

EARLY HISTORY OF CONSOLIDATED WATER POWER COMPANY

For some time, prior to 1894, there had been talk of trying to consolidate all the "Water Powers", in the then Grand Rapids area, under a single ownership.

Finally on July 16, 1894 the owners of most of the "Water Powers", signed an agreement deciding that it would be of more value to all if the various "power" owners would consolidate, or join together. It was intended that each owner would deed his property to the "Consolidated" corporation in exchange for shares in \$300,000.00 worth of capital stock. The signers listed below, in a sense, created the Consolidated Water Power Company.

1. W.E. Mack
2. Wisconsin Wood Pulp Company, signed by C.A. Spencer-President.
3. The Grand Rapids Water Power Company, signed by Falkland MacKinnon-President.
4. The Pioneer Wood Pulp Company, signed by George Hoskins.
5. Thomas E. Nash
6. John L. Nash
7. B.G. Chandos
8. B.G. Chandos as administrator of the M.E. Bensley Estate.

In order to appropriate shares of stock in a fair way to the various signers, a board of "arbitrators", was established, consisting of:

Peter R. Thom
T.W. Oribison
Frank T. Russell

All of the above had various degrees of experience in the Fox Valley. On Feb. 13, 1895, the report of the arbitrators came in and was presented at the Feb. 20, 1895 meeting of the owners. After hearing the initial report, Tom and John Nash walked out of the meeting. The arbitrators report, dividing the shares of stock among the owners, was as follows:

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| 1. Grand Rapids Water Power Company | 171 shares |
| 2. M.S. Bensley Estate | 206 |
| 3. Spencer & Mack | 86 |
| 4. Pioneer Wood Pulp Company | 403 |
| 5. Wisconsin Wood Pulp Company | 306 |
| 6. Nash Brothers | 135 |
| 7. Electric Company | 60 |

The argument over the Nash Brothers refusal of acceptance continued. Finally on March 2, 1895, a letter was drafted to force the Nashes to take the stock, at the same time it was announced that on March 15, 1895, there would be a meeting of the Board to elect directors and officers. March 15th came, but the Nash brothers did not attend; however, directors and officers were elected. The directors were W.E. Mack, G.E. Hoskins, F. MacKinnon, B.G. Chandos and C.A. Spencer. Hoskins was also elected to be President, Mack Vice President, Spencer was to be the Secretary and Treasurer and MacKinnon was to be the General Manager. B.G. Chandos was selected to inform the Nashes of the proceedings. The following action took place.

- March 20, 1895 - the directors voted to purchase 200 stock certificates and talk of a dam was discussed.
- March 26th - Chandos sold his 206 shares to Nels Johnson, who at the time was the manager of the Biron Paper Mill. Johnson was elected to the board on April 12.
- The board voted to deliver the 135 shares to the Nashes and in return demanded their property deeds..
- April of 1895, the Bensley shares were sold to Jere Witter.
- May 6th, the board agreed to get T.W. Orbison of Appleton to survey and plan for a dam.

The Nashes finally responded with a counter plan, their plan had several parts:

1. They would get 270 shares of stock instead of the 135 shares.
2. They would also receive \$18,000.00 in cash.
3. Perpetual Water power would be delivered to the Nash Mill in exchange for the right to abut its dam on Nash property.
4. Submission of issues to George R. Gardner, Consolidated's attorney and to B.R. Goggins, attorney for the Nashes.
5. Or submission to Judge Webb for arbitration.

All five points of submission by the Nashes were rejected by the Board.

After this, a certain amount of chaos took place. The Chandos mill operation was returned to the original owner. There were many allegations among the various groups. On July 5, 1896, C.A. Spencer died of a heart attack at the age of 46. In March 1898, the CWPCo. was unable to repay a loan from the First National Bank they had taken out to purchase the Lutz Brewery property. A Judge Wyman made a decision on the complicated matter of the Nash stock and he decided that Nash was to turn over the property to the CWPCo. Stock was to be issued in the amount of 342 shares not the original 135. This decision lay in limbo for almost a year. In the meantime a new Board of Directors was

elected consisting of: Nels Johnson, Jere Witter, George Hill, Isaac P. Witter and MacKinnon. Attorney T.C. Ryan of Wausau sent the Wyman decision to the U.S. Court of Appeals. Then on Feb. 5, 1901 the matter of Consolidated vs T.E. Nash was sent to the Supreme Court. On March 19, 1901 the Supreme court decided that Nash should be released from the obligation by reversing Judge Wyman's decision. Four days after the decision, Nash agreed to sell to Consolidated Water Power his properties for \$33,750.00.

In the final analysis, CWPCo. accepted the defeat of the courts but found victory in the consolation that now they could move ahead with their future plans. The only "water power" that had not been acquired was the Roenius Grand Rapids Foundry, so on March 30th, Witter and Johnson purchased the Foundry. After seven years of legal battle it looked like the future plans would now move ahead, but J.D. Witter became very ill and before he died he called upon his son-in-law, George W. Mead, who was then operating a furniture store in Rockford, IL. J.D. Witter passed away and G.W. Mead agreed to come to this area and temporarily help the plans to get started. While he was assisting Nels Johnson with the planning, Nels Johnson died, so it was now left up to G.W. Mead to determine the Company's future. The rest of the story is pretty well documented. T.W. Orbison, an engineer from Appleton designed the original dam, but with the ability of G.W. Mead's insight the original dam location was somewhat modified and in the end this saved a great deal of money.

The above history was compiled from the History of Grand Rapids and one of Engel's books.

Max Andrae
Retired

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