

Connections

The Quarterly Newsletter of The Belt Railway Company of Chicago

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Mid-year statistics
(comparing Jan.-June
1995 with same
period of 1994)

Employee safety:
83% improvement

Derailments:
32% decrease

Elapsed car cycle
time for intermediate
switch traffic:
47% improvement

New business:
11% increase

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The Belt Railway
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Intermodal Investments

*Upgrades to CSXI's
Chicago Terminal
bring more traffic
its way*

*This profile of CSX Intermodal's
Chicago Terminal continues
our look at Belt Railway Com-
pany customers.*

If you send a letter from Miami to Oak Brook, Ill., your letter may be loaded into a trailer full of mail for an intermodal journey. The trailer may be trucked to a rail terminal, lifted aboard a train to Chicago, and then lifted back onto a truck for delivery. This type of intermodal journey—using several modes of transportation to get shipments from point A to point B—has been a strong growth area for railroads in recent years.

In the case of the Miami-Oak Brook letter, its journey may have been planned and executed by CSX Intermodal—a subsidiary of CSX, one of the nation's largest railroad companies—and routed through CSXI's Chicago Terminal. The terminal, open every day, 24 hours a day, provides full-service intermodal facilities, including pick-ups, deliveries, and special equipment needs for Chicago-area customers. At the terminal, shipments can be



About 460 people work at CSXI's Chicago Terminal (shown above). About 200 are CSXI employees, and the remaining individuals are independent drivers and contractors.

routed onto most major railroads, loaded onto trucks, or sent to ports to connect with barges and ocean liners.

CSXI has spent more than \$18 million during the past three years to upgrade the Chicago Terminal, which opened in 1986 and occupies more than 200 acres of land. These capital improvements have resulted in more storage tracks and paved parking areas, said Dusty Perry, director of terminal operations. The terminal also is currently adding maintenance buildings, more trailer washing facilities, and more track.

These improvements allow the Chicago Terminal to handle considerably more busi-

ness. In 1991, the Chicago Terminal made about 420,000 total lifts, either putting trailers/containers on trains or taking them off. In 1994, the terminal made about 589,000 lifts, a 40% increase. In 1995, the terminal expects to handle even more lifts—about 638,000 total.

The Belt Railway Company, a neighbor to the Chicago Terminal, has provided switching services to the terminal since April 1986. Every day, the Belt supplies motive power and crews to keep CSXI traffic moving around the clock.

As CSXI's Chicago Terminal continues to grow, the Belt Railway Company looks forward to continuing its relationship and services.

President's Letter

BRC Associates and Patrons: The first half of 1995 has exhibited both strength and success for the Belt Railway Company. The awareness, attitude, and communication among the people at the BRC are making the difference.

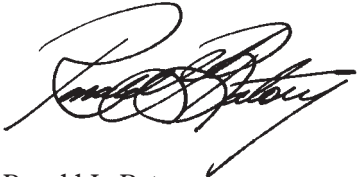
Employee safety, being the cornerstone of any successful business, speaks for itself among the Belt employees. Already an 83% improvement has been demonstrated. Along with this achievement, the rail property has incurred 32% fewer derailments, thus setting the stage for more consistent service.

The need for simplicity and strict adherence to all operational work tasks has allowed the BRC employees to focus solely on customer-driven needs. This custom empowerment has allowed each and every employee to execute his or her own leadership skills as related to customer-assigned tasks. As a result, elapsed car cycle time for intermediate switch traffic has been improved by 47% compared to the same period last year. The concentration of process management with both goals and standards being followed has invited BRC employees to truly demonstrate their capabilities. While safety and service achievements are being realized, the company continues to grow its business base by nearly 11% compared to 1994. Our organization is based on empowering people focused on total customer satisfaction, as we must always remember, "becoming a better company is not a choice."

