LEGISLATIVE COMMITTEES.

Report to Orange Growers' Convention at Tampa.

After due investigation of the corporation laws of the state of California, under which the fruit growers' exchange is organized, we found that in order to bring about the same or simlar organizations in Florida, it was necessary to secure from our legislature, now in session, the passage of a corporation law similar to the California law. In other words, we found that under the present corporation law of Florida, we could not accomplish the purpose of the California organization from the fact that the present laws of Florida only contemplate two classes of corporations, corporations for profit, and corporations not for profit, the latter, however, being confined to elemosynary corporations; that is to say, to religious, educational, charitable or other mutual benevolent associations, and as we thought it desirable to organize here on similar lines to the California organization, we found neither of these provisions of our present law would fit our case.

Under the California law, the fruit growers' exchange and the corporations under it are organized not for profit, but for mutual association, and under the provisions of that law the stock issued in these corporations is not asignable by the owner without the consent of the association, and can not be sold for his indebtedness, nor does it pass to his administrators, as the general law requires in ordinary corporations, but it becomes an asset of the land, on which his grove is situated, and passes with the ownership of the grove; in other words, it does what is generally designated in the law in similar cases—runs with the land.

Again by their enactment of the California law, they have avoided all danger of conflict with the anti-trust laws of the general government. These considerations being so weighty, and of such vital importance to our successful organization of the orange growers of this state, we thought it best to, and did immediately copy the California law on this subject, only changing its terms so as to fit our conditions, and immediately sent one copy of this law, or intended law, to the senate and another to the house of representatives of the state of Florida, requesting the immediate passage of one of them.

We also sent a copy of this intended law to our governor, the Honorable Albert W. Gilchrist, and requested him to give us his assistance in the passage of the same by the lagislature; this he immediately did by sending a special message to the legislature on this subject, urging the legislature to pass the act.

Immediately upon our return home

Immediately upon our return from California, and at the request of the general committee, Mr. Thomas Palmer of our committee went to Tallahassee in the interest of this legislation; this was done because we realized because the session of the legislature was nearly over, and as there is always a congested condition from a multitude of unenacted bills, that so encumber the calendars of the legislature, that it is very hard to secure the passage of any laws, and for this reason we were fearful that this law might fail, in the short period of the legislature, of the passage, but we regret to state that up to the present we have been unable to secure the passage of the same; we are, however, still hopeful that one of these bills will yet be passed and become a law, and thus give us an opportunity of organizing this state on the same basis and under similar laws to that of California.

Legal Standing of the California Growers' Exchange.

We find that the California Fruit Growers' Exchange and the system upon which it is organized, contemplates and brings into existence three different classes of organizations, built up like a pyramid, the one resting upon the other.

At the foot of this pyramid and forming its very base are the various fruit growers' unions; they are, as a rule, corporations, though not necessarily so at all times. They are known and termed associations of growers, or units, and reaches directly the growers who compose it, these units are formed in each neighborhood, considering only the convenience of the growers.

As a general thing there is but one share of stock, issued by the association to each grower, which share of stock is predicated upon his holding of orange property, and the ownership of it passes with the land.

Sub-Exchange.

The sub-exchanges are separate corporations from the associations of the growers, and are located in the above described, and are composed of groups of such associations of growers, and are located in the most convenient territory to the associations that compose them; one share of stock of the sub-exchange is issued to each association of growers, which entitles each association to one director in the exchange. This share of stock, being usually held by the particular director selected by the association to represent it. The sub-exchanges are located in some central community convenient of access to all of the associations that compose it, so as to be in touch with the associations and act as a means of communication from them to the central exchange, and at the same time in close communication by telephone and telegraph with the central exchange.

Coming on to the apex of the pyramid as above described, we now reach and deal with the

Central Exchange

Or clearing house for the fruit itself. This, in the case of California, is located at Los Angeles. One share of stock of this, the general exchange, is issued to each sub-exchange; no more and no less; this entitles each sub-exchange to one director in this general exchange or clearing house, and these directors so elected one by each sub-exchange, compose the directory and absolutely control the entire shipment and placing of the fruit of all the growers, who, through the associations and sub-exchanges, compose it, and this clearing house directly reaches the growers in the transaction of their business, through the sub-exchanges and through the associations of growers, down to the growers themselves, thus placing the growers at all times in direct touch and communication with the exchange handling their fruit. This clearing house or exchange handles all the fruit turned over to it by the associations, through the sub-exchanges, and at the same time and on the other hand is in direct touch with the buyers of the fruit at the other end, and entirely directs the sale and distribution of the fruit through its agents in the markets.

Another adjunct of the exchange or clearing house is to act as a purchasing agency of supplies for the growers which has proven very satisfactory to the growers there, for by purchasing all their packing supplies and fertilizer in bulk they have been able to save to the growers for whom they act in this capacity tremendous sums of money. In fact it is demonstrated that the saving to the growers in this particular alone more than pays the entire expense of the marketing of the growers' fruit. Again this clearing house acts as a collecting agency for the growers, takes up and handles all claims of growers against the transportation companies for any damage to the growers' fruit, and by putting the force of this organization behind these collections, have been enabled to collect practically all of these claims from the transportation companies without suit, thus again saving to the growers vast amounts of money that might be expended otherwise for such suits. None of these corporations composing this system are organized for profit, but, on the contrary, the entire question of profit in the handling of the fruit, and its marketing has been eliminated, for while the general exchange charges the growers a reasonable amount for marketing the fruit sent through it, all of this sum so charged and collected from the grower is used in paying the expenses of the employees hired, on salary, to manage the business of the exchange and to meet other necessary expenses of the marketing of the fruit, and, if after so doing, any of the funds thus collected from the growers remain in the hands of the exchange, such funds are, at the end of the season, pro rated back to the growers, through the sub-exchange and association, according to the number of boxes shipped through the exchange by each grower, thus making this system, in our judgment, and as far as human foresight can possibly render it, a complete and perfect system, and one we most heartily recommend for the adoption of the orange growers of Florida, it being impossible in our judgment to conceive a more perfect organization.

