

## Johnson City's Big Day

### BANQUET TO RAILROAD OFFICIALS OF LINES ENTERING HERE

*Hotel Carnegie Scene of Festivity, Many Prominent Guests Present*

Finley, Carter, and Howe: Presidents of the Three Great Railroad Systems Occupy Seats at the Banquet Table.

*Johnson City's dream, General J. T. Wilder's ambition and  
George L. Carter's handiwork is now a reality.*

JOHNSON CITY COMET – April 15, 1909

THE GREAT TRUNK LINE following the buffalo trail from coal to coast is completed through the mountains and is pushing forward over the lowlands to deep water.

**Johnson City, the child of mountains** pregnant with wealth sufficient to maintain it forever, officially launches this great enterprise last night with a banquet at Hotel Carnegie in honor of the Presidents of the three great railway systems entering the city. W. W. Finley of the Southern; George L. Carter of the Carolina, Clinchfield and Ohio; and F. P. Howe of the East Tennessee and Western North Carolina. It was a notable event and many prominent persons were present as guests of the Commercial Club.

**Hotel Carnegie, the scene of the festivities, one of the finest hotels in East Tennessee,** had been beautifully decorated for the occasion with ferns and potted plants; the color scheme of green and white being carried out in the dining room draperies. A clever conceit was the C. C. & O. monogram in green with white background and green border, on the wall opposite the entrance to the dining room. The credit for the success of the banquet is due the club's committee, Amzi Smith, Tate L. Earnest, J. P. Summers, and J. W. Hunter.

At the long tables that filled the room were seated over 200 persons, and it was a fine looking body of men.

**Honorable Walter P. Brownlow** presided as toastmaster in his characteristic manner and acquitted himself with honor. The speakers of the evening, President Finley, M. J. Caples, J. Norment Powell, Gen. J. T.

Wilder, Col. W. A. Henderson and S. C. Williams, were seated on his right and left.

The guests were seated at 8:10 and for three hours discussed in an appreciative way the following eight course menu that was perfectly served:

Oyster Cocktail  
Soup el "SoRy" de Crème  
Olives – Radishes – Celery  
Roast Turkey  
"Cranberry" Sauce – French Peas  
Asparagus Patties – Saratoga Chips  
Tomatoes – Mayonnaise Dressing  
Chicken Salad  
Marasquino Cherry Ice  
Ice Crème a la "Clinchfield"  
Cake – Fruit – Candies  
Salted Nuts  
Toasted Crackers – Cheese  
Black Coffee  
Cigars

Following this came the mental feast and Toastmaster Brownlow said the Commercial Club has done its part nobly in preparing the feast and the guests had given a practical example of reciprocity. In a few well chosen remarks he introduced **President Finley, of the Southern**, who responded to the toast "**Our Railroads.**" He said in part:

*Mr. Toastmaster and Gentlemen:*

**Your railways are creators of value.** You have at Johnson City a plant manufacturing a special grade of pig iron. Without the railways, neither pig iron nor articles manufactured from it could be carried away from this locality, and this plant could continue in operation, pig iron thusly would soon become one of the least valuable articles in your city. It would become, literally, as cheap as dirt. Of course under such conditions the plant would be ruined. Under such conditions, an iron-making industry at this point on any considerable scale would never have been started. But there exists in other localities an active demand for the product of the Cranberry Furnace. Ability to have this iron carried to the places where it is in demand is therefore, a very important element in its value.

What is true of pig iron in this respect is true of every other product of human industry. When any commodity is produced in greater value

than is required for local consumption it is the ability to move the surplus to markets in other localities, as well as that part which is shipped away, to be sold profitably.

**This section of Tennessee is rich in natural resources and industrial potentialities.** With iron ore, coal and limestone in close proximity, the future of your iron-making industry is assured and the foundation is laid for a wide range of industries using iron and steel as raw materials. Other minerals: marble and building stones, and excellent clays for brick making abound in this section. Fertile valleys attract the farmer insuring the success of staple field crops, fruits, vegetables, and livestock. Wooded hills and mountains provide timber for shipment to other sections and for use in local furniture factories and other woodworking industries. One of the peculiar advantages of your section for the location of other establishments is the availability of power. You have, close at hand, coal supplies sufficient to last for centuries to come. Your coal is supplemented by the streams that flow from your mountains and that are capable of generating power to be carried by the hydro-electric engineer to industries throughout this region.

The advantages of this favored region are not all agricultural and industrial. **It is an ideal place to live.** Your beautiful valleys watered by sparkling streams and dotted with busy towns and well-tilled farms are surrounded by mountain ranges lifting their tree-covered summits to the cloud in quiet grandeur. With a climate inviting to outdoor life, with health-giving springs and invigorating mountain air, this region is destined to become, more and more, not only one of business activity, but a place of vacation homes and a resort for tourists. It was a full appreciation of the material richness of this region, of its healthiness, that led the founders of one of your neighboring villages, "Happy Valley," and who that has listened to your gifted Senator, Robert L. Taylor, a native of that place, has not been charmed by his eloquence, inspired by memories of his boyhood life in its beautiful surroundings? But as I am neither a poet nor a painter, I can not hope, Mr. Toastmaster, to do justice to the scenic splendors of this region, and must return to the more prosaic topic which you have assigned me.

