

Atlantic Northern & Southern: An Iowa Twilight Railroad

H. ROGER GRANT

EARLY IN THE TWENTIETH CENTURY an unusual cluster of shortline railroads emerged in the southwestern quadrant of Iowa. Between 1907 and 1913 five independent carriers appeared in nearly a dozen counties. These new additions to a sprawling transportation network occurred toward the end of national railroad building and represented the last gasp of construction in the Hawkeye State.

What and where were these “twilight” or “sunset” carriers? Although the largely “paper” Des Moines & Red Oak Railroad, projected as an electric interurban, fashioned a never-railed eighteen-mile line between Red Oak and Imogene, the other four companies, also proposed as electrics, opened with steam power. Three were relatively short: the twelve-mile Iowa & Omaha Short Line Railway (I&OSL) between Treynor and Neoga, the seventeen-mile Iowa & Southwestern Railway (often called the Ikey) between Clarinda and Blanchard, and the twenty-one-mile Creston, Winterset & Des Moines Railroad between Creston and Macksburg. The longest of these roads was the Atlantic Northern & Southern Railroad (AN&S). It initially built seventeen miles from Atlantic to Elk Horn and Kimballton and then thirty-seven miles from Atlantic to Grant and Villisca, creating a fifty-four-mile property. A portion of the AN&S would have the greatest longevity. Its original unit, reorganized in 1913 as the Atlantic Northern Railway, lasted until 1936. Its newer section, which became the Atlantic Southern Railroad in 1913, shut down at the end of the

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following year. By 1920 the other three carriers had also been abandoned.¹

When the first of these short-lived roads opened, a glance at the Iowa railroad map reveals that this section of the state was no transportation desert. A maze of main, secondary, and branch lines, built mostly between 1869 and 1885, reached every county seat and most towns. The Chicago, Burlington & Quincy Railroad (Burlington) dominated. Its Chicago to Denver main stem served such county capitals as Creston, Red Oak, and Council Bluffs, and a line from Kansas City connected Council Bluffs as well. The former had arrived in 1870 and the latter the previous year. There was also supporting trackage, including the former Keokuk & Western and Humeston & Shenandoah Railroads and a network of branch lines that extended north and south from its trans-Iowa route. Burlington rival Chicago, Rock Island & Pacific Railroad (Rock Island) also had a Chicago to Denver artery. It sliced through the region with Atlantic being the principal station. In 1869 the Rock Island had beaten the Burlington to Council Bluffs, milepost 0 of the Union Pacific-Central Pacific transcontinental route. Resembling the Burlington, the Rock Island installed several lateral branches. There were additional carriers. In 1879 the Wabash cut through a portion of the region from Brunswick, Missouri, to Council Bluffs, and in 1882 the Chicago, Milwaukee & St. Paul (Milwaukee Road) arrived in the Bluffs with a trans-Iowa line. As the century ended the Illinois Central, which built from Fort Dodge, reached what had evolved into Iowa's railroad Mecca. In 1903 the Chicago Great Western (Great Western) did the same. Like the Burlington and Rock Island these trunk roads served existing communities and spawned new ones. By 1900 Iowa had become one of the nation's premier railroad states, claiming 9,366 route miles. Parts of its railroad map resembled a plate of wet spaghetti, and more lines were about to appear.²

1. Ben Hur Wilson, "Abandoned Railroads of Iowa," *Iowa Journal of History and Politics* 26 (January 1928), 23-26, 36-38, 46-48; H. Roger Grant, "A Stillborn Interurban: Des Moines & Red Oak Railway," *Railroad History* 206 (Spring-Summer 2012), 64-75.

2. Donovan L. Hofsommer, "A Chronology of Iowa Railroads," *Railroad History* 132 (Spring 1975), 73-78.

Why the twilight cluster? Multiple reasons explain its late-date appearance. Public roads in Iowa continued to be nearly always unimproved, impassible or virtually so during the spring thaw and during rainy periods throughout the year. The result: a vicious and viscous gumbo that created quagmires, body-jarring ruts, and potholes. Prolonged dry conditions meant dusty roads, and wet-weather ruts and potholes often remained. In 1904 less than two percent of the state's 102,448 miles of roadways were improved with gravel or broken stone. There was this seasonal exaggeration: "Roads were as deep as they were wide." Any trip with animal-propelled conveyances could become a challenge, irrespective of weather-related conditions. "A trip of 10 miles was a long journey, and to travel 20 miles was a full and hard day's work."³

There existed other explanations for why southwestern Iowans sought additional rail construction. Some fussed and fumed about mileage and switching fees, inadequate freight car supply, and matters of service. These complaints commonly resulted from the negative impact of single-carrier monopolies. Benefitting from the state's Granger laws of the 1870s (as amended), the Iowa Board of Railroad Commissioners had the power to control discriminatory charges and service issues but only on intra-state freight and passenger traffic. On the other hand, the Interstate Commerce Commission (ICC), which dated from 1887, would not be significantly strengthened until the Hepburn Act (1906) and the Mann-Elkins Act (1910). Unfortunately, the ICC became notorious for long delays and indecisive conclusions when adjudicating interstate complaints.

Whether a town was displeased with having only a single railroad or lacked one at all, the new century brought the promise of electric interurbans. Traction enthusiasts believed that this option was a better alternative to steam roads, especially for short or intermediate distances. Riders would not need to endure the displeasures of conventional rail travel; electric cars created "no cinders, no dirt, no dust, no smoke." And they operated more

3. William H. Thompson, *Transportation in Iowa: A Historical Summary* (Ames, 1989), 69, 93; George S. May, "Getting Out of the Mud," *Palimpsest* 46 (February 1965), 96-115.

frequently, stopped almost anywhere, and usually charged lower fares. Depending on construction standards, “motors” could pull several or more freight cars that were interchangeable with steam carriers. If not, “juice” equipment handled such agricultural products as milk, poultry, and eggs together with express and U.S. mail. Electricity could be supplied to online commercial and residential customers; after all, power had to be generated and transmission lines and substations installed for rail operations. If electric railways materialized, they were widely viewed as “the latest harbingers of a higher state of civilization.” Interurbans oozed modernity. This mania seized the Midwest, and ultimately Iowa had more than 500 miles under wire.⁴

Why the AN&S? Farmers desired most of all to get their grain and livestock to market and to receive a variety of carload and less-than-carload (LCL) freight. Non-farm residents likewise needed bulk commodities and LCL shipments. Towns, even small ones, might have a local industry, commonly a creamery, and access to expanded markets increased production and profitability. And along the projected corridor there existed transportation-starved communities and opportunities for townsite creation. Similarly, Atlantic and Villisca merchants wanted to extend their trading area. Bad roads and slow animal transport made a railroad project a necessity and not a luxury.

Not only did the community of Grant, south of Atlantic, seek a railroad, but two Danish-American communities to the northwest shared that same desire. Elk Horn in Shelby County and Kimballton in Aububon County were “Little Denmarks” and focal points of the largest Danish settlement in America. While ethnically the same, inhabitants of these two towns, located only three miles apart, generally differed on their specific religious and cultural outlooks. In the mid-1890s a schism within the main Danish Lutheran body triggered a reshuffling of residents and also influenced where new immigrants chose to live. The larger Elk Horn population mostly adhered to the conservative “Inner Mission” wing of Danish Lutheranism; their neighbors embraced

4. H. Roger Grant, *Electric Interurbans and the American People* (Bloomington, 2016), 11–23.

the more liberal Grundtvigian perspective. Dancing, drinking, and Sunday labor were forbidden by the former but not by the latter. These were the “Holy Danes” and the “Happy Danes.” Nevertheless, both Lutheran sects were energetic and progressive, and they liberally supported the AN&S and Atlantic Northern.⁵

Atlantic Northern & Southern Railroad

Although there had been earlier efforts to construct a railroad along what became the AN&S, serious action began in 1906. It would be Clarence Ross, president, and Charles Judd, chief engineer, of the tiny Chicago-based Engineering, Construction & Securities Company who coordinated the building of the first leg of this shortline and did the same with its southern extension. They initially planned it as an interurban. The Ross firm viewed the southern and western sections of Iowa as attractive places for doing business, and it became heavily involved in construction, both electric and steam, including the Oskaloosa-Buxton Electric and Albia Interurban Railways, and the Creston, Winterset & Des Moines and Iowa & Southwestern Railroads.⁶

Ross and Judd preferred interurbans to steam roads, having had extensive experience with electric projects. This ranged from power-generating facilities to ice-making plants. Ross had his eyes on acquiring municipally owned light facilities in Atlantic and Red Oak. What he sought was to build a twenty-five-mile interurban between these two county seats. Although that plan collapsed, Ross realized that Atlantic boosters, Elk Horn and Kimballton residents, and area farmers wanted a railroad whether it

5. Arthur Herman, *The Viking Heart: How Scandinavians Conquered the World* (Boston, 2021), 264–65; Jette Mackintosh, “‘Little Denmark’ on the Prairie: A Study of Elk Horn and Kimballton in Iowa,” *Journal of American Ethnic History* (Spring 1988), 46, 58–59; Leah D. Rogers, “Architectural and Historical Survey of the Danish Community of Kimballton, Audubon County, Iowa,” (Final Report Prepared for Kimballton Historic Preservation Commission and the State Historical Society of Iowa Historic Preservation Bureau, June 30, 1993) hereafter cited as Rogers Report, 7–8, 15–16, 19, 21.

