

THE SOUTHERN POWER COMPANY

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The story of how the Southern Power Company started reads almost like a romance. The Catawba Power Company was the beginning of the development that has spread from one end of upper Carolina to the other. Dr. W. Gill Wylie, who was the moving spirit in the Catawba development was interested in the Portman Shoals project at Anderson. He believed in water powers and looking around for a development discovered the possibilities of the Catawba River and began this development by organizing the Catawba Water Power Company. Later on he interested the Dukes, but Dr. Wylie bore the brunt and had a hard burden in developing the Catawba plant and getting it started. It had serious mishaps and interruptions, began with less money than it was expected the plant would cost, and while almost everyone else lost heart, Dr. Wylie out of his own resources invested practically all of his own means, and finally was rewarded by success. The Dukes came into the situation after that time, and of course, Dr. Wylie has not lost in any way.

It will be interesting to note the genesis, so to speak, of the Great Falls—Rocky Branch developments, as these are the initial links in the Southern Power development.

Commencing in Chester county, about seven miles north of the Fairfield line, the Catawba River drops through a series of shoals about 200 feet, thus forming one of the finest sites in the county for the development of water power. To avoid these shoals, for purposes of inland navigation between the upper-county and the ocean, the State in the early part of the last century constructed a series of boat canals. The two large creeks, Fishing Creek and Rocky Creek, which drain the southeastern part of Chester county, empty in the Catawba within the limits of this section and portions of these creeks, extending to their mouths, were used to empty the canal into these parts of the creek and these formed parts of the canal. The extreme northern part of the canal belonged to Henry Gladden—about three-quarters of a mile. Here there is not much fall

in the river. Below the Gladden place the canal entered the Boylston plantation and emptied into Fishing creek, about a third of a mile from its mouth. From the Gladden line to the mouth of Fishing creek is about two miles and three-quarters and the drop in the river level is about 70 feet. From the mouth of Fishing creek to where the canal emptied into Rocky creek and on down the creek to its mouth is about two and three-quarters miles. This section was known as the Gayden Canal, running through the Gayden and Pickett McCullough plantations. The river drop here is about 105 feet, thus making a fall in the three several sections of about 175 feet, but to assemble it into a complete proposition required the procuring of fifty-five title deeds from owners living from Baltimore to Texas. Mrs. Boylston was the most active of the land owners in bringing about a development of power at this point of the Catawba. About 1888 she got a conditional deed from the Sinking Fund Commission for the old State Canal. The condition was that \$150,000 must be expended in development to perfect the deed, and a time limit was stipulated. Mrs. Boylston went to much expense in having a survey and map made of her part of the canal. She placed the promotion of the sale into the hands of Col. A. C. Haskell and afterwards with Mr. D. A. Tompkins, of Charlotte. Nothing coming from the efforts of Messrs Haskell and Tompkins within the time limit she secured a renewal from the sinking fund Commission and placed the sale in the hands of Mr. James Q. Davis, of Winnsboro, S. C., in the spring of 1898. Shortly after getting the option Mr. Davis happened in Charlotte, NC., and mentioned the matter to Mr. George Stewart, of that place, who was in the real estate business. Quite soon after his visit to Charlotte Mr. Davis received a request from Mr. Stevens to meet him and some parties from Greensboro, N.C., in Chester for a trip of inspection over the river, which resulted in a meeting of Dr. Davis, Dr. McBane, of Greensboro, N. C., Mr. Stevens and Mr. L. P. Gaston, an engineer, of Summerville, N. J. Mr. Davis understood that Mr. Mebane represented the Dukes, of Durham, N.C. Arriving at the river Dr. Mebane and Mr. Stevens became disgusted and returned to Chester. Mr. Gaston declined to return saying "I shall remain and see what Mr. Davis has." Mr. Gaston was a neighbor and personal friend of Mr. J. B. Duke, and owned, with Mr. Duke, a small water power on

the Raritan River, in New Jersey, from which satisfying dividends had come and this probably gave Mr. Duke an appreciation of water power development. Mr. Gaston and Mr. Mebane inspected other water powers in the State on this trip before going to Great Falls.

After spending a week on the river Mr. Gaston and Mr. Davis returned to Winnsboro, the former being so impressed with the splendid possibilities for power development there, that he suggested that Mr. Davis procure options on the whole section of the river and returned North to make his report to Mr. Duke. Later Mr. Davis met Mr. W. A. Erwin, of Durham, N.C., and Mr. Gaston, representing Mr. Duke, at Chester and they made a detailed inspection of the whole river section. Mr. Davis was then engaged to get all the deeds on both sides of the river as soon as possible. Mr. Erwin saying, "we'll make here a Lowell of the South."

Besides the many title deeds to be gotten the three sections of the old State Canal had to be secured. A bill was being prepared for introductions in the House to deed this property to other parties, but Mr. Davis succeeded in getting a deed from the sinking fund commission, conditioned on a large expenditure of money for development. It is to the credit of Governor McSweeney's administration that it saw the opportunity to transform this almost barren waste into the scene of great industrial development, which is now being so rapidly done, and threw no obstructions in the way of the negotiations then going on in that direction.

To secure all the deeds necessary was a big undertaking, requiring much persistence and patience. Some of the deeds were not gotten until death caused the property involved to pass into other hands. About 1906 the American Development Company of which Mr. B. N. Duke was president, the purchasers of all the property appertaining to the water power, sold out to the Southern Power Company.

