

BACK TARS CONTEND FOR GREAT PRIZES

Money Proceeds Will Be Distributed According to a Prearranged Schedule

MANY SHIPS SEIZED

Privateering Has Been Abolished By All the Great Powers—Course of Events in the War in the United States With Spain.

New York, August 15.—Unless all signs err, the back-tars of the contending European fleets will make the biggest hauls of prize-money since the old days of the Napoleonic wars. Already scores of ships have been seized or captured, and while international law governing the capture of enemy's vessels on the high seas or in hostile ports seems to be somewhat vague in its application, it is fairly certain that a good many of these prizes will be condemned by the Admiralty prize courts especially appointed for such cases. The proceeds will then be divided pro rata among the captors, according to some recognized scale of award to be fixed by each government. Prize-money and bounty are no longer awarded in the United States navy. Privateering, it is scarcely necessary to point out, has been abolished by all the great Powers.

Very little is known here of the rules governing distribution of prize-money in foreign navies. At the British Consulate it was stated that, failing more definite information, it was understood that prizes would be sold until after the war, and that then the money accruing from such prizes would be distributed, according to a prearranged schedule among the captors of the several vessels so sold.

Powers Were Signatories.

It is interesting to note here that all of the contending Powers were signatories of the Hague Convention of 1907 for the establishment of an International Prize Court, to which appeals may be taken from the decisions of the prize courts of the captor nations. This convention prescribed that the court should consist of fifteen members, eight of whom should always be delegates of the United States, Great Britain, France, Germany, Austria-Hungary, Italy, Japan, and the other seven should be chosen, turn by turn, from a list of the neutral nations. Appeals to this tribunal from the judgment of the national courts may be based upon the ground that the judgment was wrong in fact or in law.

As appeal may be taken by a neutral Power, if the judgment of the prize court injures its property or the property of its nationals or if the capture of an enemy's vessel has taken place in its waters; as a neutral individual, if the judgment of the prize court has injured his property—with the proviso, however, that his government may forbid him to take an appeal or else may take the appeal, itself; and by an individual subject or citizen of an enemy Power, if the prize court's decision has injured him because his property consisted of cargo carried in a neutral vessel or because the seizure was in violation, either of the provisions of a convention in force between the belligerent Powers, or of an enactment issued by the belligerent captor.

Declaration of Hostilities.

The importance of this last clause may be understood when it is considered that the British and German Governments were signatories to an agreement to permit enemy's ships in their ports a certain time in which to leave after a declaration of hostilities. Neither of these Powers has yet observed this agreement, although it is understood that negotiations are in progress between them, through the intermediary of the American Ambassadors at Berlin and London, for arranging a stated time in which all such captures may be made over. It is fairly certain, of course, that if this is not done, after the war is over the owners of vessels so seized will carry appeals to the International Prize Court under the terms of the agreement to which both Germany and Great Britain were parties.

Still other rules governing appeal to the International Prize Court were established by the Conference. The municipal law of the belligerent captor shall decide whether the case may be brought before the International Court before or after trial by the captor's Prize Court. But if the national courts fail to give judgment within two years, the case may be carried direct to the International Court. If the International Court finds that a capture was wrongful, it may adjudge damages to the owner of the vessel or cargo, in addition to ordering the return of the property.

Prize Was Awarded.

Under the law of the United States, the whole value of a prize was awarded to the captors when the prize was of equal or superior force to the vessel making the capture; but if the prize was of inferior force, then its value was divided equally between the United States and the captors. Thus men Admiral Dewey's fleet contended that they should be awarded all of the prize money and bounty for the destruction of the Spanish fleet at Manila, inasmuch as it was superior to them, taking into account the guns of the forts and shore batteries and the torpedo fields, under whose protection it lay. But the courts held that the law applied strictly to the capture of hostile warships and not to any accessory vessels that they received from the shore; and that, fleet for fleet, the Spaniards had been at a disadvantage. Consequently, the crews of Dewey's ships received only one-half of the bounty money and proceeds resulting from the sale of the wrecked Spanish warships.

The commander of a vessel was entitled to one-fourth of the prize money, the officers under him received shares in proportion to their pay, and a proportion was allotted to seamen.

Share in Prize Money.