6. H. Roger Grant, “Electric Traction Promotion in the South Iowa Coalfields,” *Palimpsest* 58 (January/February 1977), 18–29; *Ottumwa Tri-Weekly Courier*, 2/7/1907, 2/9/1907, 10/15/1910; *Des Moines Register and Leader*, 12/15/1907; *Des Moines Tribune*, 1/31/1910.

was electric or not. At first expectations ran high for an inter-urban. Even though Atlantic's town council approved the sale of its municipal power plant to the Ross firm, voters needed to concur. They did not, defeating the purchase by a three to one margin. Strong support existed for "gas and water socialism," including publicly owned electric plants. The response? Soon Ross and Judd worked closely with Hans Rattenborg, a young Atlantic entrepreneur and realtor, for a steam-powered alternative. They were joined by other "progressive men" in drumming up support for a railroad initially designed to serve Danish country and to enhance Atlantic's trading area.⁷

Although "On to Kimballton" became the popular cry, it was not the anticipated northern endpoint. Manning in Carroll County would likely be reached. This town offered potential interchanges with three trunk roads: Chicago & North Western, Great Western, and Milwaukee Road. Rumors circulated that AN&S rails might be extended to Sioux City.⁸

Whatever the northern terminus, the AN&S started to take shape. On December 26, 1906, backers conducted an essential part of their preliminary work when they incorporated the railroad. Capital stock was authorized at \$500,000 along with a flexible description as to its length and nature (electric, steam, or internal combustion). On January 7, 1907, the first stock subscription occurred, and fund raising began in earnest. It would be on Saturday evening, February 2, 1907, that a mass meeting took place at the opera house in Atlantic. There was band music, promotional speeches, and most importantly "many stock subscriptions taken." Enthusiasm reigned. "The road now seems almost certain of construction." By late February Atlantic supporters had contributed \$62,000, those in and nearby Elk Horn \$50,000, and in the Kimballton area \$42,000. These funds did not immediately fill company coffers. "Par value of the shares is \$100, five percent to be paid on demand," explained an Atlantic newspaper. "The fund for this payment will be used for the surveys and

7. *Red Oak Express*, 8/31/1906; *Elk Horn Community History* (Elk Horn, 2000), 117; *Villisca Review*, 1/5/1911; *Sunday Nonpareil* (Council Bluffs), 5/26/1907.

8. *Audubon County Journal* (Audubon), 2/6/1908; *Evening Nonpareil*, 2/4/1907.

other preliminary expenses. Twenty per cent will be due when first five miles are graded and ready for the rails; twenty-five per cent is due when the first ten miles are graded and fifty per cent when fifteen miles are graded and rails laid ready for rolling stock." It also became commonplace both on the AN&S and other Iowa shortlines to exchange stock for right-of-way strips, although a few landowners donated parcels. Since the board of directors realized that stock subscriptions would not pay construction costs, estimated to be about \$300,000, property tax levies were sought from Clay Township (Elk Horn) and Sharon Township (Kimballton). Both measures passed overwhelmingly and would generate approximately \$35,000. The ballot measure included the standard deadline for completion. Before tax monies could be paid, a train needed to reach Kimballton by the stroke of midnight on December 31, 1907.⁹

The AN&S forged ahead. Having completed the survey work, the board let the construction contract on July 1, 1907, to the Kimballton Concrete Bridge & Culvert Company (subsequently the Kimballton-Elk Horn Construction Company). Fifteen days later ground was broken, and grading commenced. Yet money shortages haunted the gestating railroad. Officers, including Rattenborg, who served as president, sustained the project by giving their personal security on a \$48,000 note, and likely received first mortgage bonds in exchange. This paid the contractor and satisfied bills for materials and transportation. Rattenborg went so far as to sell 11,500 fence posts at thirteen cents each from a farm he owned near Stuart. He invested the resulting \$1,495 in AN&S stock.¹⁰

Still, financial problems persisted. A panic struck Wall Street in October 1907, creating a sharp interruption to the ongoing national prosperity. This downswing exacerbated existing money woes for the AN&S and halted construction. The approaching deadline to reach Kimballton loomed, but the needed dollars materialized. The board asked the 702 stockholders to advance funds

9. *Elk Horn Community History*, 118; *Atlantic Messenger* quoted in *Red Oak Express*, 1/4/1907.

10. *Elk Horn Community History*, 118.

on their shares. Most agreed, contributing an estimated \$30,000 for which they received first mortgage bonds.¹¹

Building resumed. Workmen focused on grading, bridges, and culverts, including a substantial trestle over Indian Creek. On November 1 the company acquired a veteran American-type (4-4-0 wheel arrangement) locomotive to assist in tie and rail placements. This work began on November 15 when about 100 track-layers toiled on the newly graded right-of-way. Because of limited resources they installed second-hand or "relay" rail, weighing 60 pounds to the yard.¹²

Excitement spread as rails approached Elk Horn. On Christmas Day 1907, the construction train steamed into town amidst great joy. "The workers marched from the railroad to the college grounds (former Danish academy). There they were served a turkey dinner by the ladies of the community." Such public recognition of workers frequently occurred as communities commemorated the arrival of the first train.¹³

Kimballton still needed to be reached, and time was expiring. As of December 30 laborers had neared their goal but faced another half-mile. They speeded up construction by placing just enough ties on the roadbed to support the locomotive. However, the following day track still had not officially entered the town. Could the deadline be met? The answer: yes. Local officials extended the town's boundary to meet the railroad, and the locomotive and a short construction train arrived at about midnight on New Year's Eve. At that hour it was too late to celebrate.¹⁴

Notwithstanding the need to attend to the track and roadbed improvements and to acquire rolling stock, on New Year's Day 1908 the board of directors, joined by other well-wishers, made a special excursion from Atlantic to Kimballton and back. The train consisted of two borrowed Rock Island coaches and several freight cars. Highlights were a "delicious (noon) dinner," which

11. *Elk Horn Community History*, 118.

12. *Elk Horn Community History*, 119; *Audubon County Journal*, 2/8/1908.

13. *One Hundred Years of Pioneering and Progress: Atlantic, Iowa* (Atlantic, 1968), 34; *Atlantic News*, 1/3/1908.

14. *Elk Horn Community History*, 119.

included about 100 guests who had boarded in Atlantic, and speeches “carried on the rest of the afternoon.” Decades later the daughter of a participant recalled, “The town celebrated all day and most of the night.” These were, indeed, the “Happy Danes.”¹⁵

When the AN&S received the green light from the Iowa Board of Railroad Commissioners on February 14, 1908, after a mandatory inspection, regular freight and passenger service commenced. The company dispatched two daily-except-Sunday mixed freights, and if required, extra movements. According to its September 1909 schedule, trains left Atlantic at 7:00 a.m. and 1:10 p.m., and departed Kimballton at 9:00 a.m. and 3:30 p.m. It took nearly one and a half hours to make a one-way seventeen-mile trip. No wonder some patrons referred to the AN&S as the “Awful Noisy & Slow.” Service resembled that of an interurban not in speed but in the frequency of stops. Before reaching Elk Horn and Kimballton trains called at Harrisdale, Smith Lake, Gates, and Hansen Heights. These places lacked depots and agents, but they had sidings and stock pens and might have had waiting shelters. If passengers asked a crew member to stop at a farmstead or road crossing, he probably obliged. These trains soon carried express and U.S. mail.¹⁶

Freight traffic resembled other agricultural carriers in the Midwest. Inbound shipments were coal, lumber and other building materials, farm machinery, and assorted LCL merchandise. Outbound ones were predominantly livestock and grain; shipments of cattle and hogs dominated. In fact, the first train from Elk Horn, which took place on January 25, 1908, carried these animals. By 1911 this traffic strengthened when the Kimballton-based Farmers Shipping Company opened a cooperative association to manage livestock transportation and to sell agricultural supplies.¹⁷

15. *Evening Nonpareil*, 1/3/1908, 1/10/1908, 1/26/1908; *Audubon County Journal*, 1/9/1908; Barbara Lund-Jones and John W. Nielsen, eds., *Embracing Two Worlds: The Thorval Muller Family of Kimballton* (Blair, 1998), 106.

16. *Poor's Manual of Railroads of the United States* (New York, 1910), 1200; *Official Guide of the Railways* (New York, January 1911), 1165; Lila Hoogeveen and Shiona Putnam, *Images of America: Cass County* (Charleston, 2011), 106.

