

CHAPTER XVII

The year 1923 was most successful to date in the history of the North Shore Line. Operating revenues that year increased \$937,320.13 or 18.71% over the year 1922, while the increase in the net income was \$168,935.26 or 32.61%. Gross revenues from freight and Merchandise Despatch business increased \$294,661.58 or 39.88%.

Increased Revenues

Participation Shareholders met February 27, 1923, and by unanimous vote adopted the plan previously announced for the financial reorganization of the Company. A new corporation was formed under the name of the Chicago North Shore and Milwaukee Railroad Company with an authorized capital stock distributed as follows:

1923 Financial Reorganization

\$10,000,000. Prior Lien 7% Cumulative Stock  
5,000,000. Preferred 6% Non-Cumulative Stock  
5,000,000. Common Stock

All the Preferred and Common Stock together with \$2,684,208.07 of 5-Year, Non-Interest Bearing Promissory Notes were delivered to the Participation Shareholders in exchange for their shares, in the proportion provided for in the Trust Agreement under which the Participation Shares were issued.

Basis on Exchange of Shares

The Company issued \$1,500,000 of the new Prior Lien 7% Cumulative Stock, partially to reimburse the Treasury of the Company for capital expenditures made in 1923. The stock was sold at the par value of \$100 a share.

More than two-thirds of this stock was sold to employes and customers of the Company, residents of the territory tributary to the road.

Employee-Customer Ownership of Stock

About 70% of the employes of the Company subscribed for this stock, a majority paying for it on the monthly payment plan. All of the stock sold, amounting at this time to upward of \$1,000,000. was sold by the employes of the Company. The number of stockholders had increased from 840 to 1936, while the number of subscribers acquiring the stock on the monthly payment plan brought the total up to more than 3000.

Additional equipment was acquired in 1923, which cost \$649,000. This was financed through an Equipment Trust, providing for the issuance of \$557,000. Equipment Trust Certificates, the balance of the purchase price being payable by the Company.

To provide funds for additions and betterments, \$1,000,000. of 6½% Three-Year Secured Sinking Fund Notes were sold. First Mortgage Bonds to the amount of \$902,000. were issued and deposited as part of the security for the Notes.

3 Year  
Secured  
Sinking Fund  
6% Notes

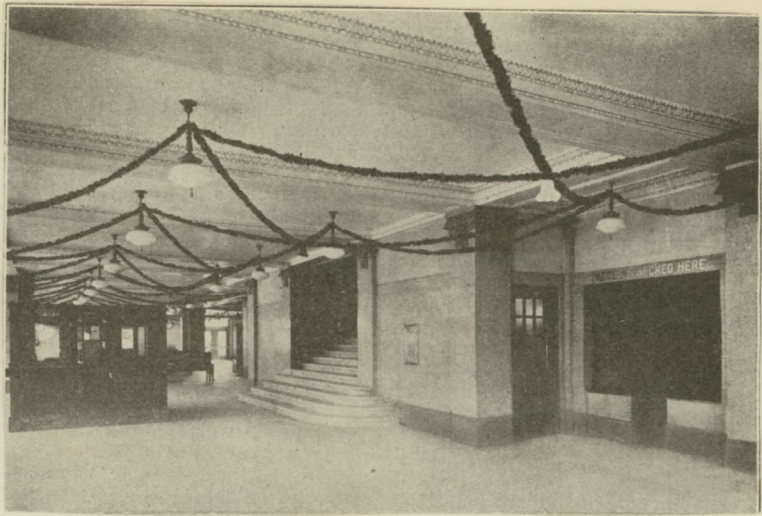
The North Shore Line, in October, 1923, won the Charles A. Coffin Gold Medal for the distinguished contribution it made to the development of the electric railroad industry. This medal and prize award were provided by the General Electric Company, for the electric railroad, within the United States, which, during the year, had done the most to popularize electric railway service.

Coffin  
Medal  
Award

Electric railroads in all parts of the United States entered the competition for the Coffin medal. In awarding the prize to the North Shore Line, the American Electric Railway Association Committee which examined the claims of the competing companies said-

"From the representations of the winning company, the Committee finds that on this property there has been carried to fruition most of the things that have been talked about for years as the remedies for various troubles. On this property the remedies have not only been talked about; they have been executed. Thus the winner stands out as a railway that has largely accomplished the tasks of gaining public good will, of merchandising transportation, modernizing service and equipment and improving its financial structure."

A handsome and commodious passenger station erected by the Chicago Rapid Transit Company and leased by the North Shore Line, located at the corner of Wilson Avenue and Broadway, in the heart of the district known as Uptown Chicago, was opened December 12, 1923.



**Uptown Chicago Union Station**

This modern station, equipped with every convenience for the use of the public, is used jointly by the North Shore Line and the Elevated Railroads. It was an improvement much needed by the North Shore Line to accommodate its growing business in that district.



**Interior view of Uptown Station showing stairway to trains.**

The competition for the Coffin Medal was the first engaged in by the electric railroads of the country. The North Shore Line won the distinction of being the first winner, which added materially to the value of the award.



## CHARLES A. COFFIN FOUNDATION

ESTABLISHED BY GENERAL ELECTRIC COMPANY

FOR THE ADVANCEMENT OF THE  
ELECTRICAL ART

AWARDS

THE CHARLES A. COFFIN MEDAL

TO

CHICAGO NORTH SHORE & MILWAUKEE RAILROAD COMPANY

IN RECOGNITION OF ITS DISTINGUISHED CONTRIBUTION DURING THE PAST YEAR TO  
THE DEVELOPMENT OF ELECTRIC TRANSPORTATION FOR THE CONVENIENCE OF THE  
PUBLIC AND THE BENEFIT OF THE INDUSTRY.

CHARLES A. COFFIN PRIZE COMMITTEE OF THE  
AMERICAN ELECTRIC RAILWAY ASSOCIATION

ATLANTIC CITY, N. J., OCTOBER 11, 1963

*W. W. Smith*

SECRETARY

*C. D. Reynolds*

CHAIRMAN

