



DONNER CROSSINGS



A Publication of Placer-Sierra Railroad Heritage Society
Issue No. 8, Spring 2013

Towle Brothers— Forgotten Sierra Town – Logging Railroad – Family Empire



Many are aware that from 1876 to 1902 Towle Brothers Company operated narrow gauge logging railroads in Placer and Nevada Counties. What may not be known is the company and family members became known for numerous business ventures beyond the logging railroad. They also created a company town to support their business ventures. A new book has been written about this interesting family and company. The book is being published this spring by PSRHS as part of its railroad history of the Donner Route. Excerpts from the book are included in this issue of Donner crossings. *Photo of Towle Brothers narrow gauge porter locomotive from the Ken Yeo collection.*

Preserving Railroad History along the Donner Pass Route



From the Editor:

While researching information for the club's 2012 spring field trip to Horseshoe Curve and Coldstream Canyon, I came across interesting information about early mills in that area, and the origin of the name Stanford applied to a station there (hint – It wasn't Leland). I also found a companion story about what appears to have been strained business relations between the Central Pacific and one of Leland Stanford's brothers. The story of the Stanford mills and the "other" Stanford are told in the first article in this issue of Donner Crossings.

Much of my time this past year has been spent on an in-depth look at the Towle Brothers operations near Dutch Flat and the town of Towle. When I started my research I thought I would generate a Donner Crossings multi-page article on the brothers and their narrow gauge logging railroad. Instead, I found an interesting story about an enterprising family, a company town, and yes – a logging railroad.

Before I even realized what was happening, I found myself writing a book, which will be published this spring. The book looks at the family members, their many business ventures including logging and lumbering, and the rise and decline of the company town of Towle that they founded to support their business.

I have included a few excerpts from the book in the second article in this issue of Donner Crossings.

Roger Staab, editor

In This Issue:

THE OTHER STANFORD and the STANFORD MILLS. A brief look at the Stanford mills and station in Coldstream Canyon, the Stanford brother for whom they were named, and his troubled life story. – page 3

TOWLE BROTHERS – Forgotten Sierra Town – Logging Railroad – Family Empire. Excerpts from the book about Towle Brothers to be published this spring. – page 6



You are invited to submit feature articles and/or photos for future issues of Donner Crossings. Please contact Roger Staab, email roger.staab@psrhs.org, or by mail at PSRHS, P.O. Box 1776, Colfax, CA 95713. Assistance is available to format your information or photos into final form for publication.

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The Other Stanford and the Stanford Mills

The Stanford Mills in Coldstream Canyon

While digitizing some maps in the Colfax Heritage Museum collection (most of them pertaining to Colfax and vicinity), I ran across a map showing property owned by John Kneeland, a prominent Colfax figure. The map was labeled Kneeland Spur Track CPRR, Cold Stream, Placer Co. Cal. A copy of the map is shown at right.

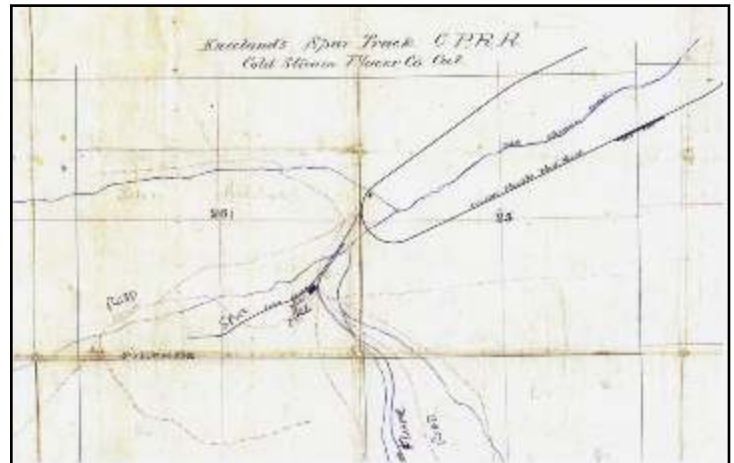
Fast forward a couple of years to the summer of 2012. PSRHS was planning a field trip to the Coldstream Canyon area, and Jim Wood, Lonnie Dickson and I were taking a pre-trip to the area to check it out. I remembered the Kneeland map and made copies to take along. The map showed a mill along the spur track, so I did a bit of research and found that Kneeland had indeed owned a sawmill there in the 1870's. So I dug a little deeper.

