The history of LT&T

The LINCOLN TELEPHONE AND TELEGRAPH Company

the history of LT&T

a story of free enterprise

Dedicated to
Those Hardy Pioneers of the Industry
By Whose Labors These Things Have Come to Pass

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THE LINCOLN TELEPHONE AND TELEGRAPH COMPANY
LINCOLN, NEBRASKA

Foreword



The story contained in the following pages records the origin and growth of a corporation engaged in a new industry, as well as the life of its founder and its associates.

The Lincoln Telephone and Telegraph Company was one of the small Independent companies pioneering in the telephone field along with the American Telephone and Telegraph Company.

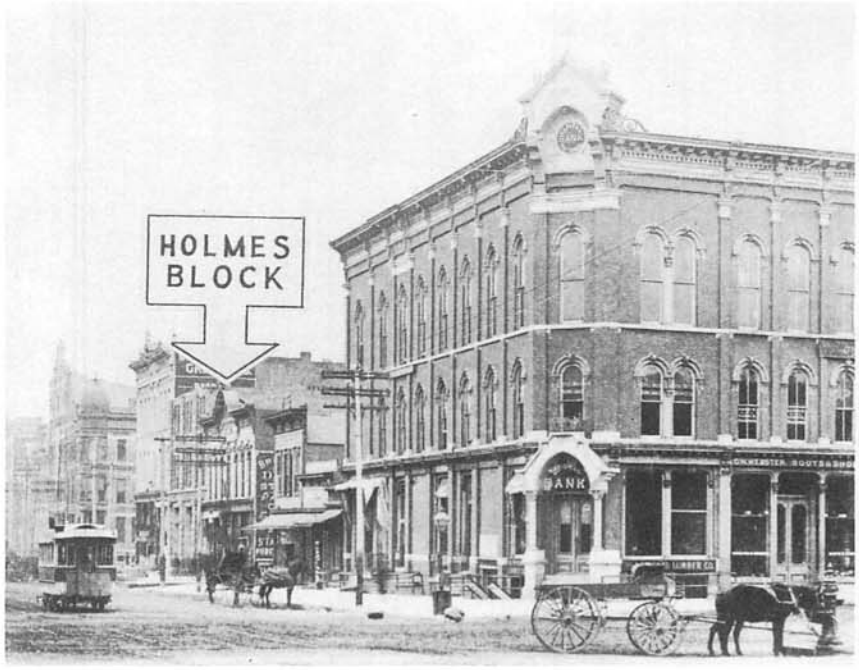
Frank H. Woods, its founder and leader, was one of the organizers of the United States Independent Telephone Association. He was the driving force for the entire Independent group; he piloted the organization in its battle with the great powers which tried to submerge the small Independents. He was, more than any other man, responsible for the Kingsbury Agreement; the "Treaty of Peace," resulting in the survival of the Independents and establishing their position in the industry on a sound footing.

Likewise, Frank H. Woods pioneered the use of the dial or automatic telephone. His was the first large company to use it. Once ridiculed by the great Bell System and others, it has now come into world-wide use. It was not adopted by the American Telephone and Telegraph Company until many years later.

Mr. Woods' associates and family like best the tribute paid him by Theodore N. Vail, then president of the American Telephone and Telegraph Company, upon conclusion of the Kingsbury Agreement. In presenting his photograph to Frank H. Woods, Mr. Vail inscribed it in these words: "To the great Independent. . . . "

Thomas C Woods

President



Courtesy State Historical Society

Looking south from 11th and O Streets, Lincoln, in 1888. The Holmes Block, site of Lincoln's first telephone exchange, was located on the south side of the N-O alley during the year 1880. Gold and Company's buildings now occupy the block.

chapter one

In the Beginning

Three quarters of a century have rolled past since the first telephone exchange at Lincoln opened its doors for business "bright and early Monday morning," so the Lincoln State Journal proclaimed. The date was April 26, 1880. There was no fanfare; no gathering of town officials; no record of the identity of the person who placed the first call.

Ours would be a better story if it could be told that the citizens of Lincoln recognized that a momentous event had taken place, but there was scarely a stir of excitement. The man of the street seemingly had no notion that the telephone would ever become a part of his way of life.

There was reason for this casual attitude. A search of Nebraska newspaper files, dating back to the time of the telephone's invention, reveals that scarcely an item concerning Alexander Bell's discovery and his subsequent demonstrations penetrated to this part of the country. Whatever space in the papers that was not taken up by patent medicine advertisements was devoted mainly to the headline news of the day: General Custer's last battle at the Little Big Horn; the Serbian-Turkish war; and reports of murders, lynchings and frontier bad men.

The Journal carried a long list of outstanding exhibits to be seen at the Philadelphia Centennial of 1876, but mentioned not a word of the first display of Bell's telephone nor of the famous scene in which the astonished Emperor Don Pedro of Brazil exclaimed, "My God, it talks!"

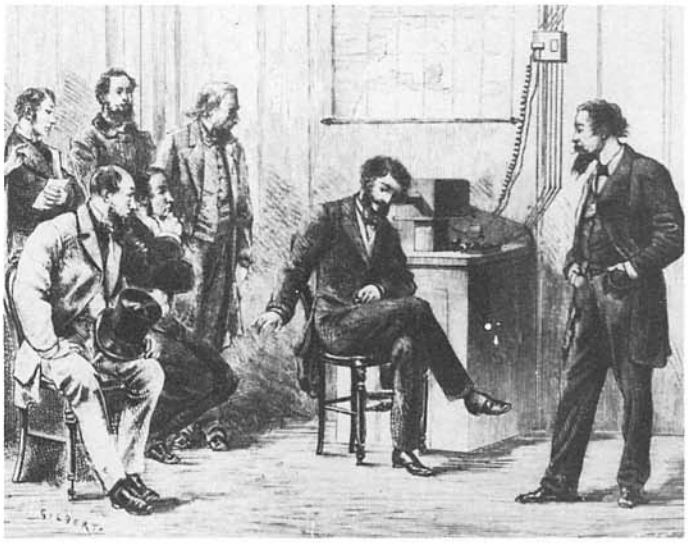
But Louis H. Korty, an Omaha railroad executive, had seen Bell's exhibit at Philadelphia and became interested in its possibilities. In the summer of 1877 he sent to Boston for a pair of the instruments. He induced a fellow railroad man, J. J Dickey, to cooperate with him and in November connected the telephones across the Missouri River to establish connection from his office at Omaha to the Union Pacific Transfer at Council Bluffs.

Messrs. Korty and Dickey then formed a partnership, acquiring license rights from the Bell Company at Boston for a portion of Iowa and all of Nebraska, Wyoming, Montana and Idaho. For a year they were content to lease their telephones in pairs to provide private lines without interconnection to customers in western Iowa and eastern Nebraska. In the spring of 1879 they admitted S. H. H. Clark, then president of the Union Pacific, into partnership and organized the Omaha telephone exchange. This was brought into service in July 1879, and tributes to its performance began to appear in the Lincoln papers.

Meanwhile some enterprising Lincoln firms and individuals had become interested in the new "electrical toy." In February 1878 a group of A & N railroad men were constructing a line along the right of way from Atchison toward Lincoln. The foremost figure in this plan seems to have been George Bonnell, local ticket agent for the B & M railroad A telephone was installed in the depot, but history kindly has little to say concerning the quality of service—if any—to Atchison and points between. In April 1878 a line was strung from the depot to the Western Union telegraph office and Lincoln's first telephone connection was established. It is reported to have worked "perfectly."

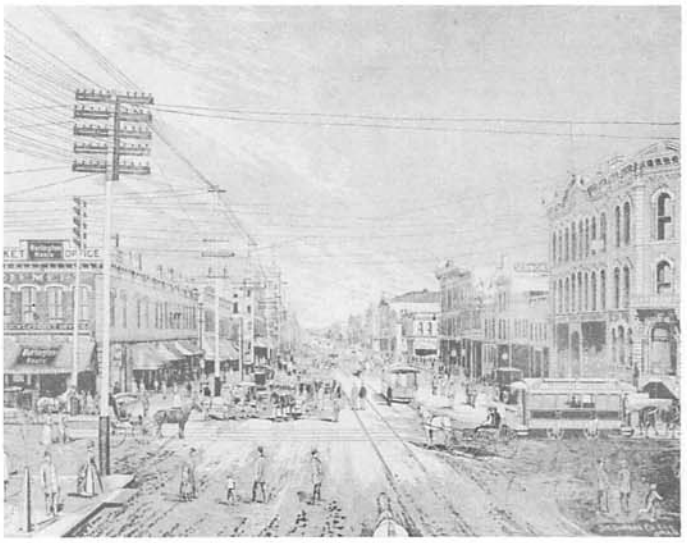
The acoustical, or "tight-wire" telephone also made its appearance and a pair of these speakers were installed in the office of the Marshall Wood and Coal Company in September 1878. One of these tight-wire affairs had been shown in Lincoln in May of the previous year and people believed it was the real telephone.

In October 1878 a local enthusiast, Harry Downs, pur-



AT&T Co.

An ordinary event of the early years of the telephone was the demonstration of its wonders for the benefit of skeptical businessmen. Such a scene was enacted for the enlightenment of the Journal reporter on the night of the telephone's birth in Lincoln.



State Historical Society

Looking east from 10th and O Streets in the late 'eighties. The Union Block, second home of Lincoln's telephone exchange, is the corner building at left. The picture indicates that the exchange already had been moved to the Richard's Block, shown in the picture at right.

chased a pair of electrical telephones and erected an experimental line. A newspaper item tells us that he was having "an immense amount of trouble getting his telephones to talk."

On September 5, 1879, the State Journal counting and editorial rooms were connected by Edison telephone to the business manager's residence at the corner on 16th and M Streets. The paper commented editorially that "the telephone is a big thing, and we can hardly understand how a well regulated business house can be without it."

People invariably had stage fright when invited to speak over the telephone and usually they uttered some nonsensical phrase on their first attempt. The Journal reported the conversation of the first call over their new system. It will bear repeating. "The business manager's first message to us last evening was: 'Are there any spirits in the office this evening?' We quickly answered, 'No, but plenty in the graveyard.' Then he bade us good night, forgetting to tie up the bell clapper which kept up an incessant ringing until morning."

But all these were forerunners of the official launching of the telephone business in Lincoln. The instruments mentioned were not of Bell manufacture and were imported more as experiments than as a public service. None of them was interconnected through a switchboard and thus had no greater function than to establish a fixed connection with another telephone over a single line.

With the Omaha telephone exchange completed and showing promise of becoming a profitable venture, Messrs. Korty, Dickey and Clark turned their attention to Lincoln and formed a corporation on November 17, 1879, to build an exchange in the capital city. Serving with them, as directors of the new company, were H. D. Hathaway and John R. Clark of Lincoln. The latter was cashier of the First National Bank.

On November 23 the State Journal broke the story of the plans and explained, in quaint fashion, the function of the central office. Optimistically the reporter proclaimed, "We will soon be in telephonic communication with our sisters, our cousins, and our aunts, our doctor, our butcher, our baker and undertaker." The article mistakenly asserted that the instruments and materials for establishing the exchange had been ordered from Boston and would arrive within the week.

The poles for the exchange were to be cut locally, and it was expected that work would begin immediately in the erection of outside plant. However, the winter turned bitter cold and the plans for setting the poles were abandoned. It was just as well. The order for telephones and the central office equipment lay for month after month at the factory where Bell and his associates were trying vainly to build up their manufacturing facilities to meet the demands of the growing infant industry.

Not until February 18, 1880, did Mr. Korty return to town to make arrangements for the establishment of exchange quarters. He selected one of the front rooms on the second floor of the Holmes Block as the site of the central office. It was located on the west side of 11th street, between O and N Streets. Mr. Korty again promised that the work of "putting up the poles and stretching the wires" would begin within the week.

The citizenry was not impressed. Other civic improvements were competing with the telephone for public interest. A new street railway was being planned for the city and a movement was under way to organize a company to introduce the electric light. The intention was to utilize Edison's electric lamp for domestic use and the Brush carbon light for illumination of the streets. With these additions Lincoln could become a prairie metropolis and most of the residents were hoping to make them a reality.

There wasn't much to constructing the exchange when the materials at last arrived. Customers were few and nearby. The telephone was fastened to the wall on the customer's premises and the wire strung across roof tops and along the straggly pole lines in a spider web design toward the Holmes Block.

The switchboard was known as the "Williams" or crossbar type. On both shelf and panel two sets of metal bars crossed each other at right angles, each subscriber's line being permanently connected to one of the vertical bars. Connections were established between two lines by joining them through any one of the horizontal bars by means of metal pins passing through, and fitting into holes drilled in both sets of bars at their point of crossing. The lines terminated at the board through a ring-down drop to ground. On answering the summons, the operators would remove the ground, replace the drop and inquire what number was wanted. She would then call the number and inform the party she had a call for them. Then the connection would be plugged in and the operator would tell the calling party



State Historical Society

11th and O, looking east, 1888. The telephone exchange was now located on the fourth floor of the Richard's Block, shown here. Cable had not yet made an appearance. The individual lines entered the building from the top of a 75-foot pole in a huge, laced form of insulated drop wires.

to begin the conversation. The capacity of the board was 50 lines including the operator's station which was connected to both a vertical and horizontal bar. When an exchange grew beyond the 50-line mark, or multiples thereof, other boards were necessarily added, some of the horizontal bars of each board being reserved for connecting subscribers to other boards. There was no such thing, at this time, as a multiple switchboard.

By early April the exchange was taking shape and the new company was soliciting business. The monthly rental rates were established at three dollars for residence telephones within a half mile of the central office and four dollars for business telephones within the same limits.

On April 4 the City Council voted to authorize the placing of one of the instruments in the Engine House of the fire department but were averse to installing one in the police headquarters. The Journal took the council to task for what seemed to the editor to be shortsightedness.

On April 14 it was announced that orders for 65 telephones had already been received and completed. All was in readiness by Sunday, April 25, and on the following morning the exchange began giving service. Clarence L. Judson, the manager, announced that the exchange would be open until nine o'clock in the evenings and that very soon he would be able to provide 24-hour service.

It was a busy day for the operator and telephone crew. The charter subscribers were all intent in learning to operate the new device and most of them needed individual instruction in the procedure of making a call. When the exchange closed that evening the group of telephone men gathered about the switchboard to do some experimenting on their own. Quoting the news item describing the event: "The boys at the telephone exchange and a number of their friends and the Journal reporter were highly entertained last evening with music from a music box stationed at the Post Office. A number of waltzes, polkas, etc. were heard distinctly at the exchange and the Journal Sanctum. While the music was going on, talking was carried on over the line without interfering with the free concert."

The next two days were occupied in carpeting, kalsomining, and putting up window shades at the exchange. A neat railing was erected to enclose the switchboard and equipment. A mild calamity struck on April 29 when a tall house, being moved down O Street, tore down several of the lines and stopped business for an hour or more.

The exchange was moved within the year to the second floor of the Union Block, on the northeast corner of 10th and O Streets. H. L. Beaty became manager of the exchange. History does not relate the fate of the first manager, Clarence Judson. The service span of Mr. Beaty also was of short duration. He was succeeded in 1882 by A. F. Blundell.

During its more than six-year tenure at the Union Block the Lincoln exchange grew rapidly and its problems multiplied. The old cross-bar board was totally incapable of handling the increased load. There was not an inch of cable in the entire town, so each line was necessarily routed directly to the office fixture, creating a maze of wires in the vicinity of 10th and O Streets.

In 1882 the Nebraska Telephone Company was incorporated with the Lincoln and Omaha exchanges as parent members. Later the exchanges of Beatrice, Plattsmouth, Fremont, Grand Island, Columbus and Kearney were purchased along with "certain toll lines." In 1883 toll connections were offered between Omaha, Lincoln, Plattsmouth, Fremont, Crete, Beatrice, Blair and Arlington, grouping together a total of about 1,000 stations. Mr. Blundell relinquished his position as manager to A. P. Fair, an experienced(!) telephone man and a forceful character. An experienced telephone man in those times was one who could best improvise methods of establishing and maintaining service. There were yet no printed construction practices or operating rules.

Herman Eiche, who was destined to succeed Mr. Fair as manager, was employed as night operator at the Union Block in September 1886. Within three months he was promoted to chief operator, in charge of the day girls. Quite often he took a turn with Mr. Gwinn, the construction man,



Herman F. Eiche

Last home of the Nebraska Bell at Lincoln, 130 South 13th Street. This building was occupied in 1896, when this picture was taken.

in clearing troubles about town. Often this called for on-the-spot inventions. Once, at the Woodlawn Mill, he rewound the receiver coil on a corn cob, and thus saved a long trip back to town.

Strange devices appeared from time to time, to be tried and discarded. One such innovation was the crown receiver, consisting of several exposed horseshoe magnets with a soft iron core between them. There were many types of transmitters, all of which finally gave way to the Blake transmitter in the early 'eighties.

When the expanding exchange moved to the Richards Block at 11th and O Streets in September 1887 it fell heir to an outgrown switchboard which had been used in Omaha. This was the "Gilliland," finest board of its day and already employing the features of spring jacks and flexible cords, which have passed down with little change to the modern boards of today.

The local switchboard consisted of seven positions of the non-multiple magneto type with large brass drops on the subscriber's line; 100 to each position, with large jacks and plugs with single conductor cords. The telephones of Lincoln operated over single wires with a ground return. Wall sets with Blake transmitters, local battery talking and magneto calling predominated although by 1889 there were three of the so-called long distance or Berlinger type transmitters in use. Even the transmitters of the switchboard were of the Blake type with single-pole head receivers.

The toll lines, none over 60 miles long, also operated on single wires and were usually noisy from static and cross-talk, making it difficult to carry on conversation without considerable reiteration. The toll operator who attended the one public telephone had a very loud voice and used it frequently in helping the toll users to understand each other.

In answering calls the operator inquired "Number?" or "What number?" with no "please" added. That courtesy came many years later. After finishing a conversation the calling subscriber was supposed to "ring off" by turning the crank of the magneto which would operate a disconnect signal or Gilliland red drop. However, unless they were making successive calls the subscribers seldom did ring off and it was necessary for the operator to listen in after a reasonable lapse of time and if no conversation was heard she would challenge with the interrogatory phrase "Through?" or "Are you through?" Sometimes the question was answered by the peremptory command "Get off the line!"

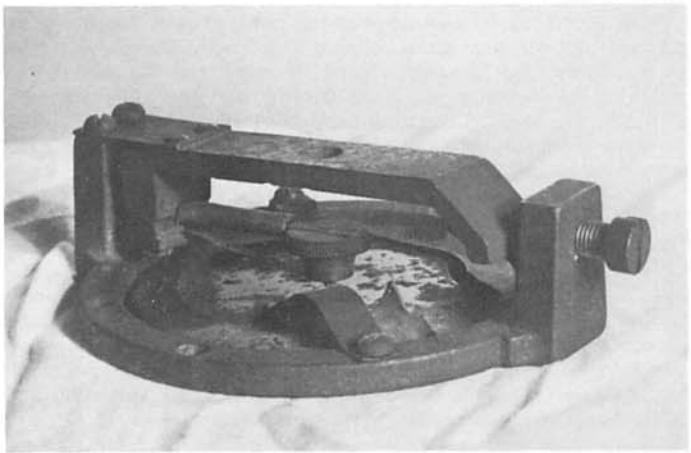
Lincoln had one other boy operator, Albert P. Hyatt, who was employed as a messenger boy in 1889 and after two years was promoted to the operating force, working a split shift while continuing his school studies during daytime hours. He later became a station repairman; marched off to the Spanish-American War; and returned to continue employment in various Bell companies until his retirement after 50 years of service.

Among other employees of the early 'nineties, still remembered by most LT&T employees were O. P. Knee, William Cunningham, M. T. Caster, Peter Gartner and Ned Fisher.

In 1891 Herman Eiche was named manager, replacing A. P. Fair. By this time improvements in telephony had outmoded the plant and exchange at the Richards Block. The board was high and the drops were not self-restoring so the operators were kept in physical trim through the constant task of pushing them back into place with the aid of a yardstick.

The Nebraska Bell Company built a new three-story building on South 13th Street in 1895, occupying it the following February. Here was installed, brand new, the latest in switchboard utility and elegance. Among the new features and improvements, the multiple position system attracted the most attention and was widely acclaimed. Now it was no longer necessary to shout across the room to another operator to complete a connection, as all local calls could be handled within the confines of one of the shiny city boards.

The exchange now had more than twenty men and women on the payroll. Gertrude Hellweg was chief operator and Mary Blair the out-of-town operator at the new central office where a total of twelve "hello girls" were employed. The board was equipped to serve 800 subscribers although it was boasted that provision could be made to serve a city of 200,000 people. An average of 5,500 calls a day were completed—counting, of course, the "where's the



The Blake transmitter, donated to LT&T's historical collection by E. S. Fisher, who encountered this temperamental apparatus many times in his early experiences with the Nebraska Bell in the 'nineties.

fire?" calls which flooded the boards whenever three blasts of the fire whistle were blown. Central was also a clearing house for information of nearly every sort, ranging from spelling words for Junior's home work to giving Mother a recipe for English Apple Pie.

A storm of protest came from subscribers when, with the cutting in of the new board, the company insisted that calls must be made by number. Although all telephones had been assigned numbers since the very early days, it had always been the practice to ask Central to "ring Mrs. Jones who lives on East N Street," and if any reference to the directory was needed it was presumed to be the operator's business to attend to it.

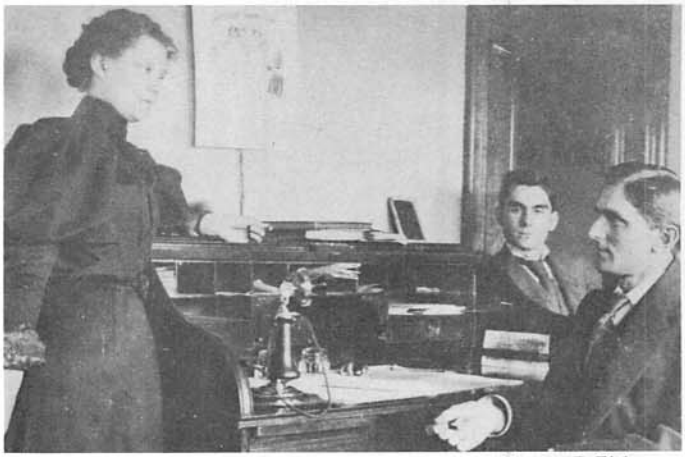
Not only was the central office replete with new equipment, but the outside plant of the town was given a general overhauling with the move to the new building. Overhead lead wires disappeared from the business section with the installation of an underground cabling system. The cables terminated at 90-foot riser poles set in the center of most business blocks. A lateral cable extended from the underground manhole to the terminal box on top of the pole. A circular iron ring above the platform was equipped with insulators for fastening the drop wires that led in all directions to the subscribers' premises in their respective blocks. These were the circle-top towers, a prominent feature of Lincoln's skyline at the turn of the century.

An Open House was held at the new building in late February 1896 and the townspeople were duly impressed with what they heard and saw. In the manager's office was a large bouquet of flowers from which emanated the strains of instrumental music. A hand receiver was concealed in the bouquet. It was connected by wire to a long distance solid back transmitter at the manager's home, a mile away. His family, who were good musicians, maintained the concert for several hours to the complete awe of the Open House visitors. A cornet solo from far-off Omaha also came from the floral display in Lincoln's first venture into remote broadcasting.

Another great day was observed at the telephone building in September 1897 when a party of dignitaries gathered to witness the first direct telephone connection with Chicago. The guests were permitted to converse with various friends in Chicago when they could be reached by telephone. The articulation, it was reported, was clear and distinct. Among those present for the occasion were Casper E. Yost, president of the Nebraska Telephone Company; Messrs. Howard and Brooks, of the Bell long distance staff; Will Owen Jones of the State Journal; Sarah B. Harris, Currier; W. F. Schwind, Evening Post; D. H. Bradley, Omaha World Herald; Frank Harrison, Omaha Bee; and L. H. H. Austin, Evening Call. The day rate for five-minute conversation to Chicago was quoted at $5.50 and the night rate $2.75.

Ill health forced Mr. Eiche's retirement as manager in May 1899. He was succeeded by N. W. Thompson of Grand Island. The telephone business was in a boom period, initiated no doubt by the entrance of the Independents into the field. For a few years the Lincoln exchange was content to accept orders in increasing abundance. There was no cloud on the horizon except a growing outcry from farmers demanding extension of exchange service to rural areas. This was a field considered nonlucrative by the Bell organization. Until the last few vears there had been scarcely a rural telephone installation in the entire nation. Still there was no forewarning, seemingly no probability, that an Independent company would soon enter the field in the capital city and engage its well intrenched rival in a battle of extermination.

This is the story of the telephone in Lincoln before the birth of the LT&T. Its authenticity is avouched by ancient newspaper files; by interviews with and reminiscences penned by Charles Atkins, who entered the business in 1883; Herman Eiche, 1886; Albert Hyatt, 1889; Edward S. Fisher, 1892; and many other old timers.



Herman F. Eiche

The "office force" at Nebraska Bell in 1896. Left to right: Jennie Buncher, bookkeeper; August Eiche, solicitor-collector; Herman Eiche, manager.



Joseph C. Miller

The Bell's city construction crew, 1905. Tom Jones, foreman, faces the camera third from left.



Cecil C. Donley

The Bell operating room, 1911. Local board at left, with supervisor Oca Jenkins standing behind operators. Ruth Hill, assistant chief, is at far end of the room. Agnes Scouller, chief operator, is seated at desk in middle aisle. At information desk in foreground are Anna Curran and Ann Krohn.



Constructing the Lincoln office manhole in the autumn of 1903. The gas main seen in the picture still bisects our present office manhole.



The Automatic telephone building on South 14th Street took form rapidly. This picture was taken late in the year of 1903.



First dial switching apparatus in Nebraska was installed on second floor of Lincoln's new building by Automatic Electric crew in spring of 1904.

chapter two

The Coming of the "Automatic"

ALEXANDER GRAHAM BELL invented the telephone, but he had a hard time proving it.

A United States patent granted to him March 7, 1876, covered broadly the electrical transmission of speech. Another covering essential mechanical features of the telephone was granted January 30, 1877. Many other patents were obtained by Mr. Bell but these two were known as "The Bell Patents," and are said to have been the most valuable ever issued.

From the first Mr. Bell was beset with charges and litigation, stemming from inventors who claimed prior discovery and from infringers who were intent on invading the promising field of telephony.

Much of the energy of the Bell Company was expended, in those first years, defending its right to exist and retain its monopoly of the electrical speaking telephone. Considering its meager assets and humble beginnings, the organization enjoyed amazing growth during the 17 years it held exclusive reign in the industry. The field was fertile and rich and the harvest could be had for the gleaning; but, in retrospect, it can be clearly seen that the Bell made several errors of omission that later weighed heavily against it.

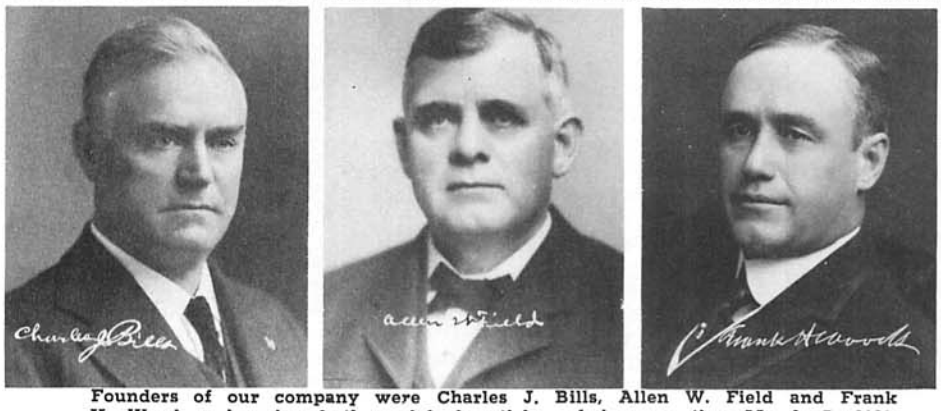
First of these was that the company followed the line of least resistance and larger profits by serving only the larger cities. There were no farm line telephones in the entire country when the Bell patents expired in the early nineties, while thousands of small and medium-size towns were without a telephone exchange; many of them without connection to the emaciated toll line system.

Another, and perhaps greater mistake, was to allow the dial telephone to remain and develop in the independent field.

With the expiration of the fundamental Bell patents, telephone manufacturing companies independent from the Bell System sprang up throughout the nation. Communities that had long cried out their need for telephone service were quick to raise local capital to build a telephone exchange. The fact that a few early investors in Bell patents and telephone development had realized enormous returns was an important factor contributing to the ease with which these first independent companies were financed, even in the teeth of a general building depression which lasted from 1893 to 1898.

The last two years of the old century saw the great boom in telephony begin in earnest. All over the country new telephone exchanges were being constructed. The Bell System, accepting the challenge, hastened to modernize and expand their facilities and to provide rural telephone service. The disjointed long distance system became a national network—at least in physical connection and in theory.

The boom attracted many speculators and promoters, who often were a necessary adjunct in providing experience and capital for organizing the independent companies. In this business, as a promoter, was Frank L. Bills, brother of Charles J. Bills, who had established himself as an investment banker at Fairbury. Both brothers had been students of Col. F. M. Woods, back in Illinois. In 1903 Charles Bills had removed his investment business to Lincoln and when his brother Frank arrived in town to investigate the feasibility of establishing an independent telephone exchange in the capital city they sought the legal aid and assistance of Frank H. Woods, the locally influential son of their former school teacher.



Founders of our company were Charles J. Bills, Allen W. Field and Frank H. Woods, who signed the original articles of incorporation March 7, 1903.



Lincoln was a flourishing city at the turn of the century but even the downtown subscribers were connected by aerial wire leads supported by self bracing double arms. This is O Street, looking west from 13th.

Lincoln had already cast aside the habiliments of a primitive city. Its growth had been rapid; its people aggressive and alert to their needs. There were then in Lincoln only 1,500 of the old type, hand ringing magneto telephones at rates which seemed very high. There were then in the state not to exceed 110,000 telephones and very few rural lines. Toll service was still of a most limited character. The number of telephones in the entire United States was two million.

On March 7, 1903, Charles J. Bills, Judge Allen W. Field and Frank H. Woods met in the latter's law office in the Burr Block to draw up and sign articles of incorporation for the Western Union Independent Telephone Company. The meeting was kept secret for there was a great hurdle yet to be passed — the obtaining of a franchise. It was a time of free passes and free service without public regulation. It was not unusual for public officials to receive retainers from railroads, street railways and other utility companies for favorable consideration. Frank Woods obtained the franchise from the city council, securing it in a surprise move before the local telephone company was aware that an independent company was prepared to invade its province.

The franchise was signed March 9, 1903, by Dr. H. J. Winnett, for a long time mayor of Lincoln, who later as chairman of the first Railway Commission rendered services to the state that will ever command respect and admiration.

On that same day the incorporators held the first official meeting of the new company to accept the franchise and arrange for the necessary $20,000 bond as evidence of their good faith.

From this time progress was rapid and the guiding hand of Frank H. Woods was everywhere in evidence. On May 4, 1903, the seven original stockholders held their first meeting. They were Frank H. Woods, Charles J. Bills, Mark W. Woods, George J. Woods, Frank L. Bills, Allen W. Field and Fred G. Bills. They became, by common consent, the first Board of Directors.

On June 22 the name of the corporation was changed to The Lincoln Telephone Company and a contract was made with the General Engineering Company of Chicago for the construction of an underground cabling system and erection of open wire leads.

In July the solicitation for local capital was started and the list of 204 original subscribers reads like the "Who's Who" of Lincoln. During that month a contract was entered into with the Automatic Electric Company of Chicago for the provision of telephones and central office equipment. In October the central office building contract was awarded to Campbell Brothers, Architects, of Lincoln.

Solicitors were already at work obtaining subscribers to the new telephone exchange. Under terms of the signed agreement no charge would be made for service until 1,500 subscribers had been connected.

