

The **PAN AM**[®] Clipper

FIND US ON THE WEB AT: WWW.PANAMRAILWAYS.COM

VOL. 15

JANUARY/FEBRUARY/MARCH 2006

ISSUE 9



PAN AM RAILWAYS

IRON HORSE PARK
NO. BILLERICA, MA 01862



Chief Executive Officer's Message

I am pleased to announce our new corporate re-branding from the Guilford companies to the Pan Am Systems companies, with that we are renaming our Guilford Xpress to The Pan Am Clipper. From an employee and customer standpoint, the name change is exciting as we draw together several companies under the Pan Am umbrella.

For close to thirty years the employees of Guilford, now Pan Am, have been growing and expanding into many different areas, from forest products to rail transportation, air transportation, warehousing and real estate development. We have expanded from a regional company to an international one, drawing on the famous Pan Am blue globe as a symbol.

Let's look back at a list of our major corporate milestone dates.

- May 1977 – Incorporation of Perma Treat Corporation, a pressure treated wood products company located in Durham, Connecticut.
- June 1981 – Purchase of Maine Central Railroad from U. S. Filter Corporation.
- June 1981 – Incorporation of Guilford Transportation Industries.
- June 1983 – Purchase of Boston and Maine Corporation after a thirteen year bankruptcy.
- September 1995 – Startup of Aroostook and Bangor Resources, the first of its kind crosstie recycling plant in New England.
- July 1998 – Purchase of Pan American World Airways out of bankruptcy. Began charter service, first scheduled flight October 1999.
- February 1999 – Purchase of Arlington Leasing and American CASA, a full service aircraft repair and leasing company.
- March 1999 – Revival of Boston and Maine Airways. The original airline was started by the Boston and Maine Railroad in the late 1920's. Amelia Earhart was a vice president of the company.
- April 2004 – Permitting at NorthPoint, a 40-acre former rail yard that will be transformed into a 5.5 million square foot real estate project. It will include the largest public/private partnership of its kind with the movement of the Green Line T Station from its current location to NorthPoint.
- March 2006 – Re-branding of Guilford to Pan Am.

We can all be proud of the work that has been accomplished by our dedicated employees who focus on operating and managing a group of safe and customer oriented companies.

We thank all of our loyal customers who continue to support the Pan Am Systems' group of companies. As we look forward to an ever changing landscape for our companies, you can rest assured we will continue to move forward with exciting projects. The Pan Am Systems companies are ready for the future and will continue to move people and freight and look for ways to do these things in a more energy efficient and safe way.

D. A. Fink
Chief Executive Officer

COSTLY VANDALISM

Vandalism to railroad property is not just a serious concern for Pan Am Railways, but for all of the nation's rail systems. Acts of vandalism can effectively delay trains, cause accidents, or result in injury or death. The cost to repair or replace vandalized property can run into thousands of dollars per incident.

Recently, vandals set fire to a railroad bulldozer, destroying the interior cab, wiring, dashboard, and fiberglass floor boarding. In addition to the cost to repair the vehicle, correlating expenses for the response of the Railroad Police (RRPD), local police and fire departments, and the railroad's Mechanical Department must also be considered.

Another recent act of vandalism involved the shooting of a railroad signal box. Vandals used a high power, large caliber rifle to fire thirty five bullets into and through the box, basically destroying the system. Not only did the cost to repair and replace components in the signal box run into thousands of dollars, this act of destruction could have seriously injured or killed an innocent bystander or someone legally on railroad property.

While the cost of vandalism to the railroad runs quite high, so, too, does the cost to the individual responsible for the act. Convicted vandals can expect to face not only time in jail, but the reality of reimbursing the railroad for all costs associated with any unlawful act.

Once again we remind the employees, customers, and neighbors of the railroad that they are the "eyes and ears" of the RRPD. If you should witness acts of vandalism on railroad property, or observe a crime or any suspicious activity, please notify the RRPD at 800-955-9217 or Railroad Operations at 800-955-9208.

Contributed by:
Chief John P. Holland



Information

Pan Am Clipper is published four times a year by Pan Am Railways.

Editor
Kathleen Gregory
Iron Horse Park
N. Billerica, MA 01862
(978) 663-1130

Address Change?

Let us know your new and your old address.
Fax it to 978-663-6907 or send it to the Editor, Pan Am Clipper.

On the Covers

Front Cover:
Peter Alex

Back Cover:
Photo by: Mechanical Department

If you have a story idea, fax it to us on a single sheet of paper at (978) 663-6907 or send it via MEMO to the Editor.

Pan Am Railways on the Internet

The Pan Am Railways web site (www.panamrailways.com) is alive and well, offering car location information either through the car movement system (STARR) or the AEI database. CustomerService@panamrailways.com is now another option for customers to access car location information, etc.

Printed by
George H. Dean Company
Graphic Design
Jennifer Neveu Graphic Design

CAUGHT UP IN THE WEB

What community is home to the world's most colleges, reference libraries, malls, travel agents, and bulletin boards? Not to mention, the most arcades, casinos, red light districts, and crime? The title of this article gives it away - the internet.

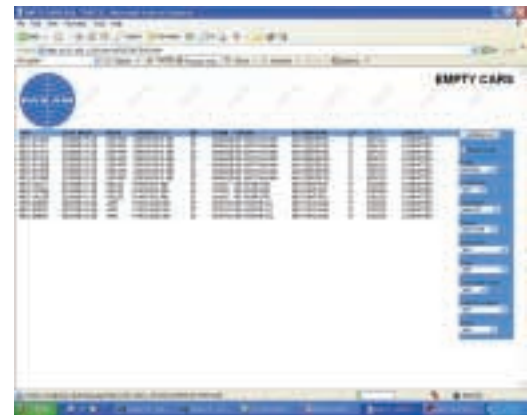
Back in the 1950's there was no internet, but there were people who had a vision. Over time, this vision came to life. However, it was not until personal computers (PCs) became powerful enough to support sophisticated browser software that most of the rest of us got "hooked". The focus quickly shifted from being an information and communications tool, to a playground, and then to a mall. This evolution continues at light speed with no conceivable end in sight.

