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IN THIS ISSUE

Cruikshank
International Trade Center Formed
1976 Scholarship Winners
Tomah Celebration
Hello and Goodbye
Safety Performance Needs Improving
Employees Annual Report
On Line and Upcoming
Data Processing Seminars
About People
For Your Info
Appointments and Retirements 28

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ITCHES AND SIGNA

(Editor's note: Because of production scheduling problems, the May-June issue of The Milwaukee Road Magazine was not published.)

Breakthrough on branch lines

The Department of Transportation has submitted a report to Congress which estimates that less than 1% of the output of the nation's manufacturing, retailing and mining industries would be affected by the reduction of light density branch lines. The study does acknowledge that the effect of reduced service on agriculture could be greater.

The DOT study focuses on 31 states outside the Northeast. It estimates the railroads could save about \$150 million in annual operating losses through the reduction of light density lines. The report also points out that labor and equipment used on these lines could be better utilized on more profitable parts of the railroad system.

Last year the Milwaukee Road received permission from the Interstate Commerce Commission to terminate service on about 70 miles of light density track. Presently the railroad is seeking Commission approval to end service on about 320 miles of branch lines.

Log flat rebuild program started

Work is well underway at the Milwaukee Shops on the rebuilding of 200 older spring-stake log flats. Cars will be converted to highstake flats and assigned to lumber service in the Pacific Northwest. Work will consist mainly of adding strengthening bolsters, 7-foot high fixed stakes and newer wheel trucks. About five cars will be turned out daily when the program is in full swing.

All turbos in the corridor

Effective May 23, Amtrak went to all Turbo train service on the Milwaukee Road's main line between Chicago and Milwaukee. Four trains operate in each direction daily Monday through Saturday, and five are scheduled in each direction on Sunday. Amtrak continues to use conventional diesel equipment on Chicago to Twin Cities trains.

On the road to recovery

Operating revenues for the nation's 58 Class I freight railroads showed a strong 14.2% gain to \$4,346 million in the first quarter of 1976 from the same quarter a year ago. Net railway operating income improved substantially from a deficit of \$111.3 million in the first quarter of 75 to a plus \$72.7 million in the same 1976

Start-up of welded rail operation

Initial production at welded rail facility at Savanna began in late July. First weeks were devoted to equipment testing and to training Milwaukee forces assigned to the facility.

Schedule calls for 65 track miles of welded rail to be turned out a year. Specially equipped rail trains will deliver the finished product to system installation sites.

First welded rail, 9½ track miles, will go in on the Chicago/ Milwaukee corridor. Steel gang is slated to begin work about mid-August. Other installations this year will be on curves in the Montana and Washington Divisions.

Paul F. Cruikshank joins Milwaukee Road



Paul F. Cruikshank, 46, joined the Milwaukee Road on May 15 as Vice President-Operations and Maintenance. Concurrent with his appointment, Marty Garelick became Vice President-Operations. Garelick served as Vice President-Transportation since March 1.

Cruikshank heads a revised organization that embraces the railroad's operating, engineering and mechanical departments. Reporting directly to him will be Garelick, B. J. Worley, Vice President-Chief Engineer, and F. A. Upton, Assistant Vice President-Mechanical.

This organizational change is a reflection of President Worthington L. Smith's philosophy that, for full effectiveness, the interrelated disciplines of operations (transportation, engineering and mechanical) should function under a single office. Smith believes that such centralization will help Milwaukee Road supervisors and managers to better plan and make full and effective use of the railroad's many resources. In a nutshell, Smith states that the appointment of Paul Cruikshank and the coordination of operating functions is aimed directly at answering the all-important question of "How can we do what we are responsible for doing more effectively?"

Smith notes that "Paul loves a challenge." In that case Cruikshank should feel right at home since Milwaukee Road employees have had an abundance of experience and success in responding to challenges.

During his first two months on the job, Cruikshank spent much of his time touring the system and getting acquainted with the property and the people of the Milwaukee Road.

Cruikshank is a veteran and highly knowledgeable railroader, "Paul brings a rare combination and a welcome array of skills and experience to the Milwaukee Road," says Smith.

Cruikshank was Vice President for Strategic Planning for the United States Railroad Association from March 1975 until this government agency fulfilled its major task of launching the Consolidated Rail Corporation (ConRail) a few months ago. At the U.S.R.A. Cruikshank was involved with both management and strategic planning.

Before joining the U.S.R.A., Cruikshank was President of the Fort Worth & Denver Railway, a subsidiary of Burlington Northern Inc. Between 1967 and 1971 he was Assistant Vice President for Marketing Planning for the Great Northern Railway and then for the Burlington Northern. He was instrumental in developing and implementing the BN's new marketing planning department.

Cruikshank has also had extensive experience as a line operating officer. He moved to the Great Northern's marketing department after 11 years in that railroad's operating department, including nine years as a division superintendent.

In reviewing Cruikshank's career, President Smith said, "His experience as a line operating officer, a marketing specialist and an executive all go to the principle responsibility he will have with us: Developing and maintaining a coordinated service pattern and supporting physical and mechanical structure designed to meet the needs of our customers."

That's a tall order.

Good luck, and welcome aboard Mr. Cruikshank.

International trade center formed



Robert C. McQuigg



Erwin W. Jacobson

An International Trade Center has been established within the Market Development and Pricing Department. Robert C. McQuigg has been named Director of International Trade. He reports directly to Glenn F. Reynolds, Vice President-Market Development and Pricing.

The Center was formed to better enable the Milwaukee Road to meet the transportation needs of international shippers. It was also established because of the growing importance of import and export trade and of the Milwaukee Road's expanding role in servicing this traffic.

The International Trade Center is headquartered in Chicago, and Bob McQuigg heads a staff of traffic specialists there and in offices in Seattle, Washington and Tokyo, Japan. The Milwaukee Road's man in Tokyo, Erwin W. Jacobson, Director of International Trade-Far East, is an integral part of McQuigg's group.

Also appointed to the International Trade Center with the title of Manager of International Trade were James A. Aller and Charles K. Dunning in Chicago, and William R. Hayghe in Seattle. Frank Klemm was named Senior Manager-Pricing and Marketing in the Chicago office.

The "profit center" concept of organizing all the marketing elements needed to meet customer needs in one group was followed in setting up the International Trade Center. The staff assigned to the Center's offices combines the functions of pricing, cost analysis, equipment information and customer relations to design transportation packages that are beneficial to customers and profitable to the Milwaukee Road.

The personnel of the International Trade Center will be in close contact with foreign trading companies, ports, steamship lines and import and export brokers. They also will assist the railroad's field sales representatives in calls on international shippers.

The following article by George H. Kronberg, Vice President-Traffic, explains how the Milwaukee Road uses its many resources to meet the needs of international shippers. Among these resources is the newly-formed International Trade Center.

Milwaukee Road tailors service The traffic patterns of the past few years

The traffic patterns of the past few years have, more than ever before, emphasized that the market place of America's railroads extends far beyond the boundary of the United States. While the full corporate names of many carriers spell out the transportation link between points within this country, these names are somewhat deceiving. For in fact, the operations of many American railroads are truly international in scope.

International commerce, the flow of import and export goods, is a two-way street. American railroads must be able to walk both sides of that street.

The most important function of any transportation company is to provide service -- service that meets the distribution needs of customers with efficiency and economy. The basic challenge for a company such as the Milwaukee Road is to determine how to best use the resources at its disposal to meet the needs of customers. This challenge is great enough when confined only to the domestic scene. It becomes even greater when the many complexities of the international movement of goods are involved.

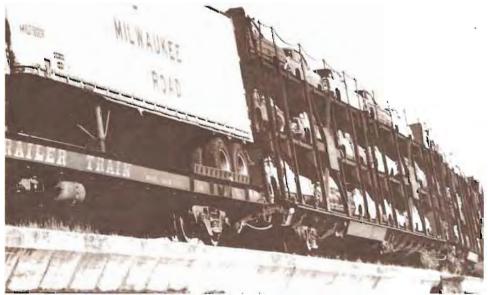
Today, indicators point towards an everincreasing volume of international traffic. Markets exist and the marketplace is expanding. The extent to which the Milwaukee Road can profit from existing and projected patterns of international trade will depend on the company's ability to provide the rates, equipment, in a phrase -- the service level, required to satisfy these market demands.

The Milwaukee Road is certainly no stranger to the field of international trade. This century was still young when the railroad began extending its line to the Pacific North Coast ports with the desire to tap the rich potential of what was then called the "Orient trade."

By 1911, the railroad was operating a direct route from the Midwest to the bustling Pacific North Coast ports. Import/export traffic with the countries of the Far East was fast becoming an important element in the company's overall traffic pattern.



Sometime during the 1920's a "silk special" powered by a Milwaukee Road electric locomotive heads east over the Cascade line. The movement of raw silk from Pacific North Coast ports of entry to eastern textile mills was one of the railroad's first experiences in international traffic. Because of the high market value of silk, special trains made up of all express cars and protected by armed guards were used to speed the cargo in a direct 75-hour run to the Atlantic seaboard.



The transportation of foreign manufactured automobiles is an important element in the Milwaukee Road's overall import/export traffic pattern.



Import cargo in marine-type containers (right) arrives by ship at a Pacific North Coast port served by the Milwaukee Road. Following the inland rail journey (below), the containers are off-loaded (bottom) by a Piggy Packer at one of MMTC's intermodal facilities.





