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MEMPHIS APPEAL

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WHO IS TO HAVE THE LITTLE ROCK RAILROAD?

Years ago our most far-seeing citizens assiduously endeavored to imbue the minds of the people of Memphis with the idea that the true policy of their city was to appropriate all the money it was willing to devote to railroad construction to roads running westward over the river. They argued that railroads so placed, penetrating fruitful districts, where the locomotive had never awakened the echoes of the woods, would bring to us valuable products at low prices, and make our market a center of commerce that would bring railroads to us by the force of trade influences. Well can we now see the wisdom of that policy. If we had made connection at Shreveport or Fulton with the Red river country, our cotton season would have begun from two to three weeks earlier each year than at present, and the amount of business from that connection would to-day be immense. Opposite Memphis was, before the war, the spot selected for the Iron Mountain railroad to touch the Mississippi river. For at least two years after the war the president of that road, Mr. Allen, expressed his desire that that intention should be carried out. We buried our money in the Selma line embankments and cuttings on this side of the river, and not only lost the golden opportunity that lay on the other, but found a thorn where we should have cultivated a rose. A connection across the country of rich abundance that lies between the Mississippi river and the Missouri at Kansas City, would have added another power to the trade resources of Memphis. With such roads to connect with, how plain it is that eastern roads could not have afforded to pass around or neglect Memphis! That a transcontinental railroad would have made Memphis and the network of roads with which she would have been the center, the Mississippi river on New York, the Iron Mountain road, the Louisville and Nashville railroad, and the East Tennessee, Georgia and Virginia railroad, are each of them bending every energy at this moment to gain possession of the Little Rock railroad. The two latter roads see what a trade they can command by extending the Little Rock railroad connections, and those of the Fort Smith railroad, which is a continuation of the Little Rock. The Iron Mountain railroad discovers what a vast advantage it would gain by diverting the Memphis trade in that direction to itself, and so to a large extent monopolizing the long staple cotton of the Arkansas bottom lands. Whether anything can now be done by the people of Memphis showing earnestly and unmistakably what are their wishes and where their sympathies lie we cannot tell, but while a struggle is going on in which an important portion of her trade is imperilled and her prosperity threatened she has thus far remained silent. Yesterday an excited inquiry was making for stock of the Memphis and Charleston railroad—a stock that found few buyers six to twelve months ago at four and five cents on the dollar. It is now wanted in consequence of the struggle that is going on for possession of the Little Rock railroad. The APPEAL has already reported the sale of seventy or seventy-five thousand dollars of this stock from the Brinkley estate, and of one hundred and fifty thousand by Mr. Bethel; the former at eighteen, the latter at nineteen cents. Since the Bethel sale there has been a lull, but yesterday the inquiry for Memphis and Charleston railroad stock was once more eager and urgent. Eighteen and eighteen-and-a-half were freely offered, but those bids received no attention, as holders had heard of sales at twenty and twenty-and-a-half. Persons connected with financial affairs here have, for some days past, been receiving letters asking what could be got for large lots of Memphis and Charleston railroad stock, the amounts of which the writers stated. These inquiries were evidently made to give the idea that large accumulations of the stock were open for sale, and in that way lower the demands of holders. These efforts "to bear" the stock were unsuccessful. Holders yesterday, who are willing to sell, were firmly demanding twenty-five cents. Holders indifferent about selling—thinking that, if the stock is of value to others, it is also to them—will listen to no such figure as twenty-five cents. So the matter stands at present. A rumor was in circulation in the afternoon that the question of the Little Rock railroad was settled, the Iron Mountain road having proved victor in the struggle and obtained possession of it for itself. Whether this dolorous news is correct or a mere maneuver to influence the price of the Memphis and Charleston railroad stock, remains to be seen.

THE FIRST GUN FOR GRANT.

After all that has been said against the third term, it seems Grant is the coming man. The first Republican State convention to elect delegates to Chicago, was held in Pennsylvania on Wednesday, and the dispatches published in the APPEAL of yesterday announced that the convention instructed the delegates to vote for Grant. First blood for the third-termers. Other States will now wheel into line, and as a solid south will go for Grant, his nomination seems not only possible, probable, but inevitable. The Republicans of Pennsylvania have shamefully and disgracefully stultified themselves. Four years ago Grant's administration was a national stench. Its corruptions produced the tidal wave which gave the Democrats seventy-five majority in the lower branch of congress. The Republicans of Pennsylvania knew that if it was saddled with these corruptions by nominating Grant for a third term, defeat and destruction were inevitable, and the following resolution unanimously passed the Republican State convention on the twenty-sixth of May, 1875:

Resolved, That we declare a firm, unqualified adherence to the unwritten law of the Republic, which wisely and under the sanction of the most venerable of examples limits the Presidential service of any citizen to two terms; and we, the Republicans of Pennsylvania, in recognition of this law, are unalterably opposed to the election to the Presidency of any person to a third term.