At the BRC we continue to concern ourselves about waste and are always coaching one another on how to eliminate it. Another core cultural tenet is the belief that if the internal

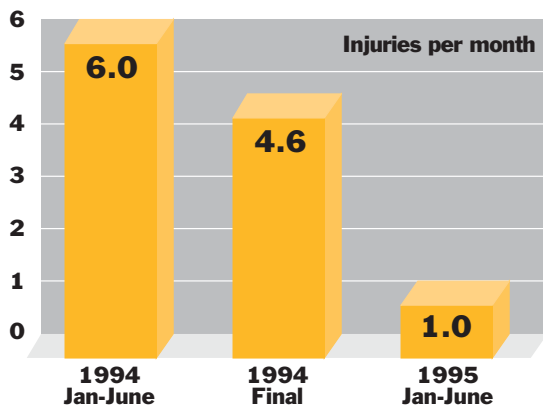
customer is satisfied the external customers will ultimately be satisfied. Accomplishing this on a daily basis requires an organization where people are responsible for self-supervision and individual initiative. The very culture that instills a high degree of decentralization and personal responsibility is itself the glue that keeps the whole organization moving towards its common goals and objectives.

A huge challenge yet lies before the BRC. It can no longer define the parameters of its customer service by its static operational capabilities but must strive to shape its operation to meet both dynamic customer needs and demands. In that regard, measurement, planning and implementation will be our road map. Measurement yields valuable information to uncover hidden marketplace opportunities, untapped resources, and organizational blind spots. Planning sets specific goals and objectives for the deployment of resources. And most importantly, implementation occurs by way of a high-caliber, customer-focused work force. In essence, the future business relationships of BRC will be those of "the best serving the best."

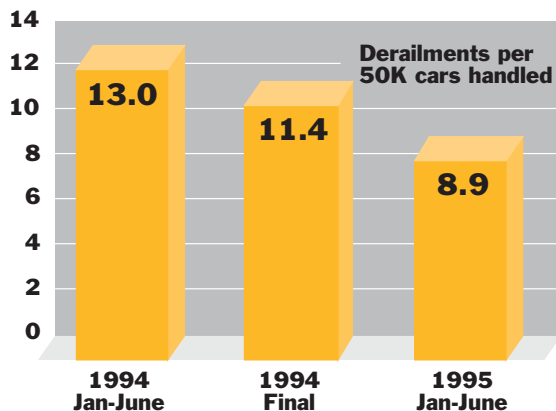


Ronald L. Batory
President

Employee Safety Performance



Derailment Prevention Performance



Employees averaged one injury per month (top graph) during the first half of 1995, a significant improvement to last year's safety record. During the same period, employees also reduced derailments by more than 30% as compared to the same period one year ago.

The Belt Railway Company of Chicago welcomes your comments. Send all correspondence to: CONNECTIONS, The Belt Railway Company of Chicago, 6900 South Central Ave., Bedford Park, IL 60638. For service inquiries or more immediate assistance, call (708) 496-4000. © 1995 Belt Railway Company of Chicago. Design by Mainline Publications Inc., Chicago.

Schematic of Clearing Yards



Service Success

At the mid-year mark, the Belt measures up strong and ready for growth

The employees of the Belt Railway Company have a great deal to be proud of so far in 1995.

The cooperative efforts of the employees at the Belt have paid off with improved intermediate service through Clearing Yards. The 21 carriers that connect with the Belt have witnessed consistent terminal train service with transit times (arrival to departure) averaging 23.25 hours for the first six months of 1995.

Clearing classification yards have the capacity to classify 3,000-plus inbound freight cars in a 24-hour period. The average inbound receipts for 1995, excluding unit train movements, are 2,305 cars per day. This underused capacity means that there is definitely a potential for growth at the Belt with its employees constantly striving to bring more traffic into Clearing Yards.

Weekly meetings are routinely led by President Ron Batory on all shifts, so as to provide an open dialogue among Belt employees. These meetings maintain a "surprise-free" atmosphere within a work environment known for never-ending change. He has clearly indicated that as long as Belt employees work together and continue to move

traffic through Clearing Yards safely and expeditiously, the community of shippers and their chosen rail carriers will respond with selection of the Belt as their preferred switching process through the Chicago gateway.

