PHONE MATTERS AT DAYTON

How the Two-Service System Works in Ohio Town.

HOME COMPANY MAKES NO BETTER RATES

Difficulty of Financing a Full-Grown Telephone System on Original Basis of Small Patron-

age at Start.

DAYTON, O., Oct. 20.-(Special Corre spondence of The Bec.)-Telephone competition in Dayton, O., is particularly interest ing, for the reason that the new company in the city has the second largest auto matic installation in the country and the automatic equipment is put forth as great economizer. Furthermore, the Home Telephone company of Dayton has its own building erected for the particular service for which it is used. The company is a local organization and started into business under what the promoters were pleased to term the most auspicious conditions This new telephone company, which has had its plant in operation just one year, promised the telephone users of Dayton improved service at lower rates and the

local investors a good profit on their in-

Inquiry among the business men of Dayton, many of whom are financially inter-ested in the new company, elicits the general impression that the local service of the Home company is as good as that of the Bell company, while the long distance service of the old concern is superior Some express a preference for the auto matic system, believing that a user makes his own connection quicker than the operator on the manual system does. In press ing the inquiry to details, the investigato brings from the user the statement that the Bell local service is more extensive than that of the Home company and for that reason more valuable. To sum up the effect of the competition on the telephone service of Dayton, it may be said that in promptness of connections and distinctness of transmission one service is no better than the other; that the Bell local service is nearly twice as extensive as the Home; that the Bell has the greater number of toll line connections and has the advantage of exclusive connections with the Cincinnati exchange.

Extent of Home Service. H. P. Miller, general manager of the Home company, says the new exchange has 3,600 stations in service, although his latest directory shows but 3.121, of which 1,407 are business and 1.714 are residence 'phones, The latest directory of the Dayton Bell exchange shows 6,077 stations in service-2,215 business and 3.963 residence.

Taking the figures from both directories, which are issued about the same time, as a basis for calculation, we find the business with full force to the telephone business men of Dayton are paying a higher rate but the subscriber makes a wrong applicaper connection in the Home exchange than tion of it. He makes the telephone instruthey are paying in the Bell exchange, as ment the unit, whereas the true unit is

No. of Maximum per con-Stations. Bus. Rate. nection. 6,077 \$72 \$.0118 3,121 40 \$.0128 Bell ... The residence rate, per connection, is also higher in the Home than in the Bell exchange, as follows:

exchange. This point may be brought

EASY

25% Below Competitors

Don't pay INSTALLMENT prices, you can get them here



FURNITURE CARPETS

BEDDING STOVES, Etc.

OUR TERMS: \$25 worth, \$1.00 per week.

\$50 worth, \$1.50 per week.

\$100 worth, \$2.00 per week. OMAHA FURNITURE and

Between 12th and 13th on Farnam Street.

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Artistic Singing. Interpretation.

Correct Breathing.

Studio in the Davidge Building, 18th and Farnam Streets. Mr. Kelly uses the Steger Piano

THE HARMLESS CANDIDATE

Monse of Representatives 2. 9. 30 mahington, 3 C.

January 6, 1904.

Hon. J. W. Cook, Secy., Nebraska Ass'n of Postmasters, Blair, Neb.

I am in receipt of your letter of December 29th, stating that the executive committee of your association has endorsed the recommendation of the Post Office Department recommending certain allowances to postmasters for clerk hire in proportion to the official salary of the postmaster.

I think I am not guilty of any breach of confidence in advising you that the advocacy or opposition or even votel of the members of the minority in the House will cut very little figure in deciding this question, for the republican brethern, exercising to the fullest extent the powers of the majority, settle all matters of this sort in committee, and leave to the minority members the more harmless function of distributing seed. My sympathies are naturally with the third) class postmasters. To my certain knowledge they do not roll in luxury and most of them perform their duties faithfully to the government and to the satisfaction of the people. If they ask me for garden seed I will respond; but when they ask me for salaries and allowances I must during the present administration refer them

fur thekeast

"The public needs to be reminded that this is a business of furnishing telephone service and not the renting of telephone The telephone subscriber instruntents. has an ineradicable belief that the larger the exchange the lower the rates per station should be, and as a reason for that faith he quotes the indisputable business axiom that the larger the business the lower the cost per unit. The average telephone manager will reply that axiom has no application to the telephone business. Both are wrong. The axiom applies the telephone connection. If the company one company rents bicycles, another sewing machines, and another roller skates, then the more telephones it rented, the lower it should make the rental, and, in that case, a telephone should cost less in Atlanta than in Hendersonville. As a mat-

while the Hendersonville subscriber, at \$21 tion of locals instead, which are rega out more clearly by quoting from a state- a year and with only 125 connections, pays more satisfactory, ment made by the now defunct independent 3 cents for each of his conversations. Doing An advance all along the line is looked a larger business, the Atlanta exchange can do businesse at a less rate per conversation unit, but it would soon bankrupt

