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EIGHTIETH REPORT

of the

Board of Directors

of the

Lehigh Valley Railroad Company

to the

Stockholders

For the Year Ended December 31, 1933

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EIGHTIETH REPORT

of the

Board of Directors

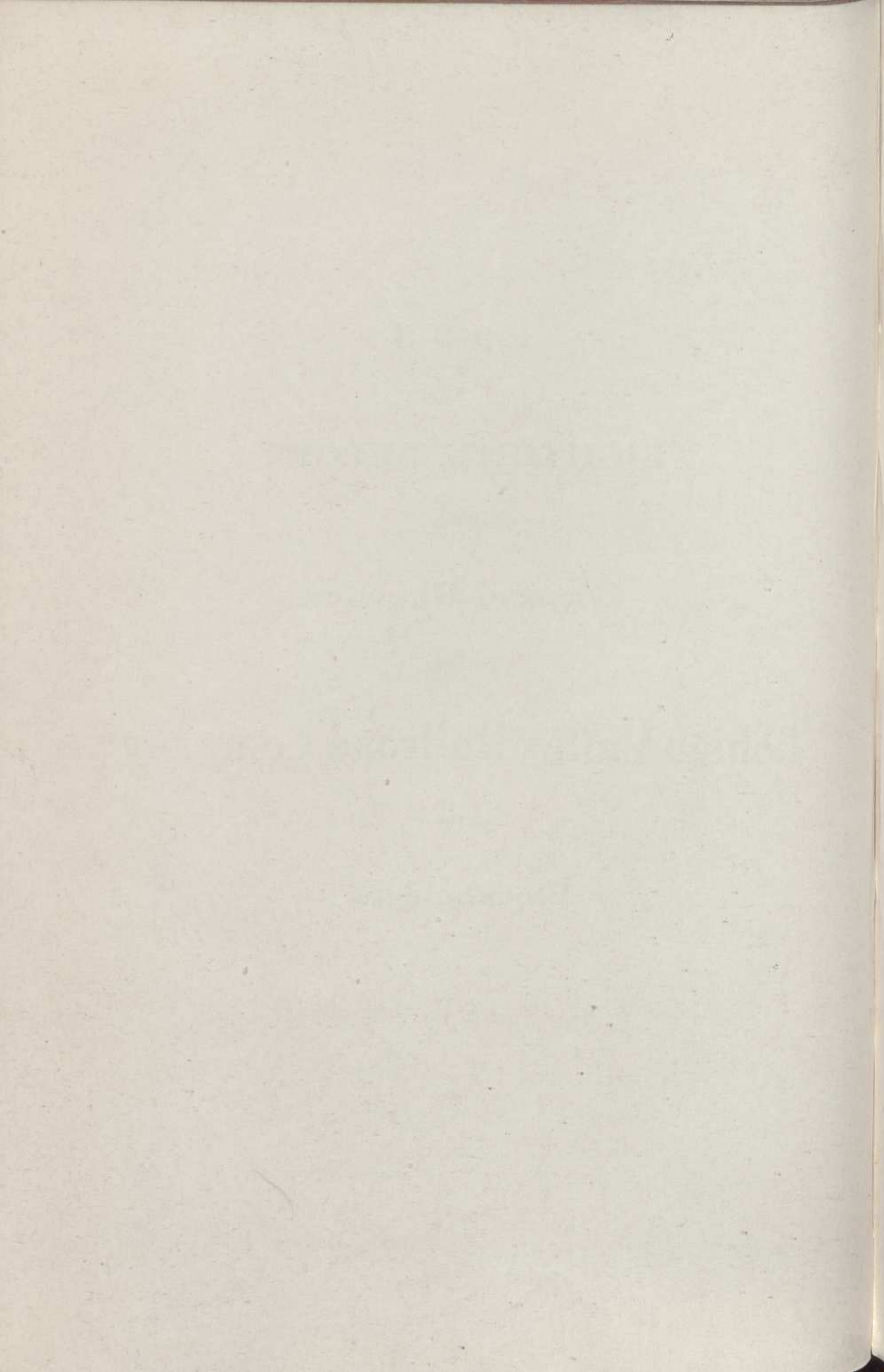
of the

Lehigh Valley Railroad Company

to the

Stockholders

For the Year Ended December 31, 1933



Lehigh Valley Railroad Company

Board of Directors

JAMES F. BELL

COLBY M. CHESTER

MORRIS L. CLOTHIER

ALAN C. DODSON

ARTHUR C. DORRANCE

WALTER S. FRANKLIN

FRED M. KIRBY

THOMAS H. McINNERNEY

EFFINGHAM B. MORRIS, JR.

GEORGE T. SLADE

JOHN R. SPROUL

ALFRED H. SWAYNE

EDWARD E. LOOMIS, Ex-Officio

Officers

E. E. LOOMIS.....PRESIDENT
C. E. HILDUM.....EXECUTIVE VICE PRESIDENT
JOHN DUFFY.....VICE PRESIDENT—TRAFFIC
G. H. FOSTER.....VICE PRESIDENT—OPERATION
R. W. BARRETT.....VICE PRESIDENT AND GENERAL COUNSEL
D. G. BAIRD.....SECRETARY AND TREASURER
A. F. BAYFIELD.....COMPTROLLER

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Board of Directors

JOHN J. BROWN, President
JAMES C. BROWN, Vice President
JAMES C. BROWN, Secretary
JAMES C. BROWN, Treasurer
JAMES C. BROWN, Librarian
JAMES C. BROWN, Curator
JAMES C. BROWN, Archivist
JAMES C. BROWN, Registrar

Officers

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LEHIGH VALLEY RAILROAD COMPANY

Eightieth Report

Philadelphia, Pa., April 2, 1934.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith its report for the year ended December 31, 1933.

