

Montreal Oct 23^d 1878

J J Still Esq
St Paul

My dear Sir

I had a long interview yesterday with our R.P. friends - Mr Barnes was with me, and we discussed the whole matter in all its bearings.

Their Board meets today to determine the sum per annum they will offer the St P & O. for a joint and equal interest in the road to St Paul and Minneapolis from St Cloud, including terminal facilities.

I expect to hear tomorrow the results of their deliberations.

Barnes and I both think that nothing we can do will prevent them building the west side line.

To build it is a foregone conclusion.

with Wright and some other members
of the Board.

Billings Towers and Stark are against
any expenditure on side lines in any
direction. But I am quite sure
they will not offer us anything that
we could accept, or that would
recompense us for the inconvenience
and bother a joint ownership necessarily
entails.

As soon as I hear from them I
will let you know what their offer
is. Whatever their offer may be, it
is understood that it forms a
part of a settlement of all matters
of every kind in dispute between
the two Companies.

Billings & Towers seemed to take
my view of the position and admitted
that there was an east & west line.

and ours a north & south one, and
that my position was based on
fair and reasonable principles.

They do not want a west side
line, but Wright & others have I
think gone too far to draw back,
and I think we shall have to
make up our minds to do our
best with what we have got
and be content with that.

They say that the Branch line
traffic we get now nearly all
comes from the west side.

Is this so?

At any rate, I think we had better
make a virtue of necessity and
let Minneapolis have its west side
line and we keeping control of our
own line and property.

I have written Thompson to this

effect, and also told him of my
interview with Litchfield, my intentions
in so doing being to reach Bigelow
through him.

I am very anxious that no time
should be lost in settling with
Litchfield, and have thought if
Bigelow knew my offer he might
bring some pressure to bear on L.
who is very uneasy about the
west side hire.

I did not think it advisable
to say to Thompson that such
was my object in writing to
him ~~and~~ thinking you could do
that safer by word of mouth.

Litchfield is anxious to settle
but he moves so slowly that we
~~cannot~~ wait for him.

I send you enclosed a copy of

my letter to Thompson that ^[10-23-78] you
may see how the matter stands.
If you can do anything to hurry
up Litchfield - do so.

I am now personally in such
relations to both Litchfield and
the R.P. that I can negotiate with
~~some~~ advantage.

We are all the best possible
friends

Referring to your letter of 19th
I am very sorry about the delay
in getting the sent forward.
Surely Mr Fisher in Mr Farley's
absence ought to have seen to
that.

The adverse weather cannot
be helped. I have just wired
Mr Farley asking how he is getting

on and if he will be at Putnam
by Saturday,

Becker must resign his
Insuperiorship in the Yelverton
Mortgage.

J S Kennedy of course doubtless
written about that.

There must be no mistake
about the Debentures.

They ought to be got before the
15th otherwise we shall be
bothered.

Mr Farley & Mr Young must use
all the influence they possess
with the Judges to that end.

Yesterday before leaving New York
it was arranged between Kennedy

and myself that we should meet
in Chicago on 6th Nov. enroute for
St Paul. We both want to visit
Winnipeg. Do you think that to be
possible? Your letters today make
me begin to doubt it.

Let me know by wire or receipt
what date you think the engine
can go through to Winnipeg.

If too late, we may have to
postpone our Winnipeg visit until
~~spring~~ next summer.

I am obliged to stop here
Will write again tomorrow.

Measathine I remain

Yours very truly
R. A. A. A.

Northwestern Pacific Railroad Company
New York, October 24th, 1878.

George Stephen Esq

Dear Sir,

In furtherance of the request made by you at the interview of 22nd inst, I have made an estimate of the value to this Company of a half ownership in the St Paul & Pacific Road, between St Paul, Minneapolis, St Cloud and Laake Rapids. It has been considered by our Committee, and, with the attending details of the proposed adjustment of all issues between the St Paul & Pacific and Northwestern Pacific Railroad Companies was fully discussed at the meeting of our Board held yesterday.

Our Committee now desire me to communicate to you, on their behalf, the result of their estimation on which with other specifications herein named (and which we understand you to favor) they are willing to have a permanent agreement based. We assume however that the assent of the party claiming to be the First Division St Paul and Pacific Railroad Company, represented by Geo. L. Recker as President, can be obtained if necessary to complete the arrangement.

