

Daily Charlotte Observer.

VOLUME XXXIV.

CHARLOTTE, N. C., FRIDAY, FEBRUARY 12, 1886.

PRICE FIVE CENTS.

THIS IS THE LAST WEEK

OF OUR SPECIAL CASH SALE.

We still have a good many very desirable goods. Come while you can get such bargains as we now offer. 5 pieces bleached Table Damask from 41 to 89 cents. 3 pieces Red Damask from 31 to 87 cents. 54 inch Dress Flannels at 75 cents. TRUNKS, VALISES, READY MADE CLOTHING, &c.

Remnants in Dress Goods and Satins

At half their original cost. 15 pieces of LACE CURTAINS from 9 to 66 cents per yard. Don't fail to look at our new line of

HAMBURG AND TORCHON EDGINGS

That we have just opened up. Also, WHITE GOODS of every description.

HARGRAVES & ALEXANDER.

SMITH BUILDING.

More New Goods PEGRAM & CO.

JUST RECEIVED,

Call and See Them.

Job lot of

Hamburg Embroideries,

Nothing in the city to equal them in prices. If you fail to purchase from this lot you lose a bargain.

Beautiful lot of

Light Weight Flannels

For the early Spring trade

All Wool Double Width A b t r s

At 60 cents, in the new Spring shades.

T. L. SEIGLE.

PEGRAM & CO.

First National Bank Building,

South Tryon Street, Charlotte, N. C.

DEALERS IN

Ladies', Misses' and Children's

FINE

BUTTON, CONGRUSS & LACE SHOES.

Gents' Fine Hand-Made and Machine Sewed

BOOTS, BUTTON AND LACE BALS.

BOYS' AND YOUTHS'

FINE BOOTS AND SHOES OF ALL GRADES

GENTS' FINE

Silk, Soft and Stiff Hats.

TRUNKS,

VALISES and

GRIPSACKS,

UMBRELLAS OF ALL KINDS,

SHOE BLACKING and BRUSHES,

ALMA and RAVEN GLOSS-

SING for Ladies' Fine Shoes.

Stock always kept full and

up to the demand,

ORDERS BY MAIL OR EXPRESS PROMPTLY

ATTENDED TO.

Pegram & Co.

The Charlotte Observer.

"TRUTH, LIKE THE SUN, SOMETIMES SUBMITS TO BE OBSCURED, BUT, LIKE THE SUN, ONLY FOR A TIME."

Subscription to the Observer.

DAILY EDITION.
Single copy..... 5 cents.
By the week in the city..... 20
By the month..... 75
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Six months..... 4.00
One year..... 8.00

WEEKLY EDITION.
Three months..... \$0.50
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In clubs of five and over \$1.50.

No Deviation From These Rules
Subscriptions always payable in advance, not only in name but in fact.

TELEPHONE TYRANNY.

HOW A TAX OF TEN MILLION DOLLARS A YEAR IS LEVIED ON THE PEOPLE.

Undeniable Figures, Showing the Extortionate Profits of the Bell Monopoly and Its Sub Companies--The Telephone Business Yielding a Net Profit of Fully 50 Per Cent. on Original Investment--Plants Paid for the First Year, with Dividends to Spare to Stockholders--Immense Importance of the Suit to be Prosecuted by the Government.

New York World.

The figures given in an article concerning the American Bell Telephone Company, published by the New York World some days ago, related only to the business of the parent corporation. There are sub-companies all over the United States, and it is by these that the actual telephone service of the country is performed, and it is through them that the people pay the enormous tax now extorted by that service.

The parent company, as stated, is a Massachusetts corporation with the central office at No. 95, Milk street, Boston, with an authorized capital of \$10,000,000. This is the great controlling and absorbing head of a vast system that extends to every city town and considerable village, gathering in every year a gross income almost as great as that of the Western Union Telegraph Company. The authorized capital of the parent company is no index of its wealth and future aspirations, and it is only kept at \$10,000,000 because of a refusal of the Legislature of Massachusetts to grant the company's application for an increase to \$30,000,000. The parent company and the various sub-companies are really one stupendous concern, the profitability of which probably exceeds that of any considerable property known to this age of profitable ventures.

HOW TELEPHONE INTERESTS ARE ORGANIZED.

As soon as the practicability and usefulness of the telephone had been established there was a great rush in all directions to secure territory and form sub-companies. These sub-companies have since been largely consolidated, and in May, 1885, there were thirty-six in existence in the United States. The one now holding sway over the city of New York is known as the Metropolitan Telephone and Telegraph Company, which itself has four sub-companies or sub-licenses--the Domestic Telegraph and Telephone Company, of New York and New Jersey Telephone Company, the Westchester Telephone Company and the Staten Island Telephone Company. In the thirty-six sub-companies referred to above no account is taken of the sub-licenses. In New York the Metropolitan stands for all, and the dealings of the parent company are with it solely.