Businesses created in the "dot com" era were the first to capitalize on this technology. It was affordable, convenient, and flexible. It provided an immediate audience, and it gave some level of implied credibility to fledgling companies. Unfortunately, what made this technology attractive also made it dangerous. No doubt we have all heard the terms "hacker" and "identity theft" by now. Anyone who has had the misfortune to answer one or more of those e-mails from banks and credit card companies claiming to have lost your account information, and all that it takes is a response from you to update, has first-hand experience in what has grown to be an insidious side effect of the web culture.

Businesses created before the "dot com" era, particularly those older businesses with large legacy computer systems, had no such security concerns. Computer, data, and document security consisted of some combination of doors, keys, alarms, and, oftentimes, security personnel armed with very large weapons. Unfortunately, those legacy systems made it nearly impossible for them to participate in the internet explosion.

Pan Am Railways has, for the most part, been one such business - until now.

By the time you read this article, some of you will be helping us beta test some new web software that we have been developing. For those of you unfamiliar with the term, "beta test" is a fancy term for "we are confident that it works, we would like you to try it out, tell us what is wrong, let us know what you think and what could be better; however, use the software at your own risk until we tell you otherwise." It will be a while before the software becomes widely available; however, until then, please know that we will not roll out any web application that does not guarantee the privacy of your information.



The first web application our beta testing customers will have access to will let them monitor the status of all their traffic moving across the Pan Am Railways system – inbound, outbound, at destination, placed or constructively placed, released, and SIT (storage-in-transit), along with the key characteristics of the cars. It will also let them focus on particular customers, locations, and commodities. There will be a special option that shows which cars moved past any or all readers in the last 24 hours. It will even include information about certain traffic moving outside the Pan Am Railways system, though possibly not right away.

Future applications will include receiving notifications, ordering and releasing cars, online access to demurrage records, and entering bills of lading. Our guess is that you would find these features attractive. Let us know what you would really like from us over the web. Contact rjolin@panamrailways.com with any suggestions.

Contributed by: Ronald E. Jolin

PAN AM RAILWAYS WEB SITE SERVICES

Supply chain management is an evolving discipline which, in today's world, requires an immediate exchange of information. The resource of choice for more and more customers to effectively manage the movement of raw materials to production sites and finished goods to the market place is the World Wide Web.

Pan Am Railways' web site can be found currently at www.panamrailways.com. Our home page contains links to general information such as company directory, job opportunities, and other useful data. At this point, we have only two miscellaneous tariffs posted on our site:

Fuel Surcharge Tariff	ST 9001
Demurrage Tariff	ST 6004

Several additional tariffs are being reviewed and are scheduled to be added to the web site in the very near future. These tariffs are open (non-confidential) commodity tariffs publishing rates both on a point-to-point and mileage scale basis.

In addition to the general shipment tracing capability, we have developed a series of customized reports to enable our customers to effectively manage their rail business. Ron Jolin writes in this issue of the Pan Am Clipper about the "beta testing" nature of some of these reports. These reports reside in a password-protected, secure area on our web site. We have received very positive feedback from customers using these reports, mostly our pulp and paper accounts, and we look forward to expanding the services listed below to more and more on-line accounts.

OUTBOUND TRAFFIC – by destination, report current location anywhere in the North American rail network.

INBOUND TRAFFIC – by commodity (on-line locations only).

STORAGE-IN-TRANSIT REPORT

TRAIN CONSISTS

TRANSIT STANDARD REPORT – 90-day rolling average of transit time from origin to final destination.

From the Marketing and Sales/Customer Service side of our company, we look forward to our customers' comments regarding these web based resources and we will pursue other transportation management tools which will improve the competitiveness of our rail product.

Contributed by:
Joseph K. Crawford

MADISON-NORTH ANSON, MAINE

RAIL LINE REHABILITATION

Pan Am Railways is currently rehabilitating 4.23 miles of Maine Central Railroad Company's former Kineo Branch to reconnect the tracks of the Madison Branch to North Anson, Maine for a new rail customer, Cousineau Wood Products.

The \$1.1 million project is being funded through a joint effort by Pan Am Railways, the State of Maine Industrial Rail Access Program (IRAP) and the Town of Anson. IRAP provides funding for rail projects that meet the State of Maine's criteria for development of industry that requires rail transportation. In order to qualify for funding, an extensive application must be completed that identifies the need for rail service and quantifies the cost benefits that will be realized by the project.

The Madison to North Anson project application was coordinated by Robert Worthley, Administrative Assistant for the Town of Anson, with input from Randy Cousineau, President of Cousineau Wood Products, and Richard M. Willey, Senior Vice President-Customer Service and Industrial Development for Pan Am Railways. The application outlined the cost benefits of transporting Cousineau's products by rail, and included the potential for product expansion and increased employment attributable to Cousineau's enhanced ability to compete in the marketplace as a result of transportation savings. The application also included statements from several other industries in the Anson area that supported the project and indicated that they could utilize rail transportation if the track were to be restored to operation. The ability of Cousineau Wood Products to thrive and provide employment to residents of the Anson area was a vital element in the application process.

The rail line had been taken out of service in 1989 because of ice damage to the railroad bridge over the Kennebec River between Madison and Anson. Pan Am Railways assessed the rail line condition and provided a scope of work for restoration that included brush cutting, installation of ties and rail, reconstruction of three at-grade crossings, restoration of the Cousineau sidetrack, culvert repairs, and bridge repairs. A key factor in the rehabilitation was bridge repairs to the Kennebec River Bridge that included the replacement of damaged steel components, as well as masonry work and the installation of a new deck of wood bridge ties.

The IRAP Agreement between the State of Maine and the Town of Anson was signed February 2, 2005, and on February 8, 2005 Pan Am Railways and the Town entered into an agreement for the rail line rehabilitation work. The Town provides a Project Manager who oversees the work and coordinates with a Pan Am Railways representative to verify project charges.

The Town of Anson provided assistance on the grade crossing reconstruction work. They furnished detour signage, ballast stone and bituminous paving. The roadway approaches were modified by the Town to provide a smooth transition to the newly installed track.

Work on the project continued into early February of this year, but had to be discontinued due to seasonal weather conditions. The remaining work is scheduled to be completed by June 30, 2006.

