

TELLURIDE NEWS LETTER

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JANUARY, 1939

DEEP SPRINGS NOTES

By William Ross

We at Deep Springs look back upon the last four months with a pardonable degree of pride. Despite a rather heavy load of Student Body and class work, the two Student Body projects have progressed very satisfactorily. The lawn system is now completely installed and drained for the winter, and from the several trials we made of its capacity we feel certain that only a shortage of water can prevent our having a lawn in front of the main building next year. Although work on the redecoration of the museum building was deferred until the completion of the lawn system, this project also is nearing completion.

The hay crop this year exceeded the most optimistic estimates, and at the conclusion of the third cutting we have over five hundred tons of alfalfa in our stacks. As the winter has been a rather mild one thus far, we are looking forward to establishing a reserve supply of hay to carry us through dry years. After an exciting start, which featured three run-aways in one week, our work crews have seemingly mastered our equine helpers and there has been no recent trouble from this source. Our team of mules has been traded for a team of light, but sturdy, work horses.

Despite an unfavorable market, income from the sale of range cattle was quite satisfactory. The feeders in Long Valley failed to meet all of the expenses connected with the leasing and use of that pasture; but since half of the cattle that run there are from our own herd, this by no means represents a loss. We are holding back twenty steers from our own herd for sale next year.

Work has started on the new barn for our horses, and we will be engaged with this task until the first of March or later. Present plans are for a building 32 feet by 56, in which fourteen stalls and a harness room will be located. An eight foot rock wall will enclose the ground floor, above which will be placed a hay loft and grain hoppers. We shall have to delay putting in a wood floor until next

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COLLINGWOOD WINS RHODES SCHOLARSHIP

Charles Collingwood, Association member and Branch resident for the last two years, recently was awarded one of the coveted Rhodes scholarships. Charles will go to Oxford next Fall, and will have two years of study there. The scholarship entitles him to about \$2000 each year.

Harvey Wellman, another Rhodes scholar and TA member, is now completing his second year of study at Oxford.

ADDRESS CHANGES

Anderson, W. E., 1st National Bank, Price, Utah.

Bannister, Ward, 804 Equitable Bldg., Denver, Colo.

Bannister, Wayne, 804 Equitable Bldg., Denver, Colo.

Cook, W. L., Carnegie Bldg., Pittsburgh, Pa.

Hanson, Clarence A., Utah Power & Light Co., Logan City, Utah.

Hudson, B. M., Tyringham, Mass.

Mansfield, Dr. J. S., 6 Commonwealth Ave., Boston, Mass.

Nunn, C. T., 1003 Alvarado Terrace or *Union Bulletin*, Walla Walla, Wash.

Roberts, R. M., Lab. of Physical Chemistry, Northwestern University, Evanston, Ill.

Ruffner, Chas., Schenectady Trust Co., Schenectady, N. Y.

Rust, Robert M., 125 N. Broad St., Norwich, N. Y.

Sharp, Huntington, 14 W. Elm St., Chicago, Illinois.

Strahl, W., 1st Presbyterian Church, Minot, N. D.

Timmerman, K., N. Y. Power & Light Corp., Albany, N. Y.

Warneke, P., 7507 Holly Ave., Oakland, Cal.

Wegg, D. S., 122 Green St., Northampton, Mass.

Welch, A. H., Jefferson City, Missouri.

COURT DECISION FAVORS TELLURIDE AND DEEP SPRINGS

By H. R. Waldo

Both Telluride Ass'n and Deep Springs recently won an important victory in our effort to secure the payment of interest during the period of liquidation on the investment certificates of Pacific Coast Building-Loan Ass'n, when the District Court of Appeals sitting in Los Angeles announced its decision reversing the previous decision of the Superior Court of Los Angeles County, and held that the contract rate of interest on these investment certificates must be paid for the period of liquidation in preference to the claims of the membership shareholders. This decision is still subject to review by the Supreme Court of California should it decide to review the decision on the application of the membership shareholders; but, of course, the favorable decision from the District Court of Appeals is a strong point in our favor and the chances are at least reasonably strong that the Supreme Court will not decide to reopen the case or to set aside the decision rendered by the District Court of Appeals.

