

# PHILADELPHIA RAPID TRANSIT COMPANY

*Published in the Hope of Creating a Better Understanding for the New Year*

To The Mayor of Philadelphia,  
Members of City Council,  
Public Service Commission,  
Joint Transit Committee, and  
Interested Citizens Generally:

P. R. T. and City came to an understanding in 1907, resulting in the present City agreement, which was endorsed and ratified, after searching investigation, by citizens' committees, business organizations and the newspapers. By the terms of the 1907 agreement P. R. T. stockholders paid in the remainder of their stock assessment—\$12,000,000, thus making possible the completion of the Market Street "L". After exhaustive analysis, citizens' committees resolved company's obligations to pave city streets into a cash payment to City, now \$550,000 per annum. P. R. T. stockholders paid in the additional money—\$12,000,000, with the expectation of thereafter receiving 6% per annum upon the total amount of their \$30,000,000 paid-in capital. The 1907 agreement provides that earnings in excess of 6% per annum cumulative shall be equally divided between City and Company.

City, by virtue of this 1907 agreement secured Market Street "L" service, with transfers to connecting surface lines. City also secured the advantage of increased taxable values. Increased tax revenue, in West Philadelphia alone, amounts to about \$3,000,000 per annum, figured at present tax rate, based upon the added taxable value of \$113,000,000, due to Market Street "L," as estimated by the Real Estate Board in 1919.

P. R. T. staggered along with deficits, labor troubles and poor street car service from 1907 to 1910 at which time the Widener-Elkins management was ready to admit insolvency, with receivership seemingly inevitable.

P. R. T. stockholders, threatened with loss of their entire investment and City suffering from inadequate and disrupted service, appealed to Mr. E. T. Stotesbury to save the situation.

Mr. Stotesbury assumed this seemingly impossible task upon receiving the assurance that P. R. T., if freed from political control, could, in a period of years, be made to supply adequate service to the public, pay a proper wage to its men, and, in finality, earn a return upon the \$30,000,000 of P. R. T. paid-in capital.

Mr. Stotesbury, in a communication transmitted to Councils in April, 1911, defined the fares and exchange tickets also the number of free transfer points, in effect at December 31, 1910, as being those which both City and Company accept for the purpose of his undertaking.

Mr. Stotesbury, depending upon the good faith of the City, extended an otherwise unwarranted credit to P. R. T. of more than \$15,000,000, enabling the purchase of 1,500 new surface cars at the outset, with great enlargement of car housing and power supply.

The Stotesbury-Mitten plan contemplated the building of a million dollar carhouse and the purchase of 100 additional street cars each year; also the building of big modern shops, for which a large tract of land was purchased in 1912. The extension of the Market Street "L" toward Frankford, connection with Camden by subway, and other improvements were also planned to be year by year consecutively undertaken. In starting to carry out this ambitious plan, two million dollar divisional carhouses and 80 elevated cars were built in 1912-1913.

The Stotesbury-Mitten plan for transit development was stopped in 1914, and rendered impossible of continuance by destruction of P. R. T. credit, due to (a) Threats of the then newly organized Department of City Transit to take from P. R. T. its 3c exchange earnings by application to the Public Service Commission, supported by newspaper statements of prominent lawyers that this could be done. (b) The antagonistic planning of a system of high speed lines built on City credit with the avowed intention of forcing P. R. T. to great loss through joint operation.

P. R. T., under Stotesbury-Mitten management, 1910-1920, with a 5c fare, earned a total surplus of \$10,041,870. Of this amount \$5,846,514 was paid in dividends to P. R. T. stockholders. The remaining \$4,195,356 was used for improvement of property, thus lessening the bonds or other securities necessary to be sold, and so reducing the amount of interest to be earned as a part of the fixed charges.

P. R. T. stockholders, who have received less than 1 1/2% per annum upon their paid-in capital of \$30,000,000, are \$20,000,000 short of having received the 6% per annum, which it was expected they would begin to receive after entering into the 1907 agreement.

Philadelphia in 1910, and theretofore, lost millions of dollars and many lives by street car strikes. There have been no interruptions to service because of strikes since Stotesbury-Mitten management took hold in 1911, but on the contrary men and management co-operate for efficient service and economic accomplishment.