Although original hopes had been high that the exchange might be ready for business by March, 1904, the Bills Brothers, as promoters, were forced to report that they were unable to complete their contract according to its terms and requested that the Board of Directors extend it to enable them to fulfill its provisions. The exchange was placed into service in June with 1,800 subscribers and accepted by the Board in October, 1904. At this time there were in actual operation 2,450 Automatic telephones. Benton Maret was the first exchange manager.

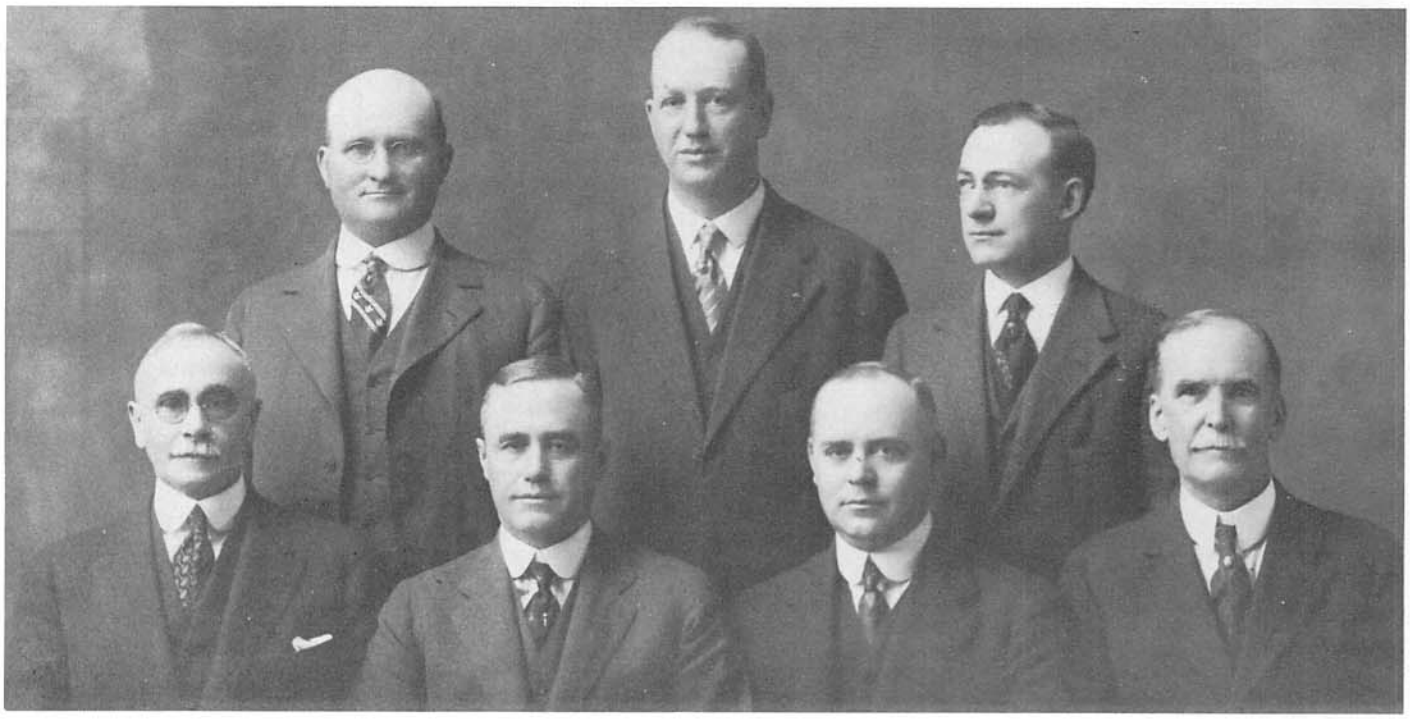
So the Lincoln Telephone Company came into being. There was still little indication of the barriers that lay in the road ahead; of the stormy times and stirring scenes that would shape the destiny of the national communications field and fling a fearless young midwestern lawyer into grips with front line powers of the industrial and financial world. For these things came to pass, and will be told in their proper order as our history unfolds.

Laying underground conduit south from the office in 1903. Residences in background occupy site of present general office building.



Another view of the office manhole, 1903, showing the entrance of concrete ducts from the north. The men are engineers for the contractor.





Our company's first official family. Seated: Seth W. Eddy, secretary and assistant treasurer; Frank H. Woods, president; Leonard E. Hurtz, general manager; Calvin P. Russell, auditor. Standing: Mark T. Caster, plant superintendent; Raymond E. Mattison, commercial superintendent; George K. Gann, traffic superintendent. This set of officers remained intact from the first critical years of LT&T until the death of Mr. Eddy in December, 1917.

chapter three

The First Years

Here we learn of the trials and problems that arose in early times; the gathering of the personnel and the opening events in the war of competition that was waged throughout the first nine years of the company's existence.

The story of our company and that of the career of Frank H. Woods are nearly inseparable. Their histories are so intricately entwined that one would be only half told without the other.

Born in Boone County, Illinois, Frank H. Woods was 15 years of age when the family moved to Lincoln in April 1883 to make their home. In the migration were Col. Fred M. Woods, his wife, Eliza (Eddy) and their six children.

It was a large family, even for those times, and since their capital was limited they did not come to the new country as speculators, but to enroll, work and grow in the community

The future held much in store for its members. In a few short years Colonel Woods, who had been a skilled farmer, educator and livestock man, became the leading livestock auctioneer in America. The children grew, and early in their separate careers had reached distinction in diverse fields.

Young Frank Woods spent his first two summers in Nebraska herding cattle on the prairies near Lincoln. In 1884 he entered preparatory school at the University, graduating in 1890 with the degree of Bachelor of Literature. A letterman of the N. U. baseball team, he served, in threefold duties, as its pitcher, captain and business manager. Twice he won the gold medal in the individual competitive drill of the University military battalion.

He attended Columbia University law school for one year, then returned to the University of Nebraska to receive his LL.B. degree in 1892. Two years later he married Miss Nelle Cochrane and to them were born three sons, Thomas and Henry, who were twins, and Frank, junior.

After graduation Mr. Woods entered law practice as junior member of one of the city's prominent law firms, but his experiences here, though laden with promise, were short of his desires. In an abrupt and bold move he joined talents with Frank M. Hall and Judge S. B. Pound to organize and assume full partnership in the venture of a new legal establishment to be known as Hall, Woods and Pound. Judge Pound's celebrated son, Roscoe, later became a member of the firm.

The establishment prospered and Mr. Woods' reputation as a lawyer grew in stride, but he was not destined to remain a legal practitioner for long. He was 35 years of age when Frank and Charles Bills sought his help in organizing an independent telephone company in Lincoln. The Bills Brothers were prepared to furnish the bulk of the initial capital for the formation of the organization.

Frank Woods was well aware of the problems and dangers attending such an enterprise but he was convinced that the prospect of better and cheaper telephone service would receive the support of the people of Lincoln. He willingly agreed to become one of the incorporators.

The procuring of funds necessary to bring the new company into existence was a difficult undertaking and plainly at great risk to the original investors. The amount estimated for the construction of the properties was at first fixed at $400,000 and later raised to $1,000,000. The usual procedure was to sell a $1,000 bond and $500 of stock for $900, for these were times before the blue-sky laws and utility regulation. There were few legislative curbs on the formation of corporations. But the money was raised, almost in its entirety among the residents of Lincoln; mute testimony of their faith in the venture, and in the integrity of Judge Field, Frank Woods and his brothers Mark and George. It was they who carried the solicitation for funds to their friends and fellow citizens.

With the exchange finally cut into service, it was found that the money in hand was seldom sufficient to meet the obligations that pressed down upon the little company. The schedule of rates that seemed adequate when established barely covered the expenses of operation. There were reasons for this. Hardly a person among the original employee group had previous telephone experience. There were no specifications for construction and maintenance practices. Subscriber and ledger accounts were neither accurate nor adequate. And finally the company had underestimated its opponent—the local exchange of the mighty Bell System—which knew more about the telephone business and the art of waging war than its youthful adversary.

Doubt grew to certainty in the mind of Frank Woods that should the Lincoln company continue on its present course it would be doomed to failure. Heretofore his primary role in the organization had been in legal and promotional functions. Now he saw the imperative need to reorganize the enterprise as a sound, operating telephone company. He found the local stockholders solidly behind the plan. Accordingly, at a meeting of the Board of Directors on May 30, 1905, an entirely new set of officers were elected. Frank Woods became president; A. W. Field, vice president; and W. E. Sharp, secretary-treasurer. And this was the turn of events that dislodged Mr. Woods from the practice of law and launched him into the practice of business.

And no business could have been more sorely in need of his deft leadership than the teetering young company of which he was now the head. First he established rigid control over every outgoing payment. Next he obtained, almost by miracle, a short-term loan of $50,000 from a Chicago trust company; pledging as collateral a like amount of treasury bonds of the company. Employees of higher qualifications began to appear on the payroll and operating departments were established. The business doctor had prescribed the proper medicine and the first crisis was past.

Meanwhile the Western Telephone Company had been formed to build and acquire toll line connections between the Independent companies which were springing up like magic in this part of the state. Frank H. Woods was also president of this organization; his secretary, Nellie Thompson, secretary-treasurer; and T. H. Ewing, superintendent of construction. Eventually the toll network of the Western company extended roughly throughout the present operating territory of LT&T.

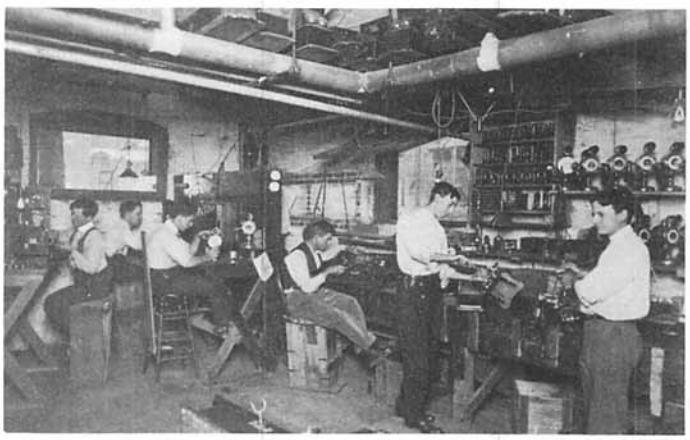
Farm lines, too, were being added to the Lincoln exchange in ever increasing numbers. These contingencies had not been foreseen. The original farm and information board had only



The first storeroom was located in the basement of the original Automatic building. All pictures on this page were taken in 1909.



The "contract" office, forerunner of the commercial department. The ladies are unidentified. The men, left to right: N. Korner, Dudley T. Cook and J. W. Cheuvront.



The first repair shop was on the site of the present printing service office. The large dial three-wire sets were then in use.



The bookkeeping department with its employees, left to right: C. P. Russell, cashier; Ethel Schreff, Harry Lindley, Eleanor Elmendorf, Anna Scott, Daisy McClanahan and W. L. Lemon.





(Photo by H. B. Couch)

AUTOMATIC MEN OF 1906 POSE FOR THE EARLIEST EMPLOYEE GROUP PICTURE

Left to right: Ray H. Elliott, rural and toll; Ray Mosley, drop service; Fred Smith, inspector; "Red" Ebersole, superintendent; A. M. Dempke. assistant wire chief; Guy E. Vennum, rural trouble; three unidentified commercial men; Milo Caslasky, installer; H. L. Frazier, wire chief; unidentified man; Bill McCandlish, installer.

Left to right: Alex Pringle; Lollenn, cableman; unidentified; a bearded Mark T. Caster, cableman; unidentified; Frank Arnold, engineering; Flynn, engineering; Wilson C. Lant, cable helper; R. E. Mattison, contract agent; W. P. Conn, cableman; Irving Pope, a Kellogg salesman; C. P. Russell, cashier; Maurice Bull, cable helper; F. E. Ebersole, general manager; Earl Neir, chief switchman; "Red" Ebersole, superintendent; Sam Hensley, testman.

two positions. It was swiftly outgrown and was replaced in 1907 by an eight-position board. This board had many unusual features. All our dial telephones were on individual lines and the company stressed the "secret service" theme to its subscribers. It was decided to protect our rural subscribers also from the gossip evils of the party line. A rural telephone, called the Baird "lock-out" was used. This device temporarily disconnected all other telephones on a farm line when one telephone was in use.

Most patrons insisted they wanted that privacy, but found so many ingenious methods of listening in on their neighbors that the system was scrapped after a few years. They thrust hairpins into the mechanism, tapped wires and devised other schemes faster than engineers could invent ways to prevent their eavesdropping.

All these lines terminated on the switchboard of the Lincoln Telephone Company and it became apparent that the handling of traffic was a science in itself. George K. Gann was imported from Augusta, Georgia, as an expert in such matters. Raymond E. Mattison, contract agent for the Cuyahoga Telephone Company of Cleveland, Ohio, joined the organization to assume charge of customer contracts, but was soon loaned to the newly formed State Traffic Association, clearing house for adjustments of toll receipts.

F. E. Ebersole had replaced Bennett Maret as general manager in October 1904. One of his first acts was to request that we hire a cashier and bookkeeper. Calvin P. Russell was employed in this capacity after he had assisted an accountant from Toledo in setting up a uniform system of bookkeeping. Royal S. Brewster had been previously employed as rackman for the nominal salary of $40 per month.

In the original installation the underground cables were equipped with mechanical splices. This was an invention designed to eliminate the services of a plumber or cable splicer. The ends of the copper sleeve of the mechanical splice were tightly bolted to the cable, presumably forming a water-tight seal. They worked only in theory, and it soon became apparent that an experienced cable splicer must be found. The Nebraska Bell company had a self taught splicer who was said to be the best in this part of the country. His name was Mark T. Caster. Our company felt no compunction in enticing him away from its rival, though he commanded a salary higher than any other employee on the payroll. Caster was paid $85 per month, with an additional dollar a day for the use of his horse.

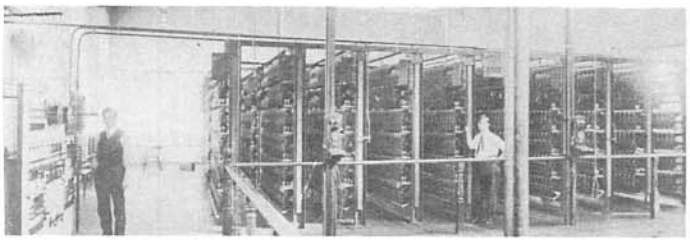
The resignation of F. E. Ebersole as general manager in June 1906 led to the selection of Leonard E. Hurtz as his successor. Lately employed as superintendent of the municipal electric light plant, Hurtz had several years in electrical experience behind him, having worked part time for the Lincoln Gas and Electric Light Company during the time he attended the University of Nebraska. A man of vigor and decision, he held a tight rein over the affairs of the company's operation during the 15 years he remained in the driver's seat.

Seth W. Eddy was employed as financial representative. This courtly gentleman was a great favorite among employees and an ambassador of good will in the company's public relations.

The nucleus of the first official family was now within the organization.

It has been told that the first group of employees was a strange assortment. Seemingly they were hired on the basis that there was work to be done at the time they applied for a job. The turnover was rapid. Only two, Michael Scanlon and R. S. Brewster, remained as employees beyond the first few years. Mike was hired in 1903 to help with the underground conduit installation and later became a member of the construction department. Wilson Lant, Milo Caslasky, Homer Wood, and others who were considered among the elder Automatic employees came into the organization in 1905 or later.

Departments and their supervisory staffs, therefore, were not created at one and the same time, but developed as the company grew and responsibilities multiplied. The cashier's office became the bookkeeping section and later the ac-



The first switchroom shortly after its installation in 1904. At left is Henry Hoveland; at right, Earl Neir, chief switchman. The railing was placed to keep sightseers and visitors where they could do no harm to the exposed mechanism of the switches.

counting department, with C. P. Russell and his time-keeper, William L. Lemon, becoming auditor and general accountant, respectively. The contract office evolved into the commercial department, with R. E. Mattison as superintendent and Dudley T. Cook, commercial manager. M. T. Caster gave up cable splicing to assume charge of all plant activities. George K. Gann was already installed as head of the traffic department. Seth W. Eddy, as assistant secretary-treasurer, supervised the stock and financial section.

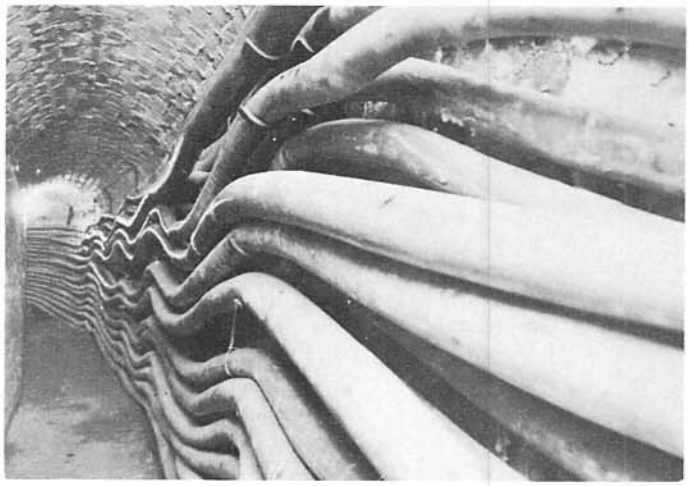
To this first group of officers our company owes a debt of continuing gratitude; and perhaps its very existence. The panic and money shortage of 1907 struck heavily against the weak and struggling organization, and every cent of income was used for its survival. There were many occasions, in those dark times, that Frank Woods went about town collecting telephone accounts in sufficient amount to meet the payroll. The department heads learned thrift in its most rigid form. They practiced it and preached it. They indoctrinated their employees with the religion of inflexible, relentless economy. The matter of an employee wanting a raise in salary was sufficiently important to bring before no less a body than the Board of Directors.

When the Independents entered the field the general public was easily convinced that the rates of the Nebraska Telephone Company were exorbitant. The new companies promised glibly to lower rates and they did succeed for several years. This happened not only in Lincoln, but in all points where competing companies were formed.

By November 1906 it was found that while our company might meet expenses and pay interest rates on its indebtedness at the current rates of $1.75 for residence and $3.00 for business telephones, it could not remain solvent without laying aside a reserve for depreciation. It sent out circulars to its subscribers announcing an increased rate of $2.00 for residence and $4.00 for business telephones.

The first attack came from an unexpected quarter. This was a familiar battlefield for the Nebraska Bell Company and they were only too glad to find us there. It denounced the Lincoln Telephone Company for attempting to hold up the citizens of Lincoln, claiming that the "Automatic telephone crowd" was raising its rates in order to pay dividends on three quarters of a million dollars of watered stock. A few days later the Bell Company announced that it had decided to REDUCE its individual and two-party residence rates by fifty cents a month. Furthermore it would make contracts for periods ranging from one to 25 years at the new rates.

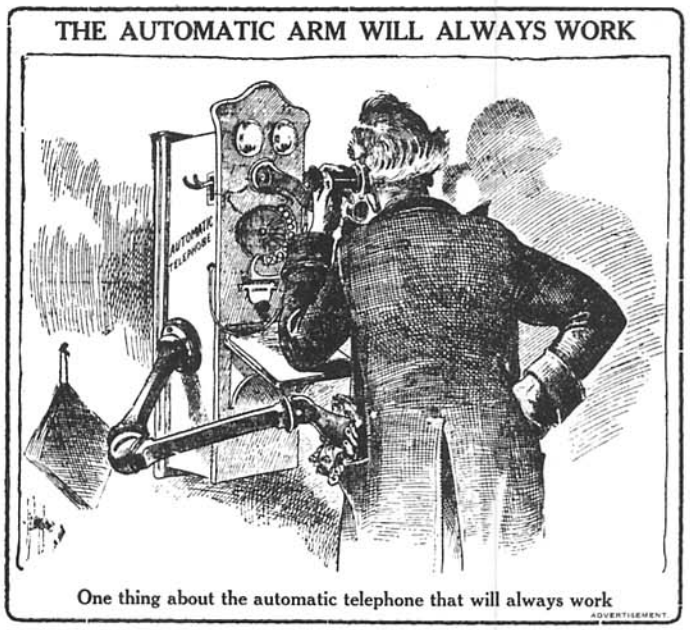
Thus the smoldering warfare that had been confined to sniping and minor skirmishes broke into flame along the entire front with the opening of the big guns. The episode, "War With the Bell," will form the next installment of our company's history.



Cables entering the building through the tunnel from the office manhole in 1909. A sorry comparison to the neat array of entrance cables to Lincoln's new equipment building at 15th and M.



The first satelite equipment buildings were at Haymarket Square (above) and at 17th and South streets. Each contained a round-type Keith board containing first selectors and connectors. They were built in 1906.



One of the opening salvoes in the Bell-Automatic war in Lincoln was this cartoon advertisement which appeared in the Lincoln Daily Star in November 1906, shortly after the company had announced its intention to increase local rates.



In the Independent corner in the Fight of the Century: Some who are well remembered: (1) C. G. Garlow, Columbus; (2) George J. Woods; (3) Raymond E. Mattison; (4) Ben Miller, Crete; (5) Mark W. Woods; (6) Mark T. Caster; (7) Harry Caman; (8) T. H. "Bert" Pollock, Plattsmouth; (9) Chris Clem, Beaver Crossing; (10) W. E. Bell, York; (11) Jack Ramey, York; (12) O. M. Ruby; (13) W. Daubendick, DeWitt; (14) George Becker, Pawnee City; (15) Leonard E. Hurtz; (16) Frank H. Woods. Pictured at Independent telephone convention, January 1907.

chapter four

War With the Bell

The part played by the Lincoln Telephone Company and other Nebraska Independents in the long and costly struggle with the Nebraska (Bell) Telephone Company. This chapter closes on the events that marked the turn of battle and the coming of peace and co-operation.

The first dozen years of the twentieth century are filled with tales of achievement and adventure. They were years of tremendous telephone expansion and intense bitterness. In them the Independent industry developed its sinews and spirit and came to grips with a mighty opponent.

Out of this long contest for survival emerged great ideas and great men. For it took great men to stand, at first, against their brethren in arms to proclaim that the salvation of the industry could only come with peace and cooperation.

But first must come the story of the war itself.

For several years Nebraska lagged behind the national average in the establishment of Independent exchanges, but once the trend was set into motion the state became a hotbed of the movement.

People from many walks of life entered the telephone business. There were bankers, farmers, merchants, speculators, public-spirited citizens, tradesmen, and innumerable other classifications. They were impelled by various motives. One was the lack of rural communications. It has been told in this history that the Bell organization had taken little interest in the development of this field. Farmers in many communities banded together to build their own telephone plant. Sometimes, in their enthusiasm, they expanded beyond their original project to establish connections with neighboring towns or other rural telephone groups. Merchants in small towns realized the value of the telephone and enlisted fellow townspeople in the venture of setting up their own exchange. There were others motivated by the belief that telephone promotion was a money-making opportunity and they would soon realize a large return on their investment.

Not only were Independent companies established in places where the telephone had never reached; often they sprang up in direct competition with an existing Bell exchange, as was the case in Lincoln.

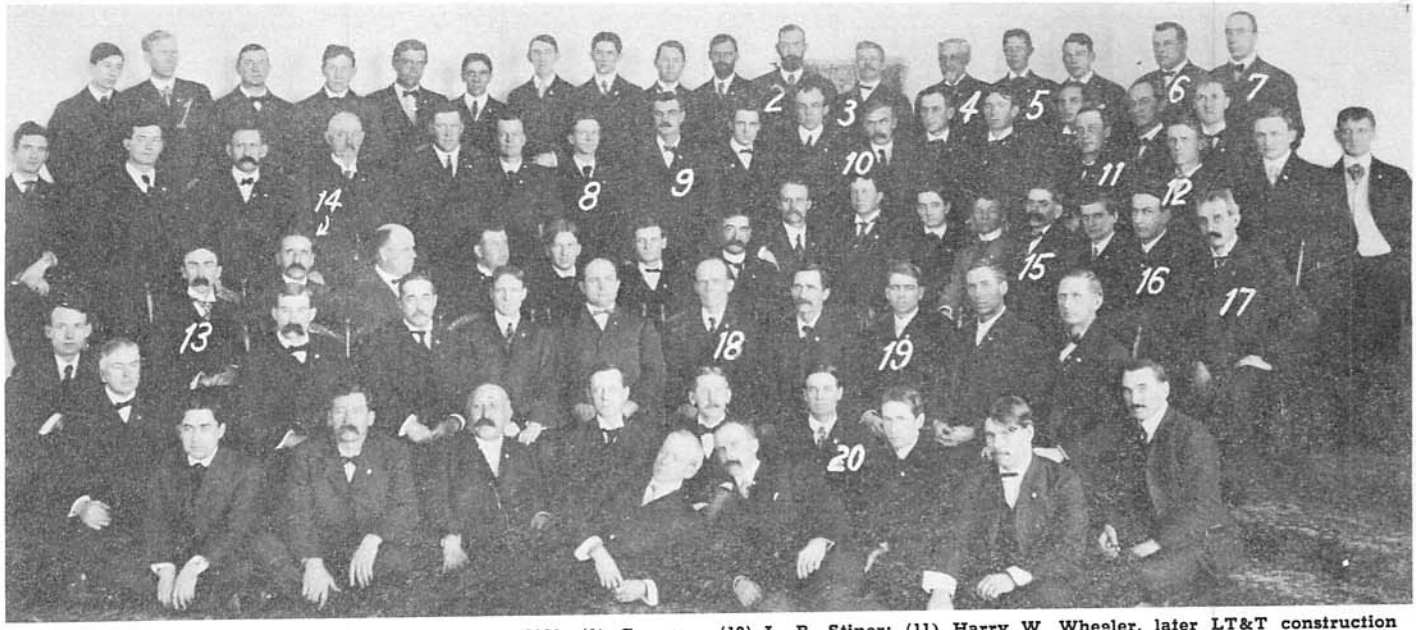
Access was gained to most towns by the same procedure. The first step was to obtain a franchise from the city council, usually in the face of violent objection from local Bell interests who were there to oppose them. And always the next order of business was to stir up sentiment among the townspeople. The Independents denounced Big Business and monopoly. They promised to lower rates. They claimed the Bell organization was sucking the blood of the nation. Mass meetings were held in the town hall. In rural communities the farmers would pack the schoolhouses.

In vain did the Bell representatives present the argument that it was costly to the public for two companies to operate in the same area. Franchises were obtained by one means or another and inevitably when two companies were permitted to operate in one town the result was competitive warfare.

The Nebraska Telephone Company was alarmed at the rapid birth and growth of its numerous competitors, but at first seemed content to attempt meeting the threat by expanding their rural plant, improving service, increasing advertising and reducing rates.

These methods were insufficient. The Independents multiplied and waxed stronger. They began to present a united front and wield a powerful influence through the Nebraska Independent Telephone Association. This organization guided the strategy of its individual members, spread propaganda and advertised its cause. It performed a valuable service in preventing the passage of many acts of undesirable legislation by local and state lawmaking bodies.

Interlaced with the Nebraska Independent Telephone Association was the Nebraska Traffic Association, organized in 1905 to build up and propagate toll business between Independent companies to combat the near monopoly in long distance connections then enjoyed by the Bell. Raymond E. Mattison served for several years as secretary for both organizations. Through the impetus of these kindred associations the Independent toll network in Nebraska developed at amazing speed.



Nebraska (Bell) Telephone Managers, February 1906: (1) George T. Sprecher; (2) A. G. Storrs; (3) H. Vance Lane, manager at Omaha; (4) Casper E. Yost, Nebraska Bell president; (5) W. B. T. Belt; (6) G. H. Pratt; (7) A. Rogers; (8) Lloyd B. Wilson; (9) Lee Huff; (10) L. B. Stiner; (11) Harry W. Wheeler, later LT&T construction superintendent; (12) A. S. Romano; (13) J. Musselman; (14) A. P. Fair; (15) Sherman G. Knee; (16) P. H. Patton; (17) Neil W. Thompson, manager at Lincoln; (18) W. H. Patmore; (19) R. J. Dean; (20) W. H. Dean.

It was through the unparalleled growth of the Independents that their first weakness appeared. Unknown to them were facts peculiar to the telephone business: that the cost of service per telephone increases with the number of subscribers to an exchange; that the number of calls per telephone increases with the size of an exchange; and that additional equipment required to facilitate this growth in size and usage becomes more complicated and costly with each additional subscriber.

This general lack of experience and knowledge in the science of telephony was a serious handicap to the officers of nearly every Independent company. Some of them, in the first flush of apparent large returns, paid big dividends to their stockholders and were soon to find themselves in serious financial trouble as the problems of increased maintenance and depreciation made themselves felt. There was hardly an Independent company, after two or three years of operation, that did not find it necessary to increase rates or solicit additional capital.

The Independent long distance network was greatly reduced in value through its inability to reach Omaha, where franchise petitions had been successfully blocked for several years. The convention of Independent telephone men, in January 1906, brought the matter to a head by passing a unanimous resolution declaring a trade boycott in the name of its 8,000 stockholders, most of whom were business men. The Omaha local elections of the spring of 1906 were fought on the issue of whether a franchise should be granted to permit the entrance of an Independent telephone company, the Democrats supporting the proposal. Upshot of the election was that all but one of the Democratic candidates for the city council were seated and the franchise was granted, subject to the vote of the people in the fall elections.

During the heated campaign both factions filled the newspapers with advertisements and the Independents won their franchise by a resounding endorsement of the voters. A new telephone system of the automatic type was built and placed into operation with 8,000 initial subscribers.

But here was one of the Bell's great victories. After a short, precarious existence the Omaha Independent Company was forced into receivership, the money-panic of 1907 having much to do with its failure to secure funds for its survival. Some of the equipment and instruments of the Omaha company were purchased and used by LT&T. From them came the small two-wire dial telephones which were first introduced into the south office area.

Meanwhile the war in Lincoln was rising in crescendo. The announcement of the Automatic company in December 1906 of its intention to increase rates for local service drew immediate fire from its competitor. It had a difficult task in answering the numerous accusations and the smile of public favor rapidly disappeared. Frank H. Woods appeared before the city council with an offer to open the books of the company for their inspection to prove that the increase was necessary if the present grade of service was to be maintained.

Mayor Brown was indisposed to take action. He stated that as long as the Lincoln company acted within its franchise the council had no authority to interfere. The ordinance gave the company the right to raise rates as they proposed.

President Woods then appealed to the Lincoln Commercial Club, where a resolution was passed authorizing the appointment of a committee to examine the financial condition of the company and report whether the proposed rate adjustment was justified. One week after its appointment the committee had completed the inquiry and made its report, the text of which was printed in local newspapers. The committee considered it necessary and prudent for the company to provide a fund for depreciation at an estimated seven per cent, and the new rates would bring revenues to an approximate basis to provide such fund.

The Bell company answered this action by denouncing the examination of the books as a farce audit made in a few days, whereas expert telephone auditors would not have been able to complete such a task in as many weeks. Suppose the published statement was correct. Would not the Automatic company be compelled to raise rates again and again? What then?—questioned the Bell people.

Nonetheless the audit satisfied most Lincoln residents, although the effect of the rate squabble was such that the Independent company lost 20 per cent of its subscribers. Most of them were captured by the Bell exchange which had reduced its rates by 50 cents per month at the beginning of the rate controversy.

