

MISSOURI, KANSAS AND TEXAS  
RAILROAD

SEP 27 1938

1

MISSOURI, KANSAS AND TEXAS  
RAILROAD

By

AL FEIGHNEY

Bachelor of Science Degree

Southeastern State Teachers College

Durant, Oklahoma

1933

Submitted to the Department of History  
Oklahoma Agricultural and Mechanical College  
In Partial Fulfillment of the Requirements  
For the Degree of  
MASTER OF SCIENCE

1938

AG 100

723

APPROVED:

SEP 27 1938

T. H. Reynolds

In charge of Thesis

T. H. Reynolds

Head of the Department of History

D. C. Mcintosh

Dean of the Graduate School

## PREFACE

It is the purpose of this work to gather historical information relating to this all important railroad system; the Missouri, Kansas and Texas Railroad, the first railroad to enter what is now Oklahoma. The writer has searched through documents and materials that reliable history of the Missouri, Kansas and Texas Railroad Company could be written.

The railroads pushed the river steamer back; now the automobile is pushing the railroads back. Is it possible that the vast amount of wealth that is stored up in railroads will be lost? Will the railroads enter new fields of service? What has been done to get this far along? Are the present railroad officials as resourceful as were those far-seeing and venturesome individuals who established the great railroad system? The above questions are in the minds of those who depend on the railroads, either for service or as a means of making a living. The United States and its subdivisions of government collect great sums of revenue from the railroads, and naturally the citizens will not knowingly sit by and see the government suffer great losses. The railroads of today have over one hundred years of experience by which to guide their progress.

I wish to take this opportunity of expressing my thanks and sincere appreciation to Dr. T. H. Reynolds, Head of the Department of History and Political Science, Oklahoma A. and M. College, and my advisor, for his supervision and splendid

cooperation in the preparation of this paper; to Mr. J. F. Rector, Publicity Director of the M-K-T Railroad Company; also to M. D. Green, General Attorney for the M-K-T; and to the Library Staff of the Oklahoma A. and M. College for invaluable services rendered.

A. F.

TABLE OF CONTENT

CHAPTER ONE

TREATIES AND ACTS OF CONGRESS

A. Choctaw and Chickasaw Treaty

- 1. Right-of-way.
- 2. 18th article of the treaty of June 22, 1866.
- 3. Agents and employes.
- 4. Stocks.
- 5. Grants of patents.

B. Cherokee Treaty

- 1. Extent of grant.
- 2. Rights of Companies.
- 3. Employes.

C. Act of Congress 1866

- 1. Aid to companies.
- 2. Transportation of troops.
- 3. Land grants.
- 4. Filing of road maps.
- 5. Materials for construction.
- 6. Grants through Indian Territory.
- 7. Race of three railroads.

CHAPTER TWO

FINANCE AND CONSTRUCTION

A. Finance

- 1. August Belmont, J. Pierpont Morgan (now the elder), Levi Parsons, George W. Denison, Levi P. Morton, John D. Rockefeller, Sr.

B. Construction

- 1. Management.
- 2. Types of Rails.
- 3. M-K-T Railroad.

C. Crossing the Indian Territory

1. Route.
2. Stations.
3. Forts.
4. Military roads.

#### D. Opposition

1. Terminuses.
2. Wrecks.
3. United States Cavalry.
4. Medicine Men.

#### E. New Lines

1. Atoka to Lehigh.
2. Denison and Washita Valley.
3. Southeastern extension.
4. Extension to the city of St. Louis.

### CHAPTER III

#### THE M-K-T OF TODAY

##### A. Trains

1. Passenger.
2. Special.
3. Freight.

##### B. Safety

1. Drives.
2. Decline.
3. Discipline.

##### C. Growing Concern

1. Materials purchased.
2. Productive industry.

##### D. Problems

1. Efficiency.
2. Low cost.
3. Taxes.
4. Community.

## CHAPTER FOUR

## PERSONNEL

## A. Rules and Regulations

1. Handbooks.
2. Different Departments.

## B. The Apprentice

1. Rules.
2. School.
3. Curriculum.

## C. Labor Acts of June, 1934

1. Responsibility of Union and Employer.
2. Seven Paragraphs.
3. Duties of certain officials.

## D. Pensions Act.

1. Age.
2. Expenses.

## E. Recognition of Employees.

1. Letters.
2. Record of Mr. Jarvis.



## CHAPTER I

The Choctaws and Chickasaws gave a right of way through their lands to any company or companies which would be duly authorized by Congress, or by the legislature of said nations.<sup>1</sup> The 18th article of the treaty of June twenty-second, one thousand eight hundred and fifty-five provided that full compensation should be paid for any property taken or destroyed. This compensation was to be ascertained and determined as the President of the United States directed. Such railroad companies, with all their agents and employes, were to be subject to the laws of the United States relating to intercourse with Indian tribes, and to such rules and regulations as would be prescribed by the Secretary of the Interior for that purpose. It also stipulated that the nation through which the road or roads passed could subscribe to the stock of the company such amounts as they could pay for in alternate sections of unoccupied lands for a space of six miles on each side of said roads. The price was to be agreed upon between the Choctaw and Chickasaw nations and the company or companies, subject to the approval of the President of the United States. The land thus acquired was not to be sold, demised or occupied by any one not a citizen of the Choctaw or Chickasaw

---

1. George P. Sanger, Editor, United States Statutes at Large, Treaty with the Choctaws and Chickasaws 1866, XIV, p. 770.

nations. The officers and employes of such companies were not to be excluded from such companies. The stock thus subscribed by either nation was to have the effect of a first mortgage bond on all that part of said road and was to be a lien on the same. The said nations were to have a right to receive their proportion of declared dividends from year to year, or interest on the par value at the rate of six per cent per annum.

As fast as sections of twenty miles in length were completed with all rails laid ready for use and stations necessary to a first class road the company or companies became entitled to a patent for the alternate sections a-  
<sup>2</sup>foresaid.

In case one or more of said alternate sections were occupied by any member of said nations so that it could not be transferred to the company, the nations could select any unoccupied section or sections as near as circumstances would permit and convey the same as an equivalent for the  
<sup>3</sup>occupied sections.

The Cherokee nation granted a right of way not exceeding two hundred feet wide, except at stations, switches, water-stations, or crossings of rivers where two hundred additional feet could be taken, to any company or corporation duly authorized by Congress to construct a railroad from any point north to south and from any point east to

---

2. Ibid. p. 771.

3. Ibid. p. 801.

west, and which passed through the Cherokee nation. All companies and their employes while construction and repairing this railroad were to be protected in the discharge of their duties, and at all times subject to the Indian inter-<sup>4</sup>course laws, enacted in the Cherokee nation.

After settling the questions regarding the right of way through the Indian nations, the rights of the railroad companies and contracting parties were to be dealt with.

For the purpose of aiding the Kansas and Neosho Valley Railroad Company, a corporation organized under the laws of the State of Kansas to construct and operate a railroad from the eastern terminus of the Union Pacific railroad, through the eastern tier of counties in Kansas, with a view of extension at Red River with a railroad being constructed at Galveston to Red River, there was granted to Kansas, for the use and benefit of said railroad company, every alternate section of land designated by odd numbers, to the extent of ten sections per mile on each side of said road, to be selected within twenty miles of the road. In case the United States, when the line had been definitely located had sold any section, granted or that the right of preemption or homestead settlement had attached the same, or had been reserved by the United States for any purpose whatever, then it was the duty of the Secretary of the Interior to cause to be selected from the public lands of the United

---

4. Sanger, Op. cit. Treaty with Cherokees July 31, 1866, XIV, p. 801.

States nearest the sections above specified as much land<sup>5</sup>  
as equaled that appropriated.

These sections and parts of sections were to remain in the United States and were not to be sold for less than double the minimum price of public lands, nor were any of these lands to become subject to sale at private entry until they were first offered at public auction to the highest bidder. Bona fide settlers could after due proof of settlement, improvement and occupation, purchase them at a price fixed for said lands. Settlers who made settlement after the passage of this act and complied with the terms and requirements of the act were entitled, within the said limit of ten miles,<sup>6</sup> to patents for an amount not exceeding eighty acres each.

These grants of land were made upon the condition that the said company after the construction of its road, keep it in repair and at all times be in readiness to transport troops, munitions of war, supplies, and public stores upon its road for the government at the cost and expense of the railroad company. The governor of Kansas certified that when ten consecutive miles of road were completed the Secretary of the Interior could issue to the company patents for so many sections of land within the limit above named until the road was completed. If the road was not completed within ten years from the date of

---

5. Sanger, Op. cit. Act of Congress 1866, p. 236.

6. Ibid. p. 237.

the acceptance of the grant the land remaining unpatented<sup>7</sup> reverted to the United States.

