

## WAR CAUSES DROP IN STEEL SHIPMENTS

Even Fleet of United States Corporation Was Held Up for Several Weeks

### REGULAR SAILINGS NOW

United States Steel Does About 90 Per Cent. of the Export Business of the Adjoining Republic in the Lines it Manufactures—Has Nearly 40 Steamers Under Charter.

New York, October 20.—The war should allow American steel manufacturers to obtain a foothold in South American and other foreign markets. Thus far it has caused a big drop in shipments, but manufacturers are beginning to recover. The Steel Corporation, which does practically all of the foreign business in semi-finished and finished steel, has been the only company with ships to carry its products and even its fleet was held up for several weeks at the beginning of the war.

Independent steel companies and manufacturers of finished steel products have entered into the spirit of foreign selling as proved by establishment of offices in South American cities by Cambria Steel Company and others. Inquiries in the last two weeks from England, Spain and Germany are encouraging, but will only be temporary. Business picked up in South America, Africa, etc., should be lasting.

### Was Steady Decline.

At the beginning of this year, the Steel Corporation's export business, though not as heavy as during similar period in 1913, was good, but from spring on there was a steady decline. Now again the Corporation's boats are sailing at regular periods with cargoes of steel. President Farrell has worked hard since August 1 to meet untoward conditions in foreign markets.

United States Steel Products Company has 260 agents in foreign countries, and warehouses in the largest cities, including Copenhagen, Barcelona, Singapore, Buenos Aires, Valparaiso, Callao, Rio de Janeiro, Johannesburg and Sydney, New South Wales. It sells steel products as far north as Greenland and as far south as Cape of Good Hope and southernmost South America. The Corporation has sold as high as \$6,000,000 of steel to Buenos Aires in one year and looks to do even better. China has taken \$4,000,000 of steel in a year.

With capacity of about 14,500,000 tons of finished steel, the Corporation has produced about 12,500,000 tons a year since 1911. Last year it shipped slightly over 1,800,000 tons abroad and two years ago 2,381,000 tons. It can practically double its foreign sales with present capacity.

### Steel Shipped Abroad.

The following shows steel produced and per cent. shipped abroad for ten years by United States Steel:

Year	Prod. in tons	% shipped abroad
1913	12,374,838	1,813,072 14.57
1912	12,506,619	2,250,736 18.23
1911	9,476,248	1,746,492 18.43
1910	10,732,955	1,223,496 11.47
1909	9,853,650	1,008,746 10.23
1908	10,554,537	1,011,082 9.58
1907	10,578,423	1,070,289 10.09
1906	9,226,386	953,858 10.23
1905	6,793,780	1,021,672 15.04

In value of exported steel the first year the United States Steel Products Company was organized it did a business of about \$2,500,000 and in 1912 the record of nearly \$90,000,000 was made.

**Duties Are Prohibitive.** The Steel Corporation does about 90 per cent. of the export business of this country in lines it manufactures. It has had for several years between 35 and 40 steamers under charter. The Steel Corporation keeps certain plants working almost entirely on goods for foreign delivery, with about 40,000 men, and about 18,000 men are employed on manufacture of steel to be used by manufacturers of higher grade products meant for foreign consumers. Thus nearly 80,000 men are kept busy through efforts of the company in foreign parts.

American Steel and Tin Plate Company ships a larger percentage of its products abroad than any other subsidiary. It sold in 1913, 29.8 per cent. of its products to foreign buyers.

It is not profitable for the Steel Corporation to sell goods, on account of prohibitive duties, in Germany, France, Russia and Italy. In Russia the duty on steel rails is \$28.44 a ton.

**Made Greater Progress.** The United States has made far greater progress in the last four or five years in its steel exports than any other country. From 1908 to 1912, inclusive, it increased its export tonnage 205 per cent., while the nearest was Germany with an increase of 59 per cent. Great Britain showed an increase of only 8 per cent. The following shows the steel tonnage exported by these three countries from 1908 to 1912, inclusive:

Year	United States	Great Britain	Germany
1908	964,242	4,299,698	4,976,898
1909	1,239,709	4,380,665	5,779,329
1910	1,537,953	4,735,734	4,791,599
1911	2,187,725	4,664,772	5,292,378
1912	2,947,596	4,628,000	5,856,000
% increase	205	8	59

Cleveland Cliffs Iron Company has reduced wages 10 per cent.

