



*STREET RAILWAY SECTION.*

A new number of our "Street Railway Section" is forwarded to our subscribers to-day. The editorial discussions in the "Street Railway Section" comprise an article entitled "New York Transit Conditions" and an article on "The Public Service Corporation of New Jersey."

*THE FINANCIAL SITUATION.*

There has been a considerable shake-up in the markets, commercial and financial, the past week, which may mean much or it may mean very little. In commercial affairs the most notable and unexpected development was a material cut in the price of cotton fabrics by Marshall Field & Co. of Chicago, the largest wholesale mercantile establishment in the West. Our weekly dry goods report has shown for two or three weeks that although spot goods have still been in urgent request, the decline in cotton has had a somewhat unsettling effect on brown cottons and gray goods; and yet up to that time the decline in the value of goods had not been commensurate with the decline in the raw material.

Copper also has suffered further breaks; indeed, it has been the centre of a kind of high-pressure disturbance, starting with an unsuccessful effort to corner the stock of one of the copper-producing companies on the curb market. The violent fluctuations in the stock resulting from speculative manipulation so seriously involved a house that had been prominent in trading in this property as to make necessary the retirement on Thursday of F. Augustus Heinze from the presidency of the Mercantile National Bank of this city. After the resignation of Mr. Heinze the presidency of the bank was offered to Comptroller Ridgely, who yesterday announced his acceptance of the offer. It may be noted that a thorough examination of the Mercantile Bank on Thursday by the New York Clearing-House Committee disclosed the fact that the institution was in a sound condition with its capital of three millions intact. Friday, after the Mercantile's debit balance of \$745,000 had been paid at the Clearing House, the Clearing-House Committee also demanded the resignation of every director of the Mercantile Bank. As the result of such demand, all the directors of the bank at once resigned.

Tin and lead and silver have likewise joined in the popular trend. Silver has had a drop since Sept. 30, when the London price was 31 3-16d., to 27 7/8 on Monday of the current week. Subsequently there was a recovery, but Friday there was renewed weakness, the close being at 27 11-16d. Among the reasons assigned for the fall is claimed to be shipments from India, caused by an expectation of very short crops there, following the prolonged drought. This situation is reported to have led to an over-supply of the metal on the London market, augmented by liquidation of stocks of the metal held by some Chinese banks. This irregularity in silver value has of course no general influence on our markets. A few years ago such a fluctuation would have had an ominous look. Now it is a temporary affair involving no market except its own, and nobody among our citizens except a certain excellent gentleman who always appears on the political stage at every four-year-election period

as a candidate for the old but lost cause, always trying, though unsuccessfully, to popularize and get astride of some newer fad which seems to the leader to deserve a large following. It is an interesting fact relating to the metal that Belgium has suggested a change in its silver-coinage policy, and, further, that it has at the same time proposed a like change to the other Powers in the Latin Union, that is, to raise the per capita of small silver coins from seven to sixteen francs in each State, and employ their five-franc legal tender silver pieces, except Switzerland and Greece, to coin the increased contingent of token money.

A good many other incidents have been recorded of importance in the world's history. The serious illness of the Emperor of Austria-Hungary and the heroic way in which he has been struggling with disease has very naturally excited general sympathy and occupied in considerable measure public thought. A very short time ago the danger of his sudden taking off would have been attended with results of serious import in Europe and created anxiety even here. But, as we have shown in a subsequent article, there is nothing of the sort apparent now. The Austro-Hungarian settlement just completed has put the two halves of the monarchy on a constitutional basis. This and other changes have ensured stability.

Another event touching home interests more closely has been the sailing of the first installment of the fleet destined for the Pacific. No one seems to be taking much interest in the movement or to have any distinct idea as to its object, the public being still kept in the dark with reference to the affair, so far as official information goes. In absence of a better explanation, war and peace and politics have each been fixed upon by various coteries of our people. We are inclined to the idea that it is in part a political scheme for arousing enthusiasm in the coming Presidential election, in part for the purpose of creating a sentiment in Congress in favor of a larger navy, and in part to put fresh interest on the part of the public in the Philippines and the Panama Canal. Public sentiment has been recently drifting into the idea of getting rid of the Philippines—they are costing too much and we have no use for them. Of course the Navy does not favor that sentiment, nor does the Administration. Then there is also the Panama Canal. Interest in it is also sagging. Lots of money will be wanted to continue the work, and to get the money enthusiasm must be rekindled.

A further feature of the week was the avoidance, by a very narrow margin, of exports of gold to Europe, which, had they occurred, might have had serious results. Last week gold exports hence to Paris were also averted by the refusal of the Bank of France to contribute thereto by the facilitation of the movement through the allowance of interest on the consignments of the metal while it was in transit. This week, though French exchange at New York on Paris was equally as high as last week, the adherence by the Bank of France to its policy not to encourage gold exports hence prevented shipments of the metal to Paris. There was the development of much strength in the rate for exchange at New York on London on Monday, which, at the moment, threatened

shipments of the metal hence to the British capital. This strong tone for exchange was caused by a demoralized condition of our securities market on the previous Saturday, when liquidation had a most unsettling effect, apparently foreshadowing further demoralization on Monday, in apprehension of which London bankers sold large amounts of American properties before the opening of our market. This contributed to a more or less urgent demand for exchange for remittance and to an advance in rates therefor to above parity and within a fraction of the gold-exporting point to London. A recession in rates in the afternoon, as the result of re-buying by British bankers of the stocks they had sold, induced by support to the market, averted the danger of gold exports to London, and the tone for exchange was easier thereafter.

It may be noted that the recession in rates for exchange was partly due to the correction of a statement which had previously been made that there would mature on November 1st an installment of the Pennsylvania \$50,000,000  $3\frac{3}{4}\%$  notes which were sold in Paris last year. The obligations that will then mature, as stated by the bankers who negotiated them, are \$10,000,000 of an issue of \$50,000,000  $4\frac{1}{2}\%$  notes that were emitted a few years ago and sold here; provision has been made for their payment at maturity and no exchange will be drawn in settlement except for some indefinite amounts that may be held abroad.

The facts recorded above showing the attitude of foreign bankers towards our market seem to indicate that there is a realization abroad of the sensitive character of our situation which makes it desirable to contribute, if possible, to the avoidance of any cause that might result in its aggravation or in the precipitation of acute conditions; hence the refusal of the Bank of France to facilitate gold exports last week and the prompt re-purchase by London bankers of their oversold securities this week, as above noted, which prevented shipments to the British capital. There are some indications of an improvement in the European situation which, if it should occur, might have an important influence upon our own.

With the exception of some disturbance at Amsterdam this week, due to local tension, and also of a banking failure at Hamburg, there appears to have been a restoration of more normal conditions at Continental centres. The German Reichsbank seems to be gradually rectifying its reserve position, through a contraction of its note issues, and such rectification may be effected without making necessary the procurement of gold for its reserve. The Bank of France is still drawing gold from London; this week it succeeded in obtaining £400,000 out of the £500,000 of Cape gold which was offered in the British market, though the Bank of England so actively competed for the metal as to cause an advance in the price of  $\frac{3}{8}$  of a penny per ounce. It would seem that the French Bank's requirements for gold must soon be satisfied if, as appears probable, the Bank needs the metal solely for the reinforcement of its reserve, because of the almost unprecedented expansion of its note issues—these being, as last reported, £196,450,000, or near the permissible maximum of £200,000,000. With French competition for London's supplies of the metal at an end the Bank of England should be able to accumulate and maintain a reserve sufficient to

make unnecessary any further advance in its discount rate. So far as regards Egypt's requirements, these have been supplied already to the extent of £2,380,000, or about one-half of the £6,000,000 which was estimated as the maximum needs for the season.

The United States foreign trade statement for September, issued this week, taken by itself, is the most favorable monthly exhibit for any month since March, but the two previous monthly statements were the least favorable in a long time. Conditions, however, have been somewhat abnormal this year, and in making comparison with other years it is desirable that the backwardness of the crops should be considered, and the figures for the last three months (July, August and September) be combined, so that the average of the three may be made the basis of comparison. But even doing that, the showing in our foreign trade is less favorable than for any year in the last decade.

Respecting September, it is a matter of interest that the total merchandise exports show a moderate increase, but there is a material shrinkage compared with the previous month in the volume of imports. The result in September shows a balance of merchandise exports of \$29,033,505, as against only \$1,464,404 in August and \$3,817,569 in July. In September 1906 the export balance was \$35,878,631 and in 1905 it reached \$33,996,486. The advance figures of some of the principal items of export indicate that, although shipments of breadstuffs were slightly greater in value in September this year than last, and petroleum showed a moderate gain, the outward movements of provisions, cotton, cattle and hogs each fell behind last year, making the net loss from a year ago in the articles enumerated approximately  $4\frac{1}{4}$  million dollars, the aggregate of all having been \$63,462,641 against \$67,737,837 in 1906. It follows, therefore, that the values of our shipments of articles of merchandise other than those specifically referred to above were greater this year than last year in September, having reached  $71\frac{7}{8}$  millions, against  $70\frac{3}{4}$  millions in 1906 and 67 millions in 1905. The import movement, as remarked above, was appreciably below the total for August, but showed a small increase over the month last year.

For the three months of the current fiscal year, the exports of merchandise aggregate \$391,171,283, against \$379,991,696 last year, a gain of \$11,179,587; but imports for the similar period rose from \$310,907,787 last year to \$356,855,805, or an increase of \$45,948,018. Consequently, our three months trade balance is \$34,768,431 less in 1907 than it was in 1906, standing at \$34,315,478, against \$69,083,909. In 1900 the export balance almost quadrupled that of this year, having been \$134,881,714, and in no year since 1895, when an import balance was shown, has the result for the three months shown as small an amount in our favor as this year.

The movement of the precious metals in September was of moderate dimensions, gold showing a balance of imports of \$1,230,250 and reducing the balance of exports for the three months to  $4\frac{1}{4}$  millions, against net imports for the same period of last year of 45 millions. Silver showed an export balance of \$2,259,344 for the month and \$6,693,000 for the three months, the latter comparing with \$2,687,000 in 1906.

Killing frost reported in some districts of most of the cotton States early in the week gave an impetus to prices of the staple in the markets of the world, but the effect was ephemeral, the advance that the freezing weather induced being as quickly lost as gained. Why this incident had so brief an influence may be due to a belief that fuller information will show the extent of the frost was at first over-estimated. Otherwise, the occurrence of frost at a date earlier than the average, with the crop, as a rule, late in maturing, should ordinarily have had a notable effect on the markets. The attitude of manufacturers, also, must be considered in looking for a reason for the failure of the market to be more than momentarily stimulated by frost news. Stocks of the raw material at mills in Europe and America at the end of August were far in excess of those at the same date in any earlier year, and over 1,500,000 bales greater than on Aug. 31 1906, while the visible supply is half a million bales ahead of a year ago. With such stocks in hand or available, manufacturers have naturally not been eager to add largely to their supplies at current prices, which are the highest at this time in over thirty years. The *fixed* price (15 cents) they are not considering at all. Possibly it may be that the present ruling quotation is considered by consumers to have discounted any frost damage that may have yet occurred. Speaking of the 15-cent price for cotton, a press dispatch of Thursday's date reports the State Commissioner of Agriculture of Texas as advising cotton producers to hold for 15 cents per pound, as, according to his views, foreign spinners are short on cotton and consumption is greater than production. If his ideas on consumption are as far astray as are those on stocks in hand, his advice is of a kind which his constituents will find safe to ignore.

Immigration in September this year, while only slightly greater than in the corresponding period of 1906, records a heavy increase over the same month of 1905. The official statement issued this week shows that through all ports of the country 98,694 aliens were admitted during the month this year, that aggregate comparing with 95,341 in September last year and only 78,941 in 1905. This statement, moreover, as did those for July and August, tends to allay any fears entertained that strict enforcement of the debarment features of the new law would result in keeping out an increased percentage of intending citizens. On the contrary, the number debarred in the month this year was much smaller than in September 1906, and in fact less than in any recent period except in months of very light immigration. The aggregate arrivals for the nine months of the calendar year 1907 exceeds the million mark, having reached 1,038,603 against a total of 935,628 in the similar period of 1906 and 839,533 in 1905. The bulk of the arrivals continues to come from Austria-Hungary, Italy and Russia; but while in 1906 Italy contributed the greatest number, in the current year Austria-Hungary leads.

The plans put in force at the South to assist immigration in that direction, and to which we have referred on several occasions, received a setback, at least temporarily, in a recent decision of Attorney-General Bonaparte. The case in point had to do with assisting immigrants from Cuba to the State of Louisiana by

paying the passage money. The Attorney-General holds that such payment is a violation of the immigration laws, as was the specific promise of employment upon landing, and that Garcia—the individual in whose name the test case was presented—should be excluded. The case is expected to be carried into the courts by the State of Louisiana in order to have the question judicially determined. The final outcome means much to the South.

It is reported from Washington that in view of the recent increase in immigration from Japan, the Government has determined to adopt extraordinary measures to prevent the introduction into the United States of Japanese and other coolie labor. It seems that while passports to laborers for America are not issued by Japan, they are issued to Canada and the Hawaiian Islands. Thus in a roundabout way this country is reached. It is now the purpose of the Government to reduce or check entirely immigration by means of a patrol guard along the northern and southern borders of the country. The number of Japanese immigrants into the United States for the nine months of 1907 was 23,512, against 14,913 in 1906 and 7,000 in 1905.

There was no change in official rates of discount by any of the European banks this week; compared with last week, open market or unofficial rates were  $\frac{1}{4}$  of 1% higher at London,  $\frac{1}{4}$  of 1% at Berlin and Frankfurt and  $\frac{1}{8}$  of 1% at Paris. The suspension on Thursday of a private banking house at Hamburg, with liabilities of from 3 to 7 $\frac{1}{2}$  million dollars, was a reflection of the disturbed copper situation in New York; it was stated that the failure would not seriously affect banking institutions at Hamburg and it had no other than a local influence. The advance in unofficial rates at London, as above noted, was said to be due to operations by the Bank of England with the object of regaining control of the discount market. It is interesting to note that the return of the Imperial Bank of Germany on Friday showed a gain of £1,899,000 cash and a contraction of £5,779,000 in circulation.