As soon as the company filed with the Secretary of the Interior maps of its line, designating the route it was the duty of the Secretary to withdraw from the market lands granted by this act.<sup>8</sup> The United States mail was to be transported on the road and its extension under the direction of the Post Office Department at such a price as Congress by law provided.<sup>9</sup> The right was given to the corporation to take materials for its construction from the public lands adjacent to the line.<sup>10</sup>

The Kansas and Neosho Valley Railroad Company was empowered to extend and construct its road from the southern boundary of Kansas, through the Indian Territory to Red River so as to connect with a road being constructed at Galveston. The right of way through the part of Indian Territory belonging to the United States by treaty was granted to the company. The land reserved to the United States was to be secured from the Indians before the construction of the road.<sup>11</sup>

---

7. Ibid. p. 237.

8. Ibid. p. 237.

9. Ibid. p. 237.

10. Ibid. p. 238.

11. Ibid. p. 238.

Grants of lands through the Indian Territory were made when Indian titles were extinguished by treaty or otherwise.<sup>12</sup>

The Kansas and Neosho Valley Railroad Company was to have the right to negotiate with and acquire from any Indian nation or tribe authorized by the United States to dispose of lands for railroad purposes.<sup>13</sup>

Any railroad company chartered under any law of the United States or the state of Kansas could connect and consolidate with this railroad company after the same had been located in the Neosho Valley. No road authorized to connect could charge the road so connecting a greater tariff per mile for freight or passengers than was charged by its own road. This act of Congress provided further, that should the Leavenworth, Lawrence, and Fort Gibson Railroad Company or the Union Pacific Railroad Company construct and complete its road to that point on the southern boundary of Kansas to the line where the Kansas and Neosho Valley would cross before the Kansas Neosho Valley railroad was completed, then the company first reaching the southern boundary of Kansas would be authorized, upon obtaining the written approval of the President of the United States to construct a line to or near Preston Texas. The right of way through private property when not otherwise provided for in this act or by the law of the state through

---

12. Ibid. p. 238.

13. Ibid. p. 238.

which the road passed, could be obtained by the Kansas and Neosho Valley Railroad Company, or by other companies named in the act, in accordance with the provisions of section three of an act to amend an act entitled "An Act to Aid in the Construction of a Railroad and Telegraph Line from Missouri River to the Pacific Ocean," and to secure to the government, the use of the same for postal, military and other purposes, approved July 1, 1862.<sup>14</sup>

Thus far the Missouri, Kansas and Texas Railroad has not been mentioned. The Missouri, Kansas and Texas Railroad came into being, upon assuming the charter granted to the Union Pacific (Southern Branch).<sup>15</sup>

In the year 1870 three railroads started a race for the Southern boundary of Kansas.<sup>16</sup> The Leavenworth, Lawrence and Fort Gibson abandoned the race.<sup>17</sup> The Kansas and Neosho Valley was disqualified when it built to the line of Kansas opposite the Quapaw Reservation into which it had no rights to travel, since all treaties dealt with the Cherokee, Choctaw, and Chickasaw nations.<sup>18</sup>

---

14. Ibid. p. 238.

15. Corporation Commission Reports, 1870, p. 88.

16. Walter A. Johnson, Editor, M-K-T Employers Magazine, July 19, 1930, p. 12.

17. Ibid. p. 12

18. Ibid. p. 13.

## CHAPTER II

Famed as the pioneer railroad of the Southwest, the Missouri-Kansas-Texas had the proud heritage of a romantic past. There was romance in the daring conception of a railroad that would traverse the hills and valleys of Missouri and Kansas, extend through the wilds of Indian Territory, now Oklahoma, and across the plains of Texas to the foothills of the great mountains running down from Colorado through New Mexico, and come to rest finally by the warm waters of the Gulf of Mexico.

There was romance too in the carrying out of this ambitious vision to give the southwest a closely knit and efficient means of transportation, for all the country penetrated by what are now Missouri-Kansas-Texas rails was at that time wild, unsettled and undeveloped.

Begun less than five years after the close of the Civil War, the men engaged in the construction of the railroad were, for the most part, veterans of the Northern and Southern armies--young men in the prime of life, inured to the hardships of life in the open, while its financiers were far-seeing young men just emerging into financial influence, men whose names in later years loomed large in the world of finance.<sup>1</sup>

These included August Belmont and J. Pierpont Morgan

---

1. Johnson, Op. cit. p. 15.



(now called the elder), then a young private banker in New York City, Levi P. Morton, destined in the '80's to be Vice-President of the United States; John D. Rockefeller, then a young oil man of Cleveland, Levi Parson,<sup>2</sup> later to become well known in railway express circles, and George Denison.<sup>3</sup> The latter two gave their names to cities on this railroad. All were possessed with vision of one sort or another. They knew of the desire of the federal government to link the frontier army posts of the West and Southwest with bands of steel, and they could visualize the agricultural and commercial development that would accompany the building of the Pacific roads and the lines, like the Katy, destined to connect these east and west roads with the Gulf Ports and with Mexico.

It was in the vision of these men that the Missouri-Kansas-Texas had its conception, and no story of the first railroad to penetrate Texas from the north would be complete without mention of them, and due reference to the part they played in its beginnings.<sup>4</sup> On July 12, 1870, Secretary Cox reported to the President that the Missouri-Kansas-Texas had crossed the Kansas State line at noon June 6th, a few miles south of Chetopa, Kansas that point having been designated as the proper point.

---

2. Note. Parsons, Kansas.

3. Note. Denison, Texas.

4. Carl Coke Rister, Southwestern Frontier, I, p. 299.

Some six years later, three years after the Katy had crossed Red River, the following account of this episode in Missouri-Kansas-Texas history was related in an article<sup>5</sup> descriptive of the new line to the Gulf.

The Management of this line (the Katy) had made a bold stroke in order to be first to reach the Cherokee country and obtain permission to run a line through it, as well as get conditional land grant; and in May 1870, occurred quite an episode in the history of railroad building. On the 24th day of that month, the line reached within 24 miles of the southern boundary of Kansas. Much grading was unfinished; bridges were not up, masonry was not ready. But on the 6th day of June, at noon, the first locomotive which ever entered Indian Territory uttered its premonitory shriek of progress. In eleven days 26½ miles of completed track was laid, four miles being put down in a single day. A grant of over 3,000,000 acres of land, subject to temporary Indian occupancy under treaty stipulations, has been accorded the Missouri, Kansas and Texas Railroad Company on the line of road in Indian Territory between Chetopa and Red River. The question of future disposition of Indian Territory is now interesting to the Missouri, Kansas and Texas Railroad Company, and it has built its line through a great stretch of country, hoping that fertile lands now waste may come into market.

A less spectacular but more authentic account of this rapid railroad building is contained in the first annual report of the Company, 1872, reporting its operations, from which the following is an excerpt.<sup>6</sup>

Your road has been constructed, and well constructed, with perhaps unparalleled rapidity. Work was first commenced, under a contract made with the Land Grant Railway and Trust Company, in November 1868, for the construction of the line from Junction City to Chetopa, 182 miles; the contract re-

- 
5. John Bogart, "Feats of Railroad Engineering," Scribner's Magazine, IV, p. 3.
  6. Reports of Construction, May 1872, General Office M-K-T.

quiring that the whole line should be completed by May 1, 1872. It was completed and accepted by the company, October 1, 1870, or nineteen months sooner than was required by the contract.

In October 1869, the same company undertook the construction of the line from Sedalia to Parsons, about 160 miles, and this line was completed through, and accepted March 1, 1871. At the same time work was being carried on in the Indian Territory, and on the Holden & Paola Line, and has since progressed, until today there are 551 miles of completed road, that have been constructed since November, 1868--forty-two months--being an average of a little over half a mile of completed railroad for every working day during the past three and a half years.

That first track consisted of 56-pound rails with little or no ballast other than the sod of the prairie.<sup>7</sup> It would not be considered much of a railroad nowadays, but it was as good as the best of its time. Gradually the rail was changed out for heavier steel until only 85 and 90 pound steel is used on this section of the Katy main line. From the days of the old cattle trail to the present time, the main line through Oklahoma has been a heavy traffic line of the Katy.

Winning of this great land grant prize, subsequently found to be worthless by the Courts,<sup>8</sup> provided the Katy with the credit necessary for completion of the building through Indian Territory, and the Company in time came to see the fertile lands now wasted come into market even if it failed to obtain millions of acres the Federal and State

---

7. Note. 56-pounds per 36 inches.

8. Missouri, Kansas and Texas RR vs United States, United States Reporter, p. 265.

9

Governments both certified it had won. With the passing of the years and the settlement of those lands, however, the Company prospered, and has grown rich and powerful along with the people of this great new empire its rails first opened to civilization.

Having won the right to traverse Indian Territory from North to South, the Missouri, Kansas & Texas chose its objectives in line with its own and the Government's military policies. The "Texas," or Fort Gibson road was a well known cattle trail leading from Texas through present day Oklahoma to northern markets. It had existed since long before the Civil War. In 1871 it was the chief thoroughfare from Texas to Kansas City and other northern cattle markets, with branch highways to Ft. Smith and to the old military road leading to St. Louis. To the south it touched trails coming through Ft. Worth and San Antonio and other southwest Texas districts. Other trails led from it to the western limits of the Indian country, whence trails led to Western Kansas, Nebraska and Wyoming grass.

10

The Fort Gibson trail, as it was first known, later becoming the Missouri, Kansas and Texas trail, because the railroad followed its route along the divides nearly in an airline, extended from the region of Whitesboro, Texas, to Baxter Springs, Kansas, then a big cattle market. Below the present city of Muskogee and north of Canadian River

---

9. Ibid. United States Reporter.

10. Johnson, Op. cit. p. 20.

it bore to the eastward and led the travel through Fort Gibson, where there was a bountiful water supply. But for the opposition of the Cherokee Indians to some of the plans of the railroad, it might have followed this route and the city that is now Muskogee might not have had this railroad.

To carry out its first intention, the Missouri, Kansas and Texas proposed to build from the present station of Gibson, a short distance above Muskogee, to Fort Gibson, and thence in a due southerly direction to Red River. A branch was to extend to Ft. Smith. While the Cherokee had consented to let the railroad cross their domain, even though reluctantly, they balked at this proposal, and threatened to hold the venture up indefinitely. Consequently the line headed south from Gibson station through the Creek agency to Muskogee. Late in 1871 the line was completed to the Arkansas; in the spring of 1872 to Muskogee, and in the last days of 1872,<sup>11</sup> it crossed Red River establishing Denison in the spring of 1873 and making it the main operating point in North Texas.<sup>12</sup> As a result of Cherokee opposition to Missouri, Kansas and Texas plans, Fort Gibson did not get a railroad for a number of years thereafter.

During the days when Muskogee was the southern terminus of the Missouri, Kansas and Texas, conditions were not

---

11. Note. p. 18.

12. E. E. Dale, Ranch Cattle Industry, pp. 84-85.

altogether pleasant.<sup>13</sup> As a developing agency in eastern Oklahoma the Company encountered trouble of various sorts. Operating trains through many of the southwestern sections 60 and 65 years ago was not an unmixed pleasure. In what is now Oklahoma, the troubles incident to that period originated almost exclusively among white people. In the early years a class known as "terminuses," from their practice of being civilization's vanguard at the railroad's end, gave a great deal of trouble. They were so-called soldiers of fortune, many of them, but actually were for the most part frontier "badmen."