> flat rate per instrument charged in Hendersonville."
>
> And so it is with the Bell exchange at do business at a less-rate per connection than the Home exchange charges, but it would soon bankrupt itself if it attempted to do business at the Home rate per instrument. And it should be remembered that a telephone is of value to the user in proportion with the number of connections

affords him.

Some Pointed Comparisons. While the rates per connection of the Dayton Home company are higher than the rates per connection of the old exchange, its rates are a great deal lower per station or per subscriber. As the Home exchange grows in extent of service its rates per connection will naturally decrease and by the time its number of connections is equal to the number of connections in the Bell exchange, its rates per connection will be considerably less than the Bell rates per connection. To illustrate this point let us presume that the Home ex-

Bell exchange and put the figures in tabular form, as follows: Max. Bus. Rate Per Rate. Connect's \$72.00 \$.0118 40.00 \$.026 Now, the question arises, Can the Home tion, making the rate per connection only New York. a fraction of a cent? If not, then it must increase its rates per station and the telcphone users of Dayton will have gained

nothing, so far as rates are concerned,

change grows to the present extent of the

from years of competition. Must Home Company Raise Rates? As a matter of fact, the present rates per station of the Home company, with only 3,121 stations or connections in service, are insufficient to produce an income sufficient to cover the proper charges against the business. The capital stock of the company amounts to \$1,200,000, of which \$600,000 is preferred 5 per cent dividend stock. The bonded debt of the company is \$250,000 at 5 per cent. General Manager Miller is authority for the statement that the plant represents an investment of \$826,000, which is a little less than the total of the preferred stock and the bonds. Mr. Miller is also authority for the statement that the operating, maintenance and general expenses amount to \$15 per station and that 5 per cent on the whole investment is a proper charge for depreciation. The annual charges against the business, therefore, may be stated as follows:

Interest on bonds, 5 per cent on \$250, \$12,500
Interest on preferred stock, 5 per cent on \$500,000. \$30,000
Expenses, 3,121 stations, at \$15 cach. 46,815
Depreciation, 5 per cent on \$836,000. 41,300

The possible income from 3,121 stations is 1,407 business telephones at \$40....\$56,280

Total\$97,416 After allowing the uncollectable rentals and tell line receipts, the probable income may be about \$100,000, or more than \$30,000 n year less than the total charges against the business. From this showing it seems than an advance in rates is absolutely necessary to make the Duyton Home Telephone company a self-sustaining business. An advance in rates to the level of the rates in Dayton is necessary to make it a fairly profitable business. And on each test is to be doubled, making it with such an advance seemingly inevitable, possible to increase the scope and a more what have the people of Dayton gained suitable treatment of the subject of exby the telephone competition? What is amination.

telephone company of Asheville, N. C., as the ultimate compensation for placing an additional expense of about \$50,000 a year the period of competition or "double" telephone service? What does the city get, ingness to meet us half way. ultimately, for having its streets torn up for additional conduits and for having its streets encumbered with additional pole H. J. G.

> SCHEDULE OF GRAIN RATES New Tariffs on Shipments Originating West of Mississippi Effective November Seventh.

A new schedule of grain rates on shipments originating west of the Mississippi river will go into effect November 7. The Burlington is the leading mover, but it is was in business of renting telephones, as probable that other roads will become inthe proportionate rate between Omaha and Cincinnuti. At present the rate to Cincinnati from this city is 15 cents, 9 cents being allowed for the haul from the river to this

lanta costs three times, and is worth more for the haul and a rate is promised of 10 built up quite large manufacturing centhan ten times as much as one in Hen- cents to the river and 9 cents from the ters and, I believe, should be done in dersonville. The difference grows out of river to Cincinnati, making a rate of 13 Omaha. \$.059 dersonville. The difference grows out of the control of the fact that the Atlanta subscriber uses cents. This will make an increase of 1 cent for the haul west of Chicago and 3 cents As a matter of fact, therefore, the tele- telephone thirty times a day, while the for the haul west of Chicago and 3 cents instrument, are much higher in the Bell cost him only two-thirds of a cent each, abolition of the through rate and the adop-

for after the close of navigation on November 5. Local terminal lines have as yet received no intimation of the raise, but itself if it atempted to do business at the the rate usually follows the closing of the water routes. The closing of the lake will advance the seaboard rate both by way of St. Louis and the Chicago gateways. The Dayton-doing a larger business, it can local to be adopted by the Burlington is an independent movement originating at Chicago and is made to overcome a short proportional in the territory affected.