The statement of the New York Associated Banks last week made a favorable exhibit, chiefly, however, as the result of a decrease in reserve requirements through a reduction in general deposits. There was a comparatively large augmentation of public funds in national banks early in the week, carrying the total thus far deposited to 163 4-5 millions, an increase of nearly 19 millions since August 29, when such deposits began to be made. The fact that Government funds continue to be placed in the banks, notwithstanding the expiration of the limit of five weeks which was originally fixed for this form of relief to the monetary situation, seems to make it probable that the distribution of such funds will not be interrupted. Indeed, it is intimated that more effective measures for placing Government moneys in the banks will soon be announced by the Secretary. While there was no recession in rates for time money this week, owing to the limited offerings thereof by lending institutions, there was an easier tone for call loans early in the week as the result of the return to the banks of cash which had been distributed for October interest and dividends. Later the market grew firmer, influenced by some

calling of loans, because of the unsettled condition of the securities market, and on Thursday withdrawals of \$1,300,000, through the Treasury, for transfer to San Francisco and of \$100,000 for New Orleans contributed to an advance in rates to 7%. On Friday the action of the Clearing House in the matter of the Mercantile Bank's directors, as elsewhere noted, caused an advance in call money to 10%. Money on call, representing bankers' balances, loaned on the Stock Exchange during the week at 10% and at 2¼%, averaging about 5%; banks and trust companies loaned at 3% as the minimum. On Monday loans were at 6% and at 2¼% with the bulk of the business at 4¼%. On Tuesday transactions were at 4% and at 2¾% with the majority at 3½%. On Wednesday loans were at 6% and at 3½% with the bulk of the business at 4%. On Thursday transactions were at 7% and at 4% with the majority at 6%. On Friday loans were at 10% and at 5% with the bulk of the business at 7%. Time contracts on good mixed Stock Exchange collateral were quoted, though with a very small amount of business, at 6% for sixty and 6½% for ninety days, and 6% for four to seven months. Commercial paper is nominally 7% for sixty to ninety day endorsed bills receivable, 7@7½% for prime and 7½% and above for good four to six months' single names; business is done on such terms as can be made between the borrower and the broker who negotiates the loan.

The Bank of England rate of discount remains unchanged at 4½%. The cable reports discounts of sixty to ninety day bank bills in London 4¾@4½%. The open market rate at Paris is 3½@3¾% and at Berlin and Frankfort it is 5@5⅛%. According to our special cable from London, the Bank of England lost £574,927 bullion during the week and held £34,676,438 at the close of the week. Our correspondent further advises us that the loss was due largely to heavy exports, especially to Egypt. The details of the movement into and out of the Bank were as follows: Imports, £57,000 (wholly bought in the open market); exports, £851,000 (of which £590,000 to Egypt, £65,000 to Holland, £50,000 to Batavia and £146,000 French coin sold in the open market), and receipts of £219,000 net from the interior of Great Britain.

The foreign exchange market was quite strong early in the week, influenced chiefly by a demand to remit for stocks sold for European account. These sales were in large volume on Monday because of the unsettled condition of our securities market on the previous Saturday, and there were apparently expectations that the derangement would continue as great on the opening of the week. For that reason, also, London speculators forwarded by the cable heavy selling orders for execution in the first hour of business on Monday. As the result of such selling and of that which occurred for London account on Saturday, there was an urgent demand for exchange for remittance, which caused a sharp advance in rates to within a fraction of the gold-export point for sterling. Instead of there being further demoralization in our securities market on Monday, as was looked for, there was a rally, due to substantial support, said to be by banking interests. Consequently there was an effort to cover the speculative sales of stocks that had previously been made

by London operators, and as the result of such re-buying the demand for exchange relaxed and the market developed an easier tone by the close of the day. On Tuesday there were quite liberal offerings of loan bills which, together with speculative sales of exchange, to take advantage of the comparatively high rates, contributed to a material decline in sterling to figures, which relieved all apprehension, if any had existed, of gold exports. There was later a moderate amount of commodity drafts against grain and cotton which tended still further to depress the market, and, owing to a disposition to await the sailing of the "Lusitania" on Saturday, the demand for exchange was small for the remainder of the week, and rates gradually receded. There was only a light inquiry traceable to remittance for maturing New York City revenue notes, which was one feature in the previous week, and the reason assigned was that such maturities will continue to the end of the year, thus giving opportunity for their gradual payment.

The market was strong on Saturday of last week, and, compared with the previous day, short rose 15 points to 4 8625@4 8630 and cables 5 points to 4 8685@4 8690; long was 15 points lower at 4 8235@4 8240. On Monday long advanced 10 points to 4 8245@4 8255, short 20 points to 4 8635@4 8650 and cables 30 points to 4 8715@4 8720. On Tuesday long fell 5 points to 4 8240@4 8250, short 10 points to 4 8625@4 8630 and cables 20 points to 4 8695@4 87. On Wednesday long declined 5 points to 4 8235@4 8240, short 10 points to 4 8615@4 8620 and cables 5 points to 4 8690@4 8695. On Thursday long fell 10 points to 4 8225@4 8230, short 5 points to 4 8610@4 8615, while cables rose 10 points to 4 87@4 8710. The market was easy on Friday at a decline of 15 points for cables, while short was unchanged and long 10 points higher.

The following shows daily posted rates for sterling exchange by some of the leading drawers.

		Fri., Oct. 11.	Mon., Oct. 14.	Tues., Oct. 15.	Wed., Oct. 16.	Thurs., Oct. 17.	Fri., Oct. 18.
Brown	(60 days)	4 83	83	83	83	83	83
Bros. & Co.	Sight	4 87	87	87	87	87	87
Baring	(60 days)	4 83	83	83	83	83	83
& Co.	Sight	4 87	87	87	87	87	87
Bank British	(60 days)	4 83	83	83	83	83	83
North America	Sight	4 87	87	87	87	87	87
Bank of Montreal	(60 days)	4 83	83	83	83	83	83
Canadian Bank	Sight	4 87	87	87	87	87	87
of Commerce	(60 days)	4 83	83	83	83	83	83
Heidelbach, Eckel-	Sight	4 87	87	87	87	87	87
heimer & Co.	(60 days)	4 83	83	83	83	83	83
Lazard	Sight	4 87	87	87	87	87	87
Freres	(60 days)	4 83	83	83	83	83	83
Merchants' Bank	Sight	4 87	87	87	87	87	87
of Canada	(60 days)	4 83	83	83	83	83	83

The market closed on Friday at 4 8230@4 8240 for long, 4 8610@4 8615 for short, and 4 8685@4 8695 for cables. Commercial on banks 4 82@4 8210, and documents for payment 4 81¼@4 82⅝. Cotton for payment 4 81¼@4 81½, cotton for acceptance 4 82@4 8210, and grain for payment 4 82½@4 82⅝.

The following gives the week's movement of money to and from the interior by the New York banks.

Week ending Oct. 18 1907.	Received by N. Y. Banks.	Shipped by N. Y. Banks.	Net Interior Movement.
Currency	\$5,131,000	\$9,362,000	Loss \$4,231,000
Gold	984,000	1,147,000	Loss 163,000
Total gold and legal tenders	\$6,115,000	\$10,509,000	Loss \$4,394,000

With the Sub-Treasury operations the result is as follows.

Week ending Oct. 18 1907.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement as above.....	\$6,115,000	\$10,509,000	Loss \$4,394,000
Sub-Treasury operations.....	31,250,000	27,250,000	Gain 4,000,000
Total gold and legal tenders.....	\$37,365,000	\$37,759,000	Loss \$394,000

The following table indicates the amount of bullion in the principal European banks.

Bank of	Oct. 17 1907.			Oct. 18 1906.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	\$ 34,676,438	\$	\$ 34,676,438	\$ 29,175,010	\$	\$ 29,175,010
France ..	110,801,307	37,202,227	148,003,534	112,850,430	41,536,394	154,386,824
Germany a	30,099,000	8,326,000	38,425,000	27,791,000	8,304,000	36,095,000
Russia d	124,369,000	5,534,000	129,903,000	111,638,000	4,966,000	116,604,000
Aus.-Humb	45,247,000	11,881,000	57,128,000	46,778,000	11,793,000	58,571,000
Spain ..	15,569,000	25,473,000	41,042,000	15,304,000	24,178,000	39,482,000
Italy ..	34,737,000	4,869,100	39,606,100	29,888,000	3,784,400	33,672,400
Neth'lds	6,269,400	5,189,600	11,459,000	5,530,400	5,546,400	11,076,800
Nat. Belg. a	3,223,333	1,611,667	4,835,000	3,302,667	1,651,333	4,954,000
Sweden ..	4,245,000		4,245,000	3,871,000		3,871,000
Tot. week	409,236,478	100,086,594	509,323,072	386,128,507	101,759,527	487,888,034
Prev. week	407,638,047	100,128,079	507,766,126	384,345,334	101,562,303	485,907,637

a The division (between gold and silver) given in our table of coin and bullion in the Bank of Germany and the Bank of Belgium is made from the best estimate we are able to obtain; in neither case is it claimed to be accurate, as those banks make no distinction in their weekly returns, merely reporting the total gold and silver; but we believe the division we make is a close approximation.

b The Austro-Hungarian bank statement is now issued in Kronen and Heller instead of Gulden and Kreuzer. The reduction of the former currency to sterling Pounds was by considering the Gulden to have the value of 80 cents. As the Kronen has really no greater value than 20 cents, our cable correspondent in London, in order to reduce Kronen to Pounds, has altered the basis of conversion by dividing the amount of Kronen by 24 instead of 20.

d The total of gold in the Bank of Russia includes the balance held abroad—that is, the amount held for Russian account in other Continental banks. The proportion so held and consequently duplicated in the above statement is about one-quarter of the total.

### THE EMPEROR OF AUSTRIA.

Half a dozen years ago news that the Austrian Emperor had been stricken with a possibly fatal illness would have caused something like political panic in all the capitals of Europe. The belief was then maintained, and has not even now been wholly dismissed in diplomatic circles, that Francis Joseph held together, through his personality alone, the group of more or less incongruous States which make up what we know as the Austrian Empire. Discussions of the Austrian situation at that time almost invariably came to the conclusion that what might be called the centrifugal force, operating in this loose-jointed combination of Germans, Hungarians, Bohemians, Poles and Tyrolis was held in check only because of a certain peculiar respect and personal fondness for the veteran sovereign.

That many of the participants in the confederacy in its present form chafed under the hegemony of Vienna, seemed to be manifest from the repeated and violent collisions in the representative Parliament itself. Questions of religion, of methods of public instruction, even of the language or dialect which should be used in discussions on the floor of the Imperial Parliament, were embittered in a degree which seemed to mean nothing less than racial antagonism in the group of ill-assorted partners. When all the rest of Europe was filled with reports of diplomatic intrigue by one Power against another, and of efforts of statesmen to take advantage of the dissatisfaction existing in various groups of subject nations, it was not strange that high diplomatic authorities should have regarded the life of the aged Emperor as in a way the mainstay of European peace. When predictions indulged in detail, it was argued that Germany would reach out for the Teutonic provinces in the north of the Austrian Empire, which were supposed to be tending toward absorption in a "Pan-Germanic union." Provinces on the West, with a Slavic population, were set down as the natural prey of Russia. To the South there were provinces with a definite individuality of their own which were believed to aspire to nationality such as that enjoyed by the minor Danubian principalities in the Balkans. Above all, one heard con-

tinually that the progressive and ambitious Hungarian people were resolved on restoration of the independent monarchy of which they had been deprived by war some forty years ago.

To recall this state of diplomatic feeling as it existed not very many years ago is useful at the present time, when this week's cables from Vienna have at times seemed to indicate that the Emperor's end was drawing near. Francis Joseph is seventy-seven years of age; he has occupied the Austrian throne since 1848. His career is perhaps the most pathetic in all the history of modern monarchy. Confronted at the beginning of his reign by Hungarian rebellion, which he suppressed only by a humiliating appeal for help by Russia; defeated by France in 1859, when he lost the fertile Province of Lombardy; defeated again by Prussia in 1866, when the Duchy of Holstein was taken from him; defeated again in his aspirations of leadership of a German Empire; his only son killed in a mysterious brawl in 1896, and his wife wantonly murdered by an Italian anarchist in 1898—the contrast between the story of his life and the importance which diplomatic Europe has attributed to his continuance on the throne is most extraordinary.

Possibly the tragic incidents of his career have done more toward creating a feeling of sympathetic loyalty among his strangely diverse subjects than could have been the case even with a prosperous and uniformly successful monarch. Be this as it may, the question which arose this week for Europe's consideration was, how far the dangers apprehended a few years ago as a consequence of the Austrian Emperor's death must still be reckoned with. Perhaps the most striking evidence of a change in the situation in this regard is the calmness of foreign comment on the recent news of the Emperor's illness. Nowhere, if the press dispatches are a guide—and in such matters they are apt to be a faithful index—has the prediction been ventured that the Emperor's death would now be followed by such dismemberment of the Austrian Empire as was all but taken for granted a dozen years ago. On the contrary, advices even from the usual centres of intrigue in Continental politics appear to have assumed the peaceable succession of the Archduke Francis Ferdinand and the continuance of the Empire in its present form. Even in the case of Hungary, where, within a year or so, national aspirations were described as superseding all other considerations in the case, no threat of departure from the existing state of things is heard.

It may reasonably be asked how such a change in diplomatic Europe's judgment should have come about. There are several possible answers, but the most plausible seems to us to be that the past half-dozen years have impressed on the mind of Europe the important principles—first, that maintenance of international peace is closely bound up in maintenance of the international status quo; second, that danger is more apt to arise in the case of small independent States placed between powerful and jealous neighbors than from any other source. To what extent this danger has actually operated in the not very distant past, the history of the Balkan principalities conclusively demonstrates. That these provinces were not absorbed outright by one or another of their formidable neighbors has been possible only because of general recognition that such absorption would necessarily have given a signal for

Continental war. Even with their independence guaranteed, the extent to which the hand of neighboring Powers has been imposed for the repression of natural instincts of progress and expansion in these smaller States makes up a deplorable chapter in the history of this past quarter century.

