Letter from RC Sudlow, London, to Henry Wellcome, New York

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[illegible] London
June 8th 1871

Dear Sir

I have read over the letter I wrote you on April 27th re the mentol plasters and while the letter appears sharply brief, tastily written and lacking exploratory clauses I fail to find in it any words or clause which suggests or implies or that was intended by me to suggest or imply any dishonorable motive on my part in respect to the purchase of the mentol plasters

It seems true that you have put out of your way to take offence at an entirely imaginary interpretation of your [illegible] placed upon my letter and my motives

About a year or [illegible] ago I brought
to your notice that we had an enormous
heavy stock of menthol plasters, many
of them spoiled. You then explained how
long you had taken the lot of plasters
(nearly a thousand pounds worth of them)
off our
storekeeper's hands. I understood you
that you had in a measure done it
as a personal favour [illegible] and
convenience [illegible] and that at least
part of it was in payment of a
personal loan you had made him
and I understood you that you
consequently [illegible] [illegible]
[illegible] members official personnel [illegible]
to you and you told me that he
was in honour bound to protect
the firm from loss. You then [illegible]
to see or write him about it and
if I remember rightly you lifted
your line & replaced the plasters [illegible]

Dear Sir

At your own request we have recently corresponded with the plain people in America and they wrote practically declining to do anything. I then wrote you the letter of April 21st acquainting you of what I understood from you as to Mr. Stevens personal obligation in the matter and my only purpose in writing was clearly conveyed in the words "under all the circumstances I should think you might prevail upon Mr. Stevens to make good the bad plaster" It is certainly a matter of much pain to me to be called upon to do anything which seems will put more money into your pocket after such

The purchase of this large lot of platters was I believe made by you while I was in America – anyway I had no personal knowledge whatever of the transaction and I simply said briefly in my letter of April 2nd the circumstances as I understood them from you. – I quite admit that I am as liable as anyone to be mistaken and you by a fuller knowledge of the facts, can easily correct me if I have misunderstood you or am in error.

In my letter I simply urged you to try & induce the Stanwood Co. to expand loan. Had I any other object in view I should certainly have said it in plain words. [illegible]

S.R. Burroughs Esq

Enclosure.

Aug. 10th 1891

Dear Sir

I again desire to urge upon you the danger of associating the firms business or the firms name with political matters of any nature whatever. and respectfully ~~[illegible]~~ your attention to the enclosed letter from one signed S.R. Burroughs (Burroughs Wellcome & Co) Snow Hill Buildings.

However much I may favour political agitation on any public question I hold that it is against good business policy to mix such agitation with the name of a firm doing business with people of all shades of political opinion

In publishing your own

S. M. Barrows Esq

Aug. 10th 1871

Dear personal political opinions please be not [redacted] the firm name in such opinions in writing whatever.

I trusting that you will recognize the prudence and desirability of [redacted] my wishes in this [redacted]

I remain
Yours very truly
Henry S. Williams

To S. M. Barrows Esq
Evans Hill Buildings

Sacco Hill Building
Aug 10th 1889

Dear Sir

I understand that you have arranged for and announced a public political meeting to be held on the firm's premises [illegible] the [illegible] of this month, and this [illegible] without my knowledge or [illegible]

You are aware from my repeated protests that I do not approve of the holding of political meetings of any descriptions on the firm's premises

I have repeatedly said to you that I would not consent to the holding of such meetings on the firm's premises

Yours truly
[illegible]

S.F. Cal. Aug 11th 1871

nor to the mixing of the firms
name or business with political
or social questions of any
in any manner whatever
[redacted]
things are already dangerous
to the firms business interests
for this reason I now very
beg of you to [redacted]
mentioned announcement and
in future refrain from cons
meetings of any kind on the fir
premises without my previous
consent in writing.

Yours truly
Henry F. Kellogg

To S. M. Barroughs Esqr

① SMB

7/ S M Burroughs Esqr Dec 18th 1891

Dear Sir

I understood you were intending to return to London by the end of Nov and I arranged to go to America early in Dec, on account of my mothers illness and to spend Christmas holidays with my people.

