# AT A CROSSROADS IN THE CHARM CITY

Northern Central, United Railways and Power Politics at the Dawn of Twentieth Century Baltimore

Northern Central RR Co. v. United Railways & Electric Co. 105 Md. 345

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#### Introduction

In June 1905, attorneys for the Northern Central Railway Company filed suit in Baltimore Superior Court against the United Railways and Electric Company. The suit charged that United Railways owed Northern Central for a portion of the expenses incurred by Northern to repair two bridges in the City of Baltimore, Maryland. Northern Central's railroad lines ran under the bridges and United Railways' streetcar lines ran across them. The amount claimed was relatively small for a company the size of the Northern Central and the possibility of collecting somewhat remote even if the case were decided in its favor. However, the court's decision would have a significant impact on the City of Baltimore despite the fact it was not a party to the action.

During the first decade of the twentieth century, Northern Central was experiencing tremendous growth in what one historian has dubbed their "Glory Years." Net earnings were at record highs due to Northern Central's expanding freight traffic in anthracite coal mined from fields leased by the company in central Pennsylvania. At the same time, United Railways was struggling to survive. Having taken on massive amounts of debt in the late 1890's due to the consolidation of the city's streetcar franchises, United Railways had failed to pay dividends to its stockholders since 1900 and suffered extensive damage to its facilities and rail lines in the 1904 Baltimore fire.<sup>2</sup>

Northern Central employed a preeminent Baltimore law firm, with close ties to the city, to bring the suit and when the Superior Court ruled against them, it appealed to

<sup>&</sup>lt;sup>1</sup> Robert L. Gunnarsson, *The Story of the Northern Central Railway* (Sykesville, MD: Greenburg Publishing Company, Inc., 1991), 102.

<sup>&</sup>lt;sup>2</sup> 1910 Annual Report to the Stockholders of United Railways and Electric Company of Baltimore, Baltimore Streetcar Museum, Baltimore, MD.

the State's highest court in *The Northern Central Railway Company v. The United Railways and Electric Company*.<sup>3</sup> At the same time the railroad was devoting resources to persecuting the litigation, its parent, the Pennsylvania Railroad Company, was seeking city support and approval for two major capital projects: (1) construction of a rail line around the city and (2) construction of a new passenger station.

This paper will argue that Northern Central pursued the lawsuit for the purpose of currying favor with the city rather than to recover a small amount of money from a cash-strapped company with which it otherwise had a good relationship. It will also show how intimately connected two of the city's major transportation companies were at the turn of the century with the most important financiers, lawyers and politicians in Baltimore as well as how easily and quickly allegiances could shift among these Baltimoreans.

#### I. The Parties

## **Northern Central**

Long ago subsumed in the bankruptcy and reorganization of the Pennsylvania Railroad Company, the Northern Central was once one of the oldest railroads in the United States. Chartered in 1828 by the State of Maryland, its predecessor, the Baltimore & Susquehanna Railroad Company constructed and operated a series of railroad lines running north from Baltimore to Wrightsville and Harrisburg, Pennsylvania. There the Company connected to other railroad lines, canals and the Susquehanna River to transport freight and passengers to and from Baltimore. Chiefly financed by loans from the States of Pennsylvania and Maryland as well as the City of Baltimore, the Baltimore & Susquehanna was in poor financial shape throughout its first twenty-seven years of operation due primarily to the enormous costs of building and maintaining its

<sup>&</sup>lt;sup>3</sup> Court of Appeals of Maryland, 105 Md. 345; 66 A. 444; 1907.

infrastructure. By 1854 the Company was insolvent and forced to reorganize as a new consolidated corporation known as the Northern Central Railway Company. Both the State and the city agreed to reorganize their debt in the Company as part of the consolidation with the city converting its \$850,000 loan to stock – a testament to how important the railroad was to the city's commerce. In exchange, the Northern Central agreed to build a line to an area known as Canton on the east end of Baltimore Harbor and construct docks and piers there.

The next six years saw the Northern Central extend its rail lines to Sunbury, Pennsylvania thereby gaining direct access for the first time to the coal fields of the Lykens and Shamokin Valley. As a result, freight revenues increased significantly but not enough to overcome the debt incurred to construct the line to Sunbury as well as the debt incurred by the Northern Central's predecessors. In 1860, the State of Maryland attempted to foreclose on its debt and the onset of the Civil War a year later sent investors scurrying to divest themselves of railroad stocks for fear that the rail lines would become the first targets in any conflict. Into the gap stepped the Pennsylvania Railroad, which purchased approximately 33% of the stock in the Northern Central over the next two years. Combined with the stock of another shareholder friendly to the railroad, future United States Senator J.D. Cameron, the Pennsylvania Railroad controlled

<sup>&</sup>lt;sup>4</sup> For much more information on the history of the Northern Central, see Gunnarsson's *The Story of the Northern Central Railway* and the numerous company- sponsored histories of the Pennsylvania Railroad including W.B. Wilson's two volume published in 1899 entitled *History of the Pennsylvania Railroad Company*; H.W. Schotter's *The Growth and Development of the Pennsylvania Railroad Company 1846-1926*; and George Burgess and Miles Kennedy's *Centennial History of the Pennsylvania Railroad Company 1846-1946*.

<sup>&</sup>lt;sup>5</sup> Baltimore Sun, (June 22, 1855), 4.

sufficient ownership in the Northern Central to elect the Board of Directors even though it would not own a majority of the stock until 1900.<sup>6</sup>

With the backing of the Pennsylvania Railroad, and access to the Pennsylvania coal fields, the Northern Central grew exponentially in the years following the Civil War. It operated rail lines as far north as Sodus Point, New York on the shores of Lake Ontario and leased coal fields in the anthracite rich Shamokin and Lykens Valleys. In Baltimore, the Canton terminal was completed in 1874 and a new passenger station in the mid 1880's at Charles Street and the north bank of Jones Falls. By 1905, the year it entered suit against United Railways, the Company was in the midst of its greatest period of economic success posting its fifth consecutive year of net revenues in excess of \$2,000,000, a mark it had exceeded only seven times in the previous eighteen years.

## **United Railways**

In contrast to the Northern Central, United Railways was a rather young company at the time of the suit, having only been created in 1899 after a period of consolidation in the Baltimore streetcar industry. In reality, however, its origins in the city predated the Civil War when its predecessor, the Baltimore City Passenger Railway Company, began operating a single railway car along Broadway Street (pulled by a team of six gray horses) on July 12, 1859. Soon other companies began establishing lines throughout the city which led to a patchwork of independently owned and operated railway companies throughout the 1870's and 1880's.

<sup>&</sup>lt;sup>6</sup> Miles Kennedy, *Centennial History of the Pennsylvania Railroad Company 1846-1946*, (Philadelphia: The Pennsylvania Railroad Company, 1949), 138.