There is a potential that the rail line will be extended an additional five miles in the future to Embden, Maine to serve a rock quarry that is being developed by Pan Am.

Pan Am Railways looks forward to a long relationship with Cousineau Wood Products, and will, of course, actively market the Madison - Anson area for new rail customers.

Contributed by: George S. Thayer



Before
Photo by Jeff Pitcher



During
Photo by Jeff Pitcher

NORTHPOINT

At this time we are pleased to announce that the first two buildings are under construction at NorthPoint! “Sierra”, with 99 condominiums scheduled for completion in Spring 2007, and “Tango”, with 230 condominiums and a Fall 2007 expected occupancy, signify the beginning of a multi-use development located in Cambridge, Boston and Somerville, Massachusetts. With our partners, Cambridge NorthPoint LLC, this land was successfully permitted in a lengthy process with all three cities. This new and exciting neighborhood will be built on a total of approximately forty-five acres. It will consist of over three million square feet of commercial space, including laboratory, office, retail shops and restaurants, plus over two million square feet of residences, which equates to around 2,700 units.

As the ongoing construction of Sierra and Tango is underway, so, too, is the business of selling these condos. To date, over thirty percent purchase and sales agreements have been signed! Concurrently, planning and design discussions are in progress with our partners, the Massachusetts Bay Transportation Authority, to move the existing Green Line Lechmere station across Monsignor O’Brien Highway into the NorthPoint site. It is envisioned this will become the centerpiece, or gateway, to the entire site and also ensure that the station is positioned to allow future extension of the Green Line into Union Square and West Medford. Without this unique public and private partnership between us and the MBTA, none of this would have been possible.



“With its focus on access to public transportation, the NorthPoint project is a good model of urban smart growth that will spur economic development and investment.”

– Edward M. Kennedy, Senator from Massachusetts

This newly created gateway will encompass the station, laboratory and office space as well as retail. It will also involve altering all the neighboring streets and utilities, which will ultimately provide the accessibility and presence to assist in the development of future phases.

“Taking advantage of its size and strategic ‘keystone’ location, the new NorthPoint neighborhood has the power to transform the geography around it...NorthPoint will combine all the ingredients that produce the energy and vitality of living in a real urban neighborhood in a truly walkable 21st century city.”

- Ken Greenberg, Master Planner for NorthPoint and Principal of Greenberg Consultants, Inc. of Toronto

NorthPoint will also feature a 10-acre park that will tie into the Minuteman Bike Path as well as the Charles River Park System. The first half of that park is being formed today in conjunction with the first two buildings.

Once a busy freight yard, the site is undergoing a dramatic face lift. The railroad, however, has and will continue to play a vital

role in this evolutionary process. All the old scrap ties and rail were transported from the site by railcars. While the rail was either scrapped or reused, the ties were taken to Mattawamkeag, Maine for disposal by Perma Treat. And now that the site is 'development' ready, the railroad will be engaged in bringing in materials such as sand, soils, stone, steel and other potential product via rail. Most development sites require the use of trailers for construction offices and sales centers. At NorthPoint, however, a railroad-owned building which was occupied by a rail-served corn syrup distributor now performs this dual role.



Photo by Phil Corder

Everything that is taking place at NorthPoint is the direct result of an unwavering vision which, in turn, led to this promising venture.

"In urban centers here in the Northeast, opportunities to develop significant parcels of land are few and far between. NorthPoint is one of those rare opportunities, and even rarer is the approach that is being taken to develop this gem - with an eye toward mixed-use development, incorporating commercial and retail space, housing...and providing for much needed bike and pedestrian connections to our neighboring communities."

- Michael A. Sullivan, Mayor of Cambridge, Massachusetts

As many rail customers began to sell their property in the city and move to the suburbs, this conceptualization took hold. With NorthPoint's proximity to downtown Boston and public transportation, one could see how this neighborhood in this underutilized rail yard could thrive. Over the next ten to fifteen years, this neighborhood will become a reality.

To see some additional pictures and learn more about NorthPoint, please visit our websites: www.northpointcambridge.com and www.livingatnorthpoint.com or come visit our sales center at 24 East Street in Cambridge, Massachusetts.

Contributed by:
P. D. Kingman



Photo by Phil Corder

PAN AM SERVICES

REFUELING THE FUTURE

Pan Am Services is a full service FBO (Fixed Based Operation) located at Pease International Tradeport in Portsmouth, New Hampshire. It is conveniently positioned within driving distance to hotels, restaurants, and tourist attractions.

For seven years Pan Am Services has been servicing all aspects of general aviation, from Cessna 172's and corporate aircraft, to airlines and large military aircraft; and its professional and dedicated staff provide safe, fast and efficient services such as...

- The lowest prices for Jet A and 100LL on the seacoast
- Heated hangar rental
- Ground handling for any type of aircraft
- Push back and towing of aircraft
- Tie-downs for small aircraft
- De-icing
- Transporting lobsters
- Car rentals
- Courtesy transportation
- Ramp side pickup for passengers
- Wireless internet access (Wi/Fi)
- Catering

Here are a few quotes from AirNav.com on how our customers perceive us...

"Pan Am provides outstanding consistent and friendly service. Would highly recommend a stopover. You guys are great!!!! Thanks for providing great service throughout the years." - Kevin Maddy

"Great place, friendly, excellent service. Courtesy van available. Also National car rental easily arranged." -Carol Jarecki

"Pan Am – great services and very nice people, all we had to do was give the Unicom a ring and someone jumped right out and gave us a great parking spot right in front of the FBO and we used the courtesy car which was very well maintained, it's just a great all around place. GREAT PLACE!!!" -Anthony Carmagnola

Pan Am Services will always maintain its excellent customer service and low fuel prices. So whether you have a corporate jet or a small private plane, feel free to drop in and take advantage of our services and hospitality.

For more information about Pan Am Services, log on to www.panamservices.com

Contributed by:
Jason Brooks



NEWS FROM AROUND THE RAIL SYSTEM

Pan Am Railways Looks to Reduce Air and Noise Pollution

As the railroad business has grown and neighbors are closer to our tracks, there has been a marked increase in complaints regarding idling locomotives near residential neighborhoods.

