

HILL'S VIEW OF IT

Circumstances of Formation of Northern Securities.

HARRIMAN WAS AGGRESSOR

Northern Lines Bought Burlington, Hill Says, to Keep From Being Brought Up by Union Pacific Combination.

ST. PAUL, Dec. 21.—President J. J. Hill, of the Great Northern railway and of the recently organized Northern Securities Company, this afternoon gave the following statement to the Associated Press:

"I have been absent from Minnesota for more than two months and during that time there has been a question throughout the Northwestern States, called a consolidation or merger of the Northern Pacific and Great Northern Railways, and in this discussion statements have been made which are shown to be different from the facts, and I feel called upon to make a conservative statement of just what has been done and what will be done in the future.

"When the Northern Pacific failed and the banking house of J. P. Morgan & Company reorganized it, myself and friends were holders of a large amount of that company's securities. After the reorganization was completed we bought about \$25,000,000 of Northern Pacific stock, both common and preferred. Some of this stock was afterwards sold, but a large amount has been held from that time to the present.

"About a year ago, the Union Pacific Company bought the Huntington and other interests in the Southern Pacific, and at the same time an effort was made to get control of the Chicago, Burlington & Quincy. With these lines in the hands of the Union Pacific, both the Northern Pacific and Great Northern would be shut out of Nebraska, Kansas, Missouri, South Dakota, Iowa, Illinois and Wisconsin, except by using other lines of railway, some of which were in the market for sale, and might at any time pass under the control or become combined with the Union Pacific interests.

"We then, with the Northern Pacific, made proposals to the directors of the Burlington to buy their entire property. When this transaction was about being closed the people who represented the Union Pacific Company and who had previously tried to buy the Burlington, asked to be allowed to share with us in the purchase of that company. This proposal we refused for the reason that it would defeat our object in buying the Burlington, and further it was not in the interest of several of the states in which the longest mileage of the Burlington was located.

"At that time, against the opposition of the more Southern lines, both the Northern Pacific and Great Northern had put into effect a low colonization rate and were carrying daily thousands of people into the Northwest, many of whom were coming from Kansas and Nebraska along the lines of the Union Pacific. This movement was at its height in the month of April, and after we had closed the purchase of the Burlington, the Union Pacific people undertook the boldest effort that ever was made in this country and bought over \$60,000,000 of the stock of the Northern Pacific in the markets of Europe and the United States. I was in New York at the time, and after Messrs. Morgan & Co. were aware of the action of the Union Pacific people, it was found that they held about \$25,000,000 of Northern Pacific common stock, by right of a contract made with the preferred stockholders when the company was reorganized, and the stock issued, and the privilege of paying off the preferred stock at par on the first day of January of any year until 1911. Messrs. Morgan & Co. then bought in London and New York about \$18,000,000 of the common stock of the Northern Pacific.

"No Stock Was Cornered.

"At the same time the Union Pacific interests, having already so large an investment, bid the stock up until there was the largest stock corner ever known, and the stock issued at a price of \$100 per share. I explained to my friends how that, with control of the Northern Pacific, the Union Pacific would control the entire Northwest and the West from Mexico to the Canadian line, and west from the Great Northern. So great was the effect to get this corner that one of my friends in London who owned \$2,000,000 of Northern Pacific common, was offered and refused \$1,000,000 for this stock. The result was that Messrs. Morgan & Co. and ourselves owned \$42,000,000 of the stock of the Northern Pacific common, and the privilege of the privilege of paying off the \$75,000,000 of Northern Pacific preferred. The Union Pacific people owned \$25,000,000 of the common and about \$12,000,000 of the preferred, which was a clear majority of all the stock of the Northern Pacific, and claimed the exclusive control of the Northern Pacific and through that the ownership of one-half of the Burlington.

