

GENERAL CORRESPONDENCE

1883 JAN 16-31

FOLDER NO.

13-18

JAMES J. HILL PAPERS

PLEASE RETAIN
ORIGINAL ORDER

Personal

6 West 57th Street,

New York

16th January 1883

My Dear Mr. Mill, I recd your letter of 10th Inst. at the office yesterday morning. I was quite unwell and would not have been there but for the fact that the meeting of Directors of the Canadian Pacific had been called Angus Mr. John Abbott & Drinkwater were all down and they could not have a quorum without me, so I drove down in a cab for a few hours and then walked one of some time to get Mr. Jones, and we discussed the 2nd dividend on Canadian Pacific stock payable 1st Inst. as agreed upon by wire. Angus told me what you had written him about Canadian Pacific stock and after some conference with Mr. Jones I telegraphed you that I could probably place 5,000 shares more of your stock at same price as last provided you would agree to withhold the remaining 10,000 shares you have until the time fixed in the agreement. I sent you for signature. The broker, who is to put on buying about stock and Stephen Smith Brown is a subscriber and ready and would do it to make good on part at least the stock will go on sale to J. & S. Morgan & Co. of London, Drexel & Co. of Philadelphia, Drexel Morgan & Co. of New York and C. Austin Cook & Co.

and J. H. Chapman & Co. of New York, also Allen Spittell & friends of the C. M. & St. P. Co. who got 2500 shares, and some other parties on R. G. Landon and Company claim got small amounts. In telegraphing you I also mentioned at Mr. Angus request on reply to your telegram to him that he would be happy to meet you here at any time on a day going. He got back here on Saturday from London where he left Mr. Angus.

I have been so busy of late that it has really been out of my power to write you as fully as I desired and as I know you would like to have had me do. - Just as Mr. Stephen was about to sail for Europe he gave an option to Mr. H. C. Scott of \$10,000,000 Canadian Pacific stock at 50% during all January with the option of \$10,000,000 to 25th March at 52 1/2% and ~~and~~ \$10,000,000 to 25th December at 50% with the understanding that he should offer one half the amount in America through A. Rosecrans & Co. and Angus & Son and that my firm should co-operate with him in placing the other half in this market. I have got a copy of the contract with Scott by me but I will try and remember to send you one as soon as I return to the office, which I hope to do to-morrow or Monday at latest, then followed the delay in getting the official statement the formal application for the admission of the stock to the list at the Stock Exchange and the official agreement ready. They were nominally prepared in material but came to go on each share that they were of no use unless they were corrected and entirely remodelled from beginning to end. Copy of the pamphlet called the official statement were I think sent you but in case they have not I will send you some and also copies

of the formal application to the Stock Exchange when I return to the office. The syndicate agreement is almost complete and also the form of advertisement offering the stock to the public and as soon as they are finally agreed upon I will send you copies of these also. I have been working at proof copies of these today and a few changes will still have to be made and which will have to be determined upon as soon as I can meet with Mr. H. C. Scott who is now in town waiting to see me. The labor over all these things has been immense and I have sat up night after night till midnight correcting and remodelling them. I have given up the importance of getting a thing through and seeing that no mistake was made for me and made it successful and should give up I don't know where we would be. I spent an hour before a Committee of the Stock Exchange on the 8th inst. explaining everything to some of the brightest and ablest men in the city and I had to get them some further information which I sent in to them yesterday and I learn today that they are now satisfied the application passed the first Committee yesterday afternoon and has been referred to the governing Committee which meets on the 24th inst. and if it passes that today as I have no doubt it will that is the end of it and the stock will be immediately quoted at the S. E. Stock Exchange on the official list and admitted to trading there.

I have been getting subscriptions privately to the syndicate and have already applications for about £3,000,000 with some parties yet to hear from and I suppose Scott has at least as much more, then of the £10,000,000 half of the first \$10,000,000 one million has been taken in London and we are promised the answer about the other \$1,000,000 to-morrow and there is no doubt they will take it. That will

