No Mistake in Pay Check

When your pay check on May 15 isn't quite as large as it used to be, the payroll department hasn't made a mistake. You can find the answer in the column marked Federal Income Tax deductions on the stub of your check.

Effective May 1, the Federal Government, under the U. S. Tax Adjustment Act of 1966, requires employers to withhold at rates ranging from 14% to 26% of your earnings, instead of the flat 14% that has been deducted for these taxes in the past.

Actually your income tax has not been raised. The larger bite out of each pay check is designed by the Federal Government to make the amount withheld for income taxes each pay day come closer to the amount of income tax you will owe for the entire year when it comes time to pay off in full in April.

Each GM&O employee is being asked, through his own department, to fill out a new Form W-4 so that the Company may withhold the correct amount which it is required to withhold under the new U. S. system for income tax payments to the Government.

Testifies for AAR

James N. Ogden, Vice President and General Counsel of GM&O, testified recently for the Association of American Railroads to urge enactment of HR. 4972 to prohibit discriminatory assessment of the value of railroad property. He appeared before the House Interstate and Foreign Commerce Committee.

Mr. Ogden said that railroads have been overtaxed by more than three quarters of a billion dollars during the six years that legislation similar to HR. 4972 has been pending.

Space Ship Speaker

"Philosopher, humorist and speaker:..." That is the way the Lincoln (Illinois) Daily Courier described Tom Martin after a recent address the GM&O executive made there.

He "went over like a space ship" as he addressed the 1966 Lincoln Chamber of Commerce dinner. Since he is vice president in the realm of industrial development, he doled out good advice for what Lincoln and its people can do to further growth in this direction, "the newspaper went on to say and quoted further from his talk.


"We find ourselves again buying in a seller's market," President Glen Brock told the Association of American Railroad Southern Regional Purchases and Stores Convention delegates meeting in Mobile recently.

"The cost of labor is rising. The cost of material is on the secondary... the cost of borrowed money the highest in 40 years. Skilled labor is critically short, as is semi-skilled labor in some areas. Taxes which last year experienced a downturn now are on the up, with all evidence pointing to further increases," he declared.

Mr. Brock reminded the railroad group that the very substantial purchases the industry has been making have "received added stimulus from the U. S. Treasury Department Guidelines relating to depreciation for Federal Income Tax purposes and by allowance of the investment Tax credit." He expressed the hope that these "incentives will not be curtailed, but will continue to be expanded, particularly at this critical period of the industry's vital role in the nation's transportation network."

Fairer Regulatory Treatment Asked

Fairer treatment of the railroads in all regulatory and taxing areas would permit them to eliminate the "frustration and fumine" of their equipment purchases, Mr. Brock said.

A continuity in new equipment buying would work to the benefit of both railroad supplier and railroad purchaser, who said were "working in the same barn yard if not playing on the same team."

By being able to stay in the market the suppliers would have a steady production flow and the railroads would be assured of a better product and a better price.

(Continued Page 3, Col. 1)
ANOTHER MASS-TER MOVEMENT TRAIN FOR GM&O

GM&O inaugurated its fourth Mass-ter Movement operation on April 6. The customer is the Aluminum Company of America.

The product is alumina moving a record distance for aluminum unit-style or single purpose trains of 1,700 miles between Mobile and Massena, N.Y. We will handle the fifty shipper-owned cars between Mobile and East St. Louis with movement beyond by the New York Central Railroad.

GM&O is a pioneer in these volume movements. More than eighteen months ago we began an assignment for Commonwealth Edison Company hauling 128 cars of coal daily between the Southwestern Illinois Coal Corporation at Percy, Illinois and the utility's Joliet generation station. Later we inaugurated a second, every-other-day, movement of 192 cars to its State Line, Indiana plant. A third movement is from the same origin to the Illinois Power Company at Federal, Illinois on the basis of forty cars every day.

The alumina is a product of Alcoa's Mobile bauxite refining works at Mobile. At Massena it is manufactured into the bright metal, aluminum.

Alcoa has two fifty car trains in constant movement, the "twin fifties", plus 10 cars to handle emergency loading situations and to accommodate normal, routine maintenance. GM&O and the Alabama, Tennessee and Northern Railroad (Frisco) alternate in the twin operation with a train every other week for each railroad.

The Aluminum Company of America is unique in the field of unit train operations. GM&O President Glen Brock told the audience attending ceremonies inaugurating Alcoa's new unit train service out of Mobile, "Speaking on behalf of all the railroads represented at the ceremonies, Mr. Brock said that Alcoa has not only a shipper, but also a railroad supplier and a transportation user. He pointed out that the aluminum company, in addition to being a large purchaser of railroad services, supplies its products for railroad equipment and owns its own railroad, the Alton and Southern."

