

**A GENERAL CHRONOLOGY
OF THE
PENNSYLVANIA RAILROAD COMPANY
ITS PREDECESSORS AND SUCCESSORS
AND
ITS HISTORICAL CONTEXT**

By Christopher T. Baer

1971

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All data subject to correction and change

late 1970/1971

Penn Central converts 22 old New Haven standard MU cars to coaches operated with GG1's to compensate for delays in receiving Jersey Arrows and need to move MP54's to Philadelphia service to cover shortages; project of M.E. Dept. over protests of NJDOT; operate one train to New Brunswick and one to Trenton; a third push-pull train is made up of a GG1 with 8 rebuilt MP54's; power for train light and heat taken from pantograph of power cars of which usually two per train; cars are worn out and prone to mechanical and electrical failures, bringing complaints from commuters; according to Bob Watson a test push-pull train of 6 demotored MP54's was tested on the New York Division, after which three trains were made, but they never operated in push-pull mode in revenue service out of concern for the structural weakness of the old cars.

Jan. 1, 1971

National Railroad Passenger Corporation organized with eight incorporators appointed by Pres. Nixon; David W. Kendall, Chairman. (Amtk)

Jan. 1, 1971

MTA purchases the ex-New Haven line from Woodlawn Jct. to Port Chester from Penn Central for \$7.2 million; Connecticut Dept. of Transportation leases the New Haven commuter lines between the New York state line and New Haven, New Canaan, Danbury, and Waterbury, Conn. for 60 years; of the ex-New Haven equipment purchases, 52 old heavyweight MU cars are too old and run down, while the 97 "Washboard" MU cars built in 1954 are serviceable; 20 of the 60 FL-9's and 4 of the 10 EP-5 "Jets" are out of service and being cannibalized for parts; Penn Central operates service for \$100,000 annual fee for five years with right to extend for 11 additional five year periods ending in 2030. (MTA AR, Guide, PCPost, Shappell, Moodys)

- Jan. 1, 1971 J. Bruce Addington (1921-1983), now Assistant VP-Operations on Southern Railway, named VP-Operation to replace R.G. Flannery, resigned to follow Perlman to the Western Pacific; Secretary Bayard H. Roberts (1912-2008) retires and is replaced by Robert W. Carroll (1923-2000), formerly of NYC; Chief Mechanical Officer James H. Heron retires after 34 years service and is replaced by John M. McGuigan; VP-Finance Jonathan O'Herron resigns to take position with Lazard Freres & Co. (NB: O'Herron's resignation announced in 12/1970) (PCPost)
- Jan. 1, 1971 J. Bruce Addington replaces R.G. Flannery as Pres. of the PRSL. (MB)
- Jan. 1, 1971 Pennsylvania Company appoints a Planning & Review Committee consisting of John H. McArthur of the Harvard Business School and George K. Whitney to recommend actions, particularly on the disposition of assets. (MB)
- Jan. 1, 1971 New York-New Jersey commuter fares increased. (A-sheet)
- Jan. 1, 1971 Free transfer service between railroad stations at Chicago dropped, and charges imposed for the transfer of luggage. (A-sheet)
- Jan. 1, 1971 Stephen Ailes (-), formerly Secretary of the Army, named Pres. and CEO of the AAR, replacing Thomas M. Goodfellow, who remains as Chairman until Oct. 31. (Trains)
- Jan. 1, 1971 R.G. Flannery becomes Executive VP of Western Pacific Railway. (RyAge)
- Jan. 5, 1971 West Jersey & Seashore ends dividend payments because of failure of Penn Central.
- Jan. 5, 1971 Lawyers for Railpax begin negotiations with the individual railroads for a standard contract. (Edmonson)
- Jan. 8, 1971 Pres. Nixon signs bill authorizing DOT to guarantee up to \$125 million in trustees' certificates for bankrupt railroads.
- Jan. 8, 1971 Labor Dept. announces that unemployment in Dec. 1970 reached 6%, the highest in 9 years; despite the recession, inflation has only fallen from 6.2% to 5.6%; unemployment remains at around 6% all year, leading Democratic presidential candidates to call for full employment and Nixon to get unemployment down before the 1972 election. (NYT, Samuelson. Matusow)
- Jan. 10, 1971 Penn Central cuts New York-Washington parlor cars to New York-

Philadelphia on *The President* (southbound) and *The Legislator* (northbound). (A-sheet)

- Jan. 11, 1971 Penn Central Transportation Company applies for federal guarantee of \$110 million in trustees' certificates under Emergency Rail Services Act; Trustee George P. Baker says there is a "reasonable prospect" of restoring company in 3-5 years, but the company may need \$500 million. (PhlInq)
- Jan. 11, 1971 Bethlehem Steel Corporation raises structural steel prices \$16-17 per ton over the protests of the Nixon Administration. (NYT)
- Jan. 12, 1971 Great Southwest Corporation announces that it has written down its net worth from \$157 million to \$50 million; Penn Central's paper loss is about \$40 million. (PhlInq, Patman)
- Jan. 12, 1971 Board of Managers of Indianapolis Union Railway discusses future of Union Station; too expensive to renovate or demolish head house; resolve to sell as is and move to a small ticket office in the train shed. (MB)
- Jan. 13, 1971 Judge Fullam approves issue of \$100 million in trustees' certificates guaranteed by the federal government. (PhlInq)
- Jan. 15, 1971 Judge Anthony Augelli (1902-1985) appoints Penn Central Assistant VP-Passenger Operations Robert D. Timpany (1919-1998) as Trustee for CNJ, replacing lawyer John E. Farrell with an experienced railroader as the price of continued state aid; however, Augelli rejects Gov. Cahill's choice of Penn Central VP-Operations Administration Howard C. Kohout (1913-2002); Timpany proceeds to turn the CNJ into the neutral terminal line that the PRR and Penn Central have wanted it to be since the 1920s; even CNJ's employee timetables are reformatted along Penn Central lines. (NYT, tt)
- Jan .15, 1971 Pennsylvania Company Board authorizes a report to the Penn Central Trustees by Feb. 22 on its intention to dispose of non-railroad assets; hears report on negotiations with Cerro Corporation to buy assets of Great Southwest Corporation. (MB)
- Jan. 1971 Penn Central Trustees petition Judge Fullam to terminate the Contingent Compensation Plan which covers 121 present and former executives and has a balance of about \$8 million on the grounds that it is not a trust fund and therefore available to apply against operating expenses. (Patman)
- Jan. 1971 Transportation Secretary John Volpe accepts the political demands of

- the ICC and adds 6 “essential” and 5 “secondary” routes to the Railpax system. (Gallamore - verify)
- Jan. 1971 Edwin P. Rome, counsel to the Penn Central Trustees, completes his investigation of the Liechtenstein affair. (Salsbury)
- Jan. 1971 Alleghany Corporation sells its last 100,000 shares of Penn Central Company. (SEC)
- Jan. 1971 SEPACT II issues final report; a plan for Philadelphia regional rail system in 1975.
- Jan. 1971 Penn Central acquires first of 15 ex-DL&W main line coaches, most built for the 1949 *Phoebe Snow*, for commuter service. (Wayner)
- Jan. 1971 LIRR gas turbine car tests end; reveal problems with engine; plans for large fleet of electric-turbine cars eventually shelved. (see below)
- Jan. 1971 Federal Urban Mass Transportation Administration tells SEPTA to reject Pullman-Standard’s low bid for 144 MU cars as too high. (RyAge, PhllInq)
- Jan. 1971 *Modern Railroads* names Penn Central Trustee Jervis Langdon as 1970’s “Railroad Man of the Year.” (Trains)
- Jan.? 1971 Charles Luna, head of the UTU calls for nationalization of the railroads unless the industry can reach a new contract by Mar. 1. (Trains)
- Jan. 18, 1971 DOT and United Aircraft Corporation sign \$3.8 million contract to continue *Turboservice* for two years; trains are to be modified to reduce noise and vibration and have two cars added to each set; trains have drawn high ridership without much advertising but suffer from mechanical problems with transmission and suspension systems; limited seating capacity of 144 is not sufficient for a real test of the service; trains are to be overhauled at United Aircraft’s Fields Point facility in Providence. (, Trains)
- Jan. 18, 1971 United States Steel Corporation announces a 6.8% price increase; Bethlehem Steel Corporation cuts its announced increase to 6.8%. (NYT)
- Jan. 20, 1971 Penn Central announces that shippers' complaints have decreased by 75% since Sep. 1970. (PR)
- Jan. 21, 1971 Penn Central contracts for N.J. DOT to purchase and PC to rehab 16 Pullman coaches from Santa Fe and 5 AC&F coaches from L&N; to be

rebuilt with 108 seats for N.J. commuter service.

- Jan. 21, 1971 Last five of nine ex-New Haven 1930s vintage MU cars turned out by Altoona Shops, 2 motors and 7 trailers form a train to be operated between New York and New Brunswick with a GG1 to compensate for delays in delivery of "Jersey Arrows" (Cinders)
- Jan. 24, 1971 Investigations reveal that Penn Central purchased a three-year \$10 million insurance policy from Lloyd's of London costing \$305,000 to protect directors and top officers from charges of wrongdoing in July 1968.
- Jan. 24, 1971 LIRR Ronkonkoma train derailed by switch deliberately set for Pilgrim State Hospital spur at Brentwood; 37 injured, 1 trainman fatally. (NYT)
- Jan. 25, 1971 Judge Fullam grants New Haven Trustee R. Joyce Smith's petition to be admitted to the Penn Central reorganization case, as the New Haven Estate is one of the largest holders of PC securities. (Moody's)
- Jan. 28, 1971 Secretary of Transportation John A. Volpe announces the final 21 Railpax city pair end points, adding 5 routes to those announced on Nov. 30, 1970: New Orleans-Los Angeles, Seattle-San Diego, New York-Kansas City, Washington-Chicago, and Newport News-Cincinnati; will run 165 trains a day vs. 366 now operating; additions include Washington-Harrisburg connection for *Broadway Limited*. (Amtk, Edmonson, NYT)
- Jan. 29, 1971 J.E. Farrell resigns as CNJ trustee under pressure from Gov. William T. Cahill and replaced by R.D. Timpany, a former NYC and Penn Central VP. (Rdg)
- Jan. 29, 1971 Penn Central and Reading apply to Pennsylvania PUC to increase Philadelphia commuter fares by 10% effective Mar. 1. (Phllnq)
- Jan. 30, 1971 Last day of passenger service at Penns Neck station on Princeton Branch. (A-sheet)
- Feb. 1, 1971 *Turboservice* relocated from Grand Central Terminal to Penn Station for across-platform connection with "Metroliners"; trains are fitted with third rail shoes and schedule is extended to 3:48. (A-sheet, Trains)
- Feb. 1, 1971 Penn Central begins operating new marine terminal at Port Newark-Port Elizabeth built by Port Authority and leased to PC for 20 years.
- Feb. 1, 1971 William R. Devine, formerly VP & Comptroller of Southern Railway, named VP-Finance & Accounting, replacing Jonathan O'Herron,

- resigned in Jan. 1971 to take a position with Lazard Freres & Co. (press rel. in 1970)
- Feb. 1, 1971 ICC informs Rep. Wright Patman that Penn Central's charging its directors' liability insurance as a business expense violates ICC accounting rules. (Patman)
- Feb. 2, 1971 Pennsylvania Company elects a new Board, making management independent of Penn Central Transportation Company for first time. (AR)
- Feb. 2, 1971 Victor H. Palmieri of Great Southwest named President & CEO of Pennsylvania Company, replacing Samuel H. Hellenbrand who returns to Penn Central Transportation Company. (MB, AR)
- Feb. 4, 1971 Restaurant and Maintenance of Way unions reach agreement with railroads calling for 43.6% wage increase over three years. (NYT)
- Feb. 4, 1971 Penn Central begins operating the "Baggage Car", MPB54 combine No. 400 (ex-PRR 4549) fitted up as a bar car, on the Paoli line; serves coffee in morning and cocktails in evening in lieu of bar carts; 15-foot bar in old baggage compartment is decorated with walnut paneling, old locomotive prints and timetables. (PR, Cinders, Trains)
- Feb. 4, 1971 Albert M. Schofield named Assistant VP-Passenger Operations, replacing Robert D. Timpany resigned to be Trustee of CNJ. (date of press release)
- Feb. 4, 1971 N.J. Gov. Cahill urges Port Authority to build new rail tunnel under Hudson River at 48th Street. (NYT)
- Feb. 5, 1971 Last run of PRSL passenger service between Camden (12th & Federal Streets) and Millville; Nos. 758-769 to Glassboro and Nos. 773-756 to Millville. (tt)
- Feb. 9, 1971 SEPTA endorses Penn Central's proposed commuter fare increase and extends its purchase of service agreement through June 20, 1971.
- Feb. 9, 1970 Walt Disney Productions sues Goldman, Sachs & Co. for deception in selling Disney \$1.5 million in Penn Central commercial paper in Feb. 1970. (NYT)
- Feb. 9, 1971 *Washington Post* prints a letter from Director of the Office of High-Speed Ground Transportation Robert A. Nelson in response to an editorial on Railpax/Amtrak; claims that the expanded system will result in federal funds being frittered away on operating costs of thinly-

patronized long-distance lines in the West, while the "Metroliner" service will continue to deteriorate from lack of maintenance.
(WatsonPapers)

