

AMERICAN BUSINESS CONTINUES FAIR

Sentiment is Better and Rampant
Pessimism of Ten Months Ago Replaced by Optimism

FIRMS REPORT CONDITIONS

Of Many Letters Received by News Agency Few Are Pessimistic—All Industries Represented Collections are Better if Anything—Full Time the Rule.

(Exclusive Leased Wire to The Journal of Commerce.)

Boston, December 5.—Business, particularly in the east continues to mark time, notwithstanding the steady improvement in the financial situation. In the west reports are most optimistic, but this is not to be wondered at considering the large crops. In certain lines even in the east, there is, to be sure, a great deal of activity due to foreign purchases of necessary war materials, albeit there are probably ten rumors of large orders to one actually placed. As one large woolen manufacturer puts it: "There is much activity in inquiries for cloth for foreign governments, and that is 'more smoke than fire.' But sentiment is decidedly better and where a few months ago pessimism was rampant there is to-day a very decided conviction that the worst has been seen and that from now on business should improve. The following letters which the Barron Financial News Service received from New England business houses are representative of opinion locally:

The Portland Packing Company, Portland, Maine: The outlook for business with us is very satisfactory. We are engaged in packing green products and are dependent to a great extent upon the seasons for the volume of our business.

Collections are, if anything, better than they have been for a number of years, all of our trade practically taking advantage of their discounts.

The Carter Ink Company, Boston, Massachusetts: It is our expectation that there will be a decided improvement in general business conditions early next spring, if not shortly after the first of the year. The volume of business at the present time is considerably less than it was last year at the corresponding time. Collections, much to our surprise, have kept up very well and we have not found them materially different than they were last year. The production of our factory has been curtailed on account of the falling off in the volume of business. We are operating under full time and have laid off only minor employees.

The situation with respect to supply of materials originating in countries affected by the war has materially improved during the past month or so, and we have been able to replenish our stocks, although at greatly increased prices.

L. S. Starrett Company, tool manufacturers, Athol, Massachusetts: While we think there is a better feeling in regard to business prospects, the actual volume of business has not as yet shown any marked improvement. As compared with business last year, our business in England is at present the biggest. Collections are about as usual. We are rather surprised that they are no worse. Our number of employees is about 100 less than a year ago, and we are running four days of eight hours each per week, as compared with 54 hours a week a year ago. Chapman Valve Manufacturing Company, Indian Orchard, Massachusetts: We do not find that the general business of the country has improved, outside of orders which are placed in this country on account of the troubles in Europe. We think with the export business that we have lost owing to this cause and the unsettled condition of business in this country owing to the unsettled condition of politics and the Washington administration. There is no improvement. In fact, our opinion is that if anything, business is at a lower ebb than it was six months ago, and we believe that outside of business occasioned by rush orders from Europe, there are fewer employees at work than there were six months ago.

Brown Cotton Gin Company, New London, Connecticut: The present business outlook is most encouraging. The situation has been improving for some time, and we are now running our works fully up to capacity, only a slightly reduced force of workmen from the number we usually employ, and the orders we already have in hand will carry us along well into the spring under these favorable conditions; so we are all looking forward to a Merry Christmas and Happy New Year, where a month ago it seemed as though we would be obliged to face a hard and disastrous winter.

For a great many years we have had a large business in cotton ginning machinery with Russia, which was brought to a standstill at the outbreak of hostilities on the other side, and it does not seem as if we could expect any orders from that country for some time to come, at any rate. On the other hand, our domestic business in some of our other lines of manufacture has improved to such an extent that one well offsets the other. On the whole, we would say that our profits are much better than they were a year ago at this time.

GENERAL ELECTRIC ORDERS

AT RATE OF 50 P.C. OF LAST YEAR.

Boston, Mass., December 5.—It is understood that there has been a further recession in incoming electrical orders during the last six weeks. The amount is not alarming, nor is it unexpected. During this period General Electric orders placed on the books have been at the rate of about 50 per cent. of a year ago. Up to the first of October the incoming rate was slightly better than 50 per cent.

The fiscal year now has but a month to run and if December duplicates November, General Electric should this year receive applications for between \$50,000,000 and \$55,000,000 of electrical supplies against \$111,519,000 a year ago. In other words incoming business for the 12 months should come close to 75 per cent. of last year's high water mark.