Your committee, now having completed the work allotted to it to the very best of its ability, and having discharged fully all the duties made upon it, now beg leave to make this final report of the same.

Very respectfully,

THOMAS PALMER,
EUGENE HOLTSINGER,
Committee on Legislation.

I concur in the above report except as to last clause recommending that we copy California's organization in its entirety. In my opinion several changes should be made in order to meet conditions in Florida.

J. J. HEARD,
Member Committee on Legislation.

The following prominent fruit growers constitute the committee in charge of the organization of The Florida Citrus Exchange:

Polk County—F. W. Inman, Eugene Holtsinger and J. W. Sample.

Hillsborough County—Thomas Palmer, W. E. Heathcoate and Solon Pemberton.

Manatee County—Josiah Varn and John B. Singletary.

DeSoto County—Finis E. Parker, Terrell Fielder and W. H. Hooker.

Lee County—D. S. Bourland, G. T. Raymond and H. E. Heitman.

Pasco County—Dr. J. F. Corrigan, a brother of Archbishop Corrigan.

Orange County—L. W. Tilden, W. C. Templex and J. H. Lee.

Lake County—O. W. Sadler, Jr., and E. T. Burleigh.

Marion County—F. G. Sampson and W. B. Gray.

Hernando County—W. A. Fulton.

Volusia County—W. S. Hart and H. B. Stevens.

Brevard County—E. P. Porcher and H. S. Williams.

St. Lucie County—Thomas McCarty.

Dade County—S. Burbank.

Alachua County—L. H. Montgomery.

Putnam County—W. H. Cook.

Among others of the newspaper fraternity seen at the orange growers' convention was John A. Crosby, editor and proprietor of the San Mateo Item. Mr. Crosby is a most genial fellow, and being an orange grower himself, making a specialty of fancy shipments to an exclusive trade, he was especially interested in the problems that are to be tackled by our growers.—Florida Fruit and Produce News.

Thanks for the bouquet, brother, and also thanks for courtesies extended us while in your city last week.

There is some talk about making Tampa headquarters of the Florida Citrus Exchange. There is only one place in Florida that should even be considered by the exchange people, and that of course is Jacksonville. The fruit from West Coast and East Coast and Central part must all go through Jacksonville. Buyers from all over the United States reach Jacksonville. Telegrams, and this is a big item of expense, will cost much more to Tampa than Jacksonville, and for many other reasons Jacksonville is the place for headquarters.

Terra Seia Grapefruit Grower.

C. S. Blood, a successful grapefruit grower of Terra Seia, is setting out a tract of 500 acres in grapefruit trees for a New York syndicate. Mr. Blood has a grapefruit grove of 11 acres from which he is said to have netted $10,000 this season. He has 2,200 bearing trees in his grove which are set only 14 feet 9 inches apart, which accounts for the extraordinary yield per acre. At three years old some of them yielded $30 per tree.—Florida Fruit and Produce News.

The Florida Fruit and Produce News is what its name implies—and The Item would recommend the paper to our readers, both north and south, who may be interested in fruit or produce in Florida. Mention Item and send for a sample copy. Jacksonville, Fla., is their addres. It is the official organ of the Florida Citrus Exchange.

As stated in these columns last week, the lower rate given Cuban pines from Miami over Dade county pines is stirring up a fuss, and the Florida East Coast Railway and Mr. Flagler are being cussed all along the line. On some points the growers are not to be blamed for cussing, but on others they are wrong in blaming the Florida East Coast Railway.

Mr. Flagler is a business man, and no doubt believes he can build up a paying business by building his railroad from Jacksonville to Key West, with its millions of outlay, and there is no one but what trusts he will be successful. He is building to Key West at this time, not for what little business Key West may give him—that is sure. He is going out for the Cuban business for one thing, and we all know the competition he will have to meet to get his part or any part of this business. We also know that the fruit, pineapples and citrus, business in Cuba is just starting and that the output is rapidly increasing. What we all do not stop to think about is the fact that if there was no Florida East Coast Railway, Cuban growers would market their pines with their different water lines, competing against each other, at the present rates or lower, as the quantities increase. On one or two ships alone from Havana to Mobile recently were more pines than the Florida East Coast Railway has handled all this season from Cuba. Let the railroad get all this business they can, help them to get it if we can. Let them show and establish the fact that they can make a good profit on hauling pines at the cut rates.

Let them demonstrate that they CAN lay pines down in Cincinnati in quicker time than it now takes to lay them down at Jacksonville. Let them make a barrel or two of money out of the Cuban traffic if they can get it just to help the Florida bunch pay the company's expenses and profits. The Item hopes they will make millions out of it instead of some other transportation company.

The present rate given Cuban pines is nothing new, some years old, and it is only the increased quantity of fruit coming via the Florida East Coast Railway over last year and the year before that is bringing the matter more to the attention of the growers.

All the roads are showing that they can handle these solid trains through in quick time. They are billed through to Cincinnati with no changes, and little trouble on the part of the railroads, as compared to the single cars that go out over the Florida East Coast Railway, on which the buyers and brokers have a fit if they do not have a telegram from many points, showing where car is and then changing the routing and even destination