<sup>&</sup>lt;sup>7</sup> 1910 Northern Central Railway Company 56th Annual Report for the year ending December 31, 1910. Presented and approved at the annual meeting of the stockholders February 23, 1911.

<sup>&</sup>lt;sup>8</sup> *Baltimore Sun*, (July 12, 1859).

However, unlike the Northern Central, which benefitted from substantial city investment, streetcar companies were required to pay the city for the privilege of laying down tracks on city streets. The first ordinance authorizing the construction of a street railway system required the franchisee, City Passenger, to annually pay the city twenty percent of its gross receipts for the benefit of the city's park system. Although the tax rate was reduced in subsequent years, United Railways was still paying a rate of nine percent in 1905. The reason was chiefly one of supply and demand.

Only one group of investors proposed construction of a railroad between Baltimore and central Pennsylvania in the late 1820's and development required significant upfront outlays of capital. The promised benefits to the city's residents and its commercial interests, however, made investment in the new technology attractive and cloaked with a sense of public purpose. Conversely, by the mid-1850's several different syndicates were competing for the right to operate street railways systems in the city, with no less than four competing company proposals before the City Council in the spring of 1859.<sup>10</sup>

During the second half of the 19<sup>th</sup> Century, streetcar usage in Baltimore exploded. New lines were built to serve all corners of the city and growing areas outside the city limits. By the mid 1880's the city came to be served by more than fifteen different streetcar companies operating over 300 miles of trackage. However, the 1890's brought changes in technology and the capital needed to develop and operate the new technology accelerated the consolidation of the city's streetcar lines. Companies experimented with

<sup>&</sup>lt;sup>9</sup> Baltimore City Ordinance No. 44, approved March 28, 1859.

<sup>&</sup>lt;sup>10</sup> See generally, Journals of the First and Second Branches of the City Council of Baltimore, 1859-60, Enoch Pratt Library, Baltimore, MD.

<sup>&</sup>lt;sup>11</sup> Moody's Manual of Investments, Public Utilities, 1933 edition, (New York), 1819.

cable cars, battery-powered cars, steam engines, and compressed air with mixed success before settling on overhead electrification. Companies that funded unfeasible technologies paid a heavy price, often making them targets for takeover. One example was the Baltimore Traction Company, which expended huge sums to install a cable system on its routes between 1890 and 1893 only to convert the entire system to electrification by the end of the decade upon its merger with the Baltimore City and Suburban Railway.<sup>12</sup> The liabilities incurred by Baltimore Traction would eventually become obligations of United Railways and serve as one of many financial drains on the company.

By 1898, consolidations had resulted in only three remaining Baltimore streetcar lines: (1) City Passenger, (2) Baltimore Consolidated Railway Company, and (3) Baltimore and Northern Electric Railway Company. Despite its own experimentation with cable cars, City Passenger remained the most profitable of the three lines owing to the fact that it had been around the longest and therefore held a monopoly over the most well-travelled lines. The Company was operated by Colonel Walter Franklin, a well-established Baltimore financier. Born in York, Pennsylvania in 1836, a year before the arrival of the Baltimore & Susquehanna, Franklin followed successful service in the Civil War with management positions in several Maryland iron companies. His transition to City Passenger came about through his experience in operating one of the iron company's

<sup>&</sup>lt;sup>12</sup> N.Y. Times, (June 18, 1897). Why certain companies would have proceeded with cable systems in light of the growing trend toward electrification is a question that the editors of *The History of Baltimore's American Streetcars* were unable to answer. Their best guess was that Mayor Ferdinand C. Latrobe owners of certain companies to proceed with cable cars by not allowing legislation out of committee that would have approved electrification. Michael R. Farrell, *The History of Baltimore's Streetcars* (Sykesville, MD: Greenburg Publishing Company, 1992), 68.

rail lines but his interest in transportation companies did not end there.<sup>13</sup> Franklin was also a chief shareholder in Northern Central and regularly chaired its annual shareholder meetings between the years 1902 and 1908.<sup>14</sup>

Of the three companies, Baltimore Consolidated owned the most miles of track and was in the worst financial shape. Years of acquiring unsuccessful lines in order to build inventory, many with significant debts such as the Baltimore Traction Company, had enabled Consolidated to own and operate twice as many railcars and track mileage as City Passenger but also a significantly greater amount of debt. As a result, Consolidated's predecessors in the 1890's rarely paid dividends, and even when they did, it was never more a than 1 to 2 percent payout. Despite its weakened financial condition, it was expected to be victorious in the coming consolidation sweepstakes since City Passenger was legally prohibited from owning parallel rail lines. 16

Baltimore Consolidated's stockholders were represented by Michael Jenkins, another established Baltimore financier, esteemed at death for his "high sense of justice and commercial honor and integrity." Jenkins was the son of a successful Baltimore banker and a noted investor of his family's wealth. His most noted contribution to the City of Baltimore was the donation of his family's land to the city after the Baltimore

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<sup>&</sup>lt;sup>13</sup> Clayton Colman Hall, *Baltimore: Its History and Its People Vol.III*, (New York: Lewis Historical Publishing Company, 1912), 784.

<sup>&</sup>lt;sup>14</sup> Northern Central Railway Company Annual Reports 1902-1909. Jenkins' ownership interest was not large, merely 85 shares out of the Company's 240,000, but the fact that he was chosen to represent the shareholders gives an indication as to his stature among other Northern Central investors.

<sup>&</sup>lt;sup>15</sup> Compared to City Passenger, which paid dividends of 9 percent in 1892, 11 percent in 1893, 8 percent in 1894, and 12 percent in 1895. Michael R. Farrell, *The History of Baltimore's Streetcars*, (Sykesville, MD: Greenberg Publishing Co., Inc., 1992), 94 (citing *Street Railway Journals* of the period).

<sup>&</sup>lt;sup>16</sup> City Ordinances limited certain railway companies from owning and operating "parallel lines" (rail lines that served the same areas of the city along parallel streets). For further background on the arguments for and against such restrictions, see *Baltimore Sun*, (April 26, 1884), 2.

<sup>&</sup>lt;sup>17</sup> James Cardinal Gibbons, Archbishop of Baltimore, *A Retrospect of Fifty Years*, (Baltimore: John Murphy Company Publishers, 1916), 243. The Archbishop is quoting from his speech at the obsequies for Michael Jenkins, September 11, 1915.