To understand this litigation it is necessary to review briefly the capital set-up of the Association, which had outstanding three classes of securities, (1) guarantee stock, which had the characteristics of common stock in an ordinary corporation, (2) membership shares, which carried a full voting right and participated in the profits instead of having a guaranteed rate of return but enjoyed a clear preference over the guarantee stock in liquidation, and (3) investment certificates, which were a definite obligation of the company with a fixed rate of interest and which had a clear statutory preference as to principal but without any definite statutory statement with reference to the payment of interest during the period of liquidation. The holdings of both Telluride Ass'n and Deep Springs were in these investment certificates and there was just about an equal amount invested in membership

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Editor John Niederhauser
Associate Editor W. J. Bowman
Managing Editor Gordon Kiddoo

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NUNN MEMORIAL MUSEUM

In order to preserve and display some of the relics of the early pioneering of the Utah State Power and Light Company and its predecessors, the company has authorized the establishment of the "Nunn Memorial Museum" in the Telluride Institute at Olmsted. For several months Paul Ashworth has been collecting some of these relics. Of particular significance are the gifts made to the museum by P. N. Nunn, which include about 30 volumes of books on electricity and related subjects which were published in the important era between 1872 and 1900, several electrical instruments used in early day experimental work in Colorado and Utah, and other antiques of outstanding interest and importance.

Other contributions have been made by Clarence A. Hansen, Scott B. Dunlop, and others. Any persons who have relics or objects of historical interest which they would like to have preserved in this museum are invited to send such items along with a full description and history of the same, to Superintendent E. G. List, Olmsted, Utah.

Doctor Otis Whitecotton has turned over to the Association historic files 14 pictures of the construction and installation at Grace, five pictures taken at Beaver in 1916, and 14 pictures taken during the construction days at Deep Springs.

Dr. Robley C. Williams supervised the application of chromium and aluminum reflective coatings to an 82 inch telescope mirror, the second largest in the world. The mirror was made in Cleveland, and will be operated at the McDonald Observatory on Mount Locke, Texas. Recently added to the Association files were reprints of two articles written by Robley and printed in *The Physical Review*.

GIFTS TO BRANCH

The Property Committee of the Cornell Branch reports that the following phonograph recordings have been received as gifts:

2nd Act of "Parsifal" by Richard Wagner, from Prof. Urey.

"Tannhäuser," by Wagner, complete; Mozart's Symphony No. 29; "The Rio Grande," by Lambert; and "La Creation du Monde," by Milhaud, from Prof. and Mrs. Weaver.

"Ruddigore," by Gilbert and Sullivan, from Walter Barlow.

"Don Quixote," by Richard Strauss, from Jane Swatek.

These albums have been filed in the new record cabinet, and are much appreciated by those living at the Branch.

ENDOWMENT COMMITTEE SOLICITS FOR BURR MEMORIAL FUND

The Endowment Committee has decided to begin solicitation for a fund in memory of George Lincoln Burr. This decision was reached after a large number of preliminary inquiries from which favorable replies were received in every instance. Although the Committee did not begin to send out circulars until December, 1938 and has reached only a small portion of the members and alumni, it already has the sum of \$58.50 to its credit in an interest account at the First National Bank of Ithaca. This sum represents contributions from six members of the Association and an alumnus. Definite assurances of future contributions from seven other members have been given.

A memorial to Professor Burr should be representative of the whole Association, and the Committee is more interested in a number of small contributions than a few large ones. Moreover, it is not expected to raise the fund in one year and it is hoped

NECROLOGY

Dr. Charles Edward Munroe, famous chemist and inventor of smokeless powder, died December 7, at his home in Forest Glen, Maryland. He was 89 years old. Dr. Munroe was the father of Ted Munroe, Telluride Association alumnus.

Mrs. Alex Kelly, of Salt Lake City, died on December 10. Mrs. Kelly was the mother of Armand Kelly, Association member now on the staff at Deep Springs.

Miss Sarah Patterson Shiras and Mr. Barclay Hudson were married December 24, 1938, in Tyringham, Massachusetts.

that small contributions will be repeated year after year. An annual pledge plan is being worked out. A hundred small contributions with the prospect of repetition will set a more inspiring example for the 1939 convention than would any large single contribution.

It is planned to make the Burr Fund an accretion to the permanent endowment of the Association. The Committee, of course, has no power of allocation or disposition with respect to the funds; it can only hold contributions pending action by the 1939 convention. Some members have expressed the hope that the Burr Fund will be regarded as the proper fund in which to merge all contributions from members and alumni, and that it will eventually grow into an important part of the Association endowment.

The subscription blank for contributions to the Burr Fund is reprinted for convenience in this issue of the News Letter.

Endowment Committee of Telluride Association
Charles C. Collingwood, Chairman
Ithaca, N. Y.
Gentlemen:

Enclosed herewith is my contribution of \$..... to the George Lincoln Burr Memorial Fund. It is understood that the Endowment Committee of Telluride Association will hold all contributions to this fund pending action by the 1939 convention.

(Name)

(Address)

(Kindly make checks payable to ENDOWMENT COMMITTEE OF TELLURIDE ASSOCIATION.)

A LETTER FROM ENGLAND

Editor, *News Letter*:

An accumulation of "*News Letters*" has stirred a guilty conscience. I fear I have taken their regular visits too much for granted, but I am always closely attentive. Truth to tell, my silence would still be unbroken, yet another letter still-born, were it not for Mr. Kiplinger. His views on world affairs I dare not allow to pass without acknowledgment. Salutations!

