

A man who has never gone to school may steal from a freight car; but if he has a university education, he may steal the whole railroad.

Theodore Roosevelt

The Wisconsin and Michigan Railroad and the Miscauno Island Inn  
By Bruce McLaren

And so it began...

With an act of incorporation on October 26, 1893, the Wisconsin and Michigan (W&M) Railway received its first breath of life. Grown in the minds of Chicago railroad man John N. Faithorn and lumberman, John C. Bagley, the plan was to establish a railroad-car ferry system to connect Chicago steel plants and lumber markets with abundant resources from the timberlands and iron-ore fields of Michigan's Northern Peninsula.

Structured around stock valued at \$1.5 million, a unique opportunity soon presented itself to the organizers and builders of the W&M. In November 1893, the Chicago World's Fair closed, and from that exposition the railway acquired the services of E.F. King, the former head of railroad construction at the Fair, as well as surplus rail and cars. Additionally, the company purchased new freight-passenger cabooses and several second-hand locomotives.

By 1894, construction got underway. The good news was that a modest line of 51 miles from Marinette, Wisconsin and Menominee, Michigan, proceeded northward and joined with the Minneapolis, St. Paul, and Sault Ste. Marie Railroad, better known as the "Soo Line," at Faithorn Junction. The bad news was that the railway was unable to secure adequate dockage for their car ferry line in either Marinette or Menominee's crowded harbor. As a result, they built the line further south to a harbor in Peshtigo, Wisconsin. Here, they constructed necessary maintenance facilities as well as a passenger depot and freight house. In early December, 1894, the W&M inaugurated both passenger and freight train service from Peshtigo to Faithorn Junction where a hotel was built to provide rest from travel for passengers waiting for the Minneapolis-Soo Line trains.

An interest in the growing success of the Ann Arbor Railroad's car-ferry service across Lake Michigan persuaded the W&M leadership to contract for two open-deck barges to carry railroad cars with iron ore from the Peshtigo Harbor on a 200-mile journey across Lake Michigan to Illinois Steel in Chicago. Beginning on August 31, 1895, and pulled by a powerful tug, the barges made the perilous journey requiring expert seamanship and considerable luck.

It is worth noting that in 1885 and 1886 Ann Arbor Railroad ferries crossing Lake Michigan from Frankfort, Michigan to Menominee hauled freight from the W&M and, in turn, provided freight for the W&M to deliver to the Soo Line at Faithorn Junction. Between 1895 and 1899, the W&M experienced encouraging growth and added new locomotives and cars.

In 1889, despite increasing rail traffic, the W&M was unable to show a profit. Railroad founder John Faithorn and Vice-President John Bagley resigned their leadership positions, but stayed on as W&M directors. For the next few years, there was some growth into the Northern Michigan ore fields, but the lack of funds always seemed to block progress and eventually caused the construction of the ore-field link to stall.

An arrangement ten years later with the Ann Arbor Railroad established a joint agreement offering improved freight conveyances over a rail-water route from Faithorn Junction to Peshtigo, across Lake Michigan with connections to the west side of Michigan at Frankfort. Despite several grand plans of the W&M Board of Directors, the railroad remained primarily a logging road, built over shaky, light-weight rail, and it provided limited passenger traffic until new ownership significantly improved service beginning in 1900.

The Walsh era begins...

Chicago entrepreneur and capitalist John R. Walsh, founder of one of Chicago's most prestigious banks, the Chicago National, as well as having connections with several railroads, purchased controlling interest in the W&M in October, 1900. A complete rebuild of trackage, along with the addition of new equipment, marked the auspicious beginnings of the Walsh era for the W&M.

In 1902, while the company was formulating plans to expand passenger service and to replace two car ferries, Ann Arbor Railroad president James M. Ashley paid a surprise visit in his posh private car. This stirred rumor of a possible takeover of the W&M to add ore-carrying capabilities to AARR car ferry routes. However, nothing, ever came of the proposed idea to merge the two rail lines into one.

As Walsh continued his expansion into Northern Michigan iron-ore country in 1903, he also expanded passenger service, including the previously-mentioned hotel, conveniently located across the street from the Soo Line depot at Faithorn Junction.

Passenger service played a significant role throughout the history of the W&M Railway, affectionately known as the Whiskey Mich by railroad employees. For during that railroading era and in such a remote area of the country, the company provided very acceptable accommodations, passes, and uniformed crewmembers.

These growing seeds of passenger commercialism did not end with a hotel at Faithorn Junction. As a crafty entrepreneur, John Walsh first bought out the Holmes and Son Logging Company railroad and related holdings on Holmes Island in 1904. This led to the connection of that road's eastern end-point to the W&M mainline. His initial thought was to acquire the island to serve as a short cut across the Menominee River from Wisconsin into Michigan and on to the natural resource-rich area in Iron Mountain. In the eyes of construction engineers, utilization of this route and the building of two short bridges would avoid too costly an expenditure for a lengthy bridge over a wider span of the river. At this point in their route planning, the island offered the economic incentive of two shorter, less costly, span bridges. It appears as though John Walsh had something else in mind as well.