P. R. T. is endeavoring to supply adequate service on existing lines, but regularity of car service cannot be satisfactorily accomplished under present conditions of vehicular interference, aggravated by delays from unloading coal wagons, which unreasonably obstruct car tracks; nevertheless P. R. T. has greatly improved the service, and operates better cars, cleaner cars, with more courteous conductors and more careful motormen than any other city.

P. R. T. was in worse condition than Pittsburgh Railways Company in 1910. Nevertheless, Philadelphia is now receiving superior service at a 7c cash—4 tickets for 25c fare, which is 25% less cost (ten million dollars a year) as compared to Pittsburgh, where an agreement with the Pittsburgh Railways Company has just been concluded, by which a 10c cash—3 tickets for 25c fare is continued.

P. R. T. men and management, as a result of ten years co-operative effort, have created added annual net income of \$14,000,000 through patronage induced by developing the short-riding habit, savings through increased production, elimination of waste and reduction in accident costs. During this period rides per capita were doubled without increasing the number of men employed.

P. R. T., during 1921, earned a surplus approximating \$1,800,000, or 6% on its paid-in capital. This sum has been used to further improve conditions; all of which is in accordance with the published plan of the management, to overcome the war-time condition of the property before resuming payment of P. R. T. dividends.

P. R. T. management desires to co-operate with the City for accomplishment, but in view of the foregoing, should not be asked to contribute from P. R. T. present earnings to make up losses sustained by operation of City-built lines, as this would not be fair to P. R. T. stockholders, who have waited many years for a return upon their \$30,000,000 of paid-in capital, in order that the public and the employees might first be properly served.

T. E. MITTEN,  
Philadelphia, December 31, 1921. President

## P. R. T. "Service Talks" to Employees.

*Reproduced from issue of December 31, 1921*

SERVICE TALKS

SERVICE TALKS

### A BIT OF ROUGH SLEDDING

I want to tell you about an amusing experience that fell to my lot in the long ago.

At that time we were working on the eight-hour principle—eight hours before luncheon and eight hours after. Still, it was a good concern for we were permitted to work 365 days every year. No one ever dared to ask for a day off.

For all of which we drew down \$40 per month, with a penalty blowback of from \$8 to \$10 every thirty days. An average month's pay figured about thirty bucks. It was a little tough, of course, on the fellows who had contracted the habits of eating regularly, wearing clothes and paying rent.

But we were allowed an expense account. I must not overlook that. Whenever we were able to prove under rigorous cross-examination that we had worked until the last inhabitant had turned in for the night, we were allowed 15c supper money. Then we waited a month before we got the 15c.

Well, after a time I pulled out. Calculated I wasn't built for a life of indolence and luxury. Moved on to the next state, hooked up and took charge of a department of my own. Had to be thirty years of age to land. Aged eight years over night and grabbed the job.

Three years passed. Meanwhile the home folks had got it into their noodles that I had become quite a power in the railroad world. I didn't awaken them, they needed the rest.

One day a letter came inviting me to address one of their associations at its next regular meeting. I accepted and set to work on the address. It was to be my first plunge as an after-dinner speaker, and I figured if I got it across right they'd never invite me again. And they never did.

It went off fine. I think most of the diners didn't breathe normally for a week afterward. But they were game, all good fellows and leaders in their respective lines. They'd been accustomed to inhaling honey at their dinners. I gave them a squirt of vinegar for a change.

What I did was to picture to them the sorry predicament in which the little fellows in their great organizations found themselves. Underpaid and overworked. Plodding along without encouragement and without hope. A dismal future and a fruitless past.

Boy, I lambasted them for further orders. It was dignified and courteous, nothing offensive. But it wasn't a plea, it was an indictment of thoughtlessness, the kind of thoughtlessness that throttles ambition, energy, initiative, hope, progress. I knew I was playing a one-night stand and I shot everything I had. There was to be no encore.

I have said those big fellows were game. And so they were. Blamed if they didn't reproduce my remarks the next month in their own publication.

A while afterward I learned that in my old department the number of employees had been trebled, while salaries had been given a healthy boost. How much of it, if in fact any, was due to my "rarin'" around I do not know. It was enough that the fellows were getting a fairer shake.

Things were different in those days, twenty years back. No invitation ever was extended the little fellow to drop in and talk things over. He just swallowed his dose and took it out in thinking. Thus many a good idea was lost and many a bright mind wilted under so stupid a system.

