

# Bee-Line FOR profit



The Reading was years ahead of its time when it introduced a new service concept in 1967

By Dale W. Woodland



GP35 3623 poses for a Bee-Line Service publicity photo in 1967 at the iconic RDG location of Klappertal Curve east of Reading, Pa.

RDG, Dale W. Woodland collection





**Another publicity photo has brand-new U30C 6303 at Belt Line Junction in Reading with five cars, the minimum length for a Bee-Line train. Delivered in June '67, the five U30s were the first units with the Bee-Line logo, although they did not work Bee-Line trains.**  
RDG, Dale W. Woodland collection

**D**uring the mid-1960s the whole structure of rail freight operations nationwide seemed keyed to a prior, less-demanding age. While air cargo shipments were delivered around the world in a matter of hours, railroads would take 3 days or more to move a shipment 100 miles — a distance a truck could cover in 3 hours. Moreover, railroad operations had become so haphazard that some carriers considered it a good day if even half their scheduled deliveries were on time. As traffic and service eroded, management and labor seemed to spend more and more time fighting and blaming each other instead of seeking mutually beneficial solutions. However, after almost two decades of steadily declining freight business, signs of change began to show in railroading.

Among the pioneers was the Philadelphia-based Reading Company. In addition to the other difficulties then faced by most railroads, the Reading had to face up to two distressing statistics: First, the anthracite coal traffic for which the road was formed in 1833, and which had accounted for a large portion of its business over the years, had tumbled by 75 percent, from 16 million tons in 1945 to less than 4 million by the mid-'60s. Second, even though the Reading had about 1,200 route-miles of track in 24 counties in Pennsylvania, New Jersey, and Dela-

ware, its average haul was less than 100 miles. Its longest run was from Philadelphia to Williamsport, Pa., just 210 miles. Such short-haul traffic was particularly vulnerable to truck competition.

Because of these factors, plus the decline of manufacturing within its market area, the Reading was in trouble. Disaster struck in 1958, when the road suffered a \$28 million drop in freight revenues. Two major factors contributed: a nation-



al steel strike, and the opening of the St. Lawrence Seaway. The trend continued downward in the early 1960s, with the Reading operating at a deficit.

In an attempt to reverse the trend, the road made a series of moves that won it wide recognition within the rail industry as an innovator. These efforts were part of what Reading President Charles E. Bertrand termed the “creative search” for new business. Bertrand was a progressive railroader who in 1964 came to the Reading from the Baltimore & Ohio. He said his new employer, if it was to grow, had to free itself from the habits of the past and find imaginative new ways of serving customers. He cited examples of breakthroughs on other railroads such as piggyback, unit trains, and giant grain

hopper cars. His first order of business was to control the mounting costs; the company was able to trim expenses by more than \$2 million by creating a rigid program of cost controls and reducing the number of employees by 2,000.

Next was an attempt to boost quality of service by improving on-time train performance. In early 1964 the Reading's freight trains met their schedules only about half the time, but by 1967 all 55 scheduled freights boasted a 90 percent on-time rate. Since the road was dependent on interchange freight for more than 60 percent of its traffic, this improvement also meant extensive discussions with connecting carriers. The Reading realized that you can't con the customer — if it was on time but the connecting carrier ran late, delivery was still late.

The Reading also made a big change in its internal sales and marketing organization, integrating these areas with the operating divisions. The objective was for employees with sales responsibilities to understand operating problems, and for those with operating responsibilities to be sales-minded. As part of this, the





**In April 1974, GP35 3638 passes the station at Phoenixville, 28 miles west of Philadelphia, with a Bee-Line train carrying various sizes of pipe.**



**In another April 1974 view, GP35 3648 pulls a westbound Bee-Line train of 13 covered hoppers at Douglassville, 14 miles east of Reading. Four-axle power was standard on Bee-Line trains.**

Three photos, Dale W. Woodland

road made sure that selected personnel in the mechanical and operating departments received sales training. It established 11 new sales offices, bringing to 26 the number of cities where Reading was represented; it created eight product managers, specialists in such fields as paper, chemicals, and metals. Finally, in what it hoped was the greatest stimulus,

the Reading pioneered in the establishment of quota systems and commissions for salesmen and in paying bonuses to salesmen and product managers who performed above established standards.