The story of outgoing business will probably be even better. In fact there is not likely to be a \$20,000,000 spread between orders shipped this year and last as in the case of orders billed and it is obviously upon orders billed to customers that net profits are calculated.

The war has not produced any volume of export business for any of the electrical companies and the best opinion is that it is not likely to. The electrical business is the product of a high degree of civilization and peace while war is directly calculated to discourage the type of industries whose expansion or promotion are reflected in electrical apparatus sales.

TURPENTINE SPIRITS.

Liverpool, December 5.—Turpentine spirits, 25s.

AEMILIUS JERVIS AND CO. TWO OF THE PARTNERS RETIRE

Toronto, Ont., December 5.—The financial house of Aemilius Jarvis & Co. have issued this announcement:

"We beg to announce that Mr. Albert Oakley and Mr. Morgan Jellett have retired from partnership in this firm. The partnership will be continued by Mr. Aemilius Jarvis and Mr. A. D. Morrow, under the firm name of Aemilius Jarvis & Co."

Messrs. Oakley and Jellett were admitted to partnership in the Jarvis firm at the same time, some five or six years ago. Mr. Oakley was identified with the promotion and organization end of the business, while Mr. Jellett was manager of the firm's bond department. Mr. Oakley is a director of the Sawyer-Massey Company and of the Dominion Fire Insurance Co.

UNION CARBIDE DIVIDEND.

New York, December 5.—The Union Carbide Company declared its regular quarterly dividend of 2 per cent, payable January 2nd, to stock of record December 18th.

QUARANTINE IN NEW HAMPSHIRE.

Washington, December 5.—Cheshire County, New Hampshire, has been quarantined by Secretary of Agriculture Houston, following the discovery there of a case of foot and mouth disease.

MUNICIPAL BOND SALES LESS

Municipal bond sales in November showed a sharp decline compared with November last year, the shrinkage being from over \$30,700,000 to \$12,700,000. The following table compiled by the New York Financial Chronicle, shows the output of permanent municipal bond issues for the month of November and the eleven months in preceding years:—

Year.	Month of November.	Eleven months.
1914	\$12,779,800	\$427,503,300
1913	\$30,700,000	\$358,611,500
1912	\$9,402,519	\$322,805,040
1911	\$19,738,613	\$360,830,804
1910	\$24,456,351	\$253,414,600
1909	\$18,906,555	\$267,673,842
1908	\$28,427,304	\$285,747,250
1907	\$4,068,351	\$213,924,703
1906	\$12,511,589	\$180,483,172
1905	\$25,339,207	\$174,925,450
1904	\$22,597,500	\$240,919,161
1903	\$14,846,755	\$138,790,250
1902	\$13,728,493	\$136,955,772
1901	\$6,959,144	\$116,092,342
1900	\$9,856,685	\$123,572,311
1899	\$7,890,459	\$113,131,780
1898	\$7,721,284	\$95,778,450
1897	\$6,868,775	\$120,128,531
1896	\$4,913,773	\$95,831,773
1895	\$6,524,901	\$105,475,829
1894	\$4,549,580	\$102,689,851
1893	\$7,300,770	\$60,114,709
1892	\$5,176,012	\$60,526,266

AMERICAN BEET SUGAR DIVIDEND.

New York, December 5.—The American Beet Sugar Company declared its regular quarterly dividend of 1 1/2 per cent. on the preferred stock, payable January 2d to stock of record December 18th.

WESTERN STEEL CAR.

Chicago, December 5.—The Western Steel Car and Foundry Company has closed down on account of lack of orders, throwing 3,500 employees out of work probably for two or three months.

BONDS STRONGER IN NEW YORK IN NOVEMBER

More Hopeful View of Foreign Situation was one of the Chief Factors

TAX AVAILABLE CAPITAL

If Railroads Do Not Receive Large Portion of Increased Rates Across Line They Will Face a Very Serious State of Affairs.

New York, December 5.—Messrs. Spencer Trask & Company says: Strength in bonds, improvement in trade, sums up the record of November.

In trade, the improvement has been made plain in advancing prices of copper, iron and cotton, the three basic commodities which more than any others have been feeling the paralyzing effects of war. In the thousand and one articles of domestic manufacture useful to the warring nations, trade has been exceedingly brisk, and promises not only to remain so but even to increase during the continuance of hostilities.

