The Semaphore

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Our next meeting is on May 5th at 7 PM.

Send comments about and contributions to this newsletter to editor.

Please keep us informed of changes in your address, phone number or email address.

ON MAY 1, 2011 AMTRAK WILL CELEBRATE ITS 40TH BIRTHDAY.
AMTRAK IS DOING WELL TODAY,
BUT IT HAS NOT ALWAYS BEEN A SMOOTH RIDE.
READ ABOUT AMTRAK'S HISTORY INSIDE.

News for our members

Our next meeting

Our next meeting will be starting at **7 PM** on **Thursday May 5th**.

Clinic: History of Norfolk & Western, and how it became a layout.

Synopsis: Clint Smoke will be discussing how he researched the Norfolk & Western RR. He will show how it went from research to a plan for a layout. Come to learn and have fun. ***See you there!***

Report on the last meeting

The meeting was called to order at 7:00 PM by Superintendent **Fred Coleman**.

John Williams gave the treasurer's report and the Train Show results. We are still solvent and did not lose any money on the Train Show

Fred reported that:

We are going to look at our advertising for the train show next year. The TV ad seemed to do well, but it was a non scientific poll at the front door. We will be starting the nominating committee for this year's elections in June. If you would like to be part of the committee contact **Dave** or **Fred**

We continue to assist Peggy Keyes establish a model train museum at Lake Lure.

Don't forget that the SER convention is coming up on May 20 to 22 in Macon, GA.

Following a short break we had an interesting presentation by **Fred Coleman** on making water using Mod-Podge. He brought several examples, along with showing how he did this on his waterfront part of his layout.

Health and welfare report

We hope that **Harvey Klumb** is feeling better, he was having 'diminished capacity' from his cardiovascular work. Our thoughts and prayers are with you **Harvey**.

Train Show Pictures

If you took pictures at the train show, would you please submit them to our Webmaster/Asst. Superintendant.

You can email, zip file, or CD them to Dave our web lackey. These will end up on the website as a slideshow.

Thanks!

Eliada Kid Module Update

Fireworks by Lexie

The Hills by Nathan

Nashville by Abby

These are some of the modules made in the last few months. Come down a join the fun. No experience required, just some problem solving. Learn from helping them get to the finish!

Mid Winters Nite by Dominque

Ashboro Farms by Debra

Montana's Veterinary by Montana

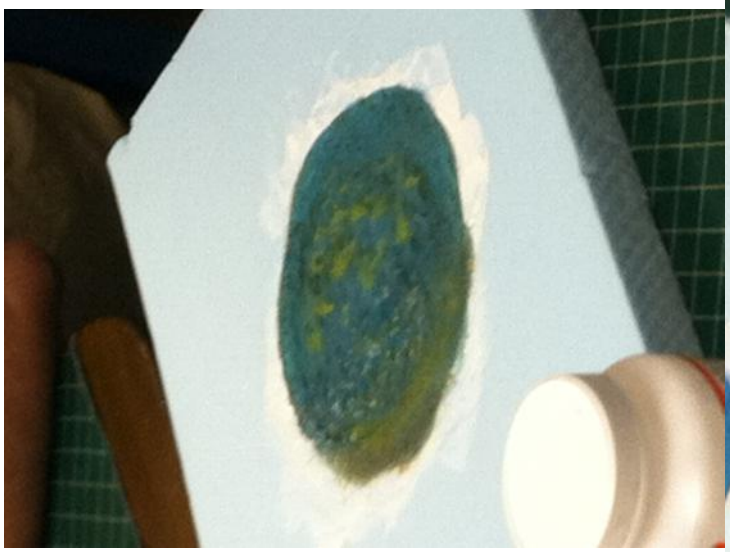
Dino by Ms Brittany

Sliding Rock by Anthony

Clinic Highlights

Fred's clinic was about using plaster and Mod Podge. He showed that he made the waves with plaster and covered with Mod Podge Gloss.

The depth of the water is very shallow for any of the applications. He said that the Railroad Model Craftsman had the same thing. Fred could not duplicate all the things in the article. It looked to most of the people present that Fred was using the correct Mod Podge product. (There are two types of Mod Podge that could be used Matte or Gloss



A Short History of Amtrak

The **National Railroad Passenger Corporation**, doing business as **Amtrak** (reporting mark **AMTK**), is a government-owned corporation that was organized on May 1, 1971, to provide intercity passenger train service in the United States. "Amtrak" is a portmanteau of the words "America" and "track". It is headquartered at Union Station in Washington, D.C. All of Amtrak's preferred stock is owned by the U.S. federal government. The members of its board of directors are appointed by the President of the United States and are subject to confirmation by the United States Senate. Common stock was issued in 1971 to railroads that contributed capital and equipment; these shares convey almost no benefits but their current holders declined a 2002 buy-out offer by Amtrak.

Amtrak employs nearly 19,000 people. It operates passenger service on 21,000 miles of track primarily owned by freight railroads connecting 500 destinations in 46 states and three Canadian provinces. In fiscal year 2008, Amtrak served 28.7 million passengers, representing six straight years of record ridership. Despite this recent growth, the United States still has one of the lowest inter-city rail usages in the developed world.

