

THE TOBACCO GROWERS AND THE TRUST

A Monster Combination Which Has Not Been Given the Publicity Acquired by the Other Trusts

AMONG all the trusts which have succeeded in dominating the leading industrial interests of the country the one that has made the control of tobacco its ultimate object has been least exploited. The trust has been stripped of its last semblance of dignity and paraded both in private and in public. The oil monopoly has been made odious in every corner of the inhabited globe. Even the comparatively innocuous pie trust has been shorn of its appearance of hygienic rectitude. It is the so-called American tobacco trust that has escaped the attention of the Ida Tarbells of the present moment.

It is evident that, theoretically at least, the American public is not friendly to anything that masquerades under the name of trust. Nowadays it is not the fashion to discriminate between good and bad trusts. There are, of course, a few liberal minded and ultra conservative folk who are so set in their way that they refuse to be led by the multitude. Chancellor Day of Syracuse university is one of them, and his frank avowal of the fact has added tremendously to his reputation. Most of us, however, do not feel aggrieved at any attempt to lower the sails of monopoly in any form, and we are ready at all times to sympathize with any one who is essaying the trimming of those sails, be he president or the humblest penny a liner.

Among the reasons why a crusade against the tobacco monopoly has not yet become universally popular must be reckoned the fact that tobacco is not an article of universal consumption. There still remain many persons who are utterly indifferent to the controversy in any form. No single phase of the discussion appeals to them. According to their opinion, the tobacco business is not a legitimate industry and anything that is likely to curtail its influence is salutary.

Reduced to a working basis, the case of the American Tobacco company is not far different from that of the other trusts. Practically it is not possible to separate its responsibility in the matter from that of combinations in restraint of trade, which represent less doubtful industries. It must be remembered that the cultivation of the tobacco plant is a business conducted in good faith by a large number of excellent American citizens and that anything which interferes with their prosperity is a matter of moment to the whole country.

It is chiefly for this reason, perhaps, that the tobacco trust has escaped the active notice of the so-called "muck rakers." It cannot be affirmed of the American Tobacco company that it is a combination to increase the cost of an article which is vital to human existence. The most nicotine immune veteran in the country knows better than that. The grievance against the tobacco monopoly is of quite a different nature. It is that it has conspired to regulate the tobacco raising indus-

try to its own advantage and to the disadvantage of all others.

Its First Appearance.

It is now eighteen years since the tobacco trust came into existence. At first it seems to have been a modest ambition on the part of a few dealers to control the manufacture and sale of cigarettes. For that purpose W. Duke & Sons formed a combination with Allen & Glaser of Richmond, Va.; the Kinney Tobacco company of New York and Virginia, W. S. Kimball of Rochester, N. Y., and Oxford, S. C., and Goodwin & Co. of New York. The capital stock of this concern was \$44,500,000, and the competitors of the

began its aggressive campaign against everything opposed to its advance. It forced the cigarette interests of Canada to accept \$1,000,000 as the price of total surrender. Then it arrayed its forces against the cigarette business in the United States, winning the victory at a cost of about a million and three quarters. It was a clean sweep of the cigarette field, and with it the trust was satisfied for a period of eight years.

Then a new element was infused into the concern. Certain members of the Standard Oil trust, realizing the possibilities that lay within the tobacco combination, bought largely into the concern and proceeded without delay

organized a new corporation known as the Continental Tobacco company, with a capital stock of \$70,000,000. With this comfortable sum to be applied to its scheme of expansion the trust believed itself to be invincible. On the very threshold of its ambitious enterprise it met with the most strenuous opposition. The great St. Louis industry refused absolutely to be coaxed, bought or bullied and accepted the gage of battle with an alacrity that surprised the other side.

A Pupil of Standard Oil.

Then the trust put in operation one of the methods which had proved so successful in the hands of Standard

Oil. The independent tobacco company was deriving a large part of its revenue from a well established brand of chewing tobacco known all over the tobacco chewing world as "Star." The American Tobacco company entered the market with a brand denominated "Battles." It was an appropriate name for a weapon with which wholesale slaughter was to be carried on.

This ominous device was indeed a fit emblem for the scheme now adopted by the trust. It was not competition; it was war to the death. It was conducted after a fashion which would have been barbarous in the hands of the original wielders of the battlesax. The new battlesax was put on the market and sold at less than the actual cost of the leaf and the tax. Neither the good name nor the excellence of the product

which it had taken a generation to establish was proof against the tremendous onslaught. The trust was determined to batter to destruction every enterprise which stood in the way of its supremacy in the tobacco field.

Captures Europe.