Estimate the value to the Northwestern Pacific Railroad Company of a half ownership and equal rights in

the present railroad between St Paul, Minneapolis,
St Cloud and Sauk Rapids, including the fee in ten (10)
acres of suitable lands for station grounds in St Paul
at four hundred and seventy-two thousand and five hun-
dred (472,500.) dollars; or a perpetual rental of (as soon
practicable) thirty-three thousand and seventy-five (\$33,075.)
dollars per annum.

The joint occupancy and use of this piece of road
might be regulated by a Superintendent mutually agreed
upon or appointed by some established umpire in case of
disagreement. Each Company to be entitled to the income
of its own train and the cost of maintenance be divided
in proportion to wheels run over the division by either party.

The other issues to be made a part of the basis of agreement
are understood as follows:

1st.

All business between points south of Sauk Rapids and north
of Glyndon to be assigned to the St Paul Pacific Company.

2nd.

All business between points south of Sauk Rapids and west
of Glyndon to be assigned to the Northern Pacific Company.

3rd.

All business between Duluth and points north or west of Gly-
don to be assigned to the Northern Pacific Company.

4th.

All business between Glyndon as an initial or terminal

points and points south of Sauk Rapids to be pooled and equal rates maintained.

5th.

The ownership of stock by the Northern Pacific Company in the Extension Lines to be recognized by some equitable equivalent.

6th.

Materials on Grand Branch (if there were such) rights fully belonging to the Mortgagees and taken by Western Railroad to be equitably accounted for.

These preliminaries being agreed to on your part we shall be in readiness to elaborate with you the full details of a permanent contract.

Please respond as early as may be convenient for our people are extremely anxious to perfect their plans with the least possible delay.

Respectfully

Your Obedt. Servt.

(Signed)

Geo. Stark

Vice Pres.

Montreal 24th Oct 1878

J J Hill Esq
St Paul

My dear Sir

I have a wire from Mr Farley today stating in substance that it will be 3rd Nov. before the lines are completed. I doubt not you

are all doing your best, at the same time I must say that I am disappointed at the delay.

I fully expected the track to Pembina would be laid by Tuesday last 22nd.

What alarms me now is the delay in getting the adventures.

This is a matter of supreme importance which at present and above everything else needs your

attention.

Things here are so squally that I am quite uneasy about our Bank liabilities, and the shape they are in. Do see that nothing is left undone to ensure our getting the debentures at the earliest moment.

I have written Michael about the distribution of the Steamboat earnings - See my letter to him. We must get that money to pay our December interest.

Nothing from the R. P. yet. But, as stated in my last, I am inclined to keep what we have got - let them build the line and get into St Paul their own way. We keep our line &c - they doing the same and by & bye we can arrange with them about rates.

and generally to work as harmoniously
as possible. settling up all over
the agreements on the best terms we
can.

Their building the West side line
need not of necessity present
us settling all our other differences,
At least that is my opinion

Yours very truly

Scott & Co

Montreal 25 Oct 1878

J J Hill Esq
St Paul

My dear Sir,

Messrs J S Kennedy & Co inform me
that they have sent you a copy
of Mr Starks letter to me.

Will you kindly take it into
your consideration, and let me hear
from you at once what you
think of it, and send me a
sketch of what you think would
be a fair and proper counter
proposal for us to make.

That is, if you can see in
Mr Starks proposal a basis for
negotiation.

I send you enclosed a copy

of Mr Barnes letter to me in reference
to Starks proposal.

I have just wired you, that I
am obliged to postpone our visit
to St Paul, and my intended trip
to Nova Scotia.

That, I cannot leave here until
the Receivers Debentures are issued.
This being the case, you will have
to write to me how you think
this proposal of the R.P. is to
be dealt with.

I also enclose copy of a letter
I have received from Mr Bellings,
covering a letter from Sargeant
to the President, a copy of which
I also enclose, for your own perusal
only.

Bellings is evidently our friend,

and we must take care not to do
anything to make an enemy of
him. So keep his communication to
me private, and let me know
what answer I shall make to
Sargeants complaint.

I have just written to ~~Belling~~
say, that I will write to him
again, as soon as I have heard
from the West.

I wrote you on Friday, asking
you to report progress, and again
today, but have not yet had any
reply.

