BANKRUPT!

THE LEHIGH VALLEY RAILROAD'S STRUGGLE FOR SURVIVAL, 1970–1976

An edited-for-length excerpt from

LEHIGH VALLEY

The Final Years, 1965-1976

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RUDY GARBELY

When the Lehigh Valley Railroad declared bankruptcy on July 24, 1970, it threatened to disrupt the entire economy of the northeastern United States.[1*] The LV provided integral rail services to some of the major industries in the region, and if the railroad ceased operations, Bethlehem Steel, Ingersoll-Rand, and even New York State Gas & Electric would be forced to shut down, as well. As every single other major railroad in the northeast spiraled into bankruptcy between 1967 and 1972, the LV clawed its way out of the wreckage and kept operating in debt for the sake of the customers and communities it served. For the four or five years of a regional and national crisis, the LV did something very different that sets it apart from the typical historical record of the time. Its successes were recognized when its routes and trains were made major components of the government reorganization of railroads in 1976 that created the Consolidated Rail Corporation, or "Conrail," which continued to operate the LV's important rail line from Newark, New Jersey to Allentown, Pennsylvania while many other railroads' lines were abandoned. The story of the Lehigh Valley Railroad is one of determination, customer service, and a sense of community obligation that made it a truly "classic" American railroad.

One of the LV's first actions towards continuing their customer service was seeking protection under Section 77 of the Federal Bankruptcy Act, allowing it to continue operating

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[*] The date of the Lehigh Valley Railroad's bankruptcy has been frequently and incorrectly noted as being June 24, 1970 rather than July 24, 1970, with this error beginning with Robert Archer's oft-quoted *Lehigh Valley Railroad: The Route of the Black Diamond* (published in 1977). Archer actually spelled out (erroneously) that the LV bankruptcy was supposedly three days after the PC's, and this continues to be misquoted even in many modern publications by prominent railfan historians, such as Robert Yanosey's 1991 book *Lehigh Valley – 2 In Color*, Jeremy Plant and Richard Steinbrenner's 1999 book *Lehigh Valley – 3 In Color*, and Timothy Scott Doherty and Brian Solomon's 2004 book *Conrail* (although Jeremy Plant corrected his 1999 error in his 2011 book *Conrail In Color, Volume 1: 1976-1979*). LV Bankruptcy Trustee Robert Haldeman's claim "When the PC spigot went dry [on June 21, 1970], we operated only one month before declaring bankruptcy in July 1970," combined with railroad historian Richard Saunders' data and period newspaper articles definitively pegs the date as July 24, 1970.

while being shielded from creditors as the finances were reorganized. LV President John Nash and former Southern Railway marketing analyst Robert Haldeman were named bankruptcy trustees by the court.[2] However, with two of its main interchange partners (the Penn Central [PC] and the Central Railroad of New Jersey [CNJ]) no longer paying interchange charges due to their own bankruptcies, the LV was forced to write off a good portion of 1970's $7.7 million in interchange revenue, further adding to the already monumental debt the railroad was accruing on its own in 1970.[3]

With the PC in bankruptcy and not obligated to pay its debts to other railroads or its creditors (to whom it owed over $2.6 billion – $14.4 billion in 2010 dollars after adjusting for inflation), many of the nation's largest banks and railroads were endangered financially.[4] Rail historian Richard Saunders notes, however, that Penn Central's bankruptcy "marked the rock bottom of the entire industry…. The real trouble was that there were fewer and fewer services that railroads could perform as well as their competitors for which anyone would pay enough for the railroads to make a profit."[5] For most of the northeastern railroads, there was no longer any way to escape the inevitable decline into bankruptcy.

The only question remaining was whether or not conditions would improve as 1970 wore on. For the LV, they certainly did not. The railroad posted a net deficit of $10,405,879 for the year on revenues of $48,252,010, doubling the losses from the year before.[6] But even with the ominous start to the decade, the Lehigh Valley Railroad still had a few tricks up its sleeve that would set it apart from the rest of the northeastern railroading disaster.

Ever since the 1850s, when Lehigh Valley Railroad President Asa Packer and Chief Engineer Robert Sayre located an iron mill along their railroad to supply them with rail for their expanding track system, the history of Bethlehem Steel has been inextricably entwined with that

of the LV. Bethlehem Steel emerged as the railroad's single largest shipper, as other industries along the LV declined through the 1950s and 1960s. The steel plant accounted for 10 percent of the total number of cars moved on the LV in 1970.[7] Even while the rest of the U.S. economy suffered, Bethlehem Steel remained a large producer of armaments for the Vietnam War effort and structural steel components for bridges, buildings, and other structures, allowing its carloadings for the LV to remain fairly consistent even while other businesses fluctuated.[*]

The consistency and dependability of Bethlehem Steel were major factors in the railroad's continued operation. Despite the fact that some railroads had declared bankruptcy to temporarily void their debts, payrolls continually increased across the board due to poor union negotiations and adjustments for inflation. It was becoming increasingly difficult for railroads to pay their employees. Workers for the bankrupt CNJ were often given their paychecks on a Friday but told not to cash them until Monday; PC employees' checks were routinely denied and declared worthless at banks that were PC creditors.[8] The LV was running a $10.4 million deficit in 1970, and with its payroll continuing to increase annually and keeping pace with increased revenues, Bethlehem Steel gave the LV an advantage over its equally languishing competitors.[9] According to LV employee Mike Bednar,

> Bethlehem Steel was *the* biggest customer on the railroad…. In the height of the bankruptcy, when the Lehigh Valley was on its back, they couldn't meet payroll – more than once. They used to send the clerk down [to Bethlehem Steel] from the Bethlehem freight house, and Bethlehem Steel was so good, they'd say to the

[*] In May of 1970, Bethlehem Steel completed building the New Street Bridge (now the Fahy Bridge) in downtown Bethlehem, crossing the Lehigh River and the LV mainline mere blocks from both the steel plant and the LV's corporate headquarters. Many of the supplies for the bridge were moved over the LV and hoisted directly off of the railcars into place on the bridge.

> Valley 'what do we owe you this week?' And they'd pay the Lehigh Valley by the week, and that kept the payroll going.[10]

However, even with the funds of Bethlehem Steel funneled into its employees' paychecks, the LV could not survive by serving only a single large customer if it allowed all of its other customers to disappear. The railroad did not want to sit back and watch as the northeastern rail system fell apart around it, causing shippers to switch to the more reliable and financially successful trucking industry and leaving the LV with a steadily declining revenue from its own customers. It moved to act, using its friendly interchange connections in Buffalo as a way to leverage a wider customer base.

