The superintendency of the Hampshire & Hampden had passed back and forth between James Goodrich and Henry Farnam. Assigned to Farnam January 7, 1835, the vote of the Directors is an illuminating side-light on the financial difficulties of the Company. He was granted the munificent salary of \$500 per year:

"to be in full satisfaction for his personal services and expenses while in the employ of the Company during said term."

On March 18, 1835, the Hampshire & Hampden Directors voted:²⁷

"That for the purpose of encouraging the use of steam as a moving power on the Canal, the right to navigate the same for one year free of tolls will be granted to the first steam Packet Boat which shall within twelve months from this date be placed and run daily upon the Can I at a speed of not less than eight miles per hour without injury to the banks of the Canal, and which shall in all other respects conform to the regulations for navigating the same."

It is not clear whether this was before or after the Beecher screw propeller had been tried on the reach of the Farmington Canal between West Cheshire—Beachport of those days—and Milldale. According to Mr. Frederick J. Kingsley,²⁸ Benjamin Dutton Beecher of Cheshire, Connecticut, a noted inventor of the time, devised and built a screw propelled boat several years before Ericsson's independent invention. Beecher's screw was more like a great wood screw than was Ericsson's; it was at the bow of the boat to minimize wash of the banks. The boat made one or two trips between Beachport and Milldale, on one of which, according to a newspaper account,²⁹ the party of guests sailed bravely to Milldale, but there the boat broke down, and all hands had to walk back. Another Beecher boat was built at Cheshire and was shipped to the Erie Canal, where it had successful trials, but although some Navy officials became interested, and experiments were carried on at the Charlestown Navy Yard with promising results, Beecher evidently failed to get necessary backing to carry his scheme to a successful conclusion.

On July 29, 1835, according to Dr. Lockwood, the canal was ready for operation through to the Connecticut River. He quotes the Westfield Democratic Herald: 30

"The delegation from the city of New Haven on their way to Northampton, arrived at this village on Tuesday of last week (July 28, CRH). On their arrival at the Basin (on Main street, just east of the H. B. Smith Co. foundry buildings, filled in when the N. Y. & N. H. tracks were raised, Lockwood) they were saluted by peals of artillery,

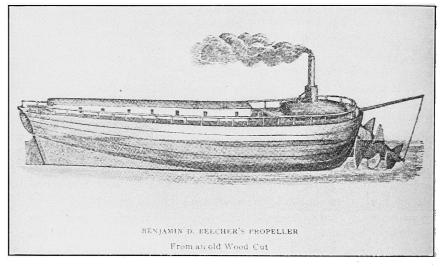
²⁷Directors' Minutes; Hampshire & Hampden Canal Company.

²⁸An Ericsson Propellor on the Farmington Canal". The Connecticut Magazine, Vol. VII, Page 329.

²⁹"The Old Farmington Canal", E. R. Brown, Cheshire—Hamden Times, March 15, 1923.

^{30&}quot;Westfield and its Historic Influences", Vol. II, Page 295.

ringing of bells and the acclamations of our citizens. A procession was formed and conducted them to the Coffee House of Mr. Parsons, where the Hon. James Fowler, in behalf of the citizens of this place bade them welcome. On Wednesday they left for Northampton having been joined here and on their way by a number of gentlemen from this town. It was expected the boat would reach Northampton at 10 o'clock A. M. but some mean, low spirited puppy, having nothing of manhood about him except intelligence enough to guide his malice had let off the water from a half mile level. This obstacle being overcome by waiting the arrival of the water, the boat with its cabin filled and its deck covered



with passengers, and drawn by five horses passing through Easthampton, was met by a boat at the south basin in Northampton when (an)

address was made by Mr. Bancroft (George Bancroft, the historian, CRH) of Northampton.

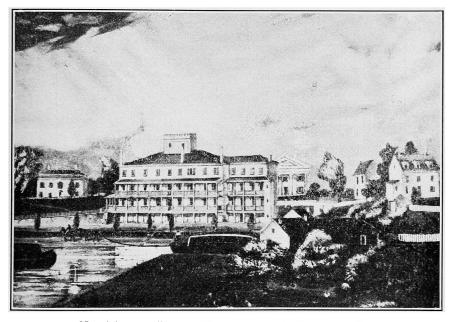
After . .. addresses the boats moved towards the river, and on passing the Mansion House, in the balconies, the beauty and fashion of Northampton there congregated were cheered by the assembled multitude on board the boats."