17. Rogers Report, 21.

The developing patronage on the AN&S produced modest profitability. Early on a representative from R. G. Dun & Company, the commercial credit reporting agency, praised the emerging carrier. "He thinks that the new Atlantic Northern & Southern Railroad will be a great success." Yet it was no money machine. In 1909 net earnings stood at \$7,172, but property taxes and interest payments on bonds produced a deficit of \$1,935. By June 1909 the railroad had cost \$268,110 or \$15,771 per mile, being similar to other recently constructed midwestern shortlines.¹⁸

As with every Iowa twilight railroad, the AN&S sparked a boom in Elk Horn and Kimballton. Both towns saw population increases; the population of Elk Horn grew from 382 to 589 between 1910 and 1920, and Kimballton's advanced from 241 to 382 during the same period. There were new businesses and residences together with a general feeling of optimism.¹⁹

While talk continued about building the approximately twenty miles from Kimballton to Manning, the immediate goal was to push south from Atlantic to Villisca and perhaps beyond to Clarinda and a connection with the aborning Iowa & Southwestern. Backers of the AN&S had always contemplated track-age south of Atlantic. There were inland communities to serve and the desire to have another trunk road for more interchange traffic, better rate divisions, and enhance freight car supply. Fortunately, the Rock Island had treated the AN&S well. "In justice it may be said it did for us voluntarily what many another railroad company might not have done," opined Charles Judd. He also made this compelling argument: "If seventeen miles of road could make itself self-sustaining, under the given conditions, fifty-five miles, even under the same or similar conditions, would be self-sustaining if due only to the reduced cost per mile of operating, there being certain charges which could not be materially

18. *Poor's Manual of Railroads* (1910), 1200; *Current-Press* (College Springs), 8/12/1909; *Evening Nonpareil*, 4/16/1908, 8/4/1908; *Thirty-Third Annual Report of the Board of Railroad Commissioners for the Year Ending December 5, 1910* (Des Moines, 1910), 392.

19. Mackintosh, "'Little Denmark' on the Prairie," 53; *Audubon County Journal*, 7/8/1909, 7/30/1909.

increased in the longer line and certain not in proportion to the length."²⁰

Fundraising for the Villisca extension became the focus. Ross, Judd, and Rattenborg began to solicit stock subscriptions, concentrating initially on Grant, the principal town along the projected route, which was desperate for the iron horse. Villisca and other places were also canvassed. "This work," commented Ross, "occupied the summer and fall of 1908."²¹

Although sales of stock purchase agreements went well in Grant, elsewhere they lagged behind. The next step: seek taxpayer support. This quest for public dollars occupied much of the winter of 1908–1909 and the following spring and summer. Fortunately, multiple victories occurred, including in several rural Cass and Montgomery County townships and in Atlantic and Villisca. The ballot measures contained standard provisions: five percent of taxable property for a five-year period and a mandated completion date before payment. In this case the bewitching hour was midnight on December 31, 1910.²²

Once the survey of the approximately thirty-seven-mile line was completed, right-of-way parcels were sought. There were direct donations, but the company acquired most land through the exchange of stock. Several landowners, however, went to court demanding "fair compensation," and cash payments settled these disputes.²³

Notwithstanding efforts to have construction begin quickly, Ross and Judd were not in a financial position to oversee this much anticipated work. By fall 1909 stock subscriptions amounted to about \$110,000, and tax assistance stood at approximately \$96,000. More funds were required, estimated in excess of \$100,000. Ross and Rattenborg were often joined by a board member, and the trio traveled widely to sell AN&S debt. They failed. Finally, Ross journeyed to New York, but his mission likewise proved disappointing. The reasons were twofold: the

20. *Villisca Review*, 1/5/1911.

21. *Villisca Review*, 6/18/1908.

22. *Villisca Review*, 1/5/1911; *Evening Nonpareil*, 12/19/1910.

23. *Villisca Review*, 1/5/1911; *Evening Nonpareil*, 12/19/1910.

economy remained in recovery mode following the recent Wall Street panic, and small agricultural roads were often not considered "investment worthy." The solution was to find local buyers for these mortgage bonds and that ploy worked.²⁴

Charles Judd oversaw the engineering of the Villisca extension. Because of cost considerations, expenditures were kept to a minimum, averaging approximately \$15,000 per mile. He determined that the maximum gradient would be two percent, and he succeeded. The challenging part of this phase extended from Atlantic to Grant with its "five summits." South of Grant the route generally followed the West Nodaway River and was less difficult. Judd admitted that the line north of Grant could have been better. "By increasing the cost materially these grades could have been eliminated on the present location." The one major bridge, which crossed the Nodaway at Grant, should have been a steel span of 125 to 150 feet in length. Cost cutting resulted in a 476-foot long concrete structure. The rock bottom of the river made it impractical to install an even cheaper wooden pile trestle. Judd anticipated that improvements would eventually occur. "They will come with time, but with them also will come heavier traffic and, it is hoped, the money with which to modernize the road."²⁵

Once work gangs appeared, rapid progress occurred. The men, many of whom were Greek and Italian immigrants, toiled from both ends, and by mid-November 1910 they had finished most of the grading and bridge building. Next came the track-layers, and they worked swiftly. The Atlantic to Grant portion benefitted from a leased Hurley Track-Laying Machine. This self-propelled wonder automatically placed ties and sixty-five-pound relay rails in their proper position from a string of flatcars. The Hurley could move one to two miles a day and required approximately 35 to 40 men to operate it efficiently.²⁶

Contrasting the nail-biting that had occurred when track building neared Kimballton, the southern extension was finished ahead of schedule but not by much. Track-layers, who moved

24. *Villisca Review*, 1/5/1911.

25. *Villisca Review*, 1/5/1911.

26. Frederick A. Talbot, *Railway Wonders of the World* (London, 1924), 78-79.

toward Grant, did an impressive job when confronted with that midnight December 31st deadline, reaching that town on Christmas Day. Those workers who pushed north from Villisca also advanced steadily. Without the assistance of a monster Hurley and using ties and rails supplied by horse-drawn wagons, they installed 14 miles of track in 14 days. Unusually good weather helped to make that possible. These men, whose numbers had been increased, outdid themselves on Christmas Day, completing 9,400 feet in eight hours. Trackmen considered a good day's work to be 7,000 to 8,000 feet. If the track-laying progress became stalled or slower, threatening the loss of tax money, Grant boosters in mid-December announced that they would "close their places of business and go to work on the railroad." On December 27 the AN&S was declared officially completed at an estimated cost of \$800,000. Everybody gave a sigh of relief.²⁷

A memorable event was about to take place two miles south of Grant. It resembled a version of the most famous public ceremony in nineteenth-century America, the wedding of the rails of the first transcontinental railroad at Promontory, Utah Territory, on May 10, 1869. Two thousand five hundred copies of a souvenir edition of the *Villisca Review*, which appeared on January 5, 1911, featured this banner headline: "Silver Spike Driven Opening A. N. & S. R. R."²⁸

Blessed by ideal winter weather and attended by nearly 3,000 enthusiastic onlookers, including most of the residents of Grant, the festivities focused not on long-winded speeches but on driving that ceremonial silver-plated steel spike. It would be President Rattenborg, Clarence Ross, Charles Judd, and select members of the board of directors who wielded a maul and struck (or struck at) the spike. Once in place Rattenborg suggested that the crowd sing "My Country, 'Tis of Thee," and "Everybody joined in fine shape." The blowing of steam whistles followed. "[They] sounded over the hills and across the well-groomed farms and they must

27. *Villisca Review*, 1/5/1911; *Current Press*, 12/12/1910; *Evening Nonpareil*, 12/27/1910; *Red Oak Sun*, 12/16/1910.

28. *Villisca Review*, 1/5/1911.

have made themselves heard in Atlantic. They started to blow at 4:10 and for thirty-five minutes there was great rejoicing."²⁹

Before and after the driving of the last spike, Grant residents and those directly involved in the construction celebrated. This town was one of the largest railroad-starved places in Iowa, and finally there was the AN&S. Two "splendid suppers" took place in the Masonic Hall. On Christmas Day members of the southbound track force and other guests enjoyed their meals in shifts because of limited space. Following the spike ceremony, the northbound workers also assembled in the hall. During that event Clarence Ross gave a short talk and presented an engraved loving cup to the community. Its inscription: "To the Citizens of Grant from the South End Construction Crew, in Memory of Their Loyalty in the Completion of the A. N. & S. R. R., Atlantic to Villisca, Iowa, December 27, 1910." The following day the cup appeared in the front window of the George Cary Drugstore, "and is the pride of all Grant people."³⁰

The completed AN&S opened with great excitement and expectations. Unfortunately, it immediately stumbled. Still, setbacks were anticipated. The track structure remained in a raw state, and a variety of betterments were required before the railroad became fully functional. Even prior to the spike ceremony, Shughart & Barnes Brothers, the grading contractor, had filed a mechanics lien for \$79,144. The initial bill had totaled more than \$129,000, but the AN&S had already paid the Des Moines firm \$50,000. To worsen matters, the anticipated Atlantic tax payments had become entangled in a legal dispute. Then Hans Rattenborg resigned suddenly. The publicly stated (and accurate) explanation: "Ill health is the only reason for his retirement at this time." In order to restore his well-being he traveled to Colfax, the central Iowa community known for its mineral water treatments. As president, Rattenborg

29. *Villisca Review*, 1/5/1911.

