

BATTLE OF FINANCE BREWS

Three Great Financial Institutions Girding for Clash.

PIERPONT MORGAN AGGRESSOR

Magnate's Outlined Program for Consolidation Spurs Speyer & Co. and Kuhn, Loeb & Co. to Similar Action.

BY FRESTON C. ADAMS

NEW YORK, May 28.—(Special Dispatch to The Bee.)—J. Pierpont Morgan will sail from Europe on June 14 and when he returns it is not unlikely that there will be further developments in the Morgan plan for the consolidation of the banks and trust companies of the city under the Morgan banner.

The vast power already possessed by J. P. Morgan & Co. among New York's financial institutions can be gathered from the subjoined table, which shows that the trust companies the firm dominates have aggregate deposits of \$75,408,400, while the four national banks controlled by the same group have \$20,512,500 deposits, a grand total of \$95,920,900, exclusive of the Morgan connection with the New York Life and Equitable Insurance companies, with assets of fully \$1,000,000,000.

"MORGAN" TRUST COMPANIES.

Table with 2 columns: Company Name, Capital, Deposits. Includes Astor, Equitable, Guaranty, Mercantile, New York, Standard.

"MORGAN" NATIONAL BANKS.

Table with 2 columns: Bank Name, Capital, Deposits. Includes First National, Liberty, Bank of Commerce, National City.

Competitors Interested.

There is another factor in the New York banking situation which is growing stronger. It is headed by the great international banking firms of Kuhn-Loeb & Co. and Speyer & Co. A few years ago these two influential houses were not to be found forming joint syndicates, but since J. P. Morgan & Co. began to aggressively reach out for greater and still greater financial power other leading interests have felt it necessary to readjust their position.

It is the general opinion in high financial circles that ultimately practically all the big banks and trust companies will be compelled to ally themselves with one or the other of these groups and a battle royal for the dominance of American finances will be fought out.

Eighty-six railroad and industrial corporations in the United States have increased their dividends or declared initial or resumed dividends since January 1 to an amount equivalent to \$5,524,775 per annum. Only twenty-three railroads as contrasted with sixty-three industrial companies have been able to treat their stockholders with greater generosity; the railroad increase represents \$1,008,706, while industrial stockholders on the new basis will receive \$4,516,069 more than during 1909. Aggregate dividend payments to date this year have been \$27,549,674, an increase of \$6,250,055 over the first five months of 1909.

Industrial Disbursement.

Industrial companies throughout the country have disbursed during the last five months in the form of dividends \$154,942,831

against \$138,906,825 last year, an increase of \$16,036,006. The railroads have paid out \$42,006,843, as compared with \$18,813,294 in 1909, the increase having been thus \$23,193,549. In other words, while the railroads and the industrials each distributed less than \$100,000,000 from January 1 to the end of May last year, the latter have been able to improve their disbursements by more than \$12,000,000 in excess of the increase made by the railroads.

A careful survey of the dividend outlook, combined with investigations in the financial district, brings out the fact that of 133 representative stocks listed on the New York Stock exchange least twenty-seven are expected to raise their dividend rates during the current year. Of this total twelve are railroads and fifteen industrial enterprises.

As to what is limiting railroad development in the west, an official of a big western system says that it is not a need of money, but a scarcity of laborers and material. "It is a problem," he continues, "to find men enough for the ordinary needs of an established line, let alone the difficulty of finding men for construction gangs on new work."

Labor Shortage. "In my opinion the trust question fades into insignificance by comparison with the shortage in the labor market. If the port of New York were closed to immigrants the condition would become immeasurably worse. To get 2,000 men to work on railroad building it is necessary now practically to scour the country. On the other hand, I have no doubt that we could pick up 5,000 clerks in this city in two days' time."

"The railroads not only have great difficulty in getting help, but in keeping what they get. We recruit our forces in Chicago, St. Louis and other large cities of the middle west furnishing free transportation to the location of the piece of work for which they are wanted. Where this is a matter of a year or more in building we have to engage from five to ten times the number actually at work at any one time before we are through, and where the demand for help is particularly acute we have furnished transportation to as many as twenty men for every one we needed."