This resolution was hailed with the most enthusiastic demonstrations of joy. It elicited great excitement and the most vociferous applause. There was a clamor to "read that again." But, on Wednesday last, this same Republican party adopted the following resolution:

Resolved, That the delegates elected to the Republican National convention from this State are hereby instructed to support for the Presidential nomination General U. S. Grant, and to vote as a unit upon all questions that may come before the convention.

The political history of the country cannot furnish another such example of political stultification. What confidence can be placed in a party which so readily eats its own words? Four years ago the Republicans of Pennsylvania went into the nominating convention pledged against the third-term aspirations of Grant, and they will go into the next convention instructed to give the lie to solemn declarations on a great principle. Four years ago the Republican State convention of New York said: "We declare our unalterable opposition to the election of any President for a third term." But New York will follow the example of Pennsylvania, for Conkling, seeing he has not the chance which he had for a nomination four years ago, intends to make the Republicans of New York eat their excellent resolutions of 1875, and instruct the delegates to vote for Grant. The prospect of Grant's nomination strikes no terror to the Democratic party. The APPEAL has heretofore said that he is the weakest man that the Republicans could nominate, for it was the corruptions of his administration that produced the tidal wave which swept the Republican majority out of congress, and the same cause will produce the same results in November next. The Republicans of the eastern and western States are hostile to the election of any man to the Presidency a third time, and the utterances which have been made and which will be continued against the nomination of Grant will furnish all the arguments which the Democrats will want to defeat the third-termers before the people. When the ambition of a man is so consuming as to induce him to disregard the example of Washington and all the early Presidents, honest Republicans who love country more than they do Grant will commence inquiring, "Whither are we drifting and to what are we tending?" and it will be found on the day of the election thousands of Republicans will vote against an innovation so at variance with the genius of our institutions, and which they regard as a step in the direction of electing a President for life. Washington could easily have been President for life. But he showed by his acts that the government he had done so much to found and organize as a republic did not need a master, and which could take care of itself and get along without him, and he modestly retired with republican simplicity back to simple citizenship as all his successors have done with the exception of Grant, whose lust for office induces him to spit upon the example of purer and better men. In addition to the reasons which forbade Washington from accepting a third term, the vast growth of the machinery of Federal administration and the corresponding expansion of the executive patronage, and above all, the new methods introduced by Grant himself are more cogent than any which existed when Washington declined a third term. By the use of this machinery an ambitious President could perpetuate himself in office for life. The conservative boundary fixed by Washington and consecrated by subsequent Presidents once passed will be equivalent to electing a President for life. Patriotic Republicans will see this and vote against the third-term aspirations of Grant.

MEMPHIS AND HER TRADE.

The firm and resolute spirit will pass through the ordeal of adversity, and so will a city possessing the advantages conceded to Memphis. Some people have the happy faculty of commanding the love and admiration of all with whom they come in contact, and it seems no man can visit Memphis without returning home impressed with its business appearance and the belief that she is destined to become a great and prosperous city. The M'Nairy county *Sun*, whose editor, Dr. Dan Barry, once a leading physician of Memphis, says:

> It is astonishing to contemplate the immense trade which she controls in spite of the unfettering and the terrible scourge that she has recently passed through. The fact that the trade of the city is not only not fallen off, but has actually increased very largely, is certainly very complimentary to her merchants and business men. It proves conclusively that the people recognize Memphis as the legitimate trade center of this section, and that her business men have by fair and legitimate dealing won for themselves an enviable reputation, which no amount of misfortune, like yellow fever, can deprive them of. But the merchants of Memphis have not properly appreciated the country which is embraced between the Tennessee river on the east and Hatchie river on the west. Within these bounds is a large amount of cotton and highly cultivated country. Large quantities of cotton and other produce is raised annually in this section, and legitimately belongs to Memphis in the way of trade. At present Memphis is losing all this trade, and simply for the reason that her merchants do not make any efforts to secure it. Nothing is wanting on the part of Memphis to turn this vast tide of trade into her channels if her merchants except a strong effort. This effort must be made through the newspapers which circulate largely in the region mentioned, for these newspapers meet the eyes of hundreds of readers who never see a dunning and never think of buying anything up to say to one if they did. If the merchants in Memphis will make a strong effort in the manner mentioned, they will easily add thousands of bales of cotton and thousands of dollars in money to their already large trade. Now they are losing all this. Will they make the effort?

The merchants of Memphis should profit by the suggestions of the *Sun*. The trade of this large and productive region of country legitimately belongs to Memphis, and it can be secured by proper efforts on the part of our merchants. Dr. Barry, through the columns of his excellent paper, has persistently labored to divert the trade in the region of country in which his paper circulates to Memphis, and if the merchants will co-operate with him, the vast tide of trade with the Tennessee river, and the railroads hostile to this city, will be diverted to Memphis.