You produce in this part of Tennessee a large number of commodities in quantities far in excess of your local demand. The abundance of your raw materials and the availability of practically unlimited power will multiply the variety and the industrial capabilities of its people, the capacity of its carriers should always be reasonably greater than the existing demand for their service, so as to enable them efficiently to handle successive increases in the volume of traffic.

This gives to each individual in this community a vital interest in the railways by which it is served. They are private property of those who have provided the funds for their construction and operation, but in a very real sense, they are your railways. They are as essential to your prosperity and progress as your industrial establishments. They are the veins and arteries of your commercial and industrial system, and just as bodily health is dependent on the unobstructed circulation of the blood, so the ability of your railways efficiently to handle your commerce is essential to your industrial and commercial well-being. You can not afford, therefore, to stand apart from your railways, or to be indifferent to the economic conditions that surround them. Healthy prosperity for them means enlarged opportunities in every field of human activity in your locality.

A new railway has recently been opened for traffic from your city to the Carolinas. It is destined to be an important factor in your future prosperity. You are dependent upon it and it is dependent upon you. Out of this mutual dependence grow reciprocal obligations. The obligation rests upon it to give you the most efficient transportation service in its power, without unjust discrimination between individuals, localities, or commodities, and at rates that are not unreasonable when measured by the service performed. The obligation rests upon you to support it with an intelligent and constructive public opinion which will insure the protection of its property and its rights. The same necessity for an intelligent and constructive public opinion applies to all the railways by which you are served.

When the census of 1900 was taken, Johnson City had a population of 4,645. A recent estimate places the population at between 10,000 and 11,000. Your natural resources are such as to warrant your expectation that this rate of growth will continue. If it is to do so your demand for transportation service will increase at approximately the same ratio. It is the duty of those charged with the management of your railways to supply facilities for meeting this demand, so far as their resources will permit. The degree to which they can do so will depend in large measure, upon the extent to which their property, their rights, and their earning capacity are protected by the public opinion of yourselves and your fellow citizens throughout the United States.

Referring to the need for increased railway facilities, the Interstate Commerce Commission in its report for 1907, after ascribing to the then existing transportation conditions to the fact that the facilities of the carriers had not kept pace with the commercial growth of the country said:

“During the past decade the commercial condition of the country has been one of increasing prosperity. If business undertakings increase proportionally in future years, the railroads of the country must add to their tracks, cars, and other facilities to an extent difficult to estimate. The ability of the carriers to transport traffic measures the profitable production of this vast country, with its ninety millions of people, abundant capital, and practically unlimited resources. Manifestly it is an economic waste for the farm, the mine or the factory to put labor and capital in the production of commodities which cannot be transported to market with reasonable dispatch.”

What the commission thus said to the United States as a whole applies particularly to this section. Great has been your progress in the past, when we consider the vast extent and variety of your natural resources, it may truthfully be said that the development of this region has only fairly been commenced. As it continues, with the bringing of additional population and additional capital, the volume of your products will be greatly increased and your need for transportation facilities will grow at the same ratio.

In this section of Tennessee, as I have already pointed out, the opportunities for industrial development are very great. Your winters are not rigorous; your summers are not enervating, and climatic conditions throughout the year are favorable to physical comfort and to the efficiency of labor. Those economic laws which tend to concentrate manufacturing in proximity to supplies of raw material and to sources of power are constantly working in your favor. They are tending to draw to your section in increasing numbers, those industries which will use your iron, your wood and your other primary products as their raw materials. They are tending to draw raw materials, such as cotton, from other localities to this region of abundant power possibilities.

This is in truth, Mr. Toastmaster, a region of opportunity, inhabited by a people whose past achievements have shown what they can do hereafter, therefore, to a future of unexcelled prosperity in which your mines, your forests and your soil will yield a constantly increasingly measure of wealth as a reward for your industry and energy, and which your railways will be factors in the increasing importance in the creation of value.

### **Mr. Williams Speaks**

Mr. Brownlow then introduced Mr. Samuel Cole Williams, of this city, who responded to the toast: **“Johnson City, The Host”**

*Mr. Williams spoke as follows:*

We are met this evening under the auspices of our chief civic body, the Commercial Club to celebrate the passing of Johnson City into the rank of Tennessee cities, and more immediately, that event which has made that transition possible – the completion to point of operation of the Carolina, Clinchfield, and Ohio Railway with headquarters at this place.

The legislature of Tennessee, at its present session has granted the municipality a new charter, in which it is declared to be, and is given the powers of a city, and we may call this occasion a christening party for the young city. We have invited and have with us this evening the presidents of the three railways that enter here: President Finley of the Southern; President Carter of the Carolina, Clinchfield, and Ohio; President Howe of the East Tennessee and Western North Carolina, along with representatives from their respective cabinets. May we not ask that these three presidents do us the honor of standing, in some sense at least as god-fathers of the new born city?

