

C O P Y

THE AMERICAN METAL COMPANY, Limited  
61 Broadway  
New York

July 19, 1918.

Mr. Henry Bruere,  
Red Cottage,  
Camden, Maine.

Dear Mr. Bruere:

The effect which the Federal Trade Commission's report had on the minds of leading men in Washington is most unfortunate. However, they have had neither the opportunity nor the inclination to study our side of the matter. The company should be freed from all implications embodied in the Federal Trade Commission report. Were it possible to put the facts before the public, we could readily prove that our company's earnings were relatively smaller than those of other large corporations, which, to a much greater extent than we, control the prices of the materials we produce and whose lead we have to follow. We challenge comparison with every other concern in the metal industry, particularly with respect to our attitude toward the government, which was so clearly demonstrated in connection with Mexico, where we worked at great risk and sacrifice to support the Administration in its efforts to maintain peace, when other companies who had interests in Mexico, practically without exception, favored a warlike policy.

In view of the equivocal position in which we find ourselves, through no fault of our own, it is of great importance that we allow no aspersions to be cast upon the officers and managers of the company by reason of the Federal Trade Commission's report. Had we worked for the customary salaries, instead of tantiemes and paid out larger dividends to our stockholders, we should not have been held up as an illuminating example. Had we capitalized our surplus and goodwill and acquired fortunes through the sale of watered stock to the public, our record would not be open to criticism. If under our arrangement with the stockholders we were not compelled to take chances on the results of our work, but instead were able, as others, to engage some one else and secure our income from dividends on shares acquired by the aforementioned methods, we should not now have to defend ourselves against a sensation-seeking report of the Federal Trade Commission, which, by its own admission, was gotten up in such a hurry that there was no time to ascertain correlating facts. It seems not to have mattered that the reputation of men, who have held an unblemished business record in this city for twenty-five years and over, has been affected by this publication. By reason of the popular prejudice, to which we should not have been exposed, it is almost impossible to undo the harm which has been done us. Matters have so turned out that I must now condole with you for having had your

percentage of the profits fixed at a time when neither the expansion in the industry, nor the entrance of our country into the war could have been foreseen. It is a matter of great concern to me that you should be involved in our difficulties, because I consider it of the utmost importance that your exceptional ability be available for our Government. Many months ago I offered you leave of absence for the duration of the war, but believe I realize, and therefore can respect, the motives which have so far caused you not to avail yourself of this offer. You know that all the officers of the company have always stood ready to do whatever they can to support the Government in the present crisis. We sincerely hope that before many weeks matters will have so adjusted themselves that you will feel free to act, although I desire to impress upon you again not to allow our own interests to influence you, except in so far as you consider these interests identical with those of the Government.

Sincerely yours,  
(Signed) C. M. LOEB  
President.