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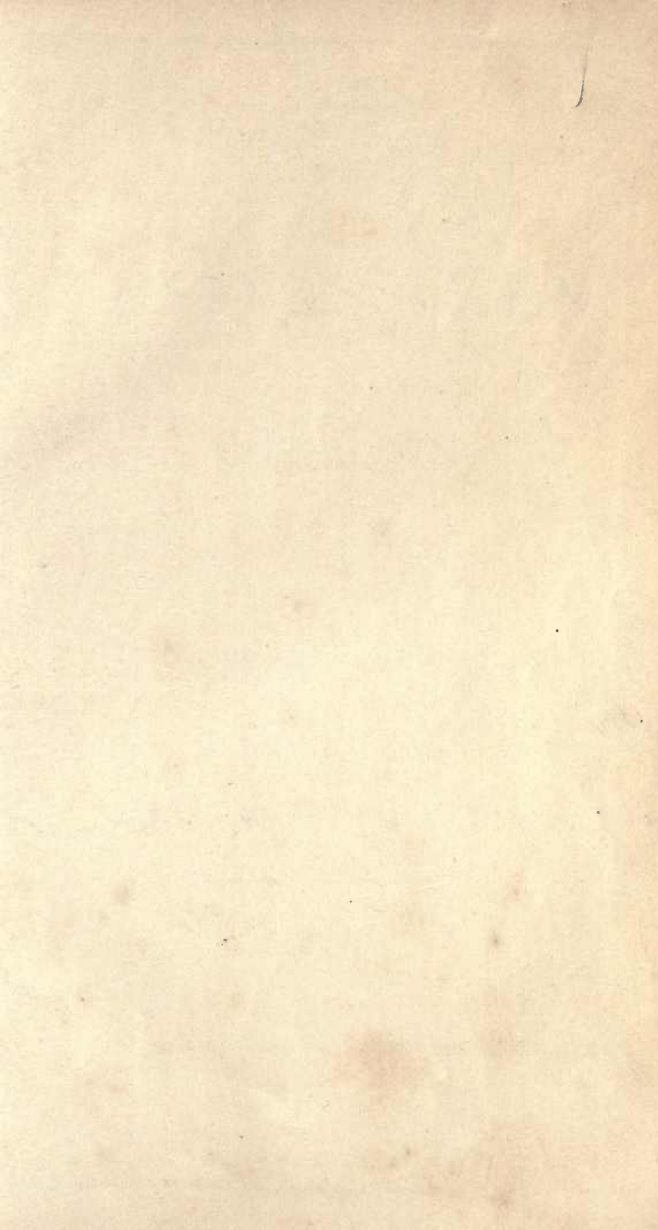


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"If a subject is worthy attention at all, it is worthy  
THOROUGH attention."

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*Atlantic and Pacific Telegraph Co.*

TO

BUSINESS MEN,

CAPITALISTS,

AND

ALL SEEKING INVESTMENTS.

---

*READ, AND INFORM OTHERS!*

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THE  
MONEY  
GIVEN  
TO  
INVESTIGATION  
IS  
SOMETIMES  
MONEY  
SAVED  
AND  
NEVER  
MONEY  
LOST.

"Time given to investigation IS SOMETIMES MONEY SAVED  
and NEVER Money lost."

BRISTOL MEN

APPENDIX

THE HISTORY OF BRISTOL

BY JOHN BRISTOL

PRINTED BY J. BRISTOL

BRISTOL: J. BRISTOL, 1840



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## General Development of Telegraphing.

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Within the past twenty years that most powerful commercial agent of modern times, "The Telegraph," has been almost silently developing itself, until it has passed so far from the experimental and speculative stage, that it has become a necessity as absolute as commerce itself, and as progressively expansive as the daily and never ceasing developments of the world-wide elements of society, trade and population.

Commencing in a patent, and accomplishing with mathematical certainty a mystery which taxed the credulity of the most scientific, it necessarily early fell into the hands of a few, who, in this country, have quietly stood by, adding wire to wire and company to company, as the irresistible developments of its uses presented themselves, until they have, in fifteen years, built up the largest corporation in the United States, and until, though adding to their construction account at the rate of nearly \$1,000,000 a year, the demand still outruns them, and the necessity of additional facilities forces itself upon the public.

Nor does the fact of the immense, and by the public generally unsuspected development of telegraphic patronage rest upon the success solely of the "Western Union Telegraph Company," great as it is. Every line associated with it by compact of connection, presents the same unvarying record of astonishing success and growth. To illustrate, we synopsize the history of the following Companies:

## THE MONTREAL TELEGRAPH COMPANY.

This Company is the Canadian connection of the "Western Union," and has repeated in Canada the policy of the "Western Union" in this country. On the 28th day of July, 1847, its capital stock stood at the modest sum of \$60,000. By Act of Parliament it was afterwards increased to meet bonus dividends to \$280,000. On the 27th of May, 1857, a similar act for similar purposes was obtained, authorizing a capital of \$2,000,000; and the Canadian year book for 1868 publishes the actual value of the Company's property at that amount. The shares are \$40 each, but even with the inflation, they are in demand on the Montreal Exchange at this time at 132 per cent. From the commencement, notwithstanding the inflation, and large sums yearly expended in increasing the Company's property to meet the marvellous developments of the business, dividends have been paid half-yearly at the rate of 10 per cent., and last year, after paying a 10 per cent. dividend on the whole Stock, the current expenses and the usual additional constructions, the surplus reported on hand was \$45,000.

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## THE NORTH-WESTERN TELGRAPH CO.

