

# “The J” returns to its origins

Elgin, Joliet & Eastern went from belt line to steel-hauler and back again

BY MICHAEL W. BLASZAK



Wearing the modern “J-ball” nose logo, SD38-2s 662 and 665 wheel the “Line Train” west toward Joliet at Matteson, Ill., on February 20, 1995.

Michael W. Blaszak

**If you wanted to accomplish something in railroading** during the Gilded Age, it helped to have the house of J. Pierpont Morgan behind you. Chicagoan Philip B. Shumway learned this in 1887. He had invested in the Joliet, Aurora & Northern, proposed to run between those two Illinois towns, with the idea of it becoming a belt line encircling the increasingly congested Chicago terminal. He found financing to finish the 22-mile pike in 1886, but JA&N had sparse traffic and the lender refused to fund the belt line.

Shumway turned to Drexel, Morgan & Co. and received the opposite reception. The House of Morgan took over JA&N, creating the Elgin, Joliet & Eastern Railway (commonly, “the J”) on March 18, 1887, and hiring Shumway to build out his dream. Sadly, Shumway suffered a stroke on May 9 and expired a week later. EJ&E, determined to press on, engaged contractor F. E. Worcester of New York.

EJ&E began acquiring right of way for three lines: north from Normantown to Spaulding, east of Elgin, to connect with the Chicago, Milwaukee & St. Paul; from Joliet east to tap Eastern trunk lines in Indiana; and a branch south from Plainfield to reach coal deposits southwest of Joliet. The new system was finished from

Spaulding to McCool, Ind., on the Baltimore & Ohio, by November 1888. Bridging the Illinois River was an obstacle for the coal branch, but it was also complete by that date, an important milestone for the fledgling EJ&E as the “St. Paul” was eager to get Illinois coal for its locomotives. Soon 40 carloads of coal a day to Spaulding were filling the J’s coffers.

Alex Leith, a Joliet Iron & Steel official, advocated extending the EJ&E from Spaulding east to Waukegan, on Lake Michigan, where the J could get iron ore from lakeboats. Its completion by J subsidiary Waukegan & Southwestern in 1890 touched off a Waukegan-area land rush, creating a strong traffic base.

Experienced railroad executive Samuel Spencer became EJ&E’s president as 1889 began. His primary role was to convince the trunk lines to use the J. It wasn’t an easy sell, as the big roads all had existing, if overloaded, Chicago facilities for interchange, and they would have to cede some control over the traffic to the new “Chicago Outer Belt Line.” But Spencer was persistent and persuasive, and by 1892 the J was moving more interchange carloads than coal. After extending east to Porter, Ind., and a connection with the Lake Shore & Michigan Southern (New

York Central) in 1893, the J began turning an operating profit the following year.

In 1894 the J extended to port facilities in South Chicago via trackage rights. Another potential revenue source was the burgeoning Standard Oil of Indiana refinery in Whiting, which got crude oil by rail and refined it into kerosene and, increasingly, gasoline. EJ&E bought a short line in Hammond, the Western Indiana, and extended it to Whiting in 1897.

Before leaving EJ&E in 1899, Spencer had built it into a 120-mile steel semicircle around Chicago, fulfilling Shumway’s vision and growing its traffic to four



Roof details on EMD-engined “SW2400” (as some fans called J’s rebuilt Baldwin center-cabs) 925 are evident at Brisbane, Ill., in 1965.

John S. Ingles



Prototype 2,000 h.p. Baldwin diesel 100 (left center) and stored Alco switchers are among sights seen from Kirk Yard's hump tower in June 1960.

J. David Ingles

times the 1889 level. The next expansion would solidify the J's symbiotic relationship with the area's steel industry.

### Steel giants are created

In 1865 the North Chicago Rolling Mill shipped the first steel rails rolled in America. Stronger and more durable than iron, steel soon became the preferred choice, leading to more new steel mills in the Chicago area, including the Joliet Iron & Steel works. Beginning in 1880, the South Works mill filled 440 acres on Chicago's southeastern lakefront. In 1889 the latter two mills and three others in the Chicago and Milwaukee areas merged to form Illinois Steel, the world's largest steel firm at the time.