This is the true explanation for an extremely important event which occurred on October 6, and which is itself the real guaranty of the Austrian Empire's integrity, even with the death of Francis Joseph. We refer to the signing of the treaty of commerce between Austria and Hungary, the most important bond of union between these two States of the Empire, and which had for months been supposed to be in jeopardy through the jealousies of the two negotiators. This treaty was assumed by Europe as tantamount to Hungary's consent to a peaceable succession.

Undoubtedly the lesson from the experience of neighboring States has not been wasted on the constituent States of the present Austrian Empire. This fact, combined with the increasing unwillingness of the European Powers to interfere with the maintenance of the present good relations throughout Europe, explains the view taken in diplomatic circles of the news of the Austrian Emperor's serious illness. It probably guarantees the political and financial world against the formidable shock which news of his death would infallibly have caused not many years ago.

#### *THE REASON FOR THE EXISTING DISQUIETUDE.*

A Philadelphia bond house of repute directs our attention to a circular which it has issued, and in which, among other things of a similar nature, it says: "Apprehension as to Governmental regulation of inter-State corporations is steadily subsiding, as the people come to understand that the real purpose of such regulation is not the destruction of values but uniform rates and prices for all shippers and consumers, and thorough and frequent publicity in respect to the affairs of such corporations in the interest of holders of stock and bonds." We wish there was support for these views. Then, indeed, there would be cause for rejoicing. Candidly speaking, we can see no indications that "apprehension as to Governmental regulation of inter-State corporations is steadily subsiding." On the contrary, anxiety in that regard is increasing and becoming more and more acute; unfortunately, too, new provocation for such anxiety is constantly appearing. Nor does experience or observation find adequate ground for suggestions that the crusade and rage against railroads and other corporations has for its object merely the eradication of abuses. If that were the real object, and the work were directed and undertaken in the proper spirit, it would meet with a chorus of approval from all the financial and investing centres in the country. For who would have more to gain from the extirpation of evils and abuses than the investor and the moneyed classes generally?

We have had a new illustration this week of what is going on all the time. The reader will recall the recent controversy between Governor Comer and the State authorities in Alabama and the railroads of the State concerning the reduced rates which it is sought to enforce in that State. A truce in that conflict was arranged by the railroads agreeing to put the new passenger schedules into effect pending the final deter-

mination of the issues by the courts. Now comes Governor Comer with a proclamation convening the Legislature in extraordinary session for November 7 and enumerating twenty-seven distinct subjects for the consideration of the Legislature, nineteen of which are directed against the railroads. Is such action, which is merely typical of what is taking place in many different States in all parts of the country calculated to allay apprehensions regarding the effects of Governmental regulation of the railroads, and does it afford any evidence that the spirit of hostility against the railroads is abating, or can it be construed as having even the remotest connection with the idea of correcting abuses and removing evils?

Can it be claimed, either, that the agitation for two cents a mile passenger rates which has been sweeping over the country is prompted by a desire to promote the interests of the roads? To be sure, such laws do insure "uniform" rates, which our Philadelphia friend looks upon so favorably; but is such uniformity "in the interest of holders of stocks and bonds," as claimed? Then the various laws and regulations for the reduction of freight rates, made in so many States either by legislative enactment or by decree of government bodies—are these dictated by a desire to promote "the interest of holders of stocks and bonds" or to root up abuses? The demurrage laws that have been passed—have they any such purpose? And what is the object of the statutes enacted in numerous Western and Southern States the present year seeking to deny access to the Federal courts? If the purpose were to mete out equal and exact justice, to treat these corporate bodies fairly, would there be any attempt to prevent the taking of such laws to the United States courts for determination as to their validity? If the laws are not hurtful to the interests against which they are directed, why should a State feel any solicitude lest they be held unconstitutional by the Federal courts? Is it not the simple truth that the politicians want reduced rates and other concessions whether or not the carriers can afford to grant them, and no matter how seriously the roads may suffer through their adoption?

Another consideration that is being ignored is that a new law has been put upon the Federal statute books, namely the Hepburn Rate Bill, and that this confers extraordinary powers over the railroads upon the Inter-State Commerce Commission—in some respects taking control of the affairs of the roads away from the owners and conferring it upon this Government body. In connection with that enactment, too, there is continued agitation of the proposition for a valuation of the property of the railroads, the purpose of which can be nothing else than to afford a basis for rate reductions. Certainly no person in his senses would credit a Government official with an intention to raise rates. Nor can the fact be overlooked that the cry from Washington and from the various State capitals is for still other laws calculated to give Government officials a yet larger measure of control over the corporations. Furthermore, the Federal authorities are demanding like authority of control over industrial corporations, while in States without number anti-trust laws have been enacted intended to hamper the activities of those modern agents of commerce.

Then also street railways and gas and electric-light and power concerns are being legislated against in the

same way. The Public Utilities Bill in New Jersey the present week fortunately failed of enactment, but in this State the measure is a law and the Commission created by it is actively at work. In Georgia an even more drastic Public Service Bill has become a law. In this State, likewise, the price of gas in New York City was arbitrarily reduced last year to 80 cents, both by order of the old Gas Commission and by legislative enactment. Add to this the circumstance that in the West and the South it is the fashion, not only on the part of the politicians, but on the part of men eminent in the banking and business world, to refer to the slump in security values in the most nonchalant way—to treat it as a matter affecting Wall Street and the financial centres alone, with which the people elsewhere have no concern. In the most emphatic terms we are told that the country at large is prosperous, that only Wall Street is feeling blue and depressed, and that the situation there is of Wall Street's own creating. When all these things are put together, do we not find real and genuine occasion for anxiety—nay, for alarm?

At all events, the effect altogether has been to make capital timid and investors and moneyed men afraid to put more money in the enterprises which are the subject of attack. This is a new and very large country, with a rapidly expanding population, and there is a constant need of new supplies of capital. These supplies are no longer forthcoming in the old way, and money for improvements and extensions can only be obtained on onerous terms. The so-called strain upon capital cannot be looked upon as furnishing an explanation, for our people have been making large profits in recent years and wealth has been accumulating at a very rapid rate. The trouble is simply that, for the reasons stated, it is no longer possible to tempt the investor and capitalist to put their money in corporate undertakings. Shut out from new supplies of capital, the railroads, and industrial concerns also, are obliged to curtail improvement and development work in all directions.

This is the real secret of the utter collapse in the copper trade. Six months ago copper consumers were tumbling over one another in their anxiety to get copper at 26 cents a pound. To-day they cannot be induced to take the metal at 13 cents a pound. Why? Because orders are no longer coming in. Extension and development work on street railways has come to a standstill, since no one, apparently, wants the securities of such undertakings at any price. The demand for copper consequently has disappeared. The Toledo Railways & Light Company on Monday passed its semi-annual dividend and the Detroit United Railway on Tuesday passed its quarterly dividend. Both are important street railway enterprises, and the management in each instance explained the step by saying that the company had found itself under the necessity of making large expenditures for equipment, improvements and additions to property, but had been unable to reimburse itself through the sale of bonds at what were deemed reasonable figures. And the experience of these roads simply duplicates that of all other roads.

The action this week of the Amalgamated Copper Co. in cutting its dividend in two, the collapse in United Copper shares on the curb and the involvement of the Heinezes are only incidents in a generally deplorable situation. And the effects, too, are world-wide, and not limited to the United States alone, as witness the

depression occasioned in London and Paris by the continued decline in copper securities. Nothing is to be gained by treating such a state of things in a gingerly fashion, or by trying to delude ourselves into thinking that all that is necessary is an influx of speculative buying, and the situation will quickly right itself. The trouble has gone too far. Half-way measures can no longer suffice. The policy so detrimental to the best interests of the country must be changed. Will our public men prove equal to the occasion, and call a halt before all industrial interests become engulfed in disaster?

#### THE SOUTHERN RAILWAY REPORT.

The annual report of the Southern Railway Company makes, as expected, an unfavorable showing; but, on the other hand, President Finley writes in a hopeful spirit, and it is evident that the future of the property is as bright as ever if only right conditions can be brought about. The trouble with the Southern Railway Company has been not a dearth of business, but an excess of it under the wonderful development of the territory tributary to its lines, which it itself has brought about, and the inability to raise capital fast enough to provide the extra facilities needed to take care of the expanding business. The result has been so-called traffic congestion, which, combined with other adverse circumstances of a pronounced character, has made traffic operations very costly, working a great curtailment of profits at a time when the company had largely increased charges to meet.

On the whole it has been a difficult and a trying year. No one, though, can read the report without feeling convinced that strenuous efforts have been made to remedy the defects of the situation, and that these efforts are likely to yield fruit in better results in the near future. Notwithstanding the difficulty of providing new capital, the company succeeded in raising in one way or another a very considerable amount of funds. This has been devoted to the most urgent improvements, and the money thus expended seems certain to bring a profitable return during the new or current fiscal year.

The income showing, in brief, is that the company added \$3,016,555 to the total of its gross, bringing the aggregate up to \$56,657,994, but this was attended by an augmentation in expenses of no less than \$4,926,143, so that there was an actual diminution in net of \$1,909,587, which was offset to the extent of only \$240,280 by an increase in the income from investments and other sources, leaving a falling off in total net income of \$1,669,306. With this diminution of the net, fixed charges increased \$1,269,438, and, as a consequence, the surplus above charges was reduced in the sum of \$2,938,745. This means that such surplus was more than cut in two, and that instead of \$5,229,066, the surplus for the previous year, the similar surplus for 1906-07 was only \$2,290,321. The company paid 2½% on its preferred stock last April, but only 1½% the present October, making 4% together, for which the call on the \$60,000,000 of preferred stock outstanding was \$2,400,000. It is therefore evident that the 4% dividends were not earned in full, and yet they were nearly so earned, which for such a period as the twelve months under review must be considered an encouraging circumstance.



During the year bonds and notes of the aggregate par value of \$32,052,000 were sold, and the report tells us that these additions to capital account are principally responsible for the increase in fixed charges. The amount would be further increased if account were taken of the new obligations issued in connection with various terminal enterprises, in the guaranty of the bonds of which the Southern Railway Company joined with other companies that contemplate using the same terminals. Of the \$32,052,000 bonds and notes sold, \$15,000,000 consisted of three-year 5% notes. Resort to this method of raising money was found necessary because it was not possible any longer to market long-term bond issues except at a figure that would have been forbidding. Even as it was, the securities placed during the year had to be sold at a sacrifice, as is evident from an item in the balance sheet reading "Net discount on securities sold—to be charged off during life of securities," for amount of \$1,655,537. The report shows in great detail what has been accomplished with the money raised, and there are also hints as to what is to be expected from this application of new capital. It is likewise made evident that further very large amounts could be profitably employed in the same way if only conditions permitted the raising of the funds on reasonable terms. As indicating how the money spent is likely to prove profitable, we will refer to only one instance, out of many, which we find scattered through the report.

Though comprising 7,554 miles of road, the Southern Railway has only a little over 200 miles of double track. The report sets out what has been done and is being done to provide second track at various points where traffic movement is exceptionally heavy, and in speaking with reference to the double track work under way on the Knoxville Division, it is pointed out that the second track thus far provided has already greatly aided the operation of trains. As an illustration, it is stated that, heretofore, on account of the large number of trains handled, it has required an average of about ten hours for a freight train to make the run between Knoxville and a point called New Line, in Tennessee. Under the new track facilities provided, this time has been reduced to about three hours, and with the further construction of another piece of double track of 14 3-10 miles, trains, it is stated, will move with still greater facility and economy.

President Finley sums up the situation tersely when he says: "The problem of economical operation upon the Southern Railway lines under existing conditions is the problem of providing additional facilities and of keeping ahead rather than behind the demands of business." As more facilities are provided, greater economies and increased net earnings may be expected. This, however, only goes to show how needful new supplies of capital are, and how essential it is that nothing should be done that will interfere with the getting of these supplies with unimpaired freedom. In the matter of equipment alone the requirements from year to year are very heavy, as appears from a statement in the report to the effect that since June 30 1900 the company has purchased new rolling stock costing \$43,295,663, largely through the issue of equipment obligations, of which \$20,577,487 still remained outstanding June 30 1907.

The importance of providing the needful facilities to promote economy in operation is made all the

more urgent by the other conditions which have served, and are serving, so greatly to swell the expense accounts of the roads. Of the augmentation in expenses in the late year approximately \$1,250,000 was due to the advance in the rates of pay of machinists, boiler makers, blacksmiths, tanners and pipe men, ear men, engineers, firemen, conductors, train men and other employees. At the same time, fuel is costing more, and as for the advances in material, &c., the remark is made that since 1898 the cost of bridge timber has increased from \$9 36 to \$23 59 per thousand feet, cross-ties from 28 cents to 37.6 cents per tie; steel rails from \$17 75 per ton to \$29 per ton; fuel coal from 89 cents to \$1 37 per ton; while the cost of labor per mile of road has increased from \$1,621 in 1895 to \$2,513 in 1905, with a further advance to \$3,189 in 1907.

However, as already indicated, a very favorable view is taken of the outlook for the property. In the first place, the management feel that great improvement in operating results must follow from the extensive work under way. Then it is felt that a large and steady increase in traffic can be counted upon—in fact, is regarded as positively assured. Mr. Finley says that the Southern Railway lines have enjoyed and are destined increasingly to share in the extraordinary industrial opportunity which exists in the South. He says that these lines penetrate a territory whose resources fully justify the rapidly increasing interest manifested in the South's economic development and progress. The territory traversed by the system is being covered with new manufacturing plants (the records show 860 new industrial enterprises completed and placed in operation during the year along the lines of the system); while the numerous existing factories established since the organization of the company are most successful and are being generally enlarged. The manufacture of furniture (as one illustration) has grown to such proportions as are not exceeded in any other like section of the country. The textile industry of the South, it is pointed out, is largely congregated in the districts reached by the Southern Railway lines, and gives promise of great future growth by the erection of more mills and enlargements. During the year 48 new textile manufacturing plants were completed and placed in operation in the territory served by the Southern Railway. The electrical power developments directly tributary to the lines and the mining districts supplying cheap coal make beyond all peradventure the districts served pre-eminent in the South for profitable manufacturing.

