

HOW WAR PROFITS SPLIT THE DU PONTS

Squabble over \$60,000,000 or \$70,000,000 Profits Brings Breach That Even Time May Not Heal.

crets and receiving trade secrets—and patents thereon. And they have worked hand in glove with the Berlin government, which, as everyone must admit, is the highest organized military government of the age, selling powder and receiving favors in the way of guaranties that the great German powder manufacturing concern should not invade American territory. It has also been said and never conclusively denied that the du Ponts furnished the Wilhelmstrasse office with records of every pound of powder sold to the United States government.

"So, when the great war broke out and raged with ever-increasing fury, the du Ponts naturally got into the game. Not with their old friend, the German government, but with the allies. Not because the du Ponts had deserted the Prussian regime with which it had a harmonious "working agreement," but because the mighty sea power of Great Britain had shut off the seaports of Germany. Not for a day since the fateful August 1, when Germany declared war on rapidly mobilizing Russia, has the work of building additions to the du Pont powder works ceased.

Millions of dollars' profits have been



MRS ALFRED I. DU PONT



PIERRE SAMUEL DU PONT

PHOTO BY PAUL THOMPSON



ALFRED I. DU PONT

have furnished powder for Uncle Sam in all his great wars since the Revolution. They have worked hand in hand with the Washington government, giving trade secrets to the many members of the du Pont family. But have these millions brought happiness and contentment? The answer lies in the suit and numerous interventions filed to get possession of the \$14,000,000 worth of stock sold last spring by General T. Coleman du Pont, retiring president of the company. It will be remembered that General du Pont withdrew from the powder corporation to assume control of the Equitable Life Assurance Society. He sold his powder holdings for some \$14,000,000 to members of his family, who organized themselves into the du Pont Securities Company. That stock is now worth nearly \$70,000,000, thanks to the unparalleled flight financially heavenward of the "war brides," of which the du Pont company stock was one of the lightest.

It is true that the many descendants of the original Pierre Samuel du Pont de Nemours, French economist, chemist and revolutionist, have never been without their family rows. But now the entire family is divided into two hostile camps, as seems only fitting for manufacturers of war munitions. The breath of scandal has breathed heavily and venomously on the du Pont family. There have been elopements, divorces and suicides, estrangements and court rows, but never before have millions on millions been lined up against hundreds of millions.

When General T. Coleman du Pont withdrew to take charge of the Equitable last spring, he bought out the Morgan interests. More than \$4,000,000 was involved in the transfer of stock. Just how much is a Wall street mystery. But he sold his stock in the powder works for a few trifling hundred thousand dollars over \$14,000,000. Of the purchase price, more than half was supplied by the Morgan interests. The rest was paid for by the personal notes of the purchasing members of the du Pont family and by notes secured by stock. Then the "war brides" began to soar. Wall street, reopened and now fully awake, realized that the war was a matter of years, not months, and that America had been converted into a vast munitions plant for the allies. Du Pont powder stock

doubled, trebled, quadrupled in value. The fortunate members of the syndicate who had bought out the general's holdings were some \$50,000,000 ahead.

"Let's get in on this," cried other members of the family, and forthwith Philip du Pont filed suit against the du Pont Securities Company to set aside the sale of the general's stock. The suit named as defendants, the holding company, the E. I. du Pont de Nemours Company, a Delaware corporation, and the E. I. du Pont de Nemours Powder Company, a New Jersey corporation. Their things happened fast and thick; in a few days a chasm had been driven into the old and aristocratic du Pont family that perhaps all the years to come will never solidify. Pierre S. du Pont, president of the company since the retirement of General T. Coleman du Pont and formerly treasurer, was the principal target aimed at in the suit. With him in the Securities company were Irene du Pont, Lamont du Pont, Alexis Felix du Pont, Henry F. du Pont, Eugene U. du Pont and R. R. Morgan Carpenter, whose wife was Miss Margaretta Lamont du Pont.

Then other members of the family joined with the insurgent Philip until six of the most influential not included in the Securities company deal were lined up against Pierre. Mrs. Robeson Perot and her brother, E. Paul du Pont, filed suits to intervene, although they are brother and sister of A. Felix du Pont, one of the defendants. And thus the family row grew and spread. Alfred I. du Pont, vice president and general manager, legally called for cards by intervening. He only owns 75,534 shares of stock, and when it is remembered these shares are valued up in the hundreds of dollars apiece, it is seen Alfred can hardly be considered a poor relative. But Alfred was promptly chastised for his attitude. A special meeting of the directors removed him as vice president, showing that the entrance into the fight of this immensely wealthy and influential member of the family only added fuel to the flames of discord. Others, but less important members of the family, one by one added their interventions to the legal tangle. Francis I. du Pont, Delaware's pioneer single tax advocate, finally got into line.

