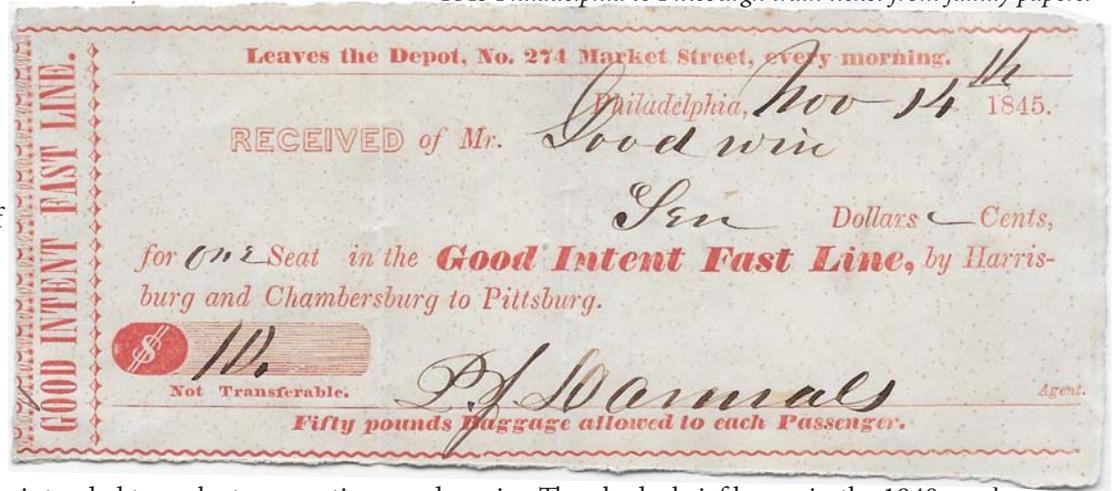


SAMUEL GOODWIN AND THE RAILROADS

In 1849, Samuel Goodwin's name appeared on a large list of commissioners in an act by the Pennsylvania Legislature incorporating The Meadville, Hartstown and Greenville Plank Road Company. Plank roads were exactly what they sound like: roads made from heavy planks or split logs intended to make transporting goods easier. They had a brief boom in the 1840s and a subsequent bust when the technology failed to live up to its promise.



By 1850—if not significantly earlier—Samuel Goodwin was involved in the much more successful campaign to connect towns across western Pennsylvania by rail, and a number of letters and receipts pertaining to the subject have survived. I believe that the family once held many more railroad papers but that they were long-ago donated to various historical societies by previous generations. After perusing materials from several sources, I am forced to admit that the mergings and break-ups, stock deals and bond issuings, incorporations, bankruptcies, lawsuits, re-namings, cross-investments, legislative acts, and general skullduggery involving the companies that built the nation's railroads are totally beyond my ability to untangle, but what follows is my understanding of the thrust of Goodwin's involvement. He may very well have had other railroad dealings, but if so, I have found no documentation for them.

“On the 1st of November, 1849, a spirited railroad meeting was held at Greenville to consider steps to secure the construction of the Pittsburgh & Erie [rail] road, which had been chartered in 1845.”²⁰ This railroad was intended to connect the harbor at Erie with the Erie Canal extension at New Castle. A second meeting was held at Clarksville two days later, with the attendees of both meetings declaring that such a project was important to development in the Shenango Valley. A year later, in January of 1851, Thomas Power, chief [civil] engineer of the Pittsburgh & Erie Railroad, submitted a report which estimated the cost of grading and bridging a double track at \$644,700, and securing the superstructure at the rate of \$10,000 per mile, resulting in a grand total of \$1,729,700 for the 103 1/2 mile project. Not too long thereafter, the letters between Samuel Goodwin and friends about financing and promoting the project begin.

Most of the letters on hand are from Dr. William Gibson of Jamestown, Pennsylvania. Dr. Gibson was not just a successful doctor, but a businessman as well.²¹ Much like Samuel Goodwin, he seems to have his hand in any number of things that would promote the prosperity of the town he'd chosen as home—schools, banks, churches, and yes, railroads.

The earliest letter regarding railroad business is from Gibson on September 21, 1852.

“Dear Sir

Last week I took a tour through a portion of Ohio & did not return until Saturday. While absent I had several confabs with prominent western RR men & was surprised to find them so well posted in relation to Pittsburg & Erie R. items.”

The letter goes on sharing various opinions offered by people Gibson spoke with about whether they as a company should be accepting subscriptions to fund the enterprise first, or appealing to the Legislature to alter the gauge laws first. The general consensus was that it would be “putting the cart before the horse” to solicit subscriptions without knowing if the company would even be able to go with the size track they intended. On the other hand, certain competitors were quite happy to sit by and let them make what could have been a serious misstep.

“I overheard a conversation with some Erie men in relation to our Crawford County branch,—Ah, says they, we have the P & E fellows sawed up [cut to ribbons]; they have accepted of the county subscriptions & they will be compelled to change their gauge in the woods. They may go on with their branch & we will get a branch from the N. York & Erie into Erie & perhaps get the N. York Lake Shore to change their track and this Crawford Co. Branch will be a dead letter & we must see that it be kept defunct.”

The debate over the best width of track to use was no small thing since it determined whether a train could travel from one system to another or not. The battle in Western Pennsylvania where two east-west lines met was particularly heated and led

to a two-year period known as the Erie War of the Gauges; vandalism of the tracks was the weapon of choice.²² Not wanting to land on the losing side of the dispute, the Pittsburgh and Erie delayed some of their plans while the Legislature tried to settle the issue, a decision that would later come back to haunt the company and its directors.

The next letter on hand comes from Rochester (presumably Pennsylvania) on June 29th, 1853, from a Thomas J. Poms:

“Dear Sir,

Then will be a meeting of the Directors of the P&E R.R. at Mercer on Tuesday, July 5th in the afternoon.

I rec'd a letter from Chamberlain on Saturday last, withdrawing his proposal in consequence of the withdrawal of the Lawrence County subscription.

Will you please to inform Waugh and Gibson of the meeting?”