The LV had a distinct advantage over the rest of the northeastern railroads, as it was one of the earliest railroads to throw itself into the piggyback system, and it was fully equipped to compete with long-haul trucking long before most of the other railroads in the northeast. With the experience of fifteen years in the piggyback industry and the huge Oak Island piggyback terminal in Newark, New Jersey, the LV was able to make significant inroads into the long-haul trucking industry's shipments, routing much of its piggyback traffic quickly and efficiently through Buffalo to the N&W for shipment to Chicago and points westward.[*] However, in the year following the Penn Central bankruptcy, which caused waning public faith in northeastern railroads, the LV saw a decrease of 32 percent of the total number of piggyback trailers handled at Oak Island (a difference of almost 9,000 trailers).[11] Realizing the need for more efficient service that would win back the support of the public (and, therefore, the shippers), the LV and the N&W entered into a pool agreement in 1971 that created run-through piggyback trains from Newark to Buffalo on the LV and then from Buffalo to Chicago on the N&W, and vice versa.[12]

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[*] "Piggybacking" is the practice of putting truck trailers on railroad flatcars to ship them via rail rather than via road.

Called the *Apollos*, these trains were not switched out or broken up in any way between the LV's Oak Island piggyback terminal in Newark and the N&W's piggyback terminal in Chicago. Another similar set of trains, called the *Mercurys*, were created to cover the same route and handle other freight bound to and from the N&W, albeit with occasional switching *en route*. The two railroads even used each other's locomotives on these runs between the LV's terminal in Sayre, Pennsylvania and the N&W's terminal in Bellvue, Ohio, making the transition between railroads in Buffalo completely seamless. To cover the expanded and expedited traffic more reliably, the LV actually managed to get bank credit to take out loans and traded in older locomotives to order four brand-new GP38AC locomotives from EMD, which were delivered in December of 1971.[13] The *Apollo* and *Mercury* services, with names that evoked the popularity of space flight and the speed and futuristic appeal that it entailed, were highly successful. They were, in fact, so successful that, by 1973, the Lehigh Valley's Oak Island piggyback terminal was handling two and a half times the amount of trailers that it was in 1971, eclipsing Bethlehem Steel as the largest producer of traffic on the railroad.[14] The more diverse customer base of the piggyback program also provided a more stable source of revenue than a single large company like Bethlehem Steel could.

The institution of the *Apollo* and *Mercury* services was unique amongst northeastern railroads in the early 1970s, most of which were more worried about staying afloat than trying to find ways to gather public support for railroads and serve their customers more efficiently. The LV was the only northeastern railroad to draw a concrete connection between its devotion to customer service and public support for the railroads – a support that the LV understood to be extremely important when faced with the widespread impact of its parent company's demise. The LV's devotion to customer service would gain it some very important support from its own

and other railroads' customers later on when other railroads began to threaten less-profitable lines with abandonment in the coming years.

The public support garnered by the LV was not something the other northeastern railroads were able to gather. If the Central Railroad of New Jersey had been what Richard Saunders called "the canary in the coal mine" when it went bankrupt in 1967, then Penn Central's bankruptcy in 1970 was the equivalent of the mine caving in on itself.[15] Not only was it a massive public relations disaster for the railroading industry, it was a potentially huge economic blow that was only staved off by the quick intervention of the Federal Reserve, who guaranteed loans to any banks that faced a liquidity crisis due to their own loans to the Penn Central and thus avoided a massive financial disaster on Wall Street.[16] The people of the U.S. were in a state of mixed shock and rage – shock that the PC had fallen so heavily, and rage that the American taxpayers were forced to bail them out. Suddenly, railroads were not only the outdated, leftover Victorian-era mode of travel, but they were costing the average American in tax money. During this widespread hesitation to ship freight on the visibly failing railroads of the northeast, between 1969 and 1971, the total amount of cars that the LV interchanged with other railroads fell by 23 percent.[17]

Realizing that the rail situation in the northeast was in dire straights, Congress finally moved to offer assistance to the ailing industry. In October of 1970, Congress passed the Rail Passenger Service Act, creating the National Railroad Passenger Corporation (NRPC).[18] Designed to be a for-profit government corporation, NRPC would take over privately operated passenger rail operations across the country and consolidate or eliminate duplicate services to increase efficiency and profits. Richard Saunders notes that the ability of railroads to divest themselves of passenger deficits "would be the same as an annual infusion of about $2.5 billion"

into the rail industry.[19] Originally called Railpax, the NRPC's official railroad changed its name to Amtrak shortly before it began operations on May 1, 1971.[20]

While the government finally took on the burden of U.S. passenger rail operations, it was too little too late to stem the losses of the northeastern railroads. With most railroads in the nation connected to Penn Central at some point, they were all affected by Penn Central's bankruptcy and negated obligations to pay its interchange bills. This served as yet another blow to the CNJ, whose four years of bankruptcy had forced it to begin searching for ways to consolidate its rail network and attempt to abandon or sell any unprofitable rail lines.

The CNJ had signed a 101-year lease with Lehigh Coal & Navigation (LC&N) for its Lehigh & Susquehanna (L&S) division (essentially the CNJ's Bethlehem to Wilkes-Barre mainline) in Pennsylvania in 1871. However, the CNJ was in such dire financial straits that it couldn't afford to pay any rent starting in April of 1966.[21] Realizing that the competition with the LV in Pennsylvania effectively destroyed any chances that the CNJ had of turning a profit on the tracks from Bethlehem to Wilkes-Barre, the CNJ applied to the ICC in 1971 to abandon or divulge itself of all of its Pennsylvania trackage, including its L&S division.

