

# WEEKLY INDUSTRIAL RECORD.

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## OFFICIAL COURT STENOGRAPHER'S REPORT OF THE AMERICAN NAVAL STORES COMPANY, SHOTTER, NASH, MOLLER AND OTHERS IN THE FEDERAL COURT AT SAVANNAH.

[Editor's Note:—These proceedings will be run as a serial and will be continued from week to week in this space until the last page of the proceedings has been published. Every person interested in naval stores, whether producer or consumer, cannot afford to miss this series.]

Q—What reason, if any existed, as to why you should not go ahead and sell the West, Flynn & Harris Company's receipts to others?

Mr. Meldrim—Objected to.  
The Court—Sustained.

Q—Mr. West, I will put it this way. Was or was it not possible for you to dispose of your receipts without the bid of the American Naval Stores Company?

Mr. Meldrim—That is a mere conclusion, sir. I object, sir, on the ground that it is a mere conclusion of the witness whether was possible or not possible to do a particular thing, the subject matter concerning which inquiry is made is the sale of naval stores. It comes within the knowledge of the Courts—the sales of naval stores go all over the country, different producers, different vendors, different buyers; whether a sale could be made depends upon price, quality and demand, and various other qualities that enter into it. Whether or not this gentleman could make a sale is pure conclusion of my friend Mr. West. He can state the facts and from these facts the conclusion can be deduced.

The Court—I think it is for the jury to draw the conclusions.

Mr. Toomer—I would like to have an opportunity to be heard in that and to submit our view. It is directly contrary to the purpose imputed to us by the defendants; the purpose is to elicit information as to what percentage of the naval stores trade these particular defendants handled.

The Court—If that is within the knowledge of the witness you may ask him; it is a fact not a conclusion.

Mr. Meldrim—If this gentleman can state the percentage of business done within a given market in a given time I have no objection to his testifying as to those facts.

Q—Mr. West, how long have you been engaged in the gathering of naval stores receipts and in their sale in the Savannah market?

A—In one way and another since '94.

Q—Yes sir.

A—With what companies were you connected here?

A—First with West, Dixon & Co., Peacock & West Co., and now the West, Flynn & Harris Company.

Q—Have you any knowledge, Mr. West, from your own long connection with the industry and your acquaintance of it as to the volume of business handled by the different exporters, relatively?

—Well, I have an idea of the proportions but not definite knowledge.

Q—Will you please give us your opinion?

Mr. Meldrim—I object, that is not sufficiently certain.

A—The American Naval Stores Company handles much the larger proportion of the naval stores receipts here and elsewhere in my section.

The Court—At what time?

A—Since it was organized.

Q—Since it was organized?

A—Yes sir.

Q—You have referred to an objection urged by you to the payment of a certain four hundred dollars for storage on the yards of the Atlantic Coast Line on shipments originating on the river. I will ask you to explain to the Court and jury just what you meant by that. Describe it just as you can?

A—Well, we have some customers on the St. Johns river that ship down the river. Those shipments which the Atlantic Coast Line does not touch—the National Transportation and Terminal Company—and we didn't think it was right to pay all those receipts—that is, the Storage Company.

Q—Pay to whom. You did not think it was right to pay to whom?

A—To the American Company; nor to the National Transportation and Terminal Company.

Q—What was the four hundred dollars for?

A—Well, I would say that that was paying something for nothing, for no services rendered.

### Cross Examination.

By Gen. Meldrim.

Q—When you were speaking of proportion of business, you are not prepared to say that for the season ending Mar. 31, the year from April 1, 1906, to March 31, 1907, that the percentage of this business was only 24 per cent. are you—that the percentage done by the American Company was only 24 per cent. of the whole; do you—at this port?

A—No, sir. I did not say that I knew it.

Q—And you are denying that that figure of 24 per cent. is not correct; are you?

A—No, sir; I am not.

Q—The matters concerning which you have been so kind as to testify, in regard to the storage on the yard of the N. T. & T. Company and this is a matter of four hundred dollars; and the agreement upon our part to buy was all contained in a written contract?

A—Yes, sir.

