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THE JOURNAL OF COMMERCE, WFDNESDAY, MARCH 10, 1915



And in the Present she is Prepared to Make all Necessary Sacrifices

AR'S LESSONS TO BANKERS

Sohnd Finances Must be Based Upon Sound Diplomacy, Upon Sound Trade, and Free Lines of Communication.

Speaking upon the war and its lessons to American bankers before the American Institute of Bank- that Egypt, by the falling away of the Turk, is now ers at Philadelphia Mr. Clarence W. Barron, pub- fully within the empire that Palestine and Asia lisher of the Wall Street Journal, who recently made Minor are to have their railroad and oil fields dea trip to Europe to study the question, said:

"The first banking lesson arises from the immediate causes of the war-a lack of politeness or cours

"Every German will tell yon that his government has blundered weefully in diplomacy; in failure to establish pleasant relations with its neighbors. Ten nations are on the boundaries of the German people of Europe, and not one of the ten yan theorem?" "We have now a creat hubbar cot

liness or friendly trade

neighbor. In basking, as in bushness, good will may pocket book far outrank capital account. Go d will is not based entirely upon efficient servithe manner of that service

"Politeness which merits that invites confidence ward.

is the great asset of bankin When John Perrin, new ... the Federal Reserve us gene acy selected L diamapolis Bank of California. graphically the best place in which to build a bank, he was told that no great building success was possible in that town: that thir on failures had preceded him : but that with three years of hard work he might be able to secure \$200 on in opposits. a few years Perrin had more that say nullions of de-. And that was, of control a hability, but his great asset was banking re-

His Banking Diplomacy.

"He became also the brack dealer of all i ics Landling Governnonal banks in the Unit-1.3 The United States has no right and no ability to California, told them how to hondle their circulation, put itself on the basis of a European war armament? and their Government bonds back of V, and offered to handle the distillation and the bonds for them. He bonds. If the lank were not big enough to figure for itself, he figured for it. He performed a service locally and nationally, politely, disternationally,

"The praise of the world to-day is for the dipiomof Great Britain that not only cements the Pritish Empire in one-fifth of the world's area belting

"Ine second particular to a second particular with armies by land or ships by sea.

this war. Under the commercial treaties which Ger_+ the financial exchanges had open against Russia, a broader nationality." Germany could sell more advantageously on Russia than Russia could sell in Germany. These treates EALANCE OF TRADE DRAWS MILLIONS expire next year. Germany and Russia had fought if out diplomatically a year or two ago. Germany determined that they should be renewed. Russia de-termined that they should not. Both nations had, therefore, been preparing for many months for this war. But Russia would not be ready for two years. Therefore, it was Germany's time to strike now. as you will find fully set forth in my little book on The

German Navy Unprepared.

Audacious War.'

was not prepared for England's entry into the contest. from Japan Von Tirpitz had told the Kaiser that the German navy The importation of gold from that country is due could not be ready for two years. The result is clear to the fact that the balance of trade is considerable

honor? Are engagements kept by tetter, or accord-fug to intent to pay. Morgan said he might refuse to lend a million on ample collateral and yet loan a million on character without other collateral. A few years hence Belgian loans may rank of the highest "If you will study the souls of nations as they come

forth to view in this war, you will see the underly-ing base of national credit in broadest aspect.

"I must confess that I am a little in doubt as to the continued blessing of national seace. Never do we see the souls of men and of nations so tried, so developed, so strengthened as in time of trial where lives must stand up and defend principles. "It is worth a trip across the ocean to-day to see the sou lof the British Empire brought forth from trade and strife for pound, shillings and pence, to battle for all that the Empire stands for in the highest conception of empire and making good its trea-

ties and its word of honor. But the British Empire is not unmindful of the trade expansion and the developments that must follow. The empire rejoices from Australia to Canada

road many years nearer than even Cecil Rhodes ever of the regiment. dreamed.