I have used his article over here as proof that all Americans are NOT isolationists—a queer idea that persistently lurks in odd corners of these Isles. The idiots of the world are always proud to display the straws in their hair. And if the idiots on my side of the Atlantic are isolationists also, it is because they likewise are blind to their own shortcomings. Nationalism is ever convinced that "shortcomings" are the prerogative of neighbours.

I intended to elaborate some thoughts occasioned by Mr. Kiplinger's columns, but time and space forbid. Though in passing, I would like to refer to the Munich Agreement in brief. I was on the spot, and experienced that tremendous night of Sept. 29-30, sitting by the wireless through the wee hours of the morning, waiting for the word that would precipitate this world into hell's flames, or save it for sanity and another attempt at salvation; so a comment may not be out of place.

It is hard to tidy up a planet after the blasting of a world war, as we know only too well. A world at peace, even though it may resemble an asylum living in the shadow of a possible war, is like a patient caught before the disease has become incurable; it is open to treatment.

I don't say the Munich Agreement was the only alternative. Subsequent evidence suggests greater pressure might have been more successful, but such evidence can be misleading; though I fear the right solution was buried with the hopes of the Manchurian and Abyssinian. Given the conditions of Europe as they were, I feel Munich was the most satisfactory makeshift. It is no use draining the sea before building dykes.

The alternative was War! And when the dust had settled from that, there would have been nobody left to crown the victors; to say nothing

of a dry level site on which a Czecho-Slovakian Parliament could sit to make laws for people who did not exist.

Mark you, I hold no brief for Mr. Chamberlain. His hand was "forced" into an agreement that had all the earmarks of a "Christian" act. But we mustn't forget that he, and his predecessors in office, were partly responsible, by virtue of their countless retreats while endeavoring to save the British Empire. "We won't take action, whatever the provocation, if you leave this, that or the other privilege alone! Save the Empire at all costs, even if neighbours have to pay!"

If we were to probe a little more deeply, we might find, as far as the democratic countries on this side are concerned, an incredible fear of communism. It has even been noted that the democratic countries are prepared to bolster up a crumbling fascist state, to avert the inrush of the Red hordes.

For myself, I feel Democracy would do well to cultivate a little more patience. Tyrants, as history can prove, always dig their own graves. And the more tyrannical they become, the more rapid their approaching end. It is regrettable that people have to suffer. Though if we examine the matter closely, we sometimes find our suffering is the result of a much earlier folly. If that folly trails suffering in its wake, it is better that a few should suffer than a multitude, during the lingering reigns of the tyrants. To attack a beast at bay is to invite trouble for a majority. The light is never extinguished by even the mightiest tyrant. When in doubt, remember Pastor Niemoller, and similar courageous men. Peace has to be fought for, and men have to suffer; but the wholesale shedding of blood never has, and never will, bring lasting peace.

By "fought for" I mean the universal spiritual resistance of men and women to the policy and actions of their leaders. That influence was the most striking outcome of that Munich week. It was not Chamberlain, nor any other individual, who saved the peace of the world, but the common people. And for almost the first time in history, politicians had to be wary of their steps; where before "power politics" held sway, "people's politics" were ominous shadows at the conference table.

Lasting peace will be born from toleration. And neither fascism nor communism are the right guardians of that virtue. Whilst one or the other try to survive, they will both survive. Communism is the red flag to the bull. It just enrages the beast. If left alone in the field, the bull might become docile. And docility is poor fodder for fascism.

Some may bemoan the loss of communism. But remember that both it, and fascism have much in common. Both are suppressors of the individual effort. Both insist on the divine right of the State to dictate the way of the individual mind. One perhaps more directly concerned with the welfare of the individual; but both opposed to the individual criticism of State affairs. All the great things we most cherish, in art, music, literature and life, are colored by State ink. What we want is a "people's government, made for the people, made by the people and answerable to the people." And to get that, the vote is a more enduring means than revolt. Universally speaking, trade is a more formidable weapon than arms, armies, or navies—and less expensive, too.

What is most needed at the present moment is a strengthening of the ties between America and the "democracies" here. Mistakes of the past are difficult to rectify; our job is to see there are far fewer in the future. Isolation is going to save no country from another major conflict; and major conflicts are often the outcome of minor conflicts. Better to be an active policeman now, than a policeman without a beat, and beset on all sides by ruffians.

I apologize for this lengthy epistle. You can blame Mr. Kiplinger. I also apologize for all the unanswered letters from my many friends in Telluride. At least I hope they are still my friends, after my long silence. In due course I hope to get round to some replies. If I explain I was one of the many victims of the Croydon typhoid epidemic, and laid out for several months of this year, they may understand. I am now trying to recapture lost time; a not too easy task.