In the case of joint capture by the army and navy, it was judged that no prize money should be awarded, while if a vessel made a capture in company with other ships, the crews of the entire squadron shared in the prize money. Finally, in 1893, it was enacted that "all provisions of law authorizing the distribution of proceeds of vessels, or any property hereafter captured, condemned as prize, or providing for the payment of bounty for the sinking or destruction of vessels of the enemy hereafter occurring in time of war, are hereby repealed."

The United States has endeavored, unsuccessfully, to induce all the maritime nations to consent to permit the enemy's commerce to ply undisturbed in time of war. No other Power, however, can be persuaded to look at the matter from such a broad point of view.

NORTHERN STATES POWER CO.

Fair Proportion of the Increases in Gross Are Being Carried Into Net and Surplus.

New York, August 15.—Northern States Power Co. subsidiaries are showing good gains in earnings and a fair proportion of the increases in gross is being carried into net and surplus. In the last year large expenditures have been made on the operating properties which are now being reflected in the revenue from new business.

Combined gross earnings of the operating properties for June, 1914, were \$307,426, an increase of \$37,116, or 13.7 per cent. Net earnings were \$162,401, a gain of \$19,619 or 14.7 per cent. For the six months ended June 30, 1914, gross earnings of the subsidiaries were \$1,849,242, a gain of \$148,642, or 12.2 per cent, with operating expenses and taxes of \$645,670, an increase of \$32,438, or 5.2 per cent, and net earnings of \$673,673, a gain of \$111,304, or 15.7 per cent over net for the first six months of 1913.

For the year ended June 30, 1914, gross earnings of the operating properties were \$4,078,541, an increase of \$332,700, or 8.8 per cent, and operating expenses and taxes were \$1,855,002, an increase of \$104,742 or 5.6 per cent. Net earnings were \$2,223,539, a gain of \$227,957 or 12 per cent. Fixed charges were \$1,240,764, an increase of \$62,694, or 5.3 per cent, and preferred dividends were \$587,069, an increase of \$33,055, or 5.9 per cent, leaving a surplus for the common stock of \$294,705, a gain of \$132,208, or 81.3 per cent over the year ended June 30, 1913.

Northern States Power Co. has outstanding \$27,152,500 of bonds and notes of its own and of its subsidiary corporations, with \$8,336,700 7 per cent, preferred stock and \$5,975,000 common stock. The surplus of \$294,705 for the common stock for the year ended June 30, 1914, was equivalent to 4.93 per cent on the outstanding issue.

PAPER FAMINE DOES NOT APPEAR LIKELY

American Manufacturer Now Takes a Less Pessimistic View of the Outlook

ABLE TO SHIP ABROAD

But Only Such Tonnage as Can Be Conveniently Spared—International Paper Co. Will Not Take an Unfair Advantage of the Situation.

New York, August 15.—A. E. Wright, Vice-President and Sales Manager of the International Paper Company, has notified publishers that a paper famine does not appear likely.

Addressing the Committee on Paper of the American Newspaper Publishers Association, Mr. Wright wrote under date of August 12: "In view of the numerous misleading items, permit me to say that the newspaper makers of America were never better prepared to take care of a situation such as the present one. A print paper famine in this country is extremely unlikely and would come only as a result of a prolonged war."

Need Have No Anxiety.

"The publishers here need have no present anxiety on this subject, and, furthermore, there is not the slightest indication of a desire on the part of the paper manufacturers to take any unfair advantage of existing conditions. The producers and consumers of print paper should work hand in hand, and in the closest harmony."

"You will find that the producer will have the interests of the consumer at heart in handling the somewhat abnormal conditions that exist to-day and which will probably continue for some time to come. 'The International Paper Company's machines have a normal capacity of 1,500 tons of print paper a day. It is our practice during the summer months to accumulate a reserve stock of paper large enough to take care of the demand during the late fall and winter months over and above what is produced in that period."

Satisfactory Reserve Stocks.

"We have a very satisfactory reserve stock on hand to-day. We are shipping some paper abroad as is our usual custom. We will send abroad only such tonnage as we can conveniently spare."

"Philip T. Dodge, President of this company, who is now in London, cabled instructions to me the other day to protect at all hazards the interests of our contract customers, and, having done this, to assist to as great an extent as conditions will permit, such of our competitors' customers as may ask for assistance, but under no circumstances to take any unfair advantage of the situation. This is and will be the policy of the International Paper Company."

