

ANNUAL REPORT

Year 1926

Land Department, Negaunee, Michigan

NOTES ON 1926 LAND DEPARTMENT REPORT.

Table of salaries 10-7 to 1922.

Traveling and auto expense, 1924, 1926, p. 7

Hardwood ties net \$28.56 per thousand.

U. S. Survey operations; note Woodenware logs and test of same.

Dalton Mill, making a survey of what shall be done with it.

Miller and Belland. They owe for hemlock pulpwood.

Hotel Williams; fewer meals for employes.

Rented Buildings, p. 53

Making survey of all houses, pp. 58, 65 and 69

N. B. work on tax and valuations, p. 70.

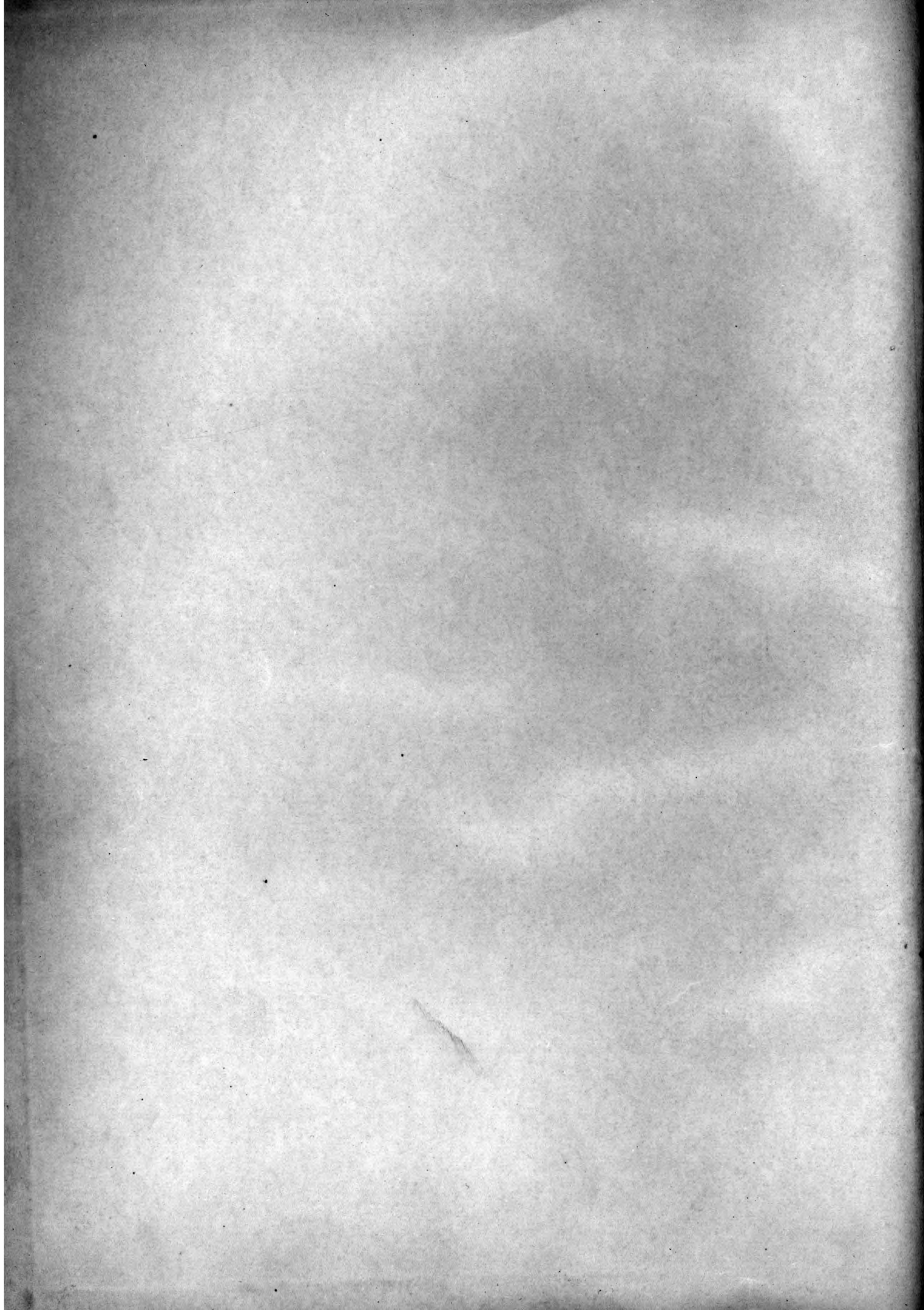
N. B., poor lands, taxes on same \$4500, p. 71. Shall we abandon same?

Fires, Lowney's report, pp. 88, 90.

WGM:F
7/26/26

W. G. M.

#2041



A N N U A L R E P O R T

Y E A R 1 9 2 6

L A N D D E P A R T M E N T - N E G A U N E E , M I C H I G A N .

A N N U A L R E P O R T

LAND DEPARTMENT - NEGAUNEE, MICHIGAN.

FISCAL YEAR 1926

THE CLEVELAND-CLIFFS IRON COMPANY

ARCTIC IRON COMPANY

AMERICAN IRON MINING COMPANY

BUNKER HILL MINING COMPANY

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THE CLEVELAND-CLIFFS IRON COMPANY

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LAND DEPARTMENT REPORT FOR THE YEAR ENDING

DECEMBER 31, 1926.

GENERAL

The Land Department has during the past year continued to supervise and have charge of the large land holdings of The Cleveland-Cliffs Iron Company, Arctic Iron Company, American Iron Mining Company, Michigamme property, and Bunker Hill Mining Company. The strictly operating units of the Department consist of the sawmills at Munising and New Dalton, the Grand Island Forest and Game Preserve, and the Hotel Williams and cottages located on Grand Island. The general work of the Department, as heretofore, consists in the careful supervision of the Company lands, the prevention of trespasses of every kind, protecting timber land and forest products from fire, sale and leasing of lots in the various cities and villages, the sale of timber land and stumpage, the collection of rents and moneys from such sales and leases, the study of conditions surrounding the communities in which the Company is engaged in business with a view of encouraging proper improvements, etc. It is also the duty of the Land Department to look after land titles, the assessments made upon the Company lands, and pay the taxes thereon. During the past year, a study has been made of lake frontage property owned by the Company with a view of taking advantage of any increased demand for this class of land.

The Land Department continues to carry a large acreage of mineral lands for the benefit of the Mining Department, paying the taxes thereon and otherwise looking after them. The Land Department also, in carrying the large acreage of timber land, thereby backs up the Furnace Department, guaranteeing them a supply of wood. In doing this, the Land Department pays a tremendous amount of taxes and is put to large expense in caring for these lands.

LAND SALES AND LEASES

Mr. A. J. Erickson has covered this subject in detail as per his report attached.

The outstanding achievement of the Department during the past year was the sale to the Ford Motor Company on October 13th, 1926, of 55,887.54 acres in the

L'Anse District. Negotiations for this sale were taken up on May 20th with Mr. E. G. Kingsford, Northern Representative for the Ford Motor Company, and were kept hot and never permitted to drag until we received a signed offer from them under date of September 28th. The contract was executed on October 13th, 1926, and the first payment of the sum of \$1,000,000.00 made, the balance to be paid when titles have been examined and found correct. We turned over the last certified abstract to the Ford Motor Company covering these lands on October 29th, 1926, and according to contract, they have four months from that date in which to make the examination. Up to this writing, no serious defects have been encountered.

We have had a number of conversations with different people over land sales during the year and the one of any moment now under consideration is that with the Hammermill Paper Company, to whom we have made a price of \$1,500,000.00 covering a certain acreage in Group 1.

LANDS PURCHASED

Mr. H. S. Nightingale in his report for the year attached covers lands, taxes, and other matters in detail.

There were no lands purchased during the year.

TIMBER SALES TO INDUSTRIES

THE MUNISING PAPER COMPANY

The only sale made to The Munising Paper Company during the year was 238 cords of spruce pulpwood, the balance of their requirements being secured from outside sources.

THE MUNISING WOODENWARE COMPANY

We sold to this Company from our operations the following quantity of logs:

Maple - Veneer	147,217 feet	Total Hardwood	2,282,315 ft.
" - Bowl	18,991	Hemlock	404
" - Woodsrun	1,009,417	Pine	1,448
Birch - Veneer	252,915	Spruce	97
" - Bowl	1,897	Total Softwood	1,949
" - Woodsrun	180,281	Total all Species	2,284,264 ft.
Basswood - Woodsrun	374		
Beech - "	663,797		
Ash - Veneer	2,227		
" - Woodsrun	4,529		
Elm - "	670		
Total Hardwood	2,282,315 feet		

The balance of this company's requirements were purchased from outside sources.

The contract between The Munising Woodenware Company and The Cleveland-Cliffs Iron Company which expired October 1st, 1925, was not renewed and the products taken from the land covered by the contract were billed to the Woodenware Company at the agreed upon prices for the year 1926.

L.S.&I. RAILROAD COMPANY

This Company purchased 1,135 cedar ties and 61,247 feet of cedar logs.

CENTRAL PAPER COMPANY

We sold the Central Paper Company the balance of our hemlock and balsam pulpwood produced in previous years amounting to 462 cords.

FORD MOTOR COMPANY

Due to the destruction of the Munising sawmill by fire on August 15th, it was necessary that we dispose of our log output so as not to interfere with the woods operations necessary to secure a wood supply for the Marquette furnace. We therefore entered into a contract with the Ford Motor Company covering the sale of 2,921,000 feet of hardwood saw logs, this being the estimated quantity that we expected to produce up to December 31st. We delivered on this contract 2,858,298 feet. They paid \$24.00 for maple, beech, ash, and \$28.00 for birch, basswood, elm, and cherry. They assumed 4¢ of the rate to Iron Mountain, our proportion of the freight averaging \$4.25 per thousand feet.

JACKSON & TINDLE, INC.

A contract was entered into with this concern covering the sale of the hardwood saw timber to be developed in the Underhill operations on Sections 2, 10, and 14-47-17, where a considerable quantity of timber was blown down during the heavy wind storm in July. This operation was started in October and up to December 31st, we had delivered to Jackson and Tindle 849,989 feet. The prices were based on \$23.00 for maple and \$27.00 for birch, f.o.b. Munising.

CHICAGO & NORTHWESTERN RAILWAY COMPANY

In the Underhill operation mentioned above, it was decided to manufacture hardwood and softwood ties with a portable tie mill. These ties have been shipped

to the Chicago and Northwestern Railway Company at the prices effective for the coming year. Up to the end of December, we had shipped a total of 3,508 pieces that averaged us 78¢ each, after we had paid freight to Little Lake.

PIQUA HANDLE COMPANY - MARQUETTE

There was sold to this concern 54,039 feet of maple logs and 1,954 feet of birch logs. These came from Operation #114.

OTHER DEPARTMENTS

A small quantity of mining timber was shipped to the Mining Department and one car of hemlock ties was shipped to the Furnace Department.

CLIFFLAND FARM - RUMELY

This farm was operated as has been the custom for several years past. That is, we recovered our hay crop and seeded eighty acres to oats. The hay crop was good but considerable difficulty was experienced harvesting it due to the frequent rains. This also affected its quality. The oat crop was very light and the harvesting conditions were even worse than during the haying season, so that we were unable to dispose of any of the oats on the market due to their poor condition. We have been using them in feeding our own horses. There were no apples whatever.

As we have had no fertilizer available since we disposed of our dairy herd of cattle, the fertility of the soil has been getting poorer each year, so that it is a question as to the advisability of continuing to raise grain crops.

UPPER PENINSULA DEVELOPMENT BUREAU

This organization is being continued and is receiving much better support this year than for any year during which it has been organized. Everyone of the fifteen counties comprising the Upper Peninsula of Michigan have contributed and some of the counties have raised the amounts given over that prevailing last year.

The Bureau is doing excellent work along agricultural lines especially and advertising the Upper Peninsula for tourist traffic, as well as placing the advantages of the Upper Peninsula before prospective settlers.

It is the only organization which makes for a central meeting ground for all public affairs applying to the Upper Peninsula as a whole.

The Bureau has the support of the Agricultural Department of the State of Michigan which contributes \$2,000.00 per year to the Bureau's Treasury.

NORTHERN HEMLOCK & HARDWOOD MANUFACTURERS ASSOCIATION

We are members of this association and during the year have attended some of their meetings. The Association is doing excellent work in an effort to assist the lumbermen during this very precarious time.

The matter of grade marking all hemlock lumber placed in effect last year is gradually making way and most of the mills now members of the Association are grade marking their product. This is a matter of education not only for the producer but also for the retailer and the consumer, and it is going to take some little time to get it working smoothly.

During the past few months, excellent work has been done by a committee which took up the matter of the price of ties with the different railroad companies operating in this territory and after friendly conferences with the railroads, they were able to get a substantial advance over last year's prices.

FOREST EXPERIMENT STATION

In addition to the half section of timber land deeded to the United States Government for a forest experiment station, we have during the past year deeded them a half section of cut-over land for experiment purposes.

Work was commenced as soon as the snow was off the ground in the spring of 1926, a station and office building and equipment installed, and on September 8th, 1926, the station was dedicated by Colonel W. B. Greeley, Chief Forester of the United States of Washington, D. C., and a large party of invited guests.

After the ceremonies and dedication, the party was taken to Camp 7 in the Rock River District for luncheon, and then to Munising where they visited the industries, after which they were given a ride on Munising Bay to the Pictured Rocks and the entire party given a dinner at the Williams Hotel on Grand Island that evening.

During November and December, twenty acres of land on this station was operated for selective logging and a report of same is included in Mr. Brotherton's annual report.

NATIONAL FOREST

On account of no funds being available, no progress has been made on this national forest project during the past year. We are advised that as soon as funds are available, the Federal Government will take this matter up again.

FOREST FIRES

We are pleased to be able to report that no forest fires of any moment were encountered during the past year.

Mr. R. A. Brotherton in his annual report attached, covers matters of this kind in more detail.

TAXES

This subject is covered in the report of Mr. H. S. Nightingale which is attached.

We continued to give attention to this very important subject and have up with the tax authorities the question of assessment of our timbered lands in Onota and Rock River Townships, Alger County. These lands are over-assessed and we are to have a hearing before the Tax Commission prior to the assessment being spread this year.

LOGGING OPERATIONS

The Land Department conducted no logging operations during the year other than a small one on Grand Island where we endeavored to recover the timber blown down during July that was along the West Road north of the Lodge. We located a crew of fourteen men at the Fishing Ground under Mr. Acker on October fourteenth, and they recovered and hauled to the banking ground below the Lodge approximately 300,000 feet. These logs have been sold to the Ford Motor Company f.o.b. landing. They have equipment for moving the logs by water to their L'Anse mill. The Ford Motor Company agreed to pay the following prices:

Maple	\$23.00	per M feet
Ash	23.00	Do.
Yellow Birch	27.00	"
Elm	27.00	"
Beech	23.00	"
Hemlock	16.00	"

We make frequent inspections of the Lumbering Department operations to see that the timber is removed from lands assigned to them, and also endeavor to have the timber manufactured so that it will bring the best possible stumpage recovery. In the Underhill Operation, we are experimenting with the manufacture of ties at the landing with a portable tie mill, and it seems that this will give us a very good stumpage return on the small timber and will also utilize some of the timber that otherwise would go to the Furnace. We are planning on trying out this method at the Rock River Operation the coming spring. Based on the estimated cost that Mr. Hyde has furnished us, it appears that we would recover stumpage of about \$8.00 a thousand on the hardwood timber made into ties. There is a very good demand from the railroads for ties of all kinds and we have an agreement with the Northwestern whereby they will take all the ties that we manufacture. The prices run from 60¢ to \$1.06 each, f.o.b. car, Little Lake. The freight that we assume is 9¢ per tie.

We include in this report statements showing stumpage recovery from logs of different diameters and species, based on the Underhill Contract prices and sales value under contract with the Chicago and Northwestern Railway.

NEGAUNEE OFFICE

Due to the transfer to Cleveland of the control accounts of this Department in September, it was possible to reduce the office force by two men, thereby making a reduction of \$3,120.00 per year in salary expense.

We attach a comparative statement showing the expenses of the office for a number of years and also our estimate for 1927.

LAND DEPARTMENT PROFIT AND LOSS

Following is a statement showing consolidated Land Department profit and loss. Attention is called to the profit on logging contract jobs. This account shows a profit for both 1925 and 1926, and these are the first years in which this operation has not shown a loss.