INCOME

| | |
|-------------------------------------|---------------------|
| Total Operating Revenues | \$38,177,450.08 |
| Total Operating Expenses | 30,232,067.16 |
| Net Operating Revenue..... | \$ 7,945,382.92 |
| Railway Tax Accruals..... | \$2,343,370.68 |
| Uncollectible Railway Revenues..... | 7,111.66 |
| Equipment Rents—Net | 1,079,650.92 |
| Joint Facility Rents—Net..... | 407,680.89 |
| | <u>3,837,814.15</u> |
| Net Railway Operating Income..... | \$ 4,107,568.77 |
| Other Income | 1,641,310.04 |
| Total Income | \$ 5,748,878.81 |
| Deductions from Income..... | 8,524,711.60 |
| Net Income | \$ 2,775,832.79 |

PROFIT AND LOSS

| | |
|------------------------------------|------------------------|
| Balance, December 31, 1932..... | \$46,217,023.58 |
| Transferred from Income..... | 2,775,832.79 |
| Equipment Retirements | 879,613.40 |
| Tracks and Structures Retired..... | 1,688,839.52 |
| Balance, December 31, 1933..... | <u>\$40,872,737.87</u> |

For the fourth consecutive year of economic depression, the general volume of business available to the railroads of the country continued at a subnormal rate. Under normal conditions, Spring and Fall are the seasons for heaviest traffic, but the New Deal legislation of the late

LEHIGH VALLEY RAILROAD COMPANY

Spring resulted in increased industrial activity because of the threat of rising prices, and gross revenues in June, July and August were in excess of the previous year. Later in the year a reaction set in and results for the last three months were not so good as in 1932. Operating revenues for the year, however, show a decrease of only one percent. Through efficiency of operation, made possible by improvements and economies instituted since 1927, operating expenses were reduced five percent. Although the accounts show a deficit, it is \$1,157,209.73 less than for 1932. Since the first of 1934 business has shown a substantial improvement. In addition to general business recovery, the severe winter weather resulted in a heavy movement of anthracite coal, with a corresponding increase in earnings.

During the year your Company made further deposits with The Railroad Credit Corporation which increased to \$1,210,093, the total so deposited under the Marshalling and Distributing Plan, described in previous reports. This so-called surcharge was discontinued September 30, 1933. The purpose of the plan was to create a fund from which loans might be made to the railroads, and your Company, while contributing to this fund, in turn borrowed \$1,500,000, from The Railroad Credit Corporation. The Corporation during the year authorized repayments approximating ten percent. of the total amounts deposited and your Company's share, \$121,025, was credited in reduction of its loan.

The motive power and car equipment of your Company was adequately maintained during 1933 to take care of the current volume of business. In anticipation of an increase in traffic during 1934, and to help the unemployment conditions during the Winter months and benefit employes, your Company made application to the Federal Emergency Administration of Public Works for a loan of \$2,000,000, with which to rebuild and repair certain car and locomotive equipment. Since the first of the year, the loan has been approved and the work is actively in progress. This obligation, which bears interest at the rate of 4%, is to be repaid in semi-annual installments over a period of eleven years.

The agreement providing for the deduction of ten percent. from earnings of employes, which expired October 1, 1933, was extended until June 30, 1934. Negotiations are now under way with respect to a further extension of this arrangement. Substantial deductions from the pay of all officers and supervisory employes were continued throughout the year.

To promote efficient and economical operation, many improved

LEHIGH VALLEY RAILROAD COMPANY

devices were placed on locomotives and freight and passenger cars. One new oil-electric locomotive was placed in service.

The roadbed of your Company was kept at its high standard. Ten and one-half track miles of 136 lb. steel rail were laid during the year, and 186,315 creosoted ties placed in tracks. The entire main line of your Company is now laid with this heavy rail and ninety percent. of all ties in main line and sidings are creosoted.

During the year 1933, sixty-two new industries were located along the line of your road, fifty of which are served by Lehigh Valley sidings. In the Starrett-Lehigh Building, at West 27th Street and 13th Avenue, New York City, owned by your Company, forty-five new tenants leased space, while seven of the tenants already located in the building leased additional space. Two new tenants were located in your Company's Bronx-Lehigh Building, at its 149th Street Terminal, New York City.

The increased cost of materials due to N. R. A. codes will result in a substantial increase in expenses during 1934, estimated at between one and two million dollars, a large part of which will be due to increase in the price of bituminous coal used for fuel. Present coal prices are the highest paid in six years and more than double those paid in 1932.

General Harry C. Trexler, of Allentown, Pennsylvania, a director for more than twelve years, died on November 17, 1933. Since the close of the year, Mr. Colby M. Chester was elected a director.

The fine spirit and loyal service of employes and officers during a most trying year is acknowledged with thanks.

