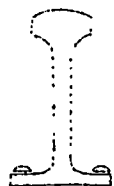


railroad products group



A trainload of cars
Rack cars are helping to track
with a larger share of the
big-volume business in
transportation of new automobiles



This Group, which accounts for thirty-eight per cent of American Brake Shoe's sales, serves the railroad industry. Railroad Products Group operates 21 plants located on rail lines throughout the United States. Eleven of these plants manufacture brake shoes for freight and passenger railroad cars, locomotives, and rapid transit equipment. Six plants manufacture trackwork such as switches, switch stands, crossings, and car retarders. Three plants manufacture cast iron freight car wheels, and one plant manufactures cast steel freight car wheels. The Group also markets journal bearings manufactured by National Bearing Division, and other railroad products.

The most important characteristic of the Company's railroad products is that they are virtually all wearing parts, requiring periodic replacement. Therefore, the railroad supply business, though somewhat cyclical, is not subject to the violent fluctuations that affect the railroad equipment industry generally.

operations in 1960 Shipments of Railroad Products

Group in 1960 kept pace with 1959 shipments, although a decline in orders was experienced in the second half of 1960. Despite brief strikes in five plants of the Group at the beginning of the year, first-

A trainload of trucks. Piggybacking of highway trailers has increased sharply in recent years. Such new railroading developments tend to increase revenue ton-miles — traditional barometer of Brake Shoe's railroad supply business.

In a modern classification yard, the work of sorting cars and making up trains is done electronically from a central control tower. Such yards represent a major market for car retarders and other trackwork products.

