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Kansas City Southern, NRHS Collection

The **Southern Belle**, pride of Kansas City Southern, crosses Truman Road on Kansas City Terminal trackage behind brand-new F7 set 32A and B, in this scene dating from about 1950. Running as train 1, the six-car streamliner has just departed from Kansas City Union Station to begin its 21-hour, 870-mile trip to New Orleans.

KANSAS CITY'S RAILROAD

A BULLETIN STAFF REPORT

The history of Kansas City Southern spans a century (1987 was the company's 100th anniversary) and mirrors the realized promise and solid growth of the American Midwest.

During the 1880s, Kansas City was in the midst of a dramatic transformation. Founded in 1821 as a frontier trading post, the community was rapidly becoming a thriving commercial center in

the heart of the fertile Midwest. Kansas City was poised to maximize the agricultural opportunities of the region by supplying the growing food demands of industrial cities in the East.

In 1887 Promoter Arthur Stilwell was presented with the opportunity to pursue his dream to build a railroad when a local business leader appealed for Stilwell's help in financing an

option to construct a line south from Kansas City. Using his sales ability Stilwell raised the necessary funds in a matter of hours, and the first segment of what was to become the Kansas City Southern Railway was underway.

The Kansas City Suburban Belt Railway Company was incorporated January 8, 1887 and was an immediate success, both as a passenger line and as a carrier for nearby meat-packing houses and granaries. Stilwell soon recognized an additional opportunity for his railroad in coal deposits to the south and in lead and zinc mines in Missouri. He raised \$2.5 million in six months to finance the expansion of the line. By October

1891, the Kansas City, Nevada & Fort Smith Railroad was organized.

Stilwell continued to look to the future. He believed the shortest, most efficient route to eastern markets was to head south to the warm water of the Gulf of Mexico.

In 1893, several major railroads went into bankruptcy and the industry's progress was paralyzed. The panic that resulted provided new challenges for Stilwell. In search of \$3 million in financing for his southern expansion, he headed for untapped capital markets in Holland. Reaching back to his sales experiences, Stilwell appealed to a commodity broker in Amsterdam,

NRHS Collection





Collection of Frank A. Weer

When this postcard was printed, the required postage was just one cent. Kansas City Southern's Spanish-style station at Port Arthur, Tex. was at the extreme south end of the original KCS mainline, 790 miles from Kansas City. In later years Port Arthur, named for KCS Founder Arthur Stilwell, was served by two daily trains which connected with the Kansas City-New Orleans service at Shreveport, La.

and the entire \$3 million issue was subscribed in 27 minutes.

During the depression year, Stilwell's railroad laid one-third of America's new track mileage.

Stilwell saw the Kansas City, Pittsburg & Gulf as a means of exporting grain and other agricultural commodities efficiently and economically through Port Arthur, Tex., a new city he was building on Sabine Lake. The fortunes of the KCP&G rested upon the development of Port Arthur, a process delayed by the failure to complete a ship channel to the Gulf. Traffic did not meet expectations, and the railroad fell into receivership in 1899.

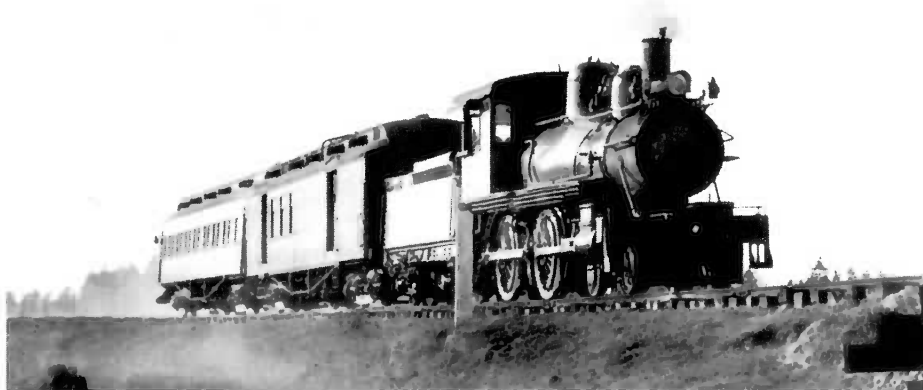
Stilwell soon left the KCP&G. The company was reorganized as the Kansas City Southern Railway on March 19, 1900. Shortly thereafter the company found itself in the center of America's newest natural resource opportunity — the oil boom. In 1901, the first gusher near Beaumont, Tex., spurred the country's largest oil rush. The celebrated Spindletop field spawned the world's greatest oil refinery center and, along with a variety of downstream industries based on petroleum, provided major new revenues for the Kansas City Southern.