"When it was known that these preferred shares could and would be paid off before the annual election, mutual negotiations resulted in Mr. Morgan giving them a representative in the Northern Pacific board. At the same time I was elected a member of the Northern Pacific board. When I was advised of my election I notified them that I could not legally act as a director of the Northern Pacific and Great Northern at the same time,

and I resigned after the first meeting of the board.

"Several of the gentlemen who have long been interested in the Great Northern Railway and its predecessor, the St. Paul, Minneapolis & Manitoba, and who have always been among its largest shareholders, but not the holders of a majority of its stock, whose ages are from 70 to 85 years, have desired to combine their individual holdings in corporate form, and in that way secure permanent protection for their interests and a continuation of the policy and management which has done so much for the development of the Northwest and the enhancement of their own property in the Northwest and elsewhere. Out of this desire has grown the Northern Securities Company. It became necessary in order to prevent the Northern Pacific from passing under the control of Union Pacific interests, and with it the joint control of the Burlington to pay off these preferred shares of the Northern Pacific. The enormous amount of cash required for this purpose, from a comparatively small number of men, made it necessary for them to act together in a large and permanent manner through a medium of corporation, and the Northern Securities Company afforded them the means of accomplishing this object without the necessity of creating a substitute capital to finance the transactions for the Northern Pacific, while at the same time the credit of the Northern Securities Company held the same for the benefit of the shareholders and advanced the interests of the corporations whose securities it owns. Its powers do not include the operation of railways, banking, mining or the buying or selling of securities or properties for others on commission; it is purely an investment company, and the object of its creation was simply to enable those who hold its stock to continue their respective interests in association together and to prevent such interests from being scattered by death or otherwise; to provide against such attacks as have been made upon the Northern Pacific by a rival and competing interest whose main investment was hundreds of miles from the Northwest, and whose only object in buying control of the Northern Pacific was to benefit their Southern properties by restraining the growth of the country between Lake Superior and Puget Sound, and turning away from the Northern Pacific the enormous Oriental traffic which must follow the placing on the Pacific Ocean of the largest ships in the world.

"The foregoing is a brief and absolutely correct statement of the whole subject, and its truth can easily be verified by the State of Minnesota and any other state or person having sufficient interest to investigate the affairs, which are all matters of record.

"Now, as to the effect of what has been done upon the public interests. Let me ask a question which I believe every candid and honest man to answer for himself:

"Did the Union Pacific people with their railway lines extending from Omaha and New Orleans to California and Oregon, through the several states in the Middle West and South, purchase a majority of the stock of the Northern Pacific and Great Northern, and thus control that company and increasing the growth and prosperity of the Northern country, or was it for the purpose of restricting such growth and aiding the development of the Northwest interests hundreds of miles to the south?

"Did they purchase the Northern Pacific and its interest in the Burlington for the purpose of building up the Asiatic trade by the Northern Pacific zone from St. Paul and Minneapolis to the Pacific Coast, or in order to control the Oriental trade for their own Southern railroad through their own seaports, over their own ships?

"In defeating their control of the Northern Pacific and retaining it in the hands of those who had built it up and with it the entire Northwest, did we injure or benefit the people of the Northwest?

"Did I, by inducing my friends to hold their Northern Pacific common stock and the stock of the Burlington, Morgan & Co., when this stock was selling at \$100 and \$1000 a share, thus preventing the Union Pacific from controlling the Northwest, injure or aid the business of the Pacific Coast, or in order to control the Oriental trade for their own Southern railroad through their own seaports, over their own ships?

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"Had we sold our \$25,000,000 of Northern Pacific, even at \$50 a share, amounting to \$1,250,000, or nearly \$1,000,000 more than its value, and then transferred to the Union Pacific control of the entire country between Canada and Mexico, what law of Minnesota would we have violated?"

"Could we not legally pay the money in our own pockets and let the country learn what it was to be dominated by a parallel and competing railroad?"

"When Van Sant Sat Still.

