

J. OGDEN ARMOUR WESTERN FINANCIER AND HIS LIEUTENANTS.

How a man who, as a boy, gave no promise of a head for business, has formed the first great financial group with headquarters west of Alleghanies



SAMUEL McROBERTS THE ARMOUR REPRESENTATIVE IN THE NATIONAL CITY AMERICAN BANK



MRS. J. OGDEN ARMOUR AND HER DAUGHTER, LOLITA



J. OGDEN ARMOUR THE FIRST MAN TO FORM A POWERFUL FINANCIAL GROUP WITH HEADQUARTERS WEST OF THE ALLEGHANIES



P. A. VALENTINE, A MEMBER OF THE GROUP WHO WAS TRAINED BY J. OGDEN ARMOUR

BY E. J. EDWARDS.
THIRTY-NINE years ago, a little boy of 9 years, whose parents had just moved their home from Milwaukee to Chicago, the head of it might have a larger field for his rapidly-growing grain and pork-packing business, was told, half-jokingly, half-seriously, by his father that he should have been a girl—he certainly had never been cut out for a successful business career.

Delicate in appearance, because he was delicate in health, this boy, who had heard the same remark many times before, and who was destined to hear it many times more in the years ahead, loved nothing so much as to be able to steal away to some quiet corner, with a book as his only companion. There he would be happy and content by the hour. Never a day-dream of business conquest, such as he knew his father had constantly in mind and was magnificently accomplishing, flitted through his growing brain. His thoughts, his ambitions, for the future were all of books, of writing them, of himself becoming a great world figure in literature. And because the son thus cared passionately for that to which the father gave scarcely a passing thought, and because, in addition, the son seemed more reserved than the father, a sort of constitution which forehad-owed physical ability to give and take in the rough-and-tumble of business life, the boy was told time and again by his father that he should have been born a girl.

Today the man into which this delicate, book-loving youngster of the '70s has grown is being hailed as the pre-eminent financier of the West. In Wall street the leaders there are saying of him that he is the first man in the financial history of the country to form and maintain a financial group of great international power and ramifications, with headquarters west of the Alleghanies.

Perhaps only those who are intimately acquainted with the history of American finance can realize fully what a feat this is that Jonathan Ogden Armour has lately accomplished. But it is even more remarkable that he has been able to bring about this epochal change in our financial leadership in less than a decade. It took a full decade for E. H. Harriman to do his trick, and Commodore Vanderbilt the same length of time to accomplish his.

Eight years ago it was that Jonathan Ogden Armour's hard-headed and far-seeing old father laid down his life, and the son in whom the father had been able to see no latent business ability succeeded to the head of the great Armour interests. Not one, but two, deaths placed him in this powerful seat. Not he, but his brother, Philip D., had been picked originally by the father to become the head of the business. Philip D., Jr., was the heir apparent; Jonathan Ogden, because of his taste for things literary and his apparent distaste for things business, was merely the heir presumptive. It was an arrangement in which the father doubtless took not a little pride; but when death claimed his namesake there was nothing left for the founder of the Armour fortunes to do but what he could to prepare Jonathan Ogden to succeed him.

In time this son—the father's "Hobson's choice" in the way of an heir, so to speak—took up the reins he fell by his side. From that day until recently the general public heard of him as a rich man's son succeeding to a great estate; as an operator on a private scale, in the wheat pit; as an alleged craft-funder against certain Federal anti-trust laws; and as the father of little Lolita Armour. In the latter part of the career of the celebrated Dr. Lorenz the whole world took a deep and sympathetic interest. But until a few short weeks ago the general public had not dreamed that Jonathan Ogden Armour had the stuff in him, apparently, to make of himself a great financial leader—a distinction that has to be earned, since it can in no way be handed down from father to son.

