Sales and Service Heads Exchange Ideas at Meet

President Glen P. Brock called the heads of our regional on-line sales and service offices together in two meetings last month for an exchange of ideas directed at developing more business for the Company. Pictures on page 2 and 3.

The first meeting was held at Meridian and the second at St. Louis. With Mr. Brock from Mobile were E. V. Bodie, Vice President and General Manager; L. A. Tibor, Vice President and E. B. deVilliers, Assistant Vice President, both of the Traffic Department; T. T. Martin, Vice President, Industrial Development and B. Sheridan, Assistant Vice President, Public Relations. A third meeting is yet to be held for off-line representatives.

Customer Main Topic

The customer was the main topic of discussion at the meetings. Mr. Brock reminded the operating and traffic department representatives that "service is a railroad's only product and that it has to be mass produced for economy, but individually served to sell." He explained that this was the reason for the conferences, that "around the same table the district transportation man and the district sales man can meet on the common ground of the customer."

Every Employee's Responsibility

Mr. Brock gave figures to show how rising costs continued to lessen the spread between the Company's gross and net incomes and pointed out that "an efficient operation and more sales become every employee's responsibility."

"Our aim," Mr. Brock said, "is to sell our transportation services to as many people as possible at fair prices and with reasonable profit. Then we can maintain our plant in the highest degree of efficiency and safety; provide gainful employment at fair wages; be a responsible citizen; and pay a fair return to our share owners on their investment in our business."

Our President set a gross revenue goal for 1959. Later Mr. Tibor interpreted this figure on a carload basis to show the relatively small number of additional cars each employee would need to assure attainment of the goal. "We can get to the top quickly, if every man will walk on (Cont'd. on Page 4, col. 3)

Paper Executive Is Elected To GM&O Board

Vertrees Young, prominent paper and paper products executive, was elected a director of the Gulf Mobile and Ohio Railroad at the annual stockholders meeting in Mobile April 13. A resident of Bogalusa, Louisiana, Mr. Young is a consultant and director of Crown Zellerbach Corporation. At the time of his retirement last July, he was president of that company's Gaylord Division.

The new GM&O director is also a member and former chairman of the Louisiana Forestry Commission; a director, Louisiana Manufacturers Association and of the Letellier Phillips Paper Company; president, Louisiana Forestry Association; trustee and member of Executive Committee, Public Affairs Research Council; trustee-at-large and past president, American Forest Products Industries, Inc.; member, Forest Industries Council and of the Forest Policy Committee, American Paper and Pulp Association; regional vice president, American Forestry Association, and vice president, Southern Pulpmill Conservation Association.

Mr. Young fills a vacancy on the 15-man railroad board created by the death last February 12 of Frank M. Hicks.

Reporting to stockholders, GM&O President Glen P. Brock estimated March net income at approximately $30,000, an increase of approximately $30,000 over the same month last year, and first quarter earnings of about $422,000, as compared with last year's net for the three months of $382,314 and for the first quarter of 1957—$764,551.

It was the Railroad's nineteenth annual stockholders meeting, and of a total of 1,071,438 outstanding shares of common and preferred stock of the Corporation entitled to vote at the meeting, approximately 86% was voted today.

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New Director — Vertrees Young

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New $1,500,000 Tire Plant On GM&O in Tupelo

The Pennsylvania Tire Company is locating a new $1,500,000 tire plant at Tupelo, Mississippi and our Railroad will serve it exclusively. Construction will start promptly and the plant will employ approximately 125 workers at the start with an initial production at the rate of 1,500 tires per day.

The announcement was made by President James H. Hoffman who said, "along with people, geographic location, transportation, water, power, and other facilities, Tupelo is an aggressive and progressive community. In this we hope to assist Tupelo and grow with it."

Vice President E. V. Duffy pointed out that Tupelo was selected "primarily because of your fine people . . . the thing that makes the difference (in tire manufacturing) is the people handling the machinery."

President Hoffman expressed appreciation "for the cooperation and invaluable assistance" given by the Community Development Foundation and others, including the GM&O Railroad, Industrial Develop-


"Vic" Deimel Retires After More Than 40 Years Service

Employees from all over the Line are going to miss V. E. (Vic) Deimel who retired on March 31 at his own request. The busy Auditor of Joint Facilities was a familiar figure throughout the territory and was well liked for his love and knowledge of his job, for his ready wit and warm congeniality. For successor, see page 4, col. 1.

Forty years of railroading with GM&O and predecessor lines did not afford “Vic” much time for a hobby, other than working around the flowers in the yard. However, aided by a present of fishing equipment from fellow office workers and a promise of some lessons from O. L. “Shorty” McMillan he’s going to correct that.

