

fewer than in 1967. However, larger cars and a rate increase brought total foreign trade revenue to \$39.1 million, an increase of some \$1.7 million.

FREIGHT RATE INCREASES HELP REVENUES

It is estimated that the railroad will gain about \$12 million annually from the two rate increases made permanent by the Interstate Commerce Commission on November 28. Midwestern railroads won a larger share of the Transcontinental freight rates in an order by the Interstate Commerce Commission which was upheld by the United States Supreme Court in May 1967. The order, which is retroactive to July 1, 1963, brings the Illinois Central Railroad an increase in revenue estimated at \$1,593,000 a year. The Illinois Central may also recover as much as \$6,600,000 on past shipments, plus interest, of which \$3,871,000 was received late in 1967. Final settlement is expected in 1969.

In another rate division case, the United States Supreme Court, in November 1968, affirmed the August 1967 order of the United States District Court at New Orleans reversing an order of the Interstate Commerce Commission, giving a larger share of the North-South revenue to northern railroads. The Illinois Central should recover revenue of about \$1,271,000 annually. Retroactive to April 1963, this would amount to some \$4.8 million, plus interest.

MARKETING RESEARCH OPENS NEW REVENUE POTENTIALS

New concepts of railroad service and pricing are opening fresh areas of income for the Illinois Central. The marketing re-

search department is focusing on new approaches to mass transportation and improved utilization of equipment. One concept, called Rent-a-Train, was announced in mid-1967. It has been called the greatest innovation in railroad pricing and equipment utilization in decades. The concept provides a train a shipper rents by the year for a fixed fee, plus mileage charges as he uses it.

The first Rent-a-Train began operating late in the year, shuttling 850 miles between Gibson City, Ill., and Baton Rouge, La. The 115-car train, hauled by four 3,000 horsepower diesel locomotives and carrying 400,000 bushels of Illinois corn, made its inaugural run on October 28. The following evening the corn was at sea bound for Amsterdam and the European market.

MORE FREIGHT REVENUE FROM NEW INDUSTRIES

Nearly \$300 million in new and expanded industrial plants located during 1968 along the Illinois Central should produce annual freight revenue of almost \$12 million. More than a dozen of these plants are located in Louisiana and Mississippi. Chemicals and paper products represent the larger part of the new business.

The Industrial Development Department has strengthened and expanded its efforts to attract new industries to the railroad. Aerial survey photographs have been made of many important sites and new brochures prepared. A 39-acre industrial park was created in Harvey, Ill., ten acres of which have been acquired by a large building materials manufacturer.

