The LONDON MIDLAND and SCOTTISH RAILWAY





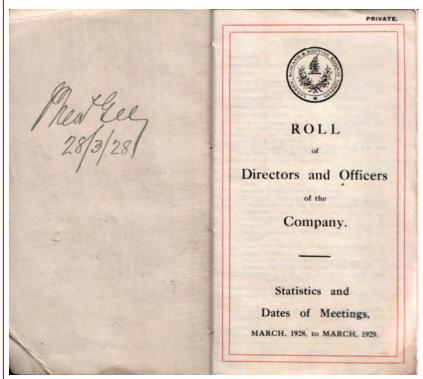
BRUCE ISMAY, a year in the life of an LMS DIRECTOR – 1928/9.

L. G. Warburton

LMS Society Monograph No. 1

Introduction.

Michael Byng, a fellow LMS Society member lent me an official LMS Railway diary that was issued exclusively to the Directors and Chief Officers of the Company. The diary ran from March 1928 to March 1929 and contained Statistics and Meeting dates together with addresses and telephone numbers of the of the Directors and Chief Officers. The statistics included the LMS Hotels, a list of the Representatives of the Lines leased or otherwise connected with the Company, Joint lines etc. Very little is ever written regarding the management of our Railways that is perhaps surprising as without leadership and management there would be no railway and therefore nothing to write about. Therefore I have chosen a person that most readers will be aware of - namely Joseph Bruce Ismay of "Titanic" fame.



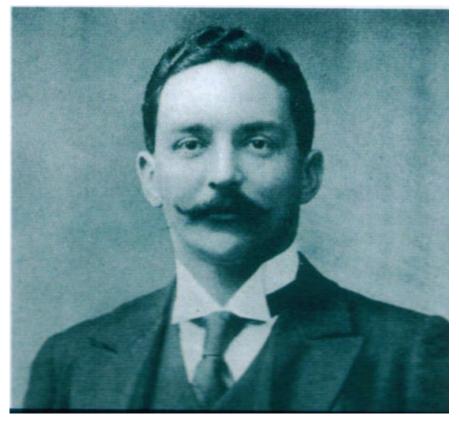
The title page of the March1928 to 1929 LMS diary.

James Frederick Gee M. Inst. T.
Authors Collection

As can be seen, the left hand side of the above diary shows that it originally belonged to James Frederick Gee who was born in Manchester on 16th October 1869 and joined the LNWR in 1884 in the Audit office. In 1887 he entered the Chief Accountants Office becoming Chief Clerk in 1909 and in 1920 became Chief Accountant. At the grouping in 1923 he was appointed Joint Accountant with J. Quirey (ex MRIy) on a salary of £3250, becoming Chief Accountant in 1925 his salary increased to £3750. He retired in 1929 on £4500 and was replaced by Ernest Taylor. He died in Oxley, Herts, on 1st August 1943.



Bruce Ismay.



Joseph Bruce Ismay.
Photo-Aman Bonnici.

Joseph Bruce Ismay was born in Crosby, Liverpool on 12th December 1862, his father being the senior partner in Ismay, Imrie and Co. the founder of the White Star Line. He was educated at Harrow and tutored in France before taking a fouryear apprenticeship in his father's office. Following this he went to New York City as the White Star representative becoming eventually Agent. Whilst in New York he met and married Julia Florence Schieffelin on 4th

December 1888 with whom he had five children. In 1891 he returned to the UK becoming a partner in his father's firm and when his father died in 1899 became Chairman of the White Star Line.

A publicity postcard featuring the LMS and the White Star Line of which Bruce Ismay was chairman.