In many cases these outlets for our manufactures will be closed when the great conflict is over, but we have no doubt that in certain lines the relations now established will be of a lasting character, and to that extent at least the war will have been of definite economic advantage to us. It should be recognized that we are gradually emerging from our previous status of an agricultural nation, and we have therefore to look forward to the time when the export of manufactured goods will form our chief means of barter. Consequently the wider the new territory conquered by our exports, the greater and the more permanent will our benefit be from the present cataclysm.

In bonds the strength has been marked and sustained. Various factors contributed to this result; a more hopeful view of the foreign situation; returning confidence as to values and prices; the expected re-opening of the Stock Exchange; and the inauguration of the Federal Reserve Act. Probably the main reason for the improvement was predicated upon the actual setting in motion of our new currency system. So far as anything can be foretold ahead of actual operation and experience, the new Act is confidently expected to regulate the issue and cancellation of currency, and to stabilize interest rates all over the country. The recurring nightmare of violent fluctuations in money are consequently no longer to be reckoned with as an annual visitation, and this alone promises to be a great factor in steadying the bond market, more particularly as it affects short-term securities. Ups and downs will still occur in long-term bonds, induced by factors which affect rates of interest over a long period, and there will always exist the opportunity for speculation in special issues, produced by special conditions. Once, however, that normal times are re-established we may well expect a much more even market.

Due recognition is also to be given to the opening of the Stock Exchange, as a factor directly contributing to the present more hopeful feeling for trading on the Board, has given security proof that we are gradually mastering our difficulties. At the same time, the restrictions still imposed, indeed, that apprehension has not been entirely removed that we are facing an unknown amount of foreign liquidation. That we shall have to buy back a considerable amount of American securities from abroad we are convinced. At the same time there is no doubt that a large percentage of those who would have been eager sellers on the outbreak of hostilities have had

HUGE SIEGE GUNS THAT DID GREAT EXECUTION FOR GERMANS IN BELGIUM

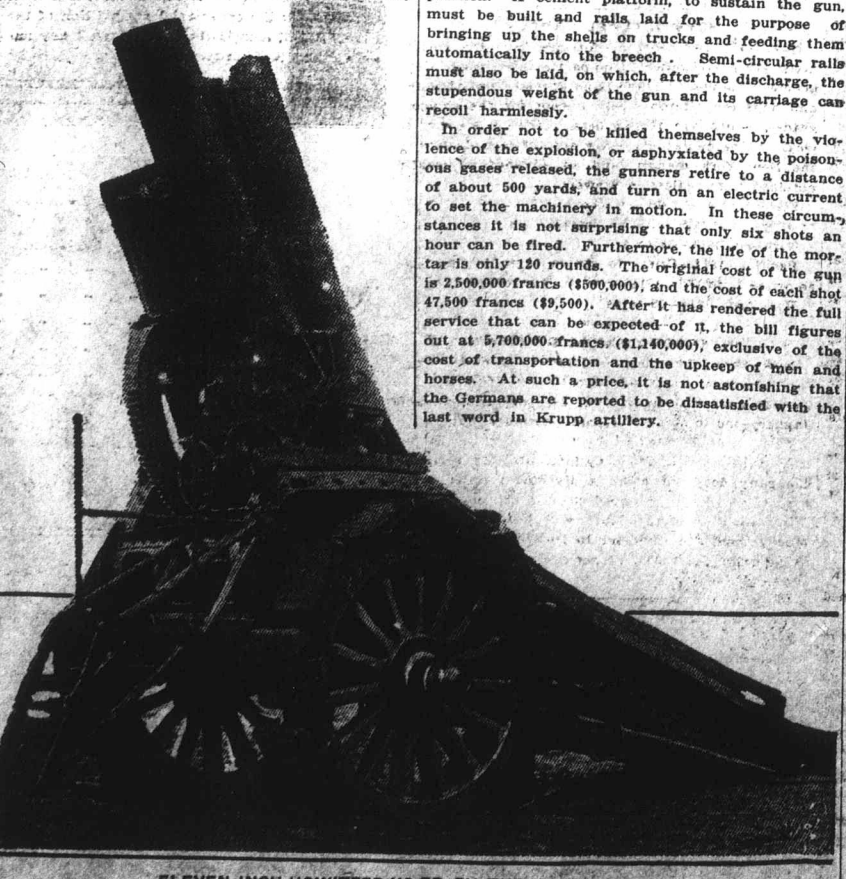
The accompanying cut shows a type of the huge German guns used against the forts at Liege, Namur and Antwerp. While most military authorities agree that these big guns are the most effective and powerful ever used in warfare, others take the view that they are a burden to the army.