In face of the statements from English newspapers that Ireland is overpeopled, we have parliamentary returns showing that the population in 1851 was 6,558,291, and in 1871 only 5,418,783. Notwithstanding this decrease in population the value of the live stock in Ireland in 1870 was no less than $177,592,390. A vast number of these cattle are annually exported to England. We have before us the Cork *Constitution* of January, 1880, which gives the export of live stock to Great Britain for the week ending January 3d, at 8760 cattle, 9141 sheep, 11,000 hogs, 170 horses, and 3 asses; a total of 29,166 head. The total for the preceding week was nearly the same number. This would be an aggregate of 1,500,000 cattle of all descriptions in the course of the year. In 1855 the exports of grain to Great Britain were 1,980,397 quarters of oats and oatmeal, and 170,000 quarters of wheat; 214,636 oxen, 8162 calves, 489,494 sheep and 254,054 hogs; to foreign countries 292 cwt. of bacon and ham, 7943 barrels of beef and pork, 17,475 cwt. of butter. Immense quantities of butter, eggs, bacon, hams and other products of the soil are also exported to Great Britain. So that, while the population has diminished over 1,000,000 since 1855, the exports of products are constantly increasing.

The New York *Bulletin*, in the course of an editorial showing how the railway combinations are helping the Reagan bill, notifies Wall street 8f a fact of which it seems oblivious, that "the west is a great power, commercially and politically, and the combination or combinations that are bold enough to undertake to deal with it as of but little account, we apprehend, will come out of the encounter, in the long run, second best. If the railroad magnates were as prompt to discover the drift of public opinion as they are to enter into compacts for the advancement of purely selfish interests, they would shape their policy so as to harmonize instead of studiously antagonizing it. Railroad kings, with untold millions of capital at their command, are a mighty power, no doubt; but, after all, it is the power of public opinion in a country like ours to which everything else must ultimately defer."

SEYMOUR for President and Hendricks for Vice-President is the ticket of the Kansas City *Times*, a paper of more influence in the northwest than all the other papers put together.

COLE'S CLIMAX.

The Great Railroad King of the South, whose Combinations were on a Scale Commensurate with the Hopes of the People of

Tennessee, Answers V. K. Stevenson and G. M. Fogg, the Nephew of his Uncle, and Shows them Up in Their True Colors.

On the third instant our readers were notified by a special telegram from Nashville, that Colonel E.W. Cole had published in the *American* of that date a card in response to V. K. Stevenson and G. M. Fogg, that was a complete answer to the cards of those gentlemen already published in the APPEAL. Our Nashville correspondent sent us a synopsis of this lengthy document of Colonel Cole, but on reading it we find that it will be simple justice to a man who fought so gallantly to preserve a great railroad system to Tennessee and the south, to give his own language, every word of it. Here it is:

Card of Colonel Cole.

All know what demands have been made upon my time since Saturday evening. January 17th, the date on which I first knew of the negotiations which took from my control the management of the company over which I have the honor to preside. I have had no time to answer any statements which have made until now. In truth, I have not been taught in the school of words, but have served a long apprenticeship in that of action. I think that every citizen of Nashville, and of Tennessee, who has met me since January 17th, will bear me out in the assertion that, notwithstanding the unexpectedness of the destruction of my plans and my faith in the friendship of the gentlemen who sold the majority of the stock, no harsh expression has fallen from my lips toward either the purchasers or sellers of the stock. On the contrary, I have, on all occasions, advised calmness and patience, but now the time has come to make public a statement of facts. It is to be regretted that any personal relations have to be discussed in a transaction affecting so lately public interest; but the public will pardon, by referring to the interview between Colonel V. K. Stevenson and a reporter of the New York *Herald*, and the card published by G. M. Fogg, Esq., in the *American*, of Sunday, February 1st, why, I cannot avoid referring to some personal history. It is quite true, as stated by Colonel Stevenson, that he was my friend in early manhood, and I have never allowed myself to doubt the faithfulness of his friendship until recently, although I have had cases that are behind us I have most earnestly and successfully endeavored to fully return any kindnesses I may have received from his hands at a time when my friends were fewer than they are now, and I never failed to respond to any intimation on his part that I could serve him, even after I was in a position when it could not be said that gratitude on my part was a lively expectation of benefits to come. This I have always done, except in the discharge of my official duty in removing the deposits of my company and the payment of coupons from his office to the Metropolitan national bank of New York. It was a painful duty, but one I believed the interests of my company required me to discharge. If it had been an individual matter I would not have done so.

PERSONAL TO V. K. STEVENSON.

With regard to what Colonel Stevenson said about co-operating with me in obtaining the return of the road to the stockholders, I must say that this return of the road to the government to the stockholders was secured by M. Burns, Esq., before I was elected president of the company. Further on he says:

> This having been accomplished, I took up my residence in this city (New York) where I have resided ever since, and planed for the position of president of the road, which he still holds.

