

Letter from Gardiner Greene Hubbard to Alexander Graham Bell, March 13, 1878, with transcript

L. 1878 Bell Telephone— G.G.H. to A.G.B. Mch.13 Wash. Caledonia Mines.

Your comforting telegram was recd. on Monday, with ten thousand thanks. — I trust I shall not have occasion to accept it, but I cannot tell at present and have not heretofore telegraphed you.

Mr. Converse has made an offer to the creditors of the Caledonia Coal Co., which I understand they will accept, if so I think I can raise the money required to meet my portion here. — If so it will relieve me of many troubles. The Caledonia Coal Co. has for years been an annoyance to me because I could not know anything about it, that is, I have been away from home a large part of the time and when at home was too busy to spend the time necessary to enquire into its affairs. I was also satisfied that Mr. Converse attended to his duties and kept perfect accounts. As soon as I am free from my difficulties I shall send you a cable.

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858 in 11 days —

Bell Telephone Co. is doing very well indeed. We are increasing our rentals daily. Last month we rented 1,593 instruments and 858 in the first eleven days of this month. Mr. Watson was here on Saturday on his return from a trip west to Chicago. He brings very good reports from all our agencies excepting at Chicago; there but little is doing, our agents take no interest in their work — I do not like to turn them off for fear they might do us great injury, before I could find a suitable person to replace them. We are, however, in want of money, as we are in debt \$25,000. We have an offer from Mr. Bradley to form a new company with a capital of 7,000 shares:

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3,000 to be issued to the N.E.Tel.Co.

1,000 to be sold for \$50,000 cash

3,000 to be issued for the remainder of our patents.

7,000

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Reorganization

I do not like the proposition, but have agreed to accept it, if I cannot do better within a month. It is a very great sacrifice on our part, and if you could raise for us \$25,000 we could get on without selling anything more.

Mr. Sanders and my brother Eustis came on to see me last Friday to urge my acceptance of the Bradley offer; finally we arranged by my agreeing to accept it if I could not obtain a better offer within thirty days.

Yesterday I went to Philadelphia to meet our Agent from Pittsburg, and spent the day with him and with our Phil. agent. The latter is one of the best agents we have, he began the first of October and has rented over 400 telephones and has more orders than ever now on hand. On Thursday I closed an arrangement with 4 the St. Louis Dis.Tel.Co. for Telephones for their business, and tomorrow I make one with The Albany Dis.Tel.Co. — The West. Union Co. are very busy, but we cannot learn that they are placing many. I do not think they have 50 rented in the whole country, and the majority of those are on lines they own, and on which they would not allow our telephones to be used.

I am expecting a capitalist to meet me this evening with a view to purchase an interest in the Bell Tel. Co.

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I propose to make our capital \$700,000

To reserve for ½ N.E. \$100,000

To sell for \$50,000 cash 100,000

To take for bal. of our patents including other half of New Company 500,000

\$700,000

If any of your English friends would like to come in on this basis, cable me and if not too late they will have a portion.