

second instance, Minerals Separation North American Corporation is not a British company, but was incorporated under the laws of the State of Maryland.

"Mr. Hore also went out of his way to discredit the disclosures and befuddle the public by stating the following in the last issue of the Canadian Mining Journal:

"The Toronto 'World' claims that the Minerals Separation Company is controlled by Germans and that the flotation process originated in Germany. The company's methods are such that they have aroused much opposition and criticism is to be expected, but the 'World' is not well informed as to the facts."

"Naturally, we would have expected that an editor of a mining paper would have adopted different tactics. There is absolutely no doubting the facts regarding Beer, Sondheimer and Co. Even if Mr. Hore had been correct in his assertion that the M. S. Co. was a British Corporation it is quite safe to say that their methods are not in the interests of the Allies in this war. But unfortunately for the M. S. Co. apologist, he is the party that is misinformed, and not The Toronto World and The Northern Miner."

To this we say that our telegram gives the facts correctly. It has been misinterpreted by the "Northern Miner," whether purposely or not we do not know.

In December, 1916, an American corporation, known as the Minerals Separation North American Corporation, was formed in Maryland. This Corporation, so far as we know, has never been represented by Beer, Sondheimer & Co. It is an American corporation controlled by three men, two of whom are British and the third an American.

The "Northern Miner" evidently wishes its readers to believe that our objection to the statements of the "Toronto World" is an indication of friendliness for the corporation which wishes to collect royalties from Canadian mining companies. The "Northern Miner" may have some readers that will believe that we "tried desperately to lobby in the interests of this company." As a matter of fact we objected to the statements made by the "World" because we believe them to be incorrect. Our enquiries satisfied us that the newspapers were being used for purposes that are not creditable to the mining industry and we warned the "World" to be more careful in its statements. We may have interfered with plans that have a worthy object; but we have simply urged that there be no misrepresentation of the facts.

Low grade ores have been, and are being, treated profitably at Cobalt by several processes. The flotation process has proven in some cases more profitable than other processes. It is this increase in profit that represents the advantage gained by use of flotation machines, and it is only on this increase that the owners of patents can reasonably claim a royalty, if infringement is proven. They cannot justifiably lay claim to all this increase; but only to a reasonable percentage. There will doubtless be much difference of opin-

ion as to what is a "reasonable" percentage; but there is no room for the opinion that such excessive royalties can be charged that the use of the process would not be warranted.

If it is true that the American corporation threatens Canadian users of the process with claims for excessive amounts, the corporation must be only bluffing. Absurd claims will not be tolerated here, even if some United States courts have made themselves ridiculous. If the bluff is called we may expect that the corporation will offer reasonable terms before initiating litigation in Canada; for if the corporation is well informed it can hardly expect to be as successful in Canadian courts as in United States courts. Our laws allow only a reasonable royalty. Moreover, Canadians are not likely to allow anyone at this time to get away with threats of interference with production.

While we cannot accept the evidence offered by the "Northern Miner" as proof that the Minerals Separation corporations are controlled by Germans, we will be pleased if the agitation results in an investigation of the connection between the British corporation, Minerals Separation American Syndicate, Ltd., and Beer, Sondheimer & Co. The latter firm is unquestionably German. Why then did not the British corporation break off all relations with the American branch of this firm at the outbreak of war? What significance is to be attached to the fact that Mr. N. M. T. Sondheimer was a director of the American Syndicate?

As has been quite properly pointed out by the "Northern Miner," the successful application of the flotation process to the treatment of Cobalt silver ores reflects no credit on the Minerals Separation corporations. For the good results obtained we have to thank the mine managers and their staffs and Mr. J. M. Callow and his assistants. By co-operation between Mr. Callow and the mine managers the silver mining industry has greatly profited. It would be unjust to allow the Minerals Separation corporations to appropriate the profits resulting from the work of the Cobalt metallurgists and Mr. Callow.

One good feature of the campaign of the "Northern Miner" against the Minerals Separation corporations is the publicity it is giving to the ramifications of the German Metal Trust. The campaign will be worth while if it helps to break down German control of the metal industry. This is not the main object of the campaign; but it should prove a valuable by-product. We assume that our readers are well aware that Beer, Sondheimer & Co. is an American branch of the German Metal Trust that had a strangled hold on the metal industry. The campaign will help to spread the information.