This is an organization covering with its lines the States of Wisconsin, Minnesota, and the upper portion of Michigan, and connecting with the "Western Union" at Milwaukee. In reporting its operations we are somewhat more in the dark than in speaking of the "Montreal," or "Western Union," as its managers have studiously avoided, so far as we have been enabled to learn, making public its reports. This much is known, however, that controlling only a limited territory, it has gradually increased its capital from about \$100,000 to \$1,250,000, that last year it paid 10 per cent. upon its entire capital, in cash, and an additional 10 per cent. in stock, and that it is at this moment doubling its facilities to the upper Peninsula of Michigan, and increasing its wires to St. Paul.

### THE ILLINOIS STATE TELEGRAPH CO.

Was an organization covering the State of Illinois and the border of Iowa, of which, with far-seeing enterprise, Hon. J. D. Caton, of the former State, early obtained control, and which, under his management, was, until 1866, kept as a close corporation. On the purchase of the "United States Company's" lines by the "Western Union," a conflict of interest occurring; that Company pursuing its usual policy of absorption, is understood to have purchased of Judge Caton his interest, agreeing to pay him \$85,000 per year for forty years, or  $8\frac{1}{2}$  per cent. on \$1,000,000 during that period of time for the simple control of the Company, its franchise and lines.

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### THE AMERICAN TELEGRAPH CO.

To the New Yorker who has watched the rise and value of stock for the past ten years, it is only necessary to mention the name of this Company to recall one of the most gratifying successes which the Stock Board has ever witnessed. Taking for its territory in the early division of the country among the telegraphic magnates, the limited area of New England, and competing alike against the traditional economy of that section, and its railroads with their numerous and regular mails, in a few years it accumulated by earnings a capital of \$2,000,000, and was finally absorbed by the "Western Union Telegraph Co." on a basis of nearly six times that amount (\$11,818,800), at a time when "Western Union" stock sold at 64 cents on the dollar.

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### THE CALIFORNIA STATE TELEGRAPH CO

was organized and incorporated in October, 1853, and immediately constructed its lines from San Francisco to Marysville, by the way of San Jose, Stockton and Sacramento. This was the commencement of Telegraphing on the Pacific Coast. The lines were subsequently extended to other prominent points in the State.

At a very early period the convenience of the telegraph was recognized in California, and it commenced to pay a

fair interest upon the cost. In 1860 the need of a Transcontinental Telegraph induced the State Legislature to offer a bonus of \$60,000 payable in ten annual installments of \$6,000 each, to a company which should connect the California State lines with the telegraph system east of the Rocky Mountains. Under this stimulus the Overland Telegraph Company was organized as an auxiliary to the California State Co., which, after the construction of a line in 1861, to connect with the Western Union Company at Salt Lake, became the owner of the Overland Company's line. At this period, and for the succeeding four or five years, the State Co. manifested considerable energy in extending its lines over the Pacific slope.

Its enterprising efforts to bring the distant points of the Coast in communication with each other and with the Atlantic States, were mainly due to the foresight and well directed labors of General Horace W. Carpentier, who was President of the Company till 1866, when a majority of the stock having passed into the hands of the Western Union Tel. Co., the management changed hands.

The original capital stock of the Cal. State Tel. Co. was \$300,000, and upon the extension of its lines subsequent to 1860, this was increased to \$2500,000. But, in point of fact it is believed that only about \$400,000 was paid in for construction of lines. On the increased nominal capital the dividends to stock holders were never less than 4 per cent., in addition to a reserve fund for extension of lines and repairs; which was a large interest upon the capital actually invested. The Company now substantially belongs to the Western Union Co., is a part of this system under a contract of perpetual renewal, and operated by them at their own cost, over and above a rental of seventy-five thousand dollars annually, or twenty-four per cent on its original capital.

#### THE WESTERN UNION TELEGRAPH CO.

Commencing with a capital of \$360,000 as the "House Printing Telegraph Co.," with a line from New York to Buffalo, its official reports January 1st, 1868, declares its

capital to be over \$41,000,000 and its lines to be almost co-extensive with the country. On the 1st day of January, 1863, by stock, bonuses, and the purchase of other lines, without any additional capital being paid in, its \$360,000 had become \$3,000,000. At this interesting period of its history each one of the Company's shares, bonuses and all, were in demand upon the Stock Board at 240 per cent. March 2d, 1863, its \$3,000,000 of capital was watered by exactly doubling and presenting the additional shares to its stockholders; but, notwithstanding, in the July following its stock had risen to 245.

May 28th, 1864, the watered \$6,000,000 were further increased by purchase and extension of lines \$5,000,000, making its capital \$11,000,000, and at the same time the whole of its stock was again doubled by an issue of 100 per cent. bonus to its stockholders, making its capital \$22,000,000. Yet, notwithstanding this, its stock still sold at 200, falling in January, 1865, to 120, and steadily rising again during the year, until in January, 1866, it reached 165.

From this period up to January, 1868, by purchase of the "United States" line (\$3,333,333), consolidation of the "American Telegraph Co." (\$11,818,800), bonus stock dividends and extension of lines, through earnings (of which \$788,463 21 were last year spent in the construction of new lines), its capital stock has been increased to \$41,008,800.

