

NOVA SCOTIA CAR WORKS.

Organization Has Been Completed—Notes of Capitalization.

Monetary Times Office,
Montreal, April 19th.

The organization of the Nova Scotia Car Works, Limited, has been completed, and \$600,000 of the first preferred 7 per cent. cumulative stock is being offered to the public by Messrs. F. B. McCurdy & Company at the cash price of 97½ per cent. par, a bonus of 75 per cent. common stock going with the purchase.

The Nova Scotia Car Works Company was organized by Mr. F. B. McCurdy and Mr. J. R. Douglas, of Halifax, to take over the Silliker Car Company which has been in business at Halifax some few years. Mr. McCurdy is a well-known broker with offices at Halifax, Montreal, Sydney, Charlottetown, and St. Johns, Newfoundland, and who has been interested in the organization of a number of concerns such as the Mexican Northern Power, Stansfields, Limited, the Empire Trust and the Eastern Trust and other concerns. Mr. J. R. Douglas was formerly a director of the Rhodes-Curry Company, which was taken over by the Canadian Car and Foundry Company. Mr. Douglas' connection with the Rhodes-Curry was not only most remunerative, but also placed him in possession of experience which he has put to good use in connection with the reorganization of the Silliker Company.

How Securities Are Divided.

The Nova Scotia Car Works, Limited, will have the following securities:—

First Preferred 7 per cent. cumulative stock.....	\$600,000
Second Preferred 7 per cent. non-cumulative stock	220,600
Third Preferred 6 per cent. non-cumulative stock	345,200
Common Stock	1,250,000

	\$2,415,800
Mortgage Loan, 4½ per cent.	115,000

Total\$2,530,800

The promoters of the Nova Scotia Car Works, Limited, are not resting on the past record of the Silliker Car Company which suffered much from want of capital, but are installing extra machinery and balancing up the plant in order that it may become in every way efficient and remunerative. The output is about 4 cars per day, but with the installation of new machinery it is expected that 10 cars every day will be turned out. The profit on these cars was understood to be in the vicinity of \$80 each. Cutting this down to \$70, and assuming that 2,000 cars will be turned out the first year, the profits would be \$140,000, which is sufficient to cover the bonded indebtedness and the interest on the preferred stock, and leave a good balance against the common, as follows:—

First Preferred cumulative dividend	\$42,000
Second Preferred non-cumulative dividends.....	15,442
Third Preferred non-cumulative dividends	20,712

	\$78,154
Interest on Mortgage loan	5,175

Total	\$83,329
Leaving 4.52 per cent. on common stock, about....	56,671

\$140,000

Obtained Civic Concessions.

It is believed that the above estimate, showing a balance of 4½ per cent. on the common stock, is conservative. It so it should be satisfactory to purchasers.

Another factor which will be of assistance to the concern is the advantageous arrangement for tax exemption which has been made with the city of Halifax. The city also has loaned the concern, on a first mortgage at 4½ per cent., the \$115,000 mentioned above, so that the concern will have the advantage of the civic goodwill in every respect. The Silliker Car Company had the following securities:—

7 per cent. preferred stock	\$125,000
Common stock	249,000

	\$374,000
Loaned by city	115,000

Total\$489,000

The Nova Scotia Car Works assumed the loan; out of its second preferred 7 per cent. cumulative stock is taken \$125,-

000 to be exchanged for the Silliker \$125,000 preferred, besides which the Nova Scotia Company gives the Silliker holders a bonus of 33¾ per cent. of its common stock, in consideration of the Silliker holders accepting second preferred stock for their own first. The Nova Scotia Company gives \$249,000 of third preferred, 6 per cent. non-cumulative stock for the \$249,000 Silliker common.

NEW CANADIAN MILLING COMBINATION

Will Have Plants Both in Canada and the United States—Details of the Organization.

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By effecting a virtual combination between the Canadian Cereal & Milling Company, Limited, and the International Milling Company of Minnesota, Mr. A. J. Nesbitt, managing director of the Investment Trust Company, to a considerable extent, removes these Canadian milling concerns from the difficulties which many Canadian millers predict will follow the adoption of reciprocity. By this arrangement one mill in Moose Jaw, Saskatchewan, is added to the Cereal combination, besides four mills in Minnesota and Iowa. These five mills have a total daily capacity of 6,000 barrels of flour and 600 barrels of rolled oats and oat meal.

These five mills have been owned by the International Milling Company of Minnesota. The name of the new organization will be the International Milling Company of Canada, Limited. This new concern will have the following capitalization:—

	Authorized.	Issued.
Cumulative Preferred 7% Stock	\$3,500,000	\$2,500,000
Common Stock	2,500,000	1,500,000
	\$6,000,000	\$4,000,000
6% Bonds	\$2,000,000	\$1,500,000

Will Absorb Five Minnesota Mills.

The International Milling Company of Canada will take over the five mills of the International Milling Company of Minnesota, as well as all the mills and properties of the Canadian Cereal & Milling Company, Limited, which was organized about a year ago by Mr. A. J. Nesbitt, who is now completing the combination of these two concerns.

	Authorized.	Issued.
7% Cumulative Preferred Stock	\$2,000,000	\$1,250,000
Common Stock	2,000,000	1,250,000
Bonds, 6% First Mortgage	1,000,000	750,000

In exchange for these securities and for those of the International Milling Company of Minnesota, the new \$2,500,000 preferred and \$1,500,000 spoken of above will be issued. Of the bonds which will be issued by the new company, \$1,225,000 will be held in escrow to retire the outstanding bonds of the Cereal Company and the International Milling.

The circular which is sent out by the Investment Trust Co., to the shareholders of the Cereal Company is signed by Messrs. J. D. Flavelle, G. E. Goldie, and A. J. Nesbitt.

The capacity of the two companies when consolidated will be 9,000 barrels of flour and 3,000 barrels of rolled oats per day.

Net Profits of Combined Companies.

The net profits of the combined companies for the year ending August 31st, 1910, were about \$430,000. Making due allowance for the fact that the year 1909-10 was a very favorable year for milling, the officials of both companies estimate that the profits of the consolidated company should, in an average year, be from \$350,000 to \$400,000, which would leave 6 to 9 per cent. on the common shares of the company after payment of the fixed charges.

By this conjunction of Eastern and Western Canadian mills, advantage may be taken of varying conditions throughout the Dominion, and by joining up with these Canadian mills the four mills in the milling districts of the United States, the new company places itself in a position to take advantage of alterations which may occur in the future in tariff, industrial or crop conditions on either side of the International boundary.

The Western Canada Fire Underwriters' Association has notified the insurance agents at Regina, Sask., that in view of the deficient pressure of water in the city, the rate on all buildings over three storeys in height will be increased five cents on \$100 after May 1st, unless the buildings are equipped with pails of water, fire bucket tanks, or approved chemical extinguishers.