of Europe, and not one of the ten can they call a doubling the mercantile credits of this country, and "Military rule does not beset positives, neighbor- forward in business enterprises, we hesitate, tall instead of rising to our responsibilities and going ress or friendly trade politics, and gaze about to see how somebody outside Much of Publicity Elaborate and in misery and distress is going to improve our

"It is up to you of the banking community to as , but somewhat upon sist to say when and how this country shall go for-

"And the final lesson is whether we shall go for-

ward in peace or war. "I maintain we should go forward in our diplom-

enlarge our embassies, broaden and strengthen the hands of the men who represent us with other countries "It is too late for us to go upon a war footing We have but one armament factory in the United States, and the output of that is engaged for the

next three years. "When the Allies, now seven nations, and possibly tess it permeated the soon ten, have won their vitcory for peace, there will manager of Messrs. Wells, Fargo and Co. Express,

of the ocean. "Should Germany win, she is in control of the said, "that surely has been the story of the pros normal banks in the third shark in diplomary, world and then it may be too late for our defences. Perity of the Dominion. "The United States has no right and no ability to

Can Get German Lesson.

"We could not in twenty years build the fortificawould buy and tell berrow and lend effict money or tions, manufacture the arms, or build the warships that could make this vast country a military power. "But we can get the German lesson of organization, efficiency, discipline and physical training. We may take from Switzerland the lesson of efficient "Every bank clerk in Germany, with a military the globe, but makes friendly addance with the lead-ing nations, races, and condinents of the earth. cause be cause be cause by the set of the better bear arms but because be "The first line of a nation's defense is in its dipio macy, in relations just and right and true with all obelience. "Every banker in this country will be a better

"The second banking lesson from this war is the banker for a six weeks' training in his youth in a England are fighting in lines of finance more than meet game or enemy in the bush, feed, clothe, and

"Indeed, finance was the real and primary cause of dividual efficiency, and national defence. "As never before this banking generation is invitmany forced upon Russia during the J quanese wat, ed to enter a larger banking field, a larger citizenship, west,

New York, March 10 .- Representatives of the In- Then it was that advertising came into its first real Japan by inat time.

NEW \$200,000 GLASS COMPANY.

Washington, Pa., March 10 .- The local Board of

dow glass plant here will shortly be re-opened by a

Trade announces that the long-closed Pittsburg win-

ton business men. Earlier in the week the Hazel At-

las Glass Company announced a resumption in full at

ment to about 5,000 men. The new window glass

the middle of the summer, is expected to provide an

The shutting down of glass plants in Belgium and

parts of France have made possible great things in

the industry on this side, and men close to the situa tion declare there will be more business than Ameri-

GEORGIAN BAY CANAL.

Ottawa, March 10 .- The Railway Committee of the

Mr. L. A. Lapointe, M.P., of Montreal, was anxious

Commons has granted the application of the Ottawa

plant, which it is expected will be in operation by

on the map to-day: Germany's overseas colonies and against Japan and there is little exchange making in trade destroyed, her Turkish ally going down before that country on the United States. the blg guns of the English warships, and the hope for a German footing on the Persian Gulf and the United States have been heavier this year than in road to India destroyed for many years to come. Un- previous years the Jananese are receiving formany read to India destroyed for many years to corne. Un- previous years the Japanese are receiving lowe lange has been 25 per cent. prices for their silk than for many years. This discount, even when eGrma nexchange was only 7 coupled with the fact that Japan is now purchasing per cent. discount. Now German exchange is 15 per from this country a great many commodities which cent. discount, and with the Dardanelles opened to she formerly hought of Germany, has necessitated Russian wheat and rye, Russian exchange will soon her shipping hold. The general upset in the foreign ascendant. exchange situation as a whole has acted against "Sound finance must be based upon sound diplom- Japan, as that country's balances were usually de-

considerably below acrmal.

annual payroll of \$125,000

can plants can handle.