30. *Villisca Review*, 1/5/1911; *Clarinda Herald*, 1/5/1911; *Red Oak Express*, 12/30/1910.

had gone through the stress of the recent construction and constant financial worries about the company.³¹

Rumors quickly circulated about the fate of the AN&S. There was speculation that the Great Western would acquire the road. The Rock Island presumably expressed a similar interest. The Burlington may also have wanted the property. "[It] is envious of the competition which will be afforded by the new line and that it hopes to gobble up the road and thus completely control stock shipping and other businesses in southern Cass and Montgomery counties."³²

The new year would not be a happy one. Money needed to be found to keep the fragile railroad functioning. Patrons along the Kimballton line responded; they contributed approximately \$61,000 by early February. "Almost all of the money raised has been subscribed by Danish people in the northwestern part of Cass and the southwestern part of Aububon counties." Rattenborg, who had regained his health and the presidency, raised approximately \$65,000 in additional funds, largely from Danish farmers. He and other supporters next turned their efforts along the Villisca line, hoping to generate another \$50,000. They first worked the Grant area. By the end of February about \$12,000 had been raised, although Villisca still remained to be canvassed. Fortunately, the parties owed seemed to have been placed at bay. "The creditors are disposed to hold off and see if there is a chance for the road to pull out before taking actions as with the appointment of a receiver they would fare much worse than they will if the road pulls itself out of its difficulties."³³

While the AN&S struggled to remain afloat, a nasty labor flair-up occurred. The trigger: non-payment of overdue wages to about 75 to 100 former graders and tracklayers who had built the southern extension. On March 2, 1911, they demanded their money, having been "held up" by several boarding houses and restaurants in Villisca. As of March 1 their credit had been

31. *Evening Nonpareil*, 12/17/1910, 1/7/1911, 1/11/1911, 1/13/1911; *Villisca Review*, 1/26/1911; *Adams County Free Press* (Corning), 1/21/1911; *Atlantic Daily Telegraph*, 1/6/1911.

32. *Evening Nonpareil*, 12/29/1911.

33. *Evening Nonpareil*, 2/4/1911, 2/8/1911, 2/17/1911.

exhausted, and many began to go hungry. These men confronted Ross and Judd who happened to be in town on business. A stand-off followed, but the unpaid workers remained "very much incensed. It is said even that some of the desperate gang of laborers suggested that a rope be secured and that other dire things to be enacted to the defenseless men." Calmer members prevailed, but Ross and Judd, who feared for their safety, took refuge in the Fisher Hotel. One group then barricaded the Burlington and AN&S interchange "with a pile of ties and declared that no more trains should be run until they were fed." The men kept an around-the-clock vigil on their hastily created blockade, making certain that AN&S rails remained inactive. They occupied several nearby boxcars for shelter, and relied on "market men and store keepers to furnish them with the bare necessities." Negotiations quickly began between the railroad and protestors, resulting in an agreement that food and fuel would be provided, and money for the claims would come as soon as possible. The Villisca unrest meant lost revenues; a sizeable quantity of livestock from Grant, in one case, awaited transport via the Burlington interchange. To worsen matters, the wage dispute spread to other employees. At last, on March 8, the confrontations ended. Back wages were arranged, and operations returned to normal.³⁴

Although the wage disputes reached resolution, the financial crisis remained. As the weeks passed, the situation worsened. The company sought to prevent a receivership, but by April matters had reached a critical stage. Yet an intriguing proposal emerged. It came from George Adams, president of the Iowa & Omaha Short Line Railroad (I&OSL), which linked Treynor with the Wabash for a short connection to Council Bluffs. Funding to rehabilitate the AN&S could be forthcoming, although Adams demanded to be named receiver. This began the complex, if not bizarre relationship between the AN&S and a syndicate consisting of a group of Iowa-based and foreign investors. At this point the board of directors discussed non-court control possibilities. One centered on raising additional money, focusing on supporters in Atlantic and from along the Kimballton line. The other involved

34. *Red Oak Express*, 3/3/1911; *Evening Nonpareil*, 3/3/1911, 3/4/1911, 3/8/1911.

a breakup of the railroad, with the Villisca extension being severed from the more viable original segment. Then came the board's decision: "A plan is now on foot to reorganize the company, putting it on a new basis and boosting it again." That meant receivership. On May 2, 1911, a district court judge placed the railroad under his control and indicated that he would soon name a receiver.³⁵

A new chapter in the saga of the AN&S was about to begin. On May 21, 1911, the railroad fell into the hands of a receiver, and the future looked uncertain. This individual was E. S. Harland, and he was a logical choice. He served as company treasurer and understood the multitude of money challenges it faced. No one believed that the railroad would be abandoned. It would be re-organized or sold to another carrier or carriers.³⁶

Community Development

Before, during, and after the receivership, the AN&S helped communities to flourish. This was seen in the two most populous towns. For Atlantic, it was "a large factor in the industrial development of the city." The railroad's payroll, too, had a positive impact on the local economy. As the southern extension struggled, a Red Oak reporter in spring 1912 made this observation: "Villisca has not had a fair trial at the railroad but still has made more advancement the past year than in any previous year in her history."³⁷

The arrival of AN&S had an impressive impact on smaller places. When rails earlier had reached Elk Horn and Kimballton, both were well established, but the railroad spurred considerable growth. However the poster child for the railroad's positive impact was Grant; it boomed. Betterments included a three-story brick school, and a stockyard, elevator, and lumberyard near the newly erected depot and water tank. And the *Grant Chief* printed its inaugural edition on April 6, 1911. Grant also extended its boundaries to accommodate more private dwellings. "The town has taken on new life during the past year," commented a Red Oak

35. *Evening Nonpareil*, 4/28/1911; *Red Oak Express*, 4/28/1911.

36. *Thirty-Eighth Annual Report of the Board of Railroad Commissioners for the Year Ending December 6, 1915* (Des Moines, 1916), 63.

37. *Denison Review*, 11/11/1914; *Red Oak Express*, 5/10/1912.

visitor in October 1911, "with many new business buildings and homes and with most of the older ones repaired and painted, with streets kept in good shape and with a smile of contentment upon every face." Later the *Villisca Review* lauded the town's progress. "Grant is very much on the map since they have the railroad. They claim the best [base]ball team in southwest Iowa, a fine Chautauqua, a winter lecture course, a commercial club, a band, [and] a newspaper." Grant was full of life and optimism.³⁸

Morton Mills, four miles south of Grant, emerged as more than a crossroads settlement. It burgeoned forth with the arrival of AN&S rails, although on a smaller scale than its nearby neighbor. Early on the Prather general store was physically moved, being relocated "from the corner down next to the railroad track which will make it more convenient for handling freight." Furthermore, "wide-eyed" individuals acquired parcels at trackside to establish their businesses. In October 1911 E. E. Lehman of Corning, for one, selected the location for a grain elevator and coal shed, and construction began almost immediately. The newly organized Morton Mills Boosters Club raised funds to help pay for a depot, and it did what it could to improve community life. This included promoting an annual tent Chautauqua, which was a popular form of entertainment and a venue for cultural and political presentations. Morton Mills claimed to be the smallest community in the nation to host a seven-day event.³⁹

The AN&S spawned new settlements. In an era of closely spaced farming communities, Sciola sprang forth because of the railroad. Situated four miles south of Morton Mills and seven miles north of Villisca, the place never incorporated. Still, by 1914 it featured more than a general store, having a combination barbershop-restaurant, lumberyard, grain elevator, blacksmith shop, stockpens, small depot, and a few houses. Shortly before

38. Artlip and Taylor, "The Story of Grant;" *Red Oak Sun*, 10/25/1912; *Red Oak Express*, 10/16/1911; *Villisca Review*, 7/23/1914; *Des Moines Register and Leader*, 10/19/1913.

39. *Villisca Review*, 1/20/1911, 9/21/1911, 10/26/1911, 10/31/1912, 11/14/1912, 7/3/1913, 2/12/1914; *Red Oak Sun*, 2/16/1912, 11/1/1912, 1/24/1913. For commentary on tent Chautauqua, see Frank Luther Mott, *Time Enough: Essays in Autobiography* (Chapel Hill, 1962), 88–103.

the iron horse arrived, boosters had adopted the motto "Watch Sciola Grow," but they were surely disappointed that the community fell short of their expectations. A similar fate befell promoters of Tenville, several miles to the south. It remained a stillborn village, consisting of little more than a grain elevator and stockpens. Yet area residents organized a cooperative store. Although built, it never opened.⁴⁰

Town creation on the twenty-two-mile stretch of line between Atlantic and Grant sputtered. The AN&S maintained three scheduled stops and all were in Cass County: Marker, Galion, and Lyman (or New Lyman). Initially Marker had only a siding and stockpens, but toward the end of railroad service a general store opened. Galion and Lyman developed more commercial businesses, and each got a small depot. They, too, had a grain elevator and stockpens. Only three miles apart, Lyman was modestly larger. It also claimed a house of worship, a German Evangelical Church.⁴¹

Before the AN&S opened, consumers customarily found higher prices in stores of inland villages or crossroads. That changed. Patrons of businesses in Morton Mills, for example, discovered that they usually paid lower "Villisca prices" when they shopped locally. They no longer needed to travel ten or more miles to make less expensive purchases. Thanks to the railroad the variety of store goods increased. More strikingly, seasonal coal prices dropped by as much as 30 to 40 percent per ton.⁴²

A Strange Twist

As the AN&S was about to slip into bankruptcy, one of the strangest events in the history of any American shortline began. The saga of the AN&S became much more than a small agriculturally based road that evolved to improve the economic and social lives of its patrons before the motorized era.

