ANNIE M'GEE'S EASY WIN SHOWS UP JOCKEY REID

Daisy Garth Noses Out Lotta Creed, the Favorite, and There is a Demonstration.

FORT ERIE, July 20.—Seven races without a steeplechase were the attraction this afternoon. The fields were the largest of the meeting. After the events of Monday there was little or no excitement, other than the great reversal of form shown by Anne McGee, which makes it look badly for the ride put up by Reid in her last start, when she was outrun all the way by a poor field. This afternoon she tin-canned the lot and won by five lengths. This shows there are more than steeplechase riders to look after. John Lamb has released Ben Pope as trainer. He has had charge of the horses all spring. Mr. Lamb is now training his own horses.

FIRST RACE—Purse $400, 2-year-old maidens, 5½ furlongs:
1 Ozana, 105 (Warren) ..... 2—1
2 Odin, 102 (G. Burns) ..... 30—1
3 Lucky Ford, 97 (Davenport) .....
4 Firebug, 105 (Howard) ..... 5—1
5 Searchlight, 100 (Herbert) ..... 5—1
6 Rupicola, 105 (Lee) ..... 20—1
7 Cherry Picker, 100 (Hammond)... 100—1
8 J. W. Fry, 102 (Ross) ..... 15—1
9 Oriet, 102 (Kennedy) ..... 15—1
Time .23 1-5, .47 3-5, 1.01, 1.07 1-5. Winner A. B. Gallagher's ch.f., by Mazagan—Sparkler. Start good. Won handily by five lengths. Place driving by a neck. Firebug and Searchlight set all the early pace and quit when collared in the stretch. Ozana came from back in the bunch. Odin outgamed Lucky Ford for the place.

SECOND RACE—Purse $400, for 2-year-olds, 5 furlongs:
1 Western, 107 (G. Burns) ..... 13—5
2 Whim, 105 (Mentry) ..... 8—1
3 Mae Henry, 105 (Warren) ..... 7—2
4 Amanda Lee, 100 (Kennedy) ..... 8—1
5 Emmy Lou, 100 (Paul) ..... 50—1
6 Fair Louise, 100 (Davenport) ..... 3—1
7 Woolvine, 100 (Herbert) ..... 60—1
8 Jolika, 100 (Phair) ..... 100—1
9 Omicron, 100 (Whiting) ..... 20—1
10 May Macdonald, 102 (Howard).... 12—1
11 Balstar, 100 (Dreyer) ..... 50—1
Time 1.01 2-5. Winner W. Garth's b.f., by Ogden—Star of the West. Start good. Won handily by a length. Place by half a length. Burns rushed Western Lady to the front at the start, then eased her up, and when the drive came he had something left to finish with. Western Lady came away again in the stretch. Whim outgamed Mae Henry for the place in last sixteenth.

THIRD RACE—Purse $400, 3-year-olds and upwards, 6 furlongs:
1 Carthage, 108 (Rettig) ..... 7—1
2 Minnie Bright, 94 ..... 30—1
3 Edgely, 110 (Lee) ..... 8—1
4 Bitter Hand, 108 (Herbert)..... 50—1
5 Tremargo, 102 (Howard) ..... 3—1
6 De Burgo, 110 (G. Burns) ..... 12—1
7 Plume, 90 (Brown) ..... 100—1
8 Argonaut, 95 (Haynes) ..... 12—1
9 Sally Preston, 103 (Tellott) ..... 8—1
10 Darenington, 110 (Preston) ..... 8—1
11 Alice George, 101 ..... 6—1
12 Hands Around, 105 (Davenport)... 12—1
13 Serville, 111 (Brooks) ..... 40—1
Time .23 2-5, .47 4-5, 1.13 2-5. Winner C. Dewitt's b.g., by Serene—Hettie Green. Start good. Won driving by a head. Place same by one and a half lengths. Minnie Bright forced the early pace with Alice George to the top of the stretch. Carthage was as good as left, and got up just in time to win. Minnie Bright outgamed Edgely in last few strides. Alice George quit in stretch.