When the LV heard about the notices of abandonment, trustees Nash and Haldeman immediately applied to the ICC to allow it to take over the CNJ's Pennsylvania trackage, allowing it to continue its operations along the line according to the 1965 Joint Use of Facilities Traffic Agreement and to continue to service to customers on the L&S. As railroad customers along the CNJ tracks in Pennsylvania were given their abandonment notices, they immediately began to plead with the ICC to allow the tracks to be taken over by the LV so rail service could be continued. For example, on November 12, 1971, the National Portland Cement Company, located in Nazareth, Pennsylvania, filed a protest to the ICC, claiming that "In order for the

National Portland Cement Co., Inc. to stay in business it is absolutely necessary for continued rail service."[22] The report outlines the fact that "Cement shipments by rail are essential to this company due to the customers ordering rail shipments . . . These customers would be lost as they would not call for truck service but buy from competitive cement companies having rail service," and that National Portland Cement "supports the application of the trustees of the Lehigh Valley Railroad Company."[23] The ICC approval of the LV application came in early 1972, and the CNJ formally surrendered its L&S operations to the LV on April Fool's Day of that year.[24]

For the Lehigh Valley, the newly acquired L&S was a godsend, as it had just finished reporting a loss of $7,956,819 for the year 1971 on revenues of $45,459,016.[25] The LV began serving all of the CNJ's former customers along the route, including the vast New Jersey Zinc plant in Palmerton, Pennsylvania, which easily became one of the top five shippers along the LV.[26] The LV also began serving the Blue Coal Corporation's massive Huber Breaker in Ashley, Pennsylvania, as well as a large industrial park in Crestwood, Pennsylvania, both of which landed squarely in the top 15 customers along the LV.[27] In serving all of these new customers, the LV found itself severely short of locomotives and was forced to lease locomotives from other railroads, such as the Norfolk & Western, Lehigh & Hudson River, Pittsburg & Shawmut, and Bangor & Aroostock, to cover the increase in traffic. However, the LV management viewed this development as a blessing – the fact that the railroad was forced to obtain more locomotives meant that it had the revenue-generating traffic base to necessitate their acquisition. Happy with the way its new GP38ACs had performed and desperately in need of motive power, in early 1972, the LV again managed to swing some bank financing, traded a pile of obsolete 1950s locomotives to EMD at scrap value, and ordered twelve new GP38-2 locomotives, which were delivered in early 1973.[28]

In addition to all of the new on line traffic, the LV also gained all of the CNJ's interchange traffic. For the LV, this was a huge bonus, as it often did not necessitate running an extra train to cover the CNJ traffic – it could simply be added to an existing LV train for little to no extra cost. The LV began consolidating its facilities in Pennsylvania with those of the CNJ, closing the LV yards and engine servicing facilities in Easton and Lehighton, Pennsylvania in favor of the CNJ's larger and more efficient Allentown yard and Bethlehem engine terminal, which the LV had already been using to interchange with the CNJ prior to the L&S takeover.[29]

Although the LV's situation was improving, other already weakened railroads began to fall like dominoes after the Lehigh Valley followed its parent's lead and claimed bankruptcy, unable to continue operating with the high expenses and lost interchange revenue from the bankrupt railroads, which were not obligated to pay the solvent roads. The Reading Company (RDG), another coal-hauling railroad from eastern Pennsylvania, was part owner of the bankrupt CNJ. It, too, declared bankruptcy on November 23, 1971 after its parent, the Baltimore & Ohio, sold off its 35 percent ownership of the RDG at a loss.[30] The RDG bankruptcy left the CNJ with no financial support and placed the L&S under the ownership of a bankrupt railroad, making the CNJ's plans to abandon the L&S even more concrete. However, the RDG was also the LV's third-largest interchange partner, accounting for 14 percent of the LV's interchange traffic (44,836 cars) in 1971.[31] Under bankruptcy protection, the RDG, like the CNJ and PC, was not required to pay its interchange charges to other railroads, so as more railroads went bankrupt, the remaining solvent railroads suffered even more financially.

After the LV takeover of the L&S, the only remaining solvent railroad in the northeast was the Erie Lackawanna (EL). However, Hurricane Agnes put an end to the EL on the night of June 20-21, 1972.[32] While all of the northeastern railroads suffered damage, the EL and the LV

were hit particularly badly in western New York. The EL had over a hundred washouts (where the ground under the track would simply wash away, leaving the track suspended in mid air), sixteen bridges out of service, and a total of 135 miles of its mainline shut down.[33] The EL was forced to reroute what traffic it could over other railroads and simply cancel much of the rest. Unable to take the hurricane-induced loss of over $5 million in damage, another $5 million in canceled traffic, and $1 million to reroute its trains, the EL declared bankruptcy just five days later, on June 26, 1972.[34]

The LV, already bankrupt but steadily improving, was faced with over $4 million in damages. There were multiple bridges damaged and numerous washouts, which it was forced to begin repairing with its own depleted funds as it waited for the government to begin distributing emergency relief funds. After a four-month wait (while it authorized rehabilitation of the highway system first), Congress finally mobilized to pass the Emergency Rail Facilities Restoration Act on October 27, 1972, giving hope that some help was on the way.[35] However, the LV was still forced to wait for aid for a full year until June 27, 1973, when the government approved a loan to the LV of $4,235,714.[36] In the meantime, it did the best it could to put its track back together, making due with patchwork repairs and quick fixes that it could barely afford.

Even though the quick repairs got trains running again in a short period of time, the LV was still stricken by hurricane-induced traffic losses that caused a massive drop in revenue while their maintenance expenses skyrocketed. As a result, the LV posted a net loss of $17,693,020 for the year 1972 on revenues of $51,129,082, a deficit of almost $10 million greater than the prior year and $7 million more than the year of its bankruptcy.[37] It amounted to about $48,500 in losses per day.[38] In 1972, due to the increased expenses, the LV was making an average of only

$3.96 for each freight car it hauled, down from $13.13 the year before.[39] However, the hurricane would turn out to be a benefit to the LV in some ways. After the repair of the bridge in Athens, the LV took on the EL's detour moves, making some money from the EL to use towards further repairs.[40] Even with the heavy losses and canceled trains, the LV still saw a 31 percent increase in total traffic from 1971 to 1972, mostly due to the L&S takeover.[41] As 1972 wore into 1973, the federal government was forced to increase its aid to the ailing bankrupt railroads due to their prolonged losses and the hurricane, and the LV was able to invest its share of the government money wisely in its own infrastructure (discussed in the following chapter), drawing business away from the other languishing railroads and further increasing its chances of survival.