"Why did Governor Van Sant sit still from May until November 20, while a majority of the stock of the Northern Pacific Company was controlled by a parallel and competing railroad company, in clear opposition to law, and wait until myself and friends have, by our efforts and with our own money, relieved the Northwest of this rival parallel and competing railway, but doing what we clearly have the right to do as individuals, or working together for greater permanent security as a financial corporation?"

"Has there ever been a case in the history of this country when men have dropped their money profit and stood as firmly by the interests of the communities which have grown up with their own and largely by their own efforts and capital?"

"The public is interested in having a good railroad service and at fair and reasonable rates. The past is one and speaks for itself. I can speak for the future and have no hesitation whatever in saying that the increased volume of traffic, both through and overland, will enable the companies to reduce their rates in proportion

to the volume of such traffic; the development of the country will increase with greater increase in population between Minnesota and the Pacific. No merger or consolidation of the Northern Pacific and the Great Northern is contemplated. Each company will be operated separately in the future as in the past.

"I greatly dislike to discuss my matters in the newspapers, but during my absence an attack has been made upon myself and friends which has been persistently supported by both political and rival business interests. All I ask is fair play, and let time determine whether the public will be benefited or injured by what we have done and will continue to do.

JAMES J. HILL."

ROGERS IS DIDACTIC AND POLITIC.

National Administration Has Power to Move Against Railroad Trust.

OLYMPIA, Wash., Dec. 21.—In response to numerous requests for an interview regarding railway matters, Governor Rogers today gave out the following:

"The question presented by the formation of the Northern Securities Company is a question of public interest. Whether this is in truth a remedy may possibly be an open question. But that it is the only effective and really inevitable end no intelligent man can deny."

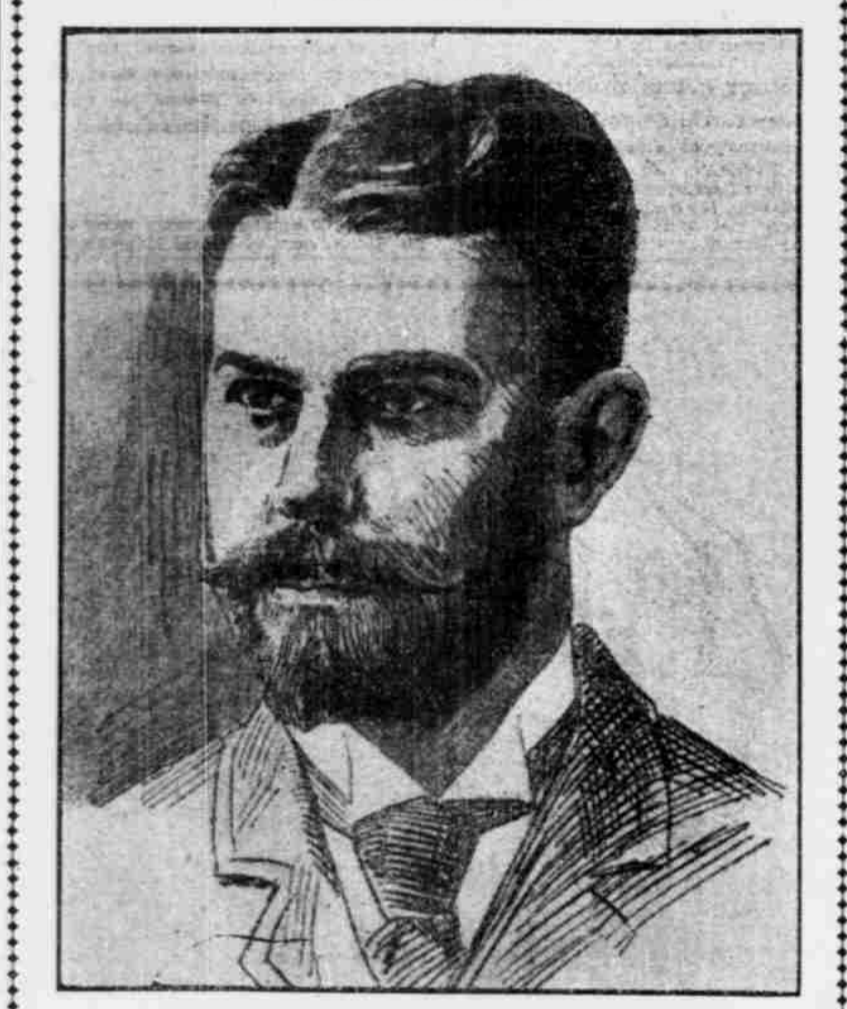
GOVERNORS TO CONFER AT HELENA

Will Consider the Railroad Trust at Meeting December 30.

