

# Mail & Express

*by Kent Patterson*

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**R**ail passenger advocates appear to have been vindicated! As 2019 came to a close, Amtrak neared the break-even point—at least according to Amtrak leaders—something critics said couldn't be done. But then, along came The pandemic, traumatizing people from all walks of life. The collateral effects on North America's intercity and commuter rail passenger systems have been devastating, with ridership and revenues falling to their lowest ever. Yet packages, freight, express, and mail continue to move voluminously as more people begin to rely on home delivery. Express carriers are doing well, now even adding surcharges during peak periods. Are the railroads, including Amtrak, leaving some of that express cash on the table?



Highlighting what “once was,” this 1990s view of Amtrak’s Philadelphia–Chicago Three Rivers shows the impact of mail and express contracts for the railroad: nine baggage and material handling cars cut in ahead of the usual passenger coaches. Not shown is another rake of “head-end” cars at the rear. Mike Schafer

Amtrak ridership is ever so slowly returning, but expect a good spell to pass—maybe years—before Amtrak nears break-even again. Further, as this issue of PTJ goes to press, a new wave in U.S. COVID-19 cases is occurring and a second spike is possible this fall, which again will certainly cause an adverse effect on Amtrak.



Showcasing the demand of M&E in the pre-Amtrak era, baggage carts are lined up for loading as Seaboard Air Line's Palmland makes an extended stop in Columbia, S.C. Bill Howes

## **Mail-By-Rail History Synopsis**

Some insight for our younger readers: there was a time when most U.S. and Canadian mail and express (M&E) was handled by passenger trains. Even New York Central's esteemed *20th Century Limited* carried mail and express, though you can bet that, unlike with Amtrak, the handling of same never delayed the train.



Before UPS became a major carrier, the Railway Express Agency was the nation's premier package handler. Here Pennsylvania Railroad's Cincinnati–Chicago train 71 handles a lone REA car in addition to two RPOs. Bob Schrepfer, Ken Donnelly collection

Less-important trains, such as those with a multitude of passenger stops, tended to handle lots of “head-end” traffic—so-called because most of it was carried behind the locomotive(s) and ahead of the passenger-carrying cars, though it was not at all unusual to find head-end cars at the rear of a train for easy drop-off at a station. Aside from Railway Post Office (RPO) cars, in which mail was sorted during a train's trip, passenger trains also handled bulk mail in express cars and/or baggage cars and, in later years, containers such as Flexi-Vans. Some railroads operated entire trains devoted solely to the movement of mail and express.



From its origin in 1971 through 2004, the passenger railroad never stopped handling mail, at least to some degree. When Amtrak began on May 1, 1971, some pre-Amtrak legacy contracts continued in mail-storage cars, even including some baggage cars dating from the 1920s. A handful of routes, such as New York–Miami, Washington–Chicago, and Chicago–Los Angeles, continued. This effort had the modest goal of simply keeping “pocket change.” Extra work generally was limited to adding a baggage car or two for loading at a platform. However in scale to the new passenger railroad, growing M&E wasn’t worth the growing pains, at least then, a time of burgeoning ridership.

Amtrak’s 1990s expansion of M&E service was well-intentioned, even leading to some expansion of passenger service that was directly tied to hauling mail. A classic example of this was the launching of the *Lake Country Limited*, a 99-mile run between Chicago and Janesville, Wis. The intention was to extend this train as an overnight train all the way to Minneapolis/St. Paul, with M&E business conducted at significant stops such as Janesville, Madison, and La Crosse, Wis.

The company acquired a fleet of MHC (Material Handling Cars) and baggage cars to do the job nationwide, while making a strong effort to attract the M&E business, including large displays and handouts at trade shows. Despite best efforts, the program met with internal resistance almost from the beginning. When David Gunn became Amtrak CEO in 2002, he signaled his intent to exit the mail and express business to focus solely on passengers. In 2004, Amtrak ended the experiment, except for one component, ExpressTrak, a refrigerated carload service which remained until November 2006. (See sidebar.)

## **Back to the drawing board**



Baggage carts are lined up alongside Santa Fe's Albuquerque, N.M.–El Paso, Texas, El Pasoan in Albuquerque in 1956. Up front is a Railway Post Office car and a baggage car for passengers' baggage as well as express. A stainless-steel coach and coach-observation car follow, and behind them an express car and what appears to be either a business car or rider car for crews. M&E shipments were a carefully choreographed operation back when the railroads depended upon them to bolster the financial stability of their passenger trains. jim scribbins, milwaukee road historical association collection

Revisit ideas of coupling mail and additional express to Amtrak trains and save Amtrak, in an economical way. Amtrak's experience with mail might be explored differently this time around—mostly in a way that Amtrak doesn't get over-involved in the problems that previously led to the demise of M&E service.