Fire for construction of the Maryland Institute building on Mount Royal Avenue. Jenkins was also the sole Marylander on the Northern Central's Board of Directors from 1903 to 1906. 18

Baltimore and Northern was the smallest of the three streetcar companies but destined to play the most important role in the consolidation. It began as the provider of a small series of suburban railways that gained entry to Baltimore through connections with City Passenger. The company's small size was balanced by the significance of its allies in the financial industry. Baltimore and Northern was backed by the largest banking house in Baltimore, Alexander Brown & Sons. Its principal investor, Alexander Brown, had experience financing railroad consolidations in other cities and on December 8, 1898 he stunned the Baltimore financial community by buying out City Passenger for \$90 a share, \$17 more per share than that offered by Consolidated two weeks previously. The purchase was funded by a consortium of Baltimore and Philadelphia "capitalists" and was deemed a surprise attack on Consolidated. A frustrated Jenkins, who was in Philadelphia the morning of the takeover for a special meeting of the Northern Central's board of directors, had no response but to rephrase the old adage "save me from my friends and I will take care of my enemies." Asked by a Baltimore Sun reporter if the directors of the Consolidated were disappointed, Jenkins merely "whistled softly and said 'good-bye.'"19

Following the consolidation of the two lines, it was only seven weeks before Baltimore and Northern bought out Consolidated and created United Railways. Business operations commenced on April 1, 1899. In the years that followed, United Railways

<sup>&</sup>lt;sup>18</sup> Annual Reports of the Northern Central Railway Company, 1904-1908. Library of Congress, Washington, DC.

<sup>&</sup>lt;sup>19</sup> *Baltimore Sun*, (December 9, 1898), 10.

attempted to expand its infrastructure while meeting its significant debt obligations, which soaked up forty-six percent of the company's gross revenues each year. It established a modern centralized repair and remodeling facility at Carroll Park but also failed to pay dividends to its shareholders between the years 1900 and 1906. In addition, after the 1904 fire, the company stopped paying interest on its income bonds.<sup>20</sup>

The latter act enraged bondholders who claimed the company was misapplying its earnings and asserted that the default entitled them to take possession of the company. The situation forced the board of United Railways to turn to the most revered Baltimore attorneys of the day for an opinion on the matter. In an "Opinion of Counsel" authored by Bernard Carter, George Dobbin Penniman, Fielder Slingluff, and seven other lawyers, the bondholders claims were deftly refuted. According to the Opinion, the company's directors had the right to apply earnings to necessary repairs and maintenance as well as to operating expenses, taxes and interest on its mortgage before paying on its income bonds. Furthermore, the Opinion refuted the bondholders right to take possession of the company, concluding with the terse statement that it is "advisable also to state that the Income Bondholders have no such right." The Opinion seemed to end the matter, as no further evidence exists that the dispute continued, and the company eventually caught up on its outstanding obligations in future years.

In the years leading up to Northern Central's lawsuit, United Railways sparred with the city on numerous occasions. The company was pressured to remove under utilized tracks from certain streets and proposed ordinances allowing the company the

<sup>&</sup>lt;sup>20</sup> 1910 Annual Report to the Stockholders of United Railways and Electric Company of Baltimore, Baltimore Streetcar Museum, Baltimore, MD.

<sup>&</sup>lt;sup>21</sup> 1905 Annual Report to the Stockholders of United Railways and Electric Company of Baltimore, Baltimore Streetcar Museum, Baltimore, MD.

right to lay new tracks were often killed in City Council committees. An even more significant source of animosity was the Park Tax, which United Railways fought to eliminate while also fighting the way it was applied. One such dispute, over the applicability of the tax to fares collected on trackage in the Baltimore "annex,", raged for nearly five years. It was finally resolved just after its suit with the Northern Central, with the city having to refund United Railways more than \$300,000.<sup>22</sup>

## II. The Lawyers

## John J. Donaldson and Shirley Carter

The lawyers retained by the Northern Central to enforce their claim, John J. Donaldson and Shirley Carter of the firm of Bernard Carter & Sons, had long standing ties to the city and the Baltimore legal community. Donaldson was the son of Thomas Donaldson, "one of the most distinguished lawyers and scholarly men that ever practiced at the Maryland bar..." In 1843 the elder Donaldson built a home known as "Edgewood" in the exclusive "Lawyers' Hill" area overlooking Elk Ridge Landing<sup>24</sup>, the Patapsco River Valley, and the remarkable Thomas Viaduct. His close friend, Judge George Washington Dobbin, had been the first to construct a home in the area in 1840 and soon other families built homes in the area including those of prominent Baltimoreans John H.B. Latrobe and Nicholas Penniman. Page 1840 and 1840

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<sup>&</sup>lt;sup>22</sup> See 1904-1908 editions, *Annual Report to the Stockholders of United Railways and Electric Company of Baltimore*, Baltimore, Baltimore, MD

<sup>&</sup>lt;sup>23</sup> Conway W. Sams and Elihu S. Riley, *The Bench and Bar of Maryland: A History 1634 to 1901*, (Chicago: Lewis Publishing Company, 1901), 538.

<sup>&</sup>lt;sup>24</sup> Known as "Elkridge" since the closing of the landings on the Patapsco River in the late 1880's.

<sup>&</sup>lt;sup>25</sup> Still in use today, the Thomas Viaduct opened in 1835 to carry B&O rail traffic across the Patapsco River. Designed by Benjamin H. Latrobe II, son of the architect of the United States capitol building, the stone bridge consists of eight sixty-five foot tall arches built of Patapsco granite. John F. Stover, *History of the Baltimore and Ohio Railroad* (West Lafayette, Indiana: Purdue University Press, 1987), 41. The bridge was designated a National Historical Landmark in 1964.

<sup>&</sup>lt;sup>26</sup> Edwin P. Young, "New Life for Lawyers' Hill", *Baltimore Sun* (April 4, 1937), Supplement Section.

Lawyers' Hill was a busy place. Donaldson and his wife Mary Elizabeth Pickering Dorsey of Boston, had 11 children and the Dobbins, Latrobes and Pennimans combined for 20 more. Given the distance from Baltimore, the families tended to socialize amongst themselves. They maintained many of the formal societal traditions of the day but also entertained themselves with elaborate staged plays and other artistic productions for which an assembly hall would eventually be built in 1870.<sup>27</sup> Close ties were further cemented by the professional relationships of the fathers. For example, combinations of Dobbin, Donaldson, Latrobe and Penniman can be found on the boards of the Maryland State Historical Society, the Peabody Institute, and the Lawyers Club of Baltimore. They also served as vestryman at Grace Episcopal Church in Elkridge and joined each other on travels to Europe. Nicholas Penniman even married George Dobbin's daughter, Rebecca Pue Dobbin, and their first son, George Dobbin Penniman grew up at Lawyers' Hill and would become a successful lawyer in his own right.