The boat did not pass into the river until the next day, the citizens of Northampton, accompanied by a large number of invited guests and escorted by the military under General Moseley proceeding "to the new building near the Mansion House", where a fine collation was in waiting, at which many toasts were presented.

"Thursday morning, July 30. This morning the boat Northampton went again down to the locks in fine style and passed through the locks to the Connecticut River. At last the boat which had left Hillhouse Basin (between Whitney Avenue and Temple Street, New Haven, CRH) on Monday floated on the bosom of the Connecticut. The scene was one of joy and gladness. Who did not envy the emotions of the venerable Hinckley, the worthy and active Goodrich, the

cheerful and indefatigable Farnam? A salute was fired; the air echoed with cheerings; the band played its liveliest tunes in its happiest manner; the waters of the sound were poured into our river; the union between New Haven Harbor and the upper Connecticut was declared to be perpetual. May it be productive of the happiest results!"³⁰

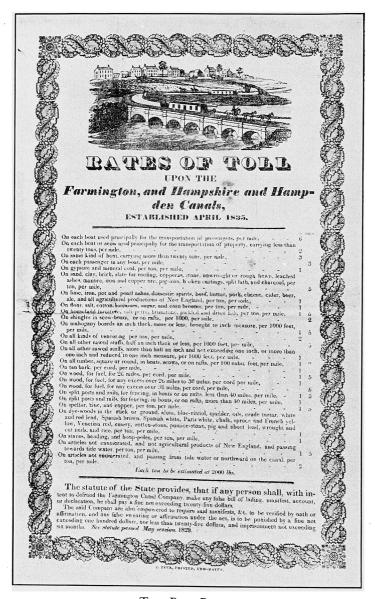
But although the system was completed from New Haven to the Connecticut River, and presumably construction troubles were over, and while there was a large and steadily growing traffic, financial difficulties were at their height. Delays, accidents and borrowings had exhausted the credit



THE MANSION HOUSE, NORTHAMPTON, A PENDLETON PRINT

-Courtesy Forbes Library

of both companies, and the only solution other than complete abandonment of the project appeared to be some form of reorganization and a fresh start, with the obligations heavily discounted. The plan finally adopted was one suggested by the Honorable Nathan Smith of New Haven, and that it was so completely accepted was very largely due to his personal efforts in explaining it to the creditors and stockholders and urging upon them its adoption. It was the irony of Fate that his death occurred December 6, 1835, just as it appeared certain that the plan would be adopted.



TOLL RATE POSTER

-- Courtesy New Haven Colony Historical Society

A new corporation, the "New Haven & Northampton Company" was chartered, in Massachusetts on April 9, 1836,³¹ and in Connecticut on June 2, of the same year.³² Except for the apparent slip which made the legal

³²Private Laws of Connecticut, Vol. I, Page 308.

³¹Acts of Massachusetts, 1834-1836, Vol. XIII, Chapter 199, Page 882.

name in Massachusetts "New Haven & Northampton Company", while in Connecticut it is "The New Haven & Northampton Company", and the further fact that in the latter state the Farmington Canal Commission was continued, the two charters were substantially the same. The new company was to have capital stock in an amount not to exceed \$300,000, in \$25 shares, on which no assessment could be laid increasing the cost to a subscriber to an amount greater than his original subscription. Fifty-four hundred of the shares had to be paid for in cash, and not until this \$135,000 was subscribed could the reorganization proceed. The new company was empowered to hold, exercise and enjoy all the franchises, rights, powers and privileges of the two original companies, but if at any time either or both of the latter paid, with interest, all the moneys expended by the new company on its or their account, less the revenues obtained upon it or them, the latter could recapture their property.

