

THE MIDDLETOWN AND UNIONVILLE RAILROAD (M&U)

Early Operations

The initial eleven days of operations were covered by a locomotive and combination mail and express car leased from the NYS&W until the M&U's purchased equipment arrived. The newly independent company stretched 14.121 miles with stations at Middletown, Slate Hill, Johnson, Westtown and Unionville. The M&U made a 999-year agreement with the O&W to lease at no rental charge, that portion of the main line built by the NY&OM in 1871 to extend the MU&WG northward to a connection with the NY&OM at East Main Street, Middletown. M&U filings with the ICC as late as 1943 showed this as 1.107 miles of main line track and 1.4579 miles of yard tracks and sidings.

Middletown, the northern terminus, hosted the offices, the major yard and engine servicing facilities and connections with the Erie and O&W railroads. Unionville, near the southern terminus, was the site of a more modest engine terminal. Effective December 1, 1913, the NYS&W discontinued a dozen trains between Unionville and Middletown and instead designated Unionville as their western terminus. The M&U and the NYS&W interchanged freight at Unionville until January 30th, 1914 when the interchange was moved southward to State Line (M&U Jct.) where the NYS&W had constructed a 900' siding. On November 27, 1914, the NYS&W established their northern passenger service terminus as a station at Hanford, NJ, a box car body on a foundation about two hundred feet south of the NY/NJ state line. The M&U may also have built a 900' interchange track north of State Line in 1914 with each railroad granted 1,300' of trackage rights over the other's tracks to perform the interchange. In June of 1926, the M&U constructed a new six-car interchange track 400' north of State Line.

On April 11, 1915, a powerful wind and rain storm toppled the 4,000 gallon water tank and severely damaged the wooden engine house at the foot of Charles Street in Middletown. The water tank was promptly replaced but it was not until 1917 that the M&U built a hollow tile engine house, a hollow tile oil house and a new engine coaling facility (the latter south of Houston Avenue).

John A. Smith, a veteran railroader, had been hired as the company's vice president and general manager and would guide the company through almost its entire existence as the M&U. Smith was elected president in December of 1931 and W. R. Durland succeeded him as vice president and general manager. In 1940, Smith retired.

Motive Power

At the startup of operations, NYS&W class G-8 2-6-0 camelback # 38 covered assignments until former Pittsburgh & Lake Erie 4-4-0 # 9257 arrived to take up its duties as M&U # 1. Former O&W 2-6-0 class M # 109 was purchased on July 30, 1917 but sold the 26th of the following September. Throughout its existence, the M&U would own either one or two engines at any given time. All the steam locomotives were second hand and none had a trailing truck. Most heavy repairs on engines and rolling stock were contracted out to the O&W shops in Middletown and O&W engines were rented while the M&U was short of power in accordance with an agreement made on December 22, 1913. Over the next three decades, the M&U would lease a total of fifty-six different locomotives including representatives from 13 classes of the O&W's smaller power such as 4-4-0's, 4-6-0's, 2-6-0's and 2-8-0's. O&W W Class 2-8-0's, although too large for lease by the M&U, did work the M&U interchange in DG yard in the 1930's.

The M&U bought a series of Lehigh & Hudson River camelback 4-6-0's beginning in October of 1922 when former L&HR # 23 became M&U 2nd # 2. L&HR # 33 became M&U # 3 two years later in

October, 1924 and the # 1 was put out of service and sold for scrap. On October 26, 1927, the M&U purchased L&HR # 32 which became M&U # 4 to replace the # 3 which was taken out of service and sold for scrap. These were the only camelbacks operated by the M&U.

