THE DELAWARE AND HUDSON RAILROAD BULLETIN

"The D&H"

OCTOBER 1, 1937

Live, Today!

IF all that we could know of life
Need be but for a day,
If life were really one day long,
We'd make that one day gay;
We'd never take the time to frown
To worry, or to sigh,
We'd get the good we could from life
Before the day went by.

Some flowers grow that open wide
At dawn to bloom 'til night;
They keep their faces to the sun
Reflect its beaming light;
They shed their beauty—perfume sweet
On all who pass their way,
And all they ever know of life
Is but a single day.

Really we've but today to live,
The present moment's all;
Tomorrow never seems to come,
It e'er eludes our call.
We need to get the good we can
From all today can give,
So let's resolve that we today
Will love, rejoice and live.

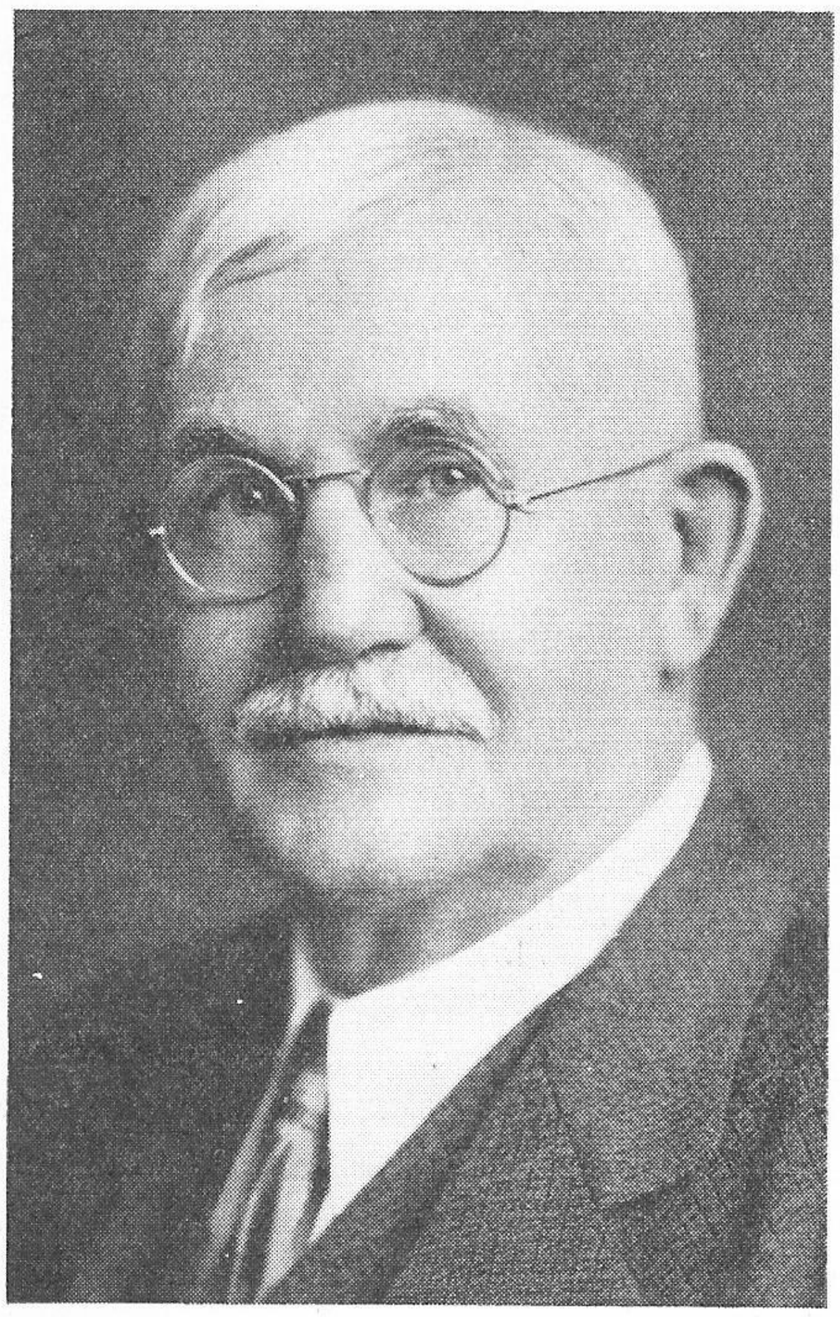
—JOSEPHINE ANDERSON.

"the D&H" The DELAWARE AND HUDSON RAILROAD "the D&H"
CORPORATION
BULLETIN

Saw S. & S. Railroad Built

Oneontan Recalls Pick and Shovel Methods of 50 Years Ago

WHEN The Schenectady & Susquehanna Rail Road Company's civil engineers passed through Princetown, between South Schenectady and Kelleys, N. Y., in 1871, making the preliminary survey for the projected railroad to link Delanson and Schenectady, a little boy and girl glared at them with hostile eyes for the surveyors left grade stakes at two corners of the birthplace of the children, who thought their home would be demolished to make way for the railroad. Shortly afterward the engineers returned, running a new line, and the railroad eventually passed the house on the far side of a nearby creek. The boy, WALTER J. DELAMATER, who was born there January 1, 1866, third oldest in a family of four boys and four girls, grew up to serve that railroad's successor, the Delaware and Hudson, for nearly 50 years.



WALTER J. DELAMATER

MR. DELAMATER'S father helped to build the three trestles which once carried the S. & S. R. R. tracks over ravines at Duanesburg, Kelleys, and the Normanskill near their home. The first was abandoned in a subsequent track realignment; the others were filled in. WALTER was a daily spectator at the scene of the railroad building operations, watching the laborious work of making cuts and fills with picks, shovels, and horse-drawn carts.

At the age of eleven, WALTER went to work for a farmer at Knox, near Altamont, N. Y., "doing man's work for boy's pay," as he quaintly expresses it. He remained on that farm for three years, receiving "$3 a month, board and washing" the first year, and $100 for the eight-month season of the third.

Each winter he attended school at Delanson where his father was then employed as a car inspector. The little frame school, which stood near the present site of "DJ" Tower, had from 40 to 45 pupils, ranging in age from 4 to 21, during the winter months. Here WALTER learned to read and write during the three terms he attended school. From spring to fall the older boys left school to work on farms—there were neither compulsory education laws nor truant officers then.

In 1880, when fourteen years old, WALTER was hired as engine wiper by Lawrence Riley, roundhouse foreman at Delanson. There were five engines stationed there then: No. 174, the *Bobby Burns;* No. 176, *David Dows;* No. 177, *D. M. Kendrick;* No. 178, the *Moosic;* and No. 75, the

R. G. Moulton. All these engines were lump-coal-burning Moguls, the 174, 176, 177, and 178 being the first four freight engines on the division to be equipped with air brakes; the 75 had hand brakes only. The roundhouse force consisted of six men: a foreman and two wipers covering each of two twelve-hour shifts.

Wipers were hired with the understanding that they would do other work as opportunity offered, such as building fires and coaling engines, so that when a vacancy occurred in the firemen's ranks, they would have had sufficient preliminary training to enable them to fire road engines successfully. While WALTER was waiting for such an opening, he was hired by Yard Master J. H. Whitney to work as brakeman on Conductor M. H. Sheldon's crew, running between Delanson and Mechanicville.

With the opening of the Hoosac Tunnel, in 1873, a hitherto unheard of volume of freight began to move over the Delaware and Hudson and Boston, Hoosac Tunnel and Western to Boston. The B. H. T. & W. yard at Mechanicville, where Delaware and Hudson trains were delivered, consisted of only two long tracks; the Delaware and Hudson had two tracks capable of holding 75 cars each, and one track of 50-car capacity. Today the Delaware and Hudson yard's total capacity is about 1,250 much larger cars. There was no D. & H. roundhouse at Mechanicville then, the crews leaving on the return trip to Delanson as soon as possible after their arrival.