Having conquered America, the trust began to lay its plans to capture Europe. With that end in view it negotiated a consolidation with the more or less combined British interests. To facilitate the exchange of securities a syndicate was formed under the man-

It Is Not on Account of Its Moral Superiority That It Has Escaped Its Share of Public Criticism

shipped millions of pounds of tobacco to the German export with instructions that it be sold far below the actual cost. Even when advised by its agents in Germany that its product could be sold for much more than the price which had been put on it the trust declined absolutely to raise it. The price was determined on. The independent dealers were not prepared to play a game of this nature, and they were overtaken by financial shipwreck in the course of time. They were driven into bankruptcy and ruin, and thus it was that the trust obtained the absolute control of the market of the world.

After the trust had done all this, had made itself the supreme master of the tobacco business of the world, its final step was to control the sale of the product and to buy at the smallest cost at which the farmer could be compelled to grow it. In order to accomplish this scheme the more effectually and to simplify the matter it was decreed that the brokers and tobacco experts who had always purchased the product from the raisers should all be put out of business. Thus it was that these men lost their occupation in a single day. The tobacco growing districts of the country were divided into convenient parcels, and an agent of the trust was stationed in each of them with instructions to buy only from the farmers.

The effect of this new aggression was startling. As a result of this, the price of tobacco in the famous Black Patch of Kentucky and Tennessee, America's choicest field, fell from 6 or 7 cents to 3. This meant hardship of the most strenuous description for the unfortunate tenant of a tobacco farm. A single man after a year of the hardest toil cannot count on raising over three acres of tobacco or on obtaining more than 1,000 pounds per acre. This meager crop is raised on shares, and one-half of it goes to the landowner. With the share of the poor tenant at 1,500 pounds, which he must sell at 3 cents per pound, he would receive for his year's work the meager sum of \$45. It is small wonder that the tobacco growers of the Black Patch organized for their preservation and that the lawless Night Riders came to the fore.

GEORGE H. PICARD.

MME. PADEREWSKI'S POULTRY.

It is not generally known that Paderewski, the pianist, and his wife are keen poultry fanciers. It is their most absorbing hobby. Recently Mme. Paderewski took advantage of their visit to Liverpool and Manchester to run over to Marston, Northwick, to inspect and to purchase some Buff Orpingtons. The vicar of Marston, whose establishment was the object, has supplied birds to King Edward VII., the crown prince, and to every other crowned head in Europe. Mme. Paderewski has quite a big poultry farm at Marston, on the lake of Geneva.



SCENE IN THE FAMOUS BLACK PATCH OF TENNESSEE.

the Dukes were given \$20,000,000 for their good will.

That was a brave start indeed. Within a few months of its organization the scope of the trust had expanded to the following self admitted proportions:

"The company is organized for the purpose of curing leaf tobacco, to buy, manufacture and sell tobacco in all its forms, to establish factories, agencies and depots for the sale and distribution thereof and to do all things incidental to the business of trading and manufacturing aforesaid, etc., with power to carry on its business in all the states and territories of the United States and in Canada, Great Britain and all other foreign countries."

With this far-reaching pronouncement as a platform the new concern

to adopt the methods which had made such a power of the Rockefeller scheme. Confident of its power and relying on the limitless resources of its new ally, the tobacco trust went merrily on its way to conquer.

The branch of the tobacco business to become the first victim was that devoted to the manufacture of that convenient form known as "plug." At that time the largest and most successful manufacturers of plug tobacco were established in St. Louis. Liggett & Myers of that city were the most extensive plug tobacco makers in the world. This firm's plant occupied an area 271 by 2,400 feet. Its annual output was \$7,000,000 pounds, profits nearly a million dollars.

The trust determined to acquire this gigantic plant as a starter. First it

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Although we are not a nation of snuff takers, about 15,000,000 pounds of tobacco are manufactured into the pungent stimulant of the Schneiderian mucous membrane every year. At the time of the trust's absorption of the industry over \$17,000,000 was invested in it. One by one the independent manufacturers surrendered, and from their ashes rose another tentacle of the tobacco octopus, the American Snuff company, with a capital stock of \$25,000,000.

Finally the time came when but one independent tobacco interest remained. All the others had been assimilated by the constantly increasing trust. The cigar industry held out to the last against the blandishments and threats of the combine. In 1901 the trust organized the American Cigar company.

The Brave Career of a Modern Cotton King; Made Millions, Lost Them, but Paid His Debts

IF you imagine that there is nothing of romance and tender sentiment in the lives of the money kings of Wall street, consider the career of Theodore H. Price, "cotton king," whose development of a great fortune that a man manipulates millions, that he engineers huge deals involving the world's supply of a staple product, that he fights in the market pits battle after battle to the financial death of his enemies or of himself, by no means indicates that he is a hardened wretch from whose heart the heavy pressure of mountains of gold has squeezed out the finer instincts and the homely but heavenly humanities. A man's a man for a that.

