Hall

FIFTY YEARS OF TELEPHONE HISTORY
AND
THE STORY OF TELEPHONE PIONEERING IN NEBRASKA

This period is the entire life history of this great industry. Its story is as wonderful as that of any other business or social agency. It is something greater than just a story, for the invention and perfection of the telephone is one of the outstanding factors in the nation's development during the past 50 years.

In love, reverence and with the highest conception of ideals, the American people commemorate anniversaries of one kind or another, and they give to each the consideration of importance and value that is its due. Always there is great interest in the Golden Anniversary of an event and everything in its history passes in review.

On March 10, 1926, occurred the Golden Anniversary of the birth of The Telephone. Let us take a few minutes today to witness, as from a reviewing stand, the "March of Events" as they swing down the long avenue of the years and note the importance of The Telephone and the place it occupies in the procession of events that have richly enhanced our social and national life during the past 50 years.

Nebraska had been a state just nine years and nine days when The Telephone was born.

The growth and development of Nebraska has been one of the marvels of our national progress. Its population has increased ten times, and this population has changed the maps of 50 years ago by erasing the Great American Desert from them forever and painting, in its place, a garden of fruits, grass and grains, and dotted its plains, not with oases, but happy, prosperous homes and beautiful thrifty towns. And in this happiness and prosperity, The Telephone has been an important adjunct.

It is to this importance that we wish to call your special attention as our story unfolds. As we have said -

In 1876 Nebraska had been a state but for nine years. During these years the nation had been slowly emerging from the throes of the great Civil War and the results were still keenly felt. Business had not fully recovered from the dire effects of that conflict. There were empty chairs in many homes, empty sleeves on many coats, and sad memories in many hearts.

But out of that time Nebraska was emerging into a fairer day. Cities, towns and villages dotted her fertile prairies. Frame dwellings and barns had taken the place of the sod house and straw sheds on her farms. Bridges spanned the once unfordable streams. Railroads traversed the state, supplanting the stage coaches. Education was well advanced so that Nebraska was soon to be renowned among the states of the Union as having the lowest percentage of illiteracy of any.

The hard life of the pioneer had been greatly softened. Trials and hardships had given away to many joys and comforts. Progress was everywhere apparent and great gains in living conditions were realized when this new order was compared with the days from '46 to '66.

Improved and delightful as were the conditions of 1876; great as was their value over those of '46 to '66, there still remained the knowledge that there were things needed before perfection would be approached in social comforts and welfare.

There was something lacking which, if supplied, would make family life happier and more secure; that would add wings to business and satisfaction to its transaction, and that would be an agency of incalcuable value to society generally.

This feeling was not new nor peculiar to Nebraska. It had been felt by every civilization since history has recorded the story; from Babylonia and Egypt down through that of Greece, Rome, Europe, the American colonies and the United States.

It was noted in business by the unsatisfactory results often attained in its transaction, through messengers. Business men deplored the necessity of leaving their offices and stores to personally attend to matters outside and some distance away from their places of business.

The lapse of time and misconstruction of statements, when the mails and other agencies of communication were employed, were often felt and in the aggregate of these were many instances of direct business losses.

In social life, within the same town or village, neither a letter nor a telegram would suffice to communicate with a friend, with a tradesman, report a fire or summon a physician. Personal journeys or those by a messenger were required.

Dissemination of news was through the weekly newspapers, and while the mileage distance between cities and towns was the same in most instances as it is today, there was a feeling of greater separation and distance than is felt now. This was occasioned by the knowledge of the time required to visit a distant member of the family or a friend, even if the occasion were one requiring but a few words. Then there was the consequent expense attendant on such a visit.

On the farm, many of these conditions were experienced more acutely if anything than in town. Those who lived in those days will recall times when hamlets and villages were cut off from the outside world for days by floods or impassable roads.

