

INDIANA MAGAZINE OF HISTORY

VOL. XXI JUNE AND SEPTEMBER, 1925 NOS. 2 AND 3

The Big Four Railroad In Indiana

By Ared Maurice Murphy

PREFACE

This collection of sketches is not presumed to be a complete history of the various Big Four (or Cleveland, Cincinnati, Chicago & St. Louis) lines in Indiana. Such a work would be too comprehensive for the purpose of these sketches, and would probably contain much of little interest to the average reader. Accordingly, the beginnings of the different roads now comprising the Big Four in Indiana have been featured—their building, financing, original planning, and the like. In some cases, some later history has been included, in order to carry the effects of the policies inaugurated when the roads were built, to their logical conclusion. Again, some later history has also been introduced to show the gradual changes which took place and which welded several small and struggling lines of railroad into parts of one great system.

The writer acknowledges with thanks the assistance and advice received from many Big Four officials and others interested in Indiana history, whose part has been specifically mentioned in the sketches. He also wishes to thank, for the same reason, Prof. Harlow Lindley and Miss Lucy Elliott, of the State Historical Commission, the personnel of the Department of Indiana History and Archives of the State library and the Reference Room of the Indianapolis Public library; Mr. C. V. Coulter and Mr. W. E. Crossmyer, storekeeper and general foreman, respectively, of the stores department of the

C. C. C. & St. L. at Beech Grove; Mr. E. M. Costin, former general manager of the Big Four; Mr. V. J. Spitz, conductor on the P. & E.; Mr. J. Q. Van Winkle and Mr. C. R. Myers, assistant to the vice-president and general agent, respectively, of the Big Four who have read all the manuscripts; Mr. R. C. Schmid, chief draftsman of the Big Four Motive Power department at Beech Grove, through whose courtesy several illustrations appear herein; Prof. W. W. Sweet, of DePauw University, under whom the writer majored in history; and Prof. O. A. Kinchen, of the history department of Butler college.

The field of railroad history in Indiana has been but little explored; and the writer would feel his efforts had been repaid if the following sketches should stimulate any degree of interest in the subject.

INTRODUCTION

Like all Indiana history between 1830 and 1860, the story of the building of railroads during that period contains much romance. The line of the "middle border", of which Hamlin Garland has charmingly written, had not passed far beyond Indiana's western boundary; and in great part, their primitive modes of living and the primitive tools and methods by which the work of the pioneers was carried on, are reflected in the building of the early railroads.

Above all stands out that which has principally given the history of the middle west its undeniably romantic interest—the spirit of progress and enterprise that animated the pioneers of "the new west", the spirit that transformed a virgin wilderness in a few decades into a flourishing region in agriculture, commerce and industry. The story of few early enterprises of Indiana shows that spirit more abundantly than that of the railroads. True, it does not always appear in worthy forms; there was much unscrupulous and underhand work, a great deal of greed, speculation and loose business methods. Most railroad projectors thought railroads would prove to be veritable El Dorados—and like the El Dorado of

the Spanish explorers, the promised wealth proved in many cases to be as elusive in reality as it was glittering in fable.

The writer has endeavored to portray the romance of these early roads in the beginnings of the three main railroads of the present Big Four lines built in Indiana before the Civil war—the Indianapolis and Bellefontaine, the Lafayette and Indianapolis, and the Indianapolis and Cincinnati. He has also endeavored to show the tremendous strides railroading has made in seventy years in business methods as well as in operation and equipment; and to pay tribute to the pioneers of vision and industry who built these lines and started them on useful and prosperous careers—men like Oliver Hampton Smith, Albert S. White, and George H. Dunn.

1 THE INDIANAPOLIS AND BELLEFONTAINE RAILROAD

The stretch of railroad between Indianapolis and Union City, Indiana, now a part of the Big Four system, is the oldest part of that system in Indiana, and the second line of railroad to be built in the state. It was built under the name of the Indianapolis and Bellefontaine railroad, because it connected at Union City with a line to Bellefontaine, which was built about the same time. It has had several changes of ownership since it was chartered in 1848, and this sketch treats principally of its building and operation from that date to its completion at Union City in December, 1852.

With the early development of Indiana and the manifest need for internal improvements, it was natural that there should be talk of railroads. The first recorded mention of them is in O. H. Smith's reminiscences of his campaign for congress in 1826, the same year in which the first railroad was built in the United States. He was having a joint debate with his opponent, Judge John Test, at Allenville, Switzerland county.

The judge was speaking, and for the first time introduced the new subject of railroads. He avowed himself in favor of them, and said he had voted for the Buffalo and New Orleans road, and then, rising to

the top of his voice, "I tell you, fellow citizens, that in England they run cars thirty miles an hour, and they will yet be run at a higher speed in America." This was enough. The crowd set up a loud laugh at the expense of the judge. An old fellow, standing by me, bawled out, "You are crazy, or do you think we are fools; a man could never live a moment at that speed." The day was mine. The judge had ruined his prospects by telling such an improbable story at that day.¹

It is a singular fact that O. H. Smith was the president of the Indianapolis and Bellefontaine railroad during the period of this sketch, a position which required at times courage and foresight as well as business sagacity.

The Indiana legislature passed an Internal Improvements bill in 1836, but the turnpikes and canals were its chief beneficiaries. However, they were not a success, as a rule, and the panic of 1837 complicated matters further. The repeal of this action January 28, 1842, according to Esarey:

Marked the beginning of the railroad era. The people were rid of all illusions of state-owned enterprises and ready to go to work as best they could by private means.²

Still the era of actual railroad building was not to begin immediately. The tariff of 1842 took railroad iron off the free list and made it subject to a duty of seventeen dollars a ton on hammered bar iron and twenty-five dollars a ton on rolled bar iron. This, in those days, meant about fifty to eighty per cent. The Walker tariff, passed in 1846, reduced this duty to thirty per cent on both classes; and this proved the needed impetus to railroad building, not only in Indiana, but also in other parts of the United States. The Indianapolis and Madison railroad was finished in 1847, and Esarey gives a list of nineteen railroads to which the Indiana legislature granted charters within a very few years.³

When the Bellefontaine road, as it was commonly called, was chartered in 1848, the aim was to make it a link of a solid stretch of railroad connecting Philadelphia, Pittsburg, Cleveland, Sandusky, Indianapolis and St. Louis. Different routes

¹ *Early Indiana Trials and Sketches*, 80.

² *History of Indiana*, Vol. II, 716.

³ *History of Indiana*, Vol. II, 718.

were proposed, and the one by way of Ft. Wayne was strongly urged so as to make a connection with the Wabash and Erie canal. The decision in favor of Bellefontaine is described in the reminiscences of Thomas S. Neely, an old Delaware county pioneer, quoted in Dr. G. W. H. Kemper's *History of Delaware County*, 89:

Some suggested Ft. Wayne in order to connect with the canal. I was not favorable to that project, because it would freeze up. Others suggested Connersville, Indianapolis, Bellefontaine, etc. I was most in favor of a connection to the southwestward, to join the Madison and Indianapolis railroad, then just completed and put in running order. We were finally solicited by parties both from Ft. Wayne and from Bellefontaine, and finally agreed to join with the Bellefontaine folks. The manner in which the question was settled was indeed novel. At a meeting at the Ohio state line, where Union City is now located—there was no Union City then—after a number of speeches had been delivered from a box, it was decided to put the question to a test, and all who were favorable to Bellefontaine were directed to take one side of the door as they filed out, and those favorable to other points the other side.

There were excellent prospects of a good local freight and passenger business along the route, which included Pendleton, Anderson, Chesterfield, Yorktown, Muncie and Winchester; but this phase will be elaborated later in this sketch.

The railroad was chartered by act of the legislature, approved February 17, 1848, and the charter occupies several pages of the published acts of that year. Allen Makepeace, George W. Godwin, William Sparks, John H. Cook, and Jonathan Wynn, of Madison county; Thomas J. Sample, John C. Helm, William Saxon, Samuel P. Anthony and James Truitt, of Delaware county; William M. Way, David Heaston, Silas Colgrove, David J. Cotton and Gideon B. Wallace, of Randolph county, were appointed commissioners to open books for subscriptions. When twenty thousand dollars had been subscribed and five thousand paid in, they were to order an election of fifteen directors to constitute

a body corporate and politic by the name and style of the President and Directors of the Indianapolis and Bellefontaine Railroad Company, and by such name may sue and be sued, plead and be impleaded, answer and be answered unto, either in law or equity in any court of competent jurisdiction within this state.

The capital stock was fixed at \$1,000,000, payable in money, lands, labor or materials for construction (see digest of the charter in Esarey's *History of Indiana*, Vol. II, 716) and "counties were empowered to take stock." The company was given the right to call for "such portion of the stock subscribed not in excess of five dollars on each share in any one year." Shares of the stock were twenty-five dollars each, with dividends payable semi-annually. The stock subscribed in 1846 for a proposed continuance of the then embryo Madison and Indianapolis railroad to "Pendleton, Huntsville and Anderson-town" was transferred to the Indianapolis and Bellefontaine company. The state was given the right to "purchase the entire road after sixty years by paying the cost of construction."

The idea of a privately owned railroad operating its own rolling stock, and such financing as bonds or preferred stock, was comparatively unknown in Indiana in 1848.

Plainly the people thought of the railroad as another form of public highway different from the State road, the pike and the canal, but still a public highway. With this thought, farmers along the right of way subscribed for stock, intending to pay for it by working on the road; and in this manner the roads were actually financed and built.⁴

Another factor contributing to this condition was the depression in the market for railroad securities caused by the big nation-wide boom in railroad building after 1846. The *Indiana State Sentinel* refers often to the stringency of the money market during the years 1848-1852 in connection with the Indianapolis and Bellefontaine railroad, and the price of railroad iron steadily mounted in spite of the low tariff of 1846.

Excitement ran high along the proposed right-of-way continuously from the time the road was chartered until it was built. However, as railroads were then comparatively unknown in Indiana, there were a number of doubters. John L. Forkner, in his *History of Madison County*, refers to the school board at Lancaster, Ohio, who in 1830 refused the use of the school house for the discussion of the railroad, saying:

⁴ Esarey, *History of Indiana*, Vol. II, 717.

Such things as railroads and telegraphs are impossibilities and rank infidelity. There is nothing in the Word of God about them. If God had designed that His intelligent creatures should travel at the frightful speed of fifteen miles an hour, by steam, He would clearly have foretold it through His holy prophets. It is a device of Satan to lead immortal souls to hell.

Though he does not record such absurd objections in Madison county, he does mention that

one prominent citizen objected to the road running through the town, because the cars would "run over and kill the children." Another insisted that the road would have to be operated at a loss for the reason that "one train could haul all the produce of the county for twenty years at one haul."⁵

However, the confidence of the people is shown in the way they subscribed to the stock of the road. Within a few months the amount specified in the charter necessary for the beginning of work on the right-of-way was raised, though track laying did not commence until April, 1850. (Dunn, *Greater Indianapolis*, 150.) The first definite figures on the subscriptions are given in the report of the president to the directors, March 6, 1849. At this time the total subscribers amounted to 1,320, and a total subscription of \$279,299, which included 49,653 acres of land and town lots. These were sold as the road needed actual cash for its building and operation. By December 4, 1849, when contracts had been let for grading, but no track had been laid, the total number of subscribers was 2,191, and the subscriptions \$389,750. An analysis of these subscriptions is given in the report of Col. Thomas Morris, the chief engineer of the road, for December 4, 1850:

	March 6	December 4
Lands -----	\$155,449	\$175,000
Cash -----	90,425	179,125
Labor and materials-----	33,425	35,625
Total -----	\$279,299	\$389,750

According to the *Indiana State Journal*, April 6, 1850, which asked the public to subscribe more liberally, the subscriptions at that time were over \$400,000.

⁵ Forkner, *History of Madison County*, 167-8.

The various counties as well as individuals subscribed stock. Madison county subscribed 620 shares of stock for \$16,000 though this was sold by the county, evidently when it needed money in 1853, for \$10,400.⁶ The order of the board of commissioners of Madison county, dated June, 1849, authorized this on the condition that it should be paid in four equal installments and the money expended within Madison county. The board of commissioners of Delaware county in July, 1848, appointed John Black of Delaware township an appraiser for the real estate of the county subscribed as stock to the road. At the March session of 1849 they provided for a vote at the April township elections on the question of whether the county should subscribe to the stock of the road. The vote stood 594 for and 244 against, so in June the commissioners subscribed \$12,000,

one-fourth to be paid when said road shall be cleared and grubbed continuously from Indianapolis to the east line of the county; one-fourth when graded and bridged to the east line of the county, the remaining one-half when said road shall have been completed ready for cars from Indianapolis to Muncie. The sum of twenty-eight cents on every one hundred dollars valuation was ordered assessed.

In Randolph county it was different, as "bad feeling existed between the county commissioners and the railroad company." The directors of the road called upon the county commissioners to call an election of the people of the county on the question of the county taking "not exceeding \$12,000 stock" in the road; but the commissioners, meeting in special session in November, 1850, refused to call the election.

It would seem that the directors of the company attempted to force the commissioners into taking stock and the commissioners justly relieved themselves of that responsibility.⁷

The ill feeling of the board is further shown in the fact that the stock held by Randolph county people in the company was taken off the tax duplicate by order of June 10, 1852, and assessed against the "president and directors of said company

⁶ Kingman Bros., *History of Madison County*, 44.

⁷ Smith and Driver, *Past and Present of Randolph County*, 803-5.

on the duplicate." Smith and Driver also record that the commissioners assessed the railroad company "to help pay for the bridge just south of Farmland in 1853."⁸ Silas Colgrove was appointed in September, 1849, to appraise the land subscribed in Randolph county as stock in the road.

Oliver Hampton Smith, the first president of the road, former United States senator, was one of the great men of early Indiana; and as president during the entire period of this sketch, it is to his business sagacity and foresight that credit is largely due for the building and early success of the road. He had an advantage over most pioneer railroad presidents in his long experience in congress, which had given him an acquaintance with most of the leading statesmen of the nation (he has given us some interesting character sketches of them in his *Early Indiana Trials and Sketches*) as well as influential eastern capitalists. In this way he was able to get some financial aid from the east, and the road authorized the issuance of \$50,000 worth of bonds, par value \$100 each, with interest at six per cent, payable semi-annually. Two hundred of these bonds were payable in five years, the other three hundred in fifteen years. However, the tight money market already referred to, was against these bonds, so that Mr. Smith, in his report to the directors in March, 1849, relates that the five-year bonds were selling for \$86.60 cash, and the fifteen year bonds for \$80 cash. The *Indiana State Sentinel* often referred to the tight money market in appeals for the subscribers to pay their subscriptions, and also contains talk from the officials of the road of suing delinquent subscribers. At the request of the company, the commissioners of Delaware county paid \$2,000 in advance in May, 1850, and \$1,000 in advance, by means of loans, on each of the following dates: November 1, 1850; January 1, 1851, and April 1, 1851.

The interest on said \$3000 which shall have accrued shall be paid out of the installments of county subscriptions hereafter to become due said company out of the taxes collected in 1851 or the years following.⁹

⁸ Smith and Driver, *Past and Present of Randolph County*, 803-5.

⁹ T. B. Helm, *History of Delaware County*, p. 76.

The last installment of Delaware county was paid in June, 1852. At this session of the board of county commissioners, T. J. Sample was appointed to cast the vote of Delaware county in the election of directors, and the board ordered, at its March session of 1853:

That the auditor and treasurer refund all tax against stock for the Indianapolis and Bellefontaine Railroad.

President Smith, in his report of March 6, 1849, estimated the cost of the eighty-three miles of road "ready for the cars" as \$722,100, or \$8,700 per mile for the T-rail and \$494,084, or \$5,953 per mile for flat bar. Rails are now made of rolled steel, but in those days they were wrought iron. The rails on the early roads were simply flat bars of iron, although the rail in the shape of a letter T, commonly called the T-rail, was invented in 1830. Though it is used on all standard roads today, it was just coming into wide use at the time the Bellefontaine road was being built. Its superior strength and durability caused it to be used on the new road in spite of its higher cost. The rail used cost forty-five dollars a long ton at New Orleans, being shipped from England, and weighed sixty pounds to the yard. According to an old conductor on the road, three men in those days could carry a single rail. The rail now used by the Big Four varies in weight from sixty-seven to one hundred ten pounds a yard, and in a few mountainous sections the Pennsylvania now uses one hundred and twenty-five pound rail. In Muncie where the people showed special interest in the details of the road, a newspaper devoted a half column to an explanation of the T-rail, "and a section of one was also exhibited in one of the local stores."¹⁰ Although the T-rail was used on the main track, the side-tracks were constructed of the old-fashioned flat-bar rail, according to J. Q. Van Winkle, assistant to the vice-president of the Big Four.

Even in my early days on the Bellefontaine, the flatbar rail was in use on the side-tracks and was a source of considerable inconvenience, says Mr. Van Winkle.

¹⁰ Dr. Kemper, *History of Delaware County*, 90.

Up to March 6, 1849, the expenses, chiefly those of organization, had been only \$4,540. The directors, given at that time, were David Kilgore, James L. Russey, James Gray, Robert N. Williams, Allen Makepiece, William Sparks, Jeremiah Smith, William M. Way, David Heaston, Peter Miller, Samuel P. Anthony, James Truitt.

The road, it was decided, should be built in three general sections—one from Indianapolis to Pendleton, the second from Pendleton to Muncie, and the third from Muncie to the state line. Contracts were let for the grubbing and grading in the fall of 1849, and Col. Morris, the chief engineer, in his report of December 4, 1849, gives the cost as \$163,502, comprising the grubbing, \$20,443; grading, \$105,652; and bridging, \$37,407. At that time the grubbing and clearing had been completed on the first section. The following from his report, shows the method of construction in those days:

I have provided for ballasting the entire road with gravel to the depth of one foot, upon which longitudinal sills 3 x 12' will be placed under each rail throughout the entire track. Upon these sills, cross ties 7½' long, or large enough to square six feet, will be placed at an average distance of three feet from centre to centre. Upon the cross ties the iron will be secured in the ordinary way by chairs and spikes, the track to be filled with gravel to the top of the cross ties.

It may be explained that a chair is an iron piece, fastened to the tie, into which the rail fits. It has been discarded in most parts of the United States, but is still used in England. This construction, though the most substantial known in that day, was not any too much so. George S. Cottman writes that the strain of traffic

loosened the spikes, and the strain, moreover, very frequently caused the loosened rails to curl upward at the ends, threatening punctures and derailment; and these snake-heads, as they were called, had to be constantly guarded against. A not uncommon occurrence was the stoppage of trains till the trainmen went ahead with a sledge hammer to spike down rails.¹¹

The condition of which Mr. Cottman speaks, however, applied especially to the flat-bar rail, and corroborates Mr. Van

¹¹ Internal Improvements, in *Indiana Historical Pamphlets*, 179-80.

Winkle's statement of the difficulties encountered on the old flat-bar side tracks.

The gauge, or width between rails, was fixed at 4' 8½", which proved to be a mistake, as it later had to be changed to 4' 10" to conform to the gauge of connecting roads in Ohio, and then not until after litigation during which some parts of the road were not in use at all. (Esarey, *History of Indiana*, Vol. II, 724; J. H. Holliday, *Indianapolis Sentinel*, August 25, 1869). The total estimated cost of the road at this time was \$1,014,237.16, an average of \$12,253.68 a mile. Dr. Kemper writes that when the cost a mile was announced in Muncie, "many shook their heads and doubted that it (the railroad) would ever pay."¹² However, Col. Morris, in his report, had studied carefully the population and production statistics of the four counties along the road, Marion, Madison, Delaware and Randolph, especially the amount of wheat and corn exported. He compared these in detail with similar statistics for the counties along the Indianapolis and Madison railroad, and thus arrived at an estimate of \$265,685 operating revenue a year for the Bellefontaine road. Estimating half this amount for operating expenses, this would leave \$132,842.50 net revenue a year, or over thirteen per cent of the capital required "to construct and equip the road." However, the construction estimates were far too low, at that, as the total cost of the road, according to the *Railway Times* for January 1, 1854, was \$1,800,000.

The first section of twenty-eight miles to Pendleton was ready for track laying by April, 1850, and the first train ran into Pendleton, December 11, 1850. The coming of a railroad was a great event in those days, and when the road was completed to Pendleton, October 8, 1850, there was "a celebration in which all the surrounding country took part."¹³ President Smith was an orator as well as a statesman and business man, and his eloquence featured such celebrations as these. For several months cars ran only between Pendleton and Indianapolis.

¹² Dr. Kemper, *History of Delaware County*, 90.

¹³ Dr. Kemper, *History of Delaware County*, 91-2.

The road began running trains, Dec. 11, 1850—according to the winter arrangements as published in the Indianapolis papers, a train left Indianapolis at 7:45 A. M. and left Pendleton in the evening at 1 P. M. each day except Sunday. Like the trains on the road for several years, this was a mixed train, carrying both freight and passengers. The road made connection with the Indianapolis and Madison at Indianapolis and with stage lines at Pendleton from the Wabash and upper White river. As an Ohio road was being built to connect with the Indianapolis and Bellefontaine at the state line, the Indiana company bantered the Ohio company for a dinner at the state line when “the railroad which drives the last spike in the rails pays for the dinner.” This banter was recorded in the *Indiana Daily Sentinel*, January 14, 1851, and the same issue declared that the Bellefontaine road was “undoubtedly the best new railroad in the west.” At that time the grading had been done as far as Muncie, and the grubbing and clearing was in progress on the general section from Muncie to the state line. It was expected that the cars would be in Muncie by July 1, 1851, but this, like many other predictions in the building of the road, was far too sanguine. The *Indiana State Journal*, March 15, 1851, records that the “heavy T-rail” was being laid from Pendleton to Anderson. The “railroad boom” of that time is shown by the fact that at the time the cars were running on two hundred and forty-five miles of railroad in Indiana, and it was expected that five hundred miles would be in operation by the end of the year.¹⁴

President Smith took some pride in the statement he was able to make to the directors of the road, February 10, 1851. A depot was finished at Pendleton and one “nearly done at Anderson.” Since trains were started between Indianapolis and Pendleton, December 11, 1850,

a daily train each way has done the business with a single locomotive, one passenger car and four freight cars without the slightest accident. The following statistics were given to show the traffic on the road since train service started:

¹⁴ *Indiana State Sentinel*, Mar. 19, 1851.

Number of passenger on road.....	3,641
Barrels flour.....	2,774
Bushels wheat.....	26,855
Pounds merchandise.....	479,136
Number hogs.....	5,942

The accounting done by the road was evidently very thorough and accurate for that day, though quite simple when compared with the system prescribed by the Interstate Commerce commission in use on railroads today. The present day balance sheet of a railroad is quite lengthy and comprehensive, but the following shows all the salient facts for February, 1851:

Total subscribers.....	2648
Total subscriptions.....	\$480,153
Amount of land sold.....	\$38,183.73
Received	16,250.30
	<hr/>
	\$21,933.43
Amount received into treasury exclusive of lands...	\$174,241.52
Total expenditures have been.....	170,674.39
	<hr/>
	\$ 3,567.13

Compared with the complex "operating statement" of to-day is the following submitted then by President Smith:

Actual road receipts.....	3,830.91
All charges for running including clerk hire and machinery...	1,645.38
	<hr/>
	2,185.53

Apparently the Indianapolis and Bellefontaine was prospering with only twenty-eight miles of road in operation. The officers and directors, according to President Smith's statement, Feb. 10, 1851, were: President, O. H. Smith; secretary, James G. Jordan; treasurer, Austin W. Morris; engineer, Thomas A. Morris; assistant engineer, Robert M. Patterson; directors, O. H. Smith, Alfred Harrison, Marion county; Thomas R. Noel, Hancock and Hamilton counties; William Sparks, Allen Makepeace, Madison G. Walker, Madison county; David Kilgore, Samuel P. Anthony, James Truitt, Delaware county; Jeremiah Smith, William M. Way, David

Heaston, Randolph county; Joseph S. McClellan, Johnson county; William A. Rifner, Henry county; and R. H. Winslow, New York City. The names of New York and, later, Philadelphia men on the board of directors shows that Mr. Smith had interested eastern capitalists in the new road.

Summer arrangements for the road were announced in the *State Sentinel* April 19, 1851; the train from Indianapolis left at 3:30 P. M. daily except Sunday, and, returning, left Pendleton at 5:45 in the morning. The train arrived at Indianapolis at 7:45, so as to make connection with the south-bound train of the Indianapolis and Madison, and enable passengers from Pendleton "to arrive at Madison early in the evening, and at Cincinnati or Louisville before day next morning." When the road was finished to Anderson, the train left there at 5:15 in the morning, making a run of thirty-five miles to Indianapolis in two and one-half hours. Today, the St. Louis express on the Big Four makes the same run in fifty-five minutes.

About the same time, a staff member of the *Sentinel* "paid ourselves the compliment of a ride on the road", which was duly chronicled and embellished in the issue of April 28, 1851. The train left Indianapolis at 3:30 P. M., according to schedule, and arrived in Pendleton at five o'clock. The writer describes some of the towns along the road, and shows some of the local advantages possessed by the route for both freight and passenger traffic. The account, in part, is as follows:

The road passes through a fine agricultural country—farms being rapidly improved, new buildings meet the eye, villages are springing up on the line, and all seems quite alive with active industry. Pendleton is quite a considerable town and looks business like. It is located on the falls of Fall Creek; here are extensive quarries and heavy water power, the creek passing over a natural dam of solid rock near twelve feet. A large amount of flour is manufactured here that passes over the railroad. About a mile east of Pendleton on Fall Creek is Huntsville, a smart village. Here, as at Pendleton, there is ample water power and one of the best merchant mills in the state doing a heavy business. Pendleton and Huntsville must always afford much freight for the railroad.

About eight miles above Pendleton we come to Anderson, the seat of justice of Madison county, located on a high and beautiful bluff of

White river. The iron is partly laid from Pendleton to Anderson; the road, we learn, will be opened to that place in a few weeks, with a great barbecue celebration, etc. Anderson is located in the center of one of the best sections of the White River valley, having at its base the great hydraulic power created by the navigable feeder by which White river is thrown over a bluff of 30 ft.; and being the point where the travel from the upper Wabash turns as well as from the lower Mississinewa, and where it will take or leave the cars, must have great advantages, and cannot fail to become a town of business and growing importance. From Anderson the road runs on the south side of White river eighteen miles to Muncie, the county seat of Delaware county, through a beautiful, settled country. On this section the road passes Chesterfield, a small village five miles from Anderson, and Yorktown, a growing village, located at the junction of Big Buck creek with White river. At this point there is heavy water power, with merchant mills in full operation; there must be a considerable freight business from both these points. We learn that the road is to be completed and in operation this fall to Muncie, fifty-three miles from Indianapolis. Muncie is the largest town on White river above Indianapolis, and is no doubt destined to become a large inland town. It is surrounded by one of the best wheat countries in the state, has ample water power, and steam works are being constructed. This point must give a heavy business to the road. From near Muncie the road runs on the north side of White river to near Winchester, the county seat of Randolph county, through a fine wheat and corn country, passing north of Smithfield, Windsor and Georgetown. Winchester is a flourishing county seat, and will no doubt increase in population and business rapidly, and yield a heavy local business when the road shall reach that point. From Winchester the road runs to Union at the state line, about ten miles, where it connects with the Pittsburg, Sandusky and Cleveland line. Union is a new town at the junction of these railroads; and as it is ten miles from Winchester and about the same distance from Greenville, it may do considerable business, as it is surrounded by a fine country, and will have the benefit of the railroads.

(Union is now Union City.)

The article speaks also of the very low grade of 30' to the mile which always has been a great advantage for this stretch of road. The section from Indianapolis to Pendleton cost \$9,359 a mile to construct. (Report of President, February 10, 1851). On account of improved ballast, heavier and more expensive rails, angle bars to join the rails together, facilities such as frogs, guard rails, rail braces and the like to strengthen the track at switches and crossings, and general

improvement in equipment, this cost per mile would possibly be double that amount today.

Few railroad celebrations in the state have equalled the one given in Anderson, June 19, 1851, when the first train ran into that town. An idea of the crowd may be gathered from the following in the Indianapolis *Locomotive*, June 21, 1851:

Three trains went up from this city, and each was filled to the utmost. Several addresses were delivered in Anderson but we were too much occupied in getting our dinner to hear them. The only tavern in the place was capable of seating about thirty at a table, and there were about five hundred hungry mortals anxiously awaiting their turn for the privilege of paying for a dinner—we believe every person was accommodated, but some had to wait so long they needed no supper. We heard of several accidents, but no serious ones. The train we were in came down in eighty-five minutes running time—the distance thirty-six miles.

Fortunately for the student of history, the correspondent of the *Journal* heard the speeches. After estimating the crowd going from Indianapolis at two thousand, including “the governor and state officers, Mayor Newcomb and the city council with Downies band,” he gives the following resume of the two principal speeches:

The governor [Joseph A. Wright] in his speech drew a comparison of present and past times in the modes of conveyance. He said two whole hours had been required to come to Anderson when within his recollection it took mail carriers three whole days. He urged every one to take stock and aid in the construction. Oliver H. Smith responded, telling of the difficulties in getting the enterprise started, and went into future prospects and benefits the construction of railroads promised.

The “atmosphere” of the occasion has been graphically set forth as follows by Forkner & Dyson:

That was the day this division of the road was formally opened to traffic, and it was a big feather in Anderson's cap. The train was not one of those swift-flying, luxurious affairs that are the pride of so many great railway corporations of the present time. It consisted of three plain, unvarnished coaches. About it there was a decided absence of show or ornamentation. The seats were not upholstered in satin or

plush, but were ordinary bench-like affairs. The opening of the road for travel was an event that had long been looked forward to by the people, for when at last an excursion was announced to be run from Indianapolis, the town made preparations for a grand gala day. Many people through this section of the country had never seen a railroad train, and so anxious were they to get a glimpse of the curiosity that for two days before, they rolled into town, some of them coming from long distances. All the boarding houses and hotel accommodations were readily taken, after which strangers began to camp about town waiting the arrival of the train. At the old ford where the iron wagon bridge now spans White river and the Anderson cemetery there was quite a settlement of sight-seers camped, waiting for the big day to roll around. The curiosity to see the train was not confined to country people; "town folks" were equally as anxious for the appearance of the "covered cars." A number of Andersonians who were acquainted with the lay walked out as far as Omaha, now known as McCullough's gravel pit, between this city and Pendleton, in order to get the first glimpse of the great curiosity. When the steam engine puffed into sight, sizzling and snorting under a load of excursionists, many onlookers viewed the huge iron horse with wonder mingled with mistrust. Suddenly the engineer gave a few vigorous yanks at the whistle which responded promptly in a shrill voice, and that settled the curiosity of the sight-seers scattered along the track. There was a general stampede to the hazel brush and swamp grass, and it is related of one man who was more frightened than the others that he never stopped running until he got to Anderson. The train was received in Anderson with all the "pomp and circumstance" of the times; and after the curiosity of seeing a train of cars had worn away, the people joined hands and had a big celebration.¹⁵

Philip Siddall, the first agent at Anderson, was also the first telegraph operator ever in the town, and possessed "qualities of heart that rendered him popular with all classes of people." The first depot at Anderson was located on the site of the present Big Four depot.¹⁶

Work on the eighteen miles from Anderson to Muncie progressed more slowly, and it was nearly a year before the road was finished to that town ready for traffic. Though the grading and bridging was finished to the east line of Delaware county in February, 1851, when the county paid the second installment of its subscription,¹⁷ the first train did not enter Muncie until May 31, 1852.

¹⁵ *History of Madison County*, 411.

¹⁶ Forkner and Dyson, *Historical Sketches of Madison County*, 76.

¹⁷ Kemper, *History of Delaware County*, 91-2.

Meanwhile the road continued to do a prosperous business while slowing up on its building progress. It secured the contract of carrying the mail to Anderson and intermediate points. The harvest season of 1851 meant a good grain business; and some of the other freight hauled over the road is shown by the *Indiana State Sentinel* for the week preceding September 8, 1851, for its Indianapolis terminal:

Exports: 2 kegs of beer, 2 packages of books, 1 barrel of sugar, 2 bundles of leather, 1 marble headstone, 1 bag of twine.

Imports: 13 boxes of merchandise, 1 bale muslin, 1 pair of scales, 28 hides, 2 cans of lard and honey, 1 coop of fowls, 1 bucket of butter.

The line was finished to Chesterfield, five miles beyond Anderson, by October 9, 1851, and a big celebration occurred there on that day. "The day was fine" and the crowd was "large and joyous". Two excursion trains ran from Indianapolis to Chesterfield, leaving the station at Indianapolis at 8:00 A. M. and arriving at Chesterfield, a distance of forty-one miles, at 10:30. The daily accommodation train on the Big Four today, the slowest passenger train on the Cleveland-Indianapolis division, makes the same run in an hour and thirty-eight minutes. The trains made a return trip to Indianapolis in the evening, arriving in the city at 8:00 P. M. Hundreds made the trip, and the officials were careful to see that every courtesy and convenience was shown the travelers. "The president, Hon. O. H. Smith, possessing almost the power of ubiquity, was everywhere his services were needed." Though a trial in which he participated kept him in Danville, twenty miles from Indianapolis, until ten o'clock the night before, he managed to be in Chesterfield early the next morning, directing affairs "with that spirit of energy, which has characterized his course throughout." The only thing to mar an otherwise perfect day was a delay caused by a "slight accident", on the return to Indianapolis, a locomotive running off the track at Anderson. (See account of the celebration in the *Indiana State Sentinel*, October 11, 1851.)

The first claim on record against the road, was payment for a mare of Mr. Hunter of Marion county, killed by a train about October 1, 1851. The company announced a policy of

paying for stock killed while running in fields enclosed by pits; of paying half price for stock killed while running at large provided the train was being run "at ordinary speed and with ordinary care"; but refusing to pay if the stock were deliberately enticed to the track "by feeding or otherwise", or allowed by their owners to lie upon the track.¹⁸ Manifestly, this was before the day of cattle guards and wire fences.

Depots had been built at Pendleton and Anderson; the depot at Muncie was "raised", after the fashion of old-time "barn raisings", September 12, 1851, several months before the railroad came to the town. The affair was of enough importance to be mentioned in the diary of F. E. Putnam, an old Delaware County pioneer. A brick depot and shops were built in 1851 at Massachusetts avenue, near the present Tenth street and Massachusetts avenue depot of the Big Four, then the northeast part of Indianapolis; but when the first Union station was built in 1853, they were sold for \$17,500, including 1100 ft. of tracks and five acres of ground.¹⁹ The depot was two stories, three hundred and seventy-six feet long, sixty feet wide, with double tracks inside; and the office building along was 55' x 30'. The shop, a 200' x 100' structure of brick, was built later; though this was quite a shop establishment at the time, it seems small compared with the present extensive Brightwood shops of the Indianapolis-Cleveland division of the Big Four and the nine huge shop buildings and several large store department buildings at Beech Grove. By the latter part of October, 1851, the depot was ready for the roof.²⁰

President Smith's report to the directors, May 10, 1852, was somewhat different from his previous reports. A few changes had taken place in the officers and board of directors. Douglas McGuire had succeeded James G. Jordan as secretary, and James W. Yandes had taken the place of Austin W. Morris as treasurer. Samuel V. B. Noel had replaced Thomas R. Noel as Hancock county's representative on the

¹⁸ *Indiana State Sentinel*, Oct. 11, 1851.

¹⁹ Dunn, *Greater Indianapolis*, 149-50.

²⁰ *Indiana State Sentinel*, Oct. 24, 1851.

board—the route runs a short distance through Hancock county; William M. Way had given place to Peter S. Miller for Randolph county; Joseph S. McClellan of Johnson county had retired, and Theophilus Paulding of Philadelphia had been elected. Outside of a threat to sue delinquent subscribers, nothing significant is mentioned of the finances of the road. It is evident that the matter of getting new capital was increasingly difficult, from this and also newspaper accounts of the progress of the railroad. Many subscribed during the excitement incident to the promotion of the road who “fell down” when it came to surrendering the actual cash at the appointed time. Newspaper reports indicate that the securities which the road floated failed to sell readily in the dull market of 1851. Track laying from Chesterfield to Muncie was suspended in October, 1851, and not resumed till the ground settled the next spring. The reason assigned was that “the low waters of the Ohio have kept back the iron to so late a period in the season”,²¹ but one wonders if the finances of the road did not have something to do with it, also. Mr. Smith reported with pride, however, that the carrying of the mail to Anderson had been a profitable venture; that local business had increased one hundred and fifty per cent during the preceding year; and that twenty thousand passengers had been carried without a single injury (Report of president, May 10, 1852). Conditions, however, got better a short time afterward; the *Sentinel* reported, June 7, that “railroad iron has raised five dollars per ton in England, and American railroad securities are in demand.” Conditions were auspicious when track laying was resumed.

Progress of the railroad to Muncie is shown in the diary of the Delaware County pioneer, F. E. Putnam:

May 28, 1852: Cars close to town.

May 29: Dinner at Hoon's and Davis's for railroad hands.

May 31: Passenger cars up for the first time.

June 17: Warm and cloudy in the morning with heavy showers in the eve. Railroad celebration and lots of people in town, say seven thousand. Five trains down and six up, and one to York (Yorktown) and back. Sample made reception speech and Smith replied.

²¹ *Indiana State Sentinel*, Nov. 1, 1851.

Like similar trains run for such celebrations, the trains consisted of open flat cars with improvised plank seats. The heavy rain in the evening caught the crowds on the trains and the crowd in Muncie,

and dampened their clothes, but not their ardor, as the celebration was a very enthusiastic one. Many were soaked through and through, and the ladies and children presented a sad and ludicrous sight.²²

Work on the line was pushed more rapidly than before on the last section from Muncie to Union City, so that the work was finished by the close of 1852—perhaps the easier market influenced this condition. We read in the *Sentinel*, November 3, 1852:

The cars on the Indianapolis and Bellefontaine railroad are now running to Winchester in Randolph county. The road will be completed to the state line by the first of December.

This prediction did not come true, however, by about a month.

Unfortunately for Winchester, there were "crooks" in those days as well as today. Some men who had an option on some land north of Winchester, and also an influence with the legislature, had the charter worded to read that the road should be built "directly east from Muncie to Union City". The "joker" was that this would make the route a mile and a half north of the main part of Winchester and through the land on which these men held an option.

The scheme was discovered at the very last moment, by some citizens of Winchester, and the bill was amended so as to compel the railroad company to build the road through Winchester. A reference to the map of the county will show that the course of the road was changed southeast at the west line of White river township.²³

The Greenville and Miami railroad was being pushed at the same time from Greenville to Union City. Later this afforded a connection with Dayton and Bellefontaine, so that the early dreams of the builders of the Indianapolis and Bellefontaine railroad were realized. The original plan of the

²² Reminiscences of William Jackson, told in Dr. Kemper, *History of Delaware County*, 91-2.

²³ Smith and Driver, *Past and Present of Randolph County*, 803-5.

Greenville and Miami builders was to build the road from Greenville to Winchester; but the Indianapolis and Bellefontaine promoters induced them to build it to the state line and join there with their own road. The building rivalry of these two roads has previously been mentioned, and grew in intensity as both neared Union City.