Here we have Cotton King Price about to abdicate his throne in the midst of a reign of unprecedented brilliance and nearly absolute power so far as his province extends. It is not because he is surfeited with successes, not because he is weary of work, not because he has developed a distaste for the game he has played so long and so strenuously, now winning, now losing, and winning again and again. Mr. Price is going to withdraw from Wall street and give up business, for two years at least, so that he may give all his attention and efforts to restoring the health of his little son, aged three years.

The boy himself is the issue of a marriage which was one of the prettiest romances of Wall street. Both his father and his mother proved themselves faithful in a great trust, the mother in marrying the fiancé who had just lost all his wealth and millions more, the father in paying back those millions because of the moral obligation. This is but the merest outline of the romance of Theodore H. Price.

A Napoleon of Finance.

Eight years ago Mr. Price was a young man high up on the list of those chosen few who are entitled to be termed Napoleons of finance. He was a market operator who had made his pile, and a great and glittering pile it was. He was rated at several million dollars, a very fair start in life for a young bachelor.

Mr. Price had an interest in the firm of Reynolds & Co., cotton spinners, of Providence, R. I. That was a mere incident, though in the end it helped out. Theodore Price was of the firm of Price, McCormick & Co. in New York. He was modest of the firm, though there were others to be considered. There

was a special partner or so who had money in the concern. Mr. Price was the ruling factor. He knew the game, or thought he did, and most of the other operators on "change" also thought he knew it. But every day the most brilliant chess expert sometimes gets beaten when least he expects it. This happened to Theodore Price on the 24th of May, 1900.

That was to be for Bachelor Price a day of importance, for on the evening thereof, or perhaps more properly on the night, his friends were to give him a bachelor dinner in honor of his wedding, which was to take place just four days later. Price was a man of millions. Many of his friends were men of millions. That dinner would have been a highly elaborate affair if it had come off, but it didn't come off. There was a reason.

On Thursday, the 24th, there was a crash in Wall street equally ominous with any noise ever heard on Friday, the 13th of any month in the almanac. The crash was occasioned by the fall of the firm of Price, McCormick & Co. It was due to the tardiness of cotton in rising rapidly enough to justify the predictions of Senior Partner Price. The liabilities of the failed firm were about \$15,000,000. Mr. Price had to stand most of it.

Everybody supposed—just took it for granted—that there would be no wedding. Mr. Price looked at it in that light himself. He felt that he could not expect his fiancée to wed him under the distressing circumstances. All arrangements had been made for a gorgeous wedding at the Church of the Epiphany. And the event was but four days off!

A True Woman.

The bride to be was Miss Harriet Eugenia Dyer, daughter of General Alexander B. Dyer, a retired officer of the United States army.

Mr. Price called upon Miss Dyer with a sorrowful heart.

"You are released from your engagement," he said, "I am a broken man. Instead of being a millionaire I am likely to face debts of millions."

No doubt Mr. Price said more, but this is sufficient for present purposes. The fair fiancée stopped him shortly, however, and would hear no more as to a broken engagement. She did instead an unusual thing. She set the wedding day forward by two days, making it Saturday, the 26th, instead of Monday, the 28th, and she changed it from a church wedding to "a quiet home wedding" at her sister's home.



THEODORE H. PRICE, THE COTTON KING.

leaving an original but generous will. He bequeathed \$500 to be divided among all the barbers who ever shaved him at a hairdresser's where he went regularly. Every waiter who served him in the restaurants in which he was accustomed to dine gets a legacy. He leaves money also to the clerks of the shops of which he was a regular customer and to the waiters of the clubs to which he belonged. The average weight of honey taken

from an English hive annually is fifty pounds. This is double the average product from American beehives. The record takes from any hive is 1,900 pounds from a stock of Cyprians.

Mrs. Lillian K. Miller of Baltimore is one of the youngest divorcees on record. She was married at fifteen and has just been divorced at seventeen. The municipality of Freiburg carries on a pawnshop, an insurance business, a theater, several restaurants and a

newspaper as well as the schools. A seat can be procured at the opera in this German city for 10 cents and supper afterward for 6 cents. The authorities also own a cemetery, in which the ottoman can be interred cheaply.

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So they were wedded just two days after the financial failure. The bride went to Providence, where the bridegroom, as heretofore mentioned, had an interest in a firm of cotton spinners. That was something to fall back on. He had a few hundred dollars of odd change in his pockets, but that was about all, according to the best knowledge and belief of the public.