The citizens of Johnson City are aware of the potential part these railway systems have played in her up-building, and they appreciate that the best results can only be obtained by cooperation on the part of the railways and the community served by them. The future of the city is linked almost completely with these carrier-systems.

The completion and operation as a trunk line of the Carolina, Clinchfield, and Ohio is an event full of meaning for the entire south. The ownership and control of that line of railway and the control of an immense acreage of coal lands immediately north of us is now, and for the first time closely correlated. There will never be a divorcement of the one from the other. This coal field is unsurpassed as to extent, and character of coal deposits and the railway is so constructed as to grade, curvature, and cross ridge and cross mountain reach to the South Atlantic seaports as to be without parallel in the south at least.

The honor of this epoch-making enterprise (for such it will prove to be) must be accorded to two gentlemen here present – Gen. J. T. Wilder and Mr. George L. Carter. The one was the pioneer, who years ago blazed the way in the coal fields of Virginia and Kentucky and in the beginning, in a comprehensive way, of the railway system. The other, by his genius in industrial development, by his capacity for hard work, organization and command of contributory capital, has built better than the other dreamed in his peer-vision.

Another potent and stable factor in our past and future uplift is that great institution located just beyond our western border – the Mountain

Branch of the National Home for Disabled Volunteer Soldiers, the managing board and officers of which we have the pleasure in greeting as guests of this board. Before them and the world we desire to acknowledge our gratitude to Walter P. Brownlow for the location of the finest institution of the kind in the world.

We, of Johnson City, know that I have not even summarized what these three men – Wilder, Carter, and Brownlow - have wrought in this community's behalf; but I can assure even you of Johnson City that each of these men has, in his own time and way, in season and out of season, contributed of his influence and powers to our welfare in ways you know not of.

In any celebration of the emergence of the town into city-hood, to withhold from these three this tribute, or to give it grudgingly or with stint, would be to mark ourselves ingrates.

Johnson City enters upon the race as a lusty infant, sound-limbed and well-lunged. Its population of 12,000 is well intermixed: one-third of eastern, northern and western birth and training and two-thirds southern, but all harmonious and animated when the city's welfare is at stake.

The business interests are dominated by the young man – 85 percent of our controlling factors in our commercial life are under fifty years of age.

We, first of all Tennessee cities have adopted the Commission form of government.

We, first of all Tennessee cities threw off the handicap of the open saloon, and the infant starts off self-dedicated to sobriety. There is not even a trace of desire or purpose to waiver from the course.

Nature has marked this as the gateway to the Appalachian Park, soon to be established by the Congress. No less than four lines of railway diverge from this place into that domain.

Situated between coal fields and iron ore deposits, with our timber belts being opened up, and all these facts mean Johnson City is scheduled by destiny to arrive, and that too, on schedule, time guaranteed.

We bespeak the attention to the railway managements here represented to that fact. May we not ask that you gentlemen – from the premier Southern system on to our own and favored narrow gauge – “sit up and take notice?” That you by large affairs by example lead us from “two-by-fourisms” into a fuller grasp of what corporate betterment and city

building is. That to this end, the physical manifestations of the presence of your corporations among us, such as terminal and depot facilities, may not memorialize our former village-hood, but exemplify our title to city-hood. What stands in the way of an adequate union depot on the site of the old out-grown and out-worn one?

What shall bar the location here of cotton mills, with cheap coal, and cheap and abundant labor at hand, to manufacture raw cotton from the cotton fields to the south of us? Why cannot this cotton be brought to us on a minimum rate on coal cars, otherwise to return as "empties."

Mr. Toastmaster, towns and cities, as well as individuals have aspirations. The chance for upward reach and climb may not under the genius of our institutions, be denied to any man or city. Who has or may set the bounds of growth, or impose a pent-up Utica."

Now, here about me is a body of young men composing the Commercial Club of Johnson City, playing the host for a night, who are determined that as so far as in them lies there shall arise in the foothills of these southern mountains a city not unworthy of those who have toiled for them, of those who have worked and may work with them, and of those who have in passing and spoken Godspeed.

In their behalf, as their chosen spokesmen on this occasion, I bid you of the railways, you of the board of managers, and you of the congress, welcome.

### **Mr. Powell Speaks.**

The next toast "**The South**" had been assigned to **Honorable J. Norment Powell** and after a pleasing introduction by Mr. Brownlow, he handled the subject in an able and eloquent manner. He said:

This toast suggests what all students of history recognize that the affairs of nations, as of men, depend on very small incidents. If William Penn had engaged in a land controversy with a neighbor on the north or on the west, and not with his friend Lord Baltimore, it may well be questioned whether, at the present day; the imaginary line of division between the north and south would exist any more clearly than between other portions of our country; of one blood, a common tongue, and with a unanimity of social tastes and business interests, where could the point of cleavage be found if Charles Mason and Jeremiah Dixon had not run that famous line? Little could it be foreseen at that time, though they settled the land controversy between the proprietors of Pennsylvania and Maryland, they furnished geographical basis for the greatest



misunderstandings, mistakes and prejudices – not to say the greatest war – that the New World has ever seen. These things can be spoken of now, because they are past. The Mason and Dixon line, and no line, imaginary, or otherwise exists to divide this nation. Some twenty-five years ago, the greatest exponent and prophet of the “New South,” Henry W. Grady in burning words told the world that she had accepted her portion and was working out her own salvation, and he begged that her condition might be understood and the efforts of her sons and daughters appreciated. Today we see, and perhaps sooner and in a larger measure than her devoted son dared to hope, his vision realized, and the south today takes her place where, but for the institution of slavery, she would have been seventy-five years ago.