After discussions with the Federal Government as well as the Commonwealth of Massachusetts and State of Maine, Pan Am Railways voluntarily elected to retrofit the locomotive fleet with Auxiliary Power Units (APU's) in an effort to reduce idling. These units allow the primary diesel locomotive engine to be shut down and the APU kicks in to keep the locomotive crank case oil and coolant water warm. It also provides locomotive cab heat. Pan Am Railways has already begun to retrofit locomotives with APU's and plans to continue the program. However, given the expense of this program and the time it will take to retrofit our entire locomotive fleet, it is important to note that locomotive idling is a necessary component of railroad operations, both from a safety and operating perspective and will therefore continue to some extent for the foreseeable future.

Working with the State of Maine, we hope to develop a tax credit program to accelerate the installation of these units in the entire fleet.

Industrial Development News

We continue to see strength in our industrial development with many existing and new endeavors. Here is an overview of some of the latest projects that have recently surfaced.

The Correct Building Products facility at Biddeford, Maine is making good use of their recently installed siding. In late March they shipped out centerbeam cars and will soon start to receive plastic pellets by rail.

The energy crunch has been very difficult for New England to deal with; however, it has produced some opportunities for rail business. The Nash Hearth & Leisure Co. is a good example. They are interested in purchasing a building in the East Deerfield, Massachusetts area to haul in wood pellets for the home heating market by rail for further distribution by truck. Opportunities also exist for lumber distribution at this location.

At Terryville, Connecticut, the E. S. Metals Co. has purchased property and plan to bring in steel products and distribute lumber and building products. This 7½ acre site is ideally situated to serve the Southern New England, New York and New Jersey market areas.

Contributed by:
Richard M. Willey

Locomotive Fuel Cost Savings for Winter 2006

The mild winter of 2006 has helped mitigate some of the effect of the escalating fuel expense that we have been experiencing for several months in the rail industry, not to mention "real life". Generally the timeframe for switching locomotive fuel from high sulfur to the more expensive low sulfur winter blend runs between early December and late March. The reason for the switch is that the cloud point in high sulfur is approximately 16 degrees. After that, the fuel begins to coagulate and the filters clog. But this season we were able to blend both fuels at the Deerfield, Massachusetts tank in early February and completely move to the low sulfur at all our facilities in early March. With an average pumping of 30,000 gallons a day and a price difference in the two fuels of approximately fourteen cents a gallon, the saving to Pan Am Railways is significant.

Contributed by:
Greg DeMario

PAN AM SERVICES TRAINING CENTER AND THE BOEING 727 FLIGHT SIMULATORS

When it comes to professional flight training, no one offers a better equipped and conveniently located facility than Pan Am Services Training Center at Sanford International Airport in Central Florida. With state-of-the-art Boeing 727 simulators, Pan Am Services has graduated numerous qualified pilots and engineers. Many domestic and international operators including the Federal Aviation Administration (FAA), Boston Maine Airways, Federal Express and Capital Cargo Airways are just a few on the long list of satisfied customers.

The Boeing 727, an industry workhorse, first took to the skies in 1963. The range of flights it could cover, together with the additional safety built in with its third engine, meant that the 727 would prove efficient for short to medium range international flights around the globe. Through the years, it has remained one of the world's most popular jetliners as it continues to serve both passenger and freight operations. In fact, Federal Express pioneered the cargo airline revolution in 1975 utilizing 727's which are still employed as the equipment of choice by countless cargo airline carriers worldwide.

Boston Maine Airways will be using 727's to operate its Clipper Connection passenger service out of Sanford International and Pease International Airport, Portsmouth, New Hampshire. Other companies use the 727 as a way to transport passengers to resorts or cruise ships. Carnival Cruise Lines used the 727 to fly both scheduled and charter flights to carry their passengers to those cities that harbored their ships.

The 727 has even on occasion been employed by some government agencies as well as the Air Forces of Belgium, the former Yugoslavia, and New Zealand. The 727 that carried New Zealand Prime Minister James Bolger was known as Spud One.

Pan Am Services' Boeing 727 training program is designed for experienced pilots in jet aircraft. The course encompasses extensive ground school and performance training followed by systems integration and instrument refresher in the simulator. Flight training is performed to ATP (Airline Transport Pilot) standards, and a Federal Aviation Administration evaluator administers a final check ride. In the flight engineer training program, students receive eighty hours of jet introduction ground school, complemented by training in the simulator. Upon successful completion of the course, the student receives a Flight Engineer Certificate with a Turbojet Rating. Prior to enrolling in this course the candidate must have completed the written portion of the flight engineer exam and met the FAA physical standards.

Pan Am also offers flight crew recurrent training, a course designed for other airlines and 727 operators that do not possess their own simulators. The course consists of several days of ground school supplemented with time in the simulator.

About the Simulator -

When you enter the cockpit of the 727 simulator, you are entering a cockpit setting identical to that of a 727 aircraft. These simulators were built to match the exact dimension and feeling of the real thing, complete with sound, motion, and visual display.

Mock emergencies, engine damage and shutdown during take-off, or aborted take-off in any and all scenarios - you name it and these magic boxes will do it. One of the unique features of these simulators is that at the push of a button an instructor can easily isolate the flight engineer from the rest of the crew and give him or her a set of problems to handle without affecting the "flying" of the aircraft.

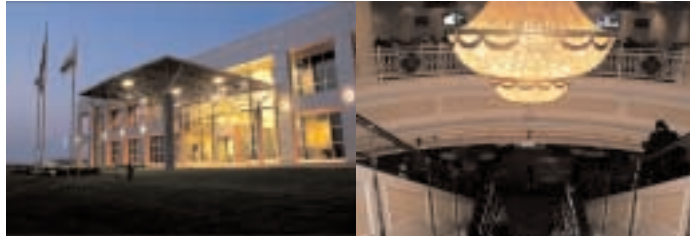
While "in flight", the instructor can add good or bad weather, select a different destination, shut down any of the three engines, land at any of hundreds of pre-programmed airports around the nation, and even freeze the entire flight exercise to discuss any training subject. Landings with motion can be as smooth as a feather or so rough as to cause injury if not properly seated with adjusted seatbelts and harnesses. During take-off a sudden loss of all generators would create an unpleasant feeling in the real world, but in the simulator environment students are trained to handle the situation by recalling instantaneous memory triggers and acting upon them. The beauty of the 727 is that every system on board has a backup ready to enter into action if the main one should fail.