The impression which the Southern Railway report leaves on the mind is that the property has an excellent future ahead of it if only its development be not hampered and interfered with by artificial hindrances, such as adverse legislation tending to impede the flow of capital in the necessary amounts into the South. Mr. Finley speaks of the necessity of maintaining good relations with the public and indicates what the management are doing to promote such relations. He says that as a railway must depend for its prosperity on the confidence and support of the public served by it, the policy of the Southern Railway Company is to merit the confidence and support of every community which it serves. Efforts are constantly being made to cultivate closer relations with all the public, and especially with the men in all lines of business who are most directly interested in the adequacy

and efficiency of transportation facilities, and to bring about a realization on their part that the company has a direct and vital interest in the success of their individual enterprises and in the prosperity of their communities. In all the dealings of the company with the public, we are told, it is the purpose of the management to cultivate a spirit of co-operation, to deal justly with all the patrons of the company, on the basis of sound business and economic principles, and to this end particularly the special endeavor has been to bring about courteous and considerate treatment by all employees of every person transacting business with the company. This is obviously a wise policy, and it cannot fail to prove beneficial in the end, though for the time being the effects may be obscured by the machinations of politicians and by hostile legislation.

Mr. Finley seems hopeful even of the speedy passing away of the present spirit of hostility against railroad interests. For he says there is a growing public opinion among those who actually use the railways of the South in favor of legislative and administrative policies that will recognize that the railway company is a business institution subject to the same economic laws that control all other business enterprises, and that it cannot obtain new capital for the enlargement of its facilities unless investors can have a reasonable assurance that its income will be sufficient to defray its operating expenses and fixed charges and leave a reasonable balance for dividends and surplus. These are wise views, and sooner or later they are sure to prevail. That they should find general acceptance is of the highest importance to the Southern Railway, since in the last analysis the future of this property hinges upon the treatment it is to receive at the hands of those whom it is trying to serve—its patrons, the Southern people.

#### THE BALTIMORE & OHIO REPORT.

The Baltimore & Ohio Railroad Company reflects the operating conditions which have been common to the railroads as a whole, but it also shows that it is well circumstanced to bear an adverse state of things of that kind. Briefly put, an addition to gross revenues of \$4,851,865 was attended by an augmentation in expenses in the large sum of \$5,364,870, so that the outcome of the enlarged volume of business done was a loss of \$513,004 in the net. Such, however, is the strength of the company's income position that this loss in net earnings, with a concurrent increase in charges, has not served to make any very noteworthy impression in the income account. For, after providing for all the charges and allowing \$1,099,981 for miscellaneous improvements, the company still had left on the operations of the twelve months available net income of \$17,445,630.

The call for the 4% dividend on the preferred shares was \$2,400,000, and the call for the 6% dividend on the \$152,174,829 of common stock was \$9,130,490, making together \$11,530,490 to come out of the \$17,445,630 available. Thus, there was left, over and above the dividends on both classes of shares, nearly \$6,000,000. Of this latter, \$3,000,000 was appropriated for construction, additions and improvements. The final result, therefore, is that, after taking \$3,000,000 from earnings for construction and improvements

and \$1,099,981 for so-called "miscellaneous" improvements, there still remained a surplus on the operations of the twelve months, over and above the dividend requirements at current rates, of, roughly, \$3,000,000—this during a period of adverse operating conditions, as already noted.

We need hardly go into any extensive explanation of the reasons for the great increase in operating expenses. The causes were much the same as in the case of other railroads which have suffered in like way. Of the total increase in expenses for the year, \$1,154,000, roughly, was occasioned by the very considerable advances in the wages of employees. The higher cost of fuel and other supplies was another considerable item, and of course there was a natural increase all around, owing to the very considerable expansion in traffic. There appears also to have been a special item of increase, as the report tells us that large expenditures were charged to injuries to persons by reason of the train accidents at Woodville, Ind., and Terra Cotta, D. C. The figures given are based on the Baltimore & Ohio company itself, including the Baltimore & Ohio Southwestern, comprising 4,006 miles, on which aggregate gross earnings in the late year reached \$82,243,921. On the so-called controlled or affiliated lines, which comprise only 456 miles, the showing as to net was much better, an increase of \$867,102 being noted in this instance.

Operating efficiency is being maintained at a high point, and the train-load was further increased by 13 tons, bringing it up to the very respectable figure of 433 tons. The company's traffic development has been wonderful in recent years. We have referred to this fact on previous occasions, but with each succeeding year's further growth, that feature becomes more significant and more noteworthy. This is true both of the total traffic and of the coal traffic, in which latter the development has been particularly marked. We pointed out twelve months ago how large this coal traffic had become, and in the late year there was still further expansion, the bituminous coal tonnage having increased by 980,339 tons, the anthracite coal traffic by 150,199 tons and the coke traffic by 307,169 tons. Of bituminous coal the road carried altogether 22,986,520 tons in the twelve months, of anthracite coal 1,077,620 tons and of coke 5,871,775 tons. Of coal and coke combined, therefore, the number of tons transported in the late year aggregated only a little less than 30,000,000 tons.

It is hence apparent that in the magnitude of its coal traffic the Baltimore & Ohio can stand second only to the Pennsylvania Railroad. If to the increase in the coal traffic during the twelve months we add the 597,293 tons increase in ores, the 516,771 tons increase in "other castings and machinery" and the 385,408 tons increase in "miscellaneous," we account for the bulk of the increase for the year in all classes of freight, which increase was 3,113,163 tons. This shows whence the further growth in 1906-07 was derived. It evidently followed in no small measure from the unexampled prosperity of the iron and steel industries. The coal traffic is moved at very low rates, and the average rate per ton per mile realized in the late year, after some trifling improvement over the year preceding, averaged only 4.04 mills per ton per mile. As a matter of fact, the Baltimore & Ohio nets a low average on its entire freight movement. The average for 1906-07 on the whole freight tonnage was 5.70 mills

per ton per mile, which was one-tenth of a mill better than in the year preceding.

As to the growth in total tonnage, no other road in the country, barring only the Pennsylvania Railroad, can claim, we imagine, such a record as the Baltimore & Ohio. Going back ten years, to 1896-97, the freight movement was only 18,716,655 tons. For the year under review the aggregate was no less than 58,448,265 tons. The tonnage movement one mile in the ten years has risen from 3,499,075,760 tons to 11,330,133,482 tons. It is true that during this period, owing to the absorption of the Baltimore & Ohio Southwestern and some other lines, the length of road operated increased from 2,090 to 4,006 miles, but the added mileage had a relatively light traffic as compared with the Baltimore & Ohio itself. There has been considerable improvement in the interval in the rates received, due to the harmonious relations established between the different competing roads. For 1906-07, as already stated, the average was 5.70 mills; ten years before, in 1896-97, it was 5.24 mills, and in 1895-96 it was 5.93 mills. But in 1898-99 the average had got down as low as 3.90 mills.

The great development of the traffic of the system justifies the enormous amounts of money which have been poured into the property. The expenditures for construction and betterments for the late twelve months were \$9,022,768 and for the year preceding they were \$9,050,924. In each year \$3,000,000 of the amount was derived from appropriations out of income. In 1904-05 the construction and improvement expenditures were \$8,623,733; in 1903-04 they were \$11,552,054 and in 1902-03 they were \$8,999,309. Thus, for the five years, there has been spent in this way \$47,262,388, of which amount \$14,000,000 was taken and paid for out of current income. The expenditures for new equipment have also been on an enormous scale, and the equipment in the service of the company, including the affiliated lines, now comprises no less than 87,640 cars and 1,951 locomotives.

Most of the new capital needed has been derived from the issue of stock rather than from an increase in debt. During the year under review \$17,259,475 was obtained from the proceeds of new stock sales. This represents the amount that still remained undue at the close of the previous fiscal year on the \$27,460,769 offered to shareholders at par in April 1906. Most of this additional capital is represented at the end of the fiscal year by the advances of \$17,042,953 made by the company (and which in the balance sheet appear under the item "due by individuals and companies") for the redemption and acquisition of the bonds of the Chicago Terminal Transfer Railroad Company, which advances were made for the purpose of protecting, the report tells us, the company's occupancy of its passenger terminus in Chicago pending a judicial determination of the rights of the parties in interest.

President Oscar G. Murray speaks rather guardedly of the effects of the political movements against the railroads. He says the year has been marked by legislation on the part of the Federal Congress in the passage of what is known as the Hepburn Bill, under which the authority and duties of the Inter-State Commerce Commission have been enlarged. In addition, there has been legislation on the part of a number of the States which threatens, he notes, most serious consequences to the carriers affected thereby. Such action

has been mainly directed to a reduction of the charge for the transportation of passengers to a maximum rate of 2 cents per passenger per mile. The States whose action affects the Baltimore & Ohio, and the dates such actions became effective, are given as follows: Virginia, July 1 1907 (with an exception as to Baltimore & Ohio lines), fixing the maximum at 3 cents per passenger per mile; West Virginia, May 21 1907; Ohio, March 10 1907; Pennsylvania, Oct. 1 1907; Indiana, April 10 1907; Illinois, July 1 1907.

A compliance with these various Acts, Mr. Murray states, required a revision of passenger tariffs and rates, and it cannot be said at this time with any positiveness to what extent the Baltimore & Ohio's passenger earnings will be affected; that the reduction will be considerable, he says, admits of no reasonable doubt. In some sections, he thinks, the incentive to travel may afford some possible compensation, but in others nothing of this character can be looked for, and the result, as a whole, he declares, is problematical.

#### PROSPERITY OF THE ROCK ISLAND AND ST. LOUIS & SAN FRANCISCO.

In the year ending June 30 1907 the Chicago Rock Island & Pacific Railway and the St. Louis & San Francisco Railroad had opportunity to show what they could do under favorable conditions. It is natural to couple the two properties because they lie in the same section of the country—the expanding South West—and still more because there is identity of ownership, the Rock Island Company holding the controlling interest in both. What made the situation especially encouraging in that part of the country during the period under review was that nearly all the different States were blessed with bounteous harvests (the yield of grain and cotton particularly being unusually abundant) and we need hardly say that satisfactory crops are an item of considerable importance among communities devoted so largely to agricultural pursuits. In addition, the whole of the South West is enjoying wonderful expansion and progress, attended by a great influx of new settlers and a noteworthy growth in population. The result of these auspicious circumstances is reflected in the annual reports of the Chicago Rock Island & Pacific and the St. Louis & San Francisco, both of which make very gratifying exhibits.

In the case of the Rock Island lines there was an addition during the twelve months of over 9 million dollars to the gross revenue and of over 3 million dollars to the net revenue, gross rising from \$51,237,858 to \$60,238,420, and net from \$16,170,800 to \$19,194,277. There was a falling off of \$270,656 in other income, which still left, however, an improvement in total net revenue of \$2,752,823. Higher charges for interest, rentals and taxes consumed \$788,138 of the amount, and yet, after allowing for this the sum available for dividends in 1906-07 was \$8,750,517, against only \$6,785,832 the previous year and but \$4,733,109 the year before. This shows what a wonderful change for the better there has been in the two years. With \$8,750,517 available for dividends, the amount distributed to the shareholders was less than half this sum, namely only \$4,116,720, or 5½%; the other \$4,633,789 was carried forward to the credit of profit and loss. Stated in another way, while only 4½% was paid out in dividends, 11.6% was actually

earned. The improvement in revenues attracts particular attention inasmuch as it follows a very large improvement the previous year. Combining the two years, it is found that gross earnings at \$60,238,420 for 1906-07 compare with only \$44,051,509 in 1904-05, and net earnings at \$19,194,278 compare with \$12,993,300, the improvement in this last instance being almost 50%.

The showing for the St. Louis & San Francisco Railroad is much the same. Here gross earnings gained, as compared with 1905-06, \$6,574,411, and net earnings gained \$2,247,365. Extending the comparison in this case also a year further back, it is seen that in the last two years gross earnings have risen from \$29,958,240 to \$38,621,068, and net earnings from \$10,661,223 to \$13,748,488. Under this great expansion in net income, the sum available for dividends in the latest year was \$4,158,583, while the amount paid out in dividends was only \$199,742, being 4% on the first preferred stock of about \$5,000,000 outstanding. Nothing was paid on the \$16,000,000 of second preferred stock or the \$29,000,000 common stock. It is easy to compute that the \$3,958,841 remaining on the year's operations after the payment of 4% on the preferred shares would have paid 4% on the second preferred shares and over 11% on the \$29,000,000 of St. Louis & San Francisco common stock. This showing would be further improved if account were taken of the surplus remaining for the same twelve months on the operation of the Chicago & Eastern Illinois, all of whose common stock is owned by the St. Louis & San Francisco Railroad Company. It is almost superfluous to say that these figures demonstrate what a conservative policy is being pursued in the matter of the distribution of the yearly profits among the shareholders.

In setting out the improvement which has occurred on these Southwestern properties, it seems desirable to go a step further and show the combined results for all the lines. In the annual report of the Rock Island Company, issued distinct from that of the St. Louis & San Francisco and the Chicago Rock Island & Pacific, we find the necessary data for such a comparison. The figures there given include the Chicago & Eastern Illinois and the Evansville & Terre Haute (controlled lines of the St. Louis & San Francisco) as well as the Rock Island lines and the St. Louis & San Francisco. In this way we get results for an aggregate of 14,100 miles—which compares with 13,545 miles for 1905-06 and 13,452 miles for 1904-05. In the two years gross earnings have risen from \$84,483,274 to \$112,464,417. In other words, these lines have enlarged their revenues since 1905 in the sum of almost \$28,000,000. The net earnings in the same two years have increased from \$27,333,606 to \$38,226,777, the increase here being, it will be observed, almost \$11,000,000. Very naturally charges also have moved up; nevertheless, the balance of income remaining above the charges was for the latest year no less than \$15,044,489, as compared with a similar balance for these combined lines on the operations two years ago of only \$6,972,415. With \$15,044,489 available for 1906-07 the amount paid out in dividends was no more than \$5,568,092, leaving \$9,476,397 to be carried forward to the credit of profit and loss.

