.

A bouncing baby girl was delivered at Valparaiso, Ind., Agent Robert B. Maudlin guides work of front-end loader.

At Gary, Ind., Agent Don A. Provo digs path in front of the passenger station.

Jet blower at Colehour Yard scatters snow with 250-mph wind. Dragging anchor keeps it from being pushed back by its own blast.

At Valparaiso, Ind., a PRR crew ran a special train to pick up 75 persons marooned in the blizzard.
ere," Agent Kaysen reported. "Her nickname is Stormy."

At Gary, Ind., Agent Don A. Provo, F. K. and S. T. F. F. Eze-
kas and Signal Maintainer Remo Aloia were stranded in the station from Thursday till Saturday.

"We made the best of it," Agent Provo said—"helping the public by giving information on the telephone and serving coffee while parked in the station. Remo and I slept on desks. Tom slept on some sacks of salt in the back room."

When they ran out of supplies, Mr. Fazeekas and Mr. Aloia went out through the snowdrifts until they found an open grocery store. They bought extra food and sent it via Train No. 23 to block operators and trackmen marooned at the nearby block towers, Clark Junction and Indiana Harbor Canal.

John E. Freeman, PRR agent at Shelbyville, Ind., put on his uniform and became Captain Freeman, intelligence and security officer of the 38th Aviation Battalion, Indiana National Guard. He and other guardsmen—among them many points in Porter and Lake counties, Indiana, on errands of aid and mercy.

They delivered a needed generator for a Company truck near Kentland, carried a pregnant woman from a farmhouse to a hospital, rescued an elderly dehydrated man and took him to a hospital, and made many drops of insulin and other medical supplies.

"We worked with the State police and sheriff’s offices," Captain Freeman said. "The roads were terrible. In the farm areas, the people were completely cut off. In some places we even had to drop food."

The Eastern part of the railroad

Al Hatos and his wonderful machine

T here is a mechanical device that can, at one swoop, solve the snow problem and reduce traffic fatalities.

It is a transportation machine that uses no fuel, requires little upkeep and propels the passenger along at safe speeds.

Its name: the bicycle.

Alexander Hatos has been riding one for half a century, and he can understand why more people don’t take it up.

Mr. Hatos, a PRR signalman working out of Newark (N.J.), predecessor station, raced for 28 years, from 1919 to 1947. He earned more than 50 first place trophies and a host of lesser prizes.

"Riding isn’t what it used to be," he mourns today. "The average kid wants an automobile. As soon as he gets one, he zooms around and crowds bike riders off the road."

Mr. Hatos’ racing career was ended by a back injury. But he still takes a brisk ride from time to time in a park near his Metuchen, N. J., home, whenever one of his nephews gets up the courage for a challenge.

And twice a year he participates in the "Hardy Able" run from Philadelphia to Mt. Holly, N. J., a 23-mile trip.

"It’s not a race," he explains. "It’s a convention on wheels. The old-timers just turn out and we renew old friendships."

His past glories include the New Jersey State Road Championship, in 1936; the New York-to-Philadelphia inter-city tandem run, for which he shared the record from 1934 to 1936; and victories in a number of road events, including a 10-mile race in Providence, R. I., in 1947.

However, his most renowned feat is, perhaps, a freak accident. As a sports record book puts it, "Who was the first person to be kayoed in Madison Square Garden?"

The answer is: Al Hatos. It happened in November, 1935. As Mr. Hatos tells the story: "The Garden had opened just a few days earlier, and the first sporting event there was not a prize fight but a bike race.

"There was just one bike ahead of me and I had to win to save the prize. Many of his photos have appeared in cycling magazines."

It pursues his hobby with three high-class cameras. Incidentally, when demolition of Pennsylvania Station, New York, began in 1964, Mr. Hatos is the only man making a photographic record of the job. He now has more than 600 shots.

Mr. Hatos strongly advocates bike racing for adults.

"It’s the best thing in the world—ask any doctor," he declares. "It gets you out in the open and keeps you in shape, and you don’t have to be a kid to do it."

"I still have two bikes, and the only thing that keeps me from doing more racing is my work schedule."

"But when I retire—that’s when I’ll really have time for my bikes—plus some fishing, of course."

Agent John E. Freeman of Shelbyville, Ind., a National Guard captain, flies an Army helicopter on urgent rescue missions. —the people who normally use private autos but turn to the rails in emergencies—the Inquirer said:

"It never occurs to these people that if they would make use of public transportation all the time, not only on snowy days, the railroads would be able to furnish more trains, faster service, more convenient schedules, more modern equipment.

"Meanwhile, they can be thankful that the rails are still there."

On the cover: A multiple-unit train slashes through storm on Main Line near Philadelphia.

