

FEEDER FOR ST. PAUL ROAD.

Harriman Lines Not Interested In Bellingham Bay & British Columbia.

TACOMA, Wash., March 13.—The purchase announced yesterday of the Bellingham Bay & British Columbia Railway and the Bellingham Terminals Company, through Kuhn, Loeb & Co., of New York, was made solely for the Chicago, Milwaukee & Puget Sound Railroad, according to a statement made by A. M. Ingersoll, president of the latter company.

Mr. Ingersoll denied that the Harriman interests had any share in the property acquired and said there would be no joint operation of the Bellingham line. It is to be used as a St. Paul feeder, he said. The purchase price of the property is said to be considerably less than the \$10,000,000 reported.

The roads extend from Bellingham, Wash., to Glacier, B. C., a distance of about forty-five miles.

VAIL TELLS WHAT TO EXPECT.

Checks Optimism In Looking Toward Bigger Western Union Dividends.

In the annual report of the Western Union Telegraph Company, issued yesterday, President T. N. Vail again warns stockholders against being too optimistic over the prospects of an increase in their dividends.

"In order that public confidence may be strengthened not only in the ability of the company to continue any dividend disbursement which may be established in the future," he said, "it is proposed to carry to depreciation reserve all earnings over and above the present dividend, to charge such construction to that reserve as the Directors may deem expedient, and to continue this procedure until such a time as the fund would, in the opinion of the Directors, admit of an increase in the dividend rate."

The old Gould management of the Western Union was indirectly criticised in the report. "Without going into detail," says Mr. Vail, "there still exists a necessity for the doing of many things which cannot be ignored. Salaries and wages to be readjusted, an effective and beneficial pension scheme to be inaugurated that good men may not only be retained but encouraged and made to feel that the interest and prosperity of the company works for their interest and prosperity. Offices and apparatus and general surroundings to be improved, brightened up, that all work may be done under decent and sanitary conditions. Plant to be reconstructed that promptness and efficiency may be required and obtained. Under ordinary conditions, where there are no new lines of development, no new work being done far in advance of its utilization, any increase of capital on obligation without a corresponding increase in net revenue with which to meet changes can have but one result, and, unfortunately for the shareholders, that result has been realized and to a certain extent is reflected in the dividends."

The Western Union's total earnings last year were \$35,478,000 and its net profits \$7,105,000. After paying \$2,991,000 in dividends there remained a balance of \$2,380,000.