E. E. LOOMIS,
President.

LEHIGH VALLEY RAILROAD COMPANY

GENERAL BALANCE SHEET

| ASSETS | | |
|---|-----------------|-------------------------|
| INVESTMENTS: | | |
| In road..... (See Note below) | \$40,377,979.60 | ..... |
| In equipment | 63,342,674.10 | ..... |
| | | |
| Improvements on leased railway property | | \$103,720,653.70 |
| Miscellaneous physical property..... | | 2,215,642.08 |
| | | 124,121.47 |
| Investments in affiliated companies: | | |
| Stocks | \$92,666,187.75 | ..... |
| Bonds | 20,856,130.00 | ..... |
| Advances | 9,921,184.53 | ..... |
| | | |
| | | 123,443,502.28 |
| Other investments: | | |
| Stocks | \$1,103,210.07 | ..... |
| Bonds | 2,210,090.75 | ..... |
| Miscellaneous | 600,923.00 | ..... |
| | | |
| | | 3,914,223.82 |
| | | |
| Total investments..... | | 233,418,143.35 |
| CURRENT ASSETS: | | |
| Cash | \$2,810,589.48 | ..... |
| Special deposits..... | 45,918.55 | ..... |
| Loans and bills receivable..... | 3,292.17 | ..... |
| Traffic and car-service balances receivable | 783,415.21 | ..... |
| Net balance receivable from agents and conductors | 551,348.86 | ..... |
| Miscellaneous accounts receivable..... | 721,262.57 | ..... |
| Material and supplies..... | 2,927,698.39 | ..... |
| Interest and dividends receivable..... | 71,820.36 | ..... |
| Rents receivable..... | 39,285.20 | ..... |
| Other current assets..... | 175,506.74 | ..... |
| | | |
| Total current assets..... | | 8,130,137.53 |
| DEFERRED ASSETS: | | |
| Working fund advances..... | \$126,073.32 | ..... |
| Insurance and other funds..... | 134,799.60 | ..... |
| Other deferred assets..... | 2,398.84 | ..... |
| | | |
| Total deferred assets..... | | 263,271.76 |
| UNADJUSTED DEBITS: | | |
| Rents and insurance premiums paid in advance | \$21,753.62 | ..... |
| Other unadjusted debits..... | 2,618,386.95 | ..... |
| | | |
| Total unadjusted debits..... | | 2,640,140.57 |
| | | |
| TOTAL ASSETS..... | | \$244,451,693.21 |

NOTE:—The item Investment in Road represents only road property of Lehigh Valley Railroad Company proper (Phillipsburg, N. J., to Wilkes-Barre, Pa.). The total road and equipment investment of the system, including transportation subsidiaries, owned by your Company, is \$262,554,522.51.

LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1933

| LIABILITIES | | |
|---|------------------|-------------------------|
| STOCK: | | |
| Common stock..... | \$60,501,700.00 | ..... |
| Preferred stock..... | 37,950.00 | ..... |
| Total stock outstanding..... | | \$60,539,650.00 |
| Grants in aid of construction..... | | 28,029.84 |
| LONG-TERM DEBT: | | |
| Funded debt..... | \$117,936,000.00 | ..... |
| Less—Funded debt held in treasury or pledged | 28,000,000.00 | ..... |
| | 89,936,000.00 | ..... |
| Liability under sub-lease of equipment, December 16, 1930..... | 212,000.00 | ..... |
| State of New York grade crossing elim- ination | 263,285.96 | ..... |
| Reconstruction Finance Corp'n Loan.. | 5,500,000.00 | ..... |
| Equip. Trust Certificates Series T & U. | 1,454,000.00 | ..... |
| Non-negotiable debt to affiliated Com- panies | 375,624.92 | ..... |
| Total long-term debt outstanding.. | | 97,740,910.88 |
| CURRENT LIABILITIES: | | |
| Loans and bills payable..... | \$5,878,975.35 | ..... |
| Traffic and car-service balances payable | 306,204.39 | ..... |
| Audited accounts and wages payable... | 2,532,058.30 | ..... |
| Miscellaneous accounts payable..... | 176,400.63 | ..... |
| Interest matured unpaid..... | 383,812.50 | ..... |
| Dividends matured unpaid..... | 30,861.15 | ..... |
| Funded debt matured unpaid..... | 1,000.00 | ..... |
| Unmatured interest accrued..... | 762,234.21 | ..... |
| Unmatured rents accrued..... | 503,824.76 | ..... |
| Other current liabilities..... | 152,071.99 | ..... |
| Total current liabilities..... | | 10,727,443.28 |
| DEFERRED LIABILITIES: | | |
| Liability for provident funds..... | \$7,077.99 | ..... |
| Other deferred liabilities..... | 159,661.08 | ..... |
| Total deferred liabilities..... | | 166,739.07 |
| UNADJUSTED CREDITS: | | |
| Tax liability..... | \$3,276,792.49 | ..... |
| Accrued depreciation—Equipment | 28,966,254.23 | ..... |
| Accrued depreciation—Miscellaneous physical property | 92,189.25 | ..... |
| Other unadjusted credits..... | 1,688,160.79 | ..... |
| Total unadjusted credits..... | | 34,023,396.76 |
| CORPORATE SURPLUS: | | |
| Additions to property through income and surplus..... | \$352,785.51 | ..... |
| Profit | 40,872,737.87 | ..... |
| Total corporate surplus..... | | 41,225,523.38 |
| TOTAL LIABILITIES..... | | \$244,451,693.21 |

