

1st MONDAY 3rd MONDAY

Prepared for employees by the
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August 1, 1983

To All Milwaukee Road Employees:

Trustee Ogilvie said last week that he received copies of the offer of the Chicago and North Western Transportation Company to acquire the operating core of the Milwaukee Road. The offer was filed with the Reorganization Court and with the Interstate Commerce Commission Wednesday, July 27, 1983.

The terms of the C&NW offer are similar in many respects to the offer of Grand Trunk Corporation, which is already pending before the Commission. The GTC proposes to acquire the Milwaukee in return for relieving the estate of approximately \$250 million of debt. The North Western offer differs in proposing a transaction which may preserve the ability of existing shareholders to utilize net operating loss and investment tax credit carry forwards that might otherwise be lost under the Trustee's Amended Plan of Reorganization which contains the Grand Trunk acquisition of the operating railroad.

Trustee Ogilvie stated "I have asked my staff to review the North Western offer and the supporting information which has been filed. Until that review is completed, I have no comment on the offer. In the meantime, preparations are continuing for hearings beginning August 15 before the ICC on the Amended Plan of Reorganization, which includes the Grand Trunk acquisition of the Milwaukee. I expect that during those proceedings, the ICC will have an opportunity to consider the North Western proposal as well."

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"Now is the time for all concerned employees to come to the aid of their career."

That's the message carried on posters displayed on bulletin boards in Union Station and at other locations throughout the system. It calls attention to an Internal Mobility Program that has been in effect on the Milwaukee Road since 1978, but apparently some employees are not aware of it. So, this is in response to an employee request to publicize the program in this newsletter.

A brochure explaining the Internal Mobility Program states it's a system whereby current employees may move laterally or vertically into careers where their contribution to the company as well as individual potential will be maximized.

In order to implement the Internal Mobility Program, a "Career Opportunities Binder" has been developed. This binder includes descriptions of specific positions within the company so that our employees may become aware of what is available at the Milwaukee Road.

Development of successful careers begins not only with placing each employee in the proper position at the onset, but to present you with opportunities for advancement throughout your employment. It is our intention that after reading through the binder, you will be better informed to make a career decision in terms of positions which interest you. After discussing with your supervisor opportunities within your department, you may contact the appropriate Personnel Officer in your area for additional information and career counseling. One of the Personnel Department's functions is to serve your needs in terms of guidance and information concerning your career; please do not hesitate to ask for assistance. Any employee should feel free to discuss career opportunities with members of the Personnel Department in complete confidence. Please see the "Career Opportunities Binder" for complete procedures for making a career change.

The brochure further states "It is the policy of the Milwaukee Road to make available to all employees opportunity for promotion or transfer without regard to race, color, religion, sex, national origin, age or handicap.

"Promotions will be based primarily on merit and ability, but when all other factors (i.e., experience, education and training) are equal, the employee with the longest service will receive preference.

"Transfers will be made wherever personnel can be given opportunities for growth and/or more effective utilization of manpower talent can be achieved. Transfers should not be considered as a way of getting rid of an unsatisfactory employee.

"Movement of individuals between departments is encouraged when it is of mutual advantage to the individual and the Company.

"The responsibility for administering the Milwaukee Road's Internal Mobility program shall rest with the Vice President of Administration.

"This program will apply to management and exempt or management-selected contract positions throughout the railroad system." It also applies to contract positions, but only after the provisions of the applicable union agreement have been exhausted.

Employees interested in seeking a promotion or transfer may secure a "Request for Promotion or Transfer" (form PD 108) from their supervisor or nearest Personnel Office. By completing this form an employee is assured of being considered when an appropriate opening occurs.

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Chalk up another first for the Milwaukee Road!

We've been selected by Trailer Train to conduct the initial test of their new single axle platform railcars. We expect delivery next week of the first of ten of the new TTUX cars, which will come to us directly from the manufacturer. They will be put in service on high-speed SPRINT TRAINS 211 and 208 for monitoring and evaluation.

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Due to heavy grain loading in the Spencer - Mason City - Marquette, Iowa area, we've beefed-up our service with a new interdivisional operation of trains 230 and 231 between Mason City and Nahant, effective July 26.

To support this operation, we have increased our way freight activity to insure on time performance and proper connections.

All available system covered hopper cars for grain loading are currently in use, and we are taking on additional equipment to meet the heavy demand.

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FM/TM of May 2 mentioned the sale of the Minneapolis depot and the planned relocation of certain departments.

Transfer of Marketing and Regional Data personnel has been completed. They are now located in the Flour Exchange Building, 310 Fourth Avenue South, Minneapolis. Marketing is in Suite 1110, Regional Data Suite 1120. Phone numbers remain the same.

Arrangements are proceeding to move other employees in Engineering, Personnel and Police Departments from the depot to a site in downtown St. Paul by September 1, 1983.



W. L. Smith
President