This may be a fitting opportunity to correct one error which exists in the minds of many of our friends from other sections. The South does not regret, and so far as we of the present generation can tell, she has never for one moment, regretted in or bemoaned the disappearance of that deleterious institution. I am glad to testify that while I have heard hundreds of the preceding generation of men and women of the south rejoice that it was no more. I have never heard but one man express a regret and he was far from being a representative citizen. Occasionally some ill-advised effort is made in one section or in the other to fan into a flame the dead embers of forgotten bitterness. These will occur from time to time so long as there are fools to rush in where angels fear to tread, but as time goes on they will become less frequent.

The existing unity between the sections is not founded alone on the duty of loyalty, nor among sentiment; that strongest of bonds, commercial interest cements them most powerfully. We have heard, and will hear, this evening from the men who have had much to do in bringing it about, of the present and future development of the resources and industries of the south, of the development of that commerce which is regulated alone by nature’s law of supply and demand, and which knows no sectional lines, and thanks to the efforts of such men as we have here, is scarcely hampered by geographical considerations.

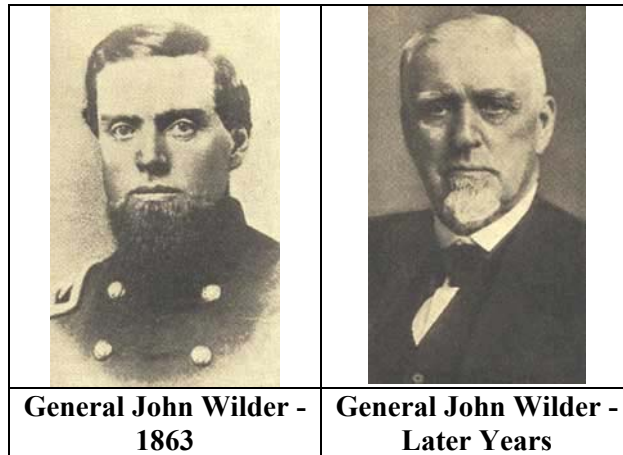
**The next speaker was not on the program but he was there with the goods**, as he is always on any occasion, and made the greatest speech of the evening. We refer to that distinguished Confederate veteran, loved East Tennessean, talented lawyer, and eloquent speaker, **Colonel W. A. Henderson**, Chief Counsel for the Southern Railway.

Colonel Henderson was introduced by Colonel Brownlow as being the very essence of all information, the fountain head of knowledge and the superlative of eloquence. He said that but for Colonel Henderson’s presence and counsel the Battle of King’s Mountain might have been lost

to the British. He asserted Colonel Henderson championed Andrew Jackson at New Orleans, and followed Zachary Taylor into Mexico and was in the “Confederate army up to his neck.” Colonel Henderson’s response was very happy indeed.

**General Wilder Speaks.**

Colonel Brownlow next introduced **General J. T. Wilder**, the man who made Johnson City famous, and who did more than any other man to start the town on its road to fame. His toast was “**Our Resources**” and next to the Creator, he is the best qualified person to speak on that subject. General Wilder followed the buffalo trail to this section and since the early 1870s has been at work interesting capital in this territory. In 1880 he began the construction of the famous “Three C’s” (railroad) projected from the Ohio River to the coast, but the panic of 1893 wrecked his plans with only a portion of it being built.



He responded interestingly as follows:

Mr. Chairman and Gentlemen:

I am called on to describe the resources along your new railroad line from the Ohio River to the Atlantic Ocean. It is a big subject and a big country.

The Chesapeake & Ohio Railroad has built a line of railway from Catlettsburg on the Ohio River, the mouth of the Big Sandy River, up the Big Sandy to Elkhorn City, located about five miles north of the Virginia

line, a distance of 175 miles. This road has a very low gradient and runs for 135 miles through the Eastern Kentucky coal fields to its southern terminus at Elkhorn City and has fine seams of all grades of bituminous coal, including splint, coking, steam, and cannel coal.

At Elkhorn City on the southwest side of Pine Mountain are seams of red fossil iron ore extending many miles southwest along the mountain's base.