LEHIGH VALLEY RAILROAD COMPANY

INCOME STATEMENT

For the Years Ended December 31, 1933 and 1932

| | 1933 | 1932 | INCREASE OR Decrease |
|--|-----------------|-----------------|----------------------------|
| AVERAGE MILES OF ROAD OPERATED... | 1,358.59 | 1,362.05 | 3.46 |
| OPERATING REVENUES: | | | |
| Anthracite coal freight revenue.... | \$11,720,018.11 | \$11,651,561.67 | \$68,456.44 |
| Bituminous coal freight revenue... | 1,102,194.10 | 1,034,329.31 | 67,864.79 |
| Merchandise freight revenue..... | 20,014,880.38 | 19,788,470.40 | 226,409.98 |
| Passenger revenue..... | 2,413,546.20 | 2,823,743.67 | 410,197.47 |
| Mail revenue..... | 322,612.36 | 341,587.88 | 18,975.52 |
| Express revenue..... | 340,049.13 | 357,485.49 | 17,436.36 |
| Other transportation revenue..... | 1,744,283.81 | 2,119,592.03 | 375,308.22 |
| Incidental revenue..... | 519,865.99 | 622,367.80 | 102,501.81 |
| Total Operating Revenues..... | \$38,177,450.08 | \$38,739,138.25 | \$561,688.17 |
| OPERATING EXPENSES: | | | |
| Maintenance of way and structures. | \$2,925,095.70 | \$3,166,565.79 | \$241,470.09 |
| Maintenance of equipment..... | 8,192,684.14 | 8,612,862.46 | 420,178.32 |
| Traffic expenses..... | 1,265,849.19 | 1,400,663.56 | 134,814.37 |
| Transportation expenses | 16,200,397.11 | 16,811,737.04 | 611,339.93 |
| Miscellaneous operations..... | 195,990.41 | 195,592.47 | 397.94 |
| General expenses | 1,455,901.23 | 1,509,839.67 | 53,938.44 |
| Transportation for investment—Cr. | 3,850.62 | 11,079.90 | 7,229.28 |
| Total Operating Expenses..... | \$30,232,067.16 | \$31,686,181.09 | \$1,454,113.93 |
| NET OPERATING REVENUE..... | \$7,945,382.92 | \$7,052,957.16 | \$892,425.76 |
| DEDUCTIONS FROM REVENUE: | | | |
| Railway tax accruals..... | \$2,343,370.68 | \$2,670,830.68 | \$327,460.00 |
| Uncollectible railway revenues.... | 7,111.66 | 4,920.59 | 2,191.07 |
| Equipment rents—net..... | 1,079,650.92 | 795,852.48 | 283,798.44 |
| Joint facility rents—net..... | 407,680.89 | 370,985.89 | 36,695.00 |
| NET RAILWAY OPERATING INCOME | \$4,107,568.77 | \$3,210,367.52 | \$897,201.25 |
| OTHER INCOME: | | | |
| Misc. non-operating physical property | \$63,414.35 | \$86,320.49 | \$22,906.14 |
| Separately operated properties-profit | 510,417.66 | 56,361.16 | 454,056.50 |
| Dividend income..... | 698,888.33 | 657,065.83 | 41,822.50 |
| Income from funded securities.... | 169,899.02 | 61,701.53 | 108,197.49 |
| Income from unfunded securities and accounts..... | 35,627.72 | 47,606.70 | 11,978.98 |
| Miscellaneous income..... | 163,062.96 | 184,975.86 | 21,912.90 |
| Total Other Income..... | \$1,641,310.04 | \$1,094,031.57 | \$547,278.47 |
| Total Income..... | \$5,748,878.81 | \$4,304,399.09 | \$1,444,479.72 |
| DEDUCTIONS FROM INCOME: | | | |
| Rent for leased roads..... | \$2,342,831.96 | \$2,342,681.96 | \$150.00 |
| Miscellaneous rents..... | 365,978.04 | 394,771.08 | 28,793.04 |
| Miscellaneous tax accruals..... | 510,061.92 | 484,197.88 | 25,864.04 |
| Separately operated properties-loss | 272,354.96 | 175,673.51 | 96,681.45 |
| Interest on funded debt | 4,429,058.97 | 4,186,092.93 | 242,966.04 |
| Interest on unfunded debt | 276,760.96 | 277,460.17 | 699.21 |
| Miscellaneous income charges..... | 327,664.79 | 376,564.08 | 48,899.29 |
| Total Deductions from Income.. | \$8,524,711.60 | \$8,237,441.61 | \$287,269.99 |
| Net Income..... | \$2,775,832.79 | \$3,933,042.52 | \$1,157,209.73 |

LEHIGH VALLEY RAILROAD COMPANY

| DESCRIPTION | DATE OF ISSUE | DATE OF MATURITY | IN TREASURY OF THE COMPANY OR FLEDGED | IN HANDS OF THE PUBLIC | INTEREST | | |
|---|----------------|----------------------------|---------------------------------------|------------------------|----------|----------------|-------------------------|
| | | | | | RATE | PAYABLE | ACCRUED DURING THE YEAR |
| LEHIGH VALLEY RAILROAD COMPANY: | | | | | | | |
| First Mortgage Bonds..... | May 15, 1868 | June 1, 1948 | ..... | \$5,000,000 | 4% | June and Dec. | \$200,000.00 |
| Consolidated Mortgage Bonds..... | Nov. 13, 1873 | { Perpetual | ..... | 10,062,000 | 6% | June and Dec. | 603,720.00 |
| | | { Perpetual | ..... | 2,538,000 | 4½% | June and Dec. | 114,210.00 |
| *General Consolidated Mortgage Bonds..... | Sept. 30, 1903 | May 1, 2003 | { \$1,000,000 | 39,639,000 | 4% | May and Nov. | 1,585,560.00 |
| Equipment Obligations ..... | ..... | Nov. 15, 1937 | { \$24,400,000 | 20,697,000 | 4½% | May and Nov. | 931,365.00 |
| Equipment Trust Certificates Series T & U. | Mar. 1, 1932 | \$208,000 semi-annually to | ..... | 12,000,000 | 5% | May and Nov. | 600,000.00 |
| Reconstruction Finance Corporation Loan.... | Various | Apr. 1, 1937 | ..... | 212,000 | 5½% | May and Nov. | 13,481.88 |
| State of New York—Grade Crossing Eliminations ..... | ..... | Jan. 1936 | ..... | 1,454,000 | 5% | Mar. and Sept. | 81,366.68 |
| CONSOLIDATED REAL ESTATE COMPANY: | | | | | | | |
| First Mortgage Bonds..... | Feb. 1, 1906 | Feb. 1, 1956 | ..... | 5,500,000 | 6% | Various | 299,355.41 |
|  | ..... | ..... | ..... | 250,201 | ..... | ..... | ..... |
| Total Funded Debt and Interest..... | ..... | ..... | \$28,000,000 | ..... | 4% | Feb. and Aug. | ..... |
| | | | | \$97,352,201 | ..... | ..... | \$4,429,058.97 |