Readers will be familiar with his connection with the "Titanic" that he was responsible for the design, but it is not proposed to deal with that episode here except to say that accounts differ as to his action on that fateful day and that his life was never the same after as he became virtually a recluse keeping a very low profile. Ismay basically retired in the mid 1920s and settled in Ireland, living in "Costelloe Lodge", near Costelloe in Connemara, County Galway. His health deteriorated and in1936 he moved back to England suffering from diabetes that necessitated the removal of his right leg, living on the Wirral on the River Mersey. He died in Mayfair, London on 17th October 1937 of a cerebral thrombosis at the age of 74. His funeral was held on 21st October and he is buried in Putney Vale cemetery. His wife renounced her British citizenship in order to restore her American Citizenship on 14th November 1949 and died on 31st December 1963 aged 92, in Kensington, London.

In addition to his interest in the company his father had

created, Bruce Ismay was, during his life, also chairman of the Asiatic Steam Navigation Company, chairman of the Liverpool Steamship Owners Protection Association and the



Liverpool and London War Risks Association as well as the Delta Insurance Company. He was also a director of the Liverpool, London and Globe Insurance Company, the Sea Insurance Company, the Birmingham Canal Navigation Company and the London & North Western Railway.

The 1921 Railways Act.

The railways of Britain were built on a 'market forces' basis with no thought as to a future national network, even to the extent of using different gauges as was done with the Great Western, Bristol and Exeter, South Devon and Cornwall Railways. On this basis railways sprang up all over the country many of which were either amalgamated or taken over to form much larger company's as was the case with the four railways already mentioned. With the advent of the Great War the railways were of national importance and as such were taken over by the Railway Executive Committee (REC). The advantage of this arrangement became clear, even to the extent of thoughts to nationalise the network. The result was the 1921 Railways Act that resulted in the formation of the London Midland & Scottish, the London and North Eastern, the Great Western and the Southern Railways on January 1st 1923.

It was than necessary to appoint Directors, (shown in brackets) to these new companies. As far as the LMS was concerned the major constituents were The London and North Western Railway (6), the Lancashire & Yorkshire Railway (6), the Midland Railway (8), the Caledonian Railway (3), the Glasgow and South Western Railway (1), the Furness Railway (1) the Highland Railway (1) and the North Stafford Railway (1), giving a total of 27 Directors of whom Sir Guy Granet of the Midland was the first chairman of the Company with the Hon. Charles Napier Lawrence (ex LNWR) as Chairman of the Board. The first secretary of the Company was Sir Arthur Watson ex LYR who retired in 1924 to be replaced by H. G. Burgess from the LNWR. As a director of the LNWR Bruce Ismay was elected on to the new LMS Board whose job it was to run the world's largest company with over 250,000 employees. In addition the LMS was involved with the following subsidiary companies -

Arbroath & Forfar; Brechin & Edzell District; Callender & Oban; Cathcart District; Charnwood Forest; Cleator & Workington Junction; Cockermouth, Keswick & Penrith; Dearne Valley; Dornoch Light; Dundee & Newtyle; Harbourne; Killin; Lanarkshire & Ayrshire; Knott End; Leek & Manifold Valley Light; Maryport & Carlisle; Mold & Denbigh Junction; North & South Western Junction; North London; Portpatrick & Wigtown Joint Committee; Shropshire Union Railways & Canal Company; Solway Junction; Stratford upon Avon & Midland Junction; Tottenham & Forest Gate; Wick & Lybster Light; Wirral; and Yorkshire Dales (Skipton to Grassington).

In addition there were no less than 60 Joint Committees such as the Somerset and Dorset Railway, the NCC and the Midland and Great Northern Joint to name but three of the well known ones that required allocated directors to attend. Of these Ismay was allocated to the Dundalk, Newry and Greenore Board, Great Northern and LNW Joint and West London Extension Board. In addition he sat on Widows and Orphans Committee.

Managing the Company.

The LMS Board and General Purposes Committee met ten times a year omitting August and September as did the specialist standing committees, the duties of which were as follows-

General Purposes & Finance

To take charge of all receipts and payments and generally of the finances of the Company, including the conduct of the Banking Accounts.