On August 11th of 1853, Gibson wrote regarding the formation of the Conneaut & Pittsburg Railroad Company by a group in Conneaut, Ohio. Names of an assortment of railroads pop up and disappear in the history of the area—and in the letters—since many endeavors were organized by small groups of local men and needed to connect with other expanses of track built and controlled by other groups. Over the course of the years, these small companies either went bankrupt, were reincorporated under a different name, or were swallowed up by other companies—sometimes all three in succession.

A few weeks later, an agreement was made between Goodwin, Gibson, and three others. Note that the document refers to the “Pittsburgh & Erie Rail Road,” (the tracks themselves and the route they were to follow) but then speaks of the company building it as the “Erie and Pittsburgh Rail Road Company,” all while saying that the firm being established to manage the construction is to be known as “Johnston & Achre.” When added to other scraps of information, the gist of it seems to be that Johnston and Achre were to be the hands-on management and make the company their full time focus while Goodwin, Gibson, and Waugh would act as Board of Directors and help with securing funding.

“Memorandum of an agreement made and concluded this 25th day of August A.D. 1853 by and between Samuel P. Johnston, Wm. Achre, Samuel Goodwin, John A. Waugh of West Greenville and Dr. Wm. Gibson of Jamestown, all of Mercer County, Penna, as follows:

First—It is mutually agreed by the parties hereto, to form a co-partnership and to become partners together in the trade of merchandizing and in the construction of such portion of the Pittsburgh & Erie Rail Road as has been or may be let to Johnston & Achre by said company and generally to construct, manage and perform all duties that may be necessary in the prosecution of said business—Each of said partners is to contribute an equal share towards said business as it may require. The profits and losses are also to be equally shared among the parties.

Second—The name and style of said firm is to be known as “Johnston & Achre.” The said Johnston is to assume the general management of said business and said Achre to take charge and supervise the merchandizing department. The other partners are to be coincident or silent partners, also are to contribute by their advice, aid of, towards the success of the said undertakings.

Third—Said firm in agreement of partnership is to endure till said work or contract with the Pitts. & Erie Rail Road is completed or until the parties hereto mutually agree to dissolve the same.

Fourth—It is mutually agreed and understood that the said Johnston & Achre are to keep full and correct accounts of the running of the firm and shall generally use their best endeavors to promote the success and advantage of said undertakings.

Fifth—When the contract with the said Erie & Pitts. Rail Road Co., or aforesaid, is completed and the work rec'd by said Co. from said Johnston & Achre Co— Then the business of said firm is to be settled up, and the profits if any there be, are to be equally divided among the parties hereto share and share alike, without an allowance to any of said parties for his services in and about the business of said partnership, and if there be any losses then each party hereto agree to share with the others the losses—share and share alike—

Sixth—It is mutually agreed and understood that not other member or members are to be admitted into the firm without the consent of all the parties hereto.

Seventh—It is mutually understood by the parties hereto, that the business of merchandizing is to be confined to such as may be necessary in the prosecution of said work on said Rail Road, and such as may be undertaken in that behalf—and is to have no connection with the stores or business now conducted by the parties hereto—It is further understood that all traveling expenses, clerk hire, rent &c are to be at expense of whole firm and that the receiving of profits, should there be any, are to be of such things as may be on hand at termination of their contract, and it is not the construction of this article that said Johnston & Achre are to convert all effects into cash when the business is to be settled up as herein before provided. It is also understood that said Johnston & Achre are to give their whole attention to the business of this firm. To all of which said parties do bind themselves, their heirs, executors, administrators, and assignees. Signed with their seals and dated the day and year first above written.”

By December of that year John Waugh was in New York attempting to raise funds, and finding it to be a particularly bad time of year to do so. Nonetheless, he had some nibbles.

“Dear Sir

I have been here four or five days and have done nothing yet— The New York & Erie Company are entirely unable to do any thing for our company in the way of furnishing means— They are well suited with our arrangements and prefer our cross Route by way of Meadville to any other routes proposed & if times change so that they can assist I am well satisfied that they will do so. The Erie proceedings create a good deal of excitement here & injures the negotiating of Rail Road bonds to some extent— [The Erie Gauge War started that month.]

I am now treating with a House on Wall Street who are acting for German Houses, with some reasonable prospects of success—they have a large amount of funds to invest & I am inclined to think that a satisfactory arrangement can & will be made with the House.”

In August of 1854, Gibson suggested pushing the Johnson and Achre Company to give at least a portion of the contract for railroad ties to Goodwin, Gibson, and Waugh. Given that Goodwin owned a sawmill, there was a certain logic to this, but specifics are lacking.

In November, Goodwin paid a James McCurley court-awarded damages on behalf of the Pittsburgh & Erie .

*“Received West Greenville Nov, 12th, 1854 of the Pittsburgh & Erie Rail Road Company by the hand of Samuel Goodwin Seventeen Dollars being in full of the amount awarded and returned by the inquest and confirmed by the Court of Quarter Sessions on the ___ day of ___ 1852 for damage done me by the Road passing through my land in Green Township Mercer county as will appear from said inquest at ___ session 1854 AD
James McCurley”*

Apparently there were a number of these payments for damages meted out by the court; the railroad was also responsible for paying the jurors on these cases for their services. There are several receipts from 1854–55 for money handed out by Samuel Goodwin on the Pittsburgh & Erie Rail Road’s behalf in payment for “services as a juror to assess damages for the Right of Way.” Most of the payments were for a four-day session in April of 1854 at a rate of \$1.50 per day.

*Received West Greenville May 22nd 1855
of Samuel Goodwin Six Dollars for my
services as a juror to assess damages for
the Right of Way on the 14th April 1854 for
the Pittsburgh & Erie Rail Road company
E. Callahan*

Also among the pile of old receipts are payments for fencing and bridges—among other things—and several to the railroad’s lawyer, B. F. Baskin, both for his services and to use in paying thousands of dollars of interest owed on county bonds.

