



## Lake Pontchartrain Basin Maritime History Briefs

Charles Morgan- The “father of integrated shipping.”

Part D- Activities and Accomplishments, 1874- 1878,  
and the Ultimate Demise of the Morgan Line

This brief deals with the business activities and accomplishments of Morgan during the four-year period immediately preceding his death in 1878 and the subsequent actions of the Morgan Line until 1885 at which time its existence as a corporation ended.

The previous brief concluded with the observation that Morgan had formed a partnership with the Buffalo Bayou Ship Channel Company that contracted to dredge a ship channel between the ports of Galveston and Houston. As of 1874, work had come to a stop for a variety of factors, prominent among which was financing. As an outcome of the partnership, Morgan contracted to construct a 120 ft wide, nine-foot-deep channel from Galveston Bay to the vicinity of Houston for various financial considerations, one of which was cost free use of the channel by his steamships. Having dredged the Atchafalaya Bay Ship Channel from Berwick’s Bay (Brashear, renamed Morgan City in 1876) to the Gulf earlier, Morgan had both the experienced personnel and ample dredging equipment to accomplish this work. In spite of having to recover from damages from the hurricane of September 1875, Morgan’s forces



completed the channel in less than 2 years. The channel terminated at a ship wharf opposite the mouth of Simm's Bayou, 12 water miles and six land miles from Houston. The settlement at this site was designated, Clinton, both for the name of the steamer *Clinton* that first navigated the channel and Morgan's birthplace in New York State. For accomplishing the completion of the channel, Morgan has been referred to as "the Father of the Houston Ship Channel" (Baughman, 1968).



Having achieved this major and lasting accomplishment, Morgan turned his attention once again to railroads. Although I've found no explicit statement regarding this matter and despite his previous railroad venture failures, I believe that Morgan understood that railroads rather than steamships were the key to future freight and passenger transportation in the country. Responding to this "belief", under the corporate name of the Texas Transportation Company Morgan immediately initiated construction of a railroad from Clinton to link with existing railroads radiating from the center of Houston. By September of 1876, a 7.4-mile-long railway was in operation with cars that could be interchanged with any other railway operating in the state.

Looking to expand his railway operations throughout Texas, through a series of complex business and financial negotiations Morgan was named the Director of the Houston and Texas Central Railway in 1877. At that time, the H. & T. C. Railway operated 343 miles of major track

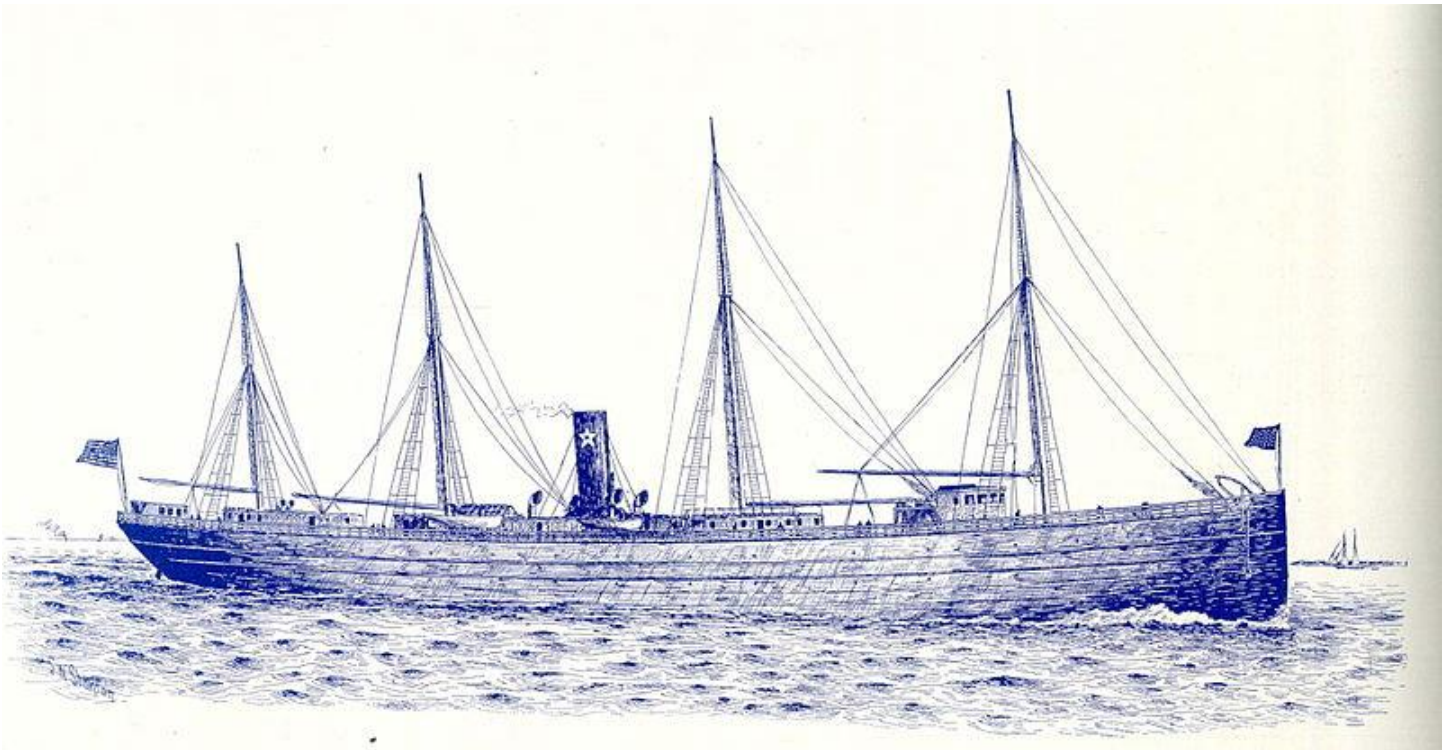
from Houston to Denison and 162 miles of branch line from Hempstead to Austin and from Bremond to Waco. It connected with all the roads of Houston and Galveston and connected with two other major railway systems. His son-in-law Charles Whitney of New Orleans was named Director and President. Despite the significant debt of the Railway, Morgan believed with proper management and marketing that its debt could be resolved and the line restored to profitability. Further, and probably more important to Morgan, he would gain control over a freight and passenger service that integrated steamship and rail service from New York, New Orleans, and Havana into the interior of Texas. At the time, neither a competing steamship nor railroad could duplicate the service offered by Morgan.