depreciate or more than depreciate of the first \$10,000,000 at 50% and as soon as that is done and the stock is admitted to the call at the stock exchange, we propose to make a public offering of the stock at 60% and if the applications are as large as we expect we will ~~also~~ call in the Company for the whole or a portion of the stock under the second call of \$10,000,000 at 52 1/2%. Of course arrangements are being made to support and protect the market and hence the origin of the request on the part of Scott and necessary to him of an agreement by the holders of the original \$25,000,000 of stock not to sell it or offer it for sale until this expedient for \$30,000,000 is effected. - If as soon as the first \$10,000,000 are taken and it is selling to the public at 60% or it may be even more, if the holders of any considerable portion of the \$25,000,000 should throw their stock on the market the expedient supporting the market might be called into it they would probably then not avail of the new resumption option and in that event where would the Co. be? It seems to require as much or even more for the interest of the present stockholders that the expedient should succeed than that of any one else for should it fail the Co. will then be in trouble and what would the original \$25,000,000 of stock be worth? It therefore does not appear to be an unreasonable request of Mr. Scott that the present stockholders should sign the agreement that has been prepared and all the large holders have already signed or agreed to do so and should any considerable amount of them refuse, which however it does not appear, I am quite sure Scott will not call for his opinion and the whole thing must fail, the Co. would then be in serious trouble and some new financial plan would have to be adopted and then undoubtedly at a great disadvantage and with considerable great sacrifices. I remember perfectly the

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conversation to which you refer at St Paul and I did
inform you that by holding on in view of what was
then expected, you could put out stock as soon as a
market was made for the stock and not to better advan-
tage but the proposition had not then taken form and I
did not then take in all the difficulties of the case, nor could
I foresee how the crude suggestion then made would
finally crystallize itself. I am now compelled to admit
that what I felt asked is under all the circumstances
fair and then if the whole \$2,000,000 is successfully
marketed as I believe it can and will be that as soon
as that is done there will be a good market for any of
the present holders you may wish to dispose of any of
their stock. I am glad I have been at home to day
so as to have the time to write you thus fully about this
whole matter and I hope I have now made it clear to you.

I read the paper with the marked copy of the bill
to regulate rates of freight &c which I read carefully.
It seems to me the means who get up and off each
bill in the Legislature do not care a straw about the public
but are mere strikers waiting to be bought off or trying to
make political capital. I hope all your labors will be
rewards and that all such fellows will get badly beaten.

Minnesota stock was 14 3/4 yesterday and continues steady.
In spite of this I will buy no more at present unless the market
should drop some 2 or 3 points.

I hope the cold and snow will not bother you and that
you will not run short of coal. I think Minneapolis
your telling me that your anticipations trouble this winter
and had made a considerable purchase of coal &c &c
you have been rewarded for your foresight.
I will be very glad to hear from you soon about the end of

[1-16-83]

the month or indeed at any time you can come on we
could then talk over our shares of Draughton stock, contract
of Road, new consolidated Bonds etc. I hope you can bring
draft of the new mortgage with you, the bonus we get
it onto shape the better and you know I want to get
away south about the 10th. Will for 2 or 3 weeks with Dr.
Kennedy. Regarding the contract I have no fear, you & I have
enough stock to keep that at some time it might be well
for us to increase our holdings and put it absolutely beyond
question.

I must now close as I have a severe headache. The
Doctor has just been in and says I must not go out to move.
This is inconvenient but I cannot help it. I do hope however
to be able to go down town by Thursday at latest.

Hope you and your family are all well and that
none of you are any the worse for the severe cold
weather you are having.

Yours very truly
Wm. D. Kennedy

James J. Hill Esq.
St. Paul
Minnesota.

P.S. You have never said whether the four Latham
photographs I sent out about Christmas reached you safely.
Possibly you mentioned it in the letter you sent answering.
If you have not yet then let me know and I will have
them looked up. J. D. K.

Office of
Register of Deeds

Wright Co. Minn.

FRED. BRANDES, Register.

Buffalo, Jan'y 17th 1883.

J. J. Hill, President St P. M. & N. Ry. Co.

Dear Sir,

Please sign & acknowledge the
within Satisfactory deed, and oblige.

I have been corresponding with Mrs. Armstrong,
as you stated that an assignment had been
made to John A. Armstrong several years
ago. But Mrs. Armstrong says as well as

her Attorney that no such deed had ever
been assigned to John A. Armstrong, and
the records in this Office do not show
such an assignment. ~~The Mortgage~~

was made in favor of you, you are the
Grantor, and the only person to certify
the same. The parties (Debtors) have

paid all the four notes long ago, the same
which I exhibited to you, through your secretary
about last spring. The Grantor's now would

Kindly ask you to sign & acknowledge the
within Satisfactory, and remove the cloud

Office of

[1-17-82]

Register of Deeds

Wright Co. Minn.

FRED. BRAUNES, Register.

Buffalo,

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from the lands. The dates correspond with those mentioned in the Mortgage deed, as to date and amount.

The parties (Debtors) are intending to sell the land; but can not do so, as long as the Mortgage still appears against the same of record in this Office. Still it evidently shows, that the debts have all been paid.

Also please find Passage for return of Satisfaction, to this Office.