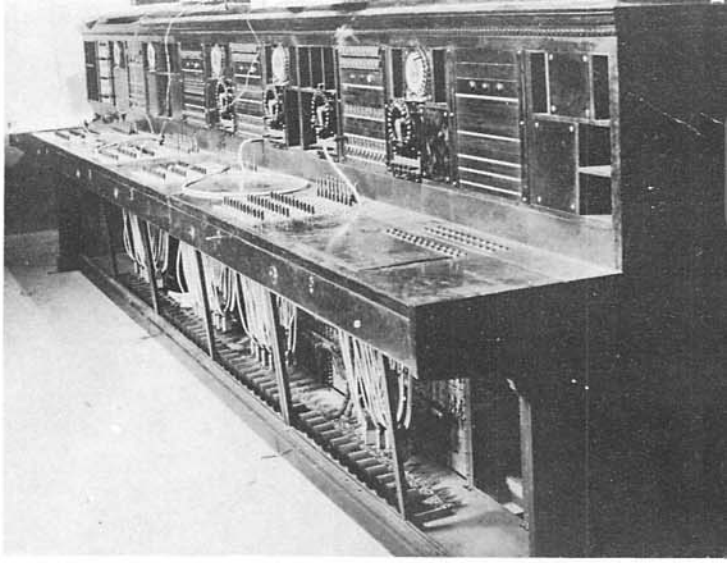
Competition may have benefited the public through temporary reduction in rates but it left its mark on the financial statements of companies involved. The experience of the Bell in Lincoln from 1905 to 1911 placed the average cost for operation and maintenance per station at $21.35 per year as opposed to an average revenue of $20.88 per station. Before the coming of the competitive exchange in 1904, the Lincoln Bell's average revenue per station had been $30.00 per year. Yet the exchange, at that time, served



In the "construction shanty" adjoining the old Bell office of South 13th street, Lincoln, we find William Cunningham and A. W. "Pinch" Devereaux making plans for battle. The year was 1906. Mr. Cunningham later joined LT&T and was city foreman for many years



Bell men of the late 'nineties. In the fashion of the day, the linemen posed for their pictures while assembled perilously on a single telephone pole. William Cunningham is driver of the carriage at left.



LT&T's second switchboard was installed in 1906-07. It replaced the two-position board with which the company began operations in 1904. The bulk of its business was with information and farm line calls, for there were few long distance connections to be had over the disjointed Independent toll line system of that day. The circular devices beneath the dials were used to select the called party on the Baird lock-out system which was used with some success to provide "secret service" to Lincolr farm lines.

less than 3,000 subscribers. By 1911 the number had grown to 5,681, but instead of rates increasing, as was logical, they had been reduced one third.

Despite the intensity of feeling that prevailed between the rival telephone companies, the battle was remarkably free from vandalism and destruction of each other's properties. There were actually a few working agreements between the companies. They were particularly careful during the later years not to hire employees from the other company without its full knowledge and consent.

The bitterness permeated through the personnel of both organizations and undoubtedly reached its height among the outside forces who frequently came in contact with their rivals while working about the city. Often the construction rigs passed each other in stony silence; sometimes with hoots and jeers, and there were numerous incidents when the men backed up their loyalty to the company of their choice by flailing fists.

It must be remembered that while each Independent company could concentrate on its struggle with its local Bell exchange, the skirmishes of the Nebraska Telephone Company were innumerable. In nearly every battle it was aligned against a company that was locally owned and cast in the role of a "favorite son."

A red hot war was fought at Fairbury where the local telephone company had induced most of the merchants to use its service. Apparently some pressure was being exerted upon them to install Bell telephones and a big mass meeting was held in which the businessmen indulged in name calling and charges of coercion.

Failing in his efforts to have Bell telephones installed by the merchants, the local manager rented a store building and put in a stock of groceries which he said would be sold at cost until the businessmen saw the light. The experience was a costly one for both sides and was later abandoned when it failed to achieve its purpose.

The Independent company came to Tecumseh on invitation from the citizens who were dissatisfied with their ancient Bell magneto exchange, which had failed to expand its plant and would give no individual service. The new company installed a common battery exchange and used the latest type of equipment. The residents were elated and before long the Independents had most of the subscribers. Soon the Bell rebuilt its exchange entirely and undercut the rates of the invader by offering service at 50 cents per month.

With this announcement the people discarded the Independent telephones and resubscribed for the Bell, leaving the former with but a handful of customers. Now the Independents retaliated by offering to install their telephones at no monthly charge, but that its subscribers would be billed at the rate of one cent per call. This innovation brought plenty of customers but little revenue. Some of the monthly bills were so small that it did not pay to send a penny post card informing the subscriber of the charges.

In March 1907 the legislature had passed an act creating the Railway Commission and defining its duties, but many Independent companies had paid little attention to the act and were not acquainted with the Commission's powers or purposes. But now the Tecumseh Bell manager filed a complaint with the Commission charging that unfair rates were being used. In the process of the suit the officers of the Independent company were hailed into court for violation of the statute forbidding telephone companies to change rates without approval of the Commission. Violators were subject to a maximum fine of $5,000. The Independent officers pleaded "guilty" and a fine of $100 was assessed against them, the judge taking into consideration the fact that utility regulation was comparatively new and had not previously been enforced.

Apparently resenting the arrest of the Independent officials, the people of Tecumseh removed their Bell telephones en masse and replaced them with those of the Independents and before long the young company was again the dominant one. Thereafter the Railway Commission prescribed the rates for both companies.

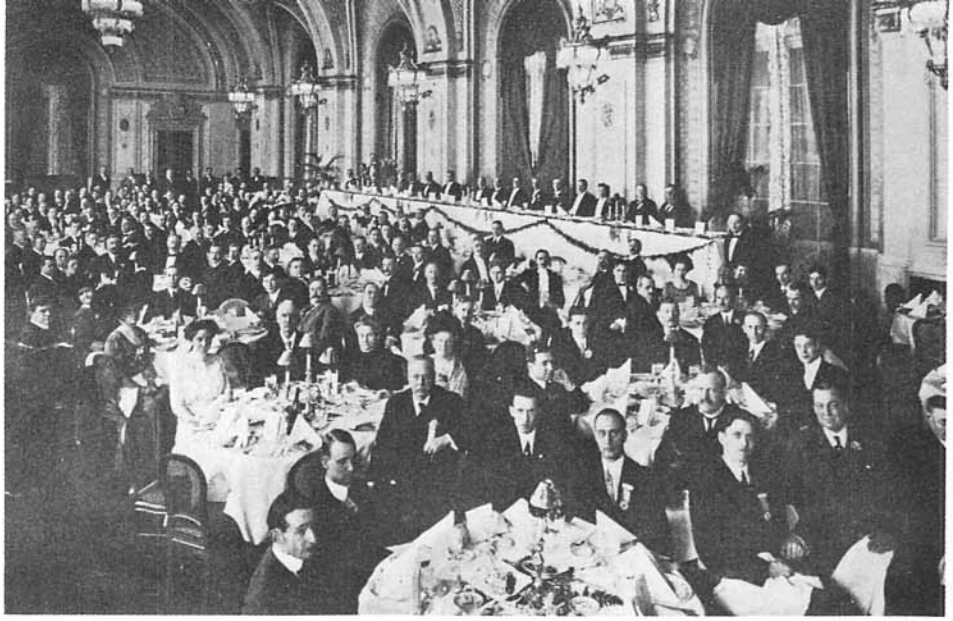
Bitter battles were waged at Beatrice and Hastings. In the latter city an up-to-date automatic system was put into operation in 1905. The management soon began to receive complaints from its subscribers. Someone had cut down drops, tampered with the telephones and bells, and severed receiver cords. Subscribers were called at all hours by persons who refused to answer. The local newspaper stated that all evidence indicated that whoever meddled with the service was one familiar with the mechanism of a telephone as he was able to do the damage in such a manner that it would not be discerned by the unpracticed eye. The villain was never apprehended.

In early times the Independents of Nebraska were anxious to force the Bell to give them connections with the latter's toll line system and had urged the passage of laws with that requirement. They did succeed in getting such a measure introduced before the legislature while being vigorously opposed by Bell interests. The bill carried through the House but was defeated in the Senate by one vote.

A couple of years later the attitude of the Independents had completely changed. Their toll system had grown and



Frank H. Woods, then 41 years of age, was elected to the presidency of the National Independent Telephone Association in December 1909. During most of his term he was an advocate of competition in the telephone industry.



The annual banquet of the National Association in February 1911. Mr. Woods is seated beneath the banner at the center of the head table. At this convention President Woods and his Committee of Seven encountered skepticism and hostility from their fellow Independents. It would be another year before most of them would be able to "see the light" and subscribe to cooperation and interconnection with the Bell.

chapter five

Shaping the Future

The scene of our history shifts to the national stage and the adventures of Frank H. Woods in his role of chairman of the Committee of Seven with intimate episodes from the Morgan-Bell-Independent conferences as told by Mr. Woods in an interview given the Lincoln Telephone News on February 12, 1952.

In December 1909 Frank H. Woods went to Chicago to attend the convention of the National Independent Telephone Association. He was elected as its president. It was an unexpected honor, for while Mr. Woods had served as president of the Nebraska association and been active in committee work for the national organization, he had not been considered to be "in line" for the highest office in Independent ranks.

The national telephone situation at that time was critical. The intense competition between the Independent and Bell exchanges of Lincoln and other Nebraska towns was duplicated at innumerable points throughout the country. A recent tightening of the money market had brought many Independent companies to the brink of insolvency.

True, the Independents had the better of the Bell in most competing exchanges, having gained the most subscribers. In size and belligerency they appeared to be in the best position in their brief history. But their experiences were short in the telephone industry. Most of the Independents had much to learn about capitalization, costs and reserves. Additional capital, in the amount necessary to cure their ailments, simply could not be had. Small wonder that many of them were peering into the future with anxiety.

The troubles of the Bell organization were of a different nature. A victim of the times, the Bell had already embarked on a policy to eliminate much of the troublesome competition by purchasing control of some of the larger Independents when it found itself engulfed in a sudden rise of public opinion against the so-called "vested interests" of the east and monopolies of major industries. Anti-trust laws had been recently established in several states, and utility regulation was spreading throughout the land.

The anti-trust laws had been aimed at other concentrations of power, particularly in the oil and transportation industries, but they apparently encompassed the telephone business in their scope.

Utility regulation came into being largely through the efforts of the Independent telephone industry and the political power wielded by its army of stockholders in eight thousand communities. In many states they had the task of getting the telephone declared a public utility and subject to regulation under existing laws.

Back to the convention of the Independents in December 1909. The hall was full of disquieting rumors. One of the Association members, James S. Brailey, Jr., with mysterious and apparently unlimited capital behind him, was said to have purchased control of the Independent exchanges at several large Ohio cities, together with the properties of two large long distance operating companies. His announced intention was to consolidate the Bell and Independent exchanges in these cities under the Independent banner. Brailey insisted that the Bell organization was in no way connected with the project excepting in their agreement to sell him the local Bell plants to effect the consolidation.

But a few days before the convention it was learned that title to all the properties had been transferred to a New York brokerage house. The word spread that the transaction had been inspired by the Bell.

The Independents were furious. The new president wasted no time in laying the available facts before the attorney general of Ohio, who opened an investigation of the sale to determine if the state's anti-trust laws had been violated.

It was not long before proceedings were begun in various states, including Nebraska, for it suddenly became



Bell installers pose with the first common battery subset to appear in Lincoln in 1905. Left to right: Bill Mathews, Kerr McCain, A. M. Roberts, Charlie Connor, wire chief, E. S. "Ned" Fisher, Joe Miller and Roy Walker.



More Lincoln Bell personnel. This was a construction crew and rig of the year 1910. Tom Jones, foreman, stands on the sidewalk behind the driver. In the background is the central office building.

they were able to compete more favorably with the Bell. At the 30th session of the legislature in 1907 there was a bill pending in the Senate that would put all telephone companies under control of the State Railway Commission and compel them to connect their lines at convenient intersecting points. Now it was the Independents who fought to prevent toll consolidation, and such was their fervor and influence that Senator Epperson, who had introduced the bill, decided to amend that portion of it. The balance of the bill remained as before with neither faction making serious objection, and the bill was passed by both Houses.

Public sentiment has long been increasing against the power of the "trusts" and moneyed interests of the east. During the presidential terms of Theodore Roosevelt and William Howard Taft the government took a firm stand against the centralization of power in various industries and several anti-trust suits were brought against the Bell interests, charging an attempt to gain control of the national telephone and telegraph systems. Also under attack were the loose regulations governing formation of corporations. It will be remembered that the Lincoln Telephone Company was created in the fashion of its day and that the original bondholders were attracted to the investment by a stock bonus given with each bond subscription.

Now a new phrase—"Watered Stock"—was introduced into the language. It rose up as a bugaboo to most corporations. The local Bell officials were quick to call the attention of the public to this phase of our financing program. By 1908 much of this stock could be represented by plant in service, but there was no defense against the published advertisements of the Bell that such a bonus had been given.

In January 1909, Frank H. Woods dropped a bombshell into the Bell's propaganda machine by announcing that the Lincoln Telephone Company had been reorganized as the Lincoln Telephone and Telegraph Company; that it had gained a large toll network by merger with the Western Telephone Company; and that every cent of "watered stock" had been squeezed from the financial structure of the new organization. This proved to be true. The bonds of the Lincoln Telephone Company had been exchanged for those of the new corporation at par value, but the stock had been exchanged on the basis of 50 cents on the dollar. Not one cent of dividends had ever been paid on the stock of the Lincoln company.

The accumulation of the Western Company properties was a master stroke. Through it the company became owner of the largest and best toll line connections in the territory and took its place in the national scene as one of the strongest of the Independents.

A complete change was made in the operating structure of the company and the several departments were set up in much the same manner as they remain today. A new two-story addition was erected to the rear of the original building and a 12-position Dean switchboard installed to meet the requirements of the growing plant and its long distance system.

Came the year 1910. The Bell had won some of their battles and lost others. But even in defeat they seldom abandoned the field to the Independent forces, and many of the companies were sick of the intense competition. Now came an attack of an unexpected nature.

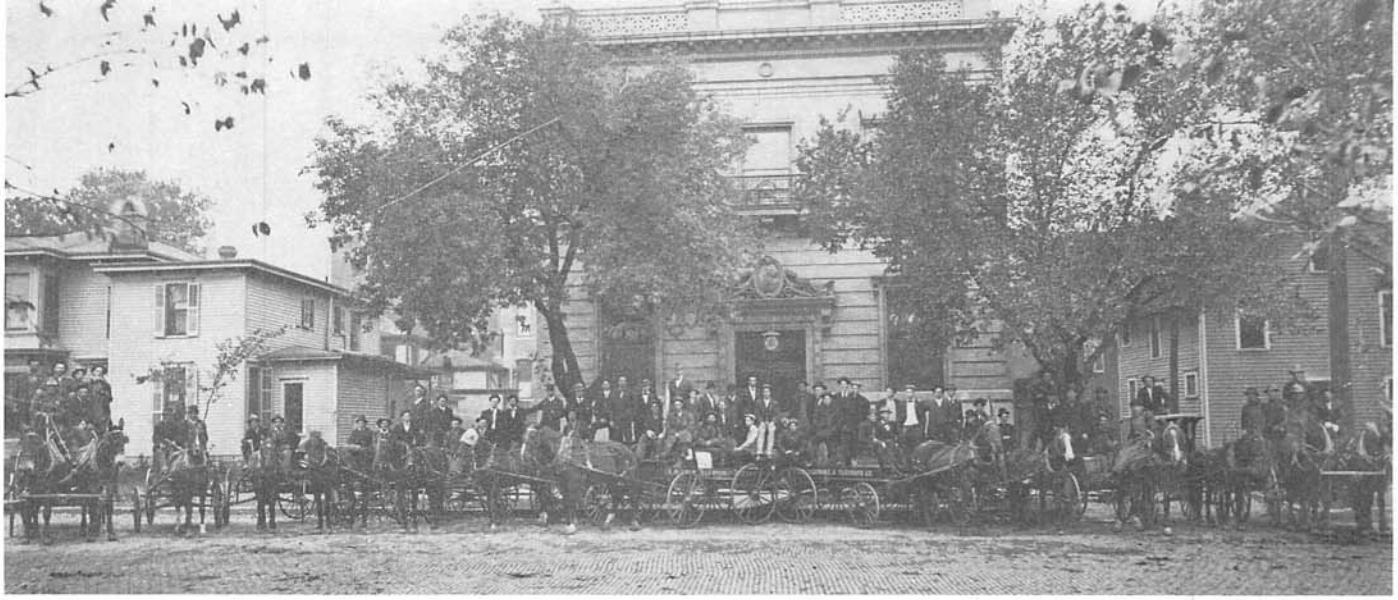
The Independents woke one morning to learn that the controlling interest in the large and strategically located Independent exchanges at Nebraska City, Plattsmouth and Papillion had been sold. The news was broken prematurely by the alert editor of the Plattsmouth Journal who announced that the control of the Plattsmouth company had recently passed from local hands into those of "eastern capitalists."

A great hue and cry was raised among the Independents, who charged that the "eastern capitalists" could be none other than that dreaded rival, the Nebraska Bell. President Casper E. Yost of the Nebraska Telephone Company did not hesitate to admit that "interests friendly to his company" had bought control of the exchanges and that he proposed to give Omaha subscribers the benefit of connection with them. "We are sorry," he said, "that our friends of the Independent companies, some of them, are not as happy as they should be, but we cannot be expected to spend our time doing things to increase their happiness."

Frank H. Woods was then president of the National Independent Telephone Association and added the weight of that office to the state association's appeal to Attorney General W. T. Thompson of Nebraska. That gentleman was readily convinced that the state's anti-trust laws had been violated and personally appeared as plaintiff in an order granted by the Supreme Court restraining the Bell company from taking over control of the companies or connecting with them.

In the bitter lawsuit that followed, neither side gained their wants. The Independents were unable to force the annulment of the purchase and the Bell was never able to assume control of the companies.

Mr. Yost gave an indication of the growing problems of the Bell in Nebraska when he said, "I realize that we were taking some chances from a legal standpoint in making these purchases and if we lose out I shall be subject to censure, but it seems to me we had better take some chances and lose than to permit our opponents to have things their own way."



Meanwhile LT&T was growing by leaps and bounds, as this picture of 1909 vintage will testify. The rigs of installers, troublemen and construction forces traveled the length and breadth of Lancaster County. Lincoln service was extended to ten locally owned exchanges in the county, while LT&T operated manual exchanges at College View, Davey, Havelock and Malcolm, and a dial exchange at University Place. In a few months two automobiles would make their appearance, a high-wheel International truck and a Buick roadster.

evident that the Ohio purchase routine had been duplicated in other places.

But the quarry in Ohio was not easily cornered. The firm of J. P. Morgan and Company suddenly appeared in the picture with the announcement that they now controlled and were preparing to make betterments in the Columbus property, and gave assurance that the several companies involved in the Brailey purchase would remain Independent.

But the Independents knew of the long established financial connection between the House of Morgan and the Bell, and preferred to think that the latter had covertly and temporarily got rid of a "potato" that was too hot to handle.

It was James Russell Lowell who once wrote: "New occasions teach new duties—time makes ancient good uncouth." These were the times of great upheaval, or rather revolution, in economic thinking. Legality was only beginning to be replaced by ethics in the analysis of business transactions. J. P. Morgan, the elder, and Theodore Vail, president of AT&T, were both of the belief that combinations were good for investors and the public. But the same public, the press, the state and national governments, were now intent on a witch-hunt to seek out and destroy the power of monopolies.

This was probably the reason Morgan and Company announced their entrance into the telephone field as Independents, and opponents of the Bell. The Morgan telephone activities were guided by Henry P. Davison, a young wizard in business and finance who had risen to full partnership in the great banking institution. It was Davison who pointed out the futility of the policies then in vogue. He flatly recommended that a mutual adjustment be made between the two factions. Universal service and the elimination of competition, he said, were the only salvation of the telephone industry.

It is apparent that Theodore Vail had a sudden change of mind, although for a time he envisioned "universal service" as Bell System service, and had set about to bring such a happy event to pass.

Frank Woods was not yet ready to reverse his opinion. He had fought the Bell to a standstill in southeast Nebraska and relished the thought of fighting them throughout the nation. "We know the benefits of competition," he said in November 1909. "It is here to stay."

Theodore Gary, former president of the National Independent Telephone Association, and a powerful voice in its ranks, came out no less strongly against universal toll service.

Mr. Woods served his term as president of the Association with distinction and fervor. Seldom did Lincoln see him now. The plight of the Independent industry weighed heavily upon him and it was apparent that the time was ripe when certain understandings were essential to the prosperity of the nation's telephone business.

It was in October 1910 that Mr. Woods announced that he now favored physical connection with the Bell System, making it clear that he was speaking for himself and not for the Association of which he was president. He said the public had the right to demand the broadest service that wire operating companies could furnish, and that under proper laws the good results of interconnection could be obtained without the evils of monopoly control.

"Speaking personally, and for a large number of Independent telephone men over the country, I wish to say that we are in favor of universal service," he said. "Representatives of the Independents will go before Congress and the state legislatures asking for passage of laws to compel interchange of service among all companies and over all lines, local and long distance, state and interstate."

It took great courage to make such a declaration, but the experience of the year had caused him to reverse his opinion and he wished to make his present position clear to all. It was one of the inherent qualities of this man that he would not stand upon a platform he was not prepared to defend.

The matter was hotly debated in Independent ranks. To many of the old warriors the very thought was abhorrent and its utterance akin to treason. State Associations took up the question and, at first, the opinions weighed heavily in opposition to any taint of fraternization with the Bell. Mr. Woods was strongly censured by his comrades in arms. However, a committee was set up in the National Association to open negotiations and explore the possibility of national toll connections and other pressing Independent needs. This committee, later to reach fame and national prominence as the "Committee of Seven," was composed of Frank H. Woods, chairman; Theodore Gary, Macon, Missouri, secretary; E. H. Moulton, Minneapolis; H. D. Critchfield, Chicago; Arnold Kalman, St. Louis; George L. Edwards, St. Louis; and B. J. Hubbell, Buffalo. The scope, power and accomplishments of this committee were later to become legendary.

Conferences between the Committee of Seven, the Morgan interests and the Bell representatives were held



The plant office was the center of activity as the company continued its rapid growth. Here, M. T. Caster, plant superintendent, holds consulation with two of his lieutenants, Guy Vennum, wire chief, seated, and Charles Peterson, foreman. James Greenstone sits at the other roll-top desk.



J. C. "Red" Gear, present wire chief at Fairbury, models the ensemble of a telephone lineman of 1910. "Red" was then with the Diller Telephone Company.

in several cities during the remainder of 1910 and were generally attended by a score or more of other Independent leaders who were intent in seeking a solution to their problems born of competition.

The first series of meetings were held in the east. Theodore Vail attended some of them, though he left the bargaining to his lieutenants, Nathan C. Kingsbury, vice president of AT&T, and F. H. Bethell, president of the New York Telephone Company. Henry P. Davison was the voice of Morgan and Company.

This was Vail's second connection with the Bell System. When still in his early thirties he was induced to take charge of the infant company and pilot it over the uncharted shoals of its first few years. Later he resigned and went to South America where he amassed a great fortune in applying his knowledge of electrical science to the benefit of Argentine and her neighboring countries. In May 1907 he returned to succeed Frederick P. Fish as president of the AT&T.

Mr. Vail recalled his early experience with "independents," men who flagrantly disregarded Alexander Bell's original patent. Most of them entered the field solely to sell stock in their newly formed companies, with neither hope nor intention of ever providing service. But Mr. Vail was soon to revise his opinion of Independent telephone men. Those who composed the Committee of Seven bore little resemblance to the franchise hawkers and stock jugglers he once associated with the word "independent."

There was much talk but little progress in the conference. Most of the members agreed that more efficient service to the public might be furnished if, in cities where competing exchanges were located, the stronger should absorb the other on an equitable basis with the view toward eliminating costly, inefficient competition. It was easy for everyone to give lip service to the premise that co-operation ought to take the place of the strenuous competition, but there was an unsurmountable divergence of opinion as to how to bring it about.

The Committee of Seven was an exploratory group, its powers restricted by the fact that it had not been organized or approved by the convention at large; but as time wore on, Frank Woods was commissioned to act for a number of the larger Independent companies, even so far as their outright sale if he deemed it necessary.

The negotiations reached the breaking point more than once. Ancient bitterness and suspicion could not be cast aside so quickly. The meetings had been originally scheduled on invitation of Morgan and Company, but Frank Woods found Henry Davison particularly hard to deal with. The latter had recently declared under oath at a hearing in Washington that there was no "hook-up" between Morgan's Ohio properties and the Bell, and many people believed that the Morgan companies would remain as Independents. But Mr. Davison, under prodding of committee members, found it hard to keep certain aspects of a tie with the Bell from being revealed.

It was during one particular bit of wrangling that it became crystal clear to Frank Woods that his supposed ally was actually a member of the enemy camp. All the dregs of disappointment, kept suppressed through weeks of fruitless parlance, now came pouring out in one great vocal explosion. "I can't do business with you," he shouted at Henry Davison, "you are nothing but a hireling!" Then he gave vent to his feelings in a tongue lashing that was full of fighting words and stamped angrily from the room.

He was followed into the hall by an excited group of Independent owners who envisioned, with this outburst, the dashing of their hopes for an amicable and profitable settlement of their difficulties. The president of a large Michigan company came running after him. "You've spilt the milk! You've spilt the milk!" he repeated in a voice pitched high with excitement. "Go back in there and tell Mr. Davison you're sorry." Mr. Woods was still fuming. "You go back in there," he stormed, "and tell him and the rest of them to go plumb to Hell!"

It was eleven at night. It had been a long and weary day. Mr. Woods returned to his apartment at the Waldorf, went to bed and to sleep. He was awakened in the early morning by the ringing of his telephone. "This is Henry Davison," said the voice at the other end of the wire. "Mr. Vail would like to see you if you are willing."

Of all things Mr. Woods might have expected to hear, this announcement was most remote. Why should the president of AT&T be asking to see him? Could it mean that there was still hope for a settlement, or was young Frank Woods to be told to go back home and stop bothering busy people?

With these questions passing through his mind, Mr. Woods expressed pleasure at the prospect of again meeting Theodore Vail, and inquired when and where the great man would see him. He was doubly surprised to hear Mr. Davison's reply: "He is right here at your hotel. Would you please come down to the lobby?"



CASPER E. YOST



THEODORE GARY



NATHAN C. KINGSBURY

Some notable figures in the national telephone picture of 1911, all of whom had prominent roles in the final months of negotiations. Casper E. Yost, president of Nebraska Bell, carved a distinguished career as a lawyer, U. S. Territorial Marshal, Omaha postmaster and telephone executive. He died in 1920 at the age of 79. Theodore Gary, secretary of the Committee of Seven, entered the telephone business as owner of a single small exchange at the age of 42. His greatest business achievements came after he reached the usual age of retirement. He died in 1952 at the age of 96. Nathan C. Kingsbury, vice-president of AT&T, became famous as the author of the "Kingsbury Commitment," the document that sealed the truce between Bell and Independent interests. It was dated December 19, 1913.

chapter six

One Nation Indivisible

The Bell-Morgan-Independent meetings draw to a close. Out of them came a treaty of peace, a new understanding, and an era of co-operation in the national telephone industry that prevails to this day. In this story the LT&T bursts out of Lancaster County to occupy its present territory in southeast Nebraska.

The National Independent Telephone Association did not hold its annual meeting and convention during the year 1910. Not until February 1911 was the assembly called to order in Chicago. It was well attended, for this was one convention few Independents cared to miss. Many of the members arrived with a chip on their shoulder and fireworks were expected to explode on the convention floor, for the recent meetings of the Committee of Seven with representatives of the Bell and Morgan organizations were frowned upon by a large segment of the Independent field.

Those who came expecting a show were disappointed. No spot on the agenda had been reserved for discussion of the work of the Committee. But the negotiators were buttonholed in the corridors and pressed to give an account of their activities and intentions. They were grilled at length in an executive session. To all questions came the reply that no definite report could yet be made because no plan had been worked out which they were willing to recommend. The Committee members reassured their brethren that there would be no "sell out" to their rivals. They said the conference had been opened at the request of Morgan and Company and that Davison had volunteered to finance mergers and buy Independent stock. The Committee was in agreement that this would be a dangerous plan.

Opinions were divided among the rank and file of the Independents. The convention went on record as favoring compulsory connection of competing systems and regulation under state and national laws protecting all interests, which was in complete agreement with the doctrine advanced by F. H. Woods a few months before. The same convention passed a resolution censuring the activities of the Committee of Seven in no uncertain terms. The resolution read in part:

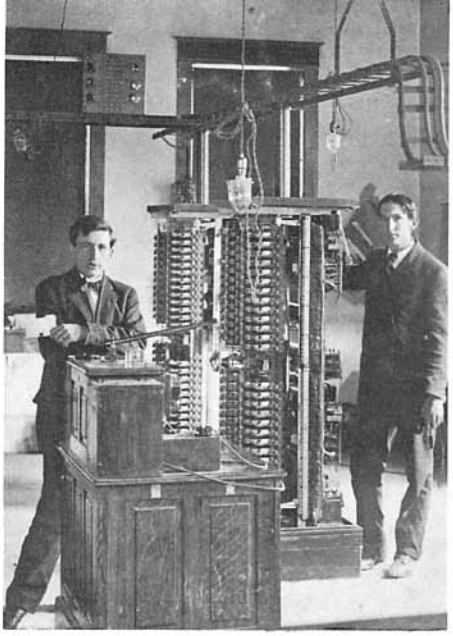
"Whereas, the press has published articles to the effect that the National Independent Telephone Association, through its officers and directors, has been holding meetings with the AT&T and J. P. Morgan and Company looking to the merging of all Independent and Bell interests; and

"Whereas, such statements are unwarranted and without foundation in fact; and

"Whereas, the objects of this Association are for the benefit of the strictly Independent operating companies; and

"Whereas, this organization has never authorized anyone to have negotiations with AT&T or J. P. Morgan and Company or any other representatives of a competitor looking toward a merger with or sale to the Bell, Morgan, or other competing interests; now therefore, be it

"Resolved, that the National Independent Telephone Association, in convention assembled, hereby reaffirms its adherence to the principles of Independent Telephony and avows its purpose to be the further development and the perpetuation of the integrity of the Independent telephone system as a whole."



The University Place automatic exchange began as a locally owned company and later became part of LT&T. In this 1908 picture we find A. L. Sypult, wire chief, at left, and Roy Cleveland, assistant W.C. at right.



Heavy telephone development in south Lincoln called for the erection of the South Office at 20th and Cherry Streets in 1909. This was the first of Lincoln's satelite exchanges. To it were assigned telephones whose numbers carried the "F" prefix. Now greatly enlarged, the "3" exchange still furnishes service to a large portion of south Lincoln.

The mountain had come to Mohammed.

The three lost little time in getting down to business and Theodore Vail and Frank Woods soon found a common bond. They were direct dealers who framed their thoughts bluntly but clearly. It was not long before they found themselves in agreement on many points that had been subject to controversy in the former meetings. It may be said that on this day was born the perfect scheme of telephony which would offer subscribers an ability to talk by telephone to anyone, anywhere.

It was well that this logical line of thought should be found at the head of the competing organizations, for it was shared by all too few of their compatriots.

Mr. Woods revealed that he had, upon his person, written authority from many of the major Independent companies to sell, to compromise, or deal for them in any manner dictated by his judgment. As a matter of service to the public and survival of the industry there must be a cessation of hostilities, elimination of competition and interconnection of exchanges and systems. He thought it could best be accomplished by division of territory. Mr. Woods added that he was prepared to negotiate for the establishment of such territories or to sell the Independent properties, whichever Mr. Vail preferred.

The latter hurriedly disclaimed any desire to buy the properties. Already Washington was cocking an attentive ear to the numerous anti-trust suits filed against AT&T and its subsidiaries in several states. He wanted no more Ohio deals to haunt his dreams. He readily agreed that negotiations should proceed toward territorial divisions.

There were other instances when the negotiations reached the point of impasse. Once they broke down completely and with finality. Henry Davison was host at a dinner at New York's swank Metropolitan Club; a farewell dinner for the weary negotiators. At the conclusion of the meal he expressed deep regret at their inability to reach an agreement and since the conference was fated to dissolve he wanted to bid them all adieu. He then called on Frank Woods for a few words before they adjourned to go their respective ways.

Mr. Woods had given no special forethought to his remarks, but as he began to speak he had the urge to explore another line of attack and perhaps find a chink in the armor of the imperturbable Henry Davison. The two young leaders were of the same age, yet Mr. Woods adopted the air of a patriarch as he thanked his host for the dinner and said he felt he should advise Mr. Davison, in this final gathering, of the position in which the Bell and Morgan interests would find themselves through failure of the conference.