Land & Rating

The acquisition of land and property necessary for the construction of new lines and works, or for other purposes of the company, and the disposal of such property as may no longer be required: to deal with the whole of the Company's tenanted property, and easements over or

through the Company's premises, and to supervise generally all matters connected with the rating of the company's property.

Works

To supervise the maintenance of the permanent way and all structures and works required for the purpose of the company's undertaking and the construction of all new lines and works, and to deal with all questions of mineral workings affecting the Company's property.

Law & Medical

To deal with the solicitors monthly report of cases submitted by him and with all claims for compensation for personal injury to members of the public and Company's servants.

Hotels & Catering

To superintend the working of the company's hotels, refreshment rooms and restaurant car services, and the catering on the Company's steamers.

Traffic

To superintend the conduct of all business relating to passenger and goods traffic over the Company's lines both from operating and commercial points of view, and to receive officers' reports on matters of importance and general interest.

Shipping

To deal with all matters relating to the Company's shipping interests.

Rolling Stock

To take charge of all matters connected with rolling stock, including the construction, purchase and repair of engines, carriages, wagons, road vehicles and electric plant and power stations, and the supervision of the Company's workshops connected therewith. To supervise generally all matters relating to mechanical plant.

Stores

To superintend the purchase, examination of all stores, including coal and coke, and the disposal of surplus and scrap material. Directors were required to sit on four committees, occasionally five, the Chairman and Deputy Chairman were ex officio members of all committees. As far as Bruce Ismay was concerned he was a member of the Traffic, Rolling Stock, Stores and Shipping Committees, the first meetings of all the committees were held on - Finance, Land & Rating, Works, Law & Medical and Hotels & Catering – Euston, 28th February 1923. Traffic, Shipping, Rolling Stock, Stores and General Purposes – Euston, Thursday 1st March 1923. Board – Euston Friday 2nd March 1923.

These arrangements were revised with effect from 1st. January 1924. Having had a year's experience the make-up of the standing committees was revised with Ismay now on three – Traffic, Hotels and Catering and Shipping. The meeting times were also revised with the Board agreeing that the Finance Committee meet at 12am and The General Purposes Committee meet at 2pm on Thursday with all the other Committees meeting on Wednesday. The Traffic and Law and Medical at 10am, the Rolling Stock and Land and Rating at 11am, the Works and Hotels and Catering at 12am and the Stores and Shipping at 2pm. The meetings were held in the last week of each month. It should be noted the GWR, SR & LNER had suggested meetings should be held in the first week of the month.

The Chairman, The Hon. Charles Napier Lawrence and his two deputies Sir Guy Granet and E .B. Fielden were ex officio members of all committees and all Directors sat on the General Purposes Committee.

On 27th March 1924 the composition of the standing committees was again revised with Ismay now on the Traffic, Loco and Electrical, Carriage and Wagon and appointed chairman of the Finance committee, the meeting times were also revised.

The Scottish Local Committee.

In addition to the foregoing there was the setting up of the Scottish Local Committee for the management of the railways in the Scottish Division which consisted of four Directors from the Board of the Company, one of which was the Chairman, and ten other members (such number being subject to reduction from time to time at the Boards discretion) who are not

Directors of the Company, but are Proprietors domiciled in Scotland and holding not less than £2500 of stock in the Company, or such other qualification as may be decided by the Board from time to time, to be co-opted under Section 3 (1) (c) of the Railways Act 1921, and that Mr C. Ker of the GSWR and Mr Albert E. Pullar of the HR be nominated thereon as two of the four representatives of the Board of the LMSR. No remuneration was payable to Directorial members of the Committee but non Directorial members were each to receive £600 per annum. The Committee was to meet in Glasgow and a clerk appointed coming under the jurisdiction of the Company Secretary. Two members were to meet weekly for the purpose of certifying accounts, including salaries and wages.

Directors Fees.

