

CHAPTER XVII

The year 1923 was most successful to date in the history of the North Shore Line. Operating revenues that year increased \$937,320.13 or 18.71% over the year 1922, while the increase in the net income was \$168,935.26 or 32.61%. Gross revenues from freight and Merchandise Despatch business increased \$294,661.58 or 39.88%.

Increased
Revenues

Participation Shareholders met February 27, 1923, and by unanimous vote adopted the plan previously announced for the financial reorganization of the Company. A new corporation was formed under the name of the Chicago North Shore and Milwaukee Railroad Company with an authorized capital stock distributed as follows:

1923
Financial
Reorganization

\$10,000,000. Prior Lien 7% Cumulative Stock
5,000,000. Preferred 6% Non-Cumulative Stock
5,000,000. Common Stock

All the Preferred and Common Stock, together with \$2,684,208.07 of 5-Year, Non-Interest Bearing Promissory Notes were delivered to the Participation Shareholders in exchange for their shares, in the proportion provided for in the Trust Agreement under which the Participation Shares were issued.

Basis on
Exchange of
Shares

The Company issued \$1,500,000 of the new Prior Lien 7% Cumulative Stock, partially to reimburse the Treasury of the Company for capital expenditures made in 1923. The stock was sold at the par value of \$100 a share.

More than two-thirds of this stock was sold to employees and customers of the Company, residents of the territory tributary to the road.

Employee-
Customer
Ownership of
Stock

About 70% of the employees of the Company subscribed for this stock, a majority paying for it on the monthly payment plan. All of the stock sold, amounting at this time to upward of \$1,000,000. was sold by the employees of the Company. The number of stockholders had increased from 840 to 1936, while the number of subscribers acquiring the stock on the monthly payment plan brought the total up to more than 3000.

Additional equipment was acquired in 1923, which cost \$649,000. This was financed through an Equipment Trust, providing for the issuance of \$557,000. Equipment Trust Certificates, the balance of the purchase price being payable by the Company.

To provide funds for additions and betterments, \$1,000,000. of 6½% Three-Year Secured Sinking Fund Notes were sold. First Mortgage Bonds to the amount of \$902,000. were issued and deposited as part of the security for the Notes.

3 Year
Secured
Sinking Fund
6% Notes

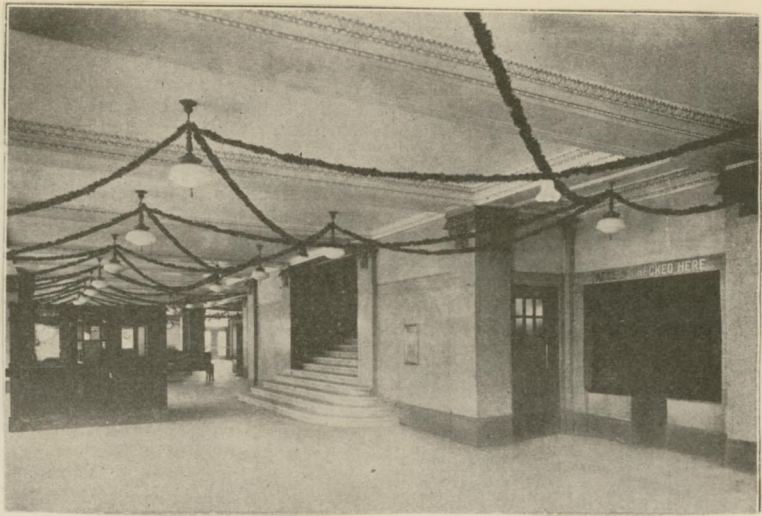
The North Shore Line, in October, 1923, won the Charles A. Coffin Gold Medal for the distinguished contribution it made to the development of the electric railroad industry. This medal and prize award were provided by the General Electric Company, for the electric railroad, within the United States, which, during the year, had done the most to popularize electric railway service.