BARTON BUYS JOBBING TRACT

buildings once the commodious dwellings of prominent Omaha people. These will be removed as soon as Mr. Barton determines to replace them with new structures. One of these lots was school board property, another was the property of Abraham Martin, another the homestead of Theodore C. Livingston, another that of company afford to give a service of that John C. McGinn and still another lot beextent at the business rate of \$40 per sta- | longed to Lawrence Rath, a resident of

The deal has been pending for some time, but is now complete, and the transfers, deeds, etc., are on file in the court house.

HIGH SCHOOL NOTES

The Lininger Travel club rendered the following program Friday afternoon: "The Churches of Paris" ... Mabel Ne.son Recitation ... Ethel Lewis "The Louvre" ... Mildred Rose Plano Solo ... Mildred Rose "The Boulevards of Paris" ... Mildred Rose "The Boulevards of Paris" ... Mildred Rose "The Boulevards of Paris" ... Hilds Advise these enterprises locate elsewhere in preference to Omaha. Negotiations are already under way looking toward the location of some large manufacturing enterprises on this property."

Debate Resolved, That London is a More Interesting City Than Paris.

Bessie Davis, affirmative Mamie Edling, negative.

An Italian program of the control of An Italian program of great interest was rendereded by the Plelades society at its meeting Friday afternoon. It consisted of the following program: Piano Solo-Cavalleria Rusticana.

its usual weekly meeting. The usual business of the society was transacted, after

program: Parliamentary Lesson
Competitive Parliamentary Contest....
Debate—Resolved, That the Term of the
President of the United States be Seven
Years and That He be Incligible to Re-

election.

Mr. Arthur Proctor, affirmative.

Mr. W. Hoffman, negative.

The Lincoln society had a short business meeting, at which plans for the coming year were discussed and committees appointed. Examinations are to be held next Thurs-

day and Friday on the work thus far covered by the students this year. The time

Sites to Be Donated to Manufacturers Who Locate at Sarpy Mills.

SUBURB TO HELP BUILD UP OMAHA

P. E. Her Tells of Formation of Land Company by Interurban Railway Promoters and Purchase of Tract.

The Omaha, Lancoln and Beatrice Electric rallway has formed a land company with the intention of building a manufacturing suburb to Omaha at Sarpy Mills. Something like 500 acres of land has been acquired and factory sites will be denoted to companies willing to locate in the west. P. E. Her was in Papillion all Saturday morning getting options on additional property and closing up unfinished negotlations. He has been reticent so far as to the plans of his company, but now feels things have reached a stage where he can talk. Mr. Her snys:

"I became connected with this line something like a year ago, although I had previously been approached regarding it. At first I was inclined to think it was a paper scheme and paid very little attention to the matter, but after a thorough investigation and becoming acquainted with Mr. Hurd and some of the other parties interested, who are located in Akron, Cleveland, Pittsburg, St. Louis and New York, I became convinced they meant business and were experienced men in that line with plenty of means to carry out the enterprise and that this road would do Omaha and the state a vast amount of good. These roads in the east are quite popular throughout the country and with merchants who, as was remarked by an eastern friend of mine having considerable experience with them, would not do without the interurban electric roads even if obliged to build themselves. This road would be of untold advantage to the packing houses and stock yards.

"Our relations with the Omaha Street Railway company, as well as with a number of the railroad companies entering on the telephone users of Dayton during Omaha, have been and are very pleasant and cordini and they have shown a will-

Seek More Manufactories. "As to the object in the purchase of so much land: For the last two years we have labored under great difficulties in endeavoring to get manufacturing industries to locate here, the great objections being the high cost of land, water and power, together with the enormous taxation. We have lost a great many manu facturing concerns on these accounts, they having located in Iowa, Peoria, Ill., and other places. Large Omaha jobbers are now carrying stock in warehouses outside of the city.