Wagons were loaded with hogs or grain, and a long day consumed in driving to market, only to learn that the market was supplied or the prices had greatly dropped. On other occasions a trip would be made for repairs to a piece of farm machinery, only to learn that there were none on hand at that town.

On a summer day with a sunshiny sky, the reaper would be started in the standing grain, or the mower in the grass, to be followed within several hours by a heavy, steady rain whose coming could not be announced to the farmer hours ahead as now.

Then there was the ever-present need of some means to summon relief from many adverse circumstances, as repairs after storms, relief to sick

stock, help when buildings or stacks took fire, help when thieves or vandals menaced and more acute than all, help when dear ones were injured, sick or dying.

Mounted on a horse, speeding along a lonely road at dark of night to the village for a doctor, many a farmer or farm boy, worn by anxiety, depressed at the loss of time consumed in the trip, prayed for the day when in some way, not then known, one could overcome these conditions.

The thing needed then was something to eliminate the isolation and loneliness of many farm homes; that would shorten distance between communities; that would bind the world into closer relationship, state with state, town with town, and person with person; that would give new zest to all social activities; that would diffuse news and knowledge as never before; that would afford protection from fire and flood and summon help speedily in distress, and become a valuable and indispensable adjunct to every business and profession.

This desideratum was improved communication. The mails and messenger service were probably the best that they had ever been, and Prof. S. F. B. Morse in 1844, had given to the world the electric telegraph. This in a large measure had supplanted the pony express and speeded up the railway mails. But important and valuable as his invention was then, and is now, it did not and could not supply the entire lack in communication facilities for several reasons:-

(1) Skill was required to operate it; (2) Not every community was supplied with its service; (3) It could not be used in the average business as a substitute for a messenger - that is, between business houses in the same town; (4) Its value to the farmer was always indirect.

Then one day in Boston, in the attic of No. 5 Exeter Place, a tall Scotch professor, experimenting with what he supposed was a musical telegraph, spoke into the wooden box which contained it. The box was connected by a wire with a duplicate box in charge of an assistant located elsewhere in the building.

The words that Professor Bell spoke on that March day in 1876, were: "Mr. Watson, come here; I want you."

Mr. Watson, in amazement, dropped the box he was holding, rushed up three flights of stairs, burst into the attic and exclaimed: "It talks, I could hear you!"

And thus The Telephone was born.

The succeeding months grew into years before the invention became more than a scientific toy.

On June 30, 1877, there were but 234 Bell telephones in existence. But large oaks from little acorns grow. Why did the system become so large as to grow from 234 telephones in 1877 to 16,000,000 at the end of 1925. There are several reasons for this wonderful growth, all of importance:-

1. The long-felt want which the service supplied.
2. Its ability to supply that want.

3. Its great value compared with its cost.
4. Its economic and social policy.
5. Its management personnel.

It is not necessary to turn back the clock to 50 years ago, nor to burn a telephone office, to show how well The Telephone has supplied the lack of communication.

No other commodity of equal value can be purchased at so low a cost; or, putting it another way, nowhere else does one get as much value for a dollar as the dollar spent for telephone service.

Some of its strong economic policies are:

The business organizations owning the property issue no watered stocks. Invariably the investment is more than two times the capital stock issue.

No great fortunes have been made in it.

It is not owned by a few. It has probably more than 500,000 stockholders.

The social policy of the telephone industry has been equally meritorious; in fact, we might say unique, for it was the first great public utility to frankly and fully tell the public about its business, and this without being required to.

In 1883 the general manager of the principal telephone company, writing to the general manager in Iowa asked:-

"Is the telephone service as it is now being furnished, satisfactory to the public?

Are the prices satisfactory to the public, considering the facilities and services that are given?

Is it possible, in view of the contingencies of storm, underground legislation, etc., to make any lower rate to the public for some classes of service?

What has been the tendency of the relationship between the public and the local companies for the past year, i.e., are the relations between the public and the companies improving?"

