

"KEEP IT MOVING"

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BTK*

CHICAGO - April 15, 1977

File: R-29 - Board Report

Mr. Worthington L. Smith:

Following is the equipment situation for the month of March and thus far in April 1977.

GENERAL SERVICE BOX CARS

During the month of March and continuing during April, we find ourselves with an inadequate supply of 50-box cars to meet demands. We have a very severe shortage of cars for loading of paper products in the Wisconsin territory. Part of our problem is the condition of the cars that they require for paper loading with many cars being sent home from the Wisconsin territory after being unloaded, as they are not fit for loading due to not being a high enough class car. We are using all foreign equipment available and are sending Clearinghouse cars to the West Coast trying to get additional business at that point. Although they require a high class car, they do have a demand for lumber box which we are sending to the West Coast if they are rejected for loading in the Midwest. No cars are being released from FMC to us at this time, but we do expect to receive about 50 cars which are being built for an eastern carrier in the next week or two.

The car shortage on the west end of the railroad is so severe that the Burlington Northern have agreed to take some of the new cars released from FMC which are purchased by short line railroads strictly for per diem purposes. Up until this time they had refused to accept any of these cars, and we were getting the benefit of everything manufactured.

We have our 50-ft. box cars on a Car Assistance Directive, but continue to have almost 60% of the Milwaukee Road 50-ft. ownership cars off-line. We have an increase of foreign box cars on-line which is affecting our per diem, but when you look at the whole picture you find that the majority of these cars are under load and many of them are not made empty on our line, as they are moving overhead or are made empty at industries open to reciprocal switching and we do not get the benefit of the car when it is made empty. We have 481 of our 50-ft. box cars bad order, which is 8.6% of our fleet which is an increase from last month.

Paper Loading:

March 1977. . . . .	3,911	cars	
March 1976. . . . .	<u>4,421</u>	"	
Decrease. . . . .	- 510	"	or -11.5%
First seven days of April 1977. . . . .	645	cars	
First seven days of April 1976. . . . .	<u>1,001</u>	"	
Decrease. . . . .	- 356	"	or -35.5%

Lumber Loading:

March 1977. . . . .	5,409	cars	
March 1976. . . . .	<u>4,905</u>	"	
Increase. . . . .	+ 504	"	or +10.2%

April 15, 1977

Mr. Worthington L. Smith:

GENERAL SERVICE BOX CARS (continued)

First seven days of April 1977 . . . . .	1,172 cars	
First seven days of April 1976 . . . . .	<u>1,102</u> "	
Increase . . . . .	+ 70 "	or + 6.3%

COVERED HOPPERS AND GRAIN BOX

The demand for covered hoppers for grain loading continues to be heavy, although we have seen some decrease in orders on the Northern Montana. We are now in the process of moving covered hoppers from the Montana territory back into Southern Minnesota and Iowa and also now have a strong demand for covered hoppers for fertilizer loading, and we are setting up fertilizer pools to attempt to move some of this business out of the St. Paul area, also Iowa and Illinois.

Our supply of 40-ft. narrow door box cars for grain loading now exceeds demand and we are beginning to store cars and have offered our cars to the AAR for distribution to other roads that may be in need of grain box. The Upgrading Program at Aberdeen was discontinued and we requested that they put their efforts towards making minor repairs on 50-ft. box cars, if at all possible.

We presently have nine grain trains operating, with two trains being cancelled. We have two trains in Minnesota which were originating on a line which had the load limit reduced to 220,000 lbs., and we have received permission from the Interstate Commerce Commission to add additional cars and load them lighter, in order to complete two more trips on one train and have requested permission from the Interstate Commerce Commission to continue the other train for two more trips but we have to get concurrence of connecting line railroads before this can be accomplished. We are in the process of giving the Canadian Pacific 100 of our jumbo hoppers for loading of fertilizer in order to keep our agreement, whereby they will give us hopper cars during the grain season to supplement our fleet. However, we did not short ourselves, as before we started giving the cars to the Canadian Pacific, we received 100 jumbo hoppers from the Santa Fe for loading on our line. We have been unable to receive assistance from any other carrier at this time.

The total grain loading for the month of April 1976 was 4,875 carloads and we estimate that in April 1977 we will load 4,800 carloads.