When you delayed your return I waited until you definitely wrote that you would be back on or before the 16th and then engaged my passage to America on Saturday sailing 19th as I notified you in my cablegram of Tuesday last

I had especially hoped that you would be back in time to complete the ordering of the Phoenix mills before the Christmas quarter day as that would be a most

(2) S.W.B. Dec 18th 1891

convenient time to stop the rent, and complete the transfer of title to the firm. I understand from the solicitors that the deed is nearly finished.

I have arranged for the deposit of the five thousand pounds in our joint names at the City Bank and have signed a cheque for the amt and have left it with Messrs Marsh Stewart & Co to hand to you on completion of the deed. On adding your signature to the cheque the Five Thousand pounds cash deposit will be paid over to you. I have thought this would be the most convenient and agreeable manner of dealing with the matter and all details can be attended to as well in my absence as could be if I were present.

In order that the firm should not lose the benefit of interest on the amt while lying in the bank I arranged that this special deposit should bear current interest and such interest to be paid into the firms current banking a/c.

(3) S.M.B Dec 18th 1891

In order to secure this interest the deposit must be subject to seven days notice of withdrawal and I am leaving a signed notice of withdrawal in the hands of mess Markby Stewart & Co which with your signature added should be presented to the bank seven days before the cheque is presented for payment. The deposit receipt is also in the hands of mess Markby Stewart & Co.

I am anxious that the amt of your loan to the firm ~~[illegible]~~ shall not be increased and that the amt now standing shall be reduced as rapidly as may be possible ~~[illegible]~~ without crippling the firms finances. The interest on this loan is in itself quite a heavy expense to the firm and as you well know it was the expenditure

(4) SMB Dec 18- 1891

(out of our moderate capital of about £36000) thirty six thousand pounds) of the enormous sum of more than £20000 ~~twenty thousand~~ pounds on and in the Phoenix mill (not including the five thousand pounds purchase money) that forced the firm into your debt and the greater part of this expenditure was as you well know against my expressed wishes.

Had the expenditures been kept within the prudent limits I urged not only in this but in other directions we should not only be free from debt but should have a healthy cash net balance to spend in various practical plans for increasing the firms business and net profits.

I sincerely hope you will now in the face of the frightful depletion of our net profits (shown by the past years) seriously consider the matter of retrenchment of all unprofitable expenses. With the gross profit of over £50,000. We ought to have a net profit that would yield a handsome income to our employees. Leave us a splendid surplus & moreover you will have safe pleasant journeys to the best wishes of the [illegible]

Blanche Mills

18 Oct. 1894

Dear Mr McCormac

Yours truly

Private

March 2d 1891

Dear Sir

Mr Sudlow has placed before me (and I presume he has placed before you) the results of the autumn quarter business — it is as follows

Gross sales for quarter ending Nov 30th 1890 £35.296. Gross profit on same £11.562. Expenses for said quarter £9.958. These expenses do not include either the interest on capital nor the bonus paid to our employees the total net profit is therefore only £1.604 minus the interest charge.

Of the item £9.958. for expenses only £1.586 is expended in salaries and wages (other than those charged into the cost of manufacture) or as making up the cost of manufacture) this leaves the enormous sum of about £8.000 or more than 20% expenses other than salaries and wages on a total trading of £35.296. during the quarter and leaving

Private 2 S.M.B.

March 2d 1891

us a net profit of about 4½ % minus both the interest on capital, and the losses.

Now is the time that we usually revise the salaries and wages lists and many of our employees especially those who receive very small wages cannot with justice be passed over even with a divided advance such as we made last year, as you are aware the smallness of advances last year caused much discontent and necessitated many further advances in July last.

Some of our employees seeing so many lavish and unnecessary expenditures of money by the firm have not accepted implicitly our mere statement when we represented to them that we could not afford to make more liberal advances. The fire disaster did however lead

note 3 S. M. B.

Mch 2d 1891

considerable weight to our statements and the year has passed by with a fair measure of contentment, but after this past years prosperous business (I mean prosperous only in the sense of increased volume) we shall experience great difficulty in convincing our employees that we cannot now afford liberal and general advances.