### **Here Are Some Initial Ideas:**

1. Find an interested party with capital, freight experience/acumen, ideally railroad-oriented.

—true, a possible labor issue, but we’re trying to go forward here, and thus negotiate if necessary.

3. Identify partners to assist in the marketing and sales. This might mean involving a retail carrier like DHL, or a freight forwarder.

4. Amtrak would still continue to operate its package express unit as in the past, but with more visibility. Again, Amtrak trains would largely be the means for moving added revenue cars to enhance passenger coffers. This would run more like a private-car operation, but with significant revenue.



Seeming to break with tradition, the sleek sight lines of the Burlington Route’s Nebraska Zephyr are interrupted by heavyweight RPO and baggage cars tied in ahead of the passenger consist. Mail and express contracts contributed greatly to the longevity of the NZ. Although at the



the rails between Chicago and Lincoln, Neb., until the eve of Amtrak. Dale Jacobson

## Some Past M&E Problems

Barriers are still multiple. M&E switching at terminals added time to a trip. For example, trains departed Chicago Union Station and only moments later stopped aside Amtrak's 12th Street Coach Yard where a cut of M&E cars was added to the train. This often took longer than it should and annoyed passengers. That move was quirky, yet it's done daily at Amtrak's Auto Train terminals at Sanford, Fla., and Lorton, Va., and seems to be acceptable, probably because the move is explained to passengers. After all, it's their autos that are being added.

In hindsight, maybe a 40-minute add-on of M&E carriers to the *Southwest Chief* was justifiable, given it's a 44-hour trip anyway. But were there instances where M&E could be added to a train's consist before the boarding process began at the originating terminal? (CUS's east side through track might allow this.) Most, if not all, cars could move end-point to end-point, minimizing en route delays. Today, losing some transit time to gain vital revenue could greatly enhance a long-distance train's financial performance.



A pioneer of Flexi-Van service, New York Central applied the concept to its mail & express service in the late 1950s and soon several trains could be spotted with the unique cars. Here in the summer of 1967, train 95 roars through Castleton, N.Y. Nameless New York–Buffalo train 95 carried mainly M&E traffic with a car or two for passengers. Flexi-Vans are an ancestor of today's modern container-on-flatcar operations.

J. W. Swanberg

Amtrak M&E equipment became an Achilles heel for Amtrak officials and mechanics alike. Using a hodge-podge of equipment (each with a multitude of issues of their own) used up a good deal of management's oxygen. Heritage baggage cars in the mix required increasing maintenance—a main reason why the author suggests that another entity should deal with the rolling stock.

Amtrak's M&E business indeed grew, as accompanying photos suggest, but it required more equipment. Many older, Heritage Fleet baggage cars were pressed into service along with cars leased from VIA Rail Canada. A small fleet of RoadRailers and a fleet of 110 refrigerated ExpressTrak cars added to the original roster of baggage cars and MHC cars.

Additional problems resulted in that some key routes suffered traffic imbalances whereby some cars would carry revenue in one direction, but return empty without revenue yet with the costs associated with moving a car regardless of whether it was empty or loaded.

When it became obvious that Amtrak might be on to something—a 28-car

business that they felt they could handle just as well. That’s when railroads began to fight Amtrak’s foray into M&E. It became a war that was never reconciled.

These issues added up to bad office politics for M&E movements on passenger trains. Former Amtrak president David Gunn began experiencing soured relationships with host railroads. Delays and equipment problems that interrupted host railroads’ freight traffic added to the fire. In relation to operating a passenger railroad, M&E, as rail historian and former railroad executive William Howes noted, began taking too much attention in relation to its scale—a “tail wagging the dog” if you will. Amtrak decided to exit the business in 2003 and was out of it by the end of 2004, save for ExpressTrak and a small amount of business under the title “Amtrak Express” that Amtrak could carry on under the radar of host railroads—mostly business in amounts that host railroads would not want to deal with anyway.



Illinois Central bought into the Flexi-Van concept circa 1960, and soon the cars could be found on a number of IC secondary trains. This 1966 scene

1965. At the behest of the U.S. Postal Service, IC reversed the train's westbound schedule from its traditional evening departure from Chicago to a morning departure. Behind the two black diesels barely visible at the head end are two Flexi-Vans, a baggage car, two coaches, and two more Flexi-Vans. At Freeport, Ill., the rearmost Flexi-Van was dropped, followed by the next one at Dubuque, Iowa. The train's two passenger coaches terminated at Waterloo while the locomotives, head-end Flexi-Vans, and baggage-express continued to Ft. Dodge, Iowa. An efficient operation, it minimally impacted transit times but did little more than prolong the life of the train by a couple of years. The train was discontinued in 1967. Mike Schafer

In talking with several well-respected industry executives, journalists, and historians, this idea—Amtrak again providing M&E service—has been greeted with some curiosity and much skepticism. Many have restated those cogent reasons for terminating M&E.