Coffin
Medal
Award

Electric railroads in all parts of the United States entered the competition for the Coffin medal. In awarding the prize to the North Shore Line, the American Electric Railway Association Committee which examined the claims of the competing companies said-

"From the representations of the winning company, the Committee finds that on this property there has been carried to fruition most of the things that have been talked about for years as the remedies for various troubles. On this property the remedies have not only been talked about; they have been executed. Thus the winner stands out as a railway that has largely accomplished the tasks of gaining public good will, of merchandising transportation, modernizing service and equipment and improving its financial structure."

A handsome and commodious passenger station erected by the Chicago Rapid Transit Company and leased by the North Shore Line, located at the corner of Wilson Avenue and Broadway, in the heart of the district known as Uptown Chicago, was opened December 12, 1923.



Uptown Chicago Union Station

This modern station, equipped with every convenience for the use of the public, is used jointly by the North Shore Line and the Elevated Railroads. It was an improvement much needed by the North Shore Line to accommodate its growing business in that district.



Interior view of Uptown Station showing stairway to trains.

The competition for the Coffin Medal was the first engaged in by the electric railroads of the country. The North Shore Line won the distinction of being the first winner, which added materially to the value of the award.



CHARLES A. COFFIN FOUNDATION

ESTABLISHED BY GENERAL ELECTRIC COMPANY

FOR THE ADVANCEMENT OF THE
ELECTRICAL ART

AWARDS

THE CHARLES A. COFFIN MEDAL

TO

CHICAGO NORTH SHORE & MILWAUKEE RAILROAD COMPANY

IN RECOGNITION OF ITS DISTINGUISHED CONTRIBUTION DURING THE PAST YEAR TO
THE DEVELOPMENT OF ELECTRIC TRANSPORTATION FOR THE CONVENIENCE OF THE
PUBLIC AND THE BENEFIT OF THE INDUSTRY.

CHARLES A. COFFIN PRIZE COMMITTEE OF THE
AMERICAN ELECTRIC RAILWAY ASSOCIATION

ATLANTIC CITY, N. J., OCTOBER 11, 1903

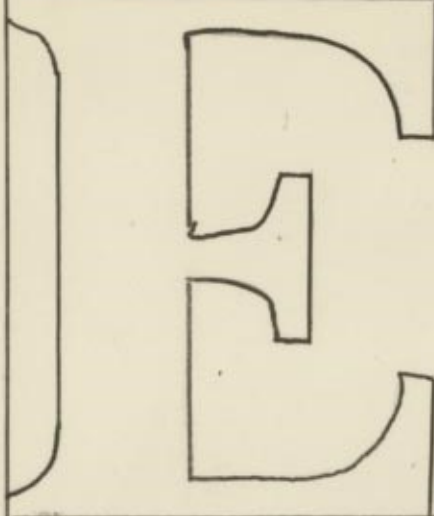
W. M. Smith

SECRETARY

C. H. Johnson

CHAIRMAN





arnings of the North Shore Line showed a substantial increase in 1924 over the year 1923.

Increased
Earnings

While the increase was less marked than in some previous years, the gain of \$253,715.04 in operating revenue may be regarded as very satisfactory in view of the fact that part of the year 1924 was a period of general business depression felt in all industries and in all parts of the country.

The steady growth of the Company's business since Mr. Britton I. Budd became President, may be understood by a comparison of the gross operating revenue per mile of road:

Revenue per
Mile of
Road
Summary

1916.....	\$12,688
1917.....	19,203
1918.....	31,798
1919.....	33,278
1920.....	40,558
1921.....	43,528
1922.....	48,472
1923.....	57,498
1924.....	59,962

In 1923, there was formed a corporation under the name of the Chicago North Shore and Northern Railroad, with a nominal capital stock of \$50,000 for the purpose of acquiring a right of way and constructing a railroad through the Skokie Valley. The stock of the Company was held by the Chicago North Shore and Milwaukee Railroad Company.

Chicago
North Shore
and
Northern
Railroad

The reason the Company acquired this new line is summarized as follows:

Grade separation through the various municipalities from Evanston to Glencoe had been a subject of discussion for several years. Separation of grades appeared inevitable, only the time when it must be done being unsettled.

Grade
Separation

To protect the Railroad from the interruption in service which would accompany construction, the Company considered it essential to provide another new line for through passenger traffic between Chicago and Milwaukee.