Ridiculous as it may seem to most banking and bond interests, it now is figured seriously that the principal cause for the apathy in the domestic market for bonds is due almost entirely to the craze for automobiles and motor yachts, which is credited with using up the greater part of the surplus income of persons who hitherto have been large bond investors. Estimates on motor cars to be manufactured this year place the number at 140,000, and their value at about \$210,000,000. Estimates on the number of automobiles already in use involve about 500,000, and estimates on the expense of the maintenance, operation and incidental expenses average about \$800 a year on each car, or an aggregate of \$152,000,000 a year for the 140,000 cars. The grand total for the purchase of new motor cars this year and for the maintenance of these cars and those already in use, therefore, is figured at \$662,000,000. A large part of this amount, it now is thought, would go into bond investment were it not for the growing desire of all sorts and conditions of men to own and operate horseless carriages.

"Why is it," asked a veteran grain trader in the Produce exchange the other day, "that nobody pays any attention to Pennsylvania wheat? That state raises practically as much as Missouri and is not far behind Nebraska, and has identically the same acreage this year as Oklahoma."

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DANGER LURKS IN HATPINS

Veteran Elevator Boy Discusses Famine's Head Apparel.

REJOICES CHANGE IS COMING

Declares that Wide Hats and the Bayonet Style Pin Are Positive Menaces to Human Safety.

"Hatpins," said the veteran elevator boy, "are some nuisance. Why, I have to keep dodging constantly to save myself from being jabbed. Seems to me the hat pin factories must be working overtime turning out spears and gigs and bayonets for the ornamentation of fluffy curls."

"Honestly, many of the women who come into Omaha elevators—and I suppose it is the same in all the other cities—wear hats so broad that they almost block the entrance. Naturally the length of the hat pin must be in keeping with the diameter of the hat and that means length."

"I do not pose as an authority on woman's wearing apparel. Ordinarily, it would be none of my business what they wear, but I must say that since my work compels me to be cooped up in an elevator cage, obligated to carry female as well as male passengers, it becomes a matter of concern to me, this hat business does."

"I never in all of my life before cared to read fashion dope, but here of late I have been poring over millinery journals and oh, joy! I see by a recent publication that the hat styles are changing and that the ultra-wide effect is soon to be relegated to the back of the wardrobe. I am glad to hear that, for it need not be so long and dangerous."

"Women themselves are comparatively safe from the hat pin of their neighbor in the elevator, because each woman wearing a wide hat, they are thus protected from each other. The rims of their hats collide, of course, but no damage to person results."

"If you don't believe what I say about the wide hat nuisance, just take notice the next time you ride in the elevator of any of the big office buildings. Watch the men. See how they crowd themselves into the smallest possible space away over in an obscure corner."

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Ernest C. Page Takes a Wife

Omaha Attorney Leaves Bachelorhood to Wed Mrs. Ness of Chicago — Ceremony Today.

Ernest Clifford Page, member of the Douglas county bar, former exalted ruler of the Elks and former police commissioner, is being married this afternoon to Mrs. Carolyn Ward Ness of Chicago, the ceremony taking place at 4 o'clock at the residence of A. W. Kinsman, 112 South Twenty-fifth avenue. Rev. T. J. Mackay is the officiating clergyman.

Mr. Page is a bachelor of some years standing and on securing his license to wed in the morning remarked a group of more or less 'eligible' bachelors standing beside him in the county judge's office: "I hope my example will be followed by some of you."

"It's a fine day," said the prospective bridegroom as he glanced out the window just as he departed.

Mr. and Mrs. Page will live at 202 South Thirty-first avenue until a home is finished which is being built for them near the Field club. Mrs. Ness has been living in Chicago recently, but is a former resident of Omaha.

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ASTHMA

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\$2.50 and \$2.00 shoes or our young woman's

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They contain no Salicylates, Iodides or Alcohol—these being ingredients that may help Rheumatism but hurt the digestive organs. Hill's Rheumatic Pills are purely vegetable with the exception of a small amount of common soda—a valuable part among ingredients that are beneficial to the entire system.