With reference to this matter I have this to say: In 1868 I was pleasantly situated, both socially and officially, in Augusta, Georgia. Colonel Stevenson, living in New York, was at that time the largest individual stockholder in the Nashville and Chattanooga railroad, and was exceedingly anxious for me to take the presidency of the company, to which I most reluctantly consented. How much influence he had in placing me in that position at first, I will leave to the stockholders to say. In this position I have most successfully served his interests and that of the other stockholders, which is proved by a comparison of the condition of the property at the time I took charge of it and at the present time. The original road was at that time sold for twenty cents; by capitalizing they received three shares for one, and the new stock reached ninety-five cents on the stock exchange. I may have said, of course, know what was received for the stock by the gentlemen who sold to the Louisville and Nashville railroad company. It is also true that Colonel Stevenson was one of the advocates of the purchase of the Selma, Marion and Memphis railroad, and also advised the purchase of the Owensboro, St. Louis and Southeastern railroad. Colonel Stevenson, in his interview makes the following statement:

> The Louisville and Nashville company, being cut off from St. Louis, made arrangements in Georgia opposed to the interests of the Chattanooga road. I then advised President Cole to make a lease of the Central railroad of Georgia and to make a running arrangement with them, even after I had returned to this city with the express understanding that Mr. Cole would keep the New York directors fully informed as to the negotiations in progress, and although it is generally understood that Mr. Cole has concluded to make a lease of the Georgia road, he never informed the New York directors of the full details, leaving the news first reached me through the newspapers.

Colonel Stevenson was at Nashville the day I left for Savannah, Georgia, to visit Colonel Wadley, president of the Georgia Central railroad, upon matters connected with the contract above alluded to, and I did promise to advise Colonel Stevenson of any definite action reached. This statement compels me to enter into rather lengthy details.

NEGOTIATIONS FOR THE GEORGIA CENTRAL BEGIN.

Taking with me Hon. Joseph E. Brown, president of the Western and Atlantic company of Georgia, our connecting line at Chattanooga, we reached Savannah at half-past seven o'clock Friday evening, January 2d. Colonel Wadley, Governor Brown and myself were stopping at the same hotel. Mr. Wadley was suffering from a broken leg. We called on him that evening, when he told us that he wanted to show us the property of his company in that city on the following day. Next morning Governor Brown, Colonel Wadley and myself, Colonel Wadley upon crutches, took a carriage, and examined the property. A few moments after leaving the hotel, Colonel Wadley, in his usual frank and sincere manner, said to us: "I want to lease you the property of the Central railroad company." Both Governor Brown and myself were surprised at this proposition. Governor Brown responded first, saying: He could not think of it, or words to that effect. I remarked to Colonel Wadley: "My company has about four hundred and ten miles west of Chattanooga. You had better lease ours." He responded: "No; I do not understand your western connections." Colonel Wadley said no substance: There must be a great through line from the east to the sea under one head, and he wished its terminus to be Savannah, and that if he were a younger man, nothing would interest him more than establishing such a line. Having passed over his main line and examined his property in Savannah, which for facilities and condition far surpassed any idea we had of it, and having been furnished by the cashier of his bank with every possible detail of the financial condition of his company, and by others with the structural condition of his roads and with his last annual report before us, Governor Brown and myself for the first time entertained the thought of such a lease, and on Monday morning I asked Colonel Wadley what his terms for a perpetual lease would be. He gave them to me. I replied by asking for a modification of his terms for the first seven years, which would have been a saving to my company of five hundred and twenty-five thousand dollars. Colonel Wadley said he would submit it to his board without promising to advocate it, which he did. But being a verbal modification of his verbal proposition, his board held but a short session, and asked us to submit a written one, which I prepared, with the able assistance of Governor Brown, that night, with great care, detail and deliberation, covering twenty-five pages of legal-cap paper, insisted upon my modification, and this proposition I made subject to the approval of my company. This was submitted to the directors of the Central road Tuesday morning, January 6th; they deliberated over it until nearly sundown, when Governor Brown and myself were sent for to go to the Central railroad bank, where the directors were in session. At that time the main point of objection to the lease by the Central directors was the modification referred to above. Governor Brown and myself insisted upon the modification, and retired from the room. After further deliberation the directors assented to it. It was then about eight o'clock at night. At eight o'clock the next morning, Wednesday, I took the train for Nashville, passing through Augusta on my way.

STEVENSON, NOTIFIED, BEGINS TO DODGE.

At the first reliable telegraph station, Millen, —— miles from Savannah, I sent the following telegram:

MILLEN, GA., January 7, 1880.

V. K. Stevenson, 115 Broadway, New York City:
I have contracted for the perpetual control of the Central railroad of Georgia and all its branches, subject to the approval of my board of directors, agreeing to pay certain dividends to the stockholders of the Central. The contract has to be acted on by our directors next Saturday. You, Evans and Baldwin must meet me at Nashville Saturday morning. In this, fail not. Answer me to Augusta, Georgia, to-day.
E. W. COLE, President.

