

Duluth & Winnipeg Road

September 26, 1892

Hill to E. T. Nichols

"You will remember the Duluth & Winnipeg scheme to build from Duluth to Grand Forks by way of the north shore of Leech Lake. This line would be about 110 miles shorter than our line via St Cloud & Hinckley & would give us a great [deal] of trouble by reducing rates as well as dividing the business. They have built about 95 miles to Leech Lake and have another line about 65 miles built to the new Missaba iron mines, where the iron ore can be put on the cars for 25¢ per ton without any more mining than is done with a steamshover to load it. I have carefully watched this enterprise with the intention of

getting hold of it for our Company, and now think we will succeed in getting control of it thro' its floating debt. They have put \$1,000,000 into its stock, have sold \$800,000 bonds & have borrowed another \$1,000,000 on the security of its bonds. The annual election comes on the 5th October, when my friends will I think be elected into a majority of the board & the president secy. & Treas. will be our naming. We will furnish them the money to take up the loans on the bonds as they mature and with this and some other matters I hope to get control of the property and unless the stockholders put up the money, which they either cannot or will not do, as they are quarrelling between themselves, we should be in control by July or August next and
(see next card)

Duluth & Winnipeg Road Card 2 Sept. 26, 1892

and finally get a property worth as much as the Duluth & Iron Range and the Minn. Iron Co. together and which is capitalized at I think ~~about~~ about \$18,000,000. However, keep all this strictly to yourself until I see you except... show this letter to Mr. Schiff and tell him this is the enterprise I had in mind when I last saw him." Must work through an unsuspected friendly house.

JJH LetterBook, 10/22/86 - 9/21/95, p. 418