"I tried some years ago to get the city council to pass a resolution providing that no tax, or at least a very small one, should be assessed upon the improvements placed COMPLETION SET FOR APRIL FIRST NEXT upon real estate by manufacturing enterprises until their business was thoroughly established, but without result. This is done in Peoria and a great many other The present rate is considered too small eastern cities, which have by this means

"Under these circumstances the need of these two counties, where plenty of water Stickney tract in Omaha. could be obtained, it would be of great importance to this section.

Means of Promoting Industry. "Getting the land, as we do, at a price the saving in water rents and city taxa- mary of the articles of incorporation of tion, and cheap living for their employes, this company: we could offer great advantages to manufacturing enterprises locating there. With this railroad, making the distance from Omaha approximately five or six miles and a service between there and Gmaha of the corporation shall be in the city of Omaha and state of New York.

fit to work in harmony with us.

"This will make an ideal location for flour, cereal, glucose and starch mills, as well as distilleries, tanneries, glove and shoe manufactories and kindred enterprises, having an abundance of water, sewerage facilities and railroad connections.

"Other railroads no doubt will be glad to connect themselves with the enterprise and put in trackage facilities, some of them, in fact, having already sispified.

"This mammoth elevator, and one of the

their willingness to do so.

"I think this will be of great benefit to Omaha and believe inside of two years there will be a great amount of money expended at that point. Property is too high priced in Omaha and South Omaha for manufacturing industries to purchase and we cannot afford to see any more of

MONEY SIDE OF NEW CHURCH Financial Statement Rendered by Treasurer of First Baptist at Annual Church Meeting.

The series of meetings in connection tist church was closed last Thursday even- curtail their business five months in the discussion of future plans. The treasurer gateway of the great crops of Nebraska." offered this report:

The authorized expense for the coming position to help along the good work by year has been increased \$1,000, account pas-tor's salary and music.

Officers were elected for the year: Moderator, E. E. Womerseley; clerk, S. V. Fullerway; treasurer, E. H. Ambier; senevo'ent treasurer, H. H. Bollard; Sunday school superintendent, H. A. Sexton; deacons, G. W. Clarke, P. M. Pritchard. A. P. Cloyd, T. B. Norris, M. C. Steele. homas Lewis and H. F. Curtis; trustees J. H. Dumont, J. A. Sunderland, John R. Webster, Amos Field, H. H. Baldrige, W. S. Curtis and C. J. Lyons.

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NEW LOCATION 1423 Farnam Street

Now Open for Business. Come and see us.

MILLION BUSHEL ELEVATOR

Immense Modern Steel Structure Decided on by Stickney and Associates.

Company Promoting This Big Enterprise is Incorporated, with Prominent Omaha Men. at the Head,

When A. B. Stickney, president of the building up a manufacturing city in close Great Western, stood before the Nebraska phone users of Dayton are paying more Henderson subscriber uses his twice. The for the eastern haul. Such a rate is refor the home service than they are for Atlanta subscriber pays \$86 a year for garded a fairer proportion of the rate be. After talking with the commissioners of with his "dreams of the future" of Omaha the Bell, although the rates, per telephone telephone service, but his conversations tween the points named. It means the both Douglas and Sarpy counties, who assured me they would do everything in their altogether. In his pockets he carried with incourage such enterprises. I him the plans for a new modern steel ele concluded if we could build a manufactur- vator of 1,000,000 bushels capacity to cost ing center on or about the line between not less than \$250,000, to be erected on the And now Omaha is to have the elevator

completed, the plans say, by April 1, The Independent Elevator company has which will allow us to donate the ground been incorporated with Omaha men at for the erection of their works, according the head and will push this important ento the nunmber of people employed, with terprise through. Following is a sum-

Pays Twenty-Seven Thousand Dollars
for Five Lots in Wholesale

District.

Guy C. Barton has just completed the purchase, through George & Co., of five lots on Howard street between Eighth and Ninth for the sum of \$27,250. The deeds were recorded yesterday morning.

What Mr. Barton proposes doing with the property is not given out, but the lots are in the wholesale district and it is understood he considers them most available for the erection of business houses. On the lots, or some of them, still stand old buildings once the commedicus dwellings of prominent Omaha people. These will of the recommendation of the sum of the corporation shall be the city of Omaha and state of Nebraska.

Third—The general nature of the business to be transacted by this corporation shall be to city of Omaha and state of Nebraska.