40. *Villisca Review*, 3/27/1913, 9/18/1913, 1/22/1914, 2/26/1914, 7/23/1914, 11/4/1914.

41. *Daily Nonpareil*, 5/7/1936; Hoogeveen and Putnam, *Images of America: Cass County*, 103, 106; *Evening Nonpareil*, 3/10/1922.

42. *Villisca Review*, 7/3/1913.

Enter the Shaw Syndicate or officially the English-based Berkdale Company. George Adams of the I&OSL served as a front man for this group of business, financial, and railroad men who became involved with the AN&S bankruptcy. The foremost American participant was Leslie Shaw, one of the most recognized figures in Iowa. This uprooted New Englander and Cornell College and Iowa College of Law graduate established a thriving legal practice in Denison and participated in the launching of several area banks. A popular orator, gold standard advocate, and Republican workhorse, he became his party's nominee for governor in 1898. Shaw won and served two terms. Not long after Theodore Roosevelt ascended to the presidency in 1901, he selected Shaw to become his secretary of the treasury, being impressed with his "ability to captivate his audience while explaining financial issues in an understandable manner." After leaving office in 1909, Shaw remained in the East and worked with financial institutions both domestically and abroad.⁴³

The precise origins of the syndicate's plan are unclear. At the time that the AN&S collapsed, its apparent objective involved using the I&OSL corporation to construct a 150-mile passenger and freight interurban between Council Bluffs and Des Moines and to utilize the AN&S as an electrified or steam-powered feeder. The core route would incorporate the I&OSL and extend eastward through Atlantic, Guthrie Center, and other communities roughly paralleling the Chicago-Omaha line of the Rock Island. Trackage rights over the Inter-Urban Railway would allow entry into the Capital City. The syndicate believed that the Rock Island was vulnerable to traction competition, especially for passengers. It also expected its mileage would be significantly shorter. The syndicate pointed out that its would-be competitor possessed a "crooked line from Des Moines to Council Bluffs." Rock Island management recognized that shortcoming and "is planning to extend its line

43. *Des Moines Register and Leader*, 3/22/1913; David Hudson, Marvin Bergman, and Loren Horton, eds., *The Biographical Dictionary of Iowa* (Iowa City, 2008), 456-57; *Denison Review*, 3/30/1932.

(branch) from Winterset to Council Bluffs on a direct survey and thus gain over fifty-five miles over its present route."⁴⁴

Although accounts varied, the syndicate planned to pay about \$400,000 for the AN&S. By December 1911 this seemed likely to happen. The *Council Bluffs Nonpareil* reported on the front page of its Sunday edition the latest activities and speculations under the headline: "Development in Big Iowa Railroad Deal." It discussed a recent trip made by Shaw to Iowa, including stops in Des Moines and Council Bluffs. Two prominent individuals, F. M. Hubbell of Des Moines, who headed Equitable Life of Iowa, and G. W. Wattles, president of the Omaha & Council Bluffs Street Railway (O&CBStRy), apparently agreed to serve on the board of directors. Hubbell was the leading businessman in Des Moines and arguably in the state. He had extensive experience with local railroads, including involvement in several narrow-gauge steam projects and the Des Moines Union Railway, a terminal property that the syndicate hoped to use. Shaw expected London financiers to play the principal role in the funding, specifically the purchase of the I&OSL and AN&S, together with construction between Treynor and Des Moines and possibly a connection with the O&CBStRy. It would also include extending the Kimballton line to Manning. The total estimated cost stood at \$5,000,000.⁴⁵

Journalists speculated on another participant in the plan to take over the AN&S and I&OSL. It was Edwin Hawley, one of the most powerful and secretive railroad magnates in the nation. "Even in his day he was probably the least known and most feared of all railroad executives," observed railroad historian Frank P. Donovan Jr.⁴⁶

Why would Hawley desire two Iowa shortlines? Although he controlled the Minneapolis & St. Louis (M&StL) and Iowa

44. *Evening Nonpareil*, 11/5/1911, 12/29/1911, 1/16/1912, 4/12/1912; *Daily Times* (Davenport), 11/30/1911; *Des Moines Register and Leader*, 5/26/1912.

45. *Evening Nonpareil*, 9/28/1911, 10/29/1911, 12/3/1911; William Friedericks, *Investing in Iowa: The Life and Times of F. M. Hubbell* (Des Moines, 2007), 45-53, 83-88; *Page County Democrat* (Clarinda), 1/25/1912.

46. Frank P. Donovan Jr., "Edwin Hawley," *Trains & Travel* 12 (September 1952), 52.

Central Railroads (they consolidated in 1912), he sought to strengthen his vast railroad empire. The M&StL already connected St. Paul with Storm Lake, and Hawley wanted to enter the Omaha and possibly the Kansas City gateways from the north. (By this time he had access to Kansas City through his control of the Chicago & Alton Railroad.) With construction southwest from Storm Lake the M&StL could use the I&OSL to achieve such goals. If the Shaw railroad succeeded in reaching Des Moines (which Hawley could likely capture), the M&StL would gain another way to access Omaha. The AN&S might somehow be used to enter St. Joseph and Kansas City. This could include the emerging Iowa & Southwestern. Hawley had the skill and financial wherewithal to expand his holdings as he saw fit.⁴⁷

What appeared to seal the immediate fate of the AN&S took place at the receiver's sale held in Atlantic on September 28, 1911. No agent of Edwin Hawley participated; there was no reason to do so at this time. It would be George Adams who submitted the winning bid of \$402,000. There were other bids, but none for the entire railroad. There had been talk of splitting the AN&S, but the bankruptcy judge opposed that option. Following court procedures Adams deposited a certified check for \$5,000 to show good faith.⁴⁸

What followed the sale had numerous twists and turns. A formidable challenge faced the Shaw syndicate: raising money. That amount became dependent on the sale of \$5,000,000 of bonds. This became an ongoing quest, and one that lacked an easy solution. Based on a London cable, John Hess, the I&OSL attorney, told the press in mid-March 1912 that funds would not be immediately forthcoming. "I am able to appreciate the position of the Englishmen. They are simply 'playing safe' in the deal and there were a few formalities that have not been closed up."⁴⁹

Delays continued. In late April 1912 the judge allowed the syndicate additional time to honor its bid. Shaw left for Britain

47. *Evening Nonpareil*, 11/10/1911; Don L. Hofsommer, *The Tootin' Louie: A History of the Minneapolis & St. Louis Railway* (Minneapolis, 2005), 120; interview with Don L. Hofsommer, 7/16/2021.

48. *Evening Nonpareil*, 11/7/1911.

49. *Evening Nonpareil*, 3/18/1912.

and the Continent to work with his partners and contacts on bond sales. By mid-May he had yet to report on the success or failure of his mission. The general consensus was that funding would materialize. Shaw and his associates publicly expressed optimism, and they won another thirty-day extension. Finally good news arrived. On June 26 Hess learned that contracts for the bond sale through a Brussels financial house had been signed. Funds to complete the sale would soon be at hand. Another short continuance was granted. On July 16, still no money had arrived. The syndicate did post another \$5,000 forfeiture bond, and once again the court extended the deadline. The judge, whose patience was wearing thin, issued an ultimatum. If funds, which were reduced to an initial payment of \$25,000, were not received by July 27, he planned to order the road resold on August 1.⁵⁰

Two of the largest creditors, Abeles & Taussig and Shugart & Barnes Brothers applauded the court's ruling. (The Elkhorn-Kimballton Construction Company, another large debt holder, did not initially participate, possibly because it was experiencing a reorganization.) These parties worried about what the railroad owed them, amounting to more than \$125,000. Yet if the Shaw deal went through, they would recoup most or potentially all of their investments.⁵¹

The bankruptcy judge and others involved in the AN&S sale probably realized that behind-the-scenes interests were battling the Shaw syndicate. The perpetrators: Burlington and Rock Island Railroads. Each had established connections in British and European financial circles. The Burlington had much greater influence, being part of the powerful Hill Lines. How they specifically sought to stymie the Shaw interests is not known, but journalists detected their activities. "The Iowa railroad syndicate did not want the Shaw syndicate to succeed," explained a circulating press story. "The syndicate was tapping territory which the Iowa roads covered and coveted." Explained another published report: "In the financial fight to gain possession of the Atlantic

50. *Evening Nonpareil*, 4/8/1912, 6/25/1912, 6/26/1912, 7/17/1912; *Nebraska State Journal* (Lincoln), 5/26/1912; *Sunday Nonpareil*, 5/19/1912, 6/23/1912.