Family and professional ties were so strong that even the onset of the Civil War did not disrupt the familial relationships despite the fact that Judge Dobbin and Nicholas Penniman were fervent Southern sympathizers and Thomas Donaldson a Unionist. According to Penniman family history, the Dobbins engaged in smuggling operations off of an island Judge Dobbin owned in the Magothy River, a tributary to the Chesapeake Bay. As the story goes, Dobbin would advertise a gala event at the island and the young ladies of Lawyers' Hill would make their way to the party dressed in the voluminous hoopskirts of the day. Little did anyone realize that strapped to the legs of these women

<sup>&</sup>lt;sup>27</sup> Voris, *Elkridge*, *Where it All Began*, 27. Performances became so popular during the second half of the century that audiences from as far away as Baltimore made the trip for evening performances and the Elk Ridge Amateur Dramatic Association was formed by Lawyers' Hill residents. Joetta M. Cramm, *Howard County: A Pictorial History*, (Norfolk, VA: The Donning Company, 1987), 29.

were medical supplies and other packages destined for Confederate soldiers. The goods would be transferred into waiting rowboats that Nicholas Penniman would smuggle to small vessels that the Confederates used to run the Union's blockade of the Bay. 28

Conversely, Thomas Donaldson was a former Whig, anti-slavery, and a pro-Union state representative from Howard County.<sup>29</sup> His positions were strong enough that he was chosen by the Speaker of the House to introduce a series of resolutions in the House of Delegates on December 17, 1861 repudiating the right of the State of Maryland to secede from the Union and confirming that the State would contribute its fair share of men and materials to the Union cause as long as the principles of the Constitution were upheld.30

Given their sympathies and the context of the times, it is hard to imagine that the families would have stayed close during the War, but by all accounts that was the case.<sup>31</sup> They simply agreed never to discuss politics or military affairs with each other no matter how much their lives would be disrupted -- and with Union troops encamped nearby protecting the Viaduct from Confederate raiders, disruptions were likely to happen.<sup>32</sup>

John J. Donaldson grew up in this community and certainly knew George Dobbin Penniman, although he was ten years his senior. The young Donaldson established himself right away in a legal practice and public affairs, but as a Democrat and not a

<sup>28</sup> Polly Thorton, "The Islands of the Magothy", Maryland Life Magazine, September 5, 2007 (accessed December 18, 2008 at: <a href="http://www.marylandlife.com/index.cfm?fuseaction=issue">http://www.marylandlife.com/index.cfm?fuseaction=issue</a>. featured story&story

<sup>&</sup>lt;sup>29</sup> Donaldson's position was not held by everyone in his family. His eight-year old son and namesake reportedly enjoyed painting an American flag on the sole of his shoe so he could walk around Lawyers' Hill and show his contempt for the Union.

<sup>&</sup>lt;sup>30</sup> George William Brown, A Sketch of the Life of Thomas Donaldson, (Baltimore: Cushings and Bailey, 1881), 28.

<sup>31</sup> Young, "Lawyers' Hill."

<sup>&</sup>lt;sup>32</sup> Donaldson eventually used his connections in Annapolis to stop the raiding of his Confederate neighbors' homes. Ibid.

Republican. He served in the House of Delegates and opposed as illegal the inauguration of John Lee Carroll as Governor in 1876. The younger Donaldson also astutely aligned himself professionally with the most important member of the Baltimore bar in the late 1800's and early 1900's: Bernard Carter.

#### **Bernard Carter**

Upon the death of Sevren Teackle Wallis in 1894, it was the near unanimous opinion of those in the legal profession that Bernard Carter assumed the mantle as "leader of the bar" in Maryland – following in the footsteps of other eminent Maryland barristers such as Chief Justice of the Supreme Court Roger Taney, Justice Samuel Chase and Attorney General William Pinkney.<sup>33</sup> A Harvard Law graduate, Carter established himself in Baltimore in the legal offices of J. Mason Campbell – himself an important lawyer and political player. Carter's exceptional abilities enabled him to take over Campbell's clients upon the latter's death including the Pennsylvania Railroad and the Northern Central.

It was in the offices of Bernard Carter & Sons that John J. Donaldson worked alongside Carter and two of Carter's sons: Shirley and Charles Henry. Shirley was the younger of the two and his unusual first name was taken from the family's historic plantation along the James River in Virginia. Shirley had been practicing law less than ten years by the time the Northern Central entered suit against United Railways and he likely served as the junior partner to Donaldson at trial.<sup>34</sup>

<sup>33</sup> Matthew Page Andrews, *Tercentenary History of Maryland*, (Chicago: The S.J. Clarke Publishing Co., 1925).

<sup>34</sup> Shirley Carter's home at 8 East Biddle Street in Baltimore has long since been torn down, but the neighboring buildings remain from that time and continue the tradition of the Baltimore Bar including, since 1985, the Law Offices of Henry Greenberg at the beautifully renovated b6 E. Biddle Street.

# **George Dobbin Penniman**

The influence of Lawyers' Hill can be seen on yet another prominent attorney involved with this case, George Dobbin Penniman. A graduate of Baltimore City College and Johns Hopkins University, Penniman studied law in the legal department of the Baltimore & Ohio Railroad Company and at the University of Maryland School of Law before being admitted to the Bar in 1886.<sup>35</sup> Almost immediately thereafter he was appointed counsel to the B&O, and then to United Railways upon its founding in 1899.<sup>36</sup> Penniman was one of many lawyers who had connections to both the B&O and the streetcar company and he was professionally and socially acquainted with the other attorneys in this case as well.<sup>37</sup> Penniman was well-known for having led the creation of the B&O relief feature, a very early pension and benefit program, the first such program in the United States. He was later appointed chief counsel and remained with that division of the B&O until retirement.<sup>38</sup>

Even without his family connections, George Dobbin Penniman would have been a prominent member the Balitmore social order. He resided at 924 Cathedral Street, a large row house in the fashionable Mt. Vernon district of Baltimore, just around the corner from his co-counsel in the case against Northern Central.<sup>39</sup> Like many of Baltimore's elite, he and his wife Rebecca Pue Dobbin, herself a member of the

<sup>&</sup>lt;sup>35</sup> Baltimore Sun, (February 15, 1937). Distinguished Men of Baltimore and Maryland, (Baltimore: Baltimore American Publishing: 1914), 62.

<sup>&</sup>lt;sup>36</sup> Distinguished Men of Baltimore and Maryland, 62.

<sup>&</sup>lt;sup>37</sup> George Dobbin Penniman was notable for his looks as well as his achievements. The *Baltimore News* is quoted as saying that he "... is not related to Mr. Theodore Roosevelt, President of the United States, but the two look enough alike to be twin brothers." *Baltimore News-Post*, (June 27, 1940), birthday announcements.

<sup>&</sup>lt;sup>38</sup> Obituary, *Baltimore Sun*, (February 15, 1943).

<sup>&</sup>lt;sup>39</sup> 1900 United States Census, series T623, Roll 613, Page 208.