Eventually the # 2 and # 4 were in bad shape and the M&U purchased a 2-6-0 from the Mount Hope Mineral Railroad, a subsidiary of the Central Railroad of New Jersey. # 5 arrived on the M&U on December 16th and went into service on December 18th, 1930. It was sold about five years later to the West Pittston & Exeter Railroad of Pennsylvania as the M&U bought O&W 4-4-0 Class A # 24 on July 24, 1935 to become # 6. This locomotive had previously appeared on the M&U substituting for an engine in the O&W shops. By March of 1940, the firebox of # 6 had "gone bad" and the little engine was now considered "too light for our service", as considerable anthracite tonnage had developed via the M&U between the O&W and the NYS&W. # 6 made her last run on March 26, 1940 and the M&U temporarily relied on leased O&W power as the company commenced another search for suitable used power and ultimately purchased a 2-8-0, former Bellefonte Central # 16. The transaction was approved by the M&U board on May 21, 1940. # 7 made her first run on June 9th but had a relatively short career on the M&U as she was retired on April 23, 1944 with a cracked flue sheet.

A worn out # 7 was sold for scrap on October 7, 1944 and the M&U relied on leased O&W steam power for the next nine months. A study of the benefits of dieselization with a 44-ton 380 hp. unit and also including avenues of additional cost costing was submitted to M&U board member B. D. Simmons on July 6, 1945. On July 22, 1945, # 2451, the first of four NYS&W 2-10-0 Russian Decapods was leased (2435, 2451, 2461 and 2492) and sister # 2461 made the last steam run on the M&U on April 19, 1946 as a brand new General Electric 44-ton diesel-electric engine entered service that day. The Decapods were easily the largest and most powerful steamers to ever operate on the M&U and eclipsed the new GE diesel in this regard as well. The diesel was purchased by three feed dealers who were customers of the M&U and also on the Board of Directors; H. T. Manning, B. D. Simmons and H. D. Clark. They leased the engine to the M&U.

Freight Cars

As of December 4, 1913, the M&U had purchased four refrigerator cars that were numbered 200, 201, 202 and 203. Four thirty-ton capacity box cars were purchased from the O&W in January of 1914. Former O&W reefers in milk service were replaced by another series of 200 class reefers starting in June of 1924. Five 40' refrigerator cars, 200-204, were bought from Railway & Manufacturers Agents for \$550 each on May 1st and they were to be loaded by the Swift Meat Packing Company at Chicago but instead Libby McNeil & Libby loaded four of them, possibly with canned goods. The reefers were to work their way eastward to the M&U in revenue service but as of July 28th only three had arrived. On May 26th, a contract was made for the scrapping of the four obsolete reefers. On July 18th, a successful offer was made to Hudson Shipbuilding & Repair of Newburgh to sell refrigerator cars 304, 305 and 307 at \$100 each and two flat cars at \$50.00 each. The reefers were offered by Hudson Shipbuilding to the Ulster & Delaware Railroad, Kingston, NY, in exchange for three of their cabooses with an allowance of \$300 per caboose versus a price of \$2,000 per reefer. A deal was ultimately consummated as indicated later in this section.

By June of 1926, the M&U had already begun to retire its latest class of reefers as # 200 was retired on the 11th of the month and on July 20th, arrangements were made to scrap #'s 202, 203 and 204. J. A. Smith was very upset with the two-year service life and accepted an offer of July 31st from Haffner-Thrall Car Company for five thoroughly rebuilt 60,000 lb. steel center sill, 36' reefers to be numbered 202-206, a 36' reefer (HTCX 514) to become # 207 and a rebuilt steel underframe 80,000 lb. 36' box car to be #301. Three of the 200 class reefers didn't arrive in Middletown until September 27th. At the end of

1928, refrigerator cars 202, 203, 204, 205 and 207 were in milk service and box car 301 was awaiting minor repairs before being put into local merchandise service. Refrigerator cars 201 and 206 and box car 300 had been scrapped during 1928 and the rest of the reefer fleet was in need of “considerable attention to carry them through the ensuing year.” On December 8th, 1933, the underframe of 301 was unloaded at Dolson Avenue to be used as a bridge over the brook. The frame of 204 was brought to DG yard on April 30th, 1934 to be cut up for scrap. Another reefer was dismantled in February of 1935 with the body moved to the edge of the cinder bank and the trucks and wheels put under caboose 51. Although the M&U’s own fleet of reefers had succumbed to the rigors of the service, the Erie and the O&W provided reefers to the creameries which shipped milk to destinations on their respective roads. Thus the Erie commonly provided four reefers early each morning for the M&U to hustle down to Borden’s at Johnson while the O&W provided reefers for Slate Hill Milk & Cream.