Under conditions at that time the Company was prohibited by ordinance from operating freight trains south of Highland Park.

In June, 1924, the Company issued \$3,500,000 One-Year Notes to provide funds for the building of the line. Later, it was planned, permanent financing would be effected.

\$3,500,000
One-Year
Notes

At a meeting of stockholders of both Companies, held October 6, 1924, a consolidation of the two Companies was effected under the current name Chicago North Shore and Milwaukee Railroad Company.

Consolidation
of Chicago
North Shore
& Northern RR
with North
Shore Line

In December, the consolidated corporation was authorized to issue and sell \$7,000,000 First and Refunding Mortgage 6% Gold Bonds for the purpose of retiring the \$3,500,000 One-Year Notes, all of the Three-Year, Ten-Year and Fifteen-Year Sinking Fund Notes, and for the other corporate purposes. The entire issue of \$7,000,000 bonds was subscribed for by banks and investment banking houses before actual issuance.

\$7,000,000
1st & Refunding
Mtg Bonds

The sale of the first issue of \$1,500,000 of 7% Cumulative Prior Lien Stock to employees and customers, which was started late in 1923, was closed in March 1924. About 70% of the employees subscribed

far this stock and the balance was sold largely to small investors, customers of the Company living in the various communities served by the Railroad.

Employee and
Customer
Stock
Ownership

A second issue of \$1,000,000. of this same stock was placed on the market in November, 1924, the employees again acting as salesmen and saleswomen. The second issue was readily subscribed for in our own territory. The issue was sold and considerably over subscribed in less than three months after the sale opened.

The following figures show the wide distribution of this stock on the closing day of the sale: Subscribers numbered 2,652, of whom 1,489, or 54%, paid cash and 1,163, or 46%, were paying on the monthly instalment plan. Stockholders of the Company now numbered 4,768, while subscribers who were paying on the instalment plan brought the total upward of 6,250. The average subscription for Prior Lien Stock was four shares to a subscriber.

Construction work on the new Valley Line, which runs from a junction with the tracks of the Chicago Rapid Transit Company at Howard Street, Chicago, west in the cities of Evanston and Niles Center, and north through the Skokie Valley to a connection with the Libertyville Branch, near Lake Bluff, was started in the Spring of 1924 and pushed toward completion.

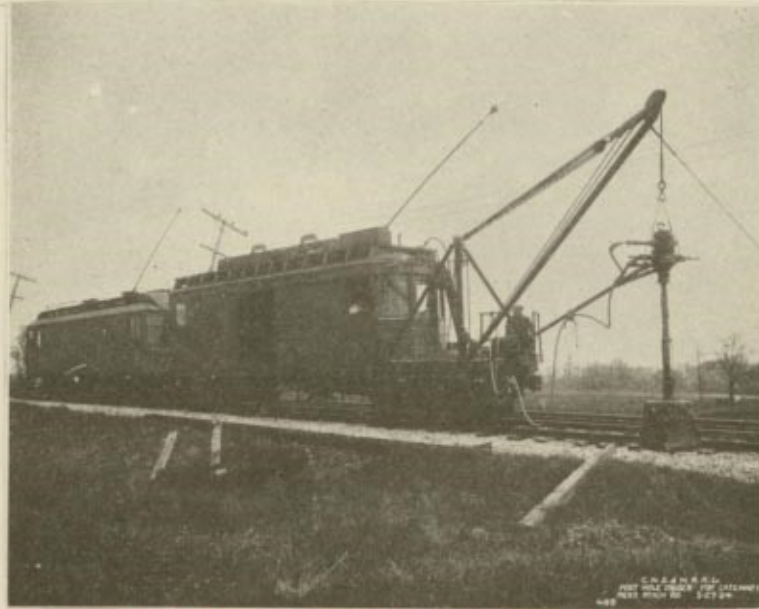
Skokie
Line
Construction



Turning the First Spadefulls of Earth which Celebrated the Opening of Construction in 1924 on the Chicago North Shore and Northern Railroad. The Officials Wielding the Spades are: Mayor Harry Pearsons, Evanston; Mayor John E. Brown, Niles Center; and R. Floyd Clinch, Vice President.

