

"KEEP IT MOVING"

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CHICAGO - July 14, 1977

File: R-29 - Board Report

Mr. Worthington L. Smith:

Following is the equipment situation report for the month of June, 1977 and thus far in July, 1977.

GENERAL SERVICE BOX CARS

During the month of June and continuing into July, our supply of 50-ft. general service box cars has been adequate to meet demands, generally, with the exception of paper grade box cars for loading in the paper territories of Northern Wisconsin. The western region during the month of June was able to maintain the same level of lumber and paper loading as experienced during the same period last year. During June we had the benefit of being able to load 40 SSI cars releasing from FMC Corporation at Portland and in late June as stated in our previous letter, we started receiving 300 new special equipped cars from Pacific Car and Foundry that will ultimately go to the Santa Fe. To date we have received a total of 90 of the 60-ft. Santa Fe cars and we expect to receive the remaining 60 60-ft. cars within the next two weeks and then we will begin receiving the 150 50-ft. cars. On July 27, we will begin to receive 170 City of Prinville Railway cars that are being leased from SSI at Portland. We now have reason to believe that the production of 50-ft. box cars for SSI at Portland, Oregon will remain heavy thru the first quarter of 1978 and while we have no definite information as to the availability of equipment after the release of the 170 COP cars, we will be watching the situation carefully in order to maximize the use of this equipment being released at Portland. We continue to utilize all foreign and Clearinghouse cars available to us on the eastern region of the railroad to support principally paper loading in the Green Bay area.

Our 50-ft. box cars continue to be on a Car Assistance Directive. Our percentage of system 50-ft. cars off-line has increased to 53% which is a 3% increase over the month of May. This increase represents a decrease of approximately 100 system cars on-line daily for loading as compared to May. The Car Condition Report indicates 551 of our 50-ft. box cars bad order which is 10.2% of our fleet which is a slight increase over last month.

Paper Loading:

June 1977. . . . .	3,857	cars
June 1976. . . . .	<u>3,810</u>	"
Increase . . . . .	.47	" or 1.2%
First 11 days of July 1977 . . . . .	918	cars
First 11 days of June 1977 . . . . .	<u>1,150</u>	"
Decrease . . . . .	232	" or -20.1%

Lumber Loading:

June 1977. . . . .	5,224	cars
June 1976. . . . .	<u>5,313</u>	"
Decrease . . . . .	.89	" or -1.6%
First 11 days of July 1977 . . . . .	1,371	cars
First 11 days of June 1977 . . . . .	<u>1,570</u>	"
Decrease . . . . .	199	" or -12.6%

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Mr. Worthington L. Smith:

COVERED HOPPERS AND GRAIN BOX

The demand for equipment to service grain orders during the month of June maintained a very low level reflecting the extremely poor market for grain shipments. We were successful in peddling a total of 200 MILW covered hoppers to foreign line carriers during the month of June for per diem purposes. We have been forced to store as many as 200 serviceable jumbo hoppers, principally in the eastern region. During July we have seen an increase in grain orders with the beginning of the grain harvest season in our operating territories. We are commencing an active upgrading program at Aberdeen, South Dakota for 500 40-ft. grain box and are initiating a pre-coopering program for 40-ft. grain box at Montevideo, Minnesota. We are extremely optimistic that the incentive grain reductions along with providing more attractive equipment to our customers in the harvest areas will produce active grain loading during the month of July.

On the 1st of June we were operating seven unit grain trains, with 114 system, 125 private cars and 40 foreign cars. At the end of the month we were running two grain trains consisting of 28 system and 50 private cars and as of this date, we are operating only one unit grain train containing 50 private cars.

The total grain loading for the month of July, 1976 was 5,668 carloads and we estimate for July, 1977 we will load 5,200 carloads.

