

## Letter from Gardiner Greene Hubbard to Alexander Graham Bell, February 22, 1878, with transcript

L. 1878 Telephone G.G.H. to A.G.B. Feb. 22 Wash. W. U. Tel

Our negotiations with the West. Union Tel. Co. are at an end. They made a proposition, particulars of which I wrote, which we declined. We then made one which they declined, and Mr. Cheever, by my request, then wrote declining to enter into further negotiations that we might be at liberty to negotiate with other parties. From your telegram I conclude that your English Co. has started and would like to negotiate with us for a part interest in our Company. I think we can make such a statement that they would be glad to unite with us. Mr. Orton in his negotiations seemed to rely almost entirely upon the Harmonic system of Mr. Gray as underlying your patent. This our counsel believe is unfounded. Mr. Orton has most extravagant ideas of the value of the telephone believes if we united with them that we could lease 100,000 telephones in a year. I do not agree in this view, but we do know 2 prospects of business that in districts where they have the largest number there is the greatest demand. The Western Union have two kinds of Tel. in use — one the double diaphragm, with a very weak magnet, but answering a very good purpose with a very poor bell. The other requires a Magnet . (Mr. Hubbard means battery Mr. Hubbard's handwriting) Neither of them have as yet proved very formidable competitors. My own belief is that they will excite public interest in the subject, and arouse our own agents, so much that our demand will not fall off materially. We have received orders this month for 971 instruments including in this Call Bells. At this rate we shall have 20,000 instruments in operation by the first of next Jan. Yielding us a net rental of \$80,000 a year. The future, therefore, seems bright. I enclose one or two slips recd. today from St. Louis. In Utah we have a good man for our 3 patent Gray Harmonic agent.

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I have directed suits to be brought against the West.Union Tel.Co. in Boston, which will be pushed as rapidly as possible.

I have written to you many times about Varley's patent, but hear nothing. We think it very important as controlling Gray's patent claim for the Harmonic. If he neglects taking out a patent much longer it will be too late and I am not certain that it can be done even now.