Since January, 1866, various causes NOT connected with doubts as to the profitability of its business, have conspired to weaken public confidence in the stock of this Company, until it has fallen to about 35 cents; above and below which point for a few months psst it has oscillated. Among the most prominent of these causes is the creation of a debt of \$5,000,000 which, as the success of the Atlantic Cable, compelled the abandonment of the Russian American Telegraph, for which the money was expended, represents an almost total loss. A second cause is the prospective abandonment of the Company's California lines, by way of the North Platte trail, rendered necessary

by the early completion of the Pacific Railroad, the consequent disuse of the overland roads, and the diversion of travel and settlement along the more certain communication of the rail. These lines, including the United States Telegraph Company's contracts for parallel lines, assumed by the Western Union at the time of consolidation, represent a loss of from \$3,000,000 to \$5,000,000. A third cause is the necessity which the Company finds itself under, not only to abandon these lines, but of immediately expending a large amount of capital in the building of new lines along the Pacific road, which it is now doing, under conditions greatly aggravating their cost; the Railroad Company protecting their own telegraph interests by offering only so much accommodation as by law as common carriers they are compelled to afford—simply delivering the poles and wires at the widely separated stations, from which points they are distributed by the Western Union by teams, at unusual expense. And a final and perhaps equally depressive cause is found in the fact, that aggregated as the Western Union Company has been by the absorption or purchase of most of the early and badly constructed experimental lines of the country, its repair account, always a serious drain upon its earnings, has of late years, through the necessity of renewals, which after all, are but palliatives of an organic difficulty, run its current expenses up to the disproportionate sum of 65 per cent. of its enormous earnings, and that from this constant drain the stockholders can hope for no permanent relief until a large portion of the Company's lines shall have been reconstructed.

In short, no better illustration of the vitality of telegraphing and the confidence of those who have examined the subject can be offered than the sturdy strength manifested by the Western Union, which, in such a condition, after an inflation of nearly one thousand per cent, and a direct and positive loss of from \$8,000,000 to \$10,000,000 resting as a burthen on the Company, still maintains its stock at 35 per cent. of its nominal capital.

That the public is justified in this confidence is shown by the continued earnings of the Company.

The following table shows the receipts and net gains of that Company for the past nine months, from the reports of the Company:

Year.	Month.	Receipts.	Expenses.	Net Profits.
1867,	December,	\$576,135.19.	\$379,843.85.	\$196,291.34.
1868	January,	539,794.00.	366,446.02.	173,347.98.
"	February,	600,183.32.	345,855.52.	254,327.80.
"	March,	587,962.23.	335,947.65.	252,014.58.
"	April,	602,257.05.	356,257.05.	246,000.00.
"	May,	597,374.47.	341,965.41.	255,409.06.
"	June,	579,911.10.	353,375.50.	226,535.60.
"	July,	601,730.61.	396,163.61.	205,567.00.
"	August,	602,304.73.	376,452.03.	225,852.70.

Total last 9 mos., 5,287,652.70. 3,252,306.64.

Net Profits, last 9 mos.,.....\$2,035,346.06

The following table shows the market price of "Western Union" Telegraph Stock, from 1860 up to the time at which it became known that the Company had undertaken to guarantee and furnish the capital for that impossibility, the "Russian American Telegraph Company," and that that enterprise was likely to prove an entire failure:

Date.	Market Price.	Date.	Market Price.
1860—January.....	\$125	1864—May 28th, stock	
1861—January.....	175		doubled from
1862—January.....	225		11,000,000 to
1863—March.....	250		22,000,000,
1863—May, issue of stock doubled.		1864—May.....	\$200
1863—July.....	245	1864—July.....	117
1863—October.....	250	1865—January.....	120
1864—January.....	250	1865—April.....	121
1864—April.....	225	1866—January.....	161

### GENERAL TELEGRAPHIC STATISTICS.

In the first and second paragraphs of this circular, we alluded with emphasis to the fact that telegraphing had become so incorporated with the frame work and business of society, that it was now a necessity whose uses were developing to an unparalleled extent.

In authentication of this statement we give below a statement of increased earnings of the telegraph lines of

this country from 1846 to 1867 inclusive; from this it will be seen that in 21 years the business increased 1500 per cent., and that although in 1865 it had risen to the respectable sum of \$4,420,268, in 1867, but 3 years thereafter, it had nearly doubled again.

INCREASED EARNINGS OF THE TELEGRAPH COMPANIES IN THE UNITED STATES.

The gross earnings of all telegraph lines in the United States for the following years were:

1846.....	\$4,228.77	1862.....	\$2,734,960.40
1847.....	32,710.28	1863.....	3,269,442.66
1848.....	52,252.81	1864.....	3,792,245.97
1849.....	63,333.98	1865.....	4,420,268.88
1850.....	64,337.62	1865.....	5,624,501.20
1851.....	67,737.41	1866.....	7,641,552.47
1853.....	102,860.84		

That this yearly increase is not an American anomaly, due to the preternatural activity of American business, but is the direct and philosophic result of a new and as yet scarcely appreciated element of progress and development which is everywhere working the same results, we extract the following table from Mr. SCUDAMORE'S report to the British Parliament, showing the relative increase of Telegrams to Letters in the foreign countries named:

PROPORTION OF INLAND TELEGRAMS TO INLAND LETTERS.

Year.	Belgium.		Switzerland.		United Kingdom.	
	Telegrams.	Letters.	Telegrams.	Letters.	Telegrams.	Letters.
1860	.... 1	to 218	.... 1	to 84	.... 1	to 296
1861	.... 1	to 105	.... 1	to 87	.... 1	to 273
1862	.... 1	to 187	.... 1	to 80	.... 1	to 221
1863	.... 1	to 114	.... 1	to 74	.... 1	to 197
1864	.... 1	to 83	.... 1	to 70	.... 1	to 169
1865	.... 1	to 93	.... 1	to 69	.... 1	to 151
1866	.... 1	to 37	.... 1	to 69	.... 1	to 121

From the above, it will be seen that even under the exorbitant and forbidding rates heretofore charged in Great Britain, in 6 years the ratio of increase in telegrams to letters has been over 250 per cent., while in Belgium, under moderate charges, in an apparently uncommercial country, the ratio of increase has been nearly 600 per cent., and this too when the number of letters has been constantly augmenting.