I am getting concerned about
the delay in completion, mainly
because it keeps back the delivery
of the Debentures, which has become
to us, individually, a matter of

very great importance, but which
I cannot explain on paper

As soon as the debentures are
issued, and our aff at the Bank
put into proper shape, I will go
up to St Paul, and stay there until
everything is put in train for the
Winter Campaign - Mr Keaney will no
doubt be with me.

Yours very truly,
Geo. Thompson

I have read Mr Wither's wire about
Campbell. I am glad Mr K
is able to be at the helm again
B

[Blank No 1.]

The North Western Telegraph Co.

The rules of this Company require that all messages received for transmission shall be written on the message blanks of the Company, under and subject to the conditions printed thereon, which conditions have been agreed to by the sender of the following message:

C. H. HARRIS, Gen'l Supt.

MILWAUKEE, WIS.

E. J. HARRIS, Pres.

MILWAUKEE, WIS.

KENOSHA, WIS.

Dated *Mar 25* 1878

Received at *ST. PAUL, MINN.*

To *J. J. Hill*

Can you let us have
another Engine and fifteen Cars
I have soon can they
be delivered at Winnipeg
Answer quick

Joe Miller

21/10/78

answered N.W.T.

Can supply one engine &
fifteen 15 flats but uncertain
about transportation to Winnipeg
Can let you know by tomorrow noon
or Monday morning - Answer -

Blk No. 3. **HALF RATE MESSAGES.**

THE NORTH WESTERN TELEGRAPH COMPANY
requires that all messages received for transmission shall be written on
the blanks of the Company, under and subject to the conditions printed
thereon, which conditions have been agreed to by the sender of the following
Half Rate Message:

H. B. HUNSDALE, Secretary.
C. W. HASKINS, Genl Mgr.

197 Aug 12 11 AM
Z. G. SIMMONS, President.

Dated, Charma Out 25 1878

Received at 17/26

To J. J. Hill

Let me know tomorrow
if possible how soon Engine &
Car can be delivered at
Winnipeg answer Kingston
Joe Lipper
1875 1/2 as per ch

Joe Upper
Hingston ~~Canada~~
Ontario
Canada

[1878, Oct. 26]

Cannot send Biquin or
Flat Cars down the Rock River -
Seems too far advanced.

J. J. H.

and "H" 

—DEALERS IN—
COAL,
WOOD,
SALT,
Brick, Water Lime,
STUCCO,
Fresh Lime, Plastering Hair,
&c., &c., &c.

H. S. HOGBOOM.

CHAS. ATWOOD.

City Coal Yard.

Office and Yard, West Milwaukee Street, Corner of Marian.

Hogboom & Atwood.

Janesville, Wis. Oct 29 1878

James J. Still Esq
Dear Sir

*Your valued letter
of the 21st was duly received. Opinions
from you give me great satisfaction.
Below I send you the numbers of Bonds
held by us*

165. 289. 425-7. 221. 686. 3132

*These bonds are \$1000. each, with coupons
attached amounting to \$385, each unpaid
on Nov. 1st amounting to \$420, each
We hope to hear soon that the Land Office
is open again so we can get our deeds
We hope to give Campbell a big lift
next year. I am greatly obliged to you
for your letter*

Yours truly
H. S. Hogboom

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[JJH Letterbook, 4/11/78-1/16/79]

[Hill to George Stephen]

St. Paul, Oct. 31st, 1878

My Dear Mr. Stephen,

I have your letter of the 25th inst and your wire of today and replied that I have written you a simple offer which I thought should be final-- I cannot see any way in which we can do more than give them a lease of some such conditions as I proposed, and again a long lease is equivalent to a joint ownership.

If they derive any settlement at all they certainly cannot object to letting the rental be fixed by friendly arbitration-- In Starks [?] letter there are several details which are in fact wholly unfair to us while he may not have [?] desired to make them so, and perhaps they would not urge them as they are without modification-- I would suggest that all details as fixed by the respective Managers if possible as I would like Mr. Alexander [?] to see them with me in order to prevent our making any permanent concession that would be unfair to ourselves[?].

