

Telephone Magazine

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INDEPENDENTS—WHAT NEXT?

By Arthur Baxter Cotton.

Was it the late fiasco of the Michigan Telephone Company in its default of payment of interest upon its bonds that caused the snoozing management of the parent Bell company at Boston to "sit up" and rub its eyes, and, peering over the Berkshire hills, begin to take intelligent notice of what is going on in that big portion of the outside telephone world not dominated by itself?

Or was it the crafty expectation of the Bell people that the general newspaper press and the bourses of the world would assume, as a matter of course, that its progeny, the aforesaid Detroit concern, was instead only one more of that numerous brood of upstart Independent telephone companies whose only claim to existence, to take the word of Bell adherents, consists in the hope of ultimate absorption by the big trust?

An affirmative answer to each query is probably correct.

Judging, however, from rumor, it is safe to assume that at last the obtuseness of the governing powers of that ponderous machine has been in some way penetrated, and it may be a jarring hint has been received from foreign holders of bonds upon the properties of the auxiliary Bell corporations of a nature which impels the decadent monopoly to strenuous action if it would "have and hold" its own both here and across the sea.

At all events, the hour is striking when Independent telephone interests should follow the modern industrial trend and "get together."

It is, however, with no disposition to pose as an alarmist that the writer ventures into print at this time on the subject of an impending crisis in telephone affairs.

The tidal wave advance of the Independent movement makes it seem like ancient history, but it is really only a very short time since the air was kept hot with the Berliner bugaboo on the part of the paid henchmen of the would-be monopoly.

That sort of missiles had little effect upon the poachers within the sacred preserves which the cunning manipulation of patents by the Bell Telephone Company had sought to render impregnable, for, notwithstanding the traditional timidity of capital, money was found thus early, in every central western state, with which to promote, construct and equip farmers' lines, toll lines and exchanges, and the Independent manufacturer kept pace with the demand upon him in his inventions and improvements, accomplishing in three years what the Bell company took twenty to do and actually surpassing the Bell in certain respects.

Then the intruding Independents were assailed by means of a more subtle and somewhat more successful argument in the form of sub-license propositions, and here and there, for one cause and another, were found those who succumbed to the bait and joined forces with the enemy, with varying degrees of regret as an aftermath.

But for every deserter to the enemy's camp of those who lacked strength to remain the ranks of the "trespassing" Independents were recruited by fifty accessions of people of means and such influence in their own communities that the Bell company has come to be justly regarded as the poacher and has been made to feel, so far as the thickness of its epidermis would permit, that the sooner it vamoses the better suited the public will be.

Me.; Berlin, Germany, and many smaller cities.

The recent most important decision by the United States Court of Appeals (which our newspaper friends in some way forgot to publish) settled for all time the claim of the Bell company that the users of Independent equipment were infringers, and will create a larger expansion even than that which has obtained during the last few years, now that the door is wide open without doubt or question, as to the rights of the public to the use of the telephone without restriction or hindrance.

The government departments at Washington are now connected by both long distance and local service to an extent that enables every official to report directly to the president and heads of the various departments, the automatic system being in service in the White House, where it was installed during the Spanish war in order to prevent leaks which frequently occur over manual service lines.

The varied extent to which the telephone is coming into use is astonishing. Ranchmen on the plains are successfully using the telephone by connecting with the wire fences to send messages over long ranges where there are no poles. It is also being adopted by progressive railroad companies to prevent collisions through use of the telephone block signal system. Even divers are now communicated with under the sea by the use of the telephone from shore or ship. It has been stated (though you may somewhat doubt the report) that the farmers of Iowa now have a telephone located in their barns running to the pastures in order to call the cows home to milk, with such exclamations as "You, Bess and Roan, come home; it's milking time," which Roan repeats to Bess thus: "Pap says for us to come in." The truth of this assertion might be questioned if it did not come from "Iowa."

My friend, Mr. Smardon, one of Portland's progressive and energetic business men, installed the first Bell telephone that was put into use in our state. His assistant was Fred'k A. Gower, afterward husband of Maine's famous singer, Lillian Nordica. Twenty-five years ago last Monday, March 23, 1878, Mr. Smardon

received, as the first agent in Maine, two box telephones, two magneto bell calls and four flexible cords. A circular, which he has given me a copy of, illustrates the system when in its infancy. You can examine the same at the president's desk. Among the first sixty telephones received by Mr. Smardon for installation in Maine, August 22, 1878, were numbers 1 and 5, so that he probably installed the first Bell instrument ever put into use in this state. His first subscribers were Randall & McAllister of Portland, Bacon & Huckins of Bangor and the Oriental Powder Co. of South Windham, all three being installed, as above noted, by Mr. Gower. General W. S. Tilton at the Togus Home was also one of the first subscribers, and the people regarded the whole thing as a fake. Mr. Smardon did not realize his opportunity to be one of the millionaires of Maine. Such is fate! Chauncey Depew is reported to have said that one of the narrowest escapes of his life was when he refused to put \$10,000 into the telephone business. He is reported to have stated that it would have made him worth \$30,000,000 to-day. New England has many citizens who have had similar opportunities which they let pass by.

From the small beginning the business has grown so that to-day it is stated that, on a very conservative estimate, over \$500,000,000 are invested in the business, and fortunes have been and are being made by those who believe that the business is yet in its comparative infancy.

The phenomenal growth of the Independent companies, particularly in the Western states, is indicated by reference to Grand Rapids, Mich., a city which had about 100,000 population when competition in the telephone business began thereat, which city at that time had less than 1,000 Bell telephones in service. To-day the Citizens' Independent Company has about 5,000 subscribers in Grand Rapids alone, with a rate about one-half the price they formerly paid, to connect with one-fifth the number of subscribers on party lines, which the Independents do not impose upon their patrons.

In Cleveland, Ohio, there are over 24,000 telephone subscribers, only about