



## Early Railroad Passenger Business

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Note: This discussion of ticket sales in the 1870s includes information on commissions and scalping, passenger rates, and rate wars. The article reproduces rate sheets, commission circulars, and commission announcements from the A. W. Kellogg scrapbook.

See also the related article ["The Burlington First Main Line."](#)

Cataloging Information:

Photographs / Images: three railroad passes

# EARLY RAILROAD PASSENGER BUSINESS

## COMMISSIONS AND SCALPING

Fred D. Cornell, secretary of the Scottish Rite, Lincoln, recalls the days of cutthroat passenger competition, and has a collection of railroad material as supporting evidence. The collection was made by his father, D. E. Cornell, pioneer General Ticket Agent of the Kansas Pacific. Rare photographs taken along the K. P. right-of-way during the Seventies and a stack of about 120 railroad, stage and steamboat passes, 1877-1880, are outstanding relics.

Among the passes is one signed W. K. Vanderbilt, 2nd V. P., New York Central and Hudson River Railroad. The unusually long names of railroad companies, indicating combination of local lines, is well illustrated by the thirteen word title: Cincinnati, Sandusky and Cleveland, and Columbus, Springfield and Cincinnati and Findlay Branch Railroad. Stage passes include the National Mail Company and Southwestern Stage Company, and the Colorado Stage and Express Company. One bit of cardboard gives free passage on steamboats of the Missouri River Packet Company. Most of the "annuals" are for the year 1877.

Fred D. Cornell followed in his father's business, becoming a Kansas City ticket agent in 1889, in a period when it was "a wonder there was any passenger business", since every business man, shipper, politician and newspaper man had an annual pass.

### Commissions

Competition for ticket sales to the rest of the traveling public was active, even fierce. Commission circulars, confidential offers, and general advertising were sent to all ticket agents in an effort to get passenger traffic. All agents received commissions from other lines for sale of continuation tickets over that particular railroad. A Lincoln agent selling a ticket to New York, might give the passenger a ticket to Omaha and then give him tickets (or orders) on the eastern roads paying the best commissions, thus earning a commission of perhaps \$3.00. Agents were required, of course, to sell the first ticket on their own line, but they sold enough tickets on other lines to earn about as much in commissions as they did in salary from their own company.

Attempts to route passengers in such a way as to get the largest commissions caused many humorous situations. A true

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Editor's note:—This discussion of ticket sales was prepared by D. R. Burleigh from information supplied by Fred D. Cornell and H. P. Kauffmann as an explanation of the documentary material printed in the following pages.

**ST. JOSEPH & COUNCIL BLUFFS**  
**RAIL ROAD LINE.**  
 HANCOCK, MO. Sept 17<sup>th</sup> 1869.  
 PASS *J. H. C.*  
 Between *St. Joseph* and *Council Bluffs*  
As per conditions on the other side.  
 UNTIL DECEMBER 31<sup>st</sup> 1869. UNLESS OTHERWISE ORDERED.  
*C. W. Perkins*  
 No. *1* Genl. Supt.

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PASS *J. H. C.*  
*St. Joseph and Council Bluffs*  
 Burlington & Mo. River R. R. in Nebraska.  
 UNTIL *Dec 31* 1870.  
*J. H. C.*  
*St. Joseph*

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PASS *J. N. Conover*  
 Genl. Supt. *M. Pac. R. R.*  
 ON THE  
 Burlington & Missouri River R. R.  
 UPON THE CONDITIONS ENDORSED HEREON.  
 UNTIL DECEMBER 31<sup>st</sup>, 1870.  
UNLESS OTHERWISE ORDERED  
*C. W. Perkins*  
 General Superintendent.

Three Railroad Passes

story is told by H. P. Kauffman, Burlington ticket agent, Lincoln; vouched for by Mr. Cornell.

A man came in to the Lincoln Missouri Pacific office and asked for a ticket to Los Angeles via the Denver and Rio Grande and Southern Pacific. Instead of sending the customer over to the Burlington office the Missouri Pacific agent, seeing commissions from three roads, calmly sold him a ticket over the Missouri Pacific to Omaha, a Burlington ticket from Omaha to Denver, and the other tickets to reach California. The passenger rode from Lincoln to Omaha. There he changed to the Burlington which, of course, brought him back to Lincoln. The passenger's fury when he heard the brakeman shout Lincoln, a city he had left a day before to go to California, can be well imagined.