Next time you are visiting Orlando or Sanford, be sure to stop at Pan Am Services Training Center for an incentive ride and a complete tour of the facilities. Perhaps in the very near future you might even consider a career as a professional pilot and choose Pan Am as your training academy.

Contributed by:
Angel Pagan
Flight Simulator Technician



THE PAN AM CLIPPER CONNECTION WELCOMES YOU TO “THE SOUTH’S CASINO CAPITAL,” TUNICA, MISSISSIPPI!



Where is Tunica, you ask? Just over the state line from Memphis, Tennessee, Tunica is the home of nine world-class casino resorts! Visitors to Tunica have been privileged to see big-name entertainers in concert while enjoying the luxuries that these world-class resorts have to offer, including swimming pools, spas, shopping, health clubs, fine dining, golfing, and of course, 24/7 gaming.

And in true Pan Am Clipper Connection style, we have once again dedicated ourselves to offering excellent passenger service to another premier destination by serving a metro-convenient airport. The South’s “undiscovered oasis” of the Tunica Airport boasts many amenities, including but not limited to on-site rental car services, free Wi-Fi access, a business center equipped with computers and audio-visual equipment, catering services and conference facilities, all just a few steps away from their comfortable and spacious main lobby.

On March 21, 2006, Pan Am Clipper Connection landed one of its Boeing 727 aircraft in Tunica. Aboard the aircraft were 86 travel agents and industry professionals from the Atlanta area who had been invited to join Pan Am Clipper as we announced our intention to begin service from Atlanta, Georgia to Tunica, Mississippi.

The door of the aircraft swung open to the sounds of live jazz music and hundreds of cheering locals.



Pan Am Clipper is proud to be Tunica, Mississippi’s very first scheduled service air carrier! Beginning May 2, 2006, Pan Am Clipper service between Tunica and Atlanta will include three flights per week in each direction.

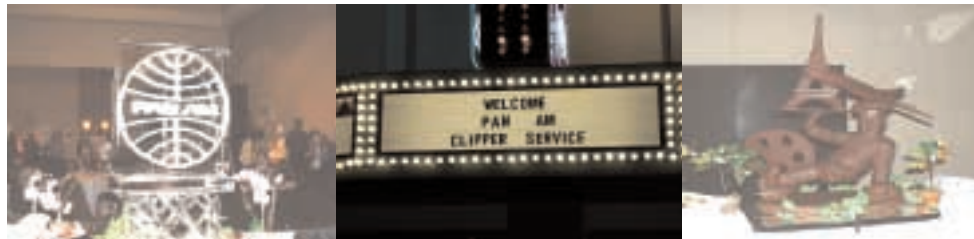
“This is a great, great day in the evolution of Tunica, Mississippi,” said Webster Franklin, President and CEO of the Tunica Convention & Visitors Bureau. “The Atlanta/Tunica route is strategically geared to increase visitor access to Tunica and Northwest Mississippi (and) it’s a huge advantage to be able to offer access to Atlanta and beyond to our residential and business travelers in the Mid-South.”



David Fink, President of Pan Am Clipper Connection, stated “We are pleased to expand our services from Atlanta to one of America’s fastest-growing destinations. Tunica is a great location for entertainment and fun, and now Atlanta passengers will have fast, easy, and affordable access to Tunica through our new jet service. We are thrilled to be the first airline to connect Atlanta and Tunica.”



In a whirlwind of activity, guests were boarded on three buses to begin their day-long exploration of Tunica. The outing included a stop at Tunica’s famous River Park on the banks of the Mississippi River, continued with a tour of downtown, drive-by views of Tunica’s golf courses and, most importantly, walking tours through five of Tunica’s nine first-class Casino Resorts.



The day’s visitors received first-class service with true Southern hospitality.

Pan Am Clipper’s new air service to Tunica has been made possible through its partnership with Hollywood Casino, Gold Strike Casino and Harrah’s Entertainment, which operate the Horseshoe, Sheraton and Grand Casinos, respectively. Each of these five properties put on a spectacular show for us and showed our guests all the reasons why we had already chosen Tunica as our next great destination!



The Pan Am Clipper Connection offers scheduled service to the following cities: Portsmouth, NH; Bedford, MA; Trenton, NJ; Atlanta, GA; Tunica, MS; Sanford, FL; San Juan & Aguadilla, PR..

On the Web

www.flypanam.com (Pan Am Clipper Connection)

www.tunicaairport.com (Airport website)

www.tunicamiss.org (CVB website)

www.horseshoe.com/tunica.html (Horseshoe Casino and Hotel)

www.caesars.com/GrandCasino/tunica/ (Grand Casino and Hotel)

www.caesars.com/Sheraton/Tunica/ (Sheraton Casino and Hotel)

www.goldstrikemississippi.com/ (Gold Strike Casino Resort)

www.hollywoodcasinotunica.com/ (Hollywood Casino and Resort)

-Diane Cataldo and Stacy Beck

Banner Design by Peter Alex

Photos contributed by Tunica CVB

PRODUCTIVE SAFETY MEETINGS

SAFETY MEETING MISSION

To meet on a regular basis to discuss safety concerns and solutions affecting the safe working conditions and procedures used by Pan Am Railways employees. From the discussions, actions shall be developed to address the solutions to the concerns using the standard safety philosophy of controls; eliminate the hazard, substitute for a lesser hazard, engineer out the hazard, use administrative controls, and lastly, use PPE to prevent exposure to oneself.

Safety meetings are an integral part of our comprehensive safety program here at Pan Am Railways. The exchange of ideas that takes place at these sessions can ultimately benefit all parties; and although the meetings are spearheaded by management, the workers fuel the activity. The objective is to be positive and not allow a meeting to become bogged down or sidetracked to a point where emotions run high or people become discouraged. On the other hand, practical discussion and/or debate are always welcome.

