

AMES-HOLDEN-McCREADY COMBINE.

Lorne McGibbon is Now Important Factor in Control of Footwear Situation—Cement Shareholders May Exchange Securities—New Brick Company.

Monetary Times Office.

Montreal, March 1st.

A most successful deal consummated in Montreal is the amalgamation of two well-known boot and shoe manufacturing concerns, the Ames-Holden, Limited, and the McCready Company, Limited. The name of the new concern will be the Ames-Holden-McCready, Limited.

The securities of the new company will be as follows:—

Stock, common	\$3,500,000 00
Stock, preferred, 7 per cent.....	2,500,000 00
Total	\$6,000,000 00
Bonds, 6 per cent.	1,000,000 00

The bonds were sold principally to Montreal and London houses, \$250,000 being taken in Montreal and about \$750,000 in London. Preferred stock was issued at 95 per cent., a bonus of 4 per cent. common being given with the purchase. The underwriting was successful, the entire preferred stock issued being sold in two days.

History of the Combine.

The Ames-Holden-McCready deal was a conception of Mr. D. Lorne McGibbon, president of the Consolidated Rubber Company. Some time ago it was announced that Mr. McGibbon had purchased a number of felt shoe manufacturing concerns near Berlin, Ont. The concerns were subsequently consolidated into the Canadian Felts, Limited. The purchase of the two shoe concerns referred to followed by the consolidation means that Mr. McGibbon is placing himself to a considerable extent in control of the footwear situation in Canada, inasmuch as he is now able to supply everything in that line through either the Rubber Company, the Canadian Felts, and there is no doubt that this will Mr. McGibbon will no doubt apply to the production of boots and shoes the organizing and systematizing abilities he showed in connection with the rubber concerns, as well as the Canadian Felts, and there is no doubt that this will place him in a strategic position which will be of great significance to the entire footwear position in Canada.

Mr. McConnell Looks After Financial Arrangements.

The underwriting and financial arrangements in connection with the new securities were undertaken by Mr. J. W. McConnell, of the firm of Johnston, McConnell & Allison. The business of the two firms during the past year apparently justifies the securities issued against the consolidation. The combined earnings were sufficient to provide 6 per cent. bond interest on the new concern, 7 per cent. preferred dividend and a surplus of about 4 per cent. on the entire common stock. The directors will include Mr. McGibbon as president, Mr. J. W. McConnell, Mr. J. C. Holden, Mr. Rufus C. Holden, H. B. Ames, M. P. Clarence Smith and Charles Smith. The stock will be listed locally. The feeling here is that with Mr. Lorne McGibbon paying attention to the industrial end of the undertaking and Mr. McConnell to the financial end, the underwriters of the Ames-Holden-McCready will have little to regret.

The organization of a \$2,000,000 brick manufacturing concern has caused some interest here. The company will be called the National Brick Company, and will be located at Laprairie, near Montreal, where the Laprairie Brick Company has been carrying on a successful business for many years. The fact that the charter was obtained through Messrs. Greenshields, Greenshields & Languedoc is regarded with some significance, inasmuch as Mr. J. N. Greenshields, K.C., has been prominently identified with the work of bringing much foreign capital into Canada during the past year.

Canadian Cement Company.

Activity in cement common on Wednesday on the Montreal Stock Exchange is explained by the rumor that the holders of the 7 per cent. preferred stock might be asked to exchange their securities for 5 per cent. debentures. The issued securities of the Canadian Cement Company are \$5,000,000 6 per cent. bonds, \$10,500,000 preferred 7 per cent. stock and \$13,500,000 common. Should exchange of preferred stock and debentures take place on equal terms, a saving of not less than \$210,000 would take place each year. This should prove of advantage to stockholders. Hence the advance in the price of common stock to 24. The company has applied to Parliament for the right to amend its charter, and to create debenture stock and issue it for the redemption of outstanding preferred stock. It does not follow that the exchange will take place, but it is hardly likely that the company would go to the trouble of placing itself in a position to make the exchange unless it was fairly well assured that such an exchange would be acceptable to its shareholders.