This trend continued and it was especially spurred on by the post-World War II emergence of Japan as a major economic power. By the early 1960s, Japan and other Far Eastern nations had become important customers of and suppliers to the United States.

The booming economy of these nations and the potential for new traffic led to the establishment of a sales office in Tokyo in 1968. This March the Milwaukee Road began its eighth year of serving international shippers from that office.

The Milwaukee Road is ideally suited to participate in international trade. With an easternmost terminal at Louisville, Kentucky, and its multiple western terminals at Pacific North Coast ports, the railroad has the nation's longest, single-line transcontinental route. From Louisville to Portland, the Milwaukee Road extends more than 2,700 miles.

The Milwaukee Road primarily serves the Midwest and the northern tier of states to the Pacific Northwest, operating both east and west of Chicago. The railroad reaches foreign markets through the various Pacific North Coast and Great Lakes ports it serves directly; through connections with other carriers to the Gulf ports; and through connections with the Canadian railroads.

A system that goes to the right places is essential for successful participation in international trade. This fact prompted the Milwaukee Road's entrance into Louisville, Kentucky, almost three years ago -- a development that has had great impact on the volume of import/export traffic carried by the railroad. Access to the "Louisville gateway" established a potential 2,700-mile, single-line haul to the Pacific Northwest. It also enabled the company to offer its services to a much wider variety of domestic shippers who have foreign customers and shippers anxious to enlarge their share of the American market,

If an advantageous route is one part of the service equation in international trade, other vital elements in the formula are attractive rates and a satisfactory equipment level. In the area of rate making, the Milwaukee Road has enjoyed considerable success in attracting import/ export traffic.

Last October the railroad inaugurated a new import rate for traffic loaded in containers and trailers moving through Pacific North Coast ports. The rate is unique in that it offers a rate per loaded freight car as an alternative to existing rates based on minimum weight requirements. The rate is also a viable alternative to mini-land bridge service and to the all-water route through the Panama Canal.

The new rate is designed to provide shippers with considerable savings, quicker service, and to stimulate the volume of import traffic moving through the Pacific North Coast ports served by the railroad. In addition to savings of between 10 and 15 per cent compared to previous rates, the new rate offers shippers significant savings in transit time; traffic originating in the Far East and moving through Pacific Northwest ports can be available in Chicago in 12 days and in New York within 15 days from date of departure from the Far East. This savings also benefits shippers with improved equipment utilization through the quicker return of empty containers and trailers.

Since it was inaugurated, the rate has generated a substantial increase in the volume of import traffic carried by the railroad; especially manufactured products that formerly moved via mini-land bridge.

For quite some time the railroad has handled a substantial volume of crude rubber shipments moving through Pacific North Coast ports to points in the Midwest and east of Chicago. The Milwaukee Road was a leader in developing and establishing the rates to attract this traffic to Pacific North Coast ports of entry.

The transportation of grain products is extremely vital to the Milwaukee Road's revenue performance. Increasing emphasis on large export shipments of grain has added greatly to the significance of this traffic.

It is no secret that long-haul traffic is highly desirable -- especially when that traffic stays on one's own line. Several years ago the Milwaukee Road published a new export rate to capture such traffic. The rate allowed grain shippers to make five consecutive movements of blocks of 25 or 50 cars to any one or combination of Great Lakes and Gulf ports. In 1974 the rate was amended to include Pacific Northwest ports.

In addition to the commodities already mentioned, the Milwaukee Road has participated extensively in the handling of import automobiles to locations on its own system where final distribution, usually over-the-road, is arranged. This traffic has exhibited a steady increase over the past two years, and present indicators are that the volume will continue to expand.

In addition to marketing efforts, continued success in global trade will depend to a large degree on the Milwaukee Road's ability to expand and improve TOFC/COFC yards and other related facilities which tie in directly with the handling of this kind of traffic.

The Milwaukee Motor Transportation Company, the wholly-owned trucking subsidiary of the Milwaukee Road, is a vital partner in the railroad's international



Resourceful is the right word. The total transportation packages designed by the Milwaukee Road help American companies to expand their foreign markets and foreign firms to make their products available to American consumers. Here hopper cars are loaded with export grain.

traffic efforts. MMTC operates major intermodal (TOFC/COFC) terminals at Chicago, Milwaukee, St. Paul and Seattle. The Milwaukee facility is the newest and was opened in mid-1974. It is presently serviced by one mechanical side-loader (Piggy Packer). Two side-loaders are in service at the Chicago, St. Paul and Seattle terminals and the Chicago facility is also equipped with a gantry crane.

The acquisition of locomotives and rolling stock is equally essential to the Milwaukee Road's full participation in international traffic. Presently the railroad operates a modern fleet of nearly 800 locomotives and approximately 32,000 freight cars. New additions to the locomotive and car fleets are constantly being made and some of this equipment is acquired specifically to handle international shipments.

Current trends in import/export traffic indicate great potential to the Milwaukee Road. Opportunity appears abundant. The railroad has the resources needed to make the most of these opportunities. The Milwaukee Road has the experience and the ability to tailor these resources into total transportation packages that will enable the company to efficiently serve global markets, fully tapping their economic potential.



lowa grain bound for overseas markets travels the Milwaukee Road. Grain is one of the principal export commodities handled by the railroad,

1976 Scholarship Winners

Seven graduating high school seniors from Milwaukee Road families have been awarded college scholarships presented annually to children of the railroad's employees.

This year's winners include four students from Wisconsin and one each from Iowa, South Dakota and Illinois.

Three principal awards known as the J. T. Gillick Scholarships were presented by the Milwaukee Road and four scholarships were given by the Milwaukee Road Women's Club.

Two of the Gillick Scholarships provide full tuition for four years of undergraduate study. The third Gillick award and the Women's Club Scholarships offer \$600 a year for four years of college.

Winners of the full tuition scholarships were Brian J. Picht of Wauwatosa, Wisconsin, and Laurie Jean Jensen of Cedar Rapids, Iowa. Brian is the son of Melvin R. Picht, Assistant Regional Manager-Accounting, and Laurie is the daughter of Locomotive Engineer William O. Jensen. The third Gillick award was won by Lynnette Kay Hough of Aberdeen, South Dakota. She is the daughter of Chief Dispatcher Harvey Teske.

The Milwaukee Road Women's Club Scholarships were awarded to: Christine Ann Cravetta of Savanna, Illinois, daughter of General Car Supervisor Michael B. Cravatta; Mark S. Kenny of Platteville, Wisconsin, son of Assistant Superintendent-Work Equipment Donald H. Kenny; William C. Peters of Milwaukee, Wisconsin, son of Machinist Charles E. Crouse; and Diane Mary DiLoreto of Madison, Wisconsin, daughter of Chief Clerk Daniel J. DiLoreto.

The J. T. Gillick Scholarships have been awarded annually since 1951 and the Women's Club Scholarships have been

awarded since 1961. Recipients may attend the college or university of their choice and may pursue any course of study.

Announcement of the winners was made by John H. Munger, Chairman of the Committee which judges the qualifications of scholarship candidates. All of the Committee members are in the field of education and are not associated with the railroad.

Members of the Scholarship Committee evaluated the grades and outside activities of more than 90 applicants before they decided on the seven winners. Left to right are Phillip B. Lottich, Dean of Student Personnel, Chicago City College; John H. Munger, Educational Director, George M. Pullman Educational Foundation and Chairman of the Scholarship Committee; and Charles D. O'Connell, Dean of Students, University of Chicago.





BRIAN J. PICHT graduate from Wauwatosa East High School, Wauwatosa, Wisconsin, was a member of the National Honor Society. He served as concertmaster for his high school orchestra during his senior year. Brian, winner of a full scholarship, plans to attend the Massachusetts Institute of Technology.



LAURIE JEAN JENSEN, graduate from LaSalle High School in Cedar Rapids, lowa, plans to attend lowa State University and major in journalism. While in high school, she was a four-year member of the honor roll, has received several oratory awards and has twice appeared in "Who's Who Among American High School Students." Laurie was awarded a full scholarship.



LYNETTE KAY HOUGH was awarded the third Gillick Scholarship for \$600. She graduated from the Aberdeen (South Dakota) Central High School in May and plans to attend the South Dakota State University and pursue a career in journalism. Lynette has been active in church and youth affairs, and was selected for membership in the National Honor Society, Quill and Scroll and the National Forensic League.



CHRISTINE ANN CRAVATTA graduated from Savánna (Illinois) Community High School in May where she was class president in her sophomore, junior and senior years. She was editor-in-chief of the school year book in her senior year, was on the high honor roll all four years and is named in "Who's Who Among American High School Students." Christine plans to attend Augustana College to prepare for a career in the field of mathematics and science. She was awarded a \$600 scholarship.



MARK S. KENNY graduated from Platteville (Wisconsin) High School in June and plans on attending the University of Wisconsin-Platteville. He was selected as an alternate delegate to the state Badger Boy's meeting and was named "Teen of the Week" by the Platteville Journal. Mark received a \$600 scholarship.



WILLIAM C. PETERS graduated from Pulaski High School, Milwaukee, in June and plans to attend the University of Wisconsin-Milwaukee, pursuing a career in engineering or journalism. While in high school, he has been active in sports and is a member of the United States Chess Federation. He was a National Council of Teachers of English finalist. As a sophomore he placed third, and as a senior he placed fourth, in city-wide mathematics competition. William received a \$600 scholarship.