In the case of the Rock Island Company nothing of this improvement is reflected in the company's income

statement. The reason is that the Rock Island Company is merely a holding company and of course gets no return on the investment except the dividends paid by the companies controlled; and these companies, as we have just seen, have been distributing only a small share of their profits. The Rock Island Company owns the entire capital stock of the Chicago Rock Island & Pacific Railroad Company, an intermediary which owns \$70,067,700 of the \$75,000,000 capital stock of the Chicago Rock Island & Pacific Railway Company, and this intermediary also owns \$28,940,300 of the \$29,000,000 common stock of the St. Louis & San Francisco Railroad Company. As no dividends have ever been paid on St. Louis & San Francisco common, the Rock Island Company's income is derived almost entirely from the dividends paid on Chicago Rock Island & Pacific Railway shares. These dividends in 1906-07, as above noted, were 5½%, and the yield to the Rock Island Company was a sum only a little more than sufficient to pay the interest on the two issues of collateral trust bonds which the Chicago Rock Island & Pacific Railroad has outstanding, aggregating together \$87,431,880. Suppose, however, the Chicago Rock Island & Pacific Railway Company, instead of distributing only 5½%, had distributed the whole of its yearly profits, then 6% additional would have come to the Rock Island Company on the \$70,067,700 of Railway stock held, yielding \$4,204,062 beyond what was actually received by the holding company. Suppose, in like manner, that the St. Louis & San Francisco Railroad, instead of paying nothing on its common shares, had paid the 11% which appears to have been earned on these shares, in that event the Rock Island Company would have received an additional \$3,183,433, giving it altogether \$7,387,495 beyond the amount actually received. This latter would then have been available for distribution on the \$54,000,000 preferred stock and \$96,000,000 common stock of the Rock Island Company. Of course, it is hardly likely that these controlled properties would ever attempt to distribute all of their surplus profits in any given year, but the computations we have made are useful in showing that the Rock Island Company's equities in these properties are valuable.

Two other things attract attention in an examination of the reports of these companies. One is the large amount of new capital that has had to be put into the properties, and the other the steady improvement in physical operation. Doubtless except for the large requirements of funds to carry on improvement and extension work, the managements would have felt greater liberty in distributing the profits of the year. The Chicago Rock Island & Pacific Railway added \$15,880,000 to its funded debt during the year, besides which \$3,000,000 of interim certificates for first and refunding mortgage bonds were issued, making \$18,880,000 together, and in addition, of course, the \$4,633,789 surplus on the operations of the twelve months above the 5½% dividends paid also went into the property in one form or another for its physical and financial improvement. Altogether, therefore, \$23,513,789 of surplus earnings and new capital were found necessary. The St. Louis & San Francisco Railroad increased its funded debt by \$10,080,153 and added \$4,371,860 to the net amount of its equipment bonds and notes outstanding. It evidently had need for a great deal more money, for the balance sheet shows

\$5,577,250 of notes payable June 30 1907, as against only \$748,450 on June 30 1906, an increase of \$4,828,800. Adding the three items together, therefore, we get for this company an aggregate of \$19,280,814, to which there should be added \$3,958,841 to represent the surplus of earnings remaining above the dividend on the first preferred shares, making altogether \$23,239,655 of new capital or surplus earnings used up. Adding now the \$23,513,789 for the Chicago Rock Island & Pacific Railway and we have a grand aggregate of new capital and income devoted during the last twelve months to these two properties in the sum of \$46,753,444.

As to the increased efficiency in operating attainments, it is only necessary to say that there was further progress in this direction the late year in the case of both companies. What has been accomplished within a very brief period of time is indicated by the fact that on the St. Louis & San Francisco the average train-load in 1907 was 224 tons against only 155 tons in 1900, and the average load in the case of the Rock Island lines was 266 tons, against 182 tons in 1900.

**RAILROAD GROSS EARNINGS FOR SEPTEMBER.**

While returns of net earnings are becoming obviously unfavorable, there is as yet no indication of much change in the character of the exhibits of gross. Satisfactory growth in this case is still the rule. Our compilations to-day cover the month of September. It is too early as yet to include in a statement for that month any roads except those which furnish early preliminary returns and on the present occasion the mileage represented is smaller than usual. One important body of roads is missing. Owing to the consideration of matters relating to the system of accounting between the different lines in the system and their relation to each other, the usual monthly exhibit of the New York Central system is delayed and has not yet made its appearance. Just what effect the absence of figures for these roads has had on the final result we are not in position to state, but there would seem to be little doubt that the magnitude of the month's gain has thereby been reduced. Our totals show an increase of only \$4,144,749 on the roads reporting. It should be remembered, however, that as the aggregate mileage covered is smaller than in other months, the falling off in amount of gain possesses less significance than would otherwise be the case. In ratio the increase is 7.95%, which is somewhat less than the ratio of improvement in the months immediately preceding. For August, for instance, our early compilation recorded 9.30% gain.

Considering all the facts, the showing must be regarded as not unsatisfactory, even though the improvement is smaller than in other recent periods. In the South the cotton crop the present year is very late, and as a consequence some of the Southern roads, and particularly those in the Gulf States, sustained a considerable reduction in the volume of their cotton traffic. In the West the wheat movement at a number of the primary markets fell off, this being more especially true of the spring-wheat markets, and yet the grain movement as a whole in the West ran well ahead of that of last year. Another point to remember is that for September comparison is not

with such exceptionally heavy totals of earnings in previous years, as was the case in other months. For several successive Septembers the ratios of increase have been moderate as a rule. Still, in 1906 our September totals showed an increase of 9.01%, as may be seen from the following, giving the September totals back to 1896.

September.	Mileage.			Gross Earnings.		Increase (+) or Decrease (-).		
	Year.	Roads	Miles.	Year	Year			
				GIVEN.	PRECEDING.			
				\$	\$	\$		
1896	117	90,456	89,696	0.85	41,561,327	42,056,682	-495,355	1.18
1897	128	95,865	94,422	1.52	49,720,753	43,333,198	+6,387,555	14.74
1898	123	91,517	90,818	0.77	47,105,094	44,379,196	+2,725,898	6.14
1899	111	95,700	94,503	1.26	58,682,534	53,004,336	+5,678,198	10.71
1900	101	96,165	92,902	3.51	58,270,588	57,173,545	+1,097,043	1.92
1901	96	101,165	99,204	1.98	69,491,460	59,962,628	+6,528,832	10.88
1902	72	89,680	88,083	1.82	61,654,626	56,278,213	+5,376,413	9.55
1903	73	90,183	88,703	1.67	68,192,919	63,748,368	+4,444,551	6.97
1904	66	83,592	81,623	2.41	61,589,566	59,124,478	+2,465,088	4.16
1905	55	80,859	79,023	2.32	61,549,679	58,045,752	+3,503,924	6.03
1906	68	92,839	90,527	2.55	79,890,686	73,290,417	+6,600,269	9.01
1907	55	73,482	72,668	1.12	56,317,223	52,172,480	+4,144,749	7.95
Jan. 1	to Sep. 30.							
1896	111	88,223	87,464	0.86	326,903,450	312,929,980	+13,973,470	4.46
1897	124	95,250	93,807	1.54	356,545,809	343,560,268	+12,985,541	3.78
1898	122	91,475	90,776	0.77	356,283,597	319,888,352	+36,395,245	11.37
1899	108	95,381	94,026	1.23	435,131,215	399,525,997	+35,605,218	8.91
1900	101	96,165	92,902	3.51	470,582,605	423,590,726	+46,991,879	11.09
1901	93	100,492	98,531	1.99	525,841,522	475,815,865	+50,025,657	10.51
1902	72	89,680	88,083	1.82	489,256,535	451,747,198	+37,509,337	8.33
1903	73	90,183	88,703	1.67	561,854,388	500,075,914	+61,778,474	12.33
1904	66	83,592	81,623	2.41	481,650,242	483,274,172	-1,623,930	0.33
1905	55	80,859	79,023	2.32	484,597,911	452,258,707	+32,339,204	7.15
1906	68	92,839	90,527	2.55	657,972,747	574,286,788	+83,685,959	14.57
1907	55	73,482	72,668	1.12	474,839,846	429,640,386	+45,199,460	10.52

Note.—Neither the earnings of the Mexican roads nor the mining operations of the anthracite coal roads are included in this table.

With aggregate increase smaller than in other months, the separate roads likewise have less exceptional amounts of gains. The Great Northern, among the Northern trans-continental lines, is able to report an improvement of \$675,452, and the Missouri Pacific, among Southwestern roads, has an increase of \$538,000, while other prominent systems, like the Southern Railway, the Louisville & Nashville, the Illinois Central and the Denver & Rio Grande, also have good gains. On the other hand, we see the effects of the smaller cotton crop movement in the Southwest reflected in a loss of \$106,000 by the International & Great Northern and the shrinkage in the spring-wheat movement in the Northwest reflected in a loss of \$113,148 by the Minneapolis St. Paul & Saulte Ste. Marie. In the following we show all changes for the separate roads for amounts in excess of \$30,000, whether increases or decreases.

**PRINCIPAL CHANGES IN GROSS EARNINGS IN SEPTEMBER.**

	Increase.		Increase.
Great Northern Syst (2 rds)	\$675,452	Central of Georgia	78,870
Missouri Pacific Syst (2 rds)	538,000	Midland Valley	70,161
Southern Railway	430,115	Mobile & Ohio	68,942
Louisville & Nashville	360,379	Cinc New Ori & Tex Pac.	68,606
Illinois Central	254,011	Detroit Toledo & Ironton	63,700
Denver & Rio Grande	251,000	Wheeling & Lake Erie	47,101
Canadian Pacific	250,000	Yazoo & Mississippi Valley	36,592
Grand Trunk Syst (4 roads)	236,729	Minneapolis & St Louis	31,129
Colorado & Southern	149,004		
Canadian Northern	133,900	Total (28 roads)	\$4,197,608
Texas & Pacific	94,756		
St Louis & Southwestern	94,380	Decreases.	
Western Maryland	90,429	Minneapolis St Paul & S S M.	\$113,148
Buffalo Rochester & Pitts.	89,984	Internat'l & Great Northern	106,000
Wabash	84,368	Total (2 roads)	\$219,148

As regards the Western grain movement, the receipts of wheat at the principal primary markets for the four weeks ending September 28 1907 were only 21,852,977 bushels, against 24,251,203 bushels in the corresponding four weeks of 1906. But the corn movement, the oats movement and the movement of the minor grains were all larger than a year ago. Hence, combining wheat with the other grains, it is found that the aggregate grain deliveries in the four weeks the present year were 77,970,976 bushels, as against only 69,990,327 bushels in the four weeks of last year. In the table we now present we show the details of the grain movement in our usual form.

WESTERN FLOUR AND GRAIN RECEIPTS

Table with columns for Four weeks Ending Sept. 28, Flour (bbls.), Wheat (bush.), Corn (bush.), Oats (bush.), Barley (bush.), Rye (bush.). Rows include Chicago, Milwaukee, St. Louis, Toledo, Detroit, Cleveland, Peoria, Duluth, Minneapolis, Kansas City, and Total of all.

EARNINGS OF SOUTHERN GROUP.

Table with columns for September, 1907, 1906, 1905, 1904, 1903, 1902. Rows include Ala Gt South, Ala NO & Tex P, N O & N E, Ala & Vicks, Vicks Sh & P, Central of Ga, Cin NO & T, Louisville & Nashville, Mobile & Ohio, Southern Ry., Yazoo & Miss V, and Total.

b Includes earnings of Atlanta Knoxville & Northern in 1904, 1905, 1906 and 1907.

EARNINGS OF SOUTHWESTERN GROUP.

Table with columns for September, 1907, 1906, 1905, 1904, 1903, 1902. Rows include Col & South a, Deny & Rio G, Int & Gt Nor, Mo Pac & Cen Br, St L & So W'n, Tex & Pacific, and Total.

a For 1907, 1906 and 1905 includes all affiliated lines except Trinity & Brazos Valley RR. For previous years we have combined Colorado & Southern and Fort Worth & Denver City.

EARNINGS OF NORTHWESTERN AND NORTH PACIFIC GROUP.

Table with columns for September, 1907, 1906, 1905, 1904, 1903, 1902. Rows include Canadian Pac, Chic Gt Westa, Dul So Sh & Atl, Gt Nor System, Iowa Central, Minn & St L, M St P & S S M, Northern Pac, and Total.

a Results are based on 111 miles less road, beginning with 1905. b Figures for the month not yet reported; taken same as last year.

EARNINGS OF MIDDLE AND MIDDLE WESTERN GROUP.

Table with columns for September, 1907, 1906, 1905, 1904, 1903, 1902. Rows include Buff Roch & P, Chic Ind & Lou, C C & St L, Peo & East, Gr Tr West, Det GH & M, Illinois Central, N Y C & H Riv, Tol Peo & Wes, Tol St L & Wes, Wabash, Wheel & L E, and Total.

a The Fall Brook System, the Beech Creek RR., the Walkkill Valley RR. and the Boston & Albany included for all the years. b Includes Canada & Atlantic, beginning with October 1904. c Figures for the month not yet reported; taken same as last year.

GROSS EARNINGS AND MILEAGE IN SEPTEMBER.

Table with columns for Name of Road, Gross Earnings (1907, 1906, Inc. (+) or Dec. (-)), and Mileage (1907, 1906). Rows include Alabama Gt Southern, Ala N O & Tex Pac, New Ori & Nor E'n, Ala & Vicksburg, Vicks Shrev & Pac, Bellefonte Central, Buff Roch & Pitts, Canadian Northern, Canadian Pacific, Central of Georgia, Chattanooga Southern, Chicago Great West'n, Chic Indianap & Louis, Chicago Term Transi, Cine N O & Tex Pac, Colorado & Southern, Denver & Rio Grande, Detroit & Mackinac, Detroit Tol & Ironton, Duluth So Sh & Atl, Georgia South & Fla, Grand Trunk of Can, Grand Trunk West, Det Gr Hav & Mil, Canada Atlantic, Great Northern (incl East of Minn), Montana Central, Gulf & Ship Island, Illinois Central, Internat'l & Gt Nor'n, Iowa Central, Louisville & Nashville, Macon & Birmingham, Marietta, Midland Valley, Mineral Range, Minnecap & St Louis, Minn St P & S S M, Mo Pac & Iron Mtn, Central Branch, Mobile & Ohio, Nevada Calif & Ore, Rio Grande Southern, St Louis Southwestern, Southern Indiana, Southern Railway, Texas Central.