The cabooses of that day were extremely small when compared with their modern counterparts. They had only four wheels, a small cast iron stove in the center of the floor, and seat lockers along the sides, but lacked cupolas and bunks. MR. DELAMATER, while "flagging" freight trains, often rode in the now historically famous caboose No. 10, in which the Brotherhood of Railroad Trainmen is said to have been organized in 1883, and which is now on public display in Neahwa Park, Oneonta.

After braking on the Susquehanna Division for three years, between 1882 and 1885, MR. DELAMATER resigned to go to work on the B. H. T. & W., now the Western Division of the Boston and Maine, running from Mechanicville to North Adams, 46 miles to the east. One month after hiring out he was promoted to the rank of conductor, a position he held for two years.

Returning to the Delaware and Hudson in 1887, he was promoted by Superintendent C. D. Hammond, in 1889. In 1891 he again left our company, this time to work on the Mohawk Division of the New York Central, running over the four-track main line between Albany and De Witt Yard, Syracuse. Five months later he was transferred to the Hudson Division, operating between West Albany and the 72nd Street Yard in New York City. Although under favorable conditions a freight train sometimes made the 142-mile trip in from five to six hours, there were 100 passenger trains each way daily between New York and Yonkers, and freights were often "stuck" in one siding for hours awaiting a clear track. On such occasions they were as much as 12 hours on the road.

For "bothering the *Empire State Express* about three minutes one day"—MR. DELAMATER'S humorous way of saying he delayed the road's crack flyer— because he couldn't find an empty siding to head into, he was taken out of service. He immediately returned to the Delaware and Hudson and was sent to Oneonta to work as trainman by Assistant Superintendent P. J. Connors, beginning his final continuous period of 43 years with the company April 1, 1893. For six months, as a member of Conductor A. J. Osterhout's rounder crew, he ran to every terminal on the division: Delanson, Mechanicville, Albany, Nineveh, and Binghamton, again becoming a conductor in October 1893.

In 1903 he was given his first regular crew, taking his turn, first in, first out, with the 22 other conductors then "on the rounds" at Oneonta. Ten crews were marked to Nineveh alone, daily, when the anthracite mines were working regularly. The yard at Nineveh had so little storage capacity that the dispatchers had to figure to have crews arrive simultaneously from Oneonta and Carbondale, exchanging trains on the main tracks and returning immediately.

During his long term as conductor MR. DELAMATER held practically every run on the division at one time or another, his longest "hold-down" being an Oneonta–Wilkes-Barre run which he held for a total of ten years between 1922 and 1934, with short terms as passenger conductor breaking its continuity toward the end of the period. Although he ran Trains 302 and 305, 306 and 311, and Sleepers 303 and 312 at different times, his preference was freight work.

MR. and Mrs. DELAMATER, who own their home at 4 Fifth Street, Oneonta, have been married 49 years and have four children: Roy J., an official of a carpet mill in Amsterdam; Dr. Lyman S., Oneonta Dentist; Stanley, employed by the Oneonta Ice and Fuel Company; and Mrs. Helen Clough, widow of a former Delaware and Hudson engineer, who lives at home with them.

MR. DELAMATER is a member of The Delaware and Hudson Veterans' Association and the Main Street Baptist Church, of Oneonta.

Traffic Problems

A Paper Presented at the 30th Annual Agents' Meeting

By J. E. ROBERTS, *General Traffic Manager*

WHEN I was asked to talk to you about our traffic situation I was not very happy about it, having always felt that you expected something entertaining, stimulating and instructive, and was afraid that what I might have to say would be considered more depressing than otherwise, or at least something in the nature of an excuse or apology for our failure to provide sufficient traffic to meet operating expenses, taxes and interest charges, which we have failed to meet in each year since 1931.

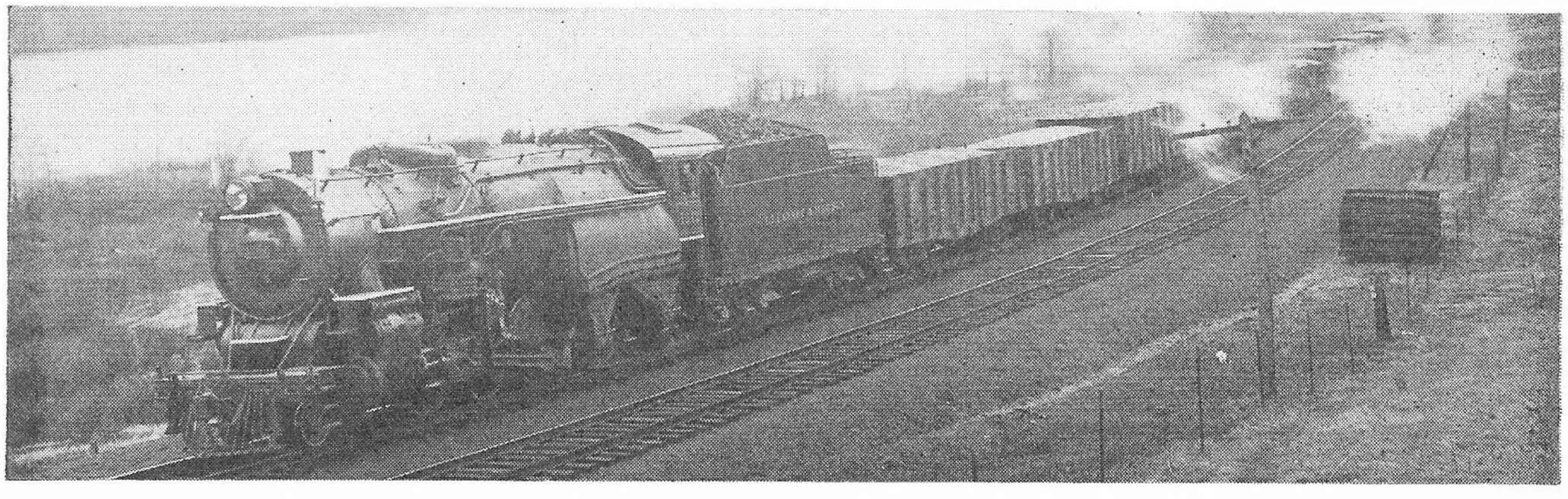
So if it is not going to be entertaining or stimulating, let us meet the "excuse, or apology" situation right at the start. The D. & H. is one of a group of seven so-called anthracite roads which have been hard hit by inroads made on their anthracite traffic by competing fuels as well as the decrease in merchandise traffic during the business depression. Because such a large percentage of their traffic was anthracite, and because a large percentage of their merchandise, or other freight traffic, consisted of manufactured articles which carry a high rate; and further because the anthracite group is situated in the more thickly populated section of the East, their merchandise and other freight traffic was more susceptible to truck and other competing forms of transportation. Additionally because this group of roads had enjoyed such a high earning power (far above the average for the country as a whole) their failure to make an earning come-back in favorable comparison with roads that handle a greater percentage of other products of mines and forest, and farm products, has stood out in unfavorable comparison.