In the same year, a newly elected Democratic Legislature in Louisiana changed the political climate in that State in favor of Morgan and in encouraging him to complete the railroad to Texas, a venture at which he had failed earlier. The first step was to charter the Morgan Louisiana and Texas Railroad and Steamship Company. The charter provided Morgan with the authority to run and maintain his railway from New Orleans to Morgan City (formerly Brashear) and extend his rail lines to Sabine (and beyond) and to Opelousas (and beyond). But one of his main goals was to link to the New Orleans Pacific Railway line and its Shreveport station. Suffering from Bright's disease (according to the University of Leeds, this is "an archaic term for nephritis" that is an inflammation of the kidneys caused by toxins, infection, or autoimmune conditions), Morgan consolidated essentially all of his assets and purchased 49,940 shares of the 50,000 shares offered for the recently chartered Morgan Louisiana and Texas Railway and Steamship Company at a meeting of its directors in March 1878. Other legal actions were taken to ensure a smooth transfer and continuity in the management of the M. L. & T. R. & S. as well as directing his assets to selected heirs. These actions initiated by Morgan proved to be wise due to his death on May 9, 1878, only shortly after his 83<sup>rd</sup> birthday.

Despite the loss of this tremendous visionary transportation leader and innovator for over 60 years, the Company continued to prosper under the management of family members and prior trusted associates identified and selected shortly in advance of his death, principally Charles A. Whitney (son-in-law) as President and Alexander C. Hutchinson (past associate) as Vice President. During the first seven or so years following his death, "the actions of their managers most approximated Morgan's original plans for expansion and consolidation of his system" (Baughman, 1968).

Without reviewing the myriad of business transactions and actions of the Morgan Line, some independent of and others in concert with competing railway companies operating in Louisiana and Texas, Baughman (1968) concluded that the Morgan system had reached its zenith and reached "its founder's dream" by 1883. That is, the dream of an interconnected system of railroads and steamships linking the Gulf Southwest with the eastern United States and northern Latin America. Of comparatively minor overall importance to this achievement

was the record set by *Chalmette*, a steamer acquired in 1880 for the Morgan Line. At 2,983 tons, she was the largest American-built coastal steamship at the time only to be exceeded by the *Excelsior* (3,264 tons) in 1882. The *Excelsior* set a record of five days and fifty-four minutes for the 1,695-mile run from New Orleans to New York, an average speed of 14.02 mph.



As of 1883, the Morgan Line railways operated 13 percent of the railway mileage in Texas, owned 16 percent of the locomotives in the state, 13 percent of the passenger cars, and 14 percent of the freight cars. In Louisiana, the Morgan railway was even more dominant as evident by the following statistics:

Percent of railway mileage operated in the state: 25

Percent of the locomotives operated in the state: 31

Percent of the passengers in the state: 30

Percent of the freight cars: 45

The Morgan rolling stock operated on at least 57 % of the state's railway passenger mileage and 50 % of the railway freight mileage.

While continuing to flourish as of 1882, the Morgan Line firm was again impacted by the death of another principal, President Charles A. Whitney on October 29<sup>th</sup> of that year. Whitney had been planning a trip to Europe in an effort to restore his failing health and had turned over the management of the Morgan Line to Vice President Hutchinson. Hutchinson brought a new management style and thinking somewhat inconsistent with that of Whitney and the tradition

of the Morgan Line. So, the period, 1882-1885, is characterized by the sale of the Morgan family holdings and transfer of the management of the assets of the Morgan Line to Collis P. Huntington. He was considered to be one of the Big Four of western railroads. In collaboration with three other railroad magnates, Huntington invested in the building of the Central Pacific Railroad as part of the first US transcontinental railroad. As of 1885, the corporate existence of the Morgan Line had come to an end, but the facilities and infrastructure of the Line continued to contribute significantly to the passenger and freight transportation demands of a rapidly developing country.



In concluding this series of briefs about the life and contributions to transportation by Charles Morgan, the difficulty in capturing the full scope and details of his life and business affairs in less than 10,000 words should be acknowledged. Morgan was truly a self-made man with an indefatigable spirit who continued to push his vision forward to develop a truly integrated transportation system despite political barriers, the US Civil War, the Mexican-American War, initiative failures, and temporary setbacks. In the final analysis, the evidence of Morgan's ultimate success in achieving his vision is irrefutable. He should be acknowledged as a major contributor to the maritime development and history of the northwest Gulf, New Orleans, Louisiana, and eastern Texas. I hope these briefs have given Morgan and his accomplishments the recognition they truly deserve.

## Sources

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[https://en.wikipedia.org/wiki/Collis\\_Potter\\_Huntington](https://en.wikipedia.org/wiki/Collis_Potter_Huntington)