## “The Atlantic & Pacific Telegraph Co.”

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Predicated upon the foregoing facts and many others of a similar character; too numerous to be embraced within the limits of a circular, the “ATLANTIC AND PACIFIC TELEGRAPH COMPANY” was organized some two years since, with a Capital of \$5,000,000 for the purpose of building lines of modern construction and of the most substantial, character, to all the paying points it could reach. Acting strictly upon the idea of building no unprofitable branches but designing simply to cover the main arteries of business of the country not already preoccupied by opposition lines, and devoting itself to a thorough business from the commercial centres, it has steadily pressed its lines westward, until it already covers that most profitable telegraphic route which stretches between New York and Chicago via Albany and Buffalo, and the Lake cities, and is within sixty miles of Cincinnati.

On the East it has contracts of connection which bring to its treasury the reciprocal tribute of all New England, and the coast between New York, Philadelphia, Baltimore and Washington.

In Canada, it has a connection with the “DOMINION Co.” a substantial corporation whose lines are building, and to be built throughout the length and breadth of the Provinces. At Chicago it is intended to forward the lines south-west to St. Louis, and immediately west to Omaha, to connect with the line of the “Union Pacific Railroad,” for San Francisco. At Chicago, immediately North and South of it, it has a connection with “Great Western Telegraph Company,” an organization of \$3,000,000 of capital, which is already building to the great lumber districts of Wisconsin,

and has ordered 1,300 miles of wire, and contemplates 2,000 more, destined to reach the large interior towns of Illinois and Iowa, and the Mississippi River below Du Buque. At Chicago, also, it has connection with the "Mississippi Valley National Telegraph Company," a corporation whose lines are already finished from St. Paul, Minnesota, down the Mississippi River to Du Buque, and thence via Galena Railroad to Chicago. As at present situated, The "Atlantic and Pacific Telegraph Company" reaches, through their own lines and connections, the leading points in 12 States, and within six months, by its own extensions and that of its connections, it will have added the British Provinces and the great States of Michigan, Illinois, Indiana, Missouri, Iowa, Minnesota, Wisconsin, Nebraska and Kansas.

The value present and prospective of these additions in a business point of view, without mentioning the British Provinces, with their 3,500,000 people, may be determined by the following table of population, taken from the census 1850 and 1860, and estimating 1870 by the past ratios:

POPULATION.	1850.	1860.	(Est.) 1870.
Illinois . . . . .	851,470	1,711,533	2,500,000
Wisconsin . . . . .	305,381	775,873	1,000,000
Minnesota . . . . .	5,077	172,022	500,000
Michigan . . . . .	397,654	749,112	1,250,000
Indiana . . . . .	988,416	1,350,941	1,800,000
Iowa . . . . .	192,212	674,948	1,200,000
Kansas . . . . .		107,110	500,000
Missouri . . . . .	1,114,965	1,182,317	1,800,000
Nebraska . . . . .		28,842	200,000
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	3,855,175	6,752,698	10,750,000

Without, however, realizing the benefit of any of the above connections, except the Eastern ones, and those only partially, for the reason that the Chicago office will not probably be open for business before the ensuing week, the business has already outrun the facilities originally supposed to be sufficient, and the Company feels itself under

the necessity of immediately increasing its wires to meet the business clamoring for its attention, independent of Cincinnati and Chicago, and its connections West.

The following table shows the increase of the business of the A. & P. Telegraph Co. to and from points in and East of Ohio.

The Company having opened its line to Buffalo in November last, and the public having filled their wires to about half their capacity in that month, the increase since that time has been as follows:

12 per cent	more in	December, 1867,	than	November, 1867.
11.02	" "	January, 1868,	" "	December, "
30.07	" "	February, "	" "	January, 1868
6	" "	March, "	" "	February, "
21.08	" "	April, "	" "	March, "
		May,	same as	April' "
2.51	" "	June,	than in	May, "
15.	" "	July,	" "	June, "
12.50	" "	August,	" "	July, "

Increase of business in 9 months, 147.79-100 per cent.

In attaining the above gratifying result, the Company have also demonstrated, both, for itself and the "Western Union Telegraph Company" that lower charges in a business addressing itself to a general want, inevitably create more than sufficient business to compensate for the diminished rates.

The following is the scale of reductions in tariff from the old rates, since the organization of the A. & P. lines and its connections.

FROM NEW YORK TO

	Former Rate.	Present Rate.
Boston.....	\$ 60	\$ 30
Bangor.....	1 20	65
Portland.....	90	50
Philadelphia.....	40	25
Baltimore.....	70	35
Washington.....	75	40
Augusta, Me.....	1 20	60
Cincinnati.....	1 90	1 00
Buffalo.....	75	50
Cleveland.....	1 95	1 00
Pittsburg.....	1 15	45
Louisville.....	1 95	1 00

Though in some instances, as between the great sea board cities, this reduction has been 50 per cent., the public has not been benefitted at the expense of the Stockholders of either Company, as is shown by the rapid increase of business of the A. & P. Telegraph Co., and by the following table of receipts of the "Western Union" before and since the establishment of organized competition and lower rates:

Receipts of "Western Union" January, February and March, A. D., 1868, under low prices and competition.....	\$1,727,939.55
Receipts (high prices and no competition) corresponding months of 1867.....	1,594,644.96
	<hr/>
Increase under low rates.....	133,294.59
Receipts of the Western Union, April, May and June, 1868, with competition and low prices.....	\$1,749,631.52
Receipts corresponding months, 1867.....	1,559,778.79
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Increase under low rates.....	189,852.73
"    prior three months,.....	133,294.69
	<hr/>
Total increase, six months, under low rates..	323,147.42

or something over \$2,000 for each working day during the time.

How much of the increase is due to the normal augmentation of the business before alluded to, as steady and inevitable, we cannot of course know: yet if 80 per cent. of it is accorded to that cause, the point is still demonstrated that the public have been benefitted by nearly half rates, and the stockholders have not suffered.