- Feb. 10, 1971 Penn Central Trustees issue "Preliminary Report Concerning Premises for a Reorganization" calling for 40% reduction in route-miles; propose "equitable compensation" for any employee who loses job or earnings in return for railroad's freedom to reassign employees. (PR)
- Feb. 10, 1971 Meeting held at Penn Central's Legal Dept. to discuss the Budd Company's suit against the Lease Financing Corporation for the release of its final "Metroliner" payment of 20% (\$4.5 million on 49 cars), withheld by PC because of operating flaws; PC must secure permission from the Trustees before becoming a party to the suit; Budd is seeking an opportunity to get its money, knowing PC will not want to appear in court claiming the "Metroliners" are defective at the same time that it is trying to get the best price for them from Railpax/Amtrak.
(WatsonPapers)
- Feb. 10, 1971 ICC permits Penn Central to discontinue commuter trains Nos. 550, 552, 553, 554, 555, 563, 564 & 567 between Boston and Providence, but denies dropping all 17 trains requested. (ICC)
- Feb. 10, 1971 Joseph M. Ostrow named Assistant VP-Planning Coordination, replacing A.M. Schofield; Director-Planning & Special Projects Michael D. Sims promoted to Assistant VP-System Development, replacing Ostrow. (PR)
- Feb. 11, 1971 Former Texas Gov. John B. Connally (1917-1993) is sworn in as Secretary of the Treasury with orders from Nixon to bring unemployment down before the 1972 election; he replaces banker David Kennedy. (Matusow, NYT)
- Feb. 11, 1971 Judge Fullam authorizes Trustees to pay \$50 million in retroactive wage increases and payroll taxes.
- Feb. 11, 1971 ICC reopens hearings on Southern Divisions Case. (ICC)
- Feb. 11, 1971 Eastern railroads announce plan to add surcharge of \$10 per car on freight originating in New York, Ohio and Indiana to force those states to repeal their full crew laws.
- Feb. 14, 1971 Clerks union and railroads reach agreement calling for 43.6% increase over 3.5 years. (NYT)
- Feb. 14, 1971 Rep. Wright Patman announces Part III of his staff findings against

- Bevan in the matter of Penphil Company. (NYT)
- Feb. 15, 1971 Richard C. Johnston named General Mechanical Superintendent-Locomotive, replacing James J. Wright, who resigns after losing authority over Penn Central's research program. (PR)
- Feb. 1971 Penn Central is replacing passenger car windows with GE "Lexan" polycarbonate resin, which is 250 times stronger than safety glass, to reduce vandalism damage. (Trains)
- Feb.? 1971 GG1 No. 4848 is cut in half to serve as a shop switcher at Wilmington Shops. (Trains)
- Feb. 1971 Edge Moor and Bay View Yards being rebuilt as flat switching yards.
- Feb. 1971 New shop being built at Sunnyside Yard to service "Metroliners" and "Jersey Arrows."
- Feb. 1971? Penn Central petitions to abandon Mackinac Transportation Company ferry; explores sale of Cape Charles carfloat operation to Virginia Port Authority.
- Feb.? 1971 N.J. DOT places new GE U34CH diesels and Pullman-Standard push-pull train sets in service on Erie Lackawanna diesel lines out of Hoboken. (Trains)
- Feb.? 1971 General Electric Company is building a new facility at its Erie Works to build commuter cars; first contract is for 144 M-2 "Cosmopolitan" cars for ex-New Haven lines. (Trains)
- Feb. 1971 Canadian National Railways removes United Aircraft *Turbos* from Montreal-Toronto service. (Moody's)
- Feb. 16, 1971 Lloyd's of London sues Penn Central to rescind its \$10 million policy insuring 71 directors and officers against liability for improper conduct; charges all insurance companies were misled by David Bevan and that he had lied on the application form when he affirmed that he knew of no "acts, errors or omissions" already committed that would be covered by the insurance. (, Patman)
- Feb. 16, 1971 Samuel H. Hellenbrand and William C. Antoine resign as directors of the Pennsylvania Company; Board approves Lehman Brothers as financial advisor to the company; rejects the Feb. 4 offer of Cerro Corporation for certain assets of Great Southwest Corporation as too small; authorizes a guarantee of \$10 million in loans to Great Southwest to keep it afloat. (MB)

- Feb. 17, 1971 Charles E. Defendorf appointed Chief Engineer of PRSL, replacing J.F. Piper, resigned; Board retires Baldwin road-switchers Nos. 6022, 6023, 6027 and 6033. (MB)
- Feb. 18, 1971 Penn Central Company misses the deadline for repaying \$28 million in promissory notes, part of the \$50 million sold to Swiss banks by Penn Central International, N.V., in 1970. (PhInq)
- Feb. 20, 1971 Manor Real Estate Company defaults on a \$20 million loan. (PhInq)
- Feb. 22, 1971 *Washington Post* publishes a rebuttal to the suggestions made by Robert A. Nelson, written by VP William A. Lashley and signed by VP-Operation J. Bruce Addington denying that "Metroliner" service is deteriorating and asserting that the recent reduction in top speed to 100 MPH has been done for reasons of safety and the risk of failure of components. (WatsonPapers)
- Feb. 24, 1971 Several banks holding \$7 million in Swiss franc notes of Penn Central International, N.V., sue in federal court on grounds that notes were sold under false pretenses.
- Feb. 25, 1971 Penn Central Company announces refunding plan for \$59 million Swiss franc notes of Penn Central International, N.V., which mature June 1; to be refunded into new 15-year notes with no interest for five years, convertible into Penn Central Company stock at \$7.15 per share; noteholders are in a position to throw the Penn Central Company (holding company) into bankruptcy. (PhInq,)
- Feb. 25, 1971 U.S. District Court for Southern District of Texas approves settlement with Penn Central Company returning stock of Southwestern Oil & Refining Company and Royal Petroleum Corporation to its former owners.
- Feb. 25, 1971 Former Penn Central VP William R. Gerstnecker becomes VP & Treasurer of the Bryn Mawr Group, Inc., having resigned from the Provident National Bank on Feb. 1; the Bryn Mawr Group, Inc., is the former Philadelphia Suburban Transportation Company, and like Penn Central, they have made the mistake of investing the money they received from the sale of the Red Arrow transit system to SEPTA in 1970 in Florida real estate. (BMG AR)
- Feb. 26, 1971 Penn Central Trustees file plan with the Federal Railroad Administration to abandon a total of 83 line segments totaling 819 miles as part of a plan to abandon 3,481.2 miles. (PhInq).

Feb. 28, 1971 Director-Property Taxes Richard B. Hain resigns. (MB)

Early 1971 Richmond, Fredericksburg & Potomac Railroad implements central train movement control from its new Transportation Center at Acca Yard near Richmond; "AF" Tower in Alexandria closed. (AR)

Early 1971 Southern Railway switches its Asheville train to run to the main line at Salisbury, N.C., instead of to Greensboro via Winston-Salem. (Trains)

Mar. 1, 1971 Penn Central begins routing freight for Long Island via Hell Gate Bridge to eliminate car floating in New York harbor; first step in elimination of labor-intensive floating operations; all LIRR car-floating discontinued. (Cinders)

Mar. 2, 1971 Pres. Moore admits that Penn Central is still "treading water". (PR)

Mar. 2, 1971 Penn Central auditors find 100 missing PC box cars being repainted in a fenced-off area belonging to the La Salle & Bureau County Railroad, a short line about 100 miles southwest of Chicago. (PhlInq)

Mar. 3, 1971 Penn Central begins construction of high-level platforms for M-1 "Metropolitan" cars on Hudson and Harlem Lines. (NYT)

Mar. 3, 1971 Pennsylvania Company Board rejects a new offer of Cerro Corporation dated Mar. 2, 1971, for all of Pennsylvania Company's interest in Great Southwest Corporation for \$12 million, of which \$4 million is to be cash. (MB)

Mar. 4, 1971 Thirteen major life insurance companies reveal they hold \$500 million in Penn Central bonds and notes now worth 20 cents on the dollar.

Mar. 4, 1971 SEPTA announces that it will draft plans to take over the Penn Central's and Reading's suburban rail commuter service. (PhlInq)

Mar. 5, 1971 Pennsylvania Company announces that it has rejected Cerro Corporation's offer to acquire its holdings of Great Southwest Corporation for \$12 million. (PhlInq)

Mar. 6, 1971 Penn Central eliminates eight off-peak and weekend local passenger trains between Boston and Providence.

Mar. 8, 1971 Penn Central places "Baggage Car" bar car on one morning round trip on the Media Line and one evening trip on the Paoli Line as did no morning business on the Paoli Line; will also remain open in Suburban Station during the rush hour. (PR)

- Mar. 8, 1971 Penn Central operates a special train from Philadelphia to New York for the Muhammad Ali-Joe Frazier heavyweight title fight at Madison Square Garden. (Cindr)
- Mar. 8, 1971 U.S. Supreme Court prohibits employers from using job tests that discriminate against African Americans. (AmrcnDcds)
- Mar. 9, 1971 Penn Central Trustee Jervis Langdon tells the House Subcommittee on Transportation that fellow Trustees George P. Baker and Richard C. Bond are in New York holding the first meeting with a group of bankers to explore the cancellation of \$300 million in debts in return for stock of Pennsylvania Company or money from the sale of other non-rail assets. (PhlInq).
- Mar. 9, 1971 Pennsylvania Company appoints a new slate of officers: Alfred V. Martinelli named Senior VP and COO of Pennsylvania Company; Richard W. Miller and Charles R. Lee to VPs, Assistant Secretaries & Assistant Treasurers; William W. Riley to Treasurer & Secretary. (MB -note date of press rel. is one day later)
- Mar. 10, 1971 Study shows that there is no need for a new Hudson River rail tunnel; ex-PRR tunnel is used at only half of capacity; urges building connections to route EL trains into Penn Station. (NYT)
- Mar. 10, 1971 Using information provided to Edwin P. Rome by the Rosenbaums, Penn Central Trustees sue in U.S. District Court for Delaware to recover the \$4 million appropriated by Goetz by attaching his stock holdings and dividends in corporations incorporated in Delaware, amounting to about \$6 million. (NYT, Salsbury)
- Mar. 11, 1971 Congressman Wright Patman issues Part IV of his report dealing with the loss of \$4 million in the Liechtenstein affair, based almost entirely on Edwin P. Rome's investigations; Patman also sends letters to Attorney-General John Mitchell, the ICC and Gov. Milton Shapp of Pennsylvania to investigate to see if any state or federal laws have been broken. (Patman, Salsbury, NYT)
- Mar. 11, 1971 Pennsylvania Company Board reports to Penn Central Trustees; notes that simplest means of divestiture would be a simple sale of Pennsylvania Company stock; this would keep Pennsylvania Company intact as a profitable business. (AR)
- Mar? 1971 Philadelphia District Attorney Arlen Specter (1930-2012) begins investigation of possible criminal violations in the Penn Central collapse, particularly in regards to the Liechtenstein episode. (Patman)

- Mar. 1971 Interest rates begin increasing; in response, the Federal Reserve Board increases the money supply to rate of 10% per year, the fastest since World War II; however, the public, fearing hard times ahead, hoards money, stalling recovery; interest rates begin falling until they fall below European rates. (Matusow)
- Mar. 15, 1971 Penn Central Trustees inform U.S. DOT that their goal is to sell all non-transportation assets where the sale will aid recovery without impinging upon the rights of the creditors and stockholders. (AR)
- Mar. 15, 1971 Penn Central establishes Automotive Dept. within Sales & Marketing Dept. under Thomas B. Graves Assistant VP-Automotive. (PR)
- Mar. 15, 1971 Philadelphia Division merged into Harrisburg Division with headquarters at Harrisburg.
- Mar. 1971 James M. Leconto named Assistant General Manager-Passenger Services to handle customer relations in Metropolitan Region.
- Mar. 15, 1971 Director of Industrial Engineering John H. Hildenbiddle (1918-2007) named Executive Representative in Public Affairs Dept., replacing Charles I. Ingersoll, resigned. (PR)
- Mar. 15, 1971 Penn Central ends trackage rights over Lehigh Valley Railroad between Wadsworth Jct. and Lackawanna, N.Y.
- Mar. 1971 Judge Fullam orders 37 principal leased lines of Penn Central to give Penn Central 14 days notice before taking steps to terminate their leases; also requires creditors of the 37 lines to give 14 days notice before taking steps to foreclose. (Moody's)
- Mar. 1971 Penn Central is taking bids for lowering tracks in the Detroit River Tunnel to accommodate hy-cube cars and auto racks. (Trains)
- Mar. 1971 Penn Central seeks to eliminate automatic train stop and cab signals from non-electrified territory and phase out car floats and ferries at New York, Norfolk and the Straits of Mackinac. (Trains)
- Mar.? 1971 General Electric Company announces it will build a \$14 million plant to build commuter and transit cars at Erie, Pa., after plans to acquire the Budd Company's car-building business fall through. (Trains-verify)
- Mar. 16, 1971 Penn Central Trustees report to U.S. DOT that their goal is to sell off all non-transportation assets. (Moody's)
- Mar. 16, 1971 Penn Central Trustees announce their intention to sell the air rights over

80 acres at 30th Street Station and at North Philadelphia Station for a possible community college. (PhlInq)

- Mar. 17, 1971 ICC defends its actions in approving Penn Central merger; blames failure on internal and external forces beyond the ICC's control. (NYT)
- Mar. 17, 1971 Nationwide signalmen's strike halts all commuter service at New York except for PATH and LIRR; CNJ manages to operate three commuter trains, one each from Hampton, Raritan and Bay Head Jct., to its closed station at Broad Street, Newark, with supervisory personnel; passengers can walk to the PRR station for PATH trains; trains run with two GP7's or RS3's and up to 16 cars; strike lasts two days. (Railpace)
- Mar. 18, 1971 Assistant VP-Passenger Operations A.M. Schofield named VP-Reorganizational Planning to assist Trustees in developing plan for reorganization under Chapter 77; Frank S. King promoted from General Manager-Philadelphia Commuter Area to General Manager-Passenger Operations to replace Schofield. (PR)
- Mar. 18, 1971 U.S. Attorney Louis C. Bechtle announces that 277 Penn Central box cars have been found repainted on the property of the La Salle & Bureau County Railroad, an Illinois short line 100 miles southwest of Chicago; Diversified Properties, Inc., and Magna Earth Enterprises, Inc., of New Jersey had a contract to buy 466 old cars from the Equitable Life Assurance Society of the United States, the holder of the equipment trust, but 277 good-order cars have been stolen by manipulating Penn Central records and altering the cars' serial numbers. (PhlInq)
- Mar. 18, 1971 CEO's of Norfolk & Western Railway and Chesapeake & Ohio Railway announce they will recommend that merger plan be terminated. (Moodys)
- Mar. 19, 1971 An investigator from the FBI's Federal Task Force on Organized Crime announces that the freight cars worth \$1 million have been stolen by manipulating Penn Central's computers. (PhlInq)
- Mar. 20, 1971 Gov. Rockefeller calls for \$2.5 billion transportation bond issue; projects include electrifications to Brewster on the Harlem Line and Port Jefferson on the LIRR and connecting the LIRR to the 63rd Street tunnel. (NYT)
- Mar. 22, 1971 At a press conference, DOT announces the specific routes of the Railpax Basic System; no service to Maine, N.H., Vt., Ark., S.D. and Wyo.; Cleveland and other large cities to lose service. (NYT, Edmonson, Zimmermann)