The salaries and wages paid during the year 1890 including wages paid for manufacture and putting up of stock and included in the charge against stock as part cost of sales amts to £15,285. Now if we make only the same percentage of advance in salaries and wages that we made Jan 1st 1890 that is from the half advance for which we apologized to our employees on the ground of

Private

4 S.M.B.

March 2d 1891

The new miscellaneous profit including fully advanced that percentage (half) would then pay an add'l £1,067. (=7% on £15,274) this add'l would be an additional sum to deduct from the profits of our business for the year 189[illegible].

If we should make the full percentage increase or increase which we deemed our employees entitled to and which we first decided upon last year that would cut down our half-that full percentage would add £ £2,134 and this additional sum we should have to deduct from the prospective profit of 189[illegible].

Now as you know the business quarter ending March 31st showed us a profit add'l of only £1,187. (minus interest on capital, no the loss this on the blended sales £ 88,[illegible]) must be borne in mind that merely

Private

5 S.M.B.

March 2d 1891

the summer nor the ~~winter~~ autumn quarters are affected in the large reduction in prices of Naloid, Kaplan goods etc, such reductions must materially affect future quarters — Kaplan goods, a reduction in prices alone cost probably from a reduction in ~~cost~~ profits on article of between & $400, per month Salary tank.

Another serious item to consider ~~must force~~ ~~is~~ is the necessarily heavy discount loss on solidified malt & M.T.R. to say nothing of the indirect loss which always accompanies such incidents.

Now in the face of all these serious facts, we must carefully consider what is the most wise and consistent course for us to pursue = certainly the course

Private

6 S.M.B.

L. A.

safety and prosperity of the firm business must be our first and never-relinquished care and yet we must not overlook the merited consideration due to our employees. Though as a matter of fact the safety and prosperity of our business are matters of practically as great importance to our employees as to ourselves. Unfortunately we cannot consistently explain the situation to all our employees and even if we did they would not all understand the operations as we see them. Some of them would not be able to put out so lavishly in other directions — whether they are right or wrong in such conclusions the difficulty remains and it seems to me that we are bound to go as far as reasonable prudent in making more advances in salaries & wages.

R.S.K.

Note

7 Vol. 13.

Mch 2d 1891

I feel that it is at the same time necessary to again urge upon you the vital importance of very material reductions in the Gen'l general expenses & expenditures. You will know how constantly I have urged this matter upon your attention especially since we planned to remove our off departments to Hartford.

Your letter of Jany 5th written just before your departure on your holiday in the Riviera I have not ~~found~~ been able to reach to until now and as your letter bears directly upon the matters now under consideration I will merge my answer into this letter.

I can best answer you and I hope to impress upon you the great

Private

8 S.M.B.

March 28 1891

of the question of expenditures by reciting some of the facts bearing upon these questions from the time of the negotiations for the Dartford premises began.

Messrs Norris commenced by asking a very high price and a very high rental for the Phoenix Mills but through continued negotiations they gradually reduced their figures until they offered to sell the premises at £7.000. a sum which had previously refused to consider. They also moderated their terms for rental and would no doubt have eventually accepted our terms, but you were very impatient to secure the premises and got Mr Fulton Sr and Mr Walter Fulton to survey the buildings and make an estimate of expenditure necessary to put the buildings in proper

Private

9 S.M.B.

March 2d 1891

condition for our occupancy.
This estimate stated that the outside figures would be about £1500. I was not satisfied to accept this estimate without corroboration. You then got Walters to survey and make an estimate and his figures were less than Messrs Buttons. I laid great stress upon the importance of these estimates especially as to their bearing upon our negotiations and I positively refused to agree to the purchase of the premises outright by the firm and most explicitly explained to you that I based my refusal upon the ground that the firm's finances would not warrant such an outlay as £5000 at that time especially when the necessary cost of fitting up the

Private

10 B.M.B.

March 2nd 1891

buildings would as shown by estimates and to about £1500. making a total cost outlay of not less than £6500. I make my own estimate that the real cost of removing and fitting up etc would reach £4000. and possibly £5000. but you ~~[illegible]~~ expressed strong doubts about it, costing more than £3000. I felt that the [illegible] would not with prudence stand [illegible] £5000. at that time and I frankly told you so. Then you said "I will purchase on my own account out of my own pocket the premises (Phoenix Hill) and rent them to the firm for forty nine years, making it a lease" the option of purchase [illegible] on a similar basis to that proposed by me in negotiating with others. I accepted your proposition on condition of your guaranteeing

Private

11 S.M.B.

Mch 2d 1891

the lease and options of purchase on such terms and conditions as I could approve of on behalf of the firm.

