

San Diego, Calif.
July 10th, 1924.

Col. Ed Fletcher
920 Eighth Street
San Diego, Calif.

Dear Col Fletcher:

Referring to the 1800 or 2000 acres known as the Hawley-Miller Tract west and north of El Cajon, which you have shown us, we herewith submit for the consideration of yourself and Mr Thum the following proposition.

You are to deed to a trust company Fifty (50) acres of land in the above tract, the boundaries to be mutually agreed on, in consideration of Ten (\$10.00) dollars. Said land is to be subject to our order providing the following conditions are lived up to.

First: That at least \$15,000 will be invested within six months in the construction of buildings, and \$15,000 more in necessary equipment, and a total of not less than \$100,000 to be invested on said property for buildings and equipment within two years from the placing of said property in trust.

Second: That a perspective and general plan of a moving picture studio will be first submitted and approved by all parties in interest in writing, the idea being to make the property as attractive as possible to benefit outside and adjacent lands.

Third: That at least one unit, costing \$30,000, as referred to in paragraph one of this letter is to be completed within six months from date of placing said property above described in trust, and that immediately thereafter moving pictures will be made continuously for a period of twelve months, as a condition precedent to the final transfer of the property above described by the trust company to ourselves or our assigns.

Fourth: That you are to transfer the property free and clear of encumbrance excepting any rights of way heretofore granted, and excepting State and County taxes due and payable next fall and thereafter, which we agree to pay. The land shall be within the boundaries of the La Mesa Irrigation District, and we are to be furnished with water and power at a price to be agreed on.

Very Truly Yours

F. J. Hawkins
Anthony Penney

Accepted this

Day of July, 1924.

that the Board of Trustees are ready to consummate a deal along these lines we are prepared to come to San Diego and close same.

Very Truly Yours,

(Signed) F. J. HAWKINS

FJH/LM

San Diego, Calif.
July 10th, 1924.

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920 Eighth Street
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Very Truly Yours

J. J. Hawley
Arthur J. Kennedy

Accepted this Day of July, 1924.



G. H. BINGO
PRESIDENT AND DIRECTOR
W. F. WOOD
VICE PRES. GEN. MGR. AND DIRECTOR
H. E. ELLWOOD
SECRETARY AND DIRECTOR
F. C. LEONARD
TREASURER AND DIRECTOR
C. J. SHEPHERD
DIRECTOR
ORVILLE ROULT
DIRECTOR
E. S. BROWN
DIRECTOR

July 29th
1924.

Col. Ed Fletcher
920 Eighth Street
San Diego, Cal.

Dear Col Fletcher:

Answering your favor of the 24th ins, relative to the S-L studios.

The only proposition that would be interesting to Mr Kennedy and the writer, to take over same would be one along the lines of our proposal to the Board of Trustees namely:

That a company be formed to take over the studios on a five year lease.

That the company pay to the S-L studio stockholders One hundred (\$100.00) dollars weekly on each of the first three companies working in the studio, and Fifty (\$50.00) dollars weekly on each additional company, capacity of same is seven companies.

That the Trustees or private parties agree to equip the studio with electrical equipment, also equip a carpenter shop, and such other equipment necessary to put the plant in proper working condition, the entire equipment to cost not more than Twenty-five thousand (\$25,000) dollars.

Arrangements have been made whereby Fourteen thousand five hundred (\$14,500) dollars cash will handle, the balance to be taken care of over a period of eighteen months.

To the parties investing the necessary finances covering such equipment, we will pay Fifty (50%) percent of all profits accruing from the rental studios.

We are in a position to commence work almost immediately, and in a very short time feel sure that the plant would be working to capacity.

Attached hereto you will find an itemized statement covering the manner in which the money would be expended.

Awaiting your valued response and in the event that the Board of Trustees are ready to consummate a deal along these lines we are prepared to come to San Diego and close same.

Very Truly Yours
J. J. Hawley

FJH/LN

UNITED

Producers &
Distributors
Hollywood

G. R. Ringo
President and Director
W. F. Wood
Vice-Pres. Gen'l Mgr. and Director
R. E. Ellwood
Secretary and Director
F. G. Leonard
Treasurer and Director
C. H. Shepherd
Director
Orville Routt
Director
E. S. Brown
Director

July 29th
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Awaiting your valued response and in the event

PROPOSITION COVERING LEASE
ON S-L STUDIOS.