There is no "public be damned" attitude expressed there. On the contrary, there is real interest and solicitude for the public's interest as well as its own. Early the right spirit in public service was originated and it has ever continued.

Its contribution to mankind outside the telephone field are many and of incalcuable value. They can only be mentioned here:

The electrical transmission of photographs, of drawings, finger prints, etc., over telephone lines is a great help in the cure of diseases, detection of crime, and aid to business and courts.

Bringing telephone service to the deaf is another boon to that

afflicted portion of humanity, and greater still is the audiphone whereby the partially deaf, who retain a part of the auditory nerve, may again hear normally or nearly so.

Development of the vacuum tube and perfecting the apparatus to make radio broadcasting and reception possible.

The public address systems and loudspeakers are still other developments which have contributed much to the public welfare.

We come now to the personnel - the master minds of the founders and buildings of this great enterprise - Nebraska and Iowa's place in it all.

In the late 60's there came to Waterloo, Iowa a young man of sturdy build, over six feet tall, curly blonde hair, blue eyes and restless energy. He has told how, as a boy in New Jersey, he had planned some day, to have a farm of his own and had heard that there was land in Iowa almost for the asking, if one had the strength, grit and patience to break its sod and carry on at planting and cultivating it.

He found the cherished spot in Bennington township, Black Hawk County, Iowa and with his own hands held the breaking plow that broke the prairie sod on what is today one of the finest farms in Iowa. In the winter interval between farming seasons, he taught the country school near his farm.

It was on his father's farm in New Jersey that Prof. Morse had perfected his electric telegraph, and this boy was attracted to and learned the telegrapher's art. The fascination of it claimed him after a year or so of farming in Black Hawk county, and he drifted westward to where new telegraph lines were being opened beyond the Missouri river.

Ambition, tugged at him, lifted him into the railway mail service, and soon he was chief clerk in a mail car running from Omaha to Cheyenne.

His genius for organization, his great executive ability, his ceaseless energy, his wonderful vision and perception, soon brought him promotion to division superintendent, then shortly thereafter to superintendent of the railway mail service of the United States.

The Boston men, who were trying hard to make The Telephone popular and successful financially, concluded that they must secure the best general manager possible, so Thos. A. Watson, who heard the first words ever spoken in a telephone, was sent to Washington to interview and report on the noted railway mail superintendent who would be asked to come to Boston, organize the business, plan its future, and further its development.

In exchange for a good position, he accepted a surmise; and in exchange for a salary, he accepted golden hopes. Thenceforth he was destined to direct the enterprise that had harnessed the jagged lightning of the summer cloud; to take it from beginnings of less than 300 instruments to millions; to build a business of less than $10,000 to an industry of over two billions; to increase the number of people it would support from ten to over 500,000; to place in America 16,000,000 telephones; and within his loved Iowa, the greatest number in proportion to its population of any other place in all the world.

It was in this way the one-time Iowa farmer and Nebraska railway mail

clerk, Theo. N. Vail, entered the communications field, where he became the dominant figure, greatest financial and organizing genius of his day, man of great vision, and most successful in accomplishment of any of his contemporaries. America's supremacy in communication development, in radio development, in underseas telephony, in humanity to employes, in improved public service, in safety campaigns, etc., are all traceable to him.

It was quite natural that he would be much interested in seeing the use of the telephone extended as far and as fast as possible, and he organized the company and perfected the greatest single agency for this purpose ever created.

We spoke rather positively a moment ago about the value of telephone service; this was because we have come to know its value after 43 years of study of it.

Probably there is no other commodity in universal use whose value is so little understood and in the determination of which so many wrong measures of value have been used.

In 1876, there was living in Omaha a man to whom Nebraska is indebted for the foundation of its telephone service, L. H. Korty. Mr. Korty was then superintendent of telegraph for the Union Pacific Railway. He had become acquainted with Mr. Vail while the latter was a resident in Omaha. Associated with Mr. Korty in the foundation of the telephone industry was J. J. Dickey who was the district superintendent of the Western Union Telegraph Company.