An on-line search turned up an Oct. 1874 article in the Wisconsin Lumberman about mills in the Truckee Area. It provided some history on the mills at Coldstream:

To help ensure a good supply of timbers and ties for railroad construction, Central Pacific's Contract and Finance Company advanced money to people and companies who wished to build a sawmill. This created a new lumber trade practically overnight, especially in the Truckee area.

In 1868, A.P. Stanford built a mill at Cold Stream and another a mile away. The two mills cut about 6 million feet that year. According to this article, 1868 was also the year Towle Brothers built two mills at the foot of Donner Lake.

While railroad construction in the area was completed in 1868, the production of the mills for 1869 almost equaled the 1868 numbers because snowsheds were to be built. When snowshed construction was complete, many of the mills went idle or were sold or moved to a different location. One of the Cold Stream mills reverted to the Contract and Finance Company, and burned in 1870. The other Cold Stream mill was purchased by John Kneeland. He was operating it at the time the



article was published in 1874. The Pacific Coast Business Directory listed the mill under Kneeland's ownership in 1876.

The 1874 article went on to say that John Kneeland's mill at Cold Stream was commonly known as the Stanford mill. Kneeland's Stanford mill and several other mills in the Truckee area banded together under a corporation called Sierra Valley Lumber Association. The Association purchased the lumber output from the mills and then sold it to customers, paying dividends to shareholders from the proceeds.

Most of these small mills operated until the timber supply in the area was exhausted.

Who Was A.P. Stanford?

The history of the mills in the area noted that A.P. Stanford built two mills in Coldstream Canyon in 1868, probably with financial backing of CPRR's Contract and Finance Company. Since he built the mills near Horseshoe Curve, the Stanford station at Horseshoe Curve was probably named for him, not Leland. So who was A.P. Stanford anyway?

Astute students of the Central Pacific and the Big Four will recognize the name A.P. Stanford as one of the original members of the CPRR Board of Directors. It turns out he was one of the five brothers of Leland Stanford. Attempts to find out more about A.P. were

frustrating, though. Searches for the name Stanford of course turned up tons of articles on his more famous brother Leland. And searches for A.P. Stanford turned up articles on the advanced placement program at Stanford University.

We often don't know background details about those around us until they die and we read their obituary. So it was with A.P. Stanford. Further searches revealed a newspaper article about his death.

New York Times, May 7, 1903
Col. A.P. Stanford Dead
Brother of Leland Stanford Lost a
Fortune in Speculations – Widow Said
His Heart Was Broken

“Col. Asa Philip Stanford, a brother of the late Senator and Governor Leland Stanford of California, died of peritonitis yesterday morning in his home, at 409 West Forty-seventh Street. He was eighty-one years of age, and he had been in feeble health for some time. Mrs. Stanford attributed his death to nervous prostration and a broken heart. He was rated as a millionaire at one time, but, according to Mrs. Stanford, he died in poverty.

Col. Stanford had been married twice. His first wife was Mary Whitney of Albany. She died March 20, 1879, in London. By her he had three children, Jerome B., now living in San Francisco; Philip, who died in 1898, and Mary E., who died in 1899. His second wife, now his widow, was the widow of J.C. Cunningham, the Town Clerk of New Haven, Conn. She said she was married to Col. Stanford about eight years ago.

Col. Stanford was born in Schenectady, N.Y., in 1821. In 1852 he went to California and entered into the wholesale grocery business with his brothers – Joseph, Charles, Leland, Thomas, and De Witt. Later he became associated with his brother Leland in the Central Pacific Railroad, and was an associate Director of the railroad when the board consisted of only six men. Among them were Leland Stanford, Mark Hopkins, John W. Mackay, and James C. Flood.

In 1872 Col. Stanford went to London and engaged in the mining business, taking as his partner Irwin Davis, the firm name being Irwin Davis and Stanford. He remained there ten years. Unfortunate speculation swallowed his fortune, but he received a legacy of \$100,000 from his brother when he died nine years ago.

Jerome S. Stanford, the son, borrowed \$60,000 from his sister, and Col. Stanford had to pay back the money. Mrs. Stanford said her husband lost nearly all the remainder of his fortune in investments through Dr. Flower of the Hagan case, against whom several indictments are pending.

