

PAPER-MILL EXPERIENCE

Soon after the Dells dam was constructed and the water works installed a small paper mill was built at the dam to make paper from rags. The first company operated for three or four years, but from lack of experience and capital it went into the hands of a receiver. It had borrowed a good deal of money, some from the Bank of Eau Claire, some from the Eau Claire National Bank, and some from widows who depended upon the interest for their living. I was then president of the Eau Claire National Bank. A syndicate was formed to buy the property at the receiver's sale. Its indebtedness amounted to a little less than \$50,000. Most of its notes were owned in Eau Claire. I went to the dam on the day of the receiver's sale. The syndicate had chosen one of their party to bid for them. His first bid was \$10,000 for the entire property. I felt that the property ought to sell for enough, and was worth enough, to pay the indebtedness, if the stockholders would lose what they had in it. I wanted to protect, so far as I could, the Eau Claire National Bank and some of the creditors who could ill afford to lose, and I raised the bid to \$15,000. The syndicate bidder raised to \$20,000 and I raised his bid to \$25,000. He then bid \$27,000 and I raised his bids up to \$42,000. The manager of the syndicate asked the receiver to adjourn the sale half an hour, which was granted. Meantime, they prevailed on the receiver to require each bidder to put up a certified check to cover the amount of his bid. That was satisfactory to me, and I certified my check on the Eau Claire National Bank. Being its president I could do that. The receiver announced that, and the syndicate bidder raised my bid a couple of thousand dollars, as I remember. I said to them they must bid enough to cover the indebtedness or I did not believe the judge would confirm the sale, and I raised the bid to \$48,500. They then quit bidding, and the property was struck off to me. I

was then in much the same fix as the fellow was who went into a raffle and won an elephant, for I knew nothing about the paper business, and had all I could attend to without it; but I started the next day for Neenah and Menasha to see if I could find some one to take it off my hands. I found some parties that I knew and was advised to see the Davis brothers. They had a small paper mill at Neenah and seemed to be the only ones there situated to take hold of the plant here; but their means were limited, so I arranged to let them have about one-half of the property by carrying a large part of that half for them. D. R. Davis came here with me and we organized the Dells Paper & Pulp Company, made Mr. Davis president, myself vice-president, and C. A. Chamberlain secretary. The mill had a 72-inch paper machine, made at Beloit, in pretty bad order—so much so that we at once had it rebuilt. Mr. Davis thought we ought to install a grinding machine for making pulp from wood, and that we ought to have a larger paper mill machine. Contracts were promptly made for both machines, and for larger and more modern water wheels, all of which called for a good deal of money. I had but little money outside of our lumber business, so it was necessary to go to the banks. The Dells Paper & Pulp Company could make notes, but to get money at reasonable rates I was required to endorse its notes. As soon as the new machinery was installed it seemed necessary also to enlarge each department, which called for still more money. I could not give much time to the business, so after two or three years said to Mr. Davis I wished he would find some one to take my stock. Paper was bringing paying price and the mill was showing some profit. Mr. Davis found a retired papered mill man at Appleton who had the money and was willing to take the stock as collateral and ~~lend~~ ^{lend} the money to pay me for my stock. That was my opportunity to get out of a business about which I knew nothing. But I had the satisfaction of seeing the indebtedness all paid off before selling

my stock. The widows who had held that paper for several thousand dollars were grateful to me for what I had done for them.

DELLS DAM POWER

The Dells Improvement Company, which rented the power from the city, sold power to the paper mill company, and a company was formed to put in electrical machinery. The Dells Improvement Company sold or gave that company a long-time lease for 650 horse-power. Meantime the Dells Improvement Company sold what power it had left and gave a long-time lease to the paper mill company, with all the rights it had for booming logs; and soon after that, as president of the Empire Lumber Company, I sold the Eddy mill property to the paper mill company. That property of about one hundred acres was on the same side of the river as the paper mill, and extended up into the bend of the river. The paper mill company needed that land, and we didn't, and I sold it to Mr. Davis for about \$14,000. That gave them the rights they needed and a large amount of land on the bluff, including Mount Tom. The quantity of logs being driven down the river then was very much less than formerly, but it devolved upon the Dells Paper & Pulp Company to handle the booms and sorting works. The price of paper kept up well for some years and the Dells Paper & Pulp Company had spent the money there it has made, and borrowed a good deal more, enlarged the plant, until it is a fine property, requiring more power from the dam than it owns, so that it has been obliged to install a large steam plant with large engines, to help do the work, and during the dry season it has been obliged to depend largely on the steam plant for power. Under its lease from the city the city reserves the right to all the power it may require for water works purposes. The electric company owns about 650 horse-power and the paper mill the balance, which is an uncertain quantity in low water. In the course of the events I have been writing about the Mis-