The M&U did not own a caboose in its first decade and instead relied on its coaches and combination passenger and baggage car. In 1925, Ulster & Delaware caboose 636 was purchased and it arrived on the M&U on November 18th to begin its career as # 50, a number formerly assigned to ex-O&W flanger R2 which became # 31. The U&D had built the caboose in its shop in 1907. Unfortunately, # 50 suffered a battering in four accidents between October 20, 1926 and June 4, 1927. On May 22, 1927, passenger coach 100 and combination car 102, made surplus by the road’s reliance on rail buses, were traded in for caboose # 51, former Delray Connecting Railroad (Detroit, MI), which arrived on November 9, 1927 but did not enter service until November 3rd of the next year when # 50 was apparently retired. 100 and 102 did not leave the M&U until May 28th, 1928 when they were interchanged to the Erie consigned to General Equipment & Welding, Paterson, NJ. Caboose # 51 was sideswiped by # 6 in DG yard on July 6, 1936 and # 50 returned to service on July 11th before final retirement on December 1, 1937. # 51 continued in service until the 1946 arrival of GE 44 tonner # 1 which had such a commodious cab that the entire crew could be accommodated and there was no longer a need for a caboose. However, both cabooses were still on the railroad in 1947 and their disposition is unknown.

Each of the two 36’ wood-sheathed cabooses had a side door to accommodate less-than-carload (LCL) freight and they could also carry passengers as needed, in addition to train crew members. As an example of what constituted LCL, consider these shipments of June 3, 1939: 338 lbs. of cotton waste, 100 lbs. of seed, 54 lbs. of paint and 180 lbs. of hardware for Slate Hill; 38 lbs. of oil, 313 lbs. of fencing and 94 lbs. of cans for Johnson and 110 lbs. of syrup and 565 lbs. of books for Westtown. Other LCL shipments during the month included brooms, nails, yardsticks, chairs, a silo, roofing, disinfectant, salt, machinery, pipe and grease as well as cans, paper bottles and caps for the creameries.

Passenger Equipment and Service

Three ex-PRR passenger cars including a coach, a combination mail, baggage and passenger car and a combined baggage and passenger car were purchased from E. H. Wilson & Co. in the last two months of 1913 to cover the fledgling road’s passenger and mail service obligations and were numbered 100, 101 and 102. M&U Time Table No. 2, effective February 4th, 1914, listed westbound passenger trains 3, 7 and 9 and eastbound 2, 8, 10 and 12. Only trains 3 and 8 ran daily while 7 and 2 ran daily except Sunday. The other three passenger trains were Sunday only. The four remaining scheduled M&U trains, three milk and one mixed were all considered mixed trains for the purpose of also carrying passengers. Six weeks later, Time Table No. 3 went into effect on March 18th and Sunday passenger trains 9 and 12 were eliminated while passenger train 3 was now a freight train as was also the case with train 4, formerly a mixed train, and as freight trains neither carried passengers. The next available Time Table was in effect June 29th, 1914 and corrected to March 1st, 1915. It reflected the conversion of trains 3 and 4 to mixed train status and they and the milk trains continued to carry passengers. The M&U also noted that trains 1

and 3, westbound milk and mixed, and trains 2 and 6, eastbound passenger and milk, connected at State Line with NYS&W passenger trains.

In a bid to reduce the cost of providing passenger service the M&U purchased two Reo model F 35 hp. chassis and two twenty-passenger bodies from the Paterson Coach Company in 1919. J. Blaine Worcester of Middletown assembled these components into two rail buses which were operated back-to-back by a two-man crew. Time Table No. 9, effective April 16th, 1919, showed milk, freight, passenger and motor trains. The motor cars provided 5 daily or daily except Sunday roundtrips on the railroad plus a couple Sunday roundtrips. The M&U's steam power only handled a daily freight and a daily milk roundtrip plus a passenger train on Saturday. The M&U also listed which of its trains connected with the Erie and O&W as well as with the NYS&W. However, the railroad sold the two Reo's that same year to the Birmingham & Southeastern due to insufficient heat for the passengers and fears that the rear engine would freeze in the winter. Time Table No. 11, effective October 2, 1919, only listed steam-powered trains covering mixed, freight and milk assignments and "All trains are mixed trains and will carry passengers subject to delay." There was a total of 3 daily roundtrips plus extra mixed service on Saturday.