The *New York Tribune's* May 7, 1903, coverage added:

“He was appointed colonel on Governor Stanford's military staff. He finally sold to his brother, Leland Stanford, certain rights in the Central Pacific, receiving for them, his widow says, \$1,000 a month up to the death of the Senator in 1893. After that the payments ceased. Col. Stanford went to London in 1872 and engaged in mining ventures with Irwin Davis. It is said that in eighteen months he made more than \$2,000,000. In 1882 the partnership was dissolved, and Colonel Stanford returned to this city, where speculation, chiefly in Wall Street, cost him his fortune.”

Col. A.P. Stanford had left the Central Pacific board by 1872 when he went to London. But why did he leave the board, and what is behind the legacy left him by his brother? Further research uncovered more to the story, as legal actions were being pursued by Col. A.P. Stanford's heirs after the death of Leland Stanford's wife Jane.

Los Angeles Herald, June 5, 1906
Stanford Estate Is in Litigation
Charges Filed by Senator's Niece
Claim Set Up That Millionaire's Brother
Was Cheated Out Of \$600,000
By Former's Widow

“San Francisco, June 4. – What practically amounts to a contest of the vast Stanford estate was filed in the county clerk's office this morning by Annie Stanford, a niece of the senator, against Charles Gardner Lathrop, Timothy Hopkins, Joseph D. Grant, Whitelaw Reid and T.G. Crothers, as executors of the will of the late Jane L. Stanford.

The action takes the form of a suit for \$108,000 accruing to Asa Stanford since the death of his brother and the restitution of \$500,000 worth of stock alleged to have been fraudulently withheld by Mrs. Stanford to cheat her brother-in-law in his old age and destitution.

The complaint fairly bristles with sensational charges. It accuses Mrs. Stanford of conspiracy and fraud of the most aggravated nature and rehearses the story of an old man cheated out of the fruits of his labors, in constant apprehension of the poor house and finally driven into the grave by the harsh treatment of his brother's widow.

Unjustly Treated

According to the plaintiff, A. Stanford did not receive just treatment from Mrs. Stanford after the death of the latter's husband.

The chronicle begins as far back as 1869, when Asa Stanford was one of his brother's directors of the Central Pacific Railroad, of which his brother, was the founder and president. At the solicitation of Leland Stanford he withdrew from his position and surrendered his sixth share of the total stock.

For this transfer of power and stock Leland Stanford agreed to pay his brother \$1,000 a month during his lifetime and to leave him \$500,000 worth of stock at his death.

This agreement was faithfully executed by the senator, who invariably made the monthly payments and left \$500,000 worth of the capital stock in his safe to be paid to his brother when he should pass away.

Did Not Pay Stipend

It is set forth in the papers which were filed today that Mrs. Stanford not only took possession of the stock that is said to have been left her brother-in-law, but refused to pay him the thousand dollar monthly stipend.

After Asa Stanford had made frequent demands for the money it is said he was told that Senator Stanford had hardly left enough property to pay the debts he had incurred and that if his claim were pressed he would throw the estate into bankruptcy.

Finally, it is stated, Asa Stanford released all his claims against the estate for a consideration of \$10,000.

Annie F. Stanford asks that the release signed by Asa Stanford be declared void and delivered to her along with the letter he was forced to sign, that it might be destroyed.

She demands \$100,000 which accrued in the nine years intervening between the death of Leland Stanford and his brother, and finally she asks for the questioned stock in the Central Pacific or \$500,000 as an equivalent.

Her attorneys are Cameron H. King and Henry J. Power.

Was Annie Cunningham Asa's niece, as shown in this report, or his second wife? According to 1900 census records, Asa was a boarder in Annie Cunningham's home that year, three years before his death.

In April 1908 the California Supreme Court dismissed an appeal of a ruling against Mrs. Asa Stanford because her attorneys had missed a deadline for filing an appeal. This action ended her claim against Jane Stanford's estate. The lawsuit seems to have ended without providing clear answers to many of the questions it raised.

Summarizing the Story of A.P. Stanford

From these newspaper and magazine articles, we can reconstruct parts of A.P. Stanford's story, some factual, some conjecture.

Leland Stanford's brother, A.P. Stanford, was an original member of the Board of Directors for the newly formed Central Pacific Railroad, with Leland as president of the company. A.P. or Philip's name appeared on the list of directors in company publications for 1865-1868, but not for 1872 or later documents.

A.P. Stanford built or invested in building two sawmills in Coldstream Canyon in 1868. He may have received financial backing from Central Pacific's Credit and Finance company. One of the mills burned in August 1870, and the other mill was sold to John Kneeland

According to allegations in the court case, Leland Stanford wanted his brother A.P. Stanford to step down from the board of Central Pacific – wanted it badly enough to promise to pay him a monthly stipend for life along with some Central Pacific stock if he did step down. The complaint alleged that Leland did pay the monthly stipend to Asa while Leland was still alive.