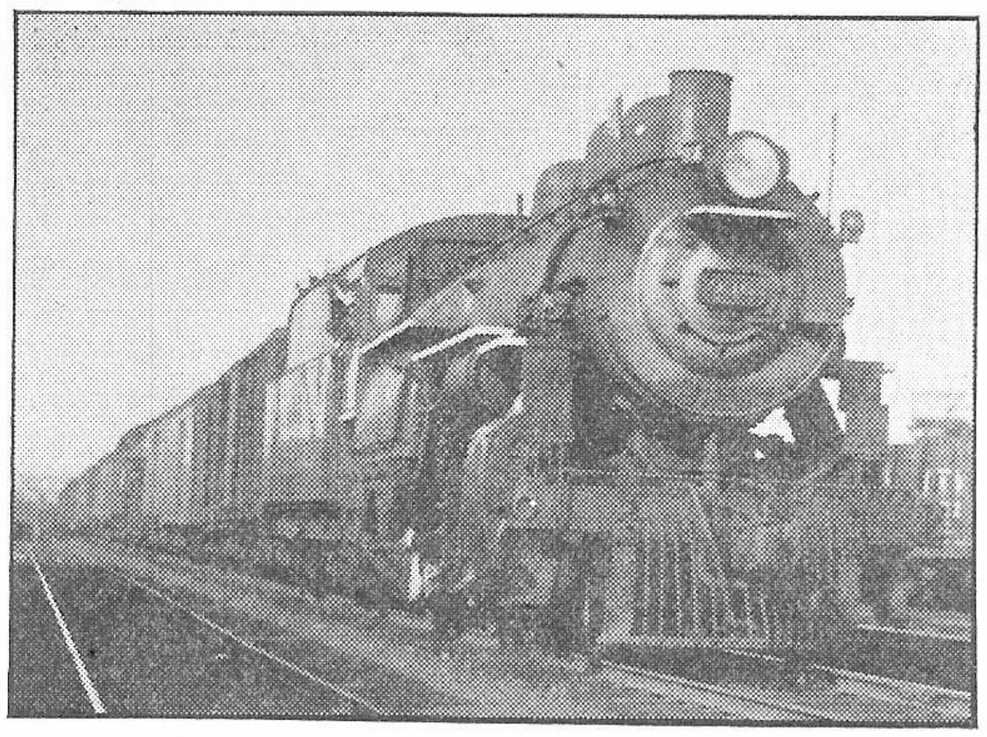
We keep a sharp watch on the figures of our neighbors in the anthracite group, and the D. & H. has not lost ground in a comparative way, except to two roads, one of which has a vastly less percentage of anthracite to total traffic than we have, and another which has been selling or leasing out its coal properties to independent cut-rate operators who have kept up a better percentage of production by the doubtful expedient of selling their product at a reduced price. Whatever may be the ultimate result of this, it has for the time being resulted in more tonnage for that railroad.

Furthermore, considering the roads not in the anthracite group with which we are in competition for freight traffic, we have not lost ground but have improved our relative competitive position, so in what I may have to say later please do not consider anything is offered in the nature of an excuse, either for the traffic officers or the men in the field, but rather that it covers some of the difficulties with which we are confronted.

We have just passed through a long period of slowing down of industry generally, and much of the poor showing made by the rail carriers has been due to the marked decline in the volume of traffic available for movement. It might quite properly be called a period of re-adjustment in the march of progress. In years past there have been several such periods of major disturbances, and each time there has emerged a greater nation, but it should be kept in mind that progress leaves many changes in its wake—and the effect of such changes on our business is important.

Now let us review what has taken place on our





Fast Freight

railroad by comparing the gross revenue earned during the year 1936 with that for the average of the years 1928 and 1929, which were the last two years of a period of marked prosperity. The total gross revenue for the year 1936 was approximately twenty-five and a half Millions of Dollars, which was 62% of that for the average of the years 1928 and 1929. The question arises: Where did this decrease occur?

Passenger

First let us take up the Passenger Traffic and get that out of the way because those figures, from a percentage standpoint at least, are rather sad.

The total passenger revenue for the year 1936 was 36% of the average for the years 1928 and 1929.

The changes that have been taking place in the last few years have been particularly severe on our passenger business. Travel requirements are being met, to a large extent, by the use of other means of transportation with which you are all familiar. Our service in connection with the New York Central between New York and Montreal is well patronized and is the popular route between these two points, but other than this our road does not serve important travel centers.

Effective June 1st, 1936 the Interstate Commerce Commission ordered a reduction in the basic passenger rate from 3.6 cents per mile to 2 cents in coaches and 3 cents in Pullmans, and eliminated entirely the Pullman surcharge. After a full year of operation since the reduction was made, a comparison with the previous year shows an increase of 76% in the number of tickets sold, and a 15% increase in our revenue, which was accomplished by using 11% more passenger car miles.

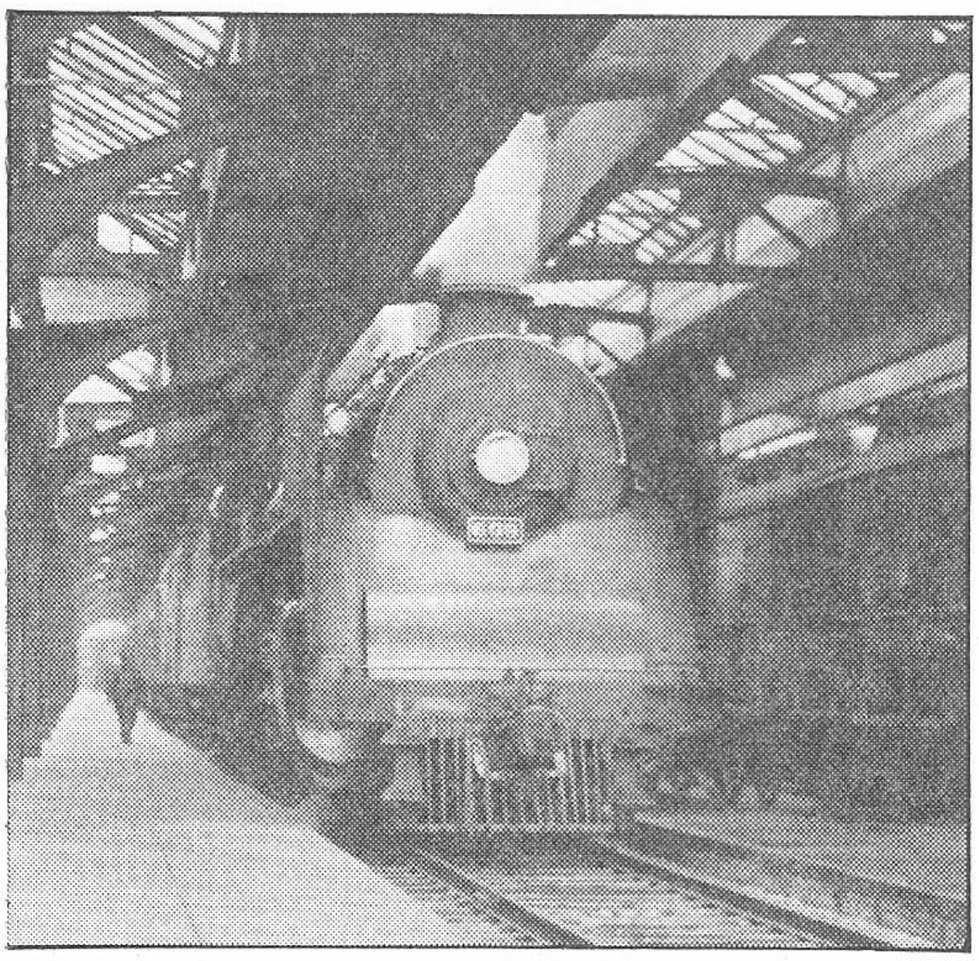
Bus line operation, and especially privately owned cars, have taken much of our strictly local business, and the outlook for a return of any appreciable volume to rail handling is not promising. We should continue to do well with our through service.