*Received West Greenville June 10th 1855
of the Pittsburgh & Erie Rail Road Company
by the hand of Samuel Goodwin Thirteen
Dollars to apply on account B. F. Baskin*

Rec^d Greenville Oct. 19th 1855 of Samuel
 Goodwin Five Dollars for making two bridges
 across a lane on the P. & E. R. R.
 \$5. Stur M. Elmer

Received from S. Goodwin Three
 hundred dollars to purchase
 draft, for payment of interest
 on Mercer County Bonds
 Dec 22^d 1854. B. F. Baskin
 Treas. P. & E. R. R.

Below is another receipt from the pile, this one for a "notice of intent" to be published in the New York Tribune. I believe the notice was something about interest on bonds connected to the Pittsburgh & Erie Railroad.

CIRCULATION, &C., OF THE TRIBUNE.		Price of Adv. per line of 9 words.
GREELEY & McELRATH.		
PAPERS.	Circulation per year.	Price
DAILY.....	30,000	\$6. 10 cents.
SEMI-WEEKLY.....	14,000	3. 10 cents.
WEEKLY.....	123,600	2. 50 cents.
CALIFORNIA.....	6,600	2. 10 cents.
Total number of subscribers.....	174,200	50 cents.

New-York, Feb. 23 1855

M. Pittsburgh & Erie Rail Road

To Proprietors of **THE TRIBUNE**, Dr.

June 28, 1854

For Advertising Notice Intent will
 be paid 964t. — \$ 3.60

Received Payment,
 Please remit

R. M. Stebbins

West Greenwich Mercer Co. Pa

For GREELEY & McELRATH,
 PUBLISHERS.

Baker, Godwin & Co. Printers, Tribune Building

There is another gap in the letters to Samuel here, but there's an 1855 notice with a number of complaints about how the Pittsburgh & Erie is being mismanaged (see next page). Although the notice refers to a meeting in Crawford County, this same mismanagement seems to have eventually provoked Mercer County to bring suit against the Pittsburgh & Erie in May of 1856, saying that County bonds had not only been issued illegally to the company, but had also been used in ways not allowed by law.

STOCKHOLDERS MEETING

A Meeting of the Stockholders of the Pittsburgh and Erie Rail Road, was held at the office of the P. & E. R. Road, in the Borough of Meadville, on the 10th of December 1855. DAVID SEXTON was called to the chair; KENNEDY DAVIS and JNO. M OSBURN were chosen vice Presidents, and J. T. Chace and A. C. Finney, Secretary's. The following resolutions were then read and passed:

Whereas the financial condition and business affairs of the Pittsburgh and Erie Rail Road Company appear to be in a very unsatisfactory condition; that the progress of the work has not been such as might reasonably have been anticipated; that the small and just debts of the company have for an unreasonably long period remained unpaid; that the Company have not fulfilled their obligations to the county of Crawford by allowing the coupons to remain unpaid; that the proper officers of the Company have failed to comply with the stipulations of the charter requiring an annual exhibit of the affairs of the company for the benefit of the stock holders; and whereas, notwithstanding the situation of affairs, the President and Directors have allowed the annual meeting of stock holders to pass for want of notice, thereby depriving them of the special privileges of said annual meeting, and have also neglected to give the proper notice for the annual election on the first Monday of December; and whereas we believe that the unwillingness of a large portion of the Stock holders to pay their instalments is in a great measure attributable to want of confidence in the management of the company; and having full confidence in the future success of the enterprise if properly conducted, therefore.

Resolved, That the present situation of

the affairs of the company is not such as to insure public confidence in the project, without which success is impossible.

Resolved That the only method to insure the support and confidence of the public is by a strict compliance with the general usage of similar corporations, and by full and satisfactory exhibit, at least once in the year, of the financial condition of the company.

Resolved, That the stockholders are the persons interested in the success of the company, and the directors are elected to represent their interests, and not for the purpose of gratifying their individual ends.

Resolved, That whereas the charter prescribes that a Board of Directors shall be elected each year on the first Monday of December, nothing but the most imperative necessity should postpone the same, and then only to the earliest possible period.

Resolved, That the present is a crisis in the affairs of the company in which the voices and wishes of the stockholders should be heard, and we hereby call upon the President and Directors to give the legal notice for a Meeting of the Stockholders to hold an election for Directors of the company at the earliest possible time, and at a period not later than the tenth day of January.

Resolved, That a committee of three be appointed to prepare and obtain signatures to the requisite legal request to the President to carry the above into effect.

On motion it was resolved that a sufficient number of the Resolutions be printed to furnish the President and each of the Directors a copy.

On motion the meeting adjourned

J. T. Chace, }
A. C. Finney, } Secretaries.

Meadville Dec. 10th 1855.

Further outside research into the Mercer County lawsuit reveals that the suit centered around the Act of Assembly of May 4th, 1852, in which a Mercer County grand jury had authorized the county to subscribe to the company's stock, and to issue bonds in payment. The problem was that by rebuffing the county's first offer to buy stock in order to wait for gauge issues to be settled, the Pittsburgh & Erie Railroad had unintentionally negated the deal. As a result, their later arrangement to exchange stock for Mercer County bonds was no longer authorized by the grand jury and was therefor illegal. The suit was ongoing at the time of the next several letters.²³

"Erie. Sept 30, 1856

Dr. M. Gibbons.

Dear Sir,

I enclosed your last letter to Genl Curtis [the same J. B. Curtis who ran the Canal Board earlier] with a request that after reading it, he would sent it to Power [the engineer who surveyed the proposed route] & urge him to have a contract prepared to tender to the [newly incorporated] Erie & N.E. RRoad Co.

I wrote to Power myself yesterday, urging him to come on with it as soon as possible; as in case of our refusal or neglect to release our own rights before the 22nd Oct. the company would perhaps have the right under the law to select any route they might choose.

Walker and Tracy are busy trying to bring about a change. I learnt from one of the directors yesterday that the Meadville men had made a new proposition viz, to grade the road from Erie to Meadville independent of any assistance from the Lake Shore Co, & that something is to be held in Buffalo some time this week to talk the matter over.

I think it would be advisable for those interested in the Western Route to meet & decide what they will do towards building the road, providing right of way &c; & send somebody on to make it known to the Eastern men, more particularly as it had been represented to them that the contracts were sent back without comment & that the Directors here do not know what your objections are.

