

GOOD-WILL.

IN looking over the annual statements of many of our industrial enterprises, we find that good-will is for the most part rated at a very high figure. In many of the mergers which have taken place recently we find that good-will is one of the principal assets of some of the companies taken into the merger. Good-will is unquestionably an asset, even if an immaterial and elusive one, but there are limits to the figures which it is entitled to bring. It is quite true that in some cases the reputation which a business house has established through long years of careful and honest dealing, the customers which it has on its books, and the wide publicity which its name has attained may be worth more than the actual plant and machinery of the business. These instances, however, are rare, and more often we find a fictitious value being placed upon the good-will, especially when the business is offered for sale or sought for as a connecting link in a merger. In Canada we find some very reputable business houses placing almost as high a value upon their good-will and trade marks as upon any of the other assets of the firm.

While there may be tendency to over-estimate the value of good-will and trade marks, yet it is undoubtedly true that the possession of a well-known trade mark or brand, and the good-will which goes with the name of the firm is one of the most valuable assets which a business house can have. It would pay all firms to cultivate the good-will of the public. This can be done in a variety of ways. Probably one of the most effectual is by a careful and judicious advertising campaign, backed up by fair dealing and a high grade of goods. The firm whose product is a household word throughout the country, has an asset which can hardly be estimated in dollars and cents. We have only to think of examples. When a make of fountain pens is mentioned, nine people out of ten think of a certain make. When shaving soap is mentioned, a like proportion think of the name of a certain maker. The same is true of hundreds of articles. These have become household names by wide publicity campaigns backed up by good goods and fair treatment. If business houses wish to have their goods equally well known it will be necessary for them to do as their successful competitors have done, advertise.

INSURANCE NOTES.

It is reported that French insurance companies have definitely decided not to insure flying men against accidents, at any rate for the present, in consequence of the enormous risks. The only proposals that will be entertained is insurance against loss or injury caused by an aviator to other people.

Fire insurance losses in Winnipeg have been

very heavy in spite of the installation of the high pressure water system. The losses in 1908 were \$500,000, but for the first half of 1909 they were \$500,000, and for the first six months of this year were \$700,000.

Accident underwriters complain, says the *New York Journal of Commerce*, that the present year has thus far been unusually bad in the matter of death claims from accidental causes, and the resultant loss ratio for personal accident business, it is expected, will be exceptionally serious for the entire year, probably establishing a new high record.

The people of Minnesota, according to the July bulletin of the department, paid during the year 1909, in fire premiums, the sum of \$8,658,171.52, practically \$4 for every inhabitant, and the losses paid during that year average \$2 per capita.

According to a tabulation of fire insurance rates by sections made by the *Argus*, the Eastern States during 1909 had the highest loss ratio, averaging 76 per cent. The Southeastern States came next with 54.79 per cent., and the Western States with 49.48 per cent., as against the Pacific Coast's 36.69 per cent. The average for the entire country was 48.95 per cent.

Insurance Commissioner of Minnesota, in his endeavor to check incendiarism, has issued a bulletin giving notice that hereafter every flagrant case of over-insurance which comes to the attention of the department will be followed by a revocation of the license of the company in which the risk is written and of the agent writing the insurance.

Carefully compiled records show that it is not always in the most hazardous class of business where the greatest number of accidents occur. Twenty-eight per cent. of all accidents occur to people around their own homes, another twenty-eight per cent. occur to street pedestrians, eighteen per cent. are injured while looking after horses and vehicles, while only five per cent of accidents are caused by railroads. About one in every seven persons carrying an accident policy is injured every year.

CANADIAN PACIFIC SYSTEM'S MILEAGE.

	Mileage	Capitalization	Gross Earnings
Canadian Pacific.....	10,543	\$353,000,000	\$94,989,000
Minn., St. Paul & Sault			
Ste. Marie.....	2,394	\$4,584,573	15,000,000
Duluth, S. S. & A.....	593	45,000,000	3,300,000
Mineral Range.....	129	3,013,000	800,000
Wisconsin Central.....	1,029	66,283,921	8,800,000
Total in United States..	4,145	198,881,494	27,900,000
Total in all Canadian			
Pacific lines.....	14,688	551,881,494	122,889,000

The capitalization of these lines in the United States including stock and bonds, approximates \$200,000,000 and their annual gross earnings are in the neighborhood of \$28,000,000.

SPOKANE, WASH., SEPTEMBER CORRESPONDENCE.

International Portland Cement Company, Limited, with a stated capitalization of \$3,000,000, half of which is in preferred stock, has been incorporated under the laws of the State of Washington to erect an extensive plant near Spokane. The company has options on two mill sites east of here, where raw materials are abundant, and it is officially announced that a duplicate of the Irvin works at Ottawa, Ont., will be built there. The plant is to be equipped with the latest approved machinery and labor saving appliances.

J. S. Irvin, of Ottawa, founder of the International Portland Cement Company of Canada, is to be president of the new corporation, and among its permanent directors will be Rudolph Forget, M.P., C. A. Barnard, K.C., and W. Grant Morden, of Montreal; John P. Hartman, of Seattle; C. A. Irvin, secretary of the International Portland Cement Company, Ottawa; D. P. McKinnon, Calgary, Alta., director of the International Portland Cement Company; S. G. Near, of Toronto, and H. D. McKinnon, of Spokane.

J. S. Irvin, who has been in Spokane for some time studying conditions, said in an interview that plans are practically complete to build a factory near Spokane, which he regards as the best point on the continent for the industry. He added:

"Spokane and the surrounding country, called the Inland Empire, consume annually many hundred thousand barrels of cement, which are now transported from distant points under heavy freight charges, and a large percentage is also imported from foreign countries. In view of these conditions and the growth and development of the Northwest, I believe the factory will be worked to capacity from the start. We have plenty of materials, water powers, shipping facilities and a constantly increasing unsupplied market."

THE WILLINGNESS TO TAKE RISKS.

Risk is inseparable from civilized life, but, though we cannot avoid risk, we can by a suitable organization of society place nearly the whole burden of risk on the shoulders of those who are able to bear it. The willingness to take risks is, in the great merchant or capitalist, a virtue. It is to him what courage is to a soldier or statesman, or imagination to a poet. But the willingness to take risks is, in the wage earner or the salary earner, a weakness, or in great excess, a vice. The contrary of the vice of gambling is the virtue of thrift, and the system of life insurance has given the thrifty man an opportunity of practicing this virtue, compared to which the stocking, the small mortgage and the savings bank are but clumsy and ineffective devices.—*Right Hon. D. Lloyd-George, Chancellor of the Exchequer.*