The falling off in the cotton movement was mainly in the Southwest, more especially at the Gulf ports. Galveston shows receipts for the month of only 194,966 bales, against 339,656 bales in 1906, and New Orleans 41,093 bales, against 105,909 bales. At Savannah, on the other hand, the receipts were larger than a year ago, though much below those of 1905. For all Southern and Southwestern outports combined the receipts foot up 586,462 bales in 1907, against 719,693 bales in 1906 and 981,124 bales in 1905—which indicates what an important factor the diminution in the cotton traffic must have been for the roads collectively. The shipments overland were only 14,548 bales, against 23,497 and 27,711 bales respectively.

RECEIPTS OF COTTON AT SOUTHERN PORTS IN SEPTEMBER, AND FROM JANUARY 1 TO SEPTEMBER 30 1907, 1906 AND 1905.

Table with columns for Ports, September (1907, 1906, 1905), and Since January 1 (1907, 1906, 1905). Rows include Galveston, Port Arthur, New Orleans, Mobile, Pensacola, Savannah, Brunswick, Charleston, Georgetown, Wilmington, Norfolk, Newport News, and Total.

To complete our analysis we furnish the following six-year comparison of the earnings of leading roads, arranged in groups.

Name of Road.	Gross Earnings.			Mileage.	
	1907.	1906.	Inc. (+) or Dec. (-).	1907.	1906.
Texas & Pacific	\$ 1,289,073	\$ 1,194,317	+94,756	1,848	1,829
Toledo Peoria & West	115,290	109,352	+5,938	248	248
Toledo St. L. & Western	365,666	340,121	+25,545	451	451
Toronto Ham & Buff.	71,521	69,158	+2,363	88	88
Virginia Southwestern	95,971	87,623	+8,348	134	134
Wabash	2,506,189	2,421,821	+84,368	2,517	2,517
Western Maryland	580,405	439,976	+140,429	544	544
Wheeling & Lake Erie	558,978	511,877	+47,101	498	498
Yazoo & Miss Valley	729,646	693,054	+36,592	1,230	1,230
Total (55 roads)	56,317,229	52,172,480	+4,144,749	73,482	72,668
Net Increase (7.95%)					
Mexican roads (not included in totals)					
Interoceanic of Mexico	575,803	538,782	+37,021	736	736
Mexican International	656,676	593,801	+62,875	911	907
Mexican Railway	642,500	601,700	+40,800	321	321
Mexican Southern	106,773	101,481	+5,292	263	263
National RR. of Mex.	1,329,471	1,188,575	+140,896	1,730	1,730
Hidalgo & Nor. P'n.	78,146	87,623	-9,477	152	152

GROSS EARNINGS FROM JANUARY 1 TO SEPTEMBER 30.

Name of Road.	1907.	1906.	Increase.	Decrease.
Alabama Great Southern	\$ 3,219,487	\$ 2,908,672	\$ 310,815	
Ala New OrL & Texas Pac				
New OrL & Nor Eastern	2,422,335	2,369,658	52,677	
Alabama & Vicksburg	1,192,821	1,074,868	117,953	
Vicks Shrev & Pacific	1,245,827	1,093,153	152,674	
Bellefonte Central	46,365	41,337	5,028	
Buffalo Rochester & Pittsb	6,963,406	5,264,678	1,698,728	
Canadian Northern	6,195,100	4,593,000	1,602,100	
Canadian Pacific	55,122,502	48,527,202	6,595,300	
Central of Georgia	8,982,082	8,392,982	589,100	
Chattanooga Southern	123,509	113,200	10,309	
Chicago Great Western	6,359,136	6,256,867	102,269	
Chicago Indianap & Louisv	4,446,632	4,378,915	67,717	
Chicago Terminal Transfer	1,320,372	1,317,987	2,385	
Cinc New OrL & Tex Pacific	6,764,208	6,562,231	201,977	
Colorado & Southern	10,222,434	8,852,863	1,369,571	
Denver & Rio Grande	16,714,744	14,730,342	1,984,402	
Detroit & Mackinac	1,027,460	921,081	106,379	
Detroit Toledo & Ironton	3,302,432	3,064,660	237,772	
Duluth So Sh & Atlantic	2,598,179	2,345,157	253,022	
Georgia Southern & Florida	1,756,274	1,521,729	234,545	
Grand Trunk of Canada				
Grand Trunk Western	33,233,073	30,214,889	3,018,184	
Detroit Gr Hay & Milw				
Canada Atlantic				
Great Northern (incl East'n of Minnesota)	40,449,597	37,408,656	3,040,941	
Montana Central	2,041,206	2,067,195		25,989
Gulf & Ship Island	1,930,019	1,723,762	206,257	
Illinois Central	42,987,043	39,793,122	3,193,921	
Internat'l & Gt Northern	6,037,972	5,061,121	976,851	
Iowa Central	2,324,448	2,204,645	119,803	
Louisville & Nashville	37,064,499	33,415,296	3,649,203	
Macon & Birmingham	118,312	119,719		1,407
Manistique	50,353	83,434		33,081
Midland Valley	853,943	381,790	472,153	
Mineral Range	608,902	556,386	52,516	
Minneapolis & St Louis	2,966,220	2,704,785	261,435	
Minn St Paul & S S M	9,295,144	8,780,508	514,636	
Mo Pacific & Iron Mtn	36,208,276	32,764,284	3,443,992	
Central Branch	1,259,000	1,270,000		11,000
Mobile & Ohio	8,339,005	7,396,031	942,974	
Nevada California & Ore	215,966	174,437	41,529	
Rio Grande Southern	456,828	420,072	36,756	
St Louis Southwestern	7,946,976	6,806,972	1,140,004	
Southern Indiana	1,266,036	1,119,452	147,484	
Southern Railway	43,232,708	40,732,318	2,500,390	
Texas Central	932,576	653,883	278,693	
Texas & Pacific	12,140,785	9,927,493	2,213,292	
Toledo Peoria & Western	965,642	917,718	47,924	
Toledo St Louis & Western	3,151,592	3,106,012	45,580	
Toronto Hamilton & Buff.	691,362	566,383	124,779	
Virginia Southwestern	882,911	785,522	97,389	
Wabash	20,710,085	19,529,428	1,180,657	
Western Maryland	4,505,010	3,863,542	641,468	
Wheeling & Lake Erie	4,913,619	3,923,604	990,015	
Yazoo & Mississippi Valley	7,014,533	6,737,145	277,388	
Total (55 roads)	474,839,846	429,640,386	45,270,937	71,477
Net Increase (10.52%)			45,199,460	
Mexican roads (not included in totals)				
Interoceanic of Mexico	5,547,662	5,154,461	393,201	
Mexican International	6,870,502	5,898,522	971,980	
Mexican Railway	5,947,100	5,302,500	644,600	
Mexican Southern	1,029,295	938,803	90,492	
National RR. of Mexico	12,620,179	11,000,948	1,619,231	

ITEMS ABOUT BANKS, BANKERS AND TRUST CO.'S.

The public sales of bank stocks this week aggregate 311 shares, of which 278 shares were sold at the Stock Exchange and 33 shares at auction. The transactions in trust company stocks reach a total of 18 shares. Three shares of stock of the Mercantile National Bank were sold at auction on Wednesday at 215, an advance of 25 points over the price paid two weeks ago, when the last previous sale was made.

Shares.	BANKS—New York.	Low.	High.	Close.	Last previous sale.
x188	City Bank, National	250	250	250	Oct. 1907—250
x90	Commerce, Nat. Bank of	166 1/2	167	167	Oct. 1907—167
30	Irving National Exch. Bank	185	185	185	April 1907—175
3	Mercantile National Bank	215	215	215	Oct. 1907—190
TRUST COMPANIES—New York—					
10	Mercantile Trust Co	850	850	850	May 1905—905 1/2
8	Washington Trust Co	405	405	405	July 1905—450

x Sold at the Stock Exchange.

Luther W. Mott, recently appointed New York State Superintendent of Banks, to succeed Charles H. Keep, formally entered upon his new duties on the 16th inst.

The St. Louis Clearing House Association at a meeting on Tuesday took action toward establishing a bureau of examination similar to that in operation for a year past in

Chicago. It is the intention under the proposed system to conduct, at any time, examinations of St. Louis banking institutions which are members of the Clearing House, as well as of those clearing through members. A refusal to submit to examination, or to furnish the Clearing House Examiner with the facilities and information requested, will be punishable by debarment from Clearing House privileges. In the appointment of the Chief Examiner the Comptroller of the Currency, it is said, will be consulted.

A complete reorganization of the Mercantile National Bank of this city has taken place this week, and the affairs of the institution have been the centre of interest in financial circles. The action grew out of the fall in United Copper shares, with which Mr. F. Augustus Heinze, the President of the Mercantile, has been so prominently identified, and the suspension of the firm of Otto Heinze & Co., to which reference is made further below. On Thursday Mr. F. Augustus Heinze resigned his office as President, and gave the following reason for his action:

In view of the difficulties in which my brothers' firm finds itself I have determined that it is proper that I should give liberally of my time in assisting them to straighten out their affairs. In aid of this, I have, after consulting with my fellow directors of the bank and my personal friends and consulting as well my own personal interests as a large stockholder of the bank, this day resigned as its President, remaining, however, as a director, and have joined with my fellow directors in a request that Mr. Ridgely accept the place made vacant by my resignation.

Following this step, an examination of the bank's affairs was made late on Thursday at the instance of the New York Clearing-House, at the conclusion of which William A. Nash, Acting Chairman of the Clearing House Committee, gave out the following statement:

The committee, with the full co-operation of the officers and directors of the Mercantile National Bank, made an examination of its condition after the close of business to-day. The examination was very thorough, and was not completed until a late hour. Mr. Nash and his associates were convinced from the results of the examination that the bank is perfectly solvent and able to meet all its indebtedness. The capital of \$3,000,000 is intact, with a large surplus.

Late last evening it was stated that Comptroller Ridgely, to whom the presidency of the bank was offered, had announced his acceptance of the post. At a meeting of the Clearing-House Committee yesterday morning it was voted to afford any cash the institution might need for its relief, but as a preliminary the resignation of all the directors was requested, which request was complied with. The Mercantile National Bank was founded in 1850 as a State institution, later joining the national banking system.

The Stock Exchange house of Gross & Kleeberg, 25 Broad Street, this city, made an assignment on Wednesday to William M. Robotham, their Cashier, their embarrassment following the collapse of United Copper stock on that day. It is stated that the failure grew out of the firm's heavy commitments in that stock (said to amount to 6,000 shares), which were made at the instance of Otto C. Heinze & Co., who, it is alleged, refused to take the stock off Messrs. Gross & Kleeberg's hands. The latter firm was formed in December 1904 and is composed of Albert H. Gross (who has been a member of the Exchange since 1898) and Philip Kleeberg.

The Governing Committee of the Stock Exchange on Thursday suspended Max H. Schultze, the Board member of Otto Heinze & Co., the suspension being made under Article 16, Section 1, of the constitution, which states that "a member who fails to comply with his contracts, or is insolvent, shall immediately inform the President in writing that he or his firm is unable to meet their engagements, and prompt notice shall be given to the Exchange. He shall thereby become suspended from membership until, after having settled with his creditors or the creditors of his firm, he has been reinstated by the Committee on Admissions." Several announcements were made on Thursday by Messrs. Heinze & Co. One of these stated that "Arthur P. Heinze is no longer a member of the firm of Otto Heinze & Co.," it was also stated that the firm "feels itself perfectly solvent and will meet and pay all its just and legal obligations in full. It, however, refuses to pay obligations which it does not consider legal or just until a proper adjudication of the matter has been made. Rather than submit to such unjust demands, it prefers to permit itself temporarily to be suspended from the privileges of the Stock Exchange."

The State Savings Bank of Butte, Mont., in which F. Augustus Heinze is understood to be the leading stockholder, closed its doors on Thursday, the cause of the suspension, it is reported, being laid to rumors of the Heinze troubles in the East. The announcement of the closing was

made in the following notice issued by Vice-President and General Manager E. P. Chapin:

"Because of unsettled conditions and rumors that cannot be verified, that may cause unusual and excessive demands by depositors, and owing to a shortage of currency and inability to secure additional currency immediately with which to pay demands which may be made, the management has deemed it advisable in the interests of all depositors to suspend for the time being. The bank is solvent."

Mr. Heinze assumed control of the institution in 1905. It has a capital of \$300,000 and deposits of a little over \$4,000,000. The State of Montana is said to be a depositor to the extent of \$75,000. An attachment for \$108,076 against the property of the bank, in favor of the Mercantile National Bank of New York (the balance reported to be due on a demand note of \$150,000 made by the Butte institution on March 5), was granted yesterday by Justice Blanchard in the Supreme Court.

—A foreign banking failure, reported at first as due to the fall in copper stocks, occurred on Thursday in the suspension of the private banking firm of Haller, Soehle & Co. of Hamburg. The liabilities, the cable dispatches state, will reach \$7,500,000. That there is any connection between the firm's failure and the copper troubles here seems unlikely, judging from the latest reports, which state that the difficulties of the firm arose chiefly from its connection with a mining company at Teplitz, Bohemia, in which much capital was locked up.

—Montagu Collet Norman, of the firm of Brown Brothers & Co., N. Y., and Brown, Shipley & Co., London, has been elected a director of the Bank of England in the place of R. E. Johnston, elected Deputy Governor.

—Control of the Century Bank, corner Fifth Avenue and 20th Street, this city, this week passed from George Chapman to H. L. Crawford, of the banking house of H. L. Crawford & Co. at 25 Broad Street, who succeeds Mr. Chapman as President. J. Fred. Talcott and Stewart Duncan, of John Duncan Sons, were elected directors of the board, which remains unchanged with the exception of George Chapman and E. J. Croker, resigned. It is the intention of the new management to increase the bank's capital of \$200,000 and surplus of \$150,000 and also to enlarge the directorate at the January meeting. The bank was organized in 1901 and has an uptown branch at Broadway and 104th Street. Tom Vietor, of Frederick Vietor & Achelis, will be made a director when the board's membership is increased.