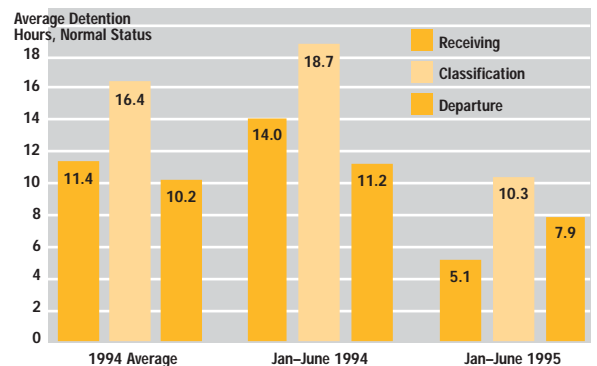
The traffic moving through Clearing Yards consists of numerous commodities, from bulk raw materials to finished manufactured products. Lumber and related wood products are at the top of the list. Grain products, potash, autos/auto parts, paper products, steel, plastics, and petroleum products are among the major commodities handled through Clearing Yards during the year.

The Belt's role as an intermediate carrier is to break up inbound trains and classify their cars into station blocks for subsequent outbound trains. The Belt processes approximately 65 trains daily. There are currently 91 outbound classifications for the 21 carriers connecting with the Belt.

In addition to intermediate traffic, the Belt has 107 industries that have switch track agreements for rail service. KCBX Terminals, a rail-to-water transfer operation at South Chicago, is the largest rail user industry on the Belt.

Holden America, Mobil Oil, Nexus, CPC, Nabisco, Chicago Transload, EJ Brach, Independence Tube, and General Mills round out the top 10 industries by cars handled on the Belt.

Humped Traffic Flow Analysis: Clearing Yards, All Carriers



Industry cars received before midnight each day are normally available for placement the next morning. Again, the hump operation efficiencies at Clearing Yards are providing timely service to the Belt Railway's terminal industries as well.

The Belt is now exceeding the record traffic flow levels of the early 1970s. The projected outlook for the Belt is better than ever. Teamwork on the Belt can only insure efficiencies and thereby promote growth and success.

— Rod Wojcik, General Freight Agent

Happenings at the Belt

The Belt participated in the March movement of Santa Fe 2903, a 660,000-pound iron horse and the largest remaining 4-8-4 steam locomotive in Illinois. The locomotive traveled from Chicago's Museum of Science and Industry to the Illinois Railway Museum in the McHenry County community of Union. The locomotive came onto the Belt at Pullman Junction, was brought to Clearing Yards, and later interchanged to the Chicago and North Western for the remainder of its journey.

Visitors to the Belt: In April, 20 railroad engineering students from the University of Illinois, Champaign-Urbana, visited the Belt. The students viewed both our hump operations and the freightcar inspection/repair processes. The students found the trip to be of considerable benefit to their formal learning experience.

Representatives from the Railroad Industry Interline Service Council also visited in April to learn more about the workings of a switching carrier. The council's goal is to



Right: Steam locomotive Santa Fe 2903 moved from Chicago's Museum of Science and Industry to its new home at the Illinois Railway Museum in Union, Ill. Part of its trip took it onto the Belt.

improve railcar interchange procedures.

Belt Superintendent Joseph R. Spano recently gave officials from the Swedish Rail System a tour of Clearing Yards. The Swedes were especially impressed by our hump system and the high number of cars handled on a daily basis.

The general manager of New Zealand Rail Limited visited the Belt in May and was notably impressed with the size and fluidity of Clearing Yards as compared to rail yards in New Zealand.

Honors and Education: Belt Superintendent Joseph R.

Spano recently received the Administrator Appreciation Award from Federal Railroad Administration Deputy Regional Director Fred Denin. The award was given for Spano's involvement in a pilot program concerning Centralized Cab Dispatching in the Chicagoland Switching District.

Twenty Belt employees recently graduated from a two-day seminar on derailment investigation procedures, conducted by Gary Wolf of Rail Service, Inc. The Belt hopes to further reduce derailments by being better able to ascertain their true cause.



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Interchange

The Employee Newsletter of The Belt Railway Company of Chicago

Inside INTERCHANGE

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Service anniversaries and 8-year-old Michael Paczkowski's winning safety poster

40 Years of Service

Nick Spano, chief train dispatcher, retired June 1 after 40 years of service with The Belt Railway Company.