Women's Who's Who of America, attended Old St. Paul's Episcopal Church at the corner of Charles and Saratoga streets. In the years after the law suit with the Northern Central Dobbin help organize the Maryland State Game and Fish Protection Association and serve as its president for 10 years. His varied interests can also be seen in the numerous clubs of which he was a member.<sup>40</sup>

## Fielder C. Slingluff

Though his childhood may not have been poverty-stricken, Fielder Cross Slingluff stands out from the other attorneys in this case as being much more of a self-made man. Having no Lawyers' Hill connection, he was raised at Beech Hill, the country estate of the Slingluff family, in today's Walbrook section of the city. Slingluff attended the small Calvert College high school in New Windsor, Carroll County and graduated from Yale University in 1861. Thereafter, Slingluff decided to take up the practice of law and began an apprenticeship in the law office of Machen & Gittings in Baltimore, a firm known to be sympathetic to the South. In 1866, he was admitted to the State Bar of Maryland though he had never set foot in a law school.

Unlike his colleagues, Slingluff fought in armed combat in the Civil War. Espousing the cause of the Confederacy, he served in the First Maryland Cavalry with the Army of Northern Virginia.<sup>44</sup> Eventually he reached the rank of Second Lieutenant, and

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<sup>&</sup>lt;sup>40</sup> Penniman belonged to The Baltimore Club, The Baltimore Country Club, the Bachelors Cotillion and Phi Kappa Psi, which he was a member of while at Johns Hopkins University. Distinguished Men of Baltimore and Maryland, (Baltimore: Baltimore American Publishing, 1914), 62.

<sup>&</sup>lt;sup>41</sup> Conway W. Sams and Elihu S. Riley, *The Bench and Bar of Maryland, a History 1634 to 1901*, (Chicago: The Lewis Publishing Company, 1901), 576.

<sup>&</sup>lt;sup>42</sup> Jay A. Graybeal, "19<sup>th</sup> Century School Pranks from the Carroll Record Histories," *Carroll County Times*, (October 2, 1994). Interestingly, it is said that he raised the confederate at its northernmost point in the union, on the Yale Chapel flagpole, then locked the door leading to the flagpole and left to return south. *Baltimore Sun*, (November 6, 1949).

Richard Henry Spencer, *Genealogical and Memorial Encyclopedia of the State of Maryland*, (New York: American Historical Society, 1919), 583.

<sup>&</sup>lt;sup>44</sup> Conway and Riley, *The Bench and Bar of Maryland*, 576.

participated in the July 30, 1864 burning of Chambersburg – an accomplishment for which he was quite proud.<sup>45</sup>

After the war, Slingluff resumed his life as an attorney in Baltimore, but having few connections in the legal community, his professional and personal achievements were more hardly fought. It was said that his courtroom demeanor is best characterized by "a decisive logic and a lucid presentation rather than by flights of oratory." By 1870, Slingluff could be found renting homes in Baltimore's 19<sup>th</sup> ward<sup>47</sup> and at the time of this case, he is married to Mary Johnston, "one of the most celebrated beauties of her day." The couple owns a large home at 16 West Madison Street where they keep three servants.

In addition to his day job at the firm of Slingluff and Slingluff, Fielder had other professional commitments. He was director and attorney for The Equitable Bond Association of Baltimore City and eventually was wealthy enough to act as a creditor for failed businesses. Like a number of other prominent Baltimoreans, he was also an occasional railway financier, including involvement in The Bay Shore Terminal and the Berkley Street Railway projects in Norfolk, Virginia in 1901. Through this endeavor

<sup>&</sup>lt;sup>45</sup> A personal account of the Burning of Chambersburg can be found in an article published in the *Baltimore American*, March 28, 1909, written by Lieut. Fielder C. Slingluff. Slingluff's account of the event seeks to giver greater detail about the situation from the standpoint of a Confederate soldier and seems to cast their side in a more favorable light by showing ways in which they attempted to minimize loss of life.

<sup>&</sup>lt;sup>46</sup> Conway W. Sams and Elihu S. Riley, *The Bench and Bar of Maryland, a History 1634 to 1901*, (Chicago: The Lewis Publishing Company, 1901), 577.

<sup>&</sup>lt;sup>47</sup> 1870 United States Census.

<sup>&</sup>lt;sup>48</sup> *The Washington Post*, (June 1, 1909), 2.

<sup>&</sup>lt;sup>49</sup> 1900 United States Census. The social affairs of the Slingluffs were newsworthy, showing that he had finally achieved a level of notoriety. For example, April 19, 1908, Fielder's wife is a guest at the 17<sup>th</sup> Virginia Regiment Chapter, United Daughter's of the Confederacy's annual meeting in Alexandra. *The Washington Post*, (April 19, 1908).

<sup>&</sup>lt;sup>50</sup> The Washington Post, (March 12, 1891).

<sup>&</sup>lt;sup>51</sup> *The Washington Post*, (July 13, 1901). In 1902, this company merged with other companies in Virginia to become The Norfolk, Portsmouth & Newport News Co, of which Alex. Brown & Sons, Baltimore and New York, had an interest. From this point onward Slingluff certainly had a professional and likely

Slingluff became acquainted with Alexander Brown, if he was not already, and their relationship was later solidified by their common interest in the case against the Northern Central and other matters for which the United Railways called on Slingluff.

By the time of his death, it is clear that Fielder Slingluff had established an extensive network in Baltimore's legal and social community. He was a charter member of The Charcoal Club of the City of Baltimore, a group formed with two goals: "to provide instruction and to encourage art appreciation by the frequent exhibition of paintings and sketches. The all-male membership was a mix of painters, sculptors, writers, musicians, prominent citizens, cultured friends and dilettantes who believed 'in the necessity for art and in the power of a joke.'" Another of its members was Ferdinand Latrobe, seven-time Mayor of Baltimore and William Walters, a fellow confederate sympathizer.<sup>52</sup> Lastly, like some of the other attorneys involved in this case, he was a member of the Maryland Historical Society.

### III. The Case

The dispute at issue in *Northern Central v. United Railways* had its foundations in several city ordinances from the 19th century that imposed responsibilities on the parties for the maintenance of city bridges and streetcar tracks. In 1868, the Northern Central rerouted its Baltimore rail lines to the northern side of Jones Falls before crossing the Falls and turning south to reach Calvert Station. Since trains ran at grade in the city, this disruption affected the residents along several city streets that had previously not seen railcars out their windows. As a result, the residents of Charles and Eager Streets

amicable relationship with the Alex. Brown Company. Charles M. Goodsell, Henry E. Wallace, *The Manual of Statistics*, (New York: Commercial Newspaper Company, 1903), 614.