INTERNATIONAL HARVESTER

Payment Upon Many of Its Notes Will Be Indefinitely Postponed By the War.

New York, August 15.—The recent decision by the Federal Courts, ordering the International Harvester Company to dissolve, is not the worst blow the company has received.

The International Harvester Company holds millions of dollars of notes for implements sold in Russia and all over Europe.

Payment upon some of these farmers' notes will be indefinitely held up if the European war continues for any great length of time.

It is doubtful, however, if the German Banks would care to take over at present from foreign holders at any reasonable rate of discount notes of German farmers for which American agricultural implements have been given.

The home company, whose sales last year were \$66,000,000 had bills receivable on the first year, including agents and dealers obligations of approximately \$40,000,000.

The foreign concern, known as the International Harvester Corporation had sales of \$51,000,000 and bills receivable in excess of \$42,000,000.

GUARANTEED FROM SEIZURE.

As an indication that the North Atlantic is being cleared of the enemy's ships, a cablegram was received to-day from the manufacturers of Stephen's Ink in Great Britain guaranteeing all shipments of their ink from seizure or destruction by the enemy. It is generally believed that in a few days business between Canada and Great Britain will become normal.

Amoskeag-Manufacturing Co., employing 17,000, will shut down its mills from Aug. 21 to Sept. 8. Heretofore the company closed annually for a week.

MOST INVESTORS ARE NOW AFTER BARGAINS

Brokers Say They are Bidding Anywhere from 25 to 50 p.c. Below Value of Stocks

QUOTATIONS NO BAROMETER

Notwithstanding Fact That Exchange is Closed There is Nothing to Prevent Private Individuals Trading With One Another—Many of These Sales Taking Place.

There is a good deal of talk on the Street of how well the public has acted in the present financial crisis and many brokers state that their clients were heartily glad when the Stock Exchange closed its doors.

Brokers say that the banks have asked them 20 points margin on all securities at the closing prices of July 28th when the Exchange was closed, and that the amount has been put up by clients.

Although at some of the offices there has been a disposition on the part of clients to sell securities, and there has been some inquiry as to where they could find purchasers, no assistance has been given to them along this line, as the Stock Exchange committee has ruled that members of the Exchange should take no part in transactions of any kind while the Exchange is closed.

It was asserted at one brokerage office yesterday that there was nothing to prevent private individuals trading with one another. The only trouble would be in getting the signature on the script guaranteed in order to have the stock transferred. But the stock might be sold without being put through transfer until the Exchange was again opened.

It was stated that a large number of private sales were taking place in the office of a local brokerage firm who are not members of the Montreal Exchange and so are not bound by its laws.

In the event of the Exchange being closed for an indefinite time it is quite possible that sales of this kind in listed securities will reach quite a large volume and the very danger of people sacrificing securities, to prevent which the Exchange was closed, will be incurred.

In this event it is likely that legislation will be enacted to prevent any brokers, whether members of the Exchange or not, carrying on what might be called a private exchange.

In an interview yesterday with a member of the firm where these sales are said to be taking place, it was said that few actual transactions have occurred owing to the fact that any one who wants to buy stocks usually desires to get a bargain, and is bidding anywhere from 25 p.c. to 50 p.c. below the price at which the seller wishes to part with his stock.

OMITS DISTRIBUTION UNDER PRESENT UNCERTAIN CONDITIONS

Chicago Railway Company's Income Is Said to Be Sufficient on \$12,430,000 of Series 2 Participation Certificates.

Chicago, Ill., August 15.—Failure of the directors of Chicago Railways Co. to declare a dividend at their meeting last week on the \$12,430,000 of Series 2 participation certificates was quite a disappointment to holders of the issue the current year.

Last February an initial dividend of 2% was declared on this series and it was expected that a second dividend of 1% would be declared at the August meeting of the board. Officials of the company declined to make any statement as to when a second distribution might be expected, beyond saying that earning possibilities of the company were such that other dividends could be provided for the Series 2 certificates at future dates.

Henry A. Blair, chairman of the board, said that it had not been felt advisable at this time, and under present business and financial conditions, to take any action with reference to dividends. It was intimated that the company was realizing sufficient net income to provide for the Series 2 dividends if the directors had seen fit to declare one.