Some of the components that can assist a safety committee in effectively achieving the goals of reduced injuries, a safer work place, and lower costs to the company are:

Management commitment: Upper management must underscore its commitment to safety by putting the proper systems in place that involve both workers and resource experts, and then follow up on any safety questions which have been raised. An effective safety meeting is just one method to achieve a positive outcome.

Employee involvement: Those workers who have a passion for safety should step forward and participate in addressing safety matters. A committee that works as a team will accomplish far more when taking the time to focus their combined efforts on the resolution of a problem. Of course, all employees should come forward with perceived safety concerns by taking them to a committee member for discussion and ultimate resolution.

Leadership: By taking a leadership role you can make a difference in the lives of every employee, no matter their job description or position in the company. Utilize the expertise of those who know and understand the intricate details of safety engineering, such as a safety professional employed by the railroad.

Focus: Focus efforts on significant hazards, operating procedures and behaviors. By setting goals and striving to meet them, they can be successfully accomplished. Set out to follow a specific set of "rules" for a worthwhile safety meeting.

In summary, it is the duty of all employees to work safely at all times; however, everyone must identify safety concerns and bring them forward to management through the safety committee or directly to a supervisor. The safety meeting is just one way to advance a safe workplace, but it has to be effective in order to make a difference in the lives of the workers. To put it simply, safety must be built into machines, processes, and schedules, just as a thread is woven through a piece of cloth. The end result will produce the winning combination of safety and production.

Safety Meeting Rules

1. Be on time, or send a representative, and be prepared to participate, (put cell phones on vibrate).
2. Stick to SAFETY issues.
3. The meeting is not a complaint session.
4. Offer solutions for concerns, think "system safety" – Eliminate the hazard, substitute for a lesser hazard, engineer out the hazard, administrative controls, then PPE (Personal Protective Equipment).
5. Help others by working together on solutions.
6. The leader should have an agenda along with one training item at each meeting.

7. Do not wait for the monthly meeting to address an immediate concern.
8. Decide by consensus, not by voting.
9. Use separate committees when necessary.
10. Rotate leader, stick to one hour, type and send minutes, follow-up on issues.

ALL INJURIES ARE PREVENTABLE

SAFETY IS GOOD BUSINESS

SAFETY IS A TEAM EFFORT

Contributed by:
Skip Pratt, CIH



Before - Two unlabeled tanks



After - Tank with proper labels



Stairs designed for entry into traction motor pit by Waterville safety committee members

INTRODUCTORY PHYSICS AS APPLIED TO FREIGHT CAR BRAKE RIGGING

When you think of a freight car, thoughts of science and math do not often come to mind. However, in actuality physics and Newton's law(s) on physics play a large part in how the foundation brake rigging of a freight car is designed. The amount of pressure a brake shoe exerts on a wheel and the coefficient of friction between that shoe and wheel must be engineered as well as how the force is going to be applied.

The brake rigging of a freight car is comprised of a series of simple machines called levers. These levers are connected by rods or, in some instances, chains, which, when they work together, act to either increase or decrease the amount of force output (resultant force) compared to the force input (applied force).

Although a machine like a lever can increase the resultant force, it does not create any new energy. This amount of work input or "wi" on a lever must equal the amount of work output "wo" by the lever. You may recall "work" is defined as a force multiplied by the distance that the force is exerted. In fact, the change of force is inversely proportional to the change in distance expressed as: $F_o / F_i = D_i / D_o$. This means that as input forces, "Fi" increase, the output distance, "Do", must decrease and vice versa.

The goal in designing freight brake rigging is to utilize this knowledge to achieve a mechanical advantage, expressed as "Ma", to provide sufficient braking forces in order to bring cars in motion to a smooth stop and to hold standing cars in position. This design force must be sufficient to stop a loaded car but low enough to prevent the wheels from sliding which would create wheel defects such as flat spots or built up tread on an empty car. These defects would render a car unserviceable and require repairs in accordance with the AAR (Association of American Railroads) Interchange Field Manual.

The initial force required to start these simple machines in motion is generated by a person either turning a handbrake wheel or ratcheting the handbrake lever, or by the person at the control stand of the controlling locomotive making a brake pipe reduction, causing air to enter each car's brake cylinder. Both of these methods, manual and pneumatic, are designed to work independently and in conjunction with one another. The air brake will, of course, generate more brake

shoe pressure at the wheel than will the handbrake.

For this article we will focus our attention on the handbrake.

Every conventional handbrake designed today must be capable of exerting the AAR required minimum pulling force of 3,350 lbs. These handbrakes must be manufactured in an AAR certified shop meeting industry Quality Assurance standards. Construction of these handbrakes incorporates a series of gears within the handbrake housing to achieve the designed pulling force.