Yours truly

George Boyce."

A letter on October 10th from Dr. Gibson continues with some of the same concerns, and worries about how the upcoming elections may affect the willingness of the Legislature to act in the railroad's favor.

"After the exposé here on yesterday our Whigs & Freemonsters came out openly in support of Johnson. I mean the friends of the RR in this place. Will not the friends of the RR in Greenville lay aside party & go in for Johnson? It is important to our local interests at this time."

A week later Gibson writes again, now sounding quite distraught as he struggles to balance railroad issues with his other business concerns.

"Jamestown. Oct 19, 1856, 9:00 pm

Sam'l Goodwin

Dear Sir

I am afraid Power is playing some big game in the matter. I am fearful that there [are] some screws loose & would most certainly go [were] it among the shade of a possibility.

My wife has gone to Meadville; will not be home for six days. My foreman in my building has been drunk for the last 3 days. Some 15 men at work & winter coming on places me in a fix that I dare not now leave for an hour at a time. I never was so tied up as I now am & do, I assure you, regret the impossibility of my going...as I believe it absolutely necessary to go. ... Boyce, Curtis & others have written Power [and received] no answer [which] leads me to believe as formerly when he wished to drive a point to suit his purpose. He never writes & I am fearful he will fain some excuse & let the thing go by default.

I cannot go but most sincerely hope you will. You certainly can, while I cannot.

I write you in great haste & can scarcely submit but must. Jones my carpenter is drunk & tomorrow measurements must be made for partitions for upper rooms & if weather permits must be laid Tuesday next. ...To leave at this juncture I cannot; I dare not.

I hope you will start at once & not wait for me one moment but go...

Yours Truly,

Wm. Gibson."

A month later Gibson is fed up with the railroad business entirely.

"Jamestown. Nov 18, 1856

Sam'l Goodwin

Dear Sir.

Your line with Power's note enclosed is at hand & [I] scarcely know what to write you—without it is to detail facts. Two of my masons who have been working for me all summer wish to return home. I have kept them tinkering at small jobs for some four or five days until I could raise money to pay them off. Day after tomorrow they leave & I am yet wanting some fifty dollars to make up the amt they're due & where in thunder it is to come from I can't tell. On yesterday I

had to give Berlin ten dollars to lift a note given last summer for notions, & on Friday of last week had to pay James Marshall between twenty & thirty dollars [due] him for money lent Mathers to pay hands. [These] amts are small items but when a fellow is crevassed, [by] thunder, they tell, at least it does for me. I don't know what to do. I think if Kinch had a bond left as collateral security or even two of them until the money could be raised it would be best. As for me at this time to I cannot. It absolutely makes me sick to think that we should be infernally ground down. Why, rather than let the Company use us up body & britches, give Kinch a five hundred dollar bond as collateral security until he is remunerated in cash of the co.; this I think Baskin had better forward to him immediately.

...I am sick of railroading. I hope you & Baskin will concur with me & send Kinch Mercer Co. bonds; the means of the company should meet such demands not us. I claim we have been plucked sufficiently by the company, at least I feel it. So much so I cannot meet my individual liability.

Yours

Wm. Gibson."

Amestown
Nov 18 1856

Dear Goodwin

Dear Sir

Your line with paucity
Note enclosed is at hand & scarcely know
what to write you without it is to detail
facts. Two of my men who have been
working for me all summer wished to return
home. I have kept them tinkering at small
jobs for some four or five days until I
could raise money to pay them off. Day after
tomorrow they leave & I am yet wanting some
fifty dollars to make up the amt there are
& where in thunder it is to come from I
cant tell. On yesterday I had to give
Berlin ten dollars to lift a note given last
summer for notions, & on Friday of last
week had to pay James Marshall between
twenty & thirty dollars due him for money
lent Mathers to pay hands. These amts are
small items but when a fellow is crevassed
like thunder they tell, at least it does for
me. I don't know what to do, I

By Christmas, the letters at least indicate that the road is actually being built. But accusations of money gone astray are growing and the law is getting involved.

“Jamestown. Dec 25, 1856

Sam'l Goodwin Esq.

Dear Sir

No letter from Erie. A gent from Conneautville left this a few minutes since who states that there is about one hundred fifty hands at work along the line North. Some 35 this side of Linesville carting & wheeling.

Waugh, in place of going to Chicago as you stated, only left for Greenville a few minutes before I returned. He's blowing & blasting about what he can do, & that the Sheriff [is] after him to secure evidence against the company, fraudulent expenditure of bonds, making himself a martyr, deserving the execration of the friends of the enterprise. His step is a false one, both for himself & his friends & all considered so far as you & I are concerned, the way he has gouged us should enter prosecution against him, had he really anything undue him by the company. The thousand dollars paid him on stepping out of our firm should be retained say nothing about the Clarksville Subscription. The way he talks is an imposition upon us.

I have been looking round to learn if anything can be done to raise money to meet the interest due Jan'y but find all hopeless, & for me to enter an obligation that will in the future incur a personal obligation, [I] will not do it; I dare not. Would rather risk the issue than place myself at the mercy of Brakes & Grinders. If the bonds will at fifty cents on the dollar raise the money to meet the demand I should feel much easier than to be into it myself. I am done borrowing money under the present administration to meet what Power should look after.

Yours Truly,

Wm. Gibson”

Somewhere at the end of 1856 or the beginning of 1857, the court ruled against the Pittsburgh & Erie Railroad, a ruling that immediately invalidated about \$90,000 of the company's funding and, in essence, “blew it up” as one person would later say. In mid-1856, just about the time the lawsuit had been filed, another railroad company had been incorporated by the Pennsylvania Legislature, the Erie & North-East Railroad. Rights and resources from the Pittsburgh and Erie were transferred to this new entity and efforts were made to continue construction. Two years later, the charter for the Erie & North-East was determined to be defective and a new company was incorporated to carry on the project, the Erie and Pittsburgh Railroad (not to be confused with the earlier Pittsburgh & Erie or the later Pittsburgh & Lake Erie).²⁴

For the most part, the same people seem to have been involved with the project through these changes, and gradually things came together. In 1859 the track was completed through Crawford county to Jamestown, and work was also progressing from the direction of New Castle.²⁵ Yet by the middle of 1860, Gibson and Goodwin were quietly discussing arranging a secret deal to relieve themselves of at least some or all of their burden regarding the Erie and Pittsburgh.