—George H. Brouwer, until lately confidential manager of the New York Stock Exchange house of James H. Oliphant & Co., who was arrested a week ago on the charge of misappropriating a check of \$2,750 belonging to Jay F. Carlisle, a broker with desk room in Oliphant & Company's offices, pleaded not guilty to the charge on Monday before Judge Crain in General Sessions. The accused is held under \$30,000 bail. An examination of the firm's books, which followed as a result of Mr. Brouwer's arrest, has revealed, it is reported, a loss to the extent of about \$90,000 to Messrs. Oliphant & Co. The peculations will, however, it is said, have no effect on the business of the concern, whatever losses to customers are involved being made good by Messrs. Oliphant & Co. without any impairment of the firm's capital.

—The Brooklyn Bank of the Borough of Brooklyn was placed in voluntary liquidation on the 11th inst., and on the following day the institution started business as a branch of the International Trust Company of New York, the latter having taken over the assets of the bank. This step is in line with the announcement made at the time of the opening of the trust company on the 1st inst., when it was stated that the Brooklyn Bank would be absorbed by it. Henry E. Hutchinson, President of the bank, and Oliver M. Denton, Vice-President, are vice-presidents of the new company. Besides its main office at Fulton and Clinton streets, the bank has had a branch at Fulton Street and Flatbush Avenue, both of these offices now becoming the trust company's branches.

—John J. Phelps has become Vice-President of the Hackensack National Bank, of Hackensack, N. J., succeeding M. E. Clarendon.

—The officials of the Columbia National Bank of Buffalo, N. Y., entertained a host of visitors on Monday last—the occasion of the opening of the bank's new quarters in the Chamber of Commerce Building, on Main Street near Seneca

Street. The attractive appearance of the new banking offices was added to by the many floral tributes of which the bank was the recipient, and further evidence of the interest aroused was evidenced in the opening of a number of new accounts. The institution has a capital of \$700,000 and surplus and profits of \$1,002,273. On the 1st inst. it reported deposits of \$5,557,178 and total resources of \$7,709,451. Its officials are George F. Rand, President; Seymour H. Knox, Vice-President; Louis H. Gethoefer, Cashier, and Emil Diffine and James W. Hall, Assistant Cashiers.

—The Fourth National Bank of Waterbury, Conn., is to be taken over by the Colonial Trust Company of that city, the stockholders of the latter institution having voted to this effect on the 11th inst. The Fourth National has a capital of \$100,000, surplus and profits of \$72,707 and deposits of about \$800,000. The change will go into effect next month, when the Fourth National will be placed in liquidation. The board of the Colonial will be increased from eleven to nineteen new members. J. M. Whittemore has been elected President of the trust company; George M. Woodruff has been chosen First Vice-President; John P. Elton, Second Vice-President; Otis S. Northrop, Treasurer, and B. G. Bryan, Secretary. The last named is President of the Fourth National and Mr. Northrop is Vice-President. The Colonial Trust has a capital of \$400,000; its deposits are over \$2,000,000.

—The new home of the Thames Loan & Trust Company of Norwich, Conn., was opened on Monday, the 7th inst., with a reception to the friends and patrons of the institution. The building is a three-story structure, of Grecian design, built of West Dummerston granite. It has a frontage of 70 feet, with a depth of from 40 to 50 feet. The principal portion of the first floor is devoted to the banking quarters, and in the basement provision is made for storage facilities. The company has been in operation since 1903. It has a capital of \$100,000, and its officers are Franklin S. Jerome, President; R. W. Perkins, Secretary and Treasurer, and D. L. Underwood, Assistant Treasurer.

—Charles F. Smith of Boston has, it is stated, retired from the banking business and resigned as Treasurer of the Commonwealth Trust Company of Boston.

—The First National Bank of Dresden, Ohio, was closed by the Comptroller of the Currency on the 15th inst. Bank Examiner Robert Lyons is the temporary receiver. The bank had a capital of \$50,000, deposits (August 22) of \$272,489, and its resources were reported at \$394,969. Its failure is said to have been caused by loans to local woolen manufacturers, a loan to a single concern amounting, it is reported, to \$54,000, almost as much as its capital and surplus combined.

—The National Produce Bank of Chicago, now located at 132 Lake Street, has leased for 10 years, at an aggregate rental of \$30,000 the first floor of the Ogden Building at the southwest corner of Clark and Lake streets. These new permanent quarters will be at once fitted up appropriately and conveniently for the bank's purposes.

—The Commercial National Bank of Chicago removed on Monday last to its magnificent new building on the corner of Clark and Adams streets. The new banking quarters, described at length in the "Chronicle" of October 5, rank among the handsomest in the country.

—The stockholders of the Des Moines Savings Bank, of Des Moines, Iowa, on Monday ratified the proposition to reduce the capital of the institution from \$500,000 to \$200,000, referred to in these columns last Saturday. The reduction is made on account of the proposed organization of the American National Bank, which will be affiliated with the savings bank.

—The Farmers' & Mechanics' Savings Bank of Minneapolis, Minn., one of the largest savings banks in the Northwest, experienced a run on the 11th inst., which developed, it is thought, from idle rumors. Little evidence of the run was visible on the following day, when the business of the institution had practically resumed its normal condition. Both the trustees of the bank and the Clearing House Association caused statements to be issued during the progress of the run to re-assure the depositors. The trustees stated emphatically that "this bank is absolutely solvent; that its surplus is larger than ever before in its history; that it has



met with no losses whatever; that, on the contrary, its profits are, by reason of the high interest rates now prevailing, greater than ever before. In the Clearing House statement, based on the report of an examination made August 6 by the Clearing House Bank Examiner, P. M. Kerst, it was stated that "we have the fullest confidence in Mr. Kerst's examinations, and with his report before us we believe that the bank is in excellent condition, that the management is safe and conservative, and has our fullest confidence." The bank is said to have over 50,000 depositors, with deposits of \$13,000,000.

—The question of "Currency Reform" was ably handled by Festus J. Wade, President of the Mercantile Trust Company of St. Louis, at the seventeenth annual convention of the Illinois Bankers' Association, held at Moline, Ill., on the 9th and 10th inst. Mr. Wade explained the suggestions for the reformation of the currency as outlined by the Currency Commission appointed by the American Bankers' Association, and, as a member of that committee, his views on the subject awakened much interest. August Blum, a Vice-President of the First National Bank of Chicago, is the newly elected President of the Association, and Oscar G. Foreman, Vice-President of Foreman Brothers Banking Company of Chicago, has been elected Chairman of the Executive Committee. The latter's election puts him in line for the presidency. F. P. Judson, Cashier of the Bankers' National Bank of Chicago, has been re-elected Secretary of the State organization.

—J. J. Broderick, who became a director of the Central National Bank of St. Louis last January, has been elected a Vice-President of the institution to succeed David Sommers, who has resigned both as Vice-President and director. Ed. Wolff has also resigned as a member of the board of directors. It is stated that neither vacancy in the directorate will be filled, it having been the intention to reduce the membership of the board.

—The suspension of the Arkansas Valley Bank of Little Rock, Ark., is announced. The institution was organized on December 29 of last year, and began business on January 14. It reported a paid-in capital of \$100,000. The St. Louis "Globe-Democrat" states that the bank was refused admission to the Little Rock Clearing House Association when it was organized, and has not been looked upon as a strong institution.

—A general assignment was made on Thursday by T. W. House, a private banker of Houston, Tex. The failure is ascribed to the inability to realize on securities not readily convertible into cash. The business was established in 1838. The bank, it is said, was not incorporated, and never made public a statement of its affairs.

—George Lutgending was recently elected Cashier of the Union Bank & Trust Co. of Phoenix, Arizona.

**Monetary & Commercial English News**

(From our own Correspondent.)

London, Saturday, October 5 1907.

The stock markets have been depressed during the week, mainly by the unfavorable news from New York. The fall in copper and copper shares has inflicted heavy losses both on London and on Paris. That has compelled selling of other stocks, and for the time being there is an uncomfortable feeling. In Paris the losses are believed to be much heavier than in London. Indeed, it is reported that many of the weaker operators have been unable to meet their differences and that, in consequence, not a few members of the "Coulisse," or outside market, have been unable to meet their obligations. It is reported, further, that other members, though able to pay up, yet have been so crippled by their losses that they are making preparations for retiring from business. The Coulisse is now much less important than it was at one time. Therefore, the crippling of the Coulisse is not likely to have a very long influence upon the Paris market. It will make business more stagnant than ever there as long as there is uncertainty regarding New York, and London is not prepared to move. But if a steadier state of things comes about in New York, and London plucks up courage to enter into new enterprises, Paris likewise will revive.

In London the impression undoubtedly is that we are near an improvement on the Stock Exchange. For some weeks past there has been everywhere a much more confident feeling. This week, the confidence has been somewhat shaken so far as the Stock Exchange is concerned. But the leading houses in the City remain firmly of opinion that London is thoroughly sound and that business will become more active as soon as a clearer view respecting New York can be taken. The best opinion in London also is that there will be no serious difficulties in New York and that, therefore, more active business may with safety be undertaken.

In Berlin the end of September has passed over wonderfully well. Not a single failure was reported. Indeed, the rates in the open market were decidedly lower than had been anticipated. Yet the increase in the note circulation of the Imperial Bank was as much as £19,749,050. The belief now, both in Berlin and in London, is that all serious difficulties are over. Money will remain, of course, in strong demand and speculation will continue suspended, but no serious troubles are apprehended.

The best opinion in London is that it will not be necessary to raise the rate of discount. This week, in consequence of the turn of the quarter, money is in strong demand and the rate of discount is 4%. But on Saturday and Monday the interest on the national debt will be paid and will add so much to the supplies in the open market that probably rates will fall away somewhat next week. On the other hand, the usual demands for the interior have now set in and the Bank of England holds a very large amount of bills falling due every day during the current month. Consequently, the belief is that in about a fortnight's time the Bank of England will have complete control of the open market and will be able to make the 4½% rate effective. If so, the hope is strong that it will not be necessary to raise the rate of discount. During the current month it is estimated that about five millions sterling in gold will be required by Egypt. But the Bank of England is strong enough to part with that amount without inconvenience.

Therefore, the real problem is, Will New York require much gold? The demands for Germany are satisfied, for the present at all events. They may spring up again in December. But during October and November it is not expected that Germany will need the metal. The Paris exchange upon London makes it profitable to send gold from London to Paris, but it is not thought probable that much gold will actually be sent. Unless, therefore, there are large shipments to New York, there is a very confident feeling in London that the autumn will pass over quietly. A strong demand for New York would, of course, send rates up at once. The Bank of England probably would put up its rate to 5 or 5½, possibly even to 6%. But if New York does not take much gold, the Bank of England is in a position to supply Egypt with the amount necessary for moving the crops and also to supply Argentina. The Argentine demand, however, is not likely to begin until November.

The India Council offered for tender on Wednesday 30 lacs of its bills and the applications exceeded 269 lacs at prices ranging from 1s. 4d. to 1s. 4 1-16d. per rupee. Applicants for bills at 1s. 4d. were allotted about 8% of the amounts applied for.

**English Financial Markets—Per Cable.**

The daily closing quotations for securities, &c., at London as reported by cable have been as follows the past week:

London.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Week ending Oct. 18.						
Silver, per oz. d.	28½	28½	28½	28½	28 1-16	27 11-16
Consols, new, 2½ per cents.	82 11-16	82½	82 7-16	82½	82 9-16	82¾
For account.	82 13-16	82½	82 9-16	82½	82 11-16	82¾
French Rentes (in Paris), fr.	94.10	94.10	94.07½	94.15	94.12½	94.15
Russian Imperial 4s.	74¾	74¾	74¾	75	74¾	74¾
do do New 5s.	87¾	87¾	87¾	88	87½	87½
Amalgamated Copper Co.	56	54½	54½	55	51¾	51
b Anaconda Mining Co.	7	6½	6½	6½	5¾	5¾
Atchison Topeka & Santa Fe	84¾	82¾	82¾	83¾	81¼	82¾
Preferred	91	88	89½	88	88	88
Baltimore & Ohio	88½	87	88½	89¼	88¼	88¾
Preferred	85½	85	85	85	85½	85½
Canadian Pacific	163	162	162½	163¾	160¼	161¾
Chesapeake & Ohio	30½	29½	30	30½	30	30
Chicago Great Western	7½	7½	7½	8	7½	7½
Chicago Milw. & St. Paul	119½	117	118	119½	116¾	117
Denver & Rio Grande, com.	20½	19½	20½	20	20	20
Preferred	66	66	66	66½	66½	66½
Erle, common	18½	18½	19½	20	19½	19½
First preferred	43½	43	43	42½	41	42
Second preferred	30½	29½	30½	32	30½	30
Illinois Central	138	138	133½	134	133	134
Louisville & Nashville	102	101	102½	103½	102	103
Mexican Central	16	15	16	16	16¼	15½
Mo. Kan. & Tex., common	29½	28½	28	28	28	27½
Preferred	66	64	64	64	65	65
National R.R. of Mexico	45½	45½	45½	45½	45½	45½
N. Y. Central & Hud. River	103½	103	104½	105½	104½	105
N. Y. Ontario & Western	31	30¾	30	30¾	30¾	30¾
Norfolk & Western, com.	69½	68½	68½	69	69½	69½
Preferred	83	80	80	80	80	80
Northern Pacific	124	122	124	123½	120¾	122
a Pennsylvania	60½	59½	60	60½	60	60½
a Reading Co.	46½	45	45	46¼	44¾	45½
a First preferred	40½	40½	40	40	40	40
a Second preferred	39½	39½	38½	38½	38½	38½
Rock Island Co.	15	15½	15½	15½	15½	16
Southern Pacific	80½	78	76¾	78	74½	75½
Southern Ry., common	12	11½	12	12	12½	13
Preferred	49	47	48½	47½	47½	47
Union Pacific, common	126½	123½	122½	124½	120½	122½
Preferred	84½	82	83½	85	83	82½
U. S. Steel Corp., common	29½	28½	28½	28	28½	28½
Preferred	87	84½	85¾	86	84¾	85½
Wabash	9½	8½	9	9½	9½	9½
Preferred	16	16	16½	16½	16	16½
Extended 4s.	52	51½	51½	51½	50½	50

a Price per share. b £ sterling.