On one occasion when the railroad did something that was not pleasing to this gentry, they promptly showed their resentment by turning a switch and throwing a train into a ditch. Similar episodes were frequent.<sup>14</sup> Once a government representative came into the country to make an investigation, only to leave hurriedly on orders of this rough element. Katy trainmen of these days had to be "hard" to keep trains running at all. Conditions became so bad that President Grant put the United States cavalry into the "Nation" to guard property and keep the peace. The final solution was to drive the bad element out, and, as one writer of that period relates, that the "Terminuses" accepted hours at the point of bayonets to decamp.

There was no trouble of this character with the In-

---

13. Muskogee Times Democrat, Muskogee, Oklahoma Sept. 1932.

14. Ibid.

dians. Their Government was able to meet all normal situations but was powerless against the "Terminuses." The older Cherokee element acquiesced only passively in the building of the railroad through their territory, but their resentment manifested itself chiefly in attributing their troubles to the invaders. Cherokee medicine men and conjurers were given to accounting for all hard luck by the presence of the "Devil's Iron Rails." The road was anathematized around the council fires. Being unable to bring rain, the rainmakers on one occasion told the people their efforts would have been successful but the clouds could not get across the Missouri, Kansas and Texas Company's tracks. So the chief manifestation of the Indian's hostility to the iron horse was to give the company a bad name.

In 1882 the company rebuilt its line of 56-pound rail across Oklahoma, then Indian Territory, from Cabin Creek to Red River, a distance of 215.58 miles, also building 3.36 miles of 52-pound rail track from North McAlester to the coal fields at Krebs.

The line from Atoka to the Lehigh Coal Mines was constructed during 1881, nine miles laid with 56-pound rail, Another 4.77 miles was extended in 1882 from Lehigh to Coalgate by the Denison & Washita Valley Railway Company. This track also laid in 56-pound rail.

---

15. Ibid.

16. Johnson, Op. cit. p. 25.

17. Ibid. p. 25.

The Denison and Washita Valley Railway Company was incorporated January 8, 1886, under the general laws of the State of Texas. By special act of Congress approved July 1, 1886, and amended June 12, 1890 the company was given authority to extend its line in the Indian Territory. The company or road was acquired by purchase as a branch line of the Missouri, Kansas and Texas Railway Company, Atoka to Lehigh by deed dated May 17, 1893.<sup>18</sup> There is no record of time operated by the Denison and Washita Valley Railway Company.

The property of the Denison and Washita Valley Railway Company from Atoka to Lehigh was deeded May 13, 1903, to the Missouri, Kansas and Texas Railway Company and the property from Lehigh to Coalgate was deeded May 13, 1903, to the Texas and Oklahoma Railway Company.

In 1904 by the following act of Congress, the M. K. T. was authorized to purchase certain railroads described in act quoted;<sup>19</sup>

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Missouri, Kansas and Oklahoma Railroad Company may sell and convey to the Missouri, Kansas and Texas Railway Company, and the latter company may purchase the railway of the said Missouri, Kansas, and Oklahoma Railroad Company, extending from Stevens, in the Cherokee Nation, to Guthrie, in Ok-

---

18 Ibid., p. 26

19 Laws Relating to Five Civilized Tribes, "Act Permitting Purchase of Certain Railroads." Government Printing Office, Washington, D. C.



lahoma Territory; and from Osage Junction, in the Osage Reservation in Oklahoma Territory, to Wybark, in the Creek Nation, in the Indian Territory; and from Fallis, in Oklahoma Territory, to Oklahoma City, in Oklahoma Territory; and from said Oklahoma City to Lehigh, in the Choctaw Nation, in the Indian Territory; and the rights, privileges, and franchises pertaining thereto; such sale and conveyance to be made upon such terms as may be agreed upon by the board of directors of the respective companies. "

All the railroads under the Katy system in Oklahoma, or Oklahoma Territory as it was called, prior to 1907, has now been mentioned in this work. There has, since that time, been minor construction work such as new spurs, switches, and yards built.

All railroad companies have attempted to set records in constructing railroads. The M. K. T. has always maintained a steady and persistent plan of building roads. An idea of railroad building in Texas in those days is contained in a newspaper article quoting from the Railroad Gazette during the year 1881:<sup>20</sup>

Dispatch says road will be built all the way to Galveston. Line is now being located from Virginia Point to Randon, which is on the Galveston, Harrisburg and San Antonio road. Surveying from Waco to International is completed. Tracklaying from Ft. Worth begins Monday (April, 1881).

On Southeastern Extension track now being laid thirty-three miles south by east from last year's terminus at Greenville, Texas, and it will soon reach the crossing of the main line of the Texas & Pacific roads. (May, 1881).

---

20 Muskogee Times-Democrat, Op. cit.

The following interview with Mr. P. H. (Pat) Tobin gives an excellent "railroad" description of the early M-K-T. Mr. Tobin shows the M-K-T as it was fifty years ago. The description of Denison, Texas, is a fair example of other cities along the route of this railroad. The train crew described by Mr. Tobin is typical of the train crews who handled the MKT trains so efficiently

Sixty-five years ago this coming Christmas, as a wood-burning locomotive wheezed its way across the M-K-T's then newly completed Red River bridge, P. H. Tobin, engineer, "tied down" the whistle, thus heralding the birth of an era of Southwestern growth and development that has long since exceeded the fondest expectations of those pioneers gathered at Denison to shout and wave a welcome to the first train to enter Texas from the north.

Arrival of that first train gave substance to the dreams of all Texans for a rail outlet to the growing markets of the north for their cattle and other products. Transportation, it was said, would "settle up" Texas and make life there more pleasant as the long delays of transporting goods from the north would be done away with. Many claims were made as to what the Katy would mean to the Lone Star State, but no one was so bold as to predict that Denison would some day become a busy railroad city, that Dallas, then a mere village, would, sixty-five years later, boast a population of 325,000, that Ft. Worth, then a "cow town" would grow to a city of 165,000 by 1932, that the railroad would mean the establishing of scores of other thriving cities, or that farming, ranching, industry and commerce of Texas would reach anything like the proportions they today enjoy.

To "Pat" Tobin, hale and hearty today at ninety,<sup>21</sup> and one of Denison's most beloved officials and citizens, the events of that Christmas day, sixty-five years ago,

---

21 Note: Mr. Tobin died in March, 1937.

are vividly clear, but the growth and development that came in the wake of the M-K-T entry into Texas seem, he says, "almost like magic." One has only to visualize the North Texas of 1872, then an almost entirely undeveloped and utterly isolated section, and to view its teeming cities of today, to appreciate what the Katy has meant to the Southwest, he recently told the Magazine. "No wonder Texans have always had a keen appreciation of an affectionate regard for the M-K-T. The M-K-T not only has had a part in every step forward the State has taken, but it paved the way and made possible the Texas of today."

According to Mr. Tobin every hope of Texans of those early days for the future was based upon the completion "some day" of a railroad between Texas and the north. It was the one thing most wanted and needed, and while there were many small stretches of railroads in the southern and eastern parts of the state, it was felt that Texas could not hope to grow and expand in a manner that its natural resources seemed to justify until an outlet to the north was provided. "The M-K-T provided that outlet, and, in so doing, set the stage for the development that has since taken place."

For many years after he achieved the distinction of taking the first train from the north into Texas, Mr. Tobin remained with the M-K-T and no employee today has a more enthusiastically high regard for the Katy nor a keener appreciation of what it has meant to the state. It is a matter

of pride to him, he says, as well as to all other Katyites, that in the intervening years the Katy has kept pace with the progress that its construction made possible in the Southwest.

When the Katy was built into Denison there were a few isolated communities North in Texas, among them, Sherman, which was an ambitious and growing town, but for the most part the country was wooded tract, with here and there a small area of grass-covered land. Less than three months after the first Katy train arrived in Denison the city was incorporated, on March 13, 1873, with Major L. S. Owings, formerly of San Antonio, as mayor, and Charles E. Maurice as city recorder, and started out on a career of considerable growth and expansion, only to be halted, temporarily, by the financial panic that swept the nation that year, and brought depression to the Southwest, as to other parts of the country for several years thereafter.

At the beginning of 1873 an Indian uprising occurred in what is now western Oklahoma and along the northern border of Texas, to the westward and southwestward of Denison, and federal troops were sent to quell the disturbance. One trainload was to be sent southwestward through Denison, and, on orders of the government, a connection was built from the Katy tracks to those of another railroad which had been built northward almost to Denison. It fell to the lot of Engineer Tobin to thus handle also the first train that ever transferred from the Katy to a Texas connection.

"I remember it very well. When we reached Denison with this military train, we had to wait while the building of the connection was completed, and then we proceeded to deliver the train. It was the first transfer of a train, or even of cars, from the M-K-T."

Mr. Tobin is one of four Denisonians, survivors of those early days. The others are Dr. A. W. Acheson, now past 90, A. H. Coffin, 82, and Larry Bohlen, past 80, who was head spikeman when the M-K-T built into Denison, and for many years thereafter a section foreman, and "as good a man as the M-K-T ever hired," according to Mr. Tobin.

Mr. Coffin was a leading business man of Denison for many years, a city official for another long period, and is still active in local affairs, despite his years. He was a member of the location engineering party that surveyed the right of way into Texas, and laid out the Denison townsite. At a later date he was employed by the M-K-T freight office, his desk being taken, when he went into other business, by the late George B. Lorraine, who died only this year--the oldest Katy employee in active service.

Except for a period of about ten years, when he was helping the late John Scullin, the contractor who built the Katy, construct a section of the National Railways of Mexico, Mr. Tobin has been intimately in touch with developments along the Katy. Even during that period Denison remained his home. He has seen the north Texas communities build and thrive, and has no hesitancy in saying that the Katy has been the most important factor in their develop-

ment.

Reverting to his memories of that first train, Mr. Tobin spoke of the other members of the crew:

"I am the sole survivor of the men of that train. Herb McElvin was my fireman. Con Sullivan and Ed Vineyard were the brakemen. John Murphy, of Parsons, was the conductor. That first train was pulled by old No. 15, a Grant engine, with what was called a wagon top boiler. It was called the R. S. Stevens, for the Katy's first general manager. I quit the service as an engineer on the Katy in the '80's. My last engine was No. 83, a Baldwin."