In conclusion, the "Atlantic and Pacific Telegraph Company" state that they offer there Stock for sale (after having withdrawn it from the market for over six months,) because they desire to realize at as early a day as possible, at least *double their present wires for immediate purposes*, and at no distant time treble their existing facilities to meet the growing demand of their connections.

They offer it to investors for the following reasons:

1st. Because they have demonstrated from the actual building and operations of lines, as well as from the past history of other Companies, that telegraphic business is developing at this moment faster than telegraphic facilities.

2d. Because their design is to cover only the large commercial cities of the country, and the paying points, their policy being to devote the lines to through business and maintain no way offices, which do not sustain themselves.

3d. Because in contradistinction to the policy of the Western Union, whose aim seems to have been to cover the country, they build no unprofitable branches to operate as drains upon the paying portions.

4th. Because as compared with the Western Union, tho' building to the obvious sources of its princely revenue, the great commercial centers, it opposes a capital of \$5,000,000 as against \$41,008,000!

5th. Because with this moderate capital, and lines already finished to Chicago, and a business established, which with the exception of a single month early in the enterprise, has already earned a surplus over working expenses, they owe no debt, while the Western Union, by its last report, owe a bonded debt of \$4,946,800.00, and a miscellaneous one of \$400,228.00—a portion of the bonded debt bearing 8 per cent. interest.

6th. Because from the above fact it is evident that the interest alone paid by the Western union is equivalent to a dividend of 7 per cent. on the whole capital of the Atlantic and Pacific Telegraph Company.

7th. Because their expenses for repairs, general offices, the mechanism of the Company, batteries, rents, &c., being fixed and not liable to any large increase, 90 cents in every additional dollar earned by the doubled and trebled facilities which the Company design, can go to dividend account.

8th. Because they are satisfied that with low rates, and an abundance of wires, the telegraphic patronage of the country is as inexhaustible as the never failing wants of

trade and society, and that ultimately the telegraph will as unavoidably supercede the mails for commercial purposes as the rail-car has the stage coach.

9th. Because the official figures show that the business of the line of cities through which they already pass, in the hands of a single Company, without the stimulus of competition at high rates, and gauged by the *poorest month* in each year, has increased in 19 years more than 1,500 per cent.

For instance, as near as the data can be reached:

Buffalo did in 1848	\$3,966.48	worth of business;	1867,	\$84,704.84
Erie " "	1,097.88	" "	" "	9,834.12
Cleveland " "	5,415.96	" "	" "	51,340.36
Toledo " "	1,793.64	" "	" "	29,987.64
Detroit " "	3,416.42	" "	" "	59,419.68
	\$15,870.38			\$235,296.64

Increase in the five points enumerated.....\$219,426.26

These figures, however, represent only the business *starting* from these points, and the correct view of the increase of the business can only be had by doubling them, as in the general run many as messages are received at, as are dispatched from, any given point. The total increase, therefore, of these five points, without reference to other numerous points, equally good, such as Albany, Oswego, Syracuse, Rochester, &c., really is \$438,852.48.

In this connexion it would be interesting to give the approximate increase of the business at Chicago, Cincinnati and New York, but the figures of these two points have never been made public, though an intelligent telegrapher, long familiar with the Chicago office, estimates the messages received and dispatched from that office at over \$1,500,000 for the year.

Finally, The attention of investors is invoked, not only on the ascertained business of the points directly covered by the Company's lines, enormous as it is, but because, by its connections before mentioned, the Atlantic and Pacific Telegraph Company is enabled now, if it furnishes the facilities to participate in the increased telegraphing of the whole country, which its managers are satisfied by

simple normal growth is developing faster than any other department of commerce, and likely, judging the future by the past, to go on with an increasing ratio, which it will tax the enterprise of all companies to match with extra wires and additional facilities.

#### THE PROBLEMS ARE:

If the proportion of telegrams to letters increases in six years from a ratio of 1 to 218 to that of 1 to 237 in Belgium, the letters themselves increasing in the meantime, what will be the ratio in the United States in the next five years?

#### AND:

If 35,000,000 of people in eighteen months of 1866 and 1867 paid for telegraphing to a single company \$10,044,868.29, what will \$40,000,000 in 1872, or 50,000,000 in 1880, pay, with the whole country tranquilized under free labor, and commerce vivified by the completion of the Pacific Railroad, the trade of Asia, and the development of the central mineral regions of the continent.

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## ADDENDA.

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*New York, Jan. 1st, 1869.*

In a former edition of this pamphlet, on pages 8 and 9, we endeavored to show by actual statistics the unsuspected and yet enormous growth of telegraphing during the past few years; and while insisting that the increase therein demonstrated is greater in ratio than that of any other general business growing out of public improvements, we remarked that this increase is not an American anomaly, arising from the preternatural activity of American business, but is the direct and philosophic result of a new and scarcely appreciated element of development and progress, *which is everywhere working the same results.* And following this statement, on pages 10 and 12, we also demonstrated that in telegraphing, as in everything else supplying a public want, *lower charges inevitably create more than sufficient business to compensate for diminished rates.*

Since the publication of the former edition, we have been enabled to obtain official statistics from the following foreign countries, which establish the two points above alluded to, in a manner even more extraordinary than we had claimed.

STATEMENT SHOWING THE PROGRESS OF TELEGRAPHY IN SWITZERLAND.

	Number of messages.	Gross receipts in francs.	Average cost per message.
1852.....	2,876	3,541.00	1.65
1853.....	82,586	127,870.04	1.55
1854.....	129,167	208,887.36	1.62
1855.....	162,851	251,391.27	1.53
1856.....	227,072	319,947.22	1.41
1857.....	260,164	343,597.38	1.42
1858.....	247,102	343,597.38	1.35
1859.....	286,876	425,587.57	1.48
1860.....	303,930	408,429.04	1.34
1861.....	331,933	448,056.05	1.35
1862.....	373,452	530,417.50	1.42
1863.....	456,871	630,748.26	1.38
1864.....	514,952	615,317.00	1.20
1865.....	591,214	726,564.16	1.23
1866.....	668,916	684,319.89	1.03

From the above, it will be seen that in 15 years, through natural growth, stimulated by a reduction during that time of but 43-00 of a franc, the number of messages has increased from 2,876 to 668,916, and the receipts from 3,541 francs to 684,319-89-100.