Despite the initial experience, the road did not give up on the rail bus concept and returned to Worcester in March of 1921 for two more 35 hp. Reo's, both with a four-wheel front truck as opposed to the earlier two-wheel front trucks, and having capacities of fifteen and twenty-seven passengers. These rail buses were operated independently and were more successful. Time Table No. 17, effective April 3rd, 1922, listed three motor trains running daily except Sunday. The steam-powered trains were all designated as mixed trains and could carry "freight, milk, passengers, express, mail and baggage". Unfortunately the larger Reo was wrecked in an auto collision and traded to Worcester in December of 1922 for a 58 hp. Gramm-Bernstein rail bus. Time Table No. 20, in effect July 1st, 1924, showed just two pairs of daily mixed steam-powered trains while the motor cars covered four pairs of trains, daily except Sunday, and an additional train on Saturday. The smaller Reo and the Gramm-Bernstein operated into 1926 when the latter was destroyed by fire in a grade crossing accident on September 14, 1926. The M&U reacted quickly by purchasing a Brill Model 55 demonstrator to replace both rail buses and this rail bus served the M&U until the cessation of passenger service on June 20, 1940.

Passenger traffic declined in 1920 "due to competition by automobile service" and declined further in 1922 as the company faced competition from regular bus service as well as trucks. In September of 1925, the M&U was successful in opposing the application of Willard M. Gould to operate a bus line between Middletown and Sussex. However, the threat of motor bus competition still existed and on July 2, 1926 the M&U board approved the organization of a wholly-owned subsidiary, the Middletown & Sussex Transit Company, Inc. (M&STC), which was to seek a franchise to run between Middletown and Sussex, NJ, about seven miles south of the railroad terminus. The Middletown Common Council granted a franchise to the M&STC which then bought the Wallkill Public Service Corporation's existing bus operation between Middletown and Sussex. A small number of buses and trucks were owned by the company during its relatively short existence.

Some of the M&U's Time Tables listed M&STC service as well with various columns labeled "Bus" instead of the train number. Motor car trains showed the word "motor" under the train number. A schedule circa 1927 showed a six pairs of bus trips, two pairs of steam-powered trips and four and one-half pairs of motor car trips, although not all trips ran daily. By the time of Time Table No. 25, in effect September 4, 1929, there were only two daily "highway" trips westbound and three eastbound plus weekend trips. Trains 17, 15, 16 and 18 were Sunday only mixed trains while 1, 3, 2 and 4 were motor trains. For some reason, daily freight trains were omitted. Just over a month later, Time Table No. 26 became effective on October 10th, 1929 and there were no major changes. Time Table No. 28, in effect September 8th, 1931, did not show highway service but did show two pairs of daily freights plus two pairs

of mixed trains on Sunday. There were also two pairs of daily motor trains except Sunday. It was noted "Trains Nos. 11, 13, 12 and 14 are freight trains and will carry freight, milk, express and baggage only." Trains 15, 17, 16 and 18 were mixed trains "and will carry freight, milk, passengers and baggage."

The M&STC was unable to build up much of a small package freight business as it had competition in this area although it won a U. S. mail contract for July 1st, 1929 to July 1st, 1933. Between Middletown and Unionville the bus made more stops than the railroad. It was also used to transport the school students when the Brill car was out of service. Loss of the mail contract contributed to a deficit in 1933 and J. A. Smith recommended cessation of service in a letter to the M&U board on April 17th, 1934. M&STC service ended on June 24th, 1934.