* Amount of authorized issue, \$150,000,000.
 † Excludes interest on securities in the Treasury.
 ‡ Pledged.

Guaranties and Rentals, Year Ended December 31, 1933

| GUARANTIES | DATE OF ISSUE | DATE OF MATURITY | IN HANDS OF THE PUBLIC | GUARANTIES AND RENTALS | | |
|---|---------------|------------------|------------------------|------------------------|----------------|-------------------------|
| | | | | RATE | PAYABLE | ACCRUED DURING THE YEAR |
| ENTIRE CAPITAL STOCK OWNED: | | | | | | |
| Lehigh Valley Terminal Ry. Co., First Mtg. Bonds..... | Oct. 1, 1891 | Oct. 1, 1941 | \$9,999,000 | 5% | April and Oct. | \$499,950.00 |
| Easton & Northern Railroad Co., First Mtg. Bonds..... | Oct. 7, 1895 | Nov. 1, 1935 | 50,000 | 4½% | May and Nov. | 2,250.00 |
| Penna. & N. Y. Canal & R. R. Co., Consol. Mtg. Bonds..... | Nov. 13, 1888 | April 1, 1939 | { 4,000,000 | 5% | April and Oct. | 200,000.00 |
| | | | { 1,500,000 | 4½% | April and Oct. | 67,500.00 |
| The Lehigh Valley Rail Way Co., First Mtg. Bonds..... | June 23, 1890 | July 1, 1940 | 15,000,000 | 4% | April and Oct. | 120,000.00 |
| Middlesex Valley Railroad Co., First Mtg. Bonds..... | Aug. 26, 1892 | Nov. 1, 1942 | 3,000,000 | 4½% | Jan. and July | 675,000.00 |
| The Lehigh & Lake Erie R. R. Co., First Mtg. Bonds..... | Mar. 1, 1907 | Mar. 1, 1957 | 190,000 | 5% | May and Nov. | 9,500.00 |
| Lehigh Valley Harbor Ter. Ry. Co., First Mtg. Bonds..... | Feb. 1, 1924 | Feb. 1, 1954 | 3,000,000 | 4½% | Mar. and Sept. | 135,000.00 |
| MAJORITY CAPITAL STOCK OWNED: | | | | | | |
| Lehigh & N. Y. Railroad Co., First Mtg. Bonds..... | Aug. 24, 1895 | Sept. 1, 1945 | 10,000,000 | 5% | Feb. and Aug. | 500,000.00 |
| Total..... | ..... | ..... | 2,000,000 | 4% | Mar. and Sept. | 80,000.00 |
| | | | \$48,739,000 | ..... | ..... | \$2,289,200.00 |
| RENTALS—LINES NOT OWNED: | | | | | | |
| State Line and Sullivan Railroad Co..... | ..... | ..... | ..... | ..... | ..... | 40,000.00 |
| Raritan Terminal and Transportation Co..... | ..... | ..... | ..... | ..... | ..... | 2,000.00 |
| New York Central Railroad Co..... | ..... | ..... | ..... | ..... | ..... | 11,481.96 |
| Wilkes-Barre and Hazleton Railway Co..... | ..... | ..... | ..... | ..... | ..... | 150.00 |
| Total Interest and Rentals..... | ..... | ..... | ..... | ..... | ..... | \$2,342,831.96 |