STATEMENT SHOWING THE PROGRESS OF TELEGRAPHY IN PRUSSIA.

	Number of messages.	Gross receipts in thalers.	Average cost per message.
1852.....	48,751	114,539	2.35
1853.....	85,161	209,944	2.46
1854.....	116,313	328,506	2.82
1855.....	152,820	434,122	2.84
1856.....	221,411	591,038	2.67
1857.....	241,545	726,517	2.41
1859.....	349,917	808,521	2.31
1860.....	384,335	791,101	2.06
1861.....	459,002	875,783	1.988
1862.....	660,501	954,550	1.45
1863.....	887,583	1,039,961	1.18
1864.....	1,259,590	1,150,008	0.913
1865.....	1,527,455	1,242,480	0.812
1866.....	1,964,030	1,275,785	0.656



From the above, it will be seen that in 14 years the increase has been from 48,751 messages to 1,964,530, and that the receipts have risen in the same period from 114,539 thalers to 1,275,785. This table is also remarkable as showing, that, although from the inherent elasticity of the business, under a trifling reduction of rates, the growth was steady and large from 1852 to 1859. As soon as material reductions commenced, both the number of messages and receipts increased in much more rapid ratio.

STATEMENT SHOWING THE PROGRESS OF TELEGRAPHY IN AUSTRIA.

	Number of messages.	Gross receipts in florins.	Average cost per message.
1851.....	44,911	128,736	2.86
1852.....	62,716	209,547	3.34
1853.....	109,347	308,159	2.81
1854.....	190,522	544,697	2.88
1855.....	204,221	607,745	2.97
1856.....	251,941	778,294	3.08
1857.....	381,720	888,905	2.32
1858.....	419,449	760,811	1.81
1859.....	692,379	951,240	1.37
1860.....	700,795	991,275	1.41
1861.....	846,953	1,226,404	1.41
1862.....	946,675	1,267,966	1.33
1863.....	1,130,625	1,290,447	1.14
1864.....	1,610,663	1,322,948	0.82
1865.....	1,786,955	1,435,478	0.80
1866.....	2,507,472	1,644,742	60.5

This table again illustrates the points dwelt on by us, in a greater degree even than the preceding.

STATEMENT SHOWING THE PROGRESS OF TELEGRAPHY IN  
BELGIUM.

	Number of messages.	Gross receipts in francs.	Average cost per message.
1851.....	14,025	88,674	9.32
1852.....	27,217	165,973	6.07
1853.....	52,050	265,536	5.10
1854.....	60,415	280,845	4.65
1855.....	61,443	265,939	4.33
1856.....	99,273	359,579	3.62
1857.....	119,050	407,011	3.42
1858.....	145,726	413,926	2.83
1859.....	196,240	506,006	2.57
1860.....	225,819	527,743	2.34
1861.....	268,968	588,532	2.19
1862.....	291,787	605,044	2.07
1863.....	416,113	612,313	1.47
1864.....	564,497	789,399	1.44
1865.....	674,034	865,640	1.28
1866.....	1,128,005	962,213	0.85

This table again illustrates the point insisted on, with the fact emphasised in the returns of 1865 and 1866, that the greater the reduction, even when a low figure has been reached, the greater is the ratio of increase in the number of messages and *in the receipts*.

## STATEMENT SHOWING THE PROGRESS OF TELEGRAPHY IN FRANCE.

	Number of messages.	Gross receipts in francs.	Average cost per message.
1851.....	9,014	70,722	7.84
1852.....	48,105	542,891	11.28
1853.....	142,061	1,511,909	10.64
1854.....	236,018	2,064,983	8.74
1855.....	254,532	2,487,159	9.77
1856.....	360,299	3,191,102	8.68
1857.....	413,616	3,333,695	8.06
1858.....	463,873	3,516,633	7.60
1859.....	598,701	4,022,799	6.72
1860.....	720,250	4,188,065	5.81
1861.....	920,357	4,919,737	5.34
1862.....	1,518,044	5,302,440	3.49
1863.....	1,754,867	5,937,904	3.38
1864.....	1,967,748	6,123,272	3.13
1865.....	2,473,747	7,052,139	2.88
1866.....	2,842,554	7,707,590	2.79

With this table of France, which shows the largest increase, both in messages and receipts, with the largest

proportionate reduction in price, we close this branch of the subject, simply remarking that the same facts are again illustrated by the report of the Western Union Telegraph Company, just published, for the year 1868.

The gross receipts of that Company for the year, under lower rates and competition, are shown to have been \$595,992.71 more, and the net income \$347,744.90 greater than they were the previous year, without competition and at higher rates. As that Company makes no exhibit of new lines built during the year over productive territory, this increase of \$595,992.71, when added to the receipts of the new opposition lines, may be fairly claimed as showing the natural, normal growth of telegraphing in this country to be *nearly a million a year*.

Among whom shall this million, and other millions, increasing in geometric ratio, from year to year, with the augmenting population and the aggregating values of the country, be in future divided.

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*Office Atlantic and Pacific Telegraph Company,*

NEW YORK, October 1st, 1868.

TO THE STOCKHOLDERS—

*Gentlemen:* A proposition having been submitted at a late meeting of the Board of Trustees that a Statement as to the business condition and prospects of the enterprise should be made at once to the public, and an appeal made for such additional subscriptions as will enable us to furnish the business facilities now evidently necessary, which proposition, after some discussion, was referred to the Executive Committee for such action as they may deem expedient, accompanied by the following resolution, viz:

“That the Executive Committee be fully authorized and instructed to take immediate action for the securing of such extra wires as the increasing business required.”