To this telegram I received no answer at Augusta. I left there Thursday morning, and, by special train from Atlanta, went to Chattanooga to meet, by appointment, Mr. Clements, president of the Cincinnati Southern, reaching there at ten o'clock that night. I received the following telegrams on the way and at Chattanooga:

NEW YORK, January 8.

E. W. Cole, President:
Can't meeting be postponed till Monday next? What dividends are we to pay each road?
V. K. STEVENSON.

NEW YORK, January 8.

Colonel E. W. Cole, President:
Cannot leave here before Tuesday night next. Come here. Matters of great importance require it, and will return with you.
C. C. BALDWIN,
V. K. STEVENSON.
T. W. EVANS.
G. M. FOGG.

NEW YORK, January 8.

E. W. Cole, President:
Put off meeting until Saturday, the seventeenth.
THOMAS W. EVANS.
V. K. STEVENSON,
C. C. BALDWIN.

I transmitted early next morning the following:

CHATTANOOGA, January 9.

V. K. Stevenson, 115 Broadway, New York:
Received your telegrams here. Impossible for me to come to New York. What is the important business? I agreed to give six per cent. for the first seven years and seven per cent. thereafter on seven and one half million dollars. They own about one thousand miles of road and a fine line of steamships. They made last year fully seven per cent. net. Combination ought to make our stock worth more than par. The directors must meet to-morrow. I could adjourn it until Monday provided you can reach Louisville Sunday morning, when I could explain and leave for Macon, Georgia, at which point I have to be Tuesday morning, on the matter alluded to. If the scheme is not desirable, I ought to telegraph to Savannah withdrawing from the agreement made here.
E. W. COLE, President.

CHATTANOOGA, January 9.

V. K. Stevenson, 115 Broadway, New York:
Governor Brown thinks that with our present combination our stock in less than ten years will be worth two for one.
E. W. COLE, President.

STEVENSON AGREES TO MEET COLE IN NASHVILLE.

Being anxious to have immediate action taken, as there were rumors in Savannah when I left of injunction against the lease being consummated, and believing it to be the interest of my stockholders to have it closed at once, I called a meeting of the board of directors on Saturday, January 10th. On their assembling at the office I found there were but eight members present, and although that number was a legal quorum for the transaction of business, I did not even read the long document of the proposed lease of the directors present, but explained the main points. They all seemed willing to vote for it, but I said to them: This is an important matter to our stockholders, involving large interests, and I am not willing to have it acted upon in the absence of our New York directors, who own so much more stock than we do, and the board adjourned. I sent Friday evening to Colonel Stevenson's house a telegram reading:

> I have several times telegraphed you that I had to be in Macon Tuesday morning. Business has overpow red with business here, and worked entirely from Monday morning in connection with Louisville, Cincinnati and Nashville railway, consolidated, to attend to here to-morrow; letting of contracts between me and Adairsville, and its carry forward depends on me to go to New York. Can you gentlemen meet me in Atlanta Monday morning? Without your co-operation and approval, and that at once, I would rather not go any further in the matter. There are several contracts pending.
E. W. COLE, President.

Receiving no answer by noon next day, and feeling that they were treating me with lack of courtesy, I sent the following dispatch:

NASHVILLE, January 10, 1880.

V. K. Stevenson, T. W. Evans, C. C. Baldwin, Directors, 115 Broadway, New York:
Referring to previous telegrams that have passed between us, will say that I felt it was important to confer with my directors before I went to Georgia again; but as it seems it was not convenient for you gentlemen to accommodate me, I will not insist upon your going to Atlanta. Answer this telegram last night.
E. W. COLE, President.

After this telegram was sent, the following was received:

NEW YORK, January 10.

E. W. Cole, President:
We will leave to-night and be due in Atlanta Monday morning.
V. K. STEVENSON,
T. W. EVANS.

COLE CLEAR IN HIS STATEMENTS, AND STEVENSON IN A BAD BOX.

The same date I sent the following:

NASHVILLE, TENN., January 10, 1880.

Colonel V. K. Stevenson, corner of Fifty-ninth street and Tenth avenue, New York:
Can then be any mistake about the telegram that you and Evans will meet me in Atlanta Monday? You can leave to-morrow morning and be here in time. It is absolutely necessary for you to do so. There are contingencies about which I will not take individual responsibility. If you cannot, I will probably leave to-morrow evening, and we would still have a few hours before I leave Atlanta for Macon.
E. W. COLE, President.

Colonel Stevenson's reply indicated (have not telegram before me) a misunderstanding as to whether or not I wished him in Atlanta.

In answer to which telegram I wrote the following letter on the tenth, six days before the sale took place:

NASHVILLE, January 11, 1880.

