

Mr Hastings - LRB wanted me to tape a few words for Keenans day about CRR Engg Dept - This is a rough draft - Does it suit?

Erwin, Tennessee, September 13, 1962

File 592

Good

Judge 2/12

You will recall, I am sure, the song "Smoke Gets in Your Eyes." In the days before the diesel locomotive, both during construction and in operating the completed railroad, smoke got in your nose. For some unexplained reason, when this happened, no man was apparently happy unless he placed his life and fortune with a railroad.

There was romance as well as sheer hard work in early railroading. To attempt to connect the Southeast with the Midwest was the dream of every early politician, financier and railroader. The rough and rugged barrier of the Blue Ridge mountains kept these dreams from becoming a reality until after two companies had failed and George L. Carter, John P. Dennis and the investment Company of Blair and Company, put their mind, brawn and financial resources to the task.

As the result of these men and their backers, there is today and has been for 54 years a Clinchfield Railroad. Nature's many obstacles were overcome. Grades are reasonable, bridges and tunnels are adequate for present loads and equipment and the foundation laid in 1908 is a marvel even by today's standards.

Thruout the years Clinchfield has kept abreast of the times. ^{Light} High rail, untreated ties, steam engines, telegraph and train orders have given way to rail weighing 132-lbs. per yard, creosoted ties with an expected life of 30 to 35 years, diesel engines, coded communications of voice, teletype, and hot box detectors, radio, including centralized traffic control signaling on all main track and 22 passing tracks. The majority of these modern methods, materials and equipment have come about since 1949.

The design, construction and maintenance of yards, bridges, depots, scales, fuel stations, shop buildings, communication lines, signals and appurtenances are all a daily part of the Engineering Department's work.

Altho the era of railroad expansion has passed, frontiers will always remain open, for developing better railroad engineering methods. Romance in railroading is still here. The future years will bring new types of equipment, new methods of building and maintenance to meet new traffic requirements. The Clinchfield is always seeking ways to do the job better.

The Clinchfield is now well equipped with the finest and latest developments in engineering methods and equipment. As the tools and methods of 50 years ago are now obsolete, so no doubt will the tools and methods of today be obsolete in the future.

We must, employe and friend alike, seek the help of our elected representatives to remove the shackles which prevent us from not only performing the service we are capable of, but in doing so, make a reasonable profit. Irrespective of what many ~~ham~~ trusters and bureaucrats are saying, profit is not a dirty word. It has made America the greatest land on earth and if we are to continue not only ~~an~~ the Clinchfield, a small segment indeed, but as a nation as a whole we must put our house in order--won't you help?

The officers and employes of the Clinchfield Railroad are grateful for the opportunity to present to you the story of Unicoi County's largest industry, to acquaint you with some of its outstanding accomplishments and some of the problems with which the Clinchfield Railroad and the railroad industry in general is confronted.

Before our story begins we are proud to introduce Mr. David C. Hastings, General Manager of the Clinchfield Railroad.

Mr. Hastings:

It is a sincere pleasure to greet you today as a new citizen in Erwin and Unicoi County and as General Manager of the county's largest industry, the Clinchfield Railroad Company. After living in Florida for about eighteen months it is certainly pleasing to me and my family to have the opportunity of again moving to the beautiful mountain region. Since arriving in Erwin, I often wonder why people leave this cool, refreshing, and scenic area to visit the open beaches of the Carolinas and Florida. However, I have noted that most of those people always return to East Tennessee.

My family joins me in expressing our very deepest appreciation for the manner in which you have welcomed us into your midst. Our Clinchfield Railroad picnic on the beautiful Milligan College Campus a few weeks ago gave us the opportunity to meet many of the fine people of Erwin. Your friendly and courteous greetings and your offer of assistance in getting the Hastings comfortably located in

your lovely town will long be remembered and is typical of that good Southern hospitality. I shall look forward to meeting and working together with more of the fine citizens of Erwin and Unicoi County.

Also, it is a privilege for Clinchfield Railroad and for me to participate in this program, which has been so ably planned by members of the Erwin Kiwanis Club in the interest of building funds to assist worthy young men in obtaining a higher education and a better way of life. It is wonderful that these men recognize the need for this project and through their combined efforts, in co-operation with station WEMB, are determined to do something about it. Also, all of us should be ever mindful and thankful we live in a Country and under a flag that does not hinder but encourages such opportunities for our young people. It is individual determination of citizens like members of the Erwin Kiwanis Club, participating in projects such as the one being carried on today, and the hard work of our other fine civic organizations and churches in Erwin,

that has made this Country great and will keep it strong against any aggressor.