Amtrak's origins are traceable to the sustained decline of private passenger rail services in the United States from about 1920 to 1970. In 1971, in response to the decline, Congress and President Richard Nixon created Amtrak. The Nixon administration secretly agreed with some railroads that Amtrak would be shut down after two years. After *Fortune* magazine exposed the manufactured mismanagement in 1974, Louis W. Menk, chairman of the Burlington Northern Railroad remarked that the story was undermining the scheme to dismantle Amtrak. Though for its entire existence the company has been subjected to political cross-winds and insufficient capital resources, including owned railway. In spite of these woes, Amtrak's ridership has maintained consistent growth.

From the middle 19th century until approximately 1920, nearly all intercity travelers in the United States moved by rail. By 1910, close to all of intercity passenger trips were by railroad. The rails and the trains were owned and operated by private, for-profit organizations. Approximately 65,000 railroad passenger cars operated in 1929.

For a long time after 1920, passenger rail's popularity diminished and there were a series of pullbacks and tentative recoveries. Rail passenger revenues declined dramatically between 1920 and 1934 because of the rise of the automobile, but in the mid-1930s, railroads reignited popular imagination with service improvements and new, diesel-powered streamliners, such as the gleaming silver *Pioneer Zephyr* and *Flying Yankee*. Even with the improvements, on a relative basis, traffic continued to decline, and by 1940 railroads held 67% of passenger-miles in the United States. World War II broke the malaise. During the war, troop movements and restrictions on automobile fuel generated a six-fold increase in passenger traffic from the low point of the Depression. After the war, railroads rejuvenated overworked and neglected fleets with fast and often luxurious streamliners — epitomized by the *Super Chief* and *California Zephyr* — which inspired the last major resurgence in passenger rail travel.

The postwar resurgence was short-lived. In 1946, there remained 45% fewer passenger trains than in 1929 and the decline quickened despite railroad optimism. Passengers disappeared and so did trains. Few trains generated profits; most produced losses. Broad-based passenger rail deficits appeared as early as 1948 and by the mid-1950s railroads claimed aggregate annual losses on passenger services of more than $700 million (almost $5 billion in 2005 dollars using CPI). By 1965, only 10,000 rail passenger cars were in operation, 85% fewer than in 1929. Passenger service was provided on only

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75,000 miles (120,000 km) of track, a stark decline. Passenger rail service in the United States showed the signs of underinvestment. Rail facilities suffered from decrepit equipment, cavernous and nearly empty stations in declining urban centers, and management that seemed intent on driving away the few remaining customers. The 1960s also saw the end of railway post office revenues, which had helped some of the remaining trains break even.

Government regulation and labor issues

The primary regulatory authority affecting rail interest from the early 20th century was the Interstate Commerce Commission (ICC). The ICC played a leading role in rate-setting and intervened in other ways detrimental to passenger rail. Increases in train speeds which had been occurring since the 1930s were hampered after the Naperville train disaster of 1946 and other crashes in New York in 1950. In 1947 the ICC issued an order requiring US railroads, by the end of 1951, to install automatic train-stop or train-control or cab-signaling wherever any trains would travel at 80 mph (130 km/h) or faster. Such technology was not widely implemented outside the Northeast, effectively placing a speed limit in other areas, which is still in effect today, and why the 79 mph maximum passenger train speed is common in the United States. In 1958, the ICC was granted authority to allow or reject modifications and eliminations of passenger routes (*train-offs*).

Many routes required beneficial pruning, but the ICC delayed action by an average of eight months and when it did authorize modifications, the ICC insisted that unsuccessful routes be merged with profitable ones. Thus, fast, popular rail service was transformed into slow, unpopular service. The ICC was even more critical of corporate mergers. Many combinations, which railroads sought to complete, were delayed for years and even decades, such as the merger of the New York Central Railroad and Pennsylvania Railroad, into what eventually became Penn Central, and the Delaware, Lackawanna and Western Railroad and Erie Railroad into the Erie Lackawanna Railway. By the time the ICC approved the mergers in the 1960s, disinvestments by the federal government, years of deteriorating equipment and station facilities and the flight of passengers to the air and car had taken their toll and the mergers were unsuccessful.

At the same time, railroads carried a substantial tax burden. A World War II – era excise tax of 15% on passenger rail travel survived until 1962. Local governments, far from providing needed support to passenger rail, viewed rail infrastructure as a ready source for property tax revenues. In one extreme example, in 1959, the Great Northern Railway, which owned about a third of one percent (0.34%) of the land in Lincoln County, Montana, was assessed more than 91% of all school taxes in the county. To this day, railroads are generally taxed at a higher rate than other industries, and the rates vary greatly from state to state.