The Carolina, Clinchfield, and Ohio Railroad is now running to Dante, Virginia, within 35 miles of the Chesapeake and Ohio Railroad. It will be rapidly completed to the connection at Elkhorn City. The distance of 35 miles down the headwaters of the Sandy River is one continuous coal field, having three workable seams of excellent coal cropping out of the mountain sides above drainage and includes all varieties of bituminous coal. In greatest quantities cannel, coking, splint, domestic and steam coals. At Dante, which is located ten miles north of the Clinch River and the present northern terminus of the Carolina, Clinchfield, and Ohio Railroad, large coal mines are now operated.

A tunnel 3,000 feet long through the Sandy ride opens out on the waters of the Big Sandy River and gives an easy route through to the Ohio River, and to the cities of the great rich and populous northwest, as well as a short line to Pittsburgh.

From Dante the line runs down Lick Creek south ten miles to the main Clinch River, thence northwest along Clinch River over 40 miles to Speers Ferry. On the northwest side of Clinch and the railroad Powell's Mountain rises one thousand feet, in the foothills of which are outcrops of cannel, and other coals and for many miles a nice vein of fossiliferous red iron ore is exposed.

At Speer's Ferry on the Clinch the road pierces Clinch Mountain by a well built and expensive tunnel and comes out into the valley of the Holston River and running south reaches Johnson City, thence across a divide into the Nolachucky River at the western base of the Unaka Mountains, thence through a beautiful gorge. It follows up the Nolachucky River to Spruce Pine at the northwestern foot of the Blue Ridge summit through McKinney Gap and tunnel, at an elevation of 2,600 feet above the sea level and opens out on the valley of the North fork of the Catawba River; thence down said fork to Marion on the line of the Western North Carolina Railroad, of the great Southern Railway system, and thence south to Bostic on the Seaboard Air Line Railway; thence down the Broad River valley to Spartanburg, South Carolina from whence it is proposed to build two lines – one line to the Gulf of Mexico and one to the South Atlantic seaboard and one to the south Atlantic

seaboard at some point south of Stormy Cape Hatteras, which given it the shortest line best grade from Chicago and all of the great north to the ocean, where steamer lines will connect to Panama, the West Indies and all South America on its eastern and western coasts. It crosses all the main line Chesapeake and Ohio routes inland and connects with many lines of the Ohio Valley through to the Great Lakes system, crossing the largest and the best timber and coal fields in America. It crosses the lines of the Norfolk and Western Railroad, and also the Louisville and Nashville lines and at Johnson City crosses the main line of the East Tennessee line of the Southern Railway and connecting here with the Cranberry railroad and other branches to the mountain districts in your vicinity. Here in the heart of this great valley should rise a large manufacturing city. If you people of this salubrious section are willing to properly encourage its location and growth, here can be a center of wood working industries, here where you have a furnace that makes from the great Cranberry ores the highest grade of steel making pig iron and where should be wonderful cutlery establishments that would be more famous for its product than Sheffield in England.

You have mountains of excellent materials for production of Portland cement, you have the climate, soil and can have the finest and best water in great abundance by simply digging a ditch to guide it from your blue mountains to your doors.

You are located on the very trail of the buffalo herds that tramped it out from the valleys of the Catawba and the Yadkin, when they sought their way to the cane fields of the Tennessee Valley and on through Cumberland and Pound Gaps to the distant western prairies of the north and northwest. Here their paths crossed, and here the paths of the railroad crossed; here came Boone on the path of the buffalo and the wild Indian, and here came the sturdy settlers to find a happy home in the fertile section.

From here John Sevier, Shelby, and Campbell led their gallant comrades across the wild mountains to drive back from their chosen homes the hosts of King George, who threatened their destruction, and who never halted until the last of their enemies were captured or killed at King's Mountain, then returning faced the invasion of the treacherous Cherokees and hurled them back to their hidden haunts in the mountains of eastern Alabama. Here the sons of those brave sires can aid in building a most prosperous city if they will only cooperate with the capitalists who must furnish the cash as a vehicle to carry out these needed enterprises.

Do not imagine that your noisy demagogues (and all cities have some) are possessed of the wisdom of Solomon and can dictate the policy of a

nation and show great builders of transportation lines what they must do to be successful. You should realize that twice as much money must be expended on betterments in the needs of a railroad each year as is required to pay a reasonable dividend to the thousands of stockholders who have furnished the capital to build these great transportation lines.

Do not hamper these men with petty ordinances on your city authorities which may nag and annoy the very men who are doing their best to build up your cities from whom they must get their income and from which they are to pay for use of their stockholders money, and from a return must be had or the sources of supply will dry up.

You are camped on the trail of two great systems of transportation.

The earthquakes of the past and the rivers of the present, God's engineers and contractors have made this location possible. Your opportunity has come. Join in the work and help to build a splendid and prosperous city. Do not let ignorant and selfish jealousies build barriers against your progress.

**You would still be "Johnson's Tank" or "Jobe's Spring" if it were not for these great railroads.** All the money in your banks, all the buildings in your growing city, all the proud prosperity of which you loudly boast is caused by the business opportunity the railroads have furnished. Make the most of it in a generous and sensible way, and last but not least, your enterprising people can harness the beautiful rivers and compel them to produce electricity to light your homes and streets, operate your car lines and furnish cheap power to turn the spindles of many cotton mills and to operate the many industries that should spring up in your midst; to make this a smokeless town, as celebrated for its cleanliness as for its prosperous industries.