These guns cost \$500,000 to build, while each shot fired costs \$5,000. As one of these guns can only

be fired 120 times, it means that its life is but a short and costly one. One military critic enumerating the disadvantages of the big gun has called attention to the following defects:—

The immense mortar is essentially unwieldy. Its equipment consists of 250 men and 200 horses. At least twenty-four hours are required to put it in position. A cement platform, to sustain the gun, must be built and rails laid for the purpose of bringing up the shells on trucks and feeding them automatically into the breach. Semi-circular rails must also be laid, on which, after the discharge, the stupendous weight of the gun and its carriage can recoil harmlessly.

In order not to be killed themselves by the violence of the explosion or appalled by the poisonous gases released, the gunners retire to a distance of about 500 yards and turn on an electric current to set the machinery in motion. In these circumstances it is not surprising that only six shots an hour can be fired. Furthermore, the life of the mortar is only 120 rounds. The original cost of the gun is 2,500,000 francs (\$500,000), and the cost of each shot 47,500 francs (\$9,500). After it has rendered the full service that can be expected of it, the bill figures out at 5,700,000 francs (\$1,140,000), exclusive of the cost of transportation and the upkeep of men and horses. At such a price, it is not astonishing that the Germans are reported to be dissatisfied with the last word in Krupp artillery.



ELEVEN-INCH HOWITZER USED BY THE GERMANS.

This huge gun is of the type used at the siege of Liege. It is hauled across country by a motor tractor and has to be mounted on "exterior" wheels to keep it from sinking into the earth too far. It has a terrific recoil, part of which is absorbed by the steel supports in the rear and part by the pneumatic cylinders shown in the picture.

QUESTION ARISES OVER AFFIXING OF STAMPS ON STOCK TRANSFERS

Washington, December 5.—The question having arisen as to whether the affixing of a 25-cent stamp on powers of attorney signed in blank for the transfer of certificates of stock is applicable when an official or clerk of the corporation other than the secretary is made the attorney of transfer, the Department of Internal Revenue interprets its own ruling to mean that the secretary of a corporation or an assistant secretary or an officer of the corporation duly authorized to perform the duties of secretary or to make such transfer is exempt from the tax. "Duly authorized" means authorized by the Board of Directors of such corporation at a formal meeting.

This ruling will be formally promulgated in decisive shape in a few days.

TROUBLE OVER STOCK QUOTATIONS.

Pittsburgh, December 5.—A writ of alternate mandamus against Western Union Telegraph Company to compel it to continue to furnish continuous quotations of Stock Exchange prices which is alleged, the telegraph company has threatened to shut off unless a contract is signed by plaintiff by which New York Stock Exchange can arbitrarily and without reason prevent the plaintiff from securing such quotations was issued by Judge Carnahan in the common pleas court on petition of the Consolidated Stock and Produce Exchange of Pittsburgh.

NEW HAVEN EARNINGS

Washington, December 5.—The New York, New Haven and Hartford reports to the Interstate Commerce Commission for October and four months, compared as follows:—

	October.	1914.	1913.	Decrease.
Mileage	2,003	2,069	56	
Freight revenue	\$2,697,074	\$3,039,767	\$342,692	
Passenger revenue	2,306,958	2,397,850	90,892	
Total oper. rev.	5,004,032	5,437,617	433,585	
Maint. of way	674,737	616,022	68,715	
Maint. of equip.	837,139	834,933	2,206	
Transp. expenses	2,123,242	2,369,790	246,548	
Total oper. exp.	3,634,118	4,249,798	585,680	
Taxes	235,000	295,138	60,138	
Operating income	\$1,641,864	\$1,616,088	24,776	
Four months:				
Freight revenue	\$10,588,730	\$11,410,961	\$822,230	
Passenger revenue	10,005,159	10,374,840	369,681	
Total oper. rev.	22,593,889	24,325,984	1,732,095	
Maint. of way	3,017,185	3,195,197	178,012	
Maint. of equip.	3,234,483	3,233,269	215	
Transp. expenses	8,864,122	9,068,900	204,778	
Total oper. exp.	15,115,790	15,497,366	381,576	
Taxes	970,000	1,215,138	245,138	
Operating income	\$6,508,099	\$6,603,344	95,245	
% increase.				