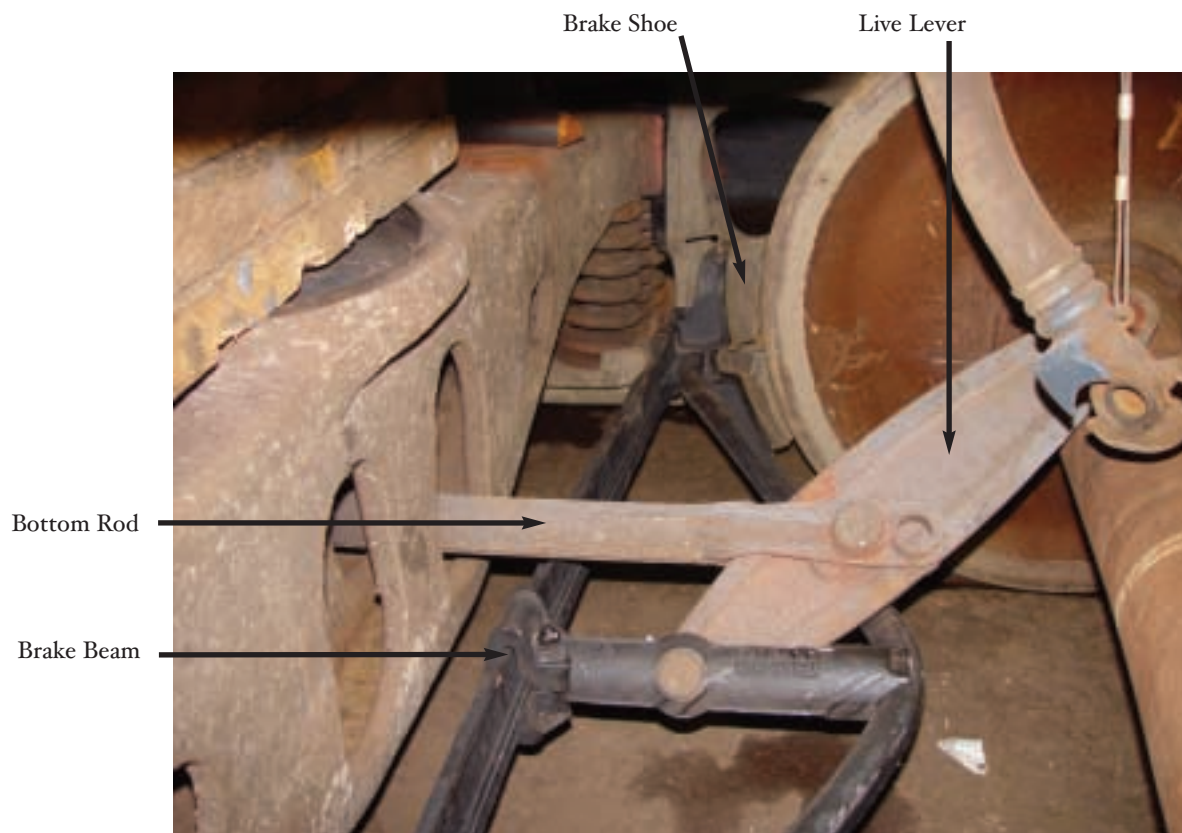
When an employee standing on the brake step of a car rotates the handbrake wheel, the muscular force is transformed via the handbrake into a vertical pulling force of approximately 3,350 lbs. This vertical pulling force is redirected and slightly increased into a horizontal pulling force utilizing the lever action of the bell crank. This horizontal force is carried through a rod to the cylinder lever. The design of this lever serves to increase the distance traveled by the output force, not to amplify the output force. This force, with a now longer travel, is transferred via a rod to truck levers called "live" and "dead" levers where a mechanical advantage of two is obtained.

It is at this point the force moves the brake beams and brake shoes against the wheels. Thus, the brake shoe and wheel interface causes friction to develop retardation to the rotational force of the wheels which brings a moving car to a stop.

On cars equipped with conventional brake rigging and body mounted brake cylinders, this force is simultaneously transferred to the opposite end of the car through the center rod, slack adjuster and the fulcrum lever. The brake shoe pressure on each end of the car is similar.

So you can see that by utilizing simple machines, namely levers, a singular railroad employee exerting minimal force of 3,350 lbs. is able to bring a 263,000 lb. rolling freight car to a stop, or prevent a standing car from rolling, by merely rotating a wheel.

Contributed by:
James Olson



Live Lever Connection
Photo By Phil Corder



Dead Lever Connection
Photo By Phil Corder

PERMA TREAT

Perma Treat Corporation, with plants located in Durham, Connecticut and Mattawamkeag, Maine, provides its customers with top quality forest products from treated crossties, switch ties and bridge timbers to kiln dried hardwoods as well as decorative bark mulch and firewood.

The company, formed in 1977, is the only creosote treatment plant in New England and New York. It is one of the few wood treaters with its own sawmills to quickly take care of important customer orders. Perma Treat is one of the State of Connecticut's largest harvesters of hardwood saw timber as well as the largest user of low grade logs. The company's logging crews use selective harvesting and low impact logging to supply the company's sawmills.

In 1995 it formed Aroostook and Bangor Resources at the shuttered Forester Manufacturing plant in Mattawamkeag, Maine. The plant was totally rebuilt with state-of-the-art wood fired boilers permitted to burn used creosote treated products. This expansion allowed the company to offer cradle to grave management of used creosote treated lumber. This makes Perma Treat one of only a handful of companies in the entire world that can provide you with a new railroad tie and take away your old one to be disposed of in an environmentally safe manner - something we as a company are quite proud of. The energy derived from the burning of used railroad ties and wood wastes creates steam that is used to either generate electricity or dry high quality hardwood lumber in any one of four steam driven kilns operating at the Maine facility. With 100,000 board feet capacity, expanding our current kiln operations to an even larger market is just one of our current goals.

With Pan Am Railways providing regular service in the northern Maine area, the plant is able to offer rail car loading and reloading to a broad customer base. At this time products ranging from lumber and stone to plastic and steel pipe have all been handled. Thousands of yards of mulch move south by rail annually from the Mattawamkeag facility as well. We feel if you can put it in or on a rail car, we are the right company for the job.

In the last decade the company has expanded its product line by marketing decorative landscape bark mulch to customers in Connecticut. As with all forest products companies, Perma Treat Corporation can market all of its by-products from sawdust for farmers, to firewood for

homeowners, to woodchips for mulch or fuel. If we saw it, we sell it. Our products have turned up in everything from water filtration devices, to wood chip safety mats in local playgrounds, to bicycle and walking bridges throughout New England. We even offer large Christmas trees favored by many nearby churches and towns.

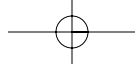
A surprising fact about Perma Treat is that while cutting close to three million board feet of timber products per year, a vast majority of that material comes off of state, town, and local utility companies as part of their normal property maintenance. By utilizing these procurement procedures Perma Treat can make the claim that our product really does come from one of the nation's only renewable resources.

Through the years while continuing to expand and diversify, Perma Treat is extremely proud of its safety record. As safety has always been the number one concern of every Perma Treat employee, we are particularly proud of over six years of no lost time injuries at our Connecticut facility and close to three years at our plant in Maine. As we look to the coming years, safety will continue to be the top priority of every person we employ and our goal will remain the same - improving all aspects of our safety programs, not just maintaining them.