Each of Illinois Steel's facilities set up a subsidiary railroad for plant switching and interchange. The largest was the Chicago & Blue Island, which served South Works. Illinois Steel planned to extend C&BI to Joliet, but C&BI got trackage rights over the Rock Island and EJ&E instead. Another major trackage-rights agreement, in 1893, gave C&BI the right to run trains south over the Chicago & Eastern Illinois to access C&EI-served coal and limestone mines, and by 1894 C&BI (and later, EJ&E) engines and

crews were seen around Danville, Ill.

Expansion eastward began in 1894 as well, as C&BI built a bridge over the Calumet River and laid track to the Indiana state line. The Chicago, Lake Shore & Eastern was incorporated in 1895 to build a 10.5-mile line to the LS&MS and B&O at Pine Junction. CLS&E began operating the other Illinois Steel roads in 1896, boasting a total of 366 route-miles, mostly on trackage rights.

Elbert H. Gary, general counsel of Illinois Steel, watched closely as Andrew

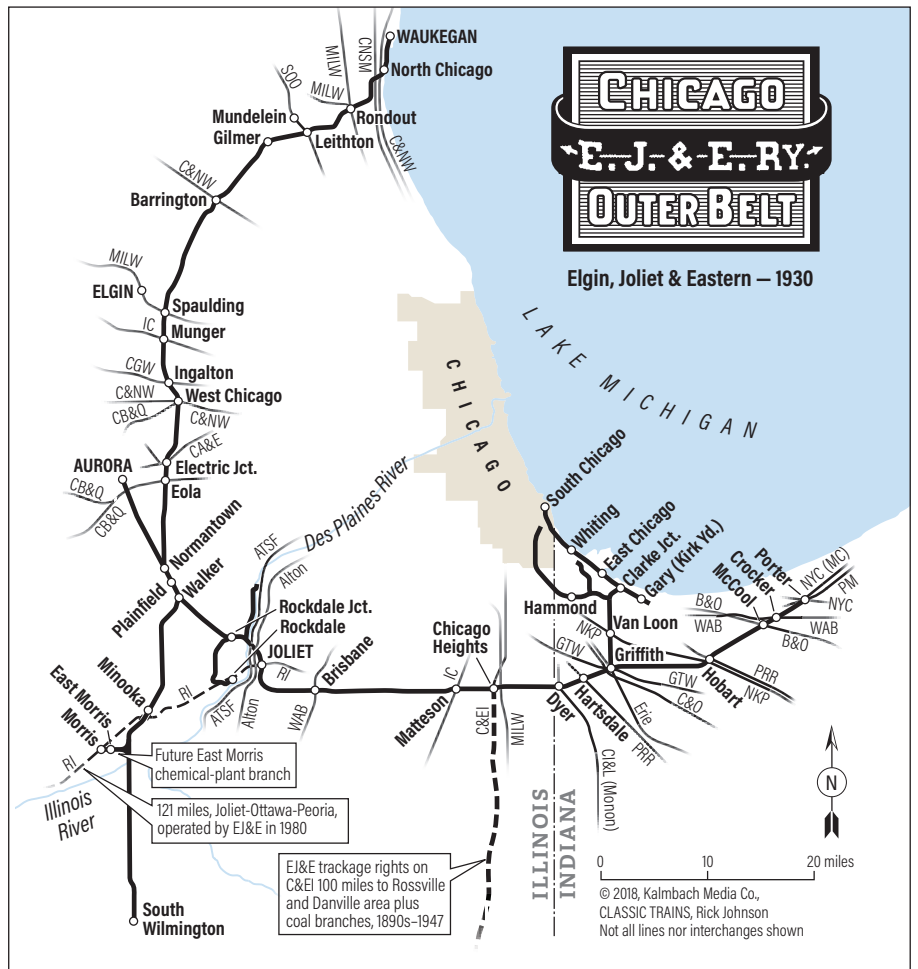
Carnegie's competing Pittsburgh-area mills bought mines, railroads, and end-product producers, and became convinced his firm needed to do the same. One target was the EJ&E, which hosted CLS&E coal trains between Hartsdale, Ind., and the C&EI at Chicago Heights, Ill. EJ&E also served the Waukegan works of American Steel & Wire, an Illinois Steel affiliate. Perhaps most importantly, the J was owned by the House of Morgan, which was advising Illinois Steel.

In 1898, ownership of Illinois Steel,



Mikado 727 runs "caboose light" by the West Chicago tower (still staffed today) at C&NW's "Overland Route" mainline diamonds in 1945.