Some railroad managers do not let electric water powers on their lines. They do not stop to think that the business caused by these works will add much more to the incomes than the cost of carrying the coal would come to for the purposes of creating manufacturing power. The freights accruing and the passenger fares of these factories would amount to far more than the freights on the coal to these manufactories.

I trust that the wise heads that have built your railroads will see their profit in these hydraulic developments.

Colonel Brownlow introduced **Major Wadsworth**, president of the Soldiers' Home Board of Managers, who spoke briefly as the representative of that body. He was glad of the opportunity being in Johnson City upon such a felicitous occasion and with others he

perceived it was the dawn of a new era of prosperity and further growth for Johnson City.

The next and last toast "Some Items Affecting the Cost of Transportation" was handled in masterly manner by General Manager M. J. Caples of the C. C. & O. Railway.

**Mr. Caples Speaks.**

When one of our modern commercial communities seeks to extend its trade beyond the limits of its immediate environment, it wisely organizes a Commercial Club, a Board of Trade, or some like institution. As I recall the first meeting that resulted in the formation of the Johnson City Commercial Club, the commendable desire to extend the city's trade to new and wider fields was the prime cause that led to the organization of this club.

As a rule, the first effort of such an organization is to seek a reduction of freight rates or other transportation advantage for its community, well knowing that if it is to compete successfully with similar communities having like ambitions, it must have transportation facilities equal to and if possible superior to those enjoyed by its competitors. But it is important that the advantage in transportation facilities and rates shall not be secured to the detriment of the carrier if the so obtained is to be lasting. A commercial organization such as this must labor with equal diligence to lower the cost of transportation as it does to secure a reduction of rates if it is to be of the greatest service to the interests that it represents.

The cost of freight transportation is dependent upon many and often times complex conditions. Assuming the average conditions as to length of haul, character of freight, etc. that prevail in our southern territory, the two most important items that determine the unit cost of transportation, that is, the cost of transporting one ton one mile, are the density of traffic and the physical characteristics of the railroad. So long as the freight tonnage offered for transportation remains below a certain minimum, the density of traffic is the dominant factor in fixing what this cost will be, but when the volume of freight exceeds this minimum, the physical character of the railroad, measured by the rate of its gradients, the degree of its curves, the solidity of its construction, and its general fitness to accommodate the heaviest motive power and rolling stock, becomes of first importance.

Since the first railroads were built in this portion of our country fifty years ago, the density of traffic being light, has been and still continues to be the controlling factor in fixing the cost of transportation, but with a

continuance of the rate of progress that has been made to mining, manufacturing, and agriculture, we will ere long be transferred to that other and more desirable class of industrial communities where the transportation cost is more largely dependent upon the character of the railroads that haul our products.

A glance at the following facts on the country's growth during the twenty-five years preceding the present lull in business gives ample encouragement for this belief:

	<b>1882</b>	<b>1907</b>
Population	52,500,000	82,800,000
Population per square mile	17.14	28.35
Value of products of manufacturing industries	\$980,000,000	\$2,710,000,000
Cotton (bales)	5,456,000	13,510,000
Total deposits all banks and trust companies	\$2,735,000,000	\$13,099,000,000
Coal production (tons)	76,679,000	370,781,000
Pig iron production (tons)	4,623,000	25,781,000
Miles of railroad	114,677	227,500
No. of passengers carried	175,000	890,000,000
Tons of freight carried	160,000,000	1,770,000,000

The most striking feature in this summary is the much greater rate of in the productive capacity of the country than in the growth of population. When we bear in mind the wonderful progress that these figures portray our southern country has had its full share, we do not need to look further for cause of encouragement or inspiration to prepare for the business that is coming. Let us look into these figures a little further:

With an increase of 457 percent in the production of iron the supply was not equal to the demand at the end of the period.

Although the mileage of the railroads has been practically doubled and the efficiency of the railroads as a whole had been greatly increased, yet it is safe to say that not 10 percent of the roads of the country were able to handle satisfactorily the business that were offered to them two years ago.

While coal production has increased 388 percent, manufacturing industries were compelled to close for want of fuel.

The same story could be told for every item of production on this list and many items not here included. This period ended less than two years ago and if the industrial history of our country during the past thirty

years may be taken as a criterion of future needs, we will again and soon be caught with transportation and manufacturing facilities equal to the demands to be made upon them.

Coming nearer to home to the question what part of our community will take in this development, we have every cause for congratulation. We have a climate that is well nigh perfect, a most fertile soil, immense forests of valuable timber whose product in the shape of rough lumber – a raw material, is shipped from our city almost by train loads daily. Not a foot of this lumber should leave here except as a finished product. There passes through our town daily to northern and eastern potteries a high quality of potter's clay, from the slopes of the Blue Ridge that might as well take its final shape in potteries built within our city as in those five hundred miles distant.