“Jamestown. June 6, 1860

Sam'l Goodwin

Dear Sir

Day before yesterday Tracy, Walker & others came here. On yesterday they were compelled to go up the road on business. I went with them. They failed to make settlements with McLeann & McCarthee. Palmer with two other Buffalo men came here last evening failing to settle with those men north. Palmer was in a bad humor & all hands left for home this morning.

I have had all the confidential information requisite to direct our course.

For our benefit have as little to say with Garber, Achre & others about our intentions, rather hold out the idea to Garber that the jig is up for the present to extend the road south of Jamestown. It is necessary to do so on account of Power & sundry other reasons which I have not now time to write but will fully post you when I meet you. If I can be absent from men I have at work tomorrow or next day I will go & see you. Yet if you can spare time I would rather you would come up. When you do come don't say anything to parties there where you are going. As where we meet after knowing facts you will approve of silence. We must get together within a week if possible & by prudence we are saved. Otherwise we are flooded.

Yours in haste,

Wm Gibson”

There is a letter from Goodwin to Gibson on the 19th that was never mailed with more about their plans. Perhaps he saw Gibson in person before he had a chance to send his missive.

"I went to Mercer last Thursday was at Mr. Stephenson's office neither he or Foster were at home. Stephenson's son sayed that his Father had gone to the country and would not be at home before that evening or next morning; he was out electioneering as I suppose, so that I could not council with him in relation to our business. I saw Mr. Maxwell; he sayed that the sale will have to be advertised three weeks in the Newspapers and the Deed acknowledged by the court. I did not inquire of him whether we could adjourn the Sale or not as I thought best not to let him know what our intentions were. Now in answer to your proposal to go to Buffalo on the 26th I hardly know what to say to you. My business engagements are such that it will not be convenient for me to go, and then you see the Sale cannot be made until after that time, and we do not know who may be the purchasers., but should we purchase the Road, and make arrangement with any parties to sell to them before we buy it would we not be liable to make a prorated dividend with all the claimants? —And yet if you think that it would be much to our advantage to go I will go with you. If you should conclude to go I suppose it would be in time to start from Jamestown next Monday morning. Let me know what you think we had best do.

Yours truly

S. Goodwin"

West Greenville June 19th 1860

Doct. Wm Gibson

Dear Sir

Mr Hanna did not hand me yours of yesterday as you requested him to do, but gave it to Schabod this fore noon after the mail had gone north. I went to Mercer last Thursday ~~was~~ at Mr Stephenson's office neither he or Foster were at home Stephenson's son sayed that his Father had gone to the country and would not be at home before that evening or next morning, he was out electioneering as I suppose, so that I could not council with him in relation to our business, I saw Mr Maxwell he sayed that the sale will

“Jamestown. July 19, 1860

Sam'l Goodwin

Dear Sir

I have been endeavoring to go to Greenville for the last six days but as often disappointed. Last evening I made arrangements to go down this morning but at 5 am had to go to attend a woman at child birth & now it is two o'clock pm with some half dozen waiting for prescriptions, enough to keep me actively employed until bed time.

I would like to see you before the 26th. If you can spare time try & come up. Come on the east side of the creek as if I can get a spare hour I will go down to Greenville so in case you should be coming up the same day we then would meet as I would go down on the same side.

Tracy & Lee, Arbuckle & Sawdey were here last week.

*When I see you will post
you in all particulars.*

Am Respt'ly

Wm Gibson”

How their plans for a secret deal played out isn't clear from the letters, although family legend has it that there were hard feelings when Goodwin (and presumably Gibson) got out before the company ran into even more problems. Talk of lawsuits goes on for years and it's hard to sort out how many were separate suits and how many were one long, ongoing one. Subpoenas, witnesses, and court dates are regular topics of discussion.

“Jamestown. Monday 12, 1860 [presumably November]

Sam'l Goodwin

Dear Sir,

I see Mootes & Holmes are on the go this morning as I learn preparing for Mercer next week & we should also be ready, our witnesses subpoenaed. I presume you have ere this a subpoena. Robt McCartney & John McAdors, J Throop & J Reed with Berlin—I do not now recollect any other. I am very busy & cannot go down this week; I presume if necessary you will go down.

You recollect that it is necessary for to draw off the different accounts, making a division of that which was to be called Cash, Stock & Bonds. I made it out once. You have the papers which you thought best to make out anew. You have the Books which you will please see to. If you have no subpoena get one as soon as you can; we must be ready.

Our RR men have not yet come down. They talk of being down this week. Election matters home for the last four weeks absorbed all their time. If they do not come down this week I think we should go & see them immediately after court.

There appears to be some mix among them; our party blames the other that the arrangement with us was not consummated long ago—Indeed I believe it may in some respects [be brought about] if our suit with Mootes & Holmes comes off next week [in our favor] at court.

Whitney is going to Greenville this morning. I wished him to call with you. He had better subpoena McCartney. Mathers might subpoena McAdoo & let Whitney go to McCartney.

If you think of anything, write me at once.

Yours,

Wm Gibson”

There is a very long letter in December of 1861 from Gibson with discussions of stocks and bonds and more subscriptions, and deals pending with various other railroad companies, and players with frayed nerves, but the part that sticks out is the first mention of a “Mr. Scott,” a man who would later be at the center of another lawsuit involving the Pittsburgh and Erie Railroad.

“Mr. Scott of Erie is the best man in Erie for our purpose. The clearest sighted & has as much influence in the Board if not more than any of them at Erie. His coal interest south of Sharon & the uncertainty of the Canal compel his interests to secure the road south. He left for Washington City to see Wadsworth on the matter; will be back on Saturday & will be down to see me in the course of a week.”