LEHIGH VALLEY RAILROAD COMPANY

General Operating Results for the Years Ended December 31, 1933 and 1932

| | 1933 | 1932 | Increase or Decrease | Per Cent. |
|---|-------------|-------------|----------------------------|--------------|
| TRAIN AND LOCOMOTIVE MILEAGE | | | | |
| Revenue freight train miles—locomotive... | 4,204,247 | 4,074,574 | 129,673 | 3.18 |
| Revenue passenger train miles—locomotive. | 1,889,529 | 2,004,637 | 115,108 | 5.74 |
| Revenue milk and express train miles—locomotive | 436,646 | 575,149 | 138,503 | 24.08 |
| Revenue mixed train miles—locomotive.... | 145,556 | 124,232 | 21,324 | 17.16 |
| Revenue special train miles—locomotive... | 1,222 | 589 | 633 | 107.47 |
| Total revenue service train miles—locomotive | 6,677,200 | 6,779,181 | 101,981 | 1.50 |
| Revenue passenger train miles—motor.... | 865,152 | 1,005,252 | 140,100 | 13.94 |
| Revenue mixed train miles—motor..... | 25,120 | 21,547 | 3,573 | 16.58 |
| Total revenue service train miles—motor | 890,272 | 1,026,799 | 136,527 | 13.30 |
| Total revenue service train miles..... | 7,567,472 | 7,805,980 | 238,508 | 3.06 |
| Helping and light freight locomotive miles. | 608,699 | 570,300 | 38,399 | 6.73 |
| Helping and light passenger locomotive miles | 181,810 | 183,367 | 1,557 | .85 |
| Helping and light mixed locomotive miles.. | 8,382 | 1,658 | 6,724 | 405.55 |
| Helping and light special locomotive miles. | 213 | 143 | 70 | 48.95 |
| Total revenue service locomotive miles, excluding switching and motor..... | 7,476,304 | 7,534,649 | 58,345 | .77 |
| Switching locomotive miles..... | 3,805,176 | 3,810,361 | 5,185 | .14 |
| Total revenue service locomotive miles, excluding motor | 11,281,480 | 11,345,010 | 63,530 | .56 |
| Non-revenue service locomotive miles..... | 182,147 | 202,234 | 20,087 | 9.93 |
| Per cent. helping and light of revenue service locomotive miles, excluding switching and motor..... | 10.69 | 10.03 | .66 | 6.58 |
| CAR MILEAGE | | | | |
| Freight car mileage—loaded | 127,670,414 | 122,975,326 | 4,695,088 | 3.82 |
| Freight car mileage—empty | 73,961,370 | 71,860,377 | 2,100,993 | 2.92 |
| Freight car mileage—caboose | 4,426,278 | 4,458,577 | 32,299 | .72 |
| Total freight car miles..... | 206,058,062 | 199,294,280 | 6,763,782 | 3.39 |
| Average number of loaded freight cars per train | 29.50 | 29.55 | .05 | .17 |
| Average number of empty freight cars per train | 17.09 | 17.27 | .18 | 1.04 |
| Average number of all freight cars per train | 47.62 | 47.90 | .28 | .58 |
| Per cent. loaded of total car miles..... | 61.96 | 61.70 | .26 | .42 |
| Per cent. empty of total car miles..... | 35.89 | 36.06 | .17 | .47 |
| Per cent. caboose of total car miles..... | 2.15 | 2.24 | .09 | .40 |
| Passenger car miles—including Pullman.. | 13,530,293 | 14,573,252 | 1,042,959 | 7.16 |
| Baggage, dining, mail, express and milk car miles | 12,073,207 | 14,130,741 | 2,057,534 | 14.56 |
| Total passenger car miles..... | 25,603,500 | 28,703,993 | 3,100,493 | 10.80 |
| Average number of passenger train cars per passenger train | 7.95 | 7.92 | .03 | .38 |
| Special revenue service car miles..... | 21,767 | 9,212 | 12,555 | 136.29 |
| Non-revenue service car miles..... | 223,479 | 333,860 | 110,381 | 33.06 |

LEHIGH VALLEY RAILROAD COMPANY

General Traffic Results for the Years Ended December 31, 1933 and 1932

| | 1933 | 1932 | INCREASE OR Decrease | PER CENT. |
|---|-----------------|-----------------|----------------------------|--------------|
| Average miles of road operated..... | 1,358.59 | 1,362.05 | 3.46 | .25 |
| FREIGHT TRAFFIC | | | | |
| Tons of revenue freight carried..... | 16,209,269 | 15,627,158 | 582,111 | 3.72 |
| Tons of company freight carried..... | 1,780,350 | 1,514,577 | 265,773 | 17.55 |
| Tons of all freight carried..... | 17,989,619 | 17,141,735 | 847,884 | 4.95 |
| Tons of revenue coal carried one mile..... | 1,100,557,614 | 1,032,244,976 | 68,312,638 | 6.62 |
| Tons of revenue merchandise carried one mile | 1,864,264,413 | 1,834,063,264 | 30,201,149 | 1.65 |
| Tons of company freight carried one mile... | 119,181,061 | 101,155,223 | 18,025,838 | 17.82 |
| Tons of all freight carried one mile..... | 3,084,003,088 | 2,967,463,463 | 116,539,625 | 3.93 |
| Tons of revenue freight carried one mile per mile of road..... | 2,182,279 | 2,104,408 | 77,871 | 3.70 |
| Average distance revenue freight carried— in miles | 182.91 | 183.42 | .51 | .28 |
| Revenue from freight..... | \$32,837,092.59 | \$32,474,361.38 | \$362,731.21 | 1.12 |
| Average revenue per ton carried..... | \$2.02-582 | \$2.07-807 | \$.05-225 | 2.51 |
| Average revenue per ton per mile—in cents | 1.108 | 1.133 | .025 | 2.21 |
| Freight revenue per mile of road operated.. | \$24,169.98 | \$23,842.27 | \$327.71 | 1.37 |
| Freight revenue per revenue freight train mile | \$7.58-810 | \$7.80-491 | \$.21-681 | 2.78 |
| Tons of revenue freight per revenue freight train | 685.12 | 688.89 | 3.77 | .55 |
| Tons of all freight per revenue freight train | 712.66 | 713.20 | .54 | .08 |
| Tons of all freight hauled per revenue service locomotive, excluding switching miles. | 620.91 | 622.01 | 1.10 | .18 |
| Average number of tons of all freight in each loaded car | 24.07 | 24.13 | .06 | .25 |
| PASSENGER TRAFFIC | | | | |
| Revenue passengers carried | 969,171 | 1,115,599 | 146,428 | 13.13 |
| Revenue passengers carried one mile | 111,475,045 | 117,893,000 | 6,417,955 | 5.44 |
| Revenue passengers carried one mile per mile of road | 82,052 | 86,556 | 4,504 | 5.20 |
| Average distance carried—in miles..... | 115.02 | 105.68 | 9.34 | 8.84 |
| Revenue from passengers..... | \$2,413,546.20 | \$2,823,743.67 | \$410,197.47 | 14.53 |
| Average revenue per passenger—in cents.... | 249.032 | 253.115 | 4.083 | 1.61 |
| Average revenue per passenger per mile—in cents | 2.165 | 2.395 | .230 | 9.60 |
| Average revenue from passengers per passenger train mile (excluding milk and express) | \$0.86-132 | \$0.91-994 | \$0.05-862 | 6.37 |
| Passenger service train revenue..... | \$4,158,097.29 | \$5,072,935.68 | \$914,838.39 | 18.03 |
| Passenger service train revenue per mile of road | \$3,060.60 | \$3,724.49 | \$663.89 | 17.82 |
| Passenger service train revenue per train mile (including milk and express)..... | \$1.28-384 | \$1.39-189 | \$0.10-805 | 7.76 |
| Average revenue passengers per car..... | 8 | 8 | ..... | ..... |
| Average revenue passengers per train (including mixed) | 40 | 38 | 2 | 5.26 |
| REVENUES AND EXPENSES | | | | |
| Freight and passenger revenue..... | \$35,250,638.79 | \$35,298,105.05 | \$47,466.26 | .13 |
| Freight and passenger revenue per mile of road | \$25,946.49 | \$25,915.43 | \$31.06 | .12 |
| Total operating revenues | \$38,177,450.08 | \$38,739,138.25 | \$561,688.17 | 1.45 |
| Total operating revenues per mile of road.. | \$28,100.79 | \$28,441.79 | \$341.00 | 1.20 |
| Operating expenses | \$30,232,067.16 | \$31,686,181.09 | \$1,454,113.93 | 4.59 |
| Ratio of operating expenses to operating revenues | 79.19% | 81.79% | 2.60% | 3.18 |
| Operating expenses per mile of road..... | \$22,252.53 | \$23,263.60 | \$1,011.07 | 4.35 |
| Net operating revenue | \$7,945,382.92 | \$7,052,957.16 | \$892,425.76 | 12.65 |
| Net operating revenue per mile of road.... | \$5,848.26 | \$5,178.19 | \$670.07 | 12.94 |