THE CLEVELAND-CLIFFS IRON COMPANY

LAND DEPARTMENT

ESTIMATED STUMPAGE RECOVERY PER M FT. FROM PRODUCTION OF MAPLE, BIRCH AND BEECH
SAW TIMBER OF VARIOUS DIAMETERS INTO TIES.

Log Diameter in Inches	Pieces		Revenue from C.&N.W. Ry. Co. (1)	Payment to Con- tractor (2)	C O S T S		Total Cost	Stumpage Recovery		
	Per M. Ft.				Over- head & Switch- ing (3)	Freight to Little Lake (4)		Ties	Slabs	Total
	Logs	Ties								
8	40	80	56.00	32.00	4.80	7.20	44.00	12.00	.58	12.58
9	27.78	55.56	46.39	27.78	3.33	5.00	36.11	10.28	.73	11.01
10	20.41	40.82	39.60	24.49	2.45	3.67	30.61	8.99	.89	9.88
11	15.63	31.26	31.73	18.76	1.88	2.81	23.45	8.28	.89	9.17
12	12.66	25.32	26.84	15.19	1.52	2.28	18.99	7.85	.90	8.75
13	10.31	20.62	21.86	12.37	1.24	1.85	15.46	6.40	.94	7.34
14	8.77	17.54	18.59	10.52	1.05	1.58	13.15	5.44	.98	6.42
15	7.04	14.08	14.92	8.45	.84	1.27	10.56	4.36	.95	5.31
16	6.29	12.58	13.33	7.55	.75	1.13	9.43	3.90	1.00	4.90
17	5.41	10.82	11.47	6.49	.65	.97	8.11	3.36	1.00	4.36
12" & Below	18.72	37.44	35.07	20.67	2.25	3.37	26.29	8.78	.85	9.63
13" & Below	16.34	32.67	31.33	18.32	1.96	2.94	23.22	8.11	.87	8.98
14" & Below	14.67	29.33	28.50	16.59	1.76	2.64	20.99	7.51	.90	8.41
15" & Below	13.11	26.22	25.70	14.91	1.57	2.36	18.84	6.86	.91	7.77
16" & Below	11.67	23.33	23.14	13.39	1.40	2.10	16.89	6.25	.93	7.18
17" & Below	10.95	21.89	21.82	12.60	1.32	1.97	15.89	5.93	.94	6.87

Received by Contractor for Tie Manufacture over and above \$13.00 logging cost:

12 ins. & below	-	\$7.67	per M. ft. logs	or	20.5¢	per Tie,	also	\$2.83	per M. ft. logs	for	slabwood.
13 ins. & below	-	5.32	" " " "	"	16.3¢	" " " "	"	2.90	" " " "	"	"
14 ins. & below	-	3.59	" " " "	"	12.2¢	" " " "	"	3.00	" " " "	"	"
15 ins. & below	-	1.91	" " " "	"	7.3¢	" " " "	"	3.03	" " " "	"	"
16 ins. & below	-	.39	" " " "	"	1.7¢	" " " "	"	3.10	" " " "	"	"
17 ins. & below	-	.40	" " " "	"	1.8¢	" " " "	"	3.13	" " " "	"	"

Received by Company for log shipments from Underhill No. 3 Operation:

To Jackson & Tindle on a delivered price with freight of \$3.60:

Maple nets \$19.40 per M. ft. less logging cost of \$15.40 or \$4.00 per M. ft. stumpage.
Birch " 23.40 " " " " " " " 15.40 " 8.00 " " " " "

To Ford Motor Co. on a delivered price with freight of \$5.80:

Beech nets \$18.20 per M. ft. less logging cost of \$15.40 or \$2.80 per M. ft. stumpage.

Received by Company for log shipments from Rock River Operation:

To Ford Motor Co. on a delivered price with freight of \$4.65:

Maple & Beech nets \$19.35 per M. ft. less logging cost of \$14.20 or \$5.15 per M. ft. stpge.
Birch " 23.35 " " " " " " " 14.20 " 9.15 " " " "

(1) Based on prices issued Dec. 8, 1926, for peeled ties of \$1.06, 97¢, 87¢, 75¢, and 60¢ f.o.b. C.&N.W. Ry. Co. Values determined on basis of producing in all diameters that will permit doing so nothing but squared ties and none of these larger than 7 x 8.

(2) Based on price to Contractor Underhill of 60¢ for 2's to 5's, 40¢ for #1's, and 25¢ for S.R.'s.

(3) Based on general expense and switching charge amounting to 6¢ per tie.

(4) Based on freight expense to Little Lake of 9¢ per tie.

REMARKS:

Underhill Operation:

From the standpoint of the company, at fixed contract prices per tie, all beech of any diameter, all maple 15 inches and below in diameter, and all birch twelve inches and below in diameter, could be produced into ties at a higher stumpage recovery than is obtainable by sale of these species as saw timber. As an additional advantage, is the fact that better than a cord of slabwood would be furnished for furnace use per M. ft. of saw timber manufactured into ties. From the contractor's standpoint, the logical operating division seems to be the production of maple fifteen inches and below, of all beech, and of birch twelve inches and below into ties. To compensate for the production of ties and the cutting into four foot lengths and loading on cars of slabs, he would get above the regular logging cost of \$13.00 - for maple, \$4.94 per M. ft. or the equivalent of 18.8¢ per tie; for birch, \$10.50 per M. ft. or the equivalent of 28¢ per tie; and for beech, \$2.73 per M. ft. or the equivalent of 12.5¢ per tie. On this basis, approximately half of the saw timber would be manufactured into ties for which the contractor would receive about \$5.64 above the logging price of \$13.00 to cover the expense of tie and slabwood manufacture. This would be equivalent to about 20¢ per tie.

Rock River Operation:

If it is possible to operate ties at this point under costs no greater than those at the Underhill Operation, under the same specifications as to diameters, we can increase our stumpage recovery on better than half of the maple from \$5.15 to \$7.77 per M. ft., on all of the beech from \$5.15 to about \$6.00 per M. ft., and on a fourth of the birch, from \$9.15 to \$9.63 per M. ft. As a further saving would be the possible tie recovery from timber now going to the furnace.

THE CLEVELAND-CLIFFS IRON COMPANY

LAND DEPARTMENT

ESTIMATED STUMPAGE RECOVERY PER M. FT. FROM PRODUCTION OF HEMLOCK, PINE, SPRUCE, TAMARACK, AND CEDAR SAW TIMBER OF VARIOUS DIAMETERS INTO TIES.

Log Diameter in Inches	Pieces Per M. Ft.		Revenue from C.&N.W. Ry. Co. (1)	Payment to Con- tractor (2)	C O S T S			Stumpage Recovery
	Logs	Ties			Over- head & Switch- ing (3)	Freight to Little Lake (4)	Total Cost	
8	40	80	52.80	32.00	4.80	7.20	44.00	8.80
9	27.78	55.56	42.78	27.78	3.33	5.00	36.11	6.67
10	20.41	40.82	33.47	20.41	2.45	3.67	26.53	6.94
11	15.63	31.26	27.04	15.63	1.88	2.81	20.32	6.72
12	12.66	25.32	23.04	12.66	1.52	2.28	16.46	6.58
13	10.31	20.62	19.80	10.31	1.24	1.85	13.40	6.40
14	8.77	17.54	16.84	8.77	1.05	1.58	11.40	5.44
15	7.04	14.08	13.52	7.04	.84	1.27	9.15	4.37
12" & below	18.72	37.44	30.69	18.22	2.25	3.37	23.84	6.85
13" & below	16.34	32.67	27.60	15.98	1.96	2.94	20.88	6.72
14" & below	14.67	29.33	25.21	14.38	1.76	2.64	18.78	6.43
15" & below	13.11	26.22	22.80	12.87	1.57	2.36	16.80	6.00

(1) Based on prices issued Dec. 8, 1926, for peeled ties of 96¢, 87¢, 77¢, 65¢, and 50¢ f.o.b. C.&N.W. Ry. Co. Values determined on basis of producing nothing but pole ties from timber twelve inches and below in diameter at an unpeeled price of 5¢ less and producing 7 x 8 rectangular ties from larger timber.

(2) Based on price to Contractor Underhill of 50¢ for No. 2's to No. 5's, 30¢ for No. 1's, and 20¢ for S.R.'s.

(3) Based on general expense and Charcoal Iron Co. switching charge amounting in all to 6¢ per tie.

(4) Based on freight expense to Little Lake of 9¢ per tie.

REMARKS:

From the standpoint of the Company, at fixed contract prices per tie, all hemlock could be produced into ties at a stumpage recovery. The Contractor would, however, be unable to operate on this basis because of the fact that his earning per M. ft. would decrease with the increase in diameter. However, by having all timber, below the certain diameter to which he can profitably operate for ties, made into ties, both company and contractor will profit. Timber 12 inches and below in diameter operated into ties gives the contractor a return of \$5.22 per M. ft. over and above the regular saw log contract price of \$13.00. On an average production of 36 ties per M. ft. this would allow him 14½¢ per tie for the additional cost of such production.

APPLICATION TO UNDERHILL #3 OPERATION:

At this point, contract has been entered into with the L.S.&I. R.R. Co. for purchase of the softwood ties at the following prices for pole ties: 83¢ for No. 3, 4, & 5; 72¢ for No. 2 and 60¢ for No. 1 and 70¢ for squared ties consisting only of 3's, 4's & 5's. In their specifications, we receive 8¢ less for a rectangular ties (classed as peeled) than is given for a pole tie (unpeeled). There is then no object in producing at this point anything but pole ties. Stumpage recovery under this sale of ties is as follows:

Log Diam. in Inches	C O S T S				
	Revenue from L.S.&I. R.R. Co.	Paid Contractor	Overhead & Switching	Total Cost	Stumpage Recovery
8	\$48.80	\$32.00	\$4.80	\$36.80	\$12.00
9	40.28	27.78	3.33	31.11	9.17
10	31.84	20.41	2.45	22.86	8.98
11	24.38	15.63	1.88	17.51	6.87
12	19.75	12.66	1.52	14.18	5.57
Average	27.92	18.22	2.25	20.47	7.45

At a market price of \$13.00 f.o.b. cars for unpeeled hemlock logs, the hemlock logs operated as saw timber would not return any stumpage value and would also result in a loss of \$2.43 per M. ft. for overhead and Charcoal Iron Co. switching charge.

Operating timber twelve inches and below into ties and selling the saw timber of higher diameters would result as follows with hemlock:

25% of the timber (% 12 ins. & below) @	7.45	=	1.86
75% " " " (% 13 ins. & above) @	2.43	=	<u>1.82</u>
Stumpage recovery per M. ft. log scale			.04

Operating timber twelve inches and below into ties and selling the saw timber of higher diameters to the contractor at \$2.00 per M. ft. stumpage gives the following result:

25% of timber at	\$7.45 =	1.86
75% " " "	2.00 =	<u>1.50</u>
Stumpage recovery per M. ft. log scale		3.36

GENERAL DEDUCTION:

With a payment to the contractor of \$13.00 per M. ft. and overhead expense of \$2.43 per M. ft. Log Scale, the stumpage recovered as above in operating ties from hemlock 12 inches and below in diameter and selling the balance at \$13.00, is 4¢ per M. ft. In operating a tract therefore under present conditions by this method your stumpage recovery in hemlock will be whatever amount less than \$15.47 per M. ft. you can deliver the logs at the main line.

THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT OFFICE EXPENSE - COMPARATIVE

ACCT. NO.	ACCOUNT OF	YEAR 1902	YEAR 1907	YEAR 1912	YEAR 1917	YEAR 1922	YEAR 1923	YEAR 1924	YEAR 1925	YEAR 1926	1927 ESTIMATE
1	Salaries	5275.98	18236.68	20223.29	29300.00	41790.00	47075.00	50385.00	50750.79	40785.00	41000.00
2	Printing and Stationery	243.87	1773.48	1261.98	1380.91	1724.43	2673.69	1898.71	1313.80	1340.59	1200.00
3	Postage	133.41	564.90	611.80	1028.39	458.19	477.66	540.48	400.91	397.40	400.00
4	Office Furniture	66.65	879.57	231.97	241.49	189.67	662.64	924.57	1054.39	48.22	300.00
5	Office Expenses	1462.53	2008.60	2169.28	2217.64	3210.64	3750.46	5216.62	4031.43	2325.10	2500.00
6	Telephone and Telegraph	90.41	536.09	673.54	1247.02	1164.36	1181.56	1044.79	953.70	913.02	900.00
7	Rentals - Land Agent's Residence	-	300.00	300.00	300.00	300.00	300.00	300.00	378.00	300.00	300.00
8	Legal Expense	144.40	1438.84	1605.76	2434.58	3532.53	3677.99	3446.80	3438.20	3510.15	3500.00
9	Traveling - After 1917 using autos -	617.32	1331.68	1939.69	3384.10	2197.27	2214.38	1658.02	2451.63	3446.00	3500.00
10	Donations	25.00	75.00	1220.00	533.50	2635.00	1260.00	572.50	947.50	760.00	1000.00
11	General Welfare	-	-	187.13	252.48	849.38	719.69	909.69	1130.30	1844.56	2000.00
13	Stable Expense (Including autos)	90.06	1485.60	1547.99	1940.17	2428.60	2704.84	2726.04	3985.37	3690.21	4000.00
14	Exchange	-	15.00	-	2.00	-	-	2.60	-	-	-
17	Engineering	-	2396.07	3854.45	6163.34	6213.22	7025.20	8039.15	6717.09	5124.88	5000.00
19	Abstracting and Recording	-	770.04	685.72	109.80	118.70	82.00	87.00	140.95	395.59	400.00
20	Munising Office	-	1074.33	1484.89	2209.46	-	-	-	-	-	-
21	Special Expenses	-	-	298.59	467.10	-	25.00	-	-	-	-
30	Personal Injury Expense	-	-	-	16.80	27.60	28.70	30.00	30.40	26.80	25.00
	TOTAL	8149.63	32886.08	38296.08	53228.78	67039.39	73858.81	77781.97	77724.66	64907.52	66025.00
	Per Cent. of Increase	-	303	16	39	25	10	5.31	.07	16.49	1.7
	Total Salaries	5275.98	22343.68	25352.14	36355.03	50366.74	55956.75	58411.67	57409.45	44520.00	44500.00
	Total Supplies	2873.65	10542.40	12943.94	16873.75	16672.65	17902.06	19370.30	20315.21	20387.52	21525.00
	Total Number of Office Employees	5	21	22	25	26	26	24	22	18	16
	Average Rate per Man per Day	2.89	2.90	3.15	3.98	5.20	5.89	6.66	7.15	7.64	8.05
	Grand Total Pay Roll	15000.00	83768.82	99483.54	190236.94	242524.49	291366.42	317331.05	277533.14	208485.32	96000.00
	(Estimated)										
	Total Number of Men	27	67	126	171	192	206	220	202	154	56
	Per Cent of Increase in Pay Roll	-	544	18.7	91	27	20	8.91	12.541	24.88	-
	Total Acreage-Real Estate & Timber Lands	374731	684877	712910	774612	757276	747331	739884	738019	716200	675000
	Cost per Acre for Central Office Expense	.0217	.0480	.0537	.0687	.0885	.0988	.1051	.1053	.0906	.0978
	Taxes Paid not Including Those Charged to A/R Timber Lands Only							402799.82	356216.16	354433.98	315000.00
	Total Acreage - See note 1.	308534	756065	769812	712898	674380	669184	652249	663218	602308(2)	600000
	" Valuation	955684.00	2589219.00	3739120.00	6936568.00	9112275.50	9189434.50	8993205.75	8935257.57	8425604.80	7850000.00
	" Taxes Paid	27008.12	89946.97	148137.30	242917.49	339977.92	369535.65	370891.56	339120.95	328328.31	300000.00
	Valuation per Acre	3.098	3.426	4.857	9.730	13.512	13.732	13.580	13.472	13.03	13.08
	Taxes Paid per Acre	.088	.119	.192	.341	.504	.552	.560	.511	.50	.50
	Proportion of Central Office chargeable to lands	8149.63	32886.08	18886.68	44875.12	58993.39	65152.81	68656.97	67151.82	53985.23	53000.00
	Central Office Expense per Acre	.0264	.0435	.0245	.0629	.0875	.0974	.1037	.1013	.0866	.0883

- (1) Total acreage valuation & taxes paid does not include platted property, personal property, nor lands occupied by industrial sites inside of city limits.
- (2) For comparative purposes, lands included in the Ford Contract, which will be consummated in 1927, on which we paid 3/4 of the 1926 taxes, were not included in these figures applicable to timber lands.