HELENA, Mont., Dec. 21.—The proposed meeting of Governors and Attorney-Generals of the Northwestern States to discuss a plan of preventing the Northern Securities Company from bringing about the practical consolidation of the Northern Pacific and Great Northern will be held in Helena, Mont., Monday, December 30. This was agreed upon today by Governor Van Sant, of Minnesota, and Governor Toole, after an interchange of telegrams. The Minnesota executive asked Governor Toole if the date and place named would be acceptable. Governor Toole replied in the affirmative. In discussing the decision that had been reached today, Governor Toole said:

"Governor Van Sant, of Minnesota, has had under consideration for some time

SCHLEY'S DETRACTOR DISMISSED FROM THE NAVAL SERVICE



EDGAR S. MACLAY, THE HISTORIAN.

WASHINGTON, Dec. 21.—The following order was made public this afternoon:

"Navy Department, Washington, D. C., Dec. 21.—Rear-Admiral A. S. Barker, Commandant, Navy Yard, New York—Sir: I am directed by the President to ask Edgar S. Maclay, special laborer, general storekeeper's office, navy-yard, New York, to send in his resignation. Very respectfully,

"JOHN D. LONG, Secretary."

Secretary Root was designated to make public the request for Maclay's resignation at a conference with the President, and it was given to the press by him.

tion of the Northern Securities Company and the practical consolidation of several railroad companies as a result is perhaps the most momentous question that has been precipitated upon the country for a number of years. The matter has, however, been incubating for a long time. In reality the country is face to face with the great trust problem; this time a railroad trust. When Governor Rogers, of Texas, a year or two ago, attempted to call a convention of Governors to take into consideration the trust problem, I examined the matter quite fully. I was then convinced that the dominant party desired to throw dust in the eyes of the general public by attracting attention away from Congress and its powers.

"As a matter of fact, the President of the United States, by directing his Attorney-General to proceed against the Northern Securities Company, could quash proceedings. Under the Sherman anti-trust law he has full power and authority in the premises. No Governor or State Legislature has such power. It will be noticed that the President, in his message to Congress, practically tells Congress that it must be very careful not to interfere with the trusts, for fear of destroying that American pre-eminence in the matter of trade balances now beginning to be prominent. The people generally are shrewd enough to see that the President is insincere in this matter. They see that the Republican majority in Congress, having power over trusts, does not intend to use it, and, further, as a matter of fact, will use National power to protect them. Dishonesty arises from the fact, clearly apparent, of pretended opposition to the trusts. Now, if the party in power is able to throw dust in the eyes of the people by attracting attention toward some harmless proceedings on the part of Governors and State Legislatures, it will, by adroitness and chicanery, temporarily at least, achieve a much-desired end.

the advisability of calling a conference of Governors of the Northwestern States at some central and convenient place to consider the scheme of railroad consolidation manifestly contemplated by the organization of the Northern Securities Company. I am advised by a gentleman who is expected to be held at Helena on the 30th of this month.

"I have wired him that, so far as I am concerned, the time, place and purpose of the conference is agreeable, and asked him to assure the distinguished gentlemen whom he has invited of a cordial welcome to Montana.

"I do not know who will be here, but am advised that the conference is expected to include Attorney-Generals of the several Northwestern States, as well as Governors."

Van Sant Holds His Ground.