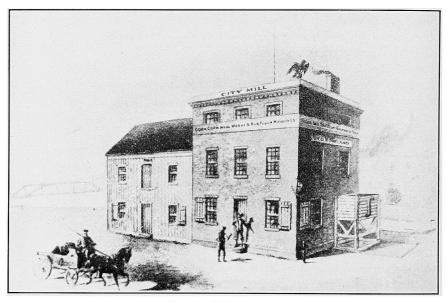
In the adjustment the creditors fared much the best. To be sure, they had to accept payment in the stock of the new company, and the claims of the creditors of the Farmington Company were first cut to 25 cents on the dollar, but they did get something, while the stockholders turned in their stock as a total loss. It is possible that fear of a heavy stock assessment had some influence on the Farmington stockholders, but the charter of the Hampshire & Hampden protected its owners from that grief.

The Farmington Company had issued 5414 shares of stock, but some of these were not fully paid for, so that the total value involved was \$537,195, while the creditors relinquished claims amounting to \$232,736, a total of \$769,931. The Hampshire & Hampden had stock outstanding in the amount of \$269,000, and unpaid debts of \$110.61, making its loss \$269,110.61, or a combined total for the two companies of \$1,039,041.61. Because but few of the claims settled with stock were evenly divisible by 25, their payment called for many fractions of shares, practically all of which were evened up by payment to the Company of enough cash to make up the difference, a total of \$1,922.53. As 5914 shares were used in this settlement, the adjusted value of the claims was \$145,927.47. In addition, 5615 shares were sold for cash, but as instalments amounting to \$22,112.61 were not paid, these last shares netted \$118,262.39, which, added to the \$1,922.53 gave the new company a working capital of \$120,184.92.

The years 1836, 1837 and 1838 were times of excellent business, and also of extraordinary damage resulting from freshets. As a result, while the communities along the line prospered, the canal found itself again seriously in debt. In the four years to 1840 the new company was forced to expend \$181,367.67, while its total revenue in the same period was but \$39,199.22, the fact that lack of funds with which to pay for necessary repairs had

prevented navigation for much of the season of 1839 playing a large part in the poor receipts.

In 1836 New Haven saw one of the developments the Canal Company had hoped to foster all along the line. Captain Rowland made a contract for water power with the Company, and built his "City Mill" on the canal at Connecticut lock No. 28, near Wooster Street, New Haven. It became very famous as a grist mill, and stood until the construction of the rail-



ROWLAND'S CITY MILL

-Courtesy Mr. Arnold G. Dana

road station between Wooster and Chapel Streets. The Canal Company had counted heavily on having many such mills and other industrial plants located along its line, with the canal furnishing both water-power and transportation, but while there were a few such projects, they were very few, for the financial difficulties and the frequent breaks created so general a fear of its suspension, that not many of the possible users of such mill or plant locations cared to take the risk.

In 1838 a new line of packet boats was started. Making the trip between New Haven and Northampton at the previously only dreamed of time of 24 hours for the trip,—they left, and arrived, at least by the time-table, at 3 p. M.—and charging but \$3.75 for passage and food, they represented the last word in canal transportation. It is said that the boats had knife blades mounted in the bow, with which they could cut the tow-line of any interfering craft.

PUBLISHED BY WOODW	TERE BASEL TREE ALAR. PUBLISHED BY WOODWARD AND CARRINGTON, 115 CHAPEL-ST.—\$5 PER ANNUM.	
New Haven and Northampton July 3 Packet Boat Line. 1839		
ALCONON	ALEBBURA CONTRACTOR	
Daily, (Sundays except	Daily, (Sundays excepted) Fare through, \$3,75	
and found. THE Boats of the "New Haven Packet Boat Company" have commenced their regular trips between New Haven and Northsupton, and will continue to run during the season; leaving the steps, north side Chapel street, New Haven, daily, (Sundays excepted.) at 3 o'clock P. M. and arriving in Northampton about 3 P. M.—making the passage in		
24 hours. Returning—Leave Not excepted,) at half past 6	Returning—Leave Northampton daily, (Sundays excepted,) at half past 6 o'clock A. M., and arrive in New Haven about half past 6 A. M.	
The splendid Packet Boats DOE, Capt. Ford, HART, Capt. Hune, and FAWN, Capt. Whiring, form the above line. They are new, and have been furnished in the best manner, and have gentlemently and obliging commanders, who will spare no pains to promote the comfort of passengers. The Boats will take passengers or leave them at the following places and times, viz:—		
Goorg up—Leave New Haven 3 r. m. Cheshire 7 3.4 Southington 91-4 BristolBasin 11 Farmington 12 Avon 1 3.4 a.m. Simsbury 3 1.4 Granby 41-2 Southw'k locks 7 Westfield 9 Southamt'n 12 (Thorp's L) E. Hampt'n 1 (Clapp's) Ar. Northamp. 3 o'clock. Price of Passaye ta and	Returning—Leave Northampton 61-2 A. M. EastHampton 81-2 Southampton 91-2 Southwick 111-2 Southwick 111-2 Southwick 111-2 Southwick 11-2 Southwick 11-2 Southwick 11-2 Southwick 11-2 Choshire 1 A. M. Southington 111-2 Choshire 1 A. M. Art. N. Haven 61-2 o'cik	
From New Haven to Cheshtic \$0.62 1-2 Southington 1 00 Berstol Basin 1 25	viz: From New Haven to Granby \$2 25 Southwick 2 69 I-9 Westfield 3 00	
Farmington 1 50 Avon 1 75 Staisbury 2 00	Sou hampton 3 3712 East Hampton 3 50 Northampton 3 75	
7.7 Light freight taken at reasonable rates, for faither particulars logarer of NOBLE TOWNER, Agr. N. Haven, or of J. B. AUGUR, Northampton, pb. 11,—6t		
The state of the s		