"Supply bases and production zones of industry need never be far apart again, no matter what the mileage," Mr. Brock declared. "Alcoa's 3,450 mile round trip haul demonstrates the ability of these new-style, single purpose trains to shrink distance and mass movement of large volumes of goods moving rapidly between two points," he said.

A large crowd attended ceremonies held at The Aluminum Company of America's Mobile Works. The Company imports and uses over 3½ billion pounds of bauxite each year and this tonnage represents 10.8% of the total tonnage handled by the Alabama State Docks.

The daily output of alumina by Alcoa at Mobile is over 5,000,000 pounds, enough when smelted into aluminum and rolled into 12-inch aluminum foil to reach more than twice around the earth.

Viewing the new cars made of aluminum are from the left, Samuel J. Simmons, Vice-President, Alcoa; Industry and Products Sales; John S. Harrison, Exec. Vice-President, Alcoa and Member of the Board; D. C. Kennedy, Alcoa District Purchasing Agent; E. E. Wilson, Manager of Alcoa Railroad Sales; E. B. de Villiers, Vice President, Traffic, GM&O; B. V. Bodie, Exec. Vice-President and General Manager, GM&O; William A. Weber, Vice President and Alcoa for Transportation and Glen Brock, President, GM&O.
Exchanging ideas with other railroad Purchases and Stores people were Claude Verbeck, Manager of GM&O Purchases and Stores, and his associates, Frank Clark, Chief Clerk-Buyer; Walter Radka, Chief Clerk to General Storekeeper; Elwood Casaday, Building Manager-Buyer and Earl Joseph, General Storekeeper.

(Continued From Page 1)

GM&O is spending about $15,000,000 in 1966 for new freight cars and locomotives to stay ahead of the transportation needs of its customers. Attending the AAR Purchases and Stores luncheon meeting at Mobile were the following members of GM&O's staff: (left to right) Frank Laft, Assistant to President; Kenneth Horton, Secretary of the Company; James Ogden, Vice President and General Counsel; Belin Bode, Executive Vice President and General Manager; Bob Stevenson, Senior Vice President; Tom Martin, Vice President Industrial Development; Y. D. Latr, Vice President and Comptroller; Teddy De Villian, Vice President Traffic and Bill Wall. Treasurer.

Waterway Users

Editorial in St. Louis, Times Press

President Johnson followed up recommendation in his Budget Message that all forms of transportation benefitting by government expenditures pays a 2-cent tax on fuel used on inland waterway vessels.

There is merit to this suggestion: there is no good reason why users of inland waterways, built, maintained and operated by the government should not bear a fraction of the cost. So far they have escaped. Highway users pay a gas tax. Air travelers pay a special tax, but the waterway user so far has let the public pick up the entire tab.

Mr. Johnson in his message said:

"In fairness to taxpayers and to encourage efficient use of government-financed transportation facilities, the substantial benefits received by travelers and shippers from general expenditures on highway, airways and waterways should be paid for by users of these facilities to a larger measure than is now the case."

There is, of course, a public as well as a user benefit in the use of these transportation facilities, so the burden should not be placed alone upon the user. There is a reasonable division of the cost and certainly in the case of the inland waterways, free use is not a division.

To My Associates

The United States Treasury Department is celebrating the 25th Anniversary of the U. S. Savings Bonds Program with a special "Star Spangled" U. S. Savings Bond Campaign.

In cooperation, a fellow employee will contact you with regard to purchases and the Company will be pleased to make payment deductions through the payroll plan upon your authorization.

Besides the patriotic aspect of helping to finance the country's defense efforts, the U. S. Savings Bonds provide an excellent as well as a systematic savings program for the individual.

Glen P. Brock
President

Honored at Springfield

Two members of our Springfield, Ill., Traffic Office were elected to offices in the 400-member Traffic Club of that city. Division Freight Traffic Manager Gerald Stuckey heads the Club as President and Sam Dorman, Chief Clerk, is Secretary-Treasurer.

Exceptional Service

Mr. W. H. Berghberger
Supt. of Dining Car Service

I just wanted to compliment you on the exceptional passenger service offered aboard the GM&O trains. It is better than any I have seen. I've been riding to Chicago for many years aboard the Abraham Lincoln or Ann Rutledge. The service personnel certainly go all out to make you comfortable and happy. Just yesterday, I was talking to Donald Marshall, your dining car steward and C. F. Daly, who handled my table. I told them what a fine job they were doing and how I had had a chance to compare their services with other railroads—and you win hands down. Many others in my profession who have occasion to travel, such as I, tell me how lousy the trains and the service they receive—and the fact that it is going downhill every year. Yours, as I said, is always superior.

I think when one has been served well, over a period of time, he should express this opinion. In the business world, it is easy to get criticism, but hard to get compliments. Your organization certainly deserves one. My congratulations to you and all concerned for a job well done.