51. *Evening Nonpareil*, 7/18/1912.

Northern & Southern, Iowa people are witnessing one of the greatest struggles that has been thrown on the railroad map of Iowa." It continued: "The Atlantic property, as a railroad, is perhaps insignificant in comparison to the big systems. It is the principles that are involved. The Iowa railroad systems do not want the syndicate to succeed." More so than the Rock Island and the state's other trunk roads, the Burlington fought to protect its service territory.⁵²

As the case dragged on, another albeit limited reprieve for the Shaw syndicate occurred. The court granted the organization a two-day extension for meeting the \$25,000 installment deadline. Again it failed to provide the funds. Still another brief extension was given. Somewhat dramatically the former governor appeared before the judge and handed over the money. A few weeks afterwards another \$25,000 was deposited, but more than \$300,000 remained to be raised. A month later attorneys for Shugart & Barnes Brothers and joined by a representative for Robert Abeles filed a writ of prohibition with the Iowa Supreme Court. This tactic was designed to prevent the district court from allowing more continuations.⁵³

The legal battle appeared unending. In a key ruling, which came on December 14, 1912, Iowa's highest court announced that it lacked jurisdiction and sent the case back to the district court. Shaw's interests took heart, and they continued to believe (or hope) that funding could be arranged. Shaw, though, was not that sanguine about acquiring the bond money. "There is at present a stringency in the foreign and Canadian money markets due to wars and rumors of wars." This was the time of the First Balkan War, which had erupted in October 1912 and would last until mid-1913. Until the political situation in continental Europe calmed, the syndicate needed to tap domestic sources.⁵⁴

The long-sought attempt by the Shaw group to acquire the AN&S kept on. Even though in early 1913 the judge revealed that

52. *Evening Times-Republican* (Marshalltown), 7/20/1912; *Sunday Nonpareil*, 7/21/1912.

53. *Evening Nonpareil*, 7/29/1912, 8/3/1912, 8/5/1912, 8/30/1912, 10/25/1912, 11/1/1912; *Denison Review*, 8/7/1912.

54. *Evening Nonpareil*, 12/10/1912, 12/12/1912.

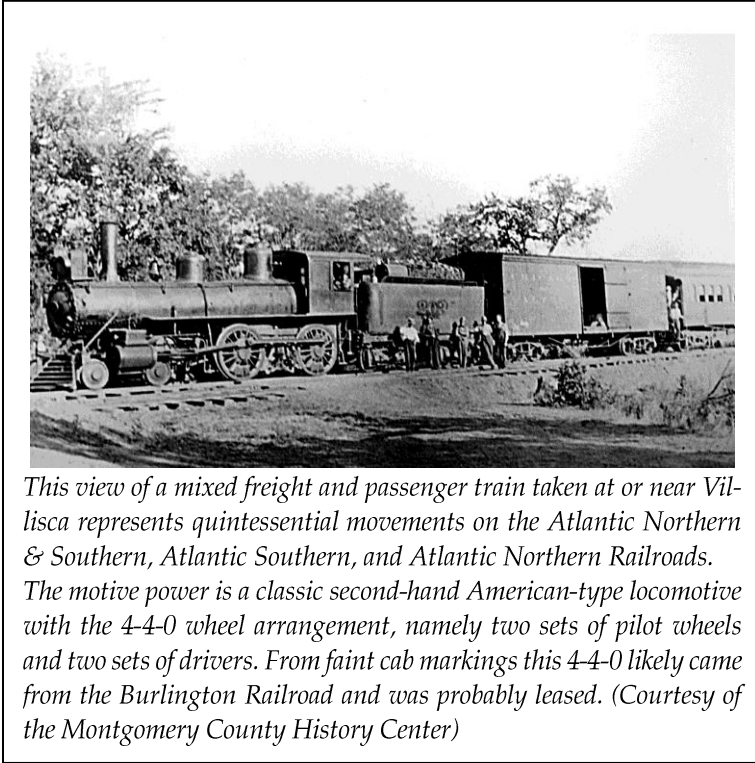
he wanted the railroad resold, it appeared that appeals for extensions might continue for the foreseeable future. The rebidding, which occurred in late February, failed, resulting from "the absence of the required forfeit (certified check) in the case of the Shaw bid and insufficiency of the other bids." The court set March 21, 1913, as the new date. Again failure. The explanation: "None of the bids were sufficient considering receiver Harland's estimate of the value of the railroad property, and not in the best interests of the creditors, if accepted."⁵⁵

The rebidding process continued. In early May another one took place, and Leslie Shaw seemingly gained the AN&S with a much-reduced bid of \$294,000. The judge accepted it on May 19. Robert Abeles offered \$120,000 for the Villisca line, but no one bid for the Kimballton trackage. Under the terms of the sale, Shaw had until June 2 to finalize his winning offer. That never happened. In a welter of events Harland was deposed for financial irregularities, and Atlantic attorney W. A. Follett became his replacement. Follett, working with the judge, announced that the railroad would be split into its northern and southern sections, and bidding would take place on June 10, 1913. Abeles won the Villisca line with a bid of \$98,000. The Kimballton line went to its first mortgage bondholders for \$87,000. The court scheduled August 8 as the date when final transfers and deeds would be given for the two properties. Yet it took until February 5, 1914, before the tangled affairs of the AN&S finally passed from court jurisdiction.⁵⁶

At last rumors of an AN&S takeover ceased. Coinciding with the final bidding, Shaw withdrew from the contest, concluding that obtaining adequate funding was an impossibility. It is not clear, however, how much money he lost personally in this quest to create a mid-Iowa railroad complex. Reported one newspaper, "Leslie Shaw and a syndicate spent nearly two years in trying to secure [the AN&S] and failed after having forfeited several large cash options to the court." Not to be forgotten was Edwin Hawley. He may have had his eyes on the AN&S and I&OSL, but on

55. *Evening Nonpareil*, 2/24/1913, 3/2/1913, 4/9/1913; *Des Moines Register and Leader*, 3/4/1913; *Clarinda Journal*, 5/29/1913.

56. *Evening Nonpareil*, 5/19/1913, 6/16/1913, 7/28/1913, 8/10/1913, 2/5/1914; *Thirty-Eighth Annual Report*, 63.



This view of a mixed freight and passenger train taken at or near Vil-lisca represents quintessential movements on the Atlantic Northern & Southern, Atlantic Southern, and Atlantic Northern Railroads. The motive power is a classic second-hand American-type locomotive with the 4-4-0 wheel arrangement, namely two sets of pilot wheels and two sets of drivers. From faint cab markings this 4-4-0 likely came from the Burlington Railroad and was probably leased. (Courtesy of the Montgomery County History Center)

February 1, 1912, he died suddenly of a heart attack. The big expansion plans of the M&StL forever ended.⁵⁷

Atlantic Southern Railroad

The Atlantic Southern Railroad (AS), “The Nodaway Valley Route” or the “Aunt Suzie” as locals called it, had a troubled and short operating life. The company officially dispatched trains from August 9, 1913, to December 31, 1914, although it continued for a few days in early 1915 to “clean up business on the property.” When the railroad stopped, more than 100 employees needed to find new jobs; several watchmen, however, were retained to protect against fires and thefts. The tortured demise of the AS

57. *Sioux City Journal*, 11/17/1914; *Des Moines Register and Leader*, 11/12/1916; *New York Times*, 2/1/1912.

devastated supporters and had a negative impact on its service territory, affecting especially Grant and Morton Mills.⁵⁸

One individual personified the Villisca line. It was St. Louis tie dealer Robert Abeles, and his reign proved controversial. Even before the court legally transferred the 36.6-mile railroad to him, he assigned his rights to a new entity registered as the Atlantic Southern Railroad Company. For an investment of \$172,000 he received \$400,000 in stock and bonds. Abeles stated that he had secured the property free and clear of all financial obligations. He was correct. The bankruptcy judge stated that he would not issue a deed unless outstanding claims were extinguished. Others disagreed, including residents of the Grant and Morton Mills areas. In July 1915 their representatives did so at a public hearing conducted by the Board of Railroad Commissioners in Red Oak. They contended that those who supported the construction of the extension had invested more than \$300,000 in the form of stocks and bonds, tax levies, materials, and labor. Their contributions needed to be considered.⁵⁹

Robert Abeles proved to be an able manipulator. What he did was to take \$200,000 out of the company treasury in order to pay himself that amount for the Atlantic Southern. "Here is a clear case of dissipation of resources," charged the Board of Railroad Commissioners in its hearing report released in September 1915. It continued, "\$200,000 in bonds were issued to Mr. Abeles without consideration, and should be cancelled; or if these constituted the real consideration paid for the property, then Mr. Abeles should return the entire \$200,000 in cash, which he received at the same time the bonds were issued to him." The Board wondered if these financial maneuvers were "a fictitious proceeding, and no cash was transferred actually to the company; and the stock was consequently issued in violation of the laws of this state in regard to the issuance of stock for cash; and also in violation of the articles of incorporation of the Atlantic Southern

58. *Thirty-Eighth Annual Report*, 63; *Adams County Free Press*, 1/6/1915.

