

ST JOHN STAR, SATURDAY, JULY 22, 1905.

# THE POSTULATORY PROMOTER



**A Day With Several Kinds of His Remarkable Profession.**  
**Enthusiastic Promoters Who Make Themselves Believe 'Most Anything.'**  
**Plain Tales From the Wall Street Jungles of Five Robbers and Others**

NO. 1 THE POSTULATORY PROMOTER.  
 By Julius Muller.

"There," said my friend, the promoter, "try one of these cigars. I think that, without doubt, we've struck the biggest thing of the century." He watched with shining eyes while we puffed at it. "Good, isn't it?" asked he. "You wouldn't suppose that the tobacco that it's made from was grown in a flower-pot on my window sill, would you?"

I knew my friend the promoter so very well, indeed, that I said, coldly: "No, I wouldn't."

"Well, it was," said he. "Grown in common, everyday city earth, from common, everyday tobacco seed. The secret is that the earth has been vaccinated with the vital principle that makes the Vuelta Abajo district of Cuba the finest tobacco country in the world. I've got hold of a genius in the chemistry line who has succeeded in finding the bacterium that does it."

"Yes," said I, still more coldly.

"Yes," answered he, serenely. "Our fortune is as good as made. And now, listen to my scheme for utilizing the discovery. I think that it's the best financial plan that I've struck yet. It is so far ahead, and so far ahead, that I want to be in a flash last night, after I went to bed."

"Who's going to put up the money?" asked I, rudely.

"That's the beauty of the plan," said he. "You see, this thing is too big to give away to capitalists. They'd want the lion's share, and I'm through with letting my good things go to the moneyed men. Unfortunately, I'm tied up just now in some other things that are taking all my capital for the present. Otherwise, of course, the matter would be simple enough. I'd just take up a thousand acres of cheap land somewhere that would cost, say, \$50,000. About \$10,000 would see us clear for propagating and planting the land. Now, down there in the Vuelta Abajo district they have raised crops amounting to \$2,000 an acre. You know me. I'm never optimistic. All I figure on is \$1,000 an acre. With that, see how we'd come out the first year. The investment would be \$60,000. Five per cent. for interest and 10 per cent. allowed for unforeseen expenses would make the total \$80,000—let's say \$70,000, to be sure. At \$1,000 an acre (and, mind you, that's a small estimate; I can show you the Government figures; they'll surprise you), the income the first year from our 1,000 acres will be one million dollars. How's that for a profit?"

"Where are you going to get the \$80,000?" asked I, putting an unkind account on the "you."

"Not going to waste my time trying, my boy," said the promoter, "there's where my cunning little scheme comes in. You know, and I know, that there's a matter of twenty-five or thirty thousand back yards in the suburbs of this city. I've got the exact figures here, somewhere. They're Health Board statistics. I never miss any reports like that. There's money in knowing all these things. That's the way I keep half my schemes going."

"Now, my plan is simply this: to go to every owner or lessee of a house with a back yard and offer him a \$25 share of stock in our company free, with 10 per cent. interest guaranteed,

providing he will plant his patch of ground according to our directions. Then we'll send him a package of tobacco seed and the inoculating stuff mixed together, and when his plants are up we'll simply send around and collect them."

"Now, see what we gain by that. In the first place, we don't need a cent for land. In the second place, the tobacco will grow ever so much better in small patches like that, both because the plants will have individual care and because the fences will protect them from cold winds. That'll give us a high temperature that we could never get in an open field."

"The inoculating material breeds as fast as other microbes. Starting with a bottleful, we can raise enough to vaccinate every bit of soil in the United States, and it won't cost us anything. The seed we can get on credit. So, you see, we can have our crop growing without spending a dollar on it."

AT LEAST \$1,000,000.

"Now, what do we get in return? At least a million dollars' worth of tobacco, and more likely two millions. Out of that we have to pay back only \$62,500 for the 10 per cent. dividends on the 25,000 shares of stock, \$5,000 or so for seed, and say \$15,000 for collecting and curing tobacco. That's \$82,500. Let's say \$100,000, to make allowances for unforeseen expenses. You know me. I always believe in giving my schemes the worst aspect in figuring on them, so that there will be a big margin of safety. That leaves us a cool \$800,000 at the very lowest calculation. Now, what do you think of that?"

