

IMPORTANT PUBLIC STATEMENTS

City Commission
City of Tallahassee
Tallahassee, Florida

Tallahassee, Florida
June 14, 1956

Gentlemen:

Since 1939 we have been engaged in operating a transit system in the City of Tallahassee pursuant to the terms of a franchise granted by the City. We began our operations here modestly, but with confidence in the potential of this community. Over the years we have grown with the City. To keep abreast with its progress, we have improved our facilities and expanded our service so as to provide a modern and first-class transportation system. In building up the Tallahassee system there were many lean years, but when profits were made they were reinvested in the system. The stockholders have never received a dividend, and the principal stockholder and the President of the corporation has loaned his salary back to the company in all but two years during the operation. We have been content to plow all of the operating profits into building a better transportation system for Tallahassee.

Like any other business, we have had our share of operating problems. We do feel, however, that, on the whole, we have been able to render to this City good and courteous service. We think our operation will compare favorably to that of any city of comparable size anywhere. On the 26th day of May, 1956, a segment of the population of Tallahassee, for reasons which are beyond our control, decided to organize an economic boycott against the bus company. It is because of the results of this boycott that we are now addressing you.

In discussing the situation, we confine ourselves herein solely to the economic phases.

To the extent that it was directed toward curtailment of our operating income, the boycott has been successful. Our revenue has decreased by approximately 60 per cent. This is a severe blow to any business.

We have been willing to continue operating at a loss for a reasonable period of time but our resources are such that we cannot continue indefinitely. With no solution in sight, and being an independent company without unlimited resources, we cannot continue to impair our financial position under circumstances as they now exist. Only because of our sense of obligation to the community and to our employees have we continued to operate as long as we have. We realize that any growing community needs a transportation system and that the lack thereof is reflected in a reduction of real estate values in certain areas, causes serious inconvenience to working people and constitutes a serious barrier against further expansion and, particularly, industrial expansion. At the same time, the situation is not of our making or choosing and our best efforts to solve it have been unavailing.

To those who are responsible for the boycott, we would like to say that you have seriously impaired our operating earnings and you have left us with no alternative except to liquidate our holdings quickly so as to keep our losses as low as possible. If this was your objective, you have succeeded and you may take full credit. To you, however, must also go the blame for the long-range results on this community. The real loser, as we see it, will be the community and all of its citizens, including those whose ambitions the boycott was designed to further.

We are writing to explain the situation in order that the people of Tallahassee and everyone concerned might have ample notice of our problem and intentions.

Under existing circumstances, it is our intention to suspend operation of buses in this community as of July 1, 1956 for an indefinite period.

To the City Commission, the public officials of this community and to the people of the City of Tallahassee, we wish to express our deep appreciation for the cooperation and consideration we have received since we began operations in Tallahassee to the present date. We wish this to be recorded regardless of the outcome of the present dilemma.

Sincerely,
CITIES TRANSIT, INC.
By /s/ J. S. D. Coleman
President

TO THE PEOPLE OF THE CITY OF TALLAHASSEE:

The City Commission has given careful and deliberate consideration to the letter from Cities Transit, Inc., which precedes this statement and is not only fully cognizant of the problem confronting the bus company but is unanimously in accord with the efforts of the company in dealing with the problem with which it is confronted.

The Commission has exerted every effort within its power and within reason to reach a solution of the problem with which the bus company and this community has been confronted during the past weeks, but each attempt has been met by insistent demands upon the part of the committee which purported to represent a segment of the population of Tallahassee which is participating in the boycott against the company, for full integration within the city buses. The City Commission has consistently and unanimously rejected such demands.

In an effort to procure a continuation of the bus transportation system operating in the City of Tallahassee and which means so much to a substantial portion of the population, the City Commission at its meeting held on June 12 granted the bus company an increase in fares and expressed a willingness to reduce the franchise tax paid by the bus company to the city from 3% to 1/2 of 1% of such receipts until normal patronage was resumed. However, the action granting such relief is insufficient to insure continued operation of a transportation facility which lost \$3,000 in last year's operations when it enjoyed patronage from all groups of our citizens.

Each member of the Commission realizes the importance of urban bus transportation service to the people of our city and the hardships that will result from the discontinuance of such service. We appeal to all citizens to actively support the service afforded by the bus company with the hope that substantial increased patronage may result in the ability of Cities Transit, Inc., to continue their service to the community.

Whether or not the operation of the buses in our community is suspended, the City Commission expresses its sincere appreciation for the whole-hearted cooperation that your city government has received from the bus company during the operations of Cities Transit, Inc., under its franchise.

June 15, 1956

The City Commission of the
City of Tallahassee.