Time Table No. 32, effective September 8th, 1937, did not indicate the train type and showed two first class trains, daily except Saturday and Sunday, running between Middletown and Main Street, Unionville. These trains stopped at Slate Hill, Johnson and Westtown and constituted the remaining passenger service. Second class trains 5 and 6 ran between Middletown and M&U R. R. Jct. and may have constituted the scheduled freight service which could be augmented by extra trains. Two months later, minor changes went into effect with Time Table No. 33 on November 1, 1937.

In later years, the M&U's passenger business was dominated to such an extent by the movement of school children from the villages south of Middletown to and from Middletown High School, on Academy Avenue, that passenger service was typically annulled at the end of the school year in June and resumed with the commencement of classes in September. The opening in September, 1940 of a new high school in Middletown at Grand Avenue, a location somewhat distant from the railroad, occasioned the abolishment of passenger service.

It should be noted that grade crossing accidents were common in this period perhaps as a result of frequent rail operations and primitive roads being used more and more by an ever-increasing population of relatively inexperienced motorists. The M&U built a "temporary" structure in October of 1923 to house the rail buses and this building was still in use in 2009 as the engine house for GE # 2.

Milk Traffic

M&U Time Tables Nos. 2 and 3, effective February 4th and March 18th, 1914, respectively, showed two daily westbound milk trains and one daily eastbound milk train and this operation continued until at least March of 1915. The milk traffic that had made the MU&WG such a valuable property continued unabated, with one exception, through the early years of the M&U until the rise of truck competition in the 1920's. The one exception concerned the sudden takeover in 1916 of many online creameries by Hires Condensed Milk with the result that liquid milk traffic was converted to condensed milk traffic and the M&U lost a lot of tonnage for the several years Hires and successor, Nestle's Foods, dominated creamery operations along the line. As of April 16, 1919, Time Table No. 9 showed just one daily milk train in each direction. By April 3rd, 1922, as shown in Time Table No. 17, there were no milk trains but all the mixed trains could carry milk.

In the 1930's, milk traffic routinely provided about 60% of the M&U's total revenues until dipping below 50% in 1939 and 1940. Indeed an analysis of M&U revenue covering seventeen years in the eighteen-year period, 1921 through 1938 inclusive, shows milk traffic providing from 51.2% to 76.0% of the company's total revenue with the peak years 1922 through 1931 when milk traffic generated 64.1% to 76.0% of the total revenue. Thus, in the words of J. A. Smith, "The year 1927 has been the most prosperous year in the history of your Company" and it was no coincidence that it was the peak year of milk revenue both in amount and as a percentage of the M&U's total revenue. The company's profit that

year was \$16,608.83. However, the diversion of milk traffic to truck had already begun and milk revenue would decrease about 30% in 1928, the start of a long steep decline culminating in the loss of the final milk traffic in August of 1941.

By May of 1914, Clover Farms Dairy was planning a new creamery at Slate Hill to replace their existing operation. However, instead of opening the new plant around March 1, 1916 as planned, Clover sold the new facility to Hires Condensed Milk which eventually was bought out by Nestle's Food Company by August of 1919. In the 1920's both the old and new creameries in Slate Hill were in operation as Slate Hill Milk & Cream and Middletown Milk & Feed which became Middletown Milk & Cream by June 1, 1925. By the middle of 1928, truck competition had captured one third of Slate Hill Milk & Cream's milk traffic.

Bordens continued to operate and modernize its facility at Johnson and according to a newspaper advertisement on March 23, 1940 the plant had a daily output of 18,000 quarts of milk constituting four rail carloads and representing the output of 115 farms. Milk was shipped to Paterson, Hackensack, Haverstraw, Passaic and other cities. The M&U's last milk shipment originated at Bordens on August 18, 1941, thus ending a see-saw battle with truck competition that had lasted over a decade. Trains 5 and 6 were annulled as a consequence.