So now Delaware and New Jersey, the homes of the principal activities of the du Pont family, are each split up financially and socially, for, besides welding monetary influence second only to one family in the world, the du Ponts are recognized as the premier social arbiters of these two small but important states.

Colonel Henry Algernon du Pont, deceased senator from New Jersey, wielded a power in politics equal to that of any of the "old line" senators. General T. Coleman du Pont is still one of the country's most liberal philanthropists. The du Pont family, for a hundred years, has been one of the foremost in the country.

The various companies are now capitalized at \$240,000,000. Plants and factories are maintained in twenty-two states, and the holdings are spread over the world, the nitrate fields in Chile, rich beyond the dreams of a Cortez or a Hernandes, being but one of the foreign acquisitions.

But for a hundred years this rich and powerful family has been involved in trouble and scandal, which has slowly brewed until a quarter of a century ago it broke into a series of mis-happenings that has shaken the social foundations of this country's moneyed and familled aristocracy. Here are a few of the painful and tragic occurrences:

On December 3, 1892, Louis C. du Pont, son of the late Irene du Pont, walked into the Wilmington Club, asked the steward for paper, and while the latter went for it blew out his brains. The suicide was a brother of Alfred I. du Pont, then vice president of the powder company.

A few years later Maurice du Pont, a brother, was ostracized by many members of his family for marrying "Cottie" Fitzgerald, an Irish barnmaid of Queenstown.

About the same time William du Pont, an official of the powder company and a brother of Senator du Pont, went to North Dakota and procured a divorce from his wife, who was the daughter of Victor du Pont and now the wife of Willard Saulsbury, the Democratic leader of Delaware and a prominent attorney, in order to mar-

T. COLEMAN DU PONT



ry a Mrs. Zinn, of Wilmington, who was a stranger to the exclusive set of that city.

In 1906 Alfred I. du Pont went to Dakota and procured a divorce from his wife, Mrs. Bessie Gardner du Pont.

The same year Mrs. G. A. Maddox, the wife of Alfred I. du Pont's private secretary, the daughter of Federal Judge Edward G. Bradford of Delaware, and on her mother's side of du Pont blood, procured a divorce from her husband in Cumberland county, Pa.

On October 15, 1907, du Pont and Mrs. Maddox were married at the Plaza hotel, New York city.

In November of the same year Madeline du Pont, daughter of Alfred I. du Pont, eloped from the home of her father, after a quarrel with her mother, with John Bancroft, Jr., son of the millionaire treasurer of the Joseph Bancroft & Sons Company, textile manufacturers, of Wilmington.

In November, 1909, Alfred I. du Pont brought suit in the courts of Delaware for slander against his aunt, Mrs. Elizabeth Bradford du Pont, widow of Dr. Alexis du Pont, and Mrs. E. J. Bush, one of the society matrons of Wilmington. The suit, which was later dropped, was brought because Mrs. du Pont No. 2 was talked

about and denied invitation to the Wilmington assembly dances.

In June, 1911, Henry Bancroft, Jr., brought action for divorce against his wife, Madeline Bancroft du Pont, alleging adultery and naming her son of a few months, whom he referred to in his bill as Max Heibler, Jr., as a co-defendant.

The same month James Gardner, a brother of the first wife of the powder company's millionaire vice president, committed suicide in Michigan by shooting himself in the head.

One month later Mrs. Bancroft brought a counter suit for divorce against her husband, naming two women of Munich, Germany, as co-respondents, and at the same time denying the allegations of his bill.

And on top of all this the squabble for a paltry \$50,000,000 or \$70,000,000 worth of "war brides"! Is it any wonder social Delaware and social New Jersey are in turmoil? Is it any wonder the minor vicissitudes of powder making, such as the explosion of the Upper Hagley yard, with the atomizing of some twoscore workmen, or the burning of Hopewell, with its \$3,000,000 loss, failed to shake the nerve of the du Ponts? Other and more important matters engaged their attention.

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