About November 25, 1852, the construction crews of both lines were about three miles from the state line, but neither knew the whereabouts of the other until the construction engine of the Bellefontaine road blew its whistle and it was answered immediately by the whistle of the Ohio road's construction engine. The result of this "exhilarating and important incident" was that the hands on both crews "rended the air with their shouts".²⁴ The Bellefontaine road had over five hundred men working on the line to rush its completion.²⁵ The Ohio road finished its work with its rails about a foot on Indiana soil on Christmas day, 1852; and the Indianapolis and Bellefontaine completed their line and joined its tracks with the other road a few days later. The first through passenger train from Indianapolis to Dayton, Ohio, by way of Union City and Greenville, was run on January 24, 1853.²⁶ The historians and the contemporary press do not record whether or not the Indianapolis and Bellefontaine officials made good their banter and tendered a dinner to the Greenville and Miami officials, who finished their line first; but knowing the sportsmanship of Oliver Hampton Smith and the others, the presumption is that it was given, and that it was what Robert J. Burdette would call a "howling success".

R. A. Wilson was appointed agent at Union City for the two roads. A round house subsequently was erected at Union City, which became, of course, the eastern terminal of the road; but all the main shop work was done at Indianapolis—only one mechanic for light repairs was stationed at Union City. No extensive yards were built at any intermediate points, so that the regular train crews did all their own switching.

²⁴ *Indiana State Sentinel*, Nov. 29, 1852.

²⁵ *Indiana State Sentinel*, Nov. 1852.

²⁶ Smith and Driver, *Past and Present of Randolph County*, 805.

The equipment and operation of the road naturally was crude when compared with that of today. George S. Cottman says:

A locomotive had at first neither cow-catcher nor cab, weighed perhaps ten to thirteen tons, and was capable of hauling twelve or fifteen cars holding three tons each. Twenty miles an hour for passenger trains was a high rate of speed.²⁷

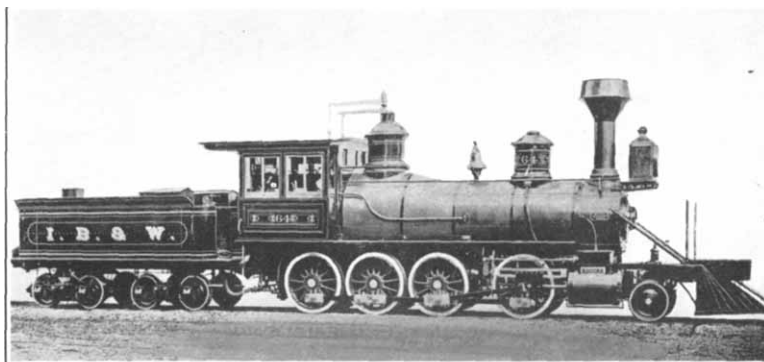
Today the so-called "Mikado" engine, the latest type of freight locomotive in use on the Big Four, weighs complete 334,000 pounds, and the extra large engines used for mountain climbing on the Southern Pacific weigh over 600,000 pounds. A train of ninety or one hundred cars on the Big Four is nothing unusual today, and on articles of ordinary value and bulk, a shipment of less than 24,000 to 36,000 pounds is not recognized as a car load. Thomas W. Love, of 2743 Bellefontaine street, Indianapolis, a retired conductor on the Cleveland-Indianapolis division of the Big Four, says the box cars of that day were only 28 feet long, and an ordinary "load" would fill two or three cars. Small box cars, flat cars and gondolas were used, but such special makes as refrigerator and hopper cars were unknown, as well as such modern appliances as air brakes, steam lubrication, electric headlights, automatic couplers with pin lifters at the side of the car. A modern tender carries enough coal to last between regular coal docks, and enough water to last between regular watering stations—the water is fed to the engine by means of a steam injector and a stoker has even replaced hand firing on the larger engines. In the old days stops were made

at some wayside stream or pool to replenish the water supply by dipping up with leathern buckets that were carried on hooks at the side of the tender.²⁸

Engines burned wood in those days, which was carried to the tender from ricks along the route. People sold wood to the railroad company by the cord and piled it in the ricks.

²⁷ Internal Improvements in Indiana, 179.

²⁸ Cottman, *Internal Improvements in Indiana*, 179.



EARLY LOCOMOTIVES.

Great stories are told of the dishonesty of the people cording this wood. It is said that one stump west of Farmland was regularly corded and measured in the body of the wood for something like five years before the company found it out. The engines threw sparks and set fire to a great many piles of wood, and the company gave free passages to many people who fought fire for them. One man and woman had a life-time pass from Farmland to Indianapolis because of the great amount of fuel they had saved the road by putting out fire.²⁹

The engines also emitted soot in such quantities at times that the train crew was almost bathed in it.

Mr. Love commenced railroading in the early sixties, kicking links and pins loose from the frozen ground, helping put the engine on the turn-table and make the rear end face the other way (this is now done by electric motor) and then helped to pile wood on the tender until she looked like a log house.³⁰

He came to the Indianapolis and Bellefontaine, then the "Bee Line" in 1868, so he knows all about railroading even in 1850-3. He likes to talk about the old railroading days, and his reminiscences are always interesting.

Whenever the engineer needed more wood he had a regular signal which he gave on the whistle, and then we would stop the train and all "wood up". Passenger trains were few and unreliable then, so if a man on another engine or train crew wanted to "dead-head" back to Indianapolis he usually rode a freight. We always made the "dead-heads" help "wood up". Once a "dead-head" with white gloves was on the train, but that made no difference. He had too help "wood up", white gloves and all.

Engines then ran on a steam pressure of about one hundred and twenty pounds; and it is related that an old time engineer who once got on a modern locomotive to run it, jumped off when he saw the steam gauge reading over three hundred pounds, declaring the engine was about to "blow up"! Weights instead of pop-valve were used to control steam pressure; but going up hill, the regulator was heavily weighted and the pressure was not known.

Smith and Driver have described some of the difficulties of early railroading on the Indianapolis and Bellefontaine as

²⁹ Smith and Driver, *Past and Present of Randolph County*, 803-5.

³⁰ Tribute to Mr. Love in *The Railway Conductor*, April, 1923, p. 211.

well as the excursion train that celebrated the completion of the road to Union City:

The road ran a free excursion from Union City to Indianapolis and hundreds of citizens availed themselves of the opportunity of taking a free ride, at the same time visiting for the first time the capital of their state. The excursion started about midnight and people went for miles to meet the train. No stations were established, and the trains were stopped anywhere upon being flagged. This was true of the road for a great many years. All one had to do to stop the train was to flag it in the daytime with any kind of a flag, or wave a light at night. The story is told that a little after daylight a woman came running out on the track waving her apron; the engineer stopped the train and the woman said to the conductor: "John wants to go, but he hasn't finished his breakfast; just wait on him a few minutes and he will be ready." We don't know what the conductor said, but John took the trip, just the same. No coaches were on this train, simply flat cars were used and boards placed across the top of the side-boards for seats. Some of the cars had branches of trees put over them to provide a shade. This was a wonderful experience in the history of the county as well as the experience of the people who made the first trip. For many years a regular schedule was almost impossible; a train would come "about" on time, usually the "about" ended by the train being about two or three hours late.³¹

Mr. Love remembers well these "good old days" and their difficulties. They had a telegraph, with stations in the principal towns along the route, and dispatchers to keep up with progress of the train by telegraph as it passed these stations; but there were no telephones along the route for the conductor, as at present, no block signals, and single instead of double tracks.

When it came night before we reached a certain station, we would lay over on the first convenient siding until the train was fifteen minutes late, then start on foot for the next station, so they could hold up trains from the other direction until we got there. Sometimes, when they would notice our train was late they would send a light engine (an engine and tender without any cars attached) out after us. Sometimes we even spent the whole night on the siding.

Conductors did not have to look after the modern trucks and underframes which support a freight car, for the cars of that

³¹ Smith and Driver, *Past and Present in Randolph County*, 803-5.

day were hardly more than wagons or coaches equipped with flanged wheels for travel on rails. However, they used hand brakes exclusively, and these had to be operated by the train crew. The cars were connected by draw-bars which were often difficult to adjust on account of the lack of uniformity in car and draw-bar construction; and later by links and pins. The draw-bar and link and pin had to be connected and disconnected by the train crew, and the running between cars thus required caused a great many accidents. Naturally Mr. Love has the highest of praise for the air brake and automatic coupler. When flat cars were loaded with lumber or some other material that projected over the sides, the brake had to be adjusted in such a manner that it was useless.

These couplings were flimsy, and we never knew when one of them would break. In my early days of railroading we had a clothesline running from the caboose to the locomotive and attached to a gong, so it would ring the gong if the train broke in two and the engineer could stop. We carried a supply of links and pins in the caboose for emergency purposes, and had signals, so we could let the man at the back end of the train know how many links or pins we wanted; then he could get them from the caboose and meet us half way, thus saving considerable time. In the winter snow-drifts added to our troubles, and we would be snow-bound at times for quite a while. You can imagine the time we had "wooding up" the tender in a snow-drift.

It is even handed down in tradition that at a certain pool along the road the train crews would stop long enough to take a swim, and that sometimes they took along their "women folks" and stopped the train while the latter gathered blackberries. The crudeness of the trains of that period is well illustrated by the following from *Locomotive*, August 13, 1853:

The evening train on the Bellefontaine railroad ran over a cow on Tuesday night near Muncie, that threw the locomotive and baggage car off the track and broke the front passenger car. No one on the train was injured.

Unfortunately, few records of the company appear to have been preserved, so we are forced to rely upon newspaper accounts chiefly to learn of some of its finances. According

to *Locomotive*, May 10, 1851, over a half-million dollars worth of stock had been subscribed, and later, when the contract for laying the track between Chesterfield and Union City was let to Daniel Yandes and Alfred Harrison, the amount was made payable in the stock of the company.³² The company's statement, published in *Locomotive*, May 3, 1851, shows freight receipts, \$3729, and passenger receipts, \$2278, with a gross tonnage of over 11,000,000 pounds. The report for May, published in *Locomotive*, June 7, 1851, shows total receipts of \$6,669, a gross tonnage of 9,817,228 pounds, including 56,662 bushels of wheat and 5841 barrels of flour. The number of passengers carried was 5976. As practically all this business then was with Pendelton, we may figure the average rate on freight was about four cents on the hundred pounds, a mere fraction of the rate today, though the cost of nearly everything then and now holds about the same proportion. After the road had been completed and through railroad passage to Dayton and Cincinnati made possible, the fare, as advertised in *Locomotive*, February 26, 1853, from Indianapolis was \$3.50 to Dayton and \$4.50 to Cincinnati, though this had been cut by the last of September to \$2.25 to Dayton and \$2.75 to Cincinnati. Adams & Co. (later Adams Express Co.) conducted an express service on the line after August 9, 1852, and promised delivery of goods in five days from Boston, four days from New York, and three and one-half days from Philadelphia and Baltimore.³³

As its promoters had foreseen, the railroad was an immense economic benefit to the district that it served. The Indianapolis *Sentinel* a great many years ago said of it:

It is impossible to estimate the advantage this road has been to Indianapolis. For several years a great deal of stock of the Bellefontaine was owned here, and the road was run directly in the interest of the city. But the greatest benefit conferred by the road has been in the large amount of travel and business brought here and which has in one way or another done much to build up the city.³⁴

³² *Sentinel*, Feb. 21, 1852.

³³ *Locomotive*, Feb. 12, 1853.

³⁴ Geo. S. Cottman, *Internal Improvements in Indiana*, 175.



OLD UNION STATION, INDIANAPOLIS.

The Union Station built on the site of the present one in 1853 was a great convenience to Indianapolis, and was used for passenger traffic by all the roads entering Indianapolis. A central system of operation was devised for handling the traffic of the different roads without confusion, which was the beginning of the Indianapolis Union railroad of today. Col. Morris, chief engineer of the Bellefontaine, was also chief engineer for the construction of the tracks and buildings. A large bronze tablet is now in the Union Station at Indianapolis showing this old station in bas-relief as well as the principal men who put the co-operative system into effect; President O. H. Smith of the Bellefontaine, President John Brough, of the Indianapolis and Madison, and President Chauncey Rose of the Terre Haute and Indianapolis railroad companies, besides William H. Jackson, secretary of the Indianapolis Union railway for forty-seven years and the first ticket agent for the combined roads at the station. (See O. H. Smith's description of the station and the system in his *Early Indiana Trials and Sketches*, 424).

The daily mail and the transportation facilities of the road played an important part in the early growth and development of Anderson and Muncie, which were villages of a few hundreds when it was built. Muncie in particular grew from four hundred to nine hundred in population within two years after the completion of the railroad, while Delaware county increased five thousand in population within the succeeding decade; and "the spirit of progress was felt by all."³⁵

Union City owes its inception and early growth to the Bellefontaine railroad. O. H. and Jeremiah Smith realized the possibilities of a town at the state-line which would serve as a terminal for the Indianapolis and Bellefontaine railroad and the Greenville and Miami, and they also secured the promise, later fulfilled, of a railroad from Union City to Columbus. Accordingly, they bought a tract of land there in May, 1849, and had it surveyed and platted by the next December. Of course, its growth was rapid, but

³⁵ Dr. Kemper, *History of Delaware County*, 112.

the demon of liquor proved itself worthy of its ancient name on its first introduction into the town, created a great row and caused the discharge of seventeen railroad hands soon after that grog shop was opened. That saloon and another, by means of some pretty energetic measures, were obliged to "dry up".³⁶

Some of the smaller communities also enjoyed a substantial growth. Two or three additions were made to Pendleton late in 1850, and the town was incorporated December 24, 1853.³⁷ After the building of the railroad,

Chesterfield experienced several years of unusual business activity. Large shipments of agricultural products were made from the town, and the merchants extended their trade over a large district of the surrounding country.³⁸

The growth of Winchester, though slow up to about 1845, began to pick up with the coming of the railroad.

Business began to improve, new houses were built, streets were made better and the entire attitude of its citizenship became more progressive.³⁹

The railroad was the making of Fortville, in Hancock county, and in later years McCordsville, another thriving town in the same county, and built along the line.

One town, however, on the railroad remains a "town of dreams unrealized." This is Oaklondon, 14 miles northeast of Indianapolis, named in memory of the great forest oaks which were felled there to make way for the railroad. With the advent of the road, the place having already been on the Pendleton pike, John Emery in 1849

laid out streets and cross streets for a pretentious town that would accommodate hundreds of homes, stores, churches, schools, factories, mills, and even exporters and importers.

However, it became a prosperous country town and no more; and today it is a pleasant, fairly active village of about three hundred and fifty.⁴⁰ Huntsville, Madison county, appears to

³⁶ Smith and Driver, *Past and Present of Randolph County*, 1016-8.

³⁷ John L. Forkner, *History of Madison County*, 124.

³⁸ *Ibid.*, 130.

³⁹ Smith and Driver, *Past and Present of Randolph County*, 1030.

⁴⁰ *Indianapolis News*, Feb. 10, 1923.

have been a town of considerable activity in the early days of the railroad, though there is not even a station there now. In a list of stations given in *Locomotive*, May 27, 1851, the others following are not in existence, at least under the names they bore then: Delzell's, Lanesville, Alfontville, between Indianapolis and Pendelton, and Smithfield and Mucksville between Muncie and the State Line.

The road prospered and grew under the presidency of John Brough, Alfred Harrison, Calvin Fletcher, S. Watt and other prominent pioneer business men of Indiana who succeeded Mr. Smith. In its Early days it was run by the Madison and Indianapolis with rolling stock of the latter, but operated its own road after 1853. (According to *Locomotive*, May 7, 1853, the road would thereafter use its own rolling stock, and after October 1, 1853, according to the New York Central Lines Annual Reports for 1917, p. 448, it operated its own line.) Finally the road became subjected to a series of consolidations, part of a general movement which set in after its building and has continued to the present. The following facts are taken from the New York Central Lines Annual Reports for 1917, pp. 448-9:

The name was changed to the Indianapolis, Pittsburg and Cleveland by general law in Indiana of February 1, 1855. December 20, 1864, it was consolidated with the Bellefontaine and Indiana, which had built a line from Galion, Ohio, to Union by way of Bellefontaine, Sidney and Ansonia, and the name changed to the Bellefontaine Railway company. A joint committee, representing both roads, had operated them together for the previous eight years. Again, it was consolidated with the Cleveland, Columbus and Cincinnati Railroad company, owning various Ohio lines, on May 16, 1868, forming the Cleveland, Columbus, Cincinnati and Indianapolis Railway company, better known as the "Bee Line". (See also Dunn, *Greater Indianapolis*, 149-50). Finally this road consolidated with the Cincinnati, Indianapolis, St. Louis and Chicago, and the Indianapolis and St. Louis in June, 1889, to form the Cleveland, Cincinnati, Chicago and St. Louis, or Big Four.

The early builders of the Bellefontaine railroad dreamed of it as a link in a chain of roads which would connect St. Louis, Indianapolis, Sandusky, and Cleveland with the east. Now, the New York Central lines, of which the Big Four is a part, connect all these cities and Chicago, Detroit, Cincinnati, Buffalo, Albany, Boston, New York and many other cities as well, so that the pioneers of 1849-53 "builded better than they knew."



THE LAFAYETTE AND INDIANAPOLIS RAILROAD

Lafayette, even from pioneer times, has been one of the important cities of Indiana. Nature has been exceptionally generous in the facilities and resources bestowed on it—it is on almost a direct line from Chicago to Indianapolis; it is in the heart of the rich prairie country of northwest Indiana; and—even more important in the days of water transportation and water power—it is near the convergence of the Tippecanoe and Wabash rivers. Not a great distance above it the early French explorers made their famous portage from the St. Joseph to the Tippecanoe and a few miles below was the site of the old French fort and trading post, Ouiatenon. After the French *coureurs du bois* came the American pioneers, and they were quick to see the advantages of the location and build a thriving pioneer town. They also were far-sighted enough to realize the importance of internal improvements in building up commercial prosperity. Thus a system of roads, even in the Thirties, connected Lafayette with Chicago on the north and Indianapolis and Vincennes on the south. Lafayette became a market for counties far distant, whose inhabitants took full advantage of these roads.⁴¹

Jesse S. Birch, of Oxford, Indiana, has given us some vivid pictures of the traffic on these old roads.⁴² The road from Vincennes was built in the early Thirties, and it seems that the route from Indianapolis went through Crawfordsville and

⁴¹ Pioneers hauled wheat from Parke County to Lafayette, sold it for sixty cents a bushel, and hauled back merchandise. See the writer's "Some Features of the History of Parke County," *Indiana Magazine of History*, 1916, p. 146.

⁴² *Indiana Magazine of History*, 1914, p. 396-8.

joined the Vincennes road on the river at Williamsport.⁴³ The road went north to the state line near Raub, and thence to Chicago. The so-called Lafayette road, a state road approved by act of February 7, 1835, was an extension of an older road to meet the Vincennes road near Parish Grove. Part of it was the historic trail over which Gen. Jacob Walker marched his troops in 1832 to the Black Hawk war only to be "met by a courier who informed him that the Indians had been pacified. The troops returned by the same trail." Not only commerce, but hunting parties and prairie schooners carrying pioneers westward thronged these roads.

Says Mr. Birch,

The Chicago road was a historic thoroughfare in its time, it being the main artery of communication for travel from Indianapolis and Vincennes to the thriving city on the lake. When Chicago became a live stock market thousands of cattle and horses were driven over it. In places it was from thirty to forty rods wide, the teamsters leaving worn places to find better footing, especially during a wet time. The trail could be followed by the timothy and blue grass that grew along the way, having been started from the seed that had been dropped by teamsters going to and from Chicago or the land hunters from Ohio, Kentucky and Virginia on their way to the northwest. In the fall many hauled apples from southern Indiana to Chicago and many were the small boys who begged pennies from their mothers to buy the luscious fruit. Evidence of the old trail still remains, the beaten path in places being easily discernible across the fields.

However, the progressive pioneers had not long hauled their produce by road until talk of a railroad began. This was first noticeable in 1832, when all over the state,

for some reason not clear, there was a sudden, not to say spasmodic, impulse toward this form of internal improvement (railroads).⁴⁴

A railroad was chartered in that year by the legislature to run from Madison to Lafayette by way of Columbus and Indianapolis; capital stock was fixed at \$1,000,000 in shares of fifty dollars each; and construction was to be started within

⁴³ E. J. Benton in his *Wabash Trade Route*, p. 62, refers to a state road from Lafayette to Indianapolis abandoned after an expenditure of \$73,142.87.

⁴⁴ Cottman, *Internal Improvements in Indiana*, p. 150.

three years and finished within ten years. The legislature of 1835 went even further, and made provision for a survey of the route, which was conducted by an engineer named Edwin Schenck and three assistants; and the Internal Improvements Bill of 1836 appropriated \$1,300,000 for the road. The route from Indianapolis direct to Lafayette was considered, but for some reason a route by way of Danville and Crawfordsville was preferred. The engineers reported an estimate of \$2,351,697, or an average of \$14,721.11 a mile from Madison to Lafayette by this route, which time proved was a close one. However, they appear to have counted too heavily on the cost of transportation of material and not heavily enough on the cost of the material itself; for they figured that if a single track were laid and utilized for hauling free the materials for construction, a second track could be laid for \$3,742.63 a mile.⁴⁵ Then came the panic of 1837 and the collapse of the state's "iridescent dream" of a great system of internal improvements. No more was heard of the railroad for several years.

Another factor entering into the commercial relations of Lafayette and Indianapolis before the railroad was finally built was the Wabash and Erie canal, which was completed to Lafayette by 1844. Commencing at Toledo and following closely the ancient French portage from the head waters of the Maumee to the head waters of the Wabash,⁴⁶ it then kept within a few miles of the Wabash the rest of its course to its southern terminus at Evansville. The southern end of the canal was never prosperous,⁴⁷ but the part around Lafayette was very flourishing for years, serving chiefly to open trade with the eastern centers by means of the Great Lakes and the Erie canal. A pioneer, during a single day of 1844, counted four hundred wagons unloading at Lafayette.⁴⁸

⁴⁵ The foregoing facts concerning the proposed Madison, Indianapolis and Lafayette railroad are taken from Ralph Blank's "Early Railroad Building in Indiana," submitted as a Master's thesis at Indiana university. It is in type-written form at the State Library, but the pages are not numbered, so page references are not given.

⁴⁶ E. J. Benton, *Wabash Trade Route*, 11.

⁴⁷ *Ibid.*, 105.

⁴⁸ *Ibid.*, p. 101.

It is significant that when the Lafayette and Indianapolis Railroad company was chartered it was for the purpose of extending the Madison and Indianapolis railroad to Lafayette—still preserving the old idea of the Thirties. This was January 19, 1846; and like all railroad charters of the period, it was granted by act of the legislature with the approval of the governor. The following were authorized to open subscription books in communities along the proposed right-of-way: Jacob Walker, William F. Reynolds, William Heaton, John Purdue (after whom Purdue University was named), James H. Major, Joseph S. Hanna, John McCutcheon, Philip Foresman, of Tippecanoe county; Silas S. White, John Pearce, John J. Nesbit, Jesse L. Benson, William Zion, Samuel S. Strong, William P. Davis, Robert Olive and George Cook of Boone county; and Hugh O'Neal and Aaron Gillespie of Marion county. Subscriptions were to be payable in labor, money or materials, and were not to exceed \$900,000. When \$20,000 was subscribed, it was ordered that an election of directors was to be held. Within five years from the passage of the act, stockholders were "Liable for the payment of all dues to laborers." By acts of the legislature approved February 16, 1848, and January 15, 1849, the charters of the Madison and Indianapolis and Lafayette and Indianapolis were changed so as to make them entirely independent of each other. The latter then proceeded to organize in regular style and made their first letting of work on the building of the line, October 12, 1848.⁴⁹

In the matter of finances, in a time when poor financing wrecked many a railroad company, the Lafayette and Indianapolis promoters worked along careful, prudent lines. They did not attempt construction until a large portion of their stock was subscribed. J. P. Dunn, while speaking of the excellent financing of the road,⁵⁰ also calls attention to the fact that it was "practically a local enterprise, as most of the early Indianapolis railroads were," and that stock was "subscribed liberally all along the line."⁵¹ That some eastern capitalists

⁴⁹ Report of President and Directors for 1851.

⁵⁰ *Greater Indianapolis*, 153.

⁵¹ Special article in Claybaugh's *History of Clinton County*, 234.

may have had an interest in the road, as well, is indicated by the fact that Nathan H. Stockwell, of New York City, was one of the directors in 1851.⁵² Unlike the Bellefontaine road, it was not aided by county subscriptions. The only aid it received outside of private subscriptions and loans was from the city of Lafayette. Interest ran very high in that city in the road, and the legislature passed a local law approved February 13, 1851, allowing the "town of Lafayette" to subscribe for three thousand shares of stock in the company. Corporate bonds of the city, with a rate of interest not to exceed seven per cent, were to be issued and given to the company in payment,

said bonds to be negotiable and may be made payable to holder or bearer and may pass by delivery after being endorsed by said railroad company agent they may in that behalf appoint.

This subscription was made contingent on a municipal election being held at Lafayette to vote on it. The subscription carried by a decisive vote, and \$226,000 in bonds were authorized for that purpose, bearing an annual interest rate of seven per cent.⁵³

Although the iron was not laid until 1851-2, it was bought and paid for before that time. The iron industry in this country was a very small affair, and mention has already been made that the Bellefontaine road purchased their rails in England, bringing them up the Mississippi and Ohio from New Orleans. The Lafayette people bought five thousand gross tons of iron T-rail in Wales and brought it all the way to Lafayette by water—to New York by ocean, thence by the Hudson and the Erie canal to the Great Lakes, and from Toledo, on Lake Erie, to Lafayette by the Wabash and Erie canal.⁵⁴

Even then, a continuous drive was made to provide all the necessary means for construction, and in 1851-2 the Indianapolis papers urged the people to support this road. January 15, 1849, the governor signed a bill authorizing the road

⁵² Report of President and Directors for 1851.

⁵³ Report of President and Directors for 1851.

⁵⁴ Report of President and Directors for 1851.

to borrow money "from any person or persons or corporate body", at a rate of interest to be agreed upon, and granted them the right to sell bonds and other obligations of the road "for the purpose of raising money or procuring material." A bond issue followed, the details of which will be given later. It will be noted that the state at that time was under the old constitution of 1816, and all local matters pertaining to the various railroads were subjects for legislation by the General Assembly. This practice stopped with the adoption of the present constitution in 1851, when such local laws were made unconstitutional.

Even before the iron was laid, a site for a depot was provided in Indianapolis; we read in *Locomotive*, August 10, 1850:

The depot for the Lafayette and Indianapolis railroad has been located during the past week in the northwest part of the city on the block east of and between the canal and the barn of Mr. James Blake;

and that it connected with the other roads coming into the city "by a union track". This site was at North street and the Canal; and though in the northwest part of Indianapolis then, it is practically down-town today.

The method of construction of the road was practically the same as that used on the Bellefontaine road—longitudinal sills on top of ballast, and cross-ties, about six feet apart, on top of these to support the rail. The gauge was four feet, eight and one-half inches, at that time the standard Indiana gauge, but now known as the "narrow gauge;" and the rail was wrought iron, weighing 55 pounds to the yard.⁵⁵ As the rails came by canal to Lafayette, and as the chief promoters of the road lived there, including the president, Albert S. White, construction proceeded from that city to Indianapolis. As the work on the superstructure neared Indianapolis the interest in the capital grew, and we find the following in the Indianapolis *Sentinel* in June, 1851:⁵⁶

⁵⁵ Report of President and Directors, 1851.

⁵⁶ The same advertisement appeared in other Indianapolis papers also, for several weeks.

Lafayette and Indianapolis stockholders will please note that the work on this road is now rapidly progressing between Lebanon and Indianapolis, as two-thirds of the work is now finished. Contracts have been made for the cross-ties and the timber for bridges will soon be contracted for. The iron has been purchased and paid for, and will be delivered to Lafayette in a short time, when the laying of the track will be immediately commenced and finished as soon as possible; and we have every assurance that the cars will run to Lebanon early in the fall. As money will be needed, it will be necessary for you to pay up your installments promptly as they become due, to James Blake of Indianapolis. In September last the board directed that the installments should commence in October, 1850, and five dollars on each share be paid every ninety days. We hope the stockholders will feel the necessity of paying the installments promptly as heavy estimates will be to meet between this and the first of July. The work will now be prosecuted to a speedy conclusion to this city, early next spring.

ALBERT S. WHITE, *President*.

During the latter part of August, Mr. White made a trip to New York to purchase three locomotives with all equipments necessary for thirty cars.⁵⁷ It was expected that at that time the iron would be received in the course of a month, and that the unfinished portion of the road would "be ready by the time the iron is received."⁵⁸ J. H. Tucker, a "practical engineer from Boston", arrived in Lafayette late in September, 1851, to await the arrival of two of the locomotives from Toledo. The *Lafayette Courier*, which duly announced his arrival, at the same time stated that

a temporary track from the main road above the sections now being worked will be laid to the canal (The Wabash and Erie canal) for the conveyance of the locomotives and iron. Mr. Tucker thinks only two weeks will be required to place the steam steeds upon the track ready to do the bidding of their conductors.⁵⁹

The work of laying the rail started late in 1851, and the following appeared in the *Lafayette Courier*, December 27, 1851. In those days it was common practice to give an editor a free ride on a new railroad in order to get a flattering "write-up". This particular writer's account follows:

⁵⁷ *Lafayette Journal*, quoted in *Locomotive*, Aug. 23, 1851.

⁵⁸ *Lafayette Journal*, quoted in *Locomotive*, Aug. 23, 1851.

⁵⁹ Quoted in *Locomotive*, Sept. 20, 1851.

We had the pleasure of a ride on the Lafayette railroad yesterday, in company with several of our citizens, by invitation of the president, Hon. A. S. White. The track on the main line of the road is laid about six miles extending into the Wildcat Prairie. For several miles the road is on a straight line, across a level plain, is very substantially and smoothly built, affording as delightful a ride as could be imagined. The work is being pushed on with dispatch, from eighty to one hundred rods being laid with a T-rail per day. The work of grading on sections 2 and 3 is progressing rapidly. Two locomotives are on the track and another to be set in motion in the spring. An abundance of iron is on hand to lay the track to Thorntown in Boone county, or to keep all the hands, that can be profitably employed, at work until more can arrive from Toledo in the spring. The road probably will be in running order to Indianapolis from Dorgy's Run, one and one-half miles below town by the 4th of July, and entirely finished by the last of September, 1852. When completed, may the road continue forever a memorial of the enterprise of its projector, the president.

Meanwhile, the question had arisen of the best line into Indianapolis considering the fact that the depot had been located on the land of James Blake, one of its chief promoters, at North street and the canal. Accordingly, the company petitioned the city council for the right to run the road along the east bank of the canal, promising

to keep the street and crossings in good repair, to construct culverts where necessary, and comply with the city ordinances;

the route to intersect North street between Mississippi street (now Senate avenue) and the canal, bearing thence to the canal which it strikes at or near the crossing of Indiana avenue; thence following the east bank of the canal to Georgia street, thence to the depot of the Indiana and Terre Haute railroad.

The petition was granted by order of the city council under date of November 18, 1851, signed by D. V. Culley, president, and countersigned by Caleb Scudder, mayor, with a fine of not less than five dollars nor more than five hundred dollars provided for a violation of the agreement.

The track in due time was constructed along this route, though the Terre Haute road refused to change its tracks to facilitate the junction.⁶⁰ Indianapolis at that time was a

⁶⁰ *Locomotive*, Oct. 25, 1852.

town of about 10,000;⁶¹ but as the city grew and means of travel became faster, this route became dangerous,⁶² as shown by the terrible wreck of the Purdue university football special in 1903. The route then was changed so as to enter the city from the west and come into the Union Station over the Belt railroad; but the Big Four still operates the old route as a commercial switch and is doing a thriving business, being largely responsible for the growing importance of Senate avenue as a warehouse and wholesale district.

The report of the president and directors for 1851 is a document of considerable interest. By the end of the year the grading and bridging on sections 2 and 3 had been completed, and seven miles of track laid "when frost suspended operations." Of the 5,000 tons of rail bought in Wales 2,100 tons had been delivered to Lafayette.

Some 1500 tons additional are in transit and stored for the winter at Toledo and Oswego, mostly at Toledo. The residue is in store at Brooklyn.

A temporary depot had been erected at Lafayette, and two water stations established—one near the station and the other with an overshot, six miles out of Lafayette. The company had purchased a twelve ton locomotive and "a small second-hand engine for constructing purposes and ballasting", and had in reserve an eighteen ton freight engine for use when the road became further advanced.⁶³ The shops were located in Lafayette, and they not only repaired equipment but actually built some gravel cars and platform cars.

⁶¹ *Locomotive*, July 10, 1852, gives the white population of Indianapolis as 10,463, and colored population 349, a total of 10,812. The city, according to the same source, had 8,099 population in June, 1850.

⁶² Dunn, *Greater Indianapolis*, 153.

⁶³ As previously mentioned, the "Mikado" type of engine now used on the Big Four weighs 334,000 pounds.

⁶⁴ These bonds were selling for ninety-two dollars on a par value of one hundred dollars, according to *Locomotive* for March 12, 1853.

The receipts of the road had been :

Individual stock	\$234,750
7% bonds, city of Lafayette	120,000
7% company bonds, negotiated	350,000
Miscellaneous cash payments	4,025
Total	\$708,775

In reserve were the following:

Stock installments not yet due.....	\$ 60,000
Lafayette bonds not sold	160,000
Present available means	\$166,000

Expenditures had been :

Surveying and engineering	\$ 12,300
Graduation and bridges	103,000
Ties	14,000
Rails, chairs and spikes, wheels, axles, etc....	248,578
Right of way, depot grounds, real estate and water rights	11,580
Discount interest account	86,000
Track laying, etc.	2,500
Salaries, office and shop expenses, and misc....	10,239
Total	\$488,197

The following additional expenses were estimated :

Road bed and wooden superstructure, gradua- tion, masonry and bridging	\$145,000.00
155,000 ties	25,187.50
Total	\$170,187.50

The amount of capital expected to complete the road, with equipment, was \$700,000, but this figure proved subsequently too low by \$300,000.⁶⁵ Railroads in those days did not have the modern highly specialized methods of gathering statistics and estimating costs, so their estimates generally went wide of the mark by a considerable margin.

A feature of the road which greatly aided construction was the fact that of the 62.36 miles of road, only 7.79 miles were

⁶⁵ The total cost was given as \$1,000,000 by the *Railway Times* in January, 1854. Dunn, *Greater Indianapolis*, 153, names the same amount.

curved; only four streams crossed required bridges of any size—Sugar creek, Eagle creek, White river, and Fall creek. Since the route has been changed to enter Indianapolis from the west, the present line does not cross Fall creek.

The advantages of the route from an economic point of view are clearly seen and explained. A road was being built from Indianapolis to Cincinnati, "now and forever the metropolis of the west"; and the New Albany and Salem (now the Monon) connected Lafayette, when completed, with Lake Michigan, thus affording a continuous line of railroad almost the entire distance from Cincinnati to Chicago. The feasibility of connecting the Atlantic commercial centers with the Mississippi valley was foreseen "and the central regions of Ohio and Indiana are that portage ground".

Following are the officers and directors of the company, as given in this report: A. S. White, president; J. L. Meredith, secretary; Cyrus Ball, treasurer; Backus Ford, engineer; William C. Richards and Samuel K. Richards, assistant engineers; Cyrus Ball, Thomas T. Benbridge, Joseph S. Hanna, John Purdue, William F. Reynolds, James Spears, Albert S. White, Lafayette; Joseph Cloud, Harvey G. Hazelrigg, Samuel S. Strong, William Zion, Boone county; James Blake, Indianapolis, and Nathan H. Stockwell, New York, directors.

Indianapolis, it was predicted, would become the largest inland capital in the United States, which is probably true to-day. The report closes with the hope that Indianapolis, under railroad influences, would become

the city of the plains and the Lafayette and Indianapolis road for all time a thronged thoroughfare.

With the opening of 1852, work was pushed rapidly on the new railroad. We read in the *Indianapolis Sentinel*, May 21, 1851, that "the Lafayette company are putting down their iron rapidly." The depot at Indianapolis was being built at the same time, and we learn from *Locomotive*, June 19, 1852, that it was a large brick structure, two hundred feet long and sixty-four feet wide.⁶⁶ The first "stopping place" on the road

⁶⁶ J. P. Dunn, says it was frame, was burned in 1864, and rebuilt of brick in 1866. See *Greater Indianapolis*, 153.

out of Indianapolis was called Council Station, one and one-half miles east of Augusta.⁶⁷ The following is taken from *Locomotive*, July 17, 1852:

The Lafayette and Indianapolis railroad is now finished from Lafayette to Lebanon, within twenty-eight miles of this city, and in running order. Next week the Western Stage company start a line of coaches between this city and Lebanon to connect with the Lafayette road at Lebanon and with the Madison road at this city. This will be the most direct route from Cincinnati to Lafayette with but twenty-eight miles of staging. The balance of the road is being pushed forward with energy and it is expected the cars will come to this city this year.⁶⁸

None of the early railroad presidents in the state had the gift of Oliver H. Smith of the Bellefontaine for securing publicity—he not only appeared to love “to revel in the calcium”, but it was a great aid to him politically as well. Consequently, we do not find accounts in the contemporary press of well organized, elaborately reported celebrations at towns along the routes of other roads that were the case along the Indianapolis and Bellefontaine, incident to the coming of the first train. However, there were great interest and curiosity along the Lafayette and Indianapolis as the line was extended and the trains began to arrive for the first time. Ralph W. Stark, of the Lebanon *Pioneer*, has written the following very interesting account of the coming of the first train to Lebanon and to Thorntown, in Boone county:⁶⁹

It was one of those bright lovely days of late summer, probably near the last of August, in the year 1852, that the smoke of the first railroad locomotive to enter Lebanon curled up and faded into nothingness in the clear sky above the then straggling little village of a few hundred inhabitants with its log cabins and dirt streets. It was, moreover, presidential campaign year; the year when the Whigs and

⁶⁷ *Locomotive*, March 19, 1852. Possibly “stopping place” was more appropriate than “station” when one considers the railroading of those days.

⁶⁸ About a year later the road had been finished to Indianapolis and the Indianapolis and Cincinnati railroad completed, which considerably shortened the route.

⁶⁹ Written expressly for this sketch by Mr. Stark after interviews with John R. Saunders, Wash Kersey and Mrs. Mary McCaslin, of Lebanon, all of whom, though children at the time, remember the coming of the first train. Mrs. McCaslin remembered when the train came to Whitestown, southeast of Lebanon.

the Democrats were practically at sword points over the merits of their respective candidates, General Winfield Scott and Franklin Pierce.

For days rumors had come and rumors had gone by way of the "grapevine telegraph" among the citizens of the county, "moss-legs" and "web-foots", as they were then derisively termed by their neighbors in the better settled parts of Indiana, concerning the arrival of the cars at Lebanon. However, the day finally came when rumor took a back seat and reality got on the wire with the result that on the aforesaid morning a good crowd had assembled at the little twelve-by-eighteen-foot shanty on South Lebanon street, which served the purposes for a time of a depot, to see the train come in.