Scarcely had Mr. Korty settled down after the thrilling experiences connected with the opening of the Union Pacific railroad than there burst into the telegraphic world a star of unwonted brilliancy. The telephone was invented and Sherman's military telegrapher and the Union Pacific telegraph superintendent visioned its possibilities as few men of his time did.

Again opportunity knocked at his door for he happened to be in Philadelphia at the exposition in 1876, saw Dr. Bell and his remarkable invention there and discussed it with Dom Pedro, the emperor of Brazil.

At that early time Mr. Korty was convinced of the ultimate practical possibility of the telephone and had visions, if you please, of its wonderful future.

His faith carried him along, gave him confidence, inspired him to convince others to associate with him and help him in the new and untried field of telephonic communication where again romance and distinction followed him and forever gave him the honor of being one of the founders of the telephone systems of Iowa and Nebraska which we of today know as the Northwestern Bell Telephone Company and in turn know it to be a part of the greatest system of communication ever devised or operated.

He kept a close watch on the development of the telephone and convinced a friend in Omaha, J. J. Dickey, of the great possibilities of this instrument that was causing telegraph men to wonder whether it would soon or eventually supplant the telegraph. In 1877 Mr. Korty secured two telephones from Boston and wished to connect them up and try them, so he induced Mr. Dickey to cooperate with him. Mr. Dickey was then superintendent of the

Atlantic and Pacific Telegraph Company and Mr. Korty was in the Union Pacific railway telegraph department. On Nov. 18, 1877 the first telephone in Omaha was connected, this time with a telephone at the Union Pacific Transfer in Council Bluffs.

Messrs. Korty and Dickey then formed a partnership and acquired the license rights for the Bell telephone in a portion of Iowa, all of Nebraska, Wyoming, Utah, Montana and Idaho. They put in various private lines together until the latter part of 1878, when the Atlantic and Pacific Telegraph Company was sold to the Western Union Telegraph Company and the latter company required Mr. Dickey to push the Edison telephone instead of the Bell instrument.

The early history of the development of the telephone in America contains many incidents and conditions not often stressed by writers of today. One of these conditions was the strong competition between persons and interests back of Thos. A. Edison as the inventor of the telephone against the persons and interests espousing Alexander Graham Bell as the inventor. Throughout the country the powerful Western Union Telegraph Company was back of Edison, while private capital was backing Mr. Bell, rather feebly it seems now.

Owing to these conditions and circumstances the partnership between Messrs. Korty and Dickey was dissolved but not the friendship. Later under happier conditions, when the Western Union Telegraph Company conceded that Bell was the inventor of the telephone, the two old friends became partners again.

While Mr. Korty's old friend and partner left him for a time, and strenously opposed his establishment of the Bell instruments in Omaha, Mr. Korty became the sole licensee of the National Bell Telephone Company in the territory we have described. He sought help and backing and found it in S.H. H. Clark, then president of the Union Pacific railroad. These gentlemen believed that the time was opportune to build an exchange in Omaha, especially since Mr. Dickey could then rejoin them. So the three men, with others, organized the Omaha Electric Company and during the first half of 1879 built amd opened Omaha's first telephone exchange on the west side of Fifteenth between Farnam and Douglas streets, where the new World-Herald building now stands.

Much of the story of Omaha's first telephone exchange has been told. There is an incident, however, that will bear retelling many times. In explanation it may be said that in those times there was hardly any complete factory built equipment. Parts had to be collected here and there and assembled at the exchange to be installed. Mr. Korty and Mr. Vail had some correspondence about the proposed Omaha exchange and in one of Mr. Vail's letters to Mr. Korty dated April 15, 1879, Mr. Vail suggested that Mr. Watson, forever famous as the assistant to Mr. Bell in the invention of the telephone, should come to Omaha and supervise the construction of the central office apparatus.