Railroads also were saddled with antiquated work rules and an inflexible relationship with trade unions. Work rules did not adapt to technological change. Average train speeds doubled from 1919 to 1959, but unions resisted efforts to modify their existing 100 to 150 *mile* work days. As a result, railroaders' work days were roughly cut in half, from 5 – 7½ hours in 1919 down to 2½-3¾ hours in 1959. Labor rules also perpetuated positions that had been obviated by technology. Between 1947 and 1957, passenger railroad financial efficiency dropped by 42% per mile. Today, the burden of nascent railroad worker pensions, including those of freight railroad workers, are financed by Amtrak, regardless of whether such workers were ever employed by Amtrak or worked in passenger railroad service. In effect, Amtrak subsidizes the pensions of thousands of railroad workers who would otherwise not receive any pension.

While passenger rail faced internal and governmental pressures, new challenges appeared that under-

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mined the dominance of passenger rail: highways and commercial aviation. The passenger rail industry wilted as government backed these potent upstarts with billions of dollars in construction of highways and government-owned airports and the air traffic control system.

As cars became more attainable to most Americans, this newfound freedom and individualization of transit became the norm for most Americans because of the increased convenience. Government actively began to respond with funds from its treasury and later with fuel tax funds to build a non-profit network of roads not subject to property taxation that rivaled and then surpassed the for-profit network that the railroads had built in previous generations with corporate capital and government land grants. All told between 1921 and 1955 governmental entities, using taxpayer money and in response to taxpayer demand, financed more than $93 billion worth of pavement, construction, and maintenance.

In the 1950s, a second and more formidable threat appeared: affordable commercial aviation. Government at many levels supported aviation. Governmental entities built sprawling urban and suburban airports, funded construction of highways to provide access to the airports, and provided air traffic control services.

Rail Passenger Service Act

In the late 1960s, the end of passenger rail in the United States seemed near. First had come the requests for termination of services; then came the bankruptcy filings. The legendary Pullman Company became insolvent in 1969, followed, in 1970, by the dominant railroad in the Northeastern United States, the Penn Central. It now seemed that passenger rail's financial problems might bring down the railroad industry as a whole, yet few in government wanted to be held responsible for the extinction of the passenger train.

In 1970, Congress passed and President Richard Nixon signed into law, the Rail Passenger Service Act. Proponents of the bill, led by the National Association of Railroad Passengers (NARP), sought government funding to assure the continuation of passenger trains. They conceived the National Railroad Passenger Corporation (NRPC), a hybrid public-private entity that would receive taxpayer funding and assume operation of intercity passenger trains. The original working brand name for NRPC was Railpax, but shortly before the company started operating it was changed to Amtrak.

There were several key provisions:

- Any railroad operating intercity passenger service could contract with the NRPC, thereby joining the national system.
- Participating railroads bought into the NRPC using a formula based on their recent intercity passenger losses. The purchase price could be satisfied either by cash or rolling stock; in exchange, the railroads received NRPC common stock.
- Any participating railroad was freed of the obligation to operate intercity passenger service after May 1, 1971, except for those services chosen by the Department of Transportation as part of a "basic system" of service and paid for by NRPC using its federal funds.

Railroads that chose not to join the NRPC system were required to continue operating their existing passenger service until 1975 and thenceforth had to pursue the customary Interstate Commerce Commission (ICC) approval process for any discontinuance or alteration to the service.

Nearly everyone involved expected the experiment to be short-lived. The Nixon administration and many Washington insiders viewed the NRPC as a politically expedient way for the President and Con-

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gress to give passenger trains the one "last hurrah" demanded by the public. They expected Amtrak to quietly disappear as public interest waned. Proponents also hoped that government intervention would be brief, but their view was that Amtrak would soon support itself. Neither view has proved correct. Popular support has allowed Amtrak to continue in operation longer than critics imagined, while financial results have made a return to private operation unfeasible.

Adapted from the Wikipedia website.

For more Information:

Model Railroad Craftsman (May 2011) has several interesting articles about Amtrak

Amtrak: An American Story, published by Kalmback, Inc., 2011. Call 1-800-533-6644 to order.

Events for modelers:

SRHA (Southern Railroad Historical Assn.) Convention

May 20-21 SRHA's 25th Anniversary at Spencer, NC.

2011 SER Convention

May 20-22, 2011 in Macon, Georgia.
Hosted by the Empire Division
For the latest information go to the website for details.

2011 NMRA Convention

July 3-9, X2011, Sacramento, CA
Check out website for details

National Train Show
July 8 to 10 check out the website for more details,

A ride on the Acela

Dave Anderson

I recently had the opportunity to ride the Acela from Boston to Penn Station, New York. I have to admit is was a very nice ride. The cars are clean, seat roomy and nice overhead space. There are two tables in each business cars. My wife Maureen and I spread out on one of the tables, and relaxed on the trip to New York. The three and 1/2 hours trip was smooth. Many amenities are on the train café car, wifi to name two.

It was very much like riding the bullet trains from Tokyo to Kyoto or Osaka when I was a child. The only thing missing was the speedometer in the car that the Bullet train had.

It was about the same time as flying from Boston the NYC, but a far better ride and view . There was no turbulence, but occasionally the brakes did chatter as it slowed down. I would recommend a trip on the Acela.