

Retrenchments and Abandonments

Three presidents followed Hughitt, and then came Iowa's own Fred W. Sargent. Sargent was born on May 26, 1876, in Akron on the Big Sioux River, about 25 miles north of Sioux City. The son of a farmer and miller, young Sargent learned hard work and discipline while ploughing fields and getting up early to feed cattle. His father, Wesley Sargent, while a strict disciplinarian, was a man of unimpeachable integrity, well thought of by everyone. Indeed, Fred Sargent attributed much of his success to his dad's wise guidance.

After finishing Akron high school, Sargent entered the University of South Dakota in near-by Vermillion. Later he transferred to the State University of Iowa, where he received his LL.B. in 1901. After graduating from the University he opened a law office in Sioux City. In 1905 he became attorney for the Omaha Road and later the North Western. Success in handling railroad cases led to his being appointed general solicitor for the Rock Island in Iowa with headquarters in Des Moines. In 1921 he returned to the North Western as general solicitor in Chicago. Two years later he was made vice president and general counsel, and in 1925 he became president.

When Sargent was a young attorney for the North Western, the road wanted to build a cutoff between Sioux City and Hawarden. Right-of-way was readily purchased with the exception of one farm through which the track had to cross. Its owner absolutely refused to sell, nor would he enter into negotiation with the railroad. Sargent was about to institute legal proceedings and condemn the property when he decided to pay the farmer a visit. Arriving at the farmhouse he stated his business. The farmer, however, was not in the least impressed until learning the visitor's name.

"Sargent, huh," the husbandman repeated, when he heard the name. "Did you ever happen to know 'Wes' Sargent?"

The attorney replied, "'Wes' was my father."

"Your father!" the man exclaimed. He quickly called into the house, "Mother, come right away, this is 'Wes' Sargent's boy!"

"Wes" Sargent's boy was made to stay for dinner. After a friendly meal the host explained why he had such a high regard for the elder Sargent. He said that he once lived in Calliope, a tiny community near Hawarden, when they had an epidemic of diphtheria. Many people fell sick and some died. The crops had been bad that year and the people were poor. Then one day a car of flour arrived on a siding for "The People of Calliope." It was from "Wes." Everyone helped himself and it tided them over that trying winter.

After the farmer had finished talking, Sargent again brought up the subject of right of way through the farm.

"You can have anything you want," he told Sargent. "Just set your own price. Whatever you say is fair will be right with me."

In concluding the story Fred Sargent added, "You may be sure I didn't take advantage of him."

Unfortunately the stock market crash of 1929 and the ensuing prolonged depression made Sargent's administration a critical period in the road's history. The possession of a high percentage of marginal branch lines together with hundreds of passenger trains operating at a loss aggravated the North Western's position. In 1935 Sargent had no alternative but to seek protection from the courts, and the road went into receivership. Five years later Sargent died.

The North Western was reorganized in 1944, and for a time its earnings were modest. But the basic problems of relatively short hauls and unremunerative branches along with intensive truck, bus and plane competition left their toll. The income of the 1940's turned into several years of alarming deficits in the 1950's. In 1960 the net loss from railway operations was \$7,180,145, largely due to the steel strike and poor grain movements. After additions of special credits, however, the net income was \$244,450. The next year, thanks to better business conditions and more eco-

nomical operation, the road showed a net income from railway operations of \$3,075,776. After additions of special credits, the net was \$7,384,027.

The road's retrenchment program was forcefully brought to the attention of Iowans by the scrapping of over a hundred miles of branch lines. The bulk of the abandonments came during the depression years. The Omaha Road started with the retirement of its curious branch from Luverne, Minnesota, to Doon, Iowa, in 1934. True, the old Moingona line had been abandoned in 1933, but this was the result of the relocation of the main line by a cutoff via the Kate Shelley Viaduct.

Closing the coal mines at Buxton, Muchakinock and other points on the Consol-What Cheer branch led to its scrapping in 1935. The remainder of the branch from What Cheer to Belle Plaine, however, continued on a marginal basis until it was likewise abandoned in 1958.

Costly washouts on the Manning-Harlan section of the branch running south from Carroll brought about abandonment of that part of the line in 1937. Service, nevertheless, was continued by trackage rights over the parallel route of the Great Western. In 1940 running rights were secured over the Great Western between Manning and Carroll, and the North Western's line between these points was subsequently removed. In 1953 the short branch between these points was subsequently removed. In 1953 the short branch running south-

west from Manning to Audubon ceased operating, due to insufficient earnings.

Probably the most pathetic abandonment was that of the pioneer Lyons-Anamosa branch, formerly known as the Iowa Midland Railway. In 1944 a flash flood washed out the right of way between Maquoketa and Anamosa. Conductor James Ryan and his train were stranded at Anamosa. He had to return by a roundabout route over the Milwaukee to Cedar Rapids, thence on "home" rails to Clinton. Since the flood did a great deal of damage, many feared the little-used line would never reopen.

Grass grew up between the rails as the line lay dormant for two years. But with the assurance that shippers would do all they could to patronize the branch, the North Western rebuilt the road. Operation was resumed some 28 months later. A special train of freight cars, a lounge car and a caboose celebrated the reopening. Conductor Ryan again piloted the train over the line. About forty businessmen and farmers rode the club car and toasted to the success of the railroad. Amid cheers and felicitations one passenger solemnly rose and said:

"Gentlemen, your hats. . . . We are on the Midland!"

But with the advent of better all-weather roads, the rebuilt "Midland" failed to prosper. The losses became so great that the North Western

had no alternative but to abandon the 79-year-old line in 1950. Thus the successor to the ill-fated Iowa Central Air Line Rail Road Company, and the only railroad operated on the right of way of that grandiose project, passed into history.

The plight of the North Western and its poor financial showing resulted in a change of management in which Ben W. Heineman and his associates acquired control in 1956. Heineman became board chairman, with Clyde J. Fitzpatrick, formerly vice president of operation of the Illinois Central, elected to the presidency. The new management embarked upon a thorough modernization program to improve operating efficiency and increase employee productivity.

To consolidate the railroad's car repair facilities, a \$6,000,000 plant was built in Clinton. Opened in 1958, the new car shop eliminated 14 smaller repair yards all over the system. When operating to capacity it can build 1,000 new cars annually and make some 7,000 old cars look "like new." The largest building in the centralized facility is the 1000-foot long fabricating and erecting shop. About 250 men are normally employed. During peak operation, however, this may rise to nearly 500.