We are but a day's journey from our best cotton fields and for the manufacture of that fiber we can offer a healthful invigorating climate, close to a cheap fuel and the source of the most important living supplies.

The entire wheat crop of this country accumulated for 500 years would not equal the tonnage of coal that lies in the hills just north of our city and tributary to two of the lines of railroad that pass by your doors. The proximity of such a tonnage means much to your prosperity, not only for a value as a cheap fuel, but also by ultimately improving your transportation by increasing the values of traffic that always results in better and cheaper services.

There is an abundance of good limestone admirably suited for road making and this is certainly an industry that will amply repay the investment by enhancing the value of farming lands, and decreasing the cost of local transportation.

It is in the development of these great natural resources that lie at our very doors that such an organization as this will find the most fruitful field for its efforts. We have the raw materials, to produce for our railroads a density of traffic equal to any other section of our country, and coincident with that increased volume of traffic there will come a corresponding decrease in the cost of your transportation that will provide new stimulus for your efforts and broader markets for your products.

Examples can be cited where the unit cost of transportation in adjoining states, with conditions practically the same as ours, has been reduced to one-fourth of what it was twenty-five years ago. No law but that of supply and demand had any part in this reduction. The traffic was



produced in large volume and to reach distant markets for the increased product transportation companies increased the efficiency and decreased the cost of operating their plants to the profit of their patrons and themselves.

Hand in hand with the development of these natural resources, if we are to create the density of traffic, that will transfer us to the class of industrial communities whose further development will depend upon increased transportation facilities, must go to the improvements of our railroads.

There is no wealth concealing rock to pour forth, its golden treasure at the behest of some financial Moses when railroads need reconstruction. The railroad must give a clean bill of financial in the shape of a satisfactory balance sheet together with bright prospects of future business before it can secure money for its needs. In this respect it stands upon exactly the same level as does the merchant of our city who must show to his banker that his business is sound with sure indications of improvement before the funds of its increase will be forthcoming.

There is an unaccountable misconception upon this point that it seems no amount of explanation will eradicate, but it is of the utmost importance that this fact should be fully understood that the basis of credit for the railroad or other large corporation is identically the same as that of the individual. Indeed, the individual usually has the advantage, for the personal character of the merchant will often secure for him credit that a corporation composed of men equally high in the community cannot command.

The period of railroad construction has not passed, certainly not in this section in which we are so deeply interested and I whose future we have abounding faith. It is undoubtedly true that the time when financial aid will be given by the state for the construction of new railroads has passed, but in the improvement of our railroads, without which there can be no industrial growth, there is as much need of moral encouragement and support as there was of the financial assistance that brought into being many of the railroads constructed half a century ago and which have done so much to bring the country to its present state of development.

To secure this moral support I am confident that nothing is needed by a thorough understanding between those whom the railroads serve and those who build and manage them. The railroad is the partner of every farmer, miner, merchant, and manufacturer. It merely performs its part

of the work, a link in the chain, preparing and transmitting the raw product from the farm, the forest, or the mine, to the consumer.

The value of adequate facilities in the more efficient and more economical service rendered by the railroad has been well illustrated for the past eighteen months of diminished business. During this brief breathing spell, when the facilities of the railroads were sufficient to handle the business offered, that business has been handled more safely, more expeditiously, and more economically for many years prior thereto. Many railroads whose gross earnings have shown a decrease of more than a million dollars per month have shown net increases, an increased saving above the cost of operation, of from \$100,000 to \$300,000 per month and this too without decreasing the standard of maintenance of the railroad property.

**This ended the program and the guests reluctantly departed about two o'clock in the morning of a new day and a new era, let us hope, for Johnson City.**

During the evening, an orchestra filled the spacious hotel with musical echoes.

**The distinguished railway officials present were:**

W. W. Finley, President of the Southern, Washington, D. C.

George L. Carter, President of the Carolina, Clinchfield, and Ohio, Johnson City

F. P. Howe, President of the East Tennessee and Western North Carolina, Philadelphia

George R. Loyall, General Superintendent of the Southern, Knoxville

M. J. Caples, General Manager of the Carolina, Clinchfield, and Ohio, Johnson City

George W. Hardin, Vice-President of the East Tennessee and Western North Carolina, Johnson City