59. *Thirty-Eighth Annual Report*, 63-64; *Des Moines Register and Leader*, 9/29/1915; *Davenport Weekly Democrat and Leader*, 8/14/1913.

Railroad Company, which provide that 'all stock shall be fully paid and non-assessable when issued.'"⁶⁰

Did Abeles believe that it was more profitable to milk the Atlantic Southern and then to junk it rather than to operate it? The answer is unclear. He may have taken a wait-and-see approach, having that luxury of options. The Abeles regime, which included his brother J. D. Abeles, his son Robert, and his son-in-law De Roo Weber, touted various improvements, claiming to have invested approximately \$40,000. These included the acquisition of two locomotives, upgrades to the Atlantic yards, installation of a telephone system, and track repairs. State regulators, however, believed that by the time the company suspended operations, it had failed to place the property in good order.⁶¹

Hardly unique to shortlines, the Atlantic Southern suffered from arguably poor operating procedures. While the skill levels of those individuals who conducted the day-to-day business are mostly unknown, the Board suggested that they were sadly lacking. Take De Roo Weber, the general manager. Earlier in his professional career he had been a stenographer and not a railroader and by 1910 served as vice-president and general manager of the Abeles & Taussig Tie & Timber Company. In its findings the Board included this commentary: "At first the company operated six trains, two passenger and one freight each way daily; then they operated four trains daily, one passenger and one freight train in each direction; and then, about November 1, 1914, and for a period of months, the company operated two trains, a mixed passenger and freight train in each direction, daily." They concluded, "If two trains were all that the business justified, six trains were evidently an extravagance. There had been only a two month's trial." There were other concerns, two involved annual expenditures for freight car rentals and money wasted on locomotive repairs, and this observation: "Frequent inexcusable delays, and

60. *Thirty-Eighth Annual Report*, 66.

61. *Villisca Review*, 9/18/1913; *Thirty-Eighth Annual Report*, 77; *Des Moines Register and Leader*, 8/10/1913, 11/11/1913.

other evidences of gross mismanagement were testified to by residents living along the line of railroad."⁶²

Admittedly the financials for the first six months of 1914 did not look promising. Freight earnings stood at \$23,012, passenger at \$11,521, and other income at \$2,857. Although revenues reached \$37,390, expenses totaled \$47,791. This left a sizeable operational deficit. As Weber told a reporter, "The road could not be operated except at a continual loss and that the only thing to do with it is to tear it up and get as much as possible out of the sale of the material used in construction."⁶³

When the Atlantic Southern petitioned the Board of Railroad Commissioners for permission to abandon, it failed to receive an unconditional green light. Regulators concluded that the trackage between Atlantic and Lyman could be retired. It was expensive to maintain and generated little traffic. There was more. "That portion of the line is closely paralleled by the Rock Island Railroad on the west; and the Burlington (Cumberland branch) draws from it on the east. For these reasons we conclude that a justification, or public necessity, does not exist for requiring the continued operation of passenger and freight trains on that portion of the said line." The Board believed that abandonment of this section "will materially increase the earning power of the defendant company." The remainder of the line was different. It was in the public interest to maintain service, and Abeles should give it a fair trial. If operated properly, this segment could be expected to pay expenses and generate a profit.⁶⁴

When word spread that the Aunt Suzie planned to shut down at midnight on December 31, 1914, it immediately alarmed patrons. Preparing for the worst businesses and farmers rushed to meet their needs. "The freight business during December was enormous. The people in the towns along the way shipping in their needed goods before the road closed down," reported the

62. *Thirty-Eighth Annual Report*, 77–78.

63. *Poor's Manual of Railroads of the United States* (New York, 1915), 1132; *Red Oak Express*, 7/23/1915.

64. *Thirty-Eighth Annual Report*, 77–79; *Evening Nonpareil*, 1/14/1915; *Des Moines Register and Leader*, 10/1/1915.

Villisca Reporter. "And the farmers north of here shipped all the live stock possible."⁶⁵

No place was more concerned about the closure than Grant. At a March 1915 meeting held in the town, consisting largely of local and area citizens, discussions centered on how best to retain service. It was agreed to have a professional study made before taking legal action. Several individuals were selected to solicit funds to pay for an experienced engineer to ascertain the viability of the property. The money became available, and a qualified reviewer produced a positive report.⁶⁶

The determination to save service between Lyman and Villisca remained strong. "The people of Grant and vicinity will fight Robert Abeles to the very last in an effort to compel him to operate the road," editorialized the *Grant Chief* in November 1915. Supporters had taken heart when the Board of Railroad Commissioners ordered the reopening of that twenty-one-mile section of the line. Abeles refused. "We are ready to fight that matter out in the courts," announced his attorney W. A. Follett. "I do not believe there is a court on earth which will attempt to force a company to run trains at a loss." In a strategic move Abeles transferred all of the stock from the railroad to himself in order to avoid the case being brought before the district court in either Cass or Montgomery Counties. He soon filed suit in Polk County to have the regulatory body's decision overturned. Abeles also became a plaintiff before the federal court. "By getting the case before the federal court," observed the *Red Oak Express*, "Abeles thinks to circumvent the people."⁶⁷

The battle stretched into 1916. That January a spirited hearing took place in a federal court room in Council Bluffs. The proceedings included a presentation made by Mayor W. G. Hall of Grant. "He told of stories after the Atlantic Northern & Southern had been built, of elevators and lumber yards and other businesses which now are ruined by the absence of train service." Abeles representatives, on the other hand, emphasized that the future

65. *Villisca Review* quoted in *Adams County Free Press*, 1/6/1915.

66. *Evening Nonpareil*, 3/19/1915.

67. *Red Oak Express*, 11/12/1915; *Des Moines Register and Leader*, 9/30/1915.

profitability of the railroad would never occur, and they emphatically denied mismanagement. In early February the judge made his ruling. He decided that the order of the Board of Railroad Commissioners must remain undisturbed until such time as the resources of the state courts had been exhausted.⁶⁸

In April the case resumed in Polk County District Court. It did not take long before the judge decided that Abeles had the right to abandon the Atlantic Southern, agreeing that the road could never become profitable. This judicial opinion, of course, angered railroad backers. "Just how much the judge knows about railroad matters we are unable to say but in his opinion there's nothing to it, the road can't be made to pay, so the stuff [is] all off," editorialized the *Grant Chief*. "However, the people have a rather decided opinion that the state railroad commission knows more about the railroad affairs, has a firmer grasp on infinite detail of managing a road, and knows better whether a line of road pays, than does the judge."⁶⁹

The federal judge re-entered the fray. Following the state court invalidation of the Board of Railroad Commissioners ruling, he conducted conferences in late June and early July 1916 with the parties involved. The judge subsequently decided that the Atlantic Southern could be abandoned. He pointed out that those wanting railroad service could purchase the property. That was contemplated but never happened.⁷⁰

In February 1917 a swan-song of sorts for the Villisca line came from the editor of the *Chief*. "One morning this past week, there came to our ears the joyful sound of a train whistling at the crossing near the depot. But alas, the train with its couple of flat cars was here simply for the purpose of hauling rails to Atlantic to be stored." There was more. "For a long time, men have been engaged south of town, tearing up the rails. When enough had been pried loose, an engine was sent down from Atlantic. The rails were carried down to the depot in a hand car, probably

68. *Evening Nonpareil*, 1/26/1916, 1/27/1916; *Red Oak Express*, 2/4/1916.

69. *Red Oak Express*, 5/19/1916.

70. *Evening Nonpareil*, 7/4/1916, 7/5/1916; *Clarinda Herald*, 1/4/1917.

because the bridge across the Nodaway is unsafe for the locomotive to pass over."⁷¹

A feeble last gasp effort to save a portion of the Atlantic Southern occurred in May 1917. At a meeting held in Morton Mills a group of area residents sought to raise \$70,000 to rescue the line between Morton Mills and Villisca, but only a small portion had been raised in subscriptions. "The meeting broke up as joyful as a slacker trying to join the Quakers in order to keep out of war."⁷²

The legal actions taken by Robert Abeles proved victorious; he succeeded in defeating state regulators. For Abeles the process of dismantling occurred at an opportune time. After the outbreak of the European war demand for scrap metal steadily increased. "Material is now said to be more valuable than when it was laid [on the AS]," reported one source. Rumors indicated that the steel from the abandonment, which consisted of rails, spikes, tie plates, and switches, yielded \$165,000. A St. Louis firm apparently bought these materials, and some or all of them were destined for a shortline project in Arkansas. There were more assets to sell, including structures and about sixty acres of land. Abeles did not sustain a financial loss with the liquidation of "my railroad."⁷³

Atlantic Northern Railway

Although dismemberment of the Atlantic Southern upset those citizens who had finally gained railroad service, residents along the Kimballton line retained access to the iron horse for another generation. On August 13, 1913, papers were filed with the Cass County Recorder for the Atlantic Northern Railway (AN). It, too, had a nickname, dubbed the "Aunt Norrie." At this time two Des Moines railroad officials conducted an appraisal. They did this

71. *Grant Chief*, 2/22/1917.