The sum of £35,000 was allocated and which shareholders were to be asked to approve, to be allocated thus:-

Chairman £10,000
Deputy Chairmen £2,500 each £ 5,000
Six Chairman of Committees £400 each
The balance to be appropriated amongst the Directors, exclusive of the Chairman

and deputy Chairmen £17,600

Total £35,000

This made the remuneration approximately

Six Chairmen of Committees, £1,100 each per annum. Nineteen other Directors £ 700 each per annum.

The Board meeting on 21st December 1923 revised the above with the six Chairman of Committees having a £200 reduction (from £400) with all directors to receive £770 in lieu of £700 as previously.

The Directors remuneration was again amended on 26th January 1928 - Chairman - £5000; Deputy Chairman - £2000; ten Chairmen of Committees - £200 each including Scottish Committee; Two English Directors on the Scottish Committee - £200 each; Twenty one Directors - £1000 each, the grand total being £30,800 or £4,200 less than at the formation of the LMS in 1923.

This then sets out briefly how the LMS was formed and run as detailed in the first Board meeting held on 15th December 1922 with later revisions.

The appointment of Sir Josiah Stamp.

The above appointment was to herald a huge change in the way the LMS was run as at the Board Meeting on 30th April 1925, the Board was authorized to offer Sir Josiah Stamp GBE the position of President of the Company. The Chairman also stated the General Manager, H. G. Burgess, had consented to continue in his position, "with undiminished authority".

Josiah Stamp was later appointed President of the Executive on terms to be settled by the Chairman and Deputy Chairman that was later approved by the Board on 29/10/1925. At the Board meeting on 28th October 1926 it was announced the General Manager, the Rt. Hon. H. G. Burgess was to retire on 31st March 1927 after 53 years service as was the Deputy Manager for Scotland Mr, D. Matheson on 31st December 1926 after 35 years service. It is difficult to envisage one man, e.g. H. G. Burgess, as General Manager being able to keep his finger on the pulse of everything that was going on in such a large Company of the LMS. Accordingly on his retirement four Vice Presidents were appointed as from 1st January 1927, each to have specific Company responsibilities. The appointments were S. H. Hunt CBE (ex LNWR), J. Quirey (ex MR), J. H. Follows (ex MR) and R. W. Reid (ex MR). At the Board meeting on 28th July 1927 it was announced that Sir Guy Granet GBE wished to retire at the end of October that was accepted and Sir Josiah Charles Stamp GBE was to succeed Sir Guy as Chairman from November 1st 1927 with a remuneration of £5000 with a corresponding reduction in his remuneration of £2500 to £15,000 as President of the Executive. The Deputy Chairman was Edward Brocklehurst Fielden.

Bruce Ismay - March 1928 to March 1929.

The above sets out the situation up to the year under review – so what were the responsibilities of Mr Ismay during this period?

His address was given as 15 Hill Street, London W1 and his telephone number was *Grosvenor* 1992.

The committees on which he served were the Carriage and Wagon, the Finance of which he was Chairman, Locomotive and Electrical and the Traffic. He was an LMS representative on the Birmingham Canal Navigations, the Dundalk, Newry and Greenore Board and the Manchester Ship Canal. He represented the LMS on the Ribble Branch Board and the Widows and Orphans Society. By comparison with other Board members he appears to have got off lightly with regard to Company representation.

At this time the gross company receipts were £84,382,618, the mileage of lines open for traffic was 7,051, the number of stations and halts was 2,565, the number of employees was 264,066. There were 10,128 locomotives, 27,214 coaches, 305,898 merchandise and mineral wagons, 22,081 railway service vehicles, 22,462 goods and parcel road vehicles, 3 passenger road vehicles, 9,392 horses for road vehicles and 289 shunting horses. The total canal mileage was 549 and there were 101,301 feet of docks and 38 hotels owned by the Company. The number of passengers conveyed in 1927 was 317,942,152 excluding season tickets giving receipts of £20,275,184. In addition 269,636 season tickets were sold with value of £3,310,020. Merchandise and mineral tonnage in 1927 was 153,288,661 tons with the number of livestock carried being 10,582,820, the total receipts being £45,980,659. The dividend on ordinary stock in 1927 was 2% interim and 2¾ % final giving a total of 4¾ %. This then gives the reader an idea of the tremendous size of the business and the responsibilities of the management to ensure all ran as smooth and efficiently as possible in a post war period of wage reductions and labour unrest.