Engaging in various businesses in Denison and along our lines after his retirement from Katy service, Mr. Tobin has known and enjoyed close relations with our presidents and other executives officers ever since. Denison has voted him its most useful citizen and he has been elected and re-elected a city commissioner as a matter of course for so long a time that no one pretends to tell from memory how many terms he has served. In his capacity as a city official he has participated in no end of negotiations with Katy Officers of high and low degree, and he numbers his friends among members of the Katy family by the hundreds.

## CHAPTER III

The tiny railroad that started out so ambitiously in the seventies to make its way to the Gulf finally succeeded.<sup>1</sup> Fulfilling the dreams of its founders and justifying the hardships and the heroism of the men who engaged in its actual construction, the M-K-T is today a great independent railroad, boasting 3294 miles of first class track and such passenger trains as the Texas Special, Bluebonnet, Katy Flyer, and Katy Limited. These trains feature all of the most modern travel comfort devices, completely air-conditioned, shower baths, valet service, free pillows and attractive and satisfying meals served on trays to coach and chair car patrons at their seats.<sup>2</sup>

A description of the President's special is typical of other specials that are added to the regular service when the occasion arises.<sup>3</sup> The President's special train from Ft. Worth to Vinita was made up of the President's private car, several sleeping cars, occupied by members of the President's staff and an M-K-T dining car.

Precautions were taken in every possible way to insure the safe and on-time handling of the special.

In the cab of the locomotive was a road foreman of engines assisting the regular engineer. The locomotive has

- 
1. Note. See map.
  2. M-K-T Time Table June 1937.
  3. Johnson, Op. cit. June 1937. p. 10.

been previously inspected and tested. A score of special officers were detailed to supervise the elaborate system of protecting crossings and right of ways.

Orders were issued for all freight trains to go into sidings thirty minutes before the arrival time of the special.

The M-K-T lines offer a fast, through freight service. Employees did not lose sight of the fact that the first essential thing in doing a good job of handling shipments is to have shipments to handle. So operating districts held enthusiastic solicitation and freight claim prevention activities in April of this year. So far these activities show a splendid record of results. In order to save time, money and worry, this railroad had instituted free local freight deliveries in the cities along its lines.

The word safety has always been important to the M-K-T.<sup>4</sup> The years between 1922 and 1930 saw a steady decrease in the amounts of accidents both to the patrons and employees of the road. This fact was brought about by the continued drive for safety. The years 1929 to 1935 the casualty record remained practically stationary. Beginning January 1, 1936 the losses suddenly turned upward. Safety meetings were held in operating districts, emphasis was placed on the enforcement of safety rules and the need of disciplinary action in cases of wilful violations.<sup>5</sup>

---

4. Note. See safety signal.

5. Ibid.



The M-K-T is not established and dormant but is a growing concern manifesting itself in an increasing nationwide prosperity. The purchase of materials for 1,200 cars soon to be built help to make up the vast volume of railroad purchases that is doing so much to revive the railway supply industry.<sup>6</sup> These purchases of fuel and other materials and the additional expenditures for capital investment amounted to more than a billion dollars. No one doubts that similar expenditures this year will exceed even this vast sum, constituting a flow of new money into productive industry greater than from any other private source.

The following statistics show a detailed account of the revenue and expenses of the M-K-T for the year ending December 31, 1935.<sup>7</sup>

---

6. Johnson, Op. cit. June 1937.

7. Inter State Commerce Commission, Statistics on Railroads, Year ending December 31, 1935.

THIS IS A DETAILED STATEMENT OF REVENUES AND EXPENDITURES  
FOR THE M-K-T DURING THE YEAR 1935

Freight . . . . .	\$22,505,683
Passenger . . . . .	1,960,451
Excess Baggage . . . . .	10,296
Mail . . . . .	1,076,014
Express . . . . .	657,789
Other passenger-train . . . . .	27,597
Milk . . . . .	46,497
Passenger service train revenue (lines 2-9)	<u>3,778,644</u>
Switching . . . . .	457,551
Special service train . . . . .	7,888
Other freight-train . . . . .	364,607
Total rail-line transportation revenue	<u>27,114,373</u>
Dining and buffet . . . . .	120,969
Station, train, and boat privileges . . . . .	8,113
Parcel room . . . . .	62
Storage-freight . . . . .	6,388
Storage-baggage . . . . .	533
Demurrage . . . . .	31,559
Power . . . . .	3,073
Rents of buildings and other property . . . . .	25,660
Miscellaneous . . . . .	26,080
Total incidental operating revenue	<u>222,437</u>
Joint facility-Cr . . . . .	89,271
Joint facility-Dr . . . . .	3,727
Total joint facility operating revenue	<u>85,544</u>
Total railway operating revenues	27,422,354

## EXPENSES

Superintendence . . . . .	327,465
Roadway maintenance-yard . . . . .	45,855
Roadway maintenance-other . . . . .	340,538
Bridges, trestles, and culverts-yard . . . . .	15,800
Bridges, trestles, and culverts-other . . . . .	371,167
Ties-yard . . . . .	86,592
Ties-other . . . . .	514,715
Rails, yard . . . . .	20,786
Rails, other . . . . .	48,605
Other track material-yard . . . . .	41,027
Other track material-other . . . . .	103,623
Ballast-yard . . . . .	7,567
Ballast-other . . . . .	80,358
Track laying and surfacing-yard . . . . .	151,650
Track laying and surfacing-other . . . . .	855,277
Right-of-way fences-yard . . . . .	1,505
Right-of-way fences-other . . . . .	25,677
Crossings and signs-yard . . . . .	7,947
Crossings and signs-other . . . . .	29,084
Station and office buildings . . . . .	98,262
Roadway buildings. . . . .	3,571
Water Stations. . . . .	39,045
Fuel Stations . . . . .	12,150
Shops and engine houses. . . . .	74,040
Gas producing plants. . . . .	336
Telegraph and telephone lines. . . . .	49,970
Signals and interlockers . . . . .	75,049
Power Plant Buildings . . . . .	1,800
Power distribution systems. . . . .	4,680
Power line poles and fixtures. . . . .	1,868
Miscellaneous structures . . . . .	705
Paving . . . . .	280
Roadway machines . . . . .	52,828
Small tools and supplies . . . . .	62,092
Removing snow, ice, and sand . . . . .	7,454
Assessments for public improvements. . . . .	386
Injuries to persons . . . . .	20,241
Insurance . . . . .	29,011
Stationery and printing. . . . .	5,217
Other expenses. . . . .	752
Maintg. jnt. trks., yds., and other facilities - Dr. . . . .	302,220
Maintg. jnt. trks., yds., and other facilities - Cr. . . . .	67,439

---

Total, all other maintenance of way and structure accounts	3,830,845
---	-----------

---

Total maintenance of ways and structures	3,830,845
--	-----------

---

Superintendence . . . . .	190,501
Shop machinery . . . . .	78,441
Power plant machinery . . . . .	7,732
Steam locomotives-repairs-yard . . . . .	281,048
Steam locomotives-repairs-other . . . . .	1,575,130
Freight train cars-repairs . . . . .	784,568
Passenger train cars-repairs . . . . .	433,467
Work equipment-repairs. . . . .	69,830
Miscellaneous equipment-repairs . . . . .	3,063
Equipment-retirements . . . . .	1,989
Equipment depreciation . . . . .	1,290,908
Injuries to persons . . . . .	28,203
Insurance . . . . .	49,175
Stationery and printing . . . . .	5,924
Other expenses . . . . .	920

---

Total . . . . . 4,800,899

---

Maintaining joint equipment - Dr. . . . .	29,560
Maintaining joint equipment - Cr. . . . .	2,704

---

Total Maintenance of equipment . . . . . 4,827,755

---

Superintendence . . . . .	527,235
Outside agencies . . . . .	549,288
Advertising . . . . .	100,405
Traffic associations . . . . .	36,165
Industrial and immigration bureaus . . . . .	39,649
Insurance . . . . .	1,176
Stationery and printing . . . . .	78,052
Other expenses . . . . .	16

---

Total traffic . . . . . 1,331,996

---

Superintendence . . . . .	244,525
Dispatching trains . . . . .	95,130
Station employees . . . . .	1,366,392
Weighting, inspection and demurrage bureaus . . . . .	45,291
Station supplies and expenses . . . . .	120,861
Yardmasters and yard clerks . . . . .	264,604
Yard conductors and brakemen . . . . .	639,308
Yard switch and signal tenders . . . . .	16,549
Yard engine-men . . . . .	401,025
Fuel yard locomotives . . . . .	241,974

Water for yard locomotives . . . . .	28,743
Lubricants for yard locomotives . . . . .	5,854
Other supplies for yard locomotives . . . . .	6,913
Enginehouse expenses-yard. . . . .	99,449
Yard supplies and expenses . . . . .	20,460
Train engineers . . . . .	1,265,177
Train motormen . . . . .	19,320
Fuel for train locomotives . . . . .	1,420,339
Water for train locomotives . . . . .	140,696
Lubricants for train locomotives . . . . .	39,077
Other supplies for train locomotives . . . . .	32,656
Enginehouse expenses-train . . . . .	249,608
Trainmen . . . . .	1,421,641
Train supplies and expenses . . . . .	518,331
Signal and interlocker operation . . . . .	204,593
Crossing protection . . . . .	73,432
Drawbridge operation . . . . .	4,049
Telegraph and telephone operation . . . . .	64,232
Stationery and printing . . . . .	47,105
Other expenses . . . . .	33,257
Insurance . . . . .	63,608
Clearing wrecks . . . . .	14,141
Damage to property . . . . .	33,307
Damage to livestock on right of way . . . . .	44,540
Loss and damage-freight . . . . .	185,353
Loss and damage-baggage . . . . .	382
Injuries to persons . . . . .	164,939
Operating joint yards and terminals-Dr . . . . .	334,035
Operating joint yards and terminals-Cr . . . . .	96,417
Operating joint tracks and facilities-Dr . . . . .	159,403
Operating joint tracks and facilities-Cr . . . . .	118,078

---

Total transportation-rail line	9,965,845
--------------------------------	-----------

---

Dining and buffet service. . . . .	199,329
Producing power sold . . . . .	1,559

---

Total Miscellaneous operations	200,888
--------------------------------	---------

---

Salaries and expenses of general officers . . . . .	286,762
Salaries and expenses of clerks and attendants . . . . .	686,514
General office supplies and expenses . . . . .	69,618
Law expenses . . . . .	197,351
Insurance . . . . .	2,293
Pensions . . . . .	20,111
Stationery and printing . . . . .	43,770
Valuation expenses . . . . .	7,864
Other expenses . . . . .	61,195
General joint facilities - Dr. . . . .	15,687

	30
General joint facilities - Cr. . . . .	1, 286
	<hr/>
Total general expenses	1,374,433
	<hr/> <hr/>
Transportation for investment -Cr. . . . .	15,123
	<hr/> <hr/>
Total railway operating expenses	21,516,646
	<hr/> <hr/>
Ratio of op. exps. to op. revenues (percent)	78.46.