MESSRS. V. K. Stevenson, Thomas W. Evans, C. C. Baldwin, directors, New York City:
MY DEAR SIRS—I really feel that I am not being considered by you in the management of the Georgia road. I have received telegrams from Millen, Atlanta, Chattanooga and Nashville urgent to have been undertaken by me, and I understand that I wanted your counsel before returning to Georgia, and your persistence in declining to come and consult with me on the matter, I thought, must have compelled me to return to Georgia, so discouraged me that I sent the telegram that I would detain you no longer upon your meeting me in Atlanta, and this telegram was sent before receiving your telegram agreeing to come. How you should expect me to attend to all combinations that I have in hand, and all that may come up, and be able at any time to leave, rather than for you to come and counsel with me here, I am at a loss to see. I shall return to Georgia this morning, and, because I have to return, and have added me in carrying through what everybody supposes is a great combination, I will not disappoint of our stockholders. How it may result I cannot, of course, tell now. There are responsibilities to be assumed in Atlanta to-morrow which no one would hardly expect of one director himself to assume. I telegraphed yesterday to Colonel Stevenson to know if anything had occurred, or was likely to occur there, to prevent our letting our contracts and pressing the work on the Georgia road. I sent the telegram for the reason that on my return, Friday night, from Georgia, Judge Lea gave me the following dispatch from the president of the Central trust company: "Syndicate which bought Jacob Cooper's interest in Georgia road dissatisfied with trust deed. Will not accept bonds unless. Necessary for you to come here with trust deed and to meet their objections.
H. P. ELDRIDGE, President."

Judge Lea told me that Mr. Fogg had left Nashville for Washington to attend to a case in the supreme court and that he had forwarded telegrams to him there. I telegraphed to Mr. Fogg to know about the matter, at the time of telegraphing Colonel Stevenson, but received no answer. This explains my telegram. It must occur to you gentlemen that no meeting of our directors held in New York, though I should go there with enough directors to make a quorum, would be legal.

P.S.—I did not say in my telegram you refer to that it was necessary for me to be in Atlanta so convenient for you gentlemen to accommodate me I would not insist.

This account of the directors in New York, alluded to in the last paragraph of the foregoing letter, was suggested by the New York gentlemen in the following telegram:

NEW YORK, January 9.

Colonel E. W. Cole, President:
As contract cannot be closed till fourteenth, when stockholders meet, best for you to come here at once. Bring two directors with you—five here. Can have meeting if you wish. We must have a little time to consider so grave and important a matter.
V. K. STEVENSON,
G. M. FOGG,
C. C. BALDWIN,
T. W. EVANS.

STEVENSON GOES DEEPER INTO THE MIRE.

On Sunday morning, January 11th, I left Nashville for Macon, Georgia. At Atlanta, on Monday, the twelfth, I received a telegram from the gentlemen wishing further information in regard to the Central lease. I replied at great length, giving a detailed statement. Having asked Colonel Stevenson to buy stock for me in the Nashville, Chattanooga and St. Louis railway at a limited ninety-three, believing the lease of the Central railroad that I had negotiated for our company would advance its value, between Macon and Nashville I received the following telegram:

NEW YORK, January 14, 1880.

E. W. Cole, President:
No stock bought, always above your limit, selling now ninety-four-and-a-quarter, will be at meeting of directors Saturday morning. Sale of one hundred bonds failed.
V. K. STEVENSON.

To which I answered:

ATLANTA, GA., January 14.

V. K. Stevenson, C. C. Baldwin and Thomas W. Evans, 115 Broadway, New York:
Hope you will leave this evening for Nashville, as you say, so as to be in time.
E. W. COLE, President.

I was back in Nashville from Macon on the fifteenth, and received this telegram:

NEW YORK, January 15, 1880.

E. W. Cole, President:
Cannot reach Nashville before Monday morning. Adjourn meeting until Monday morning.
V. K. STEVENSON,
T. W. EVANS,
C. C. BALDWIN.

I answered:

NASHVILLE, January 15, 1880.

V. K. Stevenson, T. W. Evans, C. C. Baldwin, corner Fifty-ninth and Tenth avenue, New York City:
Will you please explain the cause of your requiring me for the second time to change the meeting in so important a matter. Answer.
E. W. COLE, President.

I received no reply.

On the sixteenth I sent the following telegram:

NASHVILLE, January 16, 1880.

V. K. Stevenson, C. C. Baldwin, T. W. Evans, 115 Broadway, New York:
We have postponed meeting once. Governor Brown and myself promised Central people at Macon to notify them to-morrow one way or the other, as an injunction was talked of by some of the Central stockholders.
E. W. COLE, President.

They replied:

NEW YORK, January 16.

Colonel E. W. Cole, President:
We are sorry to inconvenience you, but it was impossible for us to leave in time to get to Nashville Saturday.
V. K. STEVENSON,
C. C. BALDWIN,
T. W. EVANS.

I answered as follows:

NASHVILLE, TENN., January 16, 1880.