After much impatient waiting, during which time several disputes had taken place but which had been settled without fatalities, the cry went up that the cars were coming. Everyone began craning his neck and trying to secure a better vantage point when two handcars hove in sight from the west bearing the Irish members of some of the construction gangs.

One of the cars of wildly shouting and gesticulating Irishmen bore a hickory pole with the Democratic flag at the top; and the other handcar bore a hickory pole which carried the emblem of the Whig party. Great excitement prevailed for a time among the on-lookers but the crowd soon settled down to waiting.

In the meantime, new arrivals, by foot, on horse-back and by big wagon, swelled the assembly and neighbors passed the time conversing and arguing with neighbors and villagers.

About 10 o'clock, another cry went up that the cars were coming and this time the crowd was not disappointed. For sure enough, here came "Old Boone", as the locomotive was called, drawing a number of freight and construction cars, and perhaps a passenger car or two. The entire crowd gave back a distance of thirty to forty feet from the track as the diminutive engine came up puffing and wheezing, for all the world like an old horse with distemper, and came to a stop at the station.

As the train came to a stop, the engineer, in a humorous mood took advantage of a few "young bucks", who thought to show their bravery and superiority by remaining near the track and threw hot water on them, much to their discomfort.

This was the first official train on the Lafayette and Indianapolis railroad, as it was then called, to come to Lebanon. After the people found that there was no danger in getting closer to the train, they swarmed over it for a near up inspection. The citizens remained about the train the entire day, learning first hand information concerning what was later to become one of the great assets of modern civilization.

However, the day was not to pass without some fighting, and shortly after noon, one of the Irishmen got into a dispute with a prominent Lebanon citizen and soon came to blows. Within a short time half a dozen fights were in progress and, as the town had no marshal, threat-

ened to become a riot. All of the Irish joined together against the citizens and things continued at a great pace. The affair came to a stop, however, after an Irishman had wielded a knife, almost disemboweling the prominent citizen.

It may be said here in passing, that practically all of the construction labor on the road was done by the Irish and they were a wild, hard-drinking, hard-fisted set in those days.

The rest of the day passed peacefully and without ceremony, and so far as can be learned, there was no speech-making, or anything of that sort.

The grade for the Lafayette and Indianapolis railroad was built in 1850, but as it was thought in those days that the grade should have a year or two in which to settle, the work of laying the ties and track did not commence until 1852. This was begun at Lafayette and carried Indianapolisward. The first train reached Thorntown, eight miles from Lebanon, about a month earlier, some time in July, and was made an occasion for much speech-making and a barbecue, which was held in Horner's grove.

According to *Locomotive*, September 11, 1852, the company was "laying iron between Indianapolis and Lebanon at the rate of two miles a week", and all the grading was done "except a little in this city which will be finished in a few weeks". Two miles a week in those days was considered very fast work, and the writer once discussed this with J. W. Burt, maintenance of way engineer on the Chicago division of the Big Four which includes the line of the old Lafayette and Indianapolis, and L. M. Denney, a maintenance of way supervisor with the Indianapolis terminal and former president of the Roadmakers' Association. Both agreed that the time in which a given stretch of track can be laid today varies greatly with conditions, not the least of which is the willingness and aptitude of the workers; "however," said Mr. Denney, "on the Bee Line, under the most advantageous conditions, we once laid track at the rate of six miles a week." This shows that, varied as conditions may be, there has been great improvement in this department of railroading. "It would be interesting," said Mr. Burt, "if it were possible to analyze the construction costs then and now and see if we are more efficient; but the variation in conditions makes this impossible." However, there is plenty of evidence to show the greater efficiency

of today, even if it is impossible, as Mr. Burt says, to make an accurate and scientific comparison. Construction costs then were about \$12,500 to \$15,000 a mile, whereas, they would not be more than double that amount now except under the most extraordinary conditions. Rail is approximately double the cost of the old days, being of steel and practically twice as heavy. Today, ties are of carefully selected white oak, brought from a long distance at many times the cost of the old ties, which were hewed in a forest adjacent to the road, at a cost of less than twenty cents apiece.⁷⁰ Laborers then could be hired for about a dollar a day, while now three to four dollars a day would be a more accurate figure. Gravel for ballast could then be hauled to the track and spread by people who thus worked out subscriptions for the road, while now ballast is bought at an expensive price and dumped on the track from specially constructed ballast cars. Besides, the science of railway accounting has greatly progressed since 1852; then, no doubt, only the actual construction expenses were counted, while now the office expense of construction is added, and it must also take its share of the distribution of various overhead expenses. Again, the switches and crossings of 1851 were rather crude; but today, with such appurtenances as frogs, guard rails, switch points, tie plates, special heat-treated bolts, and the like, all of which are necessary to withstand the strain of modern traffic, the cost of switches and crossings is today perhaps one-third to two-fifths the cost of an entire stretch of railroad.

When the stage coaches met the railroad in Boone county, the Indianapolis *Sentinel* heralded the tidings that the trip from Indianapolis to Lafayette could be made by daylight.

The Western Stage company are now running a line of four-horse coaches to Lebanon, connecting with the Lafayette and Indianapolis Railroad, leaving Indianapolis daily, except Sundays, at 6 o'clock A. M., connecting at Lebanon with the cars and arrive at Lafayette at 3 P. M. the same day. Returning, the cars leave Lafayette at 8 A. M., connect at Lebanon with the stage and arrive at Indianapolis at 4 P. M.⁷¹

⁷⁰ See report of President and Directors for 1851, showing that 155,000 ties cost a little more than \$25,000.

⁷¹ Indianapolis *Sentinel*, Aug. 3, 1852.

Today, the "Sycamore", the special fast train between Chicago and Indianapolis on the Big Four, makes the trip from Lafayette to Indianapolis in exactly an hour and a half.

The road had been finished to Eagle Village, twelve miles from Indianapolis by September 25, 1852, and still being constructed at the rate of two miles a week.⁷²

Indiana's first State Fair was held in 1852, during the latter part of October, and was heralded as a great event. That railroads helped even then as now, to make the annual State Fair a great event, was no doubt appreciated at the time. The *Boone County Pioneer*, speaking of the fact that the road would be completed to within three or four miles of Indianapolis by that time, said,

This will afford a fine opportunity of attending the first State Fair of Indiana, which many will avail themselves of.⁷³

In order to cross the street with their track, the company had to cut down the bridge over the canal on Washington street. The street was thus made nearly level, and according to *Locomotive*, "a great improvement".⁷⁴ The road was soon finished and the *Sentinel*, December 16, 1852, recorded the fact that the train from Lafayette ran into the Indianapolis depot.

A few subsequent newspaper advertisements may be of interest, in showing conditions of travel at that time. The first is from *Locomotive* in several issues early in 1853:

Through from the Ohio to the Wabash in one day! A passenger train leaves Lafayette every morning except Sundays at 7 o'clock, arrives in Indianapolis at 11, in time to connect with the trains on all the eastern and southern roads. Returning leaves Indianapolis at 1 o'clock P. M., immediately after the arrival of the Madison cars. This train also connects with the Terre Haute trains at Indianapolis, forming a daily line between Lafayette and Terre Haute each way. From Lafayette the cars of the C. & W. (now the Monon) run daily except Sunday to Crawfordsville. Daily stages run to Logansport over a road almost

⁷² *Locomotive*, Sept. 25, 1852.

⁷³ Quoted in *Locomotive*, Oct. 2, 1852. The *Boone County Pioneer*, now the *Lebanon Pioneer*, is edited by Mr. Stark, who wrote the account of the coming of the first train to Lebanon.

⁷⁴ *Locomotive*, Oct. 30, 1852.

free from cor-du-roi, and stages also run west and southwest. Steamboats are plying twice a week or oftener on the Wabash river during navigation between Lafayette and the towns below.

J. L. MEREDITH, *Secretary*.

Lafayette, December 21, 1852.

The second was run in a number of issues in the summer of 1853:

On and after July 20, two passenger trains will make daily trips (Sundays excepted) between Indianapolis and Lafayette. From Lafayette the express leaves the depot at 8 o'clock A. M. and arrives in Indianapolis at 11:15 A. M., the accommodation at 1:50 P. M. and arrives in Indianapolis at 6:55 P. M. The accommodation leaves Indianapolis at 6:00 A. M. and arrives in Lafayette at 11:15 A. M., and the express leaves at 2:00 o'clock P. M., arriving in Lafayette at 5:15 P. M. The express leaves from the Union track, the accommodation from the Indianapolis depot. A daily line of packets leaves Lafayette every evening after the arrival of the express, for Delphi, Peru, Logansport, Ft. Wayne, Covington, Attica, etc.

Even as late as 1852, the railroads were considered as auxiliary to canals, not as competitors; then the Wabash and Erie canal was in its heyday.

The last advertisement quoted in this sketch is from the *Locomotive*, November 12, 1853:

It is just twelve hours to Chicago from here by the Lafayette road. Persons leaving here by morning train get in Chicago the same evening. Through tickets to Chicago, six dollars.

Here 1852 holds the advantage, as tickets today would cost more than twice that amount; still, as some one remarked of George Washington's reputed feat of throwing a silver dollar across the Potomac, "a dollar went much farther in those days than it does today." Yet, be it said to 1924's credit that passengers can make the journey to Chicago from Indianapolis on the "Sycamore" in four hours and forty minutes instead of twelve hours; and that seven instead of two passenger trains run each way every day between Lafayette and Indianapolis.

The trains and method of operation on the old Lafayette and Indianapolis were practically the same as on the Indian-

apolis and Bellefontaine, which have been previously described. Mr. Stark has the following to say in this regard:

There were three engines used in the construction work, "Old Boone", the "Pioneer", and a small switch engine which was termed the "Meteor" and which had an exceptionally shrill whistle. The engines were about one-fourth the size of the engines of today, according to my informant, and were probably half as long. And of course they had the old "balloon" type of smokestack. The rails were iron, much smaller in size than the steel rails of today and did not last very long when put in use. The rails were laid end to end on the "fish plates", which in turn were on the ties, and were not fastened together.

The locomotives burned four-foot lengths of wood, and there was a brisk sale in sugar tree, ash and beech along the line.

It is said that one of the Irishmen in the construction gang, whose name was Bulger, was a giant in size and could carry two of the rails at one time.

Though it did not build up industry greatly along the route, the Lafayette and Indianapolis was for years a very prosperous road. The territory it served was, however, very thriving, especially in agricultural products, and this road was the only rail outlet for a large part of it.⁷⁵ One great advantage it had, along with the Peru and Indianapolis railroad, was its function in connecting Indianapolis with the Wabash and Erie canal, and therefore with the eastern centers of trade. This is shown rather graphically in the following advertisement, which appeared in the *Daily State Sentinel* during the early part of June, 1852:

New Arrangement—Mr. Smith, commission merchant of Terre Haute, visited our city last week to make arrangements with our merchants in relation to transporting goods from New York and Boston. The arrangements are now perfected and contracts can be made from New York to this place thus: Light goods, \$41.40; heavy goods, \$1.19, and to come through in twenty days. There can be no doubt of the feasibility of this route via the Wabash and Erie canal to Terre Haute, to this city by railroad. [The Terre Haute and Indianapolis, now part of the Pennsylvania, was the only rail connection between the two cities at the time.] By this route we avoid the long delays and extravagant



⁷⁵ Dunn, *Greater Indianapolis*, 153. The same authority writing in Claybaugh's *History of Clinton County*, 234-6, mentions that before the railroad was built corn was selling from 25c to 30c a bushel along the route, but 45c to 50c a bushel in towns along a railroad.

charges of the old route. We gain in another way: we pay our freight charges after the arrival of our goods; therefore, we retain the power in our hands of having justice done us.

MERCHANT.

A correspondent of *Locomotive*, commenting on this advertisement in the issue of June 12, 1852, refers to the shortening of this route when the railroads were finished to Lafayette and Peru, both on the canal. Speaking of the connection at Lafayette, when the Lafayette and Indianapolis was finished, he said it would mean

a saving of eighty-eight miles of canal transportation, and we shall then get our goods direct from Lafayette, saving one day in time and considerable in expense.

The railroad had a healthy effect upon the towns through which it passed, as well as the farming communities. This was not so noticeable, however, in Lafayette and Indianapolis, which had other rail or water lines as in the towns possessing no other line of railroad; although both cities profited greatly, of course, from the road. Lebanon, although its growth has been the slow but sure kind since earliest times, grew large enough to be incorporated in 1853,⁷⁶ the year after the road was built through the town.  Thorntown, also in Boone county, was retarded in its pioneer growth by "possessing few means of egress and ingress", and "almost no markets for the products of the farm";⁷⁷ and this condition was not corrected until the coming of the railroad.  Colfax, in Clinton county, was laid out in 1849 when the road was projected, and was originally called Midway because it was half-way between Lafayette and Indianapolis. A post-office was established there in 1853, and the name was soon changed to Colfax.⁷⁸ When the Vandalia built their branch line from Terre Haute to Logansport through Colfax a good many years later, it became a junction of considerable importance. Several towns which are now thriving communities were built with the coming of

⁷⁶ Crist, *History of Boone County*, 399.

⁷⁷ *Ibid.*, 408.

⁷⁸ Claybaugh, *History of Clinton County*, 345.

the railroad—notably Stockwell, in Tippecanoe county, and Zionsville and Whitestown in Boone county. It would appear that Stockwell was named for Nathan Stockwell of New York, director of the road, and that Whitestown was named in honor of the president.

No account of the building of the Lafayette and Indianapolis railroad is complete without a tribute to the president, Albert S. White, who served from its organization until 1856. Like most of the pioneer railroad presidents of Indiana, he was a politician and statesman, but who, unlike Oliver Hampton Smith, never appeared to seek publicity and public praise. He sponsored a bill in congress in the early part of the Civil war to free the slaves and indemnify the owners, which, though it had the warm support of Abraham Lincoln, was unpopular with his constituents and cost him a renomination. He was a native of New York and a classmate of William H. Seward at Union college. He opened a law office in Lafayette in 1829 when twenty-six years old, served in congress in 1837-9 and 1861-3, and in the United States senate in 1839-45. Even then, he was greatly interested in internal improvements, and while in the senate "was active in securing grants of land to aid in the extension of the Wabash and Erie canal".⁷⁹ Soon after he retired from the senate in 1845, he gave his entire attention to the building of the Lafayette and Indianapolis, and later the Wabash and Western, of which he was the president for three years. In this respect, also, he differed from O. H. Smith, who, as related in the Bellefontaine sketch, tried a case in Danville one day, tarried until late at night to hear the jury's verdict, came to Indianapolis the same night, and was on hand early the next day at Chesterfield directing preparations for a railroad celebration that day. However, Mr. White's business ability and unremitting devotion to the road's interests were great factors in its success, even if he perhaps did not get the publicity he deserved. Yet, those who worked with him appreciated his worth; and Alva O. Reser, official reporter of the Tippecanoe superior court, who was reared along the line of the road, wrote to the writer:

⁷⁹ *Appleton's Cyclopedia of American Biography.*

"I remember there was an engine named 'Albert S. White', which I used to see going along the road, hauling one of the passenger trains".⁸⁰ The road for many years was, as the Lafayette journalist hoped it would be, "a memorial of the enterprise of its projector, the president."

THE INDIANAPOLIS AND CINCINNATI

"Perseverance brings success" is an ever-familiar copy-book maxim, but its truth was never better exemplified than in the building of the Indianapolis and Cincinnati railroad. Although it was originally planned in 1832, and more than one attempt to build it failed, George H. Dunn of Lawrenceburg never gave up the project until it was successfully put through more than twenty years afterward.

Before railroads were built extensively in the state and commerce made possible with the lake ports and the large cities of the east, New Orleans was the great trading center for the middle west, and most of the commerce was by the Ohio and Mississippi rivers, and their tributaries.⁸¹ These were the romantic days of river traffic described by Mark Twain in his *Life on the Mississippi*, and the Ohio river traffic was not without its thrills. Great numbers of keel-boats and flat-boats, as well as steamboats plied the river, and the sides of the earlier boats were heavily reinforced as a protection from rifle fire from the Indians who lurked along the shore.⁸² Many stories are told of pirates who infested caverns along the Ohio and preyed on the river traffic. In 1834, about the time the first Lawrenceburg and Indianapolis railroad was projected,

the tonnage of the boats on the Ohio and Mississippi was larger than of the British Empire or of the entire Atlantic seaboard.⁸³

Cincinnati was then, and remained for many years the great depot of supplies for Indiana and the metropolis of the

⁸⁰ It was Mr. Reser's privilege several years ago to hunt up a photograph of Albert S. White for the use of the United States Senate library.

⁸¹ Blank, *Early Railroad Building in Indiana*.

⁸² Burns, "Ohio River" in *Indiana Magazine of History*, 1923, p. 170.

⁸³ Burns, "Ohio River" in *Indiana Magazine of History*, 1923, p. 176.

west;⁸⁴ and the most prosperous towns in the southeastern part of the state were the river towns—Lawrenceburg, Aurora, Rising Sun, Jeffersonville and Madison.⁸⁵ It is only natural that the most important of the early lines of railroad projected in the state should be from these points to Indianapolis, the state capital.

Mention has been made in a previous sketch of the projection of the Madison and Indianapolis and an extension to Lafayette in 1832. In the same year was chartered the Lawrenceburg and Indianapolis with a capital of \$500,000, and the following prominent Whigs backing it: George H. Dunn, Judge John Test, Nicholas McCarty, John Hendricks, B. J. Blythe, and Judge Peaslee.⁸⁶ Most of these men were from Lawrenceburg, Shelbyville and Indianapolis. Damages for land through which the road passed were to be assessed by twelve disinterested parties appointed by a justice of the peace. It was evidently expected that the road would be highly prosperous; although the present transportation act allows the railroads 5¾% net profit and most roads have a hard time to earn even that, the charter of the Lawrenceburg and Indianapolis stipulated that the road must not pay over 15% annual dividends on the capital stock after expenses were paid; any profits in excess of this were to be "turned over to the State Treasurer for use of the common schools". The route selected was slightly different from the route finally built a good many years later. It went through Shelbyville and Greensburg, but went to Lawrenceburg by way of Napoleon, not far from that city. This is a comparatively small town today; but that it was sufficiently important in 1832 to warrant this specific routing is well illustrated by the following anecdote recalled by Mrs. Kate Milner Rabb from George Cary Eggleston's *Recollections of a Varied Life*:

A traveler in the western country asked the way to some town. "You go to Napoleon first," replied the Hoosier, "and take the road to the northeast." The traveler asked the way to another town, and each

⁸⁴ John H. Holliday, *Indianapolis Sentinel*, Aug. 5, 1869. See also Turner, *Rise of the New West*, 97.

⁸⁵ Burns, "Ohio River," in *Indiana Magazine of History*, 1923, p. 177.

⁸⁶ See digest of charter in Blank's *Early Railroad Building in Indiana*.

time the answer began with "You go to Napoleon." Finally, enraged, he said, "And if I want to go to hell!" "Well," answered the Hoosier, "you go to Napoleon and stay there!"⁸⁷

Though nothing permanent came of this early road, it has the distinction of having built the first stretch of railroad west of the Allegheny mountains, $1\frac{1}{4}$ miles near Shelbyville in 1834. The construction of this little stretch is described as follows in Ralph Blank's *Early Railroad Building in Indiana*:

One elevation 20 or 25 ft. and two bridges were features of the route. It was built by ordinary laborers without experience in the short space of two months. The entire cost of construction amounted to \$3524.47½. There was one cut of 5 feet, one embankment of 5½ feet, a curve and two bridges on the road. The oak rails were furnished at 1¾ cents per foot, delivered on the spot. As stone was scarce, the track was laid on 6x8-inch timbers 20 feet in length, being used one on each side for cross ties. The horse path (the vehicle was horse-drawn instead of steam-propelled) had to be carefully constructed, costing approximately \$200. The grading and clearing for the road had been let in quarter mile sections—the first quarter, \$279, the second \$245, the third \$267, the fourth \$317, and the last \$400.

Of course, a celebration accompanied the running of the one horse-drawn car for the first time, on July 4, 1834. The following account appeared in the *Indianapolis Journal*, July 19, 1834, being copied from the *Shelbyville Transcript*:

On the 4th inst. at 10 o'clock A. M. a procession was formed at the court house and marched to the western terminus of the railroad in the following order: 1st, Capt. Conover's Light Infantry Company, preceded by the music; 2nd, twenty-five little girls dressed in white trimmed with blue, bearing the banners of the several States and the liberty cap; 3rd, the Revolutionary soldiers; 4th, the orator, reader of the Declaration, the chaplain, followed by the committee of arrangements and the citizens generally. After the oration was delivered an excellent dinner was served by Mr. Jeremiah Bennet on the spot. The day being fine, no place could, under existing circumstances, have been more suitable. Immediately at the western end of the road is a beautiful grove of sugar trees and beech, which afford, in the warmest day, a cool and refreshing shade.

The festivities and proceedings of the day were marked throughout with civil conduct and good feeling. The car was kept constantly run-

⁸⁷ "Hoosier Listening Post," *Indianapolis Star*, Oct. 23, 1923.

ning and the greatest eagerness evinced to ride. Such was the success of the experiment that those who were before doubtful were confirmed in the utility and practicability of the work. After the festivities of the day were closed a portion of the company repaired to Mr. Joseph M. Simms' and enjoyed themselves in an agreeable dance.⁸⁸

According to a special to the Indianapolis *News*, November 4, 1922, the fare was 25c a trip and the driver and conductor was named William Ford. Judge William J. Peaslee, the "crazy Connecticut Yankee", who has previously been mentioned as one of the founders of the road, is given the chief credit for the building of this little stretch. A rock along the route, east of Shelbyville contains the following inscription on a plate:

Site of the first railroad west of the Allegheny Mountains, built by Judge W. J. Peaslee, July 4, 1834.

Although little else was accomplished of importance the road went ahead with plans for its building. The cost of the roadbed was estimated at \$609,982.76 (a mere fraction of what it cost about twenty years later), with a turn-out every five miles. Vandegraeff and Hewitt, the engineers appointed by the state, recommended iron and broken stone foundation, white oak rails, which they said would mean a saving of 20%; and steam instead of horses for motive power, which they estimated would mean a saving of \$27,000. The cost of black locust cross-ties was put at \$105 a mile.⁸⁹ It will be noticed that certain kinds of wood which are now rare and expensive were then abundant and regularly used. When the old engine-house of the Big Four at Delaware, O., was dismantled several months ago, a long solid white pine stringer was sent to Beech Grove.

"The cost of this lumber would be prohibitive now, but it was plentiful then and commonly used for such building purposes," said C. V. Coulter, storekeeper of the large general storehouse there.

J. H. Holliday records that a half mile or more of grading was done between the old and new portions of the town of

⁸⁸ Taken from *Readings in Indiana History*, Indiana University Extension Department, 362.

⁸⁹ Blank, *Early Railroad Building in Indiana*.

Lawrenceburg.⁹⁰ The Lawrenceburg and Indianapolis was one of the beneficiaries of the Internal Improvements act of 1836, one of the few railroads to be so favored. The state issued bonds to the amount of \$100,000 for the road, and its debt on account of the Lawrenceburg and Indianapolis is given as \$124,000 in 1837, interest and other charges possibly being added.⁹¹ All concerned were very optimistic in 1837. Stock had been paid in to the amount of \$230,940.37, of which \$221,180 was in mortgages and only \$9,760.37 in cash, according to the report for 1837, in so much as President Dunn announced the road was willing to guarantee the state 5% dividend on \$500,000 or any greater sum that the state may choose to invest after the road is completed.⁹² The total expenditures had been \$33,188.42, of which \$2,374 was for right-of way, about \$12,000 on rails and construction expenses, about \$4,500 interest and bonus on the state bonds; \$5,388.88 discount on the bonds when sold in New York, which was charged as an expense against the company; and the remainder is chiefly various office and organization expenses and salaries. In that year came the panic of 1837, and the collapse of the state finances which followed meant the failure of this and all the railroads planned in the scheme of 1836.

Meanwhile, for many years commerce between central Indiana and Cincinnati was carried on by road. Pioneers hauled wheat from counties in the western part of the state to Cincinnati,⁹³ as well as Lafayette, Louisville and other markets by wagon road; and Alexander Swift of Oxford, Indiana, a brother-in-law of the famous poets, Alice and Phoebe Cary, bought stock for a Cincinnati concern, which stock was driven all the way to Cincinnati.⁹⁴ A state road from Harrison, at the state line near Cincinnati, to Indianapolis was relocated by act of the legislature, February 16, 1848, and three com-

⁹⁰ Indianapolis *Sentinel*, Aug. 5, 1869.

⁹¹ Benton, E. J., *Wabash Trade Route*, 61.

⁹² Report of Jan. 17, 1837, Senate Document, regarding the \$500,000 Ralph Blank says the L. & I. was given the right to borrow \$500,000 on the credit of the State giving as security a mortgage on wild lands. See *Early Railroad Building in Indiana*.

⁹³ The writer's "Some Features of the History of Parke County," *Indiana Magazine of History*, 1916, p. 146.

⁹⁴ Jesse S. Birch, *Indianapolis Star*, Oct. 30, 1923.

missioners appointed for this purpose. When railroad building was revived in the state about 1846, the first railroad, the Madison and Indianapolis, quickened trade between Indianapolis and Cincinnati, routed by railroad to Madison and thence by river to Cincinnati. Then George H. Dunn and others revived the idea of a direct line between the two cities, which naturally was fought vigorously by the M. and I. *Locomotive*, which became an enemy of the latter road, accused the officials, in several issues, of offering free rides and other inducements to the members of the legislature to influence them against granting a charter to a direct-line railroad. Talk of the railroad persisted, however; as Ralph Blank says:

Roads from Indianapolis to the Ohio river were little more than trails. Teamsters required 14 to 16 days to make the round trip from Indianapolis to the Ohio. Live stock usually were driven; 4 to 8 oxen or horses were required to draw loads of 1 to 2 tons between Indianapolis and the Ohio river trade centers.⁹⁵

Besides, having a complete monopoly of the railroad traffic between Indianapolis and the Ohio, the M. and I. was indulging in practices which caused charges of arrogance and extortion to be made against them, so that even a rival road, the Jeffersonville, Madison and Indianapolis, was being planned and later built.

The opposition of the Madison and Indianapolis appeared to be effective for a long time. Though it was clearly in the mind of the promoters to make it a part of a line that could connect Lawrenceburg and Indianapolis some day, the first move was to incorporate the Rushville and Lawrenceburg Railroad company, from Rushville to Lawrenceburg by way of Greensburg.⁹⁶ This company obtained a charter by act of the legislature, February 16, 1848. According to the charter, George H. Dunn, Omer Tousey, Jonathan Blaisdel, Thomas Wheatley, Woodson Clark, Archibald Kennedy, Robert S. Cox, Hugh B. Cowan and Luis Salle "and their successors in office"

⁹⁵ *Early Railroad Building in Indiana*.

⁹⁶ The route originally planned ran six miles northeast of Greensburg, but was changed as a result of the strenuous protests of the Greensburg citizens. Hardin, *History of Decatur County*, 393-4.

were to be directors. Although the company was a stock company for several years, the capital stock was fixed at only \$200,000 with shares \$50 each. Books were to be opened for subscriptions, subscribers were to receive certificates of stock, and when \$75,000 had been subscribed and \$5 paid on each share, the stockholders were to meet and elect nine directors. It was made lawful to enter on lands for surveying or in search of materials for construction, but no material was actually to be taken without the owner's consent. Subscriptions could be in land, money, labor, property, stone, gravel or other materials. In case it should be found necessary to condemn any land, a justice of the peace and twelve disinterested parties were to pass on the matter. The track could be laid along a state or county road if desired, but the railroad, it was stipulated,

must make and keep in repair good and sufficient causeways so that the free use of such state and county road shall not be obstructed.

Construction was to be started within five years, and the capital could be increased if found insufficient to build the road. Semi-annual dividends were to be declared on the first Mondays of January and July "unless changed by the directors", and the dividends were to be paid five days thereafter.

The next move was to get amendments to the charter for an extension of the road, which were granted by acts of the legislature on January 12 and 16, 1849.⁹⁷ The railroad might extend its line to Point Commerce, now Worthington, in Greene county, by way of Edinburg, Martinsville, Gosport and Spencer, starting at Greensburg; but stock subscribed for the Rushville and Lawrenceburg could not be used for building the extension without the consent of a majority of the stockholders. However, subscriptions were to be opened for the extension alone. A railroad had been planned (one of many short ones which never materialized) from Milford, in Dearborn county, to Columbus, and it was provided that the Point Commerce extension of the Rushville and Lawrenceburg could not run parallel to it or within ten miles of it, unless a ma-

⁹⁷ Annual Reports, N. Y. Central Lines, 1917, p. 449.

jority of the stockholders of the Milford and Columbus consented.

It is likely that even in 1849 the promoters of the Rushville and Lawrenceburg had their eyes on the stone region around Point Commerce, Gosport and Bloomington, and hoped some day to get control of the Franklin and Martinsville, which was then being organized. This project, carried through a good many years later, helped to get the road into serious financial straits, as we shall see later. Little was heard of the extension the entire distance; but considerable talk was aroused over the extension as far as Edinburg, possibly because it would make a junction there with the Madison and Indianapolis.

Some construction work was done between Lawrenceburg and Greensburg, where the most interest was shown.⁹⁸ When ground was first broken at Lawrenceburg it was "with the accompaniment of a barbecue and celebration".⁹⁹ Even then, some people of that section fought the road, and the *Rising Sun Times* opposed it vigorously.¹⁰⁰ Meanwhile a meeting was held in Greensburg, March 30, 1849, and great railroad enthusiasm aroused. It was decided that Decatur county should subscribe \$100,000 to the new line; \$50,000 to the line from Lawrenceburg to Greensburg, and \$25,000 each to the lines from Greensburg to Rushville and Edinburg, respectively, "payable when the roadbed should be ready for the iron." Perhaps Edinburg was contented with the business of the Madison and Indianapolis and probably Rushville was too absorbed in the project of the Indianapolis and Cincinnati Junction, which was built shortly afterward and is now the main division of the C. I. & W. At any rate, not enough stock was subscribed along the route to warrant building the road from Greensburg to either Rushville or Edinburg.¹⁰¹

Then the promoters returned to their earlier love—the line to Indianapolis by way of Shelbyville. A line had been

⁹⁸ Annual Reports, N. Y. Central Lines, 1917, p. 449.

⁹⁹ Cottman, *Indiana Magazine of History*, 1907, p. 173.

¹⁰⁰ Cottman, *Indiana Magazine of History*, 1907, p. 173.

¹⁰¹ *History of Decatur County*, L. A. Hardin, Editor, 393-4.

planned from Shelbyville to Rushville, which was built in 1850 and is now part of the Pennsylvania. At this time the Rushville and Shelbyville Railroad company had been incorporated, and the Shelbyville and Indianapolis was organized by act of the legislature approved January 21, 1850. This road was to be built by the Rushville and Shelbyville and the Rushville and Lawrenceburg. The act reads:

After commencement of the construction of said road by one of the companies, on the failure of the other to furnish its part of the stock, then the style and title of the Shelbyville and Indianapolis Railroad company shall be known by the name and style of the company constructing it, and shall form a part of its road.

The name of the Rushville and Lawrenceburg, according to this act, was to be changed April 1, 1850, to the Lawrenceburg and Upper Mississippi under which name it remained until it was nearly finished, when it was changed to the Indianapolis and Cincinnati. The Lawrenceburg and Upper Mississippi was given authority to open subscriptions for the purpose of building a railroad from Greensburg to Shelbyville. As the Rushville and Shelbyville failed to do its part toward the construction of the Shelbyville and Indianapolis, that line became part of the Lawrenceburg and Upper Mississippi—and thus the incorporation of the Shelbyville and Indianapolis made possible the chartering of a line the entire distance from Lawrenceburg to Indianapolis under the name of the Lawrenceburg and Upper Mississippi.

Not much was done, however, for about a year. In the meantime, the "Junction" company, as it was called, obtained a charter soon afterward for a road to Cincinnati from Indianapolis by way of Rushville, Connersville and Liberty, though not without the opposition of the Madison and Indianapolis. Interest began to stir in Indianapolis in the fall when Cincinnati offered to donate \$800,000 to some railroad enterprise, and efforts were made to get them to give it to a line to Indianapolis. Some disappointment was felt when it went to the Ohio and Mississippi, now the B. & O. division between Cincinnati and St. Louis; but it proved to be a "booster" for

the Lawrenceburg and Upper Mississippi.¹⁰² As the Ohio and Mississippi went through Lawrenceburg, the two lines would make almost a straight line connection between Indianapolis and Cincinnati. Talk persisted, but little action, and we find the following written by "A Citizen" in *Locomotive*, July 12, 1851, in recommending the Lawrenceburg and Upper Mississippi as part of the shortest "and most direct line from Chicago to Cincinnati by way of Lafayette, Indianapolis and Lawrenceburg":

It would be, if made, the great business route, and it must be made, or this city will be greatly injured. I wish our people would look a little to this matter.

This citizen evidently "started something"; for activity commenced almost immediately in Indianapolis and Shelbyville especially. A meeting was held in Indianapolis on Saturday, August 9, 1851, attended by the "most influential and wealthy citizens of Indianapolis."¹⁰³ William Sullivan presided and B. I. Blythe and Royal Mayhew were vice-presidents. Judge Dunn, president of the Lawrenceburg and Upper Mississippi, spoke, and emphatic resolutions were passed. They called attention to the importance and advantages of railroad connection between Indianapolis and Cincinnati; "the energy with which that work from Lawrenceburg towards this city has been prosecuted" and "its present state of forwardness", which inspired the hope that "with proper support and assistance the road may be completed to this place by the close of the year 1852." The resolutions moreover recommended "that active measures be taken to ensure the speedy completion of this important work" and that the proceedings of the meeting be published by the newspapers of both Indianapolis and Cincinnati. A meeting was held the same week in Shelbyville at which Nicholas McCarty of Indianapolis, one of the organizers of the original Lawrenceburg and Indianapolis, presided, and which endorsed the new railroad as a "valuable investment" and the "shortest, cheapest-built and most prac-

¹⁰² *Locomotive*, Sept. 7, 1850.

¹⁰³ *Locomotive*, Aug. 16, 1851.

ticable route between Cincinnati and Indianapolis."¹⁰⁴ In the course of the Fourth of July celebration at Greensburg in 1851 the railroad had been discussed, considerable enthusiasm aroused, and it "inspired confidence" on the part of "men of the right stamp."¹⁰⁵ The *Greensburg Press* gives the following report of progress on the work at the time:

It now has the entire road between this place and Lawrenceburg under contract, nearly half of which is grubbed and graded, and will be ready for the iron by the first of August. The work between this place and Milford is partly in the hands of the contractors, and also a part of the main line near St. Omer en route to Indianapolis. By their constant and unwearying exertions the early completion of the road is now one of the fixed facts.¹⁰⁶

The *Indiana State Sentinel*, August 9, 1851, reported that the first division would be ready in a few weeks to receive the iron, 700 tons of which, heavy patent T-rail, 60 lbs. to the yard, was "purchased and on its way." It was hoped to have the entire road ready for the superstructure the next season, for which means had been provided with the exception of eleven miles in Shelby county pending "further subscription of stock from the citizens of that region." The cost from Indianapolis to Lawrenceburg was estimated at \$1,050,000, which, like most railroad estimates of the time, was far too low in the end. Still engines and rolling stock had to be purchased, and William Robson, appointed stock solicitor, announced in the August 16, 1851, issue of *Locomotive* that he would

be along the line of the road in Marion and Shelby counties after Monday next, the 18th, and will expect to find every person he calls on prepared to subscribe liberally, as he shall call on only those that will be benefited by the early construction of the road.

That his efforts were successful may be inferred from the announcement in the Indianapolis *Journal* about a month later that between \$50,000 and \$60,000 had been subscribed, and that "more can yet be procured".¹⁰⁷ This amount had been

¹⁰⁴ Shelbyville *Volunteer*, quoted in *Locomotive*, Aug. 9, 1851.

¹⁰⁵ Quoted in *Indiana State Sentinel*, July 16, 1851.

¹⁰⁶ Quoted in *Indiana State Sentinel*, July 24, 1851.

¹⁰⁷ Quoted in *Locomotive*, Sept., 1851.

raised to \$75,000 according to *Locomotive*, September 27, 1851. That all of these subscriptions were not of the most substantial character, however, is shown by the following advertisement which appeared in *Locomotive*, February 23, 1852, and succeeding issues for many months:

The Lawrenceburg and Upper Mississippi Railroad Company have a number of well improved farms, unimproved lands, vacant lots and houses and lots in the most desirable location in the city of Indianapolis and in Marion county, which they will sell on terms that any industrious man wishing to get himself a home can do so by paying a part of the purchase money down and a liberal credit will be given for the remainder. For further particulars enquire of W. Robson, *Agent*.¹⁰⁸

The officers of the road, as given in *Locomotive*, September 13, 1851, were as follows: President, George H. Dunn; secretary, Wm. G. Dunn; treasurer, Columbus S. Stevens; directors, George H. Dunn, David Nevitt, Walter Hays, of Lawrenceburg; James B. Foley, Samuel Bryant, James Hamilton, of Greensburg; Mr. Marshall, Milford; David Lovet, St. Omer, and James M. Ray, Indianapolis.

Apparently the greatest matter of concern to the promoters at the time was the apathy of the people of Cincinnati toward the road. The *Sentinel*, August 11, 1851, speaking of the fact that \$400,000 had been subscribed all along the route, \$100,000 collected and expended, the heaviest part of the work completed and that the \$100,000 still needed to complete the grade to Indianapolis "could be obtained on the credit of the company", says that the citizens of Cincinnati could not be ignorant of the efforts of Louisville "to draw the trade of Indiana by the Jeffersonville and New Albany railroads." The *Sentinel*, September 5, takes notice of \$60,000 raised in Indianapolis, to be raised to \$100,00 and urges that Cincinnati subscribe \$200,000 to ensure the prospect of a "three hours' trip between Indianapolis and Cincinnati within 18 months from this time." *Locomotive*, as early as September 7, 1850, speaking of railroads being built in other directions from Indianapolis, said:

¹⁰⁸ After Jan. 1, 1852, real estate subscriptions were not accepted unless accompanied with the "requisite proportion of cash." *Locomotive*, Dec. 9, 1851.

If Cincinnati can afford to lose this trade, and is anxious to lose it, all that is necessary for her to do is to procrastinate until business is fairly established over the other route.

Finally Judge Dunn wrote a letter to Nicholas Longworth, then a leading capitalist of Cincinnati, whose son Nicholas represents Cincinnati in the Federal congress today and is a son-in-law of the late Theodore Roosevelt. The letter, which appears in *Locomotive*, September 27, 1851, is remarkable for its picture of contemporary railroad progress in Indiana as well as its frankness and business insight, so we quote it entire:

The extent of the trade of Indiana with this city (Cincinnati) is difficult to ascertain. Many of our best traders put it at half the entire business of the city; none place it at less than one-third. Certainly in comparison with that of any other state or district it stands pre-eminent.