### Rate Wars

Fred Cornell recalls that tremendous rate wars from 1870 to 1900 caused rates as low as a \$3.00 round trip ticket to Chicago, and believes fares were as low as \$1.00 for a Chicago trip. Bidding on a football excursion trip to Minneapolis when Nebraska played there in the early 1900's produced a round trip rate of \$3.00. These prices were offered by the companies. A regular agent would not usually give any rebate (from his commission) on ticket fares, except for a party of perhaps three or four traveling quite a distance, and then there might be a contest between agents to see who would give the largest rebate.

### Scalping

Competition was not limited to the regular ticket sales offices. Every terminal city had "scalpers" who sold at cut rates. Cornell recalls a stretch of Union Avenue in Kansas City with 30 to 40 scalping offices—each with barker (or buttonholer) out in front. Two of Lincoln's scalpers were John R. Bennett, who owned a restaurant across from the depot, and Paul Holm, real estate dealer; both selling cut rate tickets as a sideline. The Lincoln business, of course, did not compare with the business in Omaha or Kansas City. These ticket agents were able to sell at special rates through a variety of methods. One was to split a round-trip, the return ticket being exchanged with a scalper at the other end of the line. Special commissions from weaker roads allowed extra low rates on those line. Scalpers always had a special New York rate "via the Erie". Mileage books and special fares of one sort or another furnished other cut rate offers.

Commissions were discontinued by agreement of the eastern roads about 1894, and by western roads, about 1900. Other extreme competitive practices were stopped by the Railroad Act passed by Congress in 1906.

## PASSENGER RATES AND AGENT'S COMMISSIONS

Exact copies of rate sheets, commission circulars, and commission statement from the A. W. Kellogg scrapbook. This collection, in the Society manuscript file, contains many more of similar character.

## Rates from Nebraska in 1873

## SUMMER PASSENGER RATES, adopted

at Washington, March 26, 1873. TO TAKE EFFECT MAY 1st, 1873.

Sam'l. Powell

E. R. Dorsey,

Secretary

President

General Ticket Agents' Association

From Lincoln to	Rate, 1st Class,	Rate, 2d Class
Boston	46.45	40.90
New York	44.45	36.30
Philadelphia	42.45	34.50
Baltimore	41.45	34.15
Washington City	41.45	
Harrisburg	40.95	32.40
Pittsburgh	36.45	28.55
Wheeling	36.70	
Albany	43.45	
Buffalo	37.95	29.05
Niagara Falls	37.95 (Susp. Bridge)	29.05
Dunkirk	36.80	28.25
Cleveland	33.45	26.05
Toledo	29.95	24.05
Detroit	30.95	
Chicago	22.45	18.05
Milwaukee	25.00	20.55
St. Paul	21.25	
xxx	xxx	xxx
Indianapolis	26.35	22.00
xxx	xxx	xxx
St. Louis	19.00	15.00
xxx	xxx	xxx
Kansas City	9.40	
St. Joseph	7.75	
Omaha	3.40	
xxx	xxx	
Memphis	33.50	
Mobile	45.75	
New Orleans	47.75	
Nashville	30.00	
Chattanooga	37.50	
Atlanta	44.50	

From Omaha to	Rate, 1st Class	Rate, 2d Class
Boston	43.70	38.15
New York	41.70	33.55
Philadelphia	39.70	31.75
Baltimore	38.70	31.40
Washington City	38.70	
Harrisburg	38.20	29.65
Pittsburgh	33.70	25.80
Wheeling	33.95	
Albany	40.70	
Buffalo	35.20	26.30
Niagara Falls	35.20 (Susp. Bridge)	26.30
Dunkirk	34.05	25.50
Cleveland	30.70	23.30
Toledo	27.20	21.30
Detroit	28.20	
Chicago	19.70	15.30
Milwaukee	21.60	
St. Paul	17.85	
xxx	xxx	xxx
Indianapolis	23.60	20.00
xxx	xxx	xxx
St. Louis	19.00	15.00
xxx	xxx	xxx
Kansas City	10.50	
St. Joseph	7.00	
xxx	xxx	
Memphis	33.50	
Mobile	45.75	
New Orleans	47.75	
Nashville	30.00	
Chattanooga	37.50	
Atlanta	44.50	

**Confidential Payment**

CHICAGO &amp; NORTH-WESTERN RAILWAY CO.

General Passenger Agent's Office,

CHICAGO, ILL., SEPT. 24, 1873.