### CLAFLIN RE-ORGANIZATION

New York, October 21.—Representatives of merchandise creditors of the 28 Claflin retail stores have accepted a compromise plan of note holders and general creditors committees. For claims totaling \$1,741,906 merchandise creditors accepted offering totaling \$822,500. This is a big step toward final adjustment of the many interests connected with the proposed re-organization.

### EXPECTS EARLY RE-OPENING

New York, October 21.—A banker who has expressed doubt as to the ability of the Claflin Exchange to open for business before the first of next year, has changed his views, and looks for an earlier opening. He says:

"It would not surprise me to see the Exchange doing business in November, but trading for a time would be limited. Conditions are now much more favorable than they were at the time the Exchange was closed. At the moment the amount of stock pressing for sale is not large."

## FRISCO REPORT SHOWS RESULTS OF NEW POLICY

Court Believes That all Surplus Earnings Should Be Devoted to a Rehabilitation of the Property Rather than to Payment of Fixed Charges.

St. Louis, October 21.—Rebuilding of the property of the St. Louis and San Francisco Railroad, under the policy of the court, is shown in the annual report for the year ended June 30. The receivers put back into the property through expenditure for maintenance \$2,408,476 more than was spent for maintenance the previous year. Transportation expenses decreased \$744,156, a saving which is attributed to the increased charges for maintenance.

Without considering the failure of the road to pay interest charges to the amount of \$4,012,545 on the order of the court, the report shows that the road earned a surplus of \$2,097,348. The court believes that all surplus earnings should be devoted to the rehabilitation of the property rather than to the payment of fixed charges. For bookkeeping purposes, this unpaid interest was charged to income, also \$910,959, the annual proportion of amortization on the funded debt. The report therefore shows a deficit of \$2,828,142 for the year.

The principal items of unpaid interest were six months' interest on the refunding bonds, amounting to \$1,371,140, and eight months' interest on the general lien bonds, amounting to \$2,292,959. All the interest on the refunding bonds and \$1,860,000 of interest on the general lien bonds was earned.

The work of the receivers in effecting economies as a result of recommendations by efficiency experts has been recommended by the court.

Operating revenue for the year was \$44,923,568, a decrease of 2.4 per cent. Operating expenses were \$32,270,559, an increase of 8.2 per cent., leaving a net operating revenue of \$12,652,989, a decrease of 24.1 per cent. The road paid taxes of \$2,141,215. Total income was \$10,511,774, a decrease of 30.1 per cent. Out of this income the receivers paid interest, rentals and sinking funds to the amount of \$8,156,281, leaving a surplus of \$2,355,493. Leaving a surplus of \$2,097,348, with \$1,930,000 interest unpaid.

### BOSTON AND MAINE

Boston, October 21.—Boston and Maine is not in controversy with New Hampshire over the big and important schedule of freight rates, class and commodity, worked out and agreed upon with full approval of the public service commission of that state during the past year. It should be almost needless to say that these rates continue in effect and that there is no disposition on the part of the New Hampshire authorities to alter them. The notice which the road recently sent to the New Hampshire commission was of simply a technical nature, required by law, to the effect that Boston and Maine was not desirous of having these rates regarded as fixed and unchangeable for all time.

It is perfectly well recognized in New Hampshire that a determination must be reached as to the status of the law purporting to prohibit an increase in that state in railroad mileage book rates from a 2 to a 2 1/2 cent basis. To reach a speedy readjustment in the situation, it has therefore been decided to bring a test case in the Federal Court there. The necessity for the advanced mileage rate is now, however, so thoroughly understood that there has been no opposition to the new rate, now operative on interstate traffic all the way east of Buffalo and Pittsburgh, and the Massachusetts public service commission will undoubtedly hand down its opinion in the matter within a few days.

With inauguration of the new trustees, it is a foregone conclusion that Boston & Maine's directorate will be revamped in line with the modern idea of having a small working board exercising the closest possible personal supervision over the road's affairs.

## OFFERING SAME FACILITIES TO GERMANY'S CUSTOMERS

Essential That They Should Receive Same Consideration as Formerly From Britain and Her Colonies if Trade is to be Secured.