Yet I'm sure most of those officials would have extended a hearty welcome to any employe, if only the latter had made the preliminary advances, which he never did. Of course, this was looking at the thing back-end-to.

Years later came Mr. Mitten. The motor of industrial relations, 1910 model, electric railway type, was still functioning back-end-to, missing on all cylinders and full of wheezes and false promises. Not being versed in the arts of patching and tinkering, he ripped the confounded thing out and installed a brand new engine.

For nearly eleven years now we have been operating under the open-door policy. There isn't a door in the entire establishment that is closed to anyone. And the little fellows of other days have become bigger fellows, better railroaders, and stancher friends of the officials of their Company.

Give and take. Live and let live. That's the stuff. None of us are always right, nor always wrong. Today, we pool our brains, our energy, our experience, our enthusiasm, our prosperity. And there are more than 10,000 of us. Why shouldn't we hold the right of the line in the railroad business?

### HERE'S TO YOU, STRONGHEART

Writing in the sports section of the PUBLIC LEDGER in its issue of November 6th, Cullen Cain says—

"The average man sits in the midst of the throng and cheers the hero in the ring and on the field and as he races down the glory track. He wishes he were a hero, too. Well, he is one and does not know it."

"A day or a month or a year later he hears a doctor tell him he has a bad heart, and yet he goes quietly and gamely on with his regular work in life. He still holds his job and delivers the goods to his chief and his firm."

"Or he fights a losing fight in the business world and still goes calmly on and does his little part as a family man and citizen and friend."

True as gospel. Cain knows human nature, and when it comes to understanding the man in the street, and his troubles and worriments and perplexities, he stands with both feet planted on solid ground.

"By my faith, I do believe that at least five out of every ten men we know have played the hero somewhere along their tangled, troubled tumultuous way, and yet never heard a cheer or been dazzled by the flutter of a flag or seen their name written on high."

Again he says—  
"Sometimes it takes as much courage to walk gaily up to and gaily away from a doctor's door as it does to enter the zone of machine-gun fire. No bands or flags or cheers in a doctor's hallway."

He ends his splendid article with these stirring words, words which perhaps will carry encouragement and fresh hope to some of our own stout-hearted fellows who are doing a man's work man-fashion:

"Stay with 'em, old scout; all the time, all the way. It's a hard hill, but let's climb at least half way, and then let's crawl. Maybe there's a place somewhere for Ol' Man Trouble's Favorite Son."

A man has to feel that stuff to write it.  
Altogether too many fellows are "top-dog" men. Always training with the victor no matter who he may be or what cause he may represent. Cain's

what I call an "under-dog" man for he always has a word of sympathy and encouragement for the chap who has been battered and bruised and humiliated in life's struggles. More power to his elbow.

How true are his words about men who bravely face the world day after day, doing their level best to give service to their fellows, yet with hearts in their breasts as heavy as lead. Is he wrong when he says they, too, are heroes? No, he's right, 100% right.

The average passenger upon our cars is a good fellow at heart, but he sometimes forgets that we railroad men are human beings, too. Quick on the trigger whenever things incur his displeasure, he blares forth a trumpet charge of condemnation that oftentimes is most unjust and unfair.

Does he stop to think that perhaps this Motorman is eating his heart out with anxiety over the serious illness of his wife, or that that Conductor hasn't averaged three hours sleep a night for the past two weeks because of a sick child?

If he did, how much pleasanter it would make things, and how much better service we all could give him. The heart rules the head more often than we imagine. A little kindness, a little consideration, and total strangers become good fellows together in the twinkling of an eye.

But we know our fellows, the best hearted lot that ever punched a transfer or shot juice to motors. Here and there a cog slips at intervals, but in the main they give of their best all the time, all the way, to quote Cain. Visitors from other cities, and Philadelphians who travel about, all have a good word for our men and our service.

And now a word to the boys who haven't yet been called upon to weather a rainy season. Are you making proper provision to help tide yourself and the family over possible rough spots in the road? A bank account is a wonderful friend at any stage of the game, but especially so when Old Man Trouble is looking up your address.

The Welfare Saving Fund is waiting to serve you and help you—if only you'll let it. It's hard to save money, of course. It always has been and it always will be. But it's worth all the sacrifices one has to make. That's the thing to glue your eye to.

TERMAN  
6-Mar-22  
Feb. 16 Mar. 10  
Mar. 11 Apr. 10  
May 11