- Mar. 22, 1971 Judge Fullam grants Trustees' request to extend deadline for filing a reorganization plan to Sep. 22.
- Mar. 22, 1971 J. Grant Robbins named General Manager-Philadelphia Commuter Area, replacing Frank S. King. (date of press release)
- Mar. 22, 1971 LIRR begins five-day experiment, replacing its 18 bar cars with portable bar units to eliminate problems collecting tickets in bars. (NYT)
- Mar. 22, 1971 Secretary of Transportation John Volpe announces the exact routes and stops for Railpax. (Edmonson)
- Mar. 23, 1971 Penn Central announces it will curtail freight car repairs at Beech Grove Shops in retaliation for Indiana's failure to repeal its six-man Full Crew Law. (PR)
- Mar. 23, 1971 Judge Fullam approves lease of 1,000 new boxcars from ACF Industries to alleviate car shortage.
- Mar. 23, 1971 ICC permits eastern and western railroads to raise rates by 3.5% on 15 days notice.
- Mar. 23, 1971 Norfolk & Western Railway Board votes to terminate merger negotiations with the Chesapeake & Ohio Railway. (AR, Bias)
- Mar. 24, 1971 Archibald DeBaun Johnson (1898-1982) elected President, Chairman & CEO of Penn Central Company replacing Gaylord P. Harnwell (1903-1982), who resigns; Harnwell say he completed his main task which was arranging refunding of the Swiss franc loan; four directors, mostly connected with Pennsylvania banks and manufacturing companies, also resign. (PR)
- Mar. 24, 1971 Federal grand jury begins investigating the theft of 277 Penn Central box cars. (PhlInq)
- Mar. 24, 1971 Pennsylvania Company Board authorizes a further advance of \$2.5 million to Great Southwest Corporation. (MB)
- Mar. 25, 1971 Dr. Robert J. Freedy named Director-Medical Services, replacing Dr. Stanley J. Cyran, resigned to take a position with General Electric. (date of press release)
- Mar. 25, 1971 Penn Central and MBTA announce establishment of new station at Windsor Gardens in the Town of Norwood, Mass. (MBTA)

- Mar. 25, 1971 P&LE settles with Penn Central by agreeing to pay PC \$400,000 cash, plus \$3.66 million in payment of 1969 tax claims. (McLean)
- Mar. 29, 1971 Congressman Patman issues Part V of his report charging nine banks and investment companies with dumping Penn Central stock before the bankruptcy on the basis of inside information gained from bank officers who are Penn Central directors; Chase Manhattan, one of the banks in question, issues a public denial that it made sales based on inside information. (Patman)
- Mar. 29, 1971 Vandals derail a 9-car Media local at 47th Street at 5:06 PM by jamming a piece of steel in a switch; rush hour service disrupted. (PhlInq)
- Mar. 29, 1971 Eastern railroads file for an additional 14% rate increase.
- Mar. 29, 1971 Ex-New Haven New London-Worcester trains resume using Union Station at Worcester; NH station at Madison Street closed Mar. 28; New Haven diverted to own station "several years ago." (A-sheet)
- Mar. 31, 1971 Judge Fullam orders Penn Central to pay a wage increase through Sep. 30, when a new 10% increase will begin; says that railroad wages should be comparable to other industries but calls railroad work rules under which people collect full days' pay for a few hours of work "ludicrous." (PhlInq)
- Mar. 31, 1971 Penn Central cuts Ladies' Day fares between New York and Washington by 20%. (PR)
- Mar. 31, 1971 Penn Central files with the ICC to discontinue 600-series passenger trains between Philadelphia and Harrisburg, which have not been taken over by Amtrak and are currently operated under a contract with SEPTA, which is to expire June 30, 1971. (ICC)
- Mar. 31, 1971 Hays T. Watkins (1926-) becomes Pres. & CEO of C&O-B&O, replacing Gregory S. DeVine, retired; Watkins is the youngest railroad CEO in the country. (Trains)
- Apr. 1, 1971 VP-Personnel Ferdinand L. Kattau (1909-1997) retires after 46 years service; position abolished and supervision of personnel given to John J. Maher (1912-2004), who is given the title of VP-Administration for Labor Relations & Personnel. (PR)
- Apr. 1, 1971 Second phase of the Northeast Corridor Demonstration Project begins; Penn Central begins offering hot sandwiches to "Metroliner" coach

passengers; cuts meals in “Metroclub” from \$3.50 to \$2.00; adds \$2-\$4 surcharge on “Metroclub” fares to raise above fare for conventional parlor cars; additional fare cuts begun for “Ladies Day” and weekend excursion round trip tickets on conventional trains. (PR, WatsonPapers)

- Apr. 1, 1971 Penn Central signs agreement with NJ DOT to rebuild Trenton Station; includes replacement of 1890 station building and modernization of platforms and passenger bridge.
- Apr. 1, 1971 Most railroads post 30-day train-off notices for trains to be discontinued under Railpax. (Edmonson)
- Apr. 2, 1971 Baltimore & Eastern Railroad Board authorizes abandonments of the Ocean City Running Track between Berlin and West Ocean City (6.8 miles); Willard Track between Parsonsburg and Pittsville (3.6 miles); Denton Track between Queenstown and Denton (21.2 miles). (MB)
- Apr. 3, 1971 Penn Central cuts weekend excursion fares between New York and Washington by 20% or 40% off regular price as part of Northeast Corridor Demonstration Project; makes similar cuts on Harrisburg and Empire Service. (A-sheet, PR)
- Apr. 4, 1971 On suit brought by dissident stockholders, U.S. District Court orders Penn Central to cancel the purchase of the Southwestern Oil & Refining Company and the Royal Petroleum Corporation.
- Apr. 5, 1971 MTA begins helicopter patrols over LIRR and Penn Central line to combat vandals and trespassers under one-year \$117,500 federal grant. (MTA AR, Trains)
- Apr. 5, 1971 Penn Central retains the engineering firm of Day & Zimmermann, Inc., to conduct a valuation of all property for reorganization planning.
- Apr. 7, 1971 Pennsylvania sues Penn Central to stop it from eliminating Philadelphia-Harrisburg local passenger trains. (PhlInq)
- Apr. 8, 1971 Penn Central Trustees file in court requesting return of 277 box cars stolen by Diversified Properties, Inc., and Magna Earth Enterprises, Inc., and hidden on the La Salle & Bureau County Railroad; cars had been disguised as part of an order of 466 bad order cars sold by equipment trustee to Diversified Properties in Jan. 1970; defendants blame chaotic Penn Central record-keeping. (PhlInq)
- Apr. 8, 1971 Penn Central Trustees file suit in U.S. District Court at Philadelphia against David Bevan, Charlie Hodge, W.R. Gerstnecker, Penphil Company, and the brokerage house of F.I. du Pont, Glore Forgan, Inc.,

on their using their official positions for personal enrichment at Penn Central's expense; claim that Bevan's financial manipulations cost Penn Central at least \$66 million and ask that the court order the defendants to repay Penn Central. (Patman, PhlInq)

- Apr. 8, 1971 New York State opens its first off-track betting windows in the former New Haven ticket windows of Grand Central Terminal; the object is to drive criminal bookmakers out of business and secure previously illegal gambling income to the state. (NYT, Roberts)
- Apr. 11, 1971 David Bevan's attorneys issue a statement denying charges and saying he is being made the scapegoat for Penn Central's failure; Bevan denies he is responsible for the operating failure and blames Stuart T. Saunders and Al Perlman. (PhlInq)
- Apr. 12, 1971 Judge Fullam approves second phase of Penn Central abandonment program; 63 lines totaling 667.2 miles.
- Apr. 12, 1971 ICC grants eastern railroads a further rate increase of 5.6%. (PCPost)
- Apr. 12, 1971 Penn Central Trustess ask Judge Fullam to approve a \$52.4 million payment to join Amtrak. (PhlInq)
- Apr. 12, 1971 Transport Workers Union strikes the city lines of SEPTA. (PhlInq)
- Apr. 13, 1971 Penn Central announces it is willing to pay Amtrak \$52.4 million to take over its passenger service; first railroad to announce its exit fee, which is to be 50% of 1969 passenger loss.
- Apr. 13, 1971 United Transportation Union strikes SEPTA's Red Arrow Division, the first time the entire bus, trolley and subway network has been shut down simultaneously; Penn Central adds 21 special trains, most of which are shuttles between Penn Center and Overbrook, and puts extra cars on most others. (PhlInq)
- Apr. 13, 1971 Last run of ex-B&O dome sleeping cars on *Florida Special* between Richmond and Miami. (tt)
- Apr. 1971 Penn Central Transportation Company first quarter loss is \$92.5 million, up from \$83.4 million in 1970; since taking office, Pres. Moore has eliminated 5,000 jobs, including two-thirds of the company's vice presidencies, improved locomotive and car utilization, leased nearly 7,000 cars, and applied to abandon over 1,900 route-miles. (Trains)
- Apr. 1971 Director Francis Ford Coppola (1939-) begins shooting his

masterpiece, *The Godfather*, on location in New York City and environs; the scene representing the summit meeting of the five crime families, is shot in the now unused former New York Central Board Room on the 32nd floor of the New York Central Building on Park Avenue; full-length portraits of Cornelius and William H. Vanderbilt still decorate the walls. (NYT, Robins)

- Apr. 16, 1971 20 of 26 eligible railroads, including Penn Central, sign standard contracts with Railpax. (Edmonson)
- Apr. 17, 1971 LIRR introduces a new form of ticket not easily counterfeited; has large week number and sex of holder; with current non-punch system, many riders avoid paying fare. (NYT)
- Apr. 19, 1971 National Railroad Passenger Corporation changes its trade name from Railpax to Amtrak (for *America, travel* and *track*) and adopts a red white and blue "pointless arrow" logo designed by Lippincott & Margulies, leading corporate image and branding consultants. (Edmonson, Lippincott Mercer)
- Apr. 19, 1971 ICC issues its preliminary report on the Penn Central failure, noting excessive dividends paid 1963-69. (PhlInq)
- Apr. 19, 1971 Norfolk & Western Railway and Chesapeake & Ohio Railway publicly announce they are ending their merger plans, citing the Penn Central failure; C&O-N&W stock exchange ratio would also have to be renegotiated. (Turner)
- Apr. 20, 1971 Penn Central Trustees drop plan to finance Amtrak exit fee by issuing \$15 million in trustees' certificates after creditors object to creation of more debt.
- Apr. 20, 1971 Penn Central Trustees announce they will lay off 2,187 passenger service workers with the transfer to Amtrak. (PhlInq)
- Apr. 20, 1971 Pennsylvania Company Board authorizes selling the remaining 79,000 shares of Wabash Railroad at 50. (MB)
- Apr. 21, 1971 Pres. Nixon names eight directors of National Railroad Passenger Corporation, six of whom were incorporators; new appointees are Roger Lewis (1912-1987) of General Dynamics and Secretary of Transportation John Volpe. (Amtk)
- Apr. 21, 1971 Amtrak informs 10 railroads that some of their passenger trains might be considered commuter trains and thus not eligible to be discontinued under the Amtrak law. (Edmonson)

- Apr. 21, 1971 Suits are filed in Federal Court to block the implementation of Amtrak, buy the unions over the level of severance pay, and buy the National Association of Railroad Passengers seeking delays in which to lobby for expanding the system. (Bradley)
- Apr. 22, 1971 Chesapeake & Ohio Railway Board formally terminates its plan for merger with the Norfolk & Western Railway. (N&W AR, Moodys)
- Apr. 23, 1971 Penn Central files with District Court to discontinue remaining 27 "Clockers", Nos. 22, 23, 176 & 177 in New Jersey, 17 runs between Philadelphia and Harrisburg, 7 bus trips between Lancaster and York, and 8 Chatham trains as intercity rather than commuter service.
- Apr. 24, 1971 At 11:44 PM, a freight train derails at Holmesburg Jct., just as a 19-car train of coaches deadheading back from a Washington peace march passes at 80 MPH; 14 cars of the coach train derail; 3 tracks of Northeast Corridor main line reopen in the morning on Apr. 26. (PhlInq)
- Apr. 24, 1971 Last trip of New York-Naples sleeping car on ACL's *Champion*. (A-sheet)
- Apr. 26, 1971 ICC begins hearings into Penn Central mismanagement in Washington.
- Apr. 26, 1971 I.A. Bader files private antitrust suit against Penn Central Company, Penn Central Transportation Company, Stuart T. Saunders and other officers for mismanagement seeking \$3.6 billion in treble punitive damages. (PhlInq)
- Apr. 27, 1971 Judge Fullam orders the Penn Central Trustees to sign the contract with Amtrak; Penn Central is to pay Amtrak \$52.4 million over 36 months. (PhlInq)
- Apr. 28, 1971 Penn Central announces it will not transfer 400 jobs from Beech Grove to Altoona after consultation with Indiana Senator Vance Hartke and local officials. (PR)
- Apr. 28, 1971 Commonwealth of Pennsylvania and United Transportation Union file in U.S. District Court to block discontinuance of the 600-series Philadelphia-Harrisburg trains, saying that they are a "commuter" service. (ICC)
- Apr. 28, 1971 Roger Lewis (1912-1987), Pres. of General Dynamics Corporation and formerly with Pan American World Airways, Inc., with no experience in the railroad industry, is elected Pres. and Chairman of Amtrak; he

has little faith in the organization and declines to support additional funding. (Amtk, Gallamore - according to Edmonson, announced 4/22)