WILL LAY GAS MINES.

Hamilton, Ont., December 5.—The routes desired by the National Gas Company for its mains has been very generally approved by the civic authorities. The company consequently will commence work at once.

STRIKE WILL CONTINUE.

Cleveland, December 5.—The strike in the Ohio coal region will continue. This was the result of a conference of the miners' delegates from sub-division No. 8, and the Ohio operators which broke up suddenly and adjourned sine die without any agreement being reached.

OLDEST N. Y. FIRM TO TRANSFER BUSINESS.

New York, December 5.—Arrangements are under way for the transfer of business of Edward Sweet & Company, to Chandler Brothers & Company, of Philadelphia. The business will be continued in the firm's present quarters, 34 Pine street.

The firm of Edward Sweet & Company is the oldest Stock Exchange firm in New York, having been founded in 1854.

ATCHISON PLACES ORDER.

New York, December 5.—Atchison has ordered 63,000 tons of steel rails from the Colorado Fuel and Iron Company, the delivery to be made in 1915.

time in the intervening four months to adjust their affairs. Where this has not been possible, or where securities have not already been sold to meet pressing needs, assistance has in most cases been obtained through one of the many measures taken by the European Governments to prevent widespread financial trouble. Moreover, the great destruction of property in Belgium and elsewhere has been so patent to European eyes, that the safety of property over here will certainly exercise a powerful influence in determining sales, especially in the case of our well-managed companies and communities.

These two reasons alone provide good cause why we need not fear a crushing volume of foreign sales. If the disposition should be of more or less moderate character we have no doubt that the savings of our people and the accumulating volume of funds available for investment, will readily permit us to absorb it. Another point in support of this reasoning is that all the important European governments have been keeping their money markets very easy, not only to reassure the world as to their financial strength, but that their own requirements may be the more easily financed, and this has tended to keep the customary difference between European securities and ours on about the same level.

In this connection, it is worthy of note that Great Britain has within the last few days succeeded in floating the largest loan in all history \$1,750,000,000, on a 4 per cent. basis. It is stated that Germany is shortly to offer a loan of \$1,250,000,000, which would bring the amount of foreign government financing since the beginning of the war to the stupendous total of over \$5,500,000,000.

That such colossal sums must tax available capital is incontestable. Still, for the reasons indicated above we do not apprehend that Europe will offer our bonds in these markets in overwhelming amounts in order to secure fresh capital for her own needs. We must, however, state that this belief is based on the assumption that nothing shall occur in this country to shake the confidence of the foreign investor in our securities. There is only one danger we can foresee, and its extent is viewed differently by different eyes: the decision of the Interstate Commerce Commission in the Eastern Rate Case.

So much has been written on this subject, and the railroads have produced so much evidence of their impaired credit, that nothing is to be added here. There is no denying the fact, however, that if the railroads do not receive at least a large portion of the increase for which they have petitioned, they will face a very serious situation, a situation which will conceivably hasten Government ownership, or else produce some radical change in the methods adopted to establish rates. On the other hand, if the decision is in any way favorable, conditions are so shaping themselves that we may see a satisfactory bond market for some time to come.

REGULATION AND NOT PROHIBITION

Speaker Before New York Brewers Says This is Only Solution of Liquor Problem

TRAFFIC ON SOUND BASIS

Plan for the Better Organization of the Retail Liquor Trade—Fewer Saloons in New York State by 1924.

New York, December 5.—A discussion of prohibition and the rights of the individual by Jacob Kupper, Jr., was one of the events of the annual convention of the New York State Brewers Association, Mr. Kupper held that regulation and not prohibition is the only solution of the liquor problem.

"The brewers are not unmindful of their obligations to the State and society," he said, "but believe that the activity of the prohibition forces is a menace, as prohibition does not stop drunkenness. He made a plea for the better organization of the retail liquor trade.

"The brewers have no quarrel with those who strive after practical temperance reform," he said, "but they do protest against movements which cannot settle the right or wrong of any question, but simply resort to force to drive people into a mode of living, regardless of the right or reason of the matter. They are heartily in favor of any measures which will bring about true temperance and prevent the abuse of liquor and remove anything improper or vicious in connection with its sale. But they do not believe that it can be accomplished by prohibition and the other summary measures proposed by prohibitionist reformers.