Oil refineries and related petroleum activities generated traffic as did coal deposits in Arkansas

and Oklahoma. The KCS was initially controlled by John W. Gates and his associates, but within a few years it became part of the rail empire dominated by E.H. Harriman. Under Harriman the line was rebuilt, new yards and facilities were constructed and equipment was replaced. Harriman's representative on the Kansas City Southern was Leonor F. Loree of Delaware & Hudson fame, who served as chairman of the executive committee from 1906 to 1937. In the 1920s Loree hoped to make the KCS part of a new regional system made up of the Missouri-Kansas-Texas and the St. Louis Southwestern (Cotton Belt), but the Interstate Commerce Commission denied the proposed merger.

For the next four decades Kansas City Southern developed a record as a well-managed property devoted to the development of markets and opportunities along its line. Its continued development during this period owed a great deal to the leadership of L.F. Loree, whose professionalism and strength of character contributed much to the reputation of the company.

The years of the Great Depression were a devastating time for all railroads. While a number of large carriers — other than KCS — declared bankruptcy during those hard times, the company's strong financial and operating



Collection of Harold K. Vollrath

These two scenes, both in 1937, illustrate KCS passenger service in the late Depression years. Above, No. 143, a trim class B-3 4-4-0 built by Schenectady in 1895, hurries along the Lake Charles Branch near DeQuincy, La. with two wooden cars in tow. Below, Class D-7 Ten-Wheeler No. 600 rolls down the mainline at Cedar Grove, La. with five cars of train 15, the **Flying Crow**. Two of the cars are truss-rodged wooden coaches.

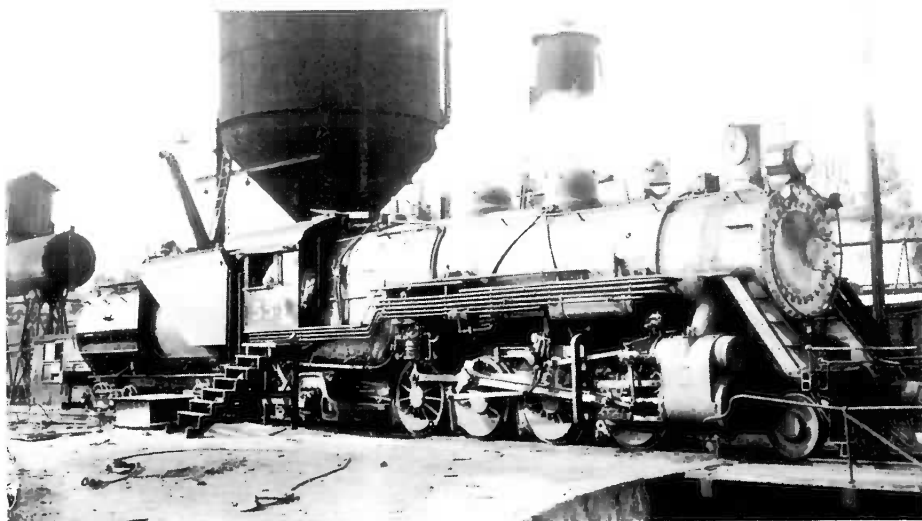




Above: Collection of Edward F. DeVito

Below: George W. Corben

The Louisiana & Arkansas was an 813-mile system extending from Dallas, Tex. to New Orleans via Shreveport, with branches to Hope, Ark. and Vidalia, La., across the Mississippi River from Natchez, Miss. In 1938, the year before its acquisition by Kansas City Southern, L&A was operating two name trains, the **Hustler** between Shreveport and New Orleans, and the **Shreveporter** between Shreveport and Hope. The latter carried through sleeping cars to and from St. Louis via a Missouri Pacific connection at Hope. L&A's logo read "The Better Way" and its passenger trains were advertised as hauled by "oil-burning locomotives." It also played a major role in an east-west freight operation known as the "Natchez Route," in which L&A connected with the Mississippi Central Railroad by means of a carferry which plied the Mississippi between Natchez and Vidalia. Even after its takeover by KCS the L&A maintained a separate identity, as illustrated by 4-6-0 No. 204 seen above at Shreveport in 1949. Below, L&A 2-8-2 No. 554 is serviced at the Shreveport engine terminal on June 10, 1949.



philosophies, developed under Loree's leadership, helped the company weather the Depression.