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While scholars dispute when the 1970s northeastern rail crisis began, all agree that Hurricane Agnes and the EL bankruptcy in June of 1972 ended all hope for a true reorganization of any of the bankrupt railroads in the northeast. Omnipresent railroad planner Jim McClellan, who had been instrumental in the Penn Central merger, the creation of Amtrak, and, later, the creation of Conrail, said "Agnes really was the trigger for a long slide down for most of the northeastern railroads."[42] Respected railroad history authors Timothy Scott Doherty and Brian Solomon claimed "many feared that this signaled the insolvency of the entire industry."[43] Railroad historians Jeremy Plant and Richard Steinbrenner called the storm a "nail in the coffins of the declining and bankrupt Eastern roads."[44] The LV was not spared by the hurricane, and, according to Mike Bednar, it was a situation upon which "the fate of the Lehigh Valley rested."[45]

With the Penn Central, Erie Lackawanna, Reading, Lehigh Valley, Jersey Central, and Lehigh & Hudson River all in bankruptcy, the northeast was faced with almost 25,000 mainline miles of deteriorating railroad that served almost every major industry and city in the region.[46] However, of all six major railroads in the northeast, the Lehigh Valley was the only one whose operating conditions seemed to be improving. They had sixteen new and reliable GP38ACs and GP38-2s on the property to haul their highly successful *Apollo* and *Mercury* trains. Even though 1972 had been a horrible year financially and the hurricane had altered their traffic patterns for months, the LV still saw its carload count increase beyond pre-bankruptcy levels, indicating that it had recaptured some of the market lost to trucks when the public faith in railroads waned after the PC bankruptcy.[47] In fact, despite facing many obstacles, 1972 would prove to be the low point of the LV, meaning that even at its lowest point, it was still gaining new traffic and revenues.[48] Through the early 1970s, the LV's downfall continued to be its outstanding expenses for payroll and maintenance costs, both of which had been steadily increasing since the 1950s.

Both the government and leaders of the industry began to look for real solutions to the issues in late 1972. While each railroad had its individual issues, the fact remained that all of the northeast's largest railroads were financially insolvent and being kept on life support by government loans. The fact that they were "loans" meant that the government still, even at this point, expected the railroads to pay them back at some point. For some railroads, it was more feasible than others. The LV and EL might be able to eventually pay back the few million dollars that each owed, but the Penn Central was over $1 billion in debt to the government in loan guarantees, and repayment any time in the foreseeable future was certainly not realistic, especially with $200 million a year being added to that total.[49] The LV, by 1972, had performed

enough debt service that it did not have any government loan guarantees outstanding besides the loan money received due to flood damage from Hurricane Agnes.[50]

Since life support by way of government loans could not bolster the ailing railroads indefinitely, the government started working on a plan of nationalization of freight railroads, similar to what it had done with Amtrak but centered on the Penn Central. However, the government was proving to be woefully out-of-touch with the rail situation. For example, Representative Dick Shoup (a Republican from Montana) asked the president and the trustee of the bankrupt Lehigh & Hudson River Railway if they would consider a wide-scale return to "coal-fired engines" (the very steam locomotives that all railroads in the U.S. had deemed obsolete 15-20 years earlier) to help remedy the loss of coal traffic.[51*] Dissatisfied with the government efforts, railroad executives and industry experts came together to brainstorm and develop other ideas. In 1972, the idea of the Mid-Atlantic Rail Corporation (MARC) was formulated amongst the LV, RDG, CNJ, and L&HR, proposing to combine their lines into a single, operable railroad capable of competing in a northeastern market, with direct access to New York, Buffalo, and Philadelphia. For many local communities along these railroads, MARC offered the only alternative to the massive abandonments that would result from an Amtrak-style consolidation of lines, and it became a rallying point for communities trying to preserve their rail service.[52]

The idea of MARC gathered momentum, supported heavily by a campaign led by the LV's bankruptcy trustee Robert Haldeman and the trustees of the Reading Company. Haldeman spoke to anyone he could about the MARC plan, covering everyone from community groups to Congress. He gave presentations to groups ranging from the Lehighton Rotary Club and the

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[*] Representative Shoup went on to serve on the board of directors of Union Pacific, one of the largest railroads in the U.S., from 1975 to 1984.

PennAg Industries Association (a collective of Pennsylvania agricultural businesses), explaining how MARC was not only the best solution for northeastern railroading, but the ONLY solution that would continue to provide consistent service to communities and businesses along routes that duplicated those of the Penn Central.[53] With the Penn Central using the former New York Central's New York to Buffalo route and the former Pennsylvania Railroad's New York to Philadelphia route, most of MARC's lines would be surplus under a massive Amtrak-style government consolidation and would likely be abandoned. Haldeman stated at a PennAg Industries Association conference that "There is still strong competition among these railroads to do a good job for the shipper – to earn and to retain his business. . . . [The] competitive factor must be retained in a restructured northeast if we are to meet the present and future transportation needs of what must be a consistent growth economy."[54] Here, again, Haldeman and the LV made another plug for its superior customer service, recognizing that the supportive words of businesses that relied on the railroads may be the railroads' only hope for survival.

Judge John P. Fullam was the federal judge appointed to oversee both the Penn Central and Lehigh Valley bankruptcy cases. Fullam was a very proactive judiciary figure, becoming intimately involved with the cases. After over two years of monitoring the railroads' situations, he knew exactly how dire the PC's situation really was. In fact, the entire northeastern rail situation had grown so critical by the beginning of 1973 that there was a need for immediate action – Penn Central simply could not afford to continue operating, and if the PC was forced to liquidate its assets, the other bankrupt railroads would be forced to do the same, as the lost interchange traffic would destroy the northeastern rail system.

Perhaps sensing this fact, and attempting to make their exit while there was a spike in revenues and traffic that would make a liquidation of railroad assets more lucrative, LV trustees

Nash and Haldeman filed their request for liquidation on March 4, 1973, requesting an official cessation of operations and subsequent sale of all assets by October of that year. They carefully added that although the liquidation and shutdown would "cause excessive harm to the public," the LV could not continue *without financial assistance from the government*.[55] The LV tactfully placed itself in the hands of the government's treasury – if the LV was forced to stop services to their customers, it was because the government failed to help it. Then the LV could casually direct its customers' protests and complaints to the federal government, which had agreed with the trustees in a memorandum filed with the court that the Lehigh Valley could not "be successfully reorganized as an operating railroad."[56]

The LV's customers were rightfully terrified. Bethlehem Steel, which had received 31,890 carloads via the LV in 1972, claimed that it would have to permanently shut its Bethlehem operations within four to five days of the LV's liquidation, losing all of its investments in the colossal steel facility.[57] The traffic manager for the New York State Gas & Electric's Milliken Station in Ludlowville, New York, which powered the homes for a huge portion of upstate New York's residents with the 8,423 loads of coal that the LV provided in 1972, woefully stated "coal is vital to us. It would not be possible for trucks to supply us."[58] Ingersoll-Rand threatened to shut down their Phillipsburg, New Jersey plant if it could not be supplied by rail, putting 4,600 people out of jobs.[59]

On March 5, 1973, the day after the LV filed their request for liquidation, Penn Central trustee Jervis Langdon Jr. announced that the PC simply could not afford to operate past October 1st under its present conditions.[60] Judge Fullam responded the following day, ordering the trustees of the Penn Central to develop viable plans for reorganization by June 30th of that year, or he would order the complete liquidation and shutdown of Penn Central (which was still the

main shipper freight for 51 percent of the people in the U.S.) on July 2nd.[61] This was done partially as a truly realistic measure and partially because Fullam, fully aware of the dire situation facing Penn Central, the LV, and their customers, was using the threat of liquidation as a way to create the super catastrophe he needed to force Congress into quick action.