<sup>&</sup>lt;sup>52</sup> Liza Kirwin, "Back to Bohemia with the Charcoal Club of Baltimore," *Archives of American Art Journal*, (Washington, DC: Smithsonian Institution, 1985), Vol. 25, No. ½, 41-46.

petitioned the city to raise the grade of their streets above the Northern Central's rail lines thereby eliminating the rail crossings. In response, the city adopted an ordinance which provided for the raising of Charles and Eager Streets above the Northern Central rail lines and Jones Falls and for "all expenses incurred in making said changes of grade, [to] be paid by the Northern Central Railway Company." According to the brief filed by Donaldson and Carter with the Court of Appeals, even though the grade change was petitioned for by the residents along Charles and Eager Streets, because the streets:

"were then graded and paved and in use as streets, it was, no doubt, thought to be right and equitable that the Railroad Company should bear the cost and expense of repairing the damages that would be done ... including, of course, the cost of maintenance of the bridges by the construction of which the change of grade of the streets was accomplished."<sup>54</sup>

More than twenty years later, in 1890, Northern Central petitioned the city to expand the width of the tracks it ran under the Maryland Avenue bridge which necessitated rebuilding and lengthening the bridge. The city approved the project, to be completed at Northern Central's sole cost, and provided that "the bridge over the tracks ... shall always be maintained at the sole cost of the Northern Central Railway Company." <sup>55</sup>

Prior to the Northern Central's 1868 decision to realign its tracks to the north side of the Jones Falls, the Baltimore City Passenger Railway Company was granted the right to lay tracks along Charles Street for the use of its horse-drawn streetcars. As a condition

<sup>&</sup>lt;sup>53</sup> Baltimore City Ordinance No. 77, 1868 approved September 26, 1868.

<sup>&</sup>lt;sup>54</sup> Appellant's Brief, *Northern Central v. United Railways*, (January 7, 1907), 9.

<sup>&</sup>lt;sup>55</sup> Baltimore City Ordinance No. 170, 1890 approved June 11, 1890.

of the city's grant, the Company agreed to "keep the streets covered by said tracks, and extending two feet on the outer limits of either side of said tracks, in thorough repair, at their own expense..." More than twenty years later, in 1882, the Baltimore Union Passenger Railway Company was granted the right to lay tracks along Maryland Avenue for the same purpose with the same condition that it keep the tracks, and two feet on each side, in thorough repair at their own expense. The Baltimore City Passenger Railway Company and the Baltimore Union Passenger Railway Company were eventually subsumed in the streetcar consolidations of the 1890's and their rights and obligations acquired by the United Railways.

In March 1903, the city directed Northern Central to make needed repairs to the flooring of the Maryland Avenue bridge and later, in October 1904, the city directed the Northern Central to repair the flooring of the Charles Street bridges. Because the floor repairs included portions of the bridge covered by United Railways track, and United Railways was obligated to the city to make such repairs, Northern Central was of the opinion that United Railways should pay for a portion of the costs. Northern Central sought a contribution of \$1,773.48 for Maryland Avenue and \$326.41 for Charles Street or a total of \$2,099.89. However, despite repeated requests, United Railways refused to pay.

Northern Central filed suit against United Railways in Baltimore Superior Court on May 22, 1905 pleading a total of six counts, four of which were struck by the plaintiff prior to the hearing. United Railways demurred on both counts (i.e. claimed that Northern Central's suit lacked a legal basis) and the Superior Court upheld both

<sup>&</sup>lt;sup>56</sup> Baltimore City Ordinance No. 44, 1859 approved March 28, 1859.

<sup>&</sup>lt;sup>57</sup> Baltimore City Ordinance No. 40, 1882, approved April 6, 1882 as supplement to Ordinance No. 150, approved October 25, 1880.

demurrers on October 9, 1906. Donaldson and Carter quickly appealed and by January 7, 1907, less than three months after the Superior Court's decision, the parties had filed briefs with the Maryland Court of Appeals.

The briefs of the Appellant (Northern Central) and Appellee (United Railways) laid out the arguments of each party. United Railways claimed that it had no duty to repair the tracks on city bridges because the ordinances which granted it the right to lay tracks on Maryland Avenue and Charles Street required only that United Railways maintain tracks that ran on city "streets" not "bridges." In other words, streets and bridges are two different types of city property and the omission of the term "bridges" from the city ordinance was intentional. United Railways also argued that even if it owed a duty to the city to repair the bridges, that duty was owed to the city not Northern Central and the city had only directed Northern Central to repair the bridges, not United Railways.

In its brief, Northern Central claimed that United Railways owed the city a duty to repair both the streets and the bridges and that the omission of bridges from the ordinance was not intentional because the parties intended for streets to mean any portion of the public way over which the streetcar's tracks ran. Furthermore, because Northern Central was an intended beneficiary of the agreement between the city and United Railways, it had standing to seek reimbursement from United Railways even if it was not a party to the agreement. Finally, Northern Central claimed that if United Railways did not owe a duty to the city, then the tracks must instead be owned by the Northern Central and United Railways must compensate Northern Central for its use of the tracks.

The Court of Appeals first focused on the question of whether the bridges were parts of the "streets" as that term was used in the ordinance.<sup>58</sup> It first noted that United Railways had nonetheless laid its tracks across the bridges pursuant to the grant from the city and neither party had ever questioned the streetcar company's right to do so. In fact, noted the court, the grant would have been of practically no value if the streetcar company were required to truncate its lines at each bridge. The Court then reviewed several cases in Maryland and other states whereby streets and bridges were defined for various purposes and in no instance was it found that the two terms were used in any manner other than interchangeably. Although one additional case from the Iowa Supreme Court offered by the Slingluffs appeared to support United Railways' position it was summarily dismissed as unsatisfactory authority.

The Court then proceeded to determine that Northern Central had a right to recover on the ordinances, even though it was not a party, because the liability for bridge repairs was essentially a joint obligation of both parties imposed by the city and, therefore, the United Railways contract with the city inured to the benefit of Northern Central. As support, the Court again cited several cases from other jurisdictions, although notably not Maryland, that discussed privity of contract and the rights of third parties.<sup>59</sup>

With the judgment of the Superior Court reversed, the Court remanded the case for a new trial with costs to Northern Central. However, no record of a subsequent case can be found nor any evidence that a judgment was issued against United Railways or

<sup>&</sup>lt;sup>58</sup> Northern Central at 105 Md. 345, 355.

<sup>&</sup>lt;sup>59</sup> While it might appear that the Court was setting precedent in Maryland regarding the rights of third party beneficiaries, the case has never been cited for the proposition by another court in Maryland.

any amounts collected. The docket books of the Pennsylvania Railroad's Vice President of Law include this handwritten notation concerning the case:

"In reporting decision of Ct of Appeals, Solicitors stated '...since the facts on which the suit is based are indisputable, and since the question of law has been decided in our favor, the decision of the Ct of Appeals practically disposes of the case.' June 6, 1918. File closed and case marked abandoned." <sup>60</sup>

It could be assumed that United Railways merely proceeded to pay Northern Central the amount due rather than incur the costs of another trial that they would likely lose. However, it also seems likely that the Northern Central decided not to pursue the matter any further because their interest was not in collecting the small judgment, but rather to carry forward a case against a locally-owned business that the city could not, or did not, want to bring itself.