"We feel," said Mr. Blair, "that it is not always wise to pay dividends as soon as they are actually earned and leave the company with only a meagre surplus. It is not always easy to anticipate future cash requirements and to reduce its cash to a slender total is not usually considered the proper thing for a corporation, and especially one of the nature of the Chicago Railways, to do. The company is in an excellent position. We have reduced our operating expenses and we are running a little ahead of last year's gross, though we have not shown what would be considered the normal increase, this being due to the fact that the business depression has materially cut our revenue from traffic in the manufacturing districts."

The corporation of United Cigar Stores, which was the predecessor of the United Cigar Stores Co. of America, had stock of one class. Of the authorized issue of \$10,000,000 there had been placed on the market \$9,001,000.

In the organization of the existing company, which occurred on July 25th, 1912, the holders of the old stock received, for the same, 300 per cent. in new common, and had the right to subscribe at part to the extent of their holdings for new preferred stock. The company's stock now totals \$35,000,000, of which \$31,585,000 has been issued, divided between \$27,162,000 common, and \$4,423,000 preferred.

The preferred stock is 7 per cent. cumulative, with a preference as to assets.

The initial dividend on the preferred was 1 1/2 per cent. paid December 18th, 1912, and dividends of that amount have since been paid quarterly, in March, June, September and December.

The initial dividend on the common was 1 1/4 per cent. quarterly, and 1/2 per cent. extra, paid February 15th, 1913. In May, August and November, 1913, there was paid 1 1/4 per cent. on the 15th of each month. On February 16th, 1914, the disbursement was 1 1/4 per cent.

Mar. 1914, 1 1/4 per cent. p.c. Com.

Stock Bonus
Mar. Tel. and Tel. Pref. 100 98
N. S. Underwear, Pref. 98 100
Do, Com. 35 20
Stanfield's Ltd. Pfd. 100 100
Trijndad Electric 73 100

Bonds—
Brandram-Henderson, 6 p.c. 97 1/2 92
East. Car. 6 p.c. 100 95
Mar. Tel. and Tel. 6 p.c. 105 120
Mar. Nail. 6 p.c. 100 98
N.S.S. and C. 6 p.c. Debenture Stock. 98 100
Porto Rico Tel. 7 p.c. 105 100
Stanfield's Ltd. 6 p.c. 100 95

ESTABLISHED 1864
Paid Up Capital \$7,000,000
Reserve Fund and Undivided Profits \$7,348,134

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WAR WAS NOT THE CAUSE

Prices of Meat Raised Because of Falling Off in Supply, Says Head of Armour Concern.

Chicago, August 15.—Vigorous denial that packers have made the European war an excuse to put up most prices made by J. Ogden Armour, president of Armour and Co., in a statement. He said that the reason for the advance was that receipts at the stock yards here for the last two weeks have been approaching a famine basis.

In that time, the statement explained, Armour and Co. have killed fewer hogs than during any similar period in the history of the concern. "The nine Armour plants killed only 14,738 hogs last week, against 70,333 the week before the war," the statement read. "They killed only 17,512 cattle last week as against 31,836 the week before the war, and only 30,384 sheep last week as against 46,395 the week before the war."

Mr. Armour said the packers have contended with a shortage of live stock for a year, and lately with the natural tendency of the producer to hold back his stock in hopes of war-time prices.

"Circumstances of last week, utterly beyond the control of anybody, directly affected live stock and meat prices," he said. "The financial situation everywhere, fortunately now a thing of the past, made it impossible for buyers and shippers in the stock-growing sections to send stock to the market."

"Then Washington sent out, and properly so, official advice to farmers to hold their crops. While this was addressed directly to cotton and wheat growers, it had its effect upon all farm products. These circumstances, added to the live stock shortage, caused fluctuations which nobody could control. The conditions are fast becoming normal and prices soon will be on a more even basis."

BUSY SEWING SOLDIERS COATS

Military Clothiers Are Working Far Into Night To Fill Orders For First Contingent.

The old saying that it is an ill wind that blows nobody good is amply exemplified in the case of the present war. If one could pay a visit to the various military clothing outfitters' establishments in the city, Everything there is hurry and bustle, and the shops have the appearance of the Christmas holiday season in a large department store.

It is at this time of year that business is usually the most slack in such establishments, and while some of the clerks are away, the others occupy their time in leisurely taking stock. Now, however, all this has been changed, and the clerks are busy filling orders and talking of orders that they cannot fill.

The present demand is far greater than the supply coming as it does