

fact that their other major projects were working out wonderfully well. They had hired John J. Bernet away from the New York Central Railroad to run the Nickel Plate Road and he was doing a superb job. Under his management, the road's gross income increased nearly 130 per cent and the net profit after charges rose from \$909,000 to more than \$2,000,000. The rapid transit line, which began serving Shaker Village in 1920, was doing for the real estate development exactly what the Vans had hoped it would do—it was drawing buyers at a phenomenal rate.

From 1919 to 1929, Shaker Village added, on the average, 300 new, expensive homes each year. In one year alone, 1925, permits were issued for 556 new homes to cost an estimated \$9,128,530. The population of the suburb increased from 1700 to 15,500 in that decade of growth, and the valuation of the property which had been purchased by the Van Sweringens for slightly more than \$1,000,000 soared up to \$80,000,000.

On the site of the old Forest City House, the Vans constructed the new \$8,000,000 Cleveland Hotel (now the Sheraton-Cleveland). On the other side of the terminal a-building, they designed and built another \$8,000,000 wing to house a department store—and then bought the old Higbee Company to assure a suitable tenant for the new store. A new street on stilts was built to the south of the department store and terminal, and on it the Vans constructed two new skyscrapers, the Medical Arts Building and the Republic Building.

The keystone structure in this complex, of course, was the terminal building. It originally was planned as a 25-story building, but in the flush of prosperity and the intoxicating thrill of building that only another builder could understand, the Vans changed their design to more impressive dimensions, electing to build a 52-story, 708-foot-high building that was the wonder of the entire Midwest.

The Van Sweringen-built complex that rose on that southwestern corner of downtown Cleveland was the immense kind of project that logically could have been expected of the Rockefeller family and it was, in fact, a kind of Cleveland counterpart of New York's Rockefeller Center which followed it. If the Van Sweringens were out to build a memorial to themselves that could not be ignored, they succeeded as no other men in the city's long history. Their project took eleven years to complete, dating from the time of the election approving the site of the Union Terminal in 1919. Acquiring the 35-acre site and clearing the land took several years. Actual construction began in 1923 and was finished in 1930. Estimated cost: \$200,000,000.

Somehow, during this period of feverish expansion and construction, the Van Sweringens became so deeply involved in the railroad business as to become a major force in the industry nationally. Everything they

did seem to draw them inextricably closer and ever faster into a whirlpool of destiny. To make Shaker Village succeed, they built a rapid transit line. To make the rapid transit successful, they bought a railroad and built a Union Terminal. To make the railroad successful, they bought other railroads. Into their ownership, one by one, came such rail holdings as the Chesapeake & Ohio, the Erie, Wheeling & Lake Erie, Pere Marquette, Chicago & Eastern Illinois, and, finally, the Missouri Pacific.

The holding-company structure of the Van Sweringen empire was so elaborate that the precise extent of their holdings still is difficult to ascertain, but it has been estimated that the Vans, at their peak, owned 231 companies with assets of four billion dollars. Among these properties were twenty-four railroads with twenty-seven thousand miles of track and numerous real estate, traction, coal, and other allied companies.

Almost as interesting as their fantastic rise to economic power were the two brothers themselves. They have been described as "men of mystery," and they were, but only in the sense that they were not easily identifiable with familiar American business types. They were modest almost to the point of shyness. They shunned publicity. They avoided society. And they clung tightly to each other.

A Cleveland newspaperman who was hired by the Vans as a public relations man recalled that after he had been on the job for three months—a period of dead calm—he was called into O.P.'s office.

He fully expected a dressing down; perhaps worse. And O.P. began on an ominous note.

"You've been working as our public relations man now for three months," said O.P., weighing his words carefully, "and there has not been a single story about us in the newspapers."

"Well, sir," began the press agent, "you see . . ."

"Splendid work," said O.P. heartily. "Keep it up!"

The Vans lived almost entirely for the pleasure of each other's company and for the fun they got out of their business manipulations—especially their first love, real estate.

They owned a magnificent English Tudor home in Shaker Heights at 17400 South Park Boulevard which they turned over to their two unmarried sisters, Edith and Carrie; they had sumptuous living quarters in the famed Greenbrier Suite on the thirty-sixth floor of the Terminal Tower, where they had their offices, and they had three luxurious private railway cars fitted out for living and for business. Their favorite residence, though, was Daisy Hill in the rolling countryside of Hunting Valley, fifteen miles east of Cleveland, beyond Shaker Heights.