Why has Cincinnati capital and enterprise been so much more readily given to northern and eastern works than to western? Is it because they are more profitable? Not one of them will compare in this respect with the Madison road, and how much more profitable would a direct route to Indianapolis have been? This also is a great mistake. Other points have not been idle. Fifteen years ago the entire trade of the Wabash was with Cincinnati. The hogs of that region were driven and its grain wagoned over the muddy roads of that period to this place. With the completion of the Wabash and Erie canal not a hog and scarcely a bushel of grain comes here. Had the three railroads now making from different points on the Wabash to Indianapolis (these were from Terre Haute, Lafayette and Peru) and the ones from thence here been the first made, would this have been the case? Would the Wabash and Erie canal have been constructed at all? Would the Madison road have been thought of? Would not the improvements in Indiana have taken a Cincinnati direction? Since the failure of the railroad to Indianapolis in 1837, many roads have been projected in Indiana, none until very recently having any reference to Cincinnati, most of them directly inimical to her interests. Such is the Evansville railroad,¹⁰⁹ tapping the Wabash valley and leading its trade to the lower Ohio. Such the New Albany road, crossing both branches of White river and ultimately to Lafayette and Lake Michigan. Such is the Jeffersonville road by which Indianapolis is brought as near to Louisville as it is to Cincinnati. Such is the Knightstown and Shelbyville and Rushville and Shelbyville and the

¹⁰⁹ This was projected by O. H. Smith and others as an extension of the Indianapolis and Bellefontaine, but it failed to materialize.

Shelbyville and Edinburg roads—all in a direction from Cincinnati instead of to here. These elements have not ceased to work. Louisville has voted \$200,000 toward the extension of the Jeffersonville road into the interior of Indiana. Already has she bought the Edinburg and Shelbyville road and leased for six years the Knightstown road. This brings her to a point on the National Road 33 miles east of Indianapolis, there forming a connection with Lake Erie giving southern travel a route to the Lake without passing through Cincinnati.

Shall this state of affairs continue? Shall nothing be done to counteract what is going on, and what is it that can effect the changes so desirable for Cincinnati? A knowledge of the railway systems of Indiana suggests the remedy. That system exhibits the remarkable feature of concentration of nearly all the railways of the state between two points—Shelbyville and Indianapolis. The roads leading into these places will communicate with every part of the state and in a most favorable manner. What Cincinnati needs is a direct communication with these points. She wants a connection with both, and fortunately they are so situated that she needs but one line to effect but that object. In 83 miles she reaches Shelbyville and connects with three railroads all in use. Another will be made of 15 miles to Franklin where it connects with the road to Martinsville, 26 miles now making. In all, at least 100 miles of railroad unite at this point and it is 10 miles nearer Cincinnati than to Louisville. In 26 miles further we reach Indianapolis. Here are five roads making—one to Terre Haute, which will be completed the first of December; one to Lafayette, to be finished next year; one to Peru, under contract to be completed within the same time; one to the state line at Union, called the Bellefontaine road, also expected to be finished in another year. Another is projected east to Richmond. All of these roads will average nearly 75 miles each, making of themselves 350 miles of road, but arrangements are making to extend them in various directions—roads beyond Terre Haute will penetrate Illinois and reach the Mississippi [he no doubt had reference to the Terre Haute and Alton] at points extending from St. Louis to Quincy; and engagements have been made, as I understand, with the Central Michigan road to construct a road from Lafayette to Michigan City and Chicago and that a survey and location is now on foot. You must perceive that this is the nearest and best connection for Cincinnati with Chicago.

What other improvement can effect as much for Cincinnati as the one we contemplate? One, more to the north or west, misses the mark desired; and though such may be important in themselves and bring to the city a desirable trade, they do not accommodate central Indiana.

At length Cincinnati became aroused to the project, and the promoters were aided by the Cincinnati *Commercial*, famous in the middle nineteenth century under the editorship of

Murat Halstead. *Locomotive*, in September, 1851, mentioning the fact that a locomotive for the road had arrived at Lawrence preparatory to the laying of the track, also quotes the *Cincinnati Commercial* as follows on the advantages of the road:

1. It is an important feeder to the road which Cincinnati must make to the mouth of the Mississippi.
2. It opens to this city, free from competition, a very fertile country, east of the Madison road and north to within 30 miles of Indianapolis.

The *Cincinnati Gazette* also spoke of the fact that with a through line from Philadelphia and Pittsburg to Indianapolis, (this was not complete at the time) there was none from Indianapolis to Cincinnati.¹¹⁰

According to the *Sentinel*, October 4, 1851, \$40,000 had been subscribed in Cincinnati, and

the importance of this route was never more clearly manifested than at this time, when traffic is almost suspended on the Ohio river.

In the meantime work was steadily going forward. The following figures appeared in the *Sentinel*, September 8, 1851:

Cost of work, Lawrenceburg to Indianapolis (estimated), including depot, water stations, engines and rolling stock complete, \$1,025,000.

Stock subscribed, not including that taken in Indianapolis, \$459,799.

Whole amount put under contract, \$250,578.86.

Amount of work completed, \$93,026.87.

The above amount does not include contracts for timber, for cross-ties, some of which were only closed at the late meeting and which now cover the line from the river to Greensburg and are all payable in stock except half the supply required on the first 17 sections, which is half cash. The amount of work yet to be done to complete the grade is as follows, which includes the usual percentage for contingencies:

On the first division, 17 miles -----	\$ 32,558.22
On the second division, Greensburg -----	75,349.74
On the third division, Shelbyville -----	55,893.71

Total -----	\$163,801.67
-------------	--------------

¹¹⁰ Quoted in Indianapolis *Sentinel*, Jan. 24, 1852.

Not a great deal of work was done until the next spring, or at least not much mention was made of it, although a contract was closed with Andrew Wilson, Lawrence M. Vance and Hervey Bates, of Indianapolis, to finish the work of building the road, the company to furnish the iron from Indianapolis to St. Omer in Decatur county.¹¹¹ Payment was to be made "in cash, bonds and stock of the company." As subscriptions were beginning to be needed, the company decided to call for them as follows: one-fourth when the road is completed ready for the cars to the end of the first section from Lawrenceburg, 17 miles; one-fourth when completed to Greensburg; one-fourth when completed to Shelbyville; one-fourth when completed to Indianapolis. The depot in Indianapolis was located on Georgia street between Delaware and Alabama streets "immediately in front of the depot house on the ground occupied as a brick yard last year." This was in the heart of the main business section of the city then and the present freight house of the Big Four is located at Delaware and South streets, only about a square south of the old Cincinnati depot.¹¹²

By May 21, 1852, we read in the Indianapolis *Sentinel* that "the Lawrenceburg company have a heavy force on their work." Just three days later the same paper wrote that

contracts have been made for engines, wheels, axles, etc., for an early use of the road as completed from Lawrenceburg, as no delay is expected to occur in the work being forwarded with energy.

The company, at first purely a stock company, had now begun to raise additional funds by the sale of bonds. An act passed by the legislature, which became a law, January 28, 1851, by Governor Wright neither signing nor vetoing it, authorized the Lawrenceburg and Upper Mississippi to sell bonds or borrow money at an annual rate of 6%. The city of Lawrenceburg, which subscribed liberally to the stock of the company, was given the right to issue corporate bonds "of not less than \$100 each", to be given to the railroad in pay-

¹¹¹ *Sentinel*, quoted in *Locomotive*, Feb. 7, 1852.

¹¹² Statement of J. Q. Van Winkle, assistant to the vice-president, C. C. C. & St. L.

ment for stock. It appears that they did not issue any great number of bonds immediately, for the first mention we find of the bonds of the company is in the *Sentinel*, May 24, 1852, as follows:

We are gratified to find by a dispatch received this morning that sales were made in the city of New York of all the bonds of this company, bringing the favorable price of over 90c.

Mention of the low market for railroad securities early in 1852 has been made in the Bellefontaine sketch, so 90c on the dollar really was a favorable price at the time. The same paper for June 1, 1852, apparently when the market had begun to turn for the better, reported that the firm of De-Launcey, Iselin and Clark in New York had sold \$500,000 worth of bonds of the Lawrenceburg and Upper Mississippi at an average of 93%. According to quotations in *Locomotive*, March 12, 1853, bonds of the Lawrenceburg and Upper Mississippi were selling at \$99 on a par value of \$100.

Progress on the road by June 1, 1852, is shown by an extract from the Lawrenceburg *Register*, quoted in the *Sentinel* for that date:

The contract has been made for 10 locomotives and 200 cars, and the iron for the whole road purchased. Nine hundred tons of iron are expected daily from New Orleans; 1000 tons have been shipped from New York by canal and will be here in three or four weeks and 2000 tons are to be shipped from Pittsburg in a few days. Every exertion is being made to forward the enterprise. Hands are at work laying the track on the first division, and contractors for the grade are multiplying their forces to finish their work so as to lay the rail as far as Shelbyville by the first of November next.

The annual election of directors occurred in September, 1852, and the following were chosen: George H. Dunn, David Nevitt, Levi B. Lewis, Joseph G. Monfort, James B. Foley, James E. Hamilton, James M. Ray, Hervey Bates, and William Robson.¹¹³

¹¹³ Indianapolis *Sentinel*, Sept. 17, 1852.

Progress was reported in the *Sentinel*, October 14, 1852, as follows:

Twelve miles of track is laid down and now in use and four miles more will be completed in a few days. The board confidently expects to complete the road to Greensburg, 42 miles, by the first of January, and to complete the whole line 12 months from this time.

Not a great deal of publicity was given the later progress of the road until it was completed, though two quotations from *Locomotive* during 1853 may be of interest in showing the progress of the work:

May 21, 1853:

They have commenced laying the track on the Lawrenceburg and Indianapolis [newspapers frequently persisted in referring to the company by the name of the old company instead of by the correct name of Lawrenceburg and Upper Mississippi] both here and at Shelbyville. By the 4th of July persons can take the cars for Louisville at this place and arrive there by way of Shelbyville and Edinburg in about 5 hours.

May 28, 1853:

The cars on the Lawrenceburg and Indianapolis railroad are now run into the depot at Greensburg, 42 miles from Lawrenceburg, and 46 miles from this city. They are laying iron at four points on this road—from Greensburg, from Shelbyville both ways, and from this city. This will leave about 12½ miles of track to lay for each set of hands, and as the iron is at hand, the bridges and cross-ties about ready, there will be but little delay. With good luck the cars will run from this city to Lawrenceburg early in July.

The line was not completed, however, until several months later. The *Indianapolis Journal*, November 1, 1853, speaks of the "first train having passed through yesterday". The same issue says that

citizens may dine before starting; the time for the departure of the regular mail train daily (Sundays excepted) is fixed at 1 o'clock P. M., which will enable passengers to arrive in Cincinnati early in the evening after taking supper aboard the boat. We understand that ample and efficient arrangements are in progress for a prompt transportation of freight.

The following advertisement was published in the papers at the time:

NEW ROUTE TO CINCINNATI

The Indianapolis and Cincinnati Railroad connecting with the company's fast steamer Forrest Queen at Lawrenceburg commences running this day, November 1, 1853. Train leaves 1 P. M., arrives at Cincinnati 7 P. M., at foot of Main Street. Boat leaves Main Street at 6 A. M. Cars arrive at Indianapolis 12 M. Fare \$3.00.

GEORGE HAVEN, *Supt.*

Commenting on this old advertisement, C. R. Myers, general agent of the Big Four, says:

The fare from Indianapolis to Cincinnati on the opening of the road was \$3.00 and the time for the trip, six hours. Now the fare is \$3.95 and the time on the fast trains is two hours and thirty minutes. While the fare is seemingly higher now than then, yet, at that time, you could buy twelve white oak railroad ties for a fare to Cincinnati and now you cannot buy but three for one fare. All other commodities and raw materials used and wages paid by railroads have increased in proportion, and the above illustration shows the ratio.

It will be noticed that in the last advertisement the name of the road is given as the Indianapolis and Cincinnati. The board of directors voted, October 4, 1853, to make the change in name, and it was called by the new name, although the change did not officially go into effect until December 1, 1853.¹¹⁴ Under the old system a special act of the legislature would have been necessary to authorize the change in name; with the new constitution abolishing local laws and a new law passed in 1852 and in force May 6, 1853, regarding incorporations, the details of which will be discussed later, a resolution of the board of directors was all that was necessary. The line was officially opened to traffic November 14, 1853.¹¹⁵

Great interest was shown during the building of the line in all the communities through which it passed, though no records have been left of any celebrations. R. W. Harrison of Shelbyville, has contributed to this sketch the following interesting reminiscences of all Shelbyville residents concerning the completion of the road to that place:

¹¹⁴ N. Y. Central Lines, Annual Reports for 1917, p. 449.

¹¹⁵ N. Y. Central Lines, Annual Reports for 1917, p. 449.

Monroe Goodrich, who has lived in Shelbyville all his life, says that he was a passenger on the first through train on the old I. & C. Railroad. The train was made up at Shelbyville and run through to Lawrenceburg, which was the end of the line at that time, the balance of the trip to Cincinnati was made by boat on the Ohio river. The train consisted of one passenger car, a baggage car and the engine. They stopped many times along the route to "wood up" and arrived at Lawrenceburg along in the afternoon.

Docia H. McDuffie, who was 90 years of age her last birthday, says she remembers well the building and completion of this railroad. The railroad shanties built to house the laborers in the construction of the line, were erected within a hundred yards of her home, and she says she became personally acquainted with many of the men and their foremen. These men were mostly Irish and after the completion of the road, they liked the locality so well, that many of them brought their families to Shelbyville, and located here permanently, and some of the prominent citizens of this city at the present time, are descendants of these men.¹¹⁶

James M. Bassett, another old resident, says he remembers the excitement among the farmers on the completion of the road as it opened up for them a new market for their farm products in St. Louis and Chicago, where they could get a much higher price than heretofore, for everything raised on the farm.

The coming of the railroad to Batesville, and the part played by it in the development of that thriving Ripley county community, have been well told by Mrs. Minnie E. Wycoff, of Batesville:

Batesville, Indiana, is located in the extreme northwest corner of the county, close to the junction of Franklin and Decatur counties and is built up to and across the county lines at the point where these three counties touch.

The part located in Franklin county is called Huntersville and was the earliest settled part of the community. Another settlement about a half-mile east of Huntersville sprang up later but the town was not laid out until 1852, the year of the completion of the railroad across the northern part of Ripley county.

The road was slow in building as there were no steam shovels at that time and the labor had all to be done by hand shovels. The hauling was done by ox teams, principally.

¹¹⁶ At the time absentee landlordism, oppressive taxes and the like were driving swarms of Irish to the United States. Construction gangs on most of the railroads in the middle west at the time were largely made up of these Irish immigrants.

The nucleus of the future city of Batesville consisted in 1852 of two stores, Thoman's on the north side and Kipper's on the south side of the railway right of way. A few scattered farmhouses made up the rest of the settlement. With the surveying and building of the railroad, a station was located near the two stores. Batesville was laid out November 3, 1852, by John Callahan, J. H. Sprague, Joseph Groff, Joshua Bates and George H. Dunn. The Lawrenceburg and Upper Mississippi was completed across Adams and Lougher townships in 1852. A saw-mill was the chief industry of the new town at this date. The land is principally level and swampy and was covered with hardwood forests. The saw-milling industry expanded and finally developed into wood-carving, furniture and casket manufactures. At this date, January, 1924, the city claims about three thousand inhabitants and manufacturing plants valued at several millions of dollars.

The land for the railroad was given by the farmers owning it, the company paying for it only by free passes on the new road for a year or possibly two years. The workmen were boarded in the farm homes along the right of way and stables were built for the oxen required in the heavy hauling.

There being no town organizations in Huntersville or the newer town of Batesville, named for one of its founders, Joshua Bates, the scattered settlers could take no united action except to give their land and as much accommodation as possible to the workmen. Undoubtedly many of them worked on the road but our oldest inhabitants with two or three exceptions, if born here at all, were born about 1852 or 1853, coincident with the completion of the road. Of the few born earlier, Mrs. Catharine Hinnenkamp, who came to this locality in 1842 as a child of five years, has furnished considerable data. She accompanied her father, Mr. Zies, to Indianapolis and Cincinnati on free passes furnished for them over the new road when a young girl of 16 or 17. Her father and mother boarded a large number of the workmen during the construction of the railroad. Before this road was completed they drove their ox-teams to Cincinnati to market, a distance of about 50 miles.¹¹⁷

As the equipment and operation of all Indiana railroads at the time was very much alike, most of what has already been written in this regard about the Indianapolis and Bellefontaine and the Lafayette and Indianapolis holds good likewise for the Indianapolis and Cincinnati. Chadwick, *History of Shelby County*, 258, mentions that engineers then got two dollars a day and firemen one dollar a day, no extra rate being paid for over time, and that engineers made the repairs to their own

¹¹⁷ Written expressly for this sketch.

engines. However, the road had shops for heavier repairs, as all roads then and now, and these were located in the southwest part of Indianapolis.¹¹⁸ Chadwick continues as follows:

When two trains ran against each other on the same line of track, they would start from opposite directions and run to a post painted white, which was usually set half way between two station points. If one arrived first they waited a half hour, and if the opposite train did not put in its appearance the first train arriving at the central white post would take chances and sneak in, but frequently had to back up, as they would meet the belated train midway. Many times the throttle would not work and steam could not be shut off in time to stop the train; and in such cases the engineer had to open up his pumps from the tanks and fill his boiler up with cold water in order to reduce the steam so the locomotive would stop for want of power.¹¹⁹ If a train was supposed to carry 15 freights it had to draw that number; whether filled with straw or stone, it made no difference.

Blank, *Early Railroad Building in Indiana*, has the following on the railroad equipment of the period:

Locomotives of the time were frequently painted in gaudy colors, bright red, blue and green. The names were engraved on the engine in conspicuous places. The most common type of locomotive had four large wheels in the rear and four small ones in front. Enormous smoke stacks were characteristic of the period. The earlier passenger cars were short and brightly decorated or carved.

It may be explained that large smoke stacks were necessary to secure proper draft on the earlier engines. Today, with the powerful artificial draft caused by the exhaust steam under a pressure about three times as great as on the engines of seventy years ago, a short stack suffices. Mr. Blank's references to the names being engraved on the locomotives calls to mind once again the old custom of giving them names instead of numbers. Hardin, *History of Decatur County*, 393-4, says

¹¹⁸ Holliday, *Indianapolis Sentinel*, August 5, 1869, says they were moved to Cincinnati about 1860.

¹¹⁹ This referred to a later practice not known on the old Indianapolis and Cincinnati, when no doubt water was bailed into the boiler. At first when water was carried in the tank, steam pumps were used as mentioned above, to force it into the boiler, but now steam injectors, still better devices, are used.

Stephen Ludlow was an incorporator and director of the Lawrenceburg and Indianapolis railroad in 1836, and in his honor the dinky engine that was first put on the rails was christened the "Stephen Ludlow." Fred Lunger was engineer and Jacob W. Mills, conductor.

The primitive conditions of the brakes of the period may be shown by the following advertisement in the Indianapolis *Sentinel*, June 29, 1852, for Clayton and Miller's "Patent Car Break":

It is in a vice-like form, creates double the friction and requires less than half the leverage of the breaks now in use, which breaks against the tread or periphery of the wheels and so often cause the axles or the journals to break and frequently press the boxes out of place, which is the cause of many accidents; and that it will prevent snow and ice from clogging the wheels.

It would almost appear that the spelling "break" was very appropriate.¹²⁰

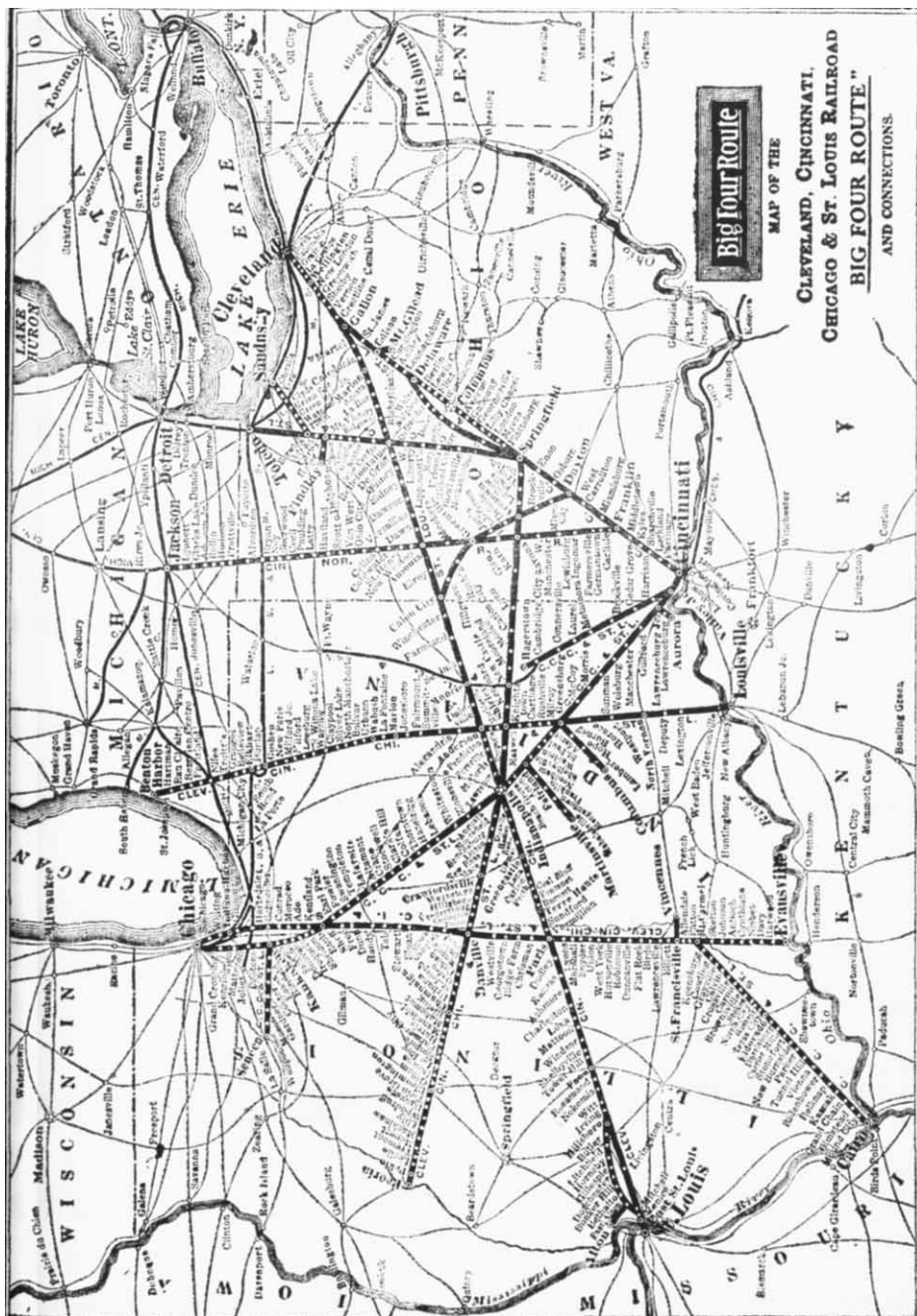
Another advertisement, appearing in the *Sentinel* during the latter part of 1851, for the Muskingum Works of Zanesville, O., affords comparison with today. These people manufactured

chilled car wheels, jack screws, switches, switch-stands, wrought and cast frogs, cast iron railroad chairs; stock, coal, gravel and handcars and trucks of all descriptions.

Most freight car wheels today are of chilled cast iron, although those of passenger cars and tenders are mostly steel. Instead of being wrought and cast iron, frogs (strengthening devices used where two tracks intersect) now have to be made of hard manganese steel to stand the present day strain of traffic. As mentioned before, chairs are practically extinct on modern railroads in the United States.

The final cost of the Indianapolis and Cincinnati, according to *Railway Times*, January, 1854, was in round numbers \$1,200,000. The figures given by John H. Holliday are somewhat larger, and no doubt include equipment as well, being

¹²⁰ *Locomotive*, Nov. 5, 1853, contains the following: "The breaking of an axle on the passenger train of the Lawrenceburg road caused the smashing of two new passenger cars. No persons were seriously injured, as the cars were running at the rate of twelve miles an hour."



\$25,983.76 a mile.¹²¹ It will be seen that the average cost a mile was much heavier than the cost of the Indianapolis and Bellefontaine or the Lafayette and Indianapolis if Mr. Holli-day's figures are correct—but this is reasonable, since from Lawrenceburg half the way to Indianapolis it passes through a very hilly country which involved many expenses and difficulties never encountered on the other two roads. The road was profitable from the very start, and the following from *Locomotive*, December 24, 1853, shows the growth in weekly earnings for freight in less than two months of its operation:

First week, November 5	\$ 481.37
Second week, November 12	788.85
Third week, November 19	1,095.21
Fourth week, November 26	1,617.47
Fifth week, December 3	2,261.60
Sixth week, December 10	3,462.57

The *Indianapolis Journal*, December 19, 1853, says:

The freighting business on this new route is exceeding the most sanguine predictions of its projectors. The receipts for freight alone have been more than \$1,000 per day for some time past. One day this week 95 cars arrived in Lawrenceburg full of freight. More cars are being built and every care taken to push forward freight without delay.¹²²

It appears that the Indianapolis and Cincinnati was the most advanced of the Indiana railroads of the time in its system of accounting and statistics, which make its report for the six months ending January 1, 1855, unusually interesting. The financial and statistical report is as follows:

	Passenger Receipts	Freight Receipts	Total
July	\$ 8,036.79	\$ 7,803.83	\$15,840.62
August	13,227.39	12,514.94	25,742.33
September	16,089.44	15,021.90	31,111.34
October	18,557.88	14,824.35	33,382.23
November	20,735.13	16,666.38	37,401.51
December	13,836.60	17,912.37	31,748.97
	<hr/> \$90,481.23	<hr/> \$84,743.77	<hr/> \$175,225.00

¹²¹ *Indianapolis Sentinel*, Aug. 5, 1869.

¹²² Quoted by Cottman, *Indiana Magazine of History*, 1907, p. 173.

Transportation of mail	\$ 3,384.37
Transportation of express	957.55
<hr/>	
Total receipts for transportation	\$179,566.92
Total expenses on account of transportation, being about 46½% of gross earnings.....	83,469.79
<hr/>	
Net receipts for six months.....	\$ 96,097.13
From which deduct interest for 6 months on 1st and 2d mortgage bonds.....	\$29,750.00
Also interest for 6 months on income bonds	8,900.00 38,650.00
<hr/>	
Will leave applicable to dividends, a little over 4 7/10% on capital stock	\$ 57,447.13
Total number of through passengers for 6 months.....	23,609
Total number of way passengers for 6 months.....	41,025
<hr/>	
Total	64,634
Average number of passengers per day	415
Average receipts for passengers per day.....	\$580.00
No. tons of through freight westward	4,990
No. tons of way freight westward	4,737
No. tons of through freight eastward	10,319
No. tons of way freight eastward	12,845
Total tonnage eastward	23,164
Total tonnage westward	9,727
Total receipts for westward freight	\$ 39,427.87
Total receipts for eastward freight.....	45,315.90
Average tonnage per day	210¾
Average freight receipts per day.....	543.21
Receipts for transportation the first 7 months (Dec., 1853, to July 1, 1854)	145,947.80
Add receipts, July to Jan. 1 above	179,566.92
<hr/>	
Receipts first 13 months	\$325,514.72
Gross receipts per mile	3,616.83
Cost of road and equipment per mile	24,205.21
Earnings for the first 7 months after paying inter- est on bonds, was	41,809.24
Add net earnings for last six months.....	57,447.13
<hr/>	
Total net receipts, being over 8 1/10% on the capital stock	\$ 99,256.37

The first and second mortgage bonds referred to are explained by John H. Holliday, who says that

first mortgage bonds to the amount of \$500,000 were issued in 1853 and in 1854, \$300,000 of second mortgage bonds.¹²³

The figures indicate that the road was a steady, prosperous one, ably and conservatively managed; but railroads were considered as get-rich-quick propositions in those days, rather than as conservative investments, so we find the president offering an "alibi" for the fact that the net earnings were only 8 1/10% on the capital stock! The fault is laid on the low stage of the Ohio, which retarded the shipment of the wheat and corn crops, and also the decrease in the number of hogs usually shipped to the Cincinnati market from this section of the state. The next year, he said, the net earnings should be 15 to 20%. As a matter of fact the net earnings for 1856 were considerably larger, being \$292,861.53.

The report announced that freight and passenger stations had been established at Lawrenceburg and Shelbyville during the year, besides those already at Greensburg and Indianapolis. The track had been ballasted with gravel except 18 miles to be finished in the spring, and the route was well supplied with water stations.

The movement of the trains upon the road has been conducted with remarkable promptness and care, no serious injury having yet occurred to the machinery and none whatever to a passenger.

Judge Dunn died soon after the road was finished, and General T. A. Morris, first mentioned as chief engineer on the Bellefontaine, and to be prominently mentioned in connection with later roads, was elected president in his place. Alexander Worth was secretary and W. S. Hubbard, treasurer, in 1855, and the following were directors: V. Worthington, J. A. Monfort, Cincinnati; L. B. Lewis, H. K. Hobbs, Lawrenceburg; A. R. Forsyth, Greensburg; H. Bates, J. M. Ray, W. H. Morrison, T. A. Morris, Indianapolis.

¹²³ Indianapolis *Sentinel*, Aug. 5, 1869. It will be seen the average rate was about \$2 a ton, a mere fraction of the present freight rates.

In order to run the trains of the road into Cincinnati over the Ohio and Mississippi from Lawrenceburg its tracks being of standard gauge, it was necessary to lay a third rail, and this was done pursuant to a contract made by General Morris with the latter company in 1856; and this continued until the company bought the old canal below Lawrenceburg in 1862, "turned the water out, and built its road into the heart of the city."¹²⁴ The details of this last move will be given more fully later.

The cities and towns along the road had a slow, conservative growth in which the railroad figured prominently, as previously shown in the case of Batesville by Mrs. Wycoff. It was an even greater boon to farm products. Jasper H. Sprague, an old resident of Shelby county, said in 1876:

From the indefatigable industry and perseverance of George H. Dunn, Shelby county has derived more substantial benefit in her material interests than from the labor of any other single individual in the state. To those who will succeed the present generation, and especially the farmers of Shelby county, it may be interesting to know that before the construction of railroads corn was a drug on the market at 10c per bushel, wheat 35c to 40c, pork \$1.50 to \$2 per 100 lbs. net, good beef-steak 2½c to 3c per pound, and other products in proportion.¹²⁵

John H. Holliday says of the road:

It has been a great benefit to the state in developing and building up the country, and is doing (in 1869) a great deal in aid of the business of the country.¹²⁶

Some places were naturally to be disillusioned, and Archibald Shaw writes of the city of his abode:

Thus Lawrenceburg bade good bye to its stage lines, its caravans of live stock and long trains of produce. At first, with the advent of the railways it was thought the city would grow by leaps and bounds and it would command the trade of the interior of the state,

but only the larger centers benefited greatly.¹²⁷

¹²⁴ J. H. Holliday, *Indianapolis Sentinel*, Aug. 5, 1869.

¹²⁵ *Centennial History of Shelby County*, "by a committee of citizens," 1876.

¹²⁶ *Indianapolis Sentinel*, Aug. 5, 1869.

¹²⁷ *History of Dearborn County*, 248.

No account of the building of the Cincinnati would be complete without a fitting tribute to George H. Dunn, who held to his dream of a railroad from Lawrenceburg to Indianapolis for more than twenty years, under the most discouraging circumstances, and died in 1854 just after it was completed and in successful operation. Archibald Shaw, in a personal letter to the writer pays the following fitting tribute to him:

Mr. Dunn was a member of the legislature three different terms, congressman from 1837 to 1839, and state treasurer from 1841 to 1844. He was actively engaged during many years pushing the building of this railway; it was called a hobby of his by his friends. He was a man of ability and well educated.¹²⁸

In spite of his ability as an orator and statesman, probably his greatest service to the state was given as president and chief projector of the railroad; and it seems appropriate that on the monument over his grave in the old cemetery in the city of Lawrenceburg is placed the replica of a railway train.¹²⁹

INTRODUCTION—PART II

Dr. B. F. Shambaugh, speaking before the Indiana History Conference in 1922, referred to the middle period of American history which began at the close of the Revolution and ended about 1870. He spoke of the history of Indiana coming well within that period; and the railroad building in that period and the period which followed shows widely different characteristics. It may be said that the middle period in Indiana railroad history ended with the Civil war, and the roads which were built subsequently did not have the pioneer glamour of the building of the earlier ones. The chief characteristics of the later period are hectic financing and its consequences.

R. L. Barnum, writing in the *Indianapolis Star*, December 16, 1923, describes this period well:

¹²⁸ Mr. Shaw was a classmate of the writer's father in "Old Asbury," now DePauw university.

¹²⁹ Archibald Shaw, *History of Dearborn County*, 350.

In those days a railroad president had the power of a king. Rates were made and unmade overnight. If one railroad wanted to buy another, the deal was made public when the presidents involved so desired and not sooner. To go to the government to get permission to issue new bonds or stock was as unheard of as asking for authority to change a freight rate. If the records are consulted as far back as the days of Jay Gould it will be found that railroads changed hands mostly for stock jobbing purposes. In the days of Cassatt control of railroads was acquired wholesale to stop freight rate cutting. Harriman bought up one railroad after another for the power it gave his own road, the Union Pacific.

This was characteristic of railroads all over the west and middle west especially; and if some of the railroad finance described in the following sketches seems wildly speculative and foolhardy, it must be remembered that it was the financing characteristic of the time; and that where roads in Indiana went into bankruptcy, under more auspicious conditions men like James J. Hill and E. H. Harriman made great fortunes by scarcely less conservative methods.

Dr. Logan Esarey in his *History of Indiana*, has well analyzed the fundamental cause for the railroad troubles in the state following the Civil war. He speaks of the great expansion in railroads from 1850 to 1860, and then the great expansion in agriculture from 1860 to 1880, due to the improvements in farm machinery and the large number of men coming back from the Civil war and going to work on the farms. There was a steady decline in prices after the Civil war, and this decline was general in farm produce, since he produced statistics to show that the amount of agricultural products for the country at large averaged from two to three times as much in 1880 as it was in 1860.

On the other hand freight rates refused to respond to the general decline. Tempted by the rush of settlers to the northwest, the railroads, having extended their lines farther than sound business would warrant, found it necessary to hold rates up or go bankrupt, and many did both.

J. Q. Van Winkle, assistant to the vice-president of the Big Four, spoke of the over-expansion of railroads in this period. Nearly all the present Big Four lines in the state were built by then,

and there was not enough traffic to keep them all prosperous. I can remember when one combination freight and passenger train a day each way took care of all the business on the Bellefontaine between here and Union City, and this was true of other roads as well.

By keeping pace with the development of the territory it serves, according to Mr. Van Winkle, the Big Four does about eight times the business it did even when it was first organized in 1889, with the same lines of road.

So, it will be the writer's purpose to feature chiefly the "frenzied finance" in the building of the roads covered by the following sketches. They lack some of the romance of the pioneer period, but they have romance—for there is a sort of "over the hills and far away" fascination to railroading which makes it a romantic subject at any time or period.

THE INDIANAPOLIS, CINCINNATI AND LAFAYETTE

From the time of their building until after the Civil war the Indianapolis and Cincinnati and the Lafayette and Indianapolis were separate roads and reasonably prosperous. Some time before the Civil war, however, Henry C. Lord became president of the former road. A practical railroad man who later rendered good service as president of the Belt railroad of Indianapolis, his administration of the Indianapolis and Cincinnati nevertheless almost wrecked the line. This period was marked by the loose financing and the inflation in securities characteristic of railroads at that period, and at the same time Mr. Lord indulged in some impractical yet stupendous visions that would have been a credit to the well-known Col. Sellers of Mark Twain. The throes which the two railroads passed through after they were merged, the final readjustment and the changes which took place in their ownership and control until they were finally absorbed in the Big Four, will form the subject matter for this sketch.

The first step of what later was a great program of over-expansion of the Indianapolis and Cincinnati occurred when they in 1862 "bought the canal below Lawrenceburg, turned the water out and built the road into the heart of Cincin-

nati.”¹ It was largely instrumental in the building of the Cincinnati and Indiana railroad incorporated April 18, 1863, and which built the line from Cincinnati to the Ohio state line, being opened for traffic December 13, 1863.²

The extension of the road from Lawrenceburg to the state line was finished in 1863, and formed a connection with the Cincinnati and Indiana, “whose road it operated, under contract, from December 13, 1863, to February 14, 1867.”³ About the same time came the Harrison Branch project. William Dwight and Henry C. Lord entered into an agreement, dated July 21, 1863, whereby the Cincinnati and Indiana constructed a branch line between Harrison and Valley Junction, Ohio, which was opened to traffic January 1, 1864, and operated until February 14, 1867, by the Indianapolis and Cincinnati.⁴

Next came the Whitewater Valley Railroad company, incorporated June 8, 1865, under the general laws of Indiana. The object was to build a line from Harrison, Ohio, to Hagerstown, Indiana, there to make connection with other roads for Chicago, which was done. The capital stock was fixed at \$2,000,000—20,000 shares of \$100 each. The directors were seven in number, the first directorate being William Dwight, Henry C. Lord, Robert M. Shoemaker, Thomas A. Morris, John A. Farquhar, James Gaff, and Lewis Worthington. Their line, with its southern terminal at Harrison, was to be connected with the main line of the Cincinnati and Indiana at Valley Junction by the Harrison branch road. Although in the litigation over the other roads several years later, Henry C. Lord denied that they had owned the Whitewater Valley company, yet the directorate shows that it was controlled and probably financed by the same interests which owned and controlled the Indianapolis and Cincinnati and the Cincinnati and Indiana. They bought the Whitewater canal and built their track along the tow-path all the way to Hagerstown. The purchase price was \$137,348.12 and it is likely that Mr. Lord had this move in view when the Harrison Branch was built,

¹ John H. Holliday, *Indianapolis Sentinel*, Aug. 5, 1869.

² Annual Reports, N. Y. C. Lines, 1917, p. 450.

³ Annual Reports, N. Y. C. Lines, 1917, p. 449.

⁴ Annual Reports, N. Y. C. Lines, 1917, p. 452.

as the entire distance of the canal was sold to the Indianapolis and Cincinnati in 1863 for \$63,000, and the sale later was set aside by court action.⁵

Thus passed out of existence as a transportation medium one of the most picturesque internal improvements of pioneer Indiana—the Whitewater canal. It was agitated as early as 1822, made a part of the great Internal Improvements act of 1836, with an appropriation of \$1,400,000.⁶ Even the failure of the state finances did not stop the building of the canal, which was finished to Cambridge City in 1845 at a cost of \$743,000, and to Hagerstown in 1847.⁷ Great celebrations attended its opening, and many interesting and colorful tales are told of the traffic along its route. At the time it was built, there was a great argument over the comparative merits of railroads and canals. Even the very slowness of canal boats for passenger traffic was an argument advanced in their favor, as people could hold dances and social functions on canal boats and have all the pleasures of home.⁸ Canals, it was argued, could be constructed more cheaply than railroads and were less subject to decay, and a rather demagogic argument was that in building railroads

eastern capital had to be borrowed and money sent to England for rails, whereas canals were more in the hands of the people and a man may put his own boat and horses on the canal for a comparatively small rate of toll.⁹

However, the period of about 1830 was one of “the rising of the masses”, as ably described by Claude G. Bowers in his *Party Battles of the Jackson Period*, and such an appeal then had considerable weight.

