

Western New Yorker
Warsaw, N.Y., June 1, 1911

PLOUGHING IN

Erie Railroad Showing Result of Expenditures.

**Gradually Growing Toward Standard Rank.
Erie Operatives Working with More Pride and
and Under Strong Stimulus.**

Erie, like a number of other stocks, made anew high record for the year this week, but the interesting point about Erie's advancement witnessed in other stocks, it began before the Standard Oil decision was handed down. The facts are that the public is just beginning to realize that a remarkable change is taking place in Erie. Only a few years ago everybody was culling the road "an underdog," and to the traveling and shipping public it was quite evident that the Erie's officers and employees recognized the title. Today it is different. Anybody can see that Erie's employees go about their work with heads up and shoulders back.

When you see an Erie locomotive with a name painted on the cabin in large letters it means that the engineer in charge has made the high record for fuel, repairs, and ton mile service performed. That locomotive is his as long as he stays with the company, and it is his proudest possession. So far, few engineers have had locomotives named for them, but many of them have rescheduled the next honor by being elected a member of the "Order of the Red Spot." When you see an Erie locomotive with a name painted on it or the round number plate in front of the boiler painted red, you are sure that it is a good one.

As for Erie's roadbed, the right of way has never been kept in such "ship-shape." In the near future the section-gang making the best showing will be rewarded by a specially painted and marked section house. Such good nature rivalry as now exists among the Erie's employees does much to explain the change that has taken place.

As for tangible results, during the nine months of the year New York Central, and Baltimore and Ohio show decreases in net \$2,159,000 and of \$2,500,000 respectively, while Erie during the same nine months increased its net

\$361,000. Those figures put an end to the old legend that Erie is the first road to feel hard times, because it exists on the overflow of business discarded by kind-hearted neighbors. When there is not enough business to go around and empty box cars are piling up on sidings, there is no such thing among railroads as charity. In hard times the railroad that is best is the one that has the most business originating along its own lines. In that respect, most people would hardly think of comparing Erie with the New York Central; the facts, are that last year the number of tons of revenue freight hauled one mile per mile of road operated amounted to 2,880,000 on the Erie compared with 2,290,000 on the New York Central.

Erie got the name of "under the dog" because of its heavy bonded debt that amounts to \$107,000 per mile, compared with \$71,000 for the New York Central. Only recently, however the management determined to "plough in" earnings until the property grew to its fixed charges. Having determined upon that policy, the management took another step by accepting every opportunity to talk to employees in man-to-man fashion as follows:

"Now look here, you have been called the under dog until you believe it yourself. Get on the job and shake that idea." That was before the Erie had locomotives with names or red-spots instead of numbers, and before the traveling public began to miss the pieces of rear wheels, axles, coupling pins, and bolts that had been strewn along the right of way.

Erie has considerable ploughing in of earnings to do before bonds can be sold to advantage. When that time comes, one of the first problems that will be solved will be the erection of new freight terminals where the Jersey City passenger station now stands. A new passenger station to be built over the Hudson tunnel will house the executive and clerical forces, and thus, by saving New York office rent will pay its way. All of the plans for the new Jersey City freight and passenger terminals have been drawn and the exact cost ascertained.

Transcribed by Richard Palmer