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The Great Northern in Iowa

In the late 1880's, Sioux City was well supplied with railroads which radiated in nearly every direction. But the packers and other industrialists wanted to have an independent and a more direct route to Duluth which would avoid the traffic congestion of the Twin Cities. They felt that better connections with the Lake Superior port would bring more manufactured goods to their city at lower cost. Again, a new railroad northward would cross the two transcontinentals serving the Pacific Northwest; and by so doing, Sioux City would get increased shipments of grain and livestock.

To achieve this end local businessmen formed the Sioux City & Northern Railroad, which was chartered October 3, 1887. It was projected from Sioux City northeastward to Duluth, and from the Iowa line northwestward to Minot, North Dakota. Whether the incorporators ever seriously thought of reaching Minot is a matter of conjecture. If the plans were nebulous at the start, the

backers soon faced reality by electing to build to the most convenient connection to form a through route to Duluth. This proved to be Garretson, South Dakota, on a railroad which James J. Hill headed.

Once the decision was made, management acted quickly. In June 1889, the project existed only on paper; six months later it was an operating railroad just short of one hundred miles long. On January 27, 1890, the 96-mile route was opened for its entire length. Two factors did much to expedite its progress: ready capital and competent management.

From the start the line was a Sioux City enterprise locally owned and operated. At the outset, it was headed by a veteran railroad builder, with a versatile and experienced Englishman as general manager. A third key officer was an enterprising financier who originally held the office of treasurer. These three officers served in chronological sequence as president of the thriving new railroad. Each had an interesting and varied background.

Thomas P. Gere, first president of the operating railroad, came from Wellsburg, New York, where he was born in 1842. When still a boy his parents moved to the Midwest, and his education was obtained in various communities where the family resided. At the outbreak of the Civil War he enlisted in the Fifth Regiment, Minnesota Volunteers. Mustered out a brigade adjutant, Gere was

presented a medal of honor by Congress in 1865.

The next two decades he spent in railroad building. He helped survey what is now the River Division of the Milwaukee in Minnesota and later worked as a "leveler" on a predecessor line of the Omaha Road in Wisconsin. By 1867 he was assistant engineer of the Minnesota Valley and later of the St. Paul & Sioux City railroads, all of which were forerunners of the "Omaha." With the formation of the Chicago, St. Paul, Minneapolis & Omaha Railway ("the Omaha Road") in 1880, he became superintendent of the St. Paul Division. Two years later he was appointed assistant superintendent of the entire railroad.

Gere resigned from the Omaha in 1883 and subsequently formed a partnership with R. D. Hubbard of Mankato, Minnesota, in organizing the Sioux City Linseed Oil Works. For many years he managed that firm's Sioux City plant. But railroading was still in his blood. When the Milwaukee was built from Manilla to Sioux City, he had a hand in its construction. Gere, likewise, aided in bringing the North Western's Maple River branch into Onawa and in organizing the Pacific Short Line. All in all, he was a logical person to head and direct the building of the Sioux City & Northern.

Gere's general manager, Frederick C. Hills, was also a man of parts. He, likewise, was born in 1842, only he came from Bethersden, Kent, Eng-

land. At the age of seven, young Frederick's parents emigrated to America and settled in Oneida County, New York. Frederick worked on his father's farm until he was 15. Then he became an apprentice in the carriage trimming trade. Eager for more education, he enrolled in a Rome business college, but upon the outbreak of the Civil War he enlisted in the army. Because of a physical disability his military career was cut short, and he went west to seek his fortune.

In the spring of 1864, Frederick Hills came to Sioux City from the railhead at Marshalltown with a yoke of cattle. Soon he was back in Marshalltown packing wood for what is now the North Western railroad. Then he had a stint at clerking further west but returned to the railroad as local agent in Boone. When the road built further westward, this ambitious Anglo-American lad was sent to open the station at Missouri Valley Junction in December 1866. Soon the carrier, then known as the Sioux City & Pacific, reached Sioux City; and the young man became its local agent. He had risen on John I. Blair's road to the position of general traffic manager when he left its employ in 1881.

For the next seven years, Hills was engaged in the hardware trade in Sioux City. In 1888, however, he sold his business to become assistant general manager of the Wyoming Pacific Improvement Company, builders of the Pacific Short Line.