As of October 21, 1914, J. Wesley Thorn and Bordens Condensed Milk operated in Westtown. Thorn sold out to Hires Condensed Milk in November of 1916 and within a few years Nestle's Food Company took over. In January of 1924, Sheffield Farms leased the plant from Nestle's and in February of 1937 Sheffield sold the property to Middletown Milk & Cream. The Bordens facility was also up for sale in November of 1916 and sat idle until late 1920 when it was sold to O. E. Sayer who was affiliated with the Dairyman's League. The M&U referred to the creamery in this era as the "Farmers' Creamery". As of January 18, 1926, it was called the Westtown Dairy Company. It burned down on January 1, 1926 and Bordens rebuilt it and then operated it for a number of years. It was sold in the 1940's to the GLF, the Cooperative Grange League Federation Exchange, which sold feed.

William Richman and Brown & Bailey sold their operations in Unionville to Hires Condensed Milk in November of 1916 and within three years, Nestle's had succeeded Hires. Nestle's closed down for a few months but reopened by June, 1921 and continued to operate as Hires Condensed Milk as late as 1949. H. S. Chardovoyne operated a creamery in the 1920's but switched their milk traffic to truck in 1928. They did continue to bring in their occasional carload of coal via the M&U into the early 1940's.

On September 29, 1936, the M&U's milk traffic via the NYS&W was rerouted to go via Middletown to the Erie, which controlled the NYS&W, as a cost-cutting measure on the Hanford Branch which had been considered for abandonment. This allowed the NYS&W to eliminate a milk train over the branch and use the way freight to handle the few remaining passengers. The M&U was not adversely affected by this action and had approved it.

Feed and Other Traffic

Throughout its existence the M&U also enjoyed heavy feed traffic as every village below Middletown had at least one feed store to serve the dairy herds of the area. A GLF facility located on the southwest side of Dolson Avenue and was rebuilt after a fire in 1942. Middletown Milk & Feed received cars at Pounds, east of Webb Road, as late as the mid 1920's. By 1916, Charles J. Durland operated the former C. G. Clark & Co. feed store in Slate Hill which was bought by the Middletown Milk & Feed Company in 1922 and sold by them in 1924 to George E. Martin who commenced business on January 1, 1925 as Slate Hill Feed & Coal. Johnson hosted two feed stores; Clark Co. and Manning Co. C. G. Clark

operated at Westtown and after a fire in the late 1920's, built a new facility. By the 1940's, GLF had a feed facility in the former Borden's creamery at Westtown. Manning & Clark Feed & Lumber built a large facility sometime between 1914 and 1916 in Unionville and operated throughout the M&U era.

In a statement to the ICC circa 1920, J. A. Smith summarized the companies located along the M&U as follows; 1 file manufacturing facility (Madden-Morrison), 6 coal dealers with yards, 5 feed dealers with storage, 3 wholesale oil dealers, 1 cheese factory, 5 cattle dealers, 5 automobile dealers, 1 fur factory, 1 silk mill, 8 creameries, 2 gravel banks and 20 merchants. In October of 1924 Smith listed six companies receiving lumber in carloads and only Slate Hill was absent from the list.

The ever-increasing automobile and truck traffic on the expanding system of local highways did provide the M&U with some traffic. A GLF petroleum facility received tank cars of Sinclair gas at Pound's station beginning in the late thirties and Sam Randall received tank cars of gasoline on a siding near Heidt Avenue near Dolson Avenue in Middletown. As early as 1933, Kandel Brothers operated a Go Gas plant on a siding along the former connection to the Erie just north of Dolson Avenue.

The M&U and Its Larger Neighbors

During World War I the M&U was operated by the United States Railway Administration. Between 1913 and 1944, the Erie shared in the expenses of the M&U's Middletown yard and engine facility for storage of its commuter coaches and the servicing and turning of its steam locomotives (DG yard had a 75-foot turntable). As of April of 1944, the Erie based all of its Orange County commuter trains in Port Jervis and there would be only sporadic use of the M&U turntable in the few remaining years until the Erie's local freight service was dieselized. In the early years, Erie 900 and 2200 locomotives were used and in 1923, class K-1 Pacifics appeared on these assignments after the Sprague Avenue bridge was strengthened. Erie 2-8-0's commonly appeared in DG yard to handle interchange assignments. The Erie's Pine Bush Branch trains also ran through DG yard as they had to access O&W trackage for the run between Middletown and Crawford Jct. where they entered the branch.