THE CLEVELAND-CLIFFS IRON COMPANY
LAND DEPARTMENT
STATEMENT OF PROFIT AND LOSS BY OPERATIONS FOR SIX YEARS FROM 1921 to 1926 INCLUSIVE

	1926	1925	1924	1923	1922	1921
OPERATING RESULTS:						
Saw Mill Plant-						
Munising, including Rented Buildings	39,974.70	50,021.23	4,179.90	80,479.73	68,547.33	293,231.63
Dalton " " "	10,313.17	10,769.68	11,262.74	17,893.81	14,993.63	28,944.06
Total Saw Mills	50,287.87	39,251.55	15,442.64	62,585.92	53,553.70	322,175.69
Logging Contract Jobs	58,760.69	16,934.22	11,949.76	23,878.95	100,056.44	127,522.89
Rented Buildings, not including Saw Mill houses	1,856.02	4,368.21	5,509.25	4,574.00	1,819.17	19,749.90
Grand Island	6,329.03	14,588.56	21,947.72	19,574.33	15,791.94	25,847.02
Hotel Williams & Cottages	970.83	147.71	3,967.48	817.83	2,150.53	1,806.12
Cliffland Farm	2,646.21	820.39	1,908.23	2,080.65	2,487.19	3,267.88
Megaunee Greenhouses		79.00	158.86	160.17	183.92	157.60
Total All Operations	3,329.27	36,181.90	60,883.94	13,035.65	68,935.49	500,527.10
RENTALS AND SALES:						
Lot Rents	12,189.78	12,127.69	11,991.21	11,879.85	11,554.35	11,561.69
Land Rents	8,457.26	8,300.78	8,131.99	8,448.05	8,844.01	9,236.08
Sundry Rentals	106.00	230.78	322.00	138.33	133.16	172.00
Real Estate Sales	12,655.43	21,873.83	30,510.90	50,491.83	9,678.69	38,595.91
Stumpage Sales	8,789.39	18,487.24	14,415.31	17,886.67	19,285.62	35,337.34
Royalties Received	2,822.40	2,820.66	2,910.01	3,273.73	2,580.40	1,923.42
Land Products Sales	607.32	200.62	394.31	427.33	465.98	341.82
Total	45,627.58	64,041.60	68,675.73	92,545.79	52,562.41	97,166.26
MISCELLANEOUS REVENUES:						
Sales of Machinery & Equipment	1,089.50	3,478.38	291.35	918.03	8.30	279.17
Miscellaneous Earnings	644.48	951.36	3,247.13	1,138.07	6,685.97	5,562.92
Rental of Equipment		4.25	52.30	42.00		
Collection Fees						348.55
Selling Commissions Received						1,225.00
Interest Received General						12,074.15
Total	1,733.98	4,433.99	3,590.78	262.04	6,677.67	19,439.79
Gross Profit or Loss	44,032.29	104,657.49	11,382.57	105,843.48	9,695.41	383,869.05
DEDUCT INCOME CHARGES:						
Uncollectible Accounts	760.91	77.49	4,008.54	21.90	91.05	
Expense a/c Gov't. Tax Valuation						2,030.96
Inventory Adjustment of Supplies						53,525.66
Special War Tax Expense		7.00	68.70	162.05	150.40	1,693.16
Special Expense a/c Curtailment					255.83	335.83
Fire Loss		33,564.34	9,987.94	1,426.24		8,075.00
Cash Discount on Sales						136.18
Cancellation of Timber Rights	2,992.57					
Total Income Charges	3,753.48	33,648.83	14,065.18	1,610.19	497.28	65,796.79
Gross Profit or Loss	40,278.81	71,008.66	2,682.61	104,233.29	10,192.69	449,665.84
DEDUCT EXPENSE OF OPERATING LAND DEPT.:						
Central Office Expense	53,985.23	67,150.86	68,656.97	65,152.81	58,993.39	65,372.84
Taxes	328,117.46	328,051.72	367,934.82	362,593.40	335,534.98	341,370.01
Other Expenses	20,336.84	29,837.40	26,935.46	37,988.24	13,159.91	22,526.11
Total Operating Land Dept.	402,439.53	425,039.98	463,527.25	465,734.45	407,688.28	429,268.96
Profit or Loss	362,160.72	354,031.32	466,209.86	361,501.16	417,880.97	678,934.80
DEDUCT PROPORTION OF GEN'L. ADMINISTRATION EXP.:						
Profit or Loss	23,196.08	25,572.64	31,038.42	20,505.26	22,176.74	16,405.17
Profit or Loss	385,356.80	379,603.96	497,248.28	382,006.42	440,057.71	895,339.97
ADD: INCREMENT DEPLETION RESERVE:						
Profit or Loss - C.C.I.CO.	78,831.91	76,204.09	101,805.87	88,402.04	62,890.05	63,810.20
Profit or Loss - Superior Realty Co.	311,524.89	303,399.87	395,442.41	293,604.38	377,167.66	831,529.77
Profit or Loss - Land Dept.	58.56	22.87	140.39	75.39	37.70	51.69
Net Profit or Loss - Land Dept.	311,583.45	303,377.00	395,302.02	293,679.77	377,205.36	831,478.08

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2-7-27.

1,070,153.81 1,321,304.40

THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT

COMPARATIVE STATEMENT OF RECEIPTS FOR YEARS 1925 AND 1926.

R E C E I P T S	1926	1925
Deliveries of Forest Products	\$325,732.28	\$472,901.00
Sawmill Deliveries - Munising	511,295.30	572,384.67
" " - New Dalton		1,701.62
Retail Yard Deliveries	54,322.77	58,276.85
Shingle & Tie Mill Deliveries	5,595.35	8,494.07
Cliffland Farm Product Sales	1,240.57	2,587.83
Williams Hotel & Cottages	11,302.24	16,311.63
Grand Island Products Sales	12,030.30	11,608.63
Earnings from Rented Buildings	10,266.82	10,405.96
Lot Rents - Pendill Location	333.00	270.49
C.I.M.Co's First Addition	1,841.02	1,841.02
Do. Second "	614.17	607.00
" Third "	2,937.00	2,947.00
" Fourth "	113.00	117.00
" Fifth "	1,111.00	1,111.00
" Bancroft Location	222.00	222.00
" Nebraska "	131.25	135.00
" Hard Ore Addition	1,772.00	1,772.00
" Hematite Location	28.00	28.00
Ex.I.Co's Addition	13.00	12.00
I.C.Co's Junction Location	360.00	360.00
Do. Salisbury "	156.50	145.50
" Winthrop "	127.00	127.00
" Barnum "	635.67	628.68
Jackson Addition	1,211.00	1,211.00
Munising	46.17	58.00
Pioneer Iron Co.'s Second Addition	97.00	97.00
East New York Location	218.00	215.00
Lake Angeline "	146.00	146.00
Hard Ore Location	75.00	75.00
Chatham	2.00	2.00
Land Rents	8,457.26	8,300.78
Sundry Rentals	96.00	230.78
Real Estate Sales	18,862.00	28,292.00
Farm Land Sales	905.00	631.20
Town Lot Sales	9,603.78	5,386.00
Cordwood Sales - Other Operations	26,728.93	26,814.43
Forest Products Sales - Outside Parties	1,227.00	548.67
" " " - Other Operations	46,412.28	72,070.59
Trespass Cases	2,796.36	944.45
Bark Sales - Outside Parties	-	-
" " - Other Operations	-	529.80
Timber Sales	5,802.59	3,200.00
Land Products Sales	607.32	200.62
Royalties Received	2,322.40	2,820.66
Rental of Equipment	-	4.25
Miscellaneous Sales of Machinery & Equipment	1,212.00	4,078.86
Miscellaneous Earnings	644.48	951.36
T O T A L	1,070,152.81	1,321,804.40

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2/10/27.

THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT

COMPARISON OF PRICES RECEIVED F.O.B. CARS MAIN LINE FOR FOREST PRODUCTS
DELIVERED DURING 1926, 1925 AND 1924

	UNIT	1926	1925	1924
<u>Saw Logs:</u>				
Maple	Per M. Ft.	22.63	24.55	23.38
Soft Maple	"	19.85		
Birch	"	28.65	31.38	33.13
Basswood	"	25.93	27.00	26.19
Beech	"	16.50	15.00	16.01
Ash	"	22.15	23.60	20.36
Elm	"	21.72	22.00	22.02
Cherry	"	17.95	12.00	14.05
Oak	"	25.00	25.00	
Hemlock	"	12.91	13.16	15.58
Pine	"	29.79	29.76	26.00
Spruce	"	21.95	21.85	20.00
Balsam	"	14.00	14.19	15.00
Tamarack	"	12.98	13.85	16.00
Cedar	"	17.39	14.34	
<u>Ties:</u>				
Cedar	Per Pc.	.535	.626	.71
Hemlock	"	.64	.642	.69
Tamarack	"			.50
Pine	"		.605	
Sawed Hardwood	"	.776		
<u>Cedar Cuts:</u>				
9 in. & over	"	.50	.50	.35
7 in. to 9 in.	"		.18	.18
Cedar Posts	"	.134	.168	.162
Cedar Poles	"	1.509	2.07	5.45
<u>Pulpwood:</u>				
Spruce	Per Cd.	10.98	11.04	10.85
Balsam	"	6.48	5.29	7.04
Hemlock	"	6.60	6.02	7.30
Bark	"		8.73	10.50
5 ft. Lagging	"		5.71	5.74
7 ft. Lagging	Per 100 L.F.	.595	.60	.58
Stulls and Cribbing	Per L.F.	.06	.056	.067
Trestle Legs	"			.25
Spruce Poles	"		.025	
Mine Poles	Per 100 L.F.		1.025	

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2/10/27.

MUNISING SAWMILLOPERATION

This mill was operated continuously working double shift from January 1st to August 15th, on which date it was destroyed by fire. The fire was first noticed within a few minutes of twelve o'clock noon and with the high wind prevailing, it was impossible to save the mill although the fire was confined to that building. There was no loss of lumber or other products. As nearly as can be determined, the fire was caused by a spark from the switch controlling the electric lights as the location of this switch appears to have been the source of the fire. We carried \$70,000.00 insurance and I understand that the full amount was paid by the insurance companies. The logs that were in stock at the mill were sold to Jackson and Tindle.

PRODUCTION AND SHIPMENTS

Our output of lumber compared with previous years is as follows:

	1926	1925	1924	1923
Softwood	1,945,945	5,345,506	13,290,647	17,902,973
Hardwood	8,917,852	12,466,068	6,875,712	3,221,002
Total	10,863,797	17,811,574	20,166,359	21,123,975

The shipments compared with previous years are as follows:

	1926	1925	1924	1923
Softwood	5,503,366	10,745,838	15,896,025	18,617,300
Hardwood	9,596,563	6,714,868	5,192,612	4,361,348
Total	15,099,929	17,460,706	21,088,637	22,978,648

We manufactured and shipped the following by-products:

Produced				
	1926	1925	1924	1923
Lath	281,600 pcs	1,387,250	3,179,350	4,309,300
Slabwood	2,101 cds.	3,395	6,866	8,221
Hdwd. Squares	267,095 pcs.	686,765	309,675	23,267
Hogged Refuse	9,323 tons	17,387	1,765	
Shipments				
	1926	1925	1924	1923
Lath	1,369,850 pcs.	1,744,350	3,152,200	3,546,750
Slabwood	2,899 cds.	3,395	7,140	7,944
Hdwd. Squares	252,677 pcs.	468,160	175,856	
Hogged Refuse	10,148 tons	17,387	1,765	

BIRDSEYE MAPLE LOGS

We sorted out from the log receipts 12,443 feet of birdseye maple, for which we received \$125.00 per thousand feet, f.o.b. car, sale being made to Hugh Shay of Germfask, Michigan.

HARDWOOD TIES

We continued during the period that we operated to manufacture railroad ties from the hearts of the maple and beech logs, and produced a total of 24,489 pieces that were shipped to the Chicago and Northwestern Railway Company.

SURVEY OF OPERATIONS

As mentioned in last year's report, men from the Government Forestry Station made a survey of our woods and sawmill operations in an effort to learn the cost of logging and sawing logs of different diameters and the quantity and grades of lumber recovered. A copy of their report is attached hereto.

SHIPMENTS OF PRODUCTS

We give below a statement of the number of cars of various products shipped during 1926 as compared with 1925 - also showing the routing:

Munising Mill	1926	1925
Lumber	654	808
Lath	11	13
Shingles	6	9
Fuel Slabs	146	208
Pulp Slabs		9
Ties	58	5
Hardwood Squares	7	14
Hogged Refuse	334	585
	1216 cars	1651 cars
These moved as follows:		
L. S. & I.	602	908
M. & L. S.	21	44
Eastern Points	81	219
C. & N. W.	68	16
Lower Michigan	377	425
D. S. S. & A.	54	11
Canadian Points	1	17
Local	12	11
	1216 cars	1651 cars

LOG SUPPLY

The log supply was ample for our requirements during the period that we operated. All receipts were by rail.

SAWMILL PROFITS AND LOSSES

The showing under this head is very bad compared with last year. Lumber prices showed a steady decline with practically no active market. The sawmill having burned in August, also curtailed the volume of business done. We attach a statement of sawmill profits and losses for the past year and for the five previous years for comparison, also a statement comparing the average prices received for the various sizes and grades of lumber compared with those for 1925.

DALTON SAWMILL

This mill was not operated during the year. We have maintained a watchman at this property and the only cash expenditures in addition to this were the taxes and insurance. As stated in the report last year, we considered the advisability of placing this mill in commission but the condition of the lumber market did not warrant any increased production.

SHINGLE MILL

This mill was operated from July 1st to August 15th, at which time it was destroyed by fire. We had a carry-over from the previous year of 17,191 pieces of cedar and it seemed advisable to manufacture this into finished products ready for the market. During the time that we operated, we produced 2,094,950 shingles and 2,773 ties. Shipments for the year compared with 1925 are as follows:

	<u>1926</u>	<u>1925</u>
Shingles	1,469,510 pieces	2,340,000 pieces
Ties	2,773	4

PLANING MILL

The Planing Mill was operated during the entire year, caring for such orders as required mill work. The quantity of lumber put through for 1926 as compared with 1925 is as follows:

	<u>1925</u>	<u>1926</u>
Hardwood	229,292 feet	431,578 feet
Softwood	<u>7,446,067</u>	<u>4,123,130</u>
Total	7,675,359 feet	4,554,708 feet

RETAIL YARD

We sold to local consumers through our Retail Yard 1,024,645 feet of soft lumber and 79,798 feet of hardwood as compared to 1,106,228 feet of softwood and 61,391 feet of hardwood in 1925. In addition to the delivery of lumber from our own production, we also sold quantities of flooring, interior trimming, etc., that were purchased from dealers in these commodities. The profit for 1926, however, was not quite as good as in 1925. This was due to a large extent to the decrease in business after the mill was destroyed in August and also to the fact that we charged into the Retail Yard costs in 1926, \$1,500.00 for office expense which was not included in 1925. The profit for 1925 and 1926 is as follows:

<u>1925</u>	<u>1926</u>
\$14,832.72	\$11,988.19

LABOR SUPPLY

Labor conditions have been good during the year and a sufficient supply has been available at all times.

THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT

SIX YEAR COMPARISON OF SAW MILL PROFITS AND LOSSES

	1926	1925	1924	1923	1922	1921
Hardwood Lumber	41,568.23	18,160.09	21,523.56	7,560.69	33,303.16	36,261.78
Softwood Lumber	8,162.36	4,446.52	49,505.30	48,595.54	10,006.82	237,517.47
Retail Yard	11,988.19	14,832.72	14,214.36	13,290.73	11,336.16	9,340.08
Custom Sawing		4.21	11.02	81.92	195.34	
Hemlock Bark		613.26				
Birdseye Maple Logs	1,160.80	739.37				
Log & Supply Inventory						
Adjustments			896.22			23,758.58
Shingles	5,235.82	1,111.63	765.30	648.77	2,623.88	5,546.39
Ties	635.20	.59	2,840.12	610.97	345.07	114.23
Total	42,452.62	28,790.91	12,577.76	69,491.08	52,562.67	293,858.37
Lath	1,961.78	4,816.78	6,804.03	12,109.00	12,764.73	5,535.10
Hardwood Squares	1,501.69	1,921.63	269.72			
Slabwood	6,481.66	8,997.21	67.78	3,703.10	3,280.24	2,457.19
Hogged Refuse	3,749.37	6,186.78	2,179.88	3,375.38	670.50	536.50
Total By-Products	13,694.50	21,922.40	9,185.85	11,781.28	16,715.47	8,528.79
Idle Expense	10,576.16					
Operating Rented Buildings	640.42	692.08	787.99	792.63	730.81	1,089.50
Total Munising Mill	39,974.70	50,021.23	4,179.90	80,479.73	68,547.33	286,419.08
Dalton Saw Mill	10,313.17	10,769.68	11,262.74	17,893.81	14,993.63	29,455.64
Total	50,287.87	39,251.55	15,442.64	62,585.92	53,553.70	315,874.72

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MUNISING SAWMILL

Comparative Costs - Softwood Equivalent

	1915	1920	1921	1922	1923	1924	1925	1926 to 8/15
OPERATING:								
Superintendence	.110	.106	.128	.122	.243	.206	.207	.183
Sawing Labor - lumber	.721	2.113	1.622	1.331	1.605	1.611	1.712	1.755
Labor Log Deck & Slide	.084	.229	.172	.139	.155	.154	.160	.156
Wheeling & Piling Lumber	.417	1.561	1.110	.805	1.075	1.089	.988	.970
Miscl. Labor	.126	.657	.594	.338	.316	.295	.318	.279
Saws & Filing	.208	.480	.287	.287	.337	.349	.312	.321
Power Expense	.155	.340	.278	.220	.288	.295	.286	.256
Water & Light	.012	.040	.056	.045	.074	.072	.059	.048
Electric Lamps & Wiring	.010	.004	.003	.009	.007	.009	.007	.005
Oil & Waste	.064	.075	.088	.083	.071	.070	.051	.052
Tools & Miscl. Supplies	.026	.151	.096	.072	.054	.061	.052	.030
Pile Bottoms	-	.013	-	.014	-	.066	.010	.011
Handling Refuse	.004	-	-	-	-	-	-	-
Pond Expense	.247	.188	.121	.104	.111	.166	.100	.093
Total	2.184	5.957	4.555	3.569	4.336	4.443	4.262	4.159
MAINTENANCE:								
Buildings	.098	.050	.554	.055	.045	.028	.013	.002
Tramways and Tracks	.035	.255	.058	.080	.080	.092	.072	.056
Docks	.012	-	-	.001	-	-	.003	.026
Engines and Boilers	.009	.029	.004	.021	.094	.023	.041	.020
Machinery & Equipment	.105	.255	.372	.219	.146	.322	.364	.101
Yards & Grounds	.034	.209	.182	.091	.107	.158	.148	.148
Safety Devices	-	-	-	-	-	-	-	-
Total	.293	.798	1.170	.467	.472	.623	.641	.353
SUNDRY EXPENSES:								
Equipment	-	.096	.113	.044	.014	.012	.013	.010
Supply Inventory	.011	.002	-	-	-	-	-	-
Miscellaneous	-	.731	-	-	.001	-	-	-
Fire Loss	-	-	-	.051	-	-	-	-
Idle Expense	.432	-	2.522	-	-	-	-	-
Total	.421	.829	2.635	.007	.015	.012	.013	.010
Total Direct Sawing Cost	2.898	7.584	8.360	4.029	4.823	5.078	4.916	4.522
FIXED CHARGES & GEN. EXPENSE:								
Depreciation - Plant	.529	.203	-	-	-	-	.075	.069
" - Construction	-	-	-	-	-	.048	-	-
Total	.529	.203	-	-	-	.048	.075	.069
Insurance - General	.090	.203	.121	.123	.123	.126	.124	.113
" - On Stock	.085	.264	.305	.226	.215	.178	.147	.150
Personal Injury	.021	.097	.160	.089	.094	.133	.072	.067
Advertising	.017	.020	.004	.007	.007	.008	.007	.005
Taxes	.171	.821	1.093	.765	.980	.997	.763	.691
Selling Expense	.022	.120	.083	.124	.037	.014	.021	.002
Local Office (Prop. of)	.318	.604	.643	.553	.752	.716	.719	.388
Central Office (Prop. of)	.128	.127	.127	.124	.124	.117	.115	.104
Total	1.381	2.256	2.536	2.011	2.337	2.337	2.043	1.589
Total Sawing Cost	4.279	9.214	10.896	6.215	7.160	7.415	6.959	6.111

MUNISING SAWMILL

(Sheet #2)

Comparative Costs - Softwood Equivalent

	1915	1920	1921	1922	1923	1924	1925	1926 to 8/15
<u>Logs Sawed:</u>								
Softwood	9.108	22.379	23.489	13.204	16.691	15.582	14.645	14.306
Hardwood	9.610	26.784	25.403	15.064	23.116	22.880	23.518	23.918
<u>Production Cost:</u>								
Softwood	13.387	32.422	34.385	19.244	23.851	22.997	21.604	20.417
Hardwood	16.742	43.526	43.565	25.131	35.050	35.238	35.116	34.108
<u>Shipping Expense:</u>								
Rough on Cars - Softwood	.340	1.622	1.583	.857	1.284	1.175	1.108)
" " " - Hardwood	-	-	-	-	-	-	1.346	1.254)
Rough on Vessels - Softwood	.926	-	.222	-	-	-	-	.487
Planed - Softwood	-	4.480	2.888	2.255	2.404	2.687	2.946)
" - Hardwood	-	-	-	-	-	-	2.921	4.104)
<u>Cost on Cars:</u>								
Softwood	14.653	34.827	36.402	20.754	25.739	25.332	23.985	20.417
Hardwood	18.008	45.931	45.582	26.641	36.938	37.573	36.515	33.229
<u>BY-PRODUCTS:</u>								
Lath - Labor	.853	4.026	2.152	2.359	2.808	2.817	2.506	3.570
" - Shipping Expense	.047	.259	.082	.058	.111	.115	.057	.094
Total	.90	4.285	2.234	2.417	2.919	2.932	2.563	3.664
Slabwood - Produced	.487	2.072	1.417	1.016	1.398	1.331	-	.299
Shipping Exp.	.265	.600	.404	.440	.690	.801	.759	.621
Total	.752	2.672	1.821	1.456	2.088	2.132	.759	.920
Refuse - Shipping Expense	-	.062	-	-	-	.175	.144	.131
Hardwood Squares - Produced	-	-	-	-	.036	.013	.0106	.019
" " - Ship. Exp.	-	-	-	-	-	-	.0004	.0005
Total	-	-	-	-	.036	.013	.0110	.0195

THE CLEVELAND - CLIFFS IRON COMPANY
LAND DEPARTMENT

Comparative Statement of Munising Mill Profits - Beginning Year 1916.

	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926
Hardwood	1,797.65	645.65	4,707.25	18,732.62	38,751.83	36,261.78	33,303.16	7,560.69	21,523.56	18,160.09	41,568.23
Softwood	5,243.08	54,696.36	84,848.47	49,409.35	35,333.61	237,517.47	10,006.82	48,595.54	49,505.30	4,446.52	8,162.36
Retail Yard	5,501.11	10,142.78	6,946.03	11,713.31	8,533.77	9,340.08	11,336.16	13,290.73	14,214.36	14,832.72	11,988.19
Custom Sawing							195.34	81.92	11.02	4.21	
Miscellaneous	442.20										
Total	12,984.04	64,193.49	96,501.75	79,855.28	82,619.21	264,439.17	54,841.48	69,528.88	13,756.36	28,550.50	37,742.40
Shingles	414.08	683.74	2,438.85	1,103.72	3,945.34	5,026.51	2,368.43	229.91	.45	374.35	4,377.72
Ties	181.62	289.51		842.23	295.08	114.23	345.07	610.97	2,840.12	.59	635.20
Lath	3,892.22	9,711.73	1,132.72	4,998.11	13,791.47	5,536.10	12,764.73	12,109.00	6,804.03	4,816.78	1,961.78
Hardwood Slabs		607.65	2,836.84	4,968.16	729.78	888.76	1,044.66	534.15	2,402.83	8,574.00	6,445.02
Softwood Slabs	5,097.61	3,666.99	19,262.57	4,912.75	3,113.37	1,568.43	2,235.58	4,237.25	2,470.61	423.21	36.64
Hogged Refuse	116.00	348.50	1,698.61	295.88	584.98	536.50	670.50	3,375.38	2,179.88	6,186.78	3,749.37
Bark	128.37		554.44							613.26	
Ashes	33.75	29.00	119.00	10.50							
Hardwood Squares	371.67	18.96							269.72	1,921.63	1,501.69
S. & T. Mill Idle Expense	799.38	862.35	598.17	259.82	170.16	519.88	255.45	418.86	765.75	1,485.98	858.10
Birdseye Maple Logs										739.37	1,160.80
Gross	11,396.60	77,319.74	119,068.91	96,726.81	90,791.65	261,571.00	69,278.14	81,272.36	2,495.69	50,713.31	28,758.12
Optg. Rented Bldgs.					1,460.99	1,089.50	730.81	792.63	787.99	692.08	640.42
Discount on Sales		6,312.91	7,443.94	9,427.99	6,788.63	5,007.81					
Uncollectible Accts.			3,059.18	400.04							
U. & C. Insurance						672.49					
Bonuses to Employees					4,770.18						
Box Shook Operation	5,028.56	194.89									
Box Shook Experiment	12,493.60										
Adj. - Stock of Logs						23,127.94			896.22		
Adj. - Stock of Supplies						630.64					
Idle Expense											10,576.16
Net	6,125.56	70,811.94	108,565.79	86,898.78	77,771.85	292,099.38	68,547.33	80,479.73	4,179.90	50,021.23	38,974.70
Total from 1916	6,125.56	64,686.38	173,252.17	260,150.95	337,922.80	45,823.42	114,370.75	194,850.48	190,670.58	240,691.81	200,717.11

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THE CLEVELAND-CLIFFS IRON COMPANY

LAND DEPARTMENT

COMPARISON OF PRICES RECEIVED FOR WHOLESALE DELIVERIES

OF MUNISING MILL PRODUCTS

		1926	1925	1924
<u>Lumber - Per M. Ft.</u>				
<u>Hard Maple:</u>				
F. & S.	8/4	86.81	91.68	106.52
"	6/4	75.41	80.24	105.00
"	5/4	75.00	80.34	
"	4/4	68.07	74.22	78.10
Selects	8/4		85.69	78.16
"	6/4			95.00
"	4/4	57.32		61.01
Selects & No. 1 C	8/4	69.08	71.98	87.62
"	6/4	55.85	60.51	
"	5/4		60.34	
"	4/4	53.97	56.71	57.75
No. 1 C. & Btr.	12/4		75.42	
No. 1 C.	8/4	65.64	60.19	83.54
"	6/4		55.33	80.00
"	5/4	53.08		
"	4/4	48.46	49.28	51.09
No. 2 C.	8/4	40.07	41.35	45.67
"	6/4		35.87	45.00
"	4/4	28.73	29.29	31.12
No. 3 A.	8/4	20.38	20.74	28.32
"	6/4		20.35	
"	4/4	19.09	18.72	20.14
No. 3 C.	8/4	24.76	22.72	
"	6/4		26.26	
"	4/4	14.21	20.47	
No. 3 B.	4/4	14.11	13.62	
"	4/4	13.00	12.96	13.00
	4/4	Covering Boards		
<u>Soft Maple:</u>				
F. & S.	4/4	58.43	66.91	
Sel. & No. 1 C	4/4	38.54	46.91	
No. 1 C. & Btr.	4/4	45.73		
No. 2 C.	4/4	23.26	22.93	
No. 2 C. & Btr.	4/4		38.39	
No. 3 C.	4/4	18.41	12.84	14.90
<u>Birch:</u>				
F. & S.	8/4	113.49	95.98	121.72
"	6/4	110.28		117.14
"	5/4	109.04		
"	4/4	104.20	109.21	113.83
Selects	8/4	89.68		109.96
"	6/4	90.28		100.51
"	5/4	87.34		
"	4/4	78.18	85.17	
Sel. & No. 1 C.	8/4		80.77	90.29
"	6/4			84.43
"	4/4		56.08	57.07

COMPARISON OF PRICES RECEIVED FOR WHOLESALE DELIVERIES
OF MUNISING MILL PRODUCTS

Sheet No. 2.

		1926	1925	1924
<u>Birch:</u>				
No. 1 C.	8/4	70.95	71.09	79.96
"	6/4	60.00		68.55
"	5/4	55.00		
"	4/4	49.12	47.67	56.67
No. 2 C.	8/4	40.41	41.09	49.82
"	6/4			44.96
"	4/4	29.52	32.82	29.69
No. 3a C.	8/4	20.62		
No. 3 C.	4/4	18.50	18.13	15.78
<u>Basswood:</u>				
F. & S.	4/4	64.30	64.22	70.00
Selects	4/4			60.00
Sel. & No. 1 C.	4/4	44.27	44.22	
No. 1 C.	4/4			46.35
No. 2 C.	4/4	22.83	24.22	31.61
No. 3 C.	4/4	20.09	20.33	
<u>Beech:</u>				
F. & S.	4/4			60.00
Selects	4/4			50.00
No. 1 C.	4/4			35.00
No. 2 C.	4/4	23.70		25.00
No. 1 C. & Btr.	4/4	35.00		
No. 2 C. & Btr.	4/4	35.00	33.71	37.77
<u>Ash:</u>				
F. & S.	5/4	91.98		
"	4/4	89.08	92.62	97.84
Selects	5/4	66.42		
"	4/4		67.62	71.11
Sel. & No. 1 C.	4/4	47.99		71.61
No. 1 C.	5/4	46.47		
"	4/4		47.62	51.28
No. 2 C.	5/4	30.91		
"	4/4	25.90	32.62	31.38
No. 3 C.	4/4	21.65	19.63	16.89
<u>Elm:</u>				
F. & S.	8/4		91.60	89.50
"	4/4	64.05	64.29	67.03
Selects	4/4			52.12
Selects & No. 1 C.	8/4		71.85	69.58
"	4/4	44.05	44.29	46.89
No. 1 C.	4/4			42.06
No. 2 C.	8/4		42.66	40.93
"	4/4	22.15	26.38	22.17
No. 3 C.	4/4	19.75	19.48	18.10
<u>Hemlock:</u>				
Merchantable		27.13	25.76	26.49
No. 3		18.13	19.03	17.12
No. 4		8.19	7.46	7.19
No. 5		7.23		
<u>White Pine:</u>				
No. 3 & Btr.		41.13	41.05	56.27
No. 4		29.21	30.45	27.81
No. 5		15.18	17.41	16.25

COMPARISON OF PRICES RECEIVED FOR WHOLESALE DELIVERIES
OF MUNISING MILL PRODUCTS

Sheet No. 3.