Al Hatos in Oct., 1966, starts 23-mile run from Philadelphia to Mt. Holly, N. J. —ask any doctor, he declares. "It gets you out in the open and keeps you in shape, and you don’t have to be a kid to do it."

"I still have two bikes, and the only thing that keeps me from doing more racing is my work schedule."

"But when I retire—that’s when I’ll really have time for my bikes—plus some fishing, of course."
A shipper's appreciation

When you're switching cars, you watch more than the cars. You keep an eye on the safety of people, the clearances, the rails.

A turned-out rail on the private siding of Merck & Co., Inc., at Rahway, N.J., caught the attention of Conductor R. W. Corson's crew. He used the new PRR train radio to notify Yardmaster Stephen Szabo at Stiles St. Yard. And Mr. Szabo immediately phoned Merck officials.

Investigation showed that the damage had been caused by movement of heavy trucking equipment across the tracks. This was stopped, and repair work was promptly started.

The PRR crew and Yardmaster Szabo were praised in a letter from E. W. Caterson, Merck traffic supervisor:

"Their quick action prevented a possible derailment that could have resulted in great inconvenience and might possibly have disrupted some plant operations.

"In general, the excellent cooperation and thoughtfulness exhibited by all the Pennsylvania Railroad crew serving the Rahway Plant is a source of great satisfaction to Merck & Co., Inc."

Stamps tell the story

During the holiday season, the Nativity was related in an original way by Julius M. Schoen, clerk to the master mechanic at Indianapolis.

Mr. Schoen, a stamp collector since the age of 9, made a special effort to garner stamps with Christmas themes.

The result was a three-panelled display that gave a distinctive note to the PRR office at Union Station.

The stamps were grouped to illustrate each step in the Christmas story, from the Prophecy and the Annunciation to the Visit of the Wise Men and the Flight into Egypt.

To illustrate all the episodes, Mr. Schoen had to assemble stamps from Australia, Korea, Argentina, Spain, Ireland, New Zealand, Vatican City, Poland, Cuba, Yugoslavia, Dominican Republic, Hungary, Belgium, Monaco and Italy.

He could find no United States stamps that were appropriate. Our stamps tend to avoid religious themes, he says. Mr. Schoen, who has 12 thick albums of stamps, highly recommends his hobby. "It gives you a real insight into this changing world," he says. "Stamps reflect the developments in the government, industry and culture of nations."

Old Glory's home-made pole

Some people puzzle at seeing the new flag and flagpole at the PRR enginehouse in Fort Wayne, Ind. Such people puzzle Gerhard H. Schmidt.

"Does flying the American Flag require any justification? "We're at war in Viet Nam," he says. "The flag is there to remind us what's at stake."

The suggestion for a flagpole came from Foreman E. J. Minck. He asked Pipefitter Schmidt if he could figure out an inexpensive way.

Mr. Schmidt had to rub his chin only a moment before inspiration struck.

He took a 22-foot length of discarded three-inch steam pipe and an 18-foot piece of two-inch pipe and welded them together. For a ball to top the pole, he rescued a copper sphere from an old toilet tank. Then he covered the whole thing with aluminum paint.

To anchor the pole, he and fellow employees filled a 55-gallon drum with cement, put the pole in the middle, and planted this in a four-foot hole.

Every morning Mr. Minck or Mr. Schmidt raises the flag.

"These are times when the American Flag is a comforting sight," says Mr. Schmidt—at least it is to me and the other fellows around here."

Where the action is

This lively new poster has gone up on station bulletin boards all along the PRR route between Washington, Baltimore, Philadelphia and New York. It's part of a new advertising program to boost weekend, round-trip travel in this high-density area with special fares.

The saving is one-third of the regular round-trip coach fare. For family travel, children 5 through 11 go at half the special low rate; and children under 5 travel free.

The same bargain offer was in effect last year, and the results were encouraging enough to warrant a repeat this year.
Fast action at Horseshoe Curve

It was a few minutes before midnight. Freight Train PG-33 was rolling west from Altoona entering Horseshoe Curve.

Abruptly Engineman H. R. Adams was startled by the automatic application of the air brakes. He saw the white hands on his brake pipe and equalizing reservoir pressure gauges fall to zero.

Back at the cabin car, as soon as it stopped, Conductor Willis H. Stine dropped to the ground and hurried up along the train.

He found that the 28th car from the head end had one truck derailed, and the lading partly blocked the adjacent track.

It wasn’t a grave mishap. There was no damage to freight. Nobody was hurt.

But Tracks 3 and 4 were out of service.

And not many miles behind came No. 29, the Broadway Limited, speeding westward on Track 3.

Engineman Adams grabbed his new radiophone and told the operator at the nearest block tower, Eugene A. Boyle, that the train was stopped with air in emergency.