Yet there were arguments advanced in favor of railroads at the same time. Railroads did not require the expensive repairs of canals, and could be used all the year, while canals were not navigable part of the year on account of freezing.¹⁰

⁵ Barrows, *History of Fayette County*, 279.

⁶ Margaret Duden, *Indiana Magazine of History*, 1909, p. 164.

⁷ Margaret Duden, *Indiana Magazine of History*, 1909, p. 164.

⁸ Levering, *Historic Indiana*, 232-3.

⁹ Blank, *Early Railroad Building in Indiana*.

¹⁰ Blank, *Early Railroad Building in Indiana*.

While some tried to make the slower speed of canals an advantage, the advantage of "more than double the speed of canals", which was possible by freight trains, was pointed out to shippers.¹¹ The Hon. Seth M. Leavenworth, writing in the *Indianapolis Journal*, March 20, 1827, in favor of railroads against canals, described a

self-moving machine called a locomotive engine which is placed upon a wagon and moves the wagon on which it is placed and likewise a train of wagons attached to it which contains the lading. It is capable of moving at the rate of 8 or 9 miles an hour with 90 tons of lading. He points out that railroads

may be made upon uneven ground, may pass through a hilly country as well as a level one. There is no limit to the business that can be upon them. They may be covered with wagons all moving with one uniform velocity. They are not stopped with ice in winter or drought in summer, neither do they, like canals, render their vicinity sickly in the summer season.

He takes issue with the statement that canals could be constructed cheaper than railroads, pointing out that "in England railroads are constructed for one-third or one-half the expense of a canal."¹²

Though railroads had their champions in the early days of Indiana, few regarded them as competitors of waterways, but "at the best they could be used only as feeders for those highways (canals, rivers and lakes)."¹³ Few had the vision of Gov. James Brown Ray, that staunch champion of railroads, who in his message of 1829 urged a railroad from Lawrenceburg up the Whitewater Valley, crossing the National road in Wayne county, and from thence proceeding to Fort Wayne.¹⁴ Finally, however, the growth of agriculture and industry in Indiana demanded transportation facilities of greater volume, speed and dependability than the canals furnished, so they were gradually supplanted by railroads. As Mrs. Ellen Semple says, "the strategy of transportation patronage lay in the question of reloading", and she also refers to a canal's "limi-

¹¹ Blank, *Early Railroad Building in Indiana*.

¹² *Readings in Indiana History*, Indiana University Extension Division, 358.

¹³ Editorial, *Indianapolis Sentinel*, June 1, 1869.

¹⁴ Blank, *Early Railroad Building in Indiana*.

tations due to shallow draft vessels and the short open season."¹⁵

The Whitewater canal was the first in the state to be supplanted by a railroad. All the elements mentioned above precipitated its failure, and one other. The Whitewater valley possesses steep wooded hills along its sides, which give it a scenic beauty which rivals the Mohawk valley of New York even the Moselle valley in Europe, but which are the cause of frequent and serious floods. According to Dr. Esarey, a flood in 1847 did \$100,000 worth of damage to the Whitewater canal, and

the repairs in the flood in the next year cost \$80,000. The Whitewater valley railroad paralleled it in 1865, and forever put it out of business.¹⁶

The railroad was constructed, opened for traffic July 21, 1868, and enthusiasm was roused all along the line.¹⁷

so people of Brookville were naturally delighted when the railroad was completed thus far.

John C. Shirk, of Brookville, sends the following, of interest in connection with the road's coming to that town:

I was a small boy when the railroad was completed to Brookville, but I can remember some of the things that occurred at that time.

The canal gave satisfactory service when operating, but the trouble was frequent rains and freshets carried away the dams and often washed out long distances of the canal banks, so that the expense of keeping it up was so great that it did not pay to keep it in repair. It was at this time the company sold the canal to the Big Four railroad. Brookville had for some time been without transportation facilities to Cincinnati.

A celebration was had and a general jubilee. Immediately a very large excursion was run to Cincinnati.¹⁸

The road was operated by the Indianapolis, Cincinnati and Lafayette, or its receivers, from its completion until May 1, 1871.

¹⁵ *American History and Its Geographical Conditions*, 386.

¹⁶ *History of Indiana*, Vol. I, 376.

¹⁷ N. Y. C. Lines, Annual Reports, 1917, p. 456.

¹⁸ Mr. Shirk was suggested to the writer by George Price, of the Mechanical Engineer's office, Beech Grove, whose father helped in the construction of the road.

From May 1, 1871, to March 5, 1875, the company operated its own line, and also operated under contract the Harrison Branch railroad, extending from Valley Junction to Harrison, Ohio, and also, during part of 1874 operated under lease the Cincinnati and Whitewater Valley railroad extending from Valley Junction to North Bend, Ohio.¹⁹

The fortunes of the Whitewater Valley road were so bound up for years with those of the Indianapolis, Cincinnati and Lafayette, that its later experiences and trials will be related in connection with that line.

After getting under way the Whitewater Valley line of road, President Lord next turned to the Cincinnati and Martinsville railroad. This had its beginnings in one of the old lines of railroad in Indiana, the Martinsville and Franklin. This road was incorporated by special act of the legislature, January 20, 1846, amended in 1847 and 1851. The minutes of the meetings of its commissioners, as the directors were called, have been preserved in the secretary of state's office. While it is only 26 miles from Martinsville to Franklin, they had great faith in their railroad, though on May 13, 1848, the subscriptions amounted to only \$27,650, consisting of cash, \$13,850, labor \$2,400, materials \$2,750, and real estate \$8,650. Still, they had opened subscription offices in Martinsville, Morgantown, Williamsburg, Vernon, Madison, Cincinnati, Bloomington, Mt. Taber and Gosport; and we read the following in the minutes of the meeting of May 1, 1848:

On motion of John Eccles, the following resolutions were adopted:

Resolved, that Col. John Vawter be and he is hereby appointed solicitor for the subscription of stock to the Martinsville and Franklin Railroad Company, and that he be requested to take with him when on his tour to the Whig national convention, to be holden at Philadelphia in June next, a subscription book, and that he use his best endeavors to obtain stock in the city of Philadelphia as well as in all the cities he may visit on his tour aforesaid, and that he be authorized to take with him the book which has been deposited at Vernon for the purpose of receiving subscriptions, and that he be allowed a reasonable compensation for his services, to be credited on the books of the company as stock.

The road was finally opened to traffic May 17, 1853, was operated by the Madison and Indianapolis from that date to

¹⁹ N. Y. C. Lines, *Annual Reports*, 1917, p. 456.

May 17, 1858, under a five-year lease.²⁰ The cost of the road is given in the *Railway Times* in January, 1854, as \$590,000. In those days it was a typical old-fashioned "jerk-water" road, and once "when the engineer hit up the train to twenty-five miles an hour, the great alarm of the passengers" caused the superintendent, who was on the train, to take charge of the engine in person. The following incident of travel on the Martinsville and Franklin is related by E. C. Thompson of Edinburg and Irvington:

The crew got off at a switch and helped themselves to apples in a nearby orchard. As they were helping themselves to fruit a man and woman came down from the adjacent farmhouse and Thompson expected them to make a protest against the trespass. On the contrary, the man made them welcome, evidently being glad to see visitors, and the woman sealed the friendliness by delivering to the conductor some samples of dry goods asking him to match them at Martinsville and bring back her money's worth on his return. The conductor accepted the samples and the commission, and in due time they ambled on.²¹

After the Madison and Indianapolis ceased operating it, the line did little business. On October 19, 1858, it was abandoned, and sold on May 19, 1859, under foreclosure by the United States marshal to Franklin Nichols, who with his associates reorganized it as the Franklin and Martinsville.²² Still the line lay idle until September 20, 1865, when

the stockholders of the company and citizens living along its lines entered into an agreement with Gen. Ambrose E. Burnside, whereby the latter received all the capital stock of the Franklin and Martinsville Railroad company and various contributions from the citizens, in consideration for which he agreed to rebuild the road and extend it to a connection with the Indianapolis and Cincinnati railroad. On September 26, 1865, under general laws of the state of Indiana, General Burnside and associates caused the incorporation of the Cincinnati and Martinsville Railroad company.²³

Few who are familiar with General Burnside's brilliant record as commander of the Ninth corps in the Army of the

²⁰ N. Y. C. Lines, Annual Reports, 1917, p. 451.

²¹ *Indianapolis News*, July 8, 1922.

²² N. Y. C. Lines, Annual Reports, 1917, p. 451.

²³ N. Y. C. Lines, Annual Reports for 1917, p. 452.

Potomac during the Civil war or who remember from his portraits the famous side-whiskers which have given their prototypes everywhere the name of "Burnsides", know that after the Civil war he returned to Indiana and engaged in the building of railroads. The Cincinnati and Martinsville was only one of the roads with which he was prominently identified; he figured largely in the building of the Indianapolis and Vincennes, the Cairo and Vincennes, and other roads.

On the same day the Cincinnati and Martinsville was incorporated, the board of directors authorized an extension from Franklin to Fairland, just north of Shelbyville, where it connected with the Indianapolis and Cincinnati.²⁴ It reconstructed the line from Franklin to Martinsville and also put through the Fairland addition, and the rejuvenated line was completed June 14, 1866. It is significant that from this date forward the road was operated by the Indianapolis and Cincinnati and its successors, thus becoming a link in their program of expansion. The latter were heavily interested in the construction and operation of the Indianapolis and Vincennes, which joined their main line at Indianapolis, and the Cincinnati and Martinsville at Martinsville, and which was built in 1869. This matter will be considered in more detail later.

Finally, the biggest move for the Indianapolis and Cincinnati was the acquisition of the Lafayette and Indianapolis. According to J. P. Dunn, Henry C. Lord started a rival road from Indianapolis to Crawfordsville in 1866, and the fear of the competition it would cause largely influenced the Lafayette and Indianapolis to sell out.²⁵ Though admitting the accuracy of Mr. Dunn as a historian, C. R. Myers, general agent of the Big Four, does not think that this line was the whole cause of them selling to the Indianapolis and Cincinnati, as the two roads do not really serve the same territory. Whatever the cause, Mr. Lord dropped the new line as soon as he acquired the Lafayette and Indianapolis, and local capitalists

²⁴ *Ibid.*, 452.

²⁵ *Greater Indianapolis*, 254.

finished it. It is now part of the Peoria and Eastern, and as such will be considered in a later sketch.

The consolidation of the two roads became effective February 14, 1867, with the agreement that all officers and directors on both lines were to continue to the end of their terms.²⁶ A bond issue, evidently to finance the consolidation of the roads, was authorized in the articles of consolidation, to the amount of \$2,800,000, secured by a deed of trust which gave the bond holders a first lien on the property of the Lafayette and Indianapolis. William F. Reynolds, president of the Lafayette and Indianapolis, was appointed trustee and agent for these bonds, and the stockholders of that road were given the privilege of taking bonds in lieu of the stock of the consolidated company. The name of the consolidated company was the Indianapolis, Cincinnati and Lafayette Railroad company. So, the Indianapolis and Cincinnati had absorbed the Lafayette and Indianapolis, and secured control through ownership or operation of the following roads:

Cincinnati and Indiana
Whitewater Valley
Cincinnati and Martinsville
Harrison Branch
Indianapolis and Vincennes (partial ownership).

The effect of this expansion was showing plainly for the worse by 1870. Holloway's *Indianapolis*, written about that time, says that the road "in attempting too much, broke down."²⁷ The following tonnage statement from the same work,²⁸ covering the operations of the Indianapolis, Cincinnati and Lafayette during 1870, tends to show that Dr. Esarey and Mr. Van Winkle are right in their statements that the business of the early roads was mostly supplied from the farms and country towns of the state, and that the expansion of the railroads after the Civil war was greater than the amount of this business warranted.

²⁶ N. Y. C. Lines, Annual Reports, 1917, p. 450.

²⁷ *Ibid.*, 336.

²⁸ *Ibid.*, 336.

	Whole line	Forward, from Indianapolis	Received Indianapolis
Bushels corn	737,020	111,684	53,554
Bushels wheat	1,124,085	146,253	333,879
Bushels oats	197,186	72,519	13,600
Bushels Rye & Barley	202,953	17,755	18,009
Tons Iron	14,333	2,958	7,427
Cars Coal	3,211	267	497
Cars Lumber	4,901	499	2,080
Cars Staves	2,235	104	1,083
Cars Shingles	226	4	88
Cars Hoop Poles	90	8	45
Cars Stone and Lime	3,273	22	1,873
Cars Horses	413	99	177
Cars Cattle & Sheep	1,328	499	179
Cars Hogs	3,195	945	367
Barrels Flour	292,298	68,754	42,297
Barrels Whiskey	61,367	6,182	12,347
Barrels Salt	74,326	1,718	24,187
Barrels Pork & Lard	9,887	949	794
Barrels Tallow & Grease	6,410	2,252	88
Tierces Pork & Lard	9,842	3,154	181
Tierces Tallow & Grease	1,363	824	1
Pounds frt., all kinds	923,763,050	134,994,653	243,901

The financial statement of February 1, 1870, shows the desperate straits of the company.²⁹ The capital stock was \$5,685,497.50 (probably some of this stock was watered), and the funded debt had reached the enormous total of \$7,358,931.36. The total earnings for the year had been \$1,921,274.26, but operating expenses, taxes, etc., were \$1,213,781.31, and interest had been paid on bonds and bills amounting to \$538,511.18. This left less than \$200,000, whereas bills payable came to \$475,628.51, and "other liabilities", \$200,000. The officers, given in the statement, were as follows: President, H. C. Lord; vice-president, W. W. Smith; treasurer, W. T. Boaz; superintendent, J. F. Richardson, all of Cincinnati; assistant superintendent, H. L. Hall, Lafayette; master mechanic, H. M. Britton; general ticket agent, A. E. Clark; general freight agent, H. J. Page; purchasing agent, G. L.

²⁹ Poor, *Manual of Railroads*, 1870-1.

Barringer, all of Cincinnati; directors, T. A. Morris, Indianapolis; A. R. Forsyth, Greensburg; L. P. Lewis, Lawrenceburg; H. C. Lord, W. W. Smith, William A. Booth, Cincinnati; John S. Kennedy, George Bliss, New York City; Joseph S. Fay, Boston. The general offices, it is seen, were at Cincinnati; the shops had been removed from Indianapolis to that city about 1861, and from Lafayette after the consolidation with the Lafayette and Indianapolis.³⁰ However, though there are several shops in Cincinnati today, the division has car shops at Hill Yards, in the extreme southeast part of Indianapolis, and also shops at Lafayette.

The road went into the hands of receivers early in 1871, to be followed by two suits in bankruptcy against it within a very short time. The first was the petition of J. F. Richardson, et al., filed May 5, 1871. In this petition the following claims were presented for adjudication: A note of the company for \$4061.84 to the order of Joel F. Richardson, a note of the company for \$16,300 to Henry C. Lord and indorsed by him to Zephaniah Heustis, and 18 notes or vouchers ranging from \$3100 to \$12,000 each, payable to Eri Richardson. The petitioners alleged that the company had committed the following acts of bankruptcy:

1. On November 17, 1870, assets of the value of more than \$2,000,000 to be and being all of the property of said corporation in said State of Ohio to be taken possession of by receivers appointed by the court of common pleas of Hamilton county, Thomas A. Morris and William T. Boaz, defendant plaintiffs, intending to defeat the bankruptcy act.

2. About August 25, 1871, in order to satisfy a debt they owed to the Whitewater Valley Railroad company for about \$60,000, they transferred "certain assets of the company" consisting of \$10,000 in cash, various supplies of the company, which were listed in detail amounting to about \$20,000, a claim of about \$20,000 against Greenwood and Smith, a large number of engines and cars leased to them for three months without cost, and materials and supplies given to them for use "with intent to give preference to the said Whitewater Valley railroad and to defeat the operation of said bankruptcy act."

3. From March 1, 1871, to the end of April, 1871, the company's property in the State of Indiana was taken in by receivers, Thomas A. Morris and Melville E. Ingalls, appointed by the civil court in Marion

³⁰ Holliday, *Indianapolis Sentinel*, Aug. 5, 1869.

county, which act was alleged to have been done "with the intention to defeat the operation of said bankruptcy act."

4. On December 16, 1870, the company, "being a manufacturer", suspended payment of the note mentioned previously, which was made out to Henry C. Lord and indorsed by him to Zephaniah Heustis.

5. The company, being insolvent, made a payment of \$20,913.41 to the executors of Nicholas Longworth in full for their indebtedness as preferred creditors to defeat the operation of the bankruptcy law.

The petition of the city of Lawrenceburg, filed July 3, 1871, is much shorter and simpler. The city of Lawrenceburg had issued \$25,000 worth of bonds at 6% interest, payable in twenty years, and dated February 15, 1851, for 558 shares of the capital stock of the Indianapolis and Cincinnati; mention of this issue was made in the sketch on the early history of that road. The company later bought back 556, or all but two, of these shares, under the conditions that it was to keep up the interest on the bonds and to deliver them at maturity to the city. Meanwhile, the bonds matured February 15, 1871, the company failed to redeem them, and the city of Lawrenceburg had some interest to pay on them. The city took up one of the bonds for \$1000 from a Mrs. Moore, in order that they could proceed in bankruptcy against the Indianapolis, Cincinnati and Lafayette. Its principal allegation was that on June 5, 1871, a petition to remove the receivers was set aside by the Marion civil court, continuing the receivers in possession of the property "with intent to delay, hinder and defraud its creditors." The road filed denials of both petitions, of that of J. F. Richardson, et al., on May 12, 1871, and that of the city of Lawrenceburg on July 12, 1871. John F. Richards, as mayor, acted for the city of Lawrenceburg.

The case was a long and bitterly fought one, and the pleadings and evidence may be found in book form in the Indiana State library. Walter Q. Gresham, later secretary of state under President Cleveland, was judge of the United States district court at the time, so the case was tried before him. John D. Howland was clerk and Benjamin J. Spooner United States marshal for the court. The array of legal talent was very imposing, and included Henry Crawford of Chicago, Ray

and Davidson of Indianapolis, George E. Pugh, D. T. Wright, and Matthews and Ramsey, of Cincinnati; John Swartz and Carter Gazlay of Lawrenceburg, for the petitioners; Hoadly, Jackson and Johnson of Cincinnati; Hendricks, Hord and Hendricks, McDonald, Butler and McDonald, and Porter, Harrison and Hines, of Indianapolis; and J. D. Cox and T. D. Lincoln of Cincinnati, for the defendants. It is significant that among the attorneys for the defendant were three men who either were or later became United States senators from Indiana—Thomas A. Hendricks, Joseph E. McDonald, and Benjamin Harrison. Of course, Mr. Hendricks later became vice-president and General Harrison, president.

William W. Smith, vice-president of the railroad company, when on the stand, testified as to the debt of the company. It owed \$800,000 in bills payable, besides some "open, unadjusted accounts", a mortgage issued in 1858 for \$1,500,000 on the line from Lawrenceburg to Indianapolis, a mortgage of \$2,800,000 made in 1867 covering the line from state line to Lafayette, and a third on the line to Lafayette and some property in Ohio, issued in 1868 for \$2,000,000, besides two mortgages aggregating \$2,500,000 of the Cincinnati and Indiana, largely owned by the Indianapolis, Cincinnati and Lafayette. All these mortgages had trustees, being made to secure bond issues. The following testimony shows the troubles the company was having:

Q. State whether at that time in October (Oct. 10), 1870, the company was in possession of means to pay its pay roll—its operatives—according to the usual habit.

A. Pay-day had been postponed, I think, in October. The treasurer may have had the money, but if so, it was needed for other purposes—to save the company from protest—and was applied to other purposes than the payment of the men.

Q. Were the operatives of the road paid in October at the time they were payable, and usually paid?

A. I think not.

Q. What did the pay roll amount to?

A. It was from fifty to sixty thousand dollars a month.

Q. Calling your attention to the mortgage liability of the company, state whether or not the company was in default in the payment of interest on its coupons.

A. Up to that time, there was a large amount of unpaid coupons, but they were not protested; they were held back and not presented, by agreement. My recollection is that the amount of the coupons at that time was about \$175,000 dollars.

Q. State whether they were held back from the inability of the company to meet them.

A. It was, by agreement.

Q. Did the company have the money to pay them when they came due, when the agreement was made?

A. Probably the correct answer to that would be that when the agreement to have the coupons held back was made, the money was desired for other purposes. It was a way of making a loan. The company, if it had been pressed, could probably have paid them off by borrowing money or leaving somebody else unpaid.

Q. State whether, during the last two or three months preceding the month of October, 1870, the corporation was borrowing money in the city of Cincinnati from various banks or bankers.

A. She was.

Q. To a large or small extent?

A. Some days she would borrow five thousand, some days as much as twenty-five and on some occasions even as high as thirty or forty thousand dollars.

Q. At what rate of interest?

A. On the smaller loans—say of five, ten or fifteen thousand dollars—she paid as high as one per cent a month.

Q. State whether the loans were call loans or loans on time.

A. They were of both kinds. Sometimes there was a commission to be paid, besides the interest.

Q. Did there have to be indorsements furnished?

A. Always.

Q. Who mainly was furnished as indorser by the company?

A. At Cincinnati Mr. Lord was the indorser.

Q. Exclusively?

A. I might say exclusively.

Q. For what use was the money necessary, and to what use was it applied?

A. Mainly to carry the floating debt.

Q. Explain what you mean by carry.

A. We would borrow from one bank to pay another.

Q. For what length of time had that continued prior to October, 1870—this habit of borrowing from one party to pay off another?

A. The operation of "shinning", as we call it there, had been going on for two or three years.

The move to go voluntarily into the hands of a receiver, according to testimony introduced, was decided upon at a

meeting in the office of Hendricks, Hord and Hendricks in Indianapolis, October 24, 1870, at which most of the directors were present. "The company was unable to meet demands pressing or to be made shortly, and pay rolls were postponed," and General Morris and Mr. Boaz resigned their offices to become receivers in Ohio.

In support of the second count, the transaction with the Whitewater Valley company, the petitioners introduced as evidence the agreement of January 26, 1871, between the Indianapolis, Cincinnati and Lafayette, in the hands of receivers, and the Whitewater Valley Railroad company, which read in part as follows:

Now therefore to avoid these dangers (threat of bankruptcy and legal proceedings), which are regarded as ruinous to both parties, and enable the party of the first part (the Indianapolis, Cincinnati and Lafayette) to avoid bankruptcy and the party of the second part (the Whitewater Valley) to regain possession of its railroad and to procure rolling stock, the said parties have mutually agreed to cancel said lease and all the covenants therein contained.

The cancellation of the lease, it was stipulated,

shall in no wise effect the right of the party of the second part to the unpaid rent which shall be due and in arrears on said lease on the first of February next.

The language of this agreement was so plain that the defense could not very well refute it, but they answered that the claim they held against Greenwood and Smith was of doubtful value, and that they thought the Whitewater Valley people could better collect it.

Some contention was raised over the fourth count, that the company, "being a manufacturer," suspended payment on a note in question. However, in those days, there was a manufacturer's tax to be paid to the federal government; and the petitioners showed that the company had built cars for Dodge, Lord and company, and introduced the deposition of Deputy Collector of Internal Revenue Brackett, of the Ohio district, to the effect that the company had paid for a manufacturer's license and also a tax on manufacturer's sales. They were to be considered a manufacturer, Mr. Brackett said, even if they

built cars or locomotives for their own use, and were taxed the same as if they had sold them.

The matter of the payment to the Longworth estate concerned nine tracts of ground in Cincinnati used for tracks and various other railroad purposes. The leases contained provisions that in case the rent was not kept up, the estate had a first lien on the property and could re-enter it. The rent was kept up by the company, especially as some of the tracts contained facilities used jointly with other roads, which would lead to serious consequences in case of forfeiture and re-entry by the Longworth heirs.

The defense introduced evidence to try to discredit the claims of the petitioners, and much of it was directed at Henry C. Lord, president before the receivership. Joel F. Richardson had been paid his salary as superintendent according to Alexander Worth, secretary and later auditor for the receivers; and he said he supposed the notes at issue were for his operation of the Vincennes road. Asked about this Mr. Richardson testified as follows:

I rented the track of Mr. Branham (the builder) in the first place. Mr. Branham asked me if the Indianapolis, Cincinnati and Lafayette Railroad company would not put an engine and some cars and do the business of the Indianapolis and Vincennes road, as he finished it; he was building the road. I told him I did not see why they could not; but I consulted with Mr. Lord and he said that it could not be done on any consideration. I asked him the reason, and he said there were contracts that would not allow the Indianapolis, Cincinnati and Lafayette road to put their cars on there or run them. I then told him the Indianapolis, Cincinnati and Lafayette road ought to secure the business on that line as much as possible; and I then asked him if he would rent me the rolling stock to run it at a fair rate, and he told me that he would. Then I entered into an agreement with Branham & Co. to run the road, and the Indianapolis, Cincinnati and Lafayette road furnished me an engine and some passenger and freight cars. I made the agreement with Mr. Lord that the business of the Vincennes road should be done at our office by our general ticket and freight agents. I ran the road, then, until probably February or March, 1869. The road was in bad condition, and it was wet weather and I saw we were not making much, or not making anything. I saw the road was very bad, and if I happened to ditch a train it would be pretty heavy on me. I said to Mr. Lord: "I am going to give this thing up; I will go and see Branham and tell him I do not want to run it any longer." I told Mr. Lord I was

discouraged; that I was afraid I would make a mishap, run off the track or something of the kind that would cost me a good deal of money. Mr. Lord then said: "This company needs the business, and if you will continue to run it I will back you." Said I: "Do I understand you to say, that you will stand the losses with me?" "Yes," said he. "Well, then," said I, "you shall have half the profits." Then I went ahead and ran the road until the track was connected under that arrangement—till the track was finished from Vincennes to Indianapolis.

The witness testified that he and Mr. Lord had at the time "pretty much" settled their accounts; the profits due them, handled by the financial department of the Indianapolis, Cincinnati and Lafayette, amounted to about \$26,000 paid in notes. The witness thought he had indorsed over to Mr. Lord enough to pay his share, all of them being made payable to him; and one of these notes, for \$13,000, after Mr. Lord's share had been given him, called for payment of 10% interest, the witness "guessed."

Judge Hoadly, for the defense, introduced as evidence a lease given by the road to J. F. Richardson, whereby he was given a monopoly on the coal to be furnished to the road, from his privately owned elevator at Cincinnati, and preferential rates in shipping material over its line. Such a lease today would be a flagrant violation of the transportation act, and would bring serious legal consequences to a road making it; as it was, Judge Hoadly introduced it to show that

these receivers were appointed in good faith and through the agency of the stockholders for the purpose of preventing the road from being ruined by a ring of its officers, and further to show that every dollar received by Richardson is money belonging to the company.

Why Mr. Lord issued the note indorsed by him to Zephaniah Heustis was not made entirely clear, but efforts to prove that Mr. Heustis, who was a passenger conductor on the road, with nearly twenty years service to his credit, was a drinker and gambler and had endeavored to interest his fellow conductors in a pool to take \$20,000 out of the company money passing through their hands until his claim was satisfied, were not successful.

The notes to Eri Richardson were for wood supplied to the company for their wood-burning locomotives. He had a contract to furnish wood at \$3.00 a cord for the line from Cincinnati to Indianapolis and \$2.75, for the Lafayette and Martinsville sections, and to furnish cross ties for the road at 35c each, which contract was somewhat elastic in that it allowed for a small advance in price. The testimony of several men who sold him wood for the road did not prove anything of importance, but evidence was introduced to show that Mr. Richardson had bought several hundred acres of land from Henry C. Lord for \$13,500, though it was mostly woods and its value was estimated at only about \$20 an acre at the time. Therefore, collusion was hinted at between Richardson and Lord, and the defense contended that the "claim was so large that it could not be honest."

In connection with this wood contract, the testimony of Alexander Worth, former secretary of the company, and at the time auditor for the receivers, is interesting and is partially reproduced:

Q. You never told them (the men that sold the wood) that Mr. Richardson was buying their wood.

A. Of course not. We had padlocks on our mouths all the time about these things.

Q. Who put the padlock on your mouth?

A. This corporation has been a close corporation for years—that is a thing understood. That close corporation was made by the stockholders themselves. I was positively forbidden to make known to anybody the contents of my books; I was simply to do my clerical duties.

Q. Who put the padlock on your lips?

A. Proxies were given every year, and to my astonishment, throwing the whole control of this company and of the road into one man's hands and making it a one-man power. It seemed as if there was a fatality about it; it seemed strange that while these men knew that they were receiving no reports—full, itemized, extensive reports of the doings of this company that had been repeatedly promised them, they still gave their proxies, all combining to establish a certain course of operating the road, one feature of which was: "You operators of the road keep quiet; be still; say nothing; we are in trouble; we are in financial difficulty." That was about it. Out of this thing there grew a close corporation, "known and read of all men" that were interested in this company directly or indirectly.

Q. You mean that the company was insolvent and wanted to keep it quiet?

- A. I did not say that.
- Q. You mean that it was about to become insolvent?
- A. I did not say that, either.
- Q. You mean, then, that the company was in great financial distress?
- A. Perhaps you would state it in that way.
- Q. Is that what you mean or not?
- A. Yes, sir.
- Q. And they wanted to keep it quiet, so that the public would not find it out—is that it?
- A. You ask Mr. Lord about that—I suppose he will tell you.
- Q. Suppose you tell us. You say, for the purpose of keeping that threatened insolvency and that financial embarrassment of the company quiet, you were to keep still—is that the idea?
- A. That is about it.
- Q. That is *just* it, is it not?
- A. That is about it.
- Q. That is the “padlock”?
- A. That is the padlock.
- Q. You were not literally padlocked then, but to hide this embarrassed condition of the company you were required to keep still and that is what you meant by the padlock?
- A. Yes, sir; it was not a literal padlock, but a metaphorical padlock.
- Q. That padlock is removed now?
- A. Yes.
- Q. How long since it was taken off?
- A. It has been eight months now.
- Q. You now feel quite free?
- A. I do, indeed, sir.
- Q. There is no padlock on your lips now?
- A. No, sir.
- Q. You feel *very* free?
- A. Yes, sir; just like a bird just out of a cage.

The case wore on for several years, and in the meantime the road was first in and then out of the hands of receivers. According to the Annual Reports of the New York Central lines for 1917,

the road was in the hands of a receiver for three periods aggregating about five years, but including these intervals the road was in this company's (Indianapolis, Cincinnati and Lafayette's) name from February 14, 1867, to March 6, 1880.³¹

³¹ p. 450.

Considerable bitterness was shown at times between some of the men, especially between Henry C. Lord and some of the others. He started the movement in 1872 that led to one of the temporary removals of the receivers, and the two receivers, General Morris and Melville E. Ingalls, made affidavits severely denouncing Mr. Lord. Thereupon the latter made reply, to the effect that

the innuendoes and reflections of the said Morris and Ingalls upon the former management of the said bankrupt railroad by your petitioner have nothing to do with the case before the court, that they are impertinent, irrelevant and intended for the public and not for the court.

It was charged that he had not accounted for some of the bonds entrusted to him to sell, and had conspired with others to depreciate the stock of the company so it could be bought cheap, which he denied. He in turn charged that Mr. Ingalls tried to interest the important financial house of Perkins, Livingston and Post of New York in joining him "in a private scheme", and that the receivers had caused him (Mr. Lord) to be sued on a fictitious claim,

to intimidate and discredit him, to alarm the creditors of the company, and to force your petitioner into acquiescence in the wrongful designs of the receivers.

He also made the following statement:

This petitioner further states that, in January, 1871, he was informed by Judge George Hoadly, of counsel for said receivers, that if he would secure to the creditors of said railroad company, holding his indorsement, the sum of twenty per cent. of their said claims, the said receivers, assisted by said Hoadly, would secure his release from his said indorsements, and that the company would make up the said amount to him in income bonds at par. This petitioner thereupon agreed to said proposition, but the said receivers and their counsel wholly failed to carry out said agreement, or any part thereof, and your petitioner was, in the meantime, sued by sundry creditors of the company upon his said indorsements, and threatened with other suits by other creditors holding such indorsements, and subjected to great annoyance and expense, and his property placed in great hazard, so that he was in instant peril of being forced into bankruptcy, and the said Hoadly then advised him to file a voluntary petition in bankruptcy.

And this petitioner further replies that, in the month of April, 1871, the said Hoadly called upon the petitioner, and after stating to him

that he (Hoadly) knew nothing of the state of accounts between said company and himself, asked the consent of this petitioner to the bringing of a sham suit by said railroad company against himself for a half million dollars, stating that the stockholders wanted by that means, to alarm the creditors of the company holding the indorsement of his petitioner, so that they would accept for their claims such terms of compromise as might be offered to them by said company, or the said Morris and Ingalls. This petitioner failed to recognize either the honesty or expediency of the proposed transaction, and refused to lend his aid to any such scheme.

He accused Judge Hoadly and others of buying claims at a discount and also depreciating the company's capital stock. According to the agreement of June 1, 1871, the unsecured floating debt of the company was to be paid by income bonds, and this declared to be

about \$1,500,000, whereas according to a printed report of the receivers in November, 1871, it was declared to be less than \$750,000.

He characterized as "false and scandalous" charges of personal interest in the contract for the operation of the Indianapolis and Vincennes railroad, and the contract with Eri Richardson for fuel and cross ties, and also the charges of fraud in connection with the lease of the Whitewater Valley railroad and the Harrison Branch road, and had the following to say in the matter:

And your petitioner further replies, according to the best of his knowledge and belief, that the act of the receivers, in cancelling the lease of said Harrison Branch, was an outrage upon the stockholders and creditors of said bankrupt company; that said lease was then largely profitable to said company, and daily becoming more profitable, and that said Whitewater Valley Railroad company, taking a wise advantage of the folly of said receivers, has since taken a lease of said branch, paying therefor an annual rental equivalent to nearly sixteen per cent. on the cost thereof; that the said lease of the Whitewater Valley railroad was a wise and judicious one, destined to have been a very profitable one, essential to the protection of the Indianapolis, Cincinnati and Lafayette railroad in all her western and northwestern traffic, and that in cancelling it, said receivers have surrendered solid and permanent advantages, and opened and aided a railway line which is destined to prove its most dangerous and successful competitor for all the trade between Cincinnati and the north and northwest, whereas, if

operated and controlled by said bankrupt company, it would have been equally a source of profit and a means of protection.

The desperate straits of the company are shown in the annual report for 1875. It still operated the Cincinnati and Indiana and the Whitewater Valley roads, but announced that

the stockholders and bondholders of this company are in litigation and this contract is liable to be terminated by such litigation; so far it has cost us nothing, neither have we received much profit.

The company had issued funded debt bonds to the stockholders in 1873 in settlement of their claims; but it was not possible even to pay the interest falling due on them January 1, 1876, so they were changed to preferred stock in order that steps could be taken to provide for some Cincinnati and Indiana bonds about to become due. Though operating expenses had been reduced from 64.43% to 59.77% due to the reduced cost of labor and materials, there had been a loss in freight business due to the depression in business and "the opening of the Chicago division of the Baltimore and Ohio railroad." A new system of accounts had been installed which make the balance sheet look even modern, and the books were audited by "Richard Wilson, public accountant of Cincinnati." This is the first time that a public accountant had been mentioned in connection with the road; this was a new profession at the time. The profit and loss account, which shows most vividly the troubles the road was having, is as follows:

Debit	
To balance, June 30, 1874.....	\$ 9,500.51
Operating Expenses	1,056,312.43
Taxes	39,938.66
Interest on floating debt.....	33,542.60
Bond interest, Cincinnati and Indiana....	650,699.50
	<hr/>
	\$1,789,993.70
Credit	
Gross earnings	\$1,767,231.41
To balance	22,762.29
	<hr/>
	\$1,789,993.70

It will be seen that the earnings were large, but that taxes and interest were making such inroads on the finances that a deficit of \$9500.51 had been increased to \$22,762.29 by the year's work. In fact, taxes had increased \$9,616.05, interest on the floating debt \$8,230.27 and bonded interest \$36,000. The troubles the company was having with taxes reminds one of the high railroad taxes of today. The taxes of some roads amount to almost as much as their dividends, and Mr. C. R. Myers, general agent for the Big Four, says that 55,000 passenger fares to Cincinnati are necessary to pay the annual taxes for that road in Marion county, Indiana, alone.

The road in 1875 had 1160 cars, consisting of 727 box cars, 49 stock cars, 66 coal cars, 289 flat cars, 2 tool cars, 2 camp cars and 25 caboose cars. During the year it had renewed 85,300 cross-ties, had laid five and one-fourth miles of steel rails (they were just coming into use then), which made twenty-seven and one-half miles of steel rail in the company's tracks, and they renewed twenty-four miles of iron. The extra cost of four hundred and fifty-one tons of steel over an equal amount of iron was \$9,259, and besides, the cost of new side tracks for the year past was \$2649.

Some interesting facts about the equipment at the time is revealed in various places in the report of the evidence in the bankruptcy case. The value of locomotives then in use was placed at \$4000 to \$5000 apiece; "now a standard Big Four freight engine costs \$71,725 and a standard passenger engine \$61,200," says Mr. Myers. Second class passenger cars were worth only about \$2500 apiece and baggage cars which had been "used a good while" were worth \$1700. Freight rates then were still much lower than those of today. J. F. Richardson testified that under his supervision of the Indianapolis and Vincennes road it had turned over to the Indianapolis, Cincinnati and Lafayette as freight an average of about four carloads a day, yielding an average revenue of about \$100 a day.³² This meant only about \$25 a car; and allowing a mini-

³² Mr. Richardson later became superintendent of the Belt Railroad of Indianapolis under the presidency of Henry C. Lord. See Geo. S. Cottman, *Indiana Magazine of History*, 1907, p. 166. The Indianapolis, Cincinnati and Lafayette were changing a large number of their engines from wood-burners to

imum of twenty thousand pounds to the car, which is below the minimum allowed today on all but a very few classes of freight, this would mean an average freight rate of only twelve and a half cents to the hundred pounds, far below the present rates for any considerable distance as allowed by the Interstate Commerce commission. The cars used on the Vincennes road were mostly the "White Line" cars of the Bellefontaine road, even then controlled by the New York Central. That the pay of employes was far below what men of the same class are now getting is shown by the testimony of Zephaniah Heustis, who testified that he had started as a freight conductor about 1853 or 4 at fifty dollars a month, was advanced to passenger conductor at eighty dollars a month in 1857, his salary raised to one hundred dollars a month during the Civil war but cut to ninety-five dollars a month under the receivers.

When the Indianapolis and St. Louis leased the Terre Haute, Alton and St. Louis in the sixties (this matter will be treated more fully in the sketch of the Indianapolis and St. Louis), the Indianapolis, Cincinnati and Lafayette was one of the guarantors of the provisions of the lease. When the Indianapolis and St. Louis failed to pay the agreed minimum in 1878 and the case went to court, the Indianapolis, Cincinnati and Lafayette on account of insolvency, could not pay its share.