Nick came to the Belt in March 1995 after a stint in the Armed Forces. Hiring on as a leverman, Nick worked in the towers, which at the time were located at the LeMoyne, Belt Junction, and Hayford Interlocking Plants. Levermen took their instructions from the train dispatcher and moved traffic through their respective plants.

In 1962 Nick qualified as a train dispatcher and worked various positions in the Dispatcher's Office until 1982, when he was officially promot-

ed to chief train dispatcher. He held this position until his retirement in June.

Nick has seen many changes in the Dispatcher's Office over the years, namely the incorporation of LeMoyne, Belt Junction, and Hayford Towers into the Dispatcher's Office. Today, rail traffic is moved with the click of a mouse on a computer screen.

It is safe to say that over the past 40 years Nick has seen it all. Good times and bad, floods, bad winters, labor strikes, heavy business, slow business, and even no business. But through it all, whatever the situation, he always conducted himself as a true



During his years at the Belt, Nick has seen many changes in the Dispatcher's Office.

professional, treating others with respect and kind words.

The Belt Railway Company wishes to extend to Nick and his family a happy and healthy retirement. Come back and see us!

Employee Transitions

New Hires

Thirteen new employees have joined the Belt Railway during the past quarter. Please make them feel welcome.

Kathleen Cichy
Secretary

Vagif Ablizade Aleksandr Krichevskly
Electricians

Jose Carlos Ayala James Barnes George Kovach Joseph Ojenek
Machinists

Jeffrey Zoeterman
Carman Helper

Michael Brennan Thomas Cichon Jr. Reginald McGee Bobby Mitchell David Snead
Switchmen

Retirements

During the past quarter, seven employees retired from the Belt Railway after many years of service. We wish them all the best in retirement.

Thomas Henderson
Clerical
24 years of service

Donald P. Hughes
Locomotive Engineer
11 years of service

William A. Johnson
Patrolman
30 years of service

David Navarro
Track Foreman
31 years of service

Ramon Ruiz
Bridge & Building Foreman
41 years of service

Nicholas V. Spano
Chief Dispatcher
40 years of service

Ronald J. Wanda
Diesel Shop Foreman
32 years of service

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Did You Know ...

The 59th Street Branch is so named because it initially ran parallel with 59th Street from Oak Park Avenue to Kenton, through what is now Midway Airport.

Employees Celebrate Service Milestones

The following employees have reached service anniversaries during the second quarter of 1995. Our congratulations to them!

45 Years

William T. McLaughlin

Transportation
May 13, 1950

40 Years

Alfred W. Walton

Clerical
May 12, 1955

35 Years

Harold A. Miller

Transportation
April 20, 1960

Lewis Snead

Mechanical
April 18, 1960

Edward F. Stenson

Transportation
June 25, 1960

30 Years

Edward J. Burke

Transportation
May 15, 1965

Johnnie Cunningham

Transportation
May 13, 1965

William A. Johnson

Police
April 7, 1965

Alfonso Orona

Track
April 1, 1965

Elijah Thomas

Clerical
May 25, 1965

25 Years

Richard C. Catron

Clerical
June 3, 1970

Michael P. Glowacki

Mechanical
April 17, 1970

Lucio H. Jimenez

Track
April 24, 1970

Ronald C. Russin

Signal
June 24, 1970

Michael Sewerynow

Car
May 8, 1970

Benjamin Smith

Transportation
April 6, 1970

Charles B. Thomas

Transportation
April 15, 1970

William H. Windsor

Transportation
April 23, 1970

20 Years

Frank L. Manderino

Clerical
June 10, 1975

Antonio L. Ponce

Track
June 6, 1975

15 Years

Kenneth J. Diemer

Administration
May 20, 1980

James H. Ralph

Transportation
April 7, 1980

Hugh H. Simon

Car
April 7, 1980

Robert G. Strejc

Transportation
April 7, 1980

James F. Vasicek, Jr.

Transportation
April 7, 1980

Zachary F. Ziobro

Bridge & Building
June 16, 1980

Eight-year-old Michael Paczkowski, son of secretary Diane Paczkowski, won the Belt Railway Company's Safety Poster contest in the 6-8 year-old age category. His poster combines a colorful drawing with good advice: "Don't Clown Around When It Comes To Safety."