## IV. Analysis

The Northern Central had little to gain in suing United Railways in 1905. As discussed above, United Railways was in extremely poor financial shape that year having failed to pay dividends for five consecutive years on its common stock and, after the 1904 Fire in which it suffered the loss of its corporate headquarters and main power facility, it had suspended interest payments on its income bonds. Even if Northern Central could obtain a judgment, it was unlikely that United Railways would have the ability to pay. In fact, it appears that United Railways failure to pay for the bridge repairs was a direct result of its dire financial situation. According to the appellant brief filed by Northern

<sup>&</sup>lt;sup>60</sup> Dockets from Office of Vice President of Law (General Counsel), Pennsylvania Railroad, Pennsylvania State Archives. Page 8 of Docket Book 1905-17.

<sup>61</sup> Baltimore Sun, (August 10, 1905), 3.

Central, prior to March 1903, United Railways had regularly contributed to the repairs of the bridges with labor and materials or through reimbursement.<sup>62</sup>

The amount at stake was also relatively small for a company the size of Northern Central. In 1903 and 1904, the years Northern Central was repairing the Maryland Avenue and Charles Street bridges, the railroad spent \$2,348,681.76 in maintenance expenses for all of its railroad lines and structures.<sup>63</sup> Thus, the amount the Northern Central sought to recover from United Railways in 1905, \$2,099.89, was less than 8/100ths of one percent of the company's total maintenance expenses in 1904-05.

While the amount was small to the Northern Central, a decision favorable to the United Railways would have had a significant impact on the city. In 1904 and 1905, for example, the city spent approximately \$68,000 repairing 81 of the city's bridges. Streetcar lines ran over approximately fifty percent of these bridges in 1905 and if United Railways could avoid responsibility for the repairs on the Maryland Avenue and Charles Street bridges, it could use the decision of the Court to defeat attempts by the city to force the company to repair the other bridges with streetcar tracks (which were governed by ordinances identical to those allowing for trackage on the Maryland Avenue and Charles Street Bridges).

Northern Central and United Railways also appeared to have a good working relationship in the years leading up to the law suit. On November 11, 1903, for example, Northern Central's Board of Directors approved an agreement with United Railways in which United agreed to remove a portion of its double track on Clinton Street so that

<sup>63</sup> 1903 and 1904 Annual Reports of the Northern Central. Of that amount, \$299,691 was spent on bridge and culvert repairs.

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<sup>&</sup>lt;sup>62</sup> Brief of the Appellant *Northern Central*, January 7, 1907.

<sup>&</sup>lt;sup>64</sup> Comptroller's Department Annual Report for fiscal years ending December 31, 1905 and 1906.

Northern Central could run a new line across United Railways' right-of-way in order to reach Baltimore Pier #7.65 The following year, the Board ratified an agreement with United Railways that allowed Northern Central to attach electric lights to United's "structure" at North and Centre Streets in Baltimore. 66 In 1906, the companies again found themselves working together, this time to find a solution to the problem of increasing streetcar traffic across Northern Central's tracks near Mt. Washington. 67 The companies successfully negotiated an agreement to build a double-tracked viaduct so that United's streetcars could pass over top of the railroad company's rails uninterrupted.

In 1905, the City of Baltimore was recovering from the traumatic events of the previous year. On February 7, 1904 fire consumed over 140 acres and 1545 buildings in downtown Baltimore including United Railways' offices at the Continental Building and its Pratt Street power house. Alexander Brown's headquarters, although located in the burn zone, were saved and most of the Northern Central's facilities were far enough north to avoid damage.

1905 was also the first full year of the Mayoral term of E. Clay Timanus, a Republican who assumed office upon the suicide of Mayor Robert McLane in 1904. Timanus was the fifth in a line of Progressive Era mayors that promoted major civic improvements to sewers, parks, school facilities and roads. On December 5, 1904, Timanus held a General Improvements Conference made up of prominent Baltimoreans, including Northern Central's only Baltimore-based Board member Michael Jenkins, for

<sup>&</sup>lt;sup>65</sup> Minutes of the Board of Directors of the Northern Central Railway, November 11, 1903, Pennsylvania State Archives, Harrisburg, PA. The Board also renegotiated its relationship with Bernard Carter that afternoon, hiring his firm, Bernard Carter & Sons to take the place of Bernard Carter at the rate of \$7,000 per annum.

<sup>&</sup>lt;sup>66</sup> Minutes of the Board of Directors of the Northern Central Railway, November 1, 1904, Pennsylvania State Archives, Harrisburg, PA..

<sup>&</sup>lt;sup>67</sup> 1906 Annual Report to the Stockholders of United Railways and Electric Company of Baltimore, Baltimore Streetcar Museum, Baltimore, MD.

the purpose of promoting extensive public improvements over and above what the Burnt District Commission had proposed. One of the proposed projects was for a new centrally located railroad station to serve both the Pennsylvania and B&O Railroad companies.<sup>68</sup>

Pennsylvania Railroad President A.J. Cassatt, also the President of the Northern Central, had been advocating the construction of a new railroad station in Baltimore since 1902 to replace its aging undersized Union Station on Charles Street on the north side of the Falls.<sup>69</sup> The railroad had absolutely no interest, however, in sharing a future facility with the B&O railroad, a company they had significantly outgrown by the turn of the century.

However, the Mayor and city business leaders had different ideas. Acting through the city's primary commercial association, the Merchants and Manufacturers Association (MMA), the city and its business leaders advocated a consolidated depot as the best technique for future transportation planning. On September 28, 1905, the MMA adopted a resolution requesting the Pennsylvania Railroad upgrade its terminal facilities in Baltimore into a centralized depot that would connect the city's three primary rail lines. In response, President Cassatt reiterated the Company's position that a new station was needed, but added that a solution to the railroad's freight problem had to be resolved first.

The explosive growth in the Northern Central's freight traffic in the late 1890's and early 1900's caused extensive bottlenecks at the railroad's facilities in Baltimore.

The railroad had to share freight and passenger traffic on the same rail lines causing

<sup>&</sup>lt;sup>68</sup> 1907 Northern Central Railway Company 53rd Annual Report for the year ending December 31, 1907. Presented and approved at the annual meeting of the stockholders February 27, 1908.

<sup>&</sup>lt;sup>69</sup> The first discussion of such plans for a belt line occurred early in 1902. Minutes of the Improvement of the Railroad Facilities Commission, Feb. 10, 1908 (see appendices) (accessed on December 17, 2008 at the Univ. of Balt. Langsdale Library: (<a href="http://archives.ubalt.edu/mma/improvement%20of%20railroad.pdf">http://archives.ubalt.edu/mma/improvement%20of%20railroad.pdf</a>)

<sup>&</sup>lt;sup>70</sup> Besides the Northern Central and the B&O, the City was served by the Pennsylvania Railroad owned Philadelphia, Wilmington & Baltimore line as well as several smaller lines such as the Western Maryland and Maryland and Pennsylvania (Ma & Pa) Railroads.

significant delays, increasing accidents and causing other headaches for the company.