The company backed up this emphasis on modern marketing techniques with the latest technological resources. A new computer data-processing system,

TRACE, determined the location of any car in service within seconds, providing employees with accurate “real-time” information. IBM equipment was installed in 21 system terminals so information could be keyed directly into the main computer at headquarters. The Reading trained its own people to handle the job, putting its first IBM equipment in its air-brake training car so it could be moved from terminal to terminal to provide a 32-hour course for employees.

Whenever a freight car came onto the Reading, its information was immediately entered into the computer. Sometimes this was done by the railroad delivering the car, which meant the information was in the computer even before the car reached Reading tracks. This computerized operation enabled the Reading to become the best railroad in the nation in on-time freight performance.

### **Bee-Line breakthrough**

These changes and innovations, however, paled when measured against the Reading’s tradition-breaking “Bee-Line Service.” One railroad writer termed it “the greatest technological change since the diesel”; to another, it was “the most momentous thing since the laying of the

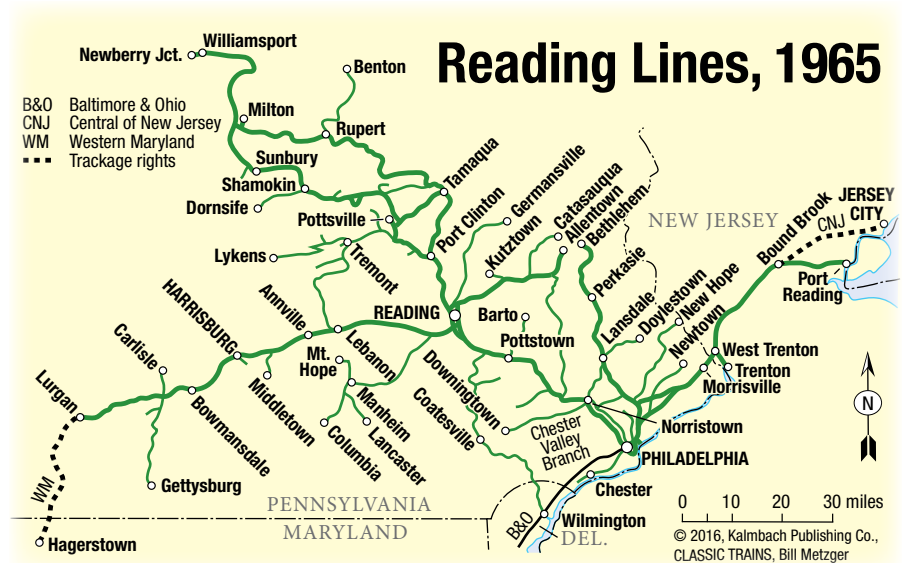
cornerstone for the B&O” in 1829.

Bee-Line Service developed out of the Reading’s being stuck with short-hauls. The company reasoned that if a trucker can make a profit going from Philadelphia to Chicago with just one driver and one van, it was logical to assume that a railroad, which can put numerous “vans” behind its “truck,” should be able to make many times the truckers’ profit on the same haul. Traditional rail service, though, precluded a railroad from doing so because it generally required three days for movements that truckers could accomplish in one: a day to pick up the cars on a shipper’s siding and move them to the nearest terminal; a second day to move them to the terminal nearest the receiver; and a third day to shift them into the receiver’s siding. All this was complicated by labor contracts that required different crews to handle each stage of the move.

Bee-Line Service aimed to change that, introducing new procedures. With 2 hours’ notice from a shipper, the Reading would dispatch a three-man crew to the shipper’s siding to pick up from 5 to 20 cars, which then were delivered directly to the receiver’s siding. The one crew would do the switching at both ends and en route, and would go right through terminals where seniority rules ordinarily would require a crew change. If possible, the crew would make the return trip with a train.

There were no layovers. Pay was on a mileage basis, with a minimum 100 miles guaranteed. Anything over 5 hours was paid overtime. The train was limited to one pick-up or set-out in each direction, thus saving time and operating at a lower cost. The Reading calculated it could make money with a three- or four-man crew and a minimum of five cars in this type service. This was all accomplished in negotiations among the railroad and three unions, the Brotherhood of Locomotive Engineers, Brotherhood of Railroad Trainmen, and Order of Railway Conductors and Brakemen.

