

Boston, Mass., May 28, 1909.

Miss Ida M. Tarbell,  
C/o The American Magazine,  
341 Fifth Avenue,  
New York City.

Dear Madam:-

The writer has received voluminous correspondence regarding the Linen Thread Company, and also in reference to your article entitled "Why the shoe is pinched". The writer begs to state that as yet you have only the first half of the story, and I will endeavor to assist you in unraveling what has happened the last four or five years in the net and twine business.

About four years ago the L. T. Company through manipulation secured a block of the stock of the American Net and Twine Company then an independent concern. The trade and cash discounts at that time were 20% and 5% for cash in ten days.

The writer was more than chagrined to learn a week after they assumed control that the discount was enlarged to 40% and 5%, and later on A. Booth & Company bought their netting at 50% and 5%, thereby freezing out all competitors, as goods were being sold by the L. T. Company away below cost. Now, it was only a short time after this, say a year, until the Gloucester Net and Twine Company was purchased by them by giving first mortgage bonds, payable semi-annually; they paid for the Gloucester plant \$2 for \$1, or double what it was worth. You see they were gaining control. At this same time a deal was consummated with H. & G. W. Lord Company; they paid for this concern \$100,000 in cash and the balance in first mortgage bonds, the City Trust Company being Trustee. These bonds

will not be all cleared up until July 1st, however they have paid in cash, I think, about \$325,000 for this plant alone. Now, the point that you wish me to bring out for you is this:- as soon as the Linen Thread Company gained control up went the price of linen netting; the discount was 10% and 5% for cash; the monopoly had the fishermen both in our Eastern waters and on the Great Lakes strictly on the run. They were told by the Linen Thread Company, "When you get ready, gentlemen, send in your orders, and we will make them up as we see fit". In a great many instances orders placed in September were not filled until March and April of the next year, which caused serious inconvenience and the curse of it is, trade had no redress. The Linen Thread Company today control all the nets and twines that are manufactured both in Scotland, Ireland, and the United States, including Canada. There is but one outside concern, and they are strictly independent, namely, R. J. Ederer Company, Chicago. The writer is not very familiar with this concern, and so cannot tell you much about them, but believe they are doing a very handsome business, as they are strictly independent people.

You have no idea how far reaching the influence of the Linen Thread Company is felt today. The cost of netting has been so great that many gill net fishermen on the Great Lakes have given up in despair. I know of one very arbitrary instance that occurred with the Linen Thread Company, wherein they wrote a letter to a fisherwoman in New Brunswick, telling her that she must pay 53¢ at once or they would refuse to sell her any more goods. The original bill was about \$75, and in some way an error had been made in remitting. She was obliged to hire a rig at a cost of \$3, drive nine

miles with the mud up to the hubs of the wheels to send them an order for 53¢ so that she could get the balance of her netting. The song that they sing to each and all that darken their door is, "Well, gentlemen, we are the great monopoly, and we dictate to the trade". The writer could give you a great deal more information, but is sure you can find out a great deal right in New York from Mr. W. A. Auger, 33 Fulton Street, and many other small people who are trying to get a living against great odds. It is only within the last four or five years that they have monopolised the net and twine business, gaining first control of the Linen Thread, and after that the concerns who used the same. As far as I know the tie-up is complete.

I wish to add right here that the high-priced men and strictly experienced men in most instances have been discharged by them, as they claim they do not want men working for them who know the whole business. You would find at their Boston office a man who takes the part of a detective; he signs all the letters that go out, and watches very carefully for any individualism; they surely mean to tie up everything, and the price of fish, if this is kept up, will be something enormous.

Trusting that this is the information that is in line for your article, and I am very sure Mr. G. E. Jennings of the Fishing Gazette could give you a great deal more information, I do not know his exact number, but he knows all about this consolidation from A to Z, and you would find him a perfect gentleman should you care to interview him. A great deal of this information has come to me from an employee of the Boston office; he is working for about half of what he received, and this is characteristic of all parties that they hire contracts with them; for personal services are worth

absolutely nothing. (Why the fisherman is also pinched).

The writer hopes that you will further go into the doings of one of the greatest monopolies that exists today, and until your article appears in the American Magazine they have always been able to hush things up. The Linen Thread Company has now offices and factories in Paterson, N. J., Baltimore, Md., Cambridge, Mass., Gloucester, Mass., Kennebunk, Me., selling offices Chicago, Oakland, Calif., St. Louis, and a score of other cities including Montreal, Can., Toronto, Ont., Kingston, Ont., and I think they have a place in the Northwest. There was a matter of considerable interest happened here a short time ago when they wished to pay off the bonds of H. and G. W. Lord Company, and they offered to pay them the first of May instead of July 1st, which was an interest period and the legal time to pay them; the idea was not to have to publish a notice of the calling of the bonds in the daily papers, and thereby kick up more dust. All these facts should be very interesting to you, and no doubt you can make good fuel of them.

Very truly yours,

W. G. R./E. E. P.