Also handy in retirement will be a portable TV set which officers of his Department gave him. “In his retirement, Vic Deimel carries with him the affection, regard and good wishes of all his fellow officers and employees,” Vice President and Comptroller Y. D. Lott said.

Have lots of fun in your retirement.

Gene Bressingham (right) tells "Vic" Deimel as he opens presents from fellow workers.
Accuracy Of U. S. Engineers' Findings
To Justify Waterway Challenged

The U. S. Corps of Engineers is recommending the expenditure of $274,801,980 for development of the Alabama-Coosa River system for navigation and power purposes. The project would extend over a river distance of 601 miles from the mouth of the Alabama River, 45 miles above Mobile, to Rome, Georgia on the Coosa River. In addition to the initial construction expenditure, other costs would be $12,595,000 annually for a 50-year period for amortization, maintenance and operation—a total of approximately $630,090,980. And the taxpayer including the railroads, would have to foot the bill.

In its report to justify the expense, the Engineers said that the ratio of benefits to cost would be 1.06, including power projects. However, a sub-committee of the Association of American Railroads analyzing this report disclosed that this figure could not possibly exceed 0.74, and that costs would be substantially higher than the transportation savings which might be derived.

The railroads also questioned the accuracy of other statements supporting the project. They charged the Corps had disregarded the lessons of the history of the adjacent Warrior River, and was claiming relatively greater average annual tonnages of commerce for the Alabama-Coosa Rivers than has ever been carried or can reasonably be project ed for the long established Warrior River.

Other contentions were that the tributary had been incorrectly defined and had been greatly overstated; that no waterborne traffic potential had been shown to exist, except by diversion of commerce from existing overland transportation media; that in its estimate of transportation savings no adjustment had been made to compensate for the reduction in revenues of these media, and that the Corps would not disclose data to substantiate conclusions reached in its report. Conclusions adopted to justify construction of the waterway are "unrealistic" and "fictional" the protesting railroads say.

Editor's Note: The Chief of Army engineers at Washington has since returned the report back to the District Engineer for possible modifications.

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Corrective Legislative Action Important
On These Two Transportation Problems

Certainly the transportation legislation enacted by Congress last year was a helpful step in the right direction.

But further congressional action is needed on a score or more problems of national transportation policy that have not yet been resolved. Of these, the following two corrective measures are of particular importance to the future welfare of your Company:

1. IMP OSITION OF ADEQUATE CHARGES FOR THE USE OF TRANSPORTATION FACILITIES PROVIDED AT PUBLIC EXPENSE.

Railroads provide and maintain all the necessary rights of way, track and equipment with which to carry on their business. Yet they have to compete with other forms of transportation that use facilities provided, maintained, and operated by the Government with money supplied largely by taxpayers— including the railroads. Shouldn't these users pay their own costs of doing business?

2. REPEAL OF AGRICULTURAL COMMODITIES EXEMPTION OR EXTENSION TO INCLUDE RAILROADS AND NON-MOTOR CARRIERS.

Congress has exempted motor vehicles from regulation when hauling certain agriculture commodities, but has subjected all other carriers to regulation when they are moving the same commodities. Shouldn't all ... or none ... be regulated?

Your Senators and Congressmen should know of the urgency for prompt action on these objectives.


**GM&O President Elected To Protective Life Board**

Glen P. Brock, President of the G.M. & O. Railroad, was elected to the Board of Directors of the Protective Life Insurance Company at the 52nd annual meeting of the Company recently at the Home Office in Birmingham.

A resident of Mobile, Mr. Brock also is Director and President of the New Orleans Great Northern Railway Company, Director and President of the C. M. & O. Land Company, a Director of the Gulf Transport Company, Director of the Kansas City Terminal Railway Company, Director of the Mobile Investment Company, and Director of the American National Bank of Mobile.

Col. William J. Rushton, Protective Life's President pointed out that the Company passed the billion dollar life insurance in force mark during 1958. "On December 31, 1958 Protective Life had more than $1,085,000,000 insurance in force," he said.

**New Paper Mill at Counce: Big Expansion at Naheola**

Bright business spots for our Railroad in the paper manufacturing field are announcements that a new $50 million mill will soon be constructed at Counce, Tennessee and that American Can Company will expand its Naheola, Alabama operations.

The new Tennessee plant is being constructed on a 1,600 acre site near our Line at Corinth, Mississippi. It will have a capacity of 500 tons daily and will draw on timber lands in the area for wood to be used in the manufacture of pulp. About 1,400 will be employed. The newly formed 14 mile Corinth and Counce Railroad Company will serve the mill and will interchange with GM&O and the other two railroads at Corinth. The mill is being built by the Tennessee River Pulp and Paper Co.