I would cast Starks[?] proposal wholly aside and propose a simple lease of the use of track in some such way as I have discussed [?] and I cannot see

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how they can refuse to accept it on such terms as disinterested parties would fix as fair, and I would [?] for a fair and free interchange or traffic at [?] --I think they have an idea that they should demand a great deal in order to get what they want, and while Wright would no doubt wish to [?] the terms such as we cannot accept, the others who do not approve their building a [?] side line would be willing to accept all they can get out of us, therefore I think the arbitration to settle the annual [?] would be so fair that they could not refuse it and at the same time would end all haggling about the amount-- I sent a copy of Starks letter to Mitchell and told him it was our opinion that Wright controlled the matter and he made the offer such that the only action we could possibly take on it was to promptly reject it, at the same time I

[page 2--continued]

said that some of the Nor. Pac. Com. identification with these West side enterprises as one of its chief supporters, which not only surprised but disappointed us, and would lead inevitably to

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to destroy the feeling and harmony between our roads which he professed to be so anxious to see come [?]-I wrote him such a letter as will not offend him at all but at the same time gave him to understand that his company would be the sufferers

I heard again from Philadelphia through a friend and am more confirmed in the opinion that they will eventually accept a fair offer--

The Charter of the Nor. Pac. is direct from Congress and is very specific as to its object, which is simply to build own and operate a railway from Duluth to Puget Sound, and it contains no power to purchase or lease any side roads.

Jay Gould will be on hand this winter at Washington to prevent the extension of their land grant, and it will be an easy matter to have their Charter so amended as to specifically forbid their operating any side lines, which I think would prevent their ring from putting any money into such enterprises unless the interest at least was guaranteed by the Nor. Pac. Compy. Gould is directly interested in keeping them out

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of Chicago--Judge Young[?] and Galusha[?] are both at work to see if we [?] bring a suit to recover the Brainerd Branch Lands and all, and tonight they think they can bring such an action as will either give us the title as far as the N.P. is concerned or it will leave it uncertain for several years who can own it--I mention these things to show that even if at present they do not accept a fair offer from us, we have all winter ahead of us [?] they can build [?] [?], in which [??????] convince them that they had better not fight us. Young thinks they have already jeopardized their charter by leasing and guaranteeing the interest on lines [?] foreign to the intention of Congress expressed in their Charter, while their bond holders are left without the security they should have by the exploitation[?] of the line west of the Missouri River

[page 4--continued]

and saving the Land Grant. Again I would advise a reasonable offer which if accepted all well[?] but if they reject it now, or do not close a bargain

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it is no sign they will not do so later.

Outside of the question of receiving [?]
we have the land matter, the Brainerd Branch and about \$200,000, for Locomotives and wood and material used or taken by them from the St. Paul & Pacific and for which Mr. Farley is about to bring suit, and which can be collected at least in great part.

The people of St. Paul have taken hold of this Mil St Paul connection with the N.P. and on Saturday night a private meeting is to be held of all leading shippers in every branch of trade where it is expected to form a compact to ship absolutely nothing by the Mil St Paul Ry until they abandon the west side line entirely and the N. Pac [????]. As St Paul pays about three times as much freight as Minneapolis you will see that Mitchell will have to yield and public opinion is always a strong law[?]. It has helped as any [?] [?] that the late arbitration gave all we asked and [?], and in

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any future arrangement it will strengthen us very much to have shown as fair [?] to the N. Pac. and let them take the responsibility of refusing it.

I enclose you a letter which you can if you wish send to Mr. Billings and which gives the real state of the case. Mr. Billings should know if possible that their man Sargent[?] has in the short time he has been here established a reputation for trickery in business which makes every body afraid to deal with him.

I have not as yet got the steamboat money but have asked Mr. Kittson to be sure and have it ready on Saturday--I hope you will not forget to write him and ask to have whatever [?] on hand by Dec 10th or 15th divided to the stock so that it can be used for Dec interest.

I go up to Alexandria tomorrow to see about location of buildings and will return tomorrow night--Mr. Farley intends to go with me and I hope to get him up to Pembina by Tuesday next so he has not seen that line since Midsummer

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The delay in extending the line to the Co for standardization to the 25th Oct has put our work back fully two weeks as we would have been out of the wet country before the bad weather if we had had the iron--I am very anxious to have everything done as the Judge has indicated so that there can be no reason for any delay, and I assure you neither Young or Farley anticipate any delay after we get the hearing on the first day of the term--I send you marked copy of today's "Pioneer Press" which will explain why the Judge is so particular

If you could come[?] up a day or two it would help me very much to push matters as I have about done all I can and I think they consider me over anxious possibly It is one o'clock in the morning and I leave at 6:30--Will write you on my return and if you want anything more definite as to N.P. offer please write me.

Yours very truly,

Jas. J. Hill



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