But first, a little history and geography...

The name of the Menominee River comes from an Algonquin term meaning "wild rice" and from the Menominee tribe who lived in the area and subsisted on the plant. The river travels an often jagged, 118-mile route as it forms part of the boundary between Iron Mountain, Michigan to the twin-city ports of Menominee and Marinette, Wisconsin. At a point where the river widens and makes a rather sharp turn south, kidney-shaped Holmes Island, of approximately 100 acres, occupies prime space in the middle of the river. After the W&M purchased it, the island was re-named Miscauno Island after the Miscauno Creek that emptied into the Menominee River nearby and with some connection to the lore and lure of the Menominee Indian tribe.

At the time, acquiring the island seemed to make sense for transporting iron-ore since it was on a downhill route from Iron Mountain, at 1,170 feet above sea level, to the port at Menominee at 680 feet. To that end, the line was extended from Peshtigo, the hub of the W&M maintenance shops, roundhouse, and other ancillary operations, to the harbor at Menominee. The company planned to add to its fortunes by tying into the lumbering boom with transport of lumber harvests to the Port of Duluth.

The Inn in the wilderness...

A rail line crossing Miscauno Island, with its scenic 100-acre location in the middle of the Menominee River, fed John Walsh's visions of grandeur and led the W&M to design and build a grand resort/hotel complex, surrounded by the splendor of the north woods, and completely furnished with phones, electric lights, and elegant marble baths. Appropriately named the Miscauno Inn and built primarily for railroad clientele from Chicago, this resort opened for business on October 9, 1905. Over 400 guests including Walsh and John N.

Faithorn arrived on special trains rumbling over the narrow bridge to the island for the grand opening of this grand Inn. It was truly unique, and the first step in an ambitious plan for passenger and rail expansion.

Under contract with the railroad, Chicago architect W.D. Mann, builder of the prestigious Chicago Yacht Club, provided an initial construction estimate of \$7,000.00 which soon escalated to over \$70,000, a tremendous outlay of money for that time. Designed to resemble a private club rather than a hotel, it was given a rustic appearance with expansive overhanging roofs painted green. Reached by a 300-foot series of wide steps from the railroad station with its 600-foot-long platform, the Inn greeted visitors with its wide porch, Main Hall, and huge fireplace as its centerpiece with Tiffany-styled chandeliers overhead. The lobby was finished in a weathered timber and rough-grade plaster. Truly rustic in appearance, the Inn featured a dining room that could comfortably seat 150 guests, a mahogany furnished "Drawing Room," and a "Ladies Parlor" finished with imported Austrian gray birch and Korean silks. A large dance pavilion and refreshment center was located about 200 yards away. There was also a large power plant with two gasoline-powered Otis generators providing electricity for over 600 lights and pumps for water and fire protection.

The gala grand opening on October 9, 1905 was heralded as the greatest social event in the history of that area. The sight awaiting the guests was breathtaking. In an age when formal affairs were really something to behold and attend, this event was seen as spectacular, to say the least. The interior of the Inn was decorated with an abundance of pink and white American Beauty roses. An anonymous author asserted that the Inn was so fashioned "that in the harmony of the design and beauty of interior and its furnishings, it would vie with the most elite clubs found in Chicago or Milwaukee." Ample porches extended around the Inn. The building contained twenty-five bedrooms, tiled bathrooms and showers, and a furnished and heated observation tower. Records of that time indicate that Frank Jackson served as the manager, Peter Raiche was the clerk and operator, Robert Milburn was the porter with a staff of 16 maids, and Al Wilson served as chef.

In 1906, the W&M initiated a special shuttle service between the main line and the Miscauno Inn with a newly purchased 20-passenger, four-wheel, gasoline-powered railroad motorcar. That provided a new mode of transportation. Advertised in such local newspapers as the Peshtigo Times, it was reported on July 30, 1908 that "... the ride to the Inn in the \$10,000 railroad motor car [was] a pleasure never to be forgotten."

Perhaps the most long-lasting aura of the resort was its sense of exclusiveness. There was a realization that the entire complex, situated almost in the middle of nowhere, provided an exotic feeling of being a castaway on an island.

A fall from grace...