This Committee, after careful examination, submit the following statements:

The lines were open for business about the 20th of

October last, and in November the public filled the wires to something over half their capacity; since which time, without any special effort, there has been a steady increase of business, the per centage of increase of receipts as per following table:

12	Per Cent.	more in	Dec., 1867,	than	Nov., 1867.
11.02	"	"	Jan., 1868,	"	Dec., 1867.
30.07	"	"	Feb., "	"	Jan., 1868.
6	"	"	March, "	"	Feb., "
21.08	"	"	April, "	"	March, "
2	"	"	May, "	"	April, "
2.51	"	"	June, "	"	May, "
15	"	"	July, "	"	June, "
12.50	"	"	Aug., "	"	July, "

We have reached about the maximum capacity of our wires, and are compelled to refuse business daily for want of facilities in order to do full justice to existing customers.

The latter part of May this Committee, in view of the fact that the regular meeting of the Board would not occur till July, took the responsibility of ordering and building an extra wire between New York and Albany, to relieve the longer circuits from the specialty of the Hudson River and Albany business. This wire was in full operation during the last week in June, and the receipts immediately responded, so that the business of that week was the largest we had done (the increase for that week being at the rate of 10 per cent. a month). The same state of facts continues to the present date, the business still increasing so that for want of sufficient facilities we are again compelled to refuse business in large amounts daily. That notwithstanding many difficulties, and the invariable charges when transferring our business for the West, at the termination of our lines, of an extra price to cover the dates, and in no case receiving answers on messages thus transferred, with the exception of a single month, the lines have shown a regular and increasing surplus of receipts over and above the working expenses.

That we shall open to Chicago and Cincinnati in a few days; and that it is now thoroughly apparent that we shall be unable to do the business within our reach. It is

equally evident that with three times our present facilities for business, our working expenses would not be increased more than about 10 per cent., so that the largely increased receipts would be mostly on dividend account. That on reaching the points aforesaid, the want of sufficient facilities to do the business will be greater in proportion than on the present short lines to Toledo and Dayton.

We would also add that the arrangements for connection with other lines, whereby we reach some twelve States, as announced in a circular more than a year since, are all working harmoniously; and that we have also contracts for connections with other lines, on reaching Chicago, extending our business to the North-Western States; and also a contract for connection with the Dominion line at Suspension Bridge, which, when built, will enable us to reach the Canada business. We mention these facts to show that while our facilities are not sufficient for the certain increase of business on our own lines alone, the further increase on taking the business of these connecting lines will make the necessity for more wires still more urgent; and also as showing a still greater prospect for a profitable business when the facilities are furnished.

This Committee, therefore, having reached the conclusions from the actual experience of building and working the present lines: That Telegraphic business is growing faster than Telegraphing facilities: That there is for us all the business we can do, and would respectfully suggest to the present subscribers that they will unmistakably contribute to their own interests, as well as to the great advantage of the general business public, by inviting the attention of their friends to this enterprise, with the view to its substantial realization by reaching the important commercial points during the present Fall and Spring, with sufficient wires to do all the business which may offer.

A. F. WILLMARTH, WM. H. GUION, JOHN H. MORTIMER, WM. D. SNOW, NORMAN S. BENTLEY, C. T. SHEPARD. ALFRED NELSON,	}	<i>Executive Committee</i>
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The undersigned Trustees, resident in the City of New York, fully endorse the foregoing statements and recommendations:

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OFFICE OF THE ATLANTIC AND PACIFIC  
TELEGRAPH COMPANY, 291 BROADWAY.

*New York, Jan. 1st, 1869.*

On pages 12 and 18 of the former edition of this pamphlet, of which this is so far a rescript, we gave the increase of the business of the A. & P. Tel. Co. to Aug. 31st. On the 3d day of Nov., the A. & P. Tel. Co. opened for business in Chicago, and we now append the table as then given, together with the increase to Nov. 31st, the December accounts not as yet being all in:

PER CENTAGE OF INCREASE OF BUSINESS A. & P.  
TELEGRAPH COMPANY.

12	Per Cent. more in	Dec., 1867, than	Nov., 1867.
11.02	" "	Jan., 1868,	Dec., "
30.07	" "	Feb., "	Jan., "
6	" "	March, "	Feb., "
21.08	" "	April, "	March, "
	No increase in	May, over	April, "
2.51	Per Cent. more in	June, 1868, than	May, 1868.
15	" "	July, "	June, "
12.50	" "	Aug., "	July, "
3.21	" "	Sept., "	Aug., "
12.70	" "	Oct., "	Sept., "
20.22	" "	Nov., "	Oct., "

Increased Receipts Nov. '68 over Nov. '67, 250 per cent.

## RESOLUTION OF BOARD OF TRUSTEES.

PASSED AT REGULAR QUARTERLY MEETING OF ATLANTIC  
AND PACIFIC TELEGRAPH Co., JULY 13TH, 1869.

*Resolved*, That the board of Trustees are especially gratified at the rapidly increasing business of the Lines, as shown by the report of the President of this date, and that the same be printed, and that the Secretary forward a copy to each Stockholder, reminding them that the details of receipts and expenditures, while they are not published for obvious reasons during the progress of construction, are always shown, and all other exhibits made in person to any Stockholder at the General Office; and that each be specially invited to call for such personal examination.

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NEW YORK, JULY 13TH 1869.

TO THE BOARD OF TRUSTEES OF THE

ATLANTIC & PACIFIC TELEGRAPH Co.

