

ST. PAUL RAILROAD ALLIANCE.

Norman B. Ream and James J. Hill to
Enter Directorate at Next Annual Meeting.

Special to The New York Times.

CHICAGO, Dec. 28.—Norman B. Ream and James J. Hill will go into the Directorate of the Chicago, Milwaukee and St. Paul Railroad Company at the next annual meeting. It is also rumored that J. J. Hill is to become President of the company.

On the Street this is taken to mean that J. Pierpont Morgan and the Standard Oil people are in control of the St. Paul system. To the company itself it means much more. It signifies an alliance between the St. Paul and the Northern Pacific, the Great Northern, the Erie, and the Baltimore and Ohio, as well as with a number of other companies in which the interests named are dominant.

Mr. Morgan and his friends generally favor good dividends, and the statement is made that the St. Paul dividend will be raised at once to a 6 per cent. basis, as against the present 5 per cent. rate. Mr. Hill is President of the Great Northern Railroad Company. Morgan interests are dominant in Northern Pacific, and these two companies will do business with the St. Paul, assuring to the latter the traffic trade of the two former.

The Baltimore and Ohio should also profit through the combination, as both the gentlemen who are to go into the Directorate of the St. Paul are Directors in Baltimore and Ohio.

The stock has been advancing at a rapid rate, and the tip to buy has been given out quite generally. It is supposed, however, that this was on account of the reported plan to raise the dividend from a 5 per cent. to a 6 per cent. rate. It may be that even more important developments are in contemplation than have been made public.

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