

LAURENTIDE STOCK ISSUE

Terms to Shareholders—Story of Amalgamation is Revived

The Laurentide Company will issue \$2,400,000 new stock to the present shareholders at par. As the outstanding issue is \$7,200,000, shareholders will have a right to subscribe to one new share for every three shares held.

The new stock is to be issued to shareholders of record July 23rd and the first payment will be 10 per cent. due August 30th. Subsequent instalments will be spread over a period of nine months. The second payment will be due on October 20th and the other at regular intervals between then and the end of June, 1914.

A further feature of the terms is that interest at the rate of 6 per cent. will be allowed on all payments and shareholders will also have the privilege of paying up in full at any time.

Tariff and the Market.

Laurentide's authorized capital is \$10,000,000, so with the new issue the outstanding capital will be raised to within \$400,000 of that amount. The only other capital liability is an issue of \$1,200,000 bonds but of this \$321,801 had been redeemed by sinking fund at the time of the last annual statement a year ago.

The Laurentide Company will probably use a large proportion of the new power generated in their own business, as the change in the United States' tariff will enlarge their market, so that the company will have a ready sale for any increased output. The company now owns 2,200 square miles of timber limits, while it has another 5,000 square miles contributory.

The earnings of the company for the year ended June 30th, 1912, were \$753,572, after writing off \$103,879 to betterment to plant. Notwithstanding an accident to the sulphite mill, the 1913 report should be as good as last year's. The company is apparently in a position to earn and pay 8 per cent. on the total capitalization of \$9,600,000 without counting profits from the expenditure of new capital. The Laurentide Company's sulphite mill has been enlarged to enable an increased production of 25 per cent. starting May, 1913, which will make further increased net earnings. The company should be able to increase its net earnings by \$1,075,000 when the full results of the new capital and the changed tariff are experienced.

History of the Company.

The Laurentide Pulp Company, Limited, ten years ago, had a capital stock of \$1,600,000 with a bond issue of \$1,200,000. Subsequently as the Laurentide Paper Company, Limited, there was an issue of \$1,200,000 preferred stock, to finance the new paper mills and this preferred had the privilege of conversion into common stock, share for share. This conversion privilege ultimately retired the preferred stock. In 1909 a new issue of \$800,000 common stock was made at par.

In the summer of 1911 the business of the Laurentide Paper Co., Limited, was acquired by the Laurentide Company, Limited, shareholders of the former company receiving two shares of stock in the new company for every one share held in the old. The effect of this was to bring the outstanding capital stock of the company up to \$7,200,000.

The shares of the old company which sold ten years ago as low as 70, had risen to 230 in advance of the doubling up of the capital and the maintenance of the dividend on the old 8 per cent. basis. Last summer the new shares, which were first traded in around 145, sold as high as 240, or equivalent to 480 for the original stock.

The Montreal Light, Heat and Power, Shawinigan Water and Power, and Laurentide companies are said to have considered amalgamation, and should this merger materialize, the Laurentide Company would be brought in on a favorable basis.

SEVERAL COMPANIES CHANGE NAMES

The Church Kipton, Limited, has changed its name to Church & Church, Limited.

The Canadian Credit Men's Association has changed its name to the Canadian Credit Men's Trust Association, Limited.

Sorel Ironworks, Limited, has changed its name to Oxford Motor Cars and Foundries, Limited.

The Montreal Elks Club has changed its name to the Business Men's Club of Montreal, Incorporated.

The Henrick-Halvorson Company has changed its name to the Empress Realty Company, Limited.

The Bouseman Lumber Company, Limited, has changed its name to the Assiniboia Lumber Company, Limited.

IN TORONTO TO SELL BONDS

The mayor and city treasurer of Macleod, Alberta, are in Toronto to dispose of a block of that city's debentures.

SASKATOON'S BONDS

Mr. F. E. Harrison, mayor of Saskatoon, informs *The Monetary Times* that negotiations are proceeding for the sale of the city's bonds to a United States firm, but are not yet completed.

DEBENTURES AWARDED

Belleville, Ont.—\$23,000 to Oddfellows' Relief Association, Kingston.

Berlin, Ont.—\$112,968 6 per cent. 30 years to Mutual Life Insurance Company, Waterloo.

Penetanguishene, Ont.—\$25,000 5 per cent. to Messrs. R. C. Matthews & Company, Toronto.

Calgary, Alta.—\$103,000 4½ per cent. 20 years to Messrs. G. A. Stimson & Company, Toronto.

SASKATCHEWAN TO MAKE LOAN IN LONDON

Saskatchewan province will negotiate a bond issue in London. Hon. A. Turgeon, Attorney-General, and Hon. A. P. McNab, Minister of Public Works of the province, are on the way to London. Mr. Turgeon says that the government has not decided how large the debenture issue will be. That will depend on the market, and on other conditions.

Saskatchewan issued £1,000,000 4% 10-year debentures in London in April. Owing to market conditions, 85% of this issue was left with the underwriters. Manitoba's latest loan overseas was one of £400,000 4½% registered stock, in April, at 102.

MANY COMPANIES INCREASE CAPITAL STOCK

The capital stock of the Polo Club, Limited, has been increased from \$10,000 to \$25,000 by the issue of 150 new shares of \$100 each.

The capital stock of the Gaetz-Cornett Drug and Book Company, Limited, has been increased from \$25,000 to \$35,000 by the issue of 100 new shares of \$100 each.

The capital stock of Hardy and Hunt Piano Company, Limited, has been increased from \$20,000 to \$75,000 by the creation of 550 new shares of \$100 each.

The Swastika Mining Company, Limited, has increased its capital stock from \$2,000,000 to \$3,000,000 by the creation of 1,000,000 shares of new stock of \$1 each.

The Maclaren Imperial Cheese Company, Limited, has increased its capital stock from \$400,000 to \$450,000 by the creation of 500 new shares of \$100 each.

The Shelvin-Clarke Company, Limited, has converted the outstanding preference shares of the company into Series "A"; and has increased the capital stock from \$1,200,000 to \$3,200,000 by the creation of 20,000 Series "B" six per cent. preference shares of \$100 each.

QUIET INVESTMENT BUYING IN LONDON

That the Balkan war is the cause of keeping investors out of the market in London, and that Canada's credit abroad is as substantial as ever are statements made by Mr. Melville Greenshields, London member of Messrs. Greenshields and Company, of Montreal. Mr. Greenshields is spending a month in Canada and said that the bulk of the business being done in London was confined to the placing of issues underwritten some time ago by London houses.

"There is," said Mr. Greenshields, "considerable quiet investment gathering at the present low levels of shares, and Canadian Pacific, especially, is being absorbed by investors who have been keeping out of the market for some time. I know of one brokerage house which lately bought approximately \$2,500,000 worth of securities for a client, and a large part of this was Canadian Pacific Railway at 220, London price, or about 214 equivalent here. The shares of the Canadian road are well regarded abroad, and the issue should be one of the first to feel the improvement which nearly every one is looking forward to."

"Canada's credit is just as solid at present as ever," said Mr. Greenshields. "Municipalities looking for money will be able to get all they want for legitimate expansion contemporaneously with improved financial conditions, even if the towns and cities have to pay a little more than formerly for their accommodation."