Mr. Armour's Important Discovery.
It is beyond dispute that Mr. Armour is more than his financial spurs. Soon, according to high financial authorities, he will be looked upon almost universally as the commanding financial and financing authority of the great National figure, in undertakings of this kind in the mid-West. Already he is in close financial association with many of the world's financial centers both in this country and in Europe. If, as now seems certain, he becomes the great financial authority of the mid-West, his association with the men who make the historical moves on the money board of the world will be that of the greatest intimacy. Jonathan Ogden Armour was just 33



Geo. M. REYNOLDS THE LEADING BANKER OF THE ARMOUR GROUP

years of age when he found himself in the place of supreme authority amid the great Armour interests. Then it was presumed that the young man would occupy himself chiefly with maintaining and conserving these interests. It was observed, however, early in his first supreme direction that he did not permit himself to be made the slave and drudge of detail. He had learned, possibly by studying his father and possibly by other observations, that there is no more killing drudge than that which is represented by slave-like devotion to minor details. The senior Armour, probably because he had to begin in a small way and watch every expenditure, nurse every market, reckon the minutest cost, had accustomed himself to detail. Of course, in his later years, he organized a superb group of lieutenants and subordinates, but he seemed to be never quite willing to leave to them the detail work.

Possibly the first striking demonstration of the lurking ability for the very high constructive work which Ogden Armour made after he assumed command was the ease with which he controlled to trust subordinate the working out of details while he controlled the greater operations. In that way his mind was free from the petty irritations and distractions which too excessive detail causes, and he had opportunity for more profound contemplation and study of new and very great questions, some of which had never disturbed his father, because they had not arisen.
So, too, at this time, if what Mr. Reynolds says is accurate, he revealed a power of broad, comprehensive forecasting in the direction of finance. Throughout all of his father's business life, the movement of the crops from the harvest fields to the markets involved the borrowing of many millions of dollars in the great financial centers east of the Allegheny Mountains. This movement was as accurately timed, almost, as is that of the Autumnal equinox. Ogden Armour, while carefully scrutinizing the financial reports that told of the movements of money in the banks of Chicago, St. Louis, Kansas City and New York, Philadelphia and Boston, detected

what he thought to be good profit that the West was beginning to market its crops with its own money. This discovery he made almost simultaneously with a like one made by the late Frederick D. Tappan, of New York City, who was for many years president of the New York Clearing-House Association.
Mr. Armour was about 49 years of age when he believed he was able to detect the first change in what was the leading annual money movement in the country. He clung to this belief in spite of the cynicism and skepticism with which many received the report that the West was beginning to finance its crops, and how accurate was his judgment subsequent events fully proved. This year the West is harvesting and marketing its crops practically with its own money, although much of this money has been drawn from the Eastern banks where in the Spring it was placed on deposit, so that it might earn good interest.

Parting of the Ways.
Up to and through the Government's celebrated pure food inquiry into the beef packing industry, Mr. Armour's time was taken up largely with proving his capacity for leadership over the very great industrial interests which came to him from his father. But how there began other very important undertakings in Chicago, the center of Mr. Armour's packing activities—railway transportation, the perfect suburbanizing of traffic that centers in Chicago, so that there could be convenient and economic concentration of it; and, in addition, there loomed up before Mr. Armour the great question of providing for the future of the beef supplies of the United States.
Here came the parting of the ways for Mr. Armour. He could withdraw from larger activities and concentrate his energies wholly upon the direction of the beef packing interests, or he could step out and beyond that industrial circle, although he must have known that this would involve placing him in the ranks of the world's great financiers. To do that also would necessitate the grouping around