Milk

The revenue from milk business is another sad story. The development of this traffic since the turn of the century, up until recent years, has been an important source of revenue. It amounted to nearly a million dollars in 1931, but since that time trucks have entered the field and there have

Switching Private Siding

been some changes in the source of supply to the extent that such revenue has fallen off from year to year, and for the year 1936 amounted to only $257,000 or 29% of the average for the years 1928-1929. A sharp reduction in rates has failed to hold the business to rail handling. While it does not improve our situation, it may interest you to know that the same conditions exist with the other milk carrying lines. It has gone to the trucks.



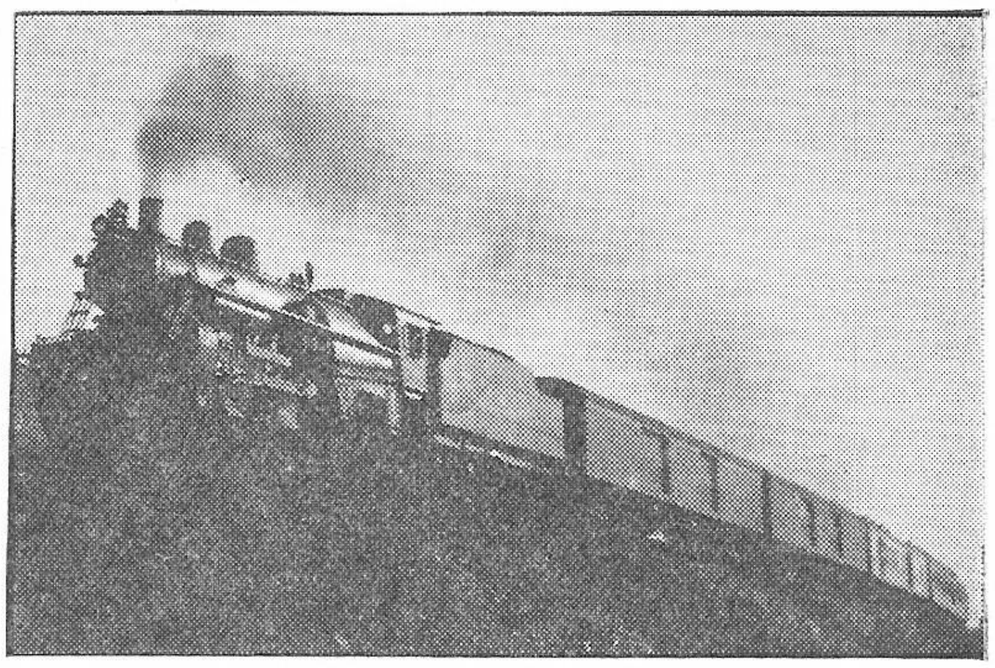
"The Laurentian," Windsor Station, Montreal

Another source of revenue that has fallen off, in about the same percentage as the Passenger and Milk business, is Mail and Express earnings, which in 1936 in total were but 39% of the 1928-1929 average. Express by itself was but 25%. The decrease in total amounted to a little over half a Million Dollars. Important factors adversely affecting the Express Revenue were parcel post and the trucks. The decrease in Mail earnings has been largely due to loss of Mail contracts by reason of curtailed passenger train operation.

Anthracite

Now turning to the Freight Traffic side of the question, our Antracite Revenue in 1936 was 58% of that for the average of the years 1928-1929. The loss in revenue was substantial, amounting to $6,000,000, and while some of it undoubtedly has been due to the depression, other factors indicate a change has been taking place.

Other fuels have entered the field—fuel oil and coke have displaced some of our anthracite tonnage, and some anthracite is moving by truck. To a limited extent, gas is being used for heating purposes. Oil burning equipment has been perfected for domestic heating, and is meeting with public favor.



On Kenwood Hill

Importation of foreign anthracite through the ports of Boston and Montreal has increased in recent years and affects the movement from points on our line, as both Eastern Canada and New England have long been important markets for us. A duty and excise tax, placed by Canada on anthracite imported from the United States, has fostered the importation of Welsh coal, and this action has been in keeping with the policy of Canada to trade within the British Empire. Still another factor adversely affecting gross earnings has been the change in the markets for our anthracite, and more of it being delivered in short haul movement to connections on our Pennsylvania Division and less via our long haul junctions.

Anthracite has much merit and the extent to which it will be displaced in the future will probably be governed largely by price relationship and supply of substitute fuels. While we have the conditions I have mentioned to contend with, I want to make it clear that anthracite continues to be an important source of our gross revenue.

Other Freight

The revenue from other freight—that is, all freight excluding anthracite—in 1936 was 75% of that earned in the 1928-1929 average period. In this source of revenue the best recovery has been made.

Other freight revenues may be divided into two main groups. First, that derived from traffic originating or terminating on the D. & H., which in 1936 was $8,300,000 or 68% of the 1928-1929 period. The other group is our strictly pass-over traffic—that received from or delivered to connections, which in 1936 was $7,100,000 or 84% of the 1928-1929 period. As these figures show,

(Continued on page 155)

Hotel Champlain

Delaware and Hudson Freight and Ti
Featured by Addresses of Vice-P

THE important position of our agents in their contacts with the public and their ability to shape public opinion as the result of these contacts was stressed by COLONEL J. L. LOREE, Vice-President and General Manager, in the course of his remarks at the 30th Annual Meeting of The Delaware and Hudson Freight and Ticket Agents' Association, held at the Hotel Champlain, Bluff Point, N. Y., September 8 and 9.

Having opened the business session with a greeting extended to the agents and their guests in behalf of the President and Board of Managers, COLONEL LOREE recalled the memory of those members who had been present at the earlier meetings of the association but were missed at the gathering then convened. He then turned the gavel over to PRESIDENT EDWARD MARTIN, of Cooperstown, who expressed the thanks of the Association to the President and Board of Managers who had made the meeting possible. He then requested VICE-PRESIDENT W. A. LITTLE, Glens Falls, to conduct the business meeting, SECRETARY-TREASURER H. C. BECKER presenting his report showing 110 paid-up members and a substantial bank balance.

J. E. ROBERTS, General Traffic Manager, presented a paper entitled "Traffic Problems" which is reprinted in full in this issue of *The Bulletin*.

H. S. CLARKE, Engineer Maintenance of Way, discussed the various angles of track maintenance and possible savings by means of "Welded Track," the title of his paper which it is planned to reprint in a succeeding issue.

The "Question Box," in the course of which the agents submit questions on points which are not clear to them in connection with their work and the answers are furnished by officers who are authorities on the subjects under discussion, provoked more than the usual amount of interest on both sides. The highly technical nature of the questions indicated the degree of competition now prevailing among the various types of carriers and the active interest Delaware and Hudson agents are taking to see that the railroad gets its fair share of any available business.

VICE-PRESIDENT F. W. LEAMY spoke informally concerning the financial condition of The Delaware and Hudson Company and its subsidiaries, the poor showing of the group being due largely to the mild weather of last winter and its effect on the anthracite business, in addition to which the refusal of one of the large producers to name a fair price for the fuel was forcing all to operate at a loss. It is hoped that the approach of cold weather and a "return to sanity" will clear up the situation.

COLONEL LOREE then spoke of the important position welding has taken in railroad maintenance work, not only in track joint elimination but in car and motive power construction as well. The

Welcomes Agents

:ket Men Hold 30th Annual Meeting :esidents and Department Heads

Delaware and Hudson Car Department has achieved the design of a practically fully welded coal car, the ratio of pay load to light weight of which is higher than any turned out up to this time. This car has now been in service for about a year giving such satisfactory service that it will be used as the basic design for future vehicles of this sort. While further lightening of the structure is possible it can only be accomplished by the use of alloy steels, the expense of which is not considered to be justified by the results obtainable in this manner.

