


Stephen, George

May 27, 1886

Hill to Stephen

Washburn's company is the Minneapolis & Pacific  
Railway Co., organized Sept. 4, 1884 to build  
a road from Minneapolis northwest to some point  
on the Red River of the North near Breckenridge  
Capital \$5,000,000. Incorporators: H.T. Welles,  
W.D. Washburn, Clinton Morrison, John Martin,  
Thos. Lowry, J.K. Sidle, and J.C. Oswald. Wash-  
burn's Minneapolis Tribune statement of April  
29 has for board members of the Sault [Soo]  
Line: W.D. Washburn, J.S. Pillsbury, H.T. Welles,  
Jno. Martin, J.K. Sidle, H.E. Fletcher, Thos.  
Lowry, O.C. Merriman,  H. Petit [sic], J.C.


Oswald, Charles J. Martin, Jno. M. Shaw, Geo. H. Christian. The force the line now at work is sufficient to finish it to Glenwood this fall. Rates when Washburn began his Sault line were: 15¢ per 100 lbs. flour to Chicago, 10¢ to Duluth. Now they are 7½ ¢ and 5¢ respectively & 25¢ to N.Y. with a prospect of still lower rates when New Burlington line is finished, say by Sept. 1st. "I have no doubt that if you desire control of the Sault line you can quite easily secure it, but it would not give you any traffic that cannot now be had from Duluth to Port Arthur by boat." As I wrote you, the Manitoba Co. will be quite able to take care of itself and in ample time will take care of the country west of Glenwood. East

See card 2

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Card 2

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of that point our rates are so low that another line would starve, but to secure ourselves we are now reducing all our grades so that we can have 7 to 800 tons with one locomotive. Will be completed this fall between Willmar and Lake Minn~~e~~stonka."The only thing however that looks unfortunate is that yourself and Mr. Smith seem to be getting into a position where your investments seem to conflict... I cannot understand how Washburn secures your loan to the Sault line as the value of the road will be its capacity to earn money. It has not terminals in either St. Paul or neapolis, in fact, it

commences over in Wisconsin on the Omaha's Lake Superior line and the [redacted] ha brings its business in of St. Paul and Minneapolis by special permit from day to day over our lines, and which permit will be withdrawn whenever it becomes our interest to do so."

JJH LetterBook, 3/22/86 - 10/22/86, p. 279