DIANE MARY DI LORETO graduated from the Robert M. LaFollette High School, Madison, Wisconsin, in June. She is a member of the National Honor Society and served as president during her senior year. Diane, who was awarded a \$600 scholarship, plans to attend the University of Wisconsin-Madison to prepare for a career of working with handicapped children.

Celebration at Tomah

Locomotive Department force honored for outstanding safety record



Frank Reese (left), Superintendent of the Tomah Shops, accepts a National Safety Council Award of Merit on behalf of the members of the Locomotive Department force at Tomah from Lloyd Guggenbuehl, Director of Training for the Wisconsin Council of Safety.

It was a record worth celebrating, and a celebration is exactly what the some 70 Locomotive Department employees of the Tomah (Wisconsin) Shops had on the evening of June 11.

The record is impressive: 1,595,546 hours worked between July 21, 1964 and December 31, 1975 -- more than 11 years -- without time or money lost because of a disabling injury.

The record is even more impressive considering the kind of work performed by the Locomotive Department force. Men assigned to the Machine Shop handle all major repairs on track and roadbed maintenance equipment. In the adjacent Frog Shop many of the components used in track assemblies such as frogs and switch points are machined and assembled. The work is hard and exacting. It involves the use of many large machines and heavy pieces of material — items that can cause serious injury if not used with the utmost regard for safety.

The celebration testified that the members of the Locomotive Department force have a high regard for safety.

The evening included an official awards ceremony, a buffet dinner and dancing.

Nearly 150 members of the Locomotive

Department, Tomah city officials, Milwaukee

Road officers, their wives and guests

attended.

Two safety awards were presented. Lloyd Guggenbuehl, Director of Training for the Wisconsin Council of Safety, presented Locomotive Department employees with a National Safety Council Award of Merit in recognition of their outstanding safety record. A Milwaukee Road Award of Merit was also presented by Superintendent of Safety George Barry for having operated

during 1975 without a disabling injury.

Frank Reese, who has been Superintendent of the Tomah Shops for all but a few months of the 11 year-plus safety record period, accepted both awards on behalf of the employees. Reese was "extremely proud" of their accomplishment.

Barry said in presenting the railroad's Award of Merit, "your record not only exhibits a great concern for safety, but it is an example for all Milwaukee Road employees to follow."

Guest speakers included James Ebert, Mayor of Tomah, and Dan Goden, President Elect, and Robert Keene, immediate past President of the Tomah Chamber of Commerce.

Frank A. Upton, Assistant Vice President-Mechanical, also spoke at the ceremony. Upton noted that as a former Machinist he was especially proud of the Locomotive Department's impressive safety record. John Koel, a Machinist at Tomah, represented the various crafts in the Shop's force, Koel praised Machine Shop Foreman Ralph Phillips, Frog Shop Foreman Gerald Jerdee and Assistant Foreman Jim Zingler. "They taught us what safety is all about, they have made safety work," Koel said.

Barry read letters from individuals who were unable to attend the awards ceremony. Among them were congratulations from Worthington L. Smith and several labor organization general chairmen.

Wives and women guests were presented with corsages. Barry also announced that each Locomotive Department employee would receive an attractive set of coffee cups especially designed as momento of their safety record and of the awards evening.

Hello and goodbye

Versatile switchers replace veteran diesels



The cab of a veteran Fairbanks-Morse locomotive is lowered into a gondola for removal as scrap. Milwaukee Shops' forces have already stripped the unit of useable components.



Baldwin model S-12 rests on cannibalized trucks at the Milwaukee Shops and reveals its diesel power plant and a void where its generator had been. For well over a decade these products of America's oldest locomotive builder served primarily in the territory between LaCrosse and the Twin Cities.

For the past several years the Milwaukee Road's motive power program has concentrated on the acquisition of high-horsepower freight service locomotives. Late in 1975 this emphasis shifted with the arrival of the first 32 of a fleet of 64 new multi-purpose switching units.

Built by the Electro-Motive Division of General Motors Corporation and designated model MP15AC, the new locomotives are rated at 1,500 horsepower. Although designed primarily for yard switching duty, the MP15AC's can be used in branch-line service and in road operations when several units are operated in combination.

This versatility allowed the railroad to retire a large number of its older switching units. As most railroads, the Milwaukee Road has stabled a variety of diesel horses; during the past decade the Milwaukee has operated units from all five of the major locomotive builders.

With the arrival of the MP15AC's, all of the Alco and Baldwin units plus all of the Fairbanks-Morse roadswitchers and 17 of that manufacturer's yard switchers have been retired. Some of these locomotives gave the Milwaukee nearly 30 years of good service, and most were on the active roster for at least twenty years.

In all, 99 veteran locomotives have been retired. They will be taken to the Milwaukee Shops where useable parts will be removed and placed in inventory. Remains of these units will be dismantled and sold for scrap.

A few old locomotives will escape the scrap pile. They have been sold to a company that specializes in the overhaul and repair of diesel locomotives. Once repaired, these former Milwaukee Road locomotives will be sold to new users.



Safety performance

STANDINGS --- PRESIDENT'S TROPHY CONTEST

All Figures As Of June 16, 1976

RANK	DIVISION	FATAL	INJURIES	DISABILITY DAYS	F.S. INDEX
1	Montana		43	161	1.62
2	Dakota		50	267	2.46
3	Iowa		79	529	3.68
4	Illinois	1	180	1890	4.02
5	Wisconsin		266	1696	4,07
6	Minnesota		152	1266	4.41
7	Washington		104	1195	4.58
	Others		21	27	.23
	TOTAL	1	895	7031	3.36

RANK	DEPARTMENT	FATAL	INJURIES	DISABILITY DAYS	F.S. INDEX
1	Electrif.		1		.18
2	Material		11	1	.32
3	Station		38	96	.67
4	Sig & Comm		10	69	1.08
5	Enginemen		68	610	2.52
6	B&B		20	55	2.88
7	Locomotive		65	710	3.34
8	Car	1	103	921	4.32
9	Road Train		162	1532	4.36
10	Track		141	1012	4.55
11	Yard Train		266	1998	10.22
	Others		10	27	.13
	TOTAL	1	895	7031	3.36

needs improving

Greater attention will have to be focused on safety during the rest of this year if the Safety Department's 1976 goal of reducing last year's total of work-related injuries and illnesses by 10 percent is to be reached.

Safety statistics for the first five and onehalf months of 1976 are disappointing. During the period there were a total of 895 reportable injuries and illnesses which accounted for 7,031 disability days.

This is an increase of 172 incidents, or 23.7 per cent, from the total recorded during the same period a year ago. There was only one work-related fatality during the first five and one-half months of this year compared to two deaths in the same 1975 period.

Shown are the standings in the President's Safety Trophy Contest as of mid-June. The righthand column refers to the Frequency/Severity Index which the Safety Department began using this year to measure safety performance. The FSI is a formula which relates both the number and severity of injury and illness incidents. By using the formula the Safety Department can keep more accurate safety rankings and make better use of comparison figures.

Annual Report to employees

The year in brief

The activities of the Milwaukee Road in 1975 were influenced by the generally depressed economic conditions found in most sectors of the national economy. During the first half of the year, carloadings of commodities most important to the railroad's revenue position -- grain, lumber and manufactured products -- registered declines compared to 1974 levels.

In the third quarter, the general traffic picture began to improve. By the end of September, carloadings approached the level established in the same period of 1974. This upturn lasted through the end of the year and has continued into 1976.

Despite reduced traffic levels and their effect on revenues, several programs were initiated during 1975 that resulted in improved rail service. The impact of these developments will also be evident throughout 1976.

In what may have been an industry first, the railroad in early 1975 altered existing tariff weight requirements to permit wheat shippers in certain Midwestern states to load privately owned hopper cars from branch-line origins to the gross weight limitations of the track. This measure was offered in order to permit hopper cars, although not loaded to full capacity, to be used on branch lines normally restricted to box cars. Shipper response was enthusiastic; the new tariff helped open approximately 100 new branch-line origins to hopper car service. This tariff may be expanded in the future to other territories and to additional grain crops such as corn and barlev.

In October, the railroad published an attractive new rate for traffic of all kinds loaded in containers and trailers moving through the Pacific Northwest ports served by the railroad. The rate is unique in that it offers a rate per-loaded freight car as an alternative to existing rates based on minimum weight requirements. Shippers using

the rate can realize savings between 10 and 15 per cent compared with the previous rates. The new rate also offers significant savings in transit time: Traffic originating in the Far East and moving through the Pacific Northwest ports can be available in Chicago in twelve days and in New York within fifteen days. This saving also benefits shippers with improved equipment utilization through the quicker return of empty containers and trailers.

The new import rate has provided the Milwaukee with increased eastbound traffic from the Pacific Northwest; and especially with a greatly expanded movement of manufactured products. Traffic moving under this tariff is anticipated to increase steadily during 1976.

Unit-train movements of coal continued to increase. A new service delivers coal to a power plant in eastern South Dakota from a mine in western North Dakota.

Another important revenue contribution resulted from a contract for the movement of U. S. Mail in both directions between Chicago and various points along the Milwaukee's main line to the Pacific Northwest. This seven-day-a-week service involved the movement of mail in trailers carried piggyback on flat cars.

The Milwaukee also moved a large volume of mail through its 16-state service area under two other contracts with the United States Postal Service.

In 1975 Milwaukee expanded its service territory through the purchase of the Port Townsend Railroad on Washington's Olympic Peninsula. The 12.3-mile Port Townsend has been used for many years as a connection between the Milwaukee's own 39-mile line between Port Angeles and Discovery Junction and its rail-barge service between Port Townsend and Seattle.