Fullam's plan worked. In much the same reactionary way that Congress responded to the PC threat of canceling its passenger trains in 1970, Congress was startled by the realization that rail service could actually end in the northeast. Until this point, the perpetuation of service, however poor, under Section 77 of the bankruptcy laws had acted as a governmental horse blinder, allowing things to continue as "normal" while Congress slowly put together a meager plan for restructuring. Now, with only four months before 51 percent of the U.S. lost its primary freight carrier, Congress was shocked into action.[62] According to industry analysis, the liquidation of the PC would affect half of the manufacturing plants in the U.S., costing hundreds of thousands of jobs and depressing the national gross national product by 2.7 percent within two months of liquidation.[63] To put the final nail in the coffin, one day before Fullam's deadline, Penn Central's trustees gave up on organization and filed a request for the complete liquidation of railroad assets on October 31st of that year. The RDG, CNJ, and L&HR also had standing liquidation requests by the time the PC filed their plan, making the government the only entity that could possibly keep the railroads in the northeast running.[64]

Seeing the crisis at hand, Frank Barnett, president of the Union Pacific Railroad (which saw 25 percent of its traffic originate or terminate on a bankrupt railroad in the northeast), came forward on April 5, 1973 with a plan for reorganization under which an agency called the United States Railway Association (USRA) would be created by Congress to plan out the revised rail system of the northeast, shielding Congress itself from railroads, customers, and communities

that were faced with losing their rail service.[65] The USRA would also be in charge of all government loans to bankrupt railroads to keep them afloat until the new reorganized railroad system would be instituted.[66] Major duplicate lines would be sold to solvent lines like the N&W, Southern Railway, and Chessie System (the result of a 1971 conglomeration of the Chesapeake & Ohio, Baltimore & Ohio, and Western Maryland railroads), and the remaining lines would be consolidated into a single large railroad. Called the Consolidated Rail Corporation, or Conrail (CR), the system would be a single, large railroad run as a for-profit corporation owned by the security holders of the bankrupt railroads, achieving its future profits through the mass reduction of redundant lines and services amongst the northeastern railroads.[67] The Union Pacific found two sponsors for its bill in the House of Representatives in June of 1973, and the Department of Transportation told the bankrupt railroads to postpone liquidation pending Congressional action.[68] The Union Pacific's plan was signed into law by President Richard Nixon on January 2, 1974.[69] Titled the "Regional Rail Reorganization Act of 1973," or simply the "3R Act," this bill became both a sign of hope for northeastern railroads and a sign of panic for customers and communities that stood to lose service, especially since the new plan was based around the Penn Central's routes rather than those of the EL, LV, CNJ, and RDG.[70]

The LV saw the government's sense of urgency towards railroads change drastically and took full advantage of the situation. As the other railroads began to receive money from the government to pay to repair the damage from Hurricane Agnes, the LV took a different approach, conducting a study of its badly damaged two-track mainline between Athens, Pennsylvania and Laceyville, Pennsylvania, a distance of 44.6 miles.[71] William "Bill" Weiters, the LV's Vice President of Operations, noted, during the hearings following the LV's March 4, 1973 request for liquidation, that traffic levels had increased substantially despite the flood

damage from Agnes, and if the flood relief money ever finally came in from the government to subsidize the repairs, the LV "would be in better shape than ever before."[72] The LV was interested in, as Haldeman put it, "returning Lehigh [Valley]'s tracks to equivalent or a better condition than existed prior to bankruptcy."[73] Studies concluded in late 1973 that repairing both tracks would cost $305,000, whereas rehabilitating a single track and installing a state-of-the-art, more efficient traffic control and signaling system would only require $303,000.[74] On January 18, 1974, LV Vice President of Finance and Reorganization Planning J. W. McDonnell enthusiastically presented these findings in a letter to John W. Ingram, the administrator of the Federal Railroad Administration.[75] Impressed by the railroad's effort to rebuild, improve, and cut costs, Ingram authorized the use of the LV's government funds for the upgrade of the tracks and new signaling system, which increased that 44.6-mile stretch of mainline's efficiency beyond its pre-hurricane levels.[76] With its traffic on the rise and its efficiency increased, the LV posted a net loss of $7,626,355 for 1973 on revenues of $58,057,385, its lowest loss figure since before filing bankruptcy.[77]

While it rebuilt its mainline, the LV also took advantage of the availability of government funding to finish upgrading the rest of its aging locomotive fleet. Using that funding, the LV ordered a dozen new U23B locomotives from General Electric in early 1974, which arrived on the railroad in mid-December of the same year.[78] These and the GP38-2s could often be found running in three-locomotive matched sets as a means to increase the maintenance efficiency of the engines. Dick Whitehead, who took over as the LV's Supervisor of Train Movement and Power Distribution in October of 1972, instituted locomotive sets as a policy for two related main reasons.[79] First, if kept together in sets, the matched locomotives would wear evenly and have the same amount of mileage, thereby requiring maintenance at the same time.[80] Second, the

LV's mechanical forces at their main Sayre, Pennsylvania repair shops could normally service three locomotives in one day, so when the entire set of three engines was ready for servicing and inspections, the set would only be down for a single day at a time.[81] The policy was so successful with the GP38-2s and U23Bs that Whitehead instituted it for all other locomotives as well. As a result, the locomotive efficiency that the LV experienced was unparalleled by the other northeastern roads of the time. Whitehead later found out that while the LV's locomotives were regularly averaging 10,000 to 11,000 miles per month, PC was only able to get about 8,000 miles per month out of its most modern, best maintained, and fastest locomotives – the EMD GP40s which PC was using for dedicated 70 mile-an-hour piggyback service between Boston and Chicago.[82]

The increased efficiency that his locomotive policy afforded the railroad allowed Whitehead to make another leap forward; he created a new freight timetable for the railroad, something that had not been done since the 1960s.[83] When Whitehead arrived in October of 1972, the only scheduled trains on the entire railroad were the *Apollos* and *Mercurys*; all other trains were run "as needed" and prioritized at the discretion of the dispatchers.[84] This situation was unique to the LV, and while a loose system had already been worked out simply by the continued regularity of certain train movements and the familiarity of the dispatchers with each train and its contents, a true timetable left nothing to chance. By creating a schedule of all train movements, the railroad was able to increase its efficiency and speed even further and streamline its operations to provide better, more reliable, and more predictable service to its customers, utilizing its new locomotives to their fullest potential.