The solution, according to President Cassatt, was the construction of a belt line around the city to move freight.

Of the three routes considered, the preferred location was a line extending westward out of Roland Park, through Pikesville, and connecting along the Patapsco River Valley with the B&O near the Thomas Viaduct. MMA members voiced grave concerns with the Pennsylvania's plans, believing that the railroad would eventually use the line to operate passenger service as well as freight allowing thousands of riders to bypass Baltimore altogether.

The proposed route also raised the ire of the prominent homeowners in the Lawyer's Hill neighborhood, who stood to see the construction of a significant rail line at their back door, with its resulting traffic, smoke, and noise. Representing the homeowners' interest was the ubiquitous George Dobbin Penniman, who appeared before the MMA on March 16, 1906 to inform them of the anti-belt line bill in the State Legislature known as the Lawyer's Hill Bill.<sup>71</sup> The MMA, frustrated with the Pennsylvania's intransigence regarding construction of a new consolidated rail station, expressed its support for the bill and sent representatives to the March 20, 1906 hearing on the bill at the House of Delegates.<sup>72</sup>

Given the size and scope of its issues before the city, Northern Central would have been motivated to pursue a case against the United Railways that benefitted the city to save the city the expense of bringing the case itself. The city would have also been

<sup>&</sup>lt;sup>71</sup> Minutes of the Merchants and Manufacturers Association, 1906 (accessed on December 15, 2008 at the University of Baltimore Langsdale Library Special Collections http://archives.ubalt.edu/mma/table.htm).

<sup>&</sup>lt;sup>72</sup> The Bill had a two year term limit and when it came up for reconsideration in 1908 the City again opposed it. Minutes of the Improvement of the Railroad Facilities Commission, a Commission created by the City Council with the Mayor as a member.

confidant in its representation, since the law firm of the esteemed Bernard Carter would have been handling the case.<sup>73</sup> And while Carter may have had the Northern Central's interests at heart, he was still deeply entwined in city politics.<sup>74</sup>

Analyzing the case more broadly, there were other reasons for the Northern Central and United Railways to be in opposition to each other, including the allegiances of their owners to the City of Baltimore. Rivalries between Eastern United States cities date back the mid 1700's, if not earlier, and at its peak, the contest between the old line city of Philadelphia and up-and-coming southern city of Baltimore was intense. By the end of the 18th century, it was apparent that the contest would take the form of a race for transportation supremacy – at that time using canals, the Union Canal in particular. In 1812, when Pennsylvania's capital moved to Harrisburg, the rivalry intensified further because the citizens of Harrisburg and the surrounding area were twenty-four miles closer to Baltimore than Philadelphia and felt more at ease with the less ostentatious Southern city. By the 1820's, Baltimore's attention shifted from canals to railroads, escalating the competition to a new technology, but Philadelphia was slow to do the same, trusting in its growing array of canals.

Through the Baltimore & Susquehanna, and later the Northern Central, Baltimore was able to capitalize on its geographic location to became the leader in the lucrative flour trade and would soon grab a piece of the coal trade as well. John Garrett's Baltimore and Ohio Railroad, with the Alex. Brown Company's backing, cashed in on

<sup>&</sup>lt;sup>73</sup> Carter served six years as City Solicitor in the 1880's.

A month prior to the Ct of Appeals decision in *Northern Central*, Mr. Carter issued a questionable legal opinion on behalf of Democratic Mayoral candidate J. Barry Mahool that enabled Mahool to qualify for the ballot and paved the way for the Mayor's subsequent election in May of 1907.

<sup>&</sup>lt;sup>75</sup> James Weston Livingwood, *The Philadelphia – Baltimore Trade Rivalry, 1780-1860*, (Harrisburg: The Pennsylvania Historical and Museum Commission, 1947), Chapter 1.

<sup>&</sup>lt;sup>77</sup> Baltimore Spending Millions for Trade, *The New York Times*, (January 27, 1912), 13.

coal as well by monopolizing rail connections to West Virginia and western Maryland and controlling coal mines along its rails.<sup>78</sup> Naturally, Garrett had animosity towards the Northern Central and its desire to push into Pennsylvania coal country, in addition to the Northern Central's parent, the Pennsylvania Railroad.<sup>79</sup> A railroad's access is generally a good indicator of the company's prospects for growth, and in the end the Pennsylvania Railroad, with subsidiaries like the Northern Central, was able to cash in on the region's natural resources by redirecting freight traffic away from Baltimore Harbor.

Lastly, in addition to geographical allegiances of each company, there were financial associations that influenced the case. Much of the financing for the B&O came from the Alex. Brown company, whose leader at the time of the *Northern Central* case had also financed the creation of United Railways. Brown, as a company, had become an expert in financing America's rails, and in this case their pride, as well as their money, was on the line.

#### V. Conclusion

Northern Central v. United Railways is truly a case for which the sum of its parts is greater than the whole. The facts are rather mundane, the amount at stake a trifle, and the outcome seemingly apparent from the beginning. It is nonetheless significant, however, for the light it shines on the Baltimore legal, business and political communities of the early Twentieth Century. Time and again the same individuals turn up on the side of one of the parties, or on behalf of the city, to defend, finance or govern them.

<sup>&</sup>lt;sup>78</sup> The Baltimore and Ohio Railroad, *New York Daily Times*, (December 22, 1852), 4.

<sup>&</sup>lt;sup>79</sup> *The New York Times*, (January 25, 1866), 6.

<sup>&</sup>lt;sup>80</sup> Clayton Colman Hall, *Baltimore: Its History and its People*, *Vol. III*, (New York: Lewis Historical Publishing Company, 1912), 34-35.

Bernard Carter is a stockholder in the Northern Central and their counsel for forty years, but he is also called upon to give an essential legal opinion to United Railways. When Mayor J. Barry Mahool's candidacy is threatened, he turns to none other than Carter as well. Michael Jenkins would turn his attention to Northern Central's affairs after his failure to consolidate the street car lines in 1898, and one might surmise that he led the charge against United Railways out of vindictiveness – until you find that he, too, owned a financial interest in United. Even the fiercest of rivals, the Pennsylvania and B&O railroads would join forces when expediency demanded. Such as 1905, when representatives from each company met with the MMA to voice opposition to the city's plans for consolidating the railroads under one station.

The players in this story joined together to found the Maryland Historical Society and Peabody Institute, helped rebuild the city after 1904, and spent summers socializing together at Lawyers' Hill. But when business interests demanded, Penniman would frustrate the Northern Central's attempts to circumnavigate Baltimore, Carter's son would force United Railways to pay for bridge repairs, or Alexander Brown would pull the rug out from under Michael Jenkins.

Save me from my friends and I will take care of my enemies.