

# STORIES OF WALL STREET

## The Control of the St. Louis Southern

By LOUIS JOSEPH VANCE

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**J**OSEPH W. BARR was a unique product of the stupendous boom in trust building which had swept into Wall street on a tidal wave of dollars a hundred-headed individuals who had abandoned the somewhat pietistical craft of the promoters.

The wave receding, his fellow voyagers had been hurried back, one by one, into the obscurity whence they issued, but Barr made land—and, incidentally, financial history.

In the old days as a drummer for a hardware house, "Joe" Barr had earned the reputation of the nerviest poker player west of Chicago. But he also sold goods, and when a friend of his conceived the idea of making a nail of wire in place of iron the two had combined their slender resources and built a plant for its manufacture, which developed until it was finally promoted into the wire nail trust. Barr found himself in possession of an even \$10,000,000 and plenty of time to tilt with fortune.

A brief survey of the field convinced him that only in Wall street was the limit sufficient indefinite and the stakes great enough to justify his undivided attention. He promptly formed the brokerage house of Willis, Barr & Co., with John Willis as stock exchange member and several of his western friends as special partners, and shifted the pack preparatory to making the bespectacled financiers in proboscided banking parlors "sit up," as he tersely put it.

And sit up they did, even to his, if not their, entire satisfaction. They sat up nights trying to puzzle out what this "western gambler," as they unanimously declared him to be, would do next. In all things but one, Joseph W. Barr walked with the hand of fortune, and it was out of this one unfulfilled desire that came one of the most amazing deals in the annals of the street.

If you had looked in on the Wall street offices of Willis, Barr & Co., where a dozen tickers spun out their miles of fraction-laden tape, each fraction a fortune lost or won, and where as many telegraph instruments flashed messages to great cities afar, you would have thought last of all that the short, fat man, with so much double chin that it scarcely yielded way to the alk handkerchief stuffed beneath it, had social ambitions. But he had.

Two months before he had been hopelessly blackballed at the most exclusive club in the city, and Barr's soul still burned hot with anger at the banker whom he knew to be responsible. This man had "stacked the cards," he told his western friends, and with this explanation went the assurance that he would somehow get even if he "went broke" doing it.

And even as Barr watched the spinning tape it was telling him that his chance had come. With the loose ends of his handkerchief he mopped his face, a perpetual occupation of the man, and each click of the instrument, translated, said to him: "I've got him, I've got him."

Through the subterranean channels of information with which the street is honeycombed Barr had learned something a week before which led to a long consultation with his partners from the west. At its end he had sent for Sanford Pierce, the shrewdest manipulator of stocks the street had ever known.

The place of the stock manipulator in the economy of Wall street is too clearly defined that while he holds between his hands the fate of vast schemes, some reputable, many not, there is no known instance of a breach of trust on his part—his loyalty to his employers is his stock in trade. Moreover, in this instance Pierce was a man after Barr's own heart, a scorpion of puny tradition and a hardy soldier of fortune on many fields.

Therefore in the privacy of his own office Barr went straight to his work and the other listened with something like a fellow artist's appreciation of the cunning of the thing—for it was the game of games—and a brother's sympathy for the genius of it all, the hot wrath of a gambler thwarted.

"In the first place, Pierce," began Barr, with a smile that he had sent for Sanford Pierce, the shrewdest manipulator of stocks the street had ever known, "I am going to tell you frankly that I'm in this thing to satisfy a personal grudge. That will show you how much confidence I put in you and to what lengths I'm ready to go to carry it through. It is neither a question of spending money nor making it, although I guess we'll do both before it's over."

"What I want is the control of the St. Louis Southern railroad, and from some things I've learned I think there is a good chance to get it. The capital of the road, as you know, is \$40,000,000; that's 400,000 shares. In addition to that, I know that it has just bought a smaller road, and to pay for it is considering the question of issuing 60,000 shares of stock authorized a long time ago and held in the treasury. It is on these 50,000 shares that I'm counting for success."

"When they are issued it will take about 235,000 out of the 460,000 shares to carry control. I've made some pretty careful inquiries and calculations as to where and how the St. Louis stock is held, and jotted down the facts." Barr took from his desk a memorandum and read the tabulated figures slowly:

"In investors' hands... 80,000 shares  
"In the street... 40,000 shares  
"In London... 60,000 shares  
"In Willis, Barr & Co., 10,000 shares  
"In Bowman & Co., and friends... 210,000 shares  
"Total... 460,000 shares

"Of course," Barr continued, handing the memorandum to Pierce, "the figures are approximate, except the net-egg I've picked up here and there in the last few days."

"How do you get what we want of these holdings is, of course, for you to say I presume you've got to hammer St. Louis down to scare out stock from the investors, and the street and London, but I know you've got to put it up to get that 60,000 shares from the road's management. If you put it from \$100 a share, where it is now, to \$110, it will mean ten dollars a share, or \$600,000, which they'll sell quick. They'll do it, too, for fear it'll go down again. They'll sell it before it's listed on the exchange for that takes 30 days."