Grain and Soybean Loading:

March 1977 . . . . .	5,349 cars	
March 1976 . . . . .	<u>6,772</u> "	
Decrease . . . . .	- 1,423 "	or -21%
First seven days of April 1977 . . . . .	1,139 cars	
First seven days of April 1976 . . . . .	<u>1,191</u> "	
Decrease . . . . .	- 52 "	or -4.3%

SMALL CUBE COVERED HOPPERS

The demand for small cube covered hoppers has now picked up due to the cement loading beginning and now we are experiencing a shortage of small cubic capacity covered hoppers.

April 15, 1977

Mr. Worthington L. Smith:

SMALL CUBE COVERED HOPPERS (continued)

We are continuing to enjoy a good movement of sand out of Portage and Wausau and have experienced some spot shortages towards the end of each week.

AIRSLIDES

We are now beginning to see a movement out of Renville and Mason City and is to begin shipping shortly. Scalley and Billings appears to have fallen off.

OPEN TOP HOPPER EQUIPMENT

We continue to show a surplus of open top hoppers, and we have turned some cars over to the Missouri Pacific, Rock Island, FRISCO and the Soo Line for per diem purposes. Some of these cars came back to our line under load. The movement out of Forsyth, Montana is to begin shortly and the rate of about twenty (20) cars a week.

Indianapolis Power and Light ran 17 trains carrying 736 cars and operated 17 days. Public Service operated 42 trains, with 1,972 cars over a 24-day period.

The Gascoyne Big Stone train made 19 trips and the Colstrip Columbia train made 11 trips via our line and ten via St. Paul.

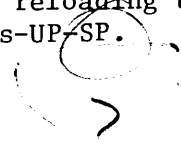
Coal and Coke Loading:

March 1977. . . . .	9,534	cars	
March 1976. . . . .	<u>8,644</u>	"	
Increase. . . . .	+ 890	"	or +10.2%
First seven days of April 1977. . . . .	2,141	cars	
First seven days of April 1976. . . . .	<u>1,714</u>	"	
Increase. . . . .	+ 427	"	or +24.9%

FLAT CARS

We have been short of chain tie-down cars in the Quad City area. They are loading whatever plain flat cars that we can get to them. We are using any cars that we can receive from the Clearinghouse at this time and this has been of some assistance to us. Allis Chalmers has been on strike at Milwaukee, and their assigned cars have been moved to the East Moline area.

Insofar as the bulkhead flat cars, the West Coast has remained current up until last week when orders went up which resulted in a short term shortage. We have taken 17 of the bulkheads and applied them to loading at Republic Steel at South Chicago for our long haul to the Duluth area and then will move them empty from there to the West Coast. We are also using some UP and SP bulkhead cars which are made empty on our line and are reloading them from Alcoa at Riverdale to the West Coast via Council Bluffs-UP-SP.



*CP Rail*

April 15, 1977

Mr. Worthington L. Smith:

FLAT CARS (continued)

I should add that we have given 50 of our system plain flat cars with poor decks to the British Columbia Hydro at Sumas for loading at Nelson, B. C., where they state that they will repair the decks on the cars and we have also given ten to the EJ&E which are going to be used for loading back to our line as idlers.

Machinery (including electrical) loading:

March 1977. . . . .	1,817 cars		
March 1976. . . . .	<u>2,389</u> "		
Decrease. . . . .	- 572 "	or -23.9%	
First seven days of April 1977. . . . .	338 cars		
First seven days of April 1976. . . . .	<u>531</u> "		
Decrease. . . . .	- 193 "	or -36.3%	

MULTI-LEVEL AUTOMOTIVE EQUIPMENT

During March we loaded 88 tri-levels and 23 bi-levels from Galewood to western destinations and had 131 carloads of Hondas, 76 Chrysler imports and 6 miscellaneous imports off the West Coast.

The projection for the month of April is identical to what it was in March and they seem to be holding up to their projection.

Motor Vehicle Loadings:

March 1977. . . . .	3,376 cars		
March 1976. . . . .	<u>2,907</u> "		
Increase. . . . .	+ 469 "	or +16.1%	
First seven days of April 1977. . . . .	741 cars		
First seven days of April 1976. . . . .	<u>748</u> "		
Decrease. . . . .	- 7 "	or - .9%	

GONDOLA EQUIPMENT

The demand for covered coil gons continues to be very strong. We are about 25 to 30 cars short since our last monthly letter. We still are short 35 cars on present orders.