The railroad's ability to identify and respond to shipper needs was further enhanced through a reorganization of the field sales force on January 1, 1975, into three geographic sales zones covering the United States and Canada.





Construction

Work began on the new locomotive servicing facility at St. Paul which became operational early in 1976. The facility is a two-stall diesel house designed to permit railroad forces to work on as many as eight locomotives at a time in production-line fashion. This will greatly improve servicing of locomotives assigned to the Twin Cities area and to units operating on the Milwaukee's transcontinental route to and from the Pacific Northwest. A new wheel truing machine was also purchased and installed in the existing roundhouse.

The first floor of the Minneapolis depot was altered to provide facilities for Division Superintendent, Division Engineer, Regional and Agency office forces.

An office and communication building was constructed at Plummer, Idaho.

In the Chicago area construction began on new commuter depots at Morton Grove and Bensenville. The combined cost of the depots is over \$175,000 and the projects are being funded by the two suburban mass transit districts. The railroad also signed a \$1,000,000 contract with the Illinois Department of Transportation to design, construct and upgrade commuter station facilities at numerous locations in the Chicago area.

An energy conservation program was inaugurated due to the reduced availability of heating fuel. Various building modifications were required, particularly in the Milwaukee Shops, to limit the space to be heated.

Signals & Communications

Major improvements included the installation of power switches and signals at the Cut-Off Tower in Milwaukee; installation of radar speed control on four intermediate car retarders in the Bensenville yard; and Centralized Traffic Control from Cedar to Humboldt Avenue in Minneapolis and the relocation of the Centralized Traffic Control machine to the St. Paul Yard Office.

Other improvements were the replacement of AC semaphore signals between Portage and Mauston, Wisconsin; signal circuits from Renton to Argo and from Black River to Tacoma were changed from AC to DC. Automatic crossing gates and/or flashing light signals were installed at 43 grade crossings during the year.

Telephone equipment additions and improvements totalled approximately \$176,000. Other improvements and upgrading to existing facilities, including four major communication pole line rebuilds, totalled over \$94,000.

Track

A total of 34 miles of new and secondhand rail was laid in 1975. In addition 31 miles of track were upgraded between Webb and Albert City, and between Jefferson and Lohrville. Approximately 3,560 cars of ballast were used to upgrade track on the system. The Milwaukee Road obtained permission from the Interstate Commerce Commission to eliminate approximately 70 miles of branch-line track no longer necessary to provide service to the company's customers.

Bridges

Major activities in the 1975 Bridge Program were directed at improving bridge clearances for both water and traffic, and the replacement of steel spans for general maintenance. Total expense for this work was \$1,143,000.

Major improvements on the Washington, Dakota and Iowa Divisions focused on replacing portions of pile trestles with through girder, beam and short steel spans. Several bridges on the Illinois and Wisconsin Divisions received new steel spans for general maintenance.

Pile trestle renewals were also made during the year, the largest project being on the Dakota Division. Culvert renewals were also a major part of the year's activities.

Walkways were installed on 23 bridges on the Montana and Dakota Divisions to improve safety for trainmen and other personnel.

Milwaukee Motor Transportation

The railroad's motor-carrier subsidiary turned in an excellent performance in 1975.

MMTC opened a new intermodal terminal capable of handling both piggyback trailers and containers on chassis at Perry, Iowa, principally to provide a point from which to serve Des Moines in conjunction with the new U. S. Mail contract.

Late in 1974 the company applied to the Interstate Commerce Commission for the right to substitute truck service for rail service between points on the Milwaukee Road in Montana, Idaho, Washington and Oregon. Hearings were held during 1975; and early in 1976 the authority was received. Now, MMTC trucks may handle rail freight traffic in substituted service, at rail rates and on rail billing, over most of the railroad's service territory subject to certain restrictions.

During 1975 Milwaukee Motor purchased 19 new diesel tractors and five new bulk tank trailers for cement. It purchased two new mobile Piggy Packers with which to load highway trailers on railroad flat cars. One was placed at Chicago, the second at Seattle to assist with the railroad's increased export-import traffic.

Milwaukee Land Company

The timber division of Milwaukee Land Company, a wholly owned railroad subsidiary, lets contracts to lumber producers who remove marketable trees from its property. Timber-cutting activities were adversely affected during 1975 by the reduced level of housing starts.

Approximately 1,300 acres of previously cut-over timberland was replanted during the year by hand or aerial methods. There were nominal sales and purchases of timberland during 1975.

The industrial division of Milwaukee Land Company continues to inventory industrial property and, as appropriate, to sell it for industrial purposes. With the falloff in industrial development due to the recession, only nominal acreages of industrial property were bought and sold in 1975.

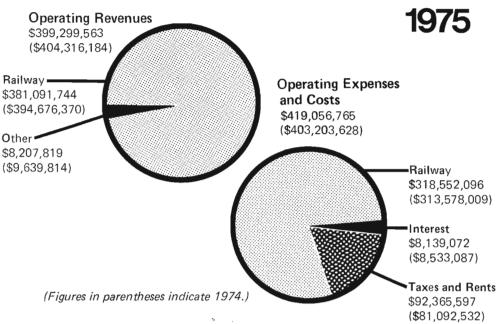
In December, 1975, Milwaukee Land Company became associated with a proposed new petroleum pipeline venture destined to assure a supply of crude oil to refineries in the northern tier of states should supplies of Canadian crude be shut off as is presently expected. The pipeline developers have incorporated as Northern Tier Pipeline Company. They are planning a line from the Puget Sound area to a connection with an existing pipeline in Minnesota, possibly using railroad rights of way as portions of the route to reduce land-acquisition costs and environmentally based objections.

Northern Tier's initial activity is in research and development. Portions of the right of way of the Milwaukee Road are under study as to their feasibility as portions of the pipeline route.

Taxes	
Payroll	\$28,569,759
Income & misc	16,915
Property	. 8,771,792

TOTAL \$37,358,466

The Milwaukee Road dollar -



The Milwaukee Road Fleet, Owned and Leased

Diesei locomotives	
Freight	106
Multiple purpose	484
Passenger	22
Switch	
	TOTAL 822
Freight cars	
Box and auto	15,467
Gondola and hopper	7,870
Flat	5,252

TOTAL FLEET 32,057

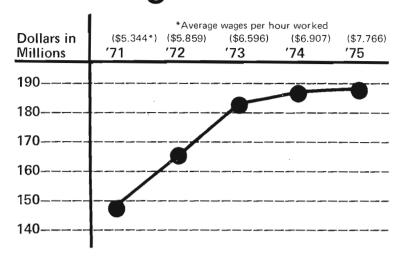
TOTAL 31,132

Major additions were made to both the diesel locomotive and freight car fleets. Thirty-two new switching locomotives were placed in service at various yard and terminal operations throughout the Milwaukee's 16-state service area.

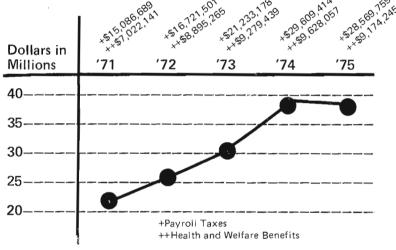
New freight equipment includes 243 high-capacity covered hopper cars; 220 gondola cars; 100 enclosed trilevel cars; and 100 bulkhead flat cars. Part of the 1975 acquisition program, but delivered in January, 1976, are 75 covered coil steel cars.

	Average miles of road operated	Average number of employees	Total wages of all employees	Property taxes paid
Idaho	233	91	\$ 1,418,801	\$ 109,296
Illinois	682	3,036	47,634,346	1,299,554
Indiana	228	280	4,193,932	189,923
Iowa	1,659	1,191	18,146,867	1,203,906
Michigan	152	79	1,144,946	46,017
Minnesota	1,319	1,480	20,600,161	2,727,817
Missouri	157	261	3,636,234	238,187
Montana	1,182	874	13,987,794	898,185
North Dakota	367	39	590,291	89,087
South Dakota	1,595	602	8,769,972	220,263
Washington	1,088	1,268	18,593,499	727,124
Wisconsin	1,480	3,012	48,367,767	986,368
All Other	23	129	1,975,357	36,065
TOTAL	10,165	12,342	\$189,059,967	\$8,771,792

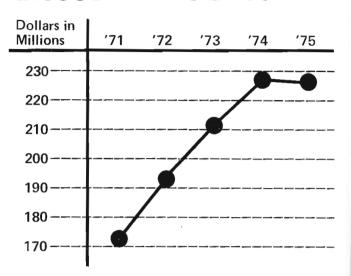
Total Wages



Wage Supplements



Aggregate Labor Investment-Amount



Average Per Employee

Dollars in Thousands	(\$6.132*) ′71	(6.760) '72	(7,713) ′73	(8.343) '74	(9.317) '75
20					· · · · · ·
17.5					
15					
12.5					
10					
	*Average	aggregate	wages per	hour work	ked