The third man in our party unrolled his cigar. He happened to be a cigar importer, but I hadn't told my friend the promoter that, for I knew from past experience that he had a scheme to fit every man he met. The cigar importer said:

"I see the wrapper is Sumatra. Did you grow both in one pot?"

"Oh," said the promoter, "of course we had to buy the Sumatra. You know we only tried this for an experiment."

"Some of the filler looks like imported leaf," continued the cigar importer.

"Yes, we didn't have enough to go around, so we had to use a little Yuleta Arriba," said the promoter, cheerfully. "But that's only a detail. Do you know something about cigars?"

"I'm an importer," was the reply.

"By Jove!" exclaimed my friend the promoter. "I've got just the thing for you!" He opened a safe and brought out a gold ring, set with a colored stone. "See this tiny hole?" said he. "Just shove the point of your cigar into it, twist your finger a little, and off goes the cigar tip. Now, you offer to give one of these away with every box of cigars and you'll increase your sales so that it'll paralyze you. Every smoker will simply be determined to have one after he sees it. And, as

you'll be the only man who has them, it simply means that every one of the 200,000 odd smokers in this city will buy a box of cigars from you."

"So that's a promoter. Well, well!" said the cigar man afterward. "I'd never have taken that little, bald-headed, shabby man for a promoter. Why, I'm almost sure that he believed everything he told us. I always thought that promoters were breezy, big men, dressed to kill and throwing wads of money and language around promiscuously."

DIFFERENT KINDS OF PROMOTERS.

That's the general idea of promoters. In reality, there are as many kinds of promoters as there are of any other species of mammals. Some are plain and some are gorgeous of plumage. Some are painfully minute and careful, and some are magnificently vague and general. Some believe every word they say, and other really hate to tell the truth even for a cash premium.

The latter kind prefer for their operations mines, which, being holes in the ground, are so near "nothing" with a rim around it that they always tempt promoters who make high art of their calling.

Another field which they love, and in which they are in great demand, is the floating of million or ten million dollar industrial companies with about \$10,000 in real assets behind them.

Some promoters don't require even that much in the form of assets. They are telling a very good little story just now in Wall street about five promoters who achieved that ideal of the promoter—the "rotation" of a company that didn't exist at all.

The five met one day and compared notes. The promoting business was dull. One of them had a scheme. Within a month a company was incorporated. "The Loyalty Gold Bond Investment Company" is pretty close to the real name of it. It was a modest little affair—only a one-million-dollar concern, shares \$100 par. The total investment in cash was the cost of the handsomely engraved stock certificates and the incorporation fee. "The money required by law to be 'paid in' was paid by one of the five, who was promptly elected president, and as promptly 'took the money down' again as his salary, in advance."

Some of the names of the other four promoters appeared in the papers of the company. With the exception of the president, all the officers were clerks or humble acquaintances of the financiers. One was a porter. Another was the shoeblick who had been polishing the president's shoes on credit for some weeks.

Between them the five promoters had twenty thousand dollars in real cash. Each took four thousand, and within a week the five had opened accounts with as many big banks, each in his own name.

The accounts became highly active immediately. Every day each promoter would draw checks in favor of the rest. There were busy days when each genius would do a business running up to \$40,000 or \$50,000, and yet at the end of the day the original deposit of \$4,000 would still be in each bank.

In the meantime curb brokers were getting modest orders at intervals of two or three days for Loyalty Gold Bond Investment Company stock. But there was none on the market—for the very good reason that it was all locked up in a safe. Being unobtainable, it assumed a certain value, like all other unobtainable things.

When that happy state arrived, a curb broker who received an order for 200 shares was delighted by learning that a man was willing to sell that quantity. But he was coy on being approached, and demanded a higher price than the broker's customer had authorized. After a brisk negotiation the customer agreed to pay the asked figure.

Then small blocks of the jealously guarded stock began to appear. They were snapped up eagerly. The stock began to get a recognized position.

For a year the sales and purchases continued. Of course, Wall Street didn't know that all the dealing was confined to the five promoters and their figureheads, and that all the stock sold and purchased found its way back to the same safe.

"TAPPING" THE BANKS.

It cost the syndicate a wonderful amount in brokers' commissions, but that was money well invested, for when the stock had reached a respectable quotation, the five promoters, honored and appreciated clients of five large banks by this time, began to send large checks in bulk on the principle of gaining immense sums without investing a penny.