London, October 21.—The agitation still continues with regard to the methods to be pursued for the capture of Germany's foreign trade as far as possible and how the plans may be brought to a successful issue.

Commenting upon the movement the "Daily Telegraph" says: "It behooves us to study carefully the various centres, outside our own possessions, where German trade has succeeded most in the past, to examine into the conditions which have made for that success, and to lay down plans which will enable us to offer the same facilities to Germany's customers that they have been in the habit of receiving."

There are certain German outposts which have succeeded in special measure in particular countries. It is the duty of manufacturers of different commodities to find out for themselves the particulars in regard to their own products.

The following figures, compiled by the British Imperial Council of Commerce, show in a summarized form what Germany has been doing and what the British manufacturer can hope to capture:

The United Kingdom—Principal Imports From Germany.	
Sugar	\$6,188,000
Grain and flour	1,973,000
Hops	415,000
Oil (coconut and palm)	577,000
Eggs	226,000
Oil (various)	1,374,000
Wood and timber	749,000
Furs and skins	320,000
Manures	399,000
Rubber	344,000
Woolen yarn	307,000
Wood pulp	729,000
Leather	5,750,000
Hosiery	1,600,000
Lace	1,000,000
Trimmings	400,000
Gloves	500,000
Silk stuffs	2,000,000
Coal tar dyes	1,500,000
The British Empire—Principal Imports From Germany.	
Sugar	\$1,448,000
Minerals (including mineral oils)	297,000
Chemicals (including colors and dyeing materials)	1,428,000
Leather, etc.	396,000
India rubber wares	485,000
Machinery (including electro-technical products and vehicles and vessels)	1,372,000
Musical instruments	658,000



HON. I. B. LUCAS.

Provincial Treasurer of Ontario, Who Says That the Government's guarantee of the bonds of the Toronto and Hamilton Highway Commission will not be given until the Legislature has given the necessary authority. It is understood that the money will be secured by an issue of the commission's bonds, backed by the provincial guarantee.

## WORLD'S LARGEST ZINC PRODUCER

Butte and Superior Closed Down While Repairs are Made to the Shaft

### FINANCES IN GOOD SHAPE

Spelter Market is Suffering Because the Steel Market Suffers—Company Hesitated to Suspend Operations Even Temporarily.

Butte, October 21.—Butte & Superior mine has closed for repairs to shaft and will probably be down several weeks. The shaft has been in bad shape for a long time, but the company kept going to take advantage of the high spelter prices, but a cage of ore caught at the 300 level and tore up the shaft badly. The mill will be closed as soon as ore on hand is used up.

The sudden closing down eliminates from the field of production the world's largest zinc producer. This is a matter of trade importance, as the unavailability of the metal has caused an accumulation of surplus stocks with consequent drop in price.

At 4 1/2 cents for spelter there is no money for the average producer, although Butte & Superior can get by with a profit of a half cent per pound. On a production of 10,000,000 pounds a month even this small margin is not to be despised.

The Butte & Superior directors have been planning repairs to the shaft for some time and in any event would have closed down in December for shaft realignment. If the mill suspends operations simultaneously with mine closing, a very substantial tonnage of metal is withdrawn from market supplies.

The spelter market is suffering because the steel market suffers. The foreign demand did not keep up its spurt, as was expected with the closing of German and Austrian sources of supply, with the result that some scheme of curtailment of output in this country has been under consideration.

An involuntary beginning has been made in the matter of reducing output. The Germans for other producers to do something of equivalent help to the metal market.

Pres. MacKellie says that on account of the condition of the timbering in the main working shaft, operations would be discontinued at once for the purpose of making thorough repairs on the timber in the entire shaft and particularly from about the 300-foot to the 750-foot level.

No Further Chance of Operating. He states that when the shaft was originally sunk, the management at that time had not contemplated any such extensive operations as had been carried on during the last few years, and while it has been known for some time that the condition of the shaft was such that repairs would be necessary during the latter part of this year, an accident in the shaft on Oct. 17, decided the management that they should take no further chance of operating it.

The company hesitated to suspend operations even temporarily under present conditions as it has been anxious to keep as many men employed as possible. Most of the materials necessary are already on the ground and the work will be carried on with all possible despatch and should be completed in about 60 days.