His words also came crackling into the cab of the Broadway Limited —the radio receiver is always on. And thus the Broadway’s engineman, Robert H. Ingles, was ready to respond instantly to the block operator’s order to halt the train.

He made a light brake application and brought The Broadway to an easy stop. It wasn’t noticed by the sleeping passengers.

A few minutes later, Block Operator Boyle instructed Engineman Ingles to back The Broadway to Altoona, then run Track 2 westward up the mountain.

The total delay was only 30 minutes.

“Without radio, it would have been much longer,” Mr. Ingles said. “I think radio will prove to be invaluable in making fast moves. And it is one of the greatest safety features on our engines today.”

Actually, in this instance there would have been no danger of collision even if there had been no radiophone. When PG-33 went into an emergency stop, the crew provided flag protection for the adjacent tracks in both directions, in accordance with safe practice.

But the advance warning by radio enabled Mr. Ingles to brake his train gently.

Block Operator Boyle added one comment: “With these new radios, you not only make fast connections —you make good connections. The voices come through clear as a bell.”

The PRR now has the new radiophones in operation in 1255 road locomotives, 981 cabin cars and 237 block towers and control points. Almost every mile of the Pennsylvania Railroad main lines is now covered by this radio network.

Accident prevention with a hot-cha-cha

The boxcar was rolling along at a bit too fast for a safe coupling. A young brakeman started forward to mount the car.

“Don’t—I’ll handle it,” said Conductor J. Kenneth Miller.

He nimbly went up the ladder and brought the car to a gentle halt.

“I knew the young man had just recently been hired,” said Conductor Miller later, “and it occurred to me that he might not handle the car just right.”

Mr. Miller, conductor at Midland Yard, Pittsburgh Division, is constantly on the alert to spot any unsafe practice.

“I got that way because of show business,” he explains.

The story goes back to the jazz age.

One day in 1928, E. E. Alton, PRR safety agent and former superintendent of the PRR Car Shop at Wellsville, Ohio, buttressed a young Ken Miller, then an M-of-W. clerk and an amateur singer.

Mr. Alton told him a Safety First Troupe was being organized in the Wellsville and Cleveland areas. Its purpose was to familiarize the public with the new automatic crossing gates and flasher lights.

Mr. Miller volunteered. The troupe put on shows for the public in municipal buildings and schools.

A. T. Worthington, PRR police captain, now retired, was m.e. His daughter, Virginia, did a gypsy dance. Mildred Armstrong Herron, retired freight clerk, played the piano. Two young sons of Machinist Dan Hall, retired, did a boxing act; and his daughter, Isabelle, danced. Clerk Harry Coden, now retired, did a tap dance. Cleo, daughter of the late Carl West, freight conductor did dramatic readings.

Ken Miller sang and also did a country bumpkin skit.

“It was all a lot of fun,” he says. “We put the safety message across to the public—and ourselves. After eating, singing and dancing safety, it’s bound to become a habit.”
Regis Ranck summed it all up in one word: “Magnificent!”
He was referring to the response to an article published recently in *The Pennsy*.
The article told how Mr. Ranck, statistical clerk in the PRR Coal and Ore Traffic Department, gave his
spare time and money to help the Northern Home for Children, at Philadelphia. The article indicated
ways in which other interested people could help this institution for orphaned and neglected boys and
girls of student age.
As a result of the article, Mr. Ranck reports:
“Six PRR employes invited children from the Northern Home to Christmas dinner.
“Members of the PRR Market Research Department chipped in and bought bicycles for three boys.
The Coal and Ore Traffic Department raised money to give the older boys at the Home a Christmas party, to which
they could bring their dates. There were a buffet dinner, corsages
girls and gifts for the girls. A five-man combo, the Iron Gate Band, donated
its services. So did the m.e., George Baylie of Radio Station WIBG, who
lived at the Northern Home himself when he was a boy.
An official of the Railroad provided furniture for a basement lounge at the Home.
Another official donated tickets for visits to the Art Museum, the Franklin Institute and the Zoo.
A PRR yard employe showed the article to his grown son, who
promptly donated a pinball machine.
A labor union official read the article and arranged to have the
union donate a second-hand pool table, newly refurbished.
An official of a vending machine company donated a new stereo jukebox
and 100 records.”
And this probably won’t be the end of the list, says Mr. Ranck, be-
cause he has received comments, inquires, and letters from dozen of railroad people.
Mr. Ranck concludes: “Thanks to the readers of The Pennsy for open-
ing their hearts to these children.”
'Big Ditch' campaign heats up — The drive for and against the proposed canal linking up Lake Erie and the Ohio River has moved into the communities along the planned route. Before construction can proceed, the communities must state their willingness to pay the cost of local projects made necessary by the canal. The Army Corps of Engineers has estimated that these costs, to be paid by cities and industries, will total $95 million.