LT.-COL. G. H. BAKER. M.P. Whose list of officers for the 5th Mounted Rifles



Tireless Campaigns of **Canadian** Railroads

HISTORY OF THE POLICY

Extension of Advertising Needed as it is Not Yet Used to the Greatest Advantage by the Railroads

A plea for greater attention to advertising on the part of Canadian railroads and for its use in combating problems of legislation as well as extension of entire institution from the anominel messencer at be no longer a call for arms, armies or armaments. New York, in an address before the Canadian Rail-the foor to the assistant base, the president's datas. There will be a reduction of war forces throughout way Club here last night. "If ever the prosperity of

the elaborate and tireless campaigns on the part of the great railroad systems of Canada. For not only have they labored both to create a travel desire, but they have been instrumental in starting the great tides

"I am filled with respect at the way that railroad advertising has made the Canadian Rockies Mecca for three-quarters of the American continent but I am filled with a real amazement when I con template how Canada has brought workers for her our capital and our resources, we have not yet exe-

same sort, so economically efficient and so absolutely suited to the needs of a nation that has not itself. In the the source of the source of

ternation I Banking Corporation sav that they do not respect in the railroad offices of the land. It took sakatoon Sask. March 10.-W. T. R. Smith, of from Japan will cease. They do not believe it likely until the end of the war, and hestiste to estimate farms and the fine towns, the budding cities that Frances. On. to fill the position of accountant in the

West Texas. That advertising was often poor-as our advertising standards of 10-day go-but it was thorough and generous. The results that followed ALABAMA POWER GO it were astonishing. The response was immediate The railroads saw that response and invested mor advertising funds. The response was increased proportionately. There are counties, metropolitan cities, -with trolley systems and country clubs and taxi cabs and tango palaces-whole developed States in our land that are young enough to say, and say with Disposes of \$2,000,000 of Prior Lien truth, that they were builded upon the policy of Am-erican advertising. "This," said Mr. Hungerford, "has also been

history of the development of Western Canada by the advertising of your own railroads. Only you have had two benefits which were denied to the railroads of the United States a generation or so before. You have had the benefit of experience and you have advertised in a day when advertising has begun to come into its own.

"Just as the legal department of the railroad is its defensive wing, so should the advertising department be its offensive. The advertising manager should sit alongside the general manager and the traffic manager, the counsel and the comptroller. He should be freed from the detail and left to plan the public-

ity of the railroad, in its every phase. It should not methode alone his work to write time-tables or scurry immigrants out to new localities, to see reporters or to attempt to steal fast freights from his nearest competitor. His work should combine these things and then reach to a far higher plane, the meeting and gauging and shaping of public sentiment of

which more in a moment. "The advertising manager of the railroad should be trained-he should train himself if you please-as arefully as that general counsel has trained himself. There are plenty of educational forces that stand ready to help him make himself a better man not only for the railroad for which he works but for the satisfaction of his own peace of mind as well. . He should e not only a student of advertising and the things that pertain to advertising, but he should also be a student of changing conditions, he should be what we of 'the States' sometimes call a publicist. "For no matter how intelligently and successfully

our railroads may have advertised for immigrants and for passenger traffic of every sort and condition I do not believe that they yet have used paper and ink to the greatest advantage to fight the most of their batthese means the new bonds were made a first unjust legislators and commissions. They have on all the operated properties and as the dup bating problems of legislation as well as tatemany a gence. As a rule, it they have auvertised to rule issue and, under the mortgage, should never service was voiced by Mr. E. Hungerford, advertising sentiment through newspaper advertisements, it has 50 per cent. of the duplication value, the new been an eleventh-hour measure adopted in a great

"The railroads of the State of New York-splendid advertisers for passenger traffic each one of themunited in such an eleven-hour appeal throughout the newspapers of the State against the so-called full-crew bill, which was then before the Governor of the crew bill, which was then before the dovernot of the ton, Decatur, and New Decatur. In addition if r State—a bill which would add more than \$2,000,000 to their costs of operation. The 'ad' was generous by the Birmingham Railway, Light & Power Co. in proportions, but the Governor laughed at it and used in Gadsden and a number of other large power of public opinion to know that the railroads had thrown away their money