Between 1896 and 1907 William Edenborn built the Louisiana Railway & Navigation Company between New Orleans and Shreveport. It formed the shortest route between the two cities. In 1923 Edenborn extended his line west to McKinney, Tex., within hailing distance of Dallas, by purchase of a Missouri-Kansas-Texas branch.

During the same period, in 1896, William Buchanan started a logging line in Arkansas. By 1906 it had become the Louisiana & Arkansas Railway, from Hope, Ark., to Alexandria, La., with a branch to Shreveport.

The LR&N and the L&A were merged in 1928 as the Louisiana & Arkansas, and that railroad was acquired by Kansas City Southern in 1939. L&A's New Orleans-Shreveport route and its line to Dallas were natural extensions for the KCS.

The KCS in steam days was known for its fine passenger service with the fleet leaders **Flying Crow**, the **Hustler** and the **Shreveporter**. These could usually be found behind 800-series Pacifics or Ten-Wheelers.

Steam power reached its zenith on the road when Lima delivered ten 2-10-4s (five coal and five oil burners) in 1937. These were numbered 900-909 and it was estimated that their additional speed and heavier tonnage rating helped cut train

operating costs by ten percent. They were also the last 2-10-4s built by Lima.

In 1944, after local interests had successfully acquired control of the company from eastern investors, a new era of progress began with the selection of William N. Deramus as president of the railroad. Deramus' career in railroading began as a boy tending switch lamps and sweeping the local railroad station. As president, he aggressively expanded markets and service and had the foresight to see that new technology was necessary to the competitive survival of all railroads.

To fill the need for more efficient and effective communication, Deramus instituted the use of World War II surplus radio equipment in the late 1940s. This step led to the development of microwave communications for the railroad, and KCS was an early and prominent pioneer in making microwave signals available over its entire system.

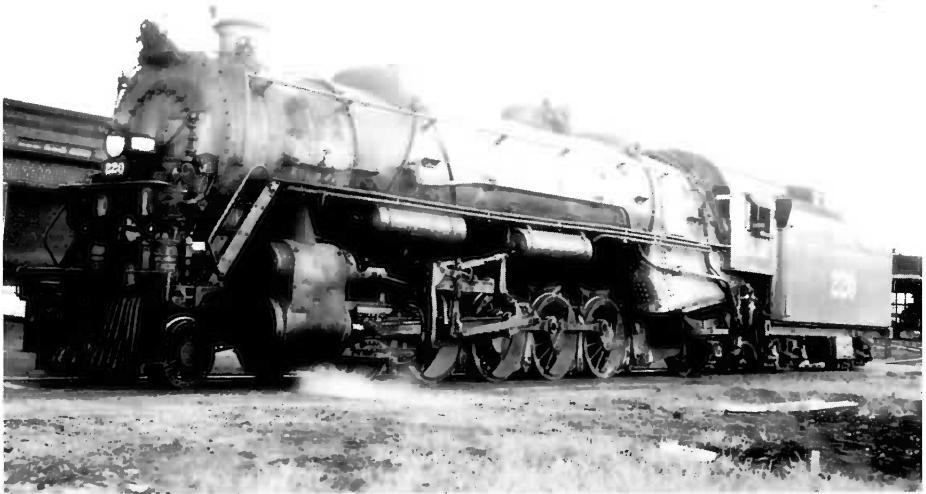
In 1939, General Motors' Electro-Motive Corporation (EMC) selected KCS to test its first diesel-electric locomotive for passenger service. Deramus' leadership made the use of diesel power the standard for achieving productivity and service gains for both passenger and freight service.

September 1, 1940 was set as the date for the inauguration of the **Southern Belle**, a new diesel-electric streamlined passenger train, via KCS-

Collection of Harold K. Voltrath

H-1 class Pacific No. 810 races southward at Forbing, La. with KCS train 15, the **Flying Crow**, in December 1947. This Kansas-City-to-Port-Arthur train carried only head-end, coaches and a diner for the seven-hour run from Shreveport to Port Arthur on the Gulf of Mexico.