The Short Line subsequently became the Sioux City, O'Neill & Western, which later was headed by his associate — Arthur S. Garretson. When the successor road went bankrupt following the Panic of 1893, Hills was appointed receiver.

Prior to this Hills helped to promote the Sioux City & Northern, became its general manager, and was afterward its president. For many years the British-born executive with his great flowing beard was a prominent figure in Sioux City railroading. The town of Hills, Minnesota, on the road he operated, is named for him.

The third of the trio who headed the Sioux City & Northern was Arthur S. Garretson. Banker, business man, and rancher, he was another of the many-sided pioneers associated with the development of Sioux City. For several years he held the office of treasurer of the new railroad until he succeeded Hills to the presidency in 1893.

Besides his railroad commitments Garretson was cashier of the Sioux National Bank and owner of a 3,000-acre cattle ranch in Grange Township near Luton. He also helped promote the city's widely publicized "elevated railroad" and served as treasurer of the newly-organized University of the Northwest, now Morningside College. Garretson, South Dakota, honors his name.

The new railroad was constructed by the Sioux City & Northern Contracting Company and was controlled by Garretson and other local men. The

contracting firm received the railroad's stocks and bonds at the rate of \$15,000 and \$20,000 respectively per mile of road, an aggregate of \$3,360,000.

The Sioux City & Northern ran in a generally northward direction, paralleling the Illinois Central along the Floyd River to Merrill. From that town it continued northward into the more hilly country, through Struble, Sioux Center, and Doon to the State Line south of Hills, Minnesota. The next 17 miles were divided between the southwestern corner of Rock County, Minnesota, and the eastern part of Minnehaha County, South Dakota. Its northern terminus was at Garretson, where it connected with the Willmar & Sioux Falls Railway, which was headed by James J. Hill. The Hill road extended from Willmar, Minnesota, through Garretson and Sioux Falls to Yankton, South Dakota, a distance of 209 miles. The Sioux City & Northern was laid with 60-pound rails; and its shops and headquarters were located in Sioux City.

The company encountered no serious obstacles in building the line except at Maurice, where the North Western sought to prohibit it from crossing at the same grade. The North Western contended, before the Board of Railroad Commissioners, that the location in question was at the foot of a one per cent grade in each direction, making it difficult to start and stop trains. Furthermore, it maintained that the curvature of its line was so

great that the proposed grade crossing would be obscured in both directions. After hearing all arguments, the Board directed the Sioux City & Northern to build a bridge across the North Western's line; and the latter road was ordered to lower its track under the proposed bridge. Both roads complied with the order, thereby making a grade crossing unnecessary.

By 1892 the tri-state railroad had 12 locomotives, 9 passenger train cars, 470 freight cars, 5 cabooses, and 2 other cars. A tally of 100 stock cars and 50 refrigerator cars would suggest cattle and packing-house products were important items of revenue.

To strengthen its position in Sioux City's highly competitive packing district, an affiliated enterprise was chartered in 1889. Called the Sioux City Terminal & Warehouse Company, it soon had 13 miles of track together with ample storage facilities and served as a valuable adjunct to its larger affiliate. It was leased to the Sioux City & Northern at an annual rental of \$90,000. For many years Garretson headed the Terminal Company.

There was a curious affinity between the Sioux City & Northern and the less successful Sioux City, O'Neill & Western Railway. As we have seen, both Frederick Hills and Arthur Garretson were associated with the latter road. Indeed, for a very brief period the two lines were jointly oper-

ated with identical officers for both concerns. The O'Neill line was subsequently operated separately from the Sioux City & Northern and then in an equally curious manner, as we will see later, it came back into the fold.

Through its decade of independent existence, the Sioux City & Northern was rooted in the economy of Iowa's growing packing community. James E. Booge, who was a director and later vice president of the road, opened Sioux City's first packing plant in 1871. As his plant expanded so did the distribution of his products over the Sioux City & Northern. Then, too, D. T. Hedges, a very prosperous grocer and first president of the Union Stock Yards Company, was an influential director of the road and a heavy shipper. The Sioux City & Northern had connections figuratively, literally, and physically. Small wonder that its high ratio of 5.06 cars for each mile of line was more than justified.

Shortly after the road reached Garretson a 30-year traffic contract was made with the Hill road at that point. This apparently was so advantageous that no plans for further extensions were broached. Traffic flowed between the two roads in increasing amounts to the satisfaction of each. The Sioux City & Northern operated at a profit from the start.