	1926	1925	1924
<u>Spruce:</u>			
Merchantable	36.40	35.36	36.62
<u>Tamarack:</u>			
Merchantable	25.56	27.73	32.25
<u>Cedar:</u>			
Common & Better	25.52		
	<u>Lath - Per M. Pcs.</u>		
<u>Hemlock Lath:</u>			
4 ft. No. 1	7.67	7.62	7.70
4 ft. No. 2	4.52	4.99	6.46
32 in.	3.20	3.06	3.11
<u>Pine Lath:</u>			
4 ft. No. 1		7.80	
4 ft. No. 2	7.50	6.83	
32 in.	3.16	3.25	3.64
	<u>Hardwood Squares - Per M. Pcs.</u>		
<u>Hardwood Squares:</u>			
1 x 1 - 36 in.	8.65		
" - 42 in.	14.50	12.57	13.12
" - 48 in.	16.56	12.42	15.71
5/4 x 5/4 - 30 in.		11.76	
" - 32 in.	11.10	11.16	
" - 36 in.		12.99	
" - 38 in.	15.16	14.83	
" - 42 in.	20.15	20.28	29.52
" - 46 in.		18.89	
" - 48 in.		18.97	33.75
6/4 x 6/4 - 30 in.	19.28		
" - 36 in.	23.16		
" - 42 in.	27.09		
" - 48 in.	31.80		
Average	17.06	15.95	18.05
	<u>Slabwood - Per Cd.</u>		
<u>Slabwood:</u>			
4 ft. Softwood Fuel	3.19	2.99	2.99
4 ft. Pulpwood		1.49	1.22
16 in. Softwood		1.25	1.19
4 ft. Hardwood	3.75	3.75	3.75
16 in. Hardwood	2.28	2.12	2.08
	<u>Shingles - Per M. Pcs.</u>		
<u>Shingles:</u>			
Extras	3.57	4.25	4.68
Standards	2.54	3.09	2.55
Diamond "A"	1.95	2.03	1.68

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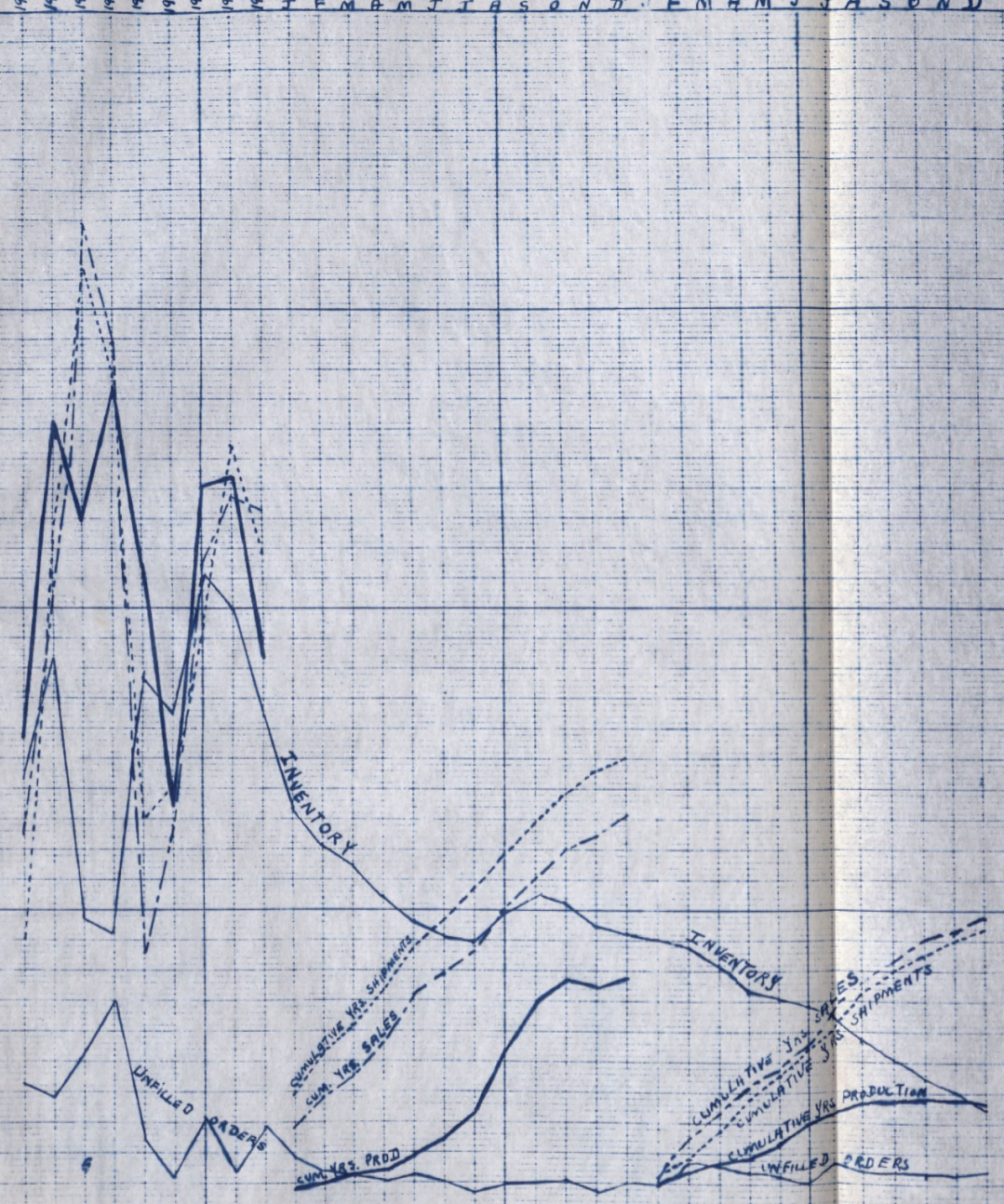
MUNISING SAW MILL - SOFTWOOD LUMBER

1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926
 J F M A M J J A S O N D J F M A M J J A S O N D

M. FT.

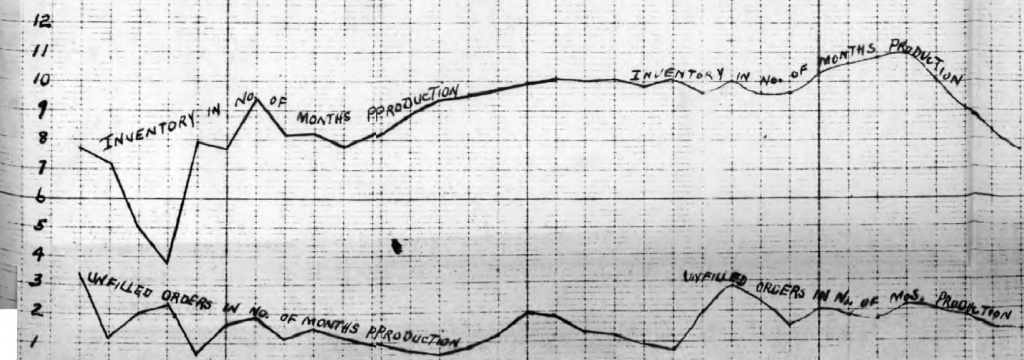
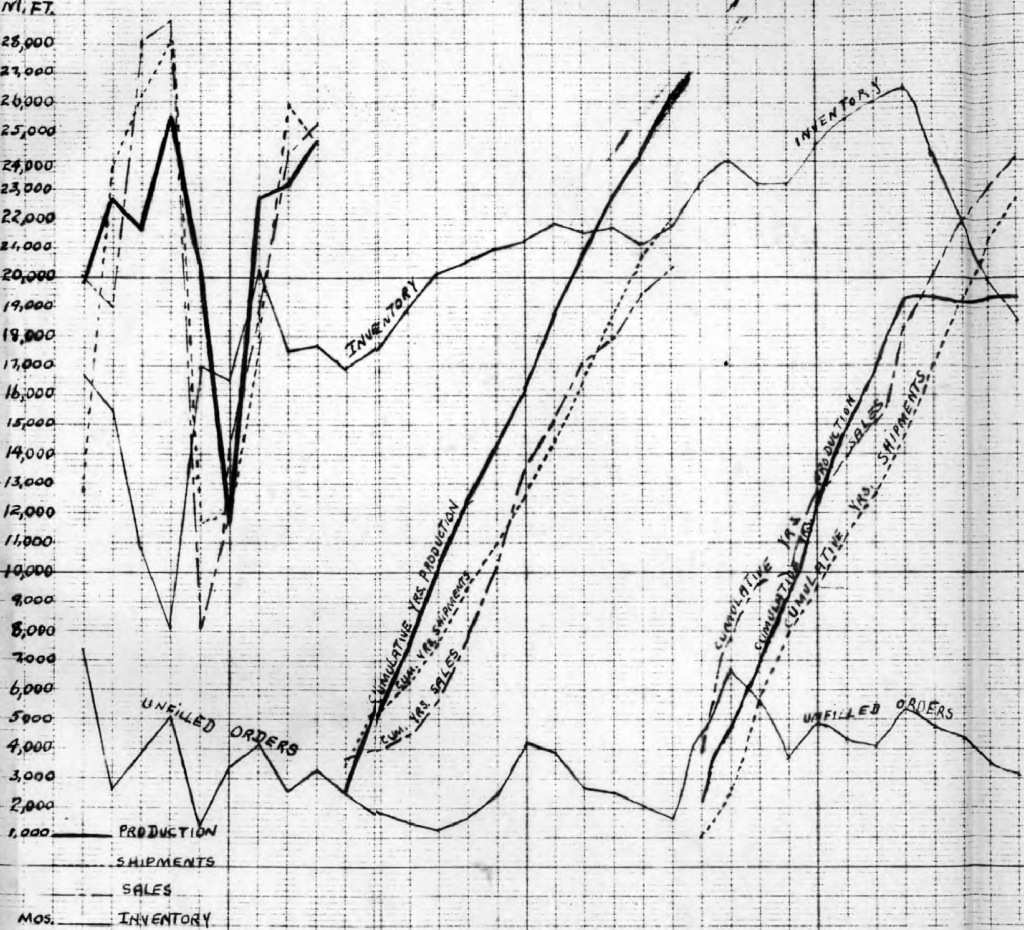
25,000
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— PRODUCTION
 - - - SHIPMENTS
 - - - SALES
 — INVENTORY



MUNISING SAW MILL - LUMBER IN SOFTWOOD EQUIVALENT

1916 1917 1918 1919 1920 1921 1922 1923 1924
 1925 1926
 J F M A M J J A S O N D J F M A M J J A S O N D



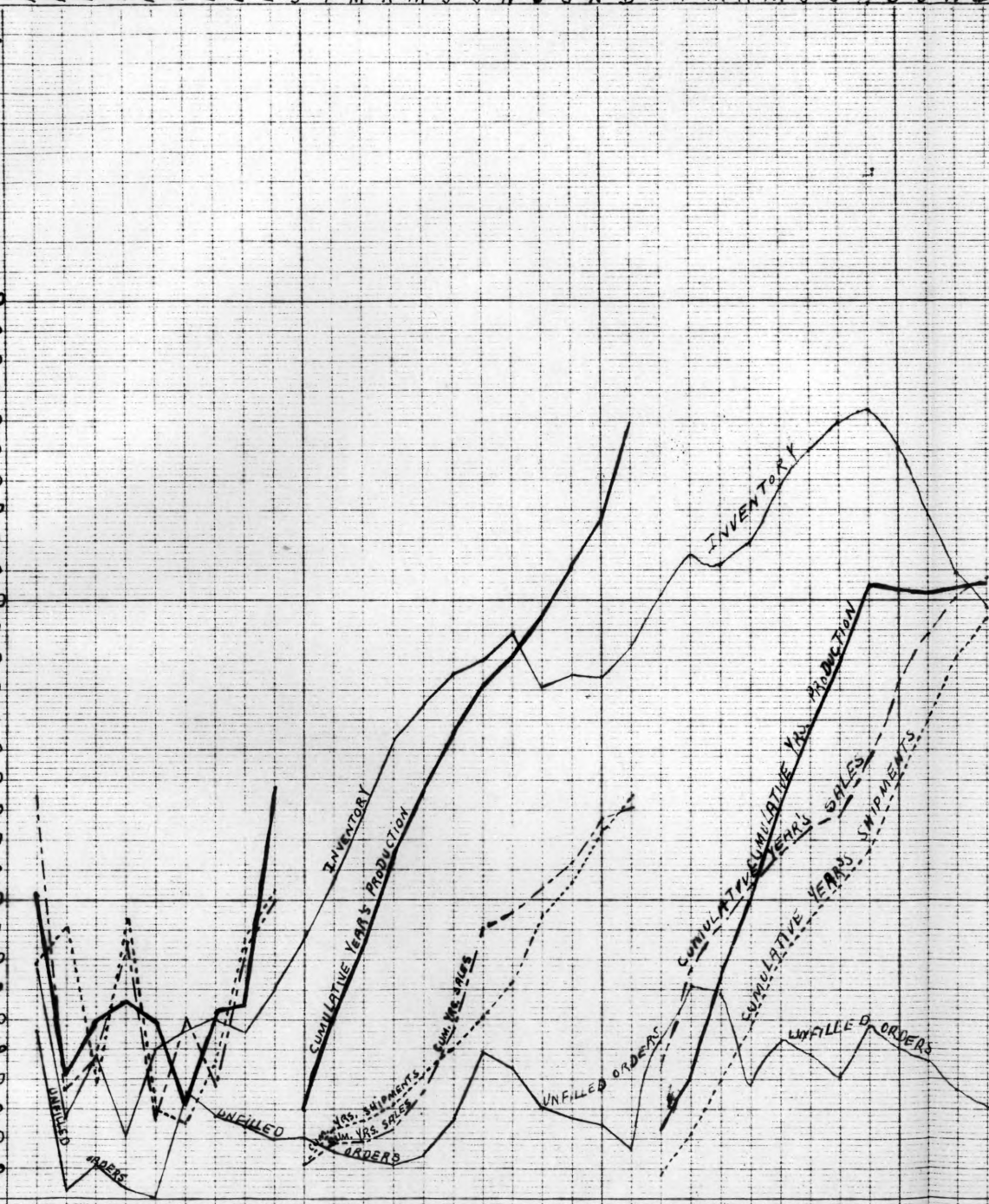
MUNISING SAW MILL - HARDWOOD LUMBER

1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926
 J F M A M J J A S O N D J F M A M J J A S O N D

M.F.T.

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- PRODUCTION
- - - SHIPMENTS
- - - SALES
- INVENTORY



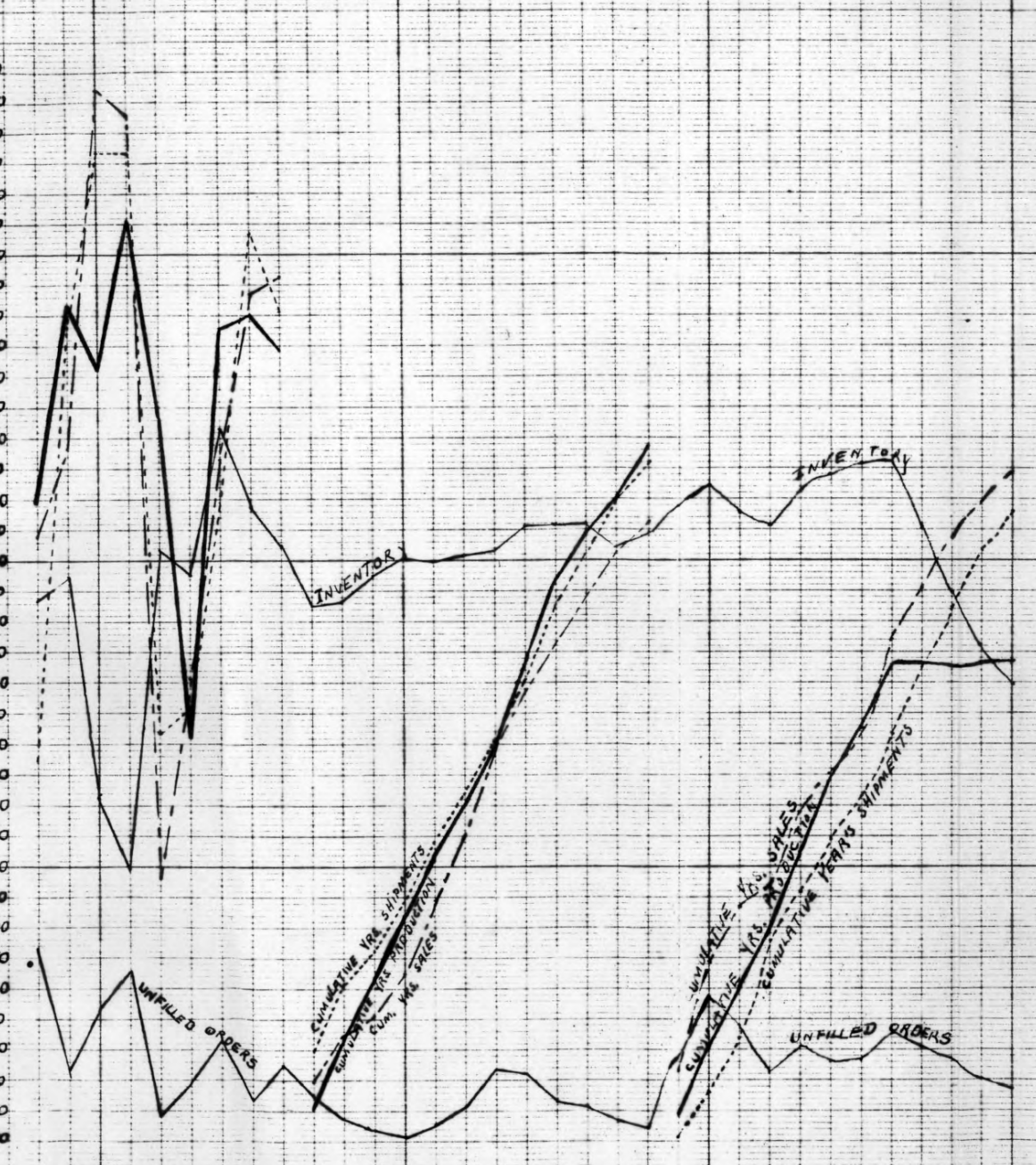
MUNISING SAW MILL - ALL SPECIES LUMBER

1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926
 J E M A M J J A S O N D J E M A M J J A S O N D

