

## Railroad Rebuilding

# Trustee Sees B & M Success

By MIKE STEDMAN

CONCORD, N. H. — A Boston & Maine Railroad official expressed some confidence yesterday that the financially troubled line could reorganize successfully. But Trustee Benjamin H. Lacy admitted that the railroad is not past the danger of liquidation, which could force the sale of equipment "at firesale prices."

He made his assessment yesterday at a dinner attended by top state leaders, including Gov. Meldrim Thomson Jr. The dinner was in conjunction with the christening of four new diesel locomotives, which B&M officials said was symbolic of the rebuilding of the line.

In view of the B&M's financial problems, Lacy painted a relatively bright picture of the line's potential. He pointed out that the B&M made a "hard decision" last summer to order 700 new box cars, followed by an order last fall for 12 locomotives.

"WE HOPE to have a further substantial program

of car and locomotive acquisition in 1974," Lacy continued, "although this will not be finalized until we see what is available through new federal legislation just submitted..."

He also said the line is negotiating for a tax settlement with New Hampshire and projected that the line will show only a small loss in 1974 and gains in 1975 and 1976.

The whole financial outlook, however, was uncertain, Lacy admitted. There is a dilemma involved. Part of it is related to the proposed Consolidated Railroad Corp., which the B&M had previously backed away from.

He said the B&M is now reluctantly beginning to consider joining the federally-aided firm if absolutely necessary. He cited his reservation to joining the CRC.

"There is real concern that CRC may be Penn Central-dominated and that because of this, it will tend to favor the present Penn Central line in New England, while turn-



GOV. MELDRIM THOMSON helps christen four locomotives by breaking champagne over coupler of the "Daniel Webster" in Concord, N. H. With him are B&M president Paul Cherington and Benjamin H. Lacy, trustee.

AP Photo

ing B&M's Hoosac Tunnel line into a secondary route.

"WE BELIEVE that New England deserves two strong competitive links with the South and West," Lacy said.

He said if B&M chose to stay out of the corporation

and go it alone, and were not able to make it financially, it would have to sell everything.

The first step for the B&M, he added, is to persuade U.S. District Court Judge Frank J. Murray that the line is reorganizable.

In another aspect of the

meeting, B&M President Paul W. Cherington explained an offer by the line to sell a number of its rights of way to the state.

It was explained that the B&M planned to abandon these lines if the state decided not to buy them.