"Now, here," says a seedy stout man with a double-breasted front of grease, as he fishes dubious papers out of the still more dubious lining of his ancient silk hat—"now here is the map of a little parcel of land down on Long Island, and that I can pick up for \$5,000 cash, sir. Here's my scheme. We can cut this up into building lots—all on paper, of course—and plant a few surveyor's stakes to mark the streets. I've got a surveyor who'll do the job for \$150. No, no; I don't want you to furnish the \$5,000 to buy the land. My plan is to make a deal to buy it, and then, after we've got the owner tied up, but before we close the deal, to advertise a sale of lots in our new home site, Riviera-on-the-Island (what do you think of that for a name, eh?) at \$9 a lot, on terms of \$1 down for each lot, and 50 cents a month till the balance is paid off."

"Now, all we need for that is, say, \$200 for advertising. If you'll put that up for your share, I'll throw in my idea and my services for mine. We are certain to sell all the 5,000 lots in a month. People will jump at the chance. Think of the headline of the ad, 'A Home for \$1!' That means that we will have the \$5,000 paid in before we have to pay for the land. After that we haven't got to do a thing, not a single centary thing, except to sit with our feet on our desks and take down \$2,500 a month for about ten years."

A SOARING LITTLE GENIUS.

A nervous, bustling little man with the most precise of clothes followed the greasy gentleman. He sat on the edge of the chair, brushed his hat primly with his coat-tail as he spoke, and tried in vain to hide his pride in the idea that he was about to explain.

"It came to me in a flash," said he. "The schemes of promoters of this class

reached their five clients for having become so cold and distant. The five clients replied that they were in it against it; that they couldn't meet the over-certification, "but," said they, "you know you have lots of collateral, so you're all right."

Alas! The banks found that they were all wrong. The buyers of Loyalty Gold Bond Investment stock, formerly the five promoters, had vanished from the face of the earth. The five promoters vanished, too, temporarily, though they did this only from an excess of prudence, for the banks really couldn't dare to do anything except to bear their pain in silence.

LEGITIMATE PROMOTERS.

Between the first kind of promoter, who fools himself more than he ever does others, because his schemes require too much imagination for the average investor, and the second kind, who are common swindlers, there are all kinds and degrees.

Promoting legitimate business enterprises has become a recognized profession, and there are many hundred prosperous, highly reputable and influential men in any large city, who pose frankly and undisguisedly as promoters.

The day's visitors to a promoter of this class are a revelation of the weird, fantastic, Arabian Nights schemes that breed under the shabby hats of a city's impetuous strivers. The plans of nine out of ten would be financiers' silk hat—"now here is the map of a little parcel of land down on Long Island, and that I can pick up for \$5,000 cash, sir. Here's my scheme. We can cut this up into building lots—all on paper, of course—and plant a few surveyor's stakes to mark the streets. I've got a surveyor who'll do the job for \$150. No, no; I don't want you to furnish the \$5,000 to buy the land. My plan is to make a deal to buy it, and then, after we've got the owner tied up, but before we close the deal, to advertise a sale of lots in our new home site, Riviera-on-the-Island (what do you think of that for a name, eh?) at \$9 a lot, on terms of \$1 down for each lot, and 50 cents a month till the balance is paid off."

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have a marked predilection for coming in a flash. "I've figured and figured in it since then, and I can't see a flaw in it. Possibly you, with your greater experience, will see one at once."

"Briefly, it struck me all of a sudden yesterday morning that there is an appalling waste of power in the skyscrapers. The point is this: In those huge towers, inhabited by thousands of people, there is never a moment of the day when the water faucets are idle. Waste water from the washbasins and the drinking fountains is perpetually falling through the pipes, and, of course, attaining an enormous velocity in its drop through two and three hundred feet of space.

"No, what I've come to you for it this. My idea is to lease the right to install motors in each skyscraper to convert this force into power, and to collect the energy in a central station. If you will interest a first-class engineer in the project and raise enough money to build the plant, I am willing to give you a two-thirds interest in the matter. I have figured that we should clear at least a million a year."

SIMPLE CHRISTIAN SCHEME.