Henry J. McCord







On June 6, 1987, minimally decorated SD38-2 660 (left) sails south over the new Chicago Central & Pacific's ex-IC Iowa Division at Munger, Ill., today an important CN-to-CN connection. Sibling 663 (right) works at the large and lucrative East Morris chemical complex January 6, 1986.

Both photos, Michael W. Blaszk

the Minnesota Iron Co. (which mined ore in the Vermilion Range), and EJ&E was transferred to Federal Steel Co., a new entity led by Gary. With EJ&E and CLS&E under common ownership, a physical link between them became a priority. To do this, Griffith & Northern, a J subsidiary, built from Griffith to Clarke Junction, then expanded to reach the former Western Indiana and the Whiting oil refinery, all in 1900. EJ&E leased and began operating CLS&E in 1909.

Meanwhile, Carnegie had decided to retire from business to concentrate on philanthropy. Morgan admired the Carnegie companies' efficient production and anticipated considerable savings in combining those firms with Federal Steel. Carnegie agreed to sell, and on March 2, 1901, his companies joined Federal Steel under the banner of United States Steel Corp. (USS), of which EJ&E and several other railroads became subsidiaries.

Demand for steel continued to climb, and U.S. Steel, led by Gary, decided to build a new mill on lakefront sand dunes at Lake Michigan's southern tip. Construction began in 1906, and CLS&E extended its lakefront line east to the site, named Gary, the following year. The yard built there was named after John Kirk, CLS&E's first superintendent at the site.



"Pie wagon" 211, a 660 h.p. 1940 Alco and one of four EJ&E "high-hoods," wears "road colors" at the Waukegan roundhouse in 1960.

Ed Spitzer, J. David Ingles collection

By 1909 the Gary Works, next to the new townsite of Gary, was shipping steel over EJ&E to the trunk lines serving Chicago.

Steel traffic made EJ&E a prosperous carrier, and in 1920 the J generated 36.1 million tons of revenue freight. After a dip in the early 1920s, traffic increased to 39.8 million tons in 1929. The J's operating ratio hovered in the 65 percent range during that decade, generating about \$2 million in annual profit for U.S. Steel.

One source of business the J didn't pursue was passengers. The Joliet, Plainfield & Aurora interurban, opened in 1904, provided frequent service and won the U.S. mail contract from the J in 1905, so EJ&E discontinued its Aurora trains. Service over the main line was converted to passengers-in-caboose mixed trains, and this arrangement provided an unusual "rare-mileage" opportunity for intrepid railfans into the 1960s.

### Early dieselization

EJ&E's steam roster was dominated by low-wheeled engines suited to starting heavy trains of coal, steel, and interchange traffic. In due time, 4-4-0s and Ten-Wheelers gave way to 102 Consolidations, which were supplanted by Mikados beginning in 1913. The 75 2-8-2s ordered from the builders were augmented by five from Western Pacific.

The Depression severely pinched EJ&E's revenues and caused permanent cutbacks in U.S. Steel operations. Further, the mines on the Illinois River branch played out, although today that branch enjoys a recent new role, serving from a westward EJ&E spur several chemical plants at East Morris. CSX, operator of the old Rock Island main line there, also serves them.

Trackage-rights loads on C&EI dwindled as well, and that operation ended in

1947. (Remarkably, the skeleton of EJ&E's steam roundhouse just south of Rossville, Ill., still stands on the west side of CSX's former C&EI main line.)

EJ&E attacked its cost structure by turning to diesels, for which its intensive plant switching operations were well suited. The J first got four SW units from EMC in 1936, and then additional SWs, Alcos (including high-hood models nicknamed by some as "pie wagons") and Baldwins during World War II. The 77-unit fleet displaced 105 steam switchers and helped manage wartime traffic peaks.

Mainline trains were still the province of the aging Mikados after the war, and although the J wanted to replace them, it wasn't convinced the builders' streamlined cab units were the right solution. The J, which briefly did have one four-unit set of Baldwin "Sharknoses," drew up plans for a powerful twin-engine center-cab locomotive — basically two switchers on one frame — and contracted with Baldwin for a prototype in 1946. The six-motor, 2,000 h.p. "Golden Goose," No. 100 (actually solid orange), could pull twice as much tonnage up the J's steepest grade as a 2-8-2, so 25 near-copies were ordered in 1947, and EJ&E also bought a Baldwin demonstrator, which became 126. These 27 big units and 10 Alco RS2s ended the steam era on the J in 1949.