After seven years' delay, permission has at last been obtained, as the result of MR. EDMONDS' convincing argument, to construct a locomotive boiler of completely electric-welded construction. After a long series of stationary tests the locomotive is now ready for road service. (A description will appear in the next issue of *The Bulletin*.—Ed.)

Relative to passenger cars, COLONEL LOREE stated that inquiries revealed that air-conditioning equipment costs on the average $7,000 per car, while new coaches of a type suitable for Delaware and Hudson service can be purchased for 48 to 52 thousand dollars each. Under present conditions it is impossible to earn the interest charges on such capital expenditures, the recent wage adjustments having wiped out the small margin of profit accumulated in the first eight months of this year.

Remarking that there is a more accentuated development in the appreciation among railroaders that we must furnish more service than in the past to meet competition, he referred to the handicaps of old rate structures and restrictive laws and interpretations, turning from these to stress our own lack of appreciation of the power we can exert for our own protection.

Stating his belief that government has but two primary functions, the protection of property and the protection of life, he pointed out how it tends to expand its various bureaus until it strangles all individual and corporate initiative.

If each agent could convince but four of his friends as to the merits of pending or future legislation affecting the carriers, and if they in turn could each convince only four others, this process would only need be repeated seven times to form a group of over two million people speaking to direct proper legislation.

Expressing his belief that the national debt, now over 37 billions of dollars and still increasing, will be in part repudiated by future generations, COL. LOREE spoke of the gradual progression from disregard of property rights, which has been so flagrant in recent months, to serious crime.

He closed his remarks with a request that the agents use their influence in their several communities to mold public opinion toward a saner approach to current problems than has been everywhere prevalent during the past few years.

The
Delaware and Hudson Railroad
CORPORATION
BULLETIN

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ALBANY, N. Y.

PUBLISHED MONTHLY by The Delaware and Hudson Railroad Corporation, for the information of the men who operate the railroad, in the belief that mutual understanding of the problems we all have to meet will help us to solve them for our mutual welfare.

All communications should be addressed to the Supervisor of Publications, Delaware and Hudson Building, Albany, N. Y.

Vol. 17 October 1, 1937 No. 10

"It better to bè right and alone than to be wrong and have company."

Appreciation

NONE of my relatives are D. & H. employes directly—yet I feel I have benefited in a large way because the Delaware and Hudson pays school taxes that have helped pay my salary in a rural school and I *appreciate* it," says a young lady from Unadilla in a note requesting copies of *The Bulletin*.

How many other residents of Delaware and Hudson territory, aside from our employes and their families, realize how much the railroad means to them we do not know. It is not important except as their support is needed in the matter of opening the eyes of our law-makers, State and Federal, to the fact that what hurts the railroads hurts the residents of the territory they serve. Since railroad service covers the entire country, what hurts the railroads hurts the entire population, with the possible exception of a few selfish individuals who would advance themselves by climbing on the necks of their fellows.

If railroad operating expenses are increased much more, without a corresponding increase in carrying capacity, government ownership will be the inevitable result. Under government operation the carriers will pay no taxes for the support of rural schools or any other purpose. Instead, the rest of us will have to produce about 240 millions a year, which the roads now pay, plus the increase in the cost of operation which is expected under political operation.

Labor's Share

THE soapboxers have long used the stock argument that two per cent of the population of the United States receives about 70 per cent of the national income. The rest of us—the other 98 per cent—have to get along on less than a third of the income; at least that's the story.

That idea is responsible for much of the "soak-the-thrifty" tax legislation of recent months.

That it is completely wrong is shown by figures compiled by the United States Department of Labor.

National income last year was about $49,440,000,000, of which $33,109,000,000, or 67 per cent, went to labor. Labor's share therefore, was two-thirds of the whole. Incidentally, labor received a larger share than in 1929, when its proportion was 65 per cent.—*Power & Light News.*

Well Done!

CHARLES M. Schwab, head of Bethlehem Steel and one of the outstanding business executives of our day, has outlined "Ten Commandments" for attaining a "job well done," designed for daily application by every worker throughout the country. They are:

1. Work hard. Hard work is the best investment a man can make.

2. Study hard. Knowledge enables a man to work more intelligently and effectively.

3. Have initiative. Ruts often deepen into graves.

4. Love your work. Then you will find pleasure in mastering it.

5. Be exact. Slipshod methods bring only slipshod results.

6. Have the American spirit of conquest. Thus you can successfully battle with and overcome difficulties.

7. Cultivate personality. Personality is to a man what perfume is to a flower.

8. Help and share with others. The real test of business greatness lies in giving opportunities to others.

9. Be democratic. Unless you feel right towards your fellowmen, you can never be a successful leader of men.

10. In all things do your best. The man who has done his best has done everything. The man who has done less than his best has done nothing.

Traffic Problems

(Continued from page 151)

we have not made as favorable a recovery on our own traffic as in connection with pass-over traffic where we are the intermediate or bridge line.

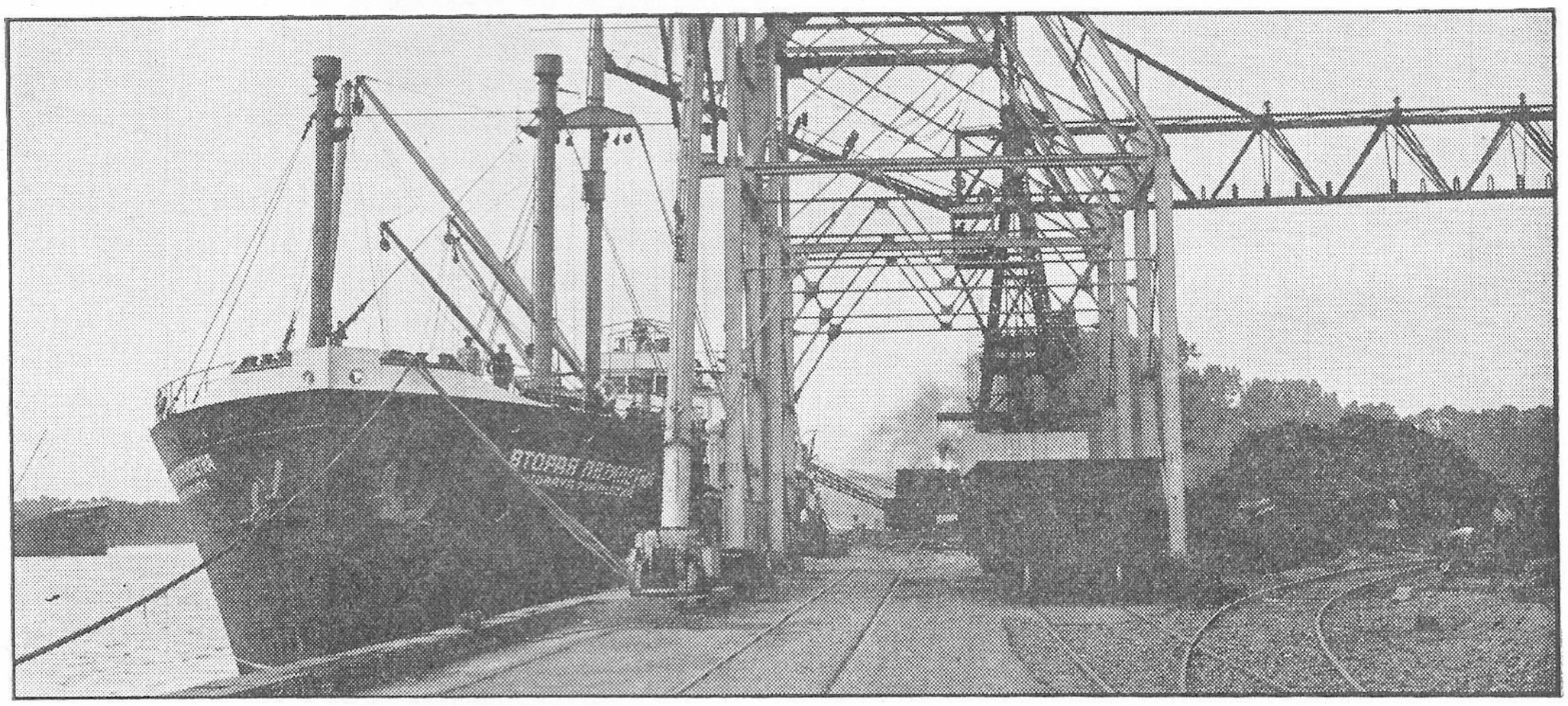
A bright spot is in bituminous coal revenue, which in 1936 was 116% of that for the 1928-1929 average period, the increase amounting to $400,000. This increase was accomplished in spite of the fact that the volume of all rail movement to New England was but 78% of that for the average period. We enjoyed a heavier movement of fuel supply coal for the B. & M. and Canadian Pacific railroads, also for the coke plants at Troy.