"On the other hand, what a different result might have been written if the railroads steadily and persistently, whether under legislative fire or in times first mortgage bonds is \$136,880 a year, it is earning of seeming calm, had told their story quietly and in- well above twice its interest requirements terestingly through the newspapers of the State. It earnings were made on a basis of only eight monthe would not have cost them anything like \$2,000,000 a operation of the 70,000 horse-power hydro-electric year to have brought an intelligent public sentiment plant at Lock 12 on the Coosa river, and include m to their aid. What it would have cost would have revenue from contracts signed with a large number been the expenditure of thought and careful planning of consumers not yet connected to the lines. by one man in authority-a man trained for just such really begun to grow as yet." condition himself. Here is a basis sor increased in-speaker told of how, not long after the close of the speaker told of how, not long after the close of the campaign has just been waged by the railroads of the and also a 2,000 horse-power hydro-electric station menace in New York. In fact this very sort of a station of 15,000 horse-power at Gadsden is owned Civil War in the United States the railroad lines began State of Missouri against the 'full-crew bill,' which at Jackson Shoals. In addition, the company owner to multiply in the unpeopled Southwest and the North-had also come into being in that State. Despite the sites on the Coosa River capable of developing 250 fact that the bill had passed and had become opera- 000 horse-power and controls several other ment—and the enrichment of the railroads that had tive as a law a shrewd and deliberate advertising oped power sites of great possibilities in Alabama been built to serve them --- was population. In the ab- campaign, conducted at a most reasonable cost to

official Referee J. A. McAndrew, K.C.



NITED IN AL

Many Causes have Con

General Uplift --- Spi

AMERICAN MAR

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Among Advancing Lines Are Spe

A condition of unsettlement i

local metal markets and in con

been a great many uplifts in the

tariff, but a great many things

o the general rise. The spread

and New York markets can be cre

again the pending opening of the

been inactive for several months

spelter, tin, lead, antimony, brass

der. etc. Country business is o

ment and dealers are expecting

extra building on the farms and in

tle betterment can be expected i

Likewise, collections in the count

good, but in the city, show no

With an advancing market in N

tremely firm one in London, the

shown an unusual burst of stren

our cents to be noted in quota

Spelter is up to 121/2 cents in th

ruling is between 46 and 50 cents.

ing a total advance of 1 cent fo

cents for the fortnight. Furth

look as though the market will sto

seem to show that a higher le

causes celebra in this connection:

American markets, consequent to

the rapidly diminishing visible su

rican market has advanced sligh

There has been considerable

locally, although the quotation of ingot has not been altered. Th

been cleared, however, and Am the German "blockade" of Englar

trepidition, claiming that as it ef

mand, the increased output will

Lead has been an upwardly in

to the fact that the metal in

the quotation has been advanced

has been advanced 10 cents durin

market and advances have been.

being quoted as high as 27c and

e had for strictly pure; 22c an

A two cent uplift has been felt 19 to 21 cents. The situation is a one and further advances might

the United States, the metal is be

There have not been any cha

arket for bar iron and steel as

COTTON MARKET ST

PARIS SPOT WHI

understood that manufacturers an

readjustment of prices. The que

New York, March 10 .- Cotton ma

Paris, March 10 .- Spot wheat u

May 8.73, off 2, July 8.99, unchang

lowest levels respectively.

as 23 cents.

and \$2.05.

at 160 %.

MANNAN MANNA MANNAN MANNAN

Expensive tin and lead is con

world is very much old

in the Canadian tariff.

irregular prices.

before the

There is a p

Among the advances of the pas

etivity.

supposed German "blockade"

The arrival of spring v

which is commencing

The market has had

entirely due to the readjust

Expected to b

Bonds to Carry on its Work

FINANCING IN NEW YORK

leretofore Substantially All its Funds Have Been New Bonds Part of a \$5,000,000 Issue.