- Apr. 29, 1971 Senate Majority Leader Mike Mansfield (-) of Montana calls a special session of Congress to try to impose a 6-month delay in the start of Amtrak; Montana will lose most passenger service, and Mansfield demands either more money to serve Montana or killing the whole enterprise. (PhlInq, Wilner - Edmonson has 4/28)
- Apr. 29, 1971 Senate Commerce Committee refuses to approve the Mansfield-Magnuson delay amendment. (Edmonson)
- Apr. 30, 1971 Judge Fullam orders Penn Central to keep operating 27 New York-Philadelphia "Clockers," 17 Philadelphia-Harrisburg trains, and 8 New York-Chatham trains, if Amtrak drops them as commuter trains. (PhlInq)
- Apr. 30, 1971 Last runs of Penn Central passenger trains between Baltimore and Harrisburg via York, Harrisburg and Buffalo, Cincinnati and Chicago via Richmond, Cleveland and Indianapolis on ex-NYC line, Danbury and Pittsfield; also *Cincinnati Limited*, *Manhattan Limited*, *Pennsylvania Limited*, *The Admiral* (eastbound only), *The Juniata*, the former *Fort Pitt* (Pittsburgh-Chicago, westbound only), *The Federal* (overnight train between Boston and Washington), No. 351-352 (Detroit-Chicago), the *Gulf Coast* (New York-Jacksonville), and the *Palmland* (New York-Columbia, S.C.). (tt)
- Apr. 30, 1971 Last run of Penn Central passenger service between Norwich and New London; on the last southbound trip, the RDC hits a truck at a crossing in Norwich and has to be towed to New London by a diesel. (Farnham)
- Apr. 30, 1971 Last runs of New York & Pittsburgh RPO, Boston & New York RPO, remaining portion of Buffalo & Chicago RPO over Michigan Central. (Kay)
- Apr. 30, 1971 U.S. District Court refers the case of the 600-series Philadelphia-Harrisburg trains to the ICC. (ICC)
- Apr. 30, 1971 Last run of Norfolk & Western Railway passenger service with the *Pocahontas* between Norfolk and Cincinnati; last eastbound run is powered by ex-Nickel Plate 2-8-4 No. 759; also last run of the *Wabash Cannon Ball* between Detroit and St. Louis. (AR, Striplin)
- Apr. 30, 1971 Sen. Mike Mansfield holds the Senate in session in a vain attempt to ram through his bill delaying Amtrak. (Edmonson)

- Apr. 30, 1971 U.S. District Court Judge Howard Corcoran rules against the suits brought to block the implementation of Amtrak by the unions over compensation and the National Association of Railroad Passengers over service levels; later the same day, the U.S. Circuit Court of Appeals upholds Judge Corcoran. (Edmonson)
- Apr. 30, 1971 U.S. District Court for the Northern District of Illinois issues a restraining order to keep CB&Q *Quincy Local* Nos. 5-6 running on a suit by the Quincy College & Seminary Corporation against Burlington Northern, Inc., to have Amtrak declared unconstitutional on the grounds that failure to include the Burlington Northern route through Quincy cuts its students off from the outside world. (328 F.Supp 808, Wilner)
- Apr. 20, 1971 Pennsylvania Company writes off \$119 million in book value of railroad assets, including \$49 million in advances to the Penn Central Transportation Company and \$10 million in PRR bonds. (MB - verify date)
- May 1, 1971 National Railroad Passenger Corporation (Amtrak) assumes most long-distance passenger operations in U.S. with severe cuts in service, from 63 million annual train-miles to 24 million; 182 trains continue and 178 discontinued; retains *Broadway Limited* as sole New York-Chicago train on 17-hour schedule, unnamed former "*Spirit of St. Louis*" (New York-St. Louis-Kansas City: combined with *Broadway* east of Harrisburg, *The Duquesne* (New York-Pittsburgh local), and *Silver Meteor* (east coast), *Champion* (west coast) and *Silver Star* (both coasts) on Florida run; "*Spirit of St. Louis*" extended to Kansas City over Missouri Pacific and Washington through cars restored; Harrisburg-Washington through cars shifted from Northern Central route to "Port Road" via Columbia and Perryville; Chicago-Detroit service (ex-NYC) reduced from 5 to 2 round trips; *The South Wind* restored as a through train north of Louisville and placed on a daily schedule for first time, operating via ex-IC/NYC route between Chicago and Indianapolis via Kankakee and Lafayette, east and west coast cars split at Auburndale rather than Jacksonville, carries ex-SCL domed sleeper; through sleeper established between New York and Los Angeles via SouRy-Southern Pacific route; number of "Metroliner" round trips increased from 7 to 9; 2 night trains dropped from Empire Service route leaving 3 round trips New York-Buffalo and 4 round trips New York-Albany; Southern Railway among few railroads that elect not to join Amtrak and continue own passenger trains; first Amtrak public timetables are put together in haste and often drop train names; in contrast, *Official Guide* and forms that are continuation of those used by the old railroads, such as the Penn Central Form 1, carry over names from old railroads until the first thorough Amtrak system timetable is

- issued in Nov. (Guide, Zimmermann, tt)
- May 1, 1971 Launch of Amtrak is marked by a trip for Secretary Volpe and 126 other VIPs from Washington to New York via non-stop "Metroliner"; more than half don't return by rail. (Wilner, Zimmermann)
- May 1, 1971 Ex-PRR E-8 No. 4316 and *Congressional* coach No. 1589 in Amtrak livery are displayed in Penn Station; locomotive sports a preliminary design of a blue and red Amtrak logo as nose stripes over Penn Central black body; coach has a blue window band with Amtrak logos at each end on lower sides. (Trains)
- May 1, 1971 Implementation of Amtrak cuts number of trains using Dayton Union Station from four round trips to one; effective May 1, mail trains No. 10-11 do no work at Dayton. (MB)
- May 1, 1971 Penn Central and its successors become holders of over half of Amtrak's common stock, which is given in return for rolling and other assets transferred. (NYT)
- May 1, 1971 Penn Central continues to operate Nos. 191-194, unofficially called the *Midnight Mail*, overnight between New York and Washington; runs up to 12 cars and carries 4 RPO cars, one of which is set out and picked up at Baltimore; each requires 175 clerks and substitutes; last RPO in the U.S. (Trains)
- May 1, 1971 New York State gets a court order forcing Penn Central to keep running passenger service between Brewster and Chatham on the Harlem Line. (Grogan)
- May 1, 1971 President Moore issues six-month report; notes has reduced the number of Assistant VP's from 39 to 21. (PR)
- May 1, 1971 "SOUTH" Tower taken out of service at west end of eastbound yards at Altoona; most of eastbound yard tracks removed, as classification moved to Conway and Enola and Altoona becomes a crew change point and helper station. (Loeb)
- May 1, 1971 With cessation of C&O/B&O service, Fort Street Union Depot in Detroit is closed; the Raymond-Loewy designed Norfolk & Western Railway station in Roanoke is converted to office use; it eventually becomes a museum dedicated to the photography of O. Winston Link (1914-2001), who has created evocative photos of the last days of N&W steam power in the 1950s. (Trains)
- May 2, 1971 With the arrival of Santa Fe No. 24 *San Francisco Chief*, Dearborn

- Station, Chicago, closes and Amtrak/Santa Fe trains are rerouted to Union Station; Norfolk & Western Railway commuter train switches to a small facility on an adjacent site before eventually moving to Union Station; head house is later remodeled into a shopping center. (Edmonson, Shappell, Young, Trains)
- May 3, 1971 Senate confirms Pres. Nixon's appointments to the Amtrak Board. (Amtk)
- May 3, 1971 Appearing before the House Banking & Currency Committee, David Rockefeller of the Chase Manhattan Bank produces a prepared statement rebutting Patman's charges of insider trading. (Patman)
- May 3, 1971 SEPTA extends one commuter round trip from Paoli to Downingtown as a test as suburbanization spreads into Chester County. (A-sheet)
- May 4, 1971 In testimony to Senate, Institutional Investors Penn Central Group threatens to begin liquidating bonds and notes if government continues to make more loans to railroad; fears new loans will supersede old bonds' first lien.
- May 6, 1971 Amtrak announces it will restore passenger train on NYC route to Chicago and Detroit-Toledo connection, after states agree to pay 2/3 of cost.
- May 6, 1971 Southern governors and railroads appeal Southern Divisions Case to U.S. Supreme Court. (ICC)
- May 7, 1971 Penn Central Company (holding company) announces it is postponing its annual meeting set for May 28 and seeking to extend the June 1 maturity of the \$51 million in notes. (PhInq)
- May 7, 1971 Pennsylvania Company Board authorizes a further \$5 million advance to Great Southwest Corporation and sale of all \$10.4 million Norfolk & Western Railway 4-5/8% subordinated debentures; writes off \$12.48 million book value of N&W stock. (MB)
- May 10, 1971 Amtrak restores an unnamed New York-Chicago passenger train via ex-NYC route under Section 403 (b), which allows Amtrak to operate additional routes if states contribute two-thirds of funding. (Zimmermann)
- May 10, 1971 U.S. District Court for the Northern District of Illinois vacates its restraining order the keep CB&Q Nos. 5-6 running and the trains are taken off. (328 F.Sup 808)

May 1971 Senate Committee on Commerce authorizes its staff to prepare a study of Penn Central and the other Northeastern railroads to discover which problems are amenable to legislative solutions.

May 13, 1971 BLE reaches agreement with railroads for 42% increase over 3.5 years in return for major concessions on work rules.

May 14, 1971 LIRR takes delivery of last four of order of 620 M-1 "Metropolitan" cars. (NYT)

May 14, 1971 Seaboard Coast Line Industries, Inc. annual meeting approves the acquisition of the remaining shares of Louisville & Nashville Railroad common through an exchange of stock; SCL already owns 33% of the L&N inherited from the Atlantic Coast Line Railroad. (NYT)

May 15, 1971 Govs. Rockefeller and Cahill announce that Port of New York Authority will build rail links to Kennedy Airport and to Newark Airport. (NYT)

May 1971 LIRR receives a \$7.7 million federal urban mass transportation grant to improve 50 miles of road. (Headlights)

May 1971 ICC denies Boston & Maine Trustees' application for inclusion in Norfolk & Western Railway. (Moody's)

May 17, 1971 Amtrak adds train No. 475-488 (later *The Bay State*) between Philadelphia and Boston via Springfield, restoring service on the "Inside Route" with 403 (b) state funding. (A-sheet)

May 17, 1971 Brotherhood of Railroad Signalmen begin strike at 6:01 AM, shutting down all U.S. railroads for two days for a 54% wage hike: LIRR continues to operate, except into Penn Station; Ringling Bros. Circus moves animals and equipment through Lincoln Tunnel under their own power after strike strands circus train in Kearny Yard. (NYT)

May 17, 1971 One of Amtrak's United Aircraft "TurboTrains" begins 5 days of display during dedication of U.S. DOT's Office of High Speed Ground Transportation's test track at Pueblo, Colo.; the site is later used to test exotic modes such as magnetic levitation vehicles and eventually passes to the Federal Railroad Administration and to the AAR in 1998. (Trains, TTC)

May 17, 1971 VP-Real Estate & Taxes Samuel H. Hellenbrand submits his resignation. (MB)

May 18, 1971 SEPTA runs extra subway trains and buses for passengers stranded by

- the rail strike. (PhlInq)
- May 18, 1971 At night, Pres. Nixon signs emergency legislation ordering signalmen back to work; grants 13.5% interim pay increase. (NYT)
- May 19, 1971 Most rail service back to normal. (NYT)
- May 19, 1971 Railroads name three directors of Amtrak: Louis Menk of Burlington Northern, William H. Moore of Penn Central, and William J. Quinn of Milwaukee Road. (Amtk)
- May 19, 1971 Edson L. Tennyson, the city of Philadelphia's transit expert, tells the ICC that allowing Amtrak to run the Philadelphia-Harrisburg trains would be "disastrous"; Gov. Milton Shapp objects to Amtrak removing the trains from state PUC regulation; the city now provides 5 "Silverliners" for this service. (PhlInq)
- May 20, 1971 Penn Central Trustees announce \$107.6 million loss for first four months of 1971; assert downward trend has been stopped. (PR)
- May 21, 1971 Gov. Milton Shapp appears before the ICC and demands that ICC Chairman George M. Stafford recuse himself from hearing the fate of the Philadelphia-Harrisburg trains, as he is pro-Amtrak. (PhlInq)
- May 21, 1971 Pennsylvania Company planning session notes the bleak forecasts for the railroad industry and recommends disposal of all Norfolk & Western Railway securities. (MB)
- May 22, 1971 Ex-PRR Class D16sb No. 1223 and some Strasburg Railroad rolling stock are placed on display at Lancaster station for National Transportation Week. (Trains)
- May 23, 1971 Penn Central opens new southbound platform on main line at Jersey Avenue Station, New Brunswick. (PR)
- May 24, 1971 Penn Central reaches agreement in principle with 53 banks which hold \$300 million in loans to PC made in 1969; in return for cancelling those loans and advancing an additional \$150 million for new rolling stock, the banks are to be given the Pennsylvania Company and the proceeds from the sale of its non-rail assets over \$300 million; if the sale nets less than \$300 million, the banks may claim up to \$100 million against the sale of the Pennsylvania Company's rail assets. (PhlInq)
- May 24, 1971 Arguments are held before the ICC as to whether the 27 New York-Philadelphia "Clockers" are intercity trains, and thus the responsibility of Amtrak, as Penn Central claims, or commuter trains and thus the

responsibility of Penn Central. (PhlInq)

May 24, 1971 New York State repeals its Full Crew Law.

May 25, 1971 LIRR places first push-pull train in service on diesel lines; equipment consists of 44 former MP72 MU cars converted to T72 trailers with 6 converted Alco FA or EMD F units as control cabs on rear ends; cab units are unpowered and merely provide control cabs and head-end generators for lighting and heat. (Keystone, Trains, MTA AR)

May 25, 1971 Amtrak notifies Michigan it will not establish Detroit-Toledo service because of condition of track.