Another bright spot is an increase of $225,000 in revenue from the movement of iron ore traffic which has been in keeping with the improvement in the steel industry. This movement is continuing in good volume.

Our principal competitive routes on Canadian traffic are the nine gateways between the N. Y. C. and the C. N. R. and C. P. R. For the year 1930 we carried 53% of the total Canadian business moving via those gateways and our Rouses Point route. For 1936 our percentage was 62. This indicates that we have also done well by comparison in handling the Canadian business.

Trade Agreement

A new trade agreement was entered into by Canada and the United States in January 1936 under which certain concessions were made by both countries. It was hoped that this would stimulate international trade and, while an improvement in the exchange of goods is indicated by Canadian Government statistics, very little, if any, of it has been in commodities which are handled through the Rouses Point gateway and the small increase that has taken place there we feel to be due to the general improvement of business in both countries rather than to the operation of the new trade agreement. It is very important, from a traffic standpoint, that trade between eastern Canada and the United States be restored to its former volume, and we are hopeful that the new agreement may eventually be helpful in bringing this about.



We serve Albany's Port

Solicitation

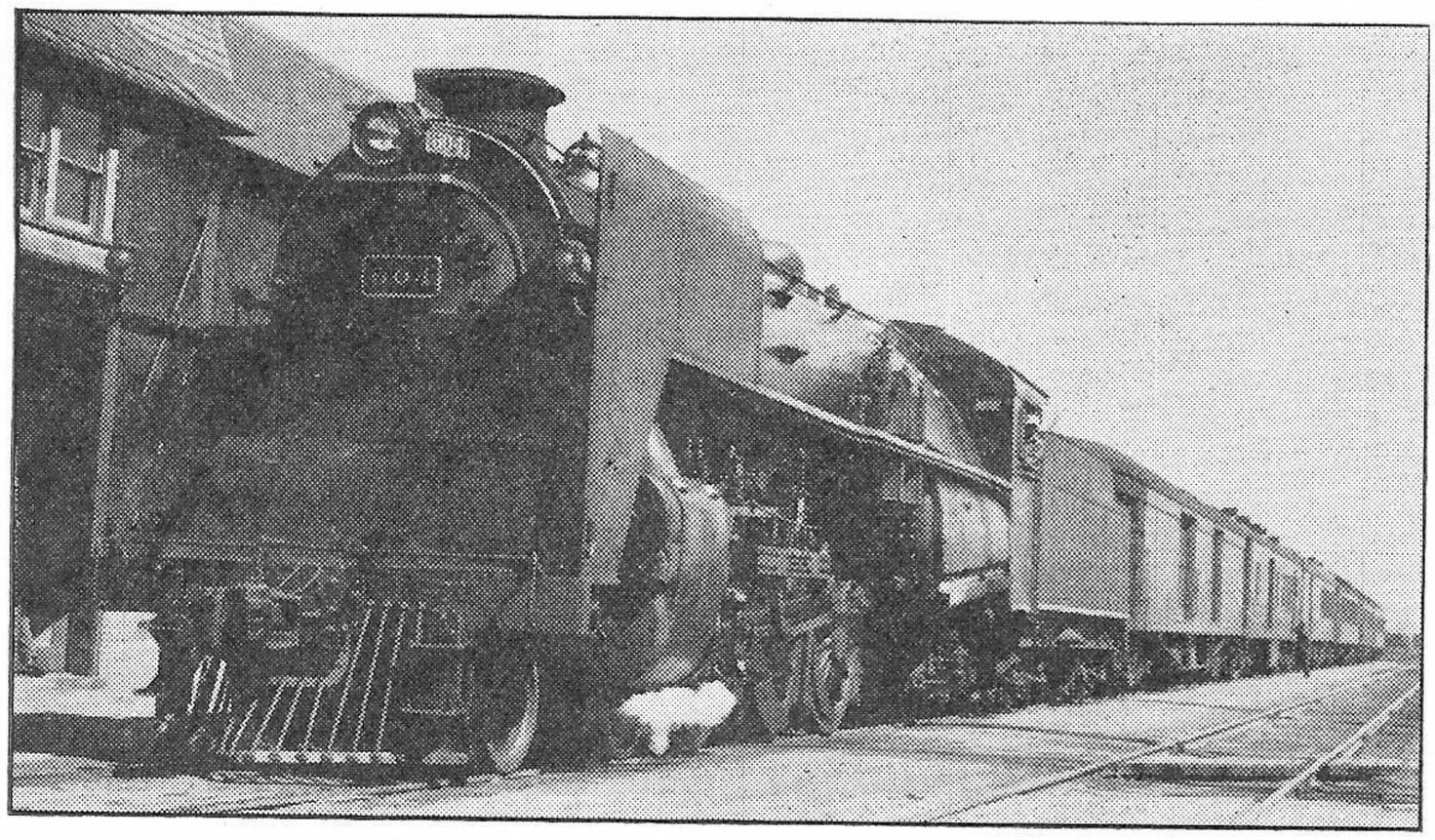
We maintain eleven off-line offices, whose duty it is to service D. & H. transportation and to solicit freight traffic competitive with other railroads. Such traffic consists principally of that to and from D. & H. competitive stations and that to and from New England and Canada.

We do not have the figures for the 1928-1929 period, but for the year 1930 the D. & H. carried 50% of the total traffic moving to or from points on or via the B. & M. railroad routed via all of the New England gateways, while during 1936 we carried 53% of such business, indicating that we have maintained and improved our competitive position on New England business.

Pick-Up and Delivery

Pick-up and delivery service for Less Carload traffic became effective in December 1936 to provide a complete service and make available to the shipping public a rail service comparable to that offered by trucking operations.

The service has not been in operation for a



"Number 2"

at

Ft. Edward

sufficient period of time as yet to definitely determine what the effects will be on our carryings. For the six months period from December to May 1937 inclusive, the revenue from L. C. L. traffic increased $125,000. Allowing for an expense of $46,000 for performing the added service, a gain of $79,000 is shown in the gross revenue. This is 14% over the same period of the previous year. The service has returned some of the less carload business to rail handling but after allowing for the added cost it is doubtful if the net increase in the gross has been any greater than the general improvement in business would have provided had not Collection and Delivery Service been furnished. However, it is something new brought about by changed conditions and should be given a fair trial.

Truck and Water Transportation

The broad effect of the development of cheap water transportation on traffic of Eastern railroads is perhaps not generally realized, First in importance has been the development of intercostal traffic via the Panama Canal, the effect of which on our business has been accentuated by the development of the Port of Albany.

