

RECORD # 01

~~800 TCY THIS IS RERON OF CHG 0952  
RTV~~

~~C CHGO 0952 10.07 05/14/79 GARB CARB KCVB KNYB 0712 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024  
SAYD SYSS, 11.17 0074~~

~~CALL CHGO 5-14~~

~~BROADCAST TO ALL SYSTEM STATIONS:~~

~~INSTRUCTIONS:~~

~~PLEASE POST AND DISTRIBUTE THIS MESSAGE FOR THE BENEFIT  
OF ALL EMPLOYEES.~~

~~TO ALL CONCERNED:~~

~~THE CHICAGO TRIBUNE THIS MORNING CONTAINS A STORY CONCERNING  
THE LABOR-PROTECTION ASPECTS OF THE MILWAUKEE S REORGANIZATION  
PROCEEDING WHICH QUITE UNFAIRLY PORTRAYS MY POSITION WITH  
REGARD TO PROTECTION FOR EMPLOYEES WHO ARE DISADVANTAGED AS  
THE RESULT OF THE FURLOUGH WHICH WE NEED TO PRESERVE SOME PROSPECT OF  
REORGANIZABILITY FOR THE RAILROAD AS A WHOLE. PLEASE WILLO ME TO  
CORRECT THE STORY AND TELL YOU WHAT MY POSITION REALY IS.~~

~~IT IS INDEED TRUE THAT THE BASIC QUESTION OF LABOR PROTECTION  
IS AN ISSUE IN THE PROCEEDING. THERE IS A POSSIBILITY THAT,  
IF THE CONDITIONS MOST RECENTLY IMPOST BY THE ICC -- THE SO-  
CALLED NEW YORK DOCK CONDITIONS -- WERE APPLIED TO ALL  
MILWAUKEE ROAD EMPLOYEES PURSUANT TO A COMPLETE LIQUIDATION,  
PROTECTION COSTS COULD BE MORE THAN \$1 BILLION. QUITE  
LIKELY THE LEGAL QUESTION OF LABOR PROTECTION IN THE MILWAUKEE S  
CIRCUMSTANCES WILL BECOME A PRINCIPAL ISSUE IN THE BANKRUPTCY  
PROCEEDING.~~

~~BUT WHAT THE TRIBUNE S STORY DOES NOT SAY IS THAT, DURING  
THE HEARING ON MAY 4, I AGREED TO BEGIN IMMEDIATELY THE  
PROCESS OF FILING ABANDONMENT APPLICATION S WITH THE ICC FOR  
ALL LINES WHICH WOULD BE EMBARGOED. A NEW TITLE 0111 MAP IS BEING  
PREPARED AND WILL BE FILED VERY SOON. THE ACTUAL  
APPLICATIONS WILL FOLLOW AS QUICKLY AS WE CAN DO THE PAPERWORK.~~

~~THUS, WHILE AN EMBARGO AS WE NEED IT IS NOT THE SAME AS AN  
ABANDONMENT, WE SHALL TAKE STEPS AT THE EARLIEST POSSIBLE  
MOMENT TO BRING BEFORE THE COURT AND THE ICC THE QUESTION OF  
PROTECTION FOR EMPLOYEES WHO MIGHT BE AFFECTED ADVERSELY BY  
THE REDUCTION IN THE MILWAUKEE S OPERATED MILEAGE.~~

~~PLEASE SEE THAT ALL EMPLOYEES AND THEIR FAMILIES RECEIVE THIS  
MESSAGE. A COPY OF THIS MESSAGE IS BEING SENT TO THE  
CHICAGO TRIBUNE WITH THE REQUEST THAT IT BE PRINTED AS A  
LETTER TO THE EDITOR. IF YOU HAVE QUESTIONS, PLEASE DIRECT  
THEM TO MR HARRINGTON. THANK YOU.~~

~~STANLEY F.G. HILLMAN  
TRUSTEE~~