72. *Adams County Free Press*, 5/30/1917.

73. *Grant Chief*, 11/14/1914; *Evening Nonpareil*, 11/16/1914, 2/28/1917; *Villisca Review*, 12/30/1914; *Thirty-Ninth Annual Report of the Board of Railroad Commissioners for the Year Ending December 4, 1916* (Des Moines, 1917), 201–02.

exacting work and estimated the value of this seventeen-mile pike (18.7 miles with yard tracks and sidings) at \$238,000.⁷⁴

The transition from Atlantic Northern & Southern to Atlantic Northern would not be seamless. Adjustment had to be hammered out with bondholders, and other legal matters needed to be resolved. Early signs offered optimism, however. An October 1913 report indicated that "it was shown that the traffic on the line under the new regime is very satisfactory, and with improvements in the train service and otherwise contemplated, the road is believed to be on the road to prosperity." There remained strong community support, especially from livestock and grain shippers. "The Atlantic Northern has secured an enviable reputation as a stock shipping line," noted a journalist in March 1915. That same year 25 percent of the taxpayers in the Elk Horn and Kimballton area agreed to give the company a voluntary one-time five percent tax on their real estate. These funds went largely to tie renewals and bridge repairs.⁷⁵

Operations remained simple. The railroad dispatched a daily except Sunday mixed train and other freight movements when required. In 1918 the ICC reported ownership of one locomotive (4-4-0), three freight cars, and a combination baggage passenger car.⁷⁶

When the federal government launched the U.S. Railroad Administration in late 1917 to unsnarl wartime traffic, it took control of strategic steam and electric railroads. Shortlines, like the Atlantic Northern, were usually not included. As a consequence, these roads had to shift for themselves with no mandated priorities and reduced business. In 1918 the company sustained its largest ever loss, which amounted to \$12,660, but as in the past residents came to the rescue. In the fall of 1919 business interests in Elk Horn and Kimballton joined area farmers to raise sufficient funds to retire \$100,000 in outstanding bonds, paying 96 cents on

74. Miscellaneous Record, Book 248, page 112, Cass County Office of the Recorder; *Elk Horn Community History*, 116; *Evening Nonpareil*, 8/6/1913.

75. *Evening Nonpareil*, 8/28/1913, 3/12/1915, 9/12/1915, 11/1/1915; *Des Moines Register and Leader*, 9/1/1915.

76. Interstate Commerce Commission, Valuation Docket No. 448, Tentative Report of the Property of Atlantic Northern Railway, as of 6/30/1918, 3.

the dollar. Those who participated in this refinancing received stock for their contributions.⁷⁷

The 1920s were a challenging time for many Americans. A postwar depression ravaged the country between 1920 and 1921. Farmers encountered continuing financial woes: commodity prices fell, farm foreclosures rose, and banks failed. As for the latter, Iowa led the nation in bank failures from 1921 to 1931, with an average of 87 per year. These years of agricultural struggles continued until the outbreak of World War II.⁷⁸

The Atlantic Northern mirrored national events. Although operating revenues fluctuated, they tended on a downward trajectory. In 1920 they totaled \$52,654, but by 1925, they had dropped to \$35,277. Deficits were managed, and in 1929 the company acquired an old but reliable 4-4-0 type locomotive. A year later it conducted several pressing bridge repairs. In 1933 H. H. Fulton, a Lewis train enthusiast, made these comments in a short piece published in *Railroad Stories*: "Although it employs only ten people, the Atlantic Northern is so well managed and has such loyal employees that it has shown substantial earnings, even in depression times." Not true for the latter. Operating revenues, which stood at \$33,991 in 1931 plummeted to \$16,650 two years later, and net income dropped from \$751 to a deficit of \$1,829. Coinciding with the Fulton commentary the *Des Moines Register* reported financial troubles. "For some time it [AN] has been operating at a loss, for the owner-customers are not patronizing it. Trucks, busses, automobiles all have taken their toll from Atlantic Northern's revenues." It added, "recently a meeting was called at Kimballton. Farmers, businessmen, stockholders, customers, and possible customers were urged to patronize the road. Unless traffic increased, the consensus emerged that abandonment would be the practical alternative."⁷⁹

77. *Evening Nonpareil*, 10/27/1919; *Des Moines Sunday Register*, 11/2/1919; Miscellaneous Record, Book 269, page 564, Cass County Office of the Recorder.

78. James Grant, *The Forgotten Depression, 1921: The Crash That Cured Itself* (New York, 2014); Dorothy Schwieder, "Rural Iowa in the 1920s," *Annals of Iowa* 47 (1983), 104-15.

79. *Poor's Manual of Railroads* (New York, 1911), 1277; *Moody's Manual of Investments* (New York, 1926), 833; *Fiftieth Annual Report of the Board of Railroad Commissioners* (Des Moines, 1927), 197-98; *Moody's Steam Railroads* (New York, 1934),

The end of service was not immediate. Revenues and expenses for 1934, however, proved to be disappointing: \$17,171 for the former and \$19,000 for the latter. When income failed to rebound, stockholders in September 1935 sealed the fate of the company; they voted to shut down and liquidate. On December 7, 1935, the ICC approved the abandonment petition. Since the railroad operated entirely within Iowa, state regulators needed to grant their permission to abandon. Approval came on January 6, 1936, which was the day when the last revenue train plied AN rails.⁸⁰

It did not take long before the Board of Directors began selling off physical assets. The better of the two locomotives, the one acquired in 1929, went to the Manchester & Oneida Railway in Delaware County for \$1,000, and Hyman-Michaels Company of Chicago, a leading dismantler of midwestern railroads, acquired the rails, switches, and fastenings at a fair-market price. Farmers purchased the usable ties for fence posts at four cents apiece; right-of-way parcels were either sold or returned to former land owners depending on how they were acquired; an oil firm brought the Elk Horn depot.⁸¹

As with most railroad abandonments there was sorrow when the Hyman-Michaels "death train" slowly worked its way from Kimballton to Atlantic. Residents had fought to build and to retain this rail artery, but the transportation picture had changed. Automobiles were ubiquitous, and trucks, traveling on an expanding network of all-weather roads, could haul grain and livestock either to market or to elevators and stockyards on nearby railroads. If residents lacked access to an automobile, they could take a White Way bus to either Audubon or Atlantic. No longer was the Atlantic Northern essential to community life. Its loss did not kill off either Elk Horn or Kimballton; their populations

436; H. H. Fulton, "A Small Line That's Still Going Strong," *Railroad Stories* 12 (September 1933), 86; *Des Moines Register*, 7/23/1933.

80. *Fifty-Eighth Annual Report of the Board of Railroad Commissioners for the Year Ending December 2, 1935* (Des Moines, 1936); *Elk Horn Review*, 6/2/1983; *Omaha Evening Bee-News*, 9/11/1935; *Evening Nonpareil*, 12/8/1935, 12/11/1935, 1/5/1936.

81. *Evening Nonpareil*, 7/28/1936, 10/30/1936, 11/2/1936; *Elk Horn Community History*, 116.

remained stable. Mail service went from rail to a motorized “star route.” Then came that dreadful and record-breaking winter of early 1936; blizzards and frigid temperatures caused a local coal crisis. A month after the railroad shuttered, the Elk Horn and Kimballton communities ran out of fuel. “Due to the recent abandonment of the Atlantic Northern there will be no means of getting coal to the communities until the roads are cleared.” The loss of railroad service had been temporarily inopportune.⁸²

A pleasant surprise came with liquidation. Investors may have assumed that their shares were worthless or virtually so. The 400 stockholders, who owned 1,113 shares with a par value of \$100, realized about 25 percent of their face value. By early 1937 they had received these much-appreciated checks.⁸³

In the 1936 edition of the *Orange Quill*, the Elk Horn High School yearbook, student Emery Carlsen wrote, “The full effect of abandonment did not dawn upon the people until January 6, 1936, when the last train pulled out of Elk Horn. A group of people, a much smaller group than that which had cheered it on its first appearance, watched the train roll slowly out of Elk Horn ‘round the bend; then they realized it was gone forever.” He closed with these words: “The rumble of the wheels soon died away, but the memory will always linger in the hearts of those who were served so faithfully.” With each passing year memories dimmed, but they have never completely disappeared.⁸⁴

82. *Evening Nonpareil*, 1/3/1936, 2/4/1936.

83. *Evening Nonpareil*, 12/29/1936; *Elk Horn Community History*, 121.

84. *Elk Horn Community History*, 121; Warren Watson to author, 2/7/2022.