The financial condition of the company is strong and this interruption in production will not interfere in any way with the payment of the regular dividend.

**PLAN FOR RE-OPENING READY THIS WEEK.** New York, October 21.—A cable to the Journal of Commerce, from London, says that the Stock Exchange plan for re-opening will be ready this week, and that the committee is still in communication with the government.

There is a disinclination to discontinue the Stock Exchange moratorium until the effect of the cancellation of bill of exchange moratorium which ended Saturday may be determined. So far there has been relatively little assistance required from the government by bill holders.

**DENVER AND RIO GRANDE.** Denver, Colo., October 21.—At the annual meeting, Edwin Gould, retired as a director of the Denver and Rio Grande, and Samuel F. Pryor, was elected to succeed him. Other directors were re-elected.

Paper	\$75,000
Glass	\$25,000
Metals	\$25,000
Chemicals	\$25,000
Machinery, electro-technical products, etc.	\$25,000
Leather, etc.	\$25,000
Paper, etc.	\$25,000
Earthenware	\$25,000
Toys	\$25,000
Glass and glassware	\$25,000
Musical instruments	\$25,000

## FOURTH AMERICAN ROAD CONGRESS AT ATLANTA

Problems of City Street Construction and Maintenance Will This Year Receive Exceptional Attention from Prominent Engineers.

New York, October 21.—Governor Glynn has named delegates to represent the State at the fourth American road congress, which will be held at Atlanta, Ga., during the week of November 9. According to advice from Atlanta delegations have been named for most of the States, and preparations are being made for an unprecedented attendance.

The problems of city street construction and maintenance will this year receive exceptional attention, as the construction of high class roads now approximates the methods adopted for street paving. Among the prominent city engineers who will discuss this subject are Charles E. Boling, City Engineer of Richmond, Va.; F. L. Ford, City Engineer of New Haven, Conn.; L. D. Smoot, City Engineer of Jacksonville, Fla.; John Weatherly, Street Commissioner of Birmingham, Ala.; and G. S. Brown, City Engineer of Charleston, W. Va.

Many difficulties have arisen in connection with contract work in the construction of bridges and highways, and it is expected that the congress will devote much attention to ways and means of improving the methods and conditions under which contract work is being done. The opening paper at the special session will be presented by John J. Ryan, secretary of the New York State Road Builders' Association.

Colleges and universities will take an active part in a session to be devoted to ways and means of furthering and improving the courses of instruction in highway engineering at educational institutions. Dr. Hector J. Hughes, professor of civil engineering at Harvard University; Prof. E. J. McCausland, dean of engineering at the University of Missouri; Prof. C. M. Strahan, dean of engineering, University of Georgia; and Dr. E. P. Matheson, president of the Georgia School of Technology, will be prominent figures in the technical discussion.

### ALASKA GOLD MINES

Common Grades of Ore Have Come in Much More Rapidly Than Formerly.

Salt Lake City, October 21.—D. C. Jackling was not fully prepared to find the ore development so extensive when he inspected the Alaska Gold Mines properties at Juneau during the early part of the month. His reports from the engineers have kept him informed as to the progress made in mine operations, yet there was a short time intervening between his last report received here, and his arrival at the properties at Juneau. During this interval the commercial grade of ore came in much more rapidly than previously, and upon making the examination and checking up he found enough ore to number of years.

The ore development is more extensive than any of the engineers had expected to be found at this stage of development. The average grade of the ore is slightly improved over estimates previously made, and the proposition as a whole is in such excellent shape that Col. Jackling remarked that it would unquestionably be the best paying mining proposition he has been connected with during his entire career.

It will be some time during January before he again visits Alaska. On his next trip he will witness the first unit of the immense mill plant in operation on the ore, and give instructions to the construction of the entire plant rush to completion. As all buildings are under cover, no further interference from weather or any other source is expected.

## CHAIN STORES SEEM TO BENEFIT BY WARFARE

Getting Usual Trade, and Much That in Good Times Goes to the High Grade, More Expensive Shops—Signs That People Are Economizing.