You will remember that I was very reluctantly rushed through the agreement by you and your solicitors. The excuse for this rush was your assurance that you only had until a certain evening to complete the purchase and that the whole thing would fall through unless completed the evening of the day of signing our agreement. However you have since informed me that you did not complete the purchase until sometime later.

Your solicitors told me that the urgency was so great they could that night only give me

Private

12 S.M.B.

Mch 2d 1891

a letter press copy of the agreement as signed by us but he faithfully promised to execute a counterpart signed by you on the following day and said ~~the same~~ it to me. You are aware of the great difficulties I experienced in getting that counterpart after it had been promised and refused and again promised and refused - and that you at one time positively refused to execute the counterpart unless I would agree that the firm should pay your personal cost of the leases of the premises.

You are also aware of the long and repeated delays you have made in respect to the lease which by the above mentioned agreement you faithfully promised to execute. I have expected you to complete the lease on the

Private

13 P. M. B.

Mch 2d 1891

lines of the agreement and I concede from time to time as far as I could with due consideration for the Firms interests.

I had stipulated some conditions in the agreement that were unusual and I explained to you at the time that I could not enter into the agreement unless these points were definitely dealt with in the manner set forth in the agreement, and the fact that you had previously and have subsequently ignored my rights in such matters gave and do now give me full grounds for asking for such provision. I consider such provision is calculated to prevent friction, disagreement and misunderstandings

Private

14 S.M.B.

March 2d 1891

I was at the time very firm and
frank in my position and as you
will remember every clause was
closely discussed and agreed to by
and your solicitor contending against
me alone and I expressed great
reluctance in signing the agreement
without having further time for
consideration but the agreement
was entered into and the terms to
be carried out, you have certainly
not done as you solemnly appeal
to in respect to the execution
of the lease on the lines of
the agreement and I hope from
that in accordance with usage
you did not consider yourself
entitled to receive the rents
until you had fulfilled your
agreement to complete the

Private

S. E. M. B.

March 2d 1891

lease. You have never previously made any demand on account of the rent, but now that you have demanded that the rent be paid to you in lump sum for the past and in the future quarter by quarter I yield to your wishes on that point but in doing so I must be on behalf of the firm that you will without further delay complete the lease.

As regards expenditures I have in the foregoing review the circumstances of the repairs for the Phoenix mills.

On the grounds of prudence I positively refused to consent to the firm's expending $1,000 outright in purchasing the Phoenix mills, it was necessitated by borrowing money

ate (illegible) 16 5 m 13.

Mch 2d 1891

I was anxious to avoid, but I did consent to the firm renting the mills for 40 years at the reasonable rental of £200, per year on the cash value of the property in it stands this on the condition that the firm shall have the option of purchase at a stated time at the fixed cash value viz £[illegible] I felt sure that with economy on a great manufacture we could in the course of a few years lay by a cash balance that would enable us to purchase the place without a strain upon our resources.

In consenting to the firm's renting the premises and the expenditure of the sum estimated by Messrs Potter & Walker as not exceeding about £[illegible] as necessary for fitting the buildings for

ete (Jacksonville Telegraph) 18 Feb.

Feb 2 1891

our requirements I felt that our financial resources would warrant such expenditure and I even went further and counted on possible emergencies and contingencies allowing as a safe and liberal figure to cover all necessary outlay, &c.

I regret to be compelled to Mr Walter, who had made the lowest estimate with the understanding that he should have charge as an experienced master builder & he certainly proved himself incompetent & a fool. You then insisted on employing Walter further claiming he would save us more than he cost by his knowledge of engineering etc. I protested against it & telling you I had no confidence in his judgment or judgment. I yielded from the

Private

19 S.W.B.

March 2d 1891

~~promised~~ promise that his engagement should only be very temporary and that Walters should be chief.