American Can's plans call for installation of a third machine to produce paperboard of the type used to make food packaging materials and similar products.
W. M. Green Appointed Auditor of Joint Facilities

Named as the new Auditor of Joint Facilities was William Manley Green. He brings wide experience to the job having been Joint Facility Accountant since 1940.

A native of Tifton, Georgia, Mr. Green attended high school in Pine Bluff and in Jackson, Tennessee, later going to business school and educating himself further through correspondence courses. His first railroad job was with the Mobile and Ohio, predecessor line to the GM&O. He was a caller-clerk and held various clerical and stenographic jobs until joining the Army in World War I.

Returning to civilian life he worked briefly at his original job with the M&O, then went with the MKT in the Superintendent’s office. Back with the M&O in 1919 he worked for the General Foreman, Master Mechanic, Trainmaster and Superintendent at Tinte-Keeper, joining the accounting department force in 1923.

Mr. Green’s many friends are congratulating him upon his latest promotion.

COMMENDATIONS

While switching in the Bloomington yards, Switchman J. Barrett discovered a broken rail and immediately reported it.

Retired B&O Foreman Irvin Golson noted a broken rail south of Billingsley, Alabama, where he lives, and gave the information to the Dispatcher.

Model Railroader, a national magazine devoted to the hobbyists who construct and operate miniature railroads all over the country, featured our Bloomington-Kansas City motor car train in its April issue. Editor Paul Larson is shown here with Assistant Gen. Mgr. P. B. Bridges, Conductor Billy Fenton and Superintendent Jim Connelly on the station platform at Bloomington. The magazine editor and a member of his staff, Gordon Odgaard, rode the train to gather material, prototype photos and drawings for the article.

Gregory Elected to Office in Shippers Advisory Group

C. S. Gregory, Asst. Gen. Frt. Trf. Mgr., of Mobile was elected a Vice-Chairman of the Railroad Sales and Service Committee of the Southeast Shippers Advisory Board at a meeting of that organization in Birmingham on March 18.

J. F. Brown of Jackson Heads Newly Formed Traffic Club

Commercial Agent James F. Brown of the Jackson, Miss., traffic office was installed recently as President of the newly organized Central Mississippi Traffic and Transportation Club.

Chairman Norman John, Jr., of the Mississippi Public Service Commission made the charter night address.

* * *

Diesel-Age Stowaway on Montgomery Division Train

The diesel age has brought forth a new type train stowaway.

Crew members of a Montgomery Division freight train heard strange noises coming from one of the locomotive units recently. Investigating they found a middle-aged man cooly curled up under improvised blanket in the engine nose.

The trespasser had a pass from another railroad in his possession. Columbus police booked him for investigation and Chief Special Agent Mason Brown has cause for future worry—the "head-end hobo."

Sales and Service

(Cont'd. from page 1)

the escalator,” the head of GM&O Traffic Department predicted. “Those who just ride, are not doing so intentionally.” He asked employees with traffic tips to contact their nearest traffic department representative, “so we can get our best earnings.”

Vice President and General Manager Bodie told those present that “the pipe line of information must be kept open” urging them to pass on suggestions and ideas developed at the meeting to every employee. He reported GM&O’s freight car ownership well above the percentage requirements of the AAR and that our lower record was better than the national average. Power, he said, was sufficient to handle a larger increase in business. He described a diesel locomotive modernization program now in progress: As an example of the rising costs which confront the industry generally, he said that wages on our railroad now comprise 59% of our expenses and absorb about 47% of our gross.

The “Individual Touch”

Mr. de Villiers emphasized the importance of the “individual touch” in the solicitation of freight business. He said that it made “any industry better.” The attention given by the switch engine crew, the girl on the telephone, the freight claim agent is all encompassed in the word service, he said.

Vice President Martin stressed the fact that rumors were important in the location of industries. “Let us have them and we will run them down,” he assured. He also urged employee participation in local civic affairs, because he said relations with local people help with industries choosing a site.

The “round table” discussion brought out a large number of suggestions pertinent to local solicitation and operating conditions and these were either adopted or referred for future committee handling.

Back in Mobile President Brock said that the very many fine ideas which were generated and the fine spirit of cooperation which was evidenced by everyone made the meetings a big success.

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RETIREMENTS

Bridge and Building Paint Foreman Edward J. Murphy, Western Division, Northern Region, retired on March 28, 1959 after 54 years of service.

Section Foreman P. H. Mathis who was first employed in 1913 retired on April 1, 1959. Mr. Mathis’ headquarters were Percy, Ill.

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50-YEAR EMBLEM CLUB

Engineer A. O. McGinnis of Roodhouse, Ill.