My challenge to each of you listening today is to stand ready always to join together with others in projects that will produce results which are good and wholesome for all of our citizens in the upbuilding of a better Erwin and the surrounding area. In so doing, tomorrow will be brighter and happier for a lot of people.

I appreciate the opportunity of spending a few minutes with you, and you are urgently requested to stay tuned to WEMB for some interesting information concerning the Clinchfield Railroad and what this industry means to Erwin and Unicoi County.

L. R. Beals:

Although the Clinchfield Railroad is only 54 years old, and I say that with reservation, because it is actually 54 years new, it is a vital link in the transportation network of the United States.

Mr. J. M. Salmon, Jr., Chief Engineer of the Clinchfield, will now tell you something about the building and modernization of the Clinchfield Railroad.

J. M. Salmon, Jr.:

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L. R. Beals:

An adequate and properly maintained supply of motive power and modern freight cars is a must for a modern railroad. Mr. P. O. Likens, Chief Mechanical Officer of Clinchfield, will tell you what Clinchfield has done in meeting the requirements of its patrons in contributing to the growth of Unicoi County.

P. O. Likens:

Clinchfield Railroad has kept faith with its patrons by purchasing modern freight cars as well as modern diesel electric locomotives for the freight originating on our line as well as handling overhead traffic received from and delivered to our connections.

At the present time our locomotive fleet consists of 66 Units. Our car fleet consists of 6,225 cars.

One hundred and one (101) of the box cars are equipped with DF or similar interior permanent fixtures for quick loading and bracing of lading. Three hundred and forty-seven (347) of the open top hoppers are 70-ton capacity; thirty (30) of the covered hopper cars are the large Jumbo type, twenty (20) of which are 90-ton capacity. All of these cars are plastic lined. This type of lining reduces contamination and makes for much easier unloading of lading.

To meet shippers' needs, we have equipped during the past five years a large number of cars with special equipment for handling various commodities. To mention a few, we have equipped:

A flat car with special type rack for the handling of

automobile frames.

We have nine (9) tri-level racks mounted on 85 foot and 89 foot long trailer train flat cars. Each car will accommodate twelve standard automobiles or fifteen compacts.

We have equipped one (1) bulkhead flat car with special side gates and tie-downs for handling cubes of brick, concrete or cinder block. We have two (2) additional cars of this type under construction at this time.

We have two types of cars of which we are particularly proud because they are Clinchfield designed and are the only cars of this type to our knowledge in service:

One type is a 40'-6" inside length box car equipped with special racks to accommodate 98 burial cases manufactured by the National Casket Company at Erwin. We have at this time 15 cars of this type in service. We, as well as the shipper, have had excellent results in holding damage to practically nil.

The other type is a flat car, specially equipped with

fixtures to accommodate 8 cast iron grinding laps. These laps are used in the manufacture of plate glass.

~~In order to properly maintain our fleet of cars and locomotives,~~
We have added recently to our shop facilities new and modern equipment to properly maintain our cars and motive power to meet the needs of an expanding economy.

The personnel of the Mechanical Department of Clinchfield Railroad Company is ready at all times to work with industry to provide special equipment to meet their needs.

L. R. Beals:

The Clinchfield Railroad has contributed much to the industrial expansion of Erwin and Unicoi County. We will now hear from Mr.

T. B. Martz, General Industrial Agent of the Clinchfield.

T. B. Martz:

Industrial Development is an absolute necessity to Unicoi County. It fulfills the basic needs of a sound economy by increasing job opportunities for our expanding population and by increasing profitable investment opportunities.

Recognizing the importance of industrial development to the healthy economic growth of our area, the Clinchfield Railroad in 1953 inaugurated an Industrial Division to actively work in cooperation with the communities along its line.

After nine years, I think it is appropriate that we take a look at what has been accomplished in our County.

Through industrial development is generated the flood of a free economy - payroll and profit. Payroll is the most vivid result of industrial growth. Since 1953 the Clinchfield Industrial Division has co-operated with the Citizens Committee for Industrial Expansion in locating five permanent new industries: Davison Chemical Company, Strom Division of Hoover Ball, National Casket

Company, Superior Hone and Tenacrest Division of the Safe-Guard Company. These new plants are presently working 447 of our people and pumping into our economy an annual payroll of over two million dollars. In addition, 50 new families have moved to Erwin as a direct result of this industrial growth.

These are the visual results of our accomplishments.