One of A.P. Stanford's mills had reverted to the CPRR Credit and Finance company prior to being destroyed by fire in 1870. It is unclear if A.P. Stanford still owned the other mill when it was sold or leased to John Kneeland in the early 1870's. At any rate, A.P. Stanford left for London in 1872, made a fortune, but then lost it through unfortunate investments and ended up penniless.

So did Leland Stanford offer an incentive to his brother Asa to relinquish his seat on the board of directors of CPRR, or did Asa leave the board of his own free will? If there was an incentive, was that deal not fulfilled after Leland's death?

A final glimpse of A.P. Stanford's reputation was found in letters written by Collis Huntington to Mark Hopkins. A.P. Stanford and his brother Charles would apparently drop into Huntington's New York office and demand a return on their investment in the railroad. Huntington wrote the following to Hopkins in May 1866:

"I think you are quite right in keeping all the securities together until the road is completed. It is very uncertain about what a fellow like Phil Stanford would do with his – build a windmill or do some other foolish thing that would not only put the securities out of the company's reach, but would likely bring the company into bad odor before public (sic) with his foolish pranks." (CPRR.org web site)

Today, a dirt road leaves the U.P. mainline at the southwest corner of Horseshoe Curve, apparently built on the old spur line roadbed that once served the Stanford sawmill. The road now serves several cabins and a mountain resort, but no remains of the mill are evident.



Towle Brothers – Forgotten Sierra Town – Logging Railroad – Family Empire

In the 1850's three brothers, Allen, George and Edwin Towle, came from Vermont to Dutch Flat in Placer County to seek their fortunes. They soon became involved in logging and lumber production, supplying local mines and railroad construction when the Central Pacific built the new line through Placer and Nevada Counties. As other relatives joined them, their company became a family affair, doing business initially as Towle Brothers & Co., then Towle Brothers Co.

Towle Brothers were entrepreneurs in their business dealings, constantly looking for new business opportunities and new ways to conduct the businesses underway.

There are many bits and pieces of the Towle Brothers story floating around, but what's missing and what a new book soon to be published by PSRHS aims to fulfill is a package that ties the pieces together into a comprehensive and chronological story.

In order to sort fact from fiction (or fuzzy memories) in these myriad stories, I chose to refer back to newspaper articles from the days of Towle Brothers' operations. The book that resulted uses as its basis quotes from newspaper accounts of the actions and operations of the company and its principle players.

The newspaper quotes have been tied together with narrative and photos to take the reader through the building of early Towle Brothers sawmills, their support of Central Pacific construction, the development of their narrow gauge logging railroad and the town of Towle to support their operations, and their eventual relocation to Texas Hill. The last chapter looks at the lives and accomplishments of some of the early descendants of the original families.

A small sampling of newspaper articles included in the book are provided in this Donner Crossings article. The aim of the article is to give our readers a brief glimpse into this fascinating company, family, town, and logging railroad, and perhaps stimulate interest in taking a more detailed look by reading the book.

Proceeds from the sale of the book will go toward the Colfax Caboose Project and other PSRHS preservation and education projects.



Art Sommers Collection

Early Strap-Iron Tramways (Apr 1875)

Towle Brothers initially used horse and oxen teams to move their logs and lumber. They found that running the lumber wagons on lightweight strap-iron rails made their movements much more efficient.

“These mills are reached by narrow-gauge railroads, one of which is seven miles long, and the other two and a half miles. These narrow gauge roads are three feet wide on the rails. Strap iron, weighing from 20 to 30 pounds to the rod, is used. The cost of the roads per mile is estimated by Mr. Towle at about \$2,500. Both oxen and horses are used for motive power, the power being mostly required for the purpose of hauling the empty cars from the C.P.R.R. track to the mills. The Towle Brothers have found by years of experience that this kind of narrow gauge railroad serves their purpose admirably, and is cheaper and better even than a flume would be. By means of the road they can haul all their supplies to the mill, an important item, and something that could not be done by a flume. Further, if desired, the lumber can be unloaded directly from their narrow gauge cars and placed on board the freight cars of the C.P.R.R., and thus save handling once [sic]. The Towle Brothers gave employment last summer to 125 men, 60 yoke of oxen, and 10 horses.”