"You know what that means. They'll have sold something they haven't got until the 30 days are up. In the meantime, they'll borrow, without knowing it, our stock, the stock we've cornered, and when we call on them for it they won't have it to give us and we can make 'em settle for any figure we're kind enough to name."

Pierce nodded appreciation of this plan that was being laid for the unwary management.

"What about Bowman & Co's stock?" he queried. "They've got the control."

"He knew the answer before he asked the question."

Barr got up from his chair and walked over to the screened window. He looked out on the hurrying Wall street crowd, mopping his face with the handkerchief.

"Pierce," he said, facing the manipulator with a quick movement, "the banking house of Bowman & Co. will sell that stock for the road. They'll sell short a big block of their own stock at the price we'll put it to, expecting to get it back lower."

These and other essentials worked out, Pierce sent for his personal broker, William Hathaway, whose standing in the street was the highest, which is to say that his connections with Pierce were absolutely unknown. To him Pierce told as little as might be of the business in hand, and personally assumed all responsibility for the deal.

"I've got some information on crops," Pierce explained, confidentially. "They're bad in the southwest, and we'll sell the granger roads in that territory, as they depend on crops for earnings. St. Louis Southern ought to feel it most. This is Thursday; you sell 60,000 shares of the other three southwest roads and 30,000 of St. Louis. We'll buy back our short stock when St. Louis reaches 93, seven points under its present price. If you have to sell more to break the market down, go ahead, but be careful about raising suspicion."

The broker hurried away, proud of his supposed possession of the "old man's" confidence, and Pierce arranged through other brokers for the purchase of the bulk of the stock Hathaway sold and all the St. Louis Southern that frightened holders might throw over on the break.

The well-planned attack had immediate effect. The grangers, including St. Louis Southern, had broken 1 1/2 points at the close and on Friday, when the bears had joined the movement, they broke still further, big stop-loss orders having been reached at 87 in St. Louis, which closed at 94 1/2. On Saturday sales of 10,000 shares of St. Louis for London account and a bad statement by the banks, whose resources had been depleted through cash withdrawals by Barr's Chicago banking friends, offset dispatches from the malignant west telling of bumper crops. The financial writers ascribed the weakness to a bear raid for quick profits, so skillfully had Pierce concealed its real object.

St. Louis Southern touched 93 shortly after the bank statement was issued, but rallied sharply at the close to 94 1/2. The floor said the rally was due to evening up purchases by the bears, but it really came from wholesale buying by Pierce's unknown brokers. St. Louis Southern had been put down seven points without arousing suspicion, and the shrewd manipulator felt that he had shaken out as much weak stock as could be done with impunity.

After the close of the market Pierce went down to Sheephead Bay to watch one of his horses win the Seaside stakes. In the paddock before the race he met Barr, who was looking over Chelton, the western champion that his Chicago friend, James B. Blake, had brought east to meet the season's cracks.

"Well," said Barr, ambiguously, mopping his face as usual, "you going to win—the Seaside?"

"I usually win—everything," answered Pierce, laughing. And the two men laughed together and separated.

On Sunday night Pierce met Barr by appointment at the latter's apartment in an uptown hotel. The manipulator had with him a memorandum of his operations on the bear side of the deal, just closed.

"Pretty bad market the last three days," Pierce said Barr, with a chuckle. "Did you buy any stocks on the break?"

"I bought considerable St. Louis Southern—I think it's going higher," retorted the manipulator, and then he plunged into the facts.

"I don't know exactly how much St. Louis we shook out on the pounding we gave it, but my brokers accumulated 80,000 shares. We're short about 30,000 shares of other stocks put out to help the market, but I guess we can cover them at a loss of about

### PREHISTORIC MAN IS FOUND

Fossil Remains of a Briton 170,000 Years Ago Discovered in the Thames Valley.

London.—Back in a time that no man knows, 170,000 years ago, there lived in England a race of men, whose stature and physical characteristics did not differ materially from those of the Englishman of today—a race that had shed all traces of simian traits in face, feature and body, and whose brain cavity was larger than is often found in highly intelligent people of our modern age. This has recently been proven by the discovery of the



The Ancient Briton.

bones of a prehistoric man buried 170 feet deep under a terrace, which is regarded, and with good reason, as the ancient bed of the Thames river.

There is no reason to believe that the elevation or depression of the land, which leads to the rise and fall in the level of the river, has not been uniform. The past must be judged from what we know of the present, and on this basis the land movement which formed the terrace, and which has scarcely changed since the Roman period, has been deposited at the rate of one foot in 1,000 years, this assigning a period of at least 170,000 years since the high-level terrace was laid down at Galley Hill, and the ancient Briton was entombed in the river bed.

This ancient Briton was five feet one inch in height. The neck was enormously thick and the chest was narrow and protruding.

### FINDS SECRET OF EGYPTIANS

Art of Hardening Copper is Rediscovered by Railroad Fireman of Kansas.

Newton, Kan.—The process of hardening copper to the temper of steel, an art known only to the Egyptians hundreds of years ago, has been rediscovered by a Kansas descendant of a long line of metal workers, it is declared. John Stipp, a Santa Fe fireman of this city, is said to hold the secret for which scientists of many countries have sought for many ages.