Daisy Hill was a 660-acre consolidation of four farms with a lot of natural beauty, but a sorry record of productivity. It won its name honestly. When the Vans were looking over the property an agricultural

expert told them, "It'll never grow anything but daisies!" The Vans wanted the land nevertheless, mainly because it was adjacent to the farm home of their best friends, Ben and Louise Jenks.

If the brothers ever had a hobby outside of their business dealings, it must have been the blooded dairy herd they maintained on the farm until the middle of the 1920s. And if these shy brothers had a favorite person, it probably was the little daughter of the Jenks, Josephine. She called them "Uncle," and they watched over her like dotting relatives as she grew up, even to the extent of visiting her when she went away to attend Smith College.

The picture of the sedate, retiring Van Sweringens is almost shattered by the story that Josephine and her classmates used to ride on the running board of the Van Sweringen automobile as they drove through town on those visits. This collegiate informality must have pleased the brothers because they entered into the youthful spirit of things by naming their heifer calves after Josephine and her classmates. And when those calves—Catherine, Helen, Dariel, Janet, Annette, and Beth—were old enough to have calves of their own, each blessed event moved the Vans to send a telegram bearing the happy news to the girl after whom the cow had been named.

The Vans eventually decided to make Daisy Hill their home as well as hobby. They got rid of the dairy herd and instructed Architect Philip Small to go all out in his design of a home for them by making over the barn. It was a massive structure, but what evolved during the seven years that the Vans and their architect worked on their project was even more formidable. The cost of developing their country estate to the level of baronial grandeur eventually achieved has been estimated as high as three million dollars, but the cost apparently was of no great importance. In developing their estate, the Vans were doing something that they liked, and in dragging the project out over a seven-year period they were savoring the delights of the enterprise in the same slow, deliberate way that a gourmet passes a snifter of brandy under his quivering nostrils.

The property included stable buildings, developed at a cost of five hundred thousand dollars, of stone and frame construction with model box stalls for nineteen horses, four living suites, a carpenter shop, a machine shop, and twenty-two garages; a nursery, a greenhouse, and a man-made lake. The barn was converted into a massive and imposing mansion of red brick with a slate roof and a portico with spindle columns. The old silos became decorative towers, lending the building the look of a Norman castle, but the interior was warm and homey with its great beams and early American styling. It was furnished tastefully and expensively. When the furnishings were sold at a four-day

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auction sale in 1938 by the Parke-Bernet Galleries, a 220-page catalogue was needed to list and describe the 1250 items offered.

Typically enough, with all the living space open to them in this vast residence, the Vans insisted on sharing the same bedroom, in which all the furniture was duplicated so that each brother had his own bed, his own dresser, his own chair, and so on.

According to legend, O.P. one morning paused in front of M.J.'s dresser to check his appearance in his brother's mirror.

"You have your own mirror, you know," M.J. said archly, proving that even between these "Siamese" brothers there could be moments of minor friction and petty jealousies. O.P., the outgoing brother of the two, loved to tell friends of the mirror incident.

"M.J. is so tight," he would say, "he won't even let me get my reflection from his mirror!"

Their home was as elegant and lavish as any house owned by the elect of Cleveland society, but it never played any role in social capers of the era because the Vans were removed from society. They had no interest in society except as a group which furnished the best customers for Shaker Village—whose name, incidentally, was changed to Shaker Heights upon its incorporation as a city in 1930. They belonged to the right clubs, the Union Club, Shaker Heights Country Club, Pepper Pike Country Club, but they did not participate actively in them. Neither played golf nor followed any regime of physical exercise, except for a brief period when M.J. took a mild interest in horseback riding. If O.P. was the dominant personality, M.J. apparently was the more venturesome of the two brothers. He took up smoking until O.P. indicated his displeasure, causing him to drop the habit. M.J. once went for an airplane ride with David Ingalls, a Hunting Valley neighbor and onetime Assistant Secretary of the Navy, but this adventure made O.P. so nervous his brother never made a second flight.

When asked by an interviewer once to name his favorite authors, O.P. is said to have replied: "Rand and McNally."

It probably was an honest attempt to provide an answer rather than to be witty. The brothers *did* like to look at maps, as all real estate men do, and wasn't it a map that had showed them the route for their Shaker rapid transit?