The LV and its customers were still faced with the implications of 3R and its effects on rail services in the northeast. As the LV's Haldeman pushed the MARC plan, it gathered some

new momentum, as the Conrail system plan would not only likely eliminate much of the LV's trackage due to duplicate routes on the Penn Central, but it would also eliminate the competition that businesses desired in the rail industry. While the competition in the late 1960s had been unhealthy for the industry, a restructured and consolidated plan involving a MARC system and a Penn Central-based Conrail system could very well be lucrative and constructively competitive for all parties. When Congress began holding hearings and investigations on the final planning for Conrail in early 1974, Haldeman presented them with a barrage of prepared statements, claiming the single-railroad plan that Congress was considering (without any purchase commitments from solvent railroads) would "result in the stifling of competition" and "a 30 percent reduction in trackage and service to many shippers, towns, and fledgling industrial areas."[85] He had noted earlier in a talk to the Lehighton Rotary Club that over 700 shippers that were served by the Lehigh Valley Railroad had no other direct rail service, and would therefore lose their rail connection if the LV's route was abandoned in favor of a PC route.[86] In an official LV press release, Haldeman blasted the Conrail plan as "another, more gigantic Penn Central merger" that would only result in a larger failure.[87]

Haldeman offered, as an alternative, the MARC plan, which was looking more and more like a feasible alternative to a single Conrail route. While the PC, LV, RDG, CNJ, and L&HR all had standing plans to liquidate and were, therefore, included in the USRA plan for Conrail, the EL was still holding onto the idea of a financial reorganization and the potential to emerge from bankruptcy. The MARC partners approached the EL about whether or not it would be interested in joining the MARC system. The EL was, in fact, interested, and saw MARC as a way to gain access to many of the markets in which it was not currently operating (including Philadelphia) in order to make it a viable competitor to PC. While its New York to Chicago line

was able to compete effectively with PC's piggyback business, the EL's lines did not serve the vast customer base and major cities that the PC's did. Both MARC and EL would benefit from combined access to the major markets of New York, Buffalo, Chicago, and Philadelphia. Called MARC-EL, the new conglomerate of the EL, LV, RDG, CNJ, and L&HR would provide a strong competitor to a reorganized and restructured Penn Central.[88] Haldeman was thrilled.

After president and trustee John Nash retired in December of 1974, Robert Haldeman became the chief executive officer of the LV and the sole bankruptcy trustee.[89] In March of 1975, he signed off on the 1974 financial figures, which showed a loss of $7,695,879 on revenues of $69,476,497, a loss that was almost identical to the year before but on far more revenue, meaning that underlying costs had increased right along with the income.[90] Despite this, some of the LV's good fortune continued. Oak Island Piggyback Terminal handled 62,474 trailers in 1974, a 25 percent increase over 1973's figures and a staggering three times the amount handled in 1971.[91] New York State Gas & Electric had a 29 percent increase in traffic, up to 12,341 cars in 1974.[92] The LV was handling a 4 percent increase in total traffic between 1973 and 1974 and a whopping 49 percent overall increase since 1971.[93] Net profits per car were up to an all-time high of $22.70, 22 percent higher than pre-bankruptcy rates and almost six times the all-time low in 1972.[94] And, as an added bonus, in early 1975, the CNJ finally decided to give up its L&NE subsidiary in Pennsylvania, handing the trackage and customers over to the LV in a situation similar to the L&S takeover three years earlier.

Even though the LV showed some marked improvements in 1974, the rest of the northeastern railroads were not as fortuitous. On May 8, 1974, the Penn Central's Poughkeepsie

Bridge mysteriously caught fire and was rendered unusable.[95*] This was the bridge over which PC traveled to deliver its New England traffic to the EL in Maybrook, New York.[96] Without the bridge, and with neither railroad able to afford the necessary repairs, EL watched 20 percent of its traffic dry up overnight.[97] As a result of the fire and lost traffic, the EL could no longer find a way to effectively reorganize, and, on January 5, 1975, it filed for liquidation and asked to be included in the USRA's plans for Conrail or MARC-EL.[98] In early 1975, the USRA conducted studies of the MARC-EL plan, running numbers to project its potential for profit and the timeframes to achieve it.[99] They also ran the numbers for Conrail's projections at the same time.[100] Haldeman was able to see the MARC-EL projections in May of 1975, and called them "very, very good," but the confidentiality that the USRA imposed on all of its research meant that he did not get to see the Conrail projections until after the MARC-EL plan was officially dropped by the USRA on May 29, 1975.[101] When he heard that they had chosen the all-inclusive Conrail plan over MARC-EL, Haldeman assumed that the numbers for Conrail were simply better than those for MARC-EL.[102] However, he was shocked to find that the Conrail projections were not nearly as good, and that the USRA had made its decision based on "'other considerations' which would be published in the Final System Plan" for Conrail.[103]

When the USRA solidified its Final System Plan in mid-1975, it called for Conrail to be made up of the remaining bankrupt railroads of the northeast, including the LV. An unexpected blessing came to the LV, as they chose to pawn off the PC's Northeast Corridor (the high-speed, high-capacity mainline that ran through Washington, Baltimore, Philadelphia, Newark, New York, Providence, and Boston) onto Amtrak as a passenger-only line, necessitating an alternative

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[*] The fire was ruled an arson by investigators. While it has never been proven, many in the railroad industry suspect that PC was somehow involved in the fire, as it became the shipper for the 20 percent of the EL's traffic that still needed to get to New England and could no longer be routed via EL.