The dates of the meetings attended by Bruce Ismay are as below and involve 44 days and 92 committees as far as the LMS was concerned, in addition to which would be meetings of the other previously mentioned companies in which he had an interest.

Date	Meeting
28 th March	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
29 th March	Finance and Board.
19 th April	NCC
20 th April	Birmingham Canal Navigations
25 th April	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
26 th April	Finance and Board.

17 th May	NCC
18 th May	Birmingham Canal Navigations
23 rd May	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
24 th May	Finance and Board.
21 st June	NCC
22 nd June	Birmingham Canal Navigations
27 th June	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
28 th June	Finance and Board.
19 th July	NCC
20 th July	Birmingham Canal Navigations
25 th June	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
26 th July	Finance and Board. (including declaration of Interim Dividend)
16 th August	NCC
24 th August	Birmingham Canal Navigations
20 th September	NCC
18 th October	NCC
19 th October	Birmingham Canal Navigations
24 th October	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
25 th October	Finance and Board.
15 th November	NCC
23 rd November	Birmingham Canal Navigations
28 th November	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
29 th November	Finance and Board.
14 th December	Birmingham Canal Navigations
19 th December	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
20 th December	Finance, Board and NCC.
17 th January	NCC
23 rd January	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
24 th January	Finance and Board.
1st February	Birmingham Canal Navigations
13 th February	Finance and Board (both to consider annual accounts
15 th February	Birmingham Canal Navigations
21 st February	NCC
27 th February	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
28 th February	Finance and Board.
1 st March	Dundalk, Newry & Greenore Railway Board and AGM.
20 th March	Traffic, Hotels & Catering, Loco & Electrical and Widows & Orphans
21 st March	Finance, Board and NCC.
22 nd March	Birmingham Canal Navigations

From the above list, Ismay did not attend the Board meetings on 26th July 1928 or 24th January 1929 which means that he also may have missed the meetings of the standing committees held on the previous day.

So what was discussed at those meetings?

Various appointments and salary increases. Compensation to staff made redundant following the 1921 amalgamations as required by the 1921 Act. The retirement age for wages staff. Road Transport Bills. Fuel stocks. The re-organisation of the Civil Department. Cost of Living bonuses. The installation of time recording clocks in various workshops. A visit by the King of Afganistan. Labour costs and pay reductions. Air powers. The Royal Commission on Transport Services. The purchase of typewriters for the Goods shipping offices. Freight representation in the USA. The LMS Special; Minute book was introduced.

Other issues involving 'hardware' was the purchase of 40 petrol motor buses (16 Leyland and 22 Albion), provision of 200 further containers adding to the 621 already built or constructed, the scrapping of the "Ljungstrom" turbine locomotive, Gleneagles Hotel to have "an adequate supply of water of good quality", The fitting of five "Claughton" class locomotives with Lentz Poppet valve gear in an attempt to reduce coal consumption, Sentinel to supply two locomotives for the Somerset and Dorset railway as well as four for the Cheshire Lines Committee. The list is endless and the topics equally so when one considers the workshops, hotels, shipping, civil works, legal matters, motive power, road competition etc and not the least a quarter of a million staff.



Various LMS Road/Rail containers as referred to above

Rly. Gazette 1th Oct.1935.

FOUNDED 1963



This Monograph belong to a series produced by members of the LMS Society to provide a background to the activities and achievements of the LMS Railway during its existence from 1st January 1923 to 31st December 1947

Details of other publications in the series and of the wider bibliography of members of the LMS Society, refer to the Society's website

www.lmssociety.org.uk

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