New York, March 10 .- The Alabama Power C the operating subsidiary of Alabama Traction, Light & Power Co., has sold \$2,000,000 6 per cent. three year first mortgage bonds to Harris, Forbes & Co

The new bonds are part of an authorized issue \$5,000,000, and are a first lien on all properties of the company, subject only to \$278,000 Anniston Gas a Electric Co, first 5s and \$49,000 Huntsville Railway & Light first 6s. Of the unissued bonds \$1.250,000 may be issued against the present property when net earnings for the preceding twelve months i been equal to twice the bond interest on all bonds outstanding and those to be issued, and the remain ing \$1,750,000 may be issued for 80 per cent. of the ash cost of construction of additions and exten

with the same requirements as to earnings Substantially all former financing of the comhad been done in London, and Alabmaa Trac Light & Power Co., which owns all the stock of bama Power Co., as well as all its issued first m gage bonds, had issued against these holding. wn first mortgage bonds and its stocks. Last the company deferred interest on its \$10,914,400 and after negotiations with the bondholders, the \$10 000,000 first mortgage bonds of Alabama Powwhich it held, were changed to 6 per cent. bonds and arrangements made for the present is of prior lien bonds, which will furnish the with funds to carry on its work in Alabama

value of the property is far in excess of th issue and, under the mortgage, should never exceeded are well secured as to principal and interest. Alabama Power Co. serves, directly and indirect

a population of 300.000 and directly serves with Decatur and New Decatur; with street railway nishes, under long time contracts, all current use Greater Birmingham and Bessemer, all the curre consumers.

Earnings of the company for 1914 were \$616.80 gross, with operating expenses and taxes of \$312 ;; and net earnings of \$304,547. As interest on the

FARMERS' BANK SHAREHOLDERS.

Shareholders of the defunct Farmers' Bank, in an effort to evade double-liability, will take the ground that as the charter was irregularly issued the was never properly organized and as a result they can not be held liable

The amount involved is about \$1,000,000 The whole question will be argued shortly before

> Robert Limited Public notice is hereby given the c Companies' Act, letters paten the Lieutenant Governor of the ng date the nineteenth of Fe

Madeline Baker, stenographer ker. stenographer, rchant, Montreal, for Dansereau, merchant, Montreal, for poses: To manufactsure, purchase or otl to sell or otherwise dispose of a scools, wares, chattels and merchan to deal in and with all species of or imnoveable capable of being of the business of retail store or sto To enter into any arrangement j fits, union of interest, co-operatio reciprocal concession or otherwise, persons, company or corporation, ce in, or about to carry on, or enga or transaction which this compan carry on, or which may be directly effit the company, and to take or shares and securities of any such sell, hold, re-issue, with or without erwise deal with the same: To erect, construct, manufacture, tet or conduct any buildings, work ery appliances or establishments m able for the purposes of the compan To invest and deal with the mon. To invest or the company as its of the company as the compan and future use of the compan and future use of the company as its of the; time;
To acquire by purchase, exchang ise from any individual, firm or er oncern or otherwise and to carry c tore or stores and to pay for the s onds or in paid up or partly pai omnany;

British Colonial Fire Insurance Company

Europe and no necessity for an increase on this side a country has been builded upon advertising-shrewd, solid suggestive, constant, aggressive advertising." he "Much of that advertising has been in the form of

of immigration

broad fields by the simple expedient of thoroughly advertising the possibilities that she holds for them. In all our broadest flights of Yankee enterprise, with

cuted for the United States an advertising plan of the

sence of any other intelligent or organized immigra-the railroad, succeeded in repealing it by popular OF JAPANESE GOLD TO STATES. tion force the railroads took up the work them- vote-at an election called for that purpose,"?

how many millions will have been brought here from one sees from the car window as to-day he crosses bank there, succeeding J. D. Sim, promoted to Moose Minnesota, the Dakotas, Montana. Oklahoma, and Jaw

veloped, and that Africa has its Cape to Cairo Bail- has just been announced. Col. Baker is in command

acy, upon sound trade and free lines of communica- clared through London, whose exchange is at present tion.