ST. LOUIS, Dec. 21.—Governor Van Sant, of Minnesota, who attended the world's fair ground-breaking ceremonies, said in regard to his war on the Northern Securities Company that he was proceeding against the proposed consolidation as fast as possible.

"As Governor of Minnesota," he said, "I shall do all that is in my power to prevent the consolidation. I have turned the whole matter over to the legal department of the state, and when the necessary papers are prepared proceedings will be instituted, as I believe the consolidation is an attempt to violate our laws."

TO SHIP CREAM 205 MILES.

Ashtand Asks for Special Rates—Butter Routes That Cross.

Some time ago the Southern Pacific made a special low rate for shipment of cream to creameries at Albany, the rate being made to apply within 200 miles of that town. Now the company has received an application for a special rate for cream from Ashtand to Albany, the distance being 205 miles and, therefore, not covered by the previous order. It

SISTERS OF CHARITY

RELY ON PE-RU-NA TO FIGHT CATARRH, COUGHS, COLDS, GRIP



Peruna for coughs and colds in children.

Peruna makes strong children.

Attending Chapel Services.

Peruna is such a remedy. The Sisters of Charity know this. When their children are sick, they know exactly what remedy to use. These wise and prudent Sisters have found Peruna a never-failing safeguard. They realize that when a disease is of catarrhal nature Peruna is the remedy. Dyspepsia and female weakness are considered by many to be entirely different diseases—that dyspepsia is catarrh of the stomach and female weakness is due to catarrh of the pelvic organs the Sisters are fully aware, consequently Peruna is their remedy in both these very common and annoying diseases.

Catarrh of Throat and Stomach.

Mr. J. C. Metcalf, No. 326 Elmwood avenue, Chicago, Ill., writes:

"I am 72 years old, have been troubled with catarrh of the throat and stomach a great deal, and have tried almost every kind of medicine, but none has done me so much good as Peruna. I was a traveling salesman for 27 years, and this is the cause of my trouble. Today I am feeling better than I have for the past five years. I can heartily recommend Peruna to all who suffer from like diseases, as a sure and complete cure."—J. C. METCALF, CALIF.

Pelvic Catarrh.

Mrs. Ella Martin, No. 706 Monroe street, Toledo, O., writes:

"I had catarrh of the womb, and could obtain little or no relief, and a friend of mine who had been benefited by Peruna advised me to give it a trial. I never had any faith in patent medicines, but I decided to give Peruna a fair trial. I have used five bottles, and now I do not feel a pang or pain such as I had continually undergone, and my general health is very much improved. I think Peruna is a God-send to suffering humanity."—MRS. ELLA MARTIN.

Dr. Hartman receives many letters from Catholic Sisters all over the United States. A recommendation recently received from a Catholic institution in Detroit, Mich., reads as follows:

Detroit, Mich., Oct. 8, 1901.

Dear Sir: "The young girl who used the Peruna was suffering from laryngitis and loss of voice. The result of the treatment was most satisfactory. She found great relief, and after further use of the medicine we hope to be able to say she is entirely cured."

This young girl was under the care of the Sisters of Charity and used Peruna for catarrh of the throat with good results as the above letter testifies.

Another recommendation from a Catholic institution of one of the Central States written by the Sister Superior reads as follows:

"A number of years ago our attention was called to Dr. Hartman's Peruna, and since then we have used it with wonderful results for grip, coughs, colds and catarrhal diseases of the head and stomach.

"For grip and winter catarrh especially it has been of great service to the inmates of this institution."

SISTER SUPERIOR.

A prominent Mother Superior says:

"I can testify from experience to the efficiency of Peruna as one of the very best medicines, and it gives me pleasure to add my praise to that of thousands who have used it.

"For years I suffered with catarrh of the stomach, all remedies proving valueless for relief. Last Spring I went to Colorado, hoping to be benefited by a change of climate, and while there a friend advised me to try Peruna. After using two bottles I found myself very much improved. The remains of my old disease being now so slight, I consider myself cured, yet for a while I intend to continue the use of Peruna.