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Third—The general nature of the business to the conformation shall be the construction, ownership and operation for the receptacies for the handling and other receptacies for the construction, ownership and other receptacies for the handling and sterily of the city of Omaha parties and the manufacturer and bits distributing house that he would be as well of as if in the city it would be the construction, ownership and other receptacies for the construction, ownership to be the construction, own

This mammoth elevator, and one of the first independent elevators to be erected in Omaha, is slated for completion by April 1, 1965. Work on grading the Great Western elevator and mill sites will not be completed, according to Mr. Stickney, much before Christmas, but the new elevator will not be delayed by this.

Largest of Kind in State.

The capacity of the Omaha elevator, owned by the Omaha Elevator company, a Peavey concern, is 1,500,000 bushels, E. P. Peck being manager. The company has three-score interior elevators and does not do much business in this city. The proposed elevator to be erected by Omaha-Stickney capital will be the largest indopendent clevator in the state.

Discussing the possibility of Duluth millers and elevator men moving to Omaha, Mr. Stickney said;

"I have been talking the matter over "While the president of the Great Western is working for the interests of Omaha and his own as well, it might be well," said a member of the Grain exchange, "for the Union Pacific and Burlington to take a fresh lease of interest in this town and Nebraska farmers. These roads are in a giving to the grain shippers from interior points something like a decent adjustment of rates. We are paying much more than Kansas, Iowa or Minnesota shippors. Rates from here to Chicago are 12 cents on the 100 pounds, while from the interior of the state they run from 5 to 16 and 18 cents to Omaha. Of course, we do not look for through rates, but there should be some concession, even though the railroads are obliged to make up trainloads-they have Taking Off Our Hats...

Men saying, "This hat has worn well, give me another one like it. Get in line, be one of the "com backs." We carry the

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50c Neckwenr-This is our cop dar price, great variety. Shirts-Good ones for \$1.00-soft Three prices on white and fancy

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RAILWAY TIME CARD

UNION STATION-TENTH AND MARCY

Chiengo, Rock Island & Pacific.

Union Pacific. The Overland Ltd. . . a 9:40 am a 8:05 pm Colo. and Cala Ex . . a 4:10 pm a 6:40 am Chicago-Portland Sp'l . a 4:20 pm Eastern Express a 5:30 pm Columbus Local b 6:00 pm b 9:35 am Colorado Special a 7:45 am Chicago Special a 6:50 am Beatrice Local b 3:50 pm b 1:15 pm Fast Mail a 8:50 am 3:20 pm

Chicago Great Western, St. P. & Minn. Ltd. ... a 8:30 pm a 7:15 am St. P. & Minn. Ex. ... a 7:35 am a 8:38 pm Chicago Limited ... a 4:50 pm a 40:30 am Chicago Express ... a 4:30 am a 4:06 pm

New World's Fair a 7:45 am a 9:00 pm Local from C. Bluffs... a 9:15 am a 3:00 pm St. L. Cannon Ball Ex. a 6:30 pm a 8:20 am Illinois Central.

Chiengo, Milwaukee & St. Paul.

BURLINGTON STATION-10TH & MASON Burlington & Missouri River.

Kunsas City, St. Joe & Council Bluffs.

Chicago, Burlington & Quincy. Chicago Limited a 8:05 pm a 7:40 pm Chicago Special a7:00 am a 3:55 pm Chic. Vestibuled Exp. a 4:00 pm a 7:25 am Chicago Local a 9:15 am al:00 pm Fast Mail 2:45 pm

WEBSTER DEPOT-15TH & WEBSTER Missonri Pacific.

Chiengo, St. Paul, Mineapolis & Twin City Passenger... b 6:30 am b 9:50 pm Sloux City Passenger... a 2:30 pm all:30 am Oakland Local..... b 5:45 pm b 1:10 am a Daily b Daily except Sunday, d Daily except Saturday. e Daily except Monday.

CHICHESTER'S INGLISH

Original and Only Genutus.

Original and Only Genutus.

AFE. Always eliable Laddes, and Druggies
by CHICHESTER'S ENGLISH
on RED are Gald metallic house, scaled
with blue rivious. Take no active. Befuse
Braggerous Statestinions and Instantions. Eay of your Druggies, or sets de, is
used "Relief for Landes," in story, by
all Braggies. Chichester Chemical dood by
all Braggies. Chichester Chemical Code
or rism this paper. Harden, became PHILLS. PA