him, or grouping with him, of some of the master minds of the West, as well as co-operation with some of the largest financiers of the East. In other words, there came to Mr. Armour the opportunity to become identified with the world's greatest financing and financiers.
He apparently did not hesitate, although those who know him best are of the opinion that if he had been perfectly free to choose, he would have preferred a life of quiet dignity, not exactly of ease or leisure, but one in which he would have had no business responsibilities other than those directly connected with the management of his best packing interests. In Chicago the men who do things shortly began to talk of Mr. Armour as a man who possessed greater credit than he did money, although the fortune that came to him in actual money, or its equivalent, was high up in the millions. You see, it is credit, chiefly, upon which great financing and great financiers rely.
Early in Mr. Armour's development as a financial force his path and that taken by the late E. H. Harriman crossed. They met as equals to exploit and undertake the construction of what is known as the Chicago freight tunnel system—an underground belt line planned to connect all the railway freight stations of Chicago, and the principal shippers and receivers of freight, for facilitation in the handling of freight originating or terminating in the city. This undertaking involved not merely money investments of some \$5,000,000, but the utilization of the joint credit of Mr. Harriman and Mr. Armour to the extent of some \$4,000,000 more. At the present writing the undertaking seems to be in some embarrassment, but it is the understanding that Mr. Armour is determined that it shall succeed.
This linking of certain Harriman interests with those of Mr. Armour's was the first certain indication that the East had the coming of a new financial leader in the West. "Harriman never associates himself with any one who cannot do big things in a big way," was the way the situation was summed up in many quarters.
Of course, once he had embarked on his financial career, Mr. Armour found it necessary to take unto himself associates, and gradually there came into being what is now undoubtedly the strongest financing group with headquarters west of the Alleghanies. It is only within a year or two that Eastern men of finance have recognized the power of this group and have realized that it must be reckoned with in many of the greater financial undertakings that are to characterize the present era of prosperity. This is the case, for the very good reason that the financial power and resources of the Armour group compare favorably with those of any one of the greater groups of the East.
Everything considered, Mr. Armour's

chief financial associate, is undoubtedly George M. Reynolds.
When President-elect Taft was looking about him to find out who, among Americans of ability, possessed in the highest degree all of the qualifications needed for a successful administration of the Treasury Department, he made some inquiries in New York City. He was told first of all, although it was not necessary to tell him that, that it would never do to appoint a Wall street banker or financier Secretary of the Treasury. Political considerations would make that inexpedient.
"Where shall I find just the man?" the President-elect asked a New York friend. "Personally, I think Chicago will furnish the man I am looking for."
"Yes," was the reply, "there are two or three men in Chicago who have just the qualifications you want. One of them is George M. Reynolds."
Mr. Taft was told that Mr. Reynolds was of Western birth and training; that he understood perfectly the political sentiment prevailing in the Central West; that he had been brought in close touch with the farmers; that he was in intimate association, as a banker, with J. Ogden Armour.
"What kind of a man is he personally?" Mr. Taft finally asked. He was told that Mr. Reynolds could properly be characterized as a typical man of the West, with a very broad National vista. "His energy is unbounded," continued Mr. Taft's informant. "He speaks straight from his heart. Sometimes it is thought that he is a little rough in his ways. Some folks have said that he has not had time to cultivate some of the conventions which are regarded as important by men of leisurely life. Perhaps as far as social polish goes, he should be called a 'rough diamond.' But he understands finance and banking from the alphabet up, and he was one of the most valued of the informal advisers or secretaries of the Treasury in McKinley's and in Roosevelt's administrations."
As a result of this talk, and further consideration of Mr. Reynolds' qualifications for the Treasuryship, Mr. Taft offered the post to Mr. Reynolds. Just at this time, however, Mr. Armour and his associates were planning certain financing which, they hoped, would demonstrate to the world that the West, at last, was to be of equal authority with the East in the great financial undertakings of the future. Mr. Reynolds was deep in this work, and largely for this reason, he felt called upon to refuse the honor offered him by the President-elect. In order that there may be participation in great financial undertakings, there must be, in addition to vast credit, enormous resources. Mr. Armour earnestly advocated the consolidation of the Continental Bank of Chicago, of which Mr. Reynolds was president, and