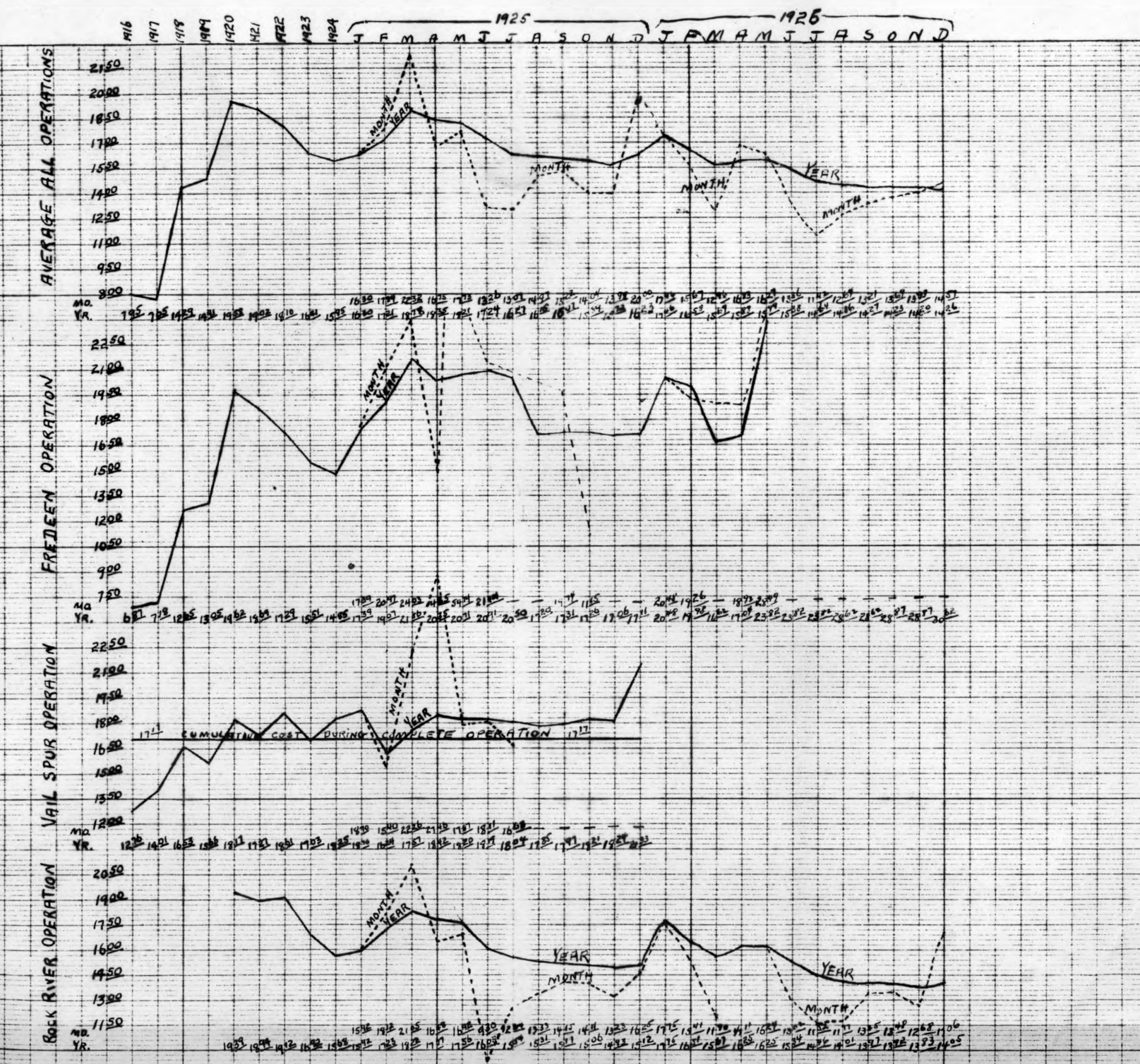
M. FT.

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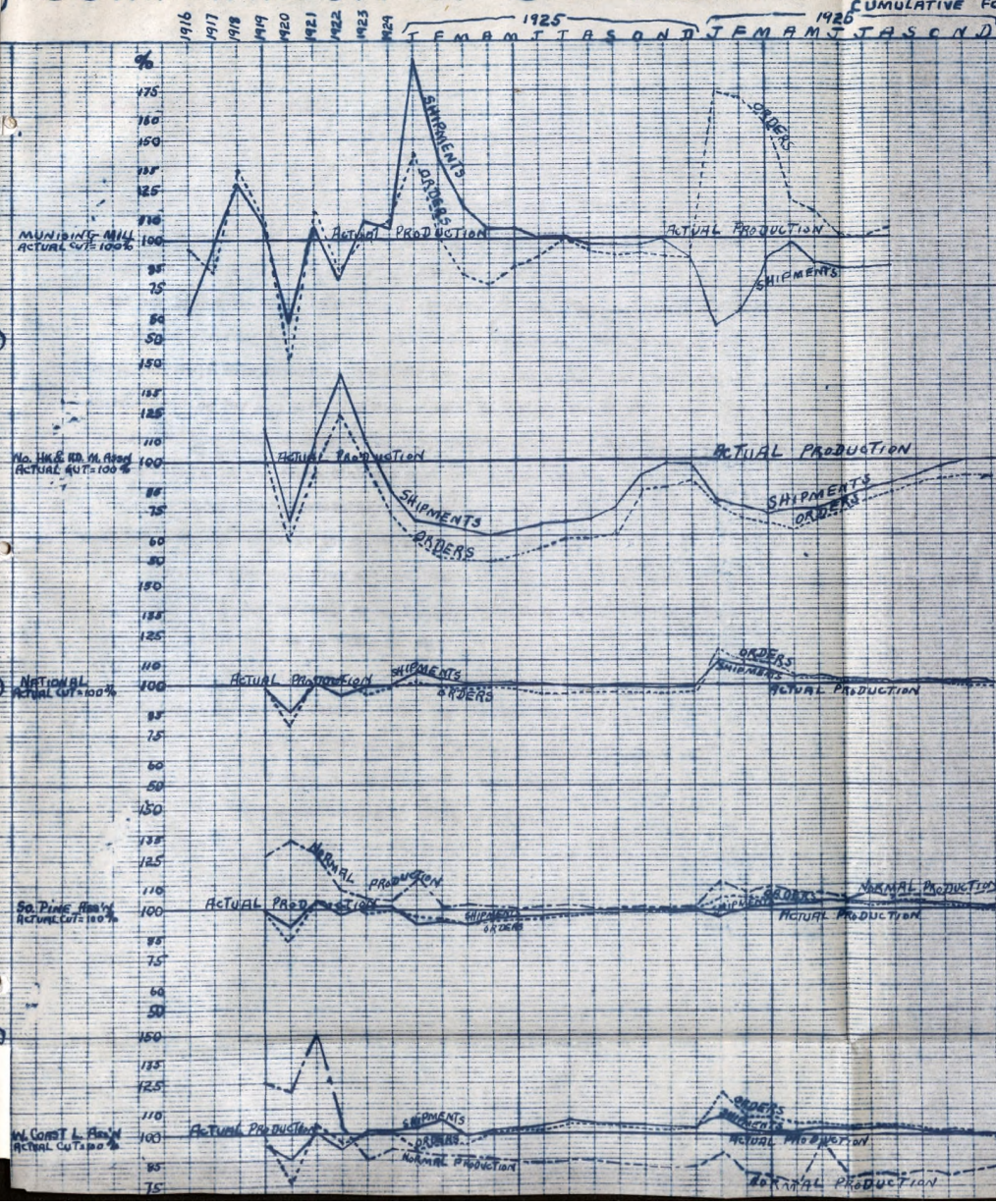
— PRODUCTION
 - - - SHIPMENTS
 - - - SALES
 — INVENTORY



LOGGING COSTS PER M. FT. BORNE BY LAND DEPARTMENT.



COMPARISON OF SHIPMENTS AND ORDERS WITH ACTUAL PRODUCTION



HOTEL WILLIAMS AND COTTAGES

The hotel was opened July 1st and closed September 30th. The net result of the operation showed a greater loss than in 1925, although we were able to reduce our operating expenses by some \$4,000.00. Our revenues were nearly \$5,000.00 less than the previous season. While we had a greater number of guests registered, the total for 1925 being 821 and 1926 - 1,094, yet the total meals served to guests for 1925 was 11,655 while in 1926, only 7,159 were served. The Detroit Board of Commerce planned on visiting the Island on their annual cruise in June and arrangements were made for their entertainment. However, due to a heavy fog, their boat was unable to enter Munising Bay and they returned to Detroit without touching at the Island. The rotary clubs of Upper Michigan held their annual meeting at the Island in July, and also a meeting of the Birch Club was held during that month.

As usual the housekeeping cottages were occupied during most of the season, and the sleeping cabins at the Hotel were in good demand.

The Munising Golf Club did considerable work on their course at the Bay Furnace site and it will probably be in fair playing condition the coming season. We believe that this will be an added attraction for our guests.

Mrs. R. E. Vendien was employed as manager at the Hotel, starting June 15th and completing her duties October 10th. As she has been employed at the Hotel under Mrs. Johnson for a number of years, she is perfectly familiar with the manner in which it has been conducted in the past and also is acquainted with a number of our guests who have their annual outing on Grand Island.

Included in this report are statements showing the receipts and expenditures in detail during the past two years.

HOTEL WILLIAMS & COTTAGES

Comparative Statement of Costs

	1925	1926
Days Operated	92	92
Days Idle	273	273
<u>Operating</u>		
Management and Service	2,181.15	2,388.64
Provisions	5,997.02	5,066.23
Water	52.95	3.85
Electric Current	332.90	158.79
Fuel	508.42	272.00
Cigars & Tobacco	225.31	131.72
Laundry	429.00	366.39
Tools & Miscellaneous Supplies	404.07	158.65
Post Cards, Photos, etc.	56.01	38.28
Confectionery	142.39	118.10
Total	10,110.80	8,602.65
<u>Maintenance</u>		
Buildings	1,545.57	466.65
Machinery & Equipment	751.52	50.34
Yards, Grounds and Gardens	83.98	93.04
Sewer and Water System	5.99	6.86
Docks	18.84	29.09
Safety Devices	-	-
Electric Transmission Line	748.73	233.11
Total	3,154.63	879.09
<u>Sundry Expenses</u>		
Equipment	40.95	31.44
Supply Inventory	-	-
Miscellaneous	-	2.25
Fire Loss	-	-
Idle Expense	-	-
Total	40.95	33.69
Total Operating Cost	13,306.38	9,615.43
<u>Fixed Charges and General Expense</u>		
Depreciation Plant	349.89	349.89
" Equipment	-	-
" Construction	-	-
Total	349.89	349.89
Insurance	979.99	997.92
Personal Injury	-	-
Advertising	-	-
Taxes	1,093.96	598.02
Local Office	129.12	111.81
Central Office	600.00	600.00
Total	2,803.07	2,307.75
Grand Total	16,459.34	12,273.07
Plant Account Not Charged Off	2,586.74	2,236.85
Equipment Account Not Charged Off	65.43	33.99
Average Number Employees - Months Operated	13	13

HOTEL WILLIAMS COSTS

	1925	1926
Total Optg. Cost as per Cost Sheet	\$16,459.34	12,273.07
Less Items:		
Cigars & Tobacco	225.31	131.72
Post Cards & Souvenirs	56.01	38.28
Confectionery	142.39	118.10
Electric Transmission Line	748.73	233.11
Board of Grand Island Employees	1,362.86	1,242.15
Total Deduction	2,535.30	1,763.36
Net Expense Charged Guests	13,924.04	10,509.71
Meals Served Guests	11,655	7,159
Cost per Meal	1.19	1.468
Cost per Guest Day	3.57	4.404
Revenue from Guests	13,474.13	8,974.50
" per Meal	1.16	1.253
" per Guest Day	3.48	3.759
Profit or Loss per Guest Day	.09	.645
No. of Meals Served Guests	11,655	7,159
" " " " Employees	2,219	1,911
Total	13,874	9,070
Total Cost of Meals (Provisions Only)	5,997.02	5,086.23
Cost per Meal of Provisions	.432	.561

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HOTEL WILLIAMS

EARNINGS	1925	1926
a. Transients and Boarders	\$13,474.13	\$8,974.50
aa. " "	1,404.15	1,448.20
a. Cigars and Tobacco	221.27	156.47
aa. " "	-	-
a. Souvenirs	82.40	53.24
aa. " "	-	-
a. Rental of Rowboats	68.33	25.05
aa. " "	-	-
a. Water	4.93	22.13
aa. " "	-	-
a. Electric Current	59.60	90.10
aa. " "	598.80	297.60
a. Confectionery	187.44	165.85
aa. " "	-	-
a. Laundry	133.08	59.00
aa. " "	-	-
a. Miscellaneous Earnings	77.50	5.50
aa. " "	-	-
Total Earnings	16,311.63	11,302.24
Total Outside Parties	14,322.00	9,556.44
Total Other Operations	1,989.63	1,745.80
Total Cost to Operate	16,459.34	12,273.07
Net Profit or Loss	147.71	970.83
Electric Current Used	9860 KW	5730 KW
Rate per K.W.	.034	.028
Number of Guests Registered	821	1,094
Meals Served Guests	11,655	7,159
" " Grand Island Employees	2,219	1,911
" " Hotel Employees	3,219	3,583
Total Meals Served	17,093	12,653
Cost per Meal - Provisions	.351	.40
Cost per Meal - Total Including Service	.478	.59

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THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT

STATEMENT SHOWING NUMBER OF GUESTS REGISTERED AT HOTEL WILLIAMS
BY STATES AND CITIES DURING THE SEASON OF 1926.

<u>CALIFORNIA</u>			<u>MICHIGAN</u>		
Long Beach	1		Adrian	4	
San Francisco	<u>1</u>	2	Albion	1	
<u>DISTRICT OF COLUMBIA</u>			Ann Arbor	5	
Washington	<u>7</u>	7	Baraga	1	
<u>FLORIDA</u>			Bay City	2	
Seabreeze	2	.	Beacon	1	
St. Petersburg	<u>2</u>	4	Bessemer	3	
<u>ILLINOIS</u>			Birmingham	1	
Chicago	117		Cadillac	3	
Congress Park	1		Caro	1	
Danville	1		Cassopolis	1	
Decatur	2		Chassell	2	
Evanston	7		Charlevoix	1	
Havana	1		Detroit	35	
Hubbard Woods	3		Escanaba	40	
Joliet	2		Flint	5	
Kankakee	1		Gladstone	23	
Moline	2		Gould City	1	
Rockford	6		Grand Rapids	29	
Rosiclare	2		Hermansville	4	
Streator	4		Holland	4	
Wheaton	4		Ironwood	4	
Wilmette	<u>6</u>	159	Iron Mountain	6	
<u>INDIANA</u>			Ishpeming	35	
Bluffton	1		Jackson	3	
East Chicago	7		Kalamazoo	3	
Fort Wayne	12		L'Anse	1	
Indianapolis	2		Lansing	13	
Kokomo	3		Lapeer	2	
Logansport	<u>2</u>	27	Lathrop	1	
<u>IOWA</u>			Laurium	2	
Burlington	5		Manistique	10	
Dubuque	3		Marquette	101	
Northwood	<u>2</u>	10	Menominee	23	
<u>KENTUCKY</u>			Michigamme	1	
Louisville	<u>3</u>	3	Munising	118	
<u>MARYLAND</u>			Negaunee	43	
Baltimore	<u>2</u>	2	Owosso	2	
<u>MASSACHUSETTS</u>			Painesdale	2	
Boston	2		Pellston	1	
Springfield	<u>1</u>	3	Petoskey	3	
			Pontiac	7	
			Plainwell	2	
			Redridge	1	
			Romeo	1	
			Royal Oak	1	
			Saginaw	3	
			Sault Ste. Marie	22	
			Shepherd	1	

THE CLEVELAND - CLIFFS IRON COMPANY

LAND DEPARTMENT

STATEMENT SHOWING NUMBER OF GUESTS REGISTERED AT HOTEL WILLIAMS
BY STATES AND CITIES DURING THE SEASON OF 1926.