To Coupon Ticket Agents:—

Commencing with October, we shall send you monthly, the Official Time Cards of this line. The Time Cards will be in pamphlet form, and will be corrected to date of issue. They will contain besides the train time of the line, full information in regard to the running of Pullman Palace Drawing Room and Sleeping Cars over the lines of this road. You will notice that in most cases these cars run only on this line between competing points

that are named. We give also the "departures" of passenger trains of cross roads at junction points, together with full information in regard to terminal arrangements, (omnibus lines, etc.,) and connections at Chicago. In a word, we have endeavored to give all information the Ticket-seller of a foreign road or the traveler may require before the tickets are sold, or a journey is commenced.

We shall also send you Map Folders and Condensed Time Cards, which will show something of the lines of this Company, and of points that are more easily, comfortably and expeditiously reached by this road than they can be by any other. We desire to furnish you with such information as you require in "posting" the traveler expecting to begin a journey.

Your interest and ours are somewhat and often largely identical. Yours, in the commission we pay for the sale of tickets over our line to all competing points; and ours, in the price of the ticket sold the traveler.

We shall be glad to hear from you at any time and to furnish you with any information in regard to the line that you may find serviceable in your business. The Pamphlet Time Cards you should keep for your own assistance; the map folders, dodgers, leaflets, etc., we shall be glad to have you place in the hands of inquiring travelers.

We pay, promptly, monthly-commissions for the sale of any tickets reading over our line to all competing points.

If you have not been provided with commission vouchers, statements, and list of commissions paid by this line, we shall be glad to have you say so, and we will supply you at once. The use of our printed blank is not essential; any blank will do that gives "form" number and route of ticket; this must show initials of all roads tickets read over, and class of ticket sold. We prefer our own blank, as it is better adapted for our way of filing than others in use.

Get your vouchers or statements to this office as early in the month as may be possible. We desire to close our commission account by the 10th day of each month. Be careful to stamp your voucher or statement with your office stamp.

All communications in regard to commissions will be strictly confidential. We pay our commissions in greenbacks, or in drafts on New York, which do not show the name of road, or that any road has any connection with the drafts.

In certain territory covered by the agencies of the Michigan Central (P. K. Randall, W. Scott, Wm. Edgar, C. Sheehey, A. J. Harlow, L. M. Harper and others in charge); Lake Shore and Michigan Southern (J. A. Burch, M. Randall, Wm. A. Cromwell, J. A. Smith, W. W. Ruggles and others in charge); Pennsylvania R. R. (Haldeman and others in charge); and Erie Railways (J. S.

Dunlap, N. Van Horn, Wm. Gould and others in charge); the commissions for this road are paid by the above named roads or agents. This system of paying commissions seems to be satisfactory, and while satisfactory to the ticket sellers, we do not desire to change it or to interfere with it. When Ticket Agents selling tickets over the lines of this Company, are not compensated by any of the above named agencies, we shall be pleased to receive their vouchers and to pay them as large commissions as are paid by any competing line.

Be so good as to carefully look over our list and see if you cannot increase the sales of tickets in your office for our line.

Respectfully yours,

W. D. Stinnett

Gen'l Passenger Agent.

**Commissions as High as Anyone!**

LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY,

Office General Western Passenger Agent,

Chicago, September 1st, 1872.

Dear Sir:

The following Rates of Commission will be allowed on ticket sales over this line, VIA CHICAGO. If they do not correspond with those paid by the Michigan Central and the Pittsburgh, Fort Wayne & Chicago Lines, please make the corrections and return this, so that I may make my rates to correspond with theirs.

STATIONS.	1st Class.	2d Class.
Grand Rapids .....	.60	.....
Muskegon .....	.50	.....
Detroit .....	1.00	.50
Saginaw .....	1.00	.50
Toronto .....	1.00	.50
Kingston .....	1.00	.50
Prescott .....	1.00	.50
Montreal .....	1.00	.50
Quebec .....	1.00	.50
Cleveland .....	.50	.50
Meadville .....	.50	.50
Erie .....	1.00	.50
Dunkirk .....	1.00	.50
Buffalo .....	1.00	1.00
xxx	xxx	xxx
Portland, via Dunkirk or Buffalo .....	1.50	1.00
Lowell, " " .....	1.50	1.00
Boston, " " .....	1.50	1.00
New York, " " .....	1.50	1.00



The commission on tickets passing over this line from Chicago, and Atlantic & Great Western Railway from Cleveland, will be 50 cents only.

To points not mentioned above, the rate will be in the same proportion.

F. E. MORSE,

General Western Passenger Agent.

### Commissions Agreed to By Midwestern Group

#### JOINT COMMISSION CIRCULAR

St. Louis, June 27th, 1873.