Colonel W. A. Henderson, Assistant Chief Counsel of the Southern, Knoxville

J. Norment Powell, Chief Counsel of the Carolina, Clinchfield, and Ohio, Johnson City

J. H. Epps, Chief Counsel of the East Tennessee and Western North Carolina, Jonesborough

C. L. Harris, Division Superintendent of the Southern, Knoxville

H. L. Miller, of the Freight Department of the Southern, Knoxville

O. B. Kelster, Trainmaster of the Southern, Knoxville

J. J. Champion, Traffic Manager of the Carolina, Clinchfield, and Ohio, Johnson City

I. H. Pettiplace, Superintendent of the Carolina, Clinchfield, and Ohio, Johnson City

**The members of the Board of Managers of the Soldiers Home present were:**

J. W. Wadsworth of Genese, New York

Edwin P. Hammond of LaFayette, Indiana

Joseph S. Smith of Bangor, Maine

Henry Manger of Chicago

J. M. Holley of LaCrosse, Wisconsin

H. H. Markham of Los Angeles, California

Moses Harris of New York

Governor Franklin Murphy, Newark, New Jersey

D. R. Beeson of Uniontown, Pennsylvania

**Other Visitors Present were:**

General John T. Wilder of Knoxville

Judge A. A. Phelger, Bristol

R. G. Wilkinson of Hillsville, Virginia

E. E. Early of Hillsville, Virginia

R. W. Dickinson of Castlewood, Virginia

A. S. Gump of Bristol

Wiley E. Morgan, City Editor of the *Sentinel*, Knoxville

Nap Remine, Managing Editor of the *News*, Bristol

Charles O. Hearon, Managing Editor of the *Herald*, Spartanburg

Dr. J. A. Summers of Mooresburg, Tennessee

John L. Davis of Knoxville

J. D. Cox, President of the Banking and Trust Co., Jonesborough

A. L. Shipley, Clerk and Master, Jonesborough

A. N. Shown, of Greeneville, Tennessee

**Those Present from Johnson City were:**

J. C. Campbell  
W. B. Miller  
R. C. Staples  
T. B. Strain  
Jacob Gump  
Amzi Smith  
J. Fred Johnson  
M. L. Fox  
W. L. Thomas  
Charles P. Faw  
S. H. Pouder  
F. A. Garth  
Chester Allen, Jr.  
Dr. W. F. Swan  
B. S. Gore  
M. P. Dyer  
J. E. Brading  
J. O. Lewis  
William Silver  
B. Dent Sprowl  
P. M. Ward  
J. O. Geise  
T. D. Vance  
J. E. Vance  
E. D. Houston  
L. W. Oakes  
James P. Hart  
James Paul  
T. A. Gillespie  
G. G. Hannah  
D. J. Hickman  
R. J. C. Hawley  
D. H. Willard  
H. G. Waring  
H. B. Mercereau  
G. H. Shoun  
Charles T. Hayward  
T. V. McCown  
E. E. Ellsworth  
R. J. Davis

W. P. Brownlow  
Tate L. Earnest  
John W. Hunter  
Joe P. Summers  
S. C. Williams  
Louis D. Gump  
Charles C. Cox  
Gooch Vaughan  
J. C. Stone  
J. F. Cecil  
W. H. Osborne  
D. W. Sitton  
C. Y. Deaderick  
Paul E. Devine  
W. A. Starritt  
O. K. Morgan  
E. M. Slack  
G. A. Reeves  
G. T. Lee  
F. B. Brownlow  
I. A. Bittle  
W. W. Remine  
George S. Hannah  
J. A. Parsons  
S. R. Jennings  
Frank Taylor  
L. P. Wood  
H. W. Pardue  
D. R. Yarborough  
C. O. Biddle  
W. L. Clark  
H. D. Gump  
C. L. Bachman  
R. M. Dosser  
H. Prosser  
A. W. Spencer  
George E. Burbage  
Thomas B. Russell  
H. Gildersleeve  
J. W. Houtz

John P. Rhea  
Sam T. Millard  
A. D. McKee  
S. E. Miller  
J. J. Connor  
Paul H. Wofford  
J. W. Wampler  
C. E. Cargille  
H. M. Burleson  
W. G. Mathes  
M. S. Weaver  
O. K. Marshall  
T. E. Hurst  
F. B. St. John  
C. L. Marshall  
LeRoy Park  
B. W. Hunter  
James C. Park  
G. L. Smith  
Ferdinand Powell  
E. C. Reeves  
S. S. Crumley  
C. B. Allen  
M. L. Pease  
M. Jackson  
J. F. Crumley  
James A. Martin  
W. H. Stossell  
C. E. Burchfield  
G. T. Blackford  
J. R. Gardner  
W. E. Burbage  
H. R. Parrott  
W. B. Johnson  
Cy H. Lyle  
Rev. J. A. Ruble  
Rev. J. K. Larkin  
R. P. Barnett

Charles N. Brown  
C. N. Brown  
J. H. Pierce  
F. M. Gildersleeve  
W. J. Exum  
A. R. Johnson  
John P. Smith  
J. C. Butler  
Kyle M. King  
J. M. Ferguson  
Charles N. Ruffin  
M. S. Weaver  
John A. Muse  
A. W. Davis  
R. C. Hunter  
George P. Wofford  
H. W. Lyle  
M. L. Gump  
B. A. Dobbs  
Thomas P. Boone  
Charles T. Mandel  
W. B. Harrison  
E. F. Young  
G. R. Hurlbut  
John T. Brown  
Adam B. Crouch  
R. A. Swadley  
E. C. Lockett  
S. B. White  
J. A. Vines  
E. C. Baldwin  
W. D. Kirkpatrick  
H. M. Carr  
E. S. Goodloe  
W. F. Eaton  
E. T. West  
H. P. Staley  
W. J. Barton