The ordinance authorizing the line was passed by the City Council of Evanston on April 2, 1924, approved by the Mayor and accepted by the Company the following day, and Construction work was started April 4th. The new line embraces every type of modern railway construction-subway, depressed tracks in an open cut, elevated tracks on a solid fill, and on open steel structure and surface tracks.

Evanston
Ordinance
Skokie
Line



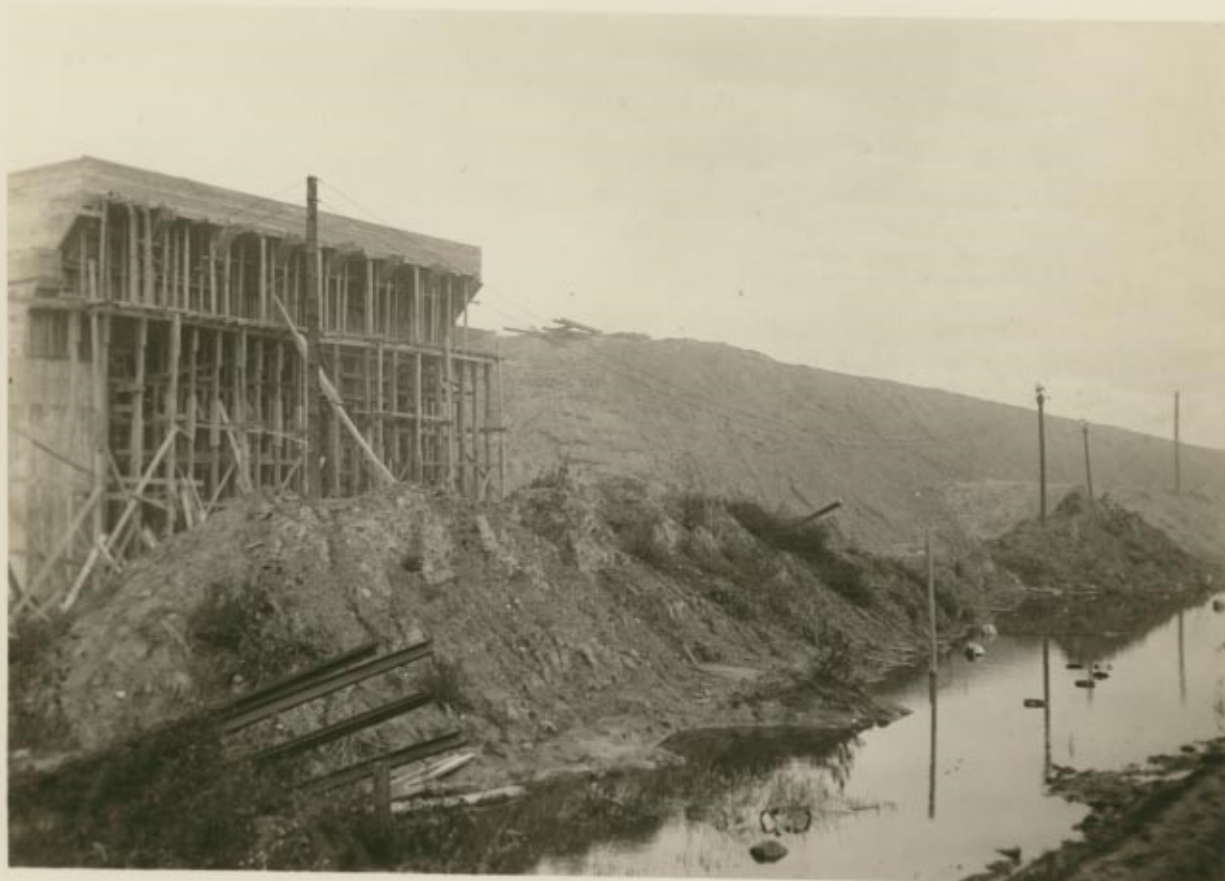
Machine developed on North Shore Line for digging holes for Trolley Poles

How concrete foundations for trolley poles are laid on North Shore Line





Looking east September 30, 1924 from the future Custer Street bridge, on the Skokie Valley Line, and showing a section of the roadbed, which at this place averages about 12 feet in depth. At the point marked "A" the new line will pass between the main line of the Milwaukee division of the Chicago and Northwestern railway, and a crew may be seen driving piles preparatory to beginning construction of the subway. In the foreground are construction facilities for the Custer Street bridge over the new line.