FOURTH RACE—Purse $400, 3-year-olds and upwards, 6 furlongs:
1 Hyperion II., 117 (Burns)..... 3—1
2 Arionette, 100 (Ross) ..... 7—5
3 Tom Holland, 106 (Lee) ..... 6—1
4 Pedro, 105 (Davenport) ..... 5—1
5 Bonnie Bard, 108 (Mentry) ..... 30—1
6 Lady Fitzherbert, 106 (Ganz)..... 50—1
7 Pills, 103 (Caldwell) ..... 30—1
8 Ada O. Walker, 105 (Gilbert)..... 60—1
Time .23 2-5, .47 2-5, 1.12 2-5. Winner L. Johnson's b.g., by Magazan—Vanclar. Start good. Won handily by two lengths, going away. Place same by a length. Arionette set all the pace, and when collared by Hyperion in stretch chucked it up. Hyperion was under restraint all the way to the last sixteenth. Tom Holland got up in time to be third.

FIFTH RACE—Purse $400, 3-year-olds and upwards, 1 mile and 70 yards:
1 Anne McGee, 100 (Kennedy) ..... 8—5
2 Occidental, 100 (Phair) ..... 20—1
3 Pert, 98 (Davenport) ..... 6—1
4 The Earl, 102 (Herbert) ..... 12—1
5 Gold Front, 105 (Lee) ..... 12—1
6 Lannigan, 105 (Ross) ..... 15—1
7 Queen's Message, 100 ..... 60—1
8 Sensible, 102 (Howard) ..... 30—1
9 Elgin, 106½ (Mentry) ..... 15—1
10 Dr. Pillow, 102 (Brannon) ..... 60—1
11 Schleswig, 105 (Burns) ..... 10—1
12 Col. Zeb, 109 (Hammond)..... 7—1
13 Advance Boy, 109 (Troxler)..... 100—1
Time .23 2-5, .47 2-5, 1.12 4-5, 1.39 4-5, 1.44. Winner W. H. Fizer's b.f., by Marta Santa—California. Start good. Won pulled up by five lengths. Place driving by 1½ lengths. Anne McGee tin-canned her field and won pulled up. Occidental was always the contender and second under a drive. Pert was off poorly and closed a big gap, getting third in a drive.

SIXTH RACE—Purse $400, 2-year-olds, 5½ furlongs:
1 Daisy Garth, 101 (Burns) ..... 10—1
2 Lotta Creed, 103 (Davenport) ..... 7—5
3 Rounder, 98 (Herbert) ..... 15—1
4 Dolly Maddis, 96 (Rogers) ..... 15—1
5 Hallack, 100 (Ross) ..... 3—1
6 Inferno Queen, 100 (Kennedy)..... 12—1
7 Bedminster, 103 (Caldwell) ..... 25—1
8 Metzie, 101 (Howard) ..... 7—1
9 Two Drop, 101 (Dreyer) ..... 60—1
10 Louis Reil, 101 (Paul) ..... 60—1
11 Robert Powell, 105 (Lee) ..... 15—1
Time :24, :49, 1.08. Winner Mrs. McLaughlin's ch.f., by Hawkswick—Tabitha. Start good. Won driving by a head. Place ridden out by a length. Daisy Garth made her own running; was tiring at end. Lotta Creed next best. Dolly Maddis closed big gap and finished fourth after being left at post.

SEVENTH RACE—Purse $400, 4-year-olds and upwards, 1⅛ miles:
1 Giles, 107 (Davenport) ..... 7—10
2 Belle Scott, 106 (Ross) ..... 7—1
3 Red Hussar, 105 (Ganz) ..... 6—1
4 Malediction, 108 (Dreyer) ..... 20—1
5 Solon Shingle, 108 (Howard) ..... 7—1
6 Glivedear, 110 (Troxler) ..... 25—1
7 Harry Richeson, 103 (Hammond)..100—1
Time .24 1-5, .49, 1.14, 1.40, 1.53 1-5. Winner A. D. Parr's b.g., by Fatherless—Niola. Start good. Won pulled up by three lengths. Giles made his move rounding the turn and won under restraint. Belle Scott was always the contender. Red Hussar ran good race.

Jack Atkins Lands the Handicap.