another institution. At that time, Mr. Armour was a frequent visitor to New York, and was in friendly association with the greatest of American banks, the National City. Already one of the greatest of the intellectual forces associated with the Armour, P. A. Valentine, had entered the directorate of this bank. In the financial district in New York it does not need many hints to form a judgment, and so it was inferred that if Mr. Armour, Mr. Reynolds and other men of capital were planning to create the greatest financial institution west of the Alleghanies, they were also planning to act in co-operation with the greatest National bank in the United States.
The Armour Associates.
The bank consolidation desired by Mr. Armour was perfected. Mr. Reynolds became president of an institution which commands some \$30,000,000 of resources, approximately a like amount of deposit, and sits at the head of the table around which such men of high authority as John C. Black, William C. Selig, one of America's great capitalists; the richest lumberman in the world, F. E. Weyerhaeuser, and J. Ogden Armour, keep him company. And until recently one of the most brilliant of the younger men of the West, at least in the world of finance and affairs, Samuel McRoberts, also sat at that table.
This is the original group of which Mr. Armour is really center—a group controlling, individually and collectively, hundreds of millions of resources of capital, and none can estimate the amount of credit. Add to it the names of P. A. Valentine and L. C. Kranthoff, and the list of Mr. Armour's leading lieutenants in his large undertaking is complete.
Wherever lumber is king, Mr. Weyerhaeuser, the richest, the most eccentric of the table around which all Mr. Armour's closest associates, is known. In the packing industry the name of P. A. Valentine is almost as familiar as that of Mr. Armour. More than a business way, and Mr. Valentine has more than repaid the debt by giving the business many golden ideas. It was Mr. Valentine who, when J. Ogden Armour was confronted with the problem of providing for a beef supply in that future when this country will eat more beef than it can raise, took a steamer to the Argentine Republic and there made arrangements insuring to the Armour packing-houses a practically unlimited supply of beef. Just as the elder Armour, placed implicit trust in Mr. Valentine's judgment, so the son has come to rely on him greatly, and has him

stationed in New York as guardian of many of the Armour interests.
In New York, too, Mr. Armour has recently placed another member of his cabinet for larger things. This is L. C. Kranthoff, formerly Attorney-General of Missouri. For a time general counsel for the Armour, Mr. Kranthoff has established himself in the metropolis as general counsel and adviser from the legal side of those larger interests Mr. Armour is now undertaking.
Lieutenant Samuel McRoberts.
Working in the same building as Mr. Kranthoff is another of the Armour cabinet, Samuel McRoberts. This young man—the youngest of all Mr. Armour's associates—seems to be especially favored of Mr. Armour, whose influence with the directors of the country's largest bank, with deposits of \$30,000,000, recently led to their election of Mr. McRoberts as vice-president.
Before he took this position he was the Armour treasurer, a most important post. He was, also, president of the Chicago Freight Tunnel Company, in which Mr. Armour is now the chief figure, with Mr. Harriman in his grave. It was Mr. McRoberts, who has a legal training, who mapped out the defense that defeated the Government in its recent suits against the Armour as a part of the beef trust. As treasurer of the Armour Company Mr. McRoberts assisted materially in the financing and marketing of some thirty millions of securities of the company so swiftly that the securities were over-subscribed by millions. And he is still on the sunny side of middle life.
Born in Missouri, and of sturdy Scotch parentage, Mr. McRoberts is practically a self-made man, as are most of Mr. Armour's associates, in striking contrast to their chief. Also Mr. McRoberts has a college education, while Mr. Armour was taken out of college by his father and placed in the packing business. But while at college Mr. McRoberts did not keep his nose constantly in his books. He took a healthy part in athletics, and in fact was the student who introduced football at Washburn College, Topeka, Kan., which college, of course, now proclaims that he is one of its distinguished sons. Later on, when he had begun to make his place in the world, Mr. McRoberts did not keep his nose constantly in his books. In fact, the students had in getting proper instruction, sent a coach down to Washburn—a loyal act that is talked about to this day on the college campus. In fact, the coach that "Sam" McRoberts sent has become a sort of college tradition. Mr. McRoberts entered the employ
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