

Kid's KOrner

Short-Line Railroads Boom In Recent Years

UNION BRIDGE, Md. — Jim Stuckey has enough day-to-day headaches running his little railroad without suffering the kind of near-disaster that struck a few Sundays ago.

Somebody who knew what he was doing sneaked up during the night, removed the chocks from two loaded freight cars and let the air out of the brakes. The two cars took off on a freewheeling journey that ended 8.5 miles down the track.

Impaled on the coupler of the front car was an automobile, caught broadside at a crossing. Inside the car was the driver, a terrified but uninjured woman.

"This is the type of thing over which we have virtually no control," says Stuckey, president of the Maryland Midland Railway. "This kind of thing can mean insolvency." But this time he was lucky. A scare didn't become a tragedy.

Shorter Than 100 Miles

Such are the problems that can bedevil the owners of America's rapidly expanding short-line railroads. By loose definition, a short line has fewer than 100 miles of track and average annual operating revenues of no more than \$17.6 million, and operates in interstate commerce. Most carry freight only; a few also offer passenger excursions.

At latest count, there are 350 to 375 short lines in this country, says Thomas C. Dorsey, vice president, general counsel, and secretary of the American Short Line Railroad Association in Washington, D.C.

In 1972 there were only about 200. About 150 have been formed since 1980 alone. By 1990, Dorsey estimates, the total may be close to 500.

The short-line boom was born in

1970 with the bankruptcy of the Penn Central, which led to the formation of Conrail in 1976 through the consolidation of seven bankrupt or unprofitable eastern lines. In 1980 Congress passed a law that speeded and simplified procedures for large railroads to abandon their short, unprofitable segments.

This "brought a new interest in railroads by entrepreneurs," Dorsey says, and created "a natural mix that has blossomed since 1980."

Among the ingredients of that mix is the absence of costly and restrictive work rules that govern large roads. A typical short line has a lean, versatile, non-union staff. Like many short-line presidents, Jim Stuckey often drives a locomotive himself.

As the big railroads prune their systems through abandonment, the entrepreneurs move in and turn the short lines into profitable enterprises, usually as freight-haulers. In recent years, Dorsey says, "you can count on your hands the number of failures in the short-line railroad business."

Fears Restrictions

He is concerned, though, about the business's future. One priority of organized labor in the new Democratic Congress is to strength protection for short-line employees. Strong restrictions on management "would kill the short-line boom that we've seen in recent years," Dorsey says. "Prospects for future growth would be stifled."

He and others acknowledge railroading's romantic aura, the durable mystique that attracts many of the entrepreneurs in the first place.

But, Dorsey says, "I don't know of anyone that's invested as a tax write-off or solely because he has a

lot of spending money gained in some other area. As far as I know, they're all good, solid businessmen looking for the buck in the old-fashioned way."

Stuckey doesn't fit that mold. He is a soft-spoken Alabamian, a retired Army veterinarian, and a lifelong lover of trains. He and a small group of investors bought the Maryland Midland in 1978, began operations on 18 miles of track in 1980, and acquired 37 more miles in 1983.

It hasn't been easy. On the very first run of the new line, the locomotive's brakes weren't working. The big diesel slammed into a loaded freight car and, according to a history of the road, "while many well wishers shared our embarrassment, No. 102 limped off on one diesel engine to Walkersville for inspection and repairs."

"In many respects it's an extremely tough business, there's no two ways about it," Stuckey says. "You essentially walk a tightrope at any moment." Maryland Midland almost fell off the tightrope into bankruptcy during the 1982-83 recession, he says, but the initiation of passenger tours into the nearby Catoctin Mountains saved it. The tours remain an important part of the business.

Maryland Midland's troubles pale compared with those of the South Branch Valley Railroad in Moorefield, W. Va. Most of that road's 52.4 miles were knocked out of commission by a devastating flood in November 1985.

Ok Except For Flood

South Branch, perhaps the only state-operated short line, was "really looking like a railroad" a few months before the flood, says Donald J. Baker Jr., executive director of the West Virginia



Locomotive No. 90, largest engine of the Strasburg Railroad Co., steams through Amish farm country on its nine-mile round trip between Strasburg and Paradise, Pa. The excursion line, one of the nation's more than 350 short-line railroads, dates back to 1832 and carries 300,000 passengers a year.

Railroad Maintenance Authority.

The estimated damage was \$9.2 million and included the loss of four major bridges. Repairs have started and a nine-mile segment is operating, but Baker thinks it's unlikely that the line will return to full operation before spring 1988.