major freight route.[104] The only comparable route out of New York and across New Jersey was the LV's line from New York to Allentown, which would connect with the RDG south to Philadelphia and west to Harrisburg and beyond on the former PC mainline to Altoona and Pittsburgh. The LV would also survive north from Allentown to Ithaca, New York, although its main line between Ithaca and Buffalo would be abandoned, as it was redundant to both the PC's and EL's mainlines. The LV's Sayre shops were to be closed, but the yards in Oak Island (Newark, New Jersey) and Allentown, Pennsylvania would be used as the major east-west terminals out of New York City, with Oak Island serving as a collection point for outbound New York traffic and Allentown serving as a distribution point for locations north, west, or south. Congress approved the Final System Plan on November 9, 1975.[105] With the LV posting a large loss of $11,288,107 on revenues of $62,940,842 for the year 1975 after a nationwide decline in traffic that saw the LV's traffic decrease more than 20 percent, it seemed like help was right on time.[106]

On February 5, 1976, President Gerald Ford signed the "Railroad Revitalization and Regulatory Reform Act of 1976," or "4R Act."[107] Based on the plans of the USRA, Congress allotted $6.4 billion in funds to the new Conrail system, Amtrak, and suffering midwestern railroads like the Chicago & North Western Railway, the Missouri-Kansas-Texas Railroad (the Katy), and the recently bankrupt Chicago, Rock Island & Pacific Railroad (the Rock Island).[108] It also began the process of deregulating railroad rates in the same way that the ICC had deregulated cement shipment on trucks in 1959 by taking the ICC's job out of its hands.[109] The 4R Act gave railroads their first competitive edge against trucking and limited the power of the ICC to interfere with rates and shipping regulations, giving the new Conrail system a hope of survival.[110] The properties and railroad assets of the Penn Central, Lehigh Valley, Central

Railroad of New Jersey, Reading, and Lehigh & Hudson River were set to be conveyed to Conrail on April 1, 1976, exactly four years after the CNJ conveyed its Pennsylvania operations to the LV.[111] This became known popularly as "Conveyance Day."[112]

The 3R Act required competition, and in the USRA Final System Plan, the only marginally solvent railroad left in the northeast, the Delaware & Hudson, was to be made a viable competitor. The D&H, previously confined to its single mainline between Montreal, Quebec and Wilkes-Barre, Pennsylvania, was given trackage rights over large portions of the Conrail system. The D&H was given the task of continuing the LV's highly successful *Apollo* and *Mercury* runs, interchanging with the N&W in Buffalo and running over the former EL mainline to Binghamton, New York, where it would take its own mainline south to Wilkes-Barre and then run over the former Lehigh Valley tracks into Oak Island yard in New Jersey.[113] To cover the colossal increase of traffic that was dumped on the D&H, the USRA gave it $28 million in loans under 4R and a bundle of extra locomotives that would otherwise have gone to Conrail.[114] This gift basket included twenty nearly new EMD GP39-2s from the RDG, all twelve of the LV's equally new GP38-2s, and all twelve of the LV's aging C420s.

On April 1, 1976, the LV's property and operations were taken over by Conrail, the largest railroad in the United States. Twenty-four LV locomotives departed for the D&H, and the LV's mainline between Ithaca and Buffalo, New York (which lacked any significant on-line customers) was permanently abandoned. The Lehigh Valley Railroad had officially ceased to exist, and along with its passing went the power and prestige of 123 years of consistent service.

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APPENDIX A

LEHIGH VALLEY RAILROAD COMPANY

LARGEST ON-LINE CUSTOMERS, 1969-1974

Company	Location	Annual Carloads 1969	1970	1971	1972	1973	1974
Oak Island Piggyback Terminal	Newark, NJ	29,762	28,962	19,769	21,485	49,828	62,474
Bethlehem Steel	Bethlehem, PA	29,477	29,769	25,263	31,890	38,061	39,173
Charmin Paper Products Co.	Mehoopany, PA	13,842	14,860	19,774	24,602	24,181	26,825
New Jersey Zinc Company*	Palmerton, PA	-	-	-	8,895	11,007	10,770
New York State Elec. & Gas Co. Milliken Station	Ludlowville, NY	10,553	12,545	10,788	8,423	9,608	12,341
Swanee Paper Corporation	Ransom, PA	4,288	4,995	5,669	4,760	3,087	2,805
Jeddo-Highland Coal Co. Jeddo #7 Colliery	Harleigh, PA	4,072	2,416	3,135	3,910	3,545	3,070
Crestwood Industrial Park*	Crestwood, PA	-	-	-	2,493	3,768	3,247
American Smelting & Refining	Perth Amboy, NJ	3,534	3,561	2,737	3,010	2,843	2,191
Cayuga Rock Salt Co. (Cargill Co.)	Ludlowville, NY	1,528	1,557	2,314	4,077	3,417	4,488
Blue Coal Corp.* Huber Colliery	Ashley, PA	-	-	-	3,448	4,290	671
CertainTeed / St. Gobain Corp.*	Crestwood, PA	-	-	-	2,230	3,310	2,695
Beacon Milling Co.	Cayuga, NY	4,151	3,488	3,195	1,836	1,176	853
Johns Manville	Manville, NJ	1,841	793	1,961	1,823	2,211	2,259
Jeddo-Highland Coal Co. Highland #5 Colliery	Drifton, PA	1,984	1,565	-	-	-	-
Nabisco	Geneva, NY	1,573	1,586	1,576	1,768	1,997	2,094
Wilkes-Barre Piggyback Terminal	Wilkes-Barre, PA	1,969	1,511	1,506	1,927	1,930	1,354
Humble Oil (Exxon)	Bayonne, NJ	1,529	1,412	1,538	2,054	1,836	1,376
Universal Carloading & Dist.	Newark, NJ	1,833	2,136	892	-	-	-
Whitehall Cement Mfg. Co.	Whitehall, PA	2,392	2,139	1,859	1,281	1,175	793
International Smelting & Refining	Perth Amboy, NJ	1,385	1,198	979	934	2,843	2,191
Acme Markets, Inc.	Forty Fort, PA	1,603	1,740	1,711	1,467	1,498	1,461
Lehigh Valley Anthracite Co. Hazelton Shaft	Hazelton, PA	2,933	1,283	2,724	97	1,374	956
Kraft Foods	Hillside, NJ	2,319	2,438	2,312	1,445	272	489
Beaver Brook Coal Co. Buckley Colliery	Eckley, PA	1,542	1,362	1,217	1,519	1,811	1,775
Allentown Piggyback Terminal	Allentown, PA	1,432	1,239	856	1,172	2,245	2,243
U.S. Gypsum	Clark, NJ	2,151	1,522	1,406	1,374	1,495	1,220
Dixie Cup Co.	Easton, PA	1,249	1,369	1,424	1,514	1,498	1,956
Masonite Corporation	Presswood, PA	1,760	1,633	864	991	1,422	1,608
Pennsylvania Power & Light Co.	Stanton, PA	2,658	2,033	748	20	-	-
Lehigh Valley Anthracite Co. Lion Colliery	Hazelton, PA	1,652	1,406	1,316	1,606	1,073	986
Seneca Army Depot	Romulus, NY	2,505	1,607	639	829	999	967
Hunt Wesson	Bayonne, NJ	1,422	1,393	1,617	1,235	967	949
Ocean Industries	Perth Amboy, NJ	-	-	-	171	2,093	1,148
Rochester Piggyback Terminal	Rochester, NY	1,472	620	-	-	-	-
Union Carbide	Perth Amboy, NJ	897	1,139	834	1,238	796	1,333
American Can Hillside	Hillside, NJ	1,923	2,047	1,162	909	61	81
Martin Marietta Cement*	Northampton, PA	-	-	-	1,212	1,092	785
Charles Schaeffer	Townley, NJ	1,011	963	690	757	513	1,107
American Cyanimid	Bound Brook, NJ	1,862	923	629	427	368	383
Hercules Cement	Stockertown, PA	1,849	1,086	562	664	178	208
G.A.F. (Sandura Div.)	Fullerton, PA	484	440	603	748	1,123	1,080
Special Steels	Newark, NJ	636	546	507	795	647	1,245
Harris Structural Steel	New Market, NJ	1,141	1,092	251	545	315	765
Coplay Cement Co.	Catasauqua, PA	685	620	568	557	1,206	389
Niagara Falls Piggyback Terminal	Niagara Falls, NY	432	419	170	-	1,055	1,126

