

# MONTREAL SECTION

Office 832 BOARD OF TRADE BUILDING, Phone M. 2797. Business and Editorial Representative, T. C. ALLUM.

## MERGERS IN THE EAST

**Large Brewing Concerns to Amalgamate—Rumor Busy in Other Quarters—Rebuilding of Dominion Park.**

Monetary Times Office,  
Montreal, March 25, 1907.

Statements have been made during the past few months regarding new undertakings in Canada and the reorganization of old ones, the carrying out of which would call for vast amounts of capital. This week appears an announcement respecting a merger of the big brewing concerns of Eastern Canada, with a capitalization of \$10,000,000. The name of Mr. Rodolphe Forget, M.P., is mentioned in connection with the arrangement of the financial details. The scheme will probably be carried to a successful conclusion, only one brewing firm holding out definitely against it.

An agent representing the estate of a well-known European capitalist reached here towards the end of last year for the purpose of investing a large sum of money. He was reported to be investigating different deals, among which were a brewery merger and a steel merger. This is sufficiently corroborative of recent happenings to make the story worth repeating. There seems little doubt that influences are at work with sufficient capital behind them to carry through any large undertaking offering a reasonable prospect of success.

### Ogilvie President, Gives Denial.

There has been a great deal of talk within the last few days in connection with an imaginary merger between the Lake of the Woods and Ogilvie Milling Companies. Questioned on the subject the president of the former said:

"I want you to deny in the most positive manner that the Lake of the Woods Company is either going to absorb the Ogilvie Company or be amalgamated with it, or that there is going to be any merger or amalgamation of any nature whatever between the two companies. Such a matter has never been under consideration by the directors."

The Monetary Times also interviewed the officials of the Ogilvie Company and received equally positive replies. Any alteration in the attitude of either company to the other would be rather in the direction of animosity than friendship.

Details of the rearrangement of the Ogilvie Company's capital, which gave rise to the present talk, will be made known to the shareholders this week. It has been under discussion for a considerable time, and the completion of the company's new mill at Fort William gives occasion for the completion of the plan. The capitalization of the company will be increased by the issuing of new bonds and stock, the funds thereby provided being applied towards undertakings already under way or to be begun.

### Controllers of the Market.

This company and the Lake of the Woods have done the bulk of the milling of Manitoba wheat and, in Eastern Canada for many years, and have control of the whole trade. Competition between them, at all times keen, sometimes approaches fierceness, and prices are shaved to a figure which leaves a very narrow margin of profit. Obviously, this is to the advantage of the consumer, whose daily bread, should an amalgamation ever take place, will certainly cost more than it has in the past. Over and above the advantage to be gained by the stockholders of each company through the higher prices at which flour could be sold, would be that of lower cost of production. As it is, the companies have enjoyed large earnings.

The Ogilvie capitalization at present consists of \$1,250,000 common stock and \$2,000,000 preferred, carrying dividends at the rate of 7 per cent. The bond issue is \$1,000,000 at 6 per cent. Dividends on the common stock are at the

## INVESTMENT SECURITIES

**D. M. STEWART & CO.**  
151 ST. JAMES STREET,  
MONTREAL

rate of 7 per cent. This, notwithstanding, the stock was quoted at 250 on the Montreal Exchange this week.

As the common is in the hands of a few holders, it may be put to almost any figure without any changing hands. At the above price it would return but 2.80 per cent., so that if buyers really want any it cannot be for the return but for some other purpose. Possibly the present developments may furnish a key to the mystery.

For the year ending August 30, 1907, the net profits were \$630,685, and the balance carried forward was \$148,806, against \$198,371 the previous year and \$300,608 the year before. Last year \$239,000 was carried to the rest account.

Operations for rebuilding at Dominion Park will shortly begin. It may be remembered that Dominion Park was organized largely in connection with the Montreal Street Railway, and that it enjoyed two successful seasons before it was wiped out by fire last winter. The new park will be built at a cost of about \$150,000, the scenic railway, the cars of which will now be operated by electricity instead of gravity, alone costing \$40,000.

### Nova Scotia Steel Meeting.

The annual meeting of the Nova Scotia Steel and Coal Company was held at New Glasgow to-day. Mr. Robert Harris, K.C., made some interesting statements referring to the question of future dividends on the common stock, as follows: "I have been asked about these dividends. All I can say is that the matter has not yet been considered by the board. When the time comes for the consideration of that question our directors must be governed by the conditions then prevailing, as well as by the prospects for the then immediate future. A report has been in circulation to the effect that the company will require to do some financing. The present financial arrangements of the company are ample for its requirements and satisfactory to our directors."

Mr. Harris also made a statement denying the story respecting the offer which was said to have been made by the Dominion Iron and Steel Company to purchase Scotia, and that because the directors of the latter company declared a dividend at the rate of 6 per cent., instead of at the rate of 4 per cent., which was recommended by the would-be purchasers, the deal fell through. Mr. Harris said: "It is sufficient for me to say that there is not a word of truth in the article from beginning to end so far as this company is concerned. No offer was made; negotiations never took place, and the whole story is absolutely without foundation."

Mr. Harris' statement regarding the dividend was a most conservative one, and, had it been otherwise, would justify less confidence in the stock than now attaches to it.

The annual meeting of the Royal Victoria Life Company was held here this week, when the question of amalgamation with the Crown Life was again brought forward and discussed. Mr. Forget intimated that although progress of this matter was temporarily checked. He hoped a merger would be consummated. The retiring directors, Hon. L. J. Forget, Hon. Robert Mackay, Jas. Crathern, and David Burke, were re-elected with a new director in the person of Mr. A. Haig, Sims, to replace Mr. H. N. Bate, of Ottawa. At a subsequent meeting Mr. Jas. Crathern was elected president, and Senator Forget and Mackay, vice-presidents, with Dr. Reddick as medical director.

## FOR SALE PUBLIC SERVICE BONDS

\$10,000. Dominion Power and Transmission Co., 5%, 1932 Bond.  
\$10,000. Hamilton Cataract Light, 1st 5%, 1943 Bonds.  
\$5,000. Shawinigan Water and Power Co., 1st 5%, 1934 Bonds.  
\$15,000. Tri-city Railway and Light, 1st lien 5%, 1923 Bonds

AT ATTRACTIVE PRICES.

**W. GRAHAM BROWNE & CO.**  
Bond Dealers, MONTREAL.