### The final decades

The years after the prosperous 1950s proved more challenging. Many Class I connections had built their own Chicago hump yards, making it easier to interchange directly with each other. Truck competition also began eroding carloadings. Most importantly, U.S. Steel and other firms began cutting back in reaction to lower-cost imports and the transition to smaller, lighter automobiles as oil



**EJ&E did have “traditional” depots, and three survive. Plainfield’s, later moved to along the East Morris branch and preserved, is passed by northbound caboose 522 in August 1986.**

Michael W. Blaszak

prices rose. Joliet Works and the Waukegan wire mill shut down in the 1970s, and South Works closed in 1992. In 1986 the Gary Works suffered a long, debilitating strike, pushing the J into the red.

To offset steel’s decline, EJ&E secured unit coal-train traffic to its on-line power plants in Hammond (State Line), Waukegan, and Gary. At first the trains originated on Gulf, Mobile & Ohio in southern Illinois, with its diesels running through from Joliet. After the Clean Air Act of 1970, the plants shifted to low-sulfur Wyoming coal, and Chicago & North Western and Burlington Northern became EJ&E’s coal connections. By 1975 EJ&E was again hauling more coal than steel.

When the Rock Island shut down in March 1980, EJ&E volunteered to operate RI’s line from Joliet to Peoria, reasoning that Caterpillar’s Peoria-area plants would be good customers. Setting up shop at the Rock’s Ottawa (Ill.) yard, the J ran trains east to Joliet and west to Peoria, where several switch engines were based. While first results were promising, the Rock’s trustee’s outsized financial demands for sale or long-term lease caused EJ&E to end the experiment in May 1980.

By the 1970s the Baldwin center-cabs, 14 of which had been repowered by EMD with pairs of 567 engines and renumbered from 100s to 900s, were ready for retirement. (EJ&E had installed upgraded Baldwin engines in another 11 and made them 700s; prototype 100 and the 118 were not rebuilt.) Replacing them were 19 SD38s and SD38-2s from EMD during 1970–75, and in later years they were joined by seven SD38-2s from the Bessemer & Lake Erie and some Missabe Road SD9s and SD18s, including “SDM” rebuilds, as U.S. Steel roads frequently swapped units. EJ&E replaced its Alco and Baldwin switchers over time with 8

new SW1200s in 1960, and 70-odd secondhand EMDs later on.

The J and U.S. Steel’s other roads by the ’80s had become non-core businesses which USS wanted to monetize. At the end of 1988, EJ&E and USS’s other transportation assets were conveyed to a new holding firm, Transtar, in which Blackstone Capital Partners of New York held a controlling stake and USS a minority share. Later the two stockholders split up these assets, and although the J returned to USS ownership, it was still for sale.

During the 1990s and 2000s, EJ&E returned to its belt line roots by granting trackage rights to Union Pacific, BNSF, and Canadian National for overhead traffic. CN, which had acquired Illinois Central in 1999 and Wisconsin Central in 2001, was looking to connect them and its Grand Trunk Western but retain control, and J’s belt line filled that bill. USS agreed to sell the main line to CN in ’07, keeping the Gary Works plant trackage as the Gary Railway. The merger was bitterly contested by on-line suburbs fearing increased train frequencies, but the Surface Transportation Board approved the deal, which closed on January 31, 2009. EJ&E’s corporate existence ended in 2013 as it was merged into Wisconsin Central. Today the former EJ&E is CN’s preferred artery through (around) Chicago, and Kirk Yard is its primary area freight facility.

Which proves that, if you wanted to accomplish something in early 21st century railroading, it helped to have CN boss Hunter Harrison behind you. ■

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## EJ&E FACT FILE



(comparative figures are for 1930 and 2008)  
**Route-miles:** 231 (excludes C&E rights); 198  
**Locomotives:** 58; 60  
**Freight cars:** 6,813; 3,382  
**Headquarters city:** Chicago; Joliet after ’84  
**Recommended reading:** “The J: A Centennial History” by Michael W. Blaszak, August and September 1989 TRAINS; *Elgin, Joliet & Eastern in Color, Vols. 1 & 2*, by John T. Eagan Jr. (Morning Sun Books, 2013 and 2014)  
**Sources:** *Historical Guide to American Railroads* (Kalmbach, 2014); *Railway Equipment Registers*; author’s materials; John T. Eagan Jr.