Even though prospects for success of the Wisconsin and Michigan appeared to be radiant, the collapse of John Walsh's rail, banking, and mining empire did not bode well for the future of the railroad or the resort. The old saying that "all [good] things must come to an end" fell no harder on anyone than it did on him. On December 18, 1905, his glorious empire ignominiously collapsed from excessive loans and other liabilities of over \$2 million. Closure of his Chicago National and Home Savings banks as ordered by the United States Comptroller of Currency was due to a large number of questionable loans made to his various ventures. The trial's outcome sent him to Leavenworth Prison to serve a five-year term for his corrupt financial practices. Shortly after his parole, John R. Walsh died on October 23, 1911. Once a multi-millionaire, Walsh left an estate valued at less than \$125,000.

Revival and changes and fire...

In 1917, Chicago contractor John Marsch purchased the W&M, and the railroad got a fiscal and usage boost from the Upper Peninsula lumber and ore-mining holdings of Henry Ford's automotive empire. Marsch had little interest in Miscauno Island. He had the rails torn up and in 1920 sold the island and the Inn to a group of Chicago businessmen. By the fall of 1920, the name of the Inn was changed to the Four Seasons Club, a fashionably "north-woods" club for wealthy Chicagoans. Now, just six years before the Great Depression of 1929 brought the country to its knees, the Club suffered a devastating blow.

On November 19, 1923, a spark from the kitchen chimney ignited the roof of the Four Seasons Club. The all-wood structure burned with unstoppable flurry and intensity leaving only the massive stone fireplace in the main hall intact. Hunters in the area had seen the smoke, but with the nearest fire department 60 miles away, they and some locals could only save furniture on the main floor.

Later on in the dead of winter, thieves stole whatever was salvageable, including remains of Oriental rugs, silverware, linens, and even some of the supposedly silver-plated wall sconces. This event was quite similar to the fire on January 12, 1912 that destroyed the Ann Arbor Railroad's Royal Frontenac hotel in Frankfort, including the theft of anything left salvageable.

New name and direction...

Not until 1925, when the new and renamed Four Seasons Club was rebuilt around the original fireplace by contractors and carpenters brought from Chicago~ did the island snap out of its doldrums and shift into a new era of reconstruction and re-birth. When it was rebuilt, complete with dedication plaque at its re-opening on May 30, 1925, the new resort sported a new golf course. John Ross, a Chicago paving contractor and member of the original Board of the Four Season Club, managed the property from 1925 and eventually became the sole owner in 1960. Later, that ownership passed to his son Walter, who opened it to non-members as well. He owned it until 1976. Now well into his 90s, Walter still has fond memories of 85 years at or near the resort. He recalls many influential members including Herb Scholl, president of Dr. Scholl's shoe products; George Williamson, of the Williamson Candy Company, maker of the O'Henry Bar; Bill DeVry, owner of the DeVry Technical Institute; Henry Mayer, president of Oscar Mayer; and even Jack Dempsey. He is quick to add, however, that even with all the sordid press the resort received during the 1990 U.S. Treasury Department take-over from an owner-group charged with fraud and racketeering, Al Capone was never seen or served as a guest at the Inn.

The U.S. Treasury Department sold the resort and golf course at auction in late 2002. The group making that investment has made momentous strides towards the development of an all-seasons resort. Today, one hundred years after the first train crossed that steel bridge over the Menominee River, Miscauno Island continues to be inscrutable and delightfully timeless. The elite of Chicago's society found it to be an exclusive refuge. The spectacular beauty of the island attracted people of distinction as well as elegant socialites. The grounds once marked by the Miscauno Inn and the original train bridge entry are now a part of the burgeoning Four Seasons Resort Miscauno Island.

Death of a railroad...

For a few years, under the ownership of John Marsch, the W&M maintained moderate growth in both freight and passenger traffic. However, by 1918 passenger traffic was all but eliminated. The Great Depression of 1929, so greatly affecting the entire nation, triggered a series of mortal blows to the besieged railroad. Federal changes in freight rates were instituted for long and short haul operations. The company quit hauling iron ore to Peshtigo harbor. Major changes in the Ford operations in the Upper Peninsula dragged the W&M into depths it could no longer rise from. The doomed railroad filed for aid was granted abandonment permission by the Interstate Commerce Commission. The last run, on January 31, 1938, marked the end of the once colorful 'and hopeful "Whiskey Mich." By mid-October of that year, the only signs of the former railroad were glimpses of barren roadbed where once a route of steel rails followed north to the timber and ore fields in Northern Michigan's Upper Peninsula.

Memories and sounds of steam...

The W & M may not have been in the same league as the Union Pacific, Santa Fe, or the Great Northern, but in the history of transportation in our country they had their place. For a few years that place included an Inn on an island in the Menominee River. From its auspicious beginnings in 1905, a fire in 1923 and a truly

Phoenix-like rebirth from the ashes, to its present status in 2005 the 100-year anniversary of an Inn on an island can truly be celebrated. If you go for a visit, listen carefully to the wind in the pine trees. You may just hear sounds of a steam locomotive crossing the single-track bridge over the Menominee River announcing its arrival at the depot for the Miscauno Inn.

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