Harkening back to the proposed inclusion of the MU&WG in the route of the SM&B, the successor companies explored the possibility of a connection that would have permitted the L&NE to route Campbell Hall and Maybrook traffic via an M&U/O&W routing instead of via the Erie's Pine Island and Montgomery branches. This effort, pushed largely by the M&U, started on February 5, 1914 less than two months after the road's formation and persisted for over six years until the M&U applied to the Interstate Commerce Commission in June of 1920 for a loan of \$300,000 including \$25,000 to buy a replacement engine and \$275,000 to fund a three-mile extension from Unionville to Owens Station. This was one of two proposed connections that had been studied. The other was between Johnson and Wilcox. The ICC responded that August and apparently set conditions on the loan that were unacceptable to the M&U.

Several decades later, the ghost of the Oswego Midland scheme was revived by the successor companies trying to climb out of bankruptcy. The NYS&W effectively gained its independence from the Erie when it filed for bankruptcy on October 1, 1937 and soon entered into a cooperative agreement with the O&W, also in bankruptcy. At one point, the two companies considered formation of the New York, Susquehanna & Ontario and the Middletown paper carried the banner headline "O&W Merger with Susquehanna Near". The M&U would have been included as the vital link between the two larger roads but the merger proposal fizzled and the two larger roads focused on cooperating to reduce costs. NYS&W motive power and passenger cars were forwarded via the M&U to the O&W's Middletown shops for rehabilitation. Between April 24, 1940 and January 24, 1943, half of the NYS&W engine fleet, fifteen of thirty-one locomotives, moved over the M&U to and from the O&W engine shops. NYS&W

passenger cars also moved to the O&W car shops in Middletown. As of July 11, 1938, the O&W and the NYS&W were analyzing the rerouting of coal traffic between the two roads via the M&U instead of via the NYC to Edgewater, NJ. Beginning on or about December 30, 1939, anthracite coal started to move from the O&W via the M&U to the NYS&W and the little road began running three daily pairs of freights instead of the customary one pair. M&U # 6 was quickly overtaxed by the heavy tonnage and made her last run on March 26, 1940. The M&U relied on leased O&W locomotives until # 7, with about 30% more tractive effort than # 6, entered service on June 9th. This heavy traffic lasted until March 22, 1941 when the O&W and NYS&W reverted to interchanging at Little Ferry, NJ, thus bypassing the M&U which soon reverted to running one daily freight from Middletown to Unionville and back.

The Last Years; Bankruptcy, Foreclosure and Reorganization

A conversation between the M&U's Vice President and General Manager, W. R. Durland, and A. A. Morrison, owner of a company dealing in railway equipment and track supplies which previously sold the M&U its # 7, resulted in an offer of \$45,000, dated June 23, 1942, for the physical assets of the M&U which would be abandoned. The road was not sold but the M&U filed for bankruptcy in 1943 and Louis F. Zieres, an M&U official, was named trustee. The milk traffic had all been lost to trucks. The heavy coal traffic between the O&W and the NYS&W had lasted just over a year. Passenger service had been abolished and the Brill car sold to the Georgia Northern Railroad on July 17, 1944. Feed now dominated the traffic mix which still included coal, bottles and cans for the creameries as well as bagged cement and lumber. The railroad's situation worsened and an embargo was placed on inbound traffic during the last week of May, 1946. The M&U's last train operated on May 31, 1946, just a few weeks after the end of steam operations and the arrival of diesel # 1 on April 19th. The three feed dealers, members of the Board of Directors who had purchased the diesel and leased it to the M&U, had secured control of the company's stocks and bonds. Manning, Simmons and Clark forced a foreclosure of the M&U and a reorganization of the company as the Middletown & New Jersey Railway Company, Inc.

THE MIDDLETOWN & NEW JERSEY RAILWAY COMPANY, INC. (M&NJ)

To be continued.