He reminded the financier of the growing public indignation toward huge combinations and moneyed institutions. He told of the anti-trust suits then pending in several states, and promised that there would be more. He pointed out—in a fatherly way—that the Ohio situation was intolerable, and lay vulnerable to legal attack.

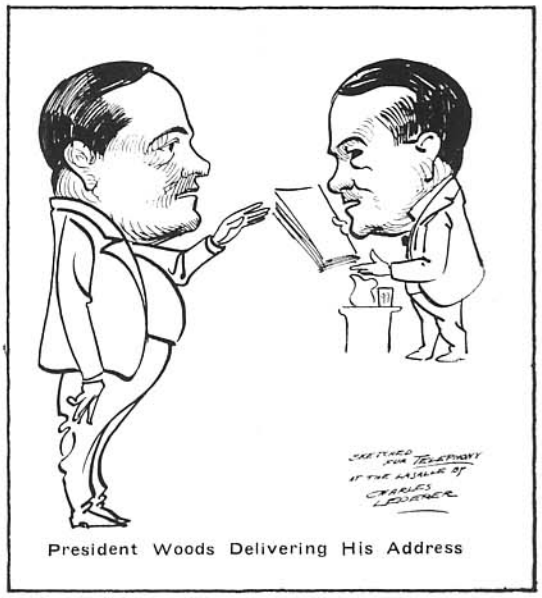
The barbs were shooting home. Henry Davison was more than nettled. His face was red and he was obviously trying to contain himself. Frank Woods couched his final advice in deep and paternal tones. He was making no threats, he said, but the Bell and Morgan people were making a great mistake in not meeting the Committee of Seven on valid, reasonable ground.

That did it. Davison jumped to his feet in anger. "I want to say, to begin with," he shouted, "that the firm of J. P. Morgan and Company does not need a guardian!" He hastened to defend his position and that of his firm but fury had clouded his mind. His utterances were not those of the suave business genius of a few moments before. He directed some fiery, personal remarks toward Mr. Woods, but withdrew them as he sensed their danger, explaining that his tongue misrepresented his thoughts.

While he was trying to extricate himself and his dignity from the flaring of temper, Theodore Gary got to his feet and came helpfully to the rescue. "Mr. Davison," he said, "I think this whole matter could be worked out along this sort of line—." Then he explained a notion which, of itself, was of no great import. Henry Davison was grateful for the helping hand. He agreed that such a plan had much merit. Frank Woods sealed the truce by saying, " I think Mr. Davison is right and I'm sorry we didn't consider this angle while we were negotiating."

So high tempers had their place in the making of peace as well as the waging of war. As a result of this encounter the negotiations were resumed and were fated to run for many months before final agreement could be reached and the attendant details resolved.

Meanwhile the Committee of Seven must go back to their people and sell them a medicine that was bitter and revolting to their proud Independent cores. A thousand times would some of them rather have the sickness than the cure. The further adventures of this committee and its accomplishments will be continued in future issues of the News.



President Woods Delivering His Address

As president of the National Independent Telephone Association, Frank Woods played a key role in steering explosive subjects away from the 1911 convention floor. TELEPHONY'S artist pictures Mr. Woods presiding over the assembly.



Beware of the Greeks Bearing Gifts!



A Problem in Navigation

TELEPHONY, however, had little faith in the outcome of the negotiations, as reflected in their weekly cartoons published during this period. Usually the Independent industry was pictured, wide-eyed and innocent, being influenced by oily tongues and acts of skulduggery.

Then as if considering the Committee of Seven to be properly spanked, the assembly elected five of them, including Mr. Woods, to the Board of Directors for the current year.

As the sessions ended and the members went their various ways, even the most militant Independents among them carried home the conviction that their world was changing and that competition, as they had known it, would soon pass into history.

The negotiations were resumed in New York immediately after the convention. TELEPHONY was worried and piqued. Then as now it was a front-running magazine in the telephone field. Editor Harry B. MacMeal expressed himself frankly in the issue of February 23, 1911. "TELEPHONY's duty," he wrote, "is to keep the Independent rank and file as fully advised as possible of events in the field and particularly of these negotiations with the Bell and Morgan representatives. It is endeavoring to keep an open mind, void of prejudice and wants to assist in any move that will strengthen the entire industry—and more especially the Independents. It believes, however, in playing the game in the open for the benefit of all concerned." He went on at length in warning the negotiators that any plan adopted must be for the welfare of the entire Independent ranks and decried the lack of news on the progress of the conferences.

Leroy Kellogg, president of Kellogg Switchboard and Supply Company, and Sidney Stein, president of Cracraft, Leich Electric Company, also wrote articles for the same issue, opposing the work of the Committee of Seven and the secrecy surrounding the negotiations.

The barbs brought an immediate reply from Theodore Gary which was published in the issue of March 4. Mr. Gary insisted that there was no secret about anything that had been done or would be done. Because of the complexity of the situation a committee report would not be made until certain points were definitely established. "Therefore," he wrote, "it will be necessary for the editor of TELEPHONY and its readers to be patient, as intelligent publicity was next to impossible until some understandings had been reached that were applicable generally."

Mr. Gary could have said that he had been offered long distance connections for every exchange of the Gary system but had declined to make any connection on terms not available to every other telephone exchange in the country. Theodore Vail had apparently sent his lieutenants into the conference with instructions to "divide and conquer."

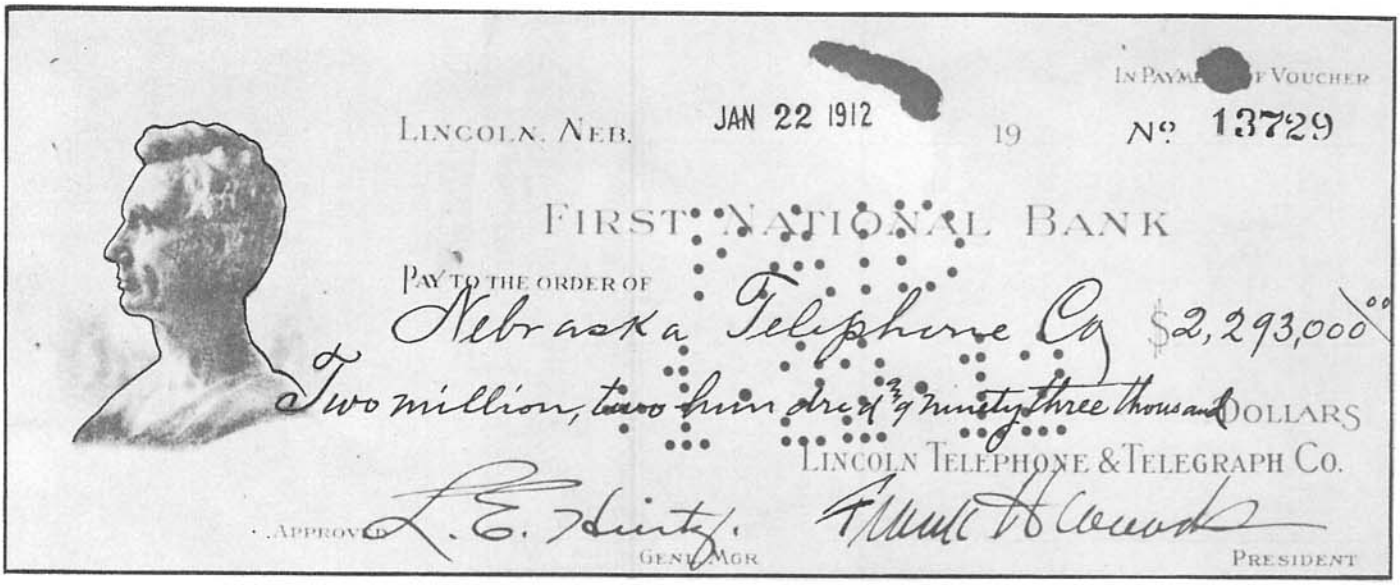
No brief biography could be written that would adequately cover the personality of the dynamic Theodore Vail. He was one of the most forceful characters in the history of American industry. He had gone west at the age of twenty-two in the hope of becoming a successful farmer, but instead entered the telegraph field as an operator at Omaha. He next joined the Government Mail Service at Washington and by 1876 he was head of this department, which he completely reorganized. He was induced to resign this responsible post and join the Bell forces at about the time the Western Union organized its telephone company to fight the Bell. In less than two months Vail had created the first Bell Telephone Company with $450,000 capital and service to 12,000 telephones. He confined each Bell agent to one locality, stiffened their contracts and reserved all rights to connect one city with another. A few months later the company was again reorganized into the National Bell Telephone Company, forerunner of the AT&T, with $850,000 capital.

He had a vision of the telephone not shared by some of his superior officers; a vision that was not fulfilled when he resigned and went to South America where he remained for many years. The fruition of his youthful dream of the telephone's expansion possibilities was unquestionably one of the inducements which caused him to accept the presidency of AT&T in 1907 on his return from Argentina.

He firmly believed that the greatest barrier to economical expansion and universal service was competition furnished by the Independents. Therefore competition should be erased, for the ultimate benefit of all.

There was general dread, not confined to the Independent telephone industry, when Vail announced in November 1910 that the Western Union Telegraph Company had been acquired by Bell interests. He had made the purchase of the giant company and told his board of directors about it later.

So it was, in the early meetings of the negotiators, that any concessions were usually made by Henry Davison and the Committee of Seven began concentrating their arguments on him. One by one the obstacles were met and



One of the most prized items among our company's historical documents is this canceled check representing the end of LT&T-Bell competition and the expansion of our operating territory to its present scope. The check was written by C. P. Russell, cashier, who was soon to become auditor, and later secretary-treasurer for LT&T.

surmounted until at long last a general agreement was reached. Mr. Vail must have been astonished, as were many of the Independents, at how greatly their deep-rooted opinions had changed during the course of the conferences.

Basically the terms of the general agreement called for elimination of local competition by division of operating territory and for toll line interconnection. Mr. Vail had previously stated that he would have no more direct dealings with Independent companies except through the negotiating committee. Now began one of the most trying and busy periods in the life of Frank Woods.

A plan of merger was initiated for 13 large Independent companies with their Associated Bell competitors. Among the companies affected were the Omaha Independent exchange and the Lincoln Telephone and Telegraph Company. The general agreement was flexible and each situation had to be considered in all its aspects. Employees were to be taken care of as to seniority, job levels, pension rights where such existed, and so forth.

Sometimes consolidations were effected by the stronger exchange absorbing the weaker, sometimes by division of operating territory, with each company withdrawing from the other's domain.

As a lawyer and as chairman of the Committee of Seven the bulk of the intricate and endless details in the various mergers fell to Mr. Woods. Fearful that he might be accused of favoritism, he withheld consideration of LT&T's problems until those of the other companies had been disposed of.

On August 3, 1911, Mr. Woods returned briefly from the east with startling news. He confided in General Manager Hurtz that the Bell appeared willing to withdraw—not only from Lincoln but from 22 counties of southeast Nebraska, leaving the field to the Lincoln company.

To this day it seems audacious that LT&T should have undertaken to swallow the Bell holdings in this large territory. To begin with, the latter organization was several times the size of our little company which operated only four small exchanges outside of Lincoln and its suburbs. The Bell company owned 44 exchanges besides those at Lincoln. North of the Platte River the LT&T held stock in the Grand Island Telephone Company, the Fremont Telephone Company, the Howard County Telephone Company and certain toll lines formerly owned by the York County company. That was about all it had to offer, except its fighting spirit, for the rich territory south of the Platte and east from Adams and Nuckolls counties.

Conforming to the general agreement that negotiations be held at the local level, the Nebraska Telephone Company represented the Bell exchanges involved in discussion with the Lincoln company. The AT&T was interested in the toll line considerations.

The Nebraska Telephone Company's interests were in the hands of Casper E. Yost, president, and George E. McFarland, vice president-general manager; while Nathan C. Kingsbury, vice president of AT&T, was in general charge of toll line negotiations. Mr. Woods, of course, represented LT&T.

The parley proceeded rapidly at arriving at terms in general, but was halted abruptly when the question arose as to toll line ownership. The Bell people had no other thought than that the deed and control of the toll network would remain with them. On this point they were willing to make no concession. Frank Woods took the stand that the toll lines and their revenues were vital to the consummation of the transaction. If the LT&T were deprived of its full share of long distance message haul, he insisted, it would be impossible to finance the purchase and development of the merging plants.

When it became fully apparent to Mr. Woods there was no convincing the Bell officials that their position was contrary to the gist of the general agreement, he called off the conference, informing Messrs. Kingsbury, Yost and McFarland of his intention to come back to Lincoln and give them such a fight that they would rue the day they had refused to consider his just terms. He said some other things that did not appear in the minutes of the meeting, for Independent and Bell telephone men had not yet adopted the niceties of conversation that prevail in their contacts with each other today. Once again Frank Woods stamped from a meeting, out of the hotel and, he thought, out of the lives of the shocked Bell negotiators. But that was not to be.

Mr. Woods took an overnight train from New York and arrived early the following morning at the large summer hotel at Portsmouth, New Hampshire, where Mrs. Woods and their six-year-old son, Frank, Junior, were staying. His appearance caused quite a stir among hotel employees for it seemed that all of them had been searching for him. Several telephone calls from Theodore Vail had come in

during the night. Vail left word that he wanted to talk to Mr. Woods as soon as he arrived.

The connection was soon made. Mr. Vail was at his great estate in Vermont. He said he had received reports of the happenings in the New York conference and that he wanted Mr. Woods to have a satisfactory deal. He asked Mr. Woods to come to his estate at Lyndonville to discuss it with him.

Mr. Woods demurred. Travel weary and sleepy, he was in no mood to begin all over again a drawn-out session of matching wits. Besides, he said, he had just become reunited with his family and did not choose to leave them alone again at this time.

Theodore Vail was insistent. If Mr. Woods needed rest he could find no more restful spot than the Vermont estate. He must come and bring his family. Arrangements would be made to meet them at the railway station and convey them to the mansion by automobile. Mr. Vail insisted that they come prepared to spend several days. Mr. Woods agreed, and the family was met at the train next day by a large limousine and driven over the hills to the Vail home.

In the absence of a state experimental farm, Mr. Vail had undertaken to conduct the school for agricultural research on his own vast estate. His 30,000 acres contained herd after herd of blooded cattle. He was a breeder of fine Arabian horses. Crops of many kinds reached to the horizon in all directions. That afternoon Mr. Vail drove the Woods family on a tour of inspection. They rode in a landau drawn by a beautifully matched span of Arabians; Frank, Junior, sitting high in the front seat with Theodore Vail, who drove the team.

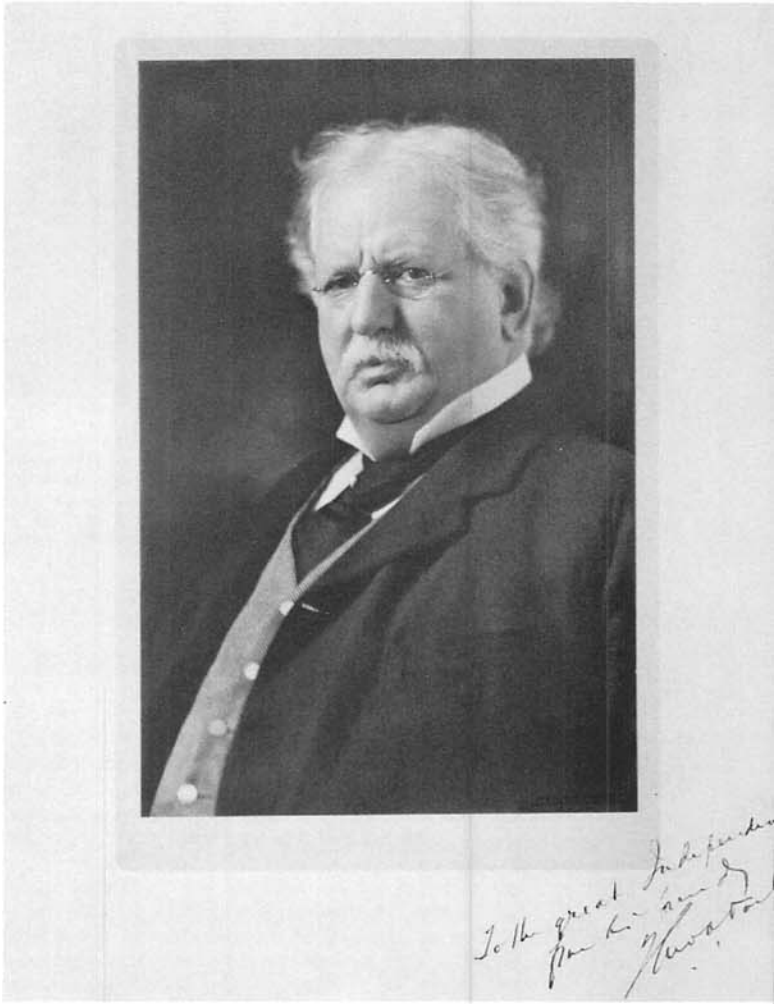
Later in the day the two men got down to business. Mr. Vail inquired about the points of contention and asked bluntly what Mr. Woods wanted. The latter replied that it wasn't a case of wanting; it was an absolute necessity that LT&T own every stick of toll line in its territory. He pointed out that the revenues involved were vital in sustaining the heavy obligations which would attend the consolidation with its additional investments and large loss of property which must be removed from service because of duplication. The merger of the Lincoln company with the Western Telephone Company in January 1909 had given LT&T an extensive network of toll lines within the territory, which added greatly to the strength of Mr. Woods' position.

Finally Vail said he would accede to these demands. Taking a sheet of plain paper he hastily wrote out a brief memorandum covering roughly the salient points of the discussion. He asked that Frank Woods write his initials at the bottom of the sheet, along with his own. Then he said, "This is your agreement. It gives you exactly what you are asking for and I will stand behind it."

But there remained a delicate situation. Mr. Vail, for obvious reasons, did not care to have it known he had overruled his own negotiators. He suggested that the conference be reopened at his home. "You must start all over again toward reaching an agreement," he said, "and I will intercede if and whenever necessary When the terms are finally settled they will be the same as we have agreed to on this paper."

Mr. Vail then got in touch with Messrs. Yost and McFarland, asking them to come to Lyndonville.

So the three men sat down to patch up their differences. Mr. Vail remained in the background, interpolating an occasional helpful word. Mr. Kingsbury, for some forgotten reason, did not attend this session. The final agreement was rapidly shaped. Under its terms the LT&T was to buy all Bell properties within the specified territory. The Nebraska Telephone Company would buy all LT&T plant that lay beyond the boundary. The latter consisted of a few scattered properties north of the Platte which were identified earlier in this story. The valuation of all plant involved was to be fixed by a joint committee. The AT&T was committed to help finance the deal through their purchase of a 3½ million dollar block of five per cent preferred stock



"To the great Independent, from his friend, Theo. N. Vail." **For more than thirty years this picture of AT&T's former president hung above the desk of Frank H. Woods, who took great pride in the inscription. Many times the two men met head-on in arguments that could not be resolved except by unprecedented decisions. Mr. Vail died in 1920 at the age of 75.**

which became voting only if and after two consecutive quarterly dividends remained unpaid.

Scarcely a hint of these enormous transactions and mergers had reached the public. TELEPHONY was still patiently waiting for news to come out of the year-long session of negotiations. Then, on January 8, 1912, came the first announcement. The Lincoln Telephone and Telegraph Company had bought the Bell properties in Southeast Nebraska! The last deal to be completed was first to reach the headlines.

A few days later the largest check—until that time—that ever changed hands in Lincoln was cleared through the First National Bank. The amount: $2,293,000, representing the difference in valuation between the Independent and Bell properties involved in the purchase. The money came from the AT&T in payment for the stock and went to the Nebraska Telephone Company in payment for their properties. This process met the requirement of the Nebraska State Railway Commission that the sale of stock must be for cash and not less than par value.

This closes, logically, one of the transitions of our company and one of the epochs in the long life of Frank H. Woods. That circumstances should bring a man of his exact qualifications to the head of the Independent industry at the exact time when those qualifications could be put to their fullest use seems more than a coincidence.



Antidotes were needed for the high feelings that existed between former Lincoln Bell and Automatic employees when the two organizations were merged into one. This old flashlight picture shows the first get-together of the united group at a dance held April 4, 1912 at Folsom Hall, Lincoln. The committee was made up of "the girls," with Margaret McKain and Agnes Scouller, rival chief operators, as co-chairmen.

chapter seven

The Consolidation: 1912-1914

On January 8, 1912, the Board of Directors enthusiastically put their stamp of approval to the agreement for the purchase of Bell properties in southeast Nebraska. The story was given to the Lincoln newspapers, who scored a "scoop" with their exclusive release which was reprinted throughout the nation.

The next day a stockholders meeting was called to ratify the action of the Board. The meeting was called at the telephone building, but adjourned to reassemble at the home of Frank H. Woods, who had returned from the east and taken to his bed in one of the few instances of sickness he would ever know. Mr. Woods voted his stock in person and the Board's action was confirmed.

Both Bell and Automatic employees were taken aback with the announcement. The secret of the impending purchase had been entrusted only to a few of the operating officials and it had been well kept.

However, there had been whisps of evidence that something was in the wind. During the past few months newspaper advertisements and statements of telephone officials had taken a new and mellow note. In some locations the two companies had begun to make joint use of pole lines, and plainly an effort was being made to apply balm to ancient wounds and to allay the bitterness that had long existed throughout both organizations.

The first great fear of Bell employees that they would soon be out of a job was quieted by the announcement by LT&T that all regular Bell personnel would find a place on the payroll of the new organization. They fared much better than they hoped.

A complete reorganization of LT&T was announced on February 1, 1912. The responsibilities of the plant, traffic, commercial and auditing departments were defined. The territory was divided into districts. Supervisory staff and line members were appointed. It was apparent that no distinction had been made between employees of either company in assigning the personnel to fill the new positions.

Reporting to M. T. Caster, plant superintendent, were J. A. Becker, plant engineer; C. H. Ellsworth, superintendent of buildings; A. S. Romano, eastern and central district plant chief; H. W. Wheeler, western district plant chief; A. M. Roberts, general storekeeper; and F. B. Sweeney, chief clerk.

Additional plant department appointments in the central district named William Cunningham, construction foreman; Tom N. Jones, city foreman; Charles M. Anderson, cable foreman; Henry Hoveland, chief of service-automatic exchange; Guy E. Vennum, district facilities man; W. A. Shaw, toll wire chief; F. E. Hannah, local wire chief; and E. L. Ward, district chief clerk.

Reporting to R. E. Mattison, commercial superintendent, were Dudley T. Cook, C. E. Campbell, R. A. Wylie, T. H. Pollock and W. H. Caman; district commercial managers for the central, eastern, western, Plattsmouth and southern districts, respectively.

Reporting to George K. Gann, traffic superintendent, were C. D. Perrin, supervisor of traffic; T. C. Rice, traffic engineer; all chief operators, instructors and service inspectors.

Reporting to C. P. Russell, auditor, were W. L. Lemon, general accountant; Walter Thorgrimson, district accountant; bookkeepers and payroll clerks.

It was to be expected that some personal differences would arise among employees after the sudden fusion of the two warring factions, but such was not the case. Aside from good-natured bantering that cropped out for many years, the erstwhile enemies beat their swords into plowshares and attacked the work at hand. There was work aplenty.

Plans for the operation of most of our newly purchased exchanges posed the first problem. Our former allies, the Independent companies operating in these towns, now became competitors. Fortunately, the situations springing from this state of affairs were soon settled to the satisfaction of all concerned. Usually LT&T arranged for the purchase of the Independent company. Sometimes we sold the Bell exchange. Rarely was it necessary to retain a competing exchange for a considerable period of time.

Among the larger Independent telephone systems purchased during the first few months of 1912 were those of Seward, York, Johnson, Thayer and Saline counties; the Golden Rod of Saunders County; and the plants at Nebraska City, Fairbury, Steinauer, Bennet, Panama and four or five others. Consolidation of the exchanges throughout the territory proceeded at a rapid rate but with a discordant note. We found that the former Bell properties in many towns had deteriorated to the point that a complete rebuilding job was necessary to bring the plant into serviceable condition. Apparently the Bell, long ago, had ceased investing money in the upkeep of exchanges that would not stand the rigors of competition.

It was the supposition that Lincoln Bell telephones would

be replaced by the automatic type and that the city would soon enjoy unified dial service. However, extended and unbiased service tests were made of both systems in operation and the results were disquieting. The manual system was furnishing much more accurate and faster service than the Automatic. Service and repair costs of the dial telephone also exceeded that of its simpler manual counterpart. There are those still in our organization who remember the inherent weakness of the old 300-type Automatic sets with their temperamental wiper dialing contacts.

The decision to retain the Automatic system in Lincoln was made by the Board of Directors in May 1912. Their choice was influenced by the fact that the "pot-belly" dial telephone was regarded with affection by most of the subscribers despite its often unpredictable performance and many of its faults had been eliminated by recent improvements in the instrument and switches. Also it was feared that should the manual system be chosen, the door might be left ajar for the entrance of another Independent company, just as LT&T had crept into the scene nine years before.

The Board, at the same time, announced that the dial exchange at University Place would be discontinued and its subscribers added to the former Bell exchange of the Lincoln suburb.

There were at that time 14,724 telephones in Lincoln, 1,211 of which were in homes or business establishments served by both Automatic and Bell.

The newspapers predicted, on the day of the purchase announcement, that a new and larger building would be necessary to house the combined forces and equipment of the new organization and called attention to the fact that both the Bell and Independent companies owned property adjoining their present locations at 128 South 13 Street and 231 South 14 Street, respectively. All departments of the newly established general headquarters felt growing pains, and personnel spilled over into rented quarters in the Bankers Life Building and a warehouse-shop at 15th and N.

It was on June 8, 1912 that plans were announced to build the general office structure at 14th and M. The building was to be 100 feet square, three stories high and would cost $100,000. On the same day the contract was let for the erection of the new Beatrice central office. No work had yet been done toward consolidation of the Lincoln exchanges. Both were operating as separate units and Lincoln subscribers were growing impatient and vociferous.

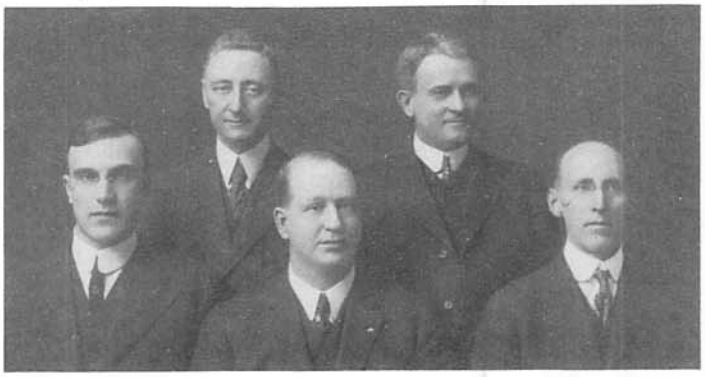
The standard wages for first-class linemen, inspectors, installers, switchmen, switchboardmen, testboardmen and shopmen were $3.00 for a nine-hour day. Sub-foremen received $3.25 and cable splicers $4.00. The work week was six full days. It should be said that the new officials of the company made a practice of spending part of their Sundays on the job, too.

In most industries of the time, additional employee benefits were unheard of. There were no vacations, paid or otherwise; no Saturday half holidays; no provision for payment of wages during sickness or accident disability.

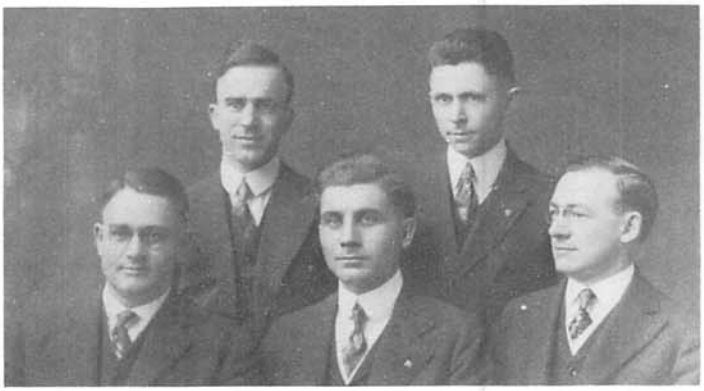
In June 1912 the company issued a schedule of rules, rates and benefits for employees, announcing a ten-day vacation with pay to monthly personnel; six Saturday afternoons off during the summer months; and payment for certain periods of sickness or accident absences. The circular also promised that should the State Railway Commission act favorably on the company's application for a rate increase in Lincoln, and not later than January 1, 1913 in any event, wages in all first-class plant classifications would be increased in the amount of twenty cents per day.

Twelve days later the local union of electrical workers, to which some 80 telephone men belonged, called a strike in support of its demand that the proposed wage increase be given immediately. Undoubtedly there was some justification in the demand, for several of the former Bell employees had been receiving the $3.20 scale before they were transferred to LT&T's payroll.

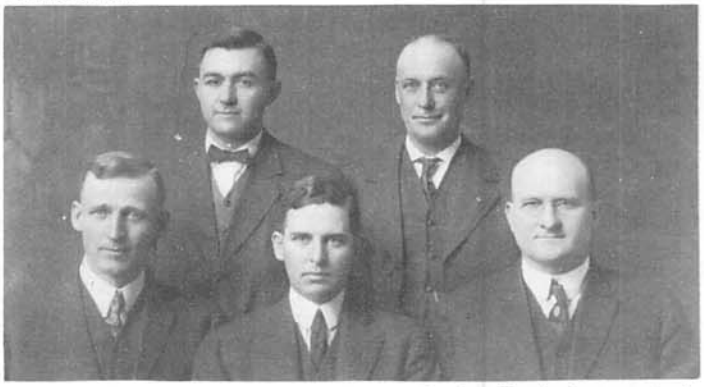
Departmental Operating Officials, 1914



COMMERCIAL DEPARTMENT. Front row: W. R. Johnson, Western District; R. E. Mattison, commercial superintendent; W. E. Bell, Northern District. Back row: W. H. Caman, Southern District; Dudley T. Cook, Central District. Messrs. Johnson, Bell, Caman and Cook were district commercial managers.



TRAFFIC DEPARTMENT. Front row: C. D. Perrin, Eastern District; C. L. Sluyter, Western District; George K. Gann, traffic superintendent. Back row: T. C. Rice, traffic engineer; R. O. Parks, Southern District. Messrs. Perrin, Sluyter and Parks were district traffic chiefs.



PLANT DEPARTMENT. Front row: Charles M. Anderson, plant engineer; Jay Pugsley, Southern District; M. T. Caster, plant superintendent. Back row: F. E. Behm, Eastern District; Harry W. Wheeler, Western District. Messrs. Pugsley, Behm and Wheeler were district plant chiefs.

On June 15 Frank Woods addressed an open letter to the strikers, agreeing to the wage increase; but flatly refusing to agree to a later demand that the company sanction a closed shop and that the union be authorized to represent all plant employees. This was still 1912, and such notions were foreign to the accepted standards of labor relations of that day.

The union delayed its answer for several days. Mr. Woods warned the absent employees that their places were being filled by other workmen and that he had no intention of demoting these men if and when the strikers returned.



(1) The crew of Foreman Everett Cunningham who took the picture. From left: Bob Smith, Ernest Wedgwood, Dan Armstrong, Bob Robinson. Dick Robinson, on wagon, was the "skinner." Taken at Pickrell, about 1915. (2) First of the construction fleet, taken at Panama. The group includes E. Wedgwood, R. C. McLain and Harry Moss. (3) The exchange building and office pole of the Goldenrod Telephone Company at Cedar Bluffs, taken in 1903. (4) Freeman S. "Shorty" Holmes, long a familiar figure of the Lincoln commercial department. Shorty entered the business in 1881, only five years after the invention of the telephone. He died in front of the telephone building at Lincoln in July 1931. As a troubleman in the ancient days, Mr. Holmes told how most of the ailments of the instrument could be cleared by removing it from the wall and shaking it vigorously. (5) The latest fashion in hair-do is modeled by these operators of about 1908.