In March of 1862 whatever lawsuit was under discussion in 1860 is still dragging on. By this time the Civil War was in full swing and one of their key witnesses, the bookkeeper for the Pittsburgh and Erie, is in the army.

“Griffith & Truckee has been attending to my business during the absence of Maxwell. They ask will we be ready for trial— If anything is to do in order to get ready it must be done at once— Now I have written him that I wanted write you & abide

your decision. That there was only one witness of ours absent. T. Berlin, who kept our books, made entries both for Richie & Holmes & finally settled with Richie from a copy of our books Richie drew off. If by the proof of the handwriting of Berlin will be sufficient to establish our books in evidence on trial then we are ready & not otherwise. —Berlin is in the army. If it be in anywise necessary to have Berlin then we had better have it put off. —Will you please write to Stewart or Griffith & Truckee? If Maxwell is back must include him. If you think there is a shade in favor of Berlin being present when our trial comes up we should have it adjourned.

Will you come to a decision what we should do & then write to Mercer—

Yours,

Wm Gibson”

In February of 1864, Gibson suggests an interesting trade of materials between the railroad and Goodwin’s mill on the Little Shenango.

“Jamestown. Feb’y 24 ’64

Sam’l Goodwin

Dear Sir

Business calls me to Buffalo. Shall be absent until Saturday. On my return should like to find a letter from you in answer to this. Your last line to me stated that you were about rebuilding your mill, that you would require a large amt of stone &c, & that you could use up your share of these in Jamestown &c. Now, I would suggest, the Jamestown & Franklin Co. owns those on the Riley job. We have taken none of them yet. Garber estimated them at 120 Perch [a traditional unit of volume for stone and other masonry]. It is but a short distance to haul them to the canal from which by canal you can deliver them where you want them. The roads are now good & you can deliver them on the Berlin Bank as cheap as you can haul the stone here from where they are to the cars & load them.

There is wanted on our branch connecting with the E&P road about 20 perch of stone. Lockhart opened up a quarry at Calverts but found stone too much frozen; by the time it thaws the road will be much cut up. Hence unless I can make an exchange of stone with you, shall have to put in road work,

Therefore I propose to give you what stone there is on Riley’s job for an equal amt of stone belonging to you & Ichabod in Jamestown. If we could make such an exchange it would be to the advantage of both. Write me so I get answer by Saturday.

I have as yet received no answer from Maxwell on Stewart; first thing we know it will be too late to get Berlin’s testimony for April court.

Yours truly,

WM Gibson”

The final few letters of the series, all from Dr. Gibson, are short and focused on legal issues, in particular on obtaining Berlin’s testimony. There’s also talk of Gibson and Goodwin selling “the balance of their work.” One of the letters mentions the Jamestown & Franklin Railroad, which was organized in 1862-63 and with which Gibson was heavily involved, becoming president of it in 1866.²⁶ I found an online document that draws a connection between the Pittsburg & Erie and the Jamestown & Franklin railroads, and which may explain what was meant by selling the balance of their work. It might also explain why family legend says Goodwin got out before everything went south.

From *Decisions of the Interstate Commerce Commission of the United States, Volume 28, Valuation Reports, July, 1929 (p2)*

The Jamestown and Franklin Railroad Company recorded as a charge to its investment in road and equipment account the following expenditures in connection with the property owned by the Central Trunk Railway:

- *Capital stock issued July 31, 1864, to William Gibson and S. Goodwin for partially constructed road between Jamestown, Pa., and the Ohio-Pennsylvania State line, formerly the property of the Pittsburg & Erie Railroad Company, par value — \$20,000.00*
- *Amount paid S. Goodwin, January, 1865, for road and franchise west of Jamestown, Pa. — 9,775.00*
- *Amount paid William Gibson, May 24 1871, for charter, rights and franchises of the Central Trunk Railway — 4,294.36*
- *Amount paid William Gibson, May 24 1871, for embankment of the Central Trunk Railway — 9,975.00*
- *Amount paid William Gibson, May 24 1871, for settlement of suits and claims — 4,679.02*

In any case, here are the last three letters:

“Jamestown. June 11, 1864

Sam'l Goodwin

Dear Sir

A few minutes since I got word from one of Forrester's Sons that Berlin was at Alexandria, Va —was orderly sergt in corps. Now what is best to be done; had he better go to Connecticut or what do you think is best? I will not write to him until I hear from you.

The boys say Berlin has been there for the last six weeks. Perhaps Sanford would be in that quarter & take Berlin's testimony. At all events we should now follow him up until we get his evidence. By the way, since writing the above I have concluded to drop a line to Berlin to see if we could get him to go to Hartford.

At the last meeting with the Cleveland parties, I brought up the proposition to sell the balance of our work. We finally agreed that Thos. Collins & myself would go & see you some time next week— When we see you I want you to do the most of the talking.

Yours Truly,

Wm Gibson”

“Jamestown. Sept 17, 1864

Sam'l Goodwin

Dear Sir

Will you be kind enough to give me number of each of your certificates of stock in the J. & F. RR that you have & the number of shares in each certificate so numbered?

The reason of me asking this is to learn what amt. was paid out on coal lands. They have either made a mistake of four or five hundred dollars in paying out the stock or else they have not issued to me my amt. This with what I have & what I paid you compared with the stock book will tell the story; hence to compare I want to get the number on each & the number of shares in each certificate you have now.

If you will oblige,

Wm Gibson”

“Jamestown. July 11, '66

Sam'l Goodwin

Dear Sir

I wrote to Berlin some time ago but rec'd no answer. Last week I wrote to George Forrest at Alexandria to hunt Berlin up & to give him a line enclosed to Forrest's care. I requested Berlin to write either to you or myself & if possible to go to New Haven & give in his testimony. That we would remit his expenses either in advance or afterwards as he wished. I am afraid that Berlin has gone on to the front or changed his location from Alexandria or he would have got & answered my first letter.

It might be well enough to get Stewart & Maxwell to oppose the putting down of he & Mootes case for trial unless we can in time get Berlin.

Have you heard from Berlin?

I think that Collins & myself will be to see you this week for the old work. What will you take in cash for a thousand dollars of the J. & F. stock I gave you? Write me by return mail.