My regards to all, and good wishes for the New Year.

Yours Sincerely,

Charles Tomlinson.

DEEP SPRINGS NOTES

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year, since we cannot afford this expense at this time.

The academic work at Deep Springs has been on the whole quite satisfactory, and the Student Body is very well pleased with the work of its teaching staff. The chemistry course, which is directed by Dr. Corryell of U. C. L. A. and under the immediate supervision of Armand Kelly, is apparently an exceptionally fine one.

The lecture schedule for the year has included H. P. Eames, professor of musical arts; E. R. Rolph, economist; Joe Vargas, physicist; E. T. Bell, professor of mathematics; and E. M. Johnson. Our lecture program for the rest of the year will be more extensive than that of the first four months, which was seriously curtailed by the inability of several speakers to make their scheduled appearances.

The Student Body is taking a very active interest in the selection of the new trustee for our board, and it hopes to be able to make a significant contribution to the final decision. The Student Body, in attempting to draw up a list of possible candidates, has used the following criteria: first, the man must be well acquainted with Deep Springs and its purposes; second, he must have demonstrated an active interest in both Deep Springs and Telluride Association in past years; third, if possible, he should be a man of considerable business ability and experience; fourth, the obvious but important qualification of availability.

With these considerations in mind the Student Body is investigating several persons from within our organization, who seem to fit into this general picture.

The Student Body would like to express its sincere appreciation to E. M. Johnson for his interesting and instructive courses, *The Novel* and *Etymology*.

Huntington Sharp is with Hartwell, Jobson, and Kibbee, a public relations firm of New York City whose principal client is The Seeing Eye, the philanthropic institution in Morristown, New Jersey, where German shepherd dogs and others are trained to lead blind men and women. Being a membership organization, it depends for its revenue on public support, i. e., memberships of from

COURT DECISION

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shares and guarantee stock to the total outstanding on investment certificates.

As the liquidation progressed it became apparent that more than enough would be realized to pay the investment certificates in full and payments to the extent of the principal amount of these claims plus interest to the date the Commissioner took possession of the Association were made without question; but when it came to the payment of interest on these investment certificates during the period of liquidation the Commissioner took the position that he would only pay this interest in preference to payments on the membership shares under directions from the court and about a year and a half ago he applied to the court for instruction on this point. Notice was given to the various claimants, whereupon a group of the membership shareholders intervened in the proceedings to resist the payment of interest on the investment certificates in advance of the return of the original investment in membership shares and Telluride Ass'n and Deep Springs intervened on behalf of the investment certificate holders to urge the right of the investment certificate holders to receive this interest in preference to the claims of the membership shareholders. Prior to this time, the Supreme Court of California had ruled in a litigation involving the liquidation of a savings bank that interest would not be allowed as between different classes of creditors until the full principal amount of all creditors' claims had been paid, but that interest on indebtedness of a company during its period of liquidation must be paid before anything is distributed to stockholders. The whole question involved, therefore, was whether or not these membership shareholders were creditors or stockholders as to the amount of their investment in the Association, and this is the question we have been litigating in these proceedings.

The matter came to trial before the Superior Court of Los Angeles County, the court of original jurisdiction, in the summer of 1937 and five to one hundred dollars. Huntington's job is to handle this membership work in Chicago, Detroit, and Cleveland.

in the fall of that year the Court announced its decision that the shareholders were creditors rather than stockholders and hence that no interest could be paid on the investment certificates until the membership shares were paid off in full. This, of course, amounted to a practical denial of interest as it is not at all likely that enough will be realized from the liquidation of the assets of the Association to pay even the principal amount of the claims of membership shareholders, let alone any interest after that on investment certificates. We proceeded, therefore, to appeal from this decision of the Superior Court, with the result already mentioned that about two weeks ago the District Court of Appeals handed down a strong decision classifying the shareholders as stockholders, which we believe is correct, and ordering the Building & Loan Commissioner to pay the interest on the investment certificates at the contract rate during the period of liquidation in advance of any payments to the membership shareholders. This decision, if sustained by the Supreme Court, as we hope and believe it will be, will insure our recovery of this interest and will bring us in from 15% to 20% more on this investment than we have had up to date. It is, therefore, a matter of considerable interest to both Telluride Association and Deep Springs, but particularly to the former as the Association has a little better than \$90,000 in these investment certificates while Deep Springs has only about \$26,000 or \$27,000. This will also mean our collection of the full amount of both principal and interest on these holdings, which is a substantially better recovery than we have had on any of our other investments that got into difficulties during the depression period.

A large part of the credit for this victory goes to Jim Tucker, who was associated as our California counsel in this litigation and who presented our case for us both in the Superior Court and in the District Court of Appeals, from which we finally won the favorable decision mentioned above.

Mr. and Mrs. Charles M. Gilbert have a baby daughter, Jane, born November 27.