

"Metroliners" was the special en route publication provided to Metroliner passengers, with separate northbound and southbound editions. It was produced on a contract basis by Simmons-Boardman.
BRUCE GOLDBERG COLLECTION



Bold, graphic posters heavily promoted the new Metroliner trains as the fast way between major city centers in the New York-Washington corridor.
GARY FARMER COLLECTION

of the Metropolitan program, initially only one northbound Metroliner stopped at Capital Beltway to pick up passengers, and two southbound Metroliners stopped for discharging passengers. Trains from the regular Penn Central fleet provided most of the service at the station. Capital

Beltway station was later replaced in 1983 by a new intermodal station about a quarter mile south at New Carrollton.

Metroliner carried its millionth customer in April 1970. The new trains were winning praise and passengers, but two major threats loomed. One was the Penn Central's ability to keep the complex equipment running. During the middle of 1970 typically 40 percent of the cars were out of service on any given day.

The bigger threat emerged when it was revealed that the nation's largest railroad was losing more than \$1 million a day and would need millions more in Federal loans to continue operation. The request hinged on the ouster of chief executive officer Stuart Saunders, the political architect of the Penn Central merger and strategic partner in the Metroliner demonstration program. On June 8, the board of directors

relieved Saunders of his duties, along with vice chairman Alfred Perlman and chief financial officer David Bevan. Even with new management at the helm, last ditch efforts to secure a Federal loan to keep operating failed. On June 21, just 872 days from the start of the merger, Penn Central declared bankruptcy. At the time, it was the largest corporate bankruptcy in American history.

PENN CENTRAL BANKRUPTCY

Although the merger of the PRR and NYC was supposed to be the solution for halting the huge financial losses of the two largest railroads in the east, the problems for the combined company had instead grown exponentially. The Penn Central management team had to integrate the operations of the two railroad systems while saddled with what had been two duplicative route structures each with its own complex labor agreement and operating plan. What's more, the new company was forced to acquire the sickly New Haven Railroad in 1969 as one of the conditions of the merger.

But even more difficult than these business challenges was the internal organizational battle taking place. While the two former railroads had become one in name, the former PRR ("Red Team") executives were in a constant struggle with the former NYC ("Green Team")