Revenues earned last yearthe key to future growth

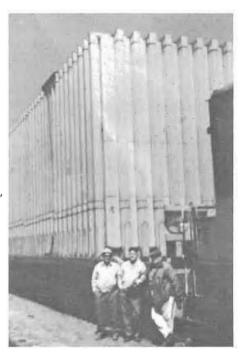
the key to future growth	Freight Revenue Assignable to Freight Service		Percent of Grand Total	
Freight Traffic	1975	1974	1975	1974
Farm products	48,423,162	\$ 57,647,349	12.7	14.6
Food or kindred products	47,241,097	48,084,956	12.4	12.2
Lumber or wood products except furniture	45,980,592	46,372,420	12.1	11.7
Transportation equipment	39,625,768	36,922,121	10.4	9.4
Pulp, paper or allied products	29,619,707	33,338,858	7.8	8.4
Chemicals or allied products	20,791,568	21,646,419	5.4	5.5
Coal	20,172,311	11,399,018	5.3	2.9
Primary metal products	16,283,147	19,586,815	4.3	5.0
Waste or scrap materials	10,067,619	11,695,773	2.6	3.0
Clay, concrete, glass or stone products	9,895,530	10,749,177	2.6	2.7
Misc. mixed shipments except forwarder and shipper assn	9,158,238	8,636,752	2.4	2.2
Machinery except electrical	8,732,649	8,659,799	2.3	2.2
Nonmetallic minerals except fuels	8,233,929	9,197,198	2.2	2.3
Shipper assn. or similar traffic	6,371,358	6,987,943	1.7	1.8
Petroleum or coal products	5,354,108	5,689,434	1.4	1.4
Fabricated metal products	4,860,811	5,485,737	1.3	1.4
Electrical machinery or equipment	4,288,744	5,304,351	1.1	1.3
All-other	14,953,469	15,499,051	_3.9	3.9
Total	350,053,807	\$362,903,171	91.9	91.9
	** -	: -		
Other Freight Service				
Switching	9,753,532	\$ 9,594,730	2.5	2.4
Demurrage	3,762,247	6,914,563	1.0	1.8
Joint facility — net credit	2,753,089	2,854,994	0.7	0.7
All other	711,083	1,785,144	0.2	0.5
Total, other freight service \dots	16,979,951	\$ 21,149,431	4.4	5.4
Total, all freight traffic \$	367,033,758	\$384,052,602	96.3	97.3
Passenger traffic	7,732,394	\$ 7,395,816	2.0	1.9
Other passenger service\$	6,325,592	\$ 3,227,952	1.7	0.8
Total, all passenger traffic \$		\$ 10,623,768	3.7	2.7
Grand Total	381,091,744	\$394,676,370	100.0	100.0





ON LINE AND UPCOMING

Thirst Quenchers. Train crew poses with one of 29 beer storage tanks that recently moved over the Milwaukee Road on the first leg of a journey to a Miller Brewery facility in Oswego, New York. The tanks were fabricated by the Heil Company in Milwaukee, and each stood nearly 20 feet high and weighed 58,000 pounds. The railroad handled the movement from Heil to Jones Island in Milwaukee where the tanks were loaded onto barges for the trip to New York via the St. Lawrence Seaway. Left to right are John Mahoney, Switchman, Robert Hebuschen, Conductor, and Wally Braatz, Switchman.





No railfan worthy of the name would be caught without a camera, and during the Milwaukee Road Railfans Association's recent tour of the Milwaukee Shops there were plenty of opportunities to click away. N. J. Nielsen, Shop Superintendent-Locomotives (wearing hard hat), accompanies a group of MRRA members as they inspect and photograph some vintage Milwaukee Road locomotives.

The Shops tour was arranged under the auspices of F. A. Upton, Assistant Vice President-Mechanical, and was the

highlight of the MRRA's 1976 annual meeting. About 160 people went on the tour and some Milwaukee Road fans came all the way from Seattle. The MRRA was formed in 1972. In the past, members of the group have visited Milwaukee Road facilities in St. Paul, Deer Lodge, Savanna and Bensenville.

A special edition of the MRRA's magazine, The Milwaukee Railroader, detailing the Milwaukee Shops complex is available to Milwaukee Road employees for \$1.00 from MRRA secretary William F. Ohde, 108 First Street, Manning, Iowa 51455.

Clean scene at Harlowton

The Milwaukee Road is helping to make sure that the Musselshell River stays clean and remains one of the best trout fishing spots in Montana.

Recently a \$75,000 waste water treatment system was put into operation in the diesel house at the railroad's Harlowton, Montana facility. The system is designed to remove oil, grease and suspended solids from the water used in washing locomotives and from water used to wash down locomotive inspection pits.

The new system is very compact and to a large extent is fully automatic.

The cleaning process begins as waste water flows through a gravity oil separator which removes much of the free, or floating oil. The water then enters a surge tank where chemicals are automatically added to help form contaminants in the liquid into a flock. Upon leaving this tank, air is added to the water which is then pressurized to dissolve the air. At this point polymer is added to heighten the flocking action.

In the final stage the water is depressurized and flows into the bottom of a large flotation tank. The depressurizing has the same effect of quickly snapping the cap on a shaken bottle of soda. As the water enters the flotation tank, millions of air bubbles float the flocked contaminants to the top where they are removed by a rotating skimmer.

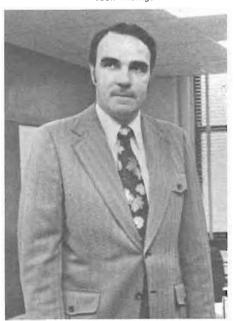
The cleaning process, however, does not end here. After moving through the treatment system, the water passes through two additional gravity oil separators before it is finally discharged directly into the Musselshell River.

Waste water treatment systems similar to the one now in operation at Harlowton are scheduled to be installed at Milwaukee and Tacoma later this year.

Regional Personnel Offices open



Jack Ridings



Darrell Ward

The Personnel Department has opened offices in Milwaukee and Minneapolis in a move to improve the employee recruitment process and to provide local information centers for personnel-related matters.

Jack Ridings and Darrell Ward have been named Area Personnel Coordinators.

Jack's office is at the Milwaukee depot and he will serve the Wisconsin Division.

Before joining the Personnel Department,

Jack was Assistant Trainmaster at

Milwaukee. Darrell Ward was formerly

Lieutenant of Police at Aberdeen, South

Dakota. He is headquartered at the

Minneapolis depot and will cover the

Minnesota and Dakota Divisions.

The major responsibility of the coordinators will be recruiting, with a special emphasis on craft employees. Both will handle employee interviews and will coordinate hiring in their respective territories with the Personnel Department in Chicago. Other duties include setting up recruitment centers at various division locations. They also will be responsible for seeing that recruitment and hiring activities conform to state and federal fair employment practices and equal employment opportunity guidelines.

Ridings and Ward also are information sources. They may be contacted about all matters relating to personnel policies and practices.

Before assuming their new assignments both men were brought to Chicago for training in recruitment practices. They also received a thorough orientation in the activities of the Labor Relations and Personnel Department.

L. W. Harrington, Vice President-Labor Relations and Personnel, says that the opening of the Milwaukee and Minneapolis offices is the first step in a program to set up similar offices at other system locations. He also is considering the establishment of an office at Bensenville to handle personnel matters on the Illinois and Iowa Divisions.



It's two for the Road

Rosemarie "Roe" Laura has been appointed Sales Representative in the New York City sales office. She is the second woman to hold such a position with the Milwaukee Road. Donna Hendricks has been a Sales Representative in Seattle since mid-1975.

Roe is no stranger to the railroad. She joined the New York City Sales Office as a Steno-Clerk in 1965. Several years later she went on leave-of-absence to raise a family. This January she returned to the Milwaukee Road as Executive Secretary to George Valley, Assistant Vice President-Sales, East Sales Zone. In addition to other duties, Roe was Personnel Representative for the east zone and also had total responsibility for administering the zone sales budget.

To prepare for her work as a Sales Representative, Roe will participate in product knowledge training sessions conducted by Training Coordinator S. J. Monroe in New York. She is also enrolled in the Academy of Advanced Traffic and has completed the railroad's Management I course.

Roe's husband Frank is a real estate agent. The Lauras have two daughters, Anne 11 and Lisa 7 and live in Suffern, New York where Roe has long been active in various community organizations.

Cooperation improves car use

Since early April, the Milwaukee Road, Santa Fe and Canadian Pacific have cooperated in an unique program designed to improve the utilization of covered hopper cars and to provide shippers with better service.

All three carriers are major transporters of grain and fertilizer and each maintains a large hopper car fleet for handling these commodities. The similarity ends here, however, for the peak hauling period for grain or fertilizer varies widely among the three railroads. The Canadian peak occurs in the early spring, primarily involving the movement of fertilizer; the Santa Fe moves grain from the southwest in the early summer; and the Milwaukee's peak grain season is in late summer and in the fall.

During these seasons the hopper car fleets are kept busy. But in the off-peak months the railroads must either find other

commodities for their hoppers or face the unpleasant choice of placing some of their fleet in storage. Cars that don't move don't earn revenue--in fact, they cost money in car ownership payments.

The hopper car distribution program was specifically developed to overcome this utilization problem as well as to make sure that shippers were provided with enough cars during the peak season.

The program works like this. The three carriers have placed a certain number of their hopper cars into a pool from which each can draw during peak loading seasons. For example, during the early spring fertilizer movement in Canada both the Milwaukee Road and the Santa Fe will send cars to the Canadian Pacific. In a like manner, the Milwaukee will be able to use CP and Santa Fe hoppers during the fall harvest. Under the pool arrangement the

carrier borrowing cars will pay per diem and mileage charges to the railroad that owns the equipment.