V. K. Stevenson, T. W. Evans, C. C. Baldwin, 115 Broadway, New York City:
I will postpone the meeting until Monday morning, with the distinct understanding that you will be here at that time. It is not a matter of convenience or inconvenience to myself, but having to make so many explanations to the other side, who have reasons for wanting to know of our action. Answer.
E. W. COLE, President.

To this I received no reply.

THE PREDETERMINED SELL-OUT CONSUMMATED.

On Saturday morning, January 17th, in passing the *Banner* office, I was informed by Mr. Purvis that a number had reached the city to the effect that the Louisville and Nashville railroad company were buying a majority of the stock of our company. I replied that I did not believe it, and hurrying on to my office, sent the following telegram:

NASHVILLE, TENN., January 17, 1880.

Messrs. Stevenson, Evans, Baldwin and Fogg, Directors, care Real Estate trust company, 116 Broadway, New York:
It is currently reported and believed here that negotiations are pending giving the control of our property to the Louisville and Nashville railroad company. I cannot believe this, and trust it is not true. Is it so? Please answer immediately.
E. W. COLE, President.

To which I received no reply.

About six o'clock in the evening the following astounding communication was received by telegraph:

NEW YORK, January 17.

E. W. Cole, President:
Important changes have taken place in the holding of the stock. Other parties must now be consulted, who have or will communicate with you.
V. K. STEVENSON.
C. C. BALDWIN.
T. W. EVANS.
G. M. FOGG.

I answered:

NASHVILLE January 18, 1880.

V. K. Stevenson, C. C. Baldwin, Thomas W. Evans, G. M. Fogg, 115 Broadway, New York City:
The telegram received from you last evening, I have no language in which to express my surprise at its contents.
E. W. COLE President.

Colonel Stevenson and other Tennessee stockholders having sold their stock in New York to strangers, but he may know who was the first to suggest the placing of our stock on the New York exchange, thereby creating a market for it in the city. He must remember that I delayed carrying out the order of the board to do so for several years, and at length yielded reluctantly to that order. If my judgment and wishes had prevailed, it would not have been placed on the exchange, and in my opinion a large majority of the stock would to-day be in the hands of the friends of Tennessee.

COLE'S PURCHASE AND SALE OF THE CHATTANOOGA STOCK.

Referring to stock being offered by parties in New York, Colonel Stevenson says:

> Finding that certain of the largest stockholders in New York, some of them friends of President Cole, were determined to sell their stock, I insisted that Mr. Cole should arrange with his Tennessee friends to purchase a large part of it, but he reported that he had made the effort and had wholly failed to accomplishing anything, and that if it was necessary to purchase the stock I myself would have to do it. I agreed to this proposition, and with two friends, purchased the block offered to Colonel Cole.

This refers to a block of three hundred thousand dollars offered to me—not Colonel Stevenson—by A. Iselin, jr., of New York, during the absence of A. Iselin, sr., in Europe in May last. I communicated this fact to Colonel Stevenson, and said I would take fifty thousand dollars of it. He said to me: "Evans, Baldwin and myself (two being Tennesseans) will take one hundred and fifty thousand dollars of the stock." I supposed it was understood that I was to place, if possible, the remaining one hundred thousand dollars in Nashville on my return. I did my most to do so, but was told by parties who usually dealt in the stock that it could not be taken there on account of the scarcity of money and the large amount of the stock held by the banks as collateral, but to my anxiety to have it taken by Nashville parties, I offered, if they would take it, I would myself individually carry the stock for them with New York banks for four months at six per cent. interest. Failing in this, I telegraphed the fact to Colonel Stevenson, after which I received a telegram from him that he, Evans and Baldwin had bought the stock. Immediately upon receiving this notice, I telegraphed him that I wanted the fifty thousand dollars I had contracted to take for myself, which was refused me, they claiming a misunderstanding. No other block of stock was ever offered to me or my company, except the Georgia railroad stock, amounting to four hundred and fifty thousand dollars, all of which I placed here but thirty thousand dollars. Colonel Stevenson, and they having reduced my holding-by sales made, which I have before stated and the purposes for which I sold, to wit, to improve vacant lots in Nashville, on which I was paying heavy taxes, these sales were made from time to time during the past two years, every dollar of which I sold on the exchange or in Nashville. I also sold some in the fall on the exchange to pay notes for which my stock was hypothecated, and to provide additional means to invest in the iron business at Nashville. After relieving myself of these embarrassments and being out of debt, I held, as Colonel Stevenson says, about ninety thousand dollars of stock, together with fifty-five thousand dollars of the company's bonds, which I had intended to hold as a permanent investment.

A QUESTION OF VERACITY BETWEEN COLE, NEWCOMB AND V. K. STEVENSON.