May 26, 1971 Having disposed of its railroad stock (?), Boston & Maine Industries, Inc., is renamed Bomaine Corporation. (DirObsSec)

May 28, 1971 Annual meeting of Penn Central Company set for this date postponed; caused by inability of Great Southwest to produce a financial statement; meeting is necessary to ratify refunding of Swiss franc loans.

June 1, 1971 U.S. Supreme Court in 5-4 decision gives federal judges broad discretion to use anti-strike injunctions against rail unions that have made all reasonable efforts to resolve disputes without recourse to strikes.

June 1, 1971 VP-Real Estate & Taxes Samuel H. Hellenbrand (1916-) retires after 30 years service; replaced by Francis J. Gasparini as VP-Real Estate; Tax Dept. placed under VP-Finance William R. Devine.

June 1, 1971 Gunther C. "Gus" Holpp (-) named Penn Central Assistant Secretary. (MB)

June 1, 1971 Penn Central Company fails to meet maturity of \$50.25 million Swiss franc loan made in 1970. (PhlInq)

June 1, 1971 Southern Railway switches *Piedmont* Nos. 5-6 from overnight to day schedule and adds TOFC cars south of Alexandria; ends connection from northbound *Piedmont* to Penn Central; former *Birmingham Special* Nos. 7-8 becomes *Lynchburg Special* a day train carrying TOFC cars from Alexandria to the Carolinas; combined with former mail and express train Nos. 221-222; coaches deadheaded south of Lynchburg. (PTJ; sou-ry-yahoogroup)

June 1, 1971 Alco Locomotive, Inc., sells the Schenectady plant site to the Schenectady Industrial Corporation for \$1. (Steinbrenner)

- June 2, 1971 Penn Central advertises sale of Grand Central Terminal properties worth over \$1.2 billion, including air rights over the Terminal itself and excepting only Pan Am Building and Waldorf-Astoria Hotel; calls for bids through Kuhn, Loeb & Co. closing Oct. 15. (PR)
- June 2, 1971 C.I. West Virginia Corporation, a Manor Real Estate subsidiary, dissolved. (MB)
- June 2, 1971 U.S. District Court issues a temporary restraining order blocking a strike against Penn Central. (PhlInq)
- June 3, 1971 PFW&C Board authorizes rearranging interlockings at "WALL," "AL," and "CP" at Alliance, Ohio; authorizes abandonment of Cummings Branch (1.4 miles) at Chicago. (MB)
- June 6, 1971 Amtrak establishes tri-weekly *North Coast Limited* service, called the "Mansfield Special," over the old Northern Pacific line between Minneapolis and Spokane . (Edmonson - Zimmermann has 6/14)
- June 7, 1971 Penn Central estimates 1971 loss will be \$240 million, \$52 million more than previous estimates. (PR)
- June 7, 1971 Penn Central Trustees inform the UTU they intend to unilaterally eliminate all restrictions on crew size eff. July 15 and reduce crews to three men in freight service; otherwise, they will have to shut down the railroad by Nov. or Dec. 1971. (PhlInq)
- June 7, 1971 Tropicana __ begins operating two 60-car unit trains of bulk orange juice from Bradenton, Fla., to Kearny, N.J. via the Seaboard Coast Line Railroad and PRR; uses 100-ton refrigerator cars built by Fruit Growers Express Company. (White)
- June 7, 1971 Jay McD. Gilmore named General Manager-Philadelphia Commuter Area, replacing J. Grant Robbins, named General Manager-Northeastern Region. (date of press release)
- June 9, 1971 Pres. William H. Moore says, "We have improved our service tremendously, and we are ready and able to accommodate more traffic." (Trains)
- June 10, 1971 Pres. Nixon meets with heads of 11 major railroads to discuss industry problems; railroads present their "ASTRO" program for rate relief and federal credit to purchase new equipment. (NYT)
- June 10, 1971 Cleveland & Pittsburgh Railroad Board authorizes applying to ICC to abandon the Tuscarawas Branch between Magnolia and Dover (13.0

- miles) and the Hill Track Branch at East Liverpool (0.6 mile). (MB)
- June 10, 1971 Pennsylvania Company Board reports on the worth of its investments in Madison Square Garden, Inc., Transport Pool, Inc., and Strick, Inc.; authorizes selling all Madison Square Garden, Inc., Transport Pool, Inc., and Illinois Northern Railroad; defers decision on Strick, Inc. (MB)
- June 10, 1971 Amtrak suffers its worst wreck of the decade when the *City of New Orleans* derails at Tonti, Ill.; 13 dead. (Zimmermann)
- June 11, 1971 Federal Judge Robert Anderson in New Haven rules in favor of the New Haven Trustees that the New Haven's creditors have a first lien on the proceeds from sales of former New Haven property except rolling stock, and that the New Haven has a \$28 million interest in the Park Avenue properties that Penn Central is trying to sell; the Penn Central Trustees appeal to Judge Fullam to overturn the ruling. (PhlInq)
- June 12, 1971 Amtrak places 7 customer service representatives, 5 women and 2 men, on board "Metroliners" to field customer complaints and suggestions. (PhlInq)
- June 14, 1971 New Jersey approves compact authorizing \$210 million for rail line to Kennedy Airport and \$200 million for PATH extension to Newark Airport and Plainfield. (NYT)
- June 15, 1971 VP-Public Affairs A. Paul Funkhouser named Senior VP-Sales & Marketing; supervises Edward G. Kreyling, now named VP-Marketing; Assistant VP-Coal & Ore George R. Wallace; and Assistant VP-Automotive Thomas B. Graves; reorganization allows Kreyling to concentrate on marketing, which is his specialty. (PR)
- June 15, 1971 Walter L. Butz named General Manager of Intercity Passenger Service in Passenger Operation Dept., replacing Jay McD Gilmore, named General Manager of Philadelphia Commuter Area. (PR)
- June 1971 Penn Central Trustees acquire the property of the Boston & Providence Railroad, which goes into liquidation. (Moody's)
- June 1971 ICC examiner rules in favor of Providence & Worcester Company breaking its lease to Penn Central and becoming independent. (Trains)
- June 16, 1971 Penn Central settles with Diversified Properties, Inc. for return of 352 stolen box cars.
- June 17, 1971 Pennsylvania Company again passes its dividend on preferred stock;

- writes down investment in Great Southwest Corporation by \$160 million; notes \$500,000 cost overrun at Six Flags over Mid-America and opening with attendance below projections. (AR)
- June 18, 1971 City of Philadelphia unveils airport plan calling for a direct rail link to Center City. (RyAge)
- June 18, 1971 Great Southwest Corporation finally releases 1970 statement showing net loss of \$143 million, of which about \$125 million represents writedowns in connection with disposal of assets. (NYT, AR)
- June 19, 1971 Penn Central cuts TrailVan Plan II-1/2 and Plan III rates by 6% in attempt to halt decline in piggyback traffic. (PR)
- June 20, 1971 Gov. Rockefeller signs N.Y. law providing for Port Authority to build a rail line to Kennedy Airport. (NYT)
- June 21, 1971 U.S. District Court refuses to bar New Haven from obtaining a preferential lien on Grand Central Terminal properties. (NYT)
- June 21, 1971 Penn Central Trustees announce that they have engaged the Jackson-Cross Company to appraise the 20 blocks of Grand Central Terminal air-rights real estate, which is to be done by Oct. 15; Penn Central claims the properties are worth \$1.2 billion, but market watchers put the value at \$350-450 million. (PhInq)
- June 21, 1971 ICC rules that the 600-series Philadelphia-Harrisburg trains are not "intercity rail passenger service" within the meaning of the National Railroad Passenger Service Act of 1970, nor is the bus-for-rail service operated between Lancaster and York; this is the verdict sought by Pennsylvania Gov. Milton Shapp and opposed by Penn Central. (ICC, PhInq)
- June 21, 1971 U.S. District Court for the Northern District of Illinois throws out the suit brought by Quincy College & Seminary Corporation to have Amtrak declared unconstitutional; the College appeals to the Supreme Court. (328 F.Sup 808)
- June 25, 1971 6:00 PM "Metroliner" from Washington hits four truck tires placed on the track at 80 MPH. (RyAge)
- June 28, 1971 MTA orders 200 more M-1 cars for LIRR and ex-NYC commuter lines. (NYT - MTA AR has 150)
- June 29, 1971 ICC rules that Penn Central's New York-Chatham, N.Y., locals are "intercity passenger service." (ICC)

- June 29, 1971 Ecolaire Incorporated incorporated in Pa. for the purpose of taking over the old Baldwin-Lima-Hamilton Corporation Renewal Parts Dept. at Eddystone. (PaCorps, Kirkland)
- June 30, 1971 Penn Central Trustee Jervis Langdon tells a Senate subcommittee investigating the freight car shortage that Penn Central needs \$1 billion in new equipment over five years. (RyAge)
- June 30, 1971 U.S. DOT contracts directly with General Electric Company and Westinghouse Electric Corporation for the “R&D” project of improvements to “Metroliner” electrical systems to permit increased service; DOT soon withdraws from the Northeast Corridor Demonstration Project in favor of Amtrak, except for the program involving the 4 cars selected for R&D testing. (WatsonPapers)
- Summer 1971 Penn Central suspends off-peak trains between North White Plains and Brewster to permit installation of high-level platforms for M-1 cars on Harlem Line.
- Summer 1971 Six Flags Over Mid-America theme park opens near St. Louis; unlike the two previous Six Flags parks, it is owned by Six Flags, Inc. (?) outright. (wiki)
- July 1, 1971 Amtrak sets a definition of “on time” as six minutes or less behind schedule. (AR)
- July 1, 1971 New York & Harlem Railroad passes dividend. (PhlInq)
- July 1, 1971 New York State’s Staten Island Rapid Transit Operating Authority begins operating the Staten Island Rapid Transit Railway after the City buys the St. George-Tottenville line from the B&O for \$3.5 million; is to be reequipped with 52 new R-44 subway cars. (MTA AR, NYC Transit Facts&Figs)
- July 1, 1971 Maryland Dept. of Transportation takes over the Baltimore transit system as the Mass Transit Administration (?) (Nixon)
- ca. July 1971 U.S. interest rate falls below European rates; flood of Eurodollars that came into U.S. in 1969 returns to Europe, leading to shortages of short-term capital. (Matusow)
- July 2, 1971 PATH operates last train from Hudson Terminal; closed to permit changing track connections to new World Trade Center Station further west; service is discontinued for three days to connect the old tunnels to the new station. (PtAuth)

- July 6, 1971 PATH opens new station under World Trade Center located west of old station in Hudson Terminal, which is closed to permit demolition and replacement by World Trade Center buildings; new station features longer platforms and air conditioning, but all traffic is concentrated in one large bank of escalators in the center of the station, whereas Hudson Terminal had multiple exits from each platform. (PtAuth, NYT)
- July 7, 1971 Snack bar coaches added to Nos. 180, 181, 183 & 184 between New York and Boston. (A-sheet)
- July 8, 1971 Train derails in Grand Central Terminal during morning rush, striking pillar; 1 killed, 18 injured. (NYT)
- July 9, 1971 Empty LIRR train being run by Penn Central crew to yard rams LIRR train in Penn Station during evening rush; 53 injured. (NYT)
- July 12, 1971 Amtrak issues its second public timetable, still a simplified format without advertising or illustrations; some connections between trains improved; some train names are not shown in the national timetable, but the Form 1 inherited from Penn Central still shows *The Duquesne* to Pittsburgh and *The "Spirit of St. Louis"* to St. Louis and Kansas City. (AR, Trains,tt)
- July 12, 1971 Amtrak begins operating through coaches between Washington and Chicago and coach and sleeping car between Newport News and Chicago via ex-Chesapeake & Ohio Railway *George Washington* and ex-PC *James Whitcomb Riley*. (A-sheet)
- July 12, 1971 Amtrak discontinues stop at Englewood Station in Chicago. (A-sheet)
- July 15, 1971 Auto-Train Corporation makes initial public stock offering; founded by Eugene K. Garfield. (RyAge, Railfan)
- July 15, 1971 Federal Reserve raises discount rate to fight inflation, but slowing recovery. (Matusow)
- July 1971 Modifications to both of Amtrak's United Aircraft "TurboTrains" are completed. (Trains)
- July 1971 Detailed plans begun for upgrades to "Metroliners." (WatsonPapers)
- July 16, 1971 UTU begins strike against UP and Southern Railway; eventually includes 8 other roads; Penn Central reportedly lays off 6,000 workers in crew restructuring; begins running trainmen through in Boston-

- Washington passenger service. (NYT, Trains)
- July 19, 1971 William J. Taylor named Legislative Counsel to Penn Central Trustees; will take over Washington office of Public Affairs Dept. and will concentrate on liaison with federal government; Taylor will also keep former job of VP-Governmental Affairs of Illinois Central; VP-Public Relations William A. Lashley named VP-Public Affairs and will run Philadelphia office, concentration on liaisons with state and local governments as well as public relations. (PR)
- July 19, 1971 South Tower of World Trade Center topped out. (Gillespie)
- July 22, 1971 Pennsylvania Company Board reports an offer of \$3.50 per share for 1,462,109 shares of Madison Square Garden, Inc.; Penn Central has announced the sale of 140,000 shares at the same price; Board feels this is too low and is divided on the growth potential of Madison Square Garden; land prices in California and Texas have fallen off; cash flow of Richardson Homes Corporation has exceeded projections by \$1 million. (MB)
- July 23, 1971 UTU strike spreads to Norfolk & Western Railway and Southern Pacific. (Trains)
- July 1971 MTA installs first high-level platforms on ex-NYC commuter lines at 125th Street Station in New York. (NYT)
- July 26, 1971 ICC rules that the 200-series "Clockers" are not "intercity rail passenger service," because they are used mostly by passengers from intermediate points traveling to either New York or Philadelphia, but that Nos. 23-24 and Nos. 176-177 within the State of New Jersey, none of which are up for restoration, are "intercity" trains. (ICC)
- July 26, 1971 Talks between railroads and UTU collapse over issue of extending crew runs beyond traditional 100-mile divisional limits.
- July 27, 1971 House Committee on Interstate & Foreign Commerce issues report on Penn Central bankruptcy.
- July 27, 1971 Private antitrust suit against Penn Central amended to increase damages to \$6.3 billion.
- July 27, 1971 U.S. gold reserves fall below \$10 billion after Britain and France convert \$800 million in dollars into gold. (NYT, Samuelson)
- July 28, 1971 Trade figures released showing U.S. trade balance going from surplus to first annual deficit since 1893.