Bob Beck, General Superintendent of Transportation, thinks the distribution program is an excellent way to improve car utilization. He points out that the program has three distinct advantages: It provides shippers with enough cars when and where they are needed; it allows the railroads to earn per diem and mileage fees from equipment that otherwise might stand idle; and by augumenting their hopper car fleets with pool cars, the railroads can invest money in other kinds of equipment that can be used in year-round revenue service.

Beck also notes that the ongoing hopper car program is the first time that three carriers have participated in such an endeavor.





Gold star sales performer

Vince A. Lensing (right), Assistant District Manager-Sales, Chicago, is congratulated as the winner of the first Sales Department Star Performer Award by (left to right) Donald M. Wiseman, Vice President-Sales and Service, Van Dunfee, Area Manager-Sales, Chicago, and D. C. Workman, Assistant Vice President-Sales, Central Sales Zone.

Wiseman presented Lensing with a plaque,

special business cards embossed with a gold star and a \$100 bill.

The award, which will be presented quarterly, was established to honor Sales Department personnel who demonstrate outstanding achievement in sales promotion and personal advancement. Vince Lensing was specifically honored for bringing new business to the Milwaukee Road and for participating in various educational courses.



The "Pacific" in the Milwaukee Road's full corporate name means exactly that. Erwin W. Jacobson (left), Director of International Trade-Far East, and Port of Seattle officials Dwight Scarbrough and Charles Fryzek (center and right) recently took part in a transportation conference sponsored by the U. S. Department of Commerce in Taipei, Taiwan. The conference focused on international trade and was attended by representatives of American transportation companies, ports and banks.

START

The Information Systems Department of the Milwaukee Road was joined by IBM (International Business Machines) in presenting three seminars on the railroad's computer data processing system to a group of about 120 Milwaukee Road employees. Tom Newman and Barry Marshall of IBM explained everything from the development of the computer to how to program a computer to what kind of data processing system the Milwaukee Road has. Senior Systems Engineer for IBM John Wold explained how the computer "understands" the material it is fed. Les Imbery, Assistant Vice President-Information Systems, the Milwaukee Road, explained what is and what will be happening in the new Information Systems Department. Senior Systems Analyst Edward Duszak wound up the seminar with a tour of the Milwaukee Road Data Processing Department.

The Information Systems Department plans to have more seminars on data processing in the future.

How would you tell a computer to put on a jacket? Participants in the Data Processing Seminar tried to give 'human computer' Barry Marshall step-by-step instructions. Some of those instructions were:



"Grasp jacket with left hand."



five instructions later . . . "Push right hand to the left" did not quite get the desired response.



fifteen instructions later . . . "Put left hand in left sleeve opening" got things moving right along.



"Put right hand in right sleeve opening and push through sleeve" did the job but also made a 'human knot' out of Barry.



"Push left hand through sleeve" almost completed the job.



Senior Systems Analyst Ed Duszak helps erase some of the mystery surrounding computers as he explains the equipment and technologies used in the Data Processing Department.



Ed Duszak examines one of the thousands of reels of magnetic tape that are used to record and store the railroad's computerized data files.



Les Imbery, Assistant Vice President-Information Systems, explains how data processing is an integral and important part of the day-to-day operations of the Milwaukee Road.

Lynn Carpenter and Al Bobby were married on March 20. Lynn is Secretary to the Chief Clerk in the Tacoma Superintendent's Office, and Al is Roadmaster, Tacoma. The bridal party included other Milwaukee Road employees: Candy Capizzi, Clerk in the Agent's Office; Bill Miller, Roadmaster; and Richard Keller, Division Engineer's Office. Al's father and four brothers also work for the Milwaukee as does Lynn's mother, Betty Klamm, Tacoma, who is the daughter of Ed Herzog, retired Staff Assistant to Vice President, Labor Relations.

ORNIEL - EVENS Farthers

Washington Governor Daniel J. Evans is shown signing a bill designating the week of May 16 as National Transportation Week. With him are (from left) Bill Prather, Milwaukee Traffic Department, Tacoma; Virginia Fuller, Chief Clerk, Milwaukee Road, Tecoma; Lee Angst, Chairman of National Transportation Week and President of the Women's Traffic Club; Colonel Jim Allige, U. S. Army retired, President of National Defense Transportation Association; and Mrs. Oalson with her husband, Washington State Chairman of National Transportation Week.

ABOUT PEOPLE

Washington Division

R. C. "Smitty" Smith, Signal Maintainer at Auburn, Washington, was off work for a few weeks with a broken ankle. He came back to work in May.

Sympathy was extended to Electrical Engineer, George R. Frazier, and his family on the death of his father-in-law on March 28.

Montana Division

Lewis Chris Monson of Deer Lodge, died recently at the age of 60. Mr. Monson had worked for the Milwaukee for 30 years when he retired in 1970.

Minnesota Division

Austin B&B Foreman Harry A. Schaffer's last day of work was May 28. Harry plans to continue to reside in Hokah, Minnesota.

Charles (Bud) Mayer, retired Chief Dispatcher at Austin died on April 26. He is survived by his widow Eva, two sons, two sisters and three brothers.

Dispatcher Warren & Bea Mayer are firsttime grandparents; a baby boy was born May 25 to their daughter and son-in-law Wendy and John Hilke of Altura, Minnesota.

Wisconsin Division

It's a granddaughter, Amy Beth Cline, for correspondent **Naomi Cline** and her husband retired Roundhouse Foreman **John A. Cline.** Amy was born May 13.

A happy retirement is wished to Chief Clerk Ralph Nilles at Merrill. Ralph had worked for the Milwaukee 31 years when he retired on May 28.

Sympathy was extended to the family of retired Conductor **Bert Leney**, 74, on his death May 10, and to the family of Mrs. Ixetta Shaft, 79, who died June 10. Mrs. Shaft was the widow of retired Train Dispatcher **Charles Shaft**.

Karen Weis, daughter of Milwaukee Train Dispatcher G. L. Weis, was named Freshman Athlete of the Year at Murray State University. Karen has been the top singles player on the Women's Tennis Team. Tacoma Agent-Operator Colleen K. Cooper and Ted J. Pettis were married March 6 on top of a 6,000 foot mountain near lone, Washington. The wedding party of 30 snowmobilers and the minister (who rode in a special sleigh) gathered at the base of the mountain, then rode 10 miles to the top, where the wedding took place at a snow-covered altar. Colleen is the daughter of George Cooper, Agent at Metaline Falls. She is presently working the extra board.



William A. Murley, District Manager-Sales, of Sioux City, Iowa, was recently elected President of the Transportation Club of Sioux City.



The Milwaukee Road Women's Club of Aberdeen, South Dakota, organized in 1924, sponsored the annual appreciation dinner for retired and present railroad employees and their spouses and guests. Pictured are club officers (left to right) Helen Schwan, Historian; Mrs. Wendell Meier, First Vice President; Mrs. John Meier, Secretary; Mrs. Oscar Weber, President; and Mrs. John Seiler, Treasurer. The Milwaukee Women's Club annually supports civic interests, contributes to the Shrine Hospitals, Girl Scout campership fund, Christmas donations to nursing homes and music awards.

Retired Milwaukee Conductor C. A. Morgan, 79, died at Memorial Hospital in Ontonagon, Michigan on April 17.

Milwaukee Division Engineer Robert Brueske and his wife Fay were honored at an open house at the Milwaukee Depot on April 29. Robert has been promoted to Engineer of Track in Chicago.

Two District Material Managers retired on April 30: William O. Rogers and Robert R. Metzelfeld. A noon luncheon was held in their honor on May 4.

Congratulations to the newly appointed:
Jerry Johannes, Manager of Materials;
Kenneth J. Kulk, Assistant Manager of
Materials; Charles A. Kret, District Material
Manager; William J. Fuss, District Material
Manager, Wisconsin Division; Herman A.
Janke, Assistant District Material Manager;
Kenneth A. Matous, Chief Clerk; Fred W.
Schmidt, Buyer, and William J. Deering,
General Foreman.

The following employees of the Milwaukee Depot Traffic Department celebrated their 25th Wedding Anniversaries: Mr. and Mrs. Robert McCormick on May 30 with a reception at Lake Lawn Lodge, Delavan, Wisconsin; and Mr. and Mrs. Norbert Kohn on May 5 with a reception at Knotty Pine Hall. Milwaukee.

LeRoy Belzer, Muskego Yard Janitor, retired on April 30 with over nine years of service. LeRoy was honored at a party by his fellow workers where he was presented with a monetary gift.

On April 28 LaCrosse Engineer Thomas Farence used a slide program to take the upper level grade school children at Highlandview School in Greendale, Wisconsin, on an imaginary train ride from Milwaukee to Madison. Tom and the children followed the crew members as they performed their jobs en route. Safety was the focal point of Tom's presentation. He included pictures of a near accident with a truck and a locomotive, bringing out the importance of obeying crossing signals. About 90 per cent of the children had ridden on Amtrak and they showed an interest in the railroad industry and asked many questions. Tom is open to put on more programs of this nature in the Milwaukee area.



Thomas R. Pleuss (left) has completed his apprenticeship training program which qualifies him as a journeyman Sheetmetal Worker in the Frog Shop at Tomah. Congratulating Tom is Shop Superintendent F. J. Reese.

Alan Serotta (second from left), Planning Analyst in the Traffic Department, is marketing these attractive T-shirts that are printed in red and show either an oldtime steam locomotive or one of the Milwaukee Road's current SD40-2 diesels. Also shown modeling the shirts are (left to right), Veronica Leighton, Jane Manhatton, Chris Kinney and Carmen Taglia, For more information about the shirts write to Alan at Chicago Union Station, Room 783.