---

**Note:** 21.54% or \$5,906,667 is left to pay dividends on an investment of about \$260,000,000; pay taxes, and pay off bonded indebtedness. The above figures show how the railroads company money is spent.

A more recent expenditure of the railroad company is made in the form of the retirement fund. Many men eligible under its terms practically hailed its signing by the President of the United States with delight, and have already made their last runs and gone into retirement. Other eligibles, still hale and hearty, despite their years, unwilling to give up active service with its larger compensation, will continue on.

There being no compulsory retirement feature in the law, men above 65, with sufficient service to their credit to make them eligible for retirement, may continue in their present employment as long as they perform their duties in such a manner as not to be subject to dismissal for cause.

Obviously one general result from the taking effect of the law is that many promotions will occur and new men will have to be taken on to fill vacancies thus created. A year or two probably will see a lowering of the average age of the railroad worker. The Katy, with a large veterans' list, will be one of the roads on which there will be a large turnover during the next few months.

With the passage of the new railroad pension law, Katy accounting forces commenced plans for returning to employees the tax money collected under the 1935 law which the present one invalidated. August 9, 1937, has

been set as the date on which the refund will be made. Comptroller J. G. Livengood estimates that members of the Katy family will receive refunds amounting to approximately \$445,000.

Under the 1935 pension law railroads were required to pay a tax of three and one-half per cent on all wages up to \$300.00 per month and to deduct three and one-half percent from all salaries up to \$300.00. The new law provides for a total tax of five and one-half percent, commencing January 1, 1938, and for the return of taxes collected under the old previous one. Thus the money to be returned represents the full amount of the tax deducted from payrolls in the ten months of 1936 and the difference between three and one-half percent and two and three-quarters percent for the first six months of 1937. For the last half of 1937 the deductions from the compensation of employees for railroad retirement tax purposes will be two and three-quarters per cent. For all the railway employees of the country the tax refund will amount, in round numbers, to \$60,000,000.

It is estimated that some 550 Katy men are now eligible to retirement under terms of the act. The maximum monthly payment any employee will receive is \$120.00 a month, which is the sum that would be received by an employee who was 65 years on retirement and had earned as much as \$300.00 a month for the last 20 years service; the payment cannot be less than \$40.00.



SEP 27 1938

In no case, shall the annuity be less than the value of the old age benefits that the employee would receive under the Social Security Act.

Provision is made for retirement on account of disability, either physical or mental. Persons permanently disabled, who have as much as 30 years service may retire with full annuity privileges, regardless of age. A permanently disabled employee, 60 years old, will receive the maximum allowance, less one-fifteenth for each year he is under 65.

A railroad employee who has gone into other employment "for hire" will receive no annuity so long as he is engaged in the other employment, but on reaching the age of 65, he will be paid for his railroad service, based on the length of service, if he discontinues the outside employment. The law also provides for payment of death benefits of four percent of all wages earned up to \$300.000 per month.

One of the results of the new Railroad Retirement Act will be a gradual changing of the personnel. This means new problems----- problems concerned with the employment and training of men, with maintaining the morale of the personnel, with seeing to it that the new blood fuses harmoniously with the old in the healthy veins of the Katy system.

With all past growth and present increase the M-K-T has its problems. These problems are worthy of the most thoughtful, careful, and constant consideration of everyone--whether he be traffic man, shipper or receiver of freight, traveler or just plain John Citizen. <sup>8</sup> The success or failure of the railroad is a matter of vital importance to every man, woman and child in the country. So far as the need of railroad transportation is concerned, every citizen should realize that our very Civilization would crack up over night if, by some strange chance the railroad should cease to operate. That, of course, will never occur. No other form of transportation can be devised capable of taking over the job of transportation as thoroughly as the railroad does it. So, obviously, the railroad problem is not a question of whether we shall continue to enjoy the benefits of railroad service, but whether that service is to be rendered under private ownership along efficient and low cost lines, or, whether they shall be forced into bankruptcy and, finally, into government ownership--and politics.

The railroad problem is the public's problem, because the public, through its various law-making and regulatory bodies, is responsible for the fact that the railroads are not, as other industries and other businesses, able to regulate expenses to income. <sup>9</sup> And it is the public's problem

---

8. Mathew S. Slam, President M-K-T, Address to Traffic Club, May 27, 1936.

9. Slam, Op. cit.

because the public must pay the bill.

There has been for many years a gradual shrinkage in the margin between gross operating revenues and expenses. The end of that shrinkage--which is due to the fact that rates for their services continue to decline while operating and maintenance expenses increase, is not in sight.

Since the nineties there has been a steady decrease in the so-called burden of fixed charges. Then, thirty cents out of each dollar taken in by the railroads had to be set aside for debt service.<sup>10</sup> Prior to the depression only eleven cents of each dollar of income was required, and today, after having suffered a 50 per cent traffic decline, only seventeen cents are required for that purpose--far less than in 1906, when the carriers were at the height of their prosperity. These figures are national approximate averages, but they show that the trend of bonded interest charges has been steadily downward.

In the last twenty years there has been an increase of approximately 45 per cent in railroad property investment, and an increase of only about 14 per cent in railroad capitalization. During that time annual dividend disbursement declined about \$180,000,000 and it is interesting to note that in the same twenty year period railroad taxes increased<sup>11</sup> \$162,000,000.

High taxes, something railroad management has a hard

10. Ibid.

11. Ibid.

time controlling, has had a part in narrowing the gap between income and expenses. Since 1916 when the basic eight-hour day for train service employes went into effect the share of revenues accruing to railroad labor has increased greatly.<sup>12</sup> The share accruing to the investment and the property, on the other hand, has declined.

Efficient as they have been, the railroad cannot go on indefinitely meeting the problem of raising costs by means of improved equipment and more skillful operating methods. Therefore, they seek a new federal transportation policy that will stop piling burdens onto the railroads, and that will equally regulate and tax their competitors.

Considering all of these, and the fact that for the last six years the railroad's gross revenues have not been sufficient to insure maintenance of present high standards of railroad service on a self-supporting basis, it would be logical to assume that M-K-T has stopped progressing. However, the opposite is true. Never in the entire history of the road has more thought and attention been given to improvement; never in the railroad's history has there been such a development of efficient methods and better-<sup>13</sup>ments that will further improve their service.

---

12. United States Statutes at Large, Eight Hour Day Law, XXXIX, p. 721.

13. Slam, Op. cit.

The following table shows the actual amount of service rendered to the southwest in the past year. The reader, through a study of this table, can observe the magnitude of the duties performed by the Katy system for the year 1936.<sup>14</sup>

---

<sup>14</sup> Interstate Commerce Commission Reports, 1936. "Statistics on Railroads". Washington, D. C., page 142.

Average mileage of road operated (miles) . . . . .	3,294
<u>Train-miles</u>	
Freight-ordinary . . . . .	4,034,990
Freight-light . . . . .	6,025
Freight-total . . . . .	4,041,015
Passenger . . . . .	4,126,843
Mixed . . . . .	245,970
Special . . . . .	5,773
Total transportation service . . . . .	8,419,601
Work service . . . . .	63,706
<u>Locomotive-miles</u>	
Freight-principal . . . . .	4,041,015
Freight-helper . . . . .	39,221
Freight-light . . . . .	59,818
Freight-total . . . . .	4,140,054
Passenger-total . . . . .	3,899,224
Mixed-train-total . . . . .	250,730
Special-total . . . . .	5,831
Train switching . . . . .	298,992
Yard switching-freight . . . . .	1,210,806
Yard switching-passenger . . . . .	142,242
Yard switching-total . . . . .	1,353,048
Total transportation service . . . . .	9,947,879
Work service . . . . .	84,550
<u>Car-miles</u>	
Freight train-loaded . . . . .	111,027,820
Freight train-empty . . . . .	69,918,159
Sum of loaded and empty . . . . .	180,945,979
Freight train-caboose . . . . .	4,103,012
Freight train-exclusive work equipment . . . . .	344,413
Freight train-total . . . . .	185,393,404
Passenger train-passenger . . . . .	7,930,676
Passenger train-sleeping, parlor, and obs. . . . .	7,828,391
Passenger train-dining . . . . .	1,263,101
Passenger train-other . . . . .	10,362,793
Passenger train-total . . . . .	27,384,961
Mixed train-freight-loaded . . . . .	1,366,934
Mixed train-freight-empty . . . . .	915,596
Mixed train-caboose . . . . .	49,623
Mixed train-exclusive work equipment . . . . .	17,101
Mixed train-passenger . . . . .	226,175
Mixed train-sleeping, parlor, and obs. . . . .	948
Mixed train-dining, other passenger train . . . . .	93,972
Mixed train-total . . . . .	2,670,349
Special train-total . . . . .	94,499
Total transportation service . . . . .	215,543,213
Work service . . . . .	231,122
<u>Freight service</u>	
Tons, revenue freight . . . . .	7,410,396
Tons, non-revenue freight . . . . .	1,045,244
Tons, total . . . . .	8,455,640
Ton-miles-revenue freight . . . . .	2,015,738,120