- July 29, 1971 Railroad and UTU leaders summoned to White House to resume bargaining; Nixon, hoping for union support in 1972 election, lets unions garner big increases, boosting inflation. (Matusow)
- July 29, 1971 Amtrak marks three-millionth "Metroliner" passenger with elaborate ceremony; surveys show half of "Metroliner" passengers have switched from other modes, and 70% are men traveling on business. (Trains)
- July 29, 1971 ICC decides that 27 Penn Central 200-series New York-Philadelphia "Clockers" are not intercity trains but commuter trains and thus subject to ICC regulation. (Trains)
- July 30, 1971 UTU strike spreads to Santa Fe and five smaller lines. (Trains)
- July 30, 1971 Chicago Union Stock Yards close at midnight, the result of the decentralization of the meatpacking industry. (wiki, Young)
- July 31, 1971 Monon Railroad merged into Louisville & Nashville Railroad. (Hilton, Moodys)
- Aug. 1, 1971 Nixon Administration stops threatened steel strike by brokering a 31% increase over three year, plus restoration of cost of living adjustments, increasing inflationary pressures, in return for union promises to cooperate in raising productivity; the United Steelworkers of America call the contract, "the best ever"; however, because of stockpiling in anticipation of a strike, 100,000 steelworkers are furloughed for up to 6 months; the steel companies make a further 8% price increase. (Matusow, NYT, Hoerr, Samuelson)
- Aug. 1, 1971 LIRR reduces the number of smoking cars from 50% to no more than two per train in response to rider preferences. (NYT)
- Aug. 2, 1971 Railroads and UTU sign agreement ending 18-day strike; railroads win acceptance of some inter-divisional runs, including eliminating old 100-mile limit; UTU gets 42% increase over 3.5 years. (NYT, Trains)
- Aug. 2, 1971 Following precedent established with Penn Central, Congress authorizes \$250 million in loan guarantees to bail out Lockheed Aircraft Corporation. (AmrenDcads)
- Aug. 3, 1971 Judge Fullam order Penn Central to continue operating its Harrisburg locals, New York-Philadelphia "Clockers," Lancaster-York bus connection and New York-Chatham trains; sets a Sep. 30 deadline for Amtrak to file briefs. (Phllnq)

- Aug. 3, 1971 Indianapolis Mayor Richard G. Lugar announces plan to save and restore Union Station. (Hetherington)
- Aug. 4, 1971 N.J. Commuter Operating Agency approves 10% fare increase on Penn Central main line effective Sep. 1; denies increase on NY&LB because of poor service unless corrected within six months; requires that 10% of increases be spent on service improvements.
- Aug. 5, 1971 Basil Cole resigns as VP of the PFW&C. (MB - also as VP-Legal Administration?)
- Aug. 9, 1971 Emergency Loan Guarantee Act, designed to prevent failure of Lockheed Corporation, provides for federal guarantee of loans to businesses deemed essential.
- Aug. 9, 1971 Last manual crossing gates in Northeast Corridor at Aberdeen, Md., replaced by automatic gates.
- Aug. 10, 1971 Penn Central receives first of 1,251 new 100-ton covered hoppers from Pullman-Standard.
- Aug. 12, 1971 *New York Times* poll finds most LIRR riders think service has improved; top speed raised from 60 MPH to 80 MPH; still problems with M-1 cars. (NYT)
- Aug? 1971 Amtrak sends one of the United Aircraft "TurboTrains" on a cross-country publicity tour, running south to Florida and west to California, returning to Chicago in early Sep. (Trains)
- Aug. 14, 1971 City of Philadelphia announces \$17 million plan to build transit link to Philadelphia International Airport; expect to begin in 18 months.
- Aug. 14, 1971 High Iron Company runs two-day farewell excursion with ex-Nickel Plate 2-8-4 No. 759 from Hoboken to Binghamton; were unable to raise enough to overhaul it, so it will be returned to Steamtown. (Trains)
- Aug. 15, 1971 Under pressure from Congressional Republicans, Pres. Nixon does an about-face and announces his "New Economic Policy" (apparently oblivious to the fact that the term was first used by Lenin); ends the conversion of dollars into gold, ending the post-war order fixed at Bretton Woods, where the dollar alone is tied to gold and other currencies are tied to the dollar; the dollar is allowed to float against foreign currencies rather than being fixed at \$35 per ounce; Nixon announces a 90-day freeze on wages and prices, a 10% border tax on imports, a tax cut to create jobs, and spending cuts to fight inflation; actually, inflation was already subsiding and recovery was underway;

Nixon's intervention produces a severe boom-and-bust cycle running through the rest of the decade; the price freeze unthinkingly fixes heating oil prices at their traditional summer lows, ending incentives to production and creating shortages by the winter of 1972-73. (Matusow)

- Aug. 15, 1971 John J. Flood named to new post of Director-Hotels Administration in Real Estate Dept. to supervise four ex-NYC hotels in New York City. (PR)
- Aug.? 1971 Ex-New Haven GP-9's and coaches replace RDC shuttles between Hartford and Springfield because of equipment shortages. (Trains)
- Aug. 1971 Penn Central Trustees agree to have its 24% interest in the Northern Illinois Railway converted to treasury stock, leaving the Burlington and Santa Fe in control (Moody's)
- Aug. 16, 1971 In response to Nixon's program, Dow industrial average rises 32.93 points, greatest one-day rise to that time with a record 31.7 million shares traded. (Trager, Matusow)
- Aug. 16, 1971 Pittsburgh, Youngstown & Ashtabula Railway Board approves additional yard tracks for General Motors Corporation at Lordstown, Ohio. (MB)
- Aug. 16, 1971 Penn Central Assistant VP-Finance Robert W. Loder elected Pres. of the Erie & Pittsburgh Railroad, vacant since the resignation of J. Earle Dermond in Oct. 1970. (MB)
- Aug. 17, 1971 Penn Central Trustees petition Judge Fullam for permission to sell 1 million shares of Madison Square Garden Corporation; could raise about \$2.9 million.
- Aug. 17, 1971 Judge Fullam approves third phase of Penn Central abandonment plan; 98 lines totaling 1,129.8 miles.
- Aug. 17, 1971 GE makes low bid for 214 new MU cars for SEPTA, but SEPTA declines to make award as other bids too close. (RyAge)
- Aug. 23, 1971 Penn Central announces it will not renew its membership in the strike insurance pool. (RyAge)
- Aug. 25, 1971 Penn Central sells ex-PRR business car No. 120, *Pennsylvania*, then Penn Central No. 8, to New York attorney George Pins; Pins has the car restored to Tuscan Red and sparks a rebirth of private car ownership. (Pins, Trains)

- Aug. 26, 1971 First unit train shipment of modular houses leaves Levitt Building Systems, Inc., in Battle Creek, Mich., en route to Seattle; sponsored by HUD's "Operation Breakthrough" for cheaper housing. (PR)
- Aug. 27, 1971 Penn Central announces use of second generation "Lexan" MR-4000 polycarbonate for car windows; has better clarity and resistance to chemicals and abrasives than earlier "Lexan." (PR)
- Aug. 29, 1971 First prefabricated section of 63rd Street tunnel lowered into trench dug at bottom of East River; MTA vows that "some kind of train" will be running by July 4, 1976. (NYT)
- Aug. 30, 1971 Penn Central establishes overnight TrailVan service between Harlem River Yard in New York and South Boston, trains TV37/TV-38. (PCPost)
- Aug. 30, 1971 Pennsylvania Company writes off all \$19 million of goodwill of Great Southwest Corporation; net worth of GSW is reduced from \$158 million to \$24 million. (MB)
- Aug. 31, 1971 Penn Central Trustees file report regarding labor negotiations to change work rules with Judge Fullam; notes projected wage increases over 1969 levels have escalated from \$73.9 million in 1971 to \$410.73 million in 1975; work rules changes proposed by Emergency Board No. 178 do not offset these costs; therefore, Penn Central must 1) eliminate firemen and brakemen, 2) secure repeal of Ohio and Indiana Full Crew Laws, 3) make deep job cuts not required by safety or service.
- Sep. 1, 1971 MBTA opens extension of Red Line "T" (subway) to Quincy over ex-New Haven Old Colony right-of-way. (RyAge)
- Sep. 1, 1971 Amtrak completes headquarters staffing and organization. (AR)
- Sep. 1, 1971 Innovest Group, a Philadelphia financial services company, purchases the Baldwin-Lima-Hamilton Corporation Renewal Parts Dept. at Eddystone, which is reorganized as Ecolaire Incorporated, later doing business as the Baldwin-Hamilton Company, with an office at Malvern; it later becomes a subsidiary of the Joy Manufacturing Company. (Kirkland, PaCorps)
- Sep. 2, 1971 Penn Central offers 335-acre former West Shore terminal at Weehawken for sale. (PR)
- Sep. 3, 1971 Reading Company announces that it will seek to discontinue Philadelphia commuter service on Sep. 8 if there is no new contract with SEPTA. (PhlInq)

- Sep. 3, 1971 Labor Dept. reports that unemployment peaked in Aug. at 6.1%. (NYT)
- Sep. 7, 1971 Amtrak begins “experimental” *West Virginian* service over old B&O line between Washington and Parkersburg, W.Va., to placate West Virginia’s powerful Congressman Harley O. Staggers; called the “Staggers Special” or “Harley’s Hornet”; it serves his home district at Keyser, W.Va.. (AR, Zimmermann)
- Sep. 7, 1971 International Utilities Corporation sells its 500,000 shares of Penn Central Company, incurring a loss of over \$8.65 million.
- Sep. 8, 1971 Penn Central VP, Public Affairs William A. Lashley requests a meeting with officials of the city and the Philadelphia Eagles with a proposal to run football specials to Veterans Stadium in the same manner as to the Army-Navy Game; PC only demands a guarantee of a minimum number of fares to pay the expense of the train; PC is already operating a similar service for the New England Patriots from Boston and Providence to their new stadium in Foxboro, Mass., located on an ex-New Haven freight branch; the only response is that it is too late to make arrangements for the Sep. 12 exhibition game, and further communications go unanswered; the Eagles have considered the service as a stop-gap pending the extension of the Broad Street Subway to the Sports Complex and the completion of I-95. (PhlInq)
- Sep. 8, 1971 Amtrak completes purchase of its basic fleet of 1,295 cars, including 24 RDCs and 49 “Metroliners”, from 13 railroads, mostly in the West; is negotiating with Penn Central for 175 cars for Northeast Corridor service. (AR, AmtkNews, Trains - NB: WatsonPapers show PC still owned the 49 Metros in Dec. 1975!!??)
- Sep. 8, 1971 Amtrak leases 12 additional “Metroliner” cars from Budd Company. (AR, AmtkNews)
- Sep. 8, 1971 Amtrak begins operating through Washington-Chicago sleeping car and diner-lounge and Chicago-Newport News dome coach on *George Washington* and *James Whitcomb Riley*. (A-sheet)
- Sep. 8, 1971 Bucks County Board of Commissioners vote to cut off funding to SEPTA in a move to force the state to pay more of the costs. (PhlInq)
- Sep. 1971 Arvida Corporation amends its 1961 management contract with Stockton, Whatley, Davin & Co. to be subject to cancellation on 90-day notice.
- Sep. 9, 1971 Last run of a Penn Central train over the Octoraro Secondary.

(Railpace)

- Sep. 9, 1971 Penn Central Trustees agree to return \$2.6 million in deferred pension benefits to 121 executives, but it will keep the \$5.9 million interest for general operations; also ask Judge Fullam to set a \$50,000 ceiling on pensions and to deny pension payments to David Bevan. (Phllnq)
- Sep. 10, 1971 Penn Central announces it is ending conferences with UTU to try to resolve crew consist case. (PR)
- Sep. 13, 1971 Penn Central inaugurates overnight TrailVan service between New York, Rochester and Buffalo. (PR)
- Sep. 15, 1971 US DOT issues report calling for major improvements in Northeast Corridor; to spend \$500 million to permit 2:00 New York-Washington and 2:45 New York-Boston times. (NYT)
- Sep. 15, 1971 First 80 of 128 M-1 "Metropolitan" MU cars placed in service on Harlem Line; first train of six cars leaves North White Plains at 8:09 AM; cars were purchased by Port Authority and leased to Penn Central under New York State car program. (NYT)
- Sep. 15, 1971 Clerks union Pres. Dennis proposes local and system-wide labor-management councils on Penn Central to handle grievances; Jervis Langdon supports plan but says it must include arbitration machinery.
- Sep. 1971 Amtrak's *Broadway Limited* is now mostly ex-Union Pacific Armour yellow cars. (Trains)
- Sep. 1971 Hudson River Day Line ends excursion service between New York and ___ with steamboat *Alexander Hamilton*, ending Hudson River passenger steamboat service begun in 1807. (Trager - verify NYT)
- Sep. 17, 1971 Penn Central Trustees file second report on reorganization with Judge Fullam; call for abandonment of 167 lines totaling 1,928.4 miles or 9% of system; request second extension for filing a reorganization plan until Mar. 22, 1972, as do not have adequate figures on revenue and expenditures.
- Sep. 17, 1971 Judge Fullam rejects a Penn Central proposal to sell its 1,045,593 shares of Madison Square Garden Corporation to Bear, Stearns & Co. for Gulf & Western Industries, Inc. at \$3.50; Gulf & Western is already the largest holder. (Phllnq)
- Sep. 18, 1971 Severe thunderstorms cause flooding in Chester Creek; Octoraro Secondary damaged and taken out of service between Wawa and

Chadds Ford, where the bridge over the Brandywine is washed out; the surviving portion between Chadds Ford and Colora is isolated and not operated; Chester Creek Branch also damaged. (PRR-FAX, Cinders - or 9/13?)