I am truly,

Wm Gibson”

In the end, it seems that Berlin was not part of the trial at all, at least not the one that can now be found online in book form from the same year: *In the United States Circuit Court for the Western District of Pennsylvania: The Buffalo & State Line Railroad co., George W. Tift, and others, vs. William L. Scott, John Hearn, The Erie & Pittsburgh Railroad Co., and others. Pleadings and Proofs.*

There's a hardcopy of a similar book in the family papers but it's primarily the complaint itself without the rebuttal and testimony. Neither book includes the final disposition of the case, nor have I located the information elsewhere.

The gist of the trial is that William Scott, who was brought in to help get the organization back on track (in a literal sense) some years earlier, seems to have taken steps to usurp control of the Erie & Pittsburgh Railroad to benefit his own interests. This was accomplished by delaying the issuing of stock certificates to some groups of investors—in particular,

the Buffalo & State Line Railroad Co, a company that had provided materials and support during the construction of the railroad in exchange for stock—while underhandedly buying stock in his brother-in-law’s name. Thus, at the stockholders’ annual meeting to elect directors in January of 1866, the B&SL RR was denied their votes while Scott’s brother-in-law was able to swing the vote to Scott and cronies. That same evening, after many of his opponents and their supporters had left, Scott, as president of the Board, called an unannounced meeting to vote on measures that would further dilute the voting powers of the original investors. Samuel Goodwin was one of several stockholders still present who objected to Scott’s actions but to no avail.

Scott himself had long been a partner with John Hearn and they specialized in the mining and transportation of coal. Having control of the local railroad not only allowed them special rates, but burdened their competitors with extra fees and shipping problems. Just how blatant Scott’s actions were becomes clear when the former Assistant Superintendent of the Erie & Pittsburgh Rail Road, William Brown, testifies. Brown states that he wrote out the request for a stock subscription in the name of John Van McCollum (Scott’s brother-in-law) at the request of William Scott, who then signed Mr. McCollum’s name to it. As for payment, the money came from the business account Scott shared with John Hearn. The cash was waved under the nose of the company treasurer to verify it was being handed over, and then went right back into the account from whence it came.

“I went to the Bank, and obtained the money; I gave a check for the same; ...\$37,300, being the amount to the best of my recollection; I brought the money to Mr. Scott’s office and handed it to him; we then went into the office of Mr. Fitch the Treasurer, and Mr. Scott handed the money to Mr. Fitch. ...Mr. Fitch examined the packages [of bank notes], and Mr. Scott then handed it to me. ...He directed me to take the money back to the 2d National Bank of Erie, which I did, and received back the check I gave for it. [After which] I destroyed [the check].”

This whole exercise in showing the money and putting it back took about thirty minutes. Hearing about it is enough to make one think that the court must have ruled against the defendants.

Tucked into the family’s hardcopy of the complaint are also a summons and a transcript of John A. Waugh’s testimony, both handwritten. Interestingly enough, former director Waugh’s testimony isn’t included in the much more complete online version of the case. His testimony focuses on stock issues, and one assumes that either it was not considered critical to an understanding of the questions being addressed by the court. or that these extra materials relate to yet *another* court case and not the one in this particular complaint. Regardless, the testimony does shed a bit more light on the legal issues that plagued the company—it led me to track down the Mercer County vs. Pittsburgh & Erie Railroad case mentioned earlier for one thing—and why Gibson’s involvement placed him under such a financial strain.

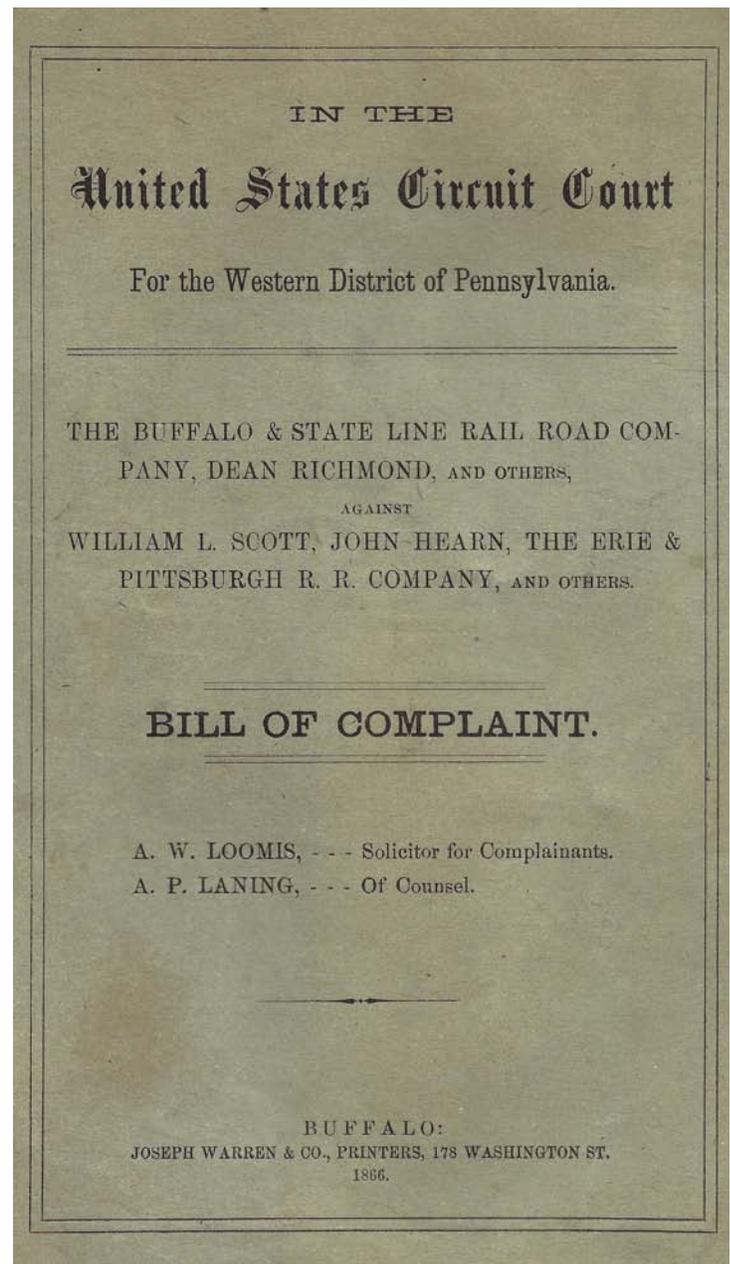
“Ques: You speak of an assignment of that stock; what disposition was made of it by the board of directors and was Dr. Gibson one of them?”