Ton-miles-nonrevenue freight . . . . .	153,204,633
Ton-miles-total . . . . .	2,168,942,753
Freight gross ton-miles, including locomotives and tenders . . . . .	8,011,262,713
Freight gross ton-miles, excluding locomotives and tenders . . . . .	6,835,704,015
<u>Passenger service</u>	
Revenue passengers carried-commutation , , ,	103,846,578
Revenue passenger miles-other . . . . .	103,846,578
Revenue passenger miles-total . . . . .	103,846,578
<u>Average per mile of road</u>	
Transportation service train-miles . . . . .	2,556
Freight service car-miles . . . . .	57,018
Passenger service car-miles . . . . .	8,419
Freight revenue . . . . .	\$6,833
Passenger service train revenue . . . . .	\$1,147
Operating revenues . . . . .	\$8,325
Operating expenses . . . . .	\$6,532
Net railway operating income . . . . .	\$583
Ton-miles-revenue-freight . . . . .	\$11,959
Revenue passenger-miles . . . . .	31,527
<u>Average per train-mile</u>	
Loaded freight car-miles-freight train . . . . .	27.5
Loaded freight car-miles-mixed trains . . . . .	5.6
Empty freight car-miles-mixed trains . . . . .	17.3
Ton-miles-revenue freight . . . . .	473
Ton-miles-all freight . . . . .	509
Freight gross ton-miles (excluding locomotives and tenders) . . . . .	1,606
Locomotive miles-freight train . . . . .	1.02
Locomotive miles-passenger train . . . . .	1.01
Passenger train car-miles-passenger train . . . . .	6.6
Passenger train car-miles-mixed-train . . . . .	1.3
Revenue passenger miles . . . . .	25.0
Freight revenue . . . . .	\$5.29
Passenger service train revenue . . . . .	\$0.91
Operating revenues . . . . .	\$3.26
Operating expenses . . . . .	\$2.56
Net operating revenues . . . . .	\$0.70
<u>Average per loaded freight car-mile</u>	
Ton-miles-all freight . . . . .	19.3
Freight revenue . . . . .	\$0.200
<u>Average per car mile-passenger</u>	
Revenue passenger-miles . . . . .	6.5
Passenger revenue . . . . .	\$0.123
<u>Miscellaneous Averages</u>	
Percent empty of loaded freight car-miles . . . . .	63.0
Miles hauled-revenue freight . . . . .	272.0
Miles hauled-all freight . . . . .	146.6
Miles carried-revenue passengers-other . . . . .	166.5
Miles carried-revenue passenger-total . . . . .	166.5
Revenue per ton of freight . . . . .	\$3304

Revenue per ton-mile of freight . . . . .	\$0.0189
Percent revenue ton-miles of gross ton-miles (exclusive locomotives and tenders) . . . . .	29.3
Revenue per passenger-other . . . . .	\$3.14
Revenue per passenger-total . . . . .	\$3.14
Operating ratio (exps. to revs.)-percent . . . . .	78.46
Revenue Freight Tonnage (Tons of 2,000 Lbs.)	
<u>Revenue Freight Originated</u>	
Products of agriculture . . . . .	969,834
Animals and products . . . . .	204,333
Products of mines . . . . .	979,142
Products of forests . . . . .	28,977
Manufactures and miscellaneous . . . . .	1,909,485
Grand total, carload traffic . . . . .	4,091,771
<u>Total revenue freight carried</u>	
Products of agriculture . . . . .	1,725,624
Animals and products . . . . .	290,725
Products of mines . . . . .	1,680,789
Products of forests . . . . .	200,202
Manufactures and miscellaneous . . . . .	3,404,833
Grand total, carload traffic . . . . .	7,301,173
All l. o. l. freight . . . . .	109,223
Grand total, carload and l. o. l. traffic . . . . .	7,410,396



## CHAPTER IV

In handling the vast number of employees of the M-K-T system certain specific rules and regulations are absolutely necessary. The M-K-T has agreed on rules and regulations governing labor with the various unions. These rules are compiled in handbooks or employees' manuals.

In the order of their importance the rule book on transportation consists of rules that govern the transportation department.<sup>1</sup> Here we find rules and regulations that govern employees in this department. In addition to rules and regulations found in the handbook on transportation there is found certain paragraphs on advice and who to appeal to in case of grievance.

The maintenance of way department has its book of rules which govern those employees working on the railroad and maintaining proper repair of tracks, buildings, etc.<sup>2</sup> This book probably has as many rules and applies to as many employees as any other department of the Katy.

Station and train employees have a set of rules that govern their activities and sets up the rules governing the various positions of people employed in the station or depots and on trains.<sup>3</sup>

The locomotive engineers and firemen have their rule book. One of the above mentioned books apply to the safe

---

1 Handbook for Transportation Department. MKT Printing Service.

and economical use of fuel. This book is unique in that it is not often that the laborer will study economy when his employer pays the bill.<sup>4</sup>

The other handbook of locomotive firemen and engineers deals with the handling of the locomotive itself. It includes all signals and rules advising or directing engineers in case of emergency.

Probably the most technical of all handbooks is the one which applies to train handling. Instructions in this book apply to both freight and passenger trains. The passenger riding safely in the coach never thinks of the minute rules and regulations which have to be observed at absolutely all times by the men handling the train. It is very important to the safety of the passengers that these rules be carried out even though they might seem technical and insignificant.<sup>5</sup>

In order to have a skilled and trustworthy mechanical department the M. K. T. has established the apprentice system. All applicants are examined by the Supervisor of apprentices. They are given an oral and mental examination and must be able to pass a required physical examination. All regular apprentices must be between the ages of 17 and 22, and must have a common school education.<sup>6</sup>

---

2 Handbook for Maintenance of Way. MKT Printing Service.

3 Manual for Station and Train Employees. " "

4 Manual for Locomotive Engineers and Firemen. MKT P. S.

During the first six months the apprentice is on trial. This is a probationary period and every effort is made in this period to determine whether or not it is advisable to keep him in the organization. At the end of this period he is called before the Apprentice Board for their decision as to whether or not he remains as an apprentice.

The foremen of the different departments are responsible for the apprentices under his supervision and is held responsible for the apprentice learning the essentials of each job.<sup>7</sup> In this way there is a shop instructor for every three or four apprentices. The number of apprentices in each trade will be governed by training facilities and their pay will be rated per hour in accordance with rates agreed upon by proper representatives of the employees and carrier.

When apprentices have completed their full training course they are given a diploma and if his grade justifies it, effort will be made to place him in the Mechanical Department.

The Apprentice Board is composed of the Shop Superintendent, General Foreman, Machine Foreman, Boiler Foreman and Apprentice Instructor. This board is presided over

---

5 Handbook on Train Handling. MKT Printing Service.

6 Apprentice Manual

7 Ibid.

by the Shop Superintendent and meets once each month. They discuss the qualifications and fitness of each apprentice and graduate.

Each machinist apprentice is furnished with a set of tools at the end of their probationary period. These tools are furnished at wholesale prices and the cost is deducted from the apprentice's earnings in small monthly payments.

Trustworthy mechanics, supervisors, a few technical experts, an occasional master mechanic, shop superintendent and chief mechanical officer have been developed by the apprentice system.

The M. K. T. Railroad has worked out a school curriculum for the apprentice which is as follows: <sup>8</sup>

Number	Course	Hours
1.	How to Study	Home
2.	Getting acquainted with shop machines	6
3.	The Drill Press	11
4.	The Shaper	5
5.	The Lathe	28
6.	Technical Reading	48
7.	Safety	48
8.	Standards	72
9.	Citizenship	32
10.	Health	8
11.	Mathematics	41
12.	Shop Sketching	66
13.	Shop Problems	Home
14.	Getting acquainted with the Department	5
15.	Frame and Cylinder	20
16.	Steam Pipe and Cab	16
17.	Brake and Spring Rigging	4
18.	Rods	7
19.	The Planer	5

---

<sup>8</sup> Ibid.

Number	Course	Hours
20.	Mechanical Drawing	20
21.	The Boring Mill	4
22.	The Milling Machine	16
23.	Trucks	14
24.	Wheels	12
25.	Guides, Crossheads and Pistons	5
26.	Shoes and Wedges	7
27.	Mechanics	49
28.	Air Brakes	22
29.	Federal Rules	24
30.	Valve Gears	25
31.	Final Examination	Appr. Board
32.	Tanks and Cabs	10
33.	Sheet Iron Work	10
34.	Fireboxes	10
35.	Flanging	10
36.	Projections	34
37.	General Boiler Work	20
38.	Developments and Intersections	54
39.	Layout	77
40.	Pipe Work	10
41.	Pipe Diagrams	50
42.	Tinware Folio	77
43.	Practical Electricity	208
44.	Wood Pattern Making	110
45.	Forging	84
46.	Heat Treatment	20
47.	Shop Exercises	104

The Personnel of the M. K. T. Railroad is grateful to the Labor Act of June 12, 1934 which is stated briefly in the following seven paragraphs.<sup>9</sup>

- (a) All carriers and employees shall exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions and to settle all disputes.
- (b) All disputes shall be considered, and, if possible, decided, with all expedition, in conference between designated representatives of the carrier and employee respectively, authorized so to confer.
- (c) Representatives shall be designated without interference, influence, or coercion by either party, and neither party shall in any way interfere with, influence, or coerce the other in its choice of representatives.
- (d) Employees shall have the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine the representative of the craft or class.
- (e) No change shall be made in rates of pay, rules, or working conditions of the employee except by negotiation in conference as provided in the Act.
- (f) Establishment of the National Railroad Adjustment Board to hear and adjust disputes between an employee or group of employees and a carrier or carriers growing out of grievances or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, which are not adjusted by representatives of the employees and carriers after handling in the usual manner up to and including the Chief Operating officer of the carrier designated to handle such disputes.
- (g) Establishment of the National Mediation Board for handling disputes concerning changes in rates of pay, rules, or working conditions not adjusted by the parties in conference, and any other dispute not referable to the National Railroad Adjustment Board and not adjusted in conference between the parties or where conferences are refused.

---

<sup>9</sup> Statutes at Large. "Labor Act for Railroads" Je 12'34.