Very truly yours,
Fred Larey
Manager
Classified Advertising
Bloomington, Ill., Daily Pantagraph
"Big Reds" Attracting Wide Attention;
New Road Fleet Will Soon Number 100

Tangle-foot was a popular locomotive on our railroad around the turn of the century. Its thrashing drive shafts and belching smoke stack used to attract the countryside for miles around and excite the horses on station grounds.

Today "Big Red" is the newest locomotive on the road. It doesn't puff smoke and it glides along almost noiselessly on roller-bearing wheels. The fascination of Tangle-foot is still here in "Big Red".

With a 10,000 horsepower muscle and in its drab red and white coloring, people everywhere along the line point out this latest addition to our growing fleet of new road freight power. But there were horses still tied to station platforms, doubtless not an equine head would be raised in alarm. "Big Red"'s bluster is so different from Tangle-foot's of a transportation era long departed.

"Big Red" is the image of many speck-making locomotives that have come and gone on the road to progress on the GM&O.

There was Number 50. As the first diesel passenger engine that could be coupled and uncoupled from the cars it pulled, the 50 flashed to fame on the head end of the Abraham Lincoln between St. Louis and Chicago. Today this old campaigner rests on its laurels in the National Museum of Transport at St. Louis for all to see.

Always Interested In Progress

Directly after World War I there were some special-type steam locomotives made for Russia. When the Soviet Union did not use them they were successfully adapted for service on this road, with particular success and notoriety.

There was the streamlined Rebel, another non-articulated engine like Old 50, whose 660-horsepower pulled the South's first streamlined train between New Orleans and Jackson, Tennessee. It pioneered an era of lightweight passenger equipment that battled the private automobile unsuccessfully.

During the same period the Railplane had its go at the highway competition alongside. This was a two-motorized single car with the engines driving directly on the wheels on each side. It was highly streamlined front and back, and when delivered atop two flat cars and covered with tarpaulin, caused one observer at Bogalusa, Louisiana, to observe, "here comes that whale again." That was when traveling rail exhibits of all kinds were the vogue.

Tested Auto-Railer

Further in the interest of experiment and progress GM&O was the proving ground for the Auto-Railer, another self-propelled passenger car. This hybrid locomotive-coach and bus traversed the streets of Jackson, Tennessee, and Dyersburg picking up passengers on rubber tires. Then it returned to the rails, lowered flanged wheels and made the

A Friend Indeed

Mr. Morris Snow of Philadelphia, Mississippi, took the trouble to call Section Foreman J. A. Wells and report that a truck hit our bridge near Stalllo and had damaged it.

When Section Foreman Wells arrived at this bridge, ahead of Train No. 32, he found that the bridge was out of line and out of surface, and proceeded to take the necessary precautions to slow down No. 32 and allow it to pass safely over the damaged structure.

Chief Engineer Cooper wrote Mr. Snow, "I want you to know that the prompt action taken on your part in notifying Foreman Wells of this condition is sincerely appreciated by the Management of our company. We are proud to have such good friends and helpful neighbors on our railroad."

Will Go Fishing

H. F. Knamm, Chief Claim Clerk, (left) received some handsome fishing equipment from his fellow employees in the East St. Louis Freight House on his recent retirement. Agent Boushoud did the honors.

Mr. Knamm has been working for the Company for 37 years.

run in between.

Ever since the day when George Pullman built his first sleeping cars in our shops at Bloomington, this railroad has been looking ahead for better ways to serve its customers.

The freight diesel had been barely perfected when GM&O in 1949 scrapped all of its steam locomotives and was the first Class I American railroad to completely retire these oldtimers for their more modern counterparts.

"Big Red" and his 12 big brothers now on order will bring GM&O's all-new fleet of road freight engines to 100 now. Tangle-foot couldn't help but be proud of his descendants.

Woodland Winners

Young foresters of the Gordo high school Future Farmers of America chapter, in Pickens County, have won first place for themselves, and their FFA advisor, C. W. Reed, in the annual Gulf, Mobile and Ohio Railroad Farm Woodland Improvement Contest, it has been announced by officials of the State's vocational agricultural education service.

Gordo's FFA forestry program was selected as best among nearly 30 chapters entering the contest from nine west Alabama counties. Northport, Centreville and Milby chapters, in Tuscaloosa, Bibb and Washington counties respectively, took second, third, and fourth places. Prices in the contest are $85 first, $50 second, and $35 each for third and fourth.

Aims of the GM&O-sponsored Farm Woodland Improvement Contest are to stimulate interest in forestry, and provide training for forestry and conservation leadership among high school youth. Also, the project teaches good forest practices, helps improve farm income through sale of forest products, and is part of the FFA program aimed at strengthening the economy of farm, community and State.