Finally the company was sold under foreclosure at public sale, February 22, 1880, by a committee of the creditors, consisting of George Hoadly, Hervey Bates of Indianapolis and George T. Bliss of New York. It was reorganized as the Cincinnati, Indianapolis, St. Louis and Chicago, which acquired under deed of March 6, 1880, the lines of the Indianapolis, Cincinnati and Lafayette and the Cincinnati of In-

coal burners—a very expensive proposition, especially when the engine had a narrow water-space as then it was necessary to build an entirely new fire box. At one time during the litigation, the road had fifty-two locomotives, about half of which had been changed to coal burners; the defense introduced this evidence, endeavoring to prove collusion between Mr. Richardson and Mr. Lord for the special benefit of the former's coal contract with the Indianapolis, Cincinnati & Lafayette.

diana.³³ The capital stock was fixed at \$4,000,000, and the following were directors, according to the articles of incorporation: Thomas A. Morris, Charles W. Short, George Wilshire, George Hoadly, S. J. Broadwell, M. E. Ingalls, John King, Jr., Thomas D. Messler, Thomas R. Perkins, George T. Bliss, Thomas H. Sharpe, Charles G. Ludlow and Hervey Bates. The road prospered under Melville E. Ingalls as president, who had been sent out to Cincinnati to look after the road by the eastern capitalists in the seventies. "He came as a young lawyer," said J. Q. Van Winkle, assistant to the vice-president of the Big Four, "but he became a very capable railroad official."

The subsidiary lines of the Cincinnati, Indianapolis and Lafayette suffered the same fate as the main line. In November, 1879, the mortgages of 1869 and 1873 against the Cincinnati and Indiana were foreclosed. The Whitewater Valley road had issued a first mortgage on its property, August 1, 1865, to secure one thousand corporate bonds of one thousand dollars each, paying 8% annual interest, but it defaulted even on the payment of interest on these bonds. Suit was brought against it in the United States Circuit court on January 23, 1875, and it was finally sold at Connersville on May 2, 1878. It was bought by James J. Storrow, Washington, D. C., William H. Rollins, Portsmouth, N. H., and Henry Parkman, Charles W. Short and John J. Emery, of Cincinnati, bondholders, acting as "trustees of other holders of bonds."³⁴ It was re-incorporated May 28, 1878, as the Whitewater Railroad company, with nine directors and \$1,300,000 worth of common stock. A rather new feature of railroad finance at the time was the issuing of \$325,000 preferred stock in addition, to cover unpaid bond interest, satisfy old liens and various foreclosure and sale expenses, and "any advances that may be necessary to put this corporation into operation." It operated its own line until July 1, 1890, when it was taken over, under contract, by the Big Four, which finally bought it outright, June 16, 1915.³⁵ The Cincinnati and Martinsville

³³ Annual Reports, N. Y. C. Lines, 1917, p. 450.

³⁴ See Articles of Incorporation of the Whitewater Railroad Co.

³⁵ Annual Reports, N. Y. C. Lines, 1917, p. 456.

was sold under foreclosure, June 20, 1876, and re-organized as the Fairland, Franklin and Martinsville, January 27, 1877. However, it was operated by the Indianapolis, Cincinnati and Lafayette and its successors and finally bought by the Big Four, June 16, 1915.³⁶

Three more lines were added to make up the Chicago division of the Big Four as it exists today—the Cincinnati, Lafayette and Chicago, the Columbus, Hope and Greensburg, and the Cincinnati and Ohio Southern.

The Cincinnati, Lafayette and Chicago of Indiana was incorporated, May 31, 1870, with \$1,000,000 capital stock of \$50 a share. Gustavus Ricker was the first president of the road and Hiram W. Chase, secretary, and the following other directors: Leroy Templeton, Moses Fowler, Henry T. Sample, Owen Ball, John Purdue, Frederick Geiger and Adams D. Earl. It built a line from Templeton, near Lafayette, to the Illinois line, and consolidated, March 28, 1872, with an Illinois line built from the state line to St. Anne; the next year it absorbed the Kankakee and Indiana from St. Anne to Kankakee, where it connects with the Illinois Central to Chicago.³⁷ The Big Four never was built into Chicago but uses the tracks of the Illinois Central beyond Kankakee. In like manner it uses the L. E. & W. tracks between Lafayette and Templeton.

The cost of the 56.8 miles of railroad from Templeton to Kankakee is given in Poor, *Manual of Railroads for 1883* as \$3,898,356.23, including equipment. Adams Earl bought the interest of Mr. Fowler shortly after the road was built, and thereby obtained a controlling interest, and he also had a prominent part in the building of the L. E. & W. through Lafayette.³⁸

On this line of road the towns of Atkinson, Fowler, Earl Park and Raub sprang up. It benefited the counties at large very greatly and those near the center of the county immeasurably.³⁹

³⁶ Annual Reports, N. Y. C. Lines, 1917, p. 452.

³⁷ *Ibid.*, 458.

³⁸ *History of Tippecanoe County*, Lewis Publishing Co., 258; De Hart, *History Tippecanoe County*, 373.

³⁹ *History Warren, Benton, Jasper and Newton Counties*, Battey & Co., p. 278.

The C. I. St. L. & C. assumed operation of the road, September 1, 1880, and it and its successor, the C. C. C. & St. L., have operated the road ever since, now owning a controlling interest in it, which had been disposed of to eastern capitalists in 1879.⁴⁰

The Columbus, Hope and Greensburg was incorporated originally as the Hope and Greensburg railroad in 1880. According to the original articles of incorporation there were nine directors, all of them men along the route—William Foley, Warren B. Wilson, William A. Moore, George W. Ewing, Buckner B. Jones, Simeon Stapp, William H. Aiken, Granville T. Rominger and Arthur Gailbreth. The capital stock was fixed at \$125,000. The company never built any road until after the name was changed to the Columbus, Hope and Greensburg by vote of the directors, January 17, 1881. It surveyed its line in 1882, including a stretch of about ten miles out of Greensburg already graded by the defunct Cincinnati and Terre Haute about ten years before, to which it secured a quitclaim deed in 1892.⁴¹ It was built in 1883-4, and opened to traffic May 5, 1884; and it has been operated all its life by either the C. I. St. L. & C. or the Big Four, which now own a controlling interest in it. According to *Poor's Manual of Railroads for 1884*, its building was financed by capital stock to the amount of \$275,000 six per cent first mortgage bonds in the same sum; and the officers were John E. Robbins, president; Cortez Ewing, vice-president, and W. I. Lucas, treasurer, all of Greensburg. "My father helped survey the line," said Raymond Ridgley, in charge of the stock of locomotive steel castings at Beech Grove,

and I can remember the date it was built, 1883, because I was born that year. The road was a typical jerkwater road when I was a boy, and you could never depend on the trains. I never expected then that it would be in existence when I got married; but now I am happily married and the road is prospering.

The Cincinnati and Ohio Southern is a little less than seven miles long, extending from Lawrenceburg Junction to

⁴⁰ Annual Reports, N. Y. C. Lines, 1917, p. 458.

⁴¹ Annual Reports, N. Y. C. Lines, 1917, p. 458.

Aurora. The possibility of connection between Aurora, a prominent old river town, with Indianapolis first can be noticed in *Locomotive*, July 16, 1853, when the announcement of the formation of a company to build a railroad between the two places was made. However, *Locomotive*, "fed up" on wild railroad promotions at the time, added, "We have no idea it will ever be built." Still, the building of the Cincinnati and Ohio Southern made it possible. The road was incorporated, April 30, 1887, with a capital stock of \$150,000, and J. H. Rhodes, J. R. Meguire, Horace Scott, George S. Blaney, and E. R. Buhrman as directors. It was operated by the Big Four or its predecessors from the beginning, and was bought by them in 1915.⁴² The original plan was to build the road from Lawrenceburg to Rising Sun; but there is a creek between Aurora and Rising Sun which is subject to destructive freshets, and which flows through a wide valley which would involve the building of an expensive trestle. Accordingly, the line between these two towns was given up, and a good stage service has since sufficed.⁴³ The C. I. St. L. & C. had a share in the building of, and operated the Vernon, Greensburg and Rushville; but as this is now part of the Michigan division of the Big Four, its history will be included with that division under the Cincinnati, Wabash and Michigan.

Finally, the C. I. St. L. & C. merged in 1889 with the Indianapolis and St. Louis and the Cleveland, Columbus, Cincinnati and Indianapolis to form the Cleveland, Cincinnati, Chicago and St. Louis, or Big Four. The C., I., St. L. & C., together with all the subsidiary lines which have been discussed in this sketch, now form the Chicago division of the road, one of the most important divisions of the entire system.

THE INDIANAPOLIS AND ST. LOUIS

Most students of history, and readers of such novels as Winston Churchill's *The Crisis* are familiar with the antebellum glory of St. Louis, a glory which the old river front and its vicinity suggests even to the visitor of today. Nearly

⁴² Annual Reports, N. Y. C. Lines, 1918, p. 458.

⁴³ Statement of W. E. Williams of Indianapolis, formerly of Aurora.

all the pioneer railroad builders of Indiana, especially the Bellefontaine builders, dreamed of the time when the railroads of Indiana would be a link connecting St. Louis with the commercial centers of the east. This dream was largely realized in the building of the Indianapolis and St. Louis, and through it the Bellefontaine people realized the early vision of lines of which theirs would be an integral part, to connect St. Louis with New York, Pittsburg and Cleveland.

The earliest thoroughfare to connect Indianapolis and St. Louis was the old National Road, which came through the state in the twenties. The story of this famous highway is too well known to go into details here about it. However, by the late forties the need of a railroad in addition, to connect the two cities, was becoming apparent. Two routes from Terre Haute to Indianapolis were proposed, one by Plainfield, Greencastle and Brazil, and the other through Danville and Greencastle.⁴⁴ The former, or southern route, was chosen, and the line chartered and built as the Terre Haute and Indianapolis, now part of the Pennsylvania lines.⁴⁵

Soon after this plans were made for a railroad to connect Terre Haute and St. Louis. Chauncey Rose, well known Terre Haute philanthropist and railroad man, and John Brough, president of the Madison and Indianapolis and later of the Indianapolis and Bellefontaine, were two chiefly interested in the Terre Haute and Indianapolis, and they tried to get a charter for a railroad between Terre Haute and St. Louis by way of Effingham and Vandalia. However, another company sought a charter for a road between Terre Haute and Alton, near St. Louis, over a more northern route, through Charleston, Mattoon and Pana. This company presented a more favorable charter, and it was granted by the Illinois legislature, which also refused to grant the charter requested by Mr. Rose and Mr. Brough.⁴⁶ However, the Terre Haute and Alton, as the new road was called, together with the Terre Haute and Indianapolis, formed a good connection between Indianapolis and St. Louis for several years.

⁴⁴ Esarey, *History of Indiana*, Vol. II, 721.

⁴⁵ Esarey, *History of Indiana*, Vol. II, 721.

⁴⁶ W. F. Cronin, *History of Vigo County*, 73; R. R. Record quoted in *Locomotive*, March 12, 1853.

When that road (the T. H. & A.) was built, Terre Haute was on the main line of transportation between St. Louis and the east, affording an easy outlet for coal and other products which insured the future growth of the city.⁴⁷

Though the Terre Haute and Indianapolis was one of the best pioneer roads of Indiana, the Terre Haute and Alton, whose detailed history belongs to Illinois rather than Indiana, was much the sort of road described in the well known *Slow Train through Arkansas*, especially before it was taken over by a man named Griswold about 1855 or 1856. The following anecdote is told by H. C. Bradsby after an old-time conductor on the road, A. A. Talmage, later a prominent official of the Indianapolis and St. Louis:

The train, running along in Illinois, made good time, but on curves the jolting grew monotonous. He watched the engineer bobbing up and down on his seat. He saw the new man was getting nervous, and finally as he bounced nearly to the top of the cab, he reached for the throttle to slow up. Talmage caught his arm and prevented him, explaining that the head brakeman had his brake set tight that with the throttle wide open the train was kept taut, and that if the engine slowed up and set the cars to swaying, they would swing off the track.⁴⁸

A connection with St. Louis was made possible when the Terre Haute and Alton was consolidated with the Belleville and Illinoistown line, between Belleville, East Alton and East St. Louis.⁴⁹ Even today the Big Four does not own its own tracks into the city of St. Louis, but goes in over the Eads bridge; and even on shipments of company material, it is necessary to pay a bridge charge. The consolidated road, by agreement filed under the general laws of Illinois, November 13, 1856, became known as the Terre Haute, Alton and St. Louis.⁴⁹ Then reverses overtook the road, it was operated for a while by trustees for its bondholders, and by a purchasing committee.⁵⁰ March 24, 1862, the road was sold under foreclosure, and June 2, 1862, was bought by a committee acting for the purchasers, among whom some well known names

⁴⁷ Cronin, *History of Vigo County*, 74.

⁴⁸ *History of Vigo County*, 568.

⁴⁹ N. Y. C. Lines, Annual Reports, 1917, p. 453.

⁵⁰ N. Y. C. Lines, Annual Reports, 1917, p. 453.

in American history and finance will be recognized—Robert Bayard, Samuel J. Tilden, John G. Richardson, Joseph Tuckerman and Russell Sage. It was then reorganized as the St. Louis, Alton and Terre Haute, with a capital stock of \$3,750,000.

Meanwhile, if occasional newspaper comment of the time can be trusted, the Terre Haute and Indianapolis became the best paying road of the middle west, and it revived the idea of a line to St. Louis by way of Effingham and Vandalia. The road was built as the St. Louis, Vandalia and Terre Haute, in 1869-70, and was promptly leased by the Terre Haute and Indianapolis. The entire line, later, with the Indianapolis and Vincennes and the Terre Haute and Logansport, became the Vandalia Line, and still later was absorbed by the Pennsylvania.

About the same time, other interests saw the possibility of successful competition with the Terre Haute and Indianapolis in this project. Accordingly they incorporated the Indianapolis and St. Louis Railroad company, with a line from Indianapolis to Terre Haute, along the northern route considered in 1847, through Danville, the north part of Greencastle, and the northern strip of Clay county. This company was incorporated, August 31, 1867, under the general laws of Indiana, with a capital stock of \$600,000. Its financing was different from what has been hitherto discussed in these sketches. Instead of being financed by stock raised along the route, it was financed chiefly by several railroad companies, as follows: the Indianapolis, Cincinnati and Lafayette, the Bellefontaine, the Cleveland, Columbus and Cincinnati, the Lake Shore (already then under Vanderbilt control), the Pittsburg, Fort Wayne and Chicago, and the Pennsylvania Central.⁵¹ It was considered that the new road would be a good feeder for these lines. J. P. Dunn mentions the fact that it

was built rapidly and well, as the companies back of it had everything that could be asked in the way of experience, means and talent at their command.⁵²

⁵¹ *Ibid.*, p. 451.

⁵² *Greater Indianapolis*, 255.

Even before it built its own line, it leased the St. Louis, Alton and Terre Haute, September 11, 1867.⁵³ The lease guaranteed a certain per cent of the profits to the St. L., A. & T. H., which in any case were not to be less than \$450,000 a year; and the performance of all the conditions of the lease by the Indianapolis and St. Louis was guaranteed by the Indianapolis, Cincinnati and Lafayette, the Pittsburg, Fort Wayne and Chicago, and the Cleveland, Columbus and Cincinnati, later the Cleveland, Columbus, Cincinnati and Indianapolis.⁵⁴ The litigation that ensued over the terms of this lease will be discussed later in the sketch. The company's report, January 10, 1868, to the secretary of state showed an expenditure of \$4,688.31 for preliminary surveys; and this amount had been increased to \$15,075.82 by January 9, 1869. General T. A. Morris, prominently mentioned in connection with other roads, was the president, and E. King, the secretary.

The year 1869, when the road was actually started, was a notable one in railroading. The greatest railroad event of the year was driving the last spike in the first great trans-continental railroad, now the Union Pacific. However, many lesser events were transpiring. It was a time of great, almost feverish, railroad expansion; and this, as has been noticed, became over-expansion. Railroads were beginning to be merged into great systems, with all their evils and advantages, and men like Commodore Vanderbilt and Jay Gould were making their huge fortunes in railroads. The newspapers of 1869 often speak of the effect on competing roads of the Vanderbilt control of the New York Central and the Lake Shore. With the expansion in lines of road was a development in railroad material and equipment. Steel rail was beginning to take the place of iron rail, though not, as a rule, any heavier to the yard. The Indianapolis *Sentinel* then, and for many years, ran a regular space devoted to railroad news, and this often mentioned new railroad inventions. Some were practical and in use today, like the use of exhaust steam from the engine for heating passenger cars, and the movable backs for

⁵³ N. Y. C. Lines, Annual Reports, 1917, p. 451.

⁵⁴ Indianapolis *Sentinel*, July 28, 1882.

passenger seats, yet some were really wild ideas. Among those was a device to make the red signal on a switchstand appear, due to electrical contact, when a switch had been misplaced (this idea was perhaps the forerunner of the electric block signal of today). Another was a warning gong to be kept ringing constantly while the train was in motion, placed on the front of the engine, and struck by a hammer which was kept moving back and forth by the motion of the eccentric on the locomotive. This reminds one somewhat of the "bob-light" used a few years later on the Bellefontaine—a light set in the sky-light of the caboose, which was kept alternately visible and invisible by means of a shutter, which worked up and down on a cam operated by the motion of the axle. It was easy to tell from the cab of the engine or from behind the train whether the rear of the train was still in motion—an important matter before air brakes and air-hose couplings came into vogue. It was understood, though never verified, that the "bob-light" was abandoned by the Bellefontaine due to differences with the inventor.

Freight rates from Indianapolis to Chicago in 1869, quoted in the *Sentinel*, October 10, are as follows:

First class, sixty cents; second class, fifty cents; third class, thirty-five cents; fourth class, twenty-five cents; flour, fifty barrels or over, fifty cents; wool, in one hundred pound bales, sixty cents.

These rates evidently are for one hundred pounds, and come nearer the present-day rates than some others previously quoted, none of the latter being over ten or fifteen cents more than these rates of 1869.

Work commenced in earnest about the summer of 1869, on the Indianapolis and St. Louis, and we read the following in the *Sentinel*, June 26, 1869, taken from the *Putnam Banner*:

Work on the Indianapolis and St. Louis railroad is being prosecuted in this county with all possible dispatch. Some of the culverts have already been built and we are told are superior to any heretofore made in this part of the county, being made of dressed stone. We also learn that the bridge over Big Walnut will be of iron and that the road in every other particular will be first-class.

The number of men employed in Putnam county alone on the building of the road was estimated at from one thousand to fifteen hundred.⁵⁵

Some apprehension was felt when the Pennsylvania Central railroad leased the Pittsburg, Fort Wayne and Chicago, which with the Bellefontaine was chiefly interested in the construction of the new road. As the Pennsylvania Central owned a controlling interest in the Terre Haute and Indianapolis and the new road was being built to be that road's rival, it was feared that the Bellefontaine would have to complete it alone or even give it up. However, the fear proved to be groundless.⁵⁶ The following is taken from the *Sentinel*, August 16, 1869:

Rails are now being laid west from Indianapolis and it is expected to have the road laid to the Clay County coal regions before freezing weather, and completed to Terre Haute early next season. Fish rail is to be laid along the entire route.

The same paper for August 21 announced that the first station would be at Markle Mills, about six miles from Terre Haute. Quoting from the Terre Haute *Express*, August 30, it announced that the iron for thirty miles of the road had been negotiated for in England, and would be "delivered at New Orleans and transported thence to its destination by boat and rail via St. Louis." They later bought one thousand tons of rail from the Lochiel Iron Works, Harrisburg, Pennsylvania.⁵⁷

Meanwhile, construction was proceeding out of Indianapolis as well as Terre Haute. The *Sentinel*, September 24, 1869, announced that

the material for constructing the Indianapolis and St. Louis bridge over White river is now on the ground and the work on construction will be commenced early next week.

The Terre Haute *Journal*, quoted in the *Sentinel*, October 9, says "dirt is flying on both sides of Terre Haute." By the

⁵⁵ *Sentinel*, July 1, 1869; Greencastle *Press*, quoted in *Sentinel*, August 6, 1869.

⁵⁶ Greencastle *Press*, quoted in *Sentinel*, July 3, 1869.

⁵⁷ *Sentinel*, Nov. 13, 1869.

last of the month part of the line in Putnam county was ready for the track, and track laying began at Terre Haute on Friday, October 29.⁵⁸

Two bridges about that time occupied a great deal of attention, one over Lost creek, four miles northeast of Terre Haute, and one far larger, over White river at Indianapolis. The *Sentinel*, November 24, 1869, says:

Common laborers are paid two dollars a day and one dollar extra for Sunday for work on the railroad bridge.

This bridge was built by McNoiry, Claflin & Co., of Cleveland.⁵⁹ Work on the track continued with great dispatch; between four thousand and five thousand men were estimated to be on the construction pay-roll of the company, which amounted to \$200,000 a month.⁶⁰ On December 16, freight was being carried on a stretch of track seven miles east from Terre Haute, six miles at the same time being laid west of Indianapolis, and the track "ballasted as fast as the iron is laid down."

A problem confronting the officials at the time was where to establish the road's shops. With a view to making them serve the line all the way to St. Louis, it was decided to establish them some place midway between Indianapolis and St. Louis. Terre Haute had just secured the shops of the new St. Louis, Vandalia and Terre Haute, built to be a subsidiary of the Terre Haute and Indianapolis, and made a strong effort to get the shops of the Indianapolis and St. Louis, also. That Illinois towns were alive to the advantages of getting the shops is shown by the announcement in the Indianapolis *Sentinel*, December 15, 1869, of offers of money from the following cities, in each case the offer being coupled with that of thirty acres of land: Charleston, \$100,000; Pana, \$75,000; Mattoon, \$60,000, and Shelbyville, \$60,000. Although its offer was smaller than that of Charleston, Mattoon was chosen because it was practically at the half-way point between Indianapolis and St. Louis, and because of its superior water facili-

⁵⁸ *Sentinel*, Nov. 1, 1869.

⁵⁹ *Ibid.*, Dec. 8, 1869.

⁶⁰ *Ibid.*, Dec. 15, 1869.

ties.⁶¹ In later years Terre Haute was partially consoled by the establishment of shops and a store-house at Duane, in its eastern outskirts. The auditing department about the same time was moved from St. Louis to Indianapolis.⁶² The financial statement of the company, filed with the secretary of state for January 1, 1870, is as follows:

<i>Expenses.</i>	
For lands	\$ 89,365.87
For buildings	537.63
For cars	52,095.34
For construction	907,371.81
	<hr/>
	\$1,049,370.65
<i>Indebtedness.</i>	
First mortgage bonds.....	\$ 450,000.00
Bills payable	93,854.53
	<hr/>
	\$543,854.53

The following, from the Indianapolis *Sentinel*, January 21, 1870, does not bear directly on the Indianapolis and St. Louis, but may be of interest as showing a condition which existed on some railroads at the time:

A system should be inaugurated by which the exhibition of the ticket upon entering the train would secure the passenger from further molestation; until this is done "show your ticket" will be the fire bell in the night which will disturb the peace of all railway travelers, and any one will be liable to be put off in the woods if he mislays his ticket after showing it a dozen times.

According to the Terre Haute *Express*, February 5, 1870, and the Indianapolis *Sentinel*, February 8, the road had been laid about sixteen miles out of Terre Haute and about the same distance west from Indianapolis. A cut of hard pan just out of Terre Haute retarded construction somewhat, but after that iron was laid at the rate of a mile a day, which will compare with the fastest track-laying of today.

⁶¹ Indianapolis *Sentinel*, Dec. 15, 1869.

⁶² *Ibid.*, Jan. 4, 1870.

The stockholders held a meeting in Indianapolis, February 16, 1870, re-elected all the officers, and elected the following directors: Gen. T. A. Morris and Edward King, Indianapolis; Pliny Hoagland, Ft. Wayne; Thomas A. Scott, Philadelphia; T. D. Messler, Pittsburg, and Oscar Townsend, Cleveland.⁶³ In February, steps were taken for the removal of the Terre Haute and Alton shops from Litchfield, Illinois, to Mattoon.⁶⁴

One enterprising town along the route, which was largely "made" by the railroad and the adjacent coal fields which had been recently opened up was Carbon, in Clay county. A north and south road was being proposed to intersect the Indianapolis and St. Louis near that town; but the town proposed to build six miles of road to Brazil, together with a depot at Carbon, and present it to the north and south road on condition that it would establish its crossing with the Indianapolis and St. Louis there.⁶⁵ When the road was later built, as the Midland, or Central Indiana, this was done.

The Indianapolis and St. Louis traversed Parke county in one corner; and some interesting facts concerning its connection with the town of Lena, in Parke county, have been furnished by Miss Beatrice McFarland, formerly of Parke county, now of Chicago:

Sometime in the late sixties, the railroad gradually oozing westward, came through the southeast corner of Parke county. A man by the name of J. B. Cochran, seeing the strategic point, where a railroad crossed a wagon-road in a neighborhood rich in virgin timber, foresaw a future city. He promptly built a store and was appointed agent for the railroad. He nailed a neat board labelled 'Cochran's Station', over the station door and dreamed he had founded a city. The tiny town was laid out in city blocks and lots in 1870, and many buildings were erected. The principal industry was sawing and shipping lumber and staves from the adjoining forests.

One fatal day the train stopped long enough for a railroad official to hand over a new signboard, and instruct some of the interested bystanders to nail it over the station door. On this was printed 'Lena', and thus the town was named and 'Cochran's Station' was known no more.

⁶³ *Indianapolis Sentinel*, Feb. 17, 1870.

⁶⁴ *Ibid.*, Feb. 18, 1870.

⁶⁵ *Ibid.*, April 5, 1870.

Legend has it that 'Lena' was a beautiful Indian maid whose ill fate was connected with some of the gay soldier lads stationed at Old Fort Harrison on the Wabash river. Naught now remains but a tiny obscure town whose very inhabitants have probably never heard of the dusky forest maiden.

The first published statement of earnings of the Indianapolis and St. Louis even before it was fully built, appears in the *Sentinel*, April 5, 1870. Passenger receipts had been \$47,112 and mail receipts, \$3,216.65, making a total of \$50,328.65. Following this, plans were announced for the building of passenger depots. One was projected for Terre Haute to be built in the summer of 1870, and the Indianapolis and St. Louis and the Louisville, New Albany and Chicago (now the Cincinnati, Indianapolis and Chicago or Monon) planned a joint passenger depot at Greencastle, both roads to use the L. N. A. & C. freight depot.⁶⁶ However, the Indianapolis and St. Louis was later changed to the north; the Monon follows a valley almost into Greencastle, and goes under the Big Four tracks, which now cross this valley on a high embankment. The Big Four depot today is at the extreme north end of the city and the Monon depot near the business section.

Excellent progress was reported, April 28, 1870, in the *Sentinel*. Nineteen miles of track had been laid out of Indianapolis, seventeen miles out of Terre Haute, and track was being laid from Greencastle east to a gravel pit near Fillmore. "When that is reached, track laying will progress west of Greencastle." The passenger and mail receipts, reported in the *Sentinel*, May 11, were \$63,725, though this necessitated the payment of a tax of \$1593.12. That much through traffic was expected of the new road and the western connection may be inferred from the fact that in May the St. Louis, Alton and Terre Haute purchased eight new sleeping cars.⁶⁷ The daily mixed and accommodation train was announced between Indianapolis and Danville, leaving Indianapolis at 9:30 each morning.⁶⁸ The coming of the first train on the new road aroused considerable interest and curiosity in Danville, al-

⁶⁶ Indianapolis *Sentinel*, April 20 and 26, 1870.

⁶⁷ *Ibid.*, May 16, 1870.

⁶⁸ *Ibid.*, May 21, 1870.

though unfortunately, the Danville newspapers giving the details of the occasion have not been preserved. "The historical value of newspapers was not realized in those days," as Julian D. Hogate, editor of the Danville *Republican* says.

We read the following in the *Sentinel*, May 21, 1870, showing the fast laying of the track:

The track is laid ten miles east of Greencastle and two miles west of Danville, leaving only seven miles of gap from Greencastle to Indianapolis. Rail is also being laid west of Greencastle.

By July 6, 1870, all the rail had been laid and several hundred men were putting on the finishing touches.⁶⁹ About that time Terre Haute gave a public dinner to officials of the Indianapolis and St. Louis and the Terre Haute and Indianapolis, celebrating the completion of the Indianapolis and St. Louis and the St. Louis, Vandalia and Terre Haute, the new Terre Haute and Indianapolis subsidiary. B. W. Hanna, attorney for the Indianapolis and St. Louis, lauded the officials of the other road, and drank a toast to its success. Then W. R. McKeen—"Rile" McKeen of Riley's "Regardin' Terry Hut", capitalist and for years president of the Vandalia—proposed the following toast:

The commerce of St. Louis—may its future development surpass the expectations of her most sanguine friends.⁶⁹

The road was opened to traffic July 4, 1870.⁷⁰ Then, the same interests being in control of all the roads, sleeping cars were run regularly from St. Louis to New York City by way of the St. Louis, Alton and Terre Haute to Terre Haute, the Indianapolis and St. Louis to Indianapolis, the Bellefontaine to Cleveland, the L. S. & M. S. to Buffalo, and the New York Central the rest of the way to New York.⁷¹ The following train schedule was almost immediately put into effect:

	<i>Leave Indianapolis</i>	<i>Arrive Indianapolis</i>
Fast express	3:10 A. M.	4:20 A. M.
Day express	12:00 Noon	9:25 A. M.
Terre Haute accommodation.	8:00 A. M.	2:00 P. M.
Night express	7:00 P. M.	7:10 P. M.

⁶⁹ Indianapolis *Sentinel*, July 6, 1870.

⁷⁰ N. Y. C. Lines, Annual Reports, 1917, p. 451.

⁷¹ *Sentinel*, July 15, 1870.

After July 18th the night express was changed to the Terre Haute accommodation, leaving Indianapolis at 3:15 P. M. and arriving at 7:10 P. M.⁷²

The last spikes were driven in the rail, formally completing the road, near Greencastle, August 4, 1870. It was the custom of some roads, at the time, to use golden spikes, but this expensive custom was dispensed with by the Indianapolis and St. Louis. The Indianapolis officials and invited guests left that morning at 8 o'clock on a special train, and were met at the break in the line by the St. Louis officials and their guests. A big crowd was present, as the event transcended in importance in Greencastle the coming of the first train. The four last spikes were driven, respectively, by A. A. Talmadge, assistant superintendent of the road; J. L. Cozad, chief engineer; John Wallack, division superintendent of the Western Union Telegraph Co. (The Western Union evidently served the Indianapolis and St. Louis, as it does the Big Four today); and Edward King, secretary of the Indianapolis and St. Louis. Tribute was given during the ceremonies, to G. M. Beech, master of track laying on the Bellefontaine road, who had charge of similar work on the Indianapolis and St. Louis. It was not even necessary to cut a single bar of iron to make the last rails join together.⁷³

Competition was very keen between the new road, sometimes called the "parallel road", and the Terre Haute and Indianapolis; and even complaints were made in the newspapers in the summer of 1870 about the inconvenience caused travelers by the over-zealous and over-attentive station employees of each road.

The road was aided, like all the new roads of the period in Indiana, by grants of land and township aid. Prof. Harlow Lindley tells of a man named Hadley, living near Danville, who gave a substantial grant of land to the railroad, and after whom the station of Hadley, west of Danville, was named. Mr. Hadley was a devout member of the Society of Friends, a "good man and just", but one who had very definite ideas of what constituted right and justice toward himself as a bene-

⁷² Indianapolis *Sentinel*, July 11, 1870.

⁷³ *Ibid.*, Aug. 4 and 6, 1870.

actor of the road. Accordingly, one day when he wished to go to Danville from his farm west of the town, he flagged one of the fast limited trains. The engineer stopped the train, expecting to hear immediately of a spread rail, washout, or something of the sort ahead. All that happened was that Mr. Hadley climbed tranquilly aboard the train. The conductor said to him with some asperity, "This train is not supposed to stop except at regular scheduled stops." "Well, it stopped, didn't it?" returned the old Quaker; that settled the matter, and he rode undisturbed the rest of the way to Danville.

Methods of operation on railroads during the early seventies did not change a great deal from those of twenty years before, and those described on the earlier roads apply largely to the Indianapolis and St. Louis. There was some improvement, however, in equipment. Engines were larger; the sand dome, from which sand can be applied to the track if it is slippery, was coming into use; and the engine truck, running on four smaller wheels and supporting the front of the engine, was being used on engines as well as the four main driver wheels. Fred Dancey, an Illinois Central man of long experience, but who has memories of the Indianapolis and St. Louis, remembers the early wood burners on the road.

They had ricks along the road for the wood, and it was sawed in treadmills, operated by horses who kept the shaft moving by walking along it, yet never advancing in position.

Seats were then of hard material, such as cane, but far from being the soft upholstered coach seats of today. Cars were heated by stoves then, and it was necessary to secure them with strong bolts to the floor of the coach on account of the jarring of the train. Mr. Dancey remembers when passenger cars were supported by large springs placed on top of the trucks, and also when large pieces of rubber took the place of springs in supporting the bolsters on which the car body rests.

The cost of the road and equipment, as given in *Poor's Manual of Railroads* for 1871-2, was \$3,410,003.95; and other assets, such as real estate and buildings, stocks and bonds, fuel, cash and the like, brought the total to \$4,076,532.16.

The capital stock continued at only \$600,000, the bulk of the cost being met by bonds secured by two mortgages, both bearing seven per cent interest—a \$2,000,000 first mortgage issued July 1, 1869, and a second mortgage of \$670,000 issued October 1, 1870. Bills payable were \$265,215.69 and other liabilities \$366,530.59, leaving the company an equity of \$174,785.88. The rail was 60 pound rail, and the gauge of the track 4' 8½". The following operating statement shows a satisfactory condition for the year 1870:

Gross earnings:	
Passenger	\$ 616,429.04
Freight	1,083,118.02
Mail, express, etc.	77,590.80
Other	16,805.90
	<hr/>
	\$1,793,943.76
Operating exp., taxes.....	1,145,997.21
	<hr/>
	\$ 647,946.55
Interest on funded debt.....	\$ 65,481.62
Other payments from income, including lease of St. Louis and Terre Haute	495,472.66
	<hr/>
Balance to credit of income.....	\$87,793.61

The road at the time had fifty-six locomotives, thirty-five passenger cars, fifteen baggage, mail and express cars, five hundred and seventeen box cars, one hundred seventy-three stock cars, two hundred sixty-one platform cars, and sixty-seven coal cars.

The volume of the east and west traffic between Indianapolis and St. Louis made good business for several years for both the railroads between the two cities; and the Indianapolis and St. Louis, by putting its route a little farther to the north, gained thereby a large local business. Clay county was found rich in coal;

at the time of the location of the road, there were no towns in the county touched by the survey, but half dozen almost immediately sprang into existence.⁷⁴

⁷⁴ Blanchard, *History of Clay and Owen Counties*, 52.

However, the competition of the Terre Haute and Indianapolis in a few years began to tell on the Indianapolis and St. Louis, although there were other factors contributing to its decline. Interest payments were very heavy, on account of the heavy bonded indebtedness of the company as compared with its capital stock, although such financing was a common fault of contemporary roads. Another thing that caused some trouble was the guarantee of a minimum rental of \$450,000 a year to the St. Louis, Alton and Terre Haute, as that road did not do so well toward 1880. In that year the Wabash and the Chicago and Alton started a disastrous "rate war" on passenger traffic, which gradually involved practically all the lines running east out of both Chicago and St. Louis.⁷⁵ No doubt this helped also to deplete the earnings of the St. Louis, Alton and Terre Haute; anyhow about that time its earnings did not reach the \$450,000 guarantee. The Terre Haute and Indianapolis had a safer arrangement with the St. Louis, Vandalia and Terre Haute, which included payment of thirty per cent of the gross earnings, without any mention being made of a minimum.

The Indianapolis and St. Louis ceased payments of the minimum rental to the leased line after April, 1878.⁷⁶ In this connection a study of its financial statement for December 31, 1877, which appears in *Poor's Manual of Railroads for 1878*, may be interesting. The earnings of the road, including the St. Louis, Alton and Terre Haute, were as follows:

Passengers	\$ 294,190.66
Freight	982,435.51
Mail and express	64,161.89
Miscellaneous	45,086.89
	<hr/>
	\$1,385,874.95

The operating expenses were quite heavy, including expenditures for maintenance of way, rolling stock, transportation and miscellaneous, amounting to \$1,064,669.90, leaving \$321,205.05 as net earnings. Out of this was supposed to be

⁷⁵ See files of the Indianapolis *Sentinel* for Nov. and Dec., 1880.

⁷⁶ Indianapolis *Sentinel*, July 23, 1882.

paid a rental to the St. Louis, Alton and Terre Haute of \$451,-753.27 and interest on the company's funded debt, amounting to \$247,410, which left a deficit of \$221,881, even when \$155,-732.67, given under the vague caption of "road earnings", and \$944.55 from the Carbon and Otter Creek Valley road are added to the net earnings.⁷⁷

For the same period the gross earnings of the Terre Haute and Indianapolis, not including leased roads, were \$1,026,-028.73, and operating expenses were only \$707,256.92. This left \$318,771.81 in net earnings, nearly as much as those of the Indianapolis and St. Louis and its leased line combined, even though its gross earnings were somewhat smaller.⁷⁸ Its payments out of net income were much smaller and it realized a profit from the St. Louis, Vandalia and Terre Haute, leaving it a surplus of \$56,032.52 on the year's business. One item of expenditure is "Indianapolis and St. Louis pool", \$68,-058.76. Agreements as to division of profits on joint freight and passenger business, existed then between many connecting lines of railroad, and were known as pools—evidently one existed between the Indianapolis and St. Louis and the Terre Haute and Indianapolis.

Though business in 1880 and 1881 on the Indianapolis and St. Louis was good, heavy operating expenses, interest charges and a loss in the business on the Alton line caused conditions to become still worse.⁷⁹ Earnings increased to \$2,052,185.02 for 1881, of which more than two-thirds was from freight business, but operating expenses had also increased to \$1,-864,515.18, leaving net earnings of only \$187,669.84. The net earnings of the Terre Haute and Indianapolis for the same period were \$433,310.65, though their gross earnings were only a little more than half as large as those of its rival; and though its payments from income had increased, it still had a surplus left of \$61,807.35. However, the Indianapolis and St. Louis had the following to pay out of net earnings:

⁷⁷ This was a short coal road the Indianapolis and St. Louis acquired in 1873, but later abandoned; N. Y. C. Lines, Annual Reports, 1917, p. 451.

⁷⁸ Poor's *Manual of Railroads*, 1878.

⁷⁹ Poor's *Manual of Railroads*, 1883.

Rental St. Louis, Alton and Terre Haute (minimum)	\$450,000
Interest on funded debt.....	250,000
Floating debt	20,698
Other payments from income.....	103,532.84
Total	<hr/> \$824,500.84

This meant a loss of \$636,831 on the year's business, and a crisis came in the company's affairs within a year. The St. Louis, Alton and Terre Haute brought suit against the Indianapolis and St. Louis in the court of Judge Drummond of Chicago for \$664,874.70 unpaid rental which had accrued since April, 1878. Since the defendant clearly was unable to pay it, recourse was had on the three companies who had guaranteed the lease of the plaintiff road, and the court held them severally responsible for one-third the amount of the back rental. The C. C. C. & I. and the Pennsylvania, which had leased the Pittsburg, Fort Wayne and Chicago and bound themselves for all its contracts, each paid \$221,624.90, but the Indianapolis, Cincinnati and Lafayette was, as we have seen in a previous sketch, insolvent, and the court ruled that the St. Louis, Alton and Terre Haute would have to lose the amount due from it.