A view on September 30, 1924 of the new embankment for the Skokie Valley Line, looking east from the track of the Chicago and West Ridge railroad, and industrial road serving certain brick plants in the vicinity. At this place the embankment is approximately 32 feet high, and is built for two tracks. At the left foreground is the concrete abutment upon which will rest the east end of the steel structures crossing the Chicago and West Ridge railroad, the North Shore Channel, and the Mayfair cutoff of the Chicago and Northwestern Railway.

GLIMPSES OF SKOKIE VALLEY ROUTE CONSTRUCTION WORK



The above picture shows the men of the Electrical Department stringing the trolley wires on the catenary towers. This overhead work calls for a structure that will bring the men within reach of the cross-beams of the towers.. The problem was solved by erecting platforms on top of these box cars. With this eight-car train 12 men were enabled to work at one time ~~on this~~ on this big task.



In addition to the trolley wires, the catenary towers bear a telephone cable strung along one side of the track. This picture shows the telephone cable work train and crew in action.



welding the rail bonds - large copper wires of many strands, which unite the rails of the track at the joints and form an unbroken circuit for the electric current.

Owing to the depth of the open cut, which at some points is below the level of Lake Michigan, it was necessary to build a large sewer and install automatic pumps to drain the surface water. The new line goes under Chicago Avenue and the tracks of the Chicago & Northwestern Railway at the east end in a subway and over the railroad tracks, the Drainage Canal and McCormick Boulevard, on a viaduct more than 800 feet in length, at a height of 35 feet at the highest point.

Skokie
Valley Line
Constructio



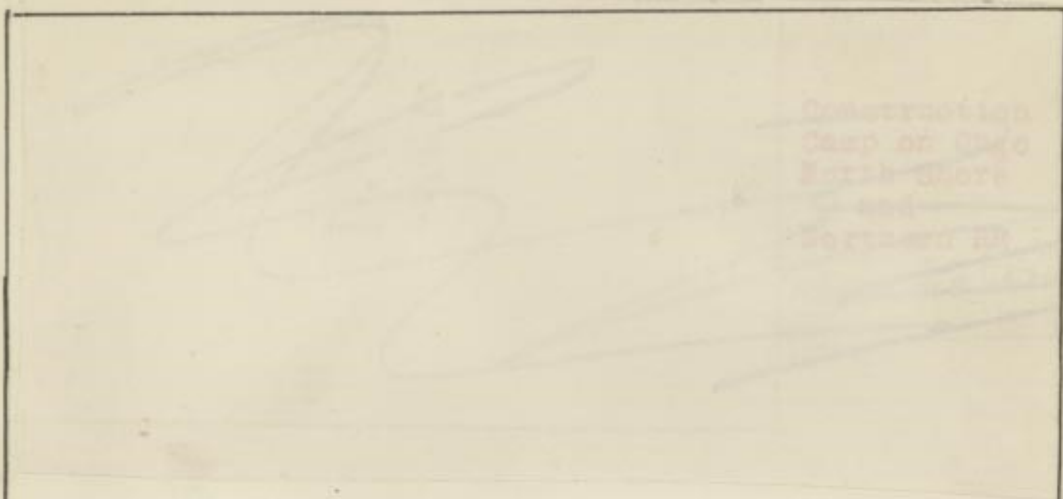
Trestle work at
low spot on
Skokie Valley
Division, North
Shore Line



Laying permanent track on Niles Center
Extension

Subway under North-
western Railroad
tracks, Niles Center
extension.





Ridge Avenue as it appeared
August 7, 1924



Ridge Avenue as it appeared August 14, 1924



Construction
Camp Buildings
showing Mess
Hall at
Blodgett on
North Shore
Line.



