

NEW YORK, THURSDAY, JULY 4, 1895.

## THE NORTHERN PACIFIC

### Divers Rumors About Its Reorganization.

#### HAS THE PLAN BEEN GIVEN UP?

#### A High Authority Says It Has—What Mr. Adams, Mr. Hill and Mr. Morgan Say.

Northern Pacific reorganization affairs just now seem to be decidedly mixed. The ball was started rolling on Tuesday by the decline in Northern Pacific consols, which gave rise to rumors of an unfavorable character regarding the reorganization plan. Mr. Adams yesterday morning took a hand by sending out a statement which was designed to set these rumors at rest. Then Mr. Hill of the Great Northern said Mr. Adams was all wrong; Mr. Morgan denied a report about his stand on the question, and finally, from another equally high source, came the explicit information that the plan had been abandoned.

#### MANY RUMORS CIRCULATED.

Rumors were rife yesterday morning that the Adams Reorganization Committee had "struck a snag," and that there were considerable legal difficulties in the way of a close connection between the Northern Pacific and Great Northern. Sales of the consols bonds have been traced to persons close to the Adams Committee. As it is known that the plan was decidedly favorable to these bonds, it was surmised that there was some hitch at least. Mr. Adams didn't care to say anything about the rumors at first, but they grew so loud that he at last decided to give out a statement.

#### WHAT MR. ADAMS SAID.

What he said was that the London proposal of guaranty, which was made by the Great Northern party had been found impracticable without additional legislation. Counsel of the Reorganization Committee and of the bankers had expressed the opinion, in which a majority of the counsel of the Great Northern itself concurred, that until such legislation was obtained the Great Northern could not legally fulfill the proposal of guaranty which had been made in its interests. It was understood that all parties to the recent negotiations were united in continuing efforts to establish and maintain harmonious relations between the properties which they represented. That is what Mr. Adams said.

#### WHAT JAMES J. HILL SAID.

This is what James J. Hill, president of the Great Northern, said when seen respecting Mr. Adams's statement: No such conclusion, to wit, that the plan was impracticable, had been arrived at; that no authority for or indorsement of any such statement in behalf of the Great Northern counsel could be made, and that he was greatly surprised at such a statement purporting to come from Mr. Adams. He declined to say more. It is said that he will soon start for the West.

#### J. PIERPONT MORGAN'S TURN.

Then came J. Pierpont Morgan's turn. A current report was that he was dissatisfied with the plan and had put his foot down on it. When a reporter asked him about this, Mr. Morgan said that, on the contrary, he was doing all he could to help the plan along. He didn't think the plan had failed by any means, but some additional legislation would, in his opinion, be necessary before it could be carried through.

So much for Mr. Morgan. From a source which may not at present be divulged, but which is as high as the others quoted, it was learned that, owing to Mr. Morgan's opposition, the Adams plan had been abandoned.

#### MR. MORGAN DON'T APPROVE.

This informant said that Mr. Morgan did not approve the plan, because it would practically have the effect of turning the road over to the Great Northern. He was unable to say what would be done now.

There seems to be no doubt that the reorganization of the roads will be pushed rapidly to completion, but not entirely on the lines of the Adams plan.

Mr. Hill was in consultation with Mr. Morgan yesterday, but with what result is not known.

#### EARNINGS FOR ELEVEN MONTHS.

MILWAUKEE Wis., July 3.—A statement has been presented to the Northern Pacific receivers showing that earnings for eleven months of the current fiscal year, May inclusive, amounted in gross to \$16,160,622, an increase over the earnings for a like period of the previous year of \$670,027. For the same period the operating expenses were reduced \$411,649, giving a total increase in the net earnings for the period mentioned of \$1,081,676.

The general manager estimates that the net earnings for the month of June, the last of the fiscal year, will swell the increase of net earnings to an amount in excess of \$1,300,000. This will make the net earnings\* for the fiscal year in excess of \$6,000,000. These net earnings do not include earnings from miscellaneous sources, which in 1894 amounted to \$962,000, nor do the expenses include the taxes amounting to \$465,000, or rentals, amounting to about \$1,188,000. It is said that the taxes and rentals for the current year will no greater than last year.