It is suggested that a company be organized for the purpose of leasing the S-L Studios for a term of five years on the following terms:

The capacity of the S-L studios is estimated to be Seven companies:

The Company will pay to the S-L studios, \$100.00 per week rental for each company using space until three companies are in operation and \$50.00 per week rental for each additional company up to the maximum capacity of Seven companies:

The Company will, in addition to the above rentals pay to the S-L studios one-half (50%) of the profits realized from the operation of the studios, details of operation are appended herewith:

OPERATION:

Contracts will be executed with producing companies renting space along the general lines as covered in form of contract attached herewith, this contract will be modified to meet the following conditions:

Each producing company will pay a flat rental of \$300.00 weekly which will cover actual space required for their sets, office space, dressing rooms, studio equipment and use of personell as follows:

Managing director and technical director, in a supervisory capacity, one electrician and one property man as needed. All other help required shall be charged on a basis of cost plus 10%. All sets built, material used, properties, costumes, transportation truckage etc, charged on basis of cost plus 10%. Current supplied by meter charge at cost:

Extensive experience has shown that the smallest producing unit in operation never spend less than Seven hundred and fifty (\$750.00) dollars weekly for the items detailed above under the cost plus 10% basis:

Following estimate of profits is based on a minimum operation of Three companies and a maximum operation of Seven companies the capacity of the studios:

GROSS WEEKLY EXPENSE	MINIMUM	MAXIMUM
Rent	\$ 500.00	\$ 500.00
Technical Director	150.00	150.00
Painter	40.00	40.00
		Ass't Painter 25.00
Two Property men	70.00	Five Prop men 175.00
Two Electricians	90.00	Five Electr' 225.00
Two Carpenters	80.00	Three Carpt' 120.00
Laborer	25.00	Two laborers 50.00
Chauffer	35.00	Two chauffers 70.00
Book-keeper & Stenographer	35.00	35.00
	\$ 825.00	\$1,590.00

<u>GROSS WEEKLY RETURNS:</u>	<u>MINIMUM</u>	<u>MAXIMUM.</u>
Rent from Three Producing Com's	\$ 900.00	Seven \$ 2,100.00
Labor, materials etc 10% profit	225.00	525.00
	\$ 1,125.00	\$ 2,625.00
Net Profit weekly	300.00	1,235.00

EQUIPMENT FOR S-L STUDIOS,
SAN DIEGO, CALIFORNIA.

<u>ELECTRICAL EQUIPMENT.</u>	<u>PURCHASE PRICE NEW.</u>	<u>PURCHASE PRICE ARRANGED FOR.</u>
50 Broadside's @ \$ 120.00	\$6,000.00	\$ 3,750.00
4 G.E. Rotary 500.00	2,000.00	1,200.00
8 100 amp Spots 150.00	1,200.00	1,000.00
5 Cooper-Hewitts double bank 550.00	2,750.00	1,750.00
5 Domes (4light) 350.00	1,750.00	1,500.00
1 2600 amp gener- ator 15000.00	15,000.00	7,000.00
	28,700.00	16,200.00
400 feet cable		200.00
12 plugging boxes		300.00
Carbons (2,000 -- stock)		200.00
Fuses, switches, etc.		300.00
		1,000.00
Total electrical equipment		17,200.00

TERMS: \$ 8,000 Cash - balance \$ 9,200.00 in twenty monthly
payments of \$460.00 each.

CARPENTER SHOP:

Two swing saws	
One rip saw	
Two bands saws	
One planer	
One portable swing saw	
extra saws & equipment	1,750.00

TERMS: \$1,000.00 cash --- Note \$ 750.00

Balance of equipment necessary can be handled on basis of \$3,000.00
cash --- balance in notes

Overhead & working capital \$ 2,500.00

Total requirement for equipping studio \$ 24,450.00

Cash requirement 14,500.00

Balance carried in monthly payments.

August 22, 1924.

Mr. P. J. Hawkins,
1606 N. Highland Ave.,
Los Angeles, Calif.

My dear Hawkins:

You may have been surprised that I did not
get in touch with you in Los Angeles, but it was
entirely out of the question as I was only there
for a short time and had to leave unexpectedly.

The Board of Directors of the S. L. Studios
have decided to hold the lessors to their contract
as Arnett is good financially and he has failed to
make his payments, so what we want to do now is
to lease the studio as is. Will you make a propo-
sition along these lines?

With kindest regards,

Very sincerely yours,

HP:AH



G. R. RINGO
PRESIDENT AND DIRECTOR
W. F. WOOD
VICE PRES. GEN. MGR. AND DIRECTOR
R. E. ELLWOOD
SECRETARY AND DIRECTOR
F. G. LEONARD
TREASURER AND DIRECTOR
C. J. SHEPHERD
DIRECTOR
ORVILLE ROUTT
DIRECTOR
E. S. BROWN
DIRECTOR

August 25th
1924.

Col. Ed Fletcher
920 Eighth St
San Diego, Cal.

My Dear Colonial:

Your letter of the 22nd just reached me I was rather surprised that I did not hear from you, but your letter clears that.