There has been a marked increase in the use of water transportation from Eastern and Southern points to New England ports handling much traffic that formerly moved in rail service. Paper is being handled by water from Canada to United States destinations. The Port of Albany is centrally located, geographically, and within reasonable trucking distances of our important industries. The important industrial section of our road north of Albany is paralleled by the barge canal. Both water and truck competition in this section is very keen.

During the period of marked falling off in business there developed intense competition in industry. Low costs have been a principal factor in enabling many concerns to continue in business. Shippers have been looking for cheaper transportation and have turned to water, and are becoming more and more water minded. Only week before last there were loaded at Mechanicville 12 boatloads of molding sand, and at Vischers Ferry near Elnora 4 boats, or a total of 16 boats for shipment to the Great Lakes territory. These averaged about 700 tons each, a total of 11,200 tons, or 224 fifty-ton cars. We have had a splendid sand business this year, but if we could have had these 224 cars to add to that week's volume it would have been of material assistance. However, this business can only be obtained by making concessions in the rate which the present cost of operation will not now admit.

Rate Adjustments

One of our problems in meeting truck and water competition is the need for quick action on rate adjustments. The competing service is in a position to make effective at once a contract to transport the goods. With the railroad, if a joint rate is involved it must first secure the concurrence of the participating carriers, then file a rate proposal with the Rate Association. Such association mails the proposal to member lines, who have 12 days in which to express their views. If there is opposition by any road, the subject is docketed for discussion at the next meeting of the association. After approval, under the Interstate Commerce Commission or Public Service Commission rules and regulations, a tariff naming the rate must be filed thirty days before it becomes effective. In special instances it is possible to secure "short time" permission from either Commission, but the Inter-

state Commerce Commission is very reluctant to give such permission in the case of truck competitive rates.

All of this may seem very crude and cumbersome; certainly it operates against us in certain instances, but I fear we would be in a worse condition if rail carriers indiscriminately reduced their rates. A reduction justified from the standpoint of a particular carrier might be against the best interests of the carriers as a whole.

From the rate level comes our revenue, and great care must be exercised to maintain the level of rail rates to protect the carriers' revenues. This is a problem we must deal with as best we can in meeting competitive situations as they develop.

Fourth Section

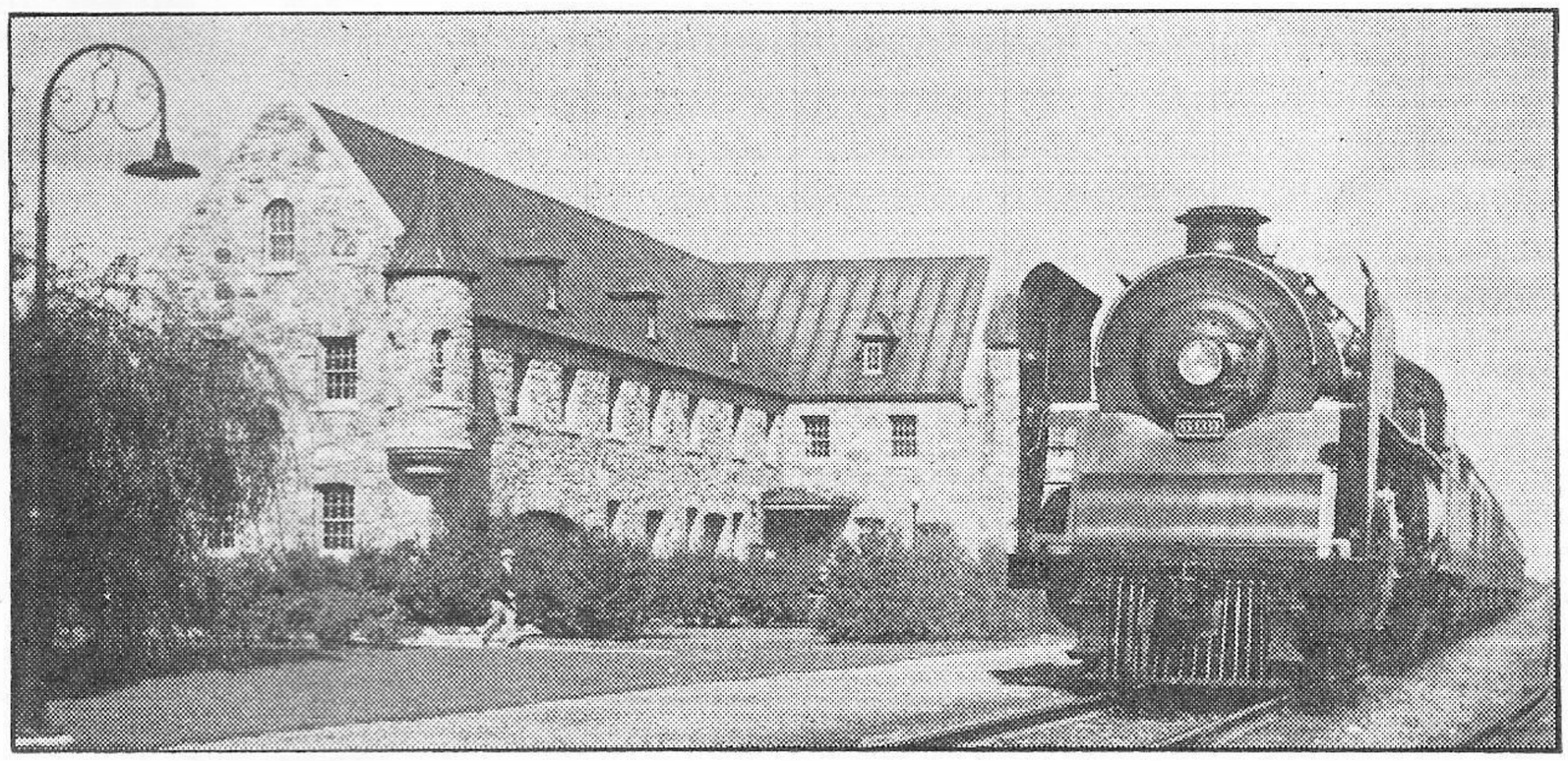
You have all heard a lot about the strict regulation of the rail carriers by Federal and State Commissions, while their competitors are permitted to operate with few restrictions. One of the most burdensome has been what is known as the Fourth Section of the Interstate Commerce Act and similar State Laws. This prohibits the carriers from naming a rate to any destination and at the same time charging a higher rate to a point intermediate. This has been in effect since 1887 and, until recently, the Commission has been disposed to rather freely grant relief from the application of the Act —but within the past three years pressure has been brought to bear on all carriers to revise their rates or routes to bring them within the limits which the Commission has now decided is the maximum relief which it will grant. This policy, if maintained, will eliminate the D. & H. route between many points in New England and eastern Pennsylvania or New Jersey. A specific instance of importance with us is in connection with the rates on iron and steel articles from producing points in eastern Pennsylvania and New Jersey to such points as Worcester and Springfield, Mass. The circuity limitation of the Commission's decision in this case has jeopardized the movement via our route of approximately one thousand cars annually. Our petition to the Commission for special treatment of our route is now being considered by that body. In some instances also traffic to and from D. & H. stations north of Albany may have to move via our short haul junctions such as Troy or Schenectady, as against our long haul through Binghamton or Wilkes-Barre.

We are hopeful that the Pettingill Bill, which is pending before Congress, and under which the Fourth Section of the Interstate Commerce Commission Act would be revised and the feature which we have discussed will be removed, may become a law. This would relieve the carriers of this severe handicap and aid them in meeting the competition of other forms of transportation.

