

# SECURITIES COMPANY OFFICERS ARE CHOSEN

**No Hill-Harriman Disagreement,  
Say Those in Authority.**

## DIRECTORS' TERM OF SERVICE

**Active Supervision Over the Policy of  
the Great Northern and Northern  
Pacific to be Exercised by  
the New Company.**

The organization of the Northern Securities Company, which had been accomplished in part on Thursday by the election of Directors and of James J. Hill as President, was completed yesterday by the election of the remaining officers and the formation of the Executive Committee. The position of Union Pacific interests was more clearly defined by representatives of the Harriman interests, and the statement was made that all reports of a disagreement over appointments were baseless, as suitable appointments had already been decided upon.

At the meeting of the Board of Directors of the new company the Executive Committee was chosen, to consist of James J. Hill, as President ex officio, and of John S. Kennedy, George F. Baker, D. Willis James, E. H. Harriman, and W. P. Clough. Of these men Messrs. Kennedy and Clough may be classed as representatives of the Hill interests, while Messrs. Baker and James represent the Northern Pacific and Morgan interests, with Mr. Harriman as the representative of the Union Pacific.

The following officers were also elected: Vice President—John S. Kennedy; Second Vice President—George F. Baker; Third Vice President—D. Willis James; Fourth Vice President—W. P. Clough; Secretary and Treasurer—E. T. Nichols; General Counsel—W. P. Clough.

These men are nearly all representatives of Hill interests.

While the names of the Directors were made public on Thursday, the terms for which they were elected were not announced until yesterday. The Directors are divided into three classes, according to their term of service. Those who are to serve one year are James J. Hill, George F. Baker, Daniel S. Lamont, James Stillman, and N. Terhune. Those who will serve two years are Samuel Thorne, George W. Perkins, Jacob H. Schiff, W. P. Clough, and George C. Clark. Those who will serve three years are John S. Kennedy, D. Willis James, E. T. Nichols, Robert Bacon, and E. H. Harriman.

A complete statement containing the terms of the exchange of securities and other details of interest to the general public was to have been given out yesterday afternoon, but owing to a delay in getting this statement ready it will not be made public until to-day.

All reports of a disagreement between Mr. Hill and Mr. Harriman over the appointment of a General Traffic Director, which were industriously circulated yesterday, may be set down as absolutely false on the authority of representatives of both interests. It has been definitely decided that Darius Miller, at present Second Vice President and General Traffic Manager of the Great Northern, will be the General Traffic Director for the Northern group of roads, while John C. Stubbs, at present Third Vice President of the Southern Pacific Company, will hold the same position with regard to the southern division of roads. Should either Mr. Miller or Mr. Stubbs for any reason be prevented from serving in these positions two capable men to take their places have already been decided upon.

Regarding the purpose of the new company, it may be stated that it will not be merely a security holding company, but that its Directors and officers will exercise an active supervision over the policies of the Great Northern and the Northern Pacific. The organization of these two roads will be preserved, but their policy will be dictated by the controlling company. There will be no changes among the officers of the two roads, and Mr. Mellen will continue as President of the Northern Pacific with the express consent and approval of Mr. Hill. President Harris of the Burlington will also continue in office.

The apparent preponderance of the Hill interests in the Northern Securities Company was explained by a representative of the Harriman interests as being without far-reaching significance. It may be stated on excellent authority that the Northern Securities Company only indirectly influences the position of the various interests as regards a voice in the control of the Chicago, Burlington and Quincy. This matter was explained as follows yesterday by one in a position to know all the facts in the case:

"It should be remembered," he said, "that what the Union Pacific first asked for was a one-third interest with the Northern Pacific and Great Northern in the administration of Burlington affairs. What it has received is an absolute half interest in that railroad. This interest is represented on the Board of Directors by one-half their total number, and is guaranteed by an agreement entirely outside and separate from the formation of the Northern Securities Company.

"The interest of the Union Pacific will also be represented by at least one-half the board of the new Burlington Company, which is to lease the old Burlington Road from the Great Northern and Northern Pacific Roads. In this manner, therefore, the Union Pacific would be fully protected even if it should have no interest whatever in the Northern Securities Company."

Regarding the amount which the Union Pacific is supposed to have received for its share of Northern Pacific preferred stock, it was learned yesterday that, while the general public will not receive more than 100 for its shares of Northern Pacific preferred, the Union Pacific interests received their own price for their holdings in consideration of their consenting to the retirement of the stock. As one of the representatives of the Harriman interests stated some time ago that their shares of Northern Pacific preferred could be had for 110, it is presumed in Wall Street that the price they received was somewhere in the neighborhood of that figure. The actual profit made by the Union Pacific out of the entire Northern Pacific transactions can only be guessed at, so it was stated yesterday, as the only basis on which it could be figured would be the price at which these Northern Pacific holdings were acquired and sold.