MONTREAL STREET RAILWAY.

City and Company May Come to Terms—Public Utilities Companies Alarmed.

Monetary Times Office,

Montreal, March 1st.

The negotiations between the city officials and the Montreal Street Railway, together with the Montreal Tramways Company's bill at Quebec are interesting Montreal. Following the demands of Mr. F. L. Wanklyn, of the Montreal Board of Control, as well as those of Mr. Robert, on behalf of the Street Railway, was the session between the various officers, in which the whole matter was discussed. Further conferences at Quebec give prospects of a satisfactory solution.

The company is very reluctant to grant the demand for a lower price for tickets. A rate of eight tickets for twenty-five cents all day and a revision of the contract every ten years has been asked by the city. The city is trying to obtain 5 per cent. on all the company's earnings up to \$5,000,000 per annum and 1 per cent. additional for each subsequent additional million.

Lines Would be Consolidated.

The company now operates several lines of cars on the Montreal Island, some of which are under Federal and others under provincial charter. At present the city does not receive a percentage on the earnings of some of these concerns. Under the Montreal Tramways Company the lines would all be consolidated, and thereafter the city would receive a percentage on the entire system. A question at issue is as to whether the passengers from the outlying wards of the city should be carried on the regular fare. The company is prepared to grant a five cent fare in all but two wards, whereas the aldermen hold out for a five cent fare to all the present wards and to any wards which may be annexed in the future. Another point concerns the pavement between the tracks and the eighteen inches outside. The aldermen are desirous that the city should be the judge as to when this should be repaired, the expense being charged to the Street Railway.

It was stated early this week that the company was disposed to grant a number of the concessions asked for, such as in connection with the reduced rate for tickets, the extension of lines and a more frequent service, and would also abandon its demand for a perpetual exclusive franchise in favor of extension for thirty-eight years. There are so many changes and amendments quite possible, the plan followed may be to make a new contract for fifty years instead of extending the old by thirty-eight years. The aldermen are desirous of having frequent revisions of the contract, and apparently the company is prepared to have a revision twenty-five years hence.

City and Company May Come to Terms.

It is impossible to find out definitely what arrangements are being reached in the negotiations. There are several features which would seem to indicate that the two sides are coming together. One of these is the strength of the stock on the local stock exchange. The stock has advanced to \$233, which is the highest for a considerable time past. Another indication is that a message was received at the city hall from Quebec, stating that it would be unnecessary for the delegates from the Board of Trade, Chambre de Commerce, Trades and Labor Council and other local bodies to go to Quebec in connection with the Tramways bill. The present twelve-year franchise was an unfavorable feature with the English capitalists who have become interested in the deal. Much money is now locked up in the deal, and this may be liberated as soon as an agreement is reached.

Later news concerning negotiations at Quebec seem to indicate that difficulties have arisen which might possibly result in the negotiations being broken off. In this event the bill would come before the Legislature.

Public Utilities Companies.

The public utilities companies of the province of Quebec are becoming somewhat alarmed at the powers which the Quebec Legislature has granted, or may be about to grant, to the Public Utilities Commission. This week there attended the meeting of the Legislation Committee, at which the bill conferring additional powers upon the Commission was being considered, officials from all the important companies and their legal counsel. Among the legal talent were Messrs. R. C. Smith, K.C., C. H. Cahan, K.C., W. J. White, K.C., George H. Montgomery and Hon. L. P. Pelletier, there being also present Messrs. Rodolphe Forget, M.P., William Hanson, Neuville Belleau. The representatives of the companies did not object so much to control by the commission, but they feared the possible effect upon capital of the powers which it was apparently the intention of legislature to confer on the commission. The companies objected to the commissioners having the powers of "in-