They made a halfhearted concession to culture, however, in one of the rooms of their mansion called the "Dickens Room." It contained a valuable library of Charles Dickens' works, including many first or limited editions. Also featured in the room were the elm and yew desk chair once used by Dickens, and a square turned-leg oak stool with a caned top which came from Dickens' furnishings. The desk chair had on its back a metal tablet with the inscription: "This is the original editorial chair used by Charles Dickens when he was editor of the London Daily

News, 1846." But so far as their friends knew, neither of the Van Sweringens went beyond this honorary recognition of the English author in their pursuit of literary knowledge. They would sit on Dickens' chair, but it never occurred to them to take time to read his books. O.P. sometimes would read a paperback Western story, and once in a while the brothers would go to the little motion picture house in Chagrin Falls, but business was their recreation.

They tried to interest themselves in the normal *divertissements* of the world about them, but with little success. Their minds insisted on wandering back to the real fun things of life, as illustrated by the time they were persuaded by Horton Hampton, vice president of their Nickel Plate Railroad, to ride to Columbus, Ohio, in a special car and take in a Big Ten football game between Ohio State and the University of Iowa.

Hampton, an alumnus of O.S.U., and M.J. took a keen interest in the hotly fought game, but O.P. looked upon the gridiron goings on with a cool, detached attitude. He seemed to be analyzing the play and determining the strategy while the others were being carried away emotionally.

But O.P. spoiled the illusion he had wrought when, at the most critical point in the game, he leaned in front of his brother to say to the Nickel Plate executive:

"Horton," he said, "do you have any idea how many cubic yards of concrete were used in this stadium?"

"Oh, O.P.!" exclaimed M.J., groaning audibly.

O.P. was the taller and heavier of the two brothers. He was self-assured and, by far, the more articulate. When he spoke, he spoke for his brother as well as himself. That's the way it seemed to be with them from the beginning. When they were youngsters, they themselves would relate; M.J. made the snowballs, but O.P. threw them.

There were other differences. O.P. was dark-complexioned, physically slow, creative. M.J. had a light complexion, high blood pressure, and was the quick, alert type. He had a protective attitude toward O.P., even though he was younger.

They complemented each other as if by design, and there never was a woman who could lure one away from the other, although they were wonderfully inviting targets with all their wealth and influence. When they entered a drawing room at an occasional social function the fluttering of eyelashes flattened the hair on sheep dogs pacing in the rear pasture and made the heavy drapes fill out and billow. The Vans didn't seem to notice. All they needed, apparently, was each other. Throughout their adult lives they even used a common bank account, thereby carrying togetherness to its ultimate.

One morning in 1929 as they were tooling along through the beautiful

Hunting Valley countryside on their way to downtown Cleveland, they began to tot up their worldly wealth and they were astonished to conclude that they were worth one hundred million dollars.

This sober realization of their wealth made the brothers debate seriously the possibility of retiring, but they quickly shook off the notion for several reasons. One was that they were too young—O.P. was only fifty and M.J. was but forty-eight; another was that their lives held very little of interest to them outside of their financial wheeling and dealing.

Life, furthermore, never looked brighter or more promising than it did to these remarkable brothers in the sunlight of that morning in 1929. They were well on their way toward their dream of a railroad system which would rival the existing giants—the Pennsylvania, the New York Central, and the Baltimore & Ohio. They had won control of the Cleveland Railway Company and now owned a monopoly on the metropolitan area's street railways. Their towering Union Terminal project was in its final stages and would be ready for its dedication in 1930. Shaker Heights was booming. Its population had rocketed from 1700 in 1919 to 15,500 in 1929. Their country estates development covering four thousand acres in Hunting Valley was well under way and had shot upward to an estimated value of ten million dollars.

Even the rosiest of retirement schemes paled when laid next to the splendid vista that greeted the eyes of the Van Sweringens everywhere they looked in that grand year of 1929. Indeed, what they had achieved already was drawing the applause of the onlooking world. National publications devoted pages of space to the remarkable Shaker Heights experiment and the forward thrust of Cleveland due to the impetus of the building brothers. An English newspaper tycoon, Lord Rothermere, came to Cleveland to see for himself what the Vans had done, and his lordship was deeply impressed by the splendor of Shaker.

"You have developed the finest residential district in the world," he said, fumbling excitedly for his monocle.