Better Conditions Realized. "They feel convinced that temperance reform has been and will continue to be increasingly realized under the present liquor law of the State of New York. This law was enacted with the idea of establishing the traffic upon a sound basis and affording the public opportunity to suppress any abuses or vices in connection with it.

"The law does not confer any special privilege or favor upon those who are engaged in the traffic, but does establish a very different method for its regulation. And regulation is the key to the solution of the so-called liquor question. Every possible and practical method for the correction, prevention and obliteration of the so-called vices of liquor may be brought about under that law.

"The present liquor law, which went into effect on March 28, 1896, has not only been an agent for producing tremendous revenue to the State, but has materially reduced the number of places in which liquor may legally be sold. Prior to the enactment of this law the number of licensed places in the State was 33,257, while at the end of the license year 1913 there were only 23,473 such places, a decrease of 3,784.

"In 1896 the population of the State was 6,000,000, while in 1913 it had increased to over 10,000,000. During the year preceding September 30, 1913, the number of places had decreased by 915.

Collection Cost Reduced. "In a financial way the State is a great benefactor as a result of the present law. The receipts from the liquor traffic of the State for the last year under the old law were \$2,821,268.62, while the receipts for the year ending September 30, 1913, were \$1,814,557.69. It cost the State \$25,785.77 for the collection of \$2,821,268.62 under the old law, while a little more than \$400,000 was expended to collect the \$1,814,557.69 realized from the traffic in the year ending September 30, 1913.

"It might not be amiss to state the total revenue derived by the State from the liquor traffic for the period beginning May 1, 1896, and ending September 30, 1913. It is the large figure of \$276,536,523.39. It cost but \$5,711,463.28 to collect this large contribution to the Treasury, so that the balance remaining to the credit of the State amounts to \$270,825,060.11."

CAPITAL AND WAR.

New York, December 5.—One of the most popular arguments for higher prices in bonds and securities generally is that the termination of the war will release a tremendous flood of investment capital. This may be true to a certain degree, but the prospect is that the demands upon this accumulated capital will be enormous.

A crisis like that which has overtaken the financial markets always means a general liquidation and, therefore, a heaping up of idle funds. But the trouble we have just been through is different from the 1907 affair or that in 1893, or any other, not only because of its greater dimensions but in another important particular.

What the financial world has faced in other periods of trouble has been an enforced accumulation of capital started by collapse of an overextended movement in one country or another.

What the financial world faces now is an enforced dissipation of capital through the enormous wastage of the war.

The end of the war may bring many epoch making changes, but meanwhile the total wealth of the world is being reduced by many billions of dollars.

THEATRICAL PRODUCERS ARE

IN THE HANDS OF RECEIVERS.

New York, December 5.—Judge Hough, in the United States District Court, has appointed Irving Dittenhoefer as receiver for Liebler and Company, Inc., theatrical producers, of 421 Fourth Avenue, under a bond of \$10,000, and also as receiver for the co-partnership of Liebler and Company, consisting of Theodore A. Liebler and George C. Tyler, under a bond of \$3,000 with authority to continue the business.

PROMINENT LUMBER MAN DEAD.

St. John, N.B., December 5.—Arthur Hilyard, managing-director of the Dalhousie Lumber Company, and the St. Maurice Lumber Co., with which he had been long connected died in Dalhousie, N.B., of pneumonia. He was fifty-six years of age. He leaves four brothers and two sisters.

PROCTOR AND GAMBLE CO.

Hamilton, Ont., December 5.—Efforts are being made at Ottawa on behalf of Proctor and Gamble Company to secure access to Canada at a low rate of duty of products necessary to secure a complete line of its million dollar plant.

The concession is required only for a short time and arises out of the war. In view of the facts it is thought that the Government may be induced to accede to the request.

ILLINOIS CENTRAL IN NOVEMBER.

Chicago, December 5.—Illinois Central's November traffic decreased between 7 and 8 per cent.

SEASON'S PRODUCE

The season of 1914 for the export of shown by the following table. Little stock shown the season from English buyers. The 1,492,590 boxes, as compared with 1,559,621 boxes, and a decrease of 231,664 boxes, an increase of 5,672 packages as compared with the season of 1913.

To	Cheese Exp.
Liverpool	389,089
London	976,695
Glasgow	262,104
Manchester	308,920
Leith	77,876
Aberdeen	13,942
Belfast	140,548
Dundee	126,326
Cardiff	2,900
Sunderland	3,021</