EMPIRE CITY, N.Y., July 20.—Jack Atkin, heavily played favorite at 7 to 5, easily won the Fleetwing Handicap, 6 furlongs, here to-day. The big horse carried 130 pounds and conceded weight to his entire field. He was given a rousing cheer when he flashed under the wire a winner. Jack Atkin was a trifle slow to break, but Powers rushed him thru the field and at the far turn was in front and leading by half a length. From there to the wire he gradually increased his advantage and won by three lengths. Summary:

FIRST RACE, 3-year-olds, selling, mile and a sixteenth, $500 added:
1. Eschau, 103 (McCahey), 6 to 5, 1 to 3 and out.
2. County Fair, 100 (Bergen), 8 to 5, 2 to 5 and out.
3. Joe Rose, 98 (Taplin), 4 to 1, even and out.
Time 1.49 3-5. Indomitable also ran.

SECOND RACE, maidens, 2-year-olds, 5½ furlongs, $400 added:
1. May Florence, 105 (Dugan), 12 to 5, 4 to 5 and 2 to 5.
2. Shamrock, 105 (Grand), 60 to 1, 20 to 1 and 10 to 1.
3. Levengston, 108 (Butwell), 8 to 5, 3 to 5 and 1 to 4.
Time 1.08 4-5. Sir Heddam, Captain Swanson, H. Gambon, Indot, Rokeby, Etching, Projectile, Grecian Bend, Matchfield and Race Brook also ran.

THIRD RACE, 3-year-olds and up, non-winners of two races since June 23, selling, 6 furlongs, $500 added:
1. Spooner, 106 (Greevy), 11 to 5, even and 1 to 2.
2. Osorine, 99 (Garner), 11 to 5, 4 to 5 and 2 to 5.
3. Ruble, 95 (Leach), 7 to 1, 5 to 2, and 7 to 5.
Time 1.13 2-5. Adriuche, Trois Temps, Billy Bodemer, Tony Faust and Sorrowful also ran.

FOURTH RACE, The Fleetwing Handicap, 3-year-olds and upward, guaranteed gross value $1500, 6 furlongs:
1. Jack Atkin, 130 (Powers), 7 to 5, 3 to 5, and out.
2. Half Sovereign, 112 (Dugan), 4 to 1, even and 1 to 2.
3. Arondack, 97 (McCahey), 20 to 1, 6 to 1 and 2 to 1.
Time 1.12. Rialto, Colloquy, Pantoufle and Bat Masterson also ran.

FIFTH RACE, 2-year-olds, 5½ furlongs, $500 added:
1. Colinet, 112 (Scoville), 11 to 5, 7 to 10 and 1 to 4.
2. Charlie Hargraves, 108 (Cullen), 7 to 1, 2 to 1 and 4 to 5.
3. Folly Levy, 113 (Powers), 6 to 5, 1 to 2 and 1 to 5.
Time 1.08. Everett, Calash and Henderson also ran.

SIXTH RACE, 4-year-olds and up, selling, mile and and eighth, $500 added:
1. Superstition, 107 (McCahey), 8 to 1, 5 to 2 and even.
2. Belleview, 100 (Taplin), 3 to 1, 4 to 5 and 1 to 3.
3. Beaucjere, 97 (Lynch), 7 to 10, 1 to 4 and out.
Time 1.54 2-5. Golconda, King of Bashan, Oriental Queen and Rockstone also ran.

Empire City Enaries.

NEW YORK, July 20.—Entries for Empire City to-morrow:

FIRST RACE, selling, 6 furlongs:

Personal	113	J. H. Reed	112
Yankee Daughter	109	Hoffman	108
Redmimic	105	Saginaw	105
Saginaw	105	Racing Bell	105
Shapdale	105	Richard Reed	105
John Florio	105	Belleek	103
Dander	103	Constellation	98
Mauviette	98	Cordova	98

SECOND RACE, selling, 6 furlongs:

Zephyr	105	Lord Clinton	104
Radium Star	104	Lovewatches	102
Topnotch	98	Madeline L.	99
Helen Carroll	96	Evening Song	94

THIRD RACE, mile and a sixteenth:

Stanley Fay	122	Juggler	119
Pins and Needles	107	Tony Bonero	104
Zienap	102	Fondheart	92
Campaigner	99		

FOURTH RACE, The Tarrytown Stakes, selling, mile:

Highrange	106	Lawton Wiggins	105
Eschau	105	The Gardener	96
Hilltop	96	Personal	91

FIFTH RACE, 5½ furlongs:

Fighting Bob	117	Glennadean	107
Star Port	104	Interpose	102
May Florence	98		

SIXTH DACE, selling, mile and a sixteenth:

Rye	102	Bonnie Kelso	103
Haus	103	Rightguard	101
Neoskaleeta	101	Killiecrankie	100
Ironbound	89		

Fort Erie Entries.