As Perma Treat prepares for the future, we look at new product markets and environmental concerns as our main objectives. With up to date water and air treatment processes already operating as part of our treating facility, we hope to stay ahead of the curve on environmental issues, and look to a grade lumber distribution center and a crane mat processing facility as potential new markets. Expanding the current bark mulch market throughout Connecticut and surrounding states is a key part of our plan for the future.

After close to thirty years in the rail products industry, everyone at Perma Treat is excited and ready for the challenges of the next thirty years.

Contributed by:
Donald G. Ponko



Saw Mill Production
Photo By Phil Corder



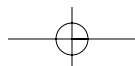
Tie Inspection and Grading
Photo By Phil Corder



Wood Chip and Saw Dust Processing
Photo By Phil Corder



Photo By Phil Corder



IN THE SERVICE

Adams Industrial Service

Pan Am Railways (PAR) serves two large customers, Specialty Minerals Inc. and Holland Chemical, both located at Adams, Massachusetts, which have an opportunity to develop additional rail business for shipments to locations on PAR and points beyond.

To accommodate this business, a service plan has been developed and implemented that provides a five-day per week service on the branch between Adams and North Adams. A dedicated crew and locomotive headquartered at North Adams has been assigned to switch the industries and move the cars into position to be picked up by through freight trains moving west to connections with Canadian Pacific, Norfolk Southern, and CSXT, or to the east to our customers in Maine.

This is just one example of how Pan Am Railways can tailor a service to meet the needs of its customers. The process of communication between our customers and the railroad's Marketing & Sales and Transportation departments is vital to our ability to provide safe, efficient, cost effective transportation solutions.



Specialty Minerals
Photo by Karl Stieg

Bow Coal Service

Pan Am Railways handles coal moving to the Public Service of New Hampshire (PSNH) power plant in Bow, New Hampshire that could have moved halfway around the world. In order to meet the Federal Clean Air standards, power plants must burn specific types of coal. The plant at Bow is required to burn a type of coal that can be found in the Pennsylvania-Virginia-Kentucky region, and normally receives trainloads two to three times per week. Currently they have been able to purchase Indonesian and South American coal that meets their criteria at a competitive price to this domestic coal.

This coal is shipped to the Port of Providence, Rhode Island where it is then transloaded from the ship to a set of dedicated hopper cars. The port is served by the Providence and Worcester Railroad (P&W) which connects to Pan Am Railways at Gardner, Massachusetts. P&W delivers the loaded cars to PAR in 50-car blocks. The loads are then hauled to Bow and spotted for PSNH. Public Service of New Hampshire operates their own plant switcher and empties the cars using a rotary dumper. Once empty, Pan Am Railways returns the cars to the Providence & Worcester for another cycle.



PSNH
Photo by Ed Felten

Maritimes Service

Pan Am Railways is working to develop international traffic from the Canadian Maritimes and their international seaports. Traffic from Saint John, New Brunswick and other provincial locations is fed to PAR via the New Brunswick Southern Railway (NBSR) at Mattawamkeag (Keag), Maine. This traffic can be destined to any location on PAR, or destined to other railroads via western connections. Keag is the easternmost location on the PAR freight main line, located in central Maine.

Train MABA (Keag to Northern Maine Junction) operates six days a week in co-ordination with the NBSR. At Keag the MABA crew classifies the train to reflect the final PAR destinations of the cars. Cars destined to locations between Keag and Waterville are kept separate and, through blocks, are made up for locations west of Waterville. A partial list of blocks is:

- Rileys, Maine, on the Rumford Branch;

- Danville Junction, Maine, for interchange with the St. Lawrence and Atlantic Railroad;
- Rigby yard in South Portland, Maine, for local Portland area industries;
- Lawrence, Massachusetts, for industries in the Greater Boston/I-495 region;
- Barber, Massachusetts (near Worcester, MA), for interchange with CSX Transportation (CSXT) to destinations along the eastern Atlantic states;
- East Deerfield, Massachusetts, for traffic moving to the west end of the Pan Am Railways system, possibly interchanging with CSXT at Rotterdam, New York, or with the Canadian Pacific Railway (CP) at Mohawk, New York.

Once these blocks are made into the train, they will connect with other blocks going to the same locations and continue across PAR from one train to another. The MABA train connects at Northern Maine Junction with train NMWA (Northern Maine Junction to Waterville). At Waterville the westbound blocks will connect into either train WASE (Waterville to Selkirk, New York, on CSXT) or WAPO (Waterville to Rigby yard). The through blocks continue in this manner, making connections to destination.

Contributed by: Steve Belforti



MABA
Photo by Dick Blanchard

IN FOND REMEMBRANCE

Recently the rail division lost two of its family members. Paula Buckow Coakley and Jon West were both longtime employees who gave their all to the railroad and they will be missed on many levels, not just across the rail system but throughout the industry.



Paula began her career with the Marketing and Sales Department over twenty years ago. Her concern for people was evidenced by her dedication to the railroad and our customers as she worked tirelessly in their best interests. A great friend to everyone here at the railroad, Paula was always among the first to acknowledge a co-worker's birthday, marriage, the birth of a baby and/or retirement. In 2004, she married her longtime companion Arthur Coakley, a recent retiree from the railroad. Paula's untimely passing in March is felt by all who knew her.

After a long and courageous battle, Jon West passed away in February. He came to the railroad's Communications and Signal group in 1976 from a career in the manufacturing sector. His dedication and desire to work continued throughout his treatment. For all those who knew Jon, it was apparent that his intelligence and drive kept him focused on the many projects he worked on. Quiet in demeanor, Jon knew everyone by name, and a bright, friendly smile would always accompany his happy hello. Jon was a pleasure to work with. Our thoughts and prayers go out to his family.

For Paula Buckow Coakley, donations may be made to the Cancer Care Center c/o Lowell General Hospital, 295 Varnum Ave, Lowell, MA 01854.

Jon West's family requests that, in lieu of flowers, donations be made to the American Cancer Society or the American Heart Association.

Contributed by:
Cynthia S. Scarano



PAN AM RAILWAYS
IRON HORSE PARK
N. BILLERICA, MA 01862

ADDRESS SERVICE REQUESTED

PRSRT STD
U.S. POSTAGE
PAID
PERMIT 50
RANDOLPH, MA