The model construction camp at Blodgett now known as Briergate, was constructed in June, 1925, to house the men employed building the Skokie Valley branch, of the North Shore Line.

When construction work was at its height the camp housed and fed as many as 850 men at a time. It was a model of its kind.

There were 51 buildings in the camp. It had a complete sewage system, hot and cold water, bath houses and showers, one for each four bunkhouses, a general store and postoffice. For a time weekly entertainments were provided for the men in the form of band concerts, motion pictures and boxing bouts.

Perhaps the building which will be remembered longest by the men who lived at the camp, was the mess hall and kitchen. All bread and pastry consumed in the camp was baked in the kitchen. It meant 300 loaves of bread, each weighing three pounds, about 120 doughnuts or cookies and 200 pies a day.

Track
Construction
1924

Among the items of track construction in 1924 were the installation of a material yard at Highland Park with 1,000 lineal feet of material track, and laying of 24,838 lineal feet of single track on the main line and the Libertyville Branch, and the relaying of double track in Lake Forest with 100# rail, realigning of tracks and raising them to permanent grade.

The program of stone ballasting on the main line was carried on throughout the year. The grading and filling on the line required the removal of more than 360,000 cubic yards of dirt.



Completed stone-ballasted track on top of solid fill which replaces former open trestle work



Stretch of stone-ballasted roadway between Kenosha and Racine.

McKinley Road in Lake Forest, from North Gate to Sacred Heart, was paved with brick laid on a 6 inch concrete base.

Thirteen miles of right of way was fenced with wire fencing.

Automatic substations were built in 1924, at Berryville, Wisconsin, and Winthrop Harbor, Illinois and a 1,000 kilowatt 60 cycle rotary with transformer and automatic control equipment was installed at the Kenosha, Wisconsin substation.

Sub-Stations



Automatic Substation, Winthrop Harbor, North Shore Line

A 3-phase transmission line on steel poles was constructed between Glen Flora and Kenosha Automatic Substation, and a 3-phase transmission line was built between Libertyville Substation and St. Mary's of the Lake.



Looking east in Skokie Valley Line, September 30, 1924 from a point about 300 feet west of East Prairie road, marked by the standing automobile. In the foreground workmen are beginning the construction of the passenger station which will be at that place. At the right is a substation of the Public Service Company of Northern Illinois, and in the left background is a gas holder belonging to the same company. At this place the tracks of the Skokie Valley Line are at grade, and are a part of those first laid to permanent alignment, although they are not yet ballasted.



Section of rock-ballasted double track, looking north from a point near the Beach, Illinois, substation, about 38 miles north of the Union Loop, Chicago, in July, 1924. Much of the Company track is of this character, the ballast extending to a depth of about 10 inches beneath the tie, and is obtained principally from a quarry about two miles north of Racine, Wisconsin.



A view on September 30, 1924, looking west across the North Shore channel of the Sanitary District of Chicago. Foundations of a double-track deck truss bridge 120 feet long, may be seen on both sides of the canal. In the middle distance are the tracks of the Mayfair cutoff of the Chicago and Northwestern Railway, which also will be crossed by steel structure.

CHAPTER XIX

The Skokie Valley Line was completed to Dempster Street, in Niles Center, a distance of 5 miles of double track railroad. The first train carrying passengers was run over the line February 1st, from Howard Street to Dempster Street and the line was opened for traffic March 28, 1925.

Opening of
Skokie Valley
Line to
Niles Center
March 28, 1925



Two of the Special Trains to the
Niles Center Opening Ceremonies

Eight modern brick and stone stations of distinctive type were erected, and a track leasing arrangement made with Chicago Rapid Transit Company to operate a local service on the Branch to Dempster Street.

Chicago
Rapid
Transit
Company

The Skokie Valley right of way is owned by the Company, is double tracked and has steel catenary construction its entire distance.



Architect's drawing of the attractive mission style stations on the new Skokie Valley Line.



Crowd at Niles Center Opening of the New Dempster Street
Station March 28, 1925.