On the morning of June 24 the striking workmen returned to employment. Some of them were dissatisfied to find that their former jobs were filled and that they were now assigned to other work, even though the pay was comparable. The entire union group quit again at noon, demanding that all of them be returned to their former positions.

The next night two large cables were cut. The union headquarters denied that any of the striking workmen had anything to do with the vandalism. Charges and countercharges were hurled between the strikers and the company through the media of the local newspapers. Now began a dark and bitter period in company history. Damage to telephone plant appeared in all parts of the city. Company officials and others were deputized, and made nightly rounds in an attempt to protect the distributing plant and apprehend the culprits.

As time wore on, some of the strikers drifted back to the job. Others faced with worsening conditions took employment elsewhere. On July 31 two of their number were arrested while in the act of cutting a cable. Their trial, which dragged on through the weeks, was covered in detail by the newspapers to the great injury of the union's cause. Not until September 21, however, did the union call off the strike. By that time 25 of the original 86 striking workmen had returned to employment with LT&T. A dozen others returned within the next few weeks. The "Journal" commented, in its final story, that there was still a question as to the real cause of the strike.

Meanwhile the former Bell employees were made to feel at home in the organization. Some of them appeared in LT&T uniform in the 1912 baseball team. Parties were held to bring employees together, and the first annual company picnic was an event of the late summer. Among those who came from the Bell were Cecil C. Donley, present chief engineer; Ed Cummings, plan engineer; and Clyde Burge, southern district manager. They are the last of this large group to remain as active employees.

In November 1912 the "B" board arrived and was installed. This board was of the nature of a missing link by which the consolidation at Lincoln could be effected and full service supplied. Automatic numbers of the 2 and 5 exchanges appeared in full multiple on its jacks. Connection to these subscribers was made by the "B" board operators of calls from the toll boards, farm lines, former Bell manual telephones, and the College View and University Place switchboards.

The number of plant employees in Lincoln Zone doubled during the last eight months of 1912. A chart of the growth of this department is shown here:

Classification	May 1912	Dec. 1912
Cablemen's Helpers	3	8
Cable Splicers	2	4
Switchmen	10	20
Trouble Operators	2	10
Switchboardmen	4	2
Linemen	23	47
Testboardmen	8	6
Installers	17	36
Repairmen	1	2
Combinationmen	4	4
Shopmen	4	24
Students	4	17
Batterymen	1	1
Rackmen	1	2
Troublemen	9	6
Inspectors	12	21
Total	105	210

By the end of the year 1912 only Lincoln, Beatrice and Nebraska City remained to be consolidated among the towns where the company owned both exchanges.

The application of LT&T for a rate increase came before the Railway Commission January 3, 1913. The company witnesses were well fortified with facts and figures to prove that the cost of normal operation and the laying aside of a suitable fund for depreciation was in excess of present returns. We had become depreciation conscious in our recent experience with dilapidated Bell and purchased Independent properties.

The hearing lasted for three weeks and produced volumes of testimony, cross-examinations, rebuttals and orations. The application was contested by the city attorneys of Lincoln, Havelock and University Place and most belligerently by Judge W. H. England, who modestly wore the mantle of



The general office building at Lincoln, shortly after completion. Originally a three-story structure, it was finished and occupied in 1913. The smaller building adjoining it at right is the first LT&T home, erected in 1903.



Lincoln toll operating room, taken at Open House in May 1914. Standing at supervisory stations, clockwise, are Marna McCarthy; Anna Seymour; Iva Swiger; Agnes Scouller, chief operator; Carrie Rasmussen and Nellie Hartley. The board had been placed into service only a few weeks before.

"defender of the common people." It was a field day for reporters when the Judge took his turn at cross-examination. He was a first-rate showman besides being an able jurist. Frank Woods had presented most of the telephone company's case and his frequent clashes with Judge England developed into literary gems which were published in full in the daily papers.

The Commission's decision did not come until the last day of May when it announced that the proposed increase, in part, would be granted.

Meanwhile the Lincoln consolidation had been completed; the new general office building was taking shape; and Independent plants at Hastings, DeWitt and Fillmore County had been purchased by LT&T.

The general office building was occupied in the fall of 1913. The ground floor of the three-story structure was leased to commercial firms, including a drug store, a plumbing contractor, a chandelier manufacturer, a dress shop and a beauty parlor.

On the second floor were the offices of the commercial superintendent, general manager, district plant chief, president, secretary and assistant treasurer, and auditor. The accounting department and addressograph section filled the west wing.

The third floor harbored the new toll switchboard, still in the process of assembly; the new cafeteria and offices of the traffic and plant superintendents.

The plant office was a huge room occupied by Chief Clerk Sweeney and his crew; Plant Engineer Anderson and his force, consisting of engineers, draftsmen and blue print boys; and F. C. Dennison, supply clerk, and helpers, who formed the beginning of the supply department. The presence of the general office mail boy added to the din of the room and the anguish of its occupants.

The process of making blueprints was quite distracting. The prints were exposed to the sun in a huge frame that rolled through an open window onto a track spanning the court. After a suitable exposure, varying from a few seconds to an hour, the frame was hauled back into the room by a hand line, the print washed in a large open tank and hung up, to drip and dry, on lines stretched about the room.

The cafeteria was a daring experiment designed to add attraction to the career of a telephone operator. At first its services were extended to operators only, but in a few weeks other employees were invited to share its bargains in meals and lunches, which were served at cost. Complete meals at noon and evening were sold for 13 cents. Or one could choose to her own diet by special order at the following prices: Meats, 4c; relishes, 1c; sandwich, 4c; coffee, tea, cocoa or milk, 3c; bananas, 2c; pie, 3c.

The story of the year 1913 would not be complete without mention of the Easter tornado that formed in southern Lancaster County and descended in two giant steps to demolish a large portion of Berlin (now Otoe) and sweep a path of destruction through an outlying section of Omaha.

Highlights of 1914 included one of the most disastrous sleet storms in company history which blew through the territory on February 22, tearing up telephone plants from Adams to Johnson counties, much of which only recently had been rebuilt. The storm cost the company $125,000 as 400 men struggled for days in restoring a measure of service.

Lincoln's new toll board was cut into service, after which an Open House was held in the new general office building on May 20 and 21, 1914. By strangest of coincidence, these exact dates were chosen, 40 years later, for Open House at the 15 & M building.

The consolidation of the Hastings manual and automatic exchanges was completed May 29. In this city the manual system was retained.

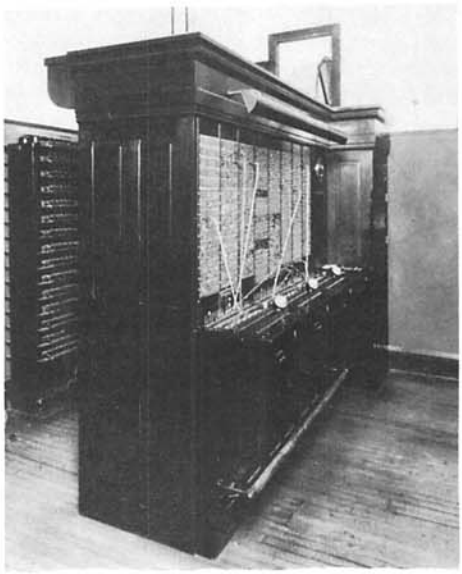
Wireless telegraphy was the latest fad and several telephone men had installations of their own. All of these were homemade affairs. There was talk of successful experiments in wireless telephony, and many members of the industry seriously believed that if it could be perfected it would spell the doom of the telephone business.

War clouds had been gathering over Europe for several years and in August 1914 they exploded in the thunder of guns around the rim of Germany and Austria. It was the beginning of World War I and the end of an economic era that the people of the world sought to recapture for many years to come in their futile desires to "return to normalcy."

The "pole gin" in use at Hastings rebuild in 1914. J. L. Lyne, present outside plant engineer, is the youngster in overalls and light shirt standing at left on truck bed.



The "B" board, installed at Lincoln in 1912 to permit connection of toll boards and manual telephones with automatic subscribers.





LT&T Members of Company B, 323 Field Signal Battalion at Camp Funston, December 1917. Front row, left to right: Louis Landers, Ralph Baker, Troy Rhinehart, Frank Speir, Henry Taedter, Lester Gjerman, Vern Campbell, Clayton Moore, Charles Nutzman, Charles Riedel and George Gorham. Back row: Neil Rakestraw, Joe Abrams, Paul Schmeltzer, John Ford, John Hobson, Brad Scholz, C. E. Brunton, Charles Meshier, P. J. Brunton, Paul Krahn and W. R. Howell. Ralph Jenkins, Bob Darling and Tom DeWolf were having a bout with the flu, and could not be present as the picture was taken. The company was captained by C. D. Perrin of the traffic department.

chapter eight

Growing Pains: 1915-1919

1915 The year 1915 made its debut in a burst of telephone fanfare. Locally the New Year coincided with the publication of Volume 1, Issue 1, of the Lincoln Telephone News. Nationally the date of January 25, 1915 stands as one of the historic pinnacles of telephony. On that day the continent was first bridged by the human voice.

Elaborate preparation had been made for staging this first transcontinental telephone conversation. The pole line, only recently completed, ran from New York through Pittsburgh, Chicago, Omaha, Denver and Salt Lake City to San Francisco, where the Panama Pacific Exposition was then in progress.

There were three circuits—two physical, one phantom—and 130,000 poles in the 3,370-mile, cross-country lead. The route took a beeline across field, swamp, lake and mountain. In many areas there were no roads and construction crews had to make their own pathways. On January 25 men were stationed along the entire line, in cities, towns, farmlands, deserts, mountain top, so that in case of a break workmen would soon be able to reach the spot.

A distinguished delegation was at the New York end of the line. Here was Alexander Graham Bell, inventor of the telephone; U. N. Bethell, a member of the recent Bell-Morgan-Independent negotiation committee who had become senior vice president of AT&T; J. J. Carty, AT&T chief engineer who was largely responsible for the realization of the coast-to-coast telephone dream; Mayor Mitchell of New York City; Controller William Prendergast and other celebrities.

Alexander Bell was a bit skeptical as he took down the receiver at the given signal. He forgot his lines as he bellowed, "Hello, Watson, are you there?" Later he repeated the famous first intelligible telephone sentence: "Mr. Watson, come here, I want you." And Thomas Watson, his assistant at the telephone's nativity 39 years before, repeated the other half of that famous first telephone conversation: "Mr. Bell, I heard every word you said—distinctly!"

Later, President Woodrow Wilson and Nathan C. Kingsley of AT&T joined the conversation from Washington; Theodore Vail from Jekyll Island, Georgia; and Mayor Curley from Boston.

The interchange of words between the two coasts was made possible, primarily, by the perfection of the Pupin loading coil and other new transmission developments. The physical circuits were of No. 8, B.W.G. hand-drawn copper wire, a sixth-inch in diameter.

The war in Europe rose in fury and America was soon embroiled in arguments with both Britain and Germany in their interference with commerce. In May 1915 the Lusitania was sunk with a loss of 1,153 lives, 114 of them of American citizenship. With that America swung almost solidly toward the Allied cause, and came to the brink of war itself until the President was reassured that Germany would cease her unrestricted submarine warfare.

A change of economy was coming over the land. The industrial east felt its first effects in a wave of prosperity and high level employment arising from munitions and armament contracts with warring Europe. Exports of food and manufactured items were accelerated and prices of commodities advanced.

There was a movement back to the land. More acres were plowed and tilled. The soil of Nebraska responded nobly and its huge fields of grain grew tall and lush. Rains fell almost daily. At wheat harvest time the ground was so moist and mellow that the bull-wheel of binders could not get traction from the slippery earth to run the machinery. Manufacturers of small gasoline engines were swamped with orders for motors and attachments to operate the binders.

Prosperity came to the farmers. Higher prices for their produce, the abundant harvest and fatted livestock brought wealth and contentment such as they had never known. LT&T was still adding to its stature by purchasing numerous Independent companies in its territory and was attempting to adopt a uniform level of rates. This required an application and appearance before the State Railway Commission with nearly every purchase asking for an increase in exchange rentals. The greatest and most consistent opposition to all these applications had been from farmers' organizations, and now this opposition began to disappear.

On October 26, 1915, General Manager Hurtz was able to report to the Board of Directors: "Today the Lincoln

Telephone and Telegraph Company may be said to be at peace. We are having no trouble with any commercial club, city, village, or other public organization. So far as we know every community within our territory is satisfied with the treatment we are according them. The service is generally satisfactory and at no place are we receiving complaints of poor service."

Earlier in the year, though, we had trouble galore, the heaviest assailment being in Johnson County. This was the scene of the fiercest battles during the old competitive days and many concessions had been made in those times which were still being enjoyed by our subscribers. The service rates here were far below those of neighboring counties and as far below the cost of actual operation.

It had been necessary to go before the Railway Commission to correct this inequity and permission was granted to increase rates on all classes of service in several Johnson County exchanges from 20 to 27 per cent. We began to lose telephones at once, 437 of a total of 2,399 being removed in these exchanges.

Sterling was the focal point of opposition. A competing exchange was organized by some farmers and a local attorney. The Railway Commission authorized the new company to issue stock and build the exchange although it stated in the order that the exchange was not necessary and was against public policy, but held to the theory that it did not have power to refuse the application. LT&T, however, continued to improve the conditions at Sterling so that by the end of 1915 only a handful of former subscribers had not as yet returned to the exchange. Plans for the competing Sterling exchange were consequently abandoned.

At Red Cloud, David City, Brainard and Hampton we were still in competition with locally owned Independent companies, but the duplicate plants were operating on a friendly and constructive basis.

A plan had been put into effect the first of the year to allow employees to purchase stock in LT&T through the payroll deduction plan. The response was enthusiastic and widespread throughout the organization. The company's third employees' picnic was held August 11 at Capitol Beach and was attended by a crowd of more than 500 telephone folk and family members.

The ancient practice of sending employees to the subscriber's home to collect the monthly telephone bill was discontinued in October. Thereafter the subscriber was expected to attend to the method of paying his bill by the due date.

LT&T gained more than 3,000 telephones during 1915, 2,628 of them due to natural growth, and by the year's end was operating 88 exchanges. We purchased Clay Center and Glenville during the year, sold the exchange at Union, and discontinued those at Goehner and Ayr.

The automobile was proving its worth. In the construction department "Old Number Six" was rolling up an outstanding record of miles and savings. An installation truck was put into service at Lincoln during the summer of 1915 and it, too, more than doubled the output of its crew. M. T. Caster recommended that five new trucks be purchased before the beginning of the next year's spring work.

1916

The year 1916 was ushered into existence by a severe electrical storm, with the rumble of thunder blending with the noisemakers of the New Year. Two demonstrations of transcontinental telephony were given at Lincoln. The first, on February 10, to Governor Morehead and friends. The second on March 29 at the annual banquet of the state telephone association when 484 receivers were wired to the one circuit, one being placed at each diner's plate. K. B. Cary and T. S. Risser aided an AT&T expert in arranging the equipment for the demonstration.

Down on the border Pancho Villa was rattling his sabre and President Wilson ordered the mobilization of the country's National Guard. Nine of our employees were called into service. They encamped for a few days at the State Fair Grounds, then entrained for border patrol. Some of them were affiliated with Pershing's punitive expedition later in the year. On this, our first Honor Roll, appeared the names of S. I. Fields, C. E. Stintz, Milton Barratt, A. W. Norman, Holman Valentine, Fred Hall, B. C. Cone, A. Ebaugh and E. L. Horn. The guard was called into service June 22. Pershing chased Pancho 500 miles south of the Rio Grande but could not effect his capture. The troops were recalled early in 1917.

By August 1916 it was noted that rising prices had affected nearly all material used in the telephone industry. Instruments were costing 25 per cent more than in 1914; iron wire was 66 to 165 per cent higher; cable up 83 per cent; and an average increase of all materials of more than 75 per cent. Balanced against this was the fact that our toll business had shown a phenomenal increase and that our normal gain in telephones was running higher than the optimistic forecast. On September 6, during State Fair week, an all-time record of 1,254 completed calls flowed through the Lincoln switchboard.

During 1916 we gained, by normal growth, 3,146 telephones and added by purchase 3,218 more. Percentagewise it was one of our greatest years.

Commercial officials announced that public relations had been good. At only a few places had LT&T been embroiled in controversy with its subscribers. We had a real skirmish at Nebraska City where the threat of a competing exchange almost became a reality. At Fairbury the farmers were united against the new schedule of rates. An "East Lincoln League" was formed specifically for the purpose of opposing the Lincoln rate schedule, and in Saunders County the Farmers Union was carrying on constant sniping with the local telephone people. But in 1916 these were considered trivial problems. We were but recently removed from the battlefields of competition when the public was in arms more often than not. So public relations of 1916 were deemed to be as good as could be expected.

1917

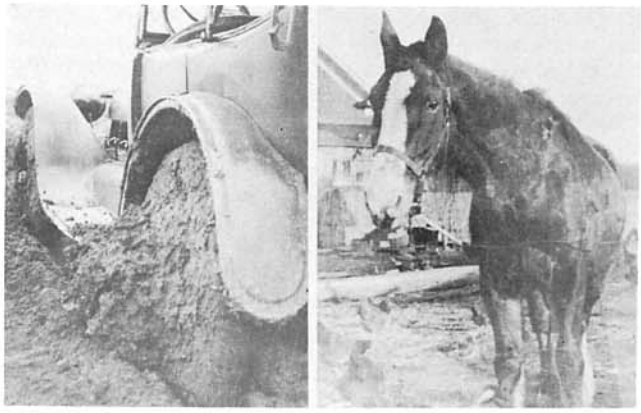
Although LT&T had put a plan into effect in 1912 which provided for the payment of certain benefits during sickness and accident disability, the requirements and technicalities of the plan prohibited it from providing adequate coverage to employees in general. The employees, therefore, organized their own benefit and protective association to better cover the monetary loss from medical expenses and time lost during periods of disability.

On January 1, 1917, the company announced its long-awaited plan for the provision of pension rights and more liberal allowance for sickness - accident benefits. The new plan entirely overlapped the benefits provided by the employee's organization and, by common consent, the latter was dissolved.

By agreement with AT&T, all the years of service accumulated by former Bell employees prior to their joining our company would be credited in their behalf and would apply toward their pension rights.

The company originally appropriated $50,000 to set up the pension and benefit fund and levied an assessment on its earnings for its perpetuity. A study was made of the ages and service records of all employees and these figures were applied in predicting the amount to be appropriated annually in order that the fund might be adequate to cover the pension obligations which would fall on it in later years.

Our company was young. The average age of employees taken over from the Nebraska Bell Company was 33 years, while those who made up the balance of the LT&T organization could show but 26 years as their average age. It seemed at that time that the pension fund would grow in ample measure to provide for all contingencies. It is probably just as well that the true figures and mortality tables were not available. Had they been, the Board of Directors might not had the temerity to embark on such an ambitious program.



What with mechanical ailment and bottomless roads there was little to choose in the olden days between Old Dobbin and the Horseless Carriage. At left is M. T. Caster's Buick touring car, wading mud on an inspection trip in April 1919. At right is "Duke," last of Lincoln's installation horses who was "retired" to Joe C. Miller's acreage in about 1918. For years Duke was driven by Jack Varner on Lincoln installation and trouble work.

The annual sleet storm visited the territory on January 20-21, 1917, causing damage in excess of $50,000.

Rate cases were still being handled on an individual exchange or community basis and President Woods appeared before the Railway Commission in January in support of the proposed rate advancement for the David City exchange. There he stated that the depreciation reserve was in critical shape and that it could be maintained at its present level only by deferring needed plant repairs until prices of materials became lower. Mr. Woods also protested that employee wages had fallen below the level of surrounding industries and a serious problem had developed in retaining skilled and trained men in positions of responsibility.

It was all too true. There seemed to be a general exodus of our promising young employees who were being enticed away from LT&T—one by one—by offers of better paying positions. Within a few weeks the traffic department lost three of its supervisory staff members: C. D. Perrin, T. C. Rice and C. L. Sluyter, whose places were filled by the advancement of R. O. Parks, R. S. Brewster and W. P. Kimball. Plant Engineer C. M. Anderson also resigned, to be succeeded by H. H. Wheeler, Jr.

The war had been coming even closer, and now German submarines lurking in the Atlantic suddenly renewed their attacks on ships of the United States and other neutral nations. It became clear to President Wilson that he had been duped by former protestations by the Kaiser that he would abide by the rules of international warfare. There was an exchange of stinging notes and on April 6, 1917, Congress approved the declaration of war against the German government.

America was totally unprepared and untrained. Its fighting force was to be assembled by voluntary enlistment, and the company was quick to advise its male employees that those desiring to enlist should wait a few days until plans had been shaped for the formation of a signal unit composed of telephone employees.

Shortly afterwards the signal unit was organized and the first wave of enlistments from the company exceeded the vacancies in the unit by a ratio of seven to one.

The cost of living had taken a tremendous jump, with flour, sugar, meat and potatoes suddenly becoming scarce articles. The prices for these commodities soared almost beyond reach of the average wage earner.

A new "White" truck made its appearance in the construction department in early June, and the trusty Ford roadster was beginning to become standard equipment for telephone managers throughout the territory.

In October an automobile collision proved fatal to J. W. Ramey, popular telephone manager at York.

Also during this month, Thomas and Henry Woods, twin sons of our president and founder, were among the first of the telephone family to reach France with the American Expeditionary Force. They were second lieutenants in the field artillery of the famous 26th, or "Yankee" division.

The manpower shortage became more and more acute. It was almost impossible for employees to withstand the lure of higher wages paid all about us. At Plattsmouth we lost 11 operators to the Burlington shops where they could earn twice as much money. The big wages paid for corn huskers for a few weeks during the fall almost depopulated several construction gangs. Throughout America women were donning coveralls and taking the place of men at machines and in manual labor. The first of our "switchwomen" made her appearance in the organization. She was Florence Dawson, a former service department clerk who soon learned to do a bang-up job of routine switchroom work and trouble finding.

In December 1917 the circle of department heads, who had worked as a team for so many years, was broken through the death of Seth W. Eddy, who was stricken on his way to church on a Sunday morning. His position as secretary and assistant treasurer was filled through the appointment of A. L. Haecker.

1918

With the coming of 1918 the problems of the company multiplied. The war in Europe had not been going too well for the Allies and the weight of America's numbers could not yet be brought to bear. Patriotism probably reached its greatest height in all American history.

For some, being patriotic held an immediate reward. Many schools offered their senior high class an opportunity to receive their credits for the final weeks of the school season, sans examinations, if its members would accept employment during that period in essential industry. One of these groups, from Lincoln High, was assigned to a construction job, digging holes for a pole line near Tamora. On the blister-end of one of the long handled shovels was upperclassman Merle M. Hale, our present operating vice-president. It was his introduction into the telephone business.

In July 1918 all wire communication lines were placed under the control of Postmaster General Burleson in a sweeping edict which the government said was necessary for national security and defense, and to broaden the use of the service. The companies were to continue to operate under the present set-up of management, subject to the control of the government.

The system of voluntary enlistments was supplanted in favor of selective draft and the management found it necessary to plead for deferment of its key men, most of whom were yet young enough to be drafted. Mr. Woods and Mr. Hurtz made affidavit attesting that the following men were essential to the operation of the company: L. E. Hurtz, R. E. Mattison, W. L. Lemon, W. T. Thorgrimson, G. K. Gann, T. S. Risser, L. N. Corrington, J. Pugsley, F. E. Behm, I. O. Lansing, R. S. Brewster, W P. Kimball, R. E. Murphy, and L. P. Young.

Also in July an increase in telephone rates was diverted in its entirety to raising the wages of all telephone employees who were then making less than $125 per month. This had the effect of bringing telephone wages into better relation with those of other fields.

The great flu epidemic raged through the fall of the year. Fully half the company's employees were stricken at one time or other during the fall months. All through the territory operators who were able worked long hours at the board to fill in for those who were unable to be on the job.

During the summer Foch had stopped Ludendorff's drive on Paris and began his counter attack. Great armies of fresh, well-trained American troops were thrown into the fray. The Germans gave ground, stubbornly at first, but

soon were in headlong flight back to the "impregnable" Hindenburg line. It was here they realized that their cause was hopeless, for the Hindenburg line scarcely broke the pace of the onrushing Allied armies.

On November 8 came word that an armistice had been signed. People all over the nation dropped their work and rushed into the streets to form spontaneous parades. Not for several hours did they know that the news report was false, and immature. On November 11 the official news of the armistice was received in more sober mood. The telephone company service flag and a huge delegation of its employees formed an impressive part of the largest parade Lincoln has ever seen.

The call load in the Lincoln switchroom hit its highest mark on the day of the false armistice, with the ammeter needle pushed against the overload peg for several hours.

The government instituted a new ruling in adopting a service connection charge for telephone subscribers, and so justified its existence that it has never since been removed.

1919

Early in the year 1919 the postmaster general also announced that a new toll classification would be in effect, the old rate being applied only to station-to-station calls, with person-to-person calls being priced one-fourth higher.

It was announced that one of America's carefully guarded secrets of the World War was the aero-radio telephone which had been invented by C. C. Culver, who was born in Seward County. It had been in use for nearly a year and had proved of utmost value in directing maneuvers of our aerial forces from ground observation stations.

Multiplex telephony, the first carrier system, was announced by the AT&T. By use of different frequencies, five separate conversations could be superimposed on a single physical toll circuit.

On February 12, 1919, came the big snow, probably the grandpappy of all. Fourteen-foot drifts blocked the streets of Hastings, and country roads were impassable for many days to come.

In April the costliest of sleet storms—until that time—laid low company plant from Harvard to Elmwood. More than 5,000 poles were felled. The plant department at the time was 193 men short of its normal working complement. Office workers donned spurs and safety belt to help in the restoration of service. Withal it required several weeks to bring the plant back into first-class condition.

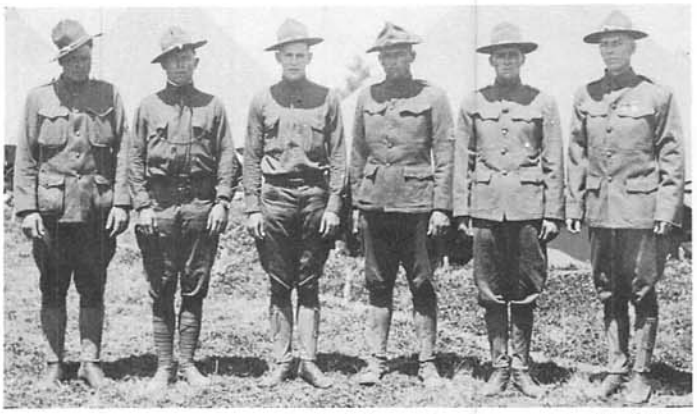
Another general wage increase was announced in June, coinciding with a small rate increase granted by the Railway Commission. It would be the last general increase in either rates or wages for many, many years.

A fact that is apparent in retrospect, though not revealed at any given time, is that LT&T, like many other telephone companies of the state, indulged its subscribers by furnishing them service at service rates that barely covered the cost. Every conceivable economy had to be practiced. Wages were necessarily low; the depreciation reserve dangerously so. We had yet to find that the amount being set aside for pension rights of employees was wholly inadequate. Seldom was there an appreciable surplus shown at the end of a year, even the years in which prosperity abounded in other industries.

1920

People call them the "Roaring 'Twenties." More appropriately these years are remembered as a decade of decadence, marked by few events of great importance. It was probably for the want of notable accomplishments or great leaders that the country became submerged in an era of shallow thinking. Heroes were made of sports figures, stunt flyers, flagpole sitters, marathon dancers; of flappers and sheiks.

It is at the beginning of this strange and muddled period that our story takes up in its next installment.



National Guardsmen of LT&T who joined the chase of Pancho Villa in the summer of 1916. Left to right: S. I. Fields, C. E. Stentz, Milton Barratt, A. W. Norman, Holman Valentine and Fred Hall.



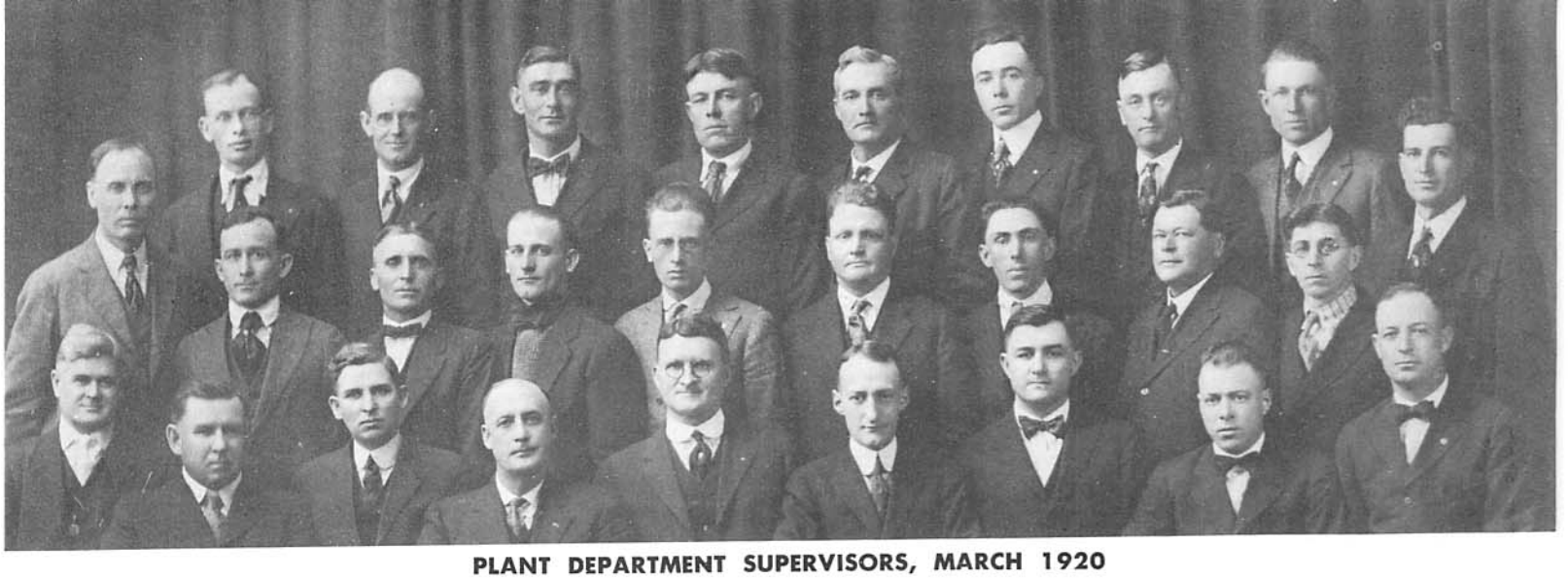
Demonstration of transcontinental telephony to Nebraska's governor Morehead and other dignitaries. Among those in background are LT&T men Thorgrimson, Mattison, Caman, Caster, Gann and Hurtz.



Company service flag heads LT&T contingent in first Armistice Day parade, 1918. C. P. Russell holds the standard at right. In picture at right is part of the brigade formed by the ladies of the company.



A construction crew and their two-horsepower rig, taken at Tobias in 1914. On pole: Herb Atkins, Charlie Johnson and John Ford. Standing, left to right: Ralph McConkey, L.O. McClintock, Roy Graham, foreman, Earl Woodsworth. On wagon: Jack Armstrong, Curly Clark and Charlie "Dad" Hamilton, owner of the team and wagon.