FORT ERIE, July 20.—Entries for tomorrow are:

FIRST RACE—Steeplechase, handicap, short course:

Bonnie Kate	132	Lizzie Flat	135
Gipsano	135	Bergoo	140
Class Leader	148	Reginals	160

SECOND RACE—Selling, 3-year-olds and up, 5½ furlongs:

Sister Phyllis	94	Al. Busch	*94
Luckola	96	Mawcella	*97
Lady Orimar	99	A. Gamara	99
Lazarus	99	Wausau	104
Toddy Hodge	107	Cooney K.	109
Ben Double	109	McNally	101

THIRD RACE—Purse, 2-year-olds, 5½ furlongs:

Leonora Maude	95	Count Steffins	98
Gen. Armstrong	100	Penn	100
Fereno	100	Ben K. Sleet	103
King Solomon	103	Prince Imperial	103
Turf Star	110	Star Wave	110
Joe Morris	110		

FOURTH RACE—One mile, 3-year-olds and up:

Meadow	97	Grania	97
Green Seal	107	Tourenne	107
Vox Populi	107	Moquette	107

FIFTH RACE—Handicap, 3-year-olds and up, 6 furlongs:

Dr. W. Briggs	93	All Red	99
Goes Fast	103	St. Jeanne	103
Crystal Maid	103	Woolsandals	104
First Premium	105		

SIXTH RACE—Purse, 3-year-olds, one mile:

Fair Annie	100	Tom Hayward	102
Siskin	105	John A.	110
Stolypin	110	W. A. Leach	110

SEVENTH RACE—Selling, 3-year-olds and up, 1 mile and 70 yards:

Floreal	92	Chepontuc	95
Alice Baird	97	Irrigator	100
High Hat	100	Stromeland	102
Cruche d'Or	102	Quagga	103
Mary Talbot	104	Dennis Stafford	104
Dunvegan	104	Paul Ruinart	104
Woolstone	105	Beau Brummel	105
Black Sheep	*106		

*Apprentice allowance claimed.
Weather clear; track fast.

WORLD'S SELECTIONS.

—Fort Erie—

FIRST RACE—Bergoo, Class Leader, Lizzie Flat.
SECOND RACE—Cooney K., Maycella, Ben Double.
THIRD RACE—Turf Star, Joe Morris, King Solomon.
FOURTH RACE—Green Seal, Meadow, Grania.
FIFTH RACE—Wool Sandals, All Red, Dr. Waldo Briggs.
SIXTH DACE—W. A. Leach, John A., Stolypin.
SEVENTH RACE—May Talbot, Paul Ruinart, Floreal.

—Empire City—

FIRST RACE—Richard Reed, Personal, J. H. Reed.
SECOND RACE—Helen Carroll, Evening Song, Radium Star.
THIRD RACE—Hilltop, Lawton Wiggins, The Gardener.
FOUDTH RACE—Stanley Fay, Juggler, Pins and Needles.
FIFTH RACE—Glennadeane, Fighting Bob, May Florence.
SIXTH RACE—Bonnie Kelso, Hans, Rye.

MANNIE

TORONTO—166 BAY ST. ROOM 6 PHONE MAIN 6374

Mannie's Best Bet . . Won Yesterday

Mannie's Extra Sleeper—Scratched

TO-DAY'S GRAND BET

Is a horse that started often but failed to run to best form

This trick will run a smashing good race to-day, and if there is such a thing as a certainty on a race track to-day's bet will be a positive winner.

Terms, $1.00. By the Week, $5.00.

REYNOLDS & CO

107 Victoria St.

ROOM 8. - ONE FLIGHT UP

ANOTHER WINNER

Yesterday we added another winner to our long list of winning one best bets.