Congratulations are in order for Special Signal Maintainer Larry Hanson. Larry married Nanette Quatrochi of River Grove, Illinois, on October 24, 1975. The couple are making their home in Melrose Park. Larry is the son of Time Revisor Fran Hanson.



Retired Assistant Superintendent of Motive Power, Milwaukee, E. L. Grote celebrated his 80th birthday on April 3. He and his wife are now living at 3223 North Lockwood Ridge Road, Lot 7, Sarasota, Florida 33580,

Milwaukee Women's Club

John Farence, husband of Correspondent Anne Farence, is recovering from openheart surgery performed by Dr. Derward Lepley.

Treasurer, Mrs. Elsie Haggerty fell resulting in a broken wrist and an injured hip.

Welcomed back after a lengthy illness was Mrs. Caroline Jame, who now reports her daughter, member Mrs. Joseph Mueller, is ill.

Ruth and Clarence Duchrow are spending three months at Fort Myers, Florida. On a recent fishing trip Ruth was surprised when she pulled in a baby shark.

Another visitor to Florida was President Mrs. Leona Reuter who visited with friends in Titusville for five weeks.

Mrs. Catherine Baird and her sister took a bus tour from Los Angeles along the coastline through the mountains to Yosemite National Park and returned to San Francisco after several days.

Marion Schwab and husband John left on May 15 for their home on White Lake. They visited John's brother and sister-inlaw, Henry and Martha Schwab former employees now residing at Lake Namekagon.

Sadie and Henry Ondrejka left for Kansas City to see their great-granddaughter. They plan to continue traveling to Phoenix, the Grand Canyon and Las Vegas. They will also stop at Sun City to visit former Milwaukee Road Shop Supervisor Einar Nelson and his wife.

Elizabeth and John Marquardt are also driving to California for a few weeks.

Mrs. Charlotte L. Kolanda, 58, died on May 13.

Illinois Division

Proud parents of Meredith Lynn born August 4 are Freight Carman Herman Cunningham and wife Rosemary.

Freight Carman Bill Terrill and Steno Clerk Mary Ellen Terrill announced the birth of their second daughter Cynthia Lynn born September 21.



Bookkeeper Elaine Bruso, of the Chicago Treasurer's Office, (second from left) opens the first of her gifts as her supervisors and coworkers watch. Elaine went on a maternity leave starting May 29.



Retired Milwaukee District Manager-Sales John Shannon and his wife Eleanor celebrated their 50th wedding anniversary on May 15. Mr. Shannon retired from service in 1969 after 40 years of service. He and his wife have five children -- four sons, all of whom have Juris Doctor degrees, and one daughter who has a degree in sociology.



Congratulations to retired Roundhouse Foreman George Volrath and wife, 205 East 32nd Street, Davenport, Iowa, on their 65th wedding anniversary on June 1. They celebrated at home with their 6 children, 28 grandchildren, and 29 great grandchildren. Mr. Volrath retired as Nahant Yard Roundhouse Foreman in September 1959.

Millie Graff, Chief Clerk, Bensenville Car Department and Louis F. Rossi Wrecking and Assistant Car Foreman, Bensenville One Spot were married on November 8. Reception was held at Salt Creek Country Club in Itasca, Illinois.

V. J. Rustile, formerly Car Foreman Spaulding, Illinois, now holds the position of Mechanic-in-Charge at Terre Haute.

M. J. Hatlak was recently made Assistant Car Foreman Bensenville Train Yard.

Sympathy was extended to retired Car Foreman T. R. Anderson and his family on the death of their son David R. Anderson on April 2.

Assistant Car Foreman **Ed Borgh** and wife Barbara announced the birth of their son Eric John on April 13.

Howard Scott Hamilton, retired Conductor, died May 11. Mr. Hamilton worked at Bensenville for 22 years until he retired in 1973. Survivors include his widow Ann, daughter and son.

Engineer Sam Herman and wife are proud grandparents of a baby girl, Ginger, born April 4.

Ed Carlson, retired Assistant Engineer, was honored at a luncheon recently on his 90th birthday. Others attending the luncheon were: Bill J. Cusack, 76, retired Auditor of Capital Expenditures; Walter Franz, Assistant Manager, Capital Expenditures; Mabel Helander, 79, retired Secretary to Auditor of Capital Expenditures; Carl Lee, Assistant Manager, Capital Expenditures; Joe Kirchen, Manager Capital Expenditures; Geof Stickler, 72, retired Assistant to Comptroller; Art J. Wallender, 85, retired Chief Statistician; and Charles J. Winandy, 81, retired Assistant Auditor, Joint Facility Accounts.

Sympathy was extended to the family of 3rd District Engineer Bill Kody who died on May 17. Son Mark is an Engineer on the 3rd District and son Kent is a Brakeman/Switchman.

FOR YOUR INFO

How to receive The Milwaukee Road Magazine

If you change your address, retire or want to subscribe...

THE MILWAUKEE ROAD MAGAZINE

July-August 1976

Active Employees -- The Milwaukee Road Magazine is distributed free of charge to active employees at the addresses supplied for payroll records.

Retired Employees -- Employees retired from the Milwaukee Road can continue to receive the Magazine without charge. They must, however, request that the Magazine be sent. Requests should be addressed to The Milwaukee Road Magazine, 824 Union Station, Chicago, Illinois 60606 and must give the retiree's name and home address.

Subscribers -- The Milwaukee Road Magazine is available to others at a subscription rate of \$1.00 a year. Subscriptions should be sent to Circulation Department, The Milwaukee Road Magazine, 824 Union Station, Chicago, Illinois 60606.

Change of Address -- Active employees should send changes of address on Form PR-214 to Manager, Payroll Accounting, The Milwaukee Road, 343 Union Station Chicago, Illinois 60606. Information furnished must include first name, middle initial and last name; new address (identified as such); old address; and social security number.

-- Retired employees and subscribers should notify The Milwaukee Road Magazine when a change in address is required, giving both old and new addresses and numbers shown on the mailing label.

Railroad retirement annuities increase

Railroad retirement annuities increased on July 1 at the same time social security benefits were increased. The following questions and answers explain the basis for this annuity increase and how it is being paid.

1. How is this increase calculated for retired employees and wives?

The Railroad Retirement Act of 1974 restructured annuity formulas into two tiers. The first tier is an amount computed in generally the same way as for social security benefits, using the employee's combined railroad and social security covered earnings, if any. The tier one amount is raised automatically when a cost-of-living increase is triggered for both railroad retirement and social security benefits. The July 1 cost-of-living adjustment provides for a 6.4-percent increase in the tier one amounts of railroad retirement annuities.

At the present time, tier two amounts payable to retired employees and spouses are not increased by this cost-of-living increase. Consequently, the increase generally will not be 6.4 percent of their total annuity.

2. How about retired employees and wives receiving both railroad retirement and social security benefits. Do they receive duplicate increases?

No, the railroad retirement increase is reduced by the increase in the annuitant's social security benefits. For some dual beneficiaries the annuity increase may be completely offset and only the social security increase payable.

3. Will widows and other survivor annuitants also receive the current July 1, 1976, increase?

Yes, and with rare exceptions survivor annuitants not also receiving social security benefits will get a full 6.4-percent increase

in their annuities.

4. Will widows who are receiving social security benefits also get duplicate increases in their railroad annuities? The increase in the tier one portion of their annuity is reduced by the amount

of the increase in their social security benefit. In cases where the social security increase is equal to or greater than the increase in their railroad annuity, only the tier two increase will be paid by the Board as it is not subject to reduction due to social security entitlement.

5. When can an annuitant expect to receive this increase?

Most annuitants received the increase in the check they received on July 1; this check represents their annuity payment for the month of June.

The increases for some annuitants may be delayed but such increases will be paid, as soon as possible, retroactively to the effective date of the increase, so no benefits will be lost.

6. Are the supplemental annuities paid by the U. S. Railroad Retirement Board also being increased?

No. These supplemental annuities are not affected by the cost-of-living increases.

7. Did Medicare premiums, which are deducted from railroad retirement and social security checks, also increase this July 1?

Yes, the basic monthly Medicare premium deduction from railroad retirement increased from \$6.70 to \$7.20 this July 1.

New address for Social Counseling

New address for West Coast and Milwaukee offices of Social Counseling. West Coast office is now at: Dravo Building, Suite 313, 225 108th Ave., N.E., Bellevue, Washington (phones: 206-628-3947, and 206-455-0550). New Milwaukee office is located at: 8626 B West Greenfield Ave., Suite A100, Milwaukee, Wisconsin 53214 (phones: 414-475-6757, or Milwaukee extension 227).

Revised booklet on extended benefits available

The Travelers Insurance Company has issued a revised booklet describing benefits and premium rates effective June 1, 1976, under Group Policy GA-23111 which provides hospital, surgical and medical benefits to retired, furloughed, suspended or terminated employees and their dependents after coverage under Group Policy GA-23000 terminates. Requests for booklet should be directed to Personnel Department, Room 352, Chicago Union Station.

Annual banquet for retirees

Employees on the east end of the former IM&D division are invited to attend the annual banquet honoring co-workers who retired during the past year. The banquet will be held between 1:00 p.m. and 4:30 p.m. on October 9 at the Westminister Presbyterian Church in Austin, Minnesota. Reservations and further information may be obtained by contacting retired Engineer Fred F. Horning, 1912 Second Avenue, SW, Austin, Minnesota 55912.