The purchases, largely to provide for backwater, aggregating 150,000 acres were made in the name of the American Development Company. Mr. J. B. Duke and his brother, Mr. B. N. Duke, had by this time, through the influence of Dr. Wylie and other friends, become interested in a small way in the Southern situation, but it was not until the nearing of the completion of the work at

Catawba Falls that Mr. W. S. Lee got into touch with the Dukes, and it was his convincing way of presenting things, his detailed plans of how he proposed to develop the properties and make them lean on each other, so to speak, by the tying-in system, that the general broad scheme of development of the Southern Power Company was planned, and since executed. Too much of the credit for this development—which means so much to the industrial growth of South Carolina—cannot be given to Dr. W. Gill Wylie, who is still president of the Southern Power Company. His people and his interests are all in South Carolina, but he lives in New York city.

Mr. Lee found an attentive ear when he went over the situation with Mr. J. B. Duke, but this was not done until he had all his plans well matured. Mr. Duke was familiar with the Southern situation; he had been born and raised in North Carolina, and started his fortune there. He became interested in the cotton mill business about 1900. In connection with the cotton mills in which he was interested, Mr. Duke had his representative to prospect for water powers and he gave special attention to the Great Falls proposition when brought to his notice by Mr. Davis. But has been related, it took six years to buy this property because of the supposed “hold up” on the part of certain property owners.

During this time Mr. Duke and his associates built the Cooleemee Mill which is fifteen miles from Greensboro. Mr. W. A. Erwin was interested with him in development, and they continued to look about for powers, but could find nothing better than on the Catawba River.

Mr. Lee joined the force of the Catawba Power Company in 1903, finishing that plant. At that time the Wateree Power Company was being projected by Mr. S. Logan Land, and there were interested in this proposition, Mr. Coker, Lewis W. Parker, Mr. Twitty and others, but the development was not pushed by the original promoters. Mr. Duke went over the Great Falls property and studied out the original plans with Mr. Lee and Dr. Wylie, in March 1905, and at that time arranged for the organization of the Southern Power Company, and that corporation, at the instance of Mr. Duke, gave the necessary orders for the undertakings that are now owned by the Southern Power Company. Mr. J. B. Duke makes it a rule, of

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course, to have competent men associated with himself; this has been one of his characteristics. Another strong feature of his business career is that he has absolutely every detail of the work at his finger's tip. Mr. Lee or any other co-workers might present to him any proposition connected with the Southern Power Company, and he would grasp it in a moment, although it might be technical in many details, because of his entire familiarity with the situation and conditions. Mr. Lee found that the Western "boomers" and particularly Alaskan promoters are soliciting Mr. Duke, day after day, urging him to invest largely in the West and Alaska, and on one of his trips to New York, he impressed upon Mr. Duke the importance and future of the Southern field, and in February, 1909, Mr. Duke visited Greenwood, Columbia, Greenville, Spartanburg, Charleston and Gastonia, and other points in the territory, to study further actual conditions.

Mr. Duke then determined that he would largely confine his energy and resources to the development of his native Southland. It is stated on very good authority that as a result of Mr. Duke's recent investments, independent of the Southern Power Company's investment, he had placed over \$1,750,000 in various enterprises in the Piedmont section. He is a great and ardent believer in the Piedmont section, as he is in the entire South. He has made millions, and though he might invest his money in bonds and take life easy, he is an industrial enthusiast. In the development of the water power industry Mr. Duke has followed his usual rule of putting his money into something that people must have and supplies it as cheap or cheaper than anybody else. He told his associates to press right on with the development and as long as money was needed, he would either supply it himself or get it, and before any bonds or securities that have been offered. The success that the Southern Power Company has achieved, and is continuing to make, redounds to the benefit of all other power corporations, and is a beacon to those that are to follow. Mr. Duke is in a position to say, and has said, that every substantial industrial development that comes to the Piedmont section can get all the power it wants and there is absolutely no occasion for any industry to hesitate a minute in its plans. Mr. Duke's brother, Mr. B. N. Duke, is also one of the

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executive officers and (2 or 3 words illegible) in the Southern Power Company's plans and developments. Another exemplification of Mr. Duke's ideas, is that he wants local interests to participate in the undertakings and enjoy the profits of the enterprises. Mr. Duke and those associated with him now plan an interurban street railway, traversing the territory between Greensboro, N. C., and Anderson, S. C. This involves a trolley line from either Abbeville or Greenwood to Anderson, thence to Greenville, Spartanburg and Gaffney, and perhaps later on to other points. But Mr. Duke has said that while he is willing to put money into the enterprise in unlimited amounts, that he wishes at least one-fourth of the funds necessary for the development locally subscribed to insure that much of home interest. Thus far the cooperation has been willingly accorded and various communities are vying with each other to secure the interurban lines.

Mr. Duke has repeatedly shown himself to be a man of broad gauge and extremely liberal views. The following will illustrate the type of man he is. Not many months ago, the State of North Carolina found itself unable to sell its new issue of four per cent State bonds. Things were in a very much demoralized condition, when Mr. Duke stated that he would be personally responsible for the taking of all the bonds that might not otherwise be sold and he did what he promised.

He is comparatively a young man, being only 52 or 53 years of age. He is a great believer in the South, and the importance of keeping Southern money at home. With his influence and the strong financial friends and connections that he has in New York, Mr. Duke will do a great deal more than appears on the surface for the development of his section and the utilization of the immense powers he is developing through the Southern Power Company.