- Sep. 22, 1971 ICC denies Penn Central's petition to discontinue all passenger service west of Harrisburg and Buffalo, and between Boston and Albany; approves the discontinuance of the following trains not picked up by Amtrak: Nos. 22-23 *Manhattan Limited*, New York-Chicago; Nos. 13-32, Pittsburgh-Chicago; Nos. 52-531, Detroit-Chicago; Nos. 63-64, Buffalo-Chicago; Nos. 548-549 Baltimore-Harrisburg; Nos. 315-316, Cleveland-Indianapolis; and Nos. 77-78, New York-Cincinnati. (ICC)
- Sep. 22, 1971 New York & Harlem resumes dividend payments. (PR)
- Sep. 23, 1971 Pennsylvania Company finally issues 1970 statement; posts net loss of \$246 million vs. \$87.6 million profit in 1969; has written off \$20 million in goodwill for Great Southwest, \$41 million in goodwill for Buckeye Pipe Line Company; passes another quarterly dividend. (RyAge, MB)
- Sep. 24, 1971 ICC Examiner approves increasing the LIRR's share of freight divisions by 2.82%; means an additional \$1.75 million in revenue for the LIRR. (MTA AR)
- Sep. 29, 1971 Trustee Jervis Langdon reports Penn Central has been badly hurt by the fall-off in steel loadings; urges development of short, fast piggyback trains operating overnight between cities 200-400 miles apart.
- Sep. 30, 1971 Assistant VP-Taxes William C. Antoine resigns. (MB)
- Oct. 1, 1971 Penn Central Trustees urge repeal of Ohio Full Crew Law.
- Oct. 1, 1971 Amtrak hires first ticketing and reservations personnel; opens Chicago Central Reservation Office concentrating all functions there into one office. (AR, Shappell, Zimmermann)
- Oct. 1, 1971 Amtrak begins valet parking, new lighting and improved taxi service at Washington Union Station. (AR)
- Oct. 1, 1971 United Mine Workers begin 57-day strike. (AmrcnDcnds, Rdg AR)
- Oct. 1, 1971 Fifty-seven day longshoremen's strike begins on East Coast and Gulf Coast ports; West Coast ports had been struck on July 1, so strike hits all ports simultaneously for first time. (AmrcnDcnds, Rdg AR)

- Oct. 4, 1971 Penn Central inaugurates TV-22A between Harrisburg and Baltimore three times a week; sixth new TrailVan train this year. (PR)
- Oct. 8, 1971 Three shop craft unions agree to 42% increase over 3.5 years.
- Oct. 8, 1971 Fidelity Bank files in New York Supreme Court and U.S. District Court on behalf of the New York & Harlem Railroad to block Penn Central's sale of Park Avenue real estate. (PhlInq)
- Oct. 12, 1971 SEPTA awards contract for 144 MU cars to General Electric over Pullman-Standard __; GE bid \$388,960 per car and P-S \$396,666; on same day, Pullman-Standard sues in U.S. District Court to have the contract set aside. (RyAge, PhlInq)
- Oct. 12, 1971 U.S. Supreme Court dismisses further action on Southern Divisions Case as moot, rejecting arguments of southern railroads and governors; entire proceedings have taken 12 years. (ICC)
- Oct. 12, 1971 Penn Central names Dominic C. Costanzo Director-Corporate Tax Administration and William F. Lahner, Jr., Director-Property Tax Administration. (MB)
- Oct. 14, 1971 Amtrak begins first nationwide advertising campaign. (AR)
- Oct. 14, 1971 Court refuses Pullman-Standard's request for an injunction to block SEPTA contract to General Electric. (RyAge)
- Oct. 15, 1971 Penn Central receives bids on 21 parcels of Park Avenue real estate around Grand Central Terminal. (PhlInq)
- Oct. 15, 1971 Malfunction of traction motor prompts Penn Central to impose a temporary speed limit on "Metroliners" of 80 MPH; lifted Oct. 18. (PhlInq)
- Oct. 15, 1971 Penn Central completes its share of track and signal improvements for bringing the Chicago, Rock Island & Pacific Railway into Chicago Union Station, including connection at Englewood.
- Oct. 1971 Demolition of Chicago's Grand Central Station completed. (Trains)
- Oct. 16, 1971 N.J. Senator Harrison Williams announces New Jersey has received federal grant of \$8.5 million to buy 25 second-hand long-distance coaches for Penn Central's NY&LB service. (NYT)
- Oct. 17, 1971 Indianapolis Union Railway approves city's offer of \$196,666 for Union Station head house. (MB)

- Oct. 18, 1971 Adelphia University begins offering business administration courses on LIRR morning and evening commuter trains on the Hunters Point Avenue-Port Jefferson line; riders can earn a master's degree in two years. (NYT)
- Oct. 18, 1971 Indianapolis Union Railway officials meet with city in hope of getting it to buy rest of Union Station. (MB)
- Oct. 1971 Penn Central reduces operating ratio to 88.06%, down from 91.76% in 1970. (PR)
- Oct. 21, 1971 Pennsylvania Company Board meets in Los Angeles; hears report of SEC investigation into Great Southwest Corporation's earnings in 1968-69. (MB)
- Oct. 23, 1971 Amtrak asks Congress for \$170 million operating subsidy over two years; losing \$150 million a year; with fewer trains, deficit per train is actually higher than for private railroads in 1969.
- Oct. 25, 1971 First tenant moves into Gateway III office building at Chicago Union Station.
- Oct. 26, 1971 Penn Central contracts with the State of New Jersey for a new head house and rebuilding the passenger bridge at Trenton.
- Oct. 26, 1971 Al Perlman testifies before Judge Fullam in a suit to recover his \$90,000 a year Penn Central pension and \$50,000 in consulting fees and deferred compensation for his years with Penn Central; says that "several Pennsylvania Railroad executives were incompetent, but I don't care to name them"; calls the merger less a merger than a "takeover" by the PRR, and that he was the only high-ranking executive from the NYC; Perlman says he never saw any financial figures or statements until they had already appeared in the newspapers. (PhlInq)
- Oct. 27, 1971 Judge Fullam approves extension for filing reorganization plan.
- Oct. 27, 1971 "TurboTrain" hits a tie wedged between rails at Attleboro, Mass.; sustains only a hole punched in its fiberglass clamshell nose. (Trains)
- Oct. 29, 1971 Penn Central Company finally announces net loss of \$425.96 million for 1970. (PhlInq)
- Oct. 29, 1971 Arguments begin in the case of Pullman-Standard (?) to block SEPTA's contracting the 144 "Silverliner" MU cars to General Electric

Company. (PhlInq)

- Oct. 31, 1971 Assistant VP-Taxes William C. Antoine resigns. (MB)
- Nov. 1, 1971 Penn Central operates first pulpwood unit train between Hammermill Paper Company pulping mills at Erie and Lock Haven, serving pulpwood logging operations en route. (PR)
- Nov. 1, 1971 Amtrak begins used car refurbishment program; 801 cars overhauled by June 1, 1974 at cost of \$70.7 million. (AR, AmtkNews)
- Nov. 1, 1971 Amtrak opens own ticket office at Chicago Union Station. (Shappell)
- Nov. 1, 1971 Seaboard Coast Line Industries, Inc., parent of the Seaboard Coast Line, increases its ownership of the Louisville & Nashville Railroad from 33% to 98%. (Klein)
- Nov. 2, 1971 New York State voters defeat Gov. Rockefeller's proposed \$2.5 billion transportation bond issue by large margin; delays or kills many rail projects. (NYT)
- Nov. 4, 1971 Amtrak inaugurates the Chicago-Quincy *Illinois Zephyr* as a 403 (b) train. (Zimmermann)
- Nov. 5, 1971 Ex-PRR Sodus Point coal pier destroyed by fire started by a welding torch as it is being converted to a marine facility. (Gunnarsson)
- Nov. 5, 1971 Pres. Nixon announces a \$136 million grain sale to the Soviet Union. (AmrcnDcnds)
- Nov. 9, 1971 ICC suspends requested rate increases for duration of Phase I of Nixon's wage-price freeze.
- Nov. 12, 1971 Penn Central settles the case of the 352 stolen box cars; Diversified Properties, Inc., and Magna Earth Enterprises, Inc., agree to pay Penn Central \$150,000; charges against owners Joseph Bonanno and Anthony J. Crisafi are dismissed. (PhlInq)
- Nov. 12, 1971 Last run of SEPTA rush hour service to Downtown; not restored until 1985. (tt - NO Hbg tt shows until 4/26/76 or later)
- Nov. 12, 1971 Rock Island informs Penn Central that it won't vacate La Salle Street Station until it gets a satisfactory offer for the building; actually hesitates to move because it would lose low-cost office space.
- Nov. 13, 1971 Last trips of *Afternoon Congressional* (eastbound only), *Midday*

Congressional (westbound), *Legislator* (eastbound), *President* (westbound), *Representative* (eastbound), *Mount Vernon* and *Embassy* between New York and Washington. (tt)

Nov. 13, 1971

Coal strike settled on basis of 16% increase in first year.

Nov. 14, 1971

Nixon Administration begins Phase II of wage and price controls; establishes Federal Pay Board and Federal Price Commission; sets maximum wage increases at 5.5% and maximum price increases at 2.5%. (or 11/13?)

Nov. 14, 1971

Amtrak issues its first full-fledged timetable and institutes a major renaming and renumbering program; the former "*Spirit of St. Louis*" becomes the *National Limited* (old B&O name); *The Duquesne* renamed *The Keystone*; *The South Wind* renamed the *Floridian* and changed from one night out to two nights out; the New York-Buffalo-Chicago train becomes the *Lake Shore*; Chicago-Detroit trains named *Wolverine* and *Saint Clair*; *George Washington/James Whitcomb Riley* becomes *James Whitcomb Riley* westbound and *George Washington* eastbound; *Southern Crescent* and *Riley/Washington* extended to Boston; *Metroliner* service increased from 9 to 12 round trips with one trip extended to New Haven and one running non-stop New York-Washington; "Metroliners" restricted to 100 MPH; New York-Boston service increased from 9 to 11 round trips, and Boston-Washington trains from 3 to 6 round trips; *Turboservice* renamed *Turbo Yankee Clipper* (eastbound) and *Turbo York Clipper* (westbound); the New York-Boston fare is cut to \$9.90 and attracts new riders; a number of old New Haven names restored for New York-Boston trains, including *Merchants Limited*, *Connecticut Yankee*, *Colonial*, *Free State*, *Bunker Hill* and *Valley Forge*; through St. Louis-Milwaukee service established - first time trains run through Chicago Union Station; last Philadelphia-Washington local No. 401 renumbered 193; *North Coast Hiawatha* (previously the *North Coast Limited*) and the *Empire Builder* made separate trains between Chicago and Minneapolis; ironically, Amtrak changes the name of the Illinois Central's *City of New Orleans* to the late premier train *Panama Limited* precisely at the time that Arlo Guthrie's rendition of Steve Goodman's "Ridin' on the City of New Orleans" is topping the charts. (A-sheet, PTJ, Trains, tt, Zimmermann, Wilner)

Nov. 14, 1971

New Metropark station opens for Amtrak trains at Iselin, N.J., on the Northeast Corridor; located at the intersection of the Garden State Parkway; additional 41 New York-Trenton trains begin stopping at main line platform (southbound only) at Jersey Avenue, New Brunswick. (A-sheet)

- Nov. 14, 1971 Amtrak admits that less than half its trains run on time; in Northeast Corridor, 14% of trains run average of 37 minutes late.
- Nov. 14, 1971 Penn Central officially removes the Octoraro Secondary from service between Wawa and the end of track at Colora because of flood damage. (GO/PRRYahoogroups)
- Nov. 15, 1971 Penn Central Trustees announce the acceptance of bids on 6 parcels at Grand Central: the New York General (now Helmsley) Building, the Vanderbilt Concourse Building, and the two parcels each under the Bankers Trust Building and the Manufacturers Hanover Trust Building; bids on the 15 other parcels are rejected. (PhlInq, PR)
- Nov. 15, 1971 U.S. Supreme Court in 4-3 decision orders ICC that it must protect workers in rail mergers, although it does not want to do so.
- Nov. 1971 Joseph R. Daughen and Peter Binzen, reporters for the Philadelphia *Bulletin*, publish *The Wreck of the Penn Central*, an account of the bankruptcy based on the government investigations and interviews. (NYT)
- Nov. 16, 1971 Signalmen sign new contract calling for 46% increase over 3.5 years.
- Nov. 17, 1971 A committee of the Delaware River Port Authority reports against further extensions of the PATCO high-speed line to Cherry Hill, Mount Holly and Glassboro. (PhlInq)
- Nov. 18, 1971 Trustee Jervis Langdon, in letter to Senator Vance Hartke, notes Penn Central may need as much as \$500 million over next few years; will also require an unconventional reorganization plan that reduces the company to profitable "core".
- Nov. 18, 1971 MTA proposes to contract with Penn Central to maintain passenger service on the Upper Harlem Line as far as Dover Plains. (Grogan)
- Nov. 18, 1971 At request of UTU, National Mediation Board intervenes in crew consist dispute with Penn Central.
- Nov. 19, 1971 Judge Fullam rejects the contract with the MTA for the takeover of suburban Hudson and Harlem Line service out of Grand Central on objections from Penn Central's creditors; objects to 60-year lease of right of way for nominal \$1 per year as wasting Penn Central assets; the New York State Comptroller has also refused to approve the contract on the grounds that it does exact enough from Penn Central. (NYT, Moodys, MTA AR)

Nov. 22, 1971 Penn Central discontinues local trains Nos. 508-521 between New London and Westerly, R.I.; continues to operate Providence-Westerly. (eff. date) (A-sheet)

Nov. 22, 1971 PRSL authorizes a new yard office at Irving Avenue, Bridgeton, and the sale of the Pearl Street Yard and old passenger station to the city. (MB)