Mr. Vail's letter reads:-

"I will have sent to you as soon as possible a complete set of our instruments in order that you may exhibit them and show their work. I wrote Mr. Dickey today in regard to the switchboard and apparatus to be connected with the exchange. I think it would be well to let our Mr. Watson supervise the construction of the apparatus for your central office system as he can

bring to bear upon it an experience of over two years."

Happily for Mr. Watson and for many others in the telephone business today fame and worth do not rest on years of experience alone, but on character, ability, loyalty and industry.

Messrs. Korty, Dickey, General G. M. Dodge and others built an exchange at Council Bluffs, Iowa, in the same year (1879) under the name of the Council Bluffs Telephone Exchange Co. and also in the same year Messrs. Korty and Dickey of Omaha and Messrs. A. D. Hathaway and John R. Clarke of Lincoln under the name of the Lincoln Telephone Exchange Company built the first exchange in Lincoln, Nebr.

There were other exchanges built and other fields developed by the courageous and indomitable Korty and Dickey - Marshalltown, Iowa; Sioux City, Iowa besides many towns in Nebraska, as well as organizing the Rocky Mountain Bell Telephone Company, building in Salt Lake City and elsewhere in that region.

It would be interesting to dwell on the experiences of those days, nearly a half century ago; experiences like those of sending the first pair of telephones to the Sandwich, now the Hawaiian Islands, or to write of the splendid pioneers who were Mr. Korty's associates. But space forbids, so our story will be mostly of him.

His charming story cannot be confined to a few lines yet so compelling is it that one can learn something of value to the telephone worker in any line of it. It has an interest and charm for us as it unfolds, grips us and makes us proud to be identified with the industry which so strongly attracted men like him; the industry he founded so ably and well and which it is our duty and privilege to preserve and carry on to all the heights of the ideals he had when he built the Omaha exchange 47 years ago.

Modesty is an ever existing characteristic of men of achievement and Mr. Korty when asked to relate the experiences of his wonderful life crowded the story into 286 words including the signature. We give it here just as he wrote it:-

"I was born October 22, 1846, in Hanover, Germany. The family emigrated in 1852, settling at Fort Madison, Iowa. In 1860 I secured my first job in a newspaper office as 'printer's devil'. In a few months a better situation, as a clerk in a book store, presented itself and I took it. The telegraph line reached the town in 1861 and the office was established in this store, which gave me am opportunity to become a telegrapher.

"It was not long before I had acquired sufficient practice to be placed in charge. The following year I was transferred to Chicago. From there I was shifted around to various points in Illinois, Iowa, Wisconsin and Minnesota as utility man. In 1864 I entered the military telegraph corps, remaining in that service as operator and cipher clerk until the close of the war, also during the reconstruction period. Returned north in 1867 and again entered the telegraph service at Chicago, remaining until the completion of the Union Pacific railroad in 1870 when I secured a job on that road.

"In October, 1871 I was transferred to the general office in Omaha. On January 1, 1881, I was made assistant superintendent of telegraph. On August 1, 18871, I was promoted to superintendent of telegraph, remaining in that capacity until May 5, 1908 when after 38 years continuous service, I was retired on pension.

"On October 14, 1871, I married Elizabeth B. Sampson at Chicago, whose family had lost everything in the great Chicago fire, five days previous. Immediately after the invention of the telephone J. J. Dickey and myself secured rights covering a portion of Iowa and all of Nebraska, Wyoming, Utah, Montana and Idaho. The enterprising people of this territory early availed themselves of this great convenience."

LOUIS H. KORTY.

Mr. Korty omitted an interesting historical fact from his autobiography and that is that in the great Chicago fire the court records and books were destroyed and as soon as possible thereafter new records were established and in the new marriage license record for Cook county, Illinois, opened for use after the fire, marriage license No. 1 was issued to Louis H. Korty and Elizabeth B. Sampson, both of Chicago.