New York, October 21.—"The chain stores, and particularly those handling the comparatively cheap lines of merchandise, are the ones whose business is not halted in such times as we are now experiencing," said a prominent industrial interest who has recently been making a study of conditions in parts of this country and Canada.

Continuing, he said: "I have just returned from a prominent Canadian city. The five and ten-cent stores were crowded. Not only were they handling a lot that formerly went to the higher grade stores, but which, because of lightened money conditions, found it the part of wisdom to buy necessities only and to buy them in the cheaper grades at the cheapest prices."

"The chain stores, owing to their ability to operate on a small margin of profit, are the ones that are doing the big business in the cheaper grade household necessities, tobacco goods and drugs. Tobacco, while sometimes spoken of as a luxury, is now really in the necessity class."

"The conditions in Canada I have found repeated in the five and ten-cent stores, cigar stores and drug stores in this country."

The F. W. Woolworth Co., United Cigar Stores Co., S. S. Kresge Co. and the Riker & Hegeman Drug Co., as the largest in their lines, have been the most successful so far, because of these very conditions.

The United Cigar Stores Co. has been running well ahead of last year ever since the declaration of war. The same condition applies to the Riker & Hegeman Co. whose sales in September were the largest of any September in the history of the company. Officially it is stated that the October business of the Riker Co. is showing even better than September in both gross and net.

**QUEBEC BANK.** At a meeting of directors of the Quebec Bank held yesterday, Mr. J. M. McIntyre was elected to the board, replacing the late W. A. March, of Quebec.

### CONSOLIDATED GAS CO.

New York, October 21.—The Consolidated Gas Company has made arrangements to pay at maturity in cash the \$5,000,000 which fell due on October 25th. A similar payment was made when \$5,000,000 short term notes fell due August 25.

To reimburse partially the treasury for the cash paid out in the retirement of the \$10,000,000 notes, the company has arranged a new 8 month six per cent. note issue. It is understood that new notes comprise 75 per cent. of the aggregate of the notes retired.

## CONFISCATION OF MEXICO UTILITY

Carranza's Action, Affecting Many Foreign Investors, May be International Problem

### EARNINGS SHOWED GAINS

English, Belgian and French Investors Hold Greater Part of Stocks and Bonds—Trouble Areas Out of Strike by Employees For Higher Wages.

Mexico Tramways Company, which may become a subject of international dispute, owing to its confiscation by the Carranza Government, is one of the F. S. Pearson properties, and until recently has been a large money maker, paying quarterly dividends of 1 1/2 per cent. on its \$20,000,000 of capital stock.

While the earnings of the company, as expressed in Mexican currency, have been showing gains, the rate of exchange has reduced these apparent earnings materially, until it is said that the company has been carrying passengers at less than 2 cents gold each. Last spring the company passed its dividend, and under present circumstances it is not probable that it will be resumed for some time, even if the company is returned to its owners.

Little of the stock is held in the United States, and but few of the \$6,083,333 debentures or of the \$10,300,000 consolidated mortgage bonds. The directors are residents of London, Mexico City, Toronto, Montreal, Paris and Brussels. Sir William Van Horne is president of the F. S. Pearson Company, and while in the list of directors his residence is given as New York city, he is now living at Barcelona, Spain, where he is interested in the Barcelona Traction, Light and Power Company.

### Suffered Little Damage.

In all the troubles of Mexico in the last three years Mexico Tramways suffered little physical damage, and, except for a short time during the street fighting at the close of the Madero administration, has been operated steadily. The company controls the Mexican Light and Power Company through its ownership of 85,356 shares of the common stock of the latter and power for the operation of the electric lines is furnished by the light and power corporation. The latter has a capitalization of \$19,585,000 in common and preferred stock, and owing to the disturbed financial condition of the country both dividends were passed in the current year.

In addition to its stock Mexican Light and Power has \$21,293,383 of bonds outstanding, so that in all the steps taken by the Mexican Government against more than \$75,000,000 of outstanding capital in stocks and bonds. Hydro-electric stations of the company are at Necaxa, something over 100 miles from Mexico City, where 100,000 horse-power is being generated. In addition it controls several smaller hydro-electric stations. Both companies have substantially the same directors and officers.