I regret that conditions have arisen that make it imperative that I leave for New York the latter part of this week to be gone a month, in view of this, I shall not be interested in making a proposition to take over the S.L. Studios at this time, thanking you for the many courtesies extended me while in your city and with the hope that the S.L. Studios situation will clear itself to your satisfaction

Cordially Yours

Screen Art Distributors

1606 1/2 North Highland Avenue

Hollywood, California

Telephone
Hempstead 0078

New York Office
135 West 44th Street

October 10th

Col. Ed Fletcher
Eighth Street
San Diego, Calif.

Dear Col Fletcher:

Just a line to advise you that I have returned from my eastern trip, and to inquire what if anything has been done regarding the S-L Studios.

While in the east I ran across some parties that are anticipating coming to California to produce a series of productions.

If nothing has been done with the plant there I am still of the same mind in relation to same as when we last talked and I would appreciate a line from you in connection therewith.

Also am sort of interested in hearing how you came out with Sawyer.

Cordially Yours

X
(
October 18, 1924.

Mr. F. J. Hawkins,
1601½ North Highland Avenue,
Hollywood, California.

My dear Mr. Hawkins:

Answering your letter of October 16th, We have brought suit against Arnett to force him to live up to the terms of the lease, but, if we had an offer from you we might make a satisfactory adjustment with Arnett.

If you are interested we will be pleased to receive an offer from you.

Sincerely yours,

EF:KLM

November 24, 1924.

Mr. F. J. Hawkins,
1606 N. Highland Ave.,
Los Angeles, Calif.

My dear Hawkins:

Confirming our telephone conversation I had a conference today with the owners of the mortgage on the S. L. Studios. One of their partners is absent from town but will be back Tuesday and then I hope to get a final decision from them as to whether they will take stock and clear the way for us to take up your proposition seriously.

Yours very truly,

EF:KLM

dictated Nov. 21st

November 25, 1924.

Mr. F. T. Hawkins,
1606 1/2 N. Highland Ave.,
Los Angeles, California.

My dear Hawkins:

Enclosed find copy of telegram I have sent
to Mrs. Wallace Reid.

We are having one meeting this afternoon and
will have everything definitely settled one way or the
other by next Monday.

Yours sincerely,

EF:MMI

POSTAL TELEGRAPH - COMMERCIAL CABLES

RECEIVED AT MAIN OFFICE
1041 FOURTH STREET
(U. S. GRANT HOTEL)
SAN DIEGO, CALIF.
TELEPHONES, MAIN 2951-2952

CLARENCE H. MACKAY, PRESIDENT.

TELEGRAM

DELIVERY NO.

138

This is a fast Telegram unless otherwise indicated by signal after the number of words:—"Blue" (Day Letter) "N.L." (Night Letter) or "Nite" (Night Telegram) 18064-77118

58 gs CW 1137 am 57 blue

STANDARD TIME INDICATED ON THIS MESSAGE.

Hollywood Calif Nov 24 1924

Col Ed Fletcher

920 Eighth St San Diego Calif

It being very essential that we give immediate advice to
the Producing Units we have lined up for future activities
at San Diego that they may arrange their affairs accordingly can
we announce that studio will be equipped and operated under
proposition submitted by us return wire will be appreciated we
can then get busy under definite plans

F J Hawkins

Screen Art Distributors

1606 1/2 North Highland Avenue

Hollywood, California

Telephone
Hempstead 0078

New York Office
135 West 44th Street

Nov. 26th, 1924.

Colonel Ed. Fletcher,
920 Eighth St.,
San Diego, Calif.

My Dear Colonel:-

I am in receipt of yours of Nov. 24th and note you expected one of the mortgagors to return yesterday, at which time you were expecting to get the matter definitely settled in connection with having them come in on the new set-up.

I am hoping that I may hear from you today by long distance confirming the arrangement as covered in our many conversations relative to taking over the S-L Studios.

I want to apologize if I seem to be urging this matter but there are several production units which I hope to bring to San Diego and inasmuch as their production plans call for immediate action as far as studio arrangements are concerned, it is essential that we give them definite information regarding same.

With best wishes,

Cordially yours,

SCREEN ART DISTRIBUTORS.



FJH/H

December 9, 1924.

Mr. F. J. Hawkins,
San Diego, Calif.

My dear Mr. Hawkins:

Relative to your proposition of lease of the S. L. Studios, will say I am of the opinion that the trustees will sign up with you in the very near future, or rather a new corporation.

Our plan is to organize a new corporation for \$100,000, call it the Crossmont Studios, issue stock to all parties in interest, wiping out all indebtedness thereby and execute a note or mortgage on the present studio and lands sufficient to fully equip it.

I hope in two or three days to inform you we are all in agreement in this matter of a new corporation, and within thirty days from date, if nothing comes up that I know of at the present time, I believe we will be in a position to do business with you.