(This question & answer objected to by Defts.)

Ans: The stock was transferred to thirteen others among whom was Dr. Gibson, who were afterwards made directors.

Ques: Was there any agreement among the directors to which Dr. Gibson was a party to suppress that stock?”

(This question & answer objected to by Defts.)



Ans: There was a mutual understanding between all the directors who were present at that time at Erie, that they were not to be called upon for the payment of the stock then transferred to them except whatever might be found necessary to carry on the machinery and what might be mutually agreed upon between them afterwards."

That arrangement would explain the constant drip, drip, drip of funds being required from Gibson and Goodwin for railroad expenses. The injunction that doomed the original company is discussed below.

"Ques: How long did Dr. Wm Gibson remain a director in that board actively engaged?

Ans: He was a director up to the time I resigned in 1855 or 1856 and I think he was a director until the Co. blowed up. This is my best recollection as to the year I resigned.

Cross examined by Mr. Trusky

Ques: At what date did the Company blow up?

Ans: I could not tell exactly. It was generally considered defunct immediately after the Supreme Court granted the injunction in the County case. I believe it kept up its organization till I went West in 1859 and I can't tell what it did afterwards.

Ques: What do you mean by saying that it was generally considered defunct; do you mean that it was generally so talked of in the community?

Ans: It was considered so by every person who pretended to know anything about rail roading and a good many talked about it."

The front side of the summons that was tucked into the complaint booklet.

James Campbell Jr et al } In the c c P lca
 Dr W Gibson et al } of the Co
 vs } of
 } ten 1860

To Mr Gibson and Mr Tracy Pres of
 the P & Erie Rail Road or J. Avery Tracy
 Erie the city.

You are hereby notified to produce the
 books papers transfers of stock together with the books
 of original subscription of stock to the Capital stock
 of the P & Erie Rail Road, together with all books
 and papers - appertaining to said Company upon
 the trial of this cause
 Sept 29 1860

J. Avery Tracy
 Atty for Complainds

One last notation in the family papers regarding the railroads can be seen in Samuel's son-in-law's diary:

January 19, 1870: "J. Avery Tracy here today; bought railroad stock of S. Goodwin."

The following page is from the Interstate Commerce Commission Report of 1929.²⁷ It offers one of the more coherent summaries of the changing name and fortunes of that little piece of the Pennsylvania railroad that Samuel Goodwin helped birth so long ago.

Management of the Erie and Pittsburgh Railroad was transferred to the Pennsylvania Railroad in 1871.²⁸

Company	Incorporation	Succession
Erie and Pittsburgh Railroad Company	Under special act of Pennsylvania, Apr. 1, 1858	
Erie Canal Company..	Under special act of Pennsylvania, Mar. 7, 1843.	Sold at sheriffs' sale on Nov. 29, 1870, and at other times to W. L. Scott, trustee, in interest of the Erie and Pittsburgh and the Pennsylvania Railroad. Franchise conveyed to the Erie and Pittsburgh by deed of Mar. 22, 1871. Lands sold to various purchasers; certain lands conveyed to Pennsylvania Company.
Erie and North East Rail Road Company.	Under special act of Pennsylvania, Apr. 12, 1842.	Completed property consolidated with Buffalo & State Line Rail Road Company on June 30, 1867, to form The Buffalo and Erie Rail Road Company, now a part of the New York Central system. To complete remaining road the Erie and Pittsburgh was organized, to whom the Erie and North East Rail Road Company turned over its property.
The Pittsburgh and Erie Railroad Company.	Under special act of Pennsylvania, Apr. 21, 1846.	Sold in part Aug. 18, 1857, to Meadville Rail Road Company, now a part of the Erie Railroad system. Remainder of uncompleted road sold at sheriff's sale to individuals, from whom it was afterwards purchased by the Erie and Pittsburgh.

DEVELOPMENT OF FIXED PHYSICAL PROPERTY

The railroad owned by the Erie and Pittsburgh on date of valuation was acquired in part by direct purchase and in part by construction, as follows:

Acquired by direct purchase:

	Mileage
From Erie and North East Rail Road Company, constructed in part by that company and completed by the Erie and Pittsburgh during March, 1860, Girard Junction to Jamestown, Pa.....	40
From individuals, constructed in part by The Pittsburgh and Erie Railroad Company and completed by the Erie and Pittsburgh in about 1864, Greenville to Shenango River, between Clarksville and Sharpsville, Pa.....	9
	49

By construction:

Jamestown to New Castle, Pa., other than the 9 miles shown above, opened for operation Aug. 1, 1864.....	31
Dock Junction to Erie, Pa., opened for operation during 1865.....	3
	34

Total recorded mileage owned on date of valuation..... 83

Construction of the above 34 miles of road was in part by various contractors and in part by the company's own forces. The Erie and Pittsburgh has constructed approximately 24.84 miles of second main track, in Pennsylvania, as follows:

	Date of construction	Recorded miles
New Castle to Harbor Bridge.....	1902	6.44
Wheatland to Sharon.....		
Harbor Bridge to Wheatland.....	1903	13.19
Dock Junction to Erie.....	1903	0.84
At Wheatland.....	1904	1.31
Sharon to Sharpsville.....	1905	1.94
Remainder of second track, Dock Junction to Erie.....	1907	0.50
Sharpsville to interlocking tower.....	1908	0.62
Total.....		24.84

The manner in which the Erie and Pittsburgh acquired certain of the property of the Erie Canal Company, most of which the latter disposed of, is set forth in the subsequent report on that company.