“Bee-Line would never have been possible without labor’s agreement,” Reading President Bertrand said at the time, “and I cannot stress strongly enough how heartened we have been by this willingness on our men’s part to turn away from the past and seek new solutions.” The craft union chairmen praised the company’s efforts to win the battle that they thought had been lost to trucking. From labor’s point of view, Bee-Line Service had many benefits. Crews were



made up only from the extra boards, *i.e.*, the men not assigned to crews on that day. Each crew made a round trip and was home in a reasonable time. The pay was good. The initial agreement stipulated that the service was restricted to new business only — existing business would still be handled by full crews. Hence, Bee-Line offered new jobs and extra income to the unions’ members.

The Reading expected to compete for Delaware Valley traffic in stone, chocolate, spaghetti, oil, petroleum, liquid oxygen, and other commodities that were moved by truck. The road also hoped to use Bee-Line Service to move piggyback traffic to its Port Reading, N.J., terminal on New York Bay. Thought also was given to establishing Bee-Line Service into

territories of friendly connections such as Jersey Central and Western Maryland.

There was no additional rate for Bee-Line Service, just the standard rail charge, which was generally lower than the trucking rate. Bee-Line was expected to match, and often beat, truckers’ delivery time. In addition, by picking up or setting off cars en route, there was the possibility of marrying marginal shipments with profitable ones to form larger trains.

Finally, there was the matter of equipment utilization. The national average was 18 trips per car per year, but the new Bee-Line Service gave the Reading a minimum of six loads per car per month. The company predicted other railroads would offer similar service.



EMD GP7 621 and Alco RS3 524, working at Abrams Yard near Norristown on January 7, 1972, represent the most common first-generation power used on Bee-Line trains. The 621 survives in the Reading Company Technical & Historical Society collection at Hamburg, Pa.





**U30C 6302, SD45 7603, and C630 5307 — one each of the three models that wore the Bee-Line logo — are at Perkasie, Pa., in August 1969.**

Four photos, Dale W. Woodland

To Bertrand, Bee-Line Service was the perfect example of the “new approach” his company needed. He said, “You know, when we started Bee-Line we went to one of our largest customers and told them about it, and they said, ‘Even if we never make use of it, our estimation of the Reading has gone way up because you were imaginative enough to think of it.’ That’s part of it too — the image, the impression we give. We want to change the image of railroading, to be a leader, a profit-maker, a company you want to do business with.”

## Launching the service

On December 19, 1966, the Reading operated a Bee-Line Service test train between Corson’s Quarry in Plymouth Meeting, Pa., and the Fairless Works of United States Steel at Morrisville, Pa. GP7 No. 623 pulled the train of seven hopper cars of crushed limestone plus a caboose. The train left Corson’s at 10:19 a.m. and arrived at Fairless Works at 11:50. The entire round trip of 84 miles was made in 5 hours 10 minutes, compared with 26 hours in conventional service. U.S. Steel expressed its approval, citing a reduced need to maintain large inventories and minimizing empty-car requirements. The test was a success, and

regular Bee-Line Service began the following month, January 1967.

The service prospered, with an average of 12 trains a month, all representing new business for the railroad. In addition, a regular Bee-Line run of at least three 20-car trains a week had been established. The shortest Bee-Line runs were just 15 miles, for limestone trains between quarries on the Chester Valley Branch and Alan Wood Steel in Swedeland, Pa. A story in the July 31, 1967, *Reading Railroad Newspaper* claimed a Bee-Line train had set a modern railroad record with a single crew completing a 408-mile round trip in less than 15 hours (1 hour under the Hours of Service maximum at the time). The train, made up of an Alco C424, five cars, and a caboose, delivered cinders from Shamokin, Pa., to Port Reading, N.J., and then returned. The four-man crew received five days pay for the run. The train left Shamokin at 1 a.m., arrived at Port Reading at 9:12 a.m., and was back at Shamokin at 4:10 p.m.

