ceptance is very encouraging.

Orders for our new freight car brake are progressing at a satisfactory rate and it is planned to introduce another model during 1967.

Sales of freight car wheels also increased, and our three wheel plants operated at near capacity. Orders and backlog for wheels continue at high levels.

Sales of trackwork and related specialty products rose as increased traffic necessitated additional track maintenance and the roads spent more to improve operating efficiency and reduce costs.

Three new "Economatic" freight yard installations were completed in 1966 and a large number of individual components were installed in existing yards. The "Economatic" yard consists of electronic speed and weight-sensing car retarders which are hydraulically powered. Centrally controlled switching machines, also operated by hydraulic power, switch rolling cars onto the desired tracks, then the retarder slows the car to a predetermined speed in order to control impact at coupling. The system saves manpower, speeds operation and reduces damage to freight. The existing installations have all proven to be both practical and economical and we expect that this product line will continue to gain acceptance.

Sales of both solid and SKF roller bearings increased in 1966. Our marketing arrangement with SKF Industries, Inc., which is the world's largest manufacturer of roller bearings, is proving to be mutually beneficial.