TO-DAY

our one best bet will again get the money and will be at least

3 to 1

Sold only at office. We positively have no agents. Beware of imposters.

Terms $1 daily, $5 weekly. Wired everywhere.

DIXON

Room 42, 34 Victoria St.

$2 Daily, $5 Three Days. Special rate for balance of Fort Erie Meet $10.

Yesterday, Giles, 1-1 Won

T. M. GREEN, 6-5 WON

Was my one best bet Monday.

AL MULLER, 8-1 WON

Was my best bet Saturday

TO-DAY

A big chance at 10-1 or so. Don't overlook this opportunity to make a big clean up.

C. R. James & Co.

Room 4, 21 Leader Lane.
Two-Horse Wire Daily 50c.

HYPERION II, 4-1, - WON

was my Best Bet yesterday, and he galloped home an easy winner.
ANNE M'GEE.....8—5, WON
was my Extra Special yesterday.
Monday's two-horse wire was:
T. M. GREEN.....1—1, WON
LITTLE OSAGE.....7—5, WON
Well, Turfites, does the above winners look like Inside Information or not. Not a single loser did I give out all week.

TO-DAY

$2 Occasional $2

A Positively sure winner, guaranteed to win or next occasional free. My man at track informs me that this one aint got a chance to go wrong, and will win at a nice juicy price.

EX-JOCKEY

Elmer James

199 St. Patrick St., cor. Esther
'Phone College 823

Yesterday I gave my friends

WESTERN LADY

ALSO

ANNE McGEE

To-day my one horse special, get your winter money on this trick, ready at 10.30 a.m. Call or send messenger.

$1 for This One

Look out for Friday.
My card on file at The World office every day.

Horace Walton, hotelman at Thorold, is committed for trial under $2000 bail for assault.

OFFERING AT $61 PER SHARE OF $1,500,000 COMMON STOCK OF THE

DULUTH-SUPERIOR TRACTION COMPANY

CAPITALIZATION:

Bonds, 5%	$2,500,000
Preference Stock, 4%	1,500,000
Common Stock	3,500,000

The Duluth-Superior Traction Company was formed in the year 1900, and under it electric street railway systems were built and have been operated in Duluth, Minn., and Superior, Wis., adjoining cities. The bulk of the common shares of the company have been owned by a few interests, amongst them being the estate of the late Thomas Lowry, President, until his death, of both the Twin City Rapid Transit Company, of Minneapolis and St. Paul, and the Minneapolis, St. Paul & Sault Ste. Marie Railway; Mr. C. G. Goodrich, now President of the Twin City Rapid Transit Company, and President, since organization, of the Duluth-Superior Traction Company; and other important interests in Great Britain, and in Minneapolis, New York and Duluth. In addition to these, common shares of the company are held by 79 shareholders in moderate amounts, 2,310 shares altogether being so held.

The death of the late Mr. Lowry led to disposal of a portion of the stock formerly held by him, and, in this connection, arrangements have been made for the benefit of all concerned which it is believed will result in a wide market for the common shares.

Applications will be made in due course to have the common stock listed upon the Toronto, Montreal and New York Stock Exchanges, and Transfer Agencies will be established in these cities.

Mr. Goodrich, who is peculiarly fitted for valuable service through his successful experience in charge of construction and operation of the two important electric railway systems before mentioned, continues indefinitely as President of the Duluth-Superior Traction Company, and remains a large shareholder.

The earning record, present position and prospects of the company are such that the directors have authorized a statement that they intend to pay, on October 1 of this year, the first regular quarterly dividend upon the common stock, at the rate of four per cent. per annum.

The directors of the company are:—C. G. GOODRICH, President, Minneapolis, Minn.; L. MENDELHALL, Vice-President, Duluth, Minn.; EDMUND ZACHER, New Haven, Conn., and HORACE LOWRY, Minneapolis; RODOLPHE FORGET, M.P., Montreal, Que., and A. E. AMES, Toronto, Ont., are to be added to the board at the annual meeting next January. They also join the board of the operating company, the Duluth Street Railway Co., at its annual meeting, to be held during the present or the following month.