PLANT DEPARTMENT SUPERVISORS, MARCH 1920

Front row, left to right: F. E. Bagley, William Cunningham, J. Pugsley, H. H. Wheeler, M. T. Caster, plant superintendent, H. H. Wheeler, Jr., F. E. Behm, J. A. Dobbs and Roy H. Ojers.
Second row: R. H. Elliott, F. B. Bennett, Harve Colvin, A. Halverstadt, Charles Ford, A. B. Smith, W. A. Letellier, Frank McDowell, A. A. Stoker and E. A. Bosworth.
Third row: John Ford, Clyde Boyles, Paul Schmeltzer, Harry Moss, Tom N. Jones, J. A. McKinzie, Fred Adkins and R. C. Boling.

chapter nine

The Roaring 'Twenties

The company grew and prospered during the 'twenties. It was a time when a business of most any nature seemed assured of success, having only to be swept along in the wake of the great industrial boom when organizations waxed and grew corpulent; recapitalized—and grew some more.

History does not look back with charity upon this decade. Something had happened to the minds of men. It was a naive and unrealistic era. Leaders of industry thought they had found the Midas Touch as the years rolled by and their every endeavor seemed to turn to gold. The "little man" found he, too, had somehow become possessed of the same gifted touch. Stock tickers spewed out long ribbons of quotations, higher day by day, month by month and year by year. It seemed there could be no end to the Utopia of profit taking.

For it had taken thousands of years for man to discover that paper apparently could be used as a substitute for industrial growth and wealth. Printing presses ground out stacks of stock certificates upon which many industries were reared, fattened and developed to gigantic proportions; to be in turn made captive of a second company, of lesser size, organized to control the stock of the first.

These and other dangers—products of the times—were ever near and ominous throughout the 'twenties. It was well that LT&T was firmly anchored and so escaped being drawn into the Maelstrom. All about us Independent telephone organizations were being bought up by competing holding companies, intent on empire building. The bidding became so intense that purchasers apparently lost sight of plant worth or future returns. The day of reckoning came, of course, when rates could not be obtained to justify the purchase price. But even a few such setbacks did not deter the frantic plunging of speculators until the abrupt and disastrous collapse of the stock market in late 1929. Utility stocks had headed the list as the choice favorite during this period.

1920 As the decade opened it found materials scarce and prices high. The cost of living had not decreased appreciably from its war-time peak. A short-lived but acute labor shortage had developed. The company felt the weight of higher taxes. In 1916 they had averaged about $5,000 per month. By now they had nearly doubled.

The company was criticized in some towns for its new policy of granting Saturday half-holidays to its employees while most of the workers about them did not enjoy the same privilege. In the interest of public good will, the company was forced to withdraw this concession at several points in the territory.

Death came to Theodore N. Vail, Casper E. Yost and Charles J. Bills, each of whom figured prominently in former chapters of LT&T's history. C. P. Russell was elected company treasurer to succeed Mr. Bills.

LT&T was before the Railway Commission with its new and pressing problem in depreciation. How could it replace worn out equipment purchased at low cost in years gone by with new equipment at the present high prices?

Fairbury got a new exchange building .Morning calls and time of day service was discontinued by the company. Dr. Lee De Forest introduced the first portable radio telephone with an operating radius of 15 miles. Nebraska was blessed with one of its greatest crops in history and once again the high wages offered for farm labor made deep inroads into our ranks of employees.

1921 In February, 1921, George K. Gann resigned as traffic superintendent to accept the position as general superintendent of the Tri-State company at St. Paul and in March came the announcement of L. E. Hurtz, general manager, that he would shortly be leaving the company to become secretary of the Fairmont Creamery Company at Omaha. Promotions which followed in the wake of these announcements elevated Raymond E. Mattison to the position of general manager; Royal S. Brewster, traffic superintendent; W. E. Bell, commercial superintendent; R. O. Parks, traffic engineer; W. Thorgrimson, commercial engineer; L. P. Young, southern district traffic chief; Milton Barratt, central district commercial manager; C. G. Bennett, northern district commercial manager; H. W. Wheeler, construction superintendent; D. G. Bell, commercial manager, Lincoln; Roy Ojers, general foreman, Hastings; and William Cunningham, general foreman, Lincoln.

Automatic ringing was introduced into Lincoln in March. Until then the ringing signals had been controlled

by a push button from the calling subscriber's telephone. A 1212-pair cable was pulled into the Lincoln underground system. The Lincoln south exchange was rebuilt to serve 50 per cent more subscribers than before. Toll connections were severed with a competing exchange at Red Cloud following an important decision by the Supreme Court. York and Nebraska City blossomed out with new exchange buildings.

LT&T was seeking rate increases at 12 exchanges amid a storm of protests from subscribers. Telephone men were becoming enthusiasts in wireless telephony. At the inauguration of President Harding at Washington a crowd of 125,000 people were able to distinguish his every word; thanks to the first use of the new Bell loud-speakers equipped with vacuum tube amplifiers. Louis H. Korty, who organized Nebraska's first telephone company, died at Omaha.

The LT&T baseball club became a powerful aggregation as the group of employees who had been playing together for several years reached their peak as a team. Sparked by pitcher Al O'Dell, a frail lefty who could throw even better with his right hand, the Telephones met and mastered the best the neighborhood had to offer. Al's record of 21 strikeouts in a 1920 game probably stands to this day as a high mark in local amateur circles. The team roster, on that memorable afternoon included Ray Boling, "Ike" Seamark, Cecil Donley, John McKinzie, P. A. Brown, George Hansen, A. B. Smith, Charles Meshier, Charles Peachman, Carl Keester and Al O'Dell.

1922

Business had not been too good. LT&T had gained only 301 telephones during the past year as farm prices dropped and a recession of business activity settled over the country. The Telephone News was discontinued in January as an economy measure. Walter Thorgrimson, commercial engineer, and R. O. Parks, traffic engineer, resigned and were replaced by Milton Barratt and W. P. Kimball, respectively. The territory was redivided into five districts, with district managers appointed as follows: F. E. Behm. Lincoln; W. C. Cooper, Hastings; C. G. Bennett, York; W. H. Caman, Beatrice; and L. P. Young, Nebraska City. District meetings were held to discuss ways to increase revenue and decrease expense.

The company was concerned with the mounting toll of accidents and safety meetings were held for the territory. The Lincoln Star installed a radio station and huge antennae mushroomed from housetops and in many cases from telephone poles. Quick and drastic action by the telephone company soon discouraged the use of its poles for this purpose.

A sales campaign from March to July sold 3,077 stations. Ranking highest in salesmanship were James Dudgeon, Hastings; J. C. Gear, Fairbury; George Miers, Seward; C. S. Nevin, Ashland; and Katherine Gillan, Humboldt. Saturday half-holidays the year round were given to employees of the general and district offices. An employee Christmas party was held at the Rosewilde Party House with 700 present. Alexander Graham Bell died in Nova Scotia at the age of 75.

1923

The Engineering department was organized to centralize the research and planning which had been conducted separately by the several operating departments. H. H. Wheeler, Jr., former plant engineer, was named chief engineer.

General Manager Mattison reported that our business was following the national trend, and showing gradual improvement. There was a good gain in subscribers and a six per cent increase in long distance usage. Materials were still high and wages remained stationary. The Lincoln service situation grew more acute. The ancient switches of the main office had nearly reached the limit of their service life and there was no more space available for the installation of additional switch bays.

University Place was cut over, in its new building, from manual to dial service. It was proposed that semi-public pay telephones be purchased and installed where needed throughout the territory. Mabel Atwater was named chief operator at Hastings to succeed Hazel Richeson Jones. The Surprise Telephone Company became part of the LT&T family.

1924

Several destructive sleet storms at the beginning of the year were climaxed by one in late February that felled 9,100 poles and enough wire to string a two-wire circuit across the continent. The damage bill was $100,000 as all available personnel labored 14 days in temperatures reaching twenty below zero to restore service.

The Geneva and Wahoo exchanges settled into brand-new buildings. A new general office club room was opened in the basement. The company glee club was organized and entertained employees at the Temple Theater, Lincoln. The local commercial department moved into spacious quarters on the ground floor of the general office building. At Louisville, a disastrous flood swept the town, leaving 12 dead. The heroic efforts of the company chief operator and her assistant brought an award of Vail Medals later in the year.

Neal Rakestraw, manager at Polk, was electrocuted by coming into contact with a power line on the roof of a building. T. E. Longdon went to Stromsburg as manager and F. S. Holmes retired on pension after 44 years in the industry.

The AT&T conducted a successful test in sending pictures by wire from New York to Cleveland. In August Charles G. Dawes, vice presidential nominee, returned to his home town to give an address at Memorial Stadium, Lincoln, where the huge crowd were duly impressed at the performance of LT&T's new public address system.

The immediate need for a rigid code for joint construction was pointed up by the electrocution of Benner Schertzberg on August 8 and Frank Speir on August 27. Both accidents were witnessed by Foreman George Hansen and Don Smith.

A unique engineering feat that received national publicity was performed at Lincoln in October 1924 when the switching equipment of the B and L offices were elevated, in their entirety, to the ceiling of the switchroom, leaving the vacated space beneath for the installation of new equipment. The guiding genius behind the achievement was T. S. Risser, equipment engineer. The actual raising of the bays was completed in one afternoon by 40 men turning house-movers jacks in synchronized movement.

In December came the cutover to the new building at Geneva, and the grand champion of all sleet storms that wrecked nearly all exposed plants in York, Seward, Fillmore and Saline counties. The heavy snowfall which followed the sleet forced telephone men to break their own trails to the disaster areas.

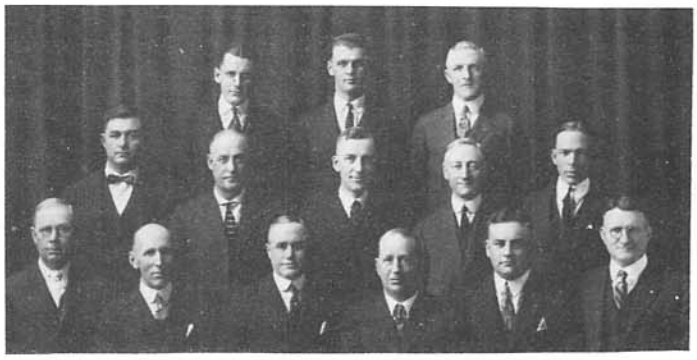
1925

The number of telephones in Lincoln had doubled during the past ten years and had now reached 20,000. With its telephone saturation of 28 stations per 100 population, the capital city ranked first in the nation; followed by Omaha and San Francisco, in that order. The cutover to the new B and L offices was accomplished in May and the last of the ancient "pot-belly" three wire telephones were removed from service.

LT&T sold its exchanges at Red Cloud and Hampton to local independent companies to eliminate two of the last points of competition. Sarah Horn, chief operator at York, was appointed traveling chief operator for the general traffic department. In June M. M. Hale resumed employment



Construction crews were almost completely mechanized as the 'twenties opened. Among this group at the Wahoo re-build we recognize the White, Ford and Buick trucks, and Roy Ojers, Clyde Boyles, Ray McLain, Jim Dudgeon, Charlie Albers and Ernest Wedgwood.



The Official Family of 1922. Front row: W. C. Cooper, W. E. Bell, Frank H. Woods, R. E. Mattison, R. S. Brewster, M. T. Caster. Second row: F. E. Behm, H. W. Wheeler, W. L. Lemon, W. H. Caman, C. C. Donley. Third row: Milton Barratt, L. P. Young, C. G. Bennett. Absent were C. P. Russell, secretary-treasurer, and H. H. Wheeler, Jr., chief engineer.

as collector in the Lincoln business office.

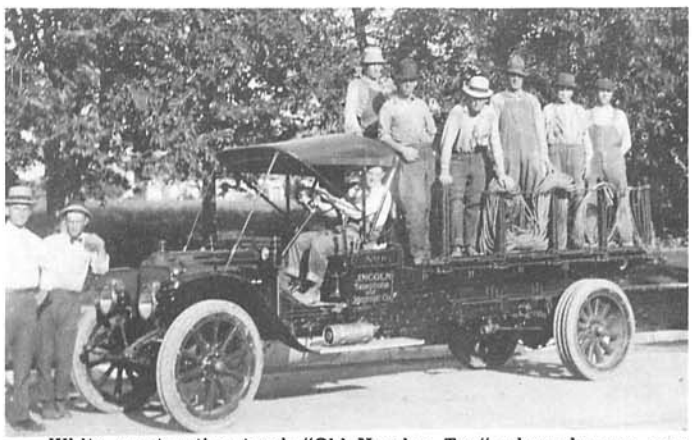
R. E. Mattison, general manager, died on Christmas Day. He was 47 years of age and had been elected president of the Nebraska Telephone Association only a few months before his fatal illness.

1926

John H. Agee took office as general manager in January. Only 42 years old, he already had a background of more than 20 years experience in telephone management and legal capacities. In March, the telephone celebrated its 50th birthday. C. W. Motter came to the company as director of public relations and editor of the Telephone News which was to resume publication in May. The first overseas telephone conversation, New York to London, came to pass and the smock fad was in full sway.

The CRL, "Hold The Line" method, was introduced for originating toll calls. The exchanges at Western and Swanton were purchased. The pension accrual fund was doubled to provide more adequate coverage and all LT&T operators were given a ten per cent increase in wages. In June the company's new PAS system was installed by Messrs. Tefft, Jenkins and Donley for use at the University of Nebraska commencement exercises.

Other events of the year found the automatic printer telegraph making its debut, with Henry Peachman as the sole expert in its use. Guy O. Seaton was employed as manager of the securities department. The fourth floor was added to the general office building and operators began using the phrase "thank you," instead of repeating the number to calling subscribers. C. P. Rector, whose employment dated to the beginning of the company in 1903, died at the age of 79. He was still employed as tool repairman in the general shop.



White construction truck "Old Number Ten" when she was new, with Prestolite headlamps and hard rubber tires. She never had a puncture. At left is Bill Butler and "Fuzzy" Ashmead. Kenneth Hobbs is the driver.

1927

Open house was held during February for service clubs of Lincoln. More than 1,500 people toured the building during the period. The LT&T basketball team won the YMCA Industrial League championship with a perfect record of 14 wins and no losses. Team members were Bernard, Thompson, Walker, Mankamyer, Eno, Morley and Miller. AT&T demonstrated its new wonder, "television," with President Herbert Hoover being first to make use of the invention.

Murdock and Table Rock were added to our organization. Ed Dorland was manager at the latter exchange. Other changes at mid-year found Carl Keester moving to Beaver Crossing as manager, with B. C. Burden and R. C. McLain added to the staff of the chief engineer. A torrential downpour during the afternoon of the annual picnic at Capitol Beach failed to dampen the spirit of the occasion. The Hebron exchange moved into its new building and the Monophone, or hand telephone, made its appearance in the company.

A newly formed first aid safety team had as members, E. F. Burke, instructor; Alex Geist, L. G. Saunders, Lester Pierce, Ray Misner, Joy Dobbs and Robert Morley. Long distance service was opened to Mexico City. Daykin became the company's 125th exchange. J. S. Jackson moved from the construction to the commercial department. K. L. Lawson was employed as commercial clerk at Lincoln.

The year was more profitable for Nebraska farmers and for the company, whose net gain for 1927 totaled 2,700 telephones.

1928

Big news in January was the introduction of the Model A Ford car. The company PAS system was used by dealers at Lincoln and Fairbury at the Ford's premiere.

Independent exchanges at Julian, Union, Davenport and Dawson were purchased. New buildings were completed at Cedar Bluffs, Wymore and Exeter. Retirements were announced of George T. Sprecher, whose service in Nebraska telephony dated back to 1885, and O. W. Gowen, Ong, who began his telephone career in 1902. Last of the circle-top towers was removed from plant at Lincoln.

Once again the company basketball team swept through its league season without defeat. Team members were Jack Mankamyer, Joe Miller, Leonard Van Horn, Fritz Noble, Vern Simpson, Charles Hood, Gordon Eno, Bob Morley, Chet Baldwin, Charles Sikes and George Mann, manager.

One of our most destructive storms struck April 6. 13,000 poles and 34,000 miles of wire were down in the east half of the territory while communication with 75 towns was completely severed. Joy Dobbs and Doc Wilson were declared fishing champions of the year when they exhibited

a 30 pound and a 27 pound catfish, along with other finny monsters they pulled from the Blue River at Crete. The group insurance plan for employees was established. Television moved out of doors in a successful demonstration at the Bell Laboratories. President Coolidge was a guest of Frank H. Woods at Madeline Island, Wisconsin, and on Mr. Woods yacht, the Nellewood.

Company tennis tournaments were held for the first time with Dave McDonald winning in the men's division and Nellie Erickson capturing the girls' trophy from a field which included Cleo Ashley, Leona Ahlman, Deuel McKee, Elsie Powell, Grace Hauschild, Edythe McGrath and Harriett Carter. The LT&T baseball team won the championship in the YMCA Industrial League. The roster included Perry Caldwell, Howard Smith, Vern Simpson, Jack Mankamyer, Ray Boling and Elmer Dougherty, with A. B. Smith as manager.

A feature story of the December Telephone News recounted the career of C. L. Walker and his three sons, Harry, Dean and Max, all of whom were then members of the plant department.

1929

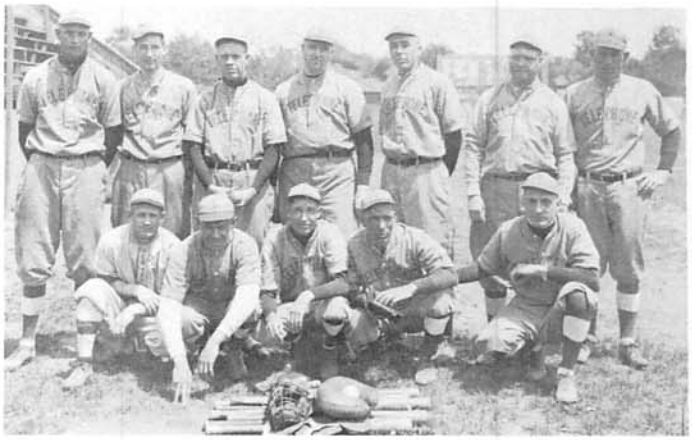
It was during this year that our first unattended dial exchange was cut into service at Hansen, the Ohiowa and Burchard exchanges were purchased, and new exchange buildings were occupied at Auburn, Syracuse, Exeter, Gresham and Dorchester. Hastings installed its 5,000th telephone in April.

Personnel changes were in the news. F. E. Behm became assistant plant superintendent, being succeeded by J. A. McKinzie as Lincoln district manager. F. M. Strasser was appointed supervisor of supplies; R. H. Ojers as Nebraska City district manager; Merle M. Hale, methods supervisor I. J. Devoe as a member ot the general auditor's staff, and H. W. Potter as assistant secretary and assistant treasurer.

For the third consecutive season the basketball team was undefeated and now had an unbroken string of 43 victories. New faces in the team roster included Ralph Connors and Bud Parsons. The baseball team repeated as champions, too, with Russell Rauch, Roy Mills and Ralph Connors adding power to the lineup. George Dobson was crowned as the new champion in company tennis circles.

Ceremonies observing the company's 25th anniversary were held in December. The anniversary dinner, held at the Cornhusker Hotel, Lincoln, was featured by a long distance call from Ambassador Charles G. Dawes in London, congratulating Frank H. Woods on his 25 years of guiding the destinies of LT&T. Other speakers were J. H. Agee, L. E. Hurtz, Theodore Gary, F. D. Eager, president of the Lincoln Chamber of Commerce and E. B. McKinnon, president of the National Independent Telephone Association.

Despite a sudden drop in business at the year's end, coinciding with the crash of the stock market, the company could still count a net gain of 3,825 telephones in 1929. Stations in service had reached an all-time high of 83,571.



The team of 1920—one of LT&T's greatest. Front row: Carl Keester, "Ike" Seamark, A. W. O'Dell, Cecil Donley, Charles Peachman. Standing: George Hansen, Charles Meshier, J. S. Jackson, P. A. Brown, John McKinzie, A. B. Smith and Ray Boling.



First Aid Team of 1929. Seated: Lester Pierce, Ray Misner and E. F. Burke, instructor. Standing: George Keith, Howard Smith, Joy Dobbs and L. G. "Pep" Saunders. Accent on accident prevention and first aid paid large dividends in those hazardous years.



The general office building at Lincoln before its "face lifting," which added another story in 1926. The few employee car owners had no difficulty finding all-day parking space at the curb in front of the entrance.



Famous firsts in this pole trailer, devised at Humboldt in 1920 by R. L. Dalton, who stands at right. It is believed to be the first automotive trailer used in the company.



Vocational education hit its stride in the late 'twenties. Recognized in this 1928 class in Power Equipment is "Doug" Perryman, Hugo Staley, Henry Zimmerman, George Albury, Harry Palmquist, Joy Dobbs, Dell Gilmore, Bob Green, Max Walker and Warren Shuck.



One of the strongest bulwarks of LT&T, the stability of its key personnel, is reflected in this picture taken more than a score of years ago. The Grim Reaper has been at work among the ranks of these familiar faces; a larger number are now enjoying the fruits of retirement: but the vast majority are still actively employed and represent the present regime of management and supervisory personnel.

chapter ten

The Great Depression

when the world changed from an era of artificial wealth to artificial poverty and the Great Plains area was dealt, a double blow as drought and crop failure returned summer after summer. In this story we must dwell all too briefly on those times when our company, reeling from the effects of lost business, was able to carry on only through the united effort of every last employee.

The Great Depression was conceived in fear, as slowly the wheels of industry lost their momentum. The same sun that had shown benignly on the booming days of the 'twenties now looked down on a land of bountiful harvests that lay rotting on the ground for want of a market. Then, as if in retribution, came summers of blasting heat and prolonged drought. Riding on searing winds from the south came billowing clouds of dust to envelop the whole midwest, year after dismal year. There was an exodus from the territory as townspeople and farmers deserted the parched earth to set off for other climes where rains still fell and crops could grow.

These were the 'thirties. May their like never return. They were years to try the mettle of LT&T, its management and employees who toiled for an entire decade, united in the endeavor to hold the line against disconnects; to gain new subscribers; and increase revenues by the sale of miscellaneous services and toll usage. Our people were magnificent. No song could be composed that would adequately sing their praise.

It was during these times that telephone folk knew no working hours. They were abroad night, noon and holiday in search of prospects for our wares. When farmers had no money to pay their telephone bills, our people often resorted to the barter system; trading another month's telephone service for eggs, chickens, corn, hogs, and other farm products. Such were the years of the Great Depression.

1930

LT&T was not in perfect physical condition to enter the gruelling struggle. Plantwise, our budget called for an expenditure of two million dollars in 1930 for additions, extensions and replacements, while a four-year forecast brought the need for 7½ million dollars more for the proposed conversion of several exchanges to dial and to further improve the plant. Most of these plans were discarded as the mounting effects of the stock market crash and the resultant retrenchment in industrial expenditures spread across the land.

Ship-to-shore telephone service had just been inaugurated as the year opened. Fairmont's new building and equipment was brought into use. Waverly became the company's first full automatic exchange with subscriber dialing.

The Nuckolls County Independent Company with exchanges at Nelson, Hardy, Nora, Oak, Angus, Mt. Clare and Ruskin was purchased and became part of the LT&T organization; along with its employees, among whom were the Eckles brothers, Duke and Bill, Fred Adkins and Hattie Wilcox. A telephone girls' bowling team organized in Lincoln made quite an impression as they appeared on the alleys in matching light green smocks. The telephone basketball team again swept through the Industrial League to capture the trophy without the loss of a single game. George Mann was manager, with Mankamyer, Rauch, Baldwin, Dobson, Morley and Eno as players.

Employees began beating the byways in a highly successful preferred stock sales campaign during May. Also during this month came the sudden death of W. L. Lemon, general auditor, and the naming of his successor, I. J. Devoe, whose telephone experience dated back to 1914. He had been employed as assistant general auditor only the year before.

The company's first Type D carriers were placed in service between Lincoln and Omaha. Under construction were an addition to the warehouse in Lincoln and the new Seward exchange building. Alex Geist of Louisville and James Baxter of Edgar were elected Legion post commanders in their respective towns. The telephone baseball team gathered in the championship of the Industrial League through the efforts of Lou Anderson, Manager, and players Brendle, Dougherty. Connors, Caldwell, Simpson, Smith, Mills and Rauch. Later in the year K. L. Lawson was named sales engineer and brought out the first issue of "Sales Up" to introduce the new plan for general participation by employees in the sale of telephone services. The employees' group life insurance plan was put into effect.

During the summer a severe drought gripped the eastern and central parts of the United States, but Nebraska fared better than usual. Our 235 million bushel corn crop ranked second in the nation and the wheat yield was above the five-year average. But the general business depression was reflected in the telephone industry and for the first time in seven years LT&T's toll business failed to advance. Though there was a decrease of nearly a thousand rural subscribers, the company managed to close the year with a loss of but



An early 'thirty group in front of the original Lincoln building included Foremen F. M. Butterfield, A. D. Harmon, Leland Hodge, T. R. Dewolf and Harry Moss; L. C. Andersons, cable supervisor, and Thomas C. Woods, vice president.



Bowling team of 1930 appeared in pea-green smocks. Left to right: Lillian Beal, Mildred Miller, Grace Hauschild, Margaret Hall, Frances Virgil and Harriett Carter.



Reading the Telephone News, hot off the press in June 1931, are Dewey Nelsen, B. J. Sievers, Margaret Francis, Elsie Powell, Helga Ahl Warner and M. W. Franklin.

432 stations.

1931

It was a year devoted to plugging up holes through which might trickle any item of unnecessary expense. While most employees clung tenaciously to their jobs, those who did leave the payroll were seldom replaced. Departmental personnel was maintained at bare operating force by transferring those from other departments, and thus during the course of the year the total number of employees on the payroll shrunk from 1,435 to 1,253.

The territory was divided into five districts to facilitate supervision and economy. District managers named were W. H. Caman, Beatrice; L. P. Young, Hastings; J. A. McKinzie, Lincoln; R. H. Ojers, Nebraska City; and C. G. Bennett, York.

Again Nebraska crops were good, but a tremendous drop in prices of farm produce was reflected in the steady stream of rural telephone removals. Already there was a growing demand among subscribers for a reduction in rates. Long distance business maintained a downward plummet.

In October all employees making more than $150 per month suffered a ten per cent reduction in salary. Personnel changes during the year were mainly in the form of transfers.

The LT&T basketball team won its fifth successive championship, but a loss of a game in late season snapped a winning streak that had reached 68 consecutive victories. The Abie exchange, with Ben and Mary Docekal, joined the company in February. The Seward exchange was cut to its new building and dial service. Never to be forgotten was the "Amos and Andy" smoker at the Lincoln club rooms in February. Script writers and the program committee were afterwards assembled in a nervous line before the general manager's desk. They put on another smoker the following week and a fine one it was, though the program was more on the educational plane. LT&T lost nearly 6,000 stations during the year; 4,430 being rural telephones.

1932

stood as a true example of a "famine of abundance." Once again the Cornhusker state produced grain in generous quantities; but prices had dropped so low that they were far less than actual production costs. The corn crop was bought at ridiculously low prices mainly by speculators, and stored in long cribs built along the road sides. Livestock was beginning to disappear from the farm scene, and rural telephone removals came thick and fast. In March all employees were asked to take a day's furlough without pay; in April came a five per cent wage cut to all those receiving less than $150 per month; and in July an additional general reduction of sixteen and two-thirds per cent was announced. This was probably the company's most trying year for both management and employees.

The Telephone News was reduced to a single sheet of four pages as an economy measure, and its copy was devoted almost entirely to stimulation of sales. There was feverish activity all through the employee ranks to increase telephone revenues, and it was during this time that much of the bartering was done to hold subscribers. A new Federal tax on long distance calls was vigorously and futilely protested by both Bell and Independent interests. A new President was telling the people that "the only thing we have to fear is Fear itself."

The dismal picture of the year's business recounted the loss of 11,805 stations. During the three years of depression we had retained scarcely half of our rural subscribers.

1933

On a morning that dawned clear and calm, Nebraskans awoke to find the landscape covered with a coating of red soil. It was a foretoken of evil, for the winds of early summer brought great clouds of dust rolling out of the southwest dust bowl. One black storm followed another until fields were covered with dust and huge drifts formed against fences and buildings. The rainless skies, the ruthless sun and blasting winds combined to ruin crops in the field, and the hopes of men. To General Manager Agee fell the unenviable task of asking employees to accept a further cut in wages equal to one week's pay.

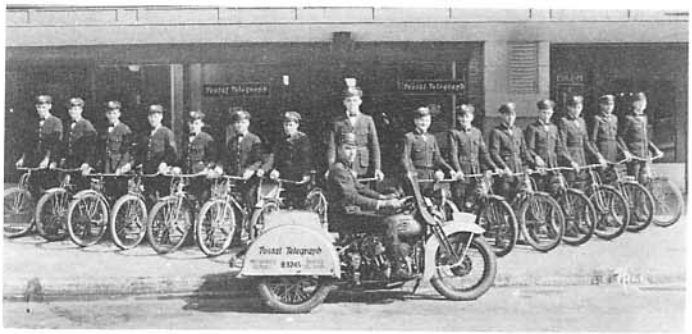
1934

From January through May it appeared that LT&T was on its way to recovery, which, economists predicted, was "just around the corner." But the month of June brought an unprecedented heat wave which, continuing unabated through July and August, brought almost total destruction to the growing crops. The year showed a net station gain of 1,420 on June 1, but by the end of August this figure had reversed itself into a net loss of 1,110 stations. An intensive campaign to recover the lost stations paid surprising dividends and by year's end we were able to record the first gain since the start of the depression; 501 stations. Toll revenue was also above the previous year by about 10 per cent.

There had been considerable experimentation in creating an organization capable of exerting the best efforts toward the three principal functions of the business: operation, maintenance, and revenue building. To this end the plant and traffic supervision were separated from the commercial, with district commercial managers appointed as follows: J. P. Lahr, Beatrice; D. G. Bell, Hastings; K. B. Cary, Lincoln; R. H. Ojers, Nebraska City; and C. G. Bennett, York.

Plant and traffic functions were placed in charge of J. A. McKinzie for the east half of the territory and L. P. Young for the west.

In August the organization was again revised. Nebraska City district was eliminated and the territory divided into



From 1933 to 1939 LT&T engaged in joint operations with Postal Telegraph in the origin and distribution of messages and in local parcel delivery service. Telegraph boys were stationed at most area points throughout the territory. This is the group at Lincoln in 1938.



Retirement party for O. P. Knee (front center) held in the men's club room, Lincoln, in September 1934. Mr. Knee held a service record dating back to 1889. Of the 39 employees shown, mostly from the Lincoln plant department, only seven have left the company to seek employment elsewhere.

four districts.

During 1934 the Nehawka exchange was cut to dial operation and the rotary billing method for subscribers' accounts adopted. Once again the employees accepted a wage cut equal to one week's pay, ten per cent of the amount being deducted at monthly intervals from March through December.

1935

Another year that began with promise and ended in frustration. The corn stood sturdy and green in early August, when three days of torrid wind swept the fields and seared the pollen in the tassel. Nebraska salvaged a corn crop of 105 million bushels, which appears huge compared with the 21 million bushels harvested in 1934, but was less than the hoped-for yield. LT&T earnings, however, showed a definite upward trend, and on July 1 a general wage increase of five per cent was announced. Our June station gain of 271 was the largest since 1927.

The line of organization was again revised, with district managers J. A. McKinzie, Lincoln; C. G. Bennett, York; L. P. Young, Hastings; and J. P. Lahr, Beatrice, assuming all departmental duties except in Lincoln Zone, where Clayton Liebhart was designated district plant manager and K. B. Cary, district commercial manager.

Retirements were announced for W. E. Bell, general commercial superintendent; C. P. Russell, secretary; H. W. Wheeler, construction superintendent; and John Schulling, manager at Raymond.

1936

One of the most disastrous crop seasons ever experienced in our territory. January and February were bitter-cold. For more than a solid month the temperature descended each night to zero or below. By mid-year the mercury stood fixed at the top of thermometers as one heat wave after another rolled out of the south.