"I am now treating another patient with your medicine. She has been sick with malaria and troubled with leucor-

rhoea. I have not a doubt that a cure will be speedily effected."

These are samples of letters received by Dr. Hartman from the various orders of Catholic Sisters throughout the United States.

The names and addresses to these letters have been withheld from respect to the Sisters, but will be furnished upon request.

In every country of the civilized world the Sisters of Charity are known. Not only do they minister to the spiritual and intellectual needs of those with whom they come in contact, but they also minister to their bodily needs. They are as skilled as trained nurses in their treatment of disease, and are looked upon as messengers of good cheer by countless patient sufferers.

One-half of the diseases which afflict mankind are due to some catarrhal derangement of the mucous membrane of some organ or passage of the body. A remedy that would act immediately upon the congested mucous membrane, restoring it to its normal state, would consequently cure all these diseases. Catarrh is catarrh wherever located, whether it be in the head, throat, lungs, stomach, kidneys or pelvic organs. A remedy that will cure it in one location will cure it in all locations.

is represented that several cans a day will be shipped if a satisfactory rate shall be made.

This is one of many instances in which the transportation companies get increased tonnage by reducing rates. The carriage of butter in Oregon has come to be quite an important item and some odd movements are recorded. For example, the Independence Creamery has just sent a large lot of butter to the Pendleton market, while butter from the Grand Ronde Valley, and even from the Utlah Creamery, in Umatilla County, is brought to Portland and marketed in the Willamette Valley. It is all good butter, but individual tastes call for the exchange that gives the transportation companies a haul of 600 miles that they would not get if each community consumed its own butter.

Railroad Notes.

President Stickney, of the Chicago Great Western, announced that his company will

Eczema

How it reddens the skin, itches, oozes, dries and scales!

Some people call it tetter, milk crust or salt rheum.

The suffering from it is sometimes intense; local applications are resorted to—they mitigate, but cannot cure.

It proceeds from humors inherited or acquired and persists until these have been removed.

Hood's Sarsaparilla

positively removes them, has radically and permanently cured the worst cases, and is without an equal for all cutaneous eruptions.

HOOD'S PILLS are the best cathartics. Price 25 cents.

Captain Francis A. Cook III.

WASHINGTON, Dec. 21.—Word was received at the Bureau of Navigation just before the office closed for the day that

MUNYON'S RHEUMATISM CURE

When Prof. Munyon says his Rheumatism Cure will cure rheumatism there isn't any guess-work about it—there isn't any false statement about it. It cures without leaving any ill-effects. It is a specific cure for rheumatism.

All the Munyon remedies are just as reliable, 35c. The Guide to Health is free. Munyon, New York and Philadelphia.

MUNYON'S FIFTEEN CURES CATARRH.

For Christmas DIAMONDS For Christmas

Our Stock of DIAMONDS, MOUNTED and UNSET, is simply SUPERB

In WATCHES, JEWELRY, STERLING SILVERWARE, IMPORTED POTTERY, FINE LEATHER GOODS and BRIC-A-BRAC, Nothing approaching them has ever been shown in this city.

ONLY TWO DAYS MORE. Monday and Tuesday in which to make your selections for CHRISTMAS. Our stock is so complete and so elegant that every purchaser can be satisfied both in selection and price.

DIAMOND RINGS An Elegant Assortment.

DIAMOND RINGS An Elegant Assortment.

WE HAVE NOT the time to go into details. You will have to inspect our stock for yourself. We can only say that it embraces the newest, richest and most varied productions of the jeweler's art.

STERLING SILVER HAIR BRUSHES AND DAINTY TOILET ARTICLES

A. & C. Feldenheimer.

Diamond Merchants and Manfg. Jewelers On the Cor. of Third and Washington

DIAMOND RINGS Finest Importations.

DIAMOND RINGS Finest Importations.

STORE OPEN EVENINGS

NO BRANCH STORES

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