

CHANGE IN SPECULATIVE SITUATION.

The change in the speculative situation that has been produced during the past two years grows in large measure out of the fact that holders of stocks who have made large gains do not want to sell out, because by so doing they render themselves liable to the heavy excess profits taxes which are in vogue under present law. The tendency, therefore, is to hold on to such stocks, leaving the available supply subject to speculative operations very small, with the result that it is comparatively easy to force prices in the particular issues which are affected in this way. The situation does not apply to those issues which have not had phenomenal advances or which have changed hands frequently during the past two years, but applies more forcibly to those industrials which were bought in by large holders at very low prices and have been kept by them in their strong boxes ever since. In conjunction with this fact must be considered the further fact that a large group of shares—the railroads and those closely allied to them—are practically off the market in any case because of the peculiar conditions by which they are surrounded. This tends to concentrate speculation, intensify it and make fluctuations much more extreme and much more easy to manipulate.

BRITISH URGED TO CHANGE BUSINESS METHODS.

If Great Britain is to extend its colonial trade it must drop old systems and follow American methods, says a writer in the "Trade Supplement" of the "Times." He adds:

"Immediately peace is signed we shall be granted an opportunity for further commercial enterprise, but some of us must lay aside our policy of masterly inactivity in respect to colonial trade.

"If we had always studied, as American and German houses have done, the men who go to the ends of the earth, Germany could not have attained the commercial headway which enabled her to finance her war effort. The following experiences of an Englishman are not uncommon. Some nine years ago he first visited Australia, to advise a house regarding a new department and obtained considerable local experience. On returning to London he advertised, stating he was commencing business in Australia. The answers he received were exclusively from German firms—not from their English houses, but direct from the factories in Germany.

"Being of a patriotic temperament (then rather a hindrance to success in business), he did not negotiate, but made direct approach to British houses who he knew were unrepresented in Australia. The reception given to him was most disheartening, as manufacturers preferred to chance selling their goods to the colonies through English buying houses and did not see the need for local representation. When the question of sharing expenses arose the British houses refused help.

"My friend was assured there was a great amount of good will in being allowed to represent 'Blank, (Limited).' The traveller was to provide

all the capital necessary in exploiting the various lines he carried and the remuneration suggested was always negligible. Some of the firms would not make contracts for more than one year from the date of commencing operations. Several asked payment for samples. One sent samples that were not asked for and deducted the cost of same from commission account.

"An office was, however, opened in Melbourne and several of the lines were well received, but the support given to him by his principals when he was 14,000 miles away was very weak and barely paid expenses, so he decided to give America a chance.

"Contrast the two business methods. On calling at the American Consulate he explained what he required. He was shown a file of letters from American houses who asked to be put in touch with agents in Australia. Communication was made with certain firms, who in most instances cabled on receipt of offer. Every mail brought the latest bulletins regarding the goods, with special notes directing the best methods of bringing them before the market. So much was allowed each year towards office expenses and local advertising. The result was very encouraging to both parties.

"Much improvement in publicity will have to be made if we are to expect headway or even keep our old position. Turn over the advertisements in any journal. How many convey the name of the agent who handles the goods in the Colonies? American magazines are attaining a large circulation in Australia, and manufacturers avail themselves of the opportunity to mention their foreign representative. May I conclude this plea for the man who goes to foreign parts by suggesting that nothing can be lost by having pride in him and advertising the fact that he actually exists? Then British trade will not be handicapped as in the past."

AUTOMATIC SPRINKLER PROTECTION.

Mr. Gorham Dana, S. B., Manager of the Underwriters' Bureau of New England, Boston, Massachusetts, has issued a volume on the above subject and it has gone into the second edition. It is based on the lectures delivered by the writer before the Insurance Library Association of Boston, in the Spring of 1913. In his book, the writer has considerably amplified and brought up to date all of the many phases of the subject. There is an appendix giving an alphabetical list of automatic sprinklers.

The aim of the book is to cover the subject in such a way that it may be used as a textbook for those who desire to study sprinkler protection and as a reference book and authority for those who are already graduated. It is the last word on this subject and is well worthy of a place in every fire insurance library.