In the industrial centers of the east and in most parts of the country outside of the "Great Plains" territory many telephone companies had already regained the telephones lost during the depression. The cost of material and supplies increased rapidly and the tax burden was becoming acute. The Social Security tax, conceived this year, added $12,000 to the company's tax bill, which now claimed more than 15 per cent of its net income. Another five per cent wage restoration had been given all employees at the beginning of the year.

The first air conditioning brought relief to operators at Hastings, York, College View and Lincoln, and to patrons of the Lincoln cafeteria. Sound motion picture equipment was purchased to replace the old silent projectors used in company publicity efforts before civic and school groups. The Murdock exchange was converted to dial. The Employees Co-Operative Credit Association was formed, with F. E. Behm as president; M. M. Hale, vice president; M. W. Franklin, secretary; and Huldah Gessner, treasurer.

In the final tabulation of the year's business the company fared better than expected. Gross revenues had increased by $119,515, and stations in service showed a net gain of 1,142.

1937

It was the fifth straight year that drought and dust and the pestilence of grasshoppers brought the loss of the corn crop and late cuttings of alfalfa. After a station gain through the first six months of the year the trend reversed, to reflect the decline in business then general throughout the nation. The close of the year found the company in about the same situation, station-wise, as in the preceding year.

The word "The" was prefixed to the company name to indicate a corporate change. We were now a Delaware corporation and again a straight operating company.

1938

A continuation of the disheartening parade of years that promised much and yielded little. As winter descended it found most farmers with little or no grain on hand, even for next year's seeding. Rough feed was plentiful but now there was little livestock remaining to consume it. The company's income decreased and a loss of 905 telephones was recorded at year's end. Automobiles and hard surface roads were contributing to a population decrease in small towns which in turn was beginning to present a major problem in telephone economics.

There was a change in the Board of Directors through the death of Charles Stuart and by Joseph Grainger relinquishing his directorship. Both were directors since 1909. William I. Aitken was added to the Board at its annual meeting.

Fire destroyed the Weeping Water central office on January 22; and the plant department, with an emergency switchboard, re-established service the next day. Hansen, our first satellite exchange, was now converted to full dial operation, as were Murray, Octavia, and Lincoln rural subscribers.

Retired during the year were A. T. Gille, Merrill Green, Harve Colvin and M. T. Caster. The latter had supervised plant activities for more than 30 years. F. E. Behm was named general plant superintendent to succeed Mr. Caster.

An April storm with "dancing wires" brought heavy damage to the eastern half of the territory. The "White Spot" campaign was held during May and won by Hebron Area. A new building was erected at Beaver Crossing and the general offices were air conditioned. Lincoln also boasted of a new toll test board. Another campaign, called "Bring Home the Bacon," was held in November and won by Stromsburg Area.

1939

Last of the drought years brought yields of wheat, corn and oats, even less than those of 1938. Prices were also lower and the loss of but 413 telephones for the year was considered a very favorable omen. There remained only 11,352 rural stations compared to more than 24,000 in 1930. Postal Telegraph business was abandoned as an economy measure, and the Fair Labor Standards

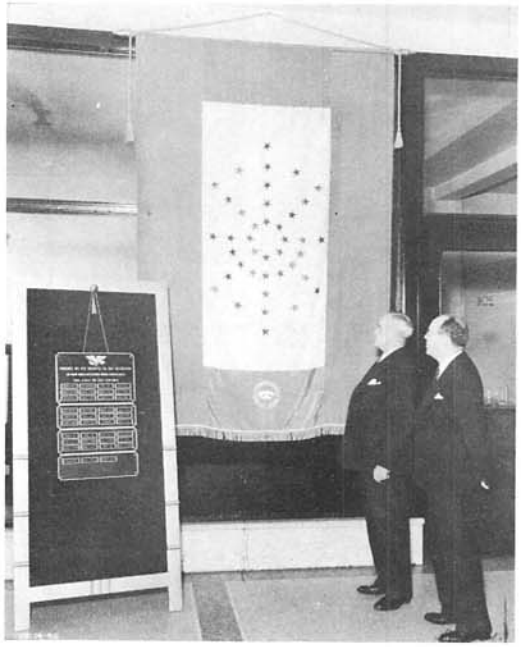
chapter eleven

War and Its Aftermath

Having weathered the trying decade of depression and crop failure, the Midwest, by right, should have been granted a few years respite to recuperate its resources and gather strength for the era of denial and combat which lay ahead. Such times had come to the seaboard states where the wheels of industry had been busily spinning since the mid-thirties. Our section of the country had scarcely time to catch its breath. For the late 'thirties brought the certainty that the war in Europe and/or in the Pacific would soon embroil the United States.

1940

Already the selective draft had become a reality and would surely involve many of the company's younger men. LT&T, to state its plight candidly, was still financially embarrassed. Operating revenues for the past year had dropped $25,000 below those of 1938, but such was the company's nature to live within its income that a drop in expenses of a like amount came almost as a matter of course. The average number of employees was at low ebb, having reached an almost minimum figure of 1,130. Where there had been 134 LT&T exchanges in 1931 there were now only 118. Consolidation and absorption of ill-paying exchanges accounted for the reduced figure.



Honoring its members of the armed forces the company proudly displayed a huge service flag and a plaque (left) on which was inscribed the names of all its service men and women. They are now part of LT&T's historical collection. In the picture Frank H. Woods, president, and J. H. Agee, general manager, are present at the unveiling of the service flag and plaque for display in the general office lobby in late 1942.

A heavy blanket of snow carried over from a rugged winter melted with the coming of March, and General Mud took over control of the by-ways. There was a great mortality in drive shafts, axles, differentials and gears among the units of the motor fleet.

In this year dial tone was initiated in the Lincoln 2, 3, 5 and 6 dial exchanges, the 4 office having led the way in 1937. The Employee Benefit Plan was liberalized to the advantage of older employees, extending the maximum benefits for sickness-accident disability to a full year.

A scheduled sales campaign was postponed in June, as the net station gain was rising steadily and there was work aplenty for all members of the organization, but the "Dog House" campaign got under way in mid-November and was won by Geneva Area, with the entire company posting a record of 123 per cent of its quota. This campaign was materially aided by a fortunate coincidence. The "Pot O' Gold," the first big give-away radio program, selected prospective winners of the $1,000 weekly prize by lot from a huge library of the nation's telephone books. To win, the lucky one had only to be home and answer the telephone. During the course of the campaign a $1,000 call came to a subscriber at Beaver Crossing—and the sales curve jumped abruptly to the top of the chart.

1941

The transcontinental toll cable was being plowed post haste across the country and our company joined the Bell in this endeavor, sharing expenses and ownership in the long span that bisected our territory. It was not coincidental that the cable should be placed into service barely in time to absorb the great load the coming war would place on transcontinental toll facilities. Now we know that the urgency in placing the cable was in expectation of events as they later transpired.

Governmental warnings that telephone offices were likely points for sabotage resulted in the larger offices locking their doors at night as a defense measure. Anticipating the coming paper shortage, the company bought and stored two carloads of white and yellow stock, enough to print two complete issues of all our directories.

This year a new invention, the cable spinner, was first used by the company. A statewide Independent telephone pioneer chapter was organized June 21 at the home of Frank H. Woods and voted, over his protest, to use his name for the chapter's identity. A bowling league of eight teams was organized at Lincoln.

In October the company applied for a schedule of standard rates, which would affect about half the total owned stations. Heretofore each exchange had retained its own rate schedule, developed over the years. On December 7 the war burst upon us.

1942

Now it was that uniformed guards, with badge and gun and registration book, met each visitor at the entrance of the general office building and demanded their business therein. A. B. Smith, Jones Dowd and Earl Rosker were the sentinels assigned, and they remained at their posts for most of the "duration." By February work had begun on the huge 27 square mile bomb loading plant near Mead. Sales campaigns were "out" for the duration and subscribers were already being admonished to keep their telephone service intact as long as they had need for it, in the certainty that telephone service shortages would soon be upon us.

The warning was well timed. Only the next month restrictions were clamped on installation of residence telephones and replacement of desk stands with handsets. There could be no extension of plant or equipment except to replace facilities necessary to maintain service. There could be no more dial conversions unless they were actually well under way. A territory-wide drive for the purchase of war bonds by employees was rewarded in early May by 100% participation under the payroll savings plan.

We began losing employees in worrisome numbers to higher paying positions in new war industries. Faced with



Model A Fords predominated in this view of a goodly portion of LT&T's work-car fleet lined up at Hastings in 1934.

Act (Wage-Hour Law) had been in effect since the year before and now provided a maximum work week of 44 hours and a minimum wage of 25 cents per hour.

Following the death of J. P. Lahr, district manager at Beatrice, the operating districts were reduced from five to four, the Central, Eastern, Southern and Western, with much the same boundaries as they have today.

Dial service came to Hardy, Julian and Talmage, while the exchanges at Nora, Otoe, Thayer and Greenwood were discontinued, their subscribers being added to neighboring exchanges. Lincoln had regained all its depression-lost stations in April as the total reached 27,173.

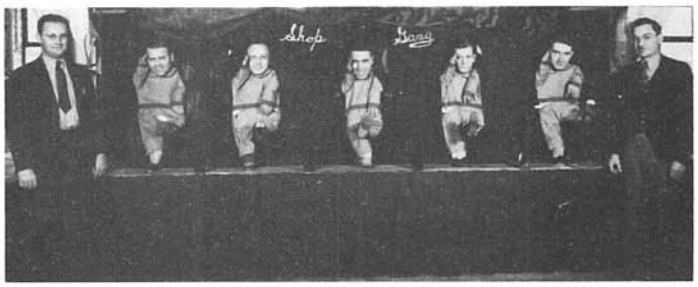
The six per cent preferred stock of the company was called in. Part of it was retired and the balance reissued at five per cent, bringing an apparent improvement of about $70,000 yearly in net earnings. The company passed most of this to employees in wage adjustments. World War II had begun in Europe and the nation was casting apprehensive glances at its feeble armaments. Surpluses were disappearing and already the industrial centers were bursting into unusual activity. The traffic bulge on the Lincoln switchboard was breaking records almost daily. As 1939 came to a close there was evidence that the nation was casting off its lethargy of the past ten years and gathering strength and reliance as it girded itself for the combat that moved inexorably nearer.



Basketball greats of 1930-31 who amassed a total of 68 straight victories. Front row: Ray Overcash, Don Wilson, Gordon Eno, Russell Rauch, Clem Bottorff. Back row: Charles Hood, George Dobson, Carl Palmquist, Jack Mankamyer, L. C. Oberlies, personnel director.



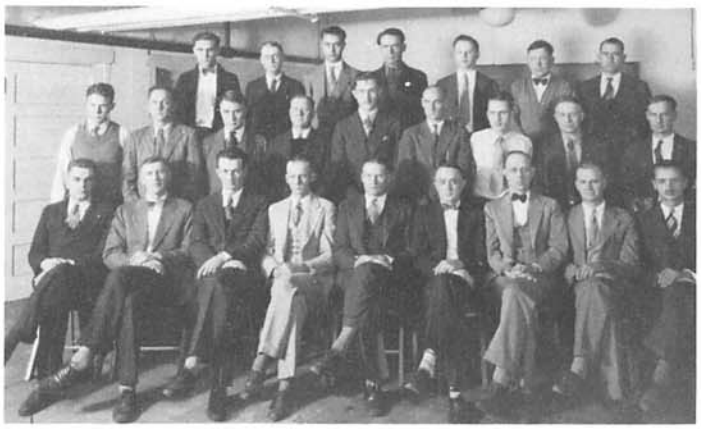
Kings and Queens of Sales were crowned in the 12-Month's Club banquet held at Lincoln in January 1938. Easily identified, from left, are J. H. Agee, vice president; Paul Winscot, K. L. Lawson, W. R. Minich, Dorothy Headman, Merle M. Hale, Mary Arnold and L. P. Schlentz.



One of the most spectacular local talent productions marionette show staged by the general shop forces at the 1935 Christmas Party. Lloyd Jenkins and George Barney are the "end men." The puppets, from left are Kent Eno, Herbert McLain, Gordon Eno, William Rosenthal and Richard Reed. The ingenious display was designed and assembled by general shop forces.



Officers and departmental heads; January 1931. Front row, L. to R.: I. J. Devoe, H. H. Wheeler, W. E. Bell, J. H. Agee, Frank H. Woods, C. P. Russell, M. T. Caster, R. S. Brewster. Back row: C. W. Motter, C. C. Donley, H. W. Wheeler, R. H. Ojers, F. E. Behm, H. W. Caman, C. G. Bennett, L. P. Young, J. A. McKinzie, D. G. Bell, K. B. Cary.



Of the 25 employees in this Automatic Telephony Class of 1930, only six entered other fields of employment. Front row from left: John Reed, Howard Smith, Howard Stroup, R. C. Schellenbarger, Roy Carlson, Hugo Staley, Henry Peachman, Harry Palmquist, Walter Geist. Middle row: Jerry Caywood, Ralph Wait, Warren Shuck, Carl Hedstrom, Lowell Johnson, Perry Caldwell, Eldon Totten, Fred Apking, Charles Gritzner. Back row: Chas. Babcock, Jarvis Dennis, O. C. Neiss, Arthur King, Ralph Culver, Don Travis, Lester Hutchison.

the growing need for trained replacements for departing plant and traffic employees, both departments entered on an extensive training program. The call of draft board and voluntary enlistments were also depleting the employee ranks.

During the summer telephone service was extended to the Lincoln Army Air Field and several war plants were established within the territory. Two scrap metal drives yielded startling returns as every nook and cranny in company buildings and storage spaces were searched for the scarce material needed so critically for the war effort.

The tide of battle flowed against America and her allies for several dark months before a gradual and hopeful change could be discerned. Then the Russians halted the German Army on the eastern front; England began striking hard at the Luftwaffe over British skies and nightly raids were dispatched over the continent. A tremendous invasion of North Africa had been carried out with marvelous timing and efficiency. Japanese expansion in the Pacific was being brought to a standstill. The year ended in a different tone than the one before it. Norman Ott, editor of the News, described the new feeling of Americans in one of his best editorials in the December issue. We quote from his "Cross Talk" column:

"There will be dark days yet to be lived through. There will be reverses and mistakes—and many an American home will be darkened by the loss of a loved one on some blood-soaked foreign field. But the confusion, the indecision and doubt are now only dark shadows that lie behind us as we go into this Christmas season. We know where we are going—and we are on our way!

"Those of us who grew up in the years before World War I know now that the pleasant and cheerful world we loved has been destroyed forever by the two great upheavals. The gracious peace which hovered over the Christmas festivities of those years when the world, and its wars, were far away from America's doorstep is gone beyond recall. So naive were we in those calm days when we believed that the rest of the world could go its way and we could go ours; when we believed that rapacious conquest and naked aggression were things that mankind had outlawed forever. Genghis Kahn, Attila, Alexander, Napoleon—they were merely names across the darker pages of history. Men were too intelligent, we reasoned, too far advanced in humanitarian thinking to be herded by insane tyrants into a blood bath of conquest. How fearfully wrong we were. And how many aching years ago was it that we sat around sparkling Christmas trees in the quiet glow of peaceful evenings and let our heart dream of the bright world of the future which we were bequeathing to our cherished children—a world which had come finally to accept the principles of the Prince of Peace? In grim irony, at this Christmas season, we find that we must turn back again to that fundamental truth: 'Eternal vigilance is the price of liberty and peace.' May it never be forgotten again—by us, nor by our children, nor by our children's children."

Coming through the year we find: Paul Henson employed part time at the warehouse in May. A disastrous flood sweeping through the lowlands of Lincoln during the same month. Several pensioned employees returning to active employment from retirement. The Employees Mutual Benefit Association being organized, with Guy O. Seaton as its first president; and a cadre of officers, Thad Cone, H. W Spahnle, William Morris and Adrian Newens entraining for Fort Monmouth.

The priority plan for urgent war calls was placed in effect in November. Arrangements were also made for the complete black-out of all company exchanges as a safeguard against aerial raids.

The end of the year saw a net gain of 1,721 telephones, with total telephones in service standing at 66,454. Labor turnover was great, with 75 employees, including two women, already in the armed forces. In the face of manpower shortages the foresight in having converted 25 of our small exchanges to dial operation was indeed proving beneficial.



The toll cable train plows its way toward Lincoln in the spring of 1941, making the connection of LT&T with the transcontinental underground cable which passed seven miles north of Lincoln.

1943

First of our bargaining negotiations with the United Union of Telephone Workers in March concluded in complete agreement for general wage adjustments which were subject to approval of the War Labor Board. Withholding tax on incomes with the familiar 20 per cent-less exemptions-feature took effect in July. Recent plant problems were multiplied in the effort to provide service to the Naval Ammunition Depot at Hastings, Nebraska Ordnance Plant at Mead, Lincoln Army Air Field, and air bases at Bruning, Fairmont, and Geneva. Major war plants were also entering the territory, including the Western Electric Company and Elastic Stop Nut Company at Lincoln.

A station gain of 3,942 was experienced in 1943. Revenues were up $350,326 and expenses $324,470. At year's end 110 employees were in the armed forces, four of them being women.

1944

Manufacturers were now permitted to make telephones only upon order for war uses. The LT&T organization was combed for stations not urgently needed in the transaction of its business—and 66 instruments were thereby added to our rapidly dwindling stock. New service limitations were placed upon the industry, and immediate installation of telephones could be assured only by government order. Waiting lists began to grow long.

The night toll rate period moved from seven to six p.m., the anti-slug bill became a law and the company was honored by the Signal Corps with a Certificate of Appreciation for distinguished service in the war effort.

Two war bond campaigns, held during the year, were won by the David City and Geneva areas. Many LT&T women were helping the war effort in their spare time by making bandages and dressings, knitting, acting as nurses aides or as hostesses at the U.S.O. Great was the rejoicing on June 6 when the Allies crossed the channel and gained a beachhead on the Normany Coast. It was evident to all that it was the beginning of the end of war in Europe.

Death took Norman Ott, Harold Cunningham, C. P. Russell and W. H. Caman, all of whom were prominently identified with the company's progress through the years.

Guy O. Seaton was appointed personnel director and the first girls' softball team was organized.

Station gain for the year was 3,718, and a backlog of 813 unfilled orders was carried over. Operating revenues climbed $301,080 and expenses $457,982 above the 1943 figure. 129 employees were on military leave at the end of December.



Formative meeting of the Frank H. Woods Pioneer Chapter held on the lawn of the Woods home at Lincoln in June 1941. In the foreground are Harry Dobbins of the Lincoln Journal; C. P. Russell, first president of the Chapter; H. J. Soderholm and Frank H. Woods, Jr.



View of the "chow line" at the Victory Picnic at Capitol Beach, Lincoln, in August 1945.

1945

It was the year of the war's termination. Italy had been knocked completely out of the combat; the German armies disintegrated in May and Japan capitulated in August. Men and women of LT&T had proudly participated in almost every phase of the great victory. Two gold stars appeared on our service flag representing Lavelle Giles, shot down in a bomb raid over Germany, and Robert R. Nelson, lost at sea near Okinawa. Both were construction employees.

Facilities for traveling—the gradual deterioration of motor vehicles, the shortage of gasoline and rubber—had almost prohibited gatherings of other than local nature. There was no convention of the Nebraska Telephone Association this year. The Pioneer chapter was forced to postpone its annual banquet. Workers banded together in car pools for transportation to and from the job.

The employees suggestion committee was formed, with Guy O. Seaton as chairman, and G. P. Barney, A. O. Andrews, B. J. Sievers and K. L. Lawson representing the several departments. The company's commercial affairs were placed in charge of Merle M. Hale, as acting general commercial superintendent. Mothers' Day toll traffic reached an all-time high in Lincoln as 3,440 calls swamped the switchboard, 2,824 of them being completed. A violent gale, of tornadic proportions, interrupted service at Hebron on May 26, isolating the town for several hours. The Employees Mutual Benefit Association inaugurated a new policy of dependent coverage.

On July 4, a rogue tornado came out of the northwest to tear up telephone plant in the Rising City and Surprise exchanges. The Pioneer chapter held its first ladies' party and first fishing stag. Roy Mills was crowned king of the golf course for the fourth time.

America in general, and our company switchboard in particular, experienced a record flood of calls with the breaking of the news of Japan's capitulation. All local and long distance facilities were clogged for several hours by the surge of business with the coming of the glorious news. Margie Grewell, chief operator at Exeter, was first in the town to hear of it. She reached for the switch to turn on the fire siren, and remembered that she had performed the same act on November 11, 1918, to announce the signing of the armistice for World War I.

There were 137 employees in uniform at the war's end. The 12 women included in this figure were divided equally between the Army and Navy. Unfilled orders for telephone service during this month totalled 1,697.

On August 18 a Victory Picnic was held at Capitol Beach, the first of our present series of annual employee picnics. A fine crowd of 550 were present to watch the LT&T girls' softball team highlight the day with an unexpected victory over the Lincoln Air Base WACs by a score of 5 to 3.

In November the first wire photograph was received over LT&T wires, and on Christmas came the year's third record-breaking day for toll calls as joyous greetings were sent throughout the country and about the world.

We gained 2,235 telephones during the year despite acute shortages. The needs of war-connected services were fully met. Toll revenues of $1,550,110 were the highest ever, though it was the unopposed opinion of telephone economists that the use of toll would decrease sharply with the return of normal living.

1946

A year which brought the return of most of our service personnel and a year of heavy consumer demands and rising prices. In February F. H. Woods retired as president of LT&T, being succeeded by Thomas C. Woods, who had served the company as director, vice president and counsel since 1923. F. H. Woods retained his position as Chairman of the Board. B. I. Noble, returning from the war with the rank of lieutenant-colonel, was appointed assistant to the vice president and general manager, while Merle M. Hale was awarded full title as general commercial superintendent.

Pensioned employees now became eligible for membership in the Employees Mutual Benefit Association. Long distance rates were reduced for the 13th time since 1927. Telephone service was reopened to Japan. A new type of operator's head set was introduced.

An acute shortage of telephones and equipment retarded growth and delayed much needed additions and replacements to telephone plant. Dial conversions were again under way with completions at McCool, Bellwood, Crab Orchard and Brock. LT&T introduced mobile radio, the first use of this service in Nebraska. The Pioneer chapter annual reunion, now two years postponed, was held in the fall at Hillcrest Country Club, Lincoln.

Newly designed LT&T service pins representing records of 10 to 45 years were presented to 529 employees in a series of gatherings held throughout the territory. The Lincoln carolers, 40 strong, made several appearances at Christmastime.

Station gain for the year was a terrific 8,052. Total stations in service reached 84,441, to regain an all-time peak. Held orders at the close of 1946 business totalled 854. The number of employees reached 1,387; operating revenues increased $309,956 and operating expenses were up $378,187.

1947

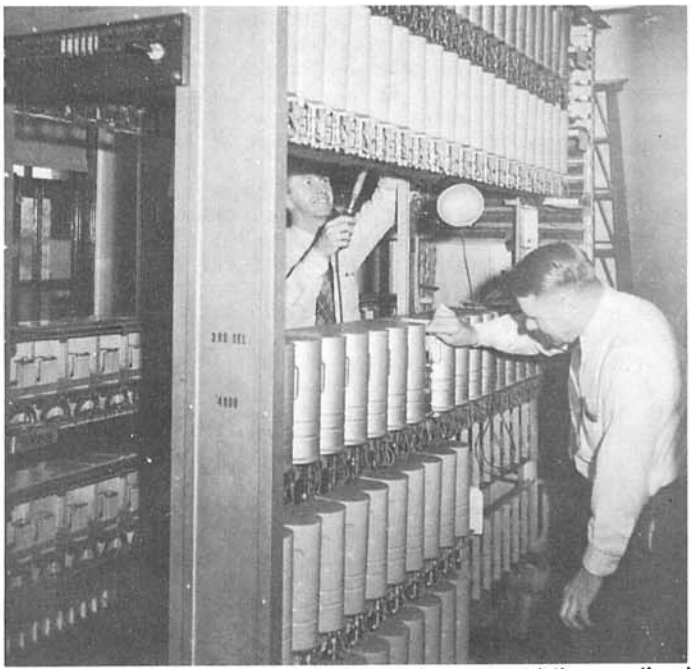
A presentiment of personnel problems, nationwide in scope, came in January when the Communication Workers of America local informed the company that the contract between the Union and LT&T would be cancelled on the day of its termination, March 31. Within the next few weeks two separate proposals for wage increases were presented. The second, double that of the first, contained the demand for increases in excess of $24 weekly, per employee, on an average basis. Negotiations finally broke down, and on April 7 the Union called its

members out on strike. The local situation was duplicated generally throughout the nation. Switchboard positions and other vital equipment were manned mainly by supervisory personnel, and although the quality and speed of service suffered to some extent, the public was well aware of the problems of the company and subscribers were usually patient and understanding. The bargaining committees on both sides of the controversy reconvened and worked diligently in seeking a solution but it was not until May 16 that a new contract was signed and on May 19 the striking employees returned to their jobs.

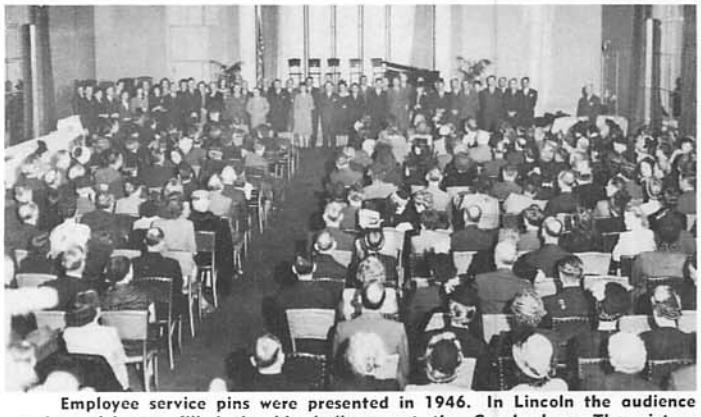
It was during this year that Joe C. Miller, veteran Lincoln combinationman, was killed in a truck-train crash while on duty. The general commercial department moved into their new quarters on the first floor of the general office building. The Otoe exchange was re-established. Anti-influenza inoculations for employees were added to the health program. The Unadilla properties were purchased. The Spencer Park project completed at Hastings provided service to 850 families. The girls volleyball team was organized at Lincoln. A new company insignia made its appearance on cars and trucks. A new cable maintenance truck with extension platform ladder was introduced. Dial conversions came to the exchanges at Johnson, Jansen, Otoe, Burchard, Steinauer, Louisville, DeWitt, Plymouth, Huskerville and Plattsmouth.

1948

Surprising to most everyone, the prosperity bubble did not burst. The demand for telephone service, and most every commodity, was still in full swing. It was during this year that the general office building second floor was remodeled for the second time in 35 years. A new teletype concentrator was installed in Lincoln Toll Test. Emphasis on voice training occupied general traffic forces. The directory sales company was organized, with E. A. McKenna appointed manager. The girls' volleyball team won the league trophy with 20 straight victories. The 45th anniversary of LT&T was observed with a family open house and reception and a new building site was purchased at 15th and M Streets, Lincoln.



The demand for telephones, suppressed by war restrictions, continued unabated through the remainer of the forties. The telephone industry was suddenly aware that their forecasts for future growth could not apply to this surge of business. Equipment manufacturers were swamped with orders. LT&T was fortunate in being able to reduce its waiting lists faster than many companies. Here Howard Stroup and Warren Shuck, Lincoln switchroom, are installing new bays to meet the demands of a growing Lincoln.



Employee service pins were presented in 1946. In Lincoln the audience and participants filled the big ballroom at the Cornhusker. The picture shows the 15-year group assembled to receive their emblems.

On August 1, John H. Agee, vice president and general manager, retired after guiding the destinies of LT&T since 1926. He was succeeded as operating vice president by B. I. "Fritz" Noble, whose service with LT&T since 1927 had found him filling the posts of groundman, plant statistician, sales supervisor, area manager, military leave and assistant vice president.

The company health program now offered free chest X-rays to employees. Pawnee City became an LT&T exchange. Dial service came to the exchanges at Burr, Cook, Table Rock, Tecumseh, Peru, Bruning, Malcolm and Utica.

Max C. Walker was named district plant manager, Lincoln to succeed Clayton Liebhart, retired.

Death claimed J. S. Jackson, of General Commercial; George Cruickshank of Wahoo Plant; and L. B. Stiner, member of the Board of Directors for nearly a quarter of a century.

1949

In which the opening scene found Nature on a rampage. A January ice storm which, old-timers say, coated wires to record diameters, was followed later in the week by a howling blizzard. Heaviest destruction and almost complete isolation came to Butler, Seward and Saunders counties. The construction department suffered a heavy blow when three of its front-line supervisors, Paul A. Schmeltzer, A. W. Holcomb and W. F. Combs, were severely injured in an automobile collision on an ice-coated highway. On June 8 a tornado ripped through Belvidere, dealing the town a blow from which it has never recovered. Later in the month a cloudburst struck Lancaster County and a wall of water rolling down Salt Creek and Haines Branch inundated a large section of the lowlands west and south of Lincoln. The trouble board was swamped under 2,325 service calls as 40 cables were put out of order. On June 28 a seven inch deluge fell in western Pawnee County and a great amount of outside plant was washed away.

In 1949, A. B. Smith was elected to head the Employees Mutual Benefit Association succeeding F. E. Behm, who had been president since its inception in 1936. The Lincoln business office was renovated. A new routine of microfilming toll tickets was first tried as an experiment at Friend, and later employed throughout the territory. The "daily addendum" method was adopted for Lincoln directory corrections and changes. Lincoln's 40,000th telephone was installed with due ceremonies in August, and the company again applied for a general increase in service rates.

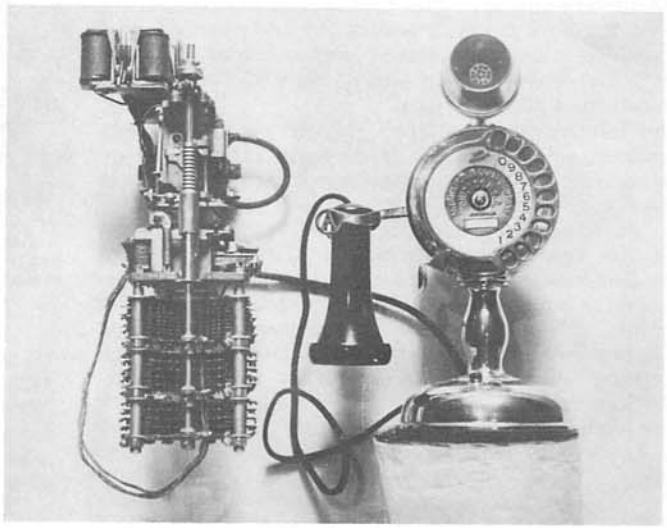
H. H. Wheeler succeeded B. I. Noble as operating vice president; C. C. Donley, became chief engineer; Lyle P. Young, general traffic superintendent; and John Spady, western district manager, in a series of progressive promotions.

Dial service came to Milford, Nelson, Humboldt and Friend.

chapter twelve

At the Threshold of a New Era





In the period covered by this series of historical articles, the science of telephony and kindred fields of communication have developed at an amazing pace. LT&T, in its very beginning, took its place in this march of progress by being first in Nebraska, and one of the first in the nation, to adopt the fully-automatic dial system. It was a brave decision—and a wise one—for the little company. In the picture is LT&T's first building, taken in 1904, with an early advertising photograph of the dial handset connected to the "girl-less switchboard."

With this installment, which covers the last four years, the chronicle of our company draws to a close. It would seem, with the voluminous space allotted to it, that a more comprehensive coverage should have been made. This was not to be.

The Lincoln "Automatic" exchange, in its humble beginning, was but one of many Independent telephone companies to spring up within our present territory. During the years, as recounted in this series, it managed to absorb not only the Bell exchanges, but most of the Independent systems surrounding it. Each community in all this broad area wove a telephone history of its own; and their history is OUR history. Each would be well worth the telling.

How many pages—how much research—such a narrative of events would require we can only conjecture. Already a great amount of information has been accumulated concerning the origin of telephone service at various towns, and as time goes by we hope to publish their stories one by one, in the pages of the News.

