Problems At The End Of The Line

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Doing business from the end of a railroad line in New Hampshire can be bad for business — because railroads that operate in New Hampshire have a habit of dropping the ends off their lines.

Nobody knows this better than the people who work for the Beecher Falls (Vt.) division of the Ethan Allen Furniture Co. and for the Profile Paper Co. in Lincoln.

The Ethan Allen plant sits at the end of a 23-mile stretch of track belonging to the Maine Central Railroad and has about 600 employees, more than a third of whom live in New Hampshire.

Ethan Allen lost its rail service at the end of June, 1973, when floods washed out portions of the Maine Central track. The railroad says it doesn't want to repair the track and resume service, and the furniture company is feeling the sting in the form of greatly increased shipping costs.

Like the line through New Hampshire to Beecher Falls, the line to Lincoln is "embargoed" (closed for safety reasons) as a result of last summer's floods.

And, like the Maine Central, the Boston & Maine Railroad, owner of the Lincoln line, doesn't want to open the line up again.

According to Arthur Normand, who is trying to breathe new life into Lincoln's battered paper industry, rail service to the town is "critical" to his plans.

"It's an inconvenience and an extra expense" to try to operate the Profile plant without railroad service, Normand says. He estimates that his transportation costs are now about twice as high as they would be with rail service to Lincoln.

Normand's solution, if he can pull it off, is to buy the defunct rail line from the B&M and operate his own railroad.

He says his current plan is to purchase not only the Meredith-Lincoln line, which the B&M doesn't want, but the Concord-Meredith line as well.

According to Normand, he would need both segments to make the railroad a paying proposition.

Normand, who has ambitious plans for large-scale industrial development of Lincoln, regards the railroad as a key to his plans. According to his scheme, the Profile paper mill and other industries he hopes to lure to Lincoln would be major customers of the railroad.

Without the railroad, he says, the town would have a more difficult time attracting industrial development.

The problems at Ethan Allen are largely similar to Normand's, but the furniture has taken a more conventional route to try to protect its rail service.

According to Felix Langer, a New York attorney representing Ethan Allen, the company's primary effort is to seek lifting of the embargo on the Maine Central line and to combat the railroad's efforts to abandon the line.

Both efforts must be pursued through the federal Interstate Commerce Commission (ICC), are likely to last a long time, and the process, according to railroad experts, tends to preserve existing conditions.

For the Maine Central, last year's floods were a stroke of good fortune.

According to Brad Peters, a public relations spokesman for the railroad, the Maine Central used to have two major shippers at Beecher Falls — Ethan Allen and a pulpwood plant belonging to St. Regis Paper Co.

Early last year, Peters said, St. Regis announced it was closing down its pulp operation, prompting the railroad to conclude that the line could no longer pay its way.

Peters said Maine Central was prepared to start abandonment proceedings as soon as the pulp plant closed. The pulp plant, he said, made its final shipment the day before the floods washed out the line.

Langer says Ethan Allen has considered some alternatives to its present course of action to restore rail service to its plant, but indicates they are presently assigned to the back burner.

Normand, meanwhile, is hoping to speed matters up by using a more direct approach.

"We wanted this to move forward before the cold weather came," he says. "Now, we just want to acquire that line as quickly as we can."