The parent company has an interest in all the thirty-six sub-companies of the United States. The aggregate capital of these sub-companies amounted to \$53,000,000 on the 31st day of March, 1885. It is considerably more than that now. If we add to that the \$10,000,000 authorized capital of the parent company it makes a grand total of \$63,000,000. If the parent company were to be granted the additional \$20,000,000 of authorized capital stock they have asked for, the grand total would foot up \$83,000,000, which is \$3,000,000 more than the capital stock of the Western Union Telegraph Company. Without a check of some sort it will soon reach that and even still greater proportions.

THE MIGHTY GRASP OF THE PARENT COMPANY.

The interest of the parent company in the various sub-companies is very large, ranging all the way from 33 to 51 per cent. On the 31st of March, 1885, its holdings in the various companies amounted in round numbers to 240,000 shares, the value of which was estimated at \$22,000,000, so that, of the aggregate \$53,000,000 of stock held by all the sub-companies combined, the parent company held almost half. Its holdings in the Metropolitan Telephone Company of this city amount to 6,000 shares, its holdings in the New England Telephone and Telegraph Company to 62,156 shares, and its holdings in the Central Union Telephone Company to about twenty-four thousand shares. These shares in sub-companies were obtained in two ways; one by so-called purchase, the other by franchise, the latter term meaning simply a gift for the right to exist, while the purchases made are no more than certain transfer of properties upon which there may be

placed a fictitious value. On the 31st of March 1885, the par value of the shares obtained by franchise amounted to \$15,500,000. But telephone stock is rarely to be estimated on the basis of a par valuation. The present company's stock has sold as high as 250 and is now worth about 200. The stock of nearly all the sub-companies is worth equally as much. Very little of it is on the market at all, it being too valuable for speculative purposes.

ENORMOUS WEALTH OF THE SUB-COMPANIES.

The combined wealth of the sub-companies may be ascertained, at least approximately, by calculations based on the last report of the parent company, issued to its stockholders March 31st, 1885. It is there stated that the average number of exchange connections in the United States was 697,966 per day, or 251,267,760 per year. An exchange connection is what is commonly designated a call. Elsewhere the report states that the subscribers pay from three cents to five cents per connection. Suppose we fix the average charge at four cents per connection. Multiplying the number of connections a year, 251,267,760, by four cents, we obtain a grand total of \$10,000,710 40, which is a fair estimate of the gross income. This is 6 per cent. of about \$175,000,000. Making a reasonable reduction for expenses, it is not probable that the sub-companies of the country receive a net income of less than 6 per cent. on a combined valuation of \$150,000,000. The Bell telephone "property" of the United States may be very safely placed at that high figure. The actual capitalization, excluding the parent company, is \$53,000,000, as shown by official report, and it is very certain that the average real value of the stock is \$200 per share on a par valuation of \$100.

These figures, which are certainly conservative enough, are given to indicate the financial strength of the Bell Telephone Company and all its allied corporations and to show what a powerful hold it has upon the country and the danger that is threatened through its continued growth. No railroad corporation is so powerful; no telegraph company is so powerful; no corporation of any kind is so powerful as this single interest represented by the Bell telephone.

EXTORTIONATE RATES PAID BY SUBSCRIBERS.

It is throws it to bolder relief than ever the extortionate rates charged subscribers by the sub-companies. On the 31st of March, 1885, the parent company and under rental to the various sub-companies 225,574 instruments, on which the average price is \$7 per annum, so that the entire rental expense of the sub-companies is but \$1,579,018 a year. This is the principal item of expense that comes out of their gross income of \$10,050,000. In New York the sub-company pays the parent company \$14 per year for instruments and charges subscribers all the way from \$150 to \$200, and even more in case of private lines. The average cost to subscribers of an instrument under control of the Metropolitan Company is not less than \$175 and there are over 12,500 instruments in use, including private wires. If we place the number at say 12,500 the total tax on subscribers is about \$2,125,000. Only \$205,000 of this goes to the present company on account of rentals, the remainder, deducting expense for salaries, construction, repairs, &c., going as dividends to stockholders, the present company itself being a stockholder to the extent of 6,000 shares. The total cost of a telephone instrument is \$342, so that in New York the parent company receives every year as rentals over four times the value of the instrument rented, while the sub-company receives from subscribers a sum still more out of proportion to the first cost of the service rendered. There is not a sub-company in America that has not more than paid for its plant in the first year of its existence. The whole of the \$25,000 telephone instruments in use in the United States cost only a little over \$1,000,000, so that what we see of the telephone represents in actual dollars and cents less than one-hundredth part of the net value of the "property" it represents.

THE MEANING OF THE GOVERNMENT'S SUIT.

No account is here made of the Bell Telephone interests in foreign countries. It is sufficient to know what they have attained to in the United States, so far as the importance of the suit about to be instituted by the government is concerned. If the Bell patent shall be invalidated a fatal blow will be struck at the most stupendous single monopoly power in the country. If it should be sustained, there is no guessing the proportions to which it may eventually grow.

Sick and bilious headache cured by Dr. Pierce's "Pellets."

Mrs. Winslow's Soothing Syrup.