*Top: Collection of Harold K. Vollrath
Above: C.C. Grayson*

The KCS steam roster contained a wide variety of power, ranging from 4-4-0s to 2-10-4s and 2-8-8-0s. Top. Class E-3 2-8-0 No. 495, a Pittsburgh product of 1906, arrives at Shreveport in April 1936 with boxcar loads of pulpwood logs for an International Paper Company mill. Above. This hulking Santa Fe type lays over at the Shreveport shops. Built by Baldwin in 1919, No. 220 was purchased by KCS from the Wabash in 1942 to help out with wartime traffic. It was scrapped in 1951. Opposite top. G-1 class 752 leaves Shreveport for Port Arthur in April 1946. The big 2-8-8-0 was built by Schenectady in 1918 and was scrapped in 1951. Opposite bottom. The newest steam power on KCS was a fleet of ten Texas-type 2-10-4s turned out by Lima in 1937. J-class Nos. 909 and 904 are seen at the Pittsburg (Kans.) enginehouse in 1940. These behemoths were scrapped at Pittsburg in 1953 as KCS completed its dieselization program.



*Above: Collection of Harold K. Vollrath
Below: NRHS Collection*





NRHS Collection

This KCS-produced postcard featured a colorized photo of the original **Southern Belle** with E3 unit No. 1, prior to the train's introduction in September 1940. (Compare this with the cover photo of this issue.) On the reverse side of the card the **Southern Belle** is described as providing a "rare travel thrill on the train with the extras at no extra fare!"

L&A between Kansas City and New Orleans. A contest was conducted to select a typical Southern belle to symbolize these trains and on August 23 one of the sets was operated as a special from Kansas City to New Orleans, carrying the regional winners of the contest, representatives of the railroads, the builders of the equipment and the press. The train was opened to the public at New Orleans on August 25 and began a seven-day exhibition tour over the road on the following day. The delightful observation cars *Kansas City*, *Shreveport* and *New Orleans* quickly became public favorites.

After serving as president of the Chicago Great Western and Katy Railroads, William N. Deramus III joined his father in senior management of KCS in 1961. The younger Deramus' arrival marked the beginning of an era of transformation for the company.

In the early 1960s, the father-and-son Deramus team recognized that Kansas City Southern was in an entirely new competitive era which created a need for diversification. To foster that diversification, Kansas City Southern Industries, Inc. (KCSI), was formed in 1962, initiating another chapter of the KCS story. The railroad continued its operations as a subsidiary of the newly-formed holding company.

In 1972, KCS began to deliver coal in unit trainloads to power stations in Louisiana and Texas. These coal movements, now represented by contracts with Southwestern Electric Power Company, Gulf States Utilities and Kansas City Power & Light, are the single largest contributor to the revenues and profits of the railroad. Together with movement of petrochemical and refinery products, the coal shipments demonstrate this company's great involvement and dependence on energy related businesses.

In 1986, William N. Deramus IV became president of Kansas City Southern, continuing the successful tradition of Deramus family involvement in the railroad. The Deramus family has now been associated with Kansas City Southern for 75 of its over 100-year history.

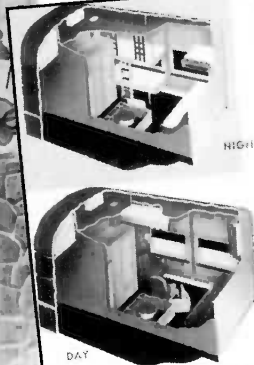
Today one of the strongest segments of KCS system traffic are the products of the refineries and chemical plants that surround the Gulf Coast ports it serves — Port Arthur, Beaumont, Lake Charles and New Orleans — and the line on the Mississippi River between New Orleans and Baton Rouge. Forest products—lumber, wood, pulp and paper products—are another major element of KCS business. Coal has become very important to the system since the mid-1970s. Inter-modal traffic, much of which moves via the "Big



On the NEW SOUTHERN BELLE—in the Tavern-Lounge Observation car a Western Electric Program Distribution System sends Radio and Wire-Recorded Music throughout the train. Cars by American Car & Foundry Co.