## **The New Paradigm and New Math**

Thriving under this “new math” or paradigm will be thirst for new funding streams in this future, uncharted economy. We can enjoy an opportunity in augmenting existing trains and quite possibly justifying new services and routes. All this involves the need for freight railroads to team up with Amtrak in a way that is financially beneficial to both sides. The host railroads might exploit Amtrak's running times which offer freight times competitive with truck, something railroads do not offer.



Once a familiar scene across America when railroads operated their own trains and even in the early days of Amtrak: mail & express being loaded onto a train as passengers boarded. The new (in 1971) passenger carrier inherited some mail contracts from railroads that shed their passenger trains. As passengers board the Coast Starlight/Daylight in Oakland, Calif., a U.S. Mail truck has backed up to one of the train's baggage cars to exchange packages. Today's Amtrak passengers may only see a shell of what was once a large portion of the passenger business. But might it happen again? Kent Patterson

Amtrak Express still operates, and a handful of shippers use it. This includes passengers, and packages for pick-up at other express-service-equipped stations. Corporations do some shipping on Amtrak Express, with shipments large enough to require pallets (which as of this writing are on hold, per pandemic). Normally, major stations handling express are equipped with forklifts for larger shipments. However, the majority of stations offering baggage service are limited to hand-loading, so express shipments would max



One of Amtrak's attempts to grow mail & express traffic while at the same time creating a new passenger service was short-lived. The Lake Country Limited was intended to be an overnight train between Chicago and Minneapolis/St. Paul. Though planned to be initiated in segments, only the Janesville–Chicago portion came to fruition, itself lasting barely over a year. While the train was at one point successful at capturing a surprising amount of M&E traffic, patronage never materialized, as evident in this photo showing a coach and baggage car (for express), as running times were agonizingly slow. Dan Munson

## **Rationale to accept more express or mail**

Amtrak is handling more bikes, golf clubs, skis, and other items, and the company sells travel boxes as well. This helps to support Amtrak's growing leisure market and is expected to contribute to Amtrak's ancillary revenue stream. True, ridership is extremely low but as of July is on the rise since the

pandemic, thus releasing a pent-up demand from cooped-up people. M&E's role could then aid in route development.



Detouring over Burlington Northern Santa Fe on rails that prior to Amtrak saw the daily passage of the Empire Builder, North Coast Limited, and the Twin Zephyrs, Amtrak train 8, the eastbound Builder passing through Shabbona, Ill., carries a small complement of Amtrak's RoadRailer cars and two MHCs. The unique requirements of the RoadRailers necessitated their placement at the end of the train. Being the summer of 2004 in this scene, M&E shipments would only be seen on Amtrak for a few more months. Mike Schafer

Freight and express doesn't complain (within reason), nor has to walk between train connections. It doesn't need food or toilets either. It sits in a baggage car, and it does pay its fare.



All that remains of Amtrak's once extensive M&E services is seen in this picture at Washington Union Station where express is being unloaded; mail is no longer handled. Note the LAX-BAL (Los Angeles–Baltimore) shipping labels on the boxes in the foreground. Kent Patterson



On your next trip, walk up to a baggage car unloading at a major point. You might see shipping labels with interesting itineraries like Tampa to Spokane, Boston to Memphis, Phoenix to Newark—the station for heavy New York City shipments which has the facilities to handle heavier items.



Amtrak AEM-7 943 rushes mail train 13 southbound along the Northeast Corridor through Bridgeport, Conn., in July 1995. Originally operated between Boston and New York, this mail train's point of origin was shifted to Springfield in 1992 and its coach was dropped south of New York. On this day the train is handling eight MHC cars and, oddly enough, no coaches as it makes its trip westbound. J. W. Swanberg

Some regular customers who use Amtrak Express know of its service limitations but like the competitive shipping rates, often less than half the cost

passenger's schedule. Freight movement logistics usually allow some time

buffers to avoid aggravation or disruption caused by minor or typical delays. Passenger trains, even an hour late, maintain a punctuality competitive against premium freight ground services. As Amtrak trains run 24/7, even a slowish train can make competitive express times.

A new train based on M&E may not be the simplest to operate, among the reasons why David Gunn decided to effectively end M&E. It's true, M&E operations are more prone to delays, problems in switching, acceleration issues, and spotting for stops at stations with a much longer consist. It's a more complicated operation with more moving parts, and often more labor cost.