DEAR SIR:

By mutual agreement, from July 1st, 1873, and until further notice, the following will be the rates of Commission paid by our respective Companies on Eastward bound business from or via Kansas City, Leavenworth, Atchison or St. Joseph:

	1st class	2nd class
Hannibal & St. Joseph R. R. ....		
---To Quincy-----and all points beyond.	\$1.00	\$.75
Chicago, Burlington & Quincy R. R. ....		
---Quincy to Chicago-----"	1.00	.75
Chicago, Rock Island & Pacific R. R. ....		
---To Chicago-----"	2.00	1.50
Toledo, Wabash & Wester R'y. ....		
---Quincy, or Hannibal to Cincinnati-----"	1.50	1.00
"      "      "      "      "-----"		
"      "      "      "      "      Indianapolis-----"	1.00	.75
"      "      "      "      "      Louisville-----"	1.00	1.00
St. Louis, Kansas City & Northern Railway .....		
---To Mexico or St. Louis, and all points beyond-----"	1.00	.75
Missouri Pacific Railroad .....		
---To St. Louis-----"	1.00	.75
By either Route, St. Louis to .....		
---Cincinnati-----"	1.50	1.00
"      "      "      "      "-----"		
---Indianapolis-----"	1.00	.75
"      "      "      "      "-----"		
---Louisville-----"	1.00	1.00
Illinois Central R. R. ....		
---St. Louis to Chicago.-----"	1.00	.75
Chicago & Alton R. R. ....		
---Mexico, or St. Louis to Chicago-----"	1.00	.75

Yours Respectfully,

E. A. PARKER, Gen'l Ticket Agent, Hannibal & St. Joseph R. R.  
 D. W. HITCHCOCK, Gen'l Western Passenger Agent, Chicago,  
 Burlington & Quincy R. R.  
 A. M. SMITH, Gen'l Passenger Agent, Chicago, Rock Island & Pacific R. R.  
 W. L. MALCOLM, Gen'l Passenger Agent, Toledo, Wabash & Western Railway.  
 P. B. GROAT, Gen'l Passenger & Ticket Agent, St. Louis, Kansas City & Northern Railway.  
 E. A. FORD, Gen'l Passenger Agent, Missouri Pacific Railroad.

R. T. BRYDON, Gen'l Passenger Agent, Ohio & Mississippi Railway.  
C. E. FOLLETT, Gen'l Passenger & Ticket Agent, St. Louis, Van-  
dalia, Terre Haute & Indianapolis R. R.  
S. F. PIERSON, Gen'l Ticket Agent, Indianapolis & St. Louis R. R.  
W. P. JOHNSON, Gen'l Passenger Agent, Illinois Central R. R.  
JAMES CHARLTON, Gen'l Passenger & Ticket Agent, Chicago &  
Alton R. R.

## Commissions Continued in Spite of Agreement Between Roads MISSOURI PACIFIC THROUGH LINE.

General Passenger Department

St. Louis, Mo., April 27th, 1874.

Mr. A. W. Kellogg

Agent K. C., St. J. & C. B. R. R.

Lincoln Neb

Dear Sir:—Our arrangement with the Officers of your Line is that all Tickets to St. Louis and points East, via St. Louis, shall be sold over the MISSOURI PACIFIC RAILROAD, unless especially called for by some other route; but, notwithstanding this, we shall be glad to continue your Commissions as follows:

On all First Class Tickets to St. Louis or beyond,.....\$1.00 each.  
 " " Second " " " " " " " " .....75c. "

Hoping this will be satisfactory, and relying upon your hearty co-operation to secure the largest business possible for the "KANSAS CITY, ST. JOSEPH & COUNCIL BLUFFS AND MISSOURI PACIFIC THROUGH LINE," I am with kind regards,

Very Truly Yours,

E. A. Ford

Gen'l Passenger Agent.

## Payment Made

ST. LOUIS, VANDALIA, TERRE HAUTE & INDIANAPOLIS  
RAILROAD.

Statement of Commissions allowed on Report furnished by **Bowker Kennard & Wheeler** Agent **K. C. St. J. & C. B. R. R.** at **Lincoln, Neb.** for month of **March 1872**

Form.	DESTINATION.	No. Tickets.		Commission on each Ticket.		Amount.
		First Class.	Second Class.			
1043 1078B	----- New York	1				3.00
	Total,					3.00

**C. E. Follett, L.**

St. Louis, April 8— 1872

Gen'l Passenger Ag't.