

INDUSTRIAL COMBINATIONS AND TRUSTS

CHAPTER I

SPECIMENS OF EARLY POOLING

NOTE

THE industrial combination and trust movement as a feature of our national life may be said to date from the pools in the cordage industry about 1860. These combinations were shortly succeeded in the middle of the sixties by the organization of the Michigan Salt Association, and the first anthracite coal combination appears to have been formed in 1871. The pools of the anthracite coal roads continued a more or less intermittent and spasmodic existence down to the passage of the Interstate Commerce Act of 1887. Both the seventies and eighties were characterized by numerous combinations of the same type. Among these may be mentioned the Western Export Association, the United Refining Company, Gunpowder Manufacturers' Association, Kentucky Distilleries' Association, Wall Paper Association, Sand Paper Association, Upholsterers' Felt Association, Standard Envelope Company and others.

Space permits the reproduction of only three documents showing the form of organization and methods of these early combinations. So brief an examination may be justified first, by the fact that these pools are now chiefly of historic interest, and second that their organization and methods of operation have in nearly every case been substantially reproduced in more recent combinations whose agreements will be shown in other chapters.

The first exhibit in the following pages is the pooling agreement of the Gunpowder Manufacturers, which was adopted April 23, 1872. In essence it is a simple agreement for the maintenance of prices. In the second agreement, that of the Kentucky Distillers, we have an example of a pool formed primarily to divide output