You ~~and~~ gave him your authority to take charge over Walters, and ~~was~~ in spite of my protests maintained him in that position until after our removal to Darlford (nearly a year ~~a~~ after which I think) you made Walters virtually Fulton's servant and you drove your own acknowledgment to me that Mr Fulton (who was being paid out of the ferries funds) not to regard my instructions and he implicitly obeyed your wishes in this respect.

When the expenditures at Darlford under Mr Fulton's management (by your directions) had reached £1800. and yet only very

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Private

20 S. M. B.

Mch 2d 1891

little progress has been made I earnestly protested and urged upon you the danger of allowing these unrestricted and unchecked expenditures to go on ~~on~~ and I endeavored to get you to consent to such restrictions as would, ~~in effect~~ insure ~~the~~ placing before us ~~of~~ particulars or estimates ~~of~~ every article ~~to~~ required and to receive our joint approval before it could be ordered and further to require proper itemized acts in such form that they could be understandingly checked by us or our accountants.

You sided with Mr Sutton though you said you were amazed at the figures - ~~that~~ you declined positively to place the restrictions I suggested - but

Bell

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Private

21 S.M.B.

practically you gave Mr Button your authority to make whatever expenditures he chose on behalf of the firm and to ignore my wishes and instructions.

As you will remember I repeatedly protested against the expenditures and repeatedly brought the figures urgently before your notice when they reached £2,500. and £3,500. and so on as the amt of expenditure on the Phoenix mills premises was augmented by each additional £1,000. until it reached the enormous and most unreasonable sum of £12,000. for simply fitting up the buildings and ornamenting the grounds.

I repeatedly pointed out to you that our finances a could ... as could

Private

22 S.M.B.

Mar 2d, 1891

not stand this strain, that it was not fair to handicap the business by thus unnecessarily locking up so much money.

I was desirous of avoiding discord and I urged these matters in as moderate language as possible but I did most earnestly point out my fears that the extravagant and altogether unnecessary expenditure would imperil our business.

I will remind you of a fair sample of the utter disregard of all principles of economy which prevailed at Phoenixville and this also against my repeated protest for I claimed that no unnecessary expenditures should be made & that we could, later on, add & improve as we could afford.

The light iron fence which appears

Private

23 S.M.B.

Mch 2d 1891

the entering roadway from the lawn was slightly broken & I instructed Mr Hutton to have it repaired. he said it would only cost 10 or 15 but in defiance to my wishes and instructions an expensive wrought iron fence was ordered and the old one broken up. I expressed my strong objections to this unnecessary outlay both to you & Mr Hutton but soon after I was told that ~~which~~ the second fence was not good enough and that a third one consisting of a wall & chain fence on top was to take its place before it was ordered I told you & Mr Hutton I could not consent to it but the second wrought iron fence was torn down and broken up & the third more expensive fence was erected in its place.

F.S.B.

Private

24 L.M.B.

Mch 2nd 1891

I mean first to last I never once during these improvements insisted upon or instructed an expenditure or alteration against or contrary to your expressed wishes. I endeavoured in every way to yield to your views if I could not demonstrate that my own suggestions were the more practicable - It was only in protesting against needless expenditures or needless destructions of property or hazardous acts which endangered our insurance, or in cases where you desired to mix our business with political propaganda that I opposed your views and had you heeded my earnest appeals you would have saved the firm many thousands of pounds and you who holding the larger share would have been the greater gainer. You even refused to respect my

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Private

25 S.M.B.

Mch 2d 1891

wishes in regard to the double cottage which was picturesque interfered with nothing and would yield us a fair rental – In fact the prospective yearly rental return was made a special feature in the negotiations for the purchase and lease of the premises Messrs Hutton estimated it at past rental I think about or £30. a year and you claimed that with small repairs it would yield probably £40. or £50. per year if we arranged for it was very cosy it for two or three tenants. One year rent would certainly have put it in good repair. Suddenly you changed your mind and wanted it torn down I told you after full consideration that I could not consent to destroy it to do so was to throw away just so much yearly income and directly