Southern Belle



On the NEW SOUTHERN BELLE—Luxurious Bedrooms—single or en suite—make traveling a gala family affair. Built by Pullman-Standard Car Mfg. Co.



On the NEW SOUTHERN BELLE—Chair Cars are tailored to the desires of Discriminating Travelers. Built by American Car & Foundry Co.



On the NEW SOUTHERN BELLE the 3,000 hp Diesel-Electric locomotive is Electro-Motive's latest contribution to faster, more efficient railroading.

THE NEW Southern Belle
STREAMLINED HOSPITALITY

NRHS Collection
This KCS timetable for July 1, 1951 emphasizes the "streamlined hospitality" of the Southern Belle, the premier train between Kansas City and New Orleans. The postcards are part of a series promoting the Belle.



Collection of Harold K. Vollrath

E3 No. 22, originally No. 2, pulls out of Kansas City Union Station with the **Southern Belle** in May 1953 as Missouri Pacific E7 No. 7008 leads the **Colorado Eagle** eastward toward St. Louis.

D" route between the Santa Fe connection at Dallas and New Orleans, is growing.

Not only is the KCS mainline almost entirely laid with welded rail, but it also operates entirely under Centralized Traffic Control, all the way from Kansas City to Beaumont. In addition, CTC has been completed on the entire Texas subdivision of the L&A, from Farmersville into Shreveport.

The KCS system fleet of about 300 locomotives and 7,000 freight cars is in excellent condition. The locomotives — painted white with large reflective red initials — are all EMD models, mostly GP40s, SD40-2s and SD50s. A number of older units have been converted into slugs by removing the engines and weighting them to 260,000 or 265,000 lbs. Four of the slugs have cabs and controls. In 1983 the road acquired 19 used GP40s from Illinois Central Gulf.

In excellent condition, they were placed in service immediately, and significantly upgraded the locomotive fleet at relatively modest cost. All heavy locomotive maintenance and overhauling is done at the Shreveport shops.

About 30 to 35 road trains are operated daily on the KCS system and about half of them come into Deramus yard at Shreveport. This flat switching yard has eight long receiving tracks (in addition to the mainline and passing track), 31 classification tracks and eight storage tracks. It switches 1,500 to 2,000 — sometimes 2,500 cars — a day. Running the yard and terminal requires 19 switch jobs, six or seven per shift.

Following its abortive 1988 effort to purchase the Southern Pacific, KCS has again turned its attention to moving freight on its busy north-south route.



*Above: Collection of Harold K. Vollrath
Below: Frank G. Tatnall*

Above. F3A No. 57 leads four F7s with a trainload of new KCS boxcars in this scene near Pittsburg, Kans. in January 1952. The 50-series of F3 freight units received from Electro-Motive in 1947 and 1948 were later supplemented by 20 F7 units purchased between 1949 and 1951. Below. Passenger-equipped F3A No. 31 prepares to leave Kansas City Union Station with the *Southern Belle* in September 1962. Note the large quantity of mail awaiting movement.





*Above: Collection of Harold K. Voltrath
Below: Frank G. Tatnall*

KCS passenger trains were not always handled by EMD diesels. Above, Brand-new Fairbanks-Morse H-15-44 No. 41 leaves Shreveport in July 1949 with train 5, the **Flying Crow** connection for New Orleans. The unit was later repowered with an EMD 1,750-hp engine. Below, On November 17, 1963, the E8 leading train 2, the northbound **Southern Belle**, failed at Texarkana, Tex., forcing KCS to substitute Erie-built No. 63 on the headend. This FM unit had been re-engined by EMD in 1955 and renumbered from 60C.





Frank G. Tatnall

Above. This was the scene at Shreveport Union Station on March 24, 1963 after train 16 from Port Arthur (right) and train 10 from New Orleans (left) had backed into the station. The ex-New York Central tavern-observation on the rear of train 10 was built by Budd in 1948 and sold to KCS in 1960. The carbon-steel tavern-observation **Hospitality** on train 16 was built for KCS by Pullman-Standard in 1940 as the **Shreveport**. Below. Five newly-delivered GP30 units and a steam generator car head this 31-car Shriners special on October 4, 1962, as it prepares to leave Kansas City for New Orleans. This may have been the longest passenger train ever operated by KCS.



the uncommon carrier





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CHARTER SERVICE
GOOD CHEER