WE OFFER FOR SALE 15,000 FULL PAID SHARES OF $100 PAR VALUE EACH, AT $61 PER SHARE, as follows:—

$10 per share, with subscription.

$51 per share within five days from notice of allotment.

Subscription books are now open at our offices and will close not later than four o'clock on Tuesday, the 27th inst. The right is reserved to allot only such subscriptions and for such amounts as may be approved, and to close the subscription books without notice.

At $61 per share the present yield on the investment is 6.55%.

We recommend purchases of these shares from the standpoint of security, present dividend yield, and enhancement of value of the principal.

Full particulars of the company's franchises and power agreement are on file and may be seen at our offices.

Memoranda are appended, signed respectively by the President and Auditors of the company, and also by Messrs. Thomson, Tilley & Johnston, Solicitors, of Toronto, and Messrs. Clarkson & Cross, Accountants, of Toronto, who have acted on behalf of the purchasers.

A. E. AMES & CO., Limited, 7 and 9 King Street East, Toronto
R. FORGET, 83 Notre Dame Street West - - - Montreal

DULUTH-SUPERIOR TRACTION COMPANY.

Since September, 1907, the Duluth-Superior Traction Company has operated with power furnished by the Great Northern Power Company, which has, on the St. Louis River—about 22 miles from the cities of Duluth and Superior—I believe, the largest development of water power on the continent, next to Niagara Falls.

The population of the two cities, given in the census reports of the States of Minnesota and Wisconsin for 1905, was: Duluth, 64,942; Superior, 36,551; total, 101,493. Since 1905 there has been an important growth, and I believe the present population of Duluth is about 85,000, and of Superior 40,000, making a total of 125,000.

Back of the cities are the immense deposits of iron ore in the Missabe and other ranges, and the business resulting from the activities of the United States Steel Company and other corporations is enormous.

Over 400 vessels, with a net tonnage of more than 600,000 tons, are enrolled in the dock of Duluth, and in one season there have been shipped through this port 34,786,705 tons, valued at $287,529,690. Nearly 14,000 boats arrive and depart each season.

The Superior shipbuilding yards, during the last eight years, built 20 ships, with a carrying capacity of nearly 200,000 tons.

On the borders of the Duluth-Superior harbor are 33 grain elevators, with a capacity of over 35,000,000 bushels, besides large flour and sawmills, and the largest ore and coal docks in the world.

The railways entering Duluth and Superior are as follows: Great Northern; Northern Pacific, Duluth, Missabe & Northern; Duluth, South Shore & Atlantic; Chicago, Milwaukee & St. Paul; Chicago, St. Paul, Minneapolis & Omaha; Chicago Great Western, and Canadian Northern Railway Company. In addition, the Minneapolis, St. Paul & Sault Ste. Marie Railway and the Wisconsin Central Railway have both been actively constructing their entrances into these cities for about a year, the first of these coming in both from Brooten, on the west, where it connects with the great northwest grain growing area, and from St. Paul and Minneapolis and Chicago on the south, and it is likely they will both be operating their train services in and out of the cities before the end of the current year.

Regarding the drop in surplus earnings in 1908 to $121,656.67 as compared with $189,636.03 for 1907, the conditions bringing this about were these: During 1906 and 1907 the number of cars operated by the company became more and more inadequate for the growing traffic, but inasmuch as the steam power generated by the company's own plant was almost fully used during "rush" hours, with a diminishing margin of safety, it was thought wise not to increase the number of cars until the waterpower to be supplied by the Great Northern Power Company, and for which we had contracted, should be available. The citizens were patient under the circumstances, and the net profits of the company were for the time unduly large. After receiving power from the new source, in September, 1907, the company put on a number of new cars, increasing operating expenses proportionately. This happened to be coincident with an increase in wages, amounting to nearly $30,000, and an increase in accident damages of about $25,000. The very prosperous business conditions which have obtained in Duluth and Superior for some time have brought the surplus profits to a basis practically equal with those of 1907, and the basis is more substantial, inasmuch as the company now not only fully occupies the territory, but is well equipped from the standpoint of its roadbed, character and number of its cars, and source of power supply.