Would you be interested in making arrangements with the present trustees to equip the present studios temporarily under some mutually satisfactory agreement, whereby the new corporation takes the equipment off of your hands. This would expedite matters.

If interested, let me know and I will take the matter up with the balance of the trustees.

Yours very truly,

EF:KLM

Screen Art Distributors

1606 1/2 North Highland Avenue

Hollywood, California

Telephone
Hempstead 0078

New York Office
135 West 44th Street

Dec. 10th, 1924.

Colonel Ed Fletcher,
920 Eighth St.,
San Diego, Calif.

My Dear Colonel:-

Immediately upon my arrival in the office this morning I called a meeting of the parties interested in the leasing of what is now the S-L Studios.

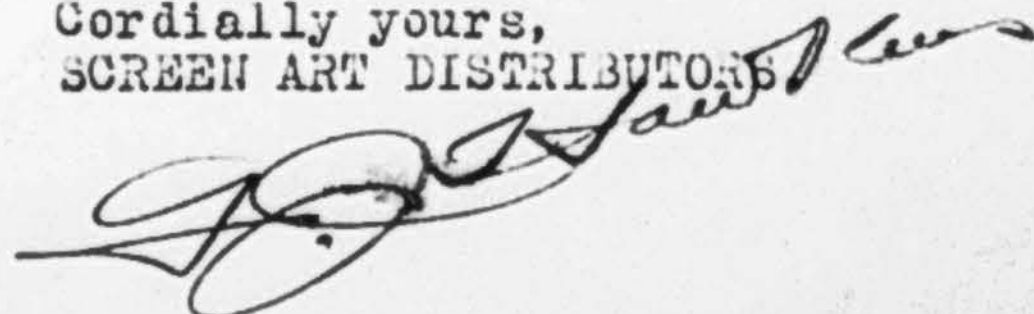
After considerable discussion it was decided that in order to expedite matters and to enable us to keep under studio contract the production units which we had planned to bring to San Diego, it would be necessary to make an immediate arrangement for the taking over of the studio property in its present shape.

I would suggest, therefore, that an agreement be drawn between the Trustees of the S-L Studios and the writer, said agreement to be assignable to a Corporation to be formed. This agreement to be along the lines of our understanding as covered in my letter to you under date of Nov. 13th - with the added provision that we arrange to put the necessary equipment as needed in the plant with an understanding from the S-L Trustees that they will take over said equipment at its cost to us at such time as the new Corporation, namely, the Grossmont Studios, Inc., had their affairs straightened out.

If you will write me a letter covering the above it will serve until an agreement has been drawn by Judge Chambers. This again, I am doing, in order to expedite matters. Any further delays might cause us to lose some of the producing units and the one I am particularly interested in keeping in line is Mrs. Wallace Reid. I am adverse to crowding the situation but under the conditions, Colonel, I can do nothing else.

Will you please let me hear from you by return covering this. With best wishes,

Cordially yours,
SCREEN ART DISTRIBUTORS



FJE/N

December 16, 1924.

Mr. F. T. Hawkins,
1606 1/2 N. Highland Ave.,
Hollywood, California.

My dear Hawkins:

Today for the first time I was able to get those owning the mortgage to sign an agreement, and I am calling a meeting of the S. L. Studios tomorrow to get their final approval.

Yours very truly,

EF:KLM

December 26, 1924.

Mr. F. T. Hawkins,
1606 $\frac{1}{2}$ N. Highland Ave.,
Los Angeles, Calif.

My dear Hawkins:

Enclosed find copy of letter we have
sent out to the shareholders of the S. L. Studios, for
your information.

Wishing you the Compliments of the
Season, I am

Sincerely yours,

EF:KLM

December 30, 1924.

Mr. F. T. Hawkins,
1606 $\frac{1}{2}$ N. Highland Ave.,
Los Angeles, California.

My dear Mr. Hawkins:

I confirm my verbal statement, and am glad
to say that the lease with Mr. Arnett will be cancelled
immediately. Practically all the stockholders have agreed,
and I am certain the new corporation will take over immediate-
ly the assets of S. L. Studios, taking stock in lieu thereof,
so that the studio will be completely out of debt; and there
is no question but what the finances will be forthcoming
immediately thereafter to furnish the studio.

I shall recommend a contract with you in general
along the lines that we have heretofore agreed on, and I have
no doubt but what the contract will be signed between you and
the new corporation, just as soon as the new corporation can
come into existence and the new trustees sign up with you.
I am sorry for the delay, but it was unavoidable. However,
the New Year is going to bring us a properly equipped studio
for San Diego County.

Wishing you the Compliments of the Season,

Yours very truly,

EF:AH

Ed Fletcher Papers

1870-1955

MSS.81

Box: 10 Folder: 14

General Correspondence - Hawkins, F.J.



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