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Be Want Ads Boost Your Business

To the Fairminded Citizens of Omaha:-

Believing that the average American citizen desires fair play and that also a large number of voters are intelligent men who wish to have knowledge of both sides of any public question presented to them, we publish herewith a letter which we sent to the editor of the World-Herald on May 20th, having waited until the present time to give him every opportunity to publish the letter if so desired. Today the editor has stated to our general manager that he did not care to print the letter.

It is unnecessary to make extended comment upon the matter because the letter speaks for itself. Of course when a newspaper which has a wide circulation refuses to give an authorized statement to the public of either side in a controversy, it is impossible for the public to judge of the merits of the case, therefore we take this means of placing the information before the public.

THE OMAHA WATER COMPANY, By Theodore C. Woodbury, President

THEODORE C. WOODBURY, President, P. O. Box 375, 25 BROAD STREET, E. M. FAIRFIELD, General Manager, OMAHA, NEBRASKA. New York, May 23, 1910

To the Editor of the EVENING WORLD-HERALD, Omaha, Nebraska.

Dear Sir:

A clipping from your paper of the 12th instant has been sent me which gives a very short extract of a letter which I sent to the Water Board and which was delivered to you for publication in full. I am unable to understand why it was not printed in full unless it is your deliberate intention to mislead the citizens in reference to water matters and not give them the side as presented by the Water Company.

There was no ridicule in my letter of a statement of the Water Board that "a decision may be expected from the Supreme Court in thirty days," for no such statement was made by the Water Board. What they did say in the letter was "especially when that question (referring to the pending litigation before the Supreme Court) will be decided within thirty days." I merely suggested in my letter the impossibility of such knowledge.

Unless the letters that I write to the Water Board can be published in full in your paper, instructions will be given not to deliver any of our letters to you. We are anxious to let the citizens

of Omaha decide on these matters between the Water Board and ourselves as to who is right. The people have been woefully deceived and the Water Company is not at all afraid to have its position known to the public, and think, in fact, the people have a right to know, but if the newspapers who are supposed to furnish the news do not care to publish but one side of the question, of course it is impossible to bring before the people the condition of things.

You and ourselves ought to be in harmony, as we are both believers in municipal ownership of the water plant. We have been doing our very best to make the city take the water plant since July 9, 1906, almost four years, and are still striving to do it. It is difficult to understand why the citizens of Omaha do not insist upon the Water Board living up to their contract obligations, as certainly the present unfortunate condition of affairs (due solely as the Water Company honestly believes to the attitude of the Water Board) is not in the interest of the City of Omaha. When the Water Board state publicly, as they did in their recommendations to the citizens in May, 1909, to vote the \$6,500,000 bonds that, "we believe the plant will sustain itself, paying interest on the bonds, cost of operation, and create a sinking fund to pay off the bonds without additional tax, in other words, we believe we will be buying a revenue producing property which will carry itself," and also, "if the bonds are voted, . . . the interest and expense of running the water works will be paid out of the revenues derived from the sale of water without additional taxes on the property of the city, why should there be any

opposition on their part to taking and paying for the property? It also seems illogical, to say the least, for the Water Board to hesitate about taking the works at the appraised valuation, when Mr. Howell, the apparent spokesman of the Water Board, is reported to have said in a public interview in your paper that "The Omaha Water Company is now paying interest and dividends on just about the same amount of securities that the Omaha & Council Bluffs Street Ry. Co. did at the reorganization when Mr. Wattles and his friends took control, viz: about \$7,000,000," and goes on further to say, "I unhesitatingly venture the assertion that within six years the Omaha Water Company, or the syndicate that succeeds it, will be paying proceeds on a like capitalization if a twenty-five year franchise is granted and the people of Omaha will be footing the bills." If the citizens of Omaha would only stop to consider these things and recognize the loss which has accrued to them through the action of the Water Board, it seems to me there would be some demand upon the part of the citizens that the Water Board assume a different position. The fact of it is that the citizens have been woefully misled, but how can it be otherwise if the papers refuse to publish the side of the Water Company? A paper of the standing of the WORLD-HERALD and with its influence in the community should certainly be willing that the public be informed on both sides of the controversy.

Yours very truly, (Signed) Theodore C. Woodbury, President, THE OMAHA WATER COMPANY.