Both sides appealed from the decision of the court, the plaintiff because it did not get the entire \$664,874.20, and the defendant because they were held liable for any of the amount.⁸⁰

The affairs of the Indianapolis and St. Louis also caused suspension of interest payments on its second mortgage bonds, and this caused the holders of these bonds to take the matter to the Federal court at Indianapolis. The road went into the hands of a receiver, May 23, 1882, and was sold at auction by W. P. Fishback, master in chancery, at the Federal building, Indianapolis, July 28, 1882.⁸¹ Several wags started the bidding with bids such as fifty and fifty-two cents, but soon it settled into a rivalry between a Col. Moore and E. B. Thomas, general manager of the Bee Line, who represented the Van-

⁸⁰ Indianapolis *Sentinel*, July 28, 1882.

⁸¹ N. Y. C. Lines, Annual Reports, 1917, p. 451.

derbilt interests. Mr. Thomas finally won out, and bought the road for \$1,396,000, which evidently represents the equity above the funded debt, which by that time had reached \$3,500,000, including first mortgage bonds, \$2,000,000 of July 1, 1869; second mortgage bonds, \$1,000,000 of October 1, 1870; and equipment bonds, \$500,000 of July 1, 1871. With the road went also forty-eight locomotives, thirty-six coaches, eight express and baggage cars, four mail and baggage cars, two hundred and twenty-five box cars, one hundred and three compromise box cars, thirty-four line cars, eighty-eight stock cars, three hundred and four platform and general cars, twenty-one coal cars, and one pay car. The second mortgage bondholders were not satisfied with the result, and, represented by Mr. Lamme, announced that they intended to fight the matter, but did not.⁸²

The new management re-organized the Indianapolis and St. Louis and re-incorporated it, September 15, 1882, under the general laws of Indiana. The capital stock was fixed at \$500,000, and there were seven directors, John H. Devereaux, Stevenson Burke, Amos Townsend, James Barnett, E. B. Thomas, George H. Russell and John T. Dye. The condition of the road's finances gradually improved under the new management, until it became a paying and even prosperous line. It finally consolidated with the C. C. C. & I. and C. I. St. L. & C. in June, 1889, to form the Cleveland, Cincinnati, Chicago and St. Louis, or Big Four.

Meanwhile the St. Louis, Alton and Terre Haute lease was taken over by the re-organized Indianapolis and St. Louis, and it and its successors operated it until November 1, 1890, when it was deeded to the Cairo, Vincennes and Chicago Railway company, then operated by the C. C. C. & St. L., and, as a part of that road, came under the ownership of the Big Four in 1913, although the part from East St. Louis to Belleville, Illinois, had been previously sold to the Illinois Central.⁸³

When one considers the flourishing condition of both the Big Four and Pennsylvania divisions between Indianapolis and St. Louis, it would seem that Mr. McKeen's toast about the future commerce of St. Louis was to become a reality.

⁸² *Indianapolis Sentinel*, July 29, 1882.

⁸³ N. Y. C. Lines, Annual Reports, 1917, p. 453-5.

PEORIA AND EASTERN EAST (INDIANA, BLOOMINGTON AND WESTERN)

The Peoria and Eastern, as it exists today, is divided into two sections—the Peoria and Eastern East from Indianapolis to Springfield, Ohio, and the Peoria and Eastern West from Indianapolis to Peoria, Illinois. The Peoria and Eastern East is now a part of the Big Four, and its history will be featured in this sketch for this reason; but the story of the Peoria and Eastern West, which went back under its own management in July, 1923, after having been a part of the Big Four for many years, but is now operated by the Big Four, is so interwoven with the eastern section that a short sketch of its history before the building of the latter will be given.

The first road traversing Indiana, now a part of the Peoria and Eastern, is the old New castle and Danville, incorporated June 10, 1854, for the purpose of constructing a road from Newcastle, Indiana, to Danville, Illinois.⁸⁴ A right-of-way and grade were partially built between Crawfordsville and Covington, Indiana, but the line was never actually put into operation.⁸⁵ It was put in the hands of Orville L. Hamilton, receiver, on September 8, 1862, and the

court decree, appointing receiver, included statement that court considered corporation dissolved, and enjoined and restrained officers from exercising any corporate powers.⁸⁶

Its property was conveyed to the Indianapolis, Crawfordsville and Danville on June 23, 1869, by John M. Butler, second receiver.

From final report of second receiver, it is evident that conveyance to Indianapolis, Crawfordsville and Danville Railroad company, covered all of company's railroad property.⁸⁷

⁸⁴ Digest of available historical information on the Peoria and Eastern, prepared by L. S. Rose, general manager, for the writer. Later references to this digest will show only "L. S. Rose." See also N. Y. C. Lines, Annual Reports, 1917, p. 460.

⁸⁵ L. S. Rose.

⁸⁶ *Ibid.*

⁸⁷ *Ibid.*

Next came the Indianapolis, Crawfordsville and Danville railroad. Mention has been made in a previous sketch that the road, which was incorporated May 15, 1866, under the general laws of Indiana, was projected by Henry C. Lord, president of the Indianapolis and Cincinnati at the time, in order to create a rival for the Lafayette and Indianapolis; and J. P. Dunn is authority for the statement that as soon as the Lafayette and Indianapolis sold their line to the Indianapolis and Cincinnati, Mr. Lord dropped the project.

But the people along the line wanted the road, and the Indianapolis, Crawfordsville and Danville was re-organized and went on with the work.⁸⁸

The line was opened to traffic in the latter part of 1869, and almost immediately consolidated with the Danville, Urbana, Bloomington and Pekin railroad, making a continuous line of road from Indianapolis to Pekin, Illinois, which is a suburb of Peoria and connected with it by a Union railroad.⁸⁹ It was custom, as we have seen in previous sketches, at the time, for a railroad to be incorporated and built to or near the state line and later consolidated with another railroad built in an adjoining state to the state line. In this way the consolidated line enjoyed the status of a home corporation in both states, and was not considered a foreign corporation in either, as explained by C. R. Myers, general agent of the Big Four. The Indianapolis, Crawfordsville and Danville acquired by deed in 1869, the right of way and the grade of the old Newcastle and Danville.⁹⁰ It was consolidated, by agreement filed in Illinois, September 9, 1869, and in Indiana, September 11, 1869, with the Danville, Urbana, Bloomington and Pekin, to form the Indianapolis, Bloomington and Western.⁹¹

The Indianapolis, Bloomington and Western had tough sledding in its earlier years, went into the hands of a receiver, November 21, 1874, and continued in a receiver's

⁸⁸ Dunn, *Greater Indianapolis*, 254.

⁸⁹ N. Y. C. Lines, *Annual Reports*, 1917, p. 460. Formerly, according to veteran Peoria and Eastern engineers, this connection was over two roads.

⁹⁰ L. S. Rose.

⁹¹ *Ibid.*

hands until five years later.⁹² A copy of the receiver's report for the year ending November 30, 1878, was located recently in the New York public library, and a copy in photostat was promptly secured by the Indiana State library.

There was a heavy bonded indebtedness on the road, about which something will be said later, and the bills were considerably higher than the available revenues. The dire straits of the company is shown by the following operating statement covering the period of the receivership, 1874-8:

Earnings from all sources.....	\$5,518,910.57
Unpaid receiver's certificates.....	369,175.64
Unpaid vouchers and pay-rolls.....	137,883.31
	<hr/>
	\$6,025,969.52
Operating expense, rentals, etc.....	\$5,575,264.66
Ill. taxes paid.....	\$126,480.97
Interest on tax certificate... 350.00—	126,830.97
Receiver's certificates paid.....	180,175.64
Materials on hand.....	39,306.75
Cash in hands of cashier.....	57,862.88
Cash in hands of local agents.....	24,211.64
Due from individuals and companies....	22,316.98
	<hr/>
	\$6,025,969.52

Discouraging as the outlook seemed, with the great mass of unpaid certificates, vouchers and pay-rolls, General George B. Wright, the receiver, took a little satisfaction in the fact that the excess of liabilities over assets had been reduced from \$1,250,233.34 in 1877 to \$1,107,858.89 in 1878. The expenditures for the four-year period were listed in detail, and the following may be of interest as showing how much less things cost then from now:

Iron, rerolled, 6780 tons.....	\$138,482.58
Iron, new, 3824 tons.....	201,196.39
Steel rails, 1958 tons.....	102,891.51
Ties, 490,838	167,000.59
New store-house and boiler shop at Urbana	964.24
New drill press	900.00

⁹² *Ibid.*

General Wright, who had given the road's affairs considerable thought, made the following comments on the financial conditions in the report for 1878:

The gross earnings for the year have been increased about \$60,000 over the previous year, but the cost of maintaining the property has been increased considerably, by reason of additional repairs rendered necessary from natural wear and decay.

The improvement in gross earnings may be attributed in a great measure, to the organization and maintenance of pools at most of the crossings and intersections with other roads. This has, in nearly every case, resulted in the strict observance of tariff rates, and an increased confidence between the managers of the different lines. While the through rates have been extremely low not averaging over 70/100 of a cent per ton per mile, being only about one-third the rate which prevailed four years ago, the local rates have been quite uniform and generally sustained.

One great obstacle to the economical management and operation of this line of road is its steep grades. The utmost capacity of an ordinary freight engine over the entire "main line" between Pekin and Indianapolis, is fifteen to eighteen loaded cars, or about one hundred eighty to two hundred tons of freight. The grades between Urbana and Indianapolis could be reduced at a cost of about \$100,000 so that a single engine could haul double this amount of freight between those two points. The two steepest grades on the main line west of Urbana are found at Pekin and in the neighborhood of Bloomington, at which places a helping engine could be advantageously employed, at less expense per annum than the interest on the cost of changing the line and grades.

However, General Wright's suggestion could not be carried out. The final outcome of the receivership is quoted from the New York Central Lines Annual Reports for 1917, p. 460:

The receiver operated the road until April 9, 1879, when, following foreclosure sale, it was conveyed by delivery of deed dated March 22, 1879, by the masters in chancery to a purchasing committee consisting of Austin Corbin, Giles E. Taintor and Josiah B. Blossom. April 9, 1879, that part of the road extending from Indianapolis to the Indiana-Illinois state line was conveyed by said purchasing committee to the Indianapolis and Danville company. April 10, 1879, the remainder of the road extending from the Illinois-Indiana state line to Pekin, Illinois, was conveyed to the Danville and Pekin Railroad company, and April 11, 1879, the purchasing committee executed a supplemental quit-claim deed, covering the entire road, direct to the Indiana, Bloomington and Western.

It will be seen that, for the purposes of reorganization, the line was once more divided into an Indiana and an Illinois section. However, these two were re-united before the end of April, 1879, as the Indiana, Bloomington and Western.

Meanwhile, talk was beginning by 1880 of a line of railroad direct from Indianapolis to Columbus, Ohio. This could be accomplished by building a road as far as Springfield, and there joining a road already built to Columbus. This road was being operated by the Cincinnati, Sandusky and Cleveland railroad, and the latter was in the hands of a receiver from 1877 to January, 1880.⁹³ It is very likely that the Indiana, Bloomington and Western officials had in mind even then the plan they later followed, building the line to Springfield and then leasing the Cincinnati, Sandusky and Cleveland, thus having control of a line all the way to Cleveland, Columbus, Cincinnati, and other cities.

In some of the files of the Indianapolis *Sentinel* for the latter part of 1880 appear rumors of a proposed merger of the Cincinnati, Sandusky and Cleveland, the Junction road to Cincinnati, now the C. I. & W., and the Indiana, Bloomington and Western. However, officers of the Junction road denied the rumors. About the same time two corporations were organized to build a railroad from Indianapolis to Springfield. The Ohio and Indiana State Line was incorporated November 13, 1880, under the general laws of Ohio, to build a railroad from Columbus to the Indiana line west of Hollansburg, in Darke county, Ohio.⁹⁴ This line was partially constructed during the corporate existence of the company.⁹⁵ The Ohio and Indiana State Line, according to papers filed with the secretary of state for Indiana, was capitalized for \$2,000,000 with seven directors, six of whom lived in Ohio and one in New York City. The Indianapolis and Ohio State Line Railway company was incorporated on the same day under the general laws of Indiana, with a capital stock of \$1,800,000, subscribed mostly by Indiana men, prominent among whom was Charles W. Fairbanks, later vice-president

⁹³ N. Y. C. Lines, Annual Reports, 1917, p. 457.

⁹⁴ L. S. Rose.

⁹⁵ *Ibid.*

of the United States. Unfortunately for the historian, this took place at almost the close of a very hot presidential campaign, and the newspapers were too full of politics to contain a great deal of information about railroads. The Indianapolis and Ohio State Line was authorized to construct a railroad from Indianapolis to the Ohio line west of Hollansburg, Ohio, which line was partially constructed.⁹⁶ The two lines consolidated under articles filed in Indiana, March 19, 1881, and Ohio, March 22, 1881, forming the Ohio, Indiana and Pacific Railway company, and thus became a home corporation, with all the rights and privileges of such, in both states.⁹⁷ The consolidation was to continue "for fifty years and be renewable for like periods forever." The capital stock was fixed at \$5,000,000, and the first seven directors were J. D. Campbell, Davenport, Iowa; C. W. Fairbanks, C. E. Henderson, H. O. Diehl, W. H. Pronty, J. H. Wilson and Andrew Ford Woods, of Indianapolis. That the project was probably undertaken for the benefit of the Indiana, Bloomington and Western is shown by the clause in the articles of consolidation giving the directors power to consolidate with the Indiana, Bloomington and Western "on or after the completion of its road." The articles were signed by W. C. Diehl, secretary of the Indianapolis and Ohio State Line, and C. E. Henderson, secretary of the Ohio and Indiana State Line.

The name of the corporation is of some interest in showing the dreams of its builders, possibly, to make it a part of a line extending to the Pacific. This idea occurred to many railroad builders, and many included "Pacific" in the name of their road. Most of these never reached anywhere near the Pacific, although some roads of this class have become large and well-known, such as the Missouri Pacific, the Texas and Pacific, and the Vicksburg, Shreveport and Pacific.

The Ohio, Indiana and Pacific finally consolidated with the Indiana, Bloomington and Western, March 24, 1881, but the combined road took the name of the latter road. The capital stock was fixed at \$10,000,000, which absorbed \$5,000,000

⁹⁶ *Ibid.*

⁹⁷ *Ibid.*

stock of the original Indiana, Bloomington and Western and \$3,000,000 of the Ohio, Indiana and Pacific. The other \$2,000,000 was to be used for taking up stock scrip issued to some stockholders, "or acquiring other lines of railroad." In spite of this vision of expansion, an extremely heavy bonded debt hung over the road. They assumed \$4,500,000 of first mortgage bonds and \$1,500,000 of second mortgage bonds of the Indiana, Bloomington and Western from Indianapolis to Pekin, and in addition issued \$3,000,000 worth of six per cent bonds secured "by a mortgage or deed of trust on the eastern part", and \$6,000,000 of income bonds bearing six per cent interest, to be payable out of the earnings of the road "after paying all expenses of maintaining and operating the said line and of conducting the business incident thereto," and paying the interest on the regular mortgage bonds.

Attention has been called in previous sketches to the heavy bonded indebtedness of railroads at the time, and the financial difficulties which resulted. It will be noticed that it was unusually heavy with the Indiana, Bloomington and Western, and this may seem strange when we consider the board of directors, Benjamin S. Henning, of Indianapolis, Ferdinand W. Peck of Chicago, J. Baxter Upham of Boston, John H. Farwell and Robert K. Daw of Claremont, N. H.; Giles S. Taintor, Gilbert Oakley, Henry W. Maxwell, Frederick W. Dunton, Daniel S. Corbin, William G. Wheeler, and James K. O. Sherwood, of New York. Most of these New York men were connected with the Long Island Railroad, according to William Webb and Sandy Thompson, retired engineers on the Peoria and Eastern, both born in Scotland, saw railroad experience in Canada in the sixties, and went with the Indiana, Bloomington and Western in the construction period.

Austin Corbin was president of the Long Island railroad, and when he took the presidency of the Indiana, Bloomington and Western he thought we were just a bunch of cowboys running it. He sent a bunch of officials out west from the Long Island to make over the road, as he thought, but he found out his mistake. For instance, the master mechanic from the east was not used to the conditions we had to face, made a complete failure and had to go back to the Long Island. He was used to a level track, and never had encountered the problems of

the steep hills between Indianapolis and Pekin. He laughed at us when we told him we cleaned out the boilers of our engines about every other trip. "We let our engines run for a month on the Long Island without cleaning," he said. However, this would not work on the Indiana, Bloomington and Western on account of the hills we had to go up, and also on account of the heavy lime solution in the water we had to use out here, which corroded the boilers. The new master mechanic, after several engines had been burned out, finally admitted his mistake. We used copper fire boxes in those days; steel had not been developed as it is now, to stand fire and steam pressure; and though less expensive than copper, it did not give good service. Most of the men from New York had no better success than these men, though they were well liked personally. It was a difference in conditions under which railroading was carried on there and here.

Meanwhile, the Indiana, Bloomington and Western had leased the Cincinnati, Sandusky and Cleveland, on which lease they realized a profit of \$100,000 during 1881.⁹⁸ They pushed forward the finishing touches with energy during 1882 on the line from Indianapolis to Springfield, in order that they might have a direct connection from Indianapolis to Cleveland, Sandusky, Columbus and Cincinnati. Delays due to an injunction process and to high water at Newcastle proved to be only temporary.⁹⁹ In March they had purchased land for a station in Hancock county "at the crossing of the Warrington and Knightstown turnpike, about eight and one-fourth miles northwest of Knightstown."¹⁰⁰ This location would indicate that the present station of Wilkinson is likely the one in question.

The time set for the completion of the eastern extension of the Indiana, Bloomington and Western, as it was called, was May 15, "and the officers of the road will take a ride over the line on that day." The grading in the city limits of Indianapolis was nearly completed by the last of April; though on account of no room between Market and Washington streets for an additional track, the new company was obliged to use the Bee Line tracks.¹⁰¹ The road was finished suffi-

⁹⁸ *Indianapolis Sentinel*, Feb. 2, 1882.

⁹⁹ *Ibid.*, Jan. 21, 1882, and Feb. 22, 1882.

¹⁰⁰ *Ibid.*, March 7, 1882.

¹⁰¹ *Sentinel*, April 28, 1882.

ciently by May 12, 1882, that the officers and directors left the previous morning for Sandusky on a special train.¹⁰² The officials were very enthusiastic about the road, which was almost entirely free from grades, and one of them said, "The line runs through the cream of the country in Indiana and Ohio."¹⁰³ The *Sentinel*, June 10, 1882, announced that the telegraph poles were "all in position yesterday."

Passenger traffic was carried over part of the line by June, 1882. The *Sentinel*, June 13, refers to an "immense excursion run over a portion of the new eastern extension," and also to the fact that General Manager Henderson "expressed himself as being well pleased with the construction of the new division." The excursion must have made an impression, for the *Sentinel*, June 22, spoke of the general boom in passenger business over the new extension, and George Butler and assistants were kept employed all day stamping tickets. A great military encampment in Indianapolis during the week of July 3 brought a large number of visitors to the city and made business good for the Indiana, Bloomington and Western as well as other lines of road.¹⁰⁴

The total cost of the extension

including purchases of right-of-way, steel rails, and construction, is placed at \$3,500,000. The road is 139.4 miles in length, giving a cost of \$25,000 per mile.¹⁰⁵

Thus it will be seen that the construction was much more substantial than the roads of thirty years before, and that though it is inferior to modern railroad construction, the cost per mile runs nearly what it does today. By the last of July, things were about complete, and we read as follows in the *Sentinel*, July 20:

Three daily through trains will be run between Columbus, Ohio, and Peoria. Through trains will connect both ways to and from Sandusky. Arrangements have been perfected for connection at Columbus with the Baltimore and Ohio and other lines east. After the 30th, no passengers will be hauled on freight trains.

¹⁰² *Ibid.*, May 12, 1882.

¹⁰³ *Ibid.*, June 8, 1882.

¹⁰⁴ *Ibid.*, July 3-10, 1882.

¹⁰⁵ *Ibid.*, July 8, 1882.

The following time-table was published in the *Sentinel*, July 30, 1882, and succeeding issues, for the eastern division:

Leave Indianapolis		Arrive Indianapolis	
Mail express	4:35 P. M.	Pacific express	7:00 A. M.
Day express	11:00 A. M.	Western express	1:00 P. M.
Atlantic express	6:55 P. M.	B. & R. I. express	10:45 P. M.

Things looked auspicious at the start for the new division—several new switches were built on it, and passenger business boomed.¹⁰⁶ Most of the travel from Indianapolis to Detroit had been by way of the Wabash, but the Indiana, Bloomington and Western, with its Ohio connections, claimed just as short a route.¹⁰⁷ The *Sentinel*, August 30, 1882, said:

The earnings of the line for the third week of the month were the largest ever made by the line, aggregating \$83,819.71, an increase over the same time last month of \$16,164.79.

The following financial statement for the year ending December 31, 1882, for the Indiana, Bloomington and Western is taken from *Poor's Manual of Railroads for 1883*:

Cost of property	\$23,902,515.96	Capital stock	\$10,000,000.00
New construction, etc., 1882	617,266.08	Funded debt	13,637,300.00
Materials and fuel	280,543.52	Bills payable	324,460.36
Due from other com- panies, etc.	62,482.50	Current accts.	387,673.61
Cash on hand and in transit	211,951.95	Other liabilities	158,636.86
Due from U. S. Gov- ernment	15,957.94	Balance, income ac- count	582,647.12
			<hr/>
			\$25,090,717.95
	<hr/>		
	\$25,090,717.95		

The following operating statement showed a good business for the year 1882:

Earnings		Expenditures	
Passengers	\$ 924,725.60	Maintenance of way	\$ 484,948.18
Freight	1,554,615.93	Rolling stock	360,726.64
Mail and express	112,827.98	Transportation	828,270.76
Miscellaneous	148,057.49	Miscellaneous	113,957.27
	<hr/>		<hr/>
	\$2,740,227.00		\$1,787,902.85

¹⁰⁶ *Sentinel*, Aug. 19, 1882.

¹⁰⁷ *Ibid.*, July 25, 1882.

That the business from the eastern extension and the lease of the Cincinnati, Sandusky and Cleveland helped matters a great deal during 1882 is shown by comparing the earnings above with those for 1881:

Passengers	\$ 592,564.68
Freight	1,049,784.14
Mail and express	68,272.34
Miscellaneous	115,445.68
	<hr/>
	\$1,826,066.23 ¹⁰⁸

As nearly half the line from Indianapolis to Springfield runs through Ohio, the story of the building of this section belongs to the history of Ohio rather than of Indiana. In Indiana, however, there was great interest all along the route, and this was perhaps most noticeable in Henry county, which contained the largest city, Newcastle, through which the road passed between Indianapolis and the Ohio state line. Clarence H. Smith of Newcastle has prepared the following valuable account of the contemporary activities in Henry county in regard to the Indiana, Bloomington and Western, especially for this sketch:

Early in 1881 when the building of the Peoria and Eastern division of the Big Four, then known as the Indiana, Bloomington and Western, was being agitated the route running through New Castle, county seat of Henry county, on through Hancock and Marion counties to Indianapolis was much in favor. Several other towns on different surveys were offering strong competition for the line.

March 26, at a meeting of business men in New Castle, the movement was started toward securing the road, Mr. I. N. Davis representing the railroad company was present and arrangements were made for holding a mass meeting of the citizens at the court-house on the 30th. Mr. Davis was present at this meeting and told of the advantages to the company of the New Castle route and a number of citizens spoke regarding the benefit to the town to have a railroad connecting directly with Indianapolis. Prior to the building of the Indiana, Bloomington and Western New Castle residents either had to drive nine miles south to Coffin's Station on the National Road (now known as Dunreith) to catch a Pennsylvania train or went to Richmond on the Panhandle to get a train to Indianapolis.

¹⁰⁸ Poor's *Manual of Railroads*, 1882.

Mr. Davis stated that the company asked the right of way through the county and a subsidy of \$4000 per mile. Great interest was shown in the movement, and a committee was appointed with Judge J. H. Mellett as chairman. This committee soon secured the number of names required to petition the county commissioners to appoint days for a special election in Blue River, Henry and Harrison townships, when the voters should decide for or against the tax to build the road. These petitions were granted by the commissioners and April 26 set as the day to vote. The Henry and Blue River township voters were favorable to the tax by strong majorities and the Harrison township citizens by a narrow margin, as the proposed line of the road barely touched the township.

The local newspapers of the day were strongly favorable to the improvement and the New Castle *Courier* started a special column, headed at first 'Railroad News' and later 'Track and Train'. These columns were filled with items of personal and local interest regarding the progress of the work on the Indiana, Bloomington and Western and other railroad lines. It was largely the work of Mr. Fleming Ratcliff, of the *Courier* staff, who resigned his newspaper position in the summer of 1882 to accept the position of first ticket agent at New Castle on the Indiana, Bloomington and Western. He served in this capacity for eight years when he returned to the journalistic field and is today serving as one of the reportorial staff of The New Castle *Times*, after more than fifty-one years connection with the newspapers of Henry county, continuous service except for his years with the Indiana, Bloomington and Western.

As is the case with any improvement involving expense there was a strong element opposed to the construction of the road through the county but they were by no means in the majority. The greatest difficulties encountered in the building of the road were due to the crossing of the Panhandle track about a mile northeast of New Castle and the long low bottom land in the Blue River valley just west of the town. This latter required the construction of a trestle, estimated to cost \$20,000. The contractors secured 175,000 feet of square oak timber and 75,000 feet of yellow pine, the latter being shipped direct from Memphis, Tennessee, and costing about seventy dollars per thousand feet. This trestle was long the wonder of the country round but in later years was filled.

Among interesting items found in the 'Track and Train' column of the *Courier* is the statement under date of June 9, 1882, that "with a few more days of nice weather, the Indiana, Bloomington and Western track from New Castle to Indianapolis can be placed in condition to safely make thirty miles an hour over. It has connected its rails with the Union tracks and there is reason to believe that trains will be run between this point and Indianapolis by July 1st." However, the contractors did better than this and had the track in shape so that the first

train was run from New Castle to Indianapolis, June 30, 1882. It was a great event and everyone who could took advantage of the excursion. Some time later the line east of New Castle was completed. New activity in business was soon awakened, in fact New Castle had quite a boom. By the fall of 1882 a new village, Mooreland, in Blue River township, was started on the line of the new road and in the western part of the county, Kennard, was founded. Both are thriving small towns today. Some years later, in 1890, when the Louisville and Benton Harbor division of the Big Four was constructed, the village of Shirley was laid out at the crossing of the Indiana, Bloomington and Western and the new road. It was named for the division superintendent of the present Peoria and Eastern, Joseph A. Shirley. The Main street of the town constituted the dividing line between Henry and Hancock counties. In time it grew to be the fourth town in Henry county in size.

Among items in the 'Track and Train' column of the *Courier* is the statement that the road put in 2640 cross ties to the mile between New Castle and Indianapolis. The issue of October 6, 1882, says 'The more railroads we have the more business comes to our town. A year ago it was argued that there was no demand for the "long felt want" for a new road, and yet the first three months that the Indiana, Bloomington and Western has been operated, proves that there was business here ready for it. The ticket sales at New Castle for the quarter just ended are as follows: July \$478.67, August \$1157.20, September \$1429.45.'

"G. W. Burnett, one of the chief engineers of the Indiana, Bloomington and Western extension was in town this week looking over the work in general.'

"J. D. Donaldson, an old and experienced contractor, has been placed here as superintendent of construction on the Indiana, Bloomington and Western between New Castle and the Randolph county line. It is the intention of the company to push the work on this portion as rapidly as possible.'

'The Lutes Brothers will likely build five of the largest passenger stations on the Indiana, Bloomington and Western extension. The one at New Castle will be of good style and finish (frame) 20 x 70 feet in size.'

No citizen of New Castle did more toward the promotion of the road in Indiana than Mr. R. M. Nixon, associated with Charles W. Fairbanks of Indianapolis. Mr. Nixon was a banker, serving as assistant comptroller of the currency under President Harrison. Most of the suits brought against the right-of-way by opposers to the road were adjusted through Mr. Nixon's efforts and many tax-payers secured the money to meet their assessments through him.

Equipment in railroads, by the time the Peoria and Eastern East was built, had progressed considerably over most of

the equipment hitherto described. Steel rails were used instead of iron, but they were about the same weight, 60 pounds to the yard. The gauge of the road was four feet, nine inches, and the rolling stock was as follows in 1881: Locomotives, 93; passenger cars, 65; baggage, mails and express cars, 33; chair cars, 4; cabooses, 45; box cars, 1469; stock cars, 356; coal cars, 669; platform cars, 336.¹⁰⁹ One of the main differences in the track then and now was in the switches. The ends of the switches now are tapered off to make a smooth junction with the rail; but in those days the switches had a stub end to them where they came in contact with the rail. Of course, the train made a somewhat jarring motion, but the railroaders of the time were accustomed to it. The switches of the time were all hand-operated; the record of interlockers, marking the introduction of electric block signal apparatus, in the state offices, goes back to 1884, but they did not come into use on the Big Four lines until perhaps a year or two after that, according to C. H. Miller, foreman of maintenance of way material for the Big Four at Beech Grove. Mr. Miller says the first electrically operated switch on the present Big Four was in the city of Indianapolis near Massachusetts avenue and Tenth street.

Mr. Webb and Mr. Thompson remember very well these days.

When we were first on the road they used the old chair joints between rails; and as a liberal allowance was made for expansion in laying the rails, we could tell whenever the engine went over a rail joint, and it was clickety-clack all along the line. The engines wore off the sharp ends of the rails in going over them, and a welder was kept busy all the time filling out the ends of these rails. The track was so loose that when we went over it it looked ahead like a big crooked snake. Later they got fish-plates (these were plain bars which fit in the necks of the rails and were bolted to them through holes punched in the rails) but these were not so secure as the angle bars of today, which are bolted to the rails and also spiked down to the tie.

The old system according to these gentlemen, was that an east-bound train must have the right of way over one west

¹⁰⁹ The preceding information about the equipment of the Indiana, Bloomington and Western at the time is taken from Poor's *Manual of Railroads*, 1882.

bound; but that if the east-bound train was twenty-five minutes late at the scheduled junction point, the west-way train would have the right of way. Now, east-way trains have the right of way under all conditions. Then, five minutes was allowed for variation of watches, but now conductors and engineers have their watches inspected regularly and adjust them regularly, so that there is practically no such thing now as variation of watches.

Mr. Webb and Mr. Thompson have seen many improvements on locomotives, but the ones which seem to have impressed them most have been the method of injecting water into the boiler under steam pressure, and the air brakes. After the old period of bailing water into the boiler, a pump was installed on the engine, operated by an arm attached to the cross-head which pumped water from the tender into the boiler; but sometimes, going down hill, it would be found necessary to shut off this pump. Later the steam injectors were substituted, but the first ones were huge, unwieldy things, not like the small, easily-operated ones just under the cab of the modern locomotive. Their railroading began with the era of hand brakes; then they had experience with the first air brakes, in which air pressure was applied to the brakes of the different cars of a train in succession; but this had its difficulties, since the rear part of a train would still be going while the brakes were applied to the cars on the front part. The air brake system of today is based largely upon the triple valve by means of which a balanced pressure is kept against the piston which operates the brakes. If air is let out of the train line by means of the valve in the engine, or by the train breaking in two, this balance is destroyed, the heavier pressure on one side causes the piston in the air reservoir on each car to shove the brakes against the wheels. In this way all parts of the train are stopped almost simultaneously.

During the prosperous condition of the road, L. S. Rose gives the following summary of its activities:

March 24, 1881, to July 1, 1886, operated its own line (including the eastern extension).

May 1, 1881, to July 1, 1886, under lease dated March 8, 1881, for 99 years renewable forever, operated line of the Columbus, Springfield

and Cincinnati Railroad company, extending from Springfield to Columbus, Ohio.

For same period and by provisions of same instrument as last quoted, operated that part of line of the Cincinnati, Sandusky and Cleveland Railroad company lying between Sandusky and Springfield, Ohio.

July 1, 1886, to January 10, 1888, through C. E. Henderson, receiver, operated the two lines last mentioned.

January 1, 1882, to March 16, 1885, under perpetual lease, operated line of Indianapolis, Decatur and Springfield Railway company, between Indianapolis, Indiana, and Decatur, Illinois.

However, the program was too much for the Indiana, Bloomington and Western, and its finances began to suffer from a heavy bonded indebtedness and large rental charges. The provisions of its perpetual lease of the Cincinnati, Sandusky and Cleveland and the Columbus, Springfield and Cincinnati were no doubt based on sanguine hopes for a great business from each road. These provided for an annual rental of one-third the gross earnings up to a maximum of \$550,000 all in excess of which was to go to the lessee; but they also provided for a minimum rental of \$300,000. The road was unable to keep up this rental and suit was brought and judgment rendered against the Indiana, Bloomington and Western for back rental to the amount of \$250,000; and as a result, C. E. Henderson, receiver, took over the road, July 1, 1886. The following operating statement for the year ending June 30, 1886, shows its financial straits:

Passenger earnings	\$ 918,091.81
Freight earnings	1,575,445.06
<hr/>	
Total	\$2,493,536.87
Operating expenses and taxes	1,653,753.79
<hr/>	
	\$839,783.08
Rentals	\$342,795.79
Interest	576,701.58
<hr/>	
Deficit	\$79,714.29

The bonded indebtedness had also mounted, and was as follows:

1st mortgage preferred.....	\$ 1,000,000
1st mortgage	3,500,000
2nd mortgage	1,500,000
Income mortgage	71,800
1st mortgage eastern division.....	3,000,000
Cont. income	4,565,500
Sinking fund debenture.....	500,000
	<hr/>
	\$14,137,300 ¹¹⁰

The line went the way of many roads of the period which were under a like load of funded debt; and in the case of John Hurd vs. the Indiana, Bloomington and Western Railway Company, et al., for foreclosure of mortgages, the road was bid in by a purchasing committee representing the holders of certain of the mortgage bonds, March 28, 1887.¹¹¹ The line was conveyed to the purchasing committee, consisting of Frederick P. Olcott, Dumont Clarke, John L. Farwell, J. Rogers Maxwell and William G. Wheeler, including the franchise to be a corporation, May 26, 1887, by William P. Fishback, special master in chancery. Mr. Rose writes:

It will be noted, that under operating control, date of operation of the property extends beyond that quoted for end of corporate existence. This is caused by necessity for including operation of property on this company's report until date when successor assumes active control.

November 29, 1886, an agreement for consolidation between this company, the Cincinnati, Sandusky and Cleveland Railroad company and the Columbus, Springfield and Cincinnati Railroad Company was drafted but not filed and, because of financial stress, nothing was ever done under its provisions.

It might be mentioned, however, that as all three of these roads later passed under the control of the Big Four, they are virtually consolidated today; and through trains run from Indianapolis to Columbus.

After the Indiana, Bloomington and Western was taken over by the purchasing committee, the part in Ohio became

¹¹⁰ Poor's *Manual of Railroads*.

¹¹¹ L. S. Rose.

the Springfield & Western, the Indiana part the Indiana Railway company, and the Illinois part the Pekin and Danville. The two last named consolidated as the Indiana and Western, and then it consolidated with the Springfield and Western, making the whole line the Ohio, Indiana and Western.¹¹² This required considerable skillful legal manipulation, but it enabled the re-organized company to be a home corporation in all three states. The capital stock of the new company was fixed at \$13,325,000, with seven directors, of whom two were Indiana men, Charles W. Fairbanks and C. E. Henderson, both of Indianapolis.

This road was also sold at foreclosure, February 20, 1890, to Charles H. Coster and Samuel Spencer, who conveyed the line from Indianapolis to Springfield to the C., C., C. & St. L., and the line from Indianapolis to Pekin to the Peoria and Eastern, which did not operate its road, but leased it also to the C., C., C. & St. L.¹¹³ However, on account of the heavy bonded indebtedness hanging over the road from other days, these adjustments proved to be quite complicated.¹¹⁴ The Peoria and Eastern, however, held an interest in the line from Indianapolis to Springfield, and it has always been known as the Peoria and Eastern East, while the line from Indianapolis to Pekin is the Peoria and Eastern West. As previously stated, the latter is now under its own management, through operated by the Big Four.

Out of the numerous litigations over the road came one important legal decision, this in the foreclosure suit of 1879, as told by J. P. Dunn:

It had become a fashion of railroad companies controlled by bondholders to pile up floating debt preparatory to receivership and foreclosure. This caused great hardship to employes, and material men, and James M. Butler, of the firm of McDonald and Butler, made a determined fight in this case for a modification of the old equity rule which gave the mortgagee absolute priority in such cases. Judge Drummond recognized the justice of the plea and announced the now celebrated 'six months rule', which gave precedence to claims for labor and

¹¹² L. S. Rose.

¹¹³ L. S. Rose.

¹¹⁴ N. Y. C. Lines, Annual Reports, 1917, p. 462-5, give these adjustments in detail.

material for six months prior to the receivership. The decision was warmly contested but the rule was sustained by the Supreme Court, and has since been established law. It is doubtful if any decision in this country ever brought larger and more just relief to a large body of men.¹¹⁵

"Yes, the Peoria and Eastern under different names, has seen some pretty hard times," said Mr. Webb and Mr. Thompson, but like other of its veterans, they have a genuine affection for the old road, and a pride in its present prosperity. They take pride in many things about the road, among them the fact that E. M. Costin, former general manager of the Big Four, spent his early railroading days on the Peoria and Eastern; and they declare that "it is his first love".

THE CINCINNATI, WABASH AND MICHIGAN

Southern Michigan is a very fertile and productive section, especially in fruits and vegetables, but it is situated between the great lakes, so that its railroad outlet is naturally to the south, in order to connect with the great east and west trunk lines. Although some of its products naturally find their way to the lake ports, a great deal of them even in pioneer times, went to markets by way of the east and west commercial arteries traversing Indiana.

"The farm produce of southern Michigan," says E. J. Benton, "found its way to the canal at Ft. Wayne over a plank road sixty miles in length."¹¹⁶ While the northeast part of Indiana and the territory lying just north of it in Michigan had its chief market at Fort Wayne, the city of Wabash, also on the Wabash and Erie canal, was also the center of trade for a large section of country.¹¹⁷

The farmers of Grant, Madison and Delaware counties found an outlet for their wheat at Wabash after a long wagon haul,

and four hundred to five hundred teams would often be in Wabash unloading grain in a single day.¹¹⁸ It is very likely

¹¹⁵ *Greater Indianapolis*, 561.

¹¹⁶ *Wabash Trade Route*, 101.

¹¹⁷ *Ibid.*, 101.