The heady prosperity which characterized Sioux City's growth during the late 1880's and early

1890's, however, was not to last. The Panic of 1893 wreaked havoc on the city and its industrial growth with greater toll than the periodic floods of the Missouri River ever did. Trouble came later to Sioux City than to many metropolitan centers of the East. But when it came, it was with devastating swiftness.

At one p.m. on April 25, 1893, Hedges, who was reputed to be the wealthiest man in town, assigned all his property to his creditors. Minutes later the Union Loan & Trust Company, which held the paper of many industries and railroads, declared itself insolvent. The Sioux City & Northern bravely held out until October, when Warwick Hugh, of St. Louis, and Samuel J. Beals, of Sioux City, were made co-receivers.

The spectacular Corn Palace of 1890, to which Garretson is said to have underwritten the cost of a special train bringing prominent capitalists from Boston, would be rebuilt only once more. Likewise the city's famed elevated railway, which was backed by Garretson, Booge, and others and was proudly heralded as the third such facility in the world, now became a white elephant. It continued to go deeper into the red until 1897 when that "Wonder of the West" went the way of the corn palaces. Slowly and painfully the city recovered from the leveling depression. But the gusty, lusty boom times of the 1880's were never to be repeated.

While the Sioux City & Northern floundered in receivership, new names appeared on the directorate. Local men were replaced by outsiders, principally from the Twin Cities. There was W. P. Clough, of St. Paul, for example, who appeared in 1895 along with two others from the Twin Cities. To the average Sioux Citian these names meant nothing. But to financiers and railroad management they spelled out Great Northern, for Clough was vice president of that road. Jim Hill probably had an eye on the Sioux City gateway when he made an early traffic agreement with the Sioux City & Northern. Apparently he did not show his hand until the railroad very conveniently went bankrupt. That made getting control a simple and relatively inexpensive matter.

In 1900 Hill garnered the Sioux City road into his rapidly expanding rail domain. He did this by having the Willmar & Sioux Falls Railway acquire the Sioux City & Northern along with the Sioux City, O'Neill & Western. The latter road extended from South Sioux City (opposite Sioux City) to O'Neill, Nebraska, a distance of 129 miles. Doubtless it had trackage rights over the Omaha Road's bridge across the Missouri River, making a through route from Garretson via Sioux City to O'Neill.

The O'Neill line, however, never fitted very well into the Great Northern system. Hill preferred to keep his branch lines in the Dakotas all

within the eastern boundary of the Missouri River. For this reason the Nebraska excrescence was later sold to the Burlington, and it is being operated by that road as a secondary line to this day.

Now that Hill had purchased the Sioux City & Northern, he proceeded to integrate it into his far-flung system. Freight was speeded up by eliminating much of the interchange delay in Garretson and better co-ordinating through service to the Twin Cities and Duluth.

For passengers, through coaches were run between Willmar and Sioux City via Garretson. It is interesting to note that at one time there was through service from Duluth to Sioux Falls, calling at Willmar, Garretson, and other local points. Possibly a Sioux City car was included in the consist, although this has not been verified.

In 1907 the Willmar & Sioux Falls Railway was purchased outright by the Great Northern, and the former name disappeared from the rolling stock and letterheads. Meanwhile, the Sioux City branch had been upgraded over the years with heavier rail and better equipment. The once-popular American Standard had been replaced by the more powerful Pacific type locomotive. A typical example of the latter engine has been preserved for posterity and is on permanent exhibit in Sioux City. This 4-6-2 type locomotive, No. 1355, was donated to the city by the railway and stands beside the tracks in a fenced enclosure.

Up until displacement by diesels, time freights were powered by well-kept Mikados, some of which had capacious Vanderbilt tenders riding on six-wheel trucks. By 1951 steam had practically disappeared from the Sioux City line, although the faithful old Mikes were again called into service during the floods of June 1953. They could operate with a foot of water on the tracks, whereas diesels were out of service if it reached a few inches over the rails.

The mainstay of passenger service between Sioux City and Willmar were trains 31 and 32 for day operation and Nos. 51 and 52 for overnight runs. No. 31 whistled for Sioux City late in the evening, whereas its eastward counterpart No. 32 highballed out of town early in the morning. The "night trains" ran in the daylight hours on the Iowa segment of the run, arriving around noon and departing about supper time. Mail was especially heavy on the night run, and much of it was posted to or from the Twin Cities. All passenger trains used Sioux City Union Station, which was owned and operated by the Great Northern Railway.

