

Long-term agreement ends telephone war

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rate hike — hadn't given up its franchise without a fight. Reported the *World* on Feb. 23, "J.C. Monteith, secretary of the Home Telephone Company, arrived in Bloomington at 11:30 yesterday morning and together with President James D. Showers, Vice President Bradfute, and directors W.N. Showers and Fred Matthews, held a conference at the office of the Home Telephone Company with the Citizens committee composed of W.T. Breeden, Dr. A.L. Foley, S.E. Carmichael and James Karsell."

The following day the *World* announced in a larger-than-usual headline, "TELEPHONE WAR SETTLED SATISFACTORILY." Incredibly, the settlement entailed \$1.50-per-month phones for private residences, instead of the \$1.25 proposed by Home in the first place. Actually, the home subscriber could get a \$1.40 rate for prompt payment. The concession made by Home was that over the span of a new 18-year franchise the rate would never be higher than \$1.50.

Commented Indiana University Professor Foley, in the *World*, "In answer to a request for my opinion of the outcome of the telephone controversy, I may say that I am satisfied. The people have won that point which, in importance overshadows completely any other points in the controversy. . . ."

Was the citizen protest after all a useless exercise? Perhaps. On Feb. 25 the *World* had suggested to its readers, "If there ever was any doubt about the wisdom of the people fighting for their rights in the telephone proposition that doubt is dispelled by the action of the telephone companies of Indianapolis. They people of the capital city were unfortunate in the granting of a franchise to the Bell company and later the new company was granted a franchise. . . . But the new company soon began to show monopolistic tendencies and claimed that it could not make money at the prices it originally agreed to furnish 'phones.'"

In 1920, the Bell Company replaced Central Union as the supplier of service to Bloomington.