NORFOLK AND WESTERN RAILROAD COMPANY.

Philadelphia, November 15th, 1887.

To the Executive Committee:

When organized in 1881 your Company operated 428 miles of railroad and transported during that year 216,000 passengers and 538,000 tons of freight. At the close of the present year, 1887, the Company will have in operation about 570 mi les of railroad, and its traffic for the year will have increased to about 535,000 passengers and 2,200,000 tons of freight. The increase in the tonnage for 10 months of the present year as compared with the previous year is more than the entire tonnage of the Company for the year 1881. The increase in the Company's property and traffic has reached a point where it is advisable that increased facilities be provided and some modifications made in the organization of the Tansportation Department.

When organized in 1881 the 428 miles of railroad belonging to the Company was, for the convenience of management, diwided at Lynchburg into two divisions of 214 miles, each in charge of a Division Superintendent who reported to the General Manager. Each of these divisions was sub-divided, the Eastern Division at Petersburg, 83 miles from Nrfolk, and the Western Division at Radford, about midway between Lynchburg and Bristol. Each of these sub-divisions were considered as a suitable run for engines and crews, but on account of the present superior condition of track and equipment are now too short, 130 miles being considered the most desirable sub-division.