The leading trade publications hailed the new service. The January 1967 *Railway Age* had a two-page story, “The Reading Makes a Bee-Line For Profits on Short Hauls,” and the issue’s “Viewpoint” page stated, “Mile for mile, the Reading is probably as innovative as any railroad

anywhere.” *Railway Age* praised the concept for being both customer-oriented and profit-oriented.

In its February 1967 issue, *Modern Railroads* had a four-page article, “Reading Bee-Liners — Marketing Breakthrough.” The lead paragraph enthused, “Would you believe hot-shot freight trains of 20 cars? Ten? Five? Hang onto your hats. They’re actually running on the Reading Railroad!” Willis Maley, president of the National Industrial Traffic League, the largest and most influential shippers organization, was quoted, “Reading’s imaginative approach to the customers need is terrific.” The lead item in *TRAINS*’ January 1967 “News and Editorial Comment,” by David P. Morgan, was about Bertrand’s Bee-Line idea.

Reading salesmen introduced the concept to potential customers with a 14-minute film. The railroad also advertised the service by having a Bee-Line logo painted on the sides of all 15 new road locomotives delivered in 1967. Five years previously, a bright green-and-yellow scheme had debuted on new GP30s, the first order EMD delivered. The scheme replaced the drab Pullman green worn by Reading yard and road-switcher diesels since the 1920s. Subsequent EMD GP35s and Alco C424s, C430s, and





**“Bee-Line” C630 5308 and GP30 5513 enter Tamaqua, Pa., with a Reading & Northern-sponsored excursion on June 2, 1991. Both units have been preserved by the RCT&HS.**

C630s were also green-and-yellow.

The new 1967 locomotives with the Bee-Line logo were Alco C630s 5307–5311, GE U30Cs 6300–6304, and EMD SD45s 7600–7604. The logo consisted of black diamonds as a bee’s body, with wings, head, and antennae around each diamond. In between the bees, in large block letters, were the words BEE LINE SERVICE, interestingly lacking the hyphen used in “Bee-Line Service” elsewhere. In a note of irony, these big C-C units were rarely if ever used on Bee-Line trains, as six powered axles and 3,000-plus horsepower were not needed for the short consists.

The Reading continued to provide Bee-Line Service until its inclusion into Conrail. Much of the business continued to be related to large customers like Bethlehem Steel and U.S. Steel. The railroad served limestone quarries at Plymouth Meeting, Bridgeport, Howellville, Devault, Ackworth — all located in the lime-rich Chester Valley of Chester and Montgomery counties — and Annville, Pa., in the Lebanon Valley. The Plymouth Meeting quarry was on the 9-mile Plymouth Branch that connected with the Norristown Branch at Conshohocken and the Bethlehem Branch at Oreland. The Chester Valley quarries were served by the 21-mile Chester Valley Branch from Bridgeport to Downingtown.

Although they ran for almost a decade, the Reading’s Bee-Line trains were unable to overcome the negative factors affecting all Northeastern railroads. Bee-Line Service, however, was evidence that the Reading remained proactive despite the circumstances. In some ways, the concept was ahead of its time, and it is interesting to speculate how successful it may have been with modern-day two-man crew operation. 📌



**In November 1974, train NR-17 enters Port Richmond in Philadelphia behind SD45s 7601 and 7604 and GP35 3641. RDG’s five SD45s were the second set of units to get the Bee-Line logo.**



**NS heritage unit 1067 continues the Bee-Line tradition at Pottstown, Pa., in August 2013.**

## Bee-Liners today

**As part of Norfolk Southern’s** 2012 heritage locomotive fleet, EMD SD70ACe 1067 proudly bears the Reading’s green-and-yellow scheme, complete with the BEE LINE SERVICE logo on its flanks, reminding all who see it of this innovative attempt to save railroading in the late 1960s.

The Reading Company Technical & Historical Society honors the concept with its quarterly publication called *The Bee Line*. The Society, which operates the Reading Railroad Heritage Museum in Hamburg, Pa., has held several open houses called Bee-Line Festivals. Alco C630 5308, one of the museum’s preserved locomotives, sports the Bee-Line logo.

Finally, two EMD GP35s on the roster of short line Lycoming Valley Railroad, based in Williamsport, Pa., carry the Bee-Line Service logo on their sides. — Dale W. Woodland