Nov. 23, 1971 Penn Central Company stockholders Richard S. Robinson and Florence H. Robinson of Merion, Pa., who own over 10,000 shares, file suit to block the annual meeting set for Nov. 29 over objections to Swiss franc refunding plan that would give a European syndicate a 24% equity interest in the company. (PhlInq, NYT)

Nov. 23, 1971 Burlington Northern, Inc., agrees to sell its 33% interest in the Illinois Northern Railway to the Santa Fe, giving it full control. (Moody's)

Nov. 23, 1971 Reading Company files for Section 77 bankruptcy. (AR)

Nov. 25, 1971 Last Lehigh & Hudson River Railway train leaves the CNJ's Allentown Yard; the Penn Central merger has diverted New England traffic away from the Allentown gateway and the L&HR; L&HR service is cut back to the PRR's Hudson Yard north of Phillipsburg. (Railpace)

Nov. 26, 1971 U.S. District Court Judge Joseph S. Lord issues a restraining order blocking the Penn Central Company annual stockholders' meeting set for Monday. (PhlInq)

Nov. 29, 1971 Angry Penn Central Company stockholders convene at the Benjamin Franklin Hotel for the first annual meeting since the Penn Central bankruptcy; Chairman Archibald DeB. Johnson announces that the meeting is postponed for five days because of the restraining order from the U.S. District Court; further postponements follow, and meeting is not finally held until Aug. 24, 1972. (MB, PhlInq)

Nov. 29, 1971 SEC charges the brokerage firm of Butcher & Sherrerd with fraud in giving misleading advice on the state of Penn Central's finances just prior to the bankruptcy. (PhlInq)

Nov. 29, 1971 Pennsylvania Company Board authorizes selling \$1.2 million in Norfolk & Western Railway 4-5/8% convertible subordinate debentures at 73. (MB)

Nov. 29, 1971 Amtrak begins a training program for station and train employees. (AR)

Nov. 29, 1971 East Coast longshoremen's strike ends. (Rdg AR)

Nov. 30, 1971 Indianapolis Union Railway Board retires Capitol Avenue Coach Yard and remote control of Kentucky Avenue switches. (MB)

Nov. 30, 1971 Penn Central Company's Swiss debt falls due; because of the rise of the Swiss franc against the dollar, the debt has increased from \$51 million to \$55 million. (PhlInq)

Nov. 30, 1971 VP Edward G. Kreyling, Jr., resigns. (MB)

Dec. 1, 1971 Penn Central and Reading ask SEPTA and the PUC for a 12% fare increase, effective Jan. 1, 1972. (PhlInq)

Dec. 1, 1971 Assistant VP-Coal & Ore George R. Wallace named VP-Sales & Marketing-Staff; Charles Wolfinger named Assistant VP-Coal & Ore. (PR)

Dec. 1, 1971 Dominic C. Costanzo promoted to Assistant VP-Taxes, replacing William C. Antoine, resigned; Thomas J. O'Brien named Director-Corporate Tax Administration, replacing Costanzo. (MB)

Dec. 1, 1971 Amtrak cuts New York-New England one-way fares by up to 22% for six month experiment to attract motorists. (AR, Amtk)

Dec. 1, 1971 NJ DOT holds ceremony at Trenton to mark start of new station project and beginning of demolition of old station.

Dec. 2, 1971 U.S. District Court justice Joseph S. Lord enjoins Penn Central Company from holding its annual meeting until further order. (NYT, MB)

Dec. 2, 1971 Amtrak opens regional offices in New York, Chicago and Los Angeles. (AR)

Dec. 6, 1971 Mediation of crew consist case begins in Philadelphia.

Dec. 6, 1971 Auto-Train Corporation begins service between Lorton, Va., and Sanford, Fla, with base fare of \$190 one-way for car and up to four passengers; cars are carried in auto racks while passengers ride in refurbished long-distance cars rendered surplus by Amtrak. (RyAge)

Dec. 7, 1971 Penn Central advertises for bids on 115 acres of old Penn Central Park property along Allegheny River between 10th and 21st Streets in Pittsburgh; Penn Central had been unable to acquire more than 85% of the tract and a unified development plan is abandoned.

- Dec. 9, 1971 Penn Central Trustees notify Senate Subcommittee on Surface Transportation that they have drawn down \$75 million of the \$100 million emergency loan created by the Emergency Rail Transportation Act of 1970 and will not need the remaining \$25 million until the first quarter of 1972 and should weather the first quarter without need of further aid. (PR)
- Dec. 9, 1971 SEC charges Great Southwest Corporation for violating securities laws by overstating its earnings for 1968-69 by allocating profit entirely to the first date of a transaction regardless of whether the cash was actually in hand.
- Dec. 9, 1971 Amtrak unveils new “mod” uniforms, its first completely refurbished car, and new car markings. (AR)
- Dec. 10, 1971 Penn Central Company’s dissident stockholders reach agreement after Judge Joseph S. Lord throws out the management proxy as unintelligible. (PhIIInq)
- Dec. 10, 1971 Pres. Nixon signs a \$25-billion tax cut to stimulate economy, which is actually already improving. (NYT, Matusow)
- Dec. 1971 Temporary PATH station opens facing Journal Square, permitting demolition of the 1929 station for the new Transportation Center.
- Dec. 1971 Commonwealth of Massachusetts agrees to acquire 145 miles of Penn Central right of way in Boston area to protect existing and future commuter service; deal finally closed in Jan. 1973. (Humphrey)
- Dec. 12, 1971 Austin J. Tobin (1903-1978) announces his retirement as Chairman of the Port of New York Authority; Tobin has been under constant pressure from N.J. Gov. William T. Cahill to expand PATH; once Tobin is gone, Gov. Cahill and N.Y. Gov. Nelson A. Rockefeller will force the Port Authority to commit to more rail transit projects. (NYT, Gillespie, Doig)
- Dec. 13, 1971 New York Dock Railway ceases freight operations along Bush Terminal area of South Brooklyn waterfront, leaving about 300 shippers without service; had been dependent on car float interchange with railroads in New Jersey. (NYT)
- Dec. 14, 1971 Congress extends Pres. Nixon’s power to impose wage and price controls until Apr. 1973. (AmrcnDcnds)
- Dec. 1971 Pres. Nixon uses the 1931 N. C. Wyeth PRR poster *Building the First White House* as the cover of the White House Christmas card; the

image is taken from a copy of the poster in the Smithsonian Institution; searches to find the original painting have proved futile. (Podmaniczky)

- Dec. 1971 Amtrak VP-Marketing Harold Graham, a veteran of the airline industry, complains that train service employees inherited from the railroads are almost untrainable. (Wilner)
- Dec. 16, 1971 Amtrak previews its new “mod” uniforms in a garish orange-red, white and blue; first assigned to the New York-Florida trains on Dec. 17. (PhlInq)
- Dec. 17, 1971 Amtrak restores *Florida Special* for winter season on fastest-ever 23:45 minute schedule, running non-stop between Richmond and Winter Haven; *Silver Star* and *Floridian* combined south of Jacksonville; *Silver Meteor* moved to ex-ACL route; *Champion* and *Silver Meteor* extended from New York to Boston. (Trains, tt)
- Dec. 17, 1971 Penn Central Company compromises with its dissident stockholders to avoid a proxy fight; C. Roger Turner, James J. Glenn, Richard S. Robinson, Harry Kendrick Gard and Joseph Sharfsin, who together own 56,000 shares vs. only 610 by the 5 old directors, are added to the Board; the company also begins negotiating to extend the maturity of its \$55 million Swiss loan. (PhlInq)
- Dec. 17, 1971 Pennsylvania Company Board reports that a suit has been begun against Penn Towers, Inc., and the Pennsylvania Company on the grounds that Penn Towers, Inc., has defaulted of \$5.1 million obligations allegedly guaranteed by the Pennsylvania Company; authorizes proceeding with a study of rail assets; resumes 1.1% quarterly dividend on preferred stock, suspended since 1970. (MB)
- Dec. 18, 1971 Group of Ten major industrialized nations agree that U.S. will devalue the dollar from \$35 to \$38 per gold ounce and drop the 10% surcharge on imports; Germany and Japan are to raise the value of the yen and mark against the dollar. (Matusow)
- Dec. 18, 1971 LIRR opens new \$1.2 million power control room at Jamaica, governing all electrified trackage. (NYT)
- Dec. 19, 1971 Penn Central Company doubles Board to 10 directors to placate dissident stockholders who are blocking a vote on the Swiss debt refunding plan; all directors will stand for election when the meeting can be held.
- Dec. 20, 1971 ICC releases its second report on Penn Central collapse; charges David Bevan with conflict of interest in investing in the same securities he

- buys for the Penn Central pension plan; blames collapse on failure to manage operations after the merger. (ICC)
- Dec. 20, 1971 Government lifts 10% surcharge on imports.
- Dec. 20, 1971 Penn Central restores off-peak service between North White Plains and Brewster.
- Dec. 20, 1971 Boston & Maine Corporation files a reorganization plan calling for the sale of its commuter facilities to the MBTA. (RyAge)
- Dec. 21, 1971 Penn Central announces sale of air rights to 350 Park Avenue (Manufactures Hanover Trust Building) to Manufacturers Hanover Trust for \$3.35 million. (PR)
- Dec. 21, 1971 Pennsylvania Company Pres. Victor H. Palmieri circulates a memo on Great Southwest Corporation, which is having cash flow problems; Pennsylvania Company submits the proposal to sell Executive Jet Aviation, Inc. to Bruce G. Sundlun and Robert L. Scott to Judge Fullam. (MB)
- Dec. 21, 1971 Judge Ditter appoints ex-Mayor Richardson Dilworth (1898-1974) and Andrew Lindsay "Drew" Lewis (1931-) as Reading trustees. (Rdg)
- Dec. 22, 1971 Pennsylvania Company Board authorizes a \$2 million advance to Great Southwest Corporation in demand notes; authorizes sale of \$1 million Norfolk & Western Railway 4-5/8% convertible subordinated debentures. (MB)
- Dec. 24, 1971 Pa. PUC postpones the 12% increase in Philadelphia commuter fares indefinitely. (PhlInq)
- Dec. 1971 U.S. public resumes spending, particularly for housing, where lower interest rates spur a pent-up demand; an economic boom begins, running into 1973. (Matusow)
- Dec. 27, 1971 Construction begins on new Trenton station. (TrntnTms)
- Dec. 27, 1971 Atlantic Coast Line Company (holding company) liquidated. (DirObsSec)
- Dec. 28, 1971 B.C. Juell named President of Great Southwest Corporation; Victor H. Palmieri remains as GSW Chairman. (date of press release - eff. 3/1/1972?)
- 1971 Penn Central handles over 400,000 piggyback loads for the year,

almost 21% of all U.S. piggyback traffic. (Trains)

- 1971 Tri-State Transportation Commission renamed Tri-State Regional Planning Commission, reflecting change to more generalized planning functions after new authorities take responsibility for transportation. (AR)
- 1971 Last 3 of 15 Erie Lackawanna *Phoebe Snow* coaches purchased by the MTA placed in service on the New Haven Line; delivery of M-1 “Metropolitan” cars for the Hudson and Harlem Lines has released additional ex-Penn Central lightweight coaches for the New Haven. (MTA AR)
- 1971 LIRR extends Platform No. 10 at Penn Station and improves lighting. (MTA AR)
- 1971 LIRR installs a new car washer at the Babylon Yard. (MTA AR)
- 1971 LIRR restructures its freight service with one long “hauler” train that carries cars between Jamaica and Suffolk County, from which short “peddler” trains make local pick-ups and deliveries. (MTA AR)
- 1971 MTA receives a \$7.4 million federal grant to build 8 prototype gas turbine-electric dual service MU cars that can be used on electric and non-electric lines. (MTA AR)
- 1971 MTA arranges for 80 new M-1 “Metropolitan” MU cars to be placed on the Harlem Line; purchased by the Port Authority and leased to Penn Central. (MTA AR)
- 1971 MTA installs high level platforms on all stations in the electrified zone of the Harlem Line to serve the new M-1 “Metropolitan” MU cars. (MTA AR)
- 1971 SEPTA builds new eastbound station at Narberth.
- 1971 Freight service on the old Northern Central Railway main line between Baltimore and York is reduced to a once-a-week freight between Baltimore and Parkton and twice-a-week service between York and New Freedom to reach the Stewartstown Railroad. (Gunnarsson)
- 1971 Altoona passenger station demolished. (altoonaworks.info - see 1970)
- 1971 Remainder of the ex-PRR Rochester Branch between Rochester and Wadsworth Jct. abandoned. (alleganycountynhistory)

- 1971 Pennsylvania Company changes Arvida from a passive seller of real estate to an active developer of its properties, constructing housing developments, recreational facilities, etc. (AR)
- 1971 Great Southwest Corporation sells 16,000 acres of California real estate, reducing debt on that account from \$59 million to \$12 million; liquidates I.C. Deal Companies, Inc., its Dallas apartment-construction subsidiary. (AR)
- 1971 High Iron Company sells former *Broadway Limited* observation car *Mountain View*. (Trains)
- 1971 Penn Central reroutes Conway-Buffalo traffic from the old PRR route up the Allegheny River to Youngstown, and thence on ex-NYC lines; leaves only local service between Kiski Jct. and Oil City. (Railpace)
- 1971 Penn Central builds a connecting track at Kendallville, Ind., to allow trains to run from the former PRR at Fort Wayne into Robert R. Young Yard at Elkhart. (PennsyWest)
- 1971 Glen Lyon Colliery, the last (?) former PRR anthracite mine in operation, closes. (PRR-FAX)
- 1971 Chicago's Grand Central Station, formerly used by B&O, razed. (Young)
- 1971 Grand Trunk Corporation incorporated as a holding company for the Canadian National Railways subsidiaries in the U.S. (RRH 147 - verify Moodys)
- 1971 U.S. shows a trade deficit for the first time since 1888; the budget deficit balloons from \$3 billion per year to \$9 billion. (Ratner)
- 1971 U.S. Post Office Dept. is reorganized as the semi-independent U.S. Postal Service. (AmrcnDcads)
- 1971 ICC grants a 20% rate increase in the East, 18% in the West and 12% in the South. (Hoogenboom - may be in stages?)