CARRIAGE COMPANY WILL REORGANIZE

Under Altered Conditions its Prospects are Considered to be Good

MEETING AT AMHERST

Shareholders of Concern are to Decide Whether They Wish to Sell Out to the Nova Scotia Carriages, Limited.

(Special to The Journal of Commerce.)

Halifax, November 9—A meeting of the shareholders of the Nova Scotia Carriage and Motor Car Company is being held to-day at Amherst to consider a resolution that the company to sell out to Nova Scotia Carriages Limited, and to approve an agreement in that connection by the directors.

The old company had a capital of $1,550,000 in preferred and common stock, $550,000 of the former and $1,000,000 of the latter.

A memorandum has been mailed to shareholders giving the main features of the proposed agreement of sale. This sets forth that the authorized capital of the new company shall be $200,000 in preferred and $200,000 in common stock, of which $100,000 preferred and all of the common shall be issued at once.

The circular from the general manager to the shareholders states that to represent the capitalization and bond issue the company will have the plant and all other assets formerly of the Nova Scotia Carriage and Motor Car Company, Limited, with the exception of the Kentville plant (for which the best offer the company was able to obtain was $4,100,000.)

The old company was in a number of disputes with the McKay Brothers, its promoters, who were the holders of or entitled to the preference and common shares amounting together to $379,000.

After some negotiation an arrangement was made whereby the McKay's are to take the Kentville plant, three touring cars and other material, which were formerly used in the Kentville plant, and releasing the McKay's from any claims on the old company for an accounting or for the enforcement of the guarantee of the debts taken over by the old company or for certain fox stocks received by McKay's as part consideration for the purchase price of a motor car.

On the other hand, the McKay Brothers are to give up all their preference and common shares and also execute a general release of all actions of every kind against the old company with the result that the old company is in a position to deliver to the new company all the preference and common shares of the McKays, and these are not to participate in any distribution of the shares of the new company among the shareholders of the present company.

It was decided by the shareholders at the annual meeting that in the event of the shareholders not approving the proposition it would be necessary for the present company to go into liquidation and be wound up, the proceeds first to be applied to the payment of the outstanding bonds, about $40,000, and other liabilities of the companies, the balance, if any, to be applied in payment parri passu of all the preference shareholders inculding the preference shares of the McKay Brothers amounting to $153,600.00.

These McKay shares will be cancelled if the agreement is adopted.

The statement concludes that the directors of the company have decided that the proposition of reconstruction must be drastic.

Under its new and moderate capitalization and with the present management the company, should the change be ratified, is believed to have good prospects.

PETERSON LAKE DIVIDEND.

It is expected that the quarterly dividend on the stock of the Peterson Lake Silver Cobalt Mining Co., which is due December 5th, will be declared about the middle of the month.

OPENING FOR TRADE IN THE ELECTRICAL INDUSTRY

Cessation of Imports to Britain from Germany Has Induced Great Stimulus to Industry in the Motherland.

London, November 9.—The electrical industry has made great progress in this country of late years, but we have been accustomed to import large quantities of appliances and apparatus from other countries, especially from Germany. According to the Board of Trade returns we imported last year from Germany for home use electrical goods and apparatus to the value of £823,157 and electrical machinery to the value of £699,228, a total of £1,522,385. The cessation of these imports owing to the war ought to give a great stimulus to the industry in this country. We may rely upon the enterprise of our manufactures, backed by the assistance of the Government, to see that the requirements of the home market are in future supplied as far as possible by goods made in the United Kingdom instead of in Germany, so that the employment and wages which we have been providing for German workmen shall henceforth be given to our own people. If even one-half of the recent German electrical exports to this country were made by British labor it would mean an addition to the wage bill of this industry of about £15,000 per week, representing 7,500 more workers at 40s weekly.

In many other markets of the world Germany is our competitor in electrical appliances. In electric glow lamps alone Germany sent to our self-governing dominions in 1912 £80,500 worth, to France £128,000 worth and to Russia £466,000 worth. These markets are not likely to fall again into Germany's hands if British manufacturers show that they are able to supply their demands. The United States, Argentina, Brazil, Chili, China, Japan and Mexico also take large quantities of German electric lamps, but, as Germany's export trade is now practically non-existent, they must look to other sources, and particularly to this country, for their supply.

Similarly, with regard to dynamos, electro-motors, transformers, etc., Germany's exports to fifteen of her principal markets (excluding the United Kingdom) in 1912 were valued at £1,764,000, of which £519,000 went to our Allies, France, Russia and Japan; £111,000 to our Dominions, £221,000 to Italy and most of the remainder to transatlantic countries.

The same conditions apply to Germany's export trade in electrical appliances for illumination, transmission of power, etc. Her exports to the fourteen principal markets in which we compete amounted in 1912 to £1,287,000, of which France took £95,000, Russia £272,000, Japan £59,000 and South American markets £287,000.