*Denotes new customer to the LV due to takeover of CNJ L&S division on April 1, 1972.

APPENDIX B

LEHIGH VALLEY RAILROAD COMPANY
PER CARLOAD OPERATING STATISTICS, 1969-1974

Annual Statistics	1969	1970	1971	1972	1973	1974
Carloads	338,165	308,588	264,660	346,605	378,160	393,105
Revenue Miles Per Ton	203.6	199.1	200.7	161.7	170.65	185.3
Net Tons Per Loaded Car	45.6	47.5	46.6	47.3	50.1	49.5
Revenue Per Ton Mile	1.497¢	1.600¢	1.785¢	1.853¢	1.739¢	1.873¢
Revenue Per Ton	$ 3.05	$ 3.19	$ 3.58	$ 3.00	$ 2.97	$ 3.47
Earnings Per Car	$139.02	$151.19	$166.92	$141.83	$148.56	$171.62
Operating Costs Per Car	$121.16	$139.16	$153.79	$137.87	$134.32	$148.92
Net Profit Per Car	$ 17.86	$ 12.03	$ 13.13	$ 3.96	$ 14.24	$ 22.70

APPENDIX C

LEHIGH VALLEY RAILROAD COMPANY
NET LOSS
(Includes Extraordinary and Prior Period Items)

1958	$4,398,608
1959	2,402,114
1960	3,240,185
1961	8,320,287
1962	3,863,791
1963	3,232,024
1964	2,890,569
1965	3,131,004
1966	2,868,618
1967	3,737,516
1968	5,968,691
1969	5,233,738
1970	10,405,879
1971	7,956,819
1972	17,693,020
1973	7,626,355
1974	7,695,879
1975	11,288,107

APPENDIX D

LEHIGH VALLEY RAILROAD COMPANY

	Total Railway Operating Revenue	Freight Revenue	Passenger Revenue
1958	$57,787,142	$51,453,794	$2,715,926
1959	54,425,811	49,599,445	1,779,650
1960	51,309,614	47,734,487	1,318,456
1961	44,241,167	42,384,840	108,977
1962	45,455,545	43,850,202	-
1963	45,471,835	43,900,328	-
1964	45,924,774	44,245,940	-
1965	44,958,551	43,451,660	-
1966	45,292,569	43,704,480	-
1967	44,957,010	43,393,082	-
1968	46,437,938	44,837,293	-
1969	48,819,312	47,011,222	-
1970	48,252,010	46,654,954	-
1971	45,459,016	44,176,773	-
1972	51,129,082	49,160,656	-
1973	58,057,385	56,177,825	-
1974	69,476,497	67,464,321	-
1975	62,940,842	61,231,863	-

APPENDIX E

LEHIGH VALLEY RAILROAD COMPANY
RAILWAY OPERATING EXPENSES

		Carloads	Per Car
1958	$52,631,687		
1959	48,497,733		
1960	46,893,605		
1961	42,362,470		
1962	41,242,955	393,211	$104.89
1963	40,540,303	386,445	104.91
1964	39,730,928	381,414	104.17
1965	38,024,948	368,243	103.26
1966	38,153,111	363,158	105.06
1967	38,584,133	348,390	110.75
1968	40,582,970	328,531	132.53
1969	40,971,402	338,165	121.16
1970	42,943,974	308,588	139.16
1971	40,702,471	264,660	153.79
1972	47,786,668	346,605	137.87
1973	50,795,208	378,160	134.32
1974	58,541,854	393,105	148.92
1975	57,865,494	312,992	184.88

APPENDIX CREDITS

Appendix A data compiled from:

Ed Schaller, "On-Line Customers," LVRR Modeler, accessed September 8, 2011, last updated March 15, 2002, http://www.anthraciterailroads.org/lvrrmodeler/traffictrackdiag.htm.

Lehigh Valley Railroad, "Traffic Track Diagram, 1974-1973," Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.

Appendix B data compiled from:

Lehigh Valley Railroad, "Freight Commodity Statistics [1969-1971]," Robert C. Haldeman Collection, Railroad Museum of Pennsylvania, Strasburg, PA.

Lehigh Valley Railroad, "Freight Commodity Statistics [1972-1974]," Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.

Lehigh Valley Railroad, "Railway Operating Expenses," Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.

Appendix C reproduced from:

Lehigh Valley Railroad, chart of LV net losses 1958-1975, Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.

Appendix D reproduced from:

Lehigh Valley Railroad, chart of LV operating revenues 1958-1975, Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.

Appendix E reproduced from:

Lehigh Valley Railroad, chart of LV operating expenses 1958-1975, Robert C. Haldeman Collection, Pennsylvania State Archives, Harrisburg, PA.