Fortunately for us there are records of his accomplishments in the telephone industry, recollections of his associates and others, who were privileged to know him, that can be drawn upon to supply what Mr. Korty modestly omitted from his life story.

He passed through so much that was epoch making; he was an associate of great men; he was one of the chief actors in it all - yet to him it was a part of the day's work; the unusual to us, was usual to him.

His eyes would light up at the mention of the names of Edison, Dodge and Vail, each his personal friend. I have wondered on these occasions what his memories were of the men and events in his experiences of three score and ten years.

Such is the story of the pioneering of the telephone in Nebraska. The time is too short to take up the interesting story of the subsequent development of the enterprise or to trace it from its beginnings in each of the cities and towns in this splendid state or to adequately and fittingly tell the story of others besides Messrs. Vail and Korty who had a part in it. Each of these stories should be written and preserved hereof all places for there is no other achievement of the 19th or any other century that has contributed more to the comfort and convenience of our people than the invention, establishment and development of the telephone in Nebraska.

In conclusion I would like to say of the telephone generally that:

There could be books of intense and valuable interest written about the telephone industry started in the little room at No. 5 Exeter Place, Boston, 50 years ago. Just two men working in that little laboratory long ago. Today, in another laboratory that bears Bell's name, there are 5,000 scientists, engineers and inventors at work trying to improve and develop the means of the world's communication systems of which The Telephone is chief.

At the head of this great laboratory is a man who has been identified with the industry from its beginning, General John J. Carty, America's greatest

telephone engineer, and I believe you would like to hear what he says about "Fifty years of Telephone History". Therefore I will quote briefly from his story of the "Semi-Centennial of The Telephone". Mr. Carty says:-

"The first telephone message was sent in 1876. So great has been the growth of telephone messages in 50 years that in 1926, 50,000,000 telephone conversations take place each day in the vast telephone plant which covers a continent.

The two telephones of 1876 have increased so that now there are more than 16,000,000 telephones interconnected in the Bell System.

The first telephone line of 30 feet in length has grown to a network of more than 40 million miles of wire; and switchboards, buildings, pole lines, cables, conduits, and other forms of plant have been constructed, costing over $2,500,000,000.

During the year 1926 there was observed with appropriate ceremonies the semi-centennial of the invention of the telephone. Much was said and written concerning the marvels which have been achieved during the past 50 years, in extending its use among all the people of our nation by means of a continental system of wires and by the most recent marvel of the radio. These things are largely dependent upon the fundamental discovery which was made by Alexander Graham Bell and upon the unremitting labors of the scientific men in those laboratories founded by him 50 years ago and which bear his name.

So much has been achieved during the last half century in the scientific and business development of the telephone in America, that we can look forward with a confidence born of experience to the astonishing things that will have been accomplished by the successors of Bell at the end of the next 50 years, when our country celebrates the second hundred years of its existence as a nation.

While it is impossible to predict in detail what will be the nature of these great new developments we can be sure that the problems which we can now see ahead of us contain the promise of marvels greater than anything which we can now imagine."

As recently stated by W. S. Gifford, President of the American Telephone & Telegraph Co.: "The advances which have been made during the first 50 years of the work of the Bell System, are unparalleled in the history of communications. They are contributions which will make forever memorable this great epoch in our progress.

We are now at the beginning of a new era filled with boundless opportunities for advancement in the business and science of telephony. Upon the foundations which have been so securely laid, we can look forward to the telephone system of the future which in effectiveness and useful service, will surpass all that has gone before.""

Only five days ago the Press of America told the very interesting story of the fulfillment of a part of Mr. Gifford's prophecy when it narrated his opening of Long Distance International Telephone Service between New York and London.

On that occasion it was further predicted that ere long it would be possible for almost any American telephone user to talk to any European telephone user.

Surely, Dom Pedro was right on that day 51 years ago when he exclaimed : "My God it talks !"