Conclusion

I have mentioned some of the conditions encountered in our effort to provide traffic for the railroad, but we should not judge the future entirely by that which has taken place during the last five or six years, a period during which there has not been sufficient freight moving to operate the railroad plant profitably.

The problem today is to secure the maximum volume of the traffic moving and build up the online business. In any period of general prosperity we can hope to secure our fair share, but those roads originating or terminating the greater part of their total business will prosper to a greater extent than will the roads which must depend more largely on pass-over business. There is a sound reason for this, as originated or terminated traffic pays better revenue per car, per car mile, and per ton mile. For example, during the present improvement in the steel industry those roads on



Canadian Border Station, Lacolle, P. Q.

Train 308, Delanson

which such plants are located have fared better than have other roads generally throughout the country.

Under present conditions we must compete for all of our traffic with other rail carriers and with other forms of transportation.

Rail rates are regulated by Federal and State bodies and, generally speaking, rates via all routes are the same for a given service. Freight train service between principal markets via the different routes is substantially the same, and all roads are governed by the same rules and regulations. In the solicitation of traffic no one road or route has any particular advantage over another, insofar as these factors are concerned. This does not seem to leave any one railroad with an outstanding advantage, but there are many other factors which enter into solicitation of traffic, and I want to say to you agents and others present that friendship and good will, plus personal contacts, are our greatest assets in successful solicitation.

A sympathetic interest in the shippers' problems as relating to transportation is essential at all times. We publish a rate between two points and without undue delay furnish equipment, transport the goods and make same available for delivery at destination and have then performed the service covered by the rate. This is the service usually performed by any railroad and does not make any particular impression on the shipper. It is the unusual service and attention given in times of real need which make a lasting friend for the railroad and is most helpful in securing traffic. The cheerful furnishing of information as to rates, routes, service, etc., knowing your own railroad, and advertising it through personal contacts, and taking a friendly interest in aiding the shipper to work out his traffic and transportation problems, are the kind of services which will influence the shipper to choose your railroad in preference to another when routing his freight. We all have opportunities to do this and should be on the alert to make the most of them.

I would like to ask the agents to keep in close touch with the movement of freight in and out of their stations. Keep the General Office fully informed. Watch out in particular for the traffic where we are short-hauled; confer and cooperate with the shippers and tell us what is needed to handle the freight in rail service. Some of you are now doing good work in that direction but we want more of it. You are our representatives at your stations, and we need your fullest cooperation.

I would also like to ask all present to keep in mind always that traffic is the source of our earning power. It is the little things we do for the shipper when he is in trouble that create friendship and good-will, and that is our greatest asset. In that, there is opportunity for all to be helpful.

New Products

TWO new products recently placed on the market should make a life a little pleasanter for those who have to do much walking indoors. One is a non-slippery floor wax whose novel characteristic is a "higher coefficient of friction." This quality is said to make it much less slippery than ordinary waxes and is obtained by adding approximately 10 per cent of high grade, light-colored raw rubber to the mixture of beeswax and carnauba wax used in making floor waxes. The other new flooring material already has a trade name—Permex. Floors covered with it can resist indentation from the heaviest loads of furniture and the other advantages claimed for it are that it is nonabrasive, does not absorb oils or stain easily, does not become sticky or rough, and is not at all affected by lighted cigarette butts. Permex is made from the bark which has long been an unused by-product of paper manufacturing.—*Technology Review.*

From Bluff Point

They tell this about one of our office golf players:

He was teeing off at the first hole, and about three foursomes were waiting for him. At the first stroke, which had a world of power behind it, he missed the ball completely. The waiting crowd shifted on its feet. Once more he missed the teed ball. This happened four times. The crowd was embarrassed, but not so our friend with the club. With an engaging smile, he turned on them all. "Tough course," he remarked.

Clicks from the Rails

Candy—3,000 Pounds of It—

was eaten by 2,000 French children at the conclusion of ceremonies at the opening by President Lebrun of France's longest railway tunnel, through the Vosges Mountains. In honor of the occasion a local factory built a chocolate tunnel 15 feet high for the children of Sainte Marie aux Mines, and President Lebrun left the official banquet to see the children trooping through the chocolate arch. Later the candy bridge was broken up and all present helped themselves.

✣

An Alligator,

angrily snapping its powerful jaws, recently emerged from a waste paper can on a New York subway platform. Passengers, who had been waiting for trains, fled screaming towards the exits. Police finally lassoed the alligator, tied its jaws shut, and turned it over to the S. P. C. A. When police had rounded up a handful of witnesses their testimony developed that a man had put a large bundle into the can a few minutes before the excitement started.

✣

Dispatching 850 Cars Daily,

the Naihati classification yard of the Eastern Bengal Railway, India, 24 miles above Calcutta, calls attention to the importance of the transportation system of that distant but fast-developing land. The only yard in the country to be equipped with a car retarder system, it can accommodate 7,000 "wagons" at one time, an average of 850 a day being handled during the peak season of the 39 jute mills which it serves.

✣

Charged With Stealing

a towel worth 12 cents from a Southern Railway (England) train, a man was recently haled into court. His trial developed the fact that this company alone loses an average of 40,000 towels a year.

Amazing Accuracy

is claimed for the new locomotive weighing machine of the London Northeastern Railway, England. Fourteen weighing units, capable of movement to suit any type of wheel arrangement on a locomotive, each able to take up to a 12-ton wheel load will permit determination of the weight of locomotive and tender, as well as its distribution on the various axles, in about 2 hours, of which two-thirds of the time is spent on the engine and half as much on the tender. So delicate is the apparatus that a locomotive may be weighed, removed and reweighed with an error of less than ⅛ of one per cent. So sensitive is the scale that the weight of a man climbing into the cab is enough to affect the readings.

✣

The World's Largest Escalator

is to be installed in the Dynamo Stadium Station of the Moscow Underground Railway. This escalator will carry passengers up a height of 130 feet and will have a total length of 630 feet. There will be 26 others, of smaller proportions, at various stations on the line.

✣

A Locomotive Was Adopted

as the symbol of a British Temperance Society because, in the words of its president, "a locomotive is characterized by its strength and capacity for continuous hard work; it is a heavy drinker, consuming vast quantities of liquid, but never anything stronger than water.

✣

Streamliners Snarl Traffic

according to officials of Holdredge, Nebraska. So many automobiles have jammed the streets near the railroad station to watch the streamliner arrive every night that police have warned citizens they would take court action unless the practice of blocking traffic is discontinued.

Standard Gauge

for the Japanese Railways, instead of the 3-foot 6-inch now in use is a good possibility, even though it may cost 400 million yen (200 million dollars in normal times). Shortage of rolling stock and speeding up of service are the main reasons for the proposed change. Passenger cars recently acquired will need only to have the axles extended to suit the broader gauge.

✣

Playing Tables on Trains

are a recent innovation on Austrian Federal Railways. They are available at several large stations and passengers wishing to play chess, dominoes, cards, or other games en route may obtain one for about 25 cents, regardless of the length of the run. Use of the tables for any purpose other than playing of games is expressly prohibited.

✣

An Otter Was Electrocuted

on the Southern Railway near Windsor, England. The 25-pound, 3-foot long animal, which had apparently come from the Thames at Romney Lock, was killed when it came in contact with a third rail in an electrically operated zone.

✣

Radio Telephones

are to be placed on certain Japanese trains, despite the opposition of the Railway Ministry, the equipment now being constructed by the Nippon Electric Company, and the service should be available in a few months.

✣

Language Courses

given by Swedish state and private railways have been attended by 722 railway men during the past winter. Courses which will last for about 1½ years are given in English and German.

Persistence

NOTHING in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan, "Press on," has solved and always will solve the problem of the human race.
—CALVIN COOLIDGE.