Private

26 Sm B

Mch 2d 1891

~~Dear~~ after an interview in which I clearly and distinctly refused consent you ~~[illegible]~~ instructed Mr Button to tear the cottage down. Mr Button was well aware of the fact that I refused consent for I told him so distinctly (& that it could only be torn down by mutual consent) Mr Button has told you that it yielded about £40. in building materials = about one years prospective rental return as per your estimate. This was a comparatively small item in itself but it is a fair sample. It was such cases as the above that impressed upon me the necessity of ~~adhering~~ insisting upon the clause in the agreement to which you mainly object. I have expressed a willingness that the clause should be made to read "by the written consent of both of us". Again I regard this point as important ~~[illegible]~~ from the fact that you own the

Private

27 S.M.B.

Mch 2nd 1891

premises and act as landlord to the firm while I act as the nominee of the firm. You as landlord have invested £5.000. in the premises as purchase money while you have caused £12.000 cash of the firms money to be expended upon your land and buildings the cash value of which lands and buildings is fixed at less than half the firms expenditure upon them, and this expenditure in spite of your fortune continual protest show in the face of all this you again demand that the firm should pay you the cost of your deed of title to the premises and that your investment is not sufficient on which to pay the property tax which is levied on the amount shown by above figures. This certainly forms a case absolutely unique in respect to the lavish expenditure of tenants money upon landlords buildings. The entire buildings when new cost I am told less than the amt of the firms money you have laid out on them. I must again assure you that I cannot consent to the firms paying you the cost of your deed it would not be fair or equitable to do so. Extravagant and needless as were the expenditures on the grounds and

Private

28 Y.M.B.

Mch 2d 1891

and buildings the expenditure of the Jirms money for interior fittings and machinery was almost equally unguarded and unfortunate and my wishes and protests were in most instances disregarded in very much the same manner.

You made the totals of expenditure for fittings & machinery run up to about £8000. the greater part of which could have been avoided. The combined total of expenditures of the Jirms money for improving your property and for the fittings & machinery amounts according to your own statement, to a Portfolio Journalist to upwards of £20,000. mostly expended against my expressed protests.

Had there been any well defined financial plan upon which you could have justified these expenditures I should have been ready to consider such

Private

29 S.M.B.

Mch 2d 1891

plan upon its merits, however at no time did you present a plan but on the contrary you made the expenditures blindly — always groping in the dark and always expressing astonishment at the enormous figures as I reported to you with anxiety each additional thousand pounds paid out under your authorization and against my protests and yet each time you refused to consent to restrictions being placed on these excessive outlays and the frightful leakage went on until it drained our funds to the very bottom and even then when I pointed out that we could not spend money that was not ours to spend, you still refused to make a law but went on and forced the firm

Private

30 S.M.B.

Mch 2nd 1891

into your debt against my wishes and protests.

To lock up £20.000. cash in more than a year and especially in such a manner that it cannot yield returns is a serious matter for any firm not possessed of unlimited resources and most certainly neither our necessities nor our capital did warrant the outlay - from any point of view.

This £20.000. expenditure means at 5% interest an additional expense of £1000. per year to be deducted from the profits of our business and by your course in forcing the firm into your debt against my wishes you cause the firm to pay you in interest upwards of £500. pounds

Private

31 S.M.B.

Mch 2nd 1891

per year which as an expense must be deducted from the firms profits now as the greater part of the expenditures making up the £24000 was unnecessary (and made against my wishes) ~~Note you the chief the~~ we should not have needed any loan if the expenditures had been kept as I understand they should be within reasonable bounds – such limits for expense as we agreed upon when Messrs Hutton & Walters made estimates or even if we doubled those estimates, we should have retained a ~~state~~ cash balance in hand and the firm would be quite free from debt. The expense and responsibility therefore are both hardships upon the firm and brought upon the firm by your individual action against the expressed wishes of your

Private

32 S.M.B.

Mch 2 1891

I certainly did everything possible consistent with amity and good fellowship to prevent the unnecessary outlays and I felt bound to tell you as I did repeatedly that you alone must be responsible for any and all harm that might come to the firm through your course of action. The only particle of satisfaction I have in the whole matter of these needless outlays is in the fact that fortunately I did succeed in preventing for months some of them and in the fact that by my intervention I prevented this tremendous waste reaching even greater figures.

It has been altogether a most hazardous risk for you run our ship so near the reefs