¹¹⁸ *Ibid.*, 101.

that some of the produce of Michigan found its way down to Wabash and the canal, as well. Part of the territory now on the present Michigan division of the Big Four was served by the old mail route between Ft. Wayne, Elkhart and Niles, Michigan, established in 1831.

Mail was carried every four weeks. The sound of a tin horn announced the coming of "old Hall" as he came wending his way through the grove east of the village (Elkhart) astride of one horse, and the mail bags, containing news from the settlements, on the other, with a string fastened to the bits of leather in order to guide him in the right path.¹¹⁹

The line of the Wabash and Erie canal has always been an important trade route, for even when the canal started to decline, the Wabash railroad was built almost paralleling it, and serving the same territory. This was in the early seventies, and a short time before that the Lake Shore road had been built across the northern part of Indiana, from Cleveland to Chicago. Added to this was the Bellefontaine road, which as we have seen afforded by 1870 connections with important trade centers in the east. So, it was not surprising that a road should be planned to run from southern Michigan south, intersecting these trunk lines and having its terminal at Anderson on the Bellefontaine.

A prominent figure in railroading, especially railroad building, in that section in 1870, was Capt. A. G. Wells of Kalamazoo, Michigan. He helped build the road from Kalamazoo to White Pigeon, Michigan, on which he made a profit by leasing it to the Lake Shore.¹²⁰ The ambitions on the part of the builders of the new road were also high, but the L. S. & M. S. "refused to agree to buy it if built, as its projectors had been led to believe would be the case." However, Captain Wells was aided in the building and projection of the road by able men along the route, like Joseph H. Defrees of Goshen, and William Williams of Warsaw.¹²¹

¹¹⁹ Joseph H. Defrees in A. E. Weaver, *History of Elkhart County*, p. 156-7.

¹²⁰ N. Y. C. Lines, Annual Reports, p. 180; Stonex, newspaper clipping on "Railroads of Elkhart County."

¹²¹ L. W. Royse, *History of Kosciusko County*, 175.

The line from White Pigeon to Anderson was not planned originally as one road, but was a consolidation of two roads. The Grand Rapids, Wabash and Cincinnati, from Warsaw to Anderson, was incorporated September 25, 1869, with a capital stock of \$2,000,000, and thirteen directors: Charles W. Chapman, Joseph Crabbs, Benjamin F. Lines, James Brownlee, Thomas N. Stillwell, Joseph Pugh, Calvin Cowgill, David Kirkpatrick, Charles S. Tibbetts, Jonathan P. Winslow, Eli David, Milton S. Robinson and Jacob Harter. A few months later, February 9, 1870, the Warsaw, Goshen and White Pigeon railroad was incorporated, with a capital stock of \$250,000, shares being one hundred dollars each. The directors were E. W. H. Ellis, John W. Egbert, Milo S. Hascall, Joseph W. Defrees and W. W. McBeth of Leesburg; L. J. North of Milford, David Rippey of Leesburg, and A. T. S. Keist and Charles W. Chapman of Warsaw. Joseph H. Defrees was president of the road; but the two largest subscribers were George Goss and A. G. Wells, both of Kalamazoo, who subscribed \$25,000 apiece, while the others contributed one hundred dollars each.

Outside a few men like Mr. Goss, Captain Wells, and Mr. Gardner, of whom more will be said later, the financing was at first almost entirely local. Great interest was taken all along the proposed line of the road, and county and township subscriptions practically assured the successful completion of the entire line from Elkhart to Anderson. Wabash county held an election early in November, 1869, and an appropriation of \$65,000 to aid the railroad, or about \$6,000 a mile, was voted by a majority of eight hundred.¹²² The township in which Goshen is situated in Elkhart county, voted "by a very large majority" a tax of \$45,000 to aid the road.¹²³

Meanwhile, things were successful in the counties along the proposed Grand Rapids, Wabash and Cincinnati. Kosciusko county voted an appropriation and followed in March, 1870, with a two per cent. tax for the road from Warsaw to Goshen.¹²⁴ Grant county also voted a tax for a similar pur-

¹²² *Indianapolis Sentinel*, Nov. 4, 1869; C. W. Weesner, *History of Wabash County*, 237.

¹²³ *Sentinel*, Jan. 29, 1870.

¹²⁴ *Ibid.*, Nov. 18, 1869; March 13, 1870.

pose. The hottest opposition, for some cause that is not entirely clear, occurred in Madison county. There an appropriation of \$147,000 was proposed, but "money was spent without stint by those opposed to the road."¹²⁵ However, the election carried by a large majority.¹²⁶ The effect of the vote was taken to the Supreme court on injunction proceedings, and an adverse decision was given in 1874.¹²⁷ The elections were held by townships—Anderson township donated \$28,000, Monroe township, \$24,000, and Boone \$7,500. A proposal to include \$8,000 was voted down in Boone township.

The Grand Rapids, Wabash and Cincinnati built no road, but the line from Goshen to Warsaw was built and opened to traffic August 15, 1870. It continued its operation until June 30, 1871, when it was consolidated with the other road as the Cincinnati, Wabash and Michigan, from Elkhart to Anderson. The capital stock was fixed at \$2,250,000, with the following directors: Ransom Gardner, A. G. Wells, Kalamazoo; Joseph H. Defrees, E. W. H. Ellis, Goshen; Charles W. Chapman, A. T. S. Keist, Warsaw; Calvin Cowgill, Jacob Harter, David Kirkpatrick, Wabash; Charles S. Tibbetts, Grant county; Milton S. Robinson, Thomas N. Stillwell, Madison county. The stockholders in each company were to continue as stockholders in the combined company, with "the same rights and privileges in the said consolidated company which they now have in the present company whereof they are now stockholders." The articles of consolidation were signed by Joseph H. Defrees, president, and E. W. H. Ellis, secretary, of the Warsaw, Goshen and White Pigeon, and C. Cowgill, president, and F. M. Eagle, secretary, of the Grand Rapids, Wabash and Cincinnati.

The consolidated company put forward the work on the line to Anderson with energy, and progress is reported as follows in the New York Central Lines Annual Reports for 1917, p. 455:

Extensions of the road between Goshen and Warsaw, Indiana, were built and put in operation as follows: to North Manchester, Indiana,

¹²⁵ Anderson *Herald*, quoted in *Sentinel*, Nov. 20, 1869.

¹²⁶ Forkner and Dyson, *Historical Sketches of Madison County*, 82.

¹²⁷ Forkner and Dyson, *Historical Sketches of Madison County*, 82.

August 27, 1871; to Wabash, Indiana, September 20, 1872; to Marion, Indiana, December 24, 1873; to Fairmount, Indiana, June 22, 1875; and to Anderson, Indiana, November 1, 1876.

A great deal of enthusiasm was shown along the line as the road was built. The first train left Warsaw going north, August 9, 1870, according to L. W. Royse, who also says that A. T. Skist was the first freight and ticket agent at Warsaw.¹²⁸ Dr. P. G. Moore, of Wabash says that there was quite "an enthusiastic public" when the road was finished to that city.¹²⁹

Commodious machine shops of the company were subsequently erected near the eastern limits of the corporation, the city of Wabash paying a bonus of \$25,000 as an inducement for the location. The appropriation seems to have been a judicious one.¹³⁰

Shops at Wabash today serve the Michigan division of the Big Four, although there are also shops at South Anderson, where the Michigan division crosses the Cleveland division, or old Bellefontaine. Forkner and Dyson write as follows of the coming of the road to Anderson:

An arrangement was effected with the P. C. C. & St. L. road by which the C., W. & M. used its track into Anderson until the latter could construct a bridge across White river, and extend its track into the city. It was several months until the C., W. & M. bridge was built. A depot was erected between Fifth and Sixth streets in Anderson, and later burned; then being in control of the Big Four, used the Big Four depot.

Mr. Gardner of Michigan, the first president, died at Anderson in May, 1876, and the remains were taken home on the first passenger train run over the road between Anderson and Wabash. They were accompanied as far as the latter city by one hundred Anderson business men and prominent citizens.¹³¹

The capital stock, as mentioned previously, was \$2,250,000; and July 1, 1871, \$2,000,000 of first mortgage seven per cent bonds were authorized for a twenty year term, interest

¹²⁸ *History of Kosciusko County*, 175.

¹²⁹ This information was contained in a personal letter to the writer. Dr. Moore says the first train to Wabash came by way of Elkhart, May 23, 1872.

¹³⁰ Helm, *History of Wabash County*, 145.

¹³¹ *Historical Sketches of Madison County*, 82.

to be payable semi-annually. These bonds were to be issued to the contractors in charge of construction of the road at the rate of \$16,000 per mile of road.¹³² By December 31, 1873, eighty-one miles of road, to Marion, were in operation, and the bonds amounted to \$1,200,000.¹³³ By the end of 1875, these bonds amounted to \$1,456,600, the road having been completed to Alexandria, 101 miles. The cost of rolling stock was then \$175,000, and the estimated cost of finishing the road was placed at \$2,544,000, an estimate which later proved to be far too low. The following equipment was owned by the company: Seven locomotives, 5 passenger cars, 6 baggage, mail and express cars, 48 box cars, 17 platform cars, 39 coal cars, besides 16 cars used exclusively in the service of the road. The following operating statement was given:

Passenger earnings -----	\$ 71,640.00
Freight -----	101,738.26
Miscellaneous -----	18,760.00
	<hr/>
	\$192,138.26
Operating expenses -----	76,850.00
	<hr/>
Balance to meet expenses-----	115,288.26
Interest on bonds-----	47,880.00
	<hr/>
	\$ 67,408.26 ¹³⁴

This presented a good showing, but the road, in the seven years of plenty, made no provision for the lean years. Every year the surplus which was left was expended on construction, and evidently no dividends were paid on the capital stock. This was likely due to the fact that Captain Wells and his associates expected the Lake Shore to buy the road, which they did not. Again, although the authorized capital stock was \$2,250,000, only \$1,500,000 was actually paid in. The late seventies were hard years on all railroads; and although operating expenses increased enormously as the road was completed to Anderson, the gross earnings increased but little.

¹³² *Poor's Manual of Railroads*, 1872-3.

¹³³ *Ibid.*, 1874-5.

¹³⁴ *Ibid.*, 1876-7, for all these statistics for 1875.

This may be shown by the operating statement for 1879, the last year before the road was re-organized:

Passenger earnings	\$ 99,272.87
Freight earnings	104,676.08
Mail, express, etc.....	11,543.47
	<hr/>
	\$215,492.42
Operating expenses	\$191,853.39

Thus it will be seen that only a little over \$20,000 was available after deducting operating expenses. Meanwhile, the entire amount of bonds, amounting to \$2,000,000, had been issued when the road was completed, which would involve an annual expenditure for interest of \$140,000; the road had acquired a floating debt of \$26,000; and the cost of the road, which had been estimated at \$2,544,000, proved to be \$3,418,500, including equipment.¹³⁵ Naturally it failed, and the failure broke Captain Wells financially, according to Abraham E. Weaver.¹³⁶

Even in 1877, the net income after operating expenses were paid, was only \$47,300,¹³⁷ only a fraction of the interest on the bonds, and following court action, the road was taken over, January 2, 1878, by Amasa Stone, Jr., and Jephtha H. Wade, trustees for the mortgage bondholders, who operated it until May 28, 1880.¹³⁸

The deed of trust, which secured the mortgage bondholders, gave them the power of sale, and so Mr. Stone and Mr. Wade conveyed the road to a syndicate "in the name of and for the use and benefit of the said mortgage bondholders", including, besides some individuals who had already been active in the management of the road, the Cleveland Rolling Mill Co., the Citizens Savings and Loan Association of Cleveland, and the Lake Shore and Michigan Southern railroad. On account of the comparatively small equity the bondholders had

¹³⁵ *Poor's Manual of Railroads*, 1880. The writer has changed a few figures, as the printed statement shows several flagrant errors in addition.

¹³⁶ *History of Elkhart County*, p. 171.

¹³⁷ *Poor's Manual of Railroads*, 1878.

¹³⁸ N. Y. C. Lines, *Annual Reports*, 1917, p. 455. Dr. P. G. Moore of Wabash says: "Calvin Cowgill of Wabash and Dr. Carey were prominent attorneys in the case."

in the road after it was finished, they were able to purchase it for \$2,100,000; and then they proceeded to reorganize it.

The new Cincinnati, Wabash and Michigan was incorporated April 16, 1880, under the general laws of Indiana, but the new syndicate's title was not perfected, so as to allow them a deed to the road, until May 28, 1880.¹³⁹ The capital stock was fixed at \$3,000,000, and the following officers were elected: J. H. Wade, president; William Bingham, vice-president, and W. S. Jones, secretary-treasurer, all of Cleveland. The following officials were continued in office from the old regime: Norman Beckley, Elkhart, general manager; Owen Rice, Wabash, general freight and ticket agent, and S. B. Tinker, Wabash, master mechanic. The road began to prosper and showed a favorable balance in the profit and loss account of \$67,452.98 for 1880.¹⁴⁰

Meanwhile a Michigan corporation of \$1,000,000, the Elkhart, Niles and Lake Michigan, had been formed in 1880, to build a road from Niles to the state line just north of Elkhart. The C. W. & M. passed, November 11, 1880, a resolution to extend their line from Elkhart to the state line so as to join with this other road. Both lines were completed by 1882, and were consolidated as the Cincinnati, Wabash and Michigan, August 11 of that year.¹⁴¹ The capital stock was \$4,000,000, and the market values of the stock in the two companies which combined must have been unequal, for provision was made in the articles of consolidation for equalizing this difference in the distribution of the stock of the consolidated company. J. H. Wade, president; William Bingham, vice-president, and W. S. Jones, secretary-treasurer, were continued as officers of the new organization, and with the following constituted the first board of directors: H. B. Payne and C. P. Leland, Cleveland; Norman Beckley, C. E. Cowgill, C. Cowgill, Joseph H. Defrees, Elkhart; F. M. Gray, Niles (former president of the Elkhart, Niles and Lake Michigan); and H. W. Williams, Benton Harbor. The general officers of the road were established at Elkhart, though the present officers of the Michigan divi-

¹³⁹ N. Y. C. Lines, Annual Reports, 1917, p. 455.

¹⁴⁰ *Poor's Manual of Railroads*, 1881.

¹⁴¹ N. Y. C. Lines, Annual Reports, 1917, pp. 455-6.

sion of the Big Four are at Wabash. The long desired connection with Lake Michigan was realized when the line completed an extension from Niles to Benton Harbor, November 13, 1882.¹⁴²

Of course, there were plenty of romance and characteristic railroad experiences in these times on the C. W. & M. The writer has not attempted heretofore to treat this phase of the road's history because G. W. Haydon, a retired engineer, of Benton Harbor, Michigan, has done this in a very complete and satisfactory manner. Superintendent E. H. Zeigler, of the Michigan Division, through whose courtesy Mr. Haydon's reminiscences are here reproduced, pays him the following fine tribute:

He is a man of most estimable character and worth, who probably contributed as much energy as any other man in the construction of what is now the Michigan Division of the Big Four system. Mr. Haydon retired from the service in 1918 under our pension rules, after serving faithfully for forty-eight years, beginning as a boy of all work and closing as a passenger engineman, and in all these years never a mark against his record.

Mr. Haydon writes as follows:

Benton Harbor, Mich., June 11, 1916.

I entered the service of this Company May 15, 1870, in construction service with a promise of a job firing as soon as there was an open-the A. G. Wells. (All locomotives had a name as well as a number.)

This company was composed of A. G. Wells, superintendent; R. Gardner, president, and Joe Milard, secretary-treasurer, and was incorporated as the State Line and Warsaw railroad, and remained as such until completed to Warsaw in the fall of 1870, when it was re-organized as the Grand Rapids, Wabash & Cincinnati railroad, with A. G. Wells and R. Gardner sole owners, Mr. Milard retiring and going into the paper manufacturing business at Niles, Michigan.

When we started to lay rails at Goshen they were all iron rails at this time, steel rails were unknown. Iron was \$70.00 per ton. Everything went smoothly until we reached Milford, twelve miles south of Goshen, when we struck a sink hole. This place did not seem to have any bottom; after working all day, everything would look all right, but by morning rails and ties would be out of sight. There were no

¹⁴² N. Y. C. Lines, Annual Report, 1917, p. 456.

ing. The road had only one locomotive at this time, the No. 1, named

splices at this time. The rails were fitted together in what were called chairs, the chairs being spiked to the ties with three spikes, so we lost some rails.

We cut and put into this place ten acres of tamarack, one hundred and fifty carloads of old ties from the L. S. & M. S. railroad, and all of the dirt that could be gotten between Goshen and Warsaw and still there is a sag in the road to this day.

By this time we had three engines, No. 1 (the A. G. Wells), No. 2 (the Warsaw), and No. 3 (the Wabash).

1871, Warsaw South

The road was now known as the Grand Rapids, Wabash and Cincinnati railroad, with regular service between Goshen and Warsaw. There were no agents, all fares being collected on the train. When the local freight pulled in the drays backed up to the car door and the conductor would check out the freight and charge just what he thought it would stand, no record of anything.

By this time I was beginning to be considered an old hand and whenever there was anything special to do some of the officials would say 'Where is Haydon?' This began to look encouraging. If the fireman was sick or wanted to lay off, it was 'Get Haydon'; if there had to be a trainload of ties made ready for morning it was 'Send Haydon', no extra compensation, but still it gave some privileges.

The grading and track laying was progressing rapidly between Warsaw and Claypool. The company had a saw-mill at Claypool getting out ties and bridge timbers. The mill was run by John Wells, brother of the superintendent. The first thing he did was to get out the lumber and build himself a house and hotel. This was the first house in Claypool (I think his widow lives in this house at the present time).

The country from Warsaw to North Manchester was a virgin forest, hardly a stick of timber being cut out. There was any amount of walnut, three four and five feet through and worth only \$10.00 per thousand feet, white oak ties twenty-five cents.

The track laying was kept up as close to the grading as possible; all of our locomotives were wood burners, and the summer and fall being very dry the woods caught fire, burning for miles and for days. The whole force had to fight fire. Nothing of importance happened between Claypool and North Manchester with the exception of a small sink hole about two and one-half miles north of North Manchester. This caused some trouble. I will never forget this place because after running over it for days, all at once it would sink almost out of sight. On the first regular train that was run over it there was an old man got on at Silver Lake going to North Manchester who had never ridden on a train before. In fact, he had never seen a train. Everything went well until we crossed the sink hole, when the track went down and the coach tipped over. It did not hurt anyone, as the train was running slowly, but it scared the poor old man almost to death, and all

of our persuasion could not get the old chap on the cars again, so he walked back to Silver Lake. When we first reached North Manchester you could not see the town. It was all forest and the Grand Rapids, Wabash and Cincinnati was their first railroad.

1872

After leaving North Manchester, Eel river had to be bridged, which took some time, but from there to the Wabash County poor farm work progressed pretty rapidly, but from the poor farm the work was very heavy with a grade of from seventy-five feet to eighty-five feet per mile. The company was anxious to reach Wabash, as this was to be the terminal and there was considerable money at stake in the way of subsidies. When we reached the Wabash railroad, we ran our trains into Wabash over this road, our turn-table being just north of the wye, finally completing the work under the Wabash railroad into Wabash, having our depot at the foot of Elm street. There were boats running on the Wabash and Erie canal at this time, but not many. By this time we had four locomotives, the additional one being No. 4 (named the M. R. Gardner, after the president of the road). The road was re-organized as the Cincinnati, Wabash and Michigan railroad, and remained as such until it was taken over by the Big Four.

1873

Now that the road was completed to Wabash, it began to look like a railroad. We had four regular trains, two passengers and two freights, between Goshen and Wabash, the passenger making a round trip from Wabash to Goshen and return, the freight from Goshen to Wabash and return, the freight carrying passengers. The freight and passenger business was good. The only railroad that we crossed from Wabash to Goshen was the P. F. W. & C. railroad at Warsaw, and we did not do any business with them, this road being run for the benefit of the L. S. & M. S. All of the east and west roads excepting the L. S. & M. S., P. F. W. & C., and the Wabash, have been built since 1872.

Wabash being the terminal, there was considerable work to be done, laying out the freight yard, building the shops, also a bridge across the Wabash river. Everything that was done seemed to cost ten times what it should, as it was all rock, and then to make a bad matter worse, here came the failure of Jay Cook & Company, and it was impossible to borrow money, so there was not much headway in construction work for the next year. About all the money the company had for construction was the earnings of the road. This was considerable, as the passenger fare was four cents per mile, no competition on freight, and no State Railway commission, but with all of the drawbacks we built through to Marion by the fall of 1874. A roundhouse was built at North Marion (this roundhouse burned down in 1875).

In 1876 Mr. Gardner died at the Doxey House in Anderson. This was a sad blow, for he was the financier. We kept plodding along. Pay days were few and far between. It was next to impossible to get any money. I was running an engine at this time. The offices were at Wabash, Owen Rice was paymaster. When we would ask him for a little money his answer would be 'not today.' Sometimes you would get an order for some groceries. Finally the road was built into Anderson. The company was five months behind with the pay of all trainmen, in fact all of the men but those in construction work. When we reached North Anderson we ran into Anderson over the Pan Handle until the bridge was completed over White river. This was in 1877. In 1878 the road was sold at foreclosure sale at Wabash and bid in by Wade & Stone, of Cleveland, A. G. Wells losing everything.

1878

Wade & Stone were sole owner and they appointed Mr. Norman Beckley, general manager. He was a thorough railroad man from the L. S. & M. S. railroad. The first thing he did was to pay all of the employes two months pay and every month after that we got two months pay until we had received all of our back pay. I was running local freight at this time for \$2.53 per day. The division was from Anderson to Goshen, one hundred and ten miles. It took six days and six night ending at noon Sunday to do a week's work. You would put on your clothes at 4:00 o'clock Monday morning and never take them off until noon the following Sunday. This was not the exception, it was the general rule. I used to live next to the old jail at Anderson. You will never know how I envied the fellows that were inside that building. Mr. Beckley extended the road to Elkhart in 1880. Mr. O. W. Lamport was superintendent.

In 1881-1882 the road was extended to Niles, Michigan, and in 1883 it was extended to Benton Harbor, Michigan, the present terminal. I ran the first through freight. The division was from Anderson to Benton Harbor, one hundred and sixty-five miles, and it took the full twenty-four hours. The crew consisted of five men, engineman, fireman, conductor and two brakemen.

G. W. HAYDEN

Meanwhile, a road was being built from North Vernon to Rushville, called the Vernon, Greensburg and Rushville. It was incorporated July 11, 1879, with a capital stock of \$400,000 with the "privilege of increasing same if deemed necessary to \$500,000." It was financed almost entirely by local capital, and no subscription of over \$3,500 appears on the articles of incorporation. There were thirteen directors, John E. Robbins, William W. Hamilton, James M. Davis, Daniel Bacon,

Antrim R. Forsyth, Hagerman Tripp, Will Cumback (famous in politics and literature), Cortez Ewing, Leonidas Sexton, George B. Elston, John Meek, Thomas Shaw, and Henry C. Miller. Practically all these men lived in North Vernon, Greensburg and Rushville. The subscriptions were taken up to a degree that the company was

able on December 15, to let the contract for the entire work of putting the road in readiness for the cars. Col. Horace Scott of Louisville, was awarded the contract, and the road was opened to Greensburg, April 15, 1880, and Rushville, September 10, 1880.¹⁴³

The road was promptly leased by the Cincinnati, Indianapolis, St. Louis and Chicago, who thus secured a connection with several east and west roads, principally the Baltimore and Ohio and the C. I. & W.

The lessee agreed to pay taxes, interest on bonds, and operating expenses, and to carry without interest the debt due to it by the lessor company.

Though it did this successfully, it was quite a load—the cost of the road was \$600,000 not including \$20,000 real estate. It seems that only \$50,000 actually was subscribed as capital stock, and that the road was largely financed by \$450,000 of first mortgage bonds, with a floating debt of \$75,000.

The Cincinnati, Wabash and Michigan and the Vernon, Greensburg and Rushville had no connection for many years, in fact, until 1891. The idea of a railroad from Rushville north was not new, as we find a local law passed January 21, 1850, incorporating the Rushville and Muncietown railroad with \$200,000 capital stock and seven directors, all Rushville men. The Rushville and Shelbyville railroad was given the privilege of taking stock, and perhaps it was meant to be a subsidiary of that line. However, it remained for the Cincinnati, Wabash and Michigan to build the road from Rushville to Anderson forty-one years later.

Considerable interest was created along the route of the extension; and a sample of this is shown in the following com-

¹⁴³Hardin, *History of Decatur County*, 394.

¹⁴⁴*Poor's Manual of Railroads*, 1883. Townships also subscribed liberally, and the Democrat Printing Company's *History of Rush County*, p. 632, says Rushville township subscribed \$18,000.

munication from T. B. Deem, of Knightstown, sent from St. Augustine, Florida. Knightstown is in some respects the most important town on this extension, and is where it crosses the Pennsylvania. Mr. Deem gives the following interesting facts:

Down here I do not have access to any statistical facts concerning the building of the Michigan Division of the Big Four through Knightstown, so I can only give you some recollections of the events. Mr. Norman Beckley was manager of a road already built south from Elkhart to Anderson. A road already built from Rushville to North Vernon connected with lines both to Cincinnati and Louisville. This left a gap of about thirty-seven miles to connect the great lakes and the Ohio river. Mr. Beckley's idea was to connect the two systems for mutual benefit. The people about Knightstown readily took up with the project. It had long been their desire to secure an outlet to the north and south, and indirectly a competitor to the Pennsylvania's east and west lines running through the city. The pressure of public opinion helped in securing reasonable settlements for right-of-way from land owners along the route. I remember that when it was desired to come to agreement with one stubborn farmer north of town a large number of representative townsmen and farmers visited the farm with the railroad's solicitors and by their presence and sympathy procured an amicable adjustment. Wayne township (including Knightstown) voted a subsidy—I think \$49,000—in favor of the project. The road was built in due time and has been very favorably appreciated by the public. Of course, your inquiry about Shirley leads me to say that the town did not come into existence until the building of the Indianapolis and Springfield branch of the Big Four system had been completed some years later.

Ripley township, Rush county, including Carthage, also voted a subsidy. During the period of competition among railroad systems the new road was a great help to shippers in the way of rates; but of course under government control the only advantages derived by the public is convenience of access to north and south points.

I do not now recollect any striking fact concerning the first train passing over the road.

About the same time an arrangement was effected with the Baltimore and Ohio and the L. & J. Bridge whereby the Big Four could use their tracks from North Vernon into Louisville, thus insuring through service from Louisville to Benton Harbor, Michigan. The Big Four by this time had obtained control of the entire line; it operated the Cincinnati, Wabash and Michigan from July 1, 1891, until it acquired it

by purchase in 1915,¹⁴⁵ and it operated or leased the Vernon, Greensburg and Rushville ever since it acquired the C. I. St. Louis & C. in 1889, now controlling it through a majority of capital stock.¹⁴⁶ The line from Louisville to Benton Harbor is now known as the Michigan division of the Big Four.

Industry flourished along the road and John Morris says that most of the factories in Marion were built after 1880.¹⁴⁷ A great stimulus to the company occurred when natural gas was discovered in Madison and Grant counties, and to lesser extent in some of the adjoining counties, in 1887.¹⁴⁸ Though this "boom" is waning, yet the Michigan division does a thriving business, and has given excellent service to rich territory.

CONCLUSION

Five main divisions of the Big Four are included in the roads which have been discussed in the foregoing sketches. These are:

The Cleveland division, from Indianapolis to Cleveland, comprising the old Indianapolis and Bellefontaine, and its successors, the Ohio connections.

The Chicago division, from Cincinnati to Chicago, comprising the Lafayette and Indianapolis, the Indianapolis and Cincinnati, and the Cincinnati, Indianapolis, St. Louis and Chicago, and their successors. The sketches of road which were formerly the Fairland, Franklin and Martinsville, and Columbus, Hope and Greensburg, the Cincinnati and Southern Ohio River, and the Whitewater Valley railroad are also included in the same division.

The St. Louis division from Indianapolis to St. Louis, including the old Indianapolis and St. Louis and the St. Louis, Alton and Terre Haute.

The Springfield division, or Peoria and Eastern East, from Indianapolis to Springfield, Ohio, which is the same as the

¹⁴⁵ N. Y. C. Lines, Annual Reports, 1917, p. 456.

¹⁴⁶ *Ibid.*, 459.

¹⁴⁷ *History of Grant County*, 5.

¹⁴⁸ Whitson, *History of Grant County*, 64.

old eastern extension of the Indiana, Bloomington and Western.

The Michigan division, from Louisville to Benton Harbor, comprising the Cincinnati, Wabash and Michigan and its Michigan connections, and the Vernon, Greensburg and Rushville. Its trains are run into Louisville over the tracks of the Baltimore and Ohio and L. & J. B. by agreement with those roads.

The history of the Cairo division, from Danville to Cairo, Illinois, properly belongs to the history of Illinois, but it has two minor extensions running into Indiana. One of these runs from St. Francisville, Illinois, to Vincennes, Indiana, and was started by the Vincennes and Cairo Railroad company, which was incorporated in 1871. This was merged the next year with the Cairo and Vincennes, which completed the road, as well as a longer line from St. Francisville to Cairo.¹⁴⁹ It had several changes in organization, but has been operated since 1890 and owned since 1913 by the C., C., C. & St. Louis. The Evansville, Mt. Carmel and Northern, now part of the Cairo division, was built from Mt. Carmel, Illinois, to Evansville, Indiana, in 1906 and opened to traffic July 1, 1911.¹⁵⁰ The Big Four now owns all the capital stock of the company and operates it under contract.

Three subsidiary lines operated by the Big Four, but not a part of its regular system, are either wholly or in part in Indiana. These are:

The Peoria and Eastern West, from Indianapolis to Peoria, most of whose history has been included in the history of the eastern division.

The Louisville and Jeffersonville Bridge. According to Esarey charters were granted in Kentucky in 1829 and again in 1856 for the building of a bridge across the Ohio from Louisville to Jeffersonville, but the bridge was not finished until 1870, when it was considered one of the wonders of the Middle West.¹⁵¹ Baird, *History of Clark County*, 115, writes

¹⁴⁹ N. Y. C. Lines, Annual Reports, 1917, p. 454 .

¹⁵⁰ *Ibid.*, 459.

¹⁵¹ *History of Indiana*, Volume II, p. 720.

as follows of the building of the bridge and the organization of the railroad company:

In 1865 Congress, by act, authorized that the Louisville and Nashville and Jeffersonville (evidently the J. M. & I.) Railroad companies, who were stockholders in the Louisville Bridge company, to construct a railway bridge across the Ohio at the head of the Falls. The section of the superstructure was begun in May, 1868, and on February 1, 1870, the spans were connected. The first train passed over, February 12, 1870. This bridge cost \$2,003,696.27. In the various accidents during the construction of this work there were fifty-six men killed and eighty wounded.

The Evansville, Indianapolis and Terre Haute, from Evansville to Terre Haute, is an outgrowth of the following:

<i>Names</i>	<i>Incorporated</i>
Wabash and Erie Canal	January 28, 1824
Evansville, Indianapolis & Cleveland Straight Line Railroad Co.	April 16, 1853
Evansville & Indianapolis Railroad Co. (No. 1)	August 5, 1869
Terre Haute, Worthington & Bloomfield Ry. Co.	May 11, 1871
Cincinnati & Terre Haute Railway Co.	June 7, 1871
Evansville, Washington & Chicago Railroad Co.	April 29, 1875
Terre Haute & Worthington Railroad Co.	March 8, 1876
Petersburg & Worthington Railroad Co.	January 23, 1878
Evansville, Worthington, Brazil & Chicago R.R. Co.	April 8, 1878
Evansville, Washington & Brazil R. R. Co. (No. 1) ..	April 8, 1878
Evansville, Washington & Worthington R. R. Co.	April 29, 1878
Terre Haute & Southeastern Railroad Co.	June 6, 1878
Indianapolis & Evansville Railroad Co.	March 6, 1880
Evansville, Washington & Brazil R. R. Co. (No. 2) ..	June 22, 1880
Evansville & Indianapolis Railroad Co. (No. 2)	June 16, 1884
Evansville & Indianapolis Railroad Co. (Con.)	November 7, 1885 ¹⁵²

Though in a struggling condition during three decades following the Civil war, the growth of the country and its economic development has made prosperity for all the divisions of the C., C., C. & St. Louis. "A little over thirty years ago, when the Big Four was new," says Assistant to the Vice-President J. Q. Van Winkle, "Mr. Ingalls called some of us

¹⁵² The above list is taken from Col. Oran Perry's *History of Evansville and Indianapolis Railroad and Constituent Companies*, 1917, p. 1, written while the road was in the hands of a receiver, just prior to being taken over by the Big Four.

together and said, "The receipts for the past year were \$12,000,000, and if we raise them to \$15,000,000 the coming year we will be able to pay all our expenses and still have some left. For last year the receipts were about \$96,000,000. There is nothing remarkable about this growth—the railroad has simply kept pace with the development of the country it serves."

What the Big Four today means to the state of Indiana and the city of Indianapolis has ably been expressed by General Agent C. R. Myers:

The C., C., C. & St. Louis or Big Four runs into six states. It serves 237 cities and towns in Indiana. It runs through forty-four counties in Indiana. It serves 255 industries by private side-tracks in Indianapolis. It employs near six thousand citizens of Indianapolis. Its payrolls in Indianapolis amount to nearly \$800,000 a month. It runs seventy-eight passenger trains a day in and out of Indianapolis. It repairs 720 locomotives and 4,600 cars annually in Indianapolis. It handles 120,000 freight cars through Indianapolis monthly. Every dollar the road collects in Indianapolis it spends in Indianapolis for labor, rents, taxes and materials. It carried 6,244,602 passengers in 1922. It owns 35,957 freight cars, 1,238 passenger and other service cars, and 926 locomotives.

The Big Four railroad is now owned and controlled by the New York Central Railroad company, which owns 92 per cent. of the common stock. The lines of this great system lie in the states of New York, Massachusetts, New Jersey, Pennsylvania, West Virginia, Ohio, Kentucky, Indiana, Michigan, Illinois, Missouri, Vermont and the Canadian provinces of Quebec and Ontario, the most populous territory of the North American continent.

It has always been the policy of this road to keep pace with the growth of Indianapolis and to aid in its development. The prosperity of each depends upon the other. A prosperous railroad means a prosperous community. From a small sparsely settled village Indianapolis has become a large thriving city mainly through its transportation facilities, the energy of its merchants and manufacturers, and the personal interest of the managers of its railroads.

Great improvements have been made by the Big Four in equipment and right-of-way since it was formed by the consolidation of the various other roads in 1889. Most of the lines have been double-tracked, and that since the consolida-

tion, and much heavier rail installed—in 1889, most of the rail used was 60-lb. rail, and this has been replaced by rail for the most part 105-lb.

The greatest improvement has taken place on the Chicago division between Indianapolis and Cincinnati, where several large curves have been straightened. The most noteworthy engineering feat of this kind has been the elimination of the so-called Tanner's Creek menace near Lawrenceburg. On the original right-of-way, the road descended a steep hill in the vicinity of Guilford, and crossed Tanner's creek several times before entering Lawrenceburg Junction, as the creek was very winding at that place. Not only was the pull up the hill from Lawrenceburg Junction to Guilford very difficult, but Tanner's creek, which is subject to heavy and sudden floods, caused constant damage to the road-bed and track. The Big Four, at its own expense, straightened the course of Tanner's creek, constructed a fill out of Lawrenceburg Junction which ran parallel to the straightened course of the creek, and made a cut in the hill which made a gradual slope from Lawrenceburg Junction up the Guilford hill. This made the pull up the hill much easier, and also eliminated the numerous bridges of the road over the creek. Now, because of the fill, the road runs along the creek at an elevation, so that its sudden rises cause no damage and no hindrance to the movement of trains.¹⁵³ The cost of all these improvements on the Chicago division between Indianapolis and Cincinnati (by far the greater part going to the elimination of the Tanner's creek menace), according to C. R. Myers, has been almost as great as the original cost of the old Indianapolis and Cincinnati railroad.

A graphic way to show the progress in equipment and construction is to compare some old advertisements of 1889 with the same kind of material used today. The advertisements quoted from below are taken from *Poor's Manual of Railroads* for 1889 and 1890.

¹⁵³ The facts concerning the elimination of the Tanner's Creek menace were given the writer by E. W. Chance, formerly of that vicinity, now Big Four agent at Beech Grove.

The following description is given of the Fisher Standard Single U-Bolt Joint:

The rail ends are supported by the long-flanged beam, secured on two ties by spikes passing through it. They are held down to it by the nuts and the two ends of the U-bolt passing up vertically through it, and the corners of the rail bases.

The Angle Bar, the modern form of rail-joint, as previously described, is bolted to the side of the rails, and also spiked down against the flanges of the rail and the ties, making a very secure joint. Some modern ones have patented joints, that is, grooves into which the flange of the rail fits before the Angle Bar is spiked to the tie.

Several foundries advertise steel blooms, old-fashioned pieces of steel used in the old-time bloom rolling-mill. Now steel billets are used for this purpose; and with the introduction of better machinery, and the substitution of automatic processes for hand processes on some of the rolling mill operations, the billets can be of any shape, whereas the old blooms had to be round.

Hendricks Brothers advertise among other things, locomotive firebox copper. Although sheet-steel was not at first successful when used in fire-boxes, it has been adjusted so that it has entirely supplanted copper for this purpose in America. Mention of gasoline headlights reminds one also that they have been almost entirely superseded by electric head-lights with current furnished by a steam turbo-generator on the engine.

Richard Dudgeon advertises packs for pressing on crank-pins on locomotive wheels. Now they are fitted on by specially-built mechanical presses. An advertisement by the Eames Vacuum Brake Co. brings back the fact that at one time a vacuum instead of increased air pressure was introduced to break the balance of pressure in the air tanks and thus operate the brakes. Many firms advertise wrought-iron turnbuckles, which are used to regulate the amount of stress on the truss-rods underneath a freight car, and a great many cars are still equipped with them, although they and truss-rods are gradually being replaced by all steel underframes.

The Locomotive Lubricating Co. call attention to their lubricator, "the only lubricator used on crank pins having a positive feed, as it is kept directly in contact with the pin and is worn away as the pin requires lubrication." The lubricators on the locomotives of today are in the cab, and contain pipes to various places on the engine to be lubricated, through which the oil is driven to them by means of steam pressure, though a few places are still lubricated by hand. Thus the engineer can regulate most of his lubrication from the cab.

Paul S. Reeves, in the advertisement of his tubal smelting works, says, "lead-lined and phosphor-bronze car bearings a specialty." Today, car bearings are of brass, and are lined with babbitt, a special alloy of copper, tin and antimony, which makes a very smooth surface.

One interesting advertisement is for the anti-friction bearings of the Car Truck Supply Company. "The car body rests on seven hard steel rollers at each end of each bolster; these rollers revolve once or more at each curve and therefore could not wear flat." Now, there is a special bolster called the body bolster secured to the car body; this fits into a round place in the heavier truck bolster, and is fastened to it by means of a king-pin. This not only forms a substantial bearing for the car body, but enables it to turn more gradually than the truck on a sharp curve.

No doubt it would be interesting to speculate on the improvements of thirty years from now in railroad material; but no doubt thirty years from now will find the Big Four in this department still abreast of the times.