Yours respectfully
Fred. Braunes
Register of Deeds

Mr Hill, these notes were paid ^{in cash} abstractly
and disposed of in the apt of Hill, Oakes.
I find Mr Armstrong ~~is~~ indebted with
\$1910 "Aug 9" '78 being the total of some
notes he received but it does not
include any of the Decker
notes. At that time I had
already been paid in cash
and the last was
paid to you personally.
May 9 1879
W.S.

Nov 16/79 116.43
May 9/79 with 72.70 P. L. Dorken
" 48 67.91 do
" 18/77 67.91

[WITH BRANDS 1-17-82]

THE CURRENT.

G. C. MATTHEWS, JOHN MCGOVERN,
CHIEF EDITORIAL ASSOCIATES.

EUROPEAN OFFICE:
35 Boulevard des Capucines,
PARIS.

ADVERTISING

ADVERTISING:
\$1.00 and \$2.00 per line.
Subject to approval.

\$1.00 and \$2.00 per line.
Subject to approval.

Chicago, U. S. A., JAN. 17TH, 1885.

MY DEAR MR. HILL:

I HAVE BEEN AWAY FOR A FEW DAYS AND ON MY RETURN YESTERDAY, RECEIVED YOUR FAVOR OF RECENT DATE NOTIFYING ME OF MY NOTE FOR \$1200 FALLING DUE NEXT WEEK. ON THE REORGANIZATION OF THE CURRENT LAST SUMMER, I WROTE YOU ASKING YOU TO ACCEPT STOCK AT A GREATLY REDUCED PRICE IN LIEU OF THE AMOUNT. THIS YOU SAID YOU DID NOT FEEL LIKE DOING, BUT IN CASE OF MY INABILITY TO MEET THE NOTE AT ITS MATURITY, YOU WOULD BE PERFECTLY WILLING TO EXTEND IT.

YOU WOULD BE PERFECTLY WILLING TO ACCEPT A
NOW, MR. HILL, MY EXACT SITUATION IS THIS. I WAS ABLE TO
RETAIN ABOUT 80 PER CENT OF THE SHARES. GETTING THE CURRENT WHERE IT
WAS AT THAT TIME TOOK EVERY ~~XXXXXX~~ DROP OF BLOOD OUT OF ME. I HAVE
MADE A SPLENDID INTERNATIONAL SUCCESS OF IT AND NO PUBLICATION OF TEN
TIMES ITS AGE EVER STOOD WHERE THE CURRENT TODAY STANDS. BUT I HAVE
DONE THIS AT ALMOST THE COST OF MY LIFE, AND, THOUGH THE PROPERTY IS
A GREAT PROPERTY TODAY AND I OWN WHAT I DO, I WOULD NOT GO THROUGH IT
AGAIN FOR IT AND WOULD PREFER TO COME INTO YOUR OFFICE AND WORK ON A
SALARY OF \$25 PER WEEK. INDEED I HAVE ONLY ALLOWED MYSELF \$40 A WEEK
AS MY ENTIRE SALARY, THOUGH ENTITLED TO THREE SALARIES. THROUGH THESE
HARD TIMES, I HAVE PUSHED IT AHEAD AND GIVEN IT A PERMANENT ANCHORAGE
WHICH CAN NEVER BE REMOVED. I FEEL THAT I WOULD HAVE GONE TO THE WALL
A YEAR AGO IF IT HAD NOT BEEN FOR YOU. YOU ARE THE ONLY MAN THAT EVER
HELPED ME WITHOUT ROBBING ME. EVERYBODY THINKS THAT I AM SUCCESSFUL
AND HAVE MONEY AND INFLUENCE AND AM ABLE TO HELP EVERYBODY ELSE; AND
I HAVE BEEN SO DISTRESSED DURING THE PAST YEAR AT TIMES FOR JUST A
FEW DOLLARS THAT I DID NOT KNOW WHAT TO DO. THE PAPER IS AWAY AHEAD
AND WILL PAY FROM SIX TO TEN PER CENT NEXT AUGUST. OF COURSE, THEN,
I WILL BE ABOUT \$5,000 OR \$6,000 AHEAD AND OWN MY STOCK ABSOLUTELY
UNENCUMBERED AS IT IS NOW. BUT IT IS IMPOSSIBLE TO SELL SHARES THESE
TIMES, AND IMPOSSIBLE TO BORROW ON SHARES THAT ARE NOT OLD ENOUGH TO
HAVE A DIVIDEND RECORD. AFTER NEXT AUGUST, I CAN GO TO ANY BANK AND
BORROW \$25,000 ON MY SHARES AS COLLATERAL. UNTIL THAT TIME, I HAVE
GOT TO HAVE YOUR FRIENDSHIP AND AID IN THE EXTENSION OF THIS NOTE; AND
AND AT THE SAME TIME I AM GOING TO ASK YOU IF YOU COULD NOT SPARE ME
FROM \$400 TO \$600 ADDITIONAL UNTIL THE TIME NAMED. IF YOU COULD, IT
WOULD JUST BE MORE TO ME THAN I CAN TELL YOU. IT WOULD NOT BE HELPING
THE CURRENT BECAUSE THE CURRENT IS ALL RIGHT; BUT I HAVE TOLD YOU
HONESTLY HOW CROWDED I AM WITH ALL THIS AMOUNT OF MONEY LOCKED UP
AND I APPEAL TO YOUR SYMPATHY AND FRIENDSHIP TO AID ME IN BOTH WAYS.
INDICATED. KINDLY LET ME HEAR FROM YOU AT YOUR EARLIEST CONVENIENCE.