Taking the basis of actual net earnings for the first six months, and making as close an estimate as possible of the earnings for the last six months, I expect that the surplus profits for the year 1909 will be at least $185,000, or, say, 5¼ per cent. upon the capital stock.

The momentum which has been achieved through the activity in building and in general business, coupled with the strength of the situation of the two cities, would seem to justify the prediction that their population will have more than the ordinary increases which have ruled with cities of their size in North America. Based, however, only upon the history of the cities and upon ordinary growth in gross earnings, which have increased steadily each year over the preceding year (except in the year 1904), from $452,703.83 in 1901, to $890,295.71 in 1908, I feel that the directors are justified in commencing dividends at this stage at the rate of four per cent. per annum, and see no reason why this rate should not be maintained; while prospects for increases in dividend are such as relate to a healthy company expecting a normal growth in its business.

C. G. GOODRICH, President.

Duluth, July 8, 1909.

AUDITORS' CERTIFICATES.

We hereby certify that we have made running audits of the accounts of the Duluth-Superior Traction Company from December 31, 1905, and that the following is a true statement of the earnings and expenses for the three years from that date to December 31, 1908:—

	1906.	1907.	1908.
Gross earnings	$768,874.77	$846,084.35	$890,295.71
Operating expenses	401,624.92	438,766.51	549,437.58
Net earnings	$367,249.85	$407,317.84	$340,858.13
Fixed charges	211,575.76	217,681.81	219,201.46
Surplus	$155,674.09	$189,636.03	$121,656.67

The "Fixed Charges" in each year include bond interest to the amount of $125,000.00, preferred stock dividend to the amount of $60,000.00, and all taxes. The surplus remaining is the amount available for renewals and dividends on the common stock.

The policy of the company has been to apply its surplus to the improvement of the company, and in pursuance of that policy no dividends have, as yet, been paid on the common stock. The accumulated surplus, at December 31, 1908, amounted to $841,722.87, of which $326,579.80 had been appropriated to the credit of renewal account, leaving $515,143.07 in surplus account.

In addition to having made a running audit from December 31, 1905, we have had access to the books and accounts of the company from its organization in 1900, and have satisfied ourselves that in the eight and one-third years ended December 31, 1908, the company, in addition to having paid its bond interest and preferred stock dividend in full, has spent, out of its surplus earnings, $728,107.02 in new construction and equipment, and has added $113,615.85 to the excess of current assets over current liabilities, the two amounts accounting for the entire surplus of $841,722.87.

The gross earnings monthly for the five months of the current year ended May 31, in comparison with the same period in the three preceding years, are as follows:

	1906.	1907.	1908.	1909.
January	$54,101	$58,874	$64,355	$71,213
February	49,712	52,332	61,770	64,158
March	57,846	63,896	67,102	72,998
April	61,634	66,819	68,387	74,442
May	63,335	68,892	71,045	79,144
	$286,629	$310,813	$332,659	$361,950

Balance Sheet, December 31st, 1908.

ASSETS.

Roadway, equipment, etc	$8,211,794.22
Cash	202,480.25
Accounts receivable	6,429.71
Storehouse material and supplies	44,547.53
Insurance paid in advance	2,488.15
	$8,467,739.87

LIABILITIES.

Bonds (5%, due 1930)	$2,500,000.00
Capital stock, preferred (4%)	1,500,000.00
Capital stock, common	3,500,000.00
Surplus income	515,143.07
Renewal fund	326,579.80
Approved vouchers	48,011.03
Taxes, accrued and not due	26,565.63
Interest on funded debt, accrued and not due	20,833.34
Injuries and damage reserve fund	28,910.00
Sundries	6,697.00
	$8,467,739.87

New York, June 18, 1909.

MARWICK, MITCHELL & CO.

We have examined, at Duluth, the accounts of the Duluth-Superior Traction Company, and have satisfied ourselves that the above statement of Messrs. Marwick, Mitchell & Co. is correct.

Toronto, July 9, 1909.

CLARKSON & CROSS.

SOLICITORS' OPINION.

We have inquired into the franchises of the underlying Companies of the Duluth-Superior Traction Company, and are of the opinion that they are valid and free from onerous restrictions, and have at least 22 years yet to run.

Toronto, July 10th, 1909.

THOMSON, TILLEY & JOHNSTON.