Corridor trains, a different breed from the trains proposed here, wouldn't get time-consuming M&E consist adjustments. Corridors aren't the best candidates for M&E unless it's a sealed car, or any express handling that can be done in several minutes, about a normal dwelling at major intermediate stations for this type train.



Haven, Conn. By now, shipping pallets were replacing mail sacks. With increasing demand, Amtrak leased some VIA Rail Canada baggage cars. Train 12 also hauled passengers as it was a convenient early morning train from New York to Boston. Kent Patterson

As for timing, bear in mind that when passengers are riding a train for 30 hours or more, an hour's delay in a two- or three-day schedule is not of major consequence. They are not riding a long-distance for speed. Ideally, some faster corridor service would supplant the slower long-haul train. On major routes, say Chicago–New York, long-haul trains would be secondary over the busy corridor trains, and scheduled accordingly.



With Material Handling Cars at the head end and RoadRailers at the tail, the Three Rivers rolling westbound near Johnstown, Pa., in the summer of 1999 has more mail and express traffic than it does passenger. Although

exited the mail and express business the Three Rivers was discontinued.

Mike Schafer

A freight railroad can be involved and incentivized by having some of its own premium traffic on the tail of an Amtrak train, or at least sharing in the mail and express revenue in return for track usage. That should raise the train's priority in the dispatching centers—given that the railroad has shippers' interests aboard or receives some compensation even if it does not. Both passenger and freight railroads ought to work together here to develop a workable formula.

Rather than Amtrak being tasked as the developer, Amtrak would focus mostly on operational issues, while an innovative executive in the express, rail, and forwarding business would conduct the venture.

Someday in a year or so, I hope, passengers will be returning en masse. A damaged economy and systemic economic alterations may slow our rail recovery. Another revenue stream in the toolbox could help reduce the need for more financial assistance, plus speed the development of new services.

## **When Food Moved Fast**



Two of the former Amtrak refrigerated box cars that were dedicated to ExpressTrak service sit in the Iowa Pacific shops in Alamosa, Colo., in 2013. The cars were being refurbished to be returned to service, soon to travel the country carrying a variety of frozen products for Ed Ellis's railroad. Kevin McKinney

An interesting component of Amtrak's mail and express expansion in the 1990s was something called ExpressTrak. While many thought ExpressTrak was part of Amtrak, it was actually a private company funded by Detroit-based Soave Enterprises. The concept was the creation of Frank Unger, a railroad executive formerly with Grand Trunk Western and Baltimore & Ohio/Chessie System. At its early formative stage, I was tapped to be a partner and vice

my first railroad job years earlier.

We worked with Ed Ellis, who was in charge of Amtrak's mail and express expansion. A year-and-a-half before we even had a long-term contract with Amtrak, Ed allocated a small fleet of refrigerated RoadRailers to ExpressTrak for us to market and manage. The RoadRailers operated primarily between Chicago and Harrisburg (the candy giant M&M/Mars was a big customer), Chicago and Jacksonville (via Philadelphia), carrying ice cream, and between Jacksonville and Philadelphia, carrying potatoes destined for a potato chip facility in Connecticut.

In 1999, a 15-year agreement was signed between ExpressTrak and Amtrak, calling for Amtrak to provide 300 refrigerated cars and a number of terminal facilities nationwide for loading and unloading. The first cars, heavily rebuilt 1970s-era reefers, began arriving from builder Ebenezer Rail Car Services in 2000. The old mechanical reefers were 50-foot cars, but by hanging the Carrier refrigeration units outside on one end an additional four feet of interior space was created.

Limitations of the contract were soon apparent. Amtrak produced only 110 of the 300 cars specified by the contract. Minimal facilities were offered by Amtrak, most having to be developed by ExpressTrak on Amtrak property. Fewer than half the terminal locations specified in the contract were ever provided by Amtrak, Chicago being one important location that was never made available. Because of the lack of cars, Amtrak agreed to a "small fleet surcharge" that gave ExpressTrak a greater percentage of the revenue. Although agreed to by Amtrak, it was a major irritant to them that set in motion Amtrak's attempt to exit the contract. After both sides spent several million dollars each in litigation, the service came to an end in November 2006.

number of producers, wholesalers, and retailers used the service shipping apples, melons, pineapples, frozen berries, and other items requiring temperature control. Linking Wenatchee, Wash., Oakland, and Los Angeles in the west with Albany, Philadelphia, and Jacksonville in the east in five days, four in the case of LAX–JAX, it provided a service better than that offered by the Class 1 intermodal services, and was nearly truck competitive. An angry railroad executive once asserted, “You stole our business!” To which I asked “when was the last time you carried tomatoes, avocados, or cauliflower?” There was no reply.—Kevin McKinney