

December 1st 1897.

Hon. D. S. Lamont,

Vice-President, Northern Pacific Railway,

New York City.

My dear Colonel Lamont:-

Your letter of the 23rd, with enclosure, was duly received. The letter to the Bank is admirable. Northern Pacific is having very large earnings, and Mr. Mellen's efforts to put the operation of the road on the same methods as our own begin to show some satisfactory results. I am satisfied that the public would receive a quarterly dividend, commencing January first, for the three remaining quarters of the year, of 1%, which would equal 3% for the year, better than anything else, and there seems no possible reason for doubting the Company's ability to continue this during the succeeding year. The outlook for business to Alaska is getting better every day, and the Northern Pacific and Great Northern should carry fully three fourths of this business. I think it a conservative estimate to place the increase for the year beginning July 1st next fully \$1,500,000. higher than those for the current year. There is no occasion for spending any more money on the Railroad, and with proper economy in operation, most if not all of the increase should be added to the net earnings of the Company. This would leave something handsome for the Common if it was so desired.

Mr. Mellen leaves for New York tonight, and I am leaving for

Hon. D. S. L.

- 2 -

the Pacific Coast, to be gone about two weeks.

Yours very truly,