The Vice President and General Manager is the designated officer on these lines under this Act to whom disputes which have not been adjusted may be taken on final appeal before submission to the National Railroad Adjustment Board or National Mediation Board. Any change in rates of pay or agreement working rules must bear his signature or approval to be valid or binding upon the carrier.

The employees of the M. K. T. Railroad system look forward to the training and promotion program which has been followed since the early years of the company's existence.<sup>10</sup> The apprentice system is in effect in the Mechanical Department for the training of mechanics in the various crafts. Classes of instruction are held regularly for train, engine and yard service employees on transportation rules and air brakes. A special car equipped with instruments and charts to record the actual operation and handling of air brakes by the engineer is used in actual service to demonstrate the proper handling of air brakes and trains under varying conditions.<sup>11</sup> Locomotive firemen are required to pass satisfactory examination on transportation rules, machinery and air brakes for promotion to locomotive engineer. Brakemen are required to pass satisfactory examination on transportation rules for promotion to conductor. All train, engine,

---

10 Personal Interview, Supt. Jack Little, Denison, Texas.

11 Hand Book for Locomotive Engineers.

yard service and employees required to operate track motor cars in the performance of their duties must pass a satisfactory periodical re-examination on transportation rules. All other employees acquire training by actual experience in service, and promotion generally is based on seniority, fitness and ability being sufficient, as provided in working agreements of various employees involved.

Much has been said on job analysis and job specifications. Employees must pass examinations that have been set up by the Katy and prove themselves qualified to the job which they seek. The M. K. T. has always maintained the policy of determining the capability of the employee to be promoted before any promotion or change is made.<sup>12</sup>

The M. K. T. railroad company has encouraged the purchase of practically all kinds of necessary and reliable insurance policies. In some instances where certain kinds of work is dangerous the company pays for the insurance of the workmen. Group insurance is encouraged by the company because of the fact that it is much cheaper than individual life insurance.<sup>13</sup> The Katy has in some cases required sick and accident insurance for the protection of the individual and his family.

There is no sickness allowance or policy in the company.<sup>14</sup> In the case of clerical help where work can be

---

<sup>13</sup> O.W. Campbell, Personal Interview, Personnel Director, Dallas, Texas.

<sup>14</sup> Ibid.



kept up by other employees without additional expense to the railroad the one on sick leave is paid, or at least given a limited allowance of six to twelve days in any twelve month period.<sup>15</sup> Officers and employees on supervisory and positions exempted from the provisions of various working agreements are allowed compensation for time lost on account of sickness on a basis of the length of service and the merits of the individual case. Sick allowance is made to tubercular patients by the Employees' Hospital Association on a basis of twenty-five dollars a month exclusive of treatment and care which is provided without charge.

All employees are continually urged individually and collectively at every opportunity to submit suggestions in the interest of improved service, accommodation of patrons, efficiency, safety, methods, practices, economical use of fuel, material and supplies, claim preventions, etc. Employees are also encouraged to submit ideas regarding new devices and parts they have invented, and if considered meritorious, they are assisted by the railroad in securing and defraying the expense of a patent.

There has been recently established by act of Congress a Railroads Pensions Act which allows railroad employees to set up a reserve upon which a retirement pension can be paid. There has, however, been a pension

---

<sup>15</sup> Handbook for Clerks.

plan in existence on the M. K. T. railroad personnel but, since the recent act of Congress, suffices for the pension organizations, and these plans have recently gone out of existence.

A famous philanthropist<sup>16</sup> has recently organized different credit unions to be used by the employees of railroad companies where low interest rates are charged and are handled purely to help increase the living standards of the railroader.

Vacations have always played an important part throughout the organization of the M. K.T. railroad company. It is unfortunate that all railway employees cannot have paid vacations. Clerical employees have vacations without loss of pay when no additional expense to the railroad is involved. Supervisory officials may be paid for time taken for vacation according to the length of service and the merits of each case according to employment.

Various activities of employees are fostered and encouraged in the interest of social fellowship and the most satisfactory relationship obtainable. This includes the promotion of interest in athletics and sports of all kinds, particularly baseball, bowling and golf, as well as meetings of employees and their families for social and business purposes. Two nine hole golf courses have been op-

---

<sup>16</sup> Note: M. C. Baker, Boston, Massachusetts. Campbell, op. cit.

erated for several years which are managed and maintained by the employees. Ground, material and labor was furnished by the railroad in constructing and maintaining these golf courses, but both are now self-sustaining. Employee bands and drum and bugle corps have been organized and maintained a number of years with the assistance of the railroad.<sup>17</sup>

The M. K. T. railroad company has a program for vocational and rehabilitation adjustment, for employees that require a change of work. Employees disqualified for service in which they are engaged as a result of physical defects acquired in the service or from disease or injury likewise contracted are provided with such other employment as their physical condition, length of service, and working agreements in each case justify and permit.

An employees' veteran association has been maintained several years. To be eligible for this organization, an employee must have twenty-five years or more of continuous service with Katy. Service emblems in the form of lapel buttons are awarded. For twenty-five years of service, a silver button is given; for thirty years of service, a gold button; for forty years of service, a gold button with ruby set; and for fifty years of continuous service, a diamond-set gold button. Annual transportation is furnished on the basis of service as follows; for five years' service, an operating district pass for

---

17 Ibid.

the employee only; for ten years' service, an operating district pass for the employee and his family; and for fifteen or more years of continuous service, separate passes for the employee and his family. Those employees with forty or more years of continuous service are furnished separate white passes for themselves and their families over the system with the compliments of the President of the M. K. T. Railroad company.

An employees' magazine is published monthly by the M. K. T. and is furnished free to every employee in the system. This publication acquaints the employees with the other employees' jobs and does a wonderful work in educating the employee to appreciate his fellow worker.

The employees of the M. K. T. are always recognized for their good qualities. Their attention is also called to any failure to maintain a high standard of work. The reader will find annexed to this chapter copies of two typical letters to Mr. Fred Bovee, who is one of the best engineers on the Katy system. One of these letters calls Mr. Bovee's attention to the fact that he made a "bad start" with the train in Muskogee on May 14, 1937. The second letter compliments Bovee on his forty years of service with M. K. T.

MISSOURI-KANSAS-TEXAS LINES  
Office of Executive Vice-President  
George T. Atkins

C  
O  
P  
Y

Dallas, Texas  
May 14, 1937

Mr. Fred Bovee,  
Locomotive Engineer,  
M: K. T. Railroad Company  
Denison, Texas

Dear Mr. Bovee:

I was a passenger on No. 1 this morning, as was Mr. Grace, and we both noticed a bad start at Muskogee. I know you will hereafter watch that.

What I am writing you about, though, is not that, but to tell you how nicely you handled the train from Muskogee into Denison, what a nice stop and start at Reynolds, and the favorable comments we had from our passengers about the nice run they had into Denison.

We had two extra cars of Cottonseed people from Chicago, two tourist cars of soldiers and an extra baggage car. We left St. Louis fifty minutes late and no one ever dreamed that we would be anywhere near on time this morning.

Congratulations on the nice run.

Cordially yours,

Geo. T. Atkins

cc Mr. F. W. Grace

## MISSOURI-KANSAS-TEXAS LINES

M. H. Cahill  
President

C  
O  
P  
Y

En route,  
February 14,  
1933

Mr. Fred M. Bovee,  
Engineer, M. K. T. Lines  
Atoka, Oklahoma

Dear Mr. Bovee:

It is pleasing to note from your recent letter that you will celebrate the fortieth anniversary of your service with the Missouri-Kansas-Texas Lines on the twenty-third of this month. I wish to extend hearty congratulations and express the hope that this fine record may continue for many years to come, accompanied by good health, happiness, and prosperity.

I sincerely appreciate your expressions of friendship and good will, and the splendid effort you are making to secure business for our railroad. Am particularly pleased to know that this also extends to the members of your family who are equally anxious and interested in being helpful in this important work.

The railroads are unquestionably in great distress. We can only reflect that untiring effort on the part of all railroad workers in cooperating to restore them to their former position of influence will produce the results we hope to accomplish.

Thanking you for writing me and for the good work you are doing, I am, with all good wishes,

Sincerely yours,

M. H. Cahill, Chairman  
Board of Directors and  
President.

The writer can think of no more appropriate way of closing this work than giving an account of the record of the following engineer.<sup>18</sup>

J. D. Jarvis, a popular Missouri-Kansas-Texas locomotive engineer, left the cab of the Texas Special May 27 at Denison to retire from his post after forty-six years of continued service with the railway company during which he never had an accident due to personal negligence. The veteran engineer who entered the passenger service of the Katy at Denison in 1899 and who pulled the first Katy passenger engine into Oklahoma City in 1904, has been granted a retirement by Katy officials and has been praised by them for his long and efficient service and loyalty.

In speaking of the resignation of his post at the throttle of the powerful Texas Special, Mr. Jarvis said he did so with a feeling of sadness, tempered, however, with the belief that he will find enjoyment in the relaxation that comes to him in his declining years as a reward for faithful service.

The veteran engineer was born in Troy, Ill., July 26, 1861 and came to Denison in September, 1882, when he became a cotton tier at the old Denison cotton compress in the employ of Mr. Martin who later became postmaster of Denison. In 1883 he was employed as fireman

---

18

Personal Interview, Aug. 1, 1937.

