From: Susan Burgess
Sent: Friday, March 09, 2007 1:49 PM
To: Susan Burgess

"Firms such as J.P. Morgan and Kidder Peabody sought to establish industrial order. This translated into providing financing for only one firm – AT&T. To do otherwise would have promoted competition. These underwriters were closely tied with other large financiers and they used these connections to deny the independents access to funds. For example, …. When the president of AT&T learned [that a member of the New York Stock Exchange wanted to finance an independent phone company," he asked an official of J.P. Morgan & Co to talk to Sheldon about withdrawing his support…." David Gabel, Competition in a Network Industry: the Telephone Industry, 1894-1910 at 565 citing Read et al. v. Central Union Tel. Co., Superior Court of Cook County Illinois, Chancery General Number 299,689, "Testimony of Leroy Kellogg," tr. 8464, 8519 (avail in AT&T archives); John Moody, The Masters of Capital: A Chronicle of Wall Street, pp. 117-18; Morton Keller, Life Insurance Enterprise 1885-1910: A Study in the Limits of Corporate Power; Fritz Redlich, Molding of American Banking: Men and Ideas, (N.Y. 1951) vol. 2, pp. 379-80; Vincent Carosso, Morgans: Private International Bankers, 1854-1913 (Cambridge MA 1987). See also same citing AT&TCA, Fish/Steele, June 19, 1902, PPLB, vol. 1, Fish/Sheldon, Jan. 23, 1903, PLB, vol. 26, and Sheldon/Fish, July 30, 1902, box 66.