vision, voice communication and remote control gates began in mid-December.

A series of advertisements in suburban newspapers and on area radio stations comprised the first major step in the Illinois Central's new and continuing program to build up the suburban business through the use of all available marketing tools.

Shortcuts, Bigger Cars, More Muscular Locomotives

The Illinois Central operated more effectively at the end of 1968 than it did at the beginning of the year. Among the reasons:

A shortcut for trains to and from the west to Markham Yard south of Chicago.

22 big, new-generation 3,000 to 3,600 horsepower locomotives all with 6-wheel trucks. New power for big jobs such as hauling our high-speed, tight-scheduled Rent-a-Train from Illinois to Louisiana and for moving heavy unit coal trains.

1,720 jumbo 100-ton coal hopper cars to move more coal with less effort from mine to consumer.

1,183 other freight cars, mostly extra large, many with load protecting devices, many for auto parts and for steel mill products, many for wood chips.

A new efficient storage and classification yard at Geismar, Louisiana, to serve the area's expanding chemical complexes.

Capital expenditures for 1968 totaled $60,349,431. Of this, $48,324,929 was for equipment, $12,024,502 for roadway improvements.

Budgeted for improvements in 1969: $48,051,000 for equipment; $25,525,000 for roadway improvements.

Railroad Management

With the extensive diversification of Illinois Central Industries, the Illinois Central Railroad was given a separate management organized to deal more effectively with day-to-day problems.

As reported elsewhere, the railroad's directors elected a new president—Alan S. Boyd. William B. Johnson continues as the railroad's chairman and chief executive officer.

As Secretary of Transportation, Boyd created a new department with more than 95,000 employes, attracted outstanding men to key positions in that department and launched studies and programs for coordinating the best features of all modes of transportation. The beginning, this year, of high-speed train service in the Northeast Corridor between Washington and New York is just one of the far-sighted projects Mr. Boyd helped to bring into being.

As the transportation industry moves in the direction of common ownership of the various modes of transport, his intimate knowledge of both the problems and the promise of intermodality will be invaluable. He gives our company the kind of leadership that will bring our customers, our employes and our communities together in mutual purpose.

Before Mr. Boyd became Secretary of Transportation, he served as Undersecretary of Commerce, as Chairman of the Civil Aeronautics Board and as Chairman of the Florida Railroad and Public Utility Commission.

Late in December the railroad announced organizational changes to simplify the line of command. Otto H. Zimmerman was elected senior vice-president operations, while Richard P. de Camara was elected vice-president administration.

This reorganization reduces the number of departments reporting to the president and will enable the railroad to move along its own path of development more effectively.

In January, 1969, Edward G. Kreyling, Jr., was elected vice-president traffic, succeeding Howard S. Powell. Kreyling was vice-president traffic and industrial development of the St. Louis-San Francisco Railway. He is known in traffic for his promotion of the "quality control" concept of rail service, a program that won the Railway Progress Institute "Golden Freight Car" award in 1967. Kreyling, 45, helped set up one of the rail industry's first marketing departments.

With the increase in size and scope of the Marketing Research Department, John W. Ingram was elected a vice president.

Also in January, 1969, the railroad announced the election of two other vice-presidents and the promotion of a third. The latter is Paul H. Reistrup, who leaves the passenger services department to organize a new department of intermodal services. He will be succeeded as vice-president passenger services by Henry F. Davenport, former assistant vice-president operations. Also elected a vice-president was Willard H. Thompson, promoted from director of data control to vice-president operations and general manager.

In organizing Passenger Services, Paul Reistrup brought into one successful "profit center" all responsibility for passenger revenues, expenses and services. He reduced services that were losing money and improved those where our best markets appeared to be. He will be doing the same kind of pioneering for the railroad's piggyback and container services.

Henry Davenport takes over responsibility for passenger traffic at a time when there is great public interest in this service, both on the Illinois Central and nationwide. His background in both engineering and operations will be invaluable as the