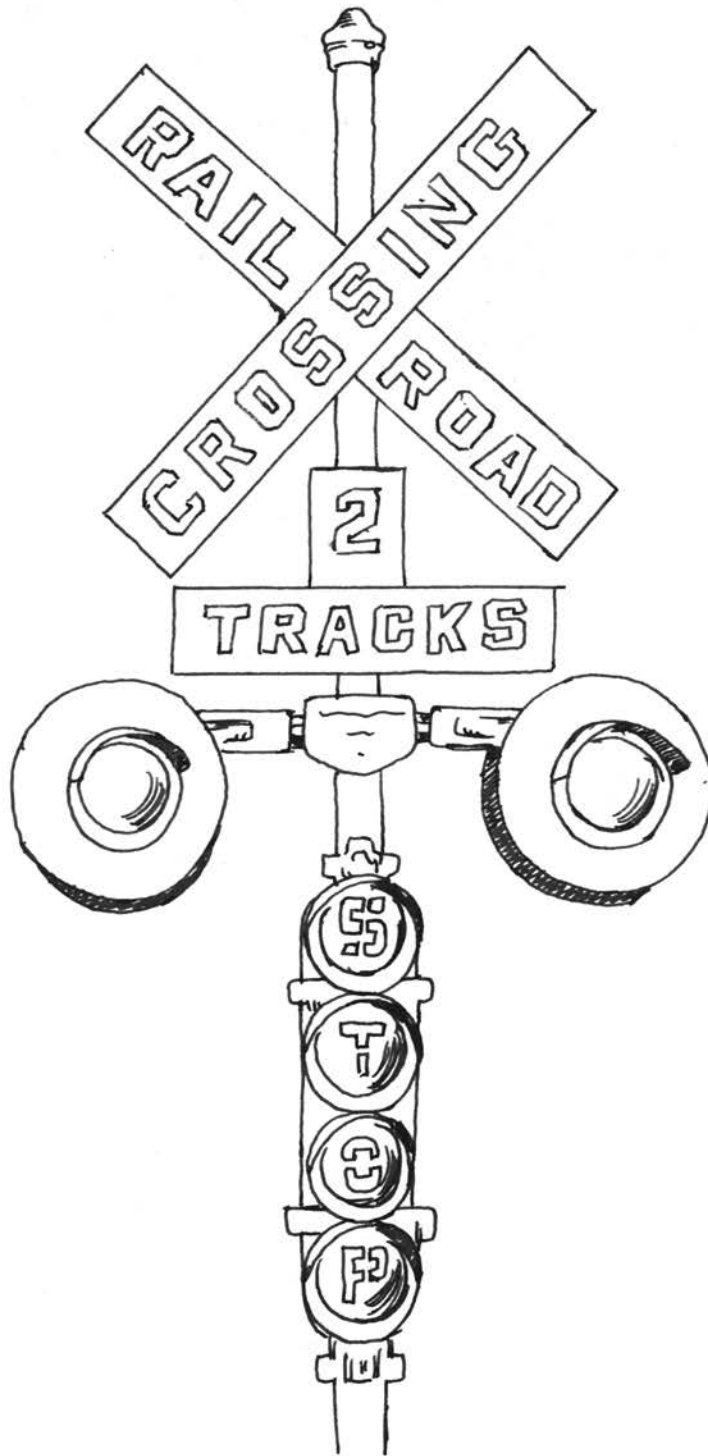
by H. Alexander who was master mechanic for the Katy there. He made his first trip with the late J. C. Blair on the Choctaw division and later took a passenger run with Mr. Blair running from Denison to Palestine. At that time the Katy was a part of the Gould system.

Mr. Jarvis was promoted to switch engineer in 1885 and later to road engineer by C. W. Clark on the Texas district. Eventually he was changed to the Choctaw division which is now a part of the McAlester district. He entered the passenger service at Denison in 1899 and later moved to Atoka, Oklahoma, taking a short passenger run between Atoka and Coalgate.

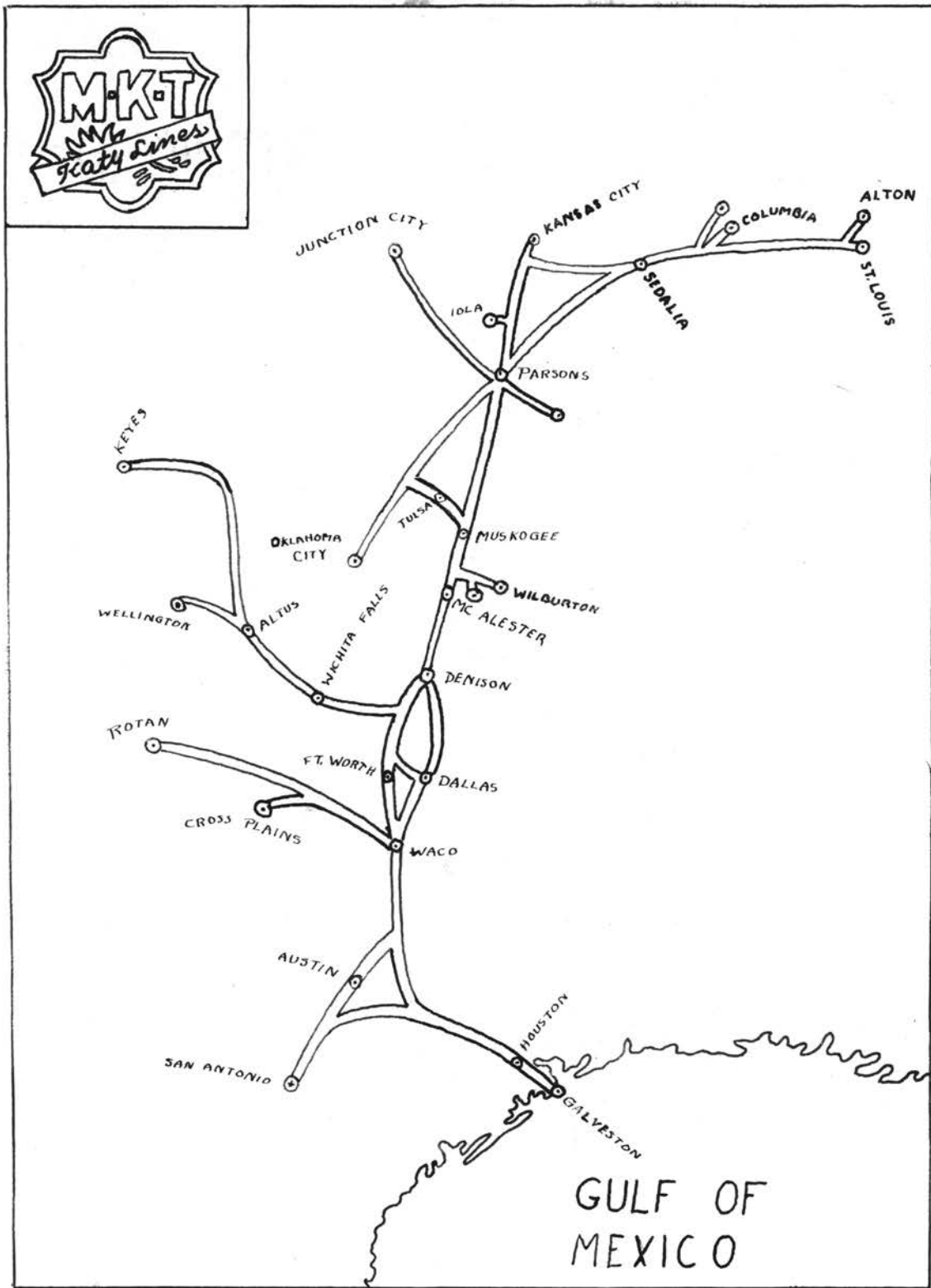
In 1904 the Katy completed the track running into Oklahoma City and on April 4 of that year he had the privilege of pulling the first passenger train into that terminus over what became the Shawnee division of the Missouri-Kansas-Texas. The Katy ceasing to operate the Shawnee district, Mr. Jarvis was transferred to the McAlester district and has been running between Denison and Muskogee up to the date of retirement.

The foregoing record is indeed one of the finest records of any servant and stands today unsurpassed by any of the 8,000 employees of the M. K. T. system.





Note. The latest type crossing signal, which is part of the expenditure of \$73,423 that was spent on M-K -T crossings in the year 1935.



BIBLIOGRAPHY  
PRIMARY SOURCES

Corporation Commission Reports. State of Kansas Press, Topeka, 1871.

Laws Relating to the Five Civilized Tribes in Oklahoma, An Act Permitting the Missouri, Kansas, and Oklahoma Railroad Company to sell its railroads and properties to the Missouri, Kansas and Texas Railway Company, Government Printing Office, 1915, Washington, D. C. I, p. 456.

Handbooks for Employees. M. K. T. Printing, St. Louis, Mo.

Interstate Commerce commission, Statistics on Railroads, in United States 1935, Washington, D. C.

M.K.T. Time Table, June, 1937

Personal Interview, P. H. Tobin, Engineer M-K-T 1870-1888.

Personal Interview, Fred Bovee, Engineer M-K-T 1892-1937.

Personal Interview, J. H. Jarvis, Engineer M-K-T 1885,1935.

Personal Interview, Jack Little, Superintendent of the Denison Division, M-K-T 1937.

Personal Interview, O. W. Campbell, Director of Personnel, M-K-T, 1937.

Reports of Construction, General Offices, M-K-T Railroad Co., St. Paul, Minn., 235v.

Sanger, George P., Editor, United States Statutes at Large, Treaty with the Choctaws and Chickasaws, XIV, 1882.

Sanger, George P., Editor, United States Statutes at Large, Treaty with the Cherokees, XIV, 1882, Little Brown & Co., Boston, Mass.

Sanger, George P., Editor, United States Statutes at Large, Act of Congress, 1866, XIV, Little Brown & Co., Boston, Mass.

Slam, Mathew S., Address Before the Traffic Club, St. Louis, Mo., 1936.

United States Supreme Court Reports, Unites States vs. The Missouri, Kansas and Texas Railway Company, et al. XXXV, p. 358. Lawyers' Cooperative Publishing Co., New. York.

United States Reporter, M. K. T. Railroad vs. United States, West Publishing Co., St. Paul, Minn., 235v.

United States Statutes at Large, Eight Hour Day Law., Government Printing Office, Washington, D. C., XXXIX, p. 721, 1917.

#### SECONDARY SOURCES

Bogart, John, Feats of Railroad Engineering, Scribners' Magazine, New York, N. Y., July, 1888, IV.

Dale, E. E., Ranch Cattle Industry, University of Oklahoma Press, Norman, Oklahoma.

Johnson, Walter, Editor, M. K. T. Employers Magazine, St. Louis, Missouri, December, 1932, June, 1932, May, 1937, June, 1937.

Muskogee Times-Democrat, Early Railroads, Muskogee, Oklahoma, Sept. 27, 1932.

Rister, Carl Coke, Southwestern Frontier, I, Arthur H. Clark Co., Cleveland, Ohio.

Typed by

Mrs. S. J. McCaskill