Grain and Soybean Loading:

June 1977. . . . .	3,584 cars
June 1976. . . . .	<u>5,700</u> cars
Decrease . . . . .	2,116 " or-37.1%
First 11 days of July 1977 . . . . .	1,256 cars
First 11 days of July 1976 . . . . .	<u>1,244</u> "
Increase . . . . .	.12 " or .9%

SMALL CUBE COVERED HOPPERS

During the month of June, the demand for small cube covered hoppers for cement loading was quite heavy. This demand continues to necessitate the use of 40 UP small cube covered hoppers to help alleviate the shortage. Although the airport project at Sioux Falls, South Dakota previously mentioned was cancelled, nevertheless, movements of cement to Sioux Falls have remained constant. 17 system cars were removed from the Spokane cement pool and re-positioned to Mason City, Iowa to help relieve the shortages in that area.

Sand and granual loading in the Portage-Wausau, Wisconsin areas declined during the month of June, with the decline being attributed possibly to numerous vacation shutdowns by customers of Martin Marietta.

AIRSLIDE COVERED HOPPERS

American Crystal Sugar Company at Renville, Minnesota continues to consistently load their airslides with surplus reported at Scalley and Billings.

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Mr. Worthington L. Smith:

OPEN TOP HOPPER EQUIPMENT

The demand for 50-ton open top hoppers during the month of June to the present date has been seasonally active. A third shift has been added to the coke plant at Terre Haute, Indiana and there has been increased activity in Milwaukee, Wisconsin for coke loading. Our supply of open top 50-ton cars has been adequate in all areas and presently we have 205 cars stored serviceable.

Indiana Power and Light ran 20 days with 20 trains carrying 722 cars, or 76,982 tons.

Public Service ran 25 days with 43 trains carrying 2,319 cars, or 171,176 tons.

The Gascoyne-Big Stone City train made 18 trips during June and the Colstrip-Columbia unit train made a total of 18 trips, with nine routed via St. Paul and the same routed via Miles City.

Coal and Coke Loading:

June 1977. . . . .	8,971 cars	
June 1976. . . . .	<u>7,866</u> "	
Increase . . . . .	1,105 "	or 14.0%
First 11 days of July 1977 . . . . .	3,095 cars	
First 11 days of July 1976 . . . . .	<u>2,105</u> "	
Increase . . . . .	990 "	or 47.0%

FLAT CARS

During the month of June the supply of chain tie-down flat cars was adequate for implement loading in the Quad Cities area. At the present time International Harvester in the Quad Cities, as well as Drott Manufacturing at Wausau, Wisconsin shutdown their plants for a 2-week vacation period during the month of July. All unassigned foreign chain tie-down cars have been sent home and in addition per diem relief has been requested from all foreign line carriers that have assigned cars to the industries that have released their cars due to the vacation period. The demand for plain deck flat cars continued to decline in June and up to the present date. We are now storing 85-ft. flat cars and general plain flats at numerous points throughout the railroad.

Our supply of bulkhead flat cars for loading has been surplus during the month of June and up to the present date. This surplus has been created mainly because the British Columbia Railroad has not ordered any bulkhead flat cars from our line since the first week of June and it is now anticipated that we will probably not see any orders from British Columbia rails until approximately August 15th.

Machinery (including electrical) loading:

June 1977. . . . .	1,730 cars	
June 1976. . . . .	<u>1,809</u> "	
Decrease . . . . .	79 "	or-4.3%

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Mr. Worthington L. Smith:

Machinery (including electrical) loading: (continued)

First 11 days of July 1977. . . . . 426 cars  
 First 11 days of June 1976. . . . . 498 "  
 Decrease. . . . . 72 " or 14.4%

MULTI-LEVEL AUTOMOTIVE EQUIPMENT

Car supply to support Galewood and import loadings were sufficient during the month of June to the present date and no car shortages resulted during this period. The only outstanding order for the balance of July that we have at the present time is for 54 carloads of Hondas to commence loading at Portland starting July 18th.