Even while the old, loyal followers of Tom L. Johnson and the spokesmen of the upper Euclid Avenue merchants were condemning the placement of the Union Terminal and its satellite buildings on their Public Square site, other onlookers were sounding the praises of the Van Sweringen project and calling the location they had chosen "inspired."

One national publication, *World's Work* magazine, said in print what a lot of Clevelanders were saying privately; that the changes wrought by the Vans marked "the transition of the city from an overgrown country town to a real metropolis."

It is indisputable that Cleveland had taken on the look of a big city for the first time, thanks to the Vans. It had a skyline now that was

the most impressive of any city in the United States, outside of New York and Chicago, and the new silhouette seemed to impart a fresh civic confidence that was almost offensive in its chestiness.

When the time came on June 28, 1929, for the formal dedication dinner and ceremonies to mark the opening of the newest palace of the railroad industry, all the celebrities of the business gathered in Cleveland to celebrate the great occasion. And joining with them were notables from other fields. They came streaming into Cleveland by rail—governors, senators, cabinet members, financiers, and entertainers. It was the most glittering of all gala occasions. The graceful Gothic tower of the Terminal stood high in the sky, clean and proud, a diadem of red lights near its peak, bright floodlights giving it a startling white look from the thirtieth floor to the fifty-second, while at the top, powerful searchlights reached out and probed the horizon. Some enthusiasts, carried away, declared the next day that the tower's lights could be sighted from the Canadian shore, fifty-five miles away on the other side of Lake Erie.

It was, truly, a night to rejoice, and everybody did—everybody, that is, except the Van Sweringens. If they did any rejoicing, it was done quietly and privately because they didn't even show up for the great dedication or dinner. They stayed home that night and enjoyed a sedate dinner in the subdued light of their richly paneled, tapestried dining room at Daisy Hill, just as if it were an ordinary night of the week. The Vans already had had their fun in the planning and the building of the great terminal. The ceremonial rituals attendant to the dedication were a kind of painful public denouement; precisely the sort of thing better ignored by shy men. They, furthermore, had little time to stand around crowing over past accomplishments when there were larger, grander dreams; challenges still to be met—the unification of their railroad properties into a new national system that would challenge the New York Central and the Pennsylvania railroads . . . the extension of the Shaker rapid transit into a citywide, metropolitan rapid transit that would give Greater Cleveland the most modern and the fastest public transportation in the United States.

The stock market crash shivered the nation four months after the dedication of the Union Terminal, and the Great Depression, greater and deeper than any depression the nation ever has known, swept in with a silent roar; like the sound that fills the ears of a drowning man. There were wise men who said later they could see the terrible time coming, and they ticked off the signs and portents that had spelled disaster until it seemed inconceivable that anyone could have failed to know that panic and depression were on their way. But great financiers are not men who waste their time peering cautiously around the corners of time

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or worriedly scanning the stars for clues to the future; they ride to glory and wealth on the wings of courage, losing the timid far behind them.

That's how it was with the Van Sweringens. They were way out in front and high above the crowd, atop a financial pyramid that was as much of a marvel, in its own way, as the great pyramids of the Egyptians. The pity was that the mortar holding the bricks together had not had time to solidify. The Vans desperately needed time, and a favorable economic climate, to save their empire.

Their main source of revenue, the mighty group of railroads they had acquired in a series of overlapping loans and stock issues, fell off abruptly. Gross revenue skidded from \$503 million to \$293 million. Their Shaker Heights real estate sales, which had brought them \$5,600,000 in 1926, dropped to \$65,000 in 1933. In that same year of 1933, two Cleveland banks which had been closed during the "bank holiday" failed to reopen. It was reported that the two (the Guardian Bank and the Union Trust Company) carried on their books loans of almost \$14 million owed by the Van Sweringen interests and approximately the same amount owed by interests controlled by Cyrus Eaton.

Shortly after the crash in 1930, the Vans had turned to J. P. Morgan for financial help, and his house had loaned them \$40 million. By May 1935, it was clear that the Van Sweringen companies were unable to meet the obligations that matured at that time. The principal and interest amounted to more than \$50 million. The Vans, altogether, were in the financial hole to the tune of \$73 million.