CANAL TIME TABLE

-Courtesy Mr. Arnold G. Dana

In 1839 the city of New Haven obtained authority³³ from the Connecticut Legislature:

"to loan the credit of said City of New Haven to "The New Haven & Northampton Company", in an amount not exceeding one hundred thousand dollars."

Bonds in the amount of \$20,000 were issued and turned over to the

³³Private Laws of Connecticut, Vol. III, Page 400.

Company to be disposed of, the city taking a mortgage on the canal as security for the total of \$100,000. There had been considerable objection to the procedure on the part of some citizens, and when shortly the Company asked for another instalment of bonds the opposition flared up violently. Seth P Staples, who the next year became President of the Company, in an effort to adjust the difficulty, proposed that the proceeds of the bond issues be used only to meet extraordinary expenses, the stockholders to take care of any deficit caused by normal expenditures exceeding the revenues, by assessments on their stock. He succeeded in obtaining the consent of a majority of the stockholders, but at a city meeting held April 15, 1840, to deal with the question, it was voted to issue no more bonds under the agreement. Simeon Baldwin, whose interest in the success of the canal was as keen as when he was Chairman of the Canal Commission, took a very active part in the bitter fight, and a letter written by him to the New Haven "Daily Herald" under date of May 5, 1840, undoubtedly had a great deal to do with the ultimate settlement. Summing up his arguments, he wrote:34

"Have we, with a most narrow minded, a most inane jealousy, in our own fear lest somebody else might make some money by being hewers of wood and drawers of water for us, have we, or have we not, like the dog and his shadow, lost the substance and the shadow too? Have we not, in a moment of excitement, betrayed our own trust by flouting the offer extended to us? Have we not done foul wrong to the city in which we dwell by thus nullifying its contracts, thus repudiating its credit, in intention and by resolution? At a period like the present, when the business of our city is prostrate, our work shops closed and silent—ought we not to keep open every avenue which promises an influx of wealth to us, and especially to treat with courtesy, and to foster to the utmost every prospect of the investment of foreign capital among us. Perhaps even yet we may induce that investment, and then, instead of a noisome ditch, as a reeking memento of our folly, we may have a prosperous and independent canal, giving to us at no further cost to ourselves, a rich return even for the past."

Another meeting was held June 9, 1840, to give the matter further consideration, and it was then voted to cancel the agreement as to the bonds, returning to the Company the mortgage, but giving it outright the \$20,000 bonds already issued, and paying it, for the privilege of taking water from the canal for extinguishing fires during the period, \$3,000 per year for 30 years. Under the circumstances this was a satisfactory solution, but the uncertainty, until the agreement was reached, regarding the future of the canal, so delayed essential repairs that much of the anticipated business for 1840 was lost, which was particularly disappointing, as 1839 had been a very good year. The "Daily Herald" of New Haven reported that the Collector at New Haven had cleared, to go up the canal, in September, 1839, 106 boats, having on board 3,947,155 pounds of merchandise, and in

³⁴Life & Letters of Simeon Baldwin", Page 382.