(CONTINUED)

MICHIGAN (Continued)

St. Joseph	1	
Tekonsha	1	
Trout Creek	2	
Wakefield	1	
Wells	4	
Ypsilanti	<u>9</u>	597

MINNESOTA

Albert Lea	2	
Cloquet	1	
Duluth	7	
Minneapolis	9	
St. Paul	<u>3</u>	22

MISSOURI

Kansas City	1	
St. Louis	<u>2</u>	3

NEW YORK

Buffalo	1	
New York City	5	
Poughkeepsie	<u>2</u>	10

NEBRASKA

Omaha	<u>2</u>	2
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NORTH DAKOTA

Bismark	<u>2</u>	2
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OHIO

Cincinnati	2	
Cleveland	9	
Columbus	2	
Elyria	1	
Lima	1	
Toledo	<u>2</u>	17

OKLAHOMA

Oklahoma City	<u>1</u>	1
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TEXAS

Dallas	5	
San Antonio	<u>2</u>	7

WISCONSIN

Amherst	3	
Appleton	7	
Beloit	4	
Fond du Lac	4	
Forestville	2	
Green Bay	12	
Jefferson	1	
Madison	8	
Marinette	16	
Mattoon	4	
Menasha	2	
Milwaukee	8	
Neenah	12	
New London	1	
Oshkosh	4	
Rhineland	1	
Superior	4	
Tomahawk	1	
Wausau	<u>2</u>	96

TOTAL

972

GRAND ISLAND

DEER

The usual number of deer have been seen and we expect to trap and ship about the same number as has been customary. We have made a sale to the Missouri State Game Commission of fifty animals at a price of \$50.00 each, f.o.b. express office, Munising, Michigan. To other purchasers buying only a few at a time, we have been quoting a price of \$60.00. This compares with the price of \$40.00 and \$45.00 obtained last year and \$30.00 and \$35.00 in previous years. The Missouri Game Commission will also take any number of animals in excess of the fifty that we may be able to ship. Practically all large orders from state game commissions call for two female to one male and we have been shipping on this basis for a number of years. We now find that the ratio of male to female that are captured in our traps are about fifty-fifty and this handicaps us somewhat in the number of deer that we could ship if we were not obligated to ship so many females.

ELK

The elk herd remains about the same. There may be a small increase but it is difficult to determine the number that are on the Island.

GAME BIRDS

No partridge or prairie chickens were seen during the year.

PREDATORY ANIMALS

No reports of any trace of these animals were made.

HUNTING

Carter H. Harrison and his party from Chicago spent a portion of the hunting season on the Island as has been their custom for years past. We also entertained a party from Lower Michigan, which included Frank and Herbert Book, Governor-Elect Green, Mayor Smith of Detroit, and several of their friends. They occupied the Williams and Jopling Cottages and brought their own cook and provisions. A statement showing the hunting permits issued and the number of deer killed is given below:

285	Oscar F. Mayer	
286	O. G. Mayer	1 deer
287	C. H. Harrison	1 "
288	W. H. Klowe	1 "
289	J. H. Winter	
290	J. T. Steur	1 "
291	Alfred Bellstrom	
292	Vernie Dahlstrom	
293	Albin Bellstrom	
294	Chas. A. Johnson	
295	L. E. Swanson	
296	Geo. H. Swanson	1 "
297	E. G. Wiedman	
298	Al. Willman	
299	D. M. Silkworth	
300	W. E. Klauer	

MAPLE SYRUP

The production of maple syrup during the season was 756 gallons compared with 620 gallons in 1925. This has all been disposed of with the exception of some 40 gallons of what we call Grade No. 2. This is the syrup that is made toward the end of the season and it is generally of a darker color and possibly not so well flavored as the syrup made during the earlier run of sap. The price has been raised to \$3.25 per gallon.

ROADS

No additional roads or trails were constructed and the expense of maintenance was kept down as much as possible, being about the same as last year.

DOCKS

No repairs or additions were made to the docks.

LAUNCHES

The "Ottawa" was placed in commission July 15th and laid up September 30th. During that period, she made scheduled trips between the Island and Munising, and also on three days during the week made trips to Pictured Rocks. These trips are gaining in popularity and our total passengers carried this year exceeded 1925 by 270. The Launch "Trout Bay" was operated between the Island and Powell's Point during the time that the "Ottawa" was in commission, and also into Munising when the "Ottawa" was laid up. No extensive repairs were made to these boats other than the annual overhauling and painting.

CABLE

The submarine cable for transmission of electric current from the mainland to the Island went out of commission in October. It was necessary to take it up and upon being tested, it was found that some 200 feet were defective due to leakage of water, which had caused short circuits. The Mining Department took over the good portion of the cable, 2,000 feet, and paid us the same price that we have to pay for a new cable. This cable was of service to them in their work at the Barnes-Hecker and other properties. We have placed an order through the Purchasing Department for a new cable to be delivered May 1st, 1927, so that it may be installed and ready for the summer season.

EXPENSES

A statement is included in this report comparing the expenses and revenues of the Island for the year 1925 and 1926. You will note a reduction of approximately \$7,000.00 in expenses in 1926 as compared with 1925, while our revenues were \$1,000.00 in excess of those for 1925, resulting in a reduction of the loss by approximately 50%. The reduction in losses for 1926 were \$16,111.38 as compared with 1924.

GRAND ISLAND OPERATING EXPENSES

	1925	1926
<u>Operating</u>		
Superintendence	\$3,240.00	3,240.00
Game Preserve		
Game Keepers	1,046.92	710.00
Feed	344.66	239.55
Game, Fish & Fowl Pur.	-	-
Shipping Expense	583.30	370.14
Medicine	-	-
Miscl.	20.20	5.00
Farm		
Farming	810.47	312.44
Livestock Purchased	-	37.65
Feed of Livestock	169.26	60.82
Launches & Boats	3,129.33	2,847.46
Syrup Making	986.13	798.54
Storing Ice	143.58	65.70
Autos	598.19	458.76
Tools & Misc. Supplies	186.11	39.35
Planting Trees	-	-
Board of Men	5,351.97	2,667.73
Stable Expense	290.87	145.07
Improving		
Roads	-	-
Game Fence	-	-
New Dock	-	-
Telephone Lines	-	-
Electric Current	598.80	297.60
Total	17,499.79	12,295.81
<u>Maintenance</u>		
Buildings	583.41	94.77
Machinery & Equipt.	28.22	-
Roads, Trails & Fences	228.21	235.20
Docks	642.05	15.11
Launches & Boats	622.29	151.25
Yards, Grounds & Gardens	214.18	.63
Telephone Lines	21.80	12.41
Safety Devices	-	-
Total	2,340.16	509.37
<u>Sundry Expenses</u>		
Equipment	722.04	772.16
Supply Inventcry	-	-
Miscellaneous	-	1.85
Fire Loss	-	-
Total	722.04	774.01
Total Cost Opt.	20,561.99	13,579.19
<u>Depreciation</u>		
Plant	560.63	197.00
Equipment	1,809.02	1,837.97
Optg. Cedar Job No. 1	-	-
Total	2,369.65	2,034.97
Insurance	1,005.03	919.22
Compensation Fund	-	-
Personal Injury	31.80	5.65
Advertising	-	-
Taxes	773.67	432.83
Selling Expense	-	-
Local Office	255.05	187.47
Central Office	1,200.00	1,200.00
Total	3,265.55	2,745.17
Total Fixed Charges	5,635.20	4,780.14
Grand Total Cost to Operate	26,197.19	18,359.33

GRAND ISLAND EARNINGS

	R-72	1925	1926
Game & Fish	a	\$3,370.00	\$4,265.00
"	aa	-	-
Farm & Poultry	a	377.36	240.56
"	aa	385.82	452.00
Ice	a	46.75	135.50
"	aa	400.00	320.00
Maple Syrup	a	1,577.28	2,022.01
" "	aa	128.75	243.35
Launches & Boats	a	2,148.97	1,874.24
" "	aa	214.25	346.25
House Rents	a	1,166.14	777.65
" "	aa	-	7.50
Lot Rents	a	350.00	350.00
" "	aa	-	-
Auto Earnings	a	1,124.00	761.25
" "	aa	107.60	134.75
Teaming	a	126.50	-
"	aa	-	-
Miscellaneous	a	85.21	100.24
"	aa	-	-
Total R-72		11,608.63	12,030.30
Total R-72a		10,372.21	10,526.45
Total R-72aa		1,236.42	1,503.85
Inventory End of Year		366.50	251.23
Grand Total		11,975.13	12,281.53
Grand Total Cost to Operate		26,197.19	18,359.33
Net Profit or Loss		14,222.06	6,077.80
Plant Account Not Charged Off		3,092.84	2,895.84
A5a Equipment Acct. Not Charged Off		15,096.00	13,258.05
A5b " " " " "		1,713.27	941.11
No. Miles Traveled Launch "Grand Island"		398	-
" " " " "Wood Island"		-	-
" " " " "Ottawa"		1,846	2,116
" " " " "Williams Island"		346	331
" " " " "Trout Bay"		2,097	1,607
Total Miles		4,687	4,054
No. Passengers Carried Launch "Grand Island"		339	-
" " " " "Wood Island"		-	-
" " " " "Ottawa"		5,008	5,278
" " " " "Williams Island"		417	247
" " " " "Trout Bay"		2,728	1,838
Total		8,492	7,363

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The following time was spent by Land Department employees on work done for other Departments:

	Mining Dept.	Furnace Dept.	Lbrg. Dept.	Railway Dept.	Govt. Timber Questionnaire
J. G. Gibson					8 days
M. E. Bath					4 "
R. A. Brotherton		5 days	3 da.		1 "
N. B. Markettey		3 "	2 "		1 "

REPORT OF MR. H. S. NIGHTINGALE
FOR YEAR 1926.

I beg to submit herewith my report for the year 1926 on various Department matters:

SUPERIOR REALTY COMPANY TAX TITLES

Tax Title Account balance Jan. 1st, 1926	\$ 3,032.23	
" " " (M.M.L.Co.) Jan. 1st, 1926	<u>4,305.45</u>	
Total Tax Titles		\$ 7,337.68
Tax Titles Purchased 1926	734.61	
" " " (M.M.L.Co.) 1926	<u>6,406.78</u>	7,141.39
Total		14,479.07
Redemptions 1926 Tax Title Account	1,022.89	
Redemptions 1926 (M.M.L.Co.)	<u>579.29</u>	1,602.18
Balance January 1, 1927, Tax Title Account	\$2,743.95	12,876.89
" " 1, 1927 (M.M.L.Co.)	<u>10,132.94</u>	
Total		\$12,876.89

No purchases were made during the year on lands other than those in which we were interested in the mineral rights and only in such counties where Mr. Mather has ruled purchases be made.

The following statement shows the present status of the above account:

Tax Titles Purchase Account		\$ 2,743.95
Tax Titles in Alger, Chippewa, Delta, Schoolcraft Counties of doubtful value purchased prior to April 15th, 1924, the date of Mr. Mather's ruling not to make further purchases.	\$ 812.80	
1923 Taxes no notices required	510.31	
Prior to 1923 taxes notices served	1,071.69	
" " " no " "	<u>349.15</u>	
Total		\$ 2,743.95

The item of \$1,071.69 represents descriptions upon which tax service is complete and deed will be issued to The Cleveland-Cliffs Iron Company.

Michigan Mineral Land Company Account		\$10,132.94
1923 taxes no notices required	\$5,578.45	
1922 " notices required	3,699.27	
Prior to 1923 taxes notices served	<u>855.22</u>	
Total		\$10,132.94

The item of \$855.22 represents descriptions upon which tax service is complete except one item of \$24.76 which will be complete on April 6th, 1927. Deed will be issued to the Michigan Mineral Land Company.

We are obtaining ownerships of the item \$3,699.27. At present we have negotiations with G. F. Sanborn of Eagle River, Wisconsin, covering \$2,224.85 of this item with prospects of an early settlement.

Tax titles covered by the item of \$12,876.89 are located in the following counties:

Alger County	\$ 201.54
Baraga County	770.69
Chippewa County	218.74
Delta County	47.26
Houghton County	411.65
Iron County	9,161.89
Marquette County	1,693.73
Schoolcraft County	371.39
	<u>\$12,876.89</u>

TOWNSHIP AND CITY AFFAIRS

We have continued our efforts this year to create a better understanding with the various township and city officials where we have assessable property. Frequent visits have been made with these men, particularly in Alger County.

TAXES

An examination of The Cleveland-Cliffs Iron Company's comparative tax statement for the year 1925-1926 shows a reduction in total taxes paid of \$11,940.75 for the year 1926. Included in this statement, however, are taxes chargeable to Accounts Receivable. Taking this into consideration the total reduction is therefore \$1,782.18. There is included in this statement, 9/12ths of the taxes on lands sold the Ford Motor Company amounting to approximately \$27,000.00. According to the terms of the contract with the Ford people they are to pay these taxes and deduct same from the final payment.

A very creditable showing was made in Alger County this year with a reduction in taxes of \$22,936.24. This was nearly offset, however, by the increase in McMillan Township, Luce County, of \$17,058.80. This increase is due to the excessive cost of the new high school building and new community building at Newberry, Michigan. An effort was made to delay the building of the school but without avail. The Cleveland-Cliffs Iron Company pays 29% of the taxes in this Township.

An arrangement was entered into with Messrs. Anderson and Strong this spring to pool our tax interests in the City of Munising in connection with the personal tax on the Paper Mill, Woodenware and Saw Mill on an inventory basis. As a result of this agreement, The Cleveland-Cliffs Iron Company has received checks from The Munising Paper Company of \$5,159.73, and The Munising Woodenware Company of \$166.85. This is shown on the following statement:

	Inventory Value of Personal Property April 1, 1926		1926 Values as Assessed	Actual 1926 Taxes as Assessed	Taxes Prorated on Basis of Invty. Values	Adjustment of Taxes to Inventory Values
	Amount	Per Cent				
The M.P.Co.	\$1,059,770.36	60.581	\$340,000.00	\$17,901.00	\$23,060.73	\$5,159.73
The M.W.Co.	160,105.18	9.152	63,000.00	3,316.95	3,483.80	166.85
The C.C.I.Co.	529,466.83	30.267	320,000.00	16,848.00	11,521.42	<u>5,326.58</u>
(Sawmill)	\$1,749,342.37	100.000	\$723,000.00	\$38,065.95	\$38,065.95	-

Careful attention was given this spring to the regular Board of Review meetings in the townships where we have assessable property, the result being a reduction of \$215,950.00 in valuation of Company lands as follows:

Reductions due to timber removed	\$54,200.00
Reductions secured in assessments	161,750.00
Total	\$215,950.00

The following report shows the condition of the finances of the City of Munising:

<u>Receipts:</u>			
Cash Balance Jan. 1, 1926	\$ 9,671.83		
Amount raised by Taxation	74,903.94		
Actual Receipts	<u>34,647.83</u>		
1926 loans	119,223.60		
	<u>30,000.00</u>		
Under Cash Balance Dec. 31, 1926	149,223.60		
	<u>1,571.72</u>		
	150,795.32		
<u>Expenditures:</u>			
Actual Expenditures	98,471.13		
1925 loans paid	<u>52,324.19</u>		
	150,795.32		
Loans outstanding to Dec. 31, 1925		\$52,324.19	
" " " " " 1926		<u>30,000.00</u>	
" reduced during year		22,324.19	
	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Expenditures 1926	80,361.00	98,471.13	18,110.13
Receipts 1926	<u>41,010.00</u>	<u>34,647.83</u>	<u>6,362.17</u>
Net Operating	39,351.00	63,823.30	
Actual in excess of budget			24,472.30

We have continued our efforts with the Munising City officials during 1926 and have tried to get them to hew to the budget. For political reasons three new projects were undertaken during 1926 - sidewalks to Brown Addition, sewer in Island View Addition, and Munising Avenue extension. These items were not in the budget with the result that they are out of line. However, the mere fact that we are giving these matters attention is having some effect. We hope to eventually wipe out their habit of continually borrowing money.

The difference in receipts is due to the fact that collection of water rentals were not as high as anticipated and further that considerable amount of special assessments were paid in 1925 instead of 1926.