Motor Vehicle Loadings:

June 1977. . . . . 3,198 cars  
 June 1976. . . . . 2,730 "  
 Increase . . . . . 468 " or 17.1%

First 11 days of July 1977 . . . . . 1,054 cars  
 First 11 days of July 1976 . . . . . 1,038 "  
 Increase . . . . . 16 " or 1.5%

Galewood Loadings:

	<u>Tri-Levels</u>	<u>Bi-Levels</u>	<u>Total</u>
May	76	1	77
June	101	6	107
July (as of 7/13)	33	0	33
Year	569	215	784

Import Loadings:

	<u>Honda</u>	<u>Chrysler</u>	<u>Total</u>
May	96	31	127
June	158	33	292
July (as of 7/13)	17	14	31
Year	704	271	975

GONDOLA EQUIPMENT

The demand for covered coil gons in June continued to be very strong. We did receive 16 system cars released from assigned service at Alcoa Corporation, Alcoa, Tennessee and are also using some coil cars on a free-running basis released from the Alcoa pool at Bettendorf, Iowa. Nevertheless, we continue to be approximately 15 cars short on a weekly basis for filling orders.

The demand for bulkhead and regular covered gondolas has exceeded our ability to supply, although the shortage has not been as critical as in recent months.

The supply of regular gondolas during the month of June and up to the present date has been adequate. We have experienced some increase in gondola orders in the past week. The tie loading program resumed on July 7 and we are presently re-positioning gondolas from track removal programs back to the tie facilities in order to support this program to the fullest extent.

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Mr. Worthington L. Smith:

REFRIGERATOR AND DF CARS

The demand for mechanical refrigerators during the month of June and to the present date is reaching the annual low. We have received information that the first test potatoes in the Columbia Basin will be analyzed approximately July 21, with resumption of potato shipping expected to take place around July 27. All other orders are being filled systemwide. From January 1 thru July 4, 1977 we have loaded 1,481 mechanical refrigerators off the West Coast which is a decline of 234 over the same period for 1976. The demand during the month of June and up to the present time for RBL equipment for canned goods loading continued at the seasonal low level, although we do have indications that canned goods shipping will increase with the new crop expected to be available around the 1st of August.

Beer Loading in Milwaukee:

June 1977 . . . . .	1,534 cars
June 1976 . . . . .	<u>1,706</u> "
Decrease . . . . .	172 " or 11.1%

The total beer loading in Milwaukee was 2,297 cars for June, 1977, compared to 2,786 cars for last year which is a net decrease of 489 cars. Schlitz continued to show the greatest decline of 325 cars, with the Soo Line experiencing the greatest reduction in traffic of 240 cars over the previous year versus a 63-car decline by The Milwaukee Road. Miller Brewing Company shipped 116 fewer cars in June, 1977, with The Milwaukee Road suffering the greatest loss of traffic with 94 fewer cars while the Soo Line experienced a decline of 31 cars.

There were no car shortages for beer loading in the Milwaukee area for the period of June thru July 13, 1977.

PIGGYBACK LOADING

During the period of June thru the present date, we have had adequate trailers and railcars to meet existing demands for TOFC/COFC traffic.

June 1977 . . . . .	7,030 cars
June 1976 . . . . .	<u>6,806</u> "
Increase . . . . .	224 " or 3.2%
First 11 days of July 1977 . . . . .	1,911 cars
First 11 days of July 1976 . . . . .	<u>2,140</u> "
Decrease . . . . .	229 " or 10.7%

TOTAL REVENUE FREIGHT LOADING

June 1977 . . . . .	72,810 cars
June 1976 . . . . .	<u>76,967</u> "
Decrease . . . . .	4,157 " or 5.4%
First 11 days of July 1977 . . . . .	21,361 cars
First 11 days of July 1976 . . . . .	<u>22,249</u> "
Decrease . . . . .	888 " or 3.9%

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Mr. Worthington L. Smith

TOTAL REVENUE FREIGHT LOADING (continued)

July, 1977 has 20 working days, compared to 21 working days in 1976. The total number of carloads for July, 1976 was 70,748. We estimate that we will load approximately 70,000 carloads in July, 1977.

*FB Cederholm*

General Superintendent Transportation

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**bcc: Messrs. J. L. Agnew, Regional Superintendent Transportation, Tacoma** ←  
 CRS/mlm **C. W. Burg, Ass't. Chief Statistician, Room 746 - Building**