WORK AND WAGES IN BRITAIN IN 1913

Aggregate Increase in Wages Paid for Year Was Over Thirty Million Dollars

TENDENCY UPWARD SINCE 1910

Increase in the Wages of Farm Servants in England and Wales in 1913 Marked in Comparison With Previous Year.

London, November 9.—The Director of Labor Statistics has submitted to the Secretary of the Board of Trade the report on the ascertained changes in rates of wages and hours of labor in 1913.

In the introductory review it is stated that the year was one in which there was an active demand for labor, and wages rose in sympathy. The movement of wages had been in an upward direction since 1910, and reached its culminating point in the first half of 1913.

After the month of August, however, there began to be a falling off in those branches of the metal trades in which changes in wages are automatically regulated by fluctuations in the selling prices of pig iron and manufactured iron and steel; while the increases in the coal mining industry were checked.

In spite of the setback in the iron and steel trades the net effect of all the changes of the year was to increase wages by £179,000 a week, an amount which has only been exceeded during the last 20 years, in 1900 (£208,500) and 1907 (£201,000), both years of very good employment.

From the time the several changes in 1913 took effect until the end of the year, the aggregate wages bill was increased by over £6,000,000; if they had all been in force for a complete year, the total increase would have been £9,000,000.

The increase in the wages of farm servants in England and Wales in 1913 was very marked even as compared with 1912 which was also a good year.

Seamen, firemen and trimmers obtained early in 1913 a general advance of 10s a month at the principal ports of the United Kingdom. This followed a similar rise in 1911 and altogether average rates are now higher than 20 years ago by 30 per cent. on steamships and by over 40 per cent. on sailing ships.

The average earnings of railwaymen were 27s 11¼d in 1913 and 27s 4½d in 1912—a rise of over 6d per week. As compared with 1907—which was also a good year—the rise in the average earnings of nearly half a million railway workers is over 2s a week.

Complete figures with regard to the first eight months of 1914 are not yet available, but so far as they go they indicate that in coal and iron mining and the iron and steel industries the decline already noticed in the later months of 1913 has continued. In the principal other groups of industries, however, there have been further advances.

NATIONAL BISCUIT CO.

Sales Affected By War And Off 5 Per Cent.—Net Profits Ahead of Last Year—Earnings 11 Per Cent. on Common Stock.

Boston, November 9.—One of the interesting phases of current business conditions is that it has affected to some extent even so depression-proof a business as that of National Biscuit. For the last two months—September and October—there has been a recession in National Biscuit gross sales. It is not disturbing at all, but it is noticeable because it is the first time for several years that gross has failed to make a handsome gain. The decrease amounts to about 5 per cent., which means that based on normal expectations the company is doing $200,000 less per month that as if conditions were undisturbed by war.

There is no doubt that this slight halt is to be traced directly to war conditions. The company's export business is of course inconsequential. But domestic sales were making handsome gains in May, June, July and August. In fact each month through July showed successive high records in value of orders shipped out of the bakeries.

National Biscuit stockholders have not the slightest occasion for anxiety. It is understood that the decrease in gross has not been reflected in net and that for the nine months of the fiscal year to November 1 net earnings were substantially ahead of last year.

The company is to-day earning at the rate of better than 11 per cent. on its $29,236,000 common stock, or a margin of 55 per cent. above the dividend requirement.

Incidentally it is worth noting that what looked like a serious situation in an upward climb in flour, sugar and chocolate prices has assumed very modest proportions. The big company is covered some months ahead and unless prices take totally unexpected jumps the question of a price advance will not become acute.

UTAH COPPER COMPANY

Its Flexible Costs—Below 7 Cents Per Pound in September, With Output 50 Per Cent. of Normal.

Boston, November 9.—The ability of the Utah Copper Company to keep its costs down even when running, as at present, but 50 per cent. of capacity is the all-important feature of the recently issued report for the September 30 quarter. September was the only month during the period that the restriction in output was in full force, but notwithstanding this the cost for that month was but 7.6 cents per pound against 7.53 cents in the previous quarter when everything was running full blast. By the inclusion of the earnings of the Bingham & Garfield Railroad as a credit to copper costs, the figure for September is reduced to 6.95 cents. Practically all the earnings of the railroad now accrue to Utah Copper Company, because of the retirement of the Bingham and Garfield bonds.

If this seven-cent cost can be maintained—and September's results indicate that it can—Utah Copper Company even on the present low price for copper can show very creditable earnings, although not enough to cover the present dividend of $3 per share. Production is running about 80,000,000 pounds per annum which should result in net of $3,600,000, or $2.50 per share.

A long period of restricted production coupled with 11½-cent copper might force a reduction in Utah's dividend. The possibility of quick recovery in earning power under normal conditions, however, is strikingly evident in the costs now being achieved.

BETTER EARNINGS FOR TWIN CITY CO.