Active employee count

Active employee count as of mid-June was 12,261. This is down about 200 from the count in mid-June, 1975, but an increase of about 400 employees from the mid-January, 1976 total.

May and June have been especially active months for appointments. In addition to the usual number, several new functions were organized and these accounted for the great majority of the notices.

The following Operating Department appointments, most to newly created positions, became effective June 1 as part of an ongoing realignment of the Operating, Engineering and Mechanical functions:

Delbert O. Burke, Assistant Vice President-Transportation.

William F. Plattenberger, General Manager of the railroad's territory east of Miles City, Montana.

Richard L. Martin, General Superintendent-Transportation Control Center.

Lawrence W. Nigus, Superintendent-Transportation Control Center.

Eugene H. Vanhala, Director-Special Train Studies.

Richard I. Miskimins, Director-Stations and Transportation Systems.

John D. Feiereisen, Assistant Director-Stations and Transportation Systems.

Willard K. Peterson, Assistant to the Director-Stations and Transportation Systems.

Robert P. Heinan, Manager-Stations.

Gilbert J. Boerner, Manager-Transportation Systems.

Vincent A. Crisci, Director-Freight Claim Prevention.

Percy H. Geelhart, Director-Contract Administration.

Henry C. Zimplemann, Assistant Director-Contract Administration.

G. David Kelley, Manager-Operating Studies.

Also effective June 1, the Data Systems and Operations Division of the Corporate Services Department and the Operating Systems Division of the Operating Department were merged to form the Information Systems Division of the Corporate Services Department.

Appointments are:

Leslie S. Imbery, Assistant Vice President-Information Systems. Carl D. Rogers, Jr., Director-Information Systems Planning.

Richard L. Timm, Director of Systems.

Joseph R. Kaberlein, Director of Operations.

Kurt C. Donisch, Assistant Director Information Systems Planning.

Leonard P. Stacy, Manager of Operations.

Fred T. Meyne, Assistant Manager of Operations.

Stanley W. Stec, Senior Manager-Accounting Systems.

Mitchell J. Kasprowicz, Manager Technical Services and Training.

Robert K. VanGrundy, Manager Teleprocessing Systems.

James W. Zdeb, Manager Operating Systems.

The following June 1 appointments were made in the newly formed International Trade Center:

Robert C. McQuigg, Director-International Trade.

Erwin W. Jacobson, Director-International Trade-Far East, Tokyo, Japan.

James A. Aller, Manager-International Trade.

Charles K. Dunning, Manager-International Trade.

William R. Hayghe, Manager-International Trade, Seattle.

S. Frank Klemm, Senior Manager-Marketing and Pricing.

Edward J. Pajor, Senior Pricing and Marketing Analyst.

Steven A. Hicks, International Trade Representative, Seattle.

Michael R. Nicol, International Trade Representative, Seattle.

CORPORATE SERVICES

The Test Department at Milwaukee Shops has been made part of the Corporate Services Department. Eugene W. Krueger, Chief Engineer Tests, will report to Howard H. Melzer, Assistant Vice President-Purchases and Material.

APPOINTMENTS

*Unless otherwise noted, all appointees are located at Corporate Headquarters.

PURCHASES AND MATERIAL

William J. Fuss, District Material Manager, Middle District.

Charles A. Kret, District Material Manager, Milwaukee Shops.

Roger H. Miller, District Material Manager, St. Paul.

Ronald F. Brandt, Assistant District Material Manager, St. Paul.

Herman A. Janke, Assistant District Material Manager, Milwaukee Shops.

Kenneth J. Kulk, Assistant Manager of Material, Milwaukee.

ENGINEERING

Robert H. Michaels, Assistant Chief Engineer-Planning.

Robert J. Brueske, Engineer of Track.

Russell P. Peacock, Division Engineer, Wisconsin Division.

Kevin K. Hersey, Engineer-Environmental Control.

REAL ESTATE, ECONOMIC AND RESOURCE DEVELOPMENT

Russell J. (Bob) Gregory, Assistant Director-Real Estate.

John M. Cortese, Administrative Assistant to Vice President.

Karl E. Jensen, Real Estate Representative,

TRAFFIC

Market Development and Pricing Robert L. Pace, Manager-Pricing Services.

Sales and Service Rosemarie A. "Roe" Laura, Sales Representative, New York City.

TRANSPORTATION

Daniel M. Croes, formerly Manager-TOFC/ COFC, has been appointed Director-Intermodal Utilization Section, Association of American Railroads Car Service Division, Washington, D. C.



Richard L. Leeth, Chief Clerk retired May 28 after more than 39 years of service. A coffee and cake party was held in his honor and was attended by coworkers, retirees and friends. Richard and his wife Gladys plan to make their home in California.



Agent J. B. McGuire of Sioux City, Iowa retired April 30 after 39 years of service. He started his career in 1937 as Relief Agent on the Iowa Division and worked as Agent at Oxford Junction, Perry, and Kansas City before being appointed Agent at Sioux City in 1962. A party was held in Mr. McGuire's honor at the Elks Club in Sioux City.



Henry A. Jaeck, Assistant Captain of Police retired April 30 after 40 years of service. His many friends observed his retirement by presenting him with a hand-crafted plaque and a monetary gift during a cake and coffee reception held in his honor April 27. Henry started his career with the company in 1936 as a Special Officer at Milwaukee and moved to the Shops in 1957 where he remained until his retirement.



G. Paul Penrod of Bensenville and Engineer on the 5th District retired March 26. Paul and Mrs. Penrod will be making their home in Casey, Illinois. Paul retired with 51 years of service.



Orlin R. Haack, Lieutenant of Police, Milwaukee, boarded the 'retirement special' on April 30 after nearly 37 years of service. Orlin started his railroad career in 1939 as an employee of the Locomotive Department, Milwaukee Shops, and subsequently transferred . to the Police Department, Milwaukee, in 1942 where he remained until his retirement. Orlin's many friends presented him with a monetary gift during a cake and coffee held in his honor April 28.

RETIREMENTS...

M. L. Bardill... Assistant Director-Real Estate... Chicago... 4/30/76 D. G. Beak... Locomotive Engineer... Fox Lake, Illinois...1/8/76 Leroy W. Belzer...Janitor...Milwaukee...4/30/76 Arne C. Bertelson...Agent-Operator...Kansas City, Missouri...3/8/76 Roland W. Bogert...Locomotive Engineer...Portage, Wisconsin...5/4/76 Edward W. Carlton...Assistant Engineer...Chicago...4/30/76 Frank B. Gattuso...Carman Welder...Bensenville...1/16/76 Norris S. Groth... Assistant District Material Manager... St. Paul... 4/30/76 Harry B. Gustafson...Brakeman...Portage...5/11/76 A. E. Hansen...Chief Carpenter...Tacoma...10/31/76 James T. Hayes...Special Assistant to President...Chicago...3/31/76 Patrick Healey...Electrician...Deer Lodge, Montana...2/29/76 Orlin R. Hoack...Lieutenant of Police...Milwaukee...4/30/76 Ray F. Homer...Sub-Station Operator...Two Dot, Montana...3/26/75 Clifford J. Horr...Conductor...Tacoma...4/30/76 E. H. Houston...Freight Service Inspector...Cedar Rapids, Iowa...4/30/76 Henry A. Jaeck... Assistant Captain of Police... Milwaukee... 4/30/76 Clarence H. Johnson...Car Inspector...St, Paul...5/1/76 Theresa E. Jones...Review Clerk...Chicago,...1/23/76 Leo H. Kemp... Electrician... Deer Lodge... 2/6/76 E. L. Langschwager...Section Foreman...Savanna, Illinois...5/7/76 Elmer J. Manthey...Conductor...Milwaukee...4/3/76 Walter Markowski...Locomotive Engineer...Chicago...5/20/76 Francis G. McGinn...Vice President-Operations...Chicago...4/30/76 John G. McGuire...Agent...Sioux City...4/30/76 Robert R. Metzeffeld...District Material Manager...Milwaukee...4/30/76 Ann Meyer...Clerk...Milwaukee...4/30/76 N. J. McGinness...Conductor...Aberdeen, South Dakota...3/22/76 Stanley Miller...Switchman,..Milwaukee...11/17/75 G. T. Morgan...Conductor...Madison, Wisconsin...8/13/75 Donald L. Nevens...Switchman...Tacoma...4/30/76 Lawrence E. Overland...Sales Representative...Denver, Colorado...3/31/76 Orval O. Page...Engineer...Jasonville, Indiana...4/15/76 G. P. Penrod...Locomotive Engineer...Chicago...3/26/76 Donald L. Roberts...Telegraph Operator...Tacoma...4/29/76 William O. Rogers...District Material Manager...Milwaukee...4/30/76 Harold E. Schrab...Chief Carpenter...Chicago...4/30/76 Alan J. Seymour...Brakeman-Conductor...Dubuque, Iowa...3/26/76 Lyle F. Shanahan...Assistant Superintendent...Savanna...4/30/76 Harvey F. Strutz...Switchman...Chicago...2/22/74 Donald S. Thatcher...District Surgeon...Milwaukee...2/4/76 Walter Troka...Carman...Chicago...11/30/74 Joseph Truarog...Switchman...Chicago...3/26/76 Cora M. Webster...Cashier...Seattle...5/30/75 Paul P. Werner...Baggageman...Milwaukee,..4/9/76 Donald E. Wetzel...Telegrapher...St. Maries, Idaho...4/14/76



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