In a tiny laboratory of a neat, well-kept cottage near the railroad shops,



John Stipp.

looking for all the world like other cottages of the average laboring man, the lost art was recovered. John Stipp's father, grandfather, great-grandfather and how much further back he does not know and does not care, were metal workers. For eight years he has been successfully experimenting in his laboratory for the secret buried with the ancient Egyptians. Recently his years of discouraging failure culminated in success, and he holds a process for tempering copper until it defies the hardest files, he says.

Walled Lakes of Iowa.

Des Moines, Ia.—Along the water sheds of northern Iowa there are great many small lakes varying from half a mile to one mile in diameter. One of these in Wright county, and another in Sac county, have each received the name of "Walled lake," on account of embankments that completely surround them. It has been generally supposed that these embankments were thrown up by ancient inhabitants of the country. They are from two to ten feet high, and from five to thirty feet in width. Some who have examined these, however, declare them to be the result of natural causes only, and ascribe them to the periodic action of ice, aided to some extent by the force of the waves. The lakes are very shallow, and in winter they often freeze to the very bottom. The ice freezes fast to the earth below, and as in its expansion it acts in all directions, from center to circumference, a certain part of alluvial deposit is forced to the shore, and this going on from year to year, and from century to century, has created the natural embankment.

30,000 Seals Captured by One Boat.

London.—Eleven steamships of the Newfoundland sealing fleet have had fair catches, the Bonaventura, the first to return to St. John's, bringing back 30,000 seals.

### SURELY DESERVES A MEDAL

Record Act of Bravery That Is Set to Credit of Intrepid New York Man.

The bravest man in New York made his appearance in a Broadway store last week. He carried an enormous bandbox which contained an enormous hat in which the man wanted what he considered an enormous amount of money refunded. The man was pretty mild and while looking for some one who had the authority to negotiate the transaction he talked loud enough for everybody to hear. "My wife bought this hat," he said. "She doesn't need it. She has already bought three hats this spring. She paid \$55 for this one. She has never worn it. It just came home last night. I can't afford to throw all that money away and I want you to take the hat back. She wouldn't bring it down, so I undertook the job myself."

"By the side of that man Napoleon was a cringing coward," said the young woman who had made the sale. "Imagine his frowning into a Parisian millinery shop with a hat that he didn't want Josephine to buy. He couldn't have done it. Very few men can. Once in a long while some poor New Yorker with the courage of desperation in his heart returns merchandise which he cannot afford to buy for his wife and his audacity upsets the whole store for a month."

### Head on Crooked.

Little Paul had always been taught by his mother that God had made him and that he ought to be thankful that he had been made so perfect; eyes, ears, feet, hands and all complete. His mother had bought a new cook stove and Paulie was examining it. He lifted the reservoir lid and looked in. There was his picture, as natural as life, in the water, but he was sorely troubled, while looking at it. When asked, by his mother, what the trouble was, he said:

"'Dud might o' made me persect, but he put my head on crooked."

### Took Professor's Word for it.

"Didn't you hear all of the professor's lecture?"

"Why, no. He began by saying that sleep is the secret of right living—and then I came home and went to bed."

### He Knew.

Backer—You got 'r-r-r-immed bad. I thought you said you were confident of the result of this operation.

Puglist—I was. I knew I'd got licked.—Puck.

That Liberal Congress.  
"Washington has asked for one hundred additional policemen."

"What about it?"

"Congress wants to give them that many new laws, instead."

Certainly.  
Teacher—What happened when the army fell into the ambush?  
Little Willie—Why, they were all scratched up.

### MENTAL ACCURACY

Greatly Improved by Leaving Off Coffee

The manager of an extensive creamery in Wis. states that while a regular coffee drinker, he found it injurious to his health and a hindrance to the performance of his business duties.

"It impaired my digestion, gave me a distressing sense of fullness in the region of the stomach, causing a most painful and disquieting palpitation of the heart, and what is worse, it muddled my mental faculties so as to seriously injure my business efficiency."

"I finally concluded that something would have to be done. I quit the use of coffee, short off, and began to drink Postum. The cook didn't make it right at first. She didn't boil it long enough, and I did not find it palatable and quit using it and went back to coffee and to the stomach trouble again."

"Then my wife took the matter in hand, and by following the directions on the box, faithfully, she had me drinking Postum for several days before I knew it."

"When I happened to remark that I was feeling much better than I had for a long time, she told me that I had been drinking Postum, and that accounted for it. Now we have no coffee on our table."

"My digestion has been restored, and with this improvement has come relief from the oppressive sense of fullness and palpitation of the heart that used to bother me so. I note such a gain in mental strength and acuteness that I can attend to my office work with ease and pleasure and without making the mistakes that were so annoying to me while I was using coffee."

"Postum is the greatest table drink of the times, in my humble estimation." Name given by Postum Co., Battle Creek, Mich.

Read the little book, "The Road to Wellville," in pkgs. "There's a reason."

Ever read the above letter? A new one appears from time to time. They are genuine, true, and full of interest.