### Excuse for Taxing Lines.

Mexico Tramway Company was organized in March, 1906, and operates 208 miles of city and suburban electric lines. More than 100,000 passengers are carried annually. Excuse for the taking over of the car lines by the government was the strike of employees, because demands for 100 per cent. increase in pay and a reduction of working hours were not granted. The demands of the men were for 40 cents an hour for conductors, 45 cents an hour for motormen and 60 cents an hour for inspectors, as compared with the present wages of 22, 24 and 29 cents respectively.

In addition a demand was made that working hours be limited to eight a day if continuous and nine a day if split into two periods. The company employs about 1,200 men, and when their demands were refused on the ground that the company is able to earn only a little over the cost of operation, because of the heavy rate of exchange, the men struck. Officers and directors of the company have appealed to the government of the United States, Great Britain, Belgium and France for relief, and indications are that the seizure of the lines of the company will be bitterly contested. As last reports the officers of the company still had control of the Necaxa power station, and if they were to order this closed Mexico City would not only be without street car service, but also without light or power for the operation of industries.

### SHORT NEWS ITEMS

The first time since the Spanish-American war Chicago's meat packers are working 'day and night. Three thousand extra men were put to work in the canning department last week.

All the mines of the St. Joseph and Doe Run Land Companies have been closed as a result of depressed sales. Single men have been discharged and married men put on five days weekly, 1,200 being affected.

Committee of London Metal Exchange has decided to permit private transactions in all metals at unrestricted prices. Rings are barred, and the committee reserves the right of restriction in case of necessity.

Despatch to the Times from Amsterdam says the German army armada, consisting of 200 aeroplanes, will be ready to attack London in February. Each machine will be capable of carrying 1,000 rounds of bombs.

Dr. Veron, French surgeon in Epemay, was paid \$35,000 in gold for operating on the wound received by the German Crown Prince before that town. The fee was the amount levied by the victorious Germans from Epemay.

Sir William Osler thinks the present war will set a new low record for mortality among wounded. Out of 700 wounded reaching Cardiff only one has died. The modern bullet is gun sterilizing and typhoid is more to be feared than self shot wounds.

Out of fifty-six manuscripts submitted a price of \$10,000 for the best American opera has been awarded by the judges to Prof. Horatio W. Parker, of Yale University. It is entitled "Fairland." The libretto is by William Brian Hooker, who collaborated with Prof. Parker in the opera "Mona."

Sir Vincent Chirol, former foreign editor of the London Times, says at the beginning of the Spanish-American war the German Kaiser attempted to induce England to lead the way in a European demonstration against the United States, and that so late as 1901 he proposed an Anglo-German alliance which would have had the effect of challenging the Monroe Doctrine.

## METAL TRADE LIFELESS WITH SMALL PRICE CHANGES

Slightly Weaker Cutting Off Belgian and German Butter Ties to Zinc—Manufacturing Has Fallen Off Somewhat.

All lines of metals, including iron, steel, have been very dull during the past week and have been no great change to note in any direction. Copper, on the other hand, has shown some weakness. There is strength noticed in the tin for steel, due to the cutting off of Belgium as a source of supply.

The dullness in most metals is accountable mainly extent to the falling off in all manufacturing and little business is or has been done. However, generally firm. There has been weakening in copper quotations during the week to the weakness in American markets.

The market for tin was firm and quotations at 84 to 88 cents, spelter steady at 8 cents; 10 1/2 cents; lead, domestic, \$5.00; antimony, 15 cents; zinc, 22 cents; wire nails, \$2.50; cut nails, \$2.50 base.

The following table shows the prevailing prices of the metal markets:

### HARDWARE AND METALS.

Ingot, 99 p.c. pure, 100 lbs.	.....
Pattern, lb.	.....
Antimony, per lb.	.....
Copper:	
Casting ingot, per 100 lbs.	.....
Lengths, round bars, 3/4-2in. per 100 lbs.	.....
Plain sheets, 14 ox. 14x48 ins. 14x60 ins. per 100 lbs.	.....
Brass:	
Ingot, red	.....
Spring sheets up to 20 gauge, per lb.	.....
Rods base 1/4 in. to 1 in. round, per lb.	.....
Tubing, seamless, base, lb.	.....
Tubing, iron pipe, size 1 in. base, per lb.	.....
Iron and Steel:	