Q—You have that written contract in Court?

A—Yes, sir.

Now, if the Court please, as to the

contents of that written contract, as to the contents of that instrument, I move to exclude, unless the contract is produced.

Mr. Toomer: If the Court please, we intend to put in the contract, but we dislike to put it in the wrong position. We have refrained from going into this contract; we have asked the witness to testify to certain conversations leading up to it. . . . We tender the written instrument at this time.

Mr. Meldrim: Thank you, sir (taking the instrument). Q—Will you now take that written contract for a moment, sir. Now, the paper that you have there; who prepared it, sir, or who caused the paper to be prepared, Mr. West?

A—Mr. Shotter and Mr. Nash on the part of the American Naval Stores Company, so far as I know, and Mr. Harris and myself on the part of the other.

Q—The physical preparation of the paper, the typewriting matter; who did that work, that paper that you hold in your hand?

A—I think after we went over the contract with Mr. Shotter, that this was possibly prepared in our office; that is, the original from which it is taken; possibly Mr. Shotter, Mr. Harris, Mr. Nash and myself—the typewriter did the copying.

Q—You had a conversation; and after you agreed pretty well, you submitted this as the contract that was prepared in your office?

A—You see, there was another paper; this left out one or two objectionable clauses. And this was the one that we finally wrote up; and I still tried to get the four hundred dollars charged off.

Q—I am just trying to find out, that particular paper which you gentlemen agreed upon, was prepared with the final changes, in your office?

A—There was one change that was still wanted.

Q—I understand that: I am only getting to the single fact, that that contract upon which you gentlemen agree was prepared in your office; that is a fact, is not it?

A—Well, there were so many interlinations that we had in Mr. Shotter's office that we marked off. I think one of our stenographers wrote it off: I still hoped to get off that four hundred dollars.

Q—But it was prepared by one of your stenographers, in your office now, look at that word, "storage," interlined in that paper; who put that in?

A—That was put in there before it was finally passed upon, I guess.

Q—Whose writing is that?

A—That looks like my own.

Q—You were engaged in the naval stores business in Jacksonville; and you came twice to Savannah, to see these gentle-

men here, to get them to buy naval stores from you; that is true?

A—I came here, having business here.

Q—You did yourself the pleasure of calling upon them, to see if you could get them to buy naval stores from you?

A—No, sir; you do not put me in a false light about that. Mr. Harris, our manager, made an arrangement, I think, with Mr. Shotter; I am not sure whether I went by Jacksonville here; but this contract was the outcome of our contract.

Q—Now, on your direct examination you said that you came twice to Savannah to get the American to buy from you; do not I quote you correctly? That is a correct statement, is not it, Mr. West?

A—I cannot say it is entirely.

Q—It is substantially; is not it.

A—I came at the request of Mr. Harris.

Q—I am asking you about your good conduct: whether you did not come twice to Savannah to get this naval stores company to buy naval stores from you; is not that true?

A—This matter had been pending, Major, for some time, and I think—well, I know, it was stated to me by our other manager, that one contract or more—at least one, had been tendered in Jacksonville; now, that was some time before this was prepared; but I know little about it, except his statement.

Q—Now, did not you tell us that you twice came to Savannah to get the American Naval Stores Company to buy your stock?

A—I came here with the view to try to arrange for them to deal with us, and not to ignore us. I wanted their friendship, their good will; we wanted to sell to them because they are often in the market when others are out of the market; we wanted to be friendly with them.

Q—And to buy your naval stores?

A—I guess we want everybody to buy from us.

Q—You found that there was not sufficient demand for your stock in Jacksonville; and, therefore, you turned to the superior facilities of this city; that is a fact, is not it?

A—Now without the demand of the American Naval Stores Company there is not sufficient men to buy stuff, and when we quoted business there, we did not have demand enough to take our stuff.

Q—When they didn't see fit to buy in Jacksonville, then you turned to Savannah, and you know it to be a fact that for purposes of exportation the advantages of this port are very much greater; you know that?

A—Well, the freights are cheaper through Jacksonville.

Q—Don't you know that for exportation