Rev. Sylvanus Cobb thus writes in the Boston Christian Freeman--"We would by no means recommend any kind of medicine which we did not know to be good--particularly for infants. But of Mrs. Winslow's Soothing Syrup we can speak from our own experience. It has proved a blessing indeed, by giving an infant troubled with colic a quiet sleep, and the parents' miseries rest at night. Most parents can appreciate these blessings. Here is an article which works to perfection, and which is harmless; for the syrup which it affords the infant is perfectly natural, and the little cherub awakes as "bright as a button." And during the process of teaching its value is incalculable. We have frequently heard mothers say that they would not be without it from the cradle of the child till it had finished with the teething stage on any condition whatever. Sold by all druggists, 25 cents a bottle."

IT WILL PAY YOU

To examine these lines. We are not selling them

BELOW COST but BELOW VALUE.

TOWELS:

FINE LINEN HUCK	17x30 INCHES	AT 8c EACH	WORTH 12 1/2c
" " DAMASK	17x32	" 10c	" 15 1/2c
" " HUCK	18x36	" 16c	" 22 1/2c
" " HUCK	20x40	" 19c	" 25c
" " HUCK	21x41	" 19c	" 25c
" " KNOT'D FRINGE DAM.	18x38	" 21c	" 30c
" " EXTRA HEAVY	21x43	" 29c	" 40c
" " PURE WHITE DAMASK	23x44	" 38c	" 55c

TABLE DAMASK:

UNBLEACHED LOOM DYCE	50 ins at 21c per yard	worth 35c
" " DAMASK	60 ins at 35c	" 50c
" " DAMASK	62 ins at 50c	" 70c
" " DAMASK	54 ins at 41c	" 55c
" " DAMASK	60 ins at 52c	" 75c
" " DAMASK	60 ins at 68c	" 85c
" " DAMASK	64 ins at 76c	" 95c
" " DAMASK	64 ins at 82c	" 1.00
" " DAMASK	60 ins at 32c	" 50c
" " DAMASK	60 ins at 50c	" 65c
" " DAMASK	60 ins at 62c	" 75c
" " DAMASK	60 ins at 68c	" 85c
" " DAMASK	60 ins at 70c	" 90c

4 Special Numbers in Quilts

AT 93c	A WHITE	CROCHET QUILT 10-4	WORTH \$1.25
" 1.15	EXTRA HEAVY	" 11-4	" 1.50
" 1.50	A BEAUTIFUL MARSEILLES	" 11-4	" 2.00
" 1.95	EXTRA HEAVY	" 12-4	" 2.75

UNUSUAL OFFER!

1,500 yards of Genuine Lace Striped Scrim, 40 inches wide, at 12 1/2c. per yard, worth 25 cents.

WITTKOWSKY & BARUCH, CHARLOTTE, N. C.

MAIL ORDERS SOLICITED AND PROMPTLY ATTENDED TO.

FOR SALE.

56 Two desirable building lots, 50x200 feet, 56 fronting on South Tryon street, adjoining the property of J. H. Carson. Shade trees on lots. Will be sold separately or together. Price \$700 each.

CHARLOTTE REAL ESTATE AGENCY.

L. J. WALKER. E. K. BRYAN.

L. J. WALKER & CO.,

Wholesale and Retail Grocers.

NEW FIRM - NEW GOODS

General Grocery Business

FAMILY SUPPLIES

At the old stand of Springs & Barwell, corner Tryon & Fourth streets. We are qualified by long experience, to meet the demands of the trade, and give satisfaction to our customers.

We will keep on hand at all times a full stock of

which will be delivered in any part of the city, free of charge.

REMEMBER

We will not be undersold in the Charlotte market.

There is a good wagon in the rear of our store for the accommodation of our customers.

L. J. WALKER & CO.



ARE STILL TRIUMPHANT!

For fifteen years they have steadily gained in favor, and with sales constantly increasing have become the most popular corset throughout the United States.

The quality is warranted to wear twice as long as ordinary corsets. We have lately introduced the G and B H Grades with Extra-Long Waist, and we can furnish them when preferred. Highest awards from all the World's great Fairs. The last medal received is for First Degree of Merit, from the late Exposition held at New Orleans.

While scores of patents have been found worthless, the Principles of the Glove Fitting have proved invaluable.

Retailers are authorized to refund money, if, on examination, these Corsets do not prove as represented.

For sale everywhere. Catalogue free on Application.

Thomson, Langdon & Co., New York.

These goods in all styles and quantities for sale by

J. M. QUINN, Charlotte, N. C.

PENNYROYAL PILLS

"CHICHESTER'S ENGLISH."

The Original and Only Genuine.

Can and always Reliance. Beware of worthless imitations.

Indispensable to LADIES. Ask your Druggist for "Chichester's English" and take no other, or follow us, COMPANY, 2511 Broadway, New York.

NAME PAID. Chichester Chemical Co., Philadelphia, Pa.

Sold by Druggists everywhere. Ask for "Chichester's English" Pennyroyal Pills. Take no other. Jan 10/86 W. Y.

ELLIOTT & MARSH.

June 20/86