LEHIGH VALLEY RAILROAD COMPANY

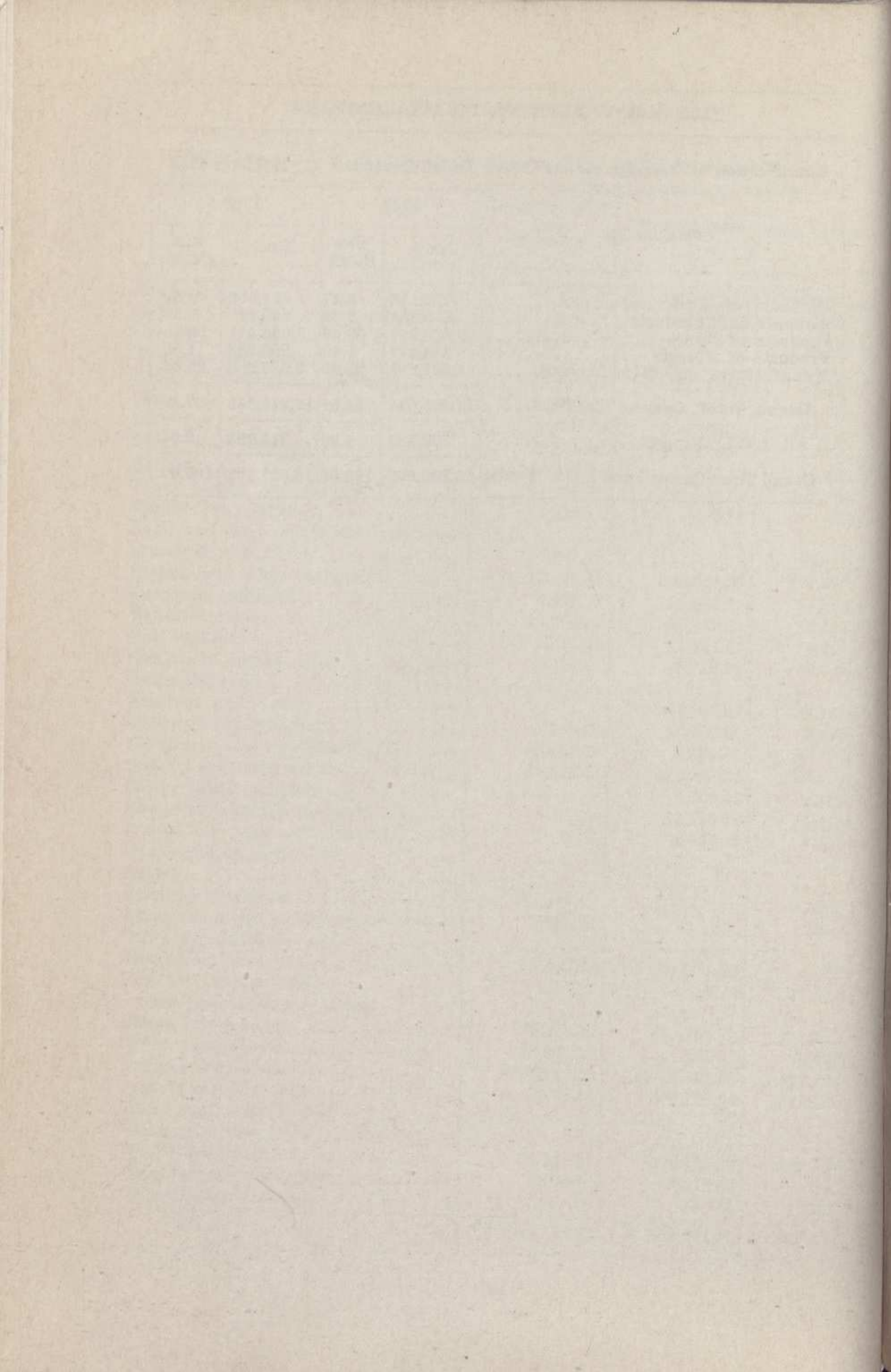
Additions and Betterments, Entire System, Year Ended December 31, 1933