Most of the collateral put up by the Vans as security for their Morgan loan was purchased by the Mid America Corporation, which was hastily organized by George Ashley Tomlinson, a colorful Cleveland lake shipping executive, and George Alexander Ball of Muncie, Indiana, a relative of Mrs. Tomlinson. They purchased for the sum of \$3,121,000 the control of some \$3 billion in assets; a group of enterprises employing more than 100,000 persons. And the first thing they did was to hire the Van Sweringens to operate these, their former properties.

The Morgan "auction" took place at the end of September 1935, but only one of the Van Sweringens was present—O.P. His brother, M.J., was in Cleveland, desperately ill and fighting what turned out to be his last big fight. His high blood pressure condition had worsened under the events of the time until, in August, he had been forced into a hospital for treatment. But an attack of influenza had complicated his condition. He recovered sufficiently to leave the hospital, but not for long. His condition deteriorated in mid-October and he returned to Lakeside Hospital, where he died early in the morning of December 13. Those he loved were at his bedside—his brother, O.P., and Ben and Louise Jenks.

Those who were close to him in those tragic days say that the

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death of Mantis James Van Sweringen in effect also ended the career of Oris Paxton Van Sweringen. The brothers had been so close that the death of one was the death of both. O.P. went through the everyday motions, but mechanically. He was a man in despair.

Every morning he would go into his brother's old office, adjacent to his, in the Terminal Tower and he would dutifully light the lamp on his brother's desk. Late in the afternoon, as he was leaving for the day, he would switch off M.J.'s lamp. It was a daily ritual.

The lavish home at Daisy Hill became nothing more than a storehouse of painful reminders, leading O.P. to tell a friend one day: "M.J. loved everything about this place. Right now, I wouldn't give you five cents for it."

He walked in mourning for less than a year. In the early hours of November 23, 1936, when O.P. presumably was asleep in a private car of a Nickel Plate train headed for New York, there was a minor accident to the train in the Scranton, Pennsylvania, yards. A switch engine taking a dining car from the train bumped the car in which O.P. was sleeping.

O.P. and two of his companions, William Wenneman, his secretary, and Herbert Fitzpatrick, vice president and counsel of the C. & O., were transferred to another private car furnished by the Lackawanna Railroad. By the time the switch was made and the train got under way again, it was around 8 A.M. The three travelers breakfasted and O.P., saying he was still sleepy, retired to his bedroom for a nap.

The train arrived in Hoboken, New Jersey, at noon. O.P.'s two friends went to awaken him, but they found him dead. It was officially concluded later that the shock of the minor train collision in the Scranton yards had been too much for O.P.'s heart, but some of O.P.'s friends dissented. They said his heart had stopped the previous December, and perhaps they were right. Everybody remembered what O.P. had said after his brother's death:

"I've always been able to see a way, but to this obstacle there is no answer."

The experts—some of them, anyway—are still wrangling over the Van Sweringens; still trying to decide the ethics of their empire and still trying to decide whether to applaud them or hiss them. The pros and cons in the argument by now are reasonably well defined, and much of the bitterness of the people who lost their life savings in the collapse of the Cleveland banks which presumably were weakened by the Van Sweringen loans has died away with the people themselves.

Even before the Vans died, when the Depression was still deepening and the outlook of their empire was as dark and dreary as the dust clouds filling the sky over the Kansas plains, *Fortune* magazine spoke appreciatively of the two brothers.

"They . . . pursued their visions in no plodding fashion," said *Fortune*. "They showed the world how two men starting with a purse of only \$500,000 can get control of the largest railroad properties (in terms of mileage) in the U.S. They gave a superbly ingenious demonstration of the use of other people's money and of that corporate conjurer's wand known as the holding company . . .

"Small wonder they are often viewed as historical. . . . The fact is that, while you may condemn the laws, no one has ever been able to impugn the legality of the holding company as practiced by chez Van Sweringen. The brothers still enjoy the status of honest businessmen. . . . The Van Sweringens were as plausible and agreeable and grandiosely scheming as any of them (the big affable superpromoters who are popularly credited with having caused the depression). Yet they are still with us. And the reason is that there was a hard center of achievement in the ambitious fabric of their plans.

"They brought the Nickel Plate up from rust, and the Erie up from dust, and they jammed the Chesapeake & Ohio with rich cargoes of bituminous coal. These are the facts their critics have overlooked . . ."

And on the smaller, local scale, they created a capitalist heaven where a communist Utopia had failed, and they changed the face of a great city, leaving behind them a massive memorial in the concrete bulk of the buildings that form the Cleveland Union Terminal development.

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