The Engineers announced they now are making studies to determine what the financial burden will be on each community. According to Interconnecting Waterways, Inc., an organization favoring the canal, it is trying to persuade cities and counties in northeastern Ohio to pass resolutions expressing their intent to bear the costs, whatever they may be.

This move has been denounced by the Upper Ohio Valley Association, which opposes the canal as a threat to industries and jobs, including many railroad jobs. At a meeting of the county commissioners at Warren, Ohio, last month, a representative of the association declared that to pass a "resolution of intent" was as risky as signing a blank check.

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Linking Business and Labor — President Johnson's proposal to combine the Federal Department of Labor and the Department of Commerce deserves consideration, said PRR Chairman Stuart T. Saunders. He called it "a major step in reorganizing the Executive Branch along more efficient and economical lines."

Combining the two Cabinet departments, he said, will link "the forces of economic development and manpower resources, with the hope that this will produce greater profits for industry and better employment opportunities."

Addressing the National Industrial Conference Board, at New York, Mr. Saunders pointed to the "amazing growth" of the Federal Government in recent years.

"At the present time, some 73 officers report directly to the President," he said. "No chief executive officer of any corporation could live with such an inefficient organizational setup. We must streamline and modernize the Executive Branch."

Mr. Saunders told the management conference that businessmen must give deep thought to the impact of industrial changes on society. "We are increasingly aware," he said, "that we manage private corporations not only to earn profits but also to perform constructive public services."

Even in the age of the computer, he said, "moral accountability is a matter with which we must deal personally. It cannot be delegated to other individuals or to electronic devices."

"With the human mind in firm control of the powers of technology, we can introduce new weapons into the battle against mankind's age-old enemies of ignorance, disease and poverty."

Fashions on a train — The Atlantic Coast Line's Florida Special, which the PRR runs between New York and Washington, features displays of latest fashions. The ACL's hostesses serve as models. Here is Karen Krueger, a Trenton, N.J., girl, showing a two-piece evening gown from Burdine's, Miami. As information for lady readers, the white sequined and headed top cost $24; the white crepe fitted skirt, $12; and the white textured silk shoes, $8.

The faceless commuters — This scene, enough to give nightmares to any passenger trainman, was photographed at the PRR's suburban station in Bryn Mawr, Pa. The masks of gauze and papier-mache conceal real live actors. The scene was arranged by Ralph Lopatin Productions, a Philadelphia movie producer. It is part of a film commissioned by the American Patent Law Association to demonstrate the importance of trademarks. The faceless commuters suggest the confusion that would exist if people and products could not be identified.

Let them pay their own way — In President Johnson's 1967 Budget Message, presented to Congress last month, he asked Congress to establish new or higher charges for use of highways, airways and waterways provided and maintained by the Government. User charges, he said, are needed to enable the Government to get back a fairer portion of what it pays to maintain these facilities for air, truck and barge lines.

He proposed the following charges:

A 2 percent tax on freight moving by air, and a continuation of the 5 percent tax on air passenger tickets.

A 4-cents-per-gallon tax on jet fuel used in general aviation, and an increase from 2 to 4 cents on general aviation gasoline; while the 2-cent tax on commercial aviation gasoline would be dropped. An increase in the diesel fuel tax for trucks, and an increase in the use tax on heavy vehicles accordingly to a scale based on weight.

A new charge of 2-cents-per-gallon on fuel used by barge lines, which now pay no user tax.

Earnings report — The Pennsylvania Railroad Company earned $45 million during 1966, an increase of 33 percent over the 1965 figure. Revenue from hauling freight increased by 2.2 percent. Passenger revenue went down 2.3 percent, despite the additional travel volume that came to the railroad during the airline strike.

Board Chairman Saunders pointed out that the earnings in 1966 were a return of only 2.3 percent on the PRR's investment in railroad property—far below the return needed by the PRR to modernize its equipment and meet the transportation needs of the territory it serves. He added that the 1966 return was also much less than the average rate of return for other public utilities and for industry in general.

"Surely you've heard of railroad police?"
LUCKY
I'VE GOT
MY EAR MUFFS

In this weather, I'm making sure to keep my ear muffs on.

But my hat is off . . . to the many PRR men who take the weather's worst while they switch cars, inspect and repair cars, maintain tracks and signal lines, service locomotives, and keep the trains rolling.

You're doing a tremendously important job—moving the Nation's goods quickly and economically, and helping keep the cost of living down.

My plea is that in this rough weather, you'll take care to keep yourselves safe—and keep freight free of damage.