Diesel power was introduced relatively early on the night trains. In November 1939, an EMD type NW-3 unit bearing road number 5400 was assigned to operation of Nos. 51 and 52, replacing 4-6-2 and 4-4-2 type steam power. This stalwart diesel (later renumbered 175) chalked up over 2

million miles before it was relegated to local freight service from Minneapolis in 1952.

When passenger traffic dwindled as the use of automobiles increased, gas-electric motor cars were periodically used on the day runs. During the depression years of the 1930's, trains 31 and 32 disappeared from the timecard. Thanks to a healthy head-end revenue, principally from United States mail, overnight service continued until February 18, 1960. On that day Engineer David Munro, of Sioux City, pulled the last scheduled Great Northern passenger train out of that community.

Freight service, on the other hand, continues to be heavy, and four and five unit diesels are regularly run during peak movements. A daily time freight is carded in each direction, and extras are run as traffic demands. Today, the 90 and 110-pound rail has replaced the original 60-pound steel, and facilities for trailer-on-flat-car and multi-level rack automobile loading are available in Sioux City.

We have seen that the Sioux City & Northern, predecessor of the Great Northern in Iowa, was a hometown road run by Hawkeye management. Although the Sioux City line can no longer be regarded as a local enterprise, two Great Northern presidents, under whom it operated or now operates, came from Iowa.

The first Iowan to head the Great Northern was

the late Ralph Budd. He was born on a farm near Washburn on August 20, 1879 and was one of six children. When Ralph was 13, the Budd family moved to Des Moines where he was educated at North High School and Highland Park College. After getting his degree he went with the Chicago Great Western ballasting track and relay rail between Des Moines and Oelwein. In 1902 young Budd shifted to the Rock Island and soon became first division engineer on the new line being built between St. Louis and Kansas City.

Ralph Budd's engineering genius came to the attention of John Stevens, then vice president of the Rock Island and soon to be appointed chief engineer of the Panama Canal. Shortly after Stevens went to Panama he sent for Budd to rebuild the railroad paralleling the canal. Later, when Stevens was in the Pacific Northwest constructing railroads for James J. Hill, Budd was again summoned to be his right hand man. The Iowan acquitted himself well and rose to be chief engineer of the Oregon Trunk and later the Spokane, Portland, and Seattle railroads.

Meanwhile, Budd met James J. Hill, who although in his seventies, still dominated the policies of the Great Northern. The "Empire Builder" was impressed by Budd, and the latter, at the age of 33, was invited to become chief engineer and assistant to the president of Hill's prosperous transcontinental railroad. Ralph Budd rose rap-

idly on the Great Northern and was elected president in 1919 when he was only 40. He held that post until 1932, then he became president of the Burlington. On this road, he had an equally distinguished career. Upon his retirement in 1949, the Burlington was said to be "principally the 'lengthened shadow' of Ralph Budd."

The current and second Iowan to become president of the Great Northern is John M. Budd, son of Ralph Budd. John Budd was born in Des Moines, November 2, 1907, and was educated at the St. Paul and Phillips Exeter academies before entering Yale. The summer vacations of 1926 and 1927 found him working on the Great Northern as chainman with the engineering party on the Cascade Tunnel and Chumstick line changes. After receiving his B. S. degree in 1930, he returned to the Great Northern engineering department as assistant to the electrical engineer.

From 1933 to 1940, John Budd was assistant trainmaster and later trainmaster at various points on the extensive system. Sioux City was among the locales where he was stationed. Later he was made superintendent at Klamath Falls, Oregon, and afterward at Whitefish, Montana. His Great Northern employment was interrupted by World War II, but not his work at railroading, for he was a major and later lieutenant colonel in the Military Railway Service. After seeing active duty in Algiers, Italy, France, and Germany, he returned to

the Great Northern as assistant general manager of lines east of Williston, North Dakota.

John Budd left the Great Northern to head the Chicago & Eastern Illinois Railroad in 1947. Then 41, he was at that time the youngest president of any Class I railroad. In 1949 John Budd came back to the Great Northern as vice president of operation and held that position until elected president in 1951.

Thus the Sioux City line, the southernmost part of the Great Northern System, still retains a measure of its Iowa heritage and background.