

Our London Letter.

SECURITY MARKETS DULL AND UNINTERESTING.

**Working of the New Patents Act—Cotton Trade
Results—New Dock Project—Satisfactory Fire
Underwriting Year in Great Britain—
Special Correspondence of
THE CHRONICLE.**

London markets are dull and uninteresting. The people who must gamble have lately turned their attention to West Africans, where there has been a mild boom in sundry obscure shares of problematical value. A good deal of money is being absorbed by new issues, of which the last few days have seen an enormous number, including the much-talked-of Sao Paulo coffee loan, which it is surprising to hear, was oversubscribed, and a modest offer of £115,000 debentures by St. John, New Brunswick; otherwise there is not much doing.

Enforcement of New Patents Act.

Widespread interest has been created this week by two decisions which go to show that the administration of the new Patents Act is to be carried on upon vigorous lines. A German manufacturer held two British patents for imitation tiles. They were made in Belgium, but when in August last the new Patents Act came into operation he advertised his willingness to make arrangements with English firms to manufacture them over here. There was, however, no response to the invitation, and finding that a factory in England would cost more to run than one in Belgium, the manufacturer continued his previous practice of importing his productions from the Continent. This is contrary to the Act, which requires manufacture "to an adequate extent" in England. Consequently a week ago the German manufacturer found himself haled before the Comptroller-General, to show cause why his patents should not be revoked. He pleaded the excuses mentioned, but the Comptroller would have none of them and promptly revoked the patents. This is the first instance since the Act came into operation of the enforcement of this penalty, and the decisive action of the Comptroller-General is taken to be an indication that the provisions of the Act are to be drastically enforced. In many quarters the advent of the Patents' Act was hailed with enthusiasm, and although it would be overstepping the mark to say that its operations have fulfilled the most sanguine expectations of its friends, there is no doubt that considerable good has been done. In the majority of cases German and United States firms, who hold British patents and were affected by the Act, have made arrangements with British companies to carry on the necessary manufacture, but in at least half a dozen instances large works have been established in the north and around London. Rumour, by the way, whispers that in some cases these factories are an

intelligent anticipation of Tariff Reform eventualities.

Spinning Companies' Reports.

While the seven weeks' strike of Lancashire cotton operatives was in progress a month or two back, industrious statisticians were in the habit of putting forth regularly wonderful estimates of the mammoth losses which were being sustained. A very interesting digest of spinning companies reports has just been issued by the Financial Times and, judging by the figures therein given, it appears that, from the shareholders' point of view, the results shown are by no means so unsatisfactory as might have been imagined. True, the profits of one hundred of the older companies have fallen from £1,300,000 to £600,000; nevertheless, the average rate of dividend paid by these companies was 11¼ p.c., which is the second best average rate of return during the past 25 years, while ninety other companies with up-to-date machinery were able to distribute average dividends of 14½ p.c. These are certainly not unsatisfactory returns and the companies generally are in a strong financial position owing to husbanding of resources during the unprecedented boom period which culminated in 1907. Possibly these resources will be found of considerable utility in the coming year, for the Lancashire outlook is a poor one.

Channel Ports Bidding for Trade.

A big dock enterprise is being initiated at Plymouth, which, while, no doubt, primarily designed to secure the custom of New York lines using the channel route, may possibly in the future be of some interest to the Canadian trade. In the competition between the channel ports Plymouth has, of late years, been entirely eclipsed by Southampton, the Admiralty having effectively snubbed any aspirations of the former port. This difficulty it is now proposed to get over by building huge break-waters enclosing about one thousand acres, with docks and wharves to accommodate the largest vessels afloat, at a spot about four miles from Plymouth itself, the proposed expenditure being £2,000,000. Natural conditions are extremely favourable, the depth of water, it is said, being unequalled by any harbour round the coast. Your readers are aware of the general tendency of Atlantic passenger traffic to gravitate in recent years to the Channel ports. To some extent at least it is to their facilities in this direction that the Germans owe their success with first class traffic. Shipping people here have long been of the opinion that, sooner or later, the Cunard will have to transfer its biggest boats to a channel port, and it was stated pretty freely some months ago that they had approached the Admiralty unsuccessfully with regard to Plymouth. The transfer of the White Star's fast boats to Southampton was an excellent strategic move in the fight for Atlantic