Within a week the cotton price was sent up to a point at which Price would have made \$5,000,000 had he been able to margin his holdings a few points. That is one of the queer kinks of the speculative line. Disaster dumps you into the depths, and immediately thereafter the triumph which you have lost by a hair looks over the edge and gives you the merry laugh.

But Theodore Price had his wife, and he laughed at fate. He knew the cotton market. He was an expert in that line, having gone all the ropes. He was not the man to let one bad failure knock him out of the ring speculation. In 1901 he tried a feeder, or, rather, a tier, in the New York cotton market with a syndicate of friends who believed in his judgment. The deal cleaned up about \$3,000,000, a comparatively small share of which was Mr. Price's own.

But it was enough to give him a fresh start and make the future look once more like a straight path lined with roses and paved with cotton batting. Mr. Price was again on the road to his own.

In the meantime there was the special partner of the Price-McCormick concern, who wanted his money. "You'll get it," said Price.

All the others to whom Price owed moral though not legal, debts were similarly assured, though some of them smiled sickly smiles when they received the assurance. Why, thought they, should a man pay millions when there was no legal string of compulsion on him? Absurd! Perish the thought!

These doubters probably had forgotten that Sir Walter Scott set him down and indited sundry Waverley novels in the effort, which was successful, to pay off a heavy load of debts. They had forgotten that Mark Twain, boom comrade of their financial brother, H. H. Rogers, likewise had written books, traveled around the world and lectured about his travels and other things in a successful effort to pay the honor debts of a failed publishing firm in which he had been a

partner. But, even if they had not forgotten these things, they did not expect a financial genius to measure up to the moral standard of literary geniuses. That was not supposed to be in the game of frenzied finance.

Made Good His Promises.

Nevertheless Theodore Price made good his promise. In the spring of 1903 he got into the cotton market and bought half a million bales, representing an average increase of 2 cents a pound a profit of \$5,000,000. Then came into the field Daniel J. Sully of Providence, the town where Price had taken refuge in his difficult days. Sully bullied the game and deplored Price when the price of cotton passed 10 cents. Price turned bear then, and Sully took all the cotton that was offered. Price fed it to him by the bale, day by day, first at 10 cents a pound and point by point higher, until he had disposed of his last holding at ten and a half. This netted him several millions, and Theodore Price again became a power in the cotton market, king in fact, and the world was his cotton ball.

Mr. Price paid off his old scores to the last dollar, with accrued interest to the ultimate cent.

So there!

Now the cotton king proposes to go up on the Maine coast for the little boy's health.

"I consider my son's health of more importance than money," he said recently, "and when the physicians told me it was necessary to take him to the seashore for the next two or three years I decided to close out all my market interests and retire from active business for two years at least."

ROBERTUS LOVE.

SOME PRIVATE PALACES.
The finest private residence in the world and the largest in Great Britain is that possessed by the Marquis of Bute in Mount Stuart, Rosneath, Scotland. Everything from a dining room to an aquarium, is to be seen there, among other things are three libraries, up to date swimming and Turkish baths, aviaries, a billiard room and a dining room which will accommodate 300 visitors.

Another famous residence is Eaton Hall, which the Duke of Westminster owns. Over fifty suits of rooms are set aside for guests, while the length of the house is nearly 500 feet.

Chatsworth House, belonging to the Duke of Devonshire, possesses grounds nine miles in circumference.

There are many societies in Holland, consisting of private persons, whose object it is to buy the necessities of life at wholesale rates.

It would cost you twelve times as much to light a room by wax candles as by kerosene, supposing, of course, that the amount of light was the same in each case.

AS IT GOES.

In old London bridge the houses above the structure produced a goodly revenue for the city authorities. The bridge under modern conditions is still a source of profit, the arches underneath the approaches bringing in to the corporation a sum of \$2,738.75 per annum.

When you see a man wearing a photograph button in his coat label you

may be pretty sure that he is either engaged or married to the lady whose portrait adorns him. Instead of wearing an engagement ring it has become the fashion among certain classes of men to wear "engagement buttons."

Signor Eugenio Padova's tradespeople will bless his memory. He was a rich Italian gentleman who lived for many years in Paris and has just died,

leaving an original but generous will. He bequeathed \$500 to be divided among all the barbers who ever shaved him at a hairdresser's where he went regularly. Every waiter who served him in the restaurants in which he was accustomed to dine gets a legacy. He leaves money also to the clerks of the shops of which he was a regular customer and to the waiters of the clubs to which he belonged. The average weight of honey taken

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eight feet three inches and a willow nine feet three inches.

Between his twenty-first and twenty-fourth years a man's hair grows more quickly than at any other time.

Janeless children are not allowed to attend school until they are six years old, a plan we might well copy.

If the seven longest rivers could be placed end to end they would fall only 500 miles short of encircling the earth.

There are three times as many Bud-