While the horse and oxen teams and strap-iron rails improved their operations in the woods, Towle Brothers soon realized they needed more efficient means of moving logs and lumber, and began building a true logging railroad.

Building a Genuine Railroad (Apr. 27, 1877)



Ken Yeo Collection

“When an enterprising business firm starts in, nothing is impossible to them. It may surprise some of our readers when we state that there is being built in this county, without government aid or other subsidies, a narrow gauge railroad. The live and energetic Towle Bros. and Co., who are considered among the leading lumbermen of the State, have already under way, a narrow gauge railroad, eleven miles in length, to be used in place of the horse and oxen tramways now in use in hauling lumber and logs to and from the Alabama and Kearsarge mills. The track has a three foot gauge, and is being built with a grade of 165 feet to the mile, its heaviest curves having 118 foot radius. The rails used weigh forty-five pounds to the yard, and the engines will be of twelve tons each.”

miles an hour. On a common dirt or gravel road it will haul 120 tons at the rate of five miles an hour.”

Towle Brothers operated several lumber-related businesses at Towle, their company town.

Box Factory at Towle (Sep. 29, 1883)



“The planing mill and box factory have been kept busy all summer manufacturing boxes for the shipment of California fruit East, and although running extra time at night, are unable to supply the demand. A large part of the material is for the fruit men of Placer county.”

Steam wagons soon proved useful to move logs to the mills and lumber from mills to railroad sidings.

One of the more interesting aspects of Towle Brothers logging operations was their willingness to take visitors on excursions on their narrow gauge railroad.

Excursions (Aug. 16, 1894)



Ken Yeo Collection

Use of Steam Wagons (Aug. 20, 1888)

“This wagon has at last, after ten years of experiment, been made a success, and one of them is at work for the Towle Bros., hauling lumber, at Emigrant Gap. It will haul 25,000 feet of lumber, or thirty-seven and a half tons, up a grade of 240 feet to the mile at the rate of three and a half

“It is not necessary to say that we all got up, had breakfast, and left on time, at 6 o’clock, on our excursion. It was a beautiful day. Our hosts had fitted up a flat car with benches, cushions and chairs, making it a regular observation car, and as it was purely a Towle car we had no trouble with the engineer or conductor. About half-way we stopped at a station where they had just hauled in a load of lumber from a mill six miles off the road with one of their great steam-wagons.

We arrived at our journey’s end about 10:15, after enjoying some of the finest scenery to be found anywhere in the mountains. We spent about an hour going through the sawmill, which is the finest in the State. The machinery is all run by water power, which also enables them to have electric lights throughout, as they run night and day. Very little is lost from any of the great logs which are sawed up, for what is not used for lumber and laths they use for fuel on their locomotives.



Ken Yeo Collection

One needs to go through a sawmill to thoroughly enjoy it, as it cannot be described. We then had dinner, after which we got ready for our return trip. We had three whist games to pass away the time.

When we had reached the summit, for a novelty they detached the caboose and observation car from the train, while the engine went back for another train-load of lumber, and sent us off down the grade for home, a distance of nine miles, which we reached without accident in good time for supper.

Towle was a company town, formed with the express purpose of supporting the firm's lumber operations.

Town of Towle (Aug. 14, 1895)

"The place I am specially in love with, and therefore recommend, is Towle's Station. It is not advertised as a summer resort, but it speaks for itself. It is a busy, bustling place, containing a few elegant residences, a commodious hotel, a good public hall and possibly over fifty cottages and all the accessories of a railroad station, made important by being the seat from which Towle Brothers and Co. ship most of their lumber to various distributing points.

The sawmills are located miles away, but the planing mills, box factory, pulp mills, powder mills, etc., are located here at the station, on the Central Pacific Railroad.

There has been no effort to attract people to this point, as their presence might be, financially, rather a detriment than otherwise to Towle Brothers and Co., who are sole proprietors of the place. In fact, the town was a necessary outgrowth of their enterprise and the large business they carry on and the large number of persons employed."

There is much more to tell – a “hoisting works”, expansion of logging into the Bear River drainage of Nevada County, the many innovations Towle Brothers brought to their logging and other business ventures, the shift of lumber operations to the Texas Hill area, the rise and fall of the town of Towle as the company's activities expanded and then faded, and the successes of some of the early descendants of the original Towle families.

These stories and more are brought back to life in the new book being published this spring by PSRHS:



Towle Brothers Forgotten Sierra Town Logging Railroad Family Empire

Ken Yeo Collection