Colonel Stevenson also says: "In the meantime Colonel Cole expressed the belief that the stock was worth at too high a figure, although it had not yet reached eighty cents on the dollar, and urged me to sell my stock." Doubtless, when seeing the frenzy of speculation in Nashville in 1878, and during the stock as well as others was ruling high, as I never had any disposition to deceive any one in regard to the intrinsic value of our stock, and was cautious in everything I said in that direction, I may have said that I would consult my friends in Nashville and New York before affecting railroad management and earnings of roads, I never thought it right to influence persons to buy by personal persuasion. It is true that on one occasion I advised Colonel Stevenson to do as I have done, sell half his stock, pay his debts and keep the balance, which would be a large amount as an investment. I do not know who was the friend of Colonel Stevenson who advised him to sell before he was approached by Mr. H. Victor Newcomb that: "Colonel Cole's agent had applied to him (Mr. Newcomb) with a view of selling a controlling interest in the road or effecting a consolidation of the two companies." No friend of Colonel Stevenson or agent of mine was ever authorized to make such a statement, and Mr. Newcomb's publication of such a statement is gratuitous and false. I might have been willing at some time, to avoid the ruinous contest threatened between the two companies, to agree to a consolidation of the two companies could it have been brought about in a proper way by action of the two boards of directors and the stockholders of both companies, by which the interests of Louisville and Kentucky would have been equally protected with the interests of Nashville and Tennessee, but under no circumstances would I ever have consented to a sale, by a few shareholders blocking their stock together, thereby injuring the minority stockholders, and I fear the material interests and prosperity, not only of Nashville, but the entire south.

THE PEOPLE OF NASHVILLE WERE NOT INDIFFERENT TO THEIR LOSS.

The assertion has been twice made that the citizens of Nashville and Tennessee were indifferent as to the control of the roads. If this be true, the seeming indifference was caused by their feeling that enough of the stock was held by Tennesseans in New York and in Tennessee to prevent the result which has taken place. Had they anticipated that such a result was likely to occur, it is asserted that enough money could have been raised in Nashville and New York to prevent the consummation of the scheme. This is evidenced by the following telegram:

CHATTANOOGA, January 18, 1880.

V. K. Stevenson, 115 Broadway, New York:
Is it possible to change the result? If so, how much money is required for a given amount of stock?
E. W. COLE, President.

To which I received no reply.

On the twenty-first of January I received the following telegram:

NEW YORK, January 21.

E. W. Cole President:
Vice-President Newcomb asks me to say that he will leave for Louisville to-morrow evening, where he hopes to meet you. Your interests as president have been taken care of by us here.
V. K. STEVENSON.

I answered as follows:

NASHVILLE, January 22.

Colonel V. K. Stevenson, 115 Broadway, New York City:
My personal interests are of no concern to me. If you mean, by the expression that my interest as president has been taken care of, to say the welfare of the company has been cared for, as may be inferred from your telegram, I am glad
E. W. COLE, President.

G. M. FOGG'S DEFENSE OF HIS UNCLE, V. K. STEVENSON.

With regard to Mr. G. M. Fogg's defense of his uncle, Colonel Stevenson, I have nothing to say, except as to his reference to Colonel Stevenson's distress at the inevitable—allowing the roads to pass into the hands of others. In this connection, I would say that it has been publicly stated, and never denied, that the former gentlemen engaged in the sale sold short to a large amount. I was myself so informed by a telegram from New York. When he refers to the chance offered his uncle of selling or being sold out, the public might be curious to know who was in position and controlling stock enough to sell him out. For further reply to Mr. Fogg's card, I beg to call attention to the following extracts from the interview of a *Courier-Journal* reporter with Mr. H. Victor Newcomb, published on Sunday, January 25th:

> Reporter—Is it true that Colonel Cole's stock was included in the sale?
>
> Mr. Newcomb—No; there is not one word of truth in it. I regret that Colonel Cole did not avail himself of the opportunity. In fact, I believe the first information he had of the sale was a telegram from me.
>
> Reporter—What occasion was there for you sending any telegram to Mr. Cole?
>
> Mr. Newcomb—It was done entirely upon my own responsibility. I knew that Colonel Cole's heart and soul were wrapped up in the Nashville and Chattanooga road. Personally, I entertain for him the highest regard. I esteem him as one of the ablest railroad men of the age. I knew it would be a severe blow to him. It was merely my desire to soften and ameliorate the changed condition of affairs by assuring him of my sympathy and friendship.
>
> Reporter—Then Colonel Cole was in entire ignorance of what was transpiring in New York?
>
> Mr. Newcomb—Yes, I am positive now of that. It came upon him like a thunderbolt, and I would gladly have spared him the feeling of disappointment and wounded pride (which he must have experienced) if it had been in my power to do so.
>
> Reporter—The impression still prevails, apparently, in some quarters, Mr. Newcomb, that Colonel Cole was not altogether in ignorance of the negotiations in New York.
>
> Mr. Newcomb—Yes, I am aware of that fact, and probably am responsible for it myself. It grew out of a total misapprehension on my part. I supposed from the intimacy which had existed between Messrs. Stevenson, Fogg and Cole, also between Messrs. Baldwin and Evans, that Colonel Cole was fully