MOST SINCERELY YOURS

Edgar L. Mulkern

Personal
J. Hill

VICE PRESIDENT'S OFFICE

SAINT PAUL, MINNEAPOLIS & MANITOBA RAILWAY CO.

63 WILLIAM STREET,

NEW YORK.

P. O. Box 756.

May 18th 1883.

My dear Mr. Hill:

I have your telegram of 17th this morning, and have just replied that I have sold 5,000 shares of your Canadian Pacific stock at 47% on the terms stated in your telegram. That is, that you hold the balance of your stock under the agreement, which I forwarded to you for signature, until the closing up of the syndicate. The settlement will be made for this stock in the course of a few days and you will please send on the stock to me with a power of attorney to transfer it. When I receive the money for it I will place the proceeds to your credit with my firm subject to your draft.

I wrote you fully from my house on Tuesday, last, giving you full particulars about the Syndicate now being formed to take \$30,000,000. of stock and which we hope to close up in the course of a day or two. It is evident the public will take the stock and I think the public offering will prove a great success. M.

Angus is still here having been detained
owing to my sickness. I am out today
for the first time since Monday but am
still feeling somewhat unwell and will
have to be careful for a day or two.

Yours very truly:

Wm. H. Kennedy.

P.S. I sent you by mail today 2 copies of the Canadian Pacific
official memorandum W. H. K.

James J. Hill, Esq.,

St. Paul

Minn.

New York

Jan. 19, 1883

James J. Hill Esq;

St. Paul, Minn.

Dear Sir:

We have received your favor of the 16th. ~~inst.~~ and
reply that your draft for \$30000 has been presented, and duly
paid today, to your debit in account.

Very truly yours

J. S. Kennedy & Co.

*From envelope found in J. J. Hill
papers, probably copies made
at the Farley Trial of 1887*

Clark, Dodge & Co.
NEW YORK.

Jan. 24/83.

My Dear Mr. Hill,

I have your letter,
& enclose check for
135. in payment
of the Quail Ox skin,
which we all
admire very much.

Thank you very much
for all your trouble,
& kindness, in the
matter. I hope
to have the pleasure
of seeing you while
you are here. &
that you can away
to dine with me.
Yours very truly,
Geo. C. Clark

New York

Jan. 24, 1883

James J. Hill Esq;
St. Paul, Minn.

Dear Sir:

Your favor of the 20th. inst. is received, and we
beg to reply that your draft for \$1,000 has been presented, and
duly paid for by us,

Very truly yours

J. S. Kennedy & Co.

*From envelope found in J. J. Hill's papers,
probably copies made at the Farley Trial
of 1887J*

ARCTANDER & QVALE.

ROOMS 2, 3, 4, 5,
SPICER, LARSON & CO'S BLOCK.

Willmar, Minn., Jan 25th 1883.

Confidential

Hon James S. Hill,
Pres. St. P. M. & N. P. R.

St Paul, Minn.

Dear Sir: As I have been told, that you intended to buy a controlling interest in the Sauk Centre Southern Railway Company, to prevent the building of a Cross R. R from Sauk Centre to Willmar, South, I thought it might interest you to know, that the vote in this county on bond of \$65,000 to that Company stands in such a way, that the proposition is lost. The Co Auditor throws out 32 votes, and got a majority on the face of the returns, but I have today served notice of contest, and there is no shadow of a doubt, but the court will declare the election lost next March term. I also commenced an injunction suit against the auditor and chairman, and got a writ of injunction allowed by Judge Brown and served it tonight prohibiting the same.

of any bonds; and it is no question
but the prohibition on trial will
be made perpetual.

I thought, that a timely notice
of the true facts in the case, might
make you save your powder
on the South Central Southern, which
is probably by this time a dead
goose anyhow.

Hoping, that you will pardon
our liberty in addressing you
we remain most respectfully
Yours truly
Mr A.

Jan 23



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