In contrast, the Strasburg Rail Road, with its immaculately maintained vintage steam locomotives and passenger cars, thrives as an excursion line. Each tourist season it hauls more than 300,000 riders on a nine-mile round

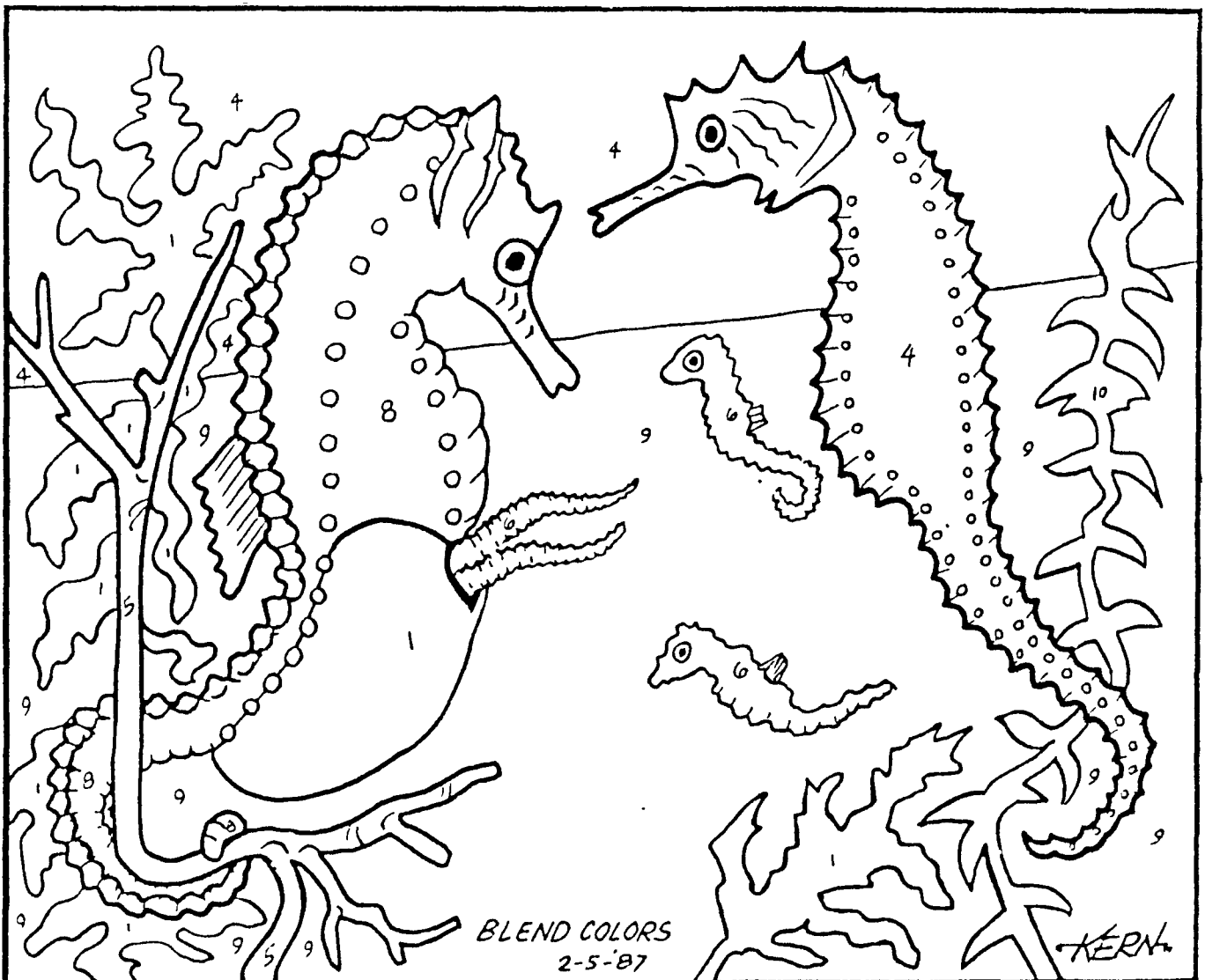
trip from its East Strasburg, Pa., terminal through Amish farm country to Paradise, Pa. Freight revenues are minimal.

"Really, what we're doing here is putting on a show," says Ellis R. Bachman, the Strasburg undertaker who is vice president of the short line, which dates back to 1832 and calls itself the oldest continually operating railroad in North America. "We're trying to keep the atmosphere of old-time railroading."

COLOR THIS!

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|-----------|---------------|
| 1. PEACH | 6. ORANGE |
| 2. RED | 7. GREEN |
| 3. YELLOW | 8. LT BROWN |
| 4. BLUE | 9. LT. BLUE |
| 5. BROWN | 10. LT. GREEN |

THE SEA HORSE THIS TINY FISH DOES NOT LOOK AT ALL LIKE A FISH. HIS HEAD IS LIKE A TINY HORSE. THE REST OF HIM IS NOT SHAPED LIKE A FISH EITHER. THE SEA HORSE HAS A STRANGE TAIL. HE CAN HANG ON TO THINGS WITH IT THE WAY A MONKEY CAN. THE MALE, NOT THE FEMALE, CARRIES THE YOUNG IN A BROOD POUCH.



BLEND COLORS
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