"The third banking lesson from this war is that American finance must hereafter be of a broader character, less local and more international.

six billions of American securities owned abroad, and sales of them in the New York market progressing at the rate of half a million a day, every American banker must take on a larger thought, a new \$200,000 company, backed entirely by Washing tor business and the busine larger view. Post office receipts and customs collections are no longer the important factors in Ameri-can finance. The United States is no longer isolated matrix bere and in West Virginia, giving employ-ment to about 5000 men. The united States is no longer isolated to be about 5000 men. The second to be about 5000 ment to about 5000 ment 5000 me She is a part of the world's finance. The American banker must think in broader lines. He must know the trade relations of the men to whom he loans ney, and to what extent those relations may be affected by foreign developments or complications.

Under our great Federal Reserve Act we have just entered for the first time into the field of scientific banking, a field where England, France, and Germany are past masters. We must know and understand their finance.

Animating Souls of Nations.

"The war presents the greatest opportunity the rounger bankers in this country have ever had to study the finances of nations, and here comes the fourth lesson for us all. You can understand the finces of nations when you understand not only their to know just when operations would commen iffical and social organizations, but also know phasizing the importance of the undertaking to the mething of the meaning of the animating souls of people of his city.

Tou don't lend to an individual altogether on his sets, or his promise to pay. You must now the incluo, and sout of the man behind the promise. worth nations. Are their credits bound up with a bill was approved. Mr. Gerald White, promoter of the bill, said he did

MONIREAL

Statement of Assets and Liabilities as at 31st December, 1914

Assets	Liabilities Claims (resisted) nett \$1,633.44 Claims (unadjusted) estimated nett 10,190.00 11,824.24 Premium Reserve (Government Standard) 186,727.53 Paid-up Capital 200,000.00 Surplus Assets over Liabilities 740,356.00 \$1,138,907.85
Bonds and Debentures: -	Claims (resisted) nett \$1,633.44
Par Value \$137,933.10	Claims (unadjusted) estimated
Book Value	nett
Estimated Market Value 119,267.67	11,824.24
	Premium Reserve (Government Standard) 186,727.53
Carried at Book Value \$129,399.65	Paid-up Capital
Cash in Bank and on hand	Surplus Assets over Liabilities 740,356.00
nterest due \$1,123.97	
nterest accrued 2,820.14	
3,944.11	
Due by Agents 20,258.04	
Aortgage (Collateral Security) 14,431.27	
Office Furniture 2,632.59	
Plans and Maps 5,420.70 Capital Stock due by Shareholders 29,650.00	그는 것이 있는 것이 같은 것이 없는 것이 없는 것이 없다.
2017년 1914년 MAN	
Premium Stock due by Shareholders 29,650.00 Incalled Capital	
TOTAL ASSETS \$1,138,907.85	\$1,138,907.85

A state of the second and

mpany; To amalgamate, unite or join with r corporation carrying on any simi

or corporation carrying on any simi ress: To sell, lease, transfer or otherw whole or any part of the business a term of the output of the part of the second of the output of the second of the output of the output of the company in connection with person firm or corporation for the company in connection with promotion or organization, or in co sonduct of the output of the conserved the company in connection with the company in connection with promotion or organization, or in co sonduct of the output of the to the conserved the transfer with a co-tain of "Robert Limited," with a co-tain of "Robert Limited," with a co-tain of the output of the output of the in the office of the Pro-the nineteenth day of fabruary, 18 C. 1226-9-2.

1226-9-2. Deputy Prov