Insofar as bulkhead covered gons, we are experiencing a shortage but were fortunate in getting 15 cars from the Santa Fe which were loaded at Alcoa at Riverdale, Iowa to the West Coast via Kansas City and the Santa Fe.

Insofar as regular covered gons, we are also tight but are not experiencing what you would call a real shortage.

The regular gondola situation was a fairly decent supply up until Monday of this week, when apparently the price of scrap went up. We were able to get 20 cars from the EJ&E to supply Chicago Terminal with extra equipment, but we are using every car available and are getting exceptions from the AAR on foreign cars whenever possible. As of today, we are short at St. Paul, Madison, Beloit, Chicago Terminal and the Dakota and Southern Minnesota territories.

April 15, 1977

Mr. Worthington L. Smith:

REFRIGERATORS AND DF CARS

We were short of mechanical refrigerators in the early part of March, but then the shortage was eased due to some help from PFE, and as our own cars came back on-line, we caught up on all orders. Now we are again faced with an extreme shortage on the West Coast and are moving everything possible to the West Coast, but Chef Reddy is short of cars, as well as the fresh potato shippers. We are getting cars from ARMN, but have been unable to get assistance from anyone else at this time. January thru April 3, 1976 we loaded 985 mechanicals off the West Coast and this year we loaded 779 mechanicals which included 236 cars of fresh potatoes. We also loaded 41 mechanical trailers and have additional trailers on hand, but the customers will not use them.

We have had a strong demand for DF equipment and we utilized 86 Union Pacific DFs' 15 from the DRGW and 87 Southern Pacific DFs'.

We continue to experience a shortage of RBL's in Minnesota, Wisconsin and parts of Illinois, but the shortage is easing and the canned goods shippers advise that they will slow down considerably before the end of the month in their demands for insulated cars and also their shipping season is almost over until new crops come in.

Beer Loading in Milwaukee:

March 1977. . . . .	1,566	cars	
March 1976. . . . .	<u>1,744</u>	"	
Decrease. . . . .	- 178	"	or -10.2%

Total beer loading in Milwaukee was 2,343 this year, compared to 2,611 cars last year which is a decrease of 268 cars. We showed a decrease of 178 cars, as we handled a total of 1,566 this year, compared to 1,744 cars last year.

We have been short of cars for Miller Brewery and have supplemented their fleet with 50-ft. cars to keep them operating.

PIGGYBACK LOADING

March 1977. . . . .	7,834	cars	
March 1976. . . . .	<u>8,005</u>	"	
Decrease . . . . .	- 171	"	or - 2.1%
First seven days of April 1977. . . . .	1,744	cars	
First seven days of April 1976. . . . .	<u>1,563</u>	"	
Increase . . . . .	+ 181	"	or +11.5%

The shortage of TOFC equipment has eased and at the present time we actually have a surplus of container flats but will use them in regular service until such time as we get the next container ship in on the West Coast.

April 15, 1977

Mr. Worthington L. Smith:

TOTAL REVENUE FREIGHT LOADING

March 1977. . . . .	81,190	cars	
March 1976. . . . .	<u>81,071</u>	"	
Increase. . . . .	+ 119	"	or +.1%
First seven days of April 1977. . . . .	17,995	cars	
First seven days of April 1976. . . . .	<u>17,795</u>	"	
Increase. . . . .	+ 200	"	or +1.1%

April 1977 has 20 working days, compared to 21 working days in 1976. The total number of carloads for April 1976 was 77,639 cars and we estimate that we will load approximately 74,000 cars in April 1977.

*J. B. Cedeholm*  
General Superintendent Transportation

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|------------------------------|------------------|---------------|
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| L. V. Anderson               | R. K. Merrill    | L. L. Herndon |
| R. F. Kratochwill            | G. H. Kronberg   | G. U. Fisher  |
| W. F. Ploeger                | L. W. Harrington |               |
| Q. W. Torpin                 | E. J. Stoll      |               |

bcc: Messrs. L. L. Struble, Superintendent Transportation, Tacoma  
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FBC/mlm