

As it happened during the incumbency of your predecessor, you are perhaps not aware that in the early part of last year proceedings were taken in Pennsylvania, under a law of that state to sequester the tolls of the Susquehanna Co. and to deprive it of the control and management of its works. That proceeding was eventually compromised, but in the course of it, it became apparent to the company that its true interests required it to surrender its works and property into the actual possession of the Trustees appointed by a deed of Assignment dated the 23rd Dec 1841, the company however still being charged with the preservation and repair of the work as a public highway. That surrender was accordingly made and the Trustees are now in the actual receipt and disbursement of the net revenue of the company, under the deed of trust, the first claim upon which, is the interest due to the State of Maryland.

In order that your enquiries may be answered therefore by the proper representative of the trust, I have forwarded your letter addressed to me to James Hepburn Esq Chairman of the Board of Trustees whose residence is in Philadelphia, In as much however as part of the information which you seek depends in some degree upon a conjectural estimate of the receipts of these canals during the current year, an estimate which must be based upon facts lying more immediately within my knowledge than Mr Hepburn's, I proceed to speak of what will probably be the course and result of the years business.

It will be remembered by you that during the whole of the last year the very high prices of broad stuffs in Europe caused their exportation from this country to a degree without parallel for some years back, and that this active trade drained the grain growing countries to the great profit of the works of internal improvement through which it passed. But one of the consequences of this close drainage was, that little was left for the spring trade of the present year and to some points there was an actual reflux of grain to supply the demand occasioned by over exportation. To a loss of trade from this cause, may be added the present depression of the iron trade, which last year was active; and the diminution in coal, which is in some degree dependent upon the iron. From these causes the receipts of our works have certainly thus far, fallen behind the revenue of last year, though there are reasons for supposing that the aggregate business of the year will, at the end of the season, be as large as that of last year.

Thus we look for some business from the very large crop which is now being gathered a part of which will find its way to market at the close of the year and whilst last year we had six weeks of nearly suspended business (from defections in the Pennsylvania state works) we hope this year to continue our trade till we close the canals. These and other causes operate to modify the periods of receipts and in like manner to defer the dates of payments, but it is confidently believed that in the aggregate the revenue will be equal to that of last year and will enable the trust to pay the current interest due to the State.

I can only say further, that on the part of these companies and as I believe on the part also of the Trustees, the strongest disposition is felt to do justice to the state by the management of the works with the least possible expence and the application of the net revenue to the discharge of the debt due to it. I am Sir very respectfully
 - fully your obedient servant. George W. Dobbin Pres. Susq. & T. W. Canals.