But let us go one step further and analyze this two million dollar payroll. Payroll is spent on houses, food, household goods, clothes, recreation and so on, thus creating further job opportunities in commerce, service industries, and construction. For each new employe added to a community through industrial development, at least three more people are employed in service and construction industries. In effect, new jobs created in this county as a result of industrial growth has numbered over 1,300.

Payroll dollars usually change hands locally three to five times within an area. You can easily see that this fact alone stimulates local business.

These are the results of industrial development not readily seen.

A suitable plant site is a must. Without available land for industrial expansion, all other advantages are of no use. The Clinchfield Railroad plays a vital role in assuring to Unicoi County that industrial sites are available at reasonable cost. We endeavor to buy choice land areas. This land is bought at railroad expense and costs the citizens of our county nothing. Two of the five plants located here are on former Clinchfield property.

This is the nature of the Clinchfield Industrial Division's work.

Knowing that industrial development is essential to a healthy Erwin economy, the Clinchfield aggressively progresses every prospect. We have had five successes in nine years. Yes, we have had failures, but we do not allow these failures to discourage us. The Clinchfield shall continue to work toward further industrial growth and a prosperous era for the people of Erwin and Unicoi County.

L. R. Beals:

We are proud of the type of men and women who make up the Clinchfield family. The Clinchfield and its people are active in civic affairs. One outstanding example of our community interest is the Y.M.C.A. located at Erwin. Through the years this institution has been of untold benefit to the young people of this community. Clinchfield's interest is reflected in the fact that it provides and maintains the building housing the Y.M.C.A., pays for all utilities and contributes \$100 per month to the support of the "Y."

The 1961 enrollment campaign showed that of 1,131 persons holding membership in this organization, 751 or 66½ per cent of the total membership were members of the Clinchfield family and of \$8,478 dues collected, \$5,469 or 64½ per cent of the total was paid by Clinchfield Railroad people.

L. R. Beals

The payroll of any industry and the taxes it pays make for the prosperity and security of the community it serves. We now present Mr. W. J. Beals, Jr., General Auditor of the Clinchfield Railroad, who will tell us something about the Clinchfield Railroad's contribution in this field.

W. J. Beals, Jr.

Clinchfield Railroad employs the largest number of people of any industry in Unicoi County. In the year 1961 Clinchfield paid \$7,283,000 to 1,423 persons in salaries and wages. Of this total 769 residents of Unicoi County, or more than 50%, received \$4,265,000, which is 59% of Clinchfield's total payroll. This payroll supports the economy of the County in every way and makes for a prosperous and healthy community.

I would like to mention a further contribution of Clinchfield and that is the amount of taxes paid to Unicoi County. The total property tax bill in Erwin and Unicoi County for the year 1961 amounted to \$407,000. Clinchfield Railroad paid property taxes of \$124,400, or 31% of the total bill.

Industry cannot be attracted to a community unless adequate educational facilities are available. Unicoi County's budget for public schools for the current year is \$169,500, and the property taxes payable by Clinchfield will approximate 73% of Unicoi County's proportion of the cost of our public schools.

L. R. Beals

What you have heard from those who have spoken to you about the Clinchfield Railroad shows the value of this industry to Unicoi County and is in a large measure true of every community served by this and every railroad throughout these United States.

But this railroad and this industry cannot continue to provide these benefits or to provide these services under the conditions that now exist. We are operating under legislative controls that were enacted in the "horse and buggy" era. We must have greater freedom suited to this age. For ourselves the railroad industry seeks:

1. Freedom from discriminatory regulations.
2. Freedom from discriminatory taxation.
3. Freedom from subsidized competition.
4. Freedom to diversify.

For you, the community, and our Country, we seek:

1. Freedom from paying subsidies to commercial carriers.
2. Freedom from paying the burden of tax funds for excessive transportation facilities.
3. Freedom from the fear of socialism and endless perpetuation of waste in transportation.
4. Freedom to enjoy the most efficient, lowest cost, and most streamlined transportation service possible for all carriers,

President Kennedy has proposed legislation to free our railroads from some of the handicaps under which we now try to operate. If the Clinchfield Railroad and the railroad industry is to continue the contribution it now makes to this Country we must have freedom to compete.

As a start toward the solution of some of our problems there are now before the Congress House Bills H.R. 11583 and 11584 and Senate Bills S-3242 and 3243 -- a partial implementation of President Kennedy's recommendations. They are only a small step toward placing the railroad industry on the same footing as other forms of transportation. As citizens of Unicoi County you can help preserve the benefits received from your railroad by writing your Congressman and Senators, urging them to support these bills. We earnestly solicit your help. Thank you very much.