

Letter from Gardiner Greene Hubbard to Alexander Graham Bell and Mabel Hubbard Bell, August 11, 1879, with transcript

L. 1879 Telephone England G.G.H. to Mabel and Alec Aug.11 Manchester. Mr Hubbards methods

It has been my intention for nearly two weeks to write you a full account of my work in your behalf, but one thing after another has prevented me.

My sole object in coming to England was, as you know, to advance your interests, to put, if possible, some life into the Telephone Co., and make your stock of value. I was very kindly received by all the Directors, they were very glad to hear all that I had to say, and acquiesced in the wisdom of my suggestions. My first object was to acquire their confidence, and I did not therefore at first make any but general suggestions. I soon found that while they all had a large interest in the company and felt interested in it, yet it was hard to get them to give time to the consideration of my plans. Mr. Qui t t er has the controlling interest, 2 Management of Co to Mr Hubbard's but he is afraid to act until he has obtained the approval of Mr. Ba t ten and Mr. Morris. Mr. Batten has only a small interest in the company and his time is almost constantly occupied with his attendance on Parliamentary Committees and therefore can give but little time to our Co. Mr. Morris is not a director and his time is also very valuable. I also ascertained that the company had been unfortunate in every step they had taken. Col. Reynolds was untrustworthy in every respect, he had little business ability, no knowledge of human nature nor of instruments, and consequently every move he made was unfortunate. The telephones were very poor; Alec had no business ability, and by his neglect in keeping his appointments and answering his letters soon lost their confidence. Then came the Manager McClure, who

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was every way a bad man, bad manager, bad everything.. The directors naturally became dissatisfied and distrustful of everyone connected with the telephone

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They secured Mr. Ormiston as Manager, his only recommendation is honesty, he is a fair electrician and would probably be useful if he was under a competent person. The directors are perfectly satisfied of his incompetency and therefore do not trust him. There is no head to the concern; one director gives one order to Mr. Ormiston, another a different one; Mr. Brand sends the Duke of Sutherland to see the telephone and all business is obstructed while the Duke and his friend see it. The next day comes the Duke's son and son-in-law and so all the time of the employees is wasted showing off the apparatus to Dukes, Marquises and Noblemen. They seem to be of more importance than business men. You see from this statement the difficulties of doing anything especially when you add to it all the conservatism of the Englishman and his indisposition to do much active work, besides taking about two holy days in the week.

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Starting district

My first object was to start a District System. It was of no use to try it in London with such material as we had to work with there. I then thought of Glasgow and was introduced to Mr. Loraine, a young Scotchman from Edinburgh, the agent of the Company in that city, and the best agent it has in any place. He was educated as an Engineer and Electrician, seems well acquainted with his business, believes in the telephone and has faith in its future. He was unwilling to start in Glasgow on account of the great depression existing in that city and preferred Manchester. In this city Mr. Dewhurst, one of our best stockholders, lives, and he promised to render every assistance in his power. I then found formed a partnership between Mr. Tracy and Mr. Loraine and made an arrangement between them and the company by which they came here to start the District System. They are to obtain 100 subscribers, have £ 1 , 500 for lines to each subscriber, and if they 5 Manchester

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succeed are to organize a District Co. in this city and to contract with it for running wires to 500 subscribers at £ 17 per subscriber. Debentures are to be issued for the cost, and stock for an equal amount, one half which goes to the holders of the debentures, the other half to the parent co. The parent company furnish all telephones at annual rental of £ 1 each and the office apparatus. It is somewhat like our arrangements in America with changes to suit the circumstances.

Tuesday, August 12. I had written thus far when I was interrupted by Mr. Tracy.

After I had made the contract for Manchester and Liverpool, I intended to make my next move on the management of the London office, but at this time I was met by questions relating to the patent. On my arrival I was informed that a law test suit was all 6 Invalidating of patent ready for trial, when I met Mr. Ba t ten he asked me what I thought of pressing it to trial. I replied that it did not appear to me advisable , that I should have preferred to have made my patent commercially valuable before I risked a law suit. He said if I So advised he would have it postponed, and it was postponed. But at that time came a letter form the solicitors of the company saying that in their opinion the patent could not be maintained owing to prior publication. I have never seen the letter and do not know exactly on what grounds their opinion is based, but they seem to entertain little doubt of the invalidity of the patent. This however, is private and you will please not mention the fact.

This opinion was a set back to my influence with the Board , they had an indefinite feeling that they had paid me a large sum for something which I represented was of value, but had no value whatever. They did not, therefore want to advance more money to 7 offers to gone w/o his continental life make my stock valuable, when all its value would consist in the money they so advanced. If this opinion had not been made at this time I believe I could have had my own way with the Board. I wrote them a letter stating my views, and offering to give up my trip to the continent if they would adopt my plan, and give all my time to the company until I returned home. This letter was read at the meeting last week

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in my absence, discussed but no action taken I therefore wrote a note on Sunday to Mr. Brand and another to Mr. Qui t ter, saying I would not press my views, and would leave for the continent on Thursday or Friday. I wrote to Mr. Qui t ter that success under the present management was impossible . I then came here and find a very different feeling. Mr. Dewhurst is deeply interested in the success of the company. He and his partner spent all day yesterday with us , and they have secured six or seven 8 Manchester doing well of the largest and best houses as subscribers to the Central System at £ 20 a year, payable in advance. I have little doubt of its complete success. Several gentlemen will aid them and advise their friends to subscribe.

I trust that on our return from the continent we shall find everything going on well here; that will give me a position with the London Directors, and I can then probably carry my first plans with them.

If you we can hold your patent your telephone stock will be of greater value than that of the American Company. The telephone will be more generally used here than in America.

The conclusions to which I have come are that the telephone ha d a much more favorable start here than in America and that if it had been as well managed here as there, you would have made a 9 If it had been well managed it would have been more valuable than Americas fortune from it before this time, and have had stock in the telephone company limited of great value irrespective of the validity of the patent. The conclusion which I wish to have you draw is that you must not set up your private judgment in regard to the best means and the best time for vindicating your title as the inventor of the telephone through a law suit; but should leave the decision of that point (not to me) but to counsel whose judgment and opinion is of much greater value than yours or mine possibly can be. You followed your own course in England, and if I had not come out here as I did, everything would have been wrecked and lost. Pray do not follow your own wishes in America, and encounter the same risk there.

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I go to Wolverhampton this afternoon to see parties there in regard to a central system , to London tomorrow morning to attend a 10 meeting of the Directors there. I am are your long
Father Gardine G Hubbard

P.S. Pray be careful and have no dealings with Dr. Blake's father. You will come to grief if you do.

I was very sorry that your Mama drew your money, it was through a mistake on her part. As the overdraft was covered by my expenses on your account I regretted it less than I should otherwise have done.