But Rate of Increase in Earnings of Big System is Growing Smaller

HOLDING OF SUBSIDIARIES

Practically the Only Change in Charges Against Net Was in the Depreciation and Renewal Charge, Which in Nine Months Decreased 9.57 P.C.

Twin City Rapid Transit Co., operating the street railway lines of St. Paul and Minneapolis and the interurban lines between the two cities, despite the almost general falling off in street railway revenues, is continuing to show fair gains over last year. The tendency of street railway earnings is shown, however, by the Twin City report for September, which showed a gain in revenues from operation of slightly less than 1 p.c. over September, 1913, while the average gain for the nine months ended September 30 was 5.58 p.c. Only a small part of the revenue of Twin City comes from other than traffic, but gains in this were such that the increase in total revenue for the month was 2.23 p.c. and for the nine months, 5.75 p.c.

In September there was an increase of 16.82 p.c. in maintenance of way and structures and of 2.15 p.c. in conducting transportation, there was a decrease of 5.21 p.c. in maintenance of equipment and of 45 p.c. in traffic expenses, resulting in an increase of but 1.5 p.c. in operating charges for the month. For the nine months there was an increase of 8 p.c. in operating charge. Taxes, interest, rentals and preferred dividends for the month showed only a slight increase, while the depreciation and renewal charge was cut from $86,653 for September, 1913, to $78,359 for September, 1914, a reduction of 9.92 p.c., leaving a surplus for the month applicable to common dividends, of $188,271, an increase of $18,497, or 10.90 p.c. Increase in surplus for the nine months was $175,179, or 15.62 p.c.

Net earnings of the company for the nine months ended September 30, 1914, after operating charges, were $2,343,398, an increase of $110,854, or 3.43 p.c. Practically the only change in charges against net was in the depreciation and renewal charge, which for the nine months was $788,549, a decrease of 9.57 p.c. Surplus for the nine months, after charges and preferred dividends, was $1,296,327, as compared with $1,121,148 for the corresponding nine months of the preceding year.

This gain of 15.62 p.c. in surplus for the common stock would indicate, on the basis of earnings for 1913, a surplus of $1,760,154, or 8 p.c. on the $22,000,000 of common stock for 1914. It will be seen that the gain in surplus is much more than caring for dividends for the entire year and will not be fully paid up until 1915, so that the earnings for 1914 on the average amount of stock entitled to dividends will be much more than 8 per cent. In 1913 the company earned 7.57 p.c. on $20,100,000 stock, and at the rate of gain in surplus for the first nine months of 1914 will earn 8.75 p.c. on this amount of stock the current year. Regular quarterly dividends of 1½ p.c. are paid on the common stock.

FEDERAL RESERVE CALL COMPLETED.

Washington, November 9.—The payment of the first installment of the capital stock of the Federal Reserve banks called for on November 2nd has been practically completed. The amount paid in as reported to the Federal reserve board totals $17,947,106.

NO SMALL DEBENTURES.

Toronto, Ont., November 9.—The plan on the part of the city to sell $10 debentures to citizens has fallen through, for the reason that the corporation cannot, under its charter, issue debentures of less than £20 sterling denomination.

CANADIAN BIOSCOPE COMPANY IS NOMINALLY IN BUSINESS

But Those Who Have Money in the Concern Are Dubious as to Whether They Will Even Get it Out Again.

(Special to The Journal of Commerce.)

Halifax, N.S., November 9.—The difference between the theory of making a moving picture manufacturing enterprise pay and the practical reality of earning profits is shown in the experience of the Canadian Bioscope Company, of this city, some of whose assets were recently held at auction to meet pressing claims.

The company is still nominally in business but the assets sold by the auctioneer were foreclosed under a bill of sale, and were bought in by a group of shareholders who had advanced $8,000 and had taken a bill of sale.

The total authorized capital stock of the company was $150,000 and of this about $100,000 was sold, and the company's expenditures represent quite this amount.

The business for which the organization was affected was the making of moving picture films and also selling or operating them. A number of people in Charlottetown, Halifax and Amherst became interested in the company.

Under his direction a studio was built in Halifax and the "Evangeline" film was made, showing early Nova Scotia history and portraying Longfellow's poem. There were changes of management but apparently the initial expenditures were found too heavy to overtake.

"Evangeline's" rights were sold to a number of the states of the Union, a total of $21,000 being thus received. This sum was less than estimated.

In Nova Scotia the picture was sent on tour and in six or seven months more than $7,000 was taken, showing the possibilities, but these various revenues were not enough. Two Amherst men put nearly $20,000 each into the company; Charlottetown men had large interests in it, and a number of Halifax men invested largely. They all did what they could to pull the enterprise through.

Finally came the emergency which required the amount covered by the bill of sale, and which ended in foreclosure. The company's outfit in Halifax was bid in by them at nominal figures, and the outlook is not encouraging.

Newsprint mills in the United States increased their production of paper from 88,257 tons in August to 92,347 tons in September. Shipments in September were 95,522 tons, compared with 90,652 in August.