GENTLEMEN:

On the occasion of the half-yearly meeting of the Board, it seems proper, in view of the progress and gratifying increase of the business of the Company, that I should make an official statement of the facts of the past six months, not only in order to fully inform the Board itself of the substantial advance of our financial affairs, but in order that *they* being thus fully informed, may give to enquiring friends the cheering assurance of success which the enterprise warrants, to the end that we may realize as early as possible the double and triple facilities which we need. December, 1868, closed with the lines of the Company, so far finished to Chicago, as to enable us to command the use of two wires to Sandusky, Ohio, and of one wire from there on. There were, in addition to these wires continuously used, detached portions of other wires, which though

costing a large outlay of money were not in a condition, for want of through connection, to contribute to the earnings in the proportion of their cost.

Since that time the third extra wire has been completed and connected between Sandusky, and Urbana, making our No. 2 effective through to Chicago, and the wires for the past month have been crowded to their utmost capacity.

The eastern end of No. 3 commencing at New York City is now done to within a few miles of Buffalo, and as soon as put in operation to that point' by relieving No. 1 of the local business between New York and Buffalo, will enable us to increase our earnings on through business at least 25 per cent.

The fourth wire sufficient to reach Albany has already arrived and is now being distributed: and its erection with the most approved style of insulation will immediately commence. In addition to this, a line to Brooklyn, with a submarine cable under the East River has been built. Also a line from Skaneateles through Auburn and Seneca Falls to Clyde, N. Y. on independent poles, as part of the third wire, has been put up and is in operation; and a second route from Logansport via Fort Wayne to Toledo, ordered for the purpose of placing the latter important point upon a through circuit, and doubling our chances of maintaining connection with Chicago, through a country heavily timbered, and therefore peculiarly liable to interruption.

The reason which influenced the Executive Committee, in ordering and providing for these additional and duplicate wires, was the fact apparent to them nearly a year ago, that the telegraph business of the country is everywhere growing faster than the facilities, and that the utmost effort practicable would not enable us to increase our wires fast enough to meet the demands of our customers over the routes already occupied; and at the last meeting of the Board an extended calculation was presented based upon last year's increase of business, as a warrant for extraordinary effort in the direction of extra wires.



By reference to the receipts, it will be seen, that although Mohawk River and Tonawanda Creek this year swept away portions of our line, and totally interrupted communication, so as to present a decrease of 24 per cent. in month of April, notwithstanding this, the total gain of this year, from January to July, over the same period of last year, amounts to 124 per cent.; and it seems reasonable to conclude that with extra wires, heretofore completed in sections, and now about being connected so as to be available for through business, this rate of increase will be more than maintained throughout the remainder of the year.

In brief, the President submits that results are now taking the place of anticipations, in a ratio that more than doubles our business yearly, while the proposed extra wires would not increase our expenses more than 10 per cent., and that it is obvious that we have only to supply the requisite facilities to realize all that we have hoped in the success of the Company.

A. F. WILLMARTH,  
*President.*

# The Atlantic and Pacific Telegraph Co.,

CAPITAL \$10,000,000

Shares \$100 each.

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2nd Vice-President, WILLIAM H. GUION.

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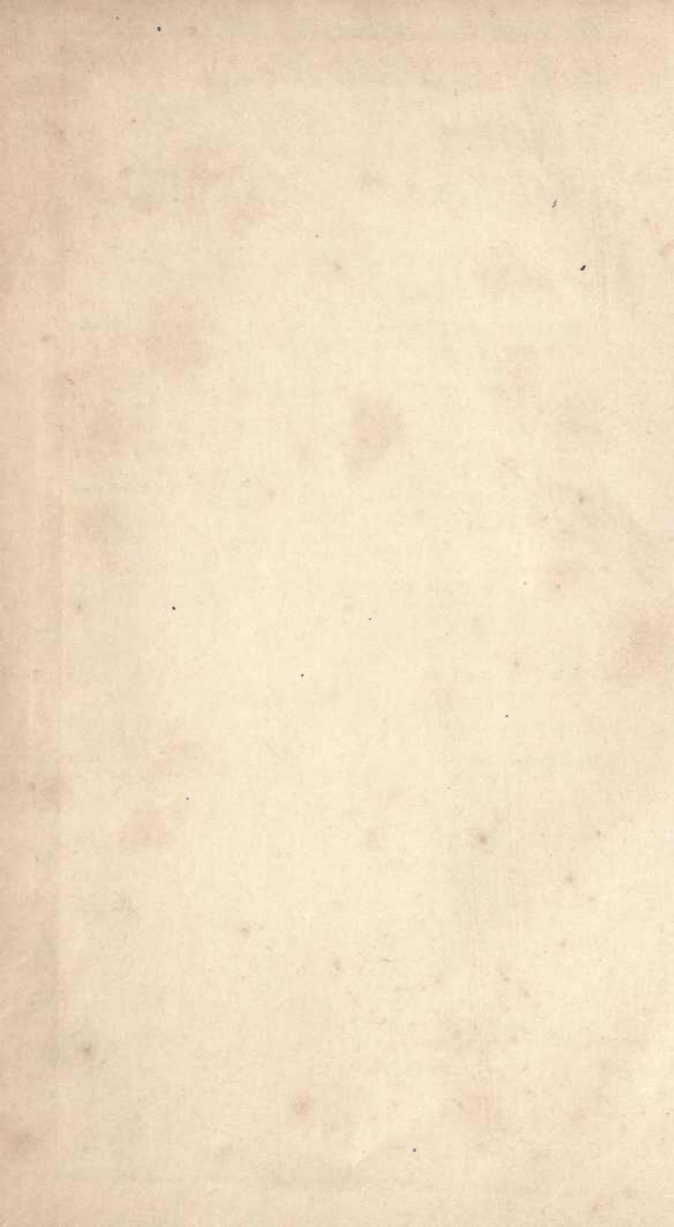
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