"I have a spring of water on my place," said the red-whiskered man who was "next," producing a bottle. "It's the finest, purest water I've ever tasted. Just plain water, you know, no minerals or anything else—but the thing that is needed in big cities, with their bad water supplies. I've got the name for it, and my eldest boy, who is quite an artist, has drawn the designs. 'Hercules Spring Water' I'm going to name it. I've got advertising and all other matter all written out. We are ready to begin the campaign, sir, on a moment's notice after we buy the bottles."

"My family and I will furnish everything—the water, the labor, the brains, everything except the bottles and what little money is needed for advertising. If you will furnish that, we will let you in on an equal basis, share and share alike, with me and my five sons and two nephews. I've measured the flow of that spring, and it flows ten million of dollars' worth of water a year, figuring the value on the basis of a two-gallon bottle for 10 cents, bottles to be returned. How is that for a good thing?"

A burglar alarm personally conducted by a gentleman who looked unfortunately like a burglar himself, an epoch-making improvement in suspensors, presented by a society man, who was almost overcome with astonishment at his sudden inventiveness; an idea for a cannon, to be made economically of sheet tin on a new design that would enable it to throw 100 pounds of dynamite and infallibly destroy the navies of the rest of the world; and an elaborate scheme to give all the households of the city shares of stock in an Old Paper and Rag Company, with the understanding that in return they would deliver all their refuse of that



The five bankers reproached their five clients ~ ~

"A Home for \$1.00"

"My family will furnish everything—the water, the labor, the brains"

A burglar alarm, personally conducted

nature at collecting station to be established by a company—these and a score of others followed each other in rapid succession.

GEMS IN THE RUBBISH.

"Nine-tenths of my day goes that way," said the promoter. "But it pays me, just the same. I'm a god deal like a junkman, you know—picking over the rubbish till I light on something worth while. Now, last month I found nothing but rubbish. Last week was the same—every day clear waste. But last Monday the first man who came snatched the little town of Leslie. His principal industry is the lumber business, consequently saw mill and stave mill employes constitute the principal part of the population. Despite the undeveloped character of the country and the rough mannerisms of its inhabitants, two former-Kansas City girls have seen fit to locate in it and enter a field that in a country town has generally been regarded as belonging to the hands of journeymen."

The young ladies are the Misses Margaret and Lillian Walton, daughters of R. C. Walton, a mining engineer, who, until a year ago, resided in Kansas City, at No. 1510 Brooklyn avenue. They are the editors and publishers of the Leslie News, a five-column folio and a very heavy country paper. They employ no solicitors or employees of any sort, doing their own typesetting and on press days one would not recognize in the perspiring and ink-besmeared young ladies two former habitués of the ball room. Both misses are young, Margaret being 20 and Lillian 18, the former being a member of the 1902 graduating class of the Kansas City high school. They were entirely without experience in the newspaper field, yet they have established the News upon a paying basis in a little over a year, having over 500 circulation at the rate of \$1 per year. In addition to this they have a large job printing patronage, while the editorial columns of the paper are frequently quoted by the press of the state.

"We like the business fine," one of them said. "You see, it is so different from what we have been used to that we like the novelty of it, and it seems more like play. Of course, it is rather dull here socially. It was especially so until last year when we got the railroad, for we could never see any one but the local residents, but since its arrival Leslie is beginning to grow socially as well as otherwise. There is fine boating, fishing and swimming here, and my sister and I are enthusiastic lovers of these sports. We also have two fine saddle horses and 30 horseback riding, so it's not so dull here as one would think. Then there is a fascination about the newspaper business, and besides we are making good money."

Leslie is a town of about 300 population, and is the present terminus of the St. L. & N. A. railway.

TWO GIRL EDITORS.

(Kansas City Star.)

Down in the wild and undeveloped but picturesque part of Arkansas is situated the little town of Leslie. Its principal industry is the lumber business, consequently saw mill and stave mill employes constitute the principal part of the population. Despite the undeveloped character of the country and the rough mannerisms of its inhabitants, two former-Kansas City girls have seen fit to locate in it and enter a field that in a country town has generally been regarded as belonging to the hands of journeymen."

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JUST BEFORE THE CEREMONY.

Clarence—I told the minister he wasn't to say that.

Cordelia—And what did he say?

Clarence—He thanked me and said under those circumstances he would only charge me half the usual fee.