LAND LOOKING

During the year approximately 50,000 acres of Company lands were examined, under the supervision of Mr. Lowney, Sr. Considerable time was spent in re-estimating and verifying estimates made by other cruisers. We have yet to examine approximately 28,000 acres.

WASTE LANDS

Attention was called last year to 53,955.82 acres of practically worthless land located as follows:

1. Part of Group 1	34,235.82 Acres
2. Fox River Burn	13,960.00 "
3. 49-13 Burn	5,760.00 "
Total	53,955.82 "

A study has been made as to effect the abandoning of these lands or deed-ing same to the State of Michigan would have on the Company's taxes as a whole. The following table shows the result:

	Acres	1926 Taxes Paid	Per Cent of Taxes Paid by The C.C.I.Co. in Township	Amount of Taxes Paid by The C.C.I.Co.	Saving in Taxes
1. Group 1	34,235.82	\$5,956.51	29%	\$1,726.39	\$4,230.12
2. Fox River Burn					
Seney Twp. 6500		714.06	23%	164.23	549.83
Burt " 7460		780.08	65%	507.52	272.56
	13,960.00				
3. 49-13 Burn	5,760.00	838.97	65%	545.33	293.64
	53,955.82	8,289.62		2,943.47	5,346.15

The question should be considered of deeding these lands to the State of Michigan or else discontinue paying the taxes thereon.

FORD DEAL - DEFECTIVE TITLES

This office has been in touch with Berg & Clancey in connection with the cleaning up of the defects to the title to certain descriptions contained in this sale. Attached is copy of Mr. Berg's letter of January 7th, 1927, being a report on the work completed to date and the present status of this matter. I am also attaching map showing in colors the various complications.

MUNISING WOODENWARE CONTRACT

The contract between The Cleveland-Cliffs Iron Company and The Munising Woodenware Company dated October 1st, 1915, expired October 1st, 1925. This covers the sale of 8,171.67 acres of timber lands in Alger County. Attached is map showing the present condition of the descriptions contained in said contract.

This land was partially operated during 1926 and the products removed and billed to the Woodenware at the agreed prices for 1926. This gave us a profit of \$11,035.31 over and above the stumpage prices prevailing under the expired contract.

STATEMENTS

Attached you will find various comparative statements pertaining to taxes in Alger and Marquette Counties.

BERG & CLANCEY

Ishpeming, Mich.

January 7th,
19 27.

Mr. John M. Bush, Land Agent,
Negaunee, Michigan.

Dear Sir:

We submit herewith a report on work done to date in connection with the cleaning up of complications and titles to the company's lands which are involved in the contracts made last October with the Ford Company.

Entire $N\frac{1}{2}$, entire $SW\frac{1}{4}$, $N\frac{1}{2}$ of $SE\frac{1}{4}$, $NE\frac{1}{4}$ of $SW\frac{1}{4}$ and $SE\frac{1}{4}$ of Sec. 2; $NE\frac{1}{4}$ of Sec. 10; Entire $W\frac{1}{2}$ of Sec. 12; $NW\frac{1}{4}$ of $NE\frac{1}{4}$ and entire $NW\frac{1}{4}$ of Sec. 14, all in 50-30. Entire $W\frac{1}{2}$ of Sec. 36, 51-30.

These lands are covered by what is known as our Abstract No. 15, and they are included in the so-called small contract made by the Ford Motor Company, under which we assume to convey to them the surface, with a quitclaim of any interest we may have in the minerals.

Our report showed that The Cleveland-Cliffs Iron Company owned $2/3$ ds surface and $1/6$ th minerals, with Henry M. Atkinson owning $1/3$ d of the fee and D. W. Powell $1/2$ minerals; and in addition to this The Cleveland-Cliffs Iron Company also has tax titles against the outstanding interests (other than the Powell minerals) for a number of years beginning with 1890 and ending with 1901.

There are two ways of settling the conflicting claims of the parties to this land:

a. By getting in touch with the Atkinson heirs and securing their interest in an amicable manner. The Atkinson Estate was probated in Dickinson County a few years ago and we are now conducting correspondence for the purpose of getting

in touch with some person who represents these parties and can negotiate for them. For the reasons stated under the next heading, we consider this the preferable plan of handling this matter.

b. By the institution of partition proceedings in the Baraga County Circuit Court where these lands are located. In such a proceeding all parties having claims to the land are brought into court and then the court refers it to a Circuit Court Commissioner for the purpose of examining the matter and determining whether or not it can be equitably partitioned among the parties in proportion to their respective interests therein. If the Commissioner decides that it can be done he then makes his recommendations as to how it shall be partitioned and what proportions of the land shall be given to each claimant. If he does not think it can be so apportioned he so reports to the court. The report of the Commissioner then comes up before the Circuit Judge for confirmation, and if the court approves of a finding by the Commissioner in apportioning the lands, then the parties get complete title to only such portions of land as are assigned to them respectively; but if the court finds that it can not be so apportioned equitably among the claimants entitled thereto, then the court makes an order directing that the lands be sold and the proceeds (over and above the costs and expenses of the suit) be divided among the parties in proportion to their interest as established by the court. You will note that in this case the serious objection to such a partition case is the power of the Circuit Court Commissioner and court to apportion the lands among the claimants; this would mean, as to the Circuit Court Commissioner, that we would only get title to the lands apportioned to us and we would lose all interest in the other lands. Such a termination might not be agreeable to the Ford interests as they undoubtedly wish to clean up and block out as much land as possible in that particular district. And considering the size of the tract of land here, there is more than a possibility that the Commissioner would find that the land could be apportioned among the claimants.

For these reasons, we think that the better plan is to endeavor to reach an amicable settlement with the Atkinson heirs. And as a strong argument in our favor to induce them to make such settlement is our right to have deducted from their undivided interest in the land or proceeds thereof, the amounts paid by Powell and ourselves for tax titles and as tax payments upon the undivided Atkinson interest. Because of this possibility of our acreage being reduced as a result of any partition proceedings, and considering the quantity of lands involved, it is barely possible that the Ford Company would be interested in handling this title matter itself. And for that reason we think it would be well to explain this situation to the Ford Company and ascertain if they are willing to take over our title as it is and then select their own method of cleaning up these title matters.

Preliminary to the institution of partition proceedings we have also gotten in touch with Mrs. Powell and gone through such papers of the late D. W. Powell as she was able to locate in an endeavor to ascertain if they contained any deed, instrument or other paper which might throw some light upon this defect in the title to this land. Mr. Berg was unable to find any such. We have also gotten in touch with the Edward Mitchell interests and secured from them a quitclaim deed releasing whatever rights they might have had in this land under the tax titles purchased in their name, and in addition thereto are also in correspondence with the heir of John Mitchell to secure a similar deed to cover the John Mitchell interest in tax titles purchased in his name.

As previously reported to you, we found that the final order made by the Dickinson County Probate Court in the Henry M. Atkinson Estate specifically described some of these descriptions as being lands in which the Atkinson Estate claimed an interest; therefore, it is entirely unlikely that there is in existence any transfer of the Atkinson interest to Mr. Powell, and that the Atkinsons will insist on receiving a substantial compensation for a release of their interest in this land.

Entire SW $\frac{1}{4}$ of Section 15; E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 21, and entire W $\frac{1}{2}$ of Section 22 - all in 50-30.

This is covered by what is known as our Abstract No. 35, and is in the so-called smaller contract with the Ford Motor Company. The Cleveland-Cliffs Iron Company owns 2/3ds surface and 1/6th minerals, with an undivided 1/3d of fee being in Timothy Nester and undivided 1/2 of minerals in the D. W. Powell Estate; being in the small Ford contract, all we need to secure for the Ford Company is the surface estate, which requires us to secure the Timothy Nester interest in the surface.

The comments above set forth with reference to the Atkinson interest in the first group of lands above listed also apply here - the same two courses are open, and the same conditions exist as to each and the same steps have been taken in clearing up the matter. But here we have not found any evidence that the Nesters were claiming any interest in this land. On the first of January, 1927, we had not yet gotten in touch with the Nester heirs.

We also had these lands in mind while conducting our investigations at Marquette and interviews with Mrs. Powell, and have secured a quitclaim deed to clean up the Powell and Mitchell tax title claims.

NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and S $\frac{1}{2}$ of S $\frac{1}{2}$ of Sec. 16, 50-30.

This is now in the large contract. Our summarized report on this land made to you in August last gave this as being covered by our Abstract No. 40, and as involving the so-called Hand Pool title. This was an error; as a matter of fact our title was all right and in the final Ford contracts it was put into Exhibit C as land with reference to which we only conveyed the surface.

S $\frac{1}{2}$ of Section 36, 51-31.

In our above mentioned summarized report we stated that we had good title to the surface provided certain confirmatory action is taken in the Hand Pool trustee proceedings. We subsequently found that such confirmatory action had been

taken and a certified copy of the decree has been placed of record. So our title is good to the surface - which is the extent to which we agree with Ford to give title, it being in Exhibit C of the large contract.

SE $\frac{1}{2}$ of Section 15, 50-30.

This is covered by Abstract No. 40, and our report on the title, according to the abstract showed that the William L. Wetmore Estate had 1/2 of the fee, The Cleveland-Cliffs 1/2 surface and Emma L. Wetmore 1/2 minerals. It is in the second or smaller Ford contract and therefore calls for our furnishing only the surface of the land.

From the further investigations conducted by us we have now reached the conclusion that our company has good title to the surface, and that what is needed is the placing of record the necessary evidence to show who were the heirs of Emma L. Wetmore at the time of her death. This will be done.

W $\frac{1}{2}$ of E $\frac{1}{2}$ of Sec. 15, and E $\frac{1}{2}$ of W $\frac{1}{2}$
of Section 20, 51-30.

This is also included in our Abstract No. 40 and it showed the surface in The Cleveland-Cliffs Iron Company, but there was absent from the abstract and the records in Baraga County any evidence of the allowance of the Last Will and Testament of Samuel G. Clap, deceased, the executor of which estate had assumed to convey the land.

We located the allowance of such will and had a certified copy thereof recorded in Baraga County. This cleans up the title complication as to this land.

SW $\frac{1}{4}$ of NE $\frac{1}{4}$ and W $\frac{1}{2}$ of SE $\frac{1}{4}$ of
Section 18, 50-29.

This is covered by Abstract No. 46 and it showed that whereas our original contract called for surface and 1/2 minerals and the company thought it had secured such from Mr. Powell, yet in fact the abstract showed we only had 3/5ths surface with 1/5th of surface in Nelson B. Jones and 1/5th surface in William H. Porter and Edward S. Porter, with the minerals in other parties and an outstanding mortgage.

1/7/27.

There are the same two ways of handling this matter as are above set forth with reference to the Atkinson and Nester groups. We are now in touch with such other claimants in an endeavor to clean it up amicably before resorting to the other method. This land is in the so-called small Ford contract and only calls for the conveyance of the surface.

There is one tax title held by Arthur Hill for the taxes of 1892 and which is not controlled by us and which is dangerous because that tax title has been upheld on every occasion that it has come up for attack. This is an additional reason why we should try to clean it up amicably.

E $\frac{1}{2}$ and NW $\frac{1}{4}$ of Section 19, W $\frac{1}{2}$ of Section 22;
entire SE $\frac{1}{4}$ of Section 28, and N $\frac{1}{2}$ of Section
33, 52-29.

This is the so-called Phelan group of lands and is covered by our Abstract No. 49, and they are in the large Ford contract.

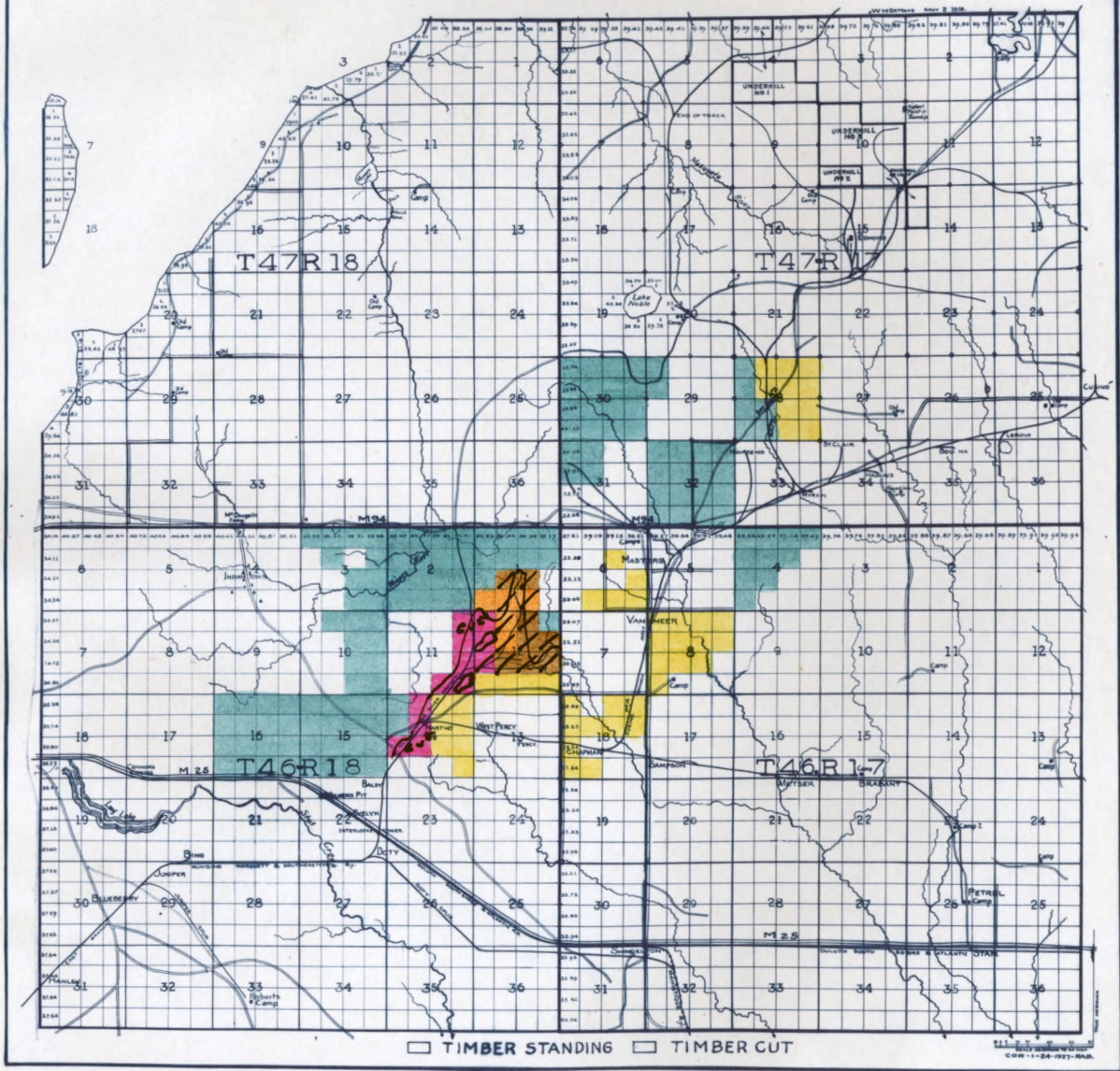
We finally located the person from whom we could obtain the necessary proof to establish the heirship of certain persons who assumed to convey as the sole heirs of one of the devisees of Patrick L. Phelan, deceased. Proceedings were started in the Marquette County Probate Court to determine such heirs and the same was pending at the end of December 1926.

In addition to the above Ford's attorneys have also asked us for matters concerning certain lands such as placing of record of certified copy of the Articles of Association of the German Land & Mining Company, which was a grantee in some of the lands involved in Abstract No. 19. Also the placing of record of a certified copy of the final decree of the Marquette County Circuit Court confirming the action of the receiver of the Michigamme Company in selling its property to Mr. Mather. And we have also had occasion to investigate and report to you on the question raised by Ford's attorneys as to the effectiveness of the action taken by the Osage Land & Mining Company in transferring its property to the Cleveland-Cliffs under the old H. H. Everard contract.

Very truly yours,

Berg & Clancey.
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MUNISING WOODENWARE CO. OPERATIONS
TOWNS 46 & 47 RANGES 17 & 18.
ALGER COUNTY MICHIGAN



- Timber standing
- Paid for, cut over and released
- Paid for, partly cut, not released
- Selective logging
- Partly operated but not paid for
- ▣ Descriptions from which timber was shipped in 1926
- Ⓢ Softwood cut and paid for