| | EXPENDITURES AND CHARGES | RETIREMENTS | NET AMOUNT |
|--|--------------------------------|----------------|----------------|
| Engineering | \$31,477.70 | \$8,412.42 | \$23,065.28 |
| Land for transportation purposes.... | 4,774.37 | 3,568.55 | 1,205.82 |
| Grading | 513,011.97 | 139,876.54 | 373,135.43 |
| Tunnels and subways..... | ..... | ..... | ..... |
| Bridges, trestles and culverts..... | 65,765.89 | 22,436.82 | 43,329.07 |
| Ties | 22,697.67 | 264,276.51 | 241,578.84 |
| Rails | 30,978.69 | 305,655.49 | 274,676.80 |
| Other track material..... | 80,839.50 | 146,586.95 | 65,747.45 |
| Ballast | 110,375.31 | 31,522.94 | 78,852.37 |
| Track laying and surfacing..... | 59,905.70 | 207,834.60 | 147,928.90 |
| Right-of-way fences..... | 1,729.11 | 1,076.50 | 652.61 |
| Snow and sand fences and snowsheds ..... | ..... | ..... | ..... |
| Crossings and signs..... | 19,991.72 | ..... | 19,991.72 |
| Station and office buildings..... | 11,496.45 | 269,074.37 | 257,577.92 |
| Roadway buildings | 4,495.32 | 55,601.29 | 51,105.97 |
| Water stations | 12,906.81 | 56,420.81 | 43,514.00 |
| Fuel stations | 6,217.21 | 11,444.43 | 5,227.22 |
| Shops and engine houses..... | 6,474.17 | 43,312.79 | 36,838.62 |
| Grain elevators..... | ..... | ..... | ..... |
| Wharves and docks..... | ..... | 288,160.92 | 288,160.92 |
| Coal and ore wharves..... | 4,063.17 | 11,000.00 | 6,936.83 |
| Telegraph and telephone lines..... | 48,454.30 | 9,569.01 | 38,885.29 |
| Signals and interlockers..... | 41,599.03 | 110,231.34 | 68,632.31 |
| Power plant buildings ..... | ..... | 9,808.27 | 9,808.27 |
| Power distribution systems | 517.13 | 13,125.78 | 12,608.65 |
| Power line poles and fixtures..... | 77.01 | 2,497.08 | 2,420.07 |
| Miscellaneous structures ..... | ..... | ..... | ..... |
| Paving ..... | ..... | ..... | ..... |
| Roadway machines..... | 31,587.89 | ..... | 31,587.89 |
| Assessments for public improvements. | 3,215.51 | ..... | 3,215.51 |
| Other expenditures—road..... | ..... | ..... | ..... |
| Shop machinery..... | 30,850.82 | 31,971.32 | 1,120.50 |
| Power plant machinery | 515.15 | 16,518.30 | 17,033.45 |
| Power sub-station apparatus ..... | ..... | ..... | ..... |
| Steam locomotives | 75,378.58 | 409,945.78 | 334,567.20 |
| Other locomotives..... | 75,000.00 | ..... | 75,000.00 |
| Freight train cars..... | 226,310.60 | 1,623,411.53 | 1,397,100.93 |
| Passenger train cars..... | 3,707.25 | 400,132.64 | 396,425.39 |
| Motor equipment of cars..... | ..... | ..... | ..... |
| Floating equipment..... | ..... | ..... | ..... |
| Work equipment..... | 55,585.57 | 452,621.22 | 397,035.65 |
| Miscellaneous equipment..... | 6,709.44 | 6,379.66 | 329.78 |
| General expenditures..... | 11,109.58 | 187.55 | 10,922.03 |
| Total..... | \$1,596,788.32 | \$4,952,661.41 | \$3,355,873.09 |

LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1933 and 1932

| COMMODITIES | 1933 | | 1932 | |
|--|------------|-----------|------------|-----------|
| | TONS | PER CENT. | TONS | PER CENT. |
| Products of Agriculture..... | 1,373,113 | 8.47 | 1,491,369 | 9.54 |
| Animals and Products..... | 558,354 | 3.44 | 529,117 | 3.39 |
| Products of Mines | 9,633,927 | 59.44 | 9,086,411 | 58.14 |
| Products of Forests | 236,477 | 1.46 | 250,383 | 1.60 |
| Manufactures and Miscellaneous..... | 4,085,213 | 25.20 | 3,956,085 | 25.32 |
| Grand Total, Carload Traffic..... | 15,887,084 | 98.01 | 15,313,365 | 97.99 |
| All L.C.L. Freight..... | 322,185 | 1.99 | 313,793 | 2.01 |
| Grand Total Carload and L.C.L. Traffic | 16,209,269 | 100.00 | 15,627,158 | 100.00 |



1933