In our present historical series, however, we have been content to follow the development of the basic Lincoln dial exchange, as it evolved into The Lincoln Telephone and Telegraph Company.

1950

In April of this year LT&T subscriber lists reached the 100,000 mark with the historic installation being made at the residence of E. L. Gorman at Seward. In May came a great rain that sent raging torrents through the valleys of the Blue and Nemaha rivers, and inundating the lowlands of Salt Creek. Twenty-three lives were lost, while untold damage was dealt to crops and property, and to the precious top soil of our farm lands. Nearly 2,200 subscribers were out of service as telephone lines were swept away. The press described it as the worst disaster ever to visit our region.

Dial service returned to Hastings after a lapse of nearly 40 years as 7,229 telephones of the old manual exchange were cut to the switching equipment of the newly erected building. An Independent dial exchange once operated at Hastings but was consolidated with the former Bell manual exchange in 1914, after the purchase of the competing companies by LT&T. The new Hastings exchange was the first in LT&T-land to employ intertoll dialing, to be followed by Tecumseh later in the year.

Frank H. Woods was elected to receive the Lincoln Kiwanis Club's Distinguished Service Award. The presentation was made by M. M. Hale, club president, who flew back for the occasion from Boston, where he was enrolled at Harvard University in a course of study in advanced management.

The Frank H. Woods Pioneer Chapter's 425 members were elated to learn that theirs had become the largest chartered unit in the Independent's national Pioneer group. The stock of the Crete Telephone Company was purchased by LT&T. F. E. Behm, general plant superintendent, became the first company employee to qualify for a 50-year service emblem. Ground was broken for the new Lincoln equipment building at 15th and M Streets on November 13.

A signal service unit, heavily populated with company men, was called to active duty at Camp Gordon, Georgia. Numbered among its members were Rod D. Andrews, F. W. Morris, Gay T. Henderson, Don Swanson, Tom H. Roller, T. G. Goldenstein, Allan Behm, Dale Weaver, Clarence Eitzmann, Lyle Reighard, Dean Hobson and Chris Lyberis.

The swing to dial service continued. Beside the big conversion at Hastings, eight other exchanges were cut over during the year. They were: Exeter, Davey, Denton, Raymond, Fairmont, Sutton, Pawnee City and Shelby. From 1940 through 1950 the number of dial exchanges had increased from 18 to 68, and company dial telephones from 30,000 to 70,000. Since 1940 the population of LT&T's territory had shown a decrease of 1.5 per cent, but the number of telephones in service had increased by 57 per cent. During 1950 we gained 2,516 subscribers. Waiting lists had almost disappeared.

1951

The 75th anniversary of the telephone's invention, and what changes had been wrought! Standing as an example, in this year the microwave towers of AT&T spanned the continent—and customer long distance dialing was used, on an experimental basis, from coast to coast. Plans for equipment in Lincoln's new building were being developed to include operator toll dialing and other modern telephonic wonders. The Audichron, a robot for furnishing time-of-day service, was installed at Lincoln.

John A. McKinzie became general plant superintendent to succeed F. E. Behm, retired, and Thad C. Cone moved up to Mr. McKinzie's former position as eastern district manager. Lloyd W. Cleveland was appointed to the newly created post of traffic chief. Death claimed K. B. Cary central district commercial manager, and Paul Schmeltzer, construction superintendent. They were succeeded by A. B. Waters and Arthur W. Holcomb, respectively.

Dial conversions occurred at the exchanges of Harvard, Polk, Stromsburg, Osceola, Western and Swanton. Successive week-end storms in March played havoc with exposed plant, leaving thousands of wire breaks in their icy trails. Merle M. Hale was elected president of the national Independent Telephone Pioneer Association. "Telezonia," an animated cartoon film on telephone usage, was being shown to school groups throughout the territory. At Christmas, the LT&T carolers broadcast their songs from the home of Frank H. Woods.

Operating revenues rose to more than 7½ million, the highest ever. Taxes—operating and excise—now took more than $2 monthly for each telephone in service. With a net gain of 3,718 telephones for the year we were now serving 105,682 stations.



Frank H. Woods, 1868-1952



Vice President H. H. Wheeler turned the first earth in ground breaking ceremonies for Lincoln's new equipment building on November 17. In the picture, from left, are: Martin I. Aitken, architect; C. C. Donley, chief engineer; T. C. Woods, president; Frank H. Woods, chairman of the board; Carl Olson, contractor; and Mr. Wheeler.



The excavation for the building was completed in time to receive the bountiful spring rains, giving it more the appearance of a swimming pool, and delaying the pouring of cement for several weeks. This view, taken early in 1951, looks toward the south and shows the state capitol tower rising in the background.

1952

Shocking, in its precipitate suddenness, death came to our founder, Frank H. Woods, on April 1, as he entered a polling place to cast his ballot in the primary election. He had been most active in the campaign and for weeks had devoted much of his time and effort in sponsoring an Eisenhower "write-in drive." It was one of his rare forays into the political field, and he entered it with his usual enthusiasm and energy. It is pleasant to remember the obvious happiness afforded him by his new-found adventure during the last few weeks of his life.

Mr. Woods' death was preceded by only two days with that of Hiland H. Wheeler, vice president. Mr. Wheeler, too, was stricken with a fatal heart attack while pursuing one of his favorite pastimes. He was participating in a blue rock shoot at Fremont; had registered a perfect score in the 50 target 16 yard competition and had broken 34 straight in the handicap event which followed, when he suffered the fatal affliction.

Death also claimed Thad C. Cone, eastern district manager, in a highway accident near Peru; and C. N. Beaver, member of the board of directors for more than 40 years.

Changes in the management structure were numerous. Merle M. Hale was elected to his present post as operating vice president, being succeeded as general commercial superintendent by Kenneth L. Lawson. Walter F. Roberts came into the organization as personnel director upon the retirement of Guy O. Seaton. Philip M. Aitken became a member of the board of directors. Max C. Walker was named eastern district manager and Charles B. Meshier, central district plant manager.

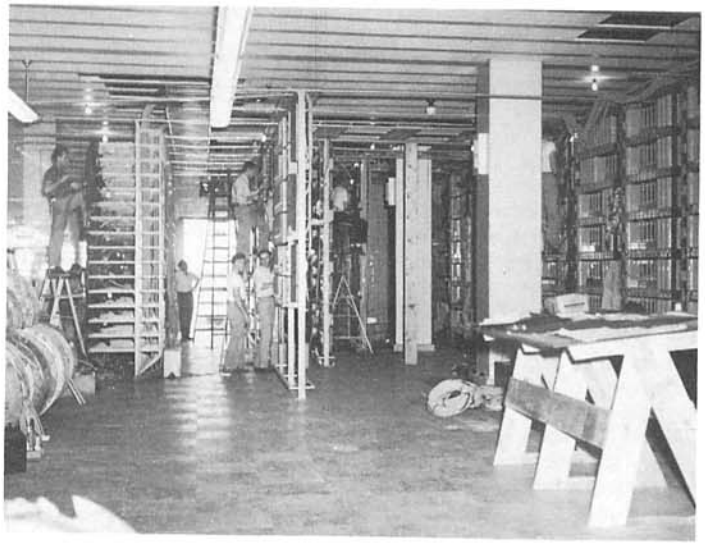
The LT&T board of directors held its quarterly meeting at Hastings in June, establishing a policy—still followed—in holding meetings once a year at various points in our operating territory. A windstorm of tornadic power struck the eastern counties in mid-August, scoring its greatest damage in the village of Talmage. A Thanksgiving Day blizzard went on record as one of the most treacherous in history from the point of service interruption. Nearly all communities were doubly isolated by snow-blocked roads, broken power lines and tangled communication circuits. Numerous instances of downright bravery were reported as our men plunged through the deep and drifted snow to reestablish service between towns.

Dial telephones came to Wilber, Valparaiso, Yutan, Dorchester, Brainard, Ceresco and Cordova during the year. LT&T joined the national operator-dialing network. Since the opening of hostilities on the Korean front, 93 employees had been called to arms; and 34 of them had already returned to civilian status.

Operating revenues for the year soared to $7,916,170 and operating expenses kept pace by reaching a record-breaking $6,916,198. A fine growth of 5,608 boosted our telephones in service to 111,290. 1,619 of these stations were acquired through the purchase and inclusion of the Crete Telephone Company properties.



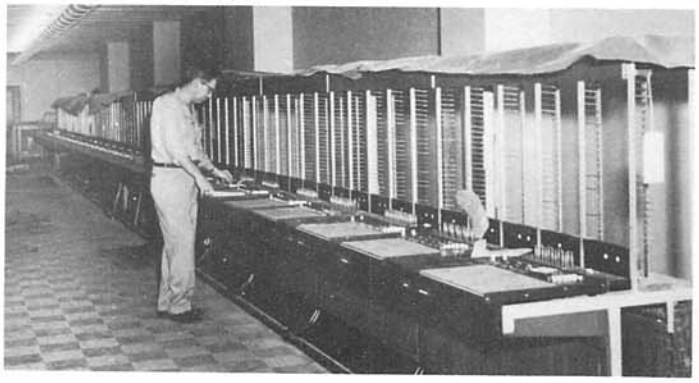
During the winter of 1951-52 the first floor was enclosed with tarpaulins while masons and construction crews continued their labors on the interior. Most of the pipe runs and busducts were completed by mid-March, 1952.



By late August 1952, the second floor was occupied by rows of switching equipment, with the Automatic Electric installation crew busily engaged in making the multitudinous and necessary connections.



During the early months of 1953 technical classes were held "on location" to acquaint personnel with operation and maintenance practices in the new equipment they were soon to encounter. Paul H. Henson, at left, leads discussion in this group.



In January, 1953, the two long rows of toll switchboards were roughed into place in the future operating room. Al Kroon, foreman of the A.E. installation crew, stands before the west bank of boards.

1953

Wire breaks were counted by the thousands following a freakish storm in mid-January that began as a thunder shower and ended at 18 below zero, with every wire and twig crusted with a beautiful but deadly sheet of ice. A more telling blow from nature came on May 9 when a tornado tore through the middle of Hebron leaving a wake of wreckage and destruction. The sturdy exchange building stood squarely in the path of the funnel but miraculously escaped with minor damage although buildings near by were torn asunder. Jean Heyan, Ruth Rittenhouse and Eva Stutz were on duty when the storm struck, and true to the unwritten code of operators, they held their positions while the tornado roared over them. Telephone crews converged on the stricken town during the night, and reconstruction was already under way early next morning.

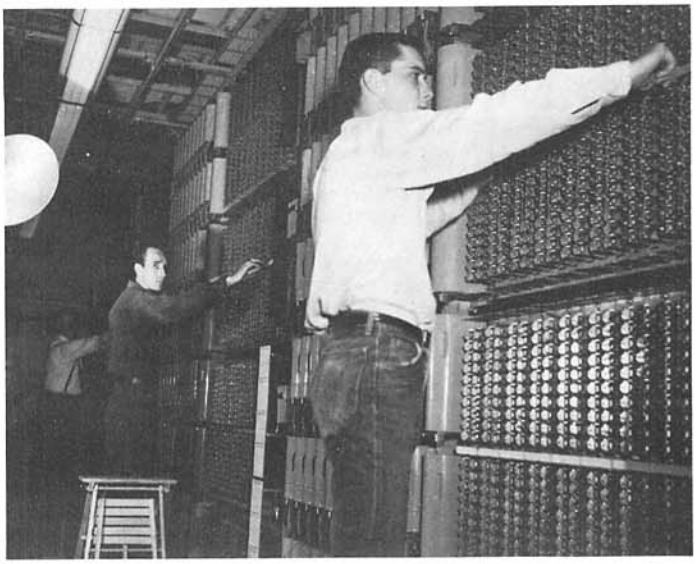
Outdoor telephone paystations made their appearance in LT&T-land. The first Human Relations In Management class was held in February. Training classes were also being formed to acquaint plant personnel with new equipment and circuits they would encounter in Lincoln's new building at 15th and M streets. The Lincoln 5-Office was cut over to its new equipment in April and in June the offices of the central district plant manager, chief switchman and toll equipment supervisor moved into their new quarters at 15th & M.

There was a smallpox scare in early May, and the company offered free vaccinations to employees and family members in the vicinity of Lincoln. The WH Call Method was initiated throughout the territory in July.

The 50th anniversary motion picture, "Milestones of Service," was in the making. The Railway Commission granted a general rate increase in August—the first since 1949—to bring greater stability to our financial structure. Perhaps the



LT&T's new equipment building at 15th and M Streets, Lincoln, was occupied and its apparatus brought into use just as our story closes in December 1953. Here is sheltered the most modern equipment of the day; yet well we know it must some day give way to methods and facilities as yet undreamed of.



On April 18, 1953, the 5-Office was cut over to the new equipment building from its former home in the original LT&T building. The conversion being accomplished with less than one minute of service break. One of the many steps in the project is shown here, as Wm. Cotton, Wm. Baker and Francis Asper pull the spacers to bring a new switch bay into life.



The new information board, here shown with a full crew of operators, was cut into service November 21, 1953. It soon saw some busy times with the issuance of a new Lincoln directory and a wholesale amount of number changes.

most discussed point of the increase was the charge for public telephone calls, which rose from five to ten cents. A new underground conduit system was laid between 6-Office and 31st and O Streets, Lincoln. The new 7-Exchange was born at 15 and M in October.

The lone change in the management echelon came with the appointment of Houghton Furr as assistant to the president.

Operating revenues for the year reached $8,686,640; operating expenses, $7,540,970. Plant investment now stood at $29,398,642, for an average of roughly $20,000 for each of the company's 1,470 employees. Telephones in service numbered 113,504 showing a growth of 2,214 for the year. The annual payroll totalled $4,628,399, more than a quarter of a million dollars higher than in 1952, while a new schedule of increased wages was taking effect on December 6.

As the year drew to a close there was feverish activity in applying the final touches to Lincoln's new toll board and its related equipment. The information board and company PABX system were brought into service on November 21; and on the night of December 12 came the long awaited cutover of the toll board. The greatest, most complicated conversion in our history was accomplished with scarcely a hitch, a true tribute to the months of careful planning and tireless checking of details by the dozens of engineers and technicians who participated in the historic event.

As voices began to flow through the new equipment at Lincoln's 15th and M Streets building there came the culmination of a long-nourished wish of our founder, Frank H. Woods, though he was not spared to witness and enjoy it. During the mid 'twenties Lincoln had experienced a period of rapid telephone development. It was one of the concerns of John H. Agee, soon after he became general manager in 1926, to face the evidence that the equipment and quarters then in use at the 14th and M Streets building would reach its maximum capacity within a few years. There was talk then of the need for a larger downtown building to house an additional automatic exchange and to accommodate the increasing number of employees.

But this thought evolved into one which resulted in the construction of the 21st and L Streets building which alleviated the personnel problem as the forces of the supply office, the general shop and warehouse departed from the general office building.

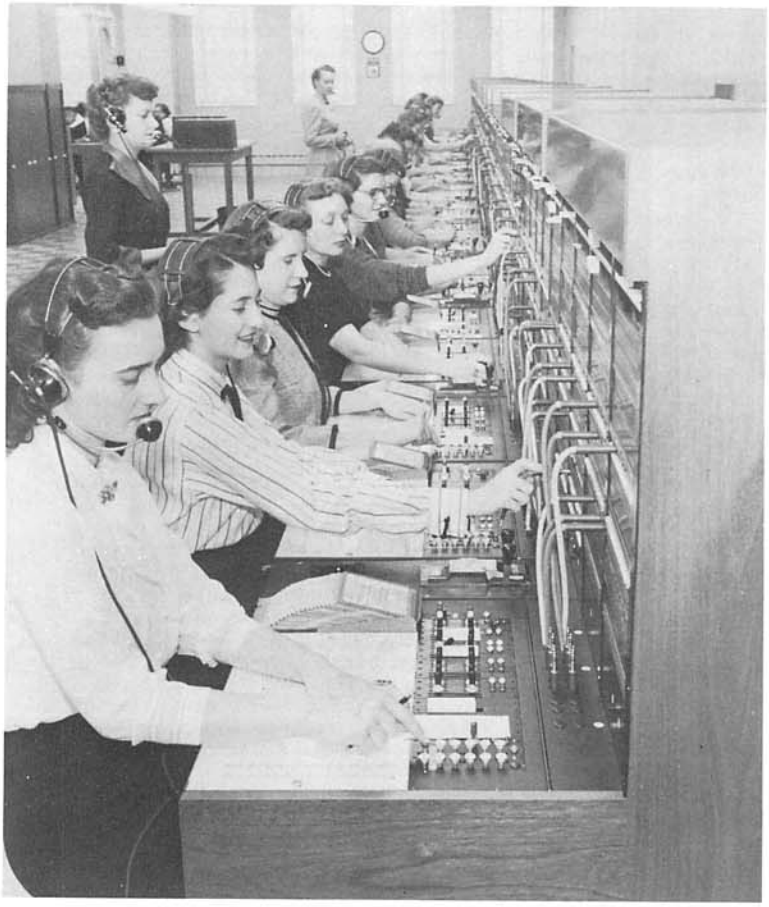
The depression did the rest. With the experiences of "the dismal 'thirties" the need to provide for growth in the 2 and 5 offices disappeared from our list of problems.

Not until the late 'forties did an urgency revive for expansion of quarters for the equipment and personnel at 14th and M. Little by little the open spaces on the second floor of the original LT&T building were filled with new equipment erected to accommodate the steady growth of subscribers. The need for a new downtown building again arose and suddenly there came a time when all doubt vanished as to its necessity. If the forecasts which were prepared by our engineers reflected even a portion of the volume of business we might expect over the course of years, the procuring of additional equipment and the replacement of the outmoded toll switchboard were matters for immediate attention.

The location of a new building was economically restricted to a certain prescribed area which would preclude revising the underground cabling system. Several plots in the immediate vicinity and accessible to the "office manhole" were under consideration and the one at 15th and M Streets finally selected. The site was occupied by three large residence properties which were purchased in 1948 and later demolished.

So it was that, once set into motion, the plans shaped rapidly. It would have been so easy to make a costly mistake at the outset by a "penny-wise, pound-foolish" attitude, but Frank Woods would have none of it. We were building for the future and it was his concern that it should be amply provided for.

There were sidewalk critics who spoke scornfully of the massive supports and meticulous care that went into the construction of the building; remindful, they said, of ancient temples where "builders wrought with greatest care each minute and unseen part." But the structure was being erected to support and shelter a great weight of delicate and costly equipment and it was Mr. Woods' contention that no required expense should be spared in seeing that it was adequately done.



On the night of December 12, 1953, came the pulse of life to Lincoln's new streamline toll board, a part of which is shown above. It replaced the famous 'horseshoe" board in the general office building, which had seen almost 40 years of service.



Huge banks of switches stand in military array to furnish swift and accurate voice channels between Lincoln telephones. Here. Al Dougherty stands as sentinel of the mechanical ranks, to challenge an ailing switch.

The ground for the building was broken on November 13, 1950, with Hiland H. Wheeler, vice president, turning the first shovelful of earth. Architectural plans which had been drawn for a six-story building already had been changed to accommodate one or two more floors.

The building was designed to be erected in three sections, the first of which would be of three floors. This section would accomplish the pressing need of housing the 5-office equipment and an additional exchange which was to be assigned the prefix "7". Coordinated with the installation of the new local equipment would be the erection of a new long distance switchboard and related toll equipment.

The excavating machines roared into action as soon as the ground-breaking ceremonies were completed and abruptly encountered the first of many major problems. The foundation of the adjoining building would necessarily have to be extended in depth before the earth could be removed from about it. This was done a portion at a time to escape the danger of the wall settling or cracking.

While all this was going on there was concentrated activity in the engineering department as equipment specialists from the Automatic Electric Company were in consultation with Chief Engineer C. C. Donley and his staff. In the immediate future of telephony were many innovations and improvements slated for adoption on a national scale. These must necessarily be a factor in the planning of each item of equipment and every allotment of space.

The spring of 1951 was exceptionally rainy; good for the crops but not for the open excavation at 15th and M. More often than not it bore resemblance to a bathing pool and the work of pouring concrete was delayed for several weeks thereby. The completion date for the building, once hopefully set for September 1, was now moved into the following year.

The winter descended upon the workmen before the building could be enclosed with outer walls, but with the aid of tarpaulins and a battery of salamanders the interior was kept snug and warm. Masons and others worked through the season finishing the interior of the basement and first floor.

On June 17, 1952 three carloads of equipment were moved into the building; the first installment on the estimated $2,225,000 worth of equipment specified for initial operation in the three-story structure.

By the first of October 1952 the building had taken complete form. Inside the building the partitions were in place and the heating system in operation. The dial equipment for the 5 and 7 offices was being installed and cable pairs were being connected to the main frame. Crates containing the new long distance switchboard were on hand and work was soon to start on its erection, along with the new rate and route desk. An installation crew from Automatic Electric arrived to take charge of this part of the undertaking. The work progressed rapidly through the winter and the spring of the following year.

The need for a training program for LT&T personnel who were soon destined to encounter the new and complex equipment was apparent. During the entire year of 1953 classes were held "on location" to specialize certain plant groups with fundamental operational and maintenance factors of the new equipment which they would soon be charged with putting into practical operation.

By early April the new toll board, the selective information board and the rate and route desk were in place and available for the first classes in traffic operation. Groups of trainees took daily turns at the board, becoming acquainted with the circuit arrangement and adept in the use of key pulsing.

The 5-Office was cut over from the equipment in the old Automatic building on April 18. The 45 men who had part in the conversion had been previously drilled to perfection in their separate duties. The sequence of operations were so timed and related that there was scarcely a hitch in the entire scope of the enormous task. Known as the old L Office, the 5-exchange came into being in April 1911 and was first to introduce the five digit numbering scheme to Lincoln subscribers.

June 17, 1953 was moving day for the Central District Plant office, the chief switchman and toll equipment supervisor, who became the first permanent residents of the new building.

The information board cutover was an event of November 21 and the company PABX system was brought into service six days later.



On the day of the toll board cutover, December 12, the company played host to a large group of officials from the telephone industry. They represented equipment manufacturing companies and neighboring Bell and Independent organizations.

The final and greatest step in the series of cutovers was taken on the night of December 12 when the new toll board and its related equipment were brought into service. By this action was created the hub of long distance operator dialing in southeast Nebraska and the forming of direct connection with the national system in reaching telephones in cities throughout United States and Canada.

Events of the final days before the cutover had found the assigned personnel carefully rehearsing their part in the activities while wiring, equipment and details were checked and rechecked to eliminate possible trouble spots. Again the cautious approach was rewarded as the cutover progressed through its six-hour duration in a manner that was a joy to behold.

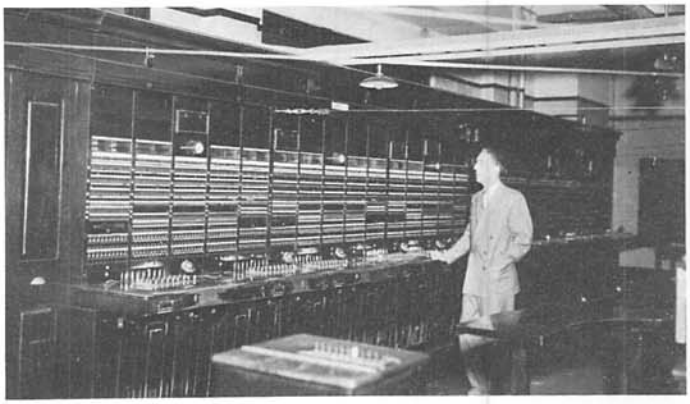
On the preceding day an invitation had been extended to community leaders, members of the city council, railway commission, the press and radio stations, to inspect the building and equipment. On the night of the cutover the company acted as host to a large group of officials in the communications field including representatives of Bell operating companies, equipment manufacturers and independent telephone organizations. They were the first of thousands of people who toured the building on invitation of the company during the following months.

Some of the oldtimers returned to the 14th and M building to reflect on the strange sight of the old toll switchboard standing forlorn and unattended for the first time since it was brought into service forty years before. A. S. Keckler, plant training supervisor, and C. E. Cummings, plan engineer, both had part in its installation and cutover at that time.

Thus the history of LT&T's half century of progress draws to a close with the dawn of a new era in telephony. Only a few weeks lay between the end of 1953 and the erection of a microwave tower atop the 15th and M building where it seems to stand as a great finger pointing skyward, to the future highway of America's voices. The wonders which have come to pass in our first fifty years already are overshadowed by the marvels which can clearly be seen in telephony's future. And ever we are reaching toward the ultimate goal of the industry when anyone, anywhere, may hold private conversation with anyone, anywhere; in a telephone communication that is swift, clear and economical.

This history has been compiled from reference material obtained from sundry sources; ancient minute books of stockholder and director meetings; a long and timely interview with our founder, Frank H. Woods; a careful search through all back issues of the Lincoln Telephone News; and other files and papers which have been preserved in the company archives because of their historical value. We believe that the information is correct and factual.

— The End —



A. S. Keckler stands before the "Dean" section of the abandoned toll board. He helped install this board in 1909-10 on the first floor of the "Automatic" building. Later it was moved to the third floor of the adjacent general office building to form part of the great horseshoe toll board which was cut into service in 1914.



Filming of the Fiftieth Anniversary color picture, "Milestones of Service" was one of the deviations from the established routine of 1953. Here the producer, H. F. Chenoweth, and director A. B. Gorman, hold a conference before taking an outside shot of the general office building at Lincoln.

THE LINCOLN TELEPHONE & TELEGRAPH COMPANY

DIRECTORS, OFFICERS AND DEPARTMENT HEADS

1903 - 1955

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DIRECTORS

	From	To
C. J. Bills	1903	1920
Frank L. Bills	1903	1903
Fred G. Bills	1903	1903
Allen W. Field	1903	1906
Frank H. Woods	1903	1952
George J. Woods	1903	.....
Mark W. Woods	1903	.....
J. T. Dorgan	1904	1911
A. O. Faulkner	1904	1911
S. D. Mayer	1904	1914
A. C. Ricketts	1904	1911
W. E. Sharp	1905	1911
S. H. Burnham	1909	1933
Joseph Grainger	1909	1939
George E. Haskell	1909	1911
John W. McDonald	1909	1910
Charles Stuart	1909	1928
S. A. Foster	1910	1911
C. N. Beaver	1912	1953
George Liggett	1912	1914
J. M. Bell	1914	1929
Chris Klem	1914	1947
Charles Mayer	1914	1924
L. E. Hurtz	1921	.....
G. E. Codington	1923	1955
L. B. Stiner	1924	1948
J. H. Agee	1926	.....
Thomas C. Woods	1926	.....
Frank H. Woods, Jr.	1937	.....
William I. Aitken	1939	.....
W. W. Putney	1944	.....
Charles T. Stuart	1944	.....
Henry C. Woods	1944	.....
H. W. Potter	1950	.....
H. H. Wheeler	1950	1952
Philip M. Aitken	1952	.....
Merle M. Hale	1953	.....

OFFICERS

PRESIDENT

	From	To
Charles J. Bills	1903	1904
Frank H. Woods	1905	1946
Thomas C. Woods	1946	.....

VICE-PRESIDENT

	From	To
Allen W. Field	1903	1906
A. C. Ricketts	1907	1911
Charles J. Bills	1908	1908
S. H. Burnham	1909	1933
Thomas C. Woods	1923	1946
*John H. Agee	1932	1948
W. E. Bell	1934	1935
*B. I. Noble	1948	1949
*H. H. Wheeler	1949	1952
*Merle M. Hale	1952	.....

*In charge of Operations

GENERAL MANAGER

Benton Maret	1904	1904
F. E. Ebersole	1904	1906
Leonard E. Hurtz	1906	1921
Raymond E. Mattison	1921	1926
John H. Agee	1926	1948

SECRETARY

Fred G. Bills	1903	1904
Frank H. Woods	1904	1904
William E. Sharp	1905	1908
Charles Bills	1909	1910
William E. Sharp	1911	1912
Seth W. Eddy	1912	1917
A. L. Haecker	1918	1918
Calvin P. Russell	1918	1934
Herbert W. Potter	1934	1954
Houghton Furr	1955	.....

TREASURER

Fred G. Bills	1903	1904
A. O. Faulkner	1904	1905
William E. Sharp	1905	1908
Charles J. Bills	1909	1910
William E. Sharp	1911	1912
Charles J. Bills	1912	1920
Calvin P. Russell	1920	1931
Herbert W. Potter	1932	1954
Houghton Furr	1955	.....

DEPARTMENT HEADS

GENERAL PLANT SUPERINTENDENT

	From	To
T. H. Ewing	1903	1904
E. A. Ebersole	1905	1906
Mark T. Caster	1906	1938
Forrest E. Behm	1938	1951
John A. McKinzie	1951	1954
George P. Barney	1954	.....

GENERAL TRAFFIC SUPERINTENDENT

George K. Gann	1912	1921
Royal S. Brewster	1921	1944
Cecil C. Donley	1944	1949
Lyle P. Young	1949	.....

GENERAL COMMERICAL SUPERINTENDENT

Raymond E. Mattison	1912	1921
W. E. Bell	1921	1933
Herbert F. McCulla	1934	1944
Merle M. Hale	1945	1952
Kenneth L. Lawson	1952	.....

CONTROLLER (Auditor)

Calvin P. Russell	1912	1918
William L. Lemon	1918	1930
I. J. Devoe	1930	.....

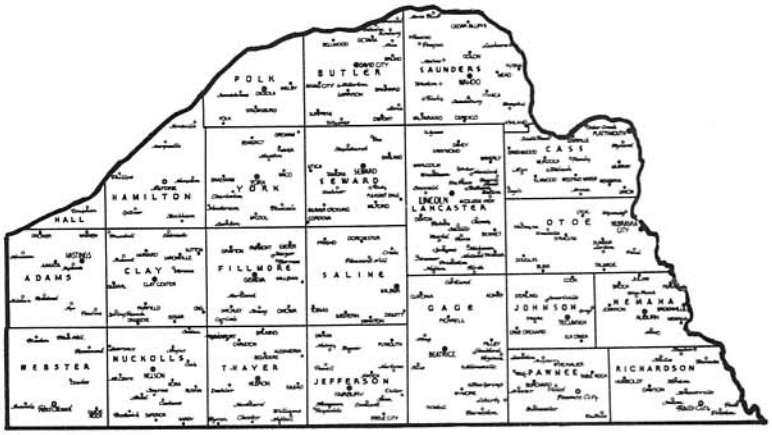
CHIEF ENGINEER

Hiland H. Wheeler	1923	1949
Cecil C. Donley	1949	1954
Paul H. Henson	1955	.....

PERSONNEL DIRECTOR

L. C. Oberlies	1929	1932
Guy O. Seaton	1944	1952
Walter F. Roberts	1952	.....

OPERATING TERRITORY OF THE LT&T



The Lincoln Telephone and Telegraph Company operates in this area, composed of 22 counties in southeast Nebraska and serves approximately 120,000 telephones from its 124 exchanges. It is the largest telephone company in the United States owning all the toll lines within its own territory.

The telephone undoubtedly must be ranked among the world's most important inventions. Its influence on the business and social structure of our lives is almost incalculable. Hardly can we conceive of a modern civilization without this form of human intercommunication.

To most of its users, "the telephone company" is one great business entity which operates from coast to coast. Its service is universal, for from any telephone one may call nearly any other of the more than 50,000,000 telephones in the United States; those in most foreign countries; reach many ships at sea; airplanes in the sky and automobiles on the highway.

But our nation-wide telephone system is not controlled by a single big company. It is a fabric woven of more than 5,000 telephone companies, not to mention ten times that number of rural telephone lines and systems mostly owned by groups of farmers. Each of these is a separate operating company; financially independent of each other. And while the great Bell System does operate five-sixths of the telephones in the United States, geographically speaking two-thirds of the nation lies within the domain of the Independents.

The Lincoln Telephone and Telegraph Company is numbered among those Independent operating companies which have consistently contributed to their share in the advancement of the telephone art and to the continued expansion of telephone service. It is proud to be considered one of the important and progressive elements of that group.