Commercial and Miscellaneous News

BANK NOTES—CHANGES IN TOTALS OF, AND IN DEPOSITED BONDS, &c.—We give below tables which show all the monthly changes in bank notes and in bonds and legal tenders on deposit. The statement for September 1906 will be found in our issue of Oct. 6 1906, page 795.

Table showing Bonds and Legal-Tenders on Deposit for Bank Circulation and Circulation Afloat Under for 1906-07. Columns include Bonds, Legal-Tenders, and Total for various months from Sept. 30 to Oct. 31.

For full explanation of the above table see the issue of Dec. 14 1901, page 1232, the first item in Financial Situation. The following shows the amount of each class of bonds held against national bank circulation and to secure public moneys in national bank depositories on September 30.

Table titled 'U. S. Bonds Held September 30 to Secure—' showing amounts for Bank Circulation, Public Deposits in Banks, and Total Held for various bond types like Panama Canal, Consols, etc.

The foregoing does not include the bonds held in the New York Sub-Treasury against deposits in banks.

The following shows the amount of national bank notes afloat and the amount of legal-tender deposits Sept. 1 and Oct. 1 and their increase or decrease during the month of September.

Table showing National Bank Notes—Total Afloat—Amount afloat September 1 1907, Amount issued during September, Amount retired during September, and amounts on deposit to redeem national bank notes.

The portion of legal-tenders deposited (1) by banks becoming insolvent, (2) by banks going into voluntary liquidation and (3) by banks reducing or retiring their circulation was as follows on the first of each of the last five months:

Table showing Legal-Tenders for June 1, July 1, Aug. 1, Sept. 1, and Oct. 1, categorized by Deposits by Insolvent banks, Liquidating banks, and Reducing under Act of 1874\*.

\*Act of June 20 1874 and July 12 1882.

National Banks.—The following information regarding national banks is from the Treasury Department:

APPLICATION TO CONVERT INTO NATIONAL BANKS APPROVED.

The Farmers & Merchants Bank, Randlett, Oklahoma Territory, into 'The First National Bank of Randlett,' Capital, \$25,000. The Salem State Bank, Salem, Oregon, into 'The United States National Bank of Salem,' Capital, \$100,000.

NATIONAL BANKS ORGANIZED.

Certificates issued from Oct. 7 1907 to Oct. 12 1907, inclusive.

- 8,908—The First National Bank of Blandinsville, Illinois. Capital, \$30,000. H. R. Grigsby, President; D. F. Beacom, Vice-President; F. S. Greene, Cashier; M. B. Welsh, Assistant Cashier.
8,909—The First National Bank of Lafayette, Colorado. Capital, \$25,000. Wesley S. Russell, President; George P. Castle, Vice-President; E. H. Castle, Cashier.
8,910—The First National Bank of Florida, Alabama. Capital, \$50,000. G. H. Malone, President; J. E. Hughes, Vice-President; J. J. Morris, Cashier.
8,911—The Ochiltree National Bank, Ochiltree, Texas. Capital, \$25,000. Geo. M. Perry, President; James D. Hamlin, Vice-President; James D. Wyman, Cashier.
8,912—The Albion National Bank, Albion, Indiana. Capital, \$25,000. C. M. Clapp, President; L. R. Ayers and John W. Earle, Vice-Presidents; W. S. Cramer, Cashier.
8,913—The First National Bank of Bernville, Pennsylvania. Capital, \$25,000. James F. Talley, President; Jno. R. Kalbach, F. H. Stump and Morris C. Berger, Vice-Presidents; Aug. M. Brown, Cashier.
8,914—The First National Bank of Steelville, Missouri. Capital, \$25,000. W. J. Underwood, President; R. Stephan, Wm. M. Chapman and A. L. Reeves, Vice-Presidents; M. W. Lichlus, Cashier.

CHANGE OF LOCATION AND TITLE.

October 8.

8,617—"The First National Bank of Sunnyside," New Mexico, authorized to remove to Fort Sumner, New Mexico, under the title "The First National Bank of Fort Sumner."

LIQUIDATIONS.

7,147—The First National Bank of Covington, Texas, was placed in voluntary liquidation September 30 1907.
7,753—The Bay City National Bank, Bay City, Texas, was placed in voluntary liquidation October 1 1907.

DIVIDENDS.

The following shows all the dividends announced for the future by all large or important corporations:

Dividends announced this week are printed in italics.

Large table listing dividends for various companies. Columns include Name of Company, Per Cent., When Payable, and Books Closed. Includes entries for Railroads (Steam), Street Railways, Trust Companies, and Miscellaneous.

a Transfer books not closed. b Also declared a dividend at rate of 8% per annum for period from Sept. 10 to Nov. 1 1907 on Chicago Edison stock subscription receipts first installment paid. d Payable in dividend warrants; also 2% declared on second preferred, payable to holders of record April 10 1908. e From properties held by Lake Superior Co.

Auction Sales.—Among other securities the following, not regularly dealt in at the Board, were recently sold at auction: By Messrs. Adrian H. Muller & Son:

Table listing auction sales for Stocks and Bonds. Includes items like 10 Mercantile Trust Co., 200 Hamilton Bond & Mortgage Co., 20 Realty Associates, etc.

Statement of New York City Clearing-House Banks.—

The following statement shows the condition of the New York City Clearing-House banks for the week ending Oct. 12. It should be distinctly understood that as to all items except capital and surplus the figures are the averages of the daily results, not the totals at the end of the week. In other words, in reporting loans and deposits and holdings of specie and legal tenders, the practice is to take the aggregate of the amounts for the several days of the week and divide this aggregate by the number of days.

We omit two ciphers (00) in all cases.

Table with columns: Banks (omitted), Capital, Surplus, Loans, Specie, Legals, Deposits, and Reserve. Lists various banks like Bank of N.Y., Manhattan Co., Merchants', etc., with their respective financial figures.

a Total United States Deposits Included, \$33,487,600.

Reports of Non-Member Banks.—The following is the statement of condition of the non-member banks for the week ending Oct. 12, based on average daily results.

We omit two ciphers (00) in all cases.

Table with columns: Banks, Capital, Surplus, Loans and Investments, Specie, Legal Tenders and Bank Notes, Deposit with Clearing Agent, Other Banks &c., and Net Deposits. Lists banks like N.Y. City, Boroughs of Man. & Br'z, Wash. Hgts, etc.

New York City, Boston and Philadelphia Banks.—Below is a summary of the weekly returns of the Clearing-House banks of New York City, Boston and Philadelphia. The New York figures do not include results for non-member banks:

We omit two ciphers (00) in all these figures.

Table with columns: Banks, Capital and Surplus, Loans, Specie, Legals, Deposits, and Clearings. Compares New York, Boston, and Philadelphia banks across several dates in September and October.

a Including for Boston and Philadelphia the item "due to other banks" and also Government deposits. For Boston these Government deposits amounted on October 12 to \$4,772,000; on October 5 to \$4,392,000.

Imports and Exports for the Week.—The following are the imports at New York for the week ending Oct. 12, also totals since the beginning of the first week in January:

FOREIGN IMPORTS AT NEW YORK.

Table with columns: For the week, 1907, 1906, 1905, 1904. Rows include Dry Goods, General Merchandise, and totals for the week and since January 1.

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports for the week ending Oct. 12 and from Jan. 1 to date.

EXPORTS FROM NEW YORK FOR THE WEEK.

Table with columns: 1907, 1906, 1905, 1904. Rows include For the week, Previously reported, and Total 41 weeks.

The following table shows the exports and imports of specie at the port of New York for the week ending Oct. 12 and since Jan. 1 1907, and for the corresponding periods in 1906 and 1905:

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Table with columns: Gold, Exports, Imports, Week, Since Jan. 1. Rows include Great Britain, France, Germany, West Indies, Mexico, South America, and other countries.

Of the above imports for the week in 1907, \$24,570 were American gold coin and --- American silver coin. Of the exports during the same time --- were American gold coin and --- were American silver coin.

Banking and Financial.

We shall be pleased to mail investors copies of the ninth edition of our 10-page circular describing 65 Short-Term Notes and Collateral Trust Bonds with approximate market prices.

Spencer Trask & Co.

WILLIAM AND PINE STS., - - NEW YORK

MOFFAT & WHITE

Members New York Stock Exchange.

5 NASSAU STREET. HANOVER BANK BUILDING

DEALERS IN INVESTMENT SECURITIES.

Commission Orders Executed for Cash Only.

**Bankers' Gazette.**

Wall Street, Friday Night, Oct. 18 1907.

**The Money Market and Financial Situation.**—Several disturbing influences have affected the security markets adversely this week. Some of these were of little or no real importance as market factors, but in the present state of sensitiveness they were sufficient to accelerate the decline of values which has again been the conspicuous feature.

The first new development was the announcement on Tuesday of a suspension of dividends by the traction systems in two Western cities and a consequent disturbance on the Montreal Stock Exchange. Later there have been the failure of two small banks in this country and of a more important banking house in Germany; a cut in the dividend rate of Amalgamated Copper from 8 to 4%; the well-known disastrous results of an attempt to corner United Copper Co. shares; and throughout the week the struggle for control of the Illinois Central R.R. and a tendency to firmer money market conditions have attracted more or less attention.

Incidentally, it may be mentioned there has been a rather sharp break in the price of wheat, which, perhaps, marks a decline in the enormous speculative movement which has been carried on in the Chicago market; it is reported, also, that there has been a falling off in the export demand.

The Bank of England's weekly report is in sharp contrast with that of a year ago, when the percentage of reserve was less than 38, as against a percentage of over 49 now. At this time last year the Bank rate was raised to 6%, whereas now there is discussion of the prospect of its being lowered to 4½%.

The open market rates for call loans on the Stock Exchange during the week on stock and bond collaterals have ranged from 2½ to 10%. To-day's rates on call were 5@10%. Prime commercial paper quoted at 7% for endorsements and 7% for best single names.

The Bank of England's weekly statement on Thursday showed a decrease in bullion of £574,927 and the percentage of reserve to liabilities was 49.39, against 46.51 last week.

The discount rate remains at 4½%, as fixed August 15. The Bank of France shows an increase of 750,000 francs in gold and a decrease of 2,200,000 francs in silver.

NEW YORK CITY CLEARING-HOUSE BANKS.

	1907. Oct. 12.	Differences from previous week.	1906. Oct. 13.	1905. Oct. 14.
Capital	\$ 129,400,000		\$ 118,150,000	\$ 115,972,700
Surplus	164,098,300		154,235,000	140,160,800
Loans and discounts	1,083,401,900	Dec. 5,666,500	1,065,657,800	1,030,284,300
Circulation	51,001,800	Inc. 344,000	46,154,800	54,155,800
Net deposits	*1,026,047,800	Dec. 10,655,500	1,050,776,000	1,026,157,600
Specte	198,558,800	Inc. 6,342,100	202,511,200	191,952,100
Legal tenders	62,608,600	Dec. 6,998,600	73,207,200	74,798,700
Reserve held	261,167,400	Dec. 656,500	275,718,400	266,750,800
25% of deposits	256,511,950	Dec. 2,663,875	262,694,000	256,539,400
Surplus reserve	4,655,450	Inc. 2,007,375	13,024,400	10,211,400

\*\$33,487,600 United States deposits included, against \$32,514,900 last week and \$30,229,100 the corresponding week of 1906. With these United States deposits eliminated, the surplus reserve would be \$13,027,350 on Oct. 12 and \$10,776,800 on Oct. 5.

Note.—Returns of separate banks appear on preceding page.

**Foreign Exchange.**—The market was quite strong at the beginning of the week, influenced by an urgent demand to remit for stocks sold for European account. The inquiry subsided on Tuesday, and thereafter the tone was easier, and it so closed. To-day's (Friday's) nominal rates for sterling exchange were 4 83 for sixty day and 4 87 for sight. To-day's (Friday's) actual rates for sterling exchange were 4 8230@4 8240 for long, 4 8610@4 8615 for short and 4 8685@4 8695 for cables. Commercial on banks 4 82@4 8210 and documents for payment 4 81¼@4 82½. Cotton for payment 4 81¼@4 81½, cotton for acceptance 4 82@4 8210 and grain for payment 4 82½@4 82¾.

To-day's actual rates for Paris bankers' francs were 5 20@5 19¾a for long and 5 16¼@5 16¼h for short. Germany bankers' marks were 94 3-16@94¼ for long and 94¾@94 15-16 for short. Amsterdam bankers' guilders were 40 32a@40 34k for short.

Exchange at Paris on London to-day 25 f. 13c.; week's range 25f. 13c. high and 25f. 12c. low.

The week's range for exchange rates follows:

Sterling Actual—		Paris Bankers' Francs—		Germany Bankers' Guilders—		Amsterdam Bankers' Guilders—	
High	Low	High	Low	High	Low	High	Low
4 8245	4 8225	5 20	5 19¾a	94 15-16	94	40 32a	40 34k
@ 4 8255	@ 4 8230	@ 5 16¼a	@ 5 16¼h	@ 94 15-16	@ 94 15-16	@ 40 32a	@ 40 34k
4 8635	4 8610	5 16¼a	5 16¼h	94 15-16	94 15-16	40 32a	40 34k
@ 4 8650	@ 4 8615	@ 5 16¼a	@ 5 16¼h	@ 94 15-16	@ 94 15-16	@ 40 32a	@ 40 34k
4 8715	4 8685						
@ 4 8720	@ 4 8690						

Less: a 1-16 of 1%. d 1-32 of 1%. h 3-32 of 1%.  
Plus: k 1-16 of 1%. x 1-32 of 1%. y 3-32 of 1%.

The following were the rates for domestic exchange on New York at the undermentioned cities to-day: Savannah buying 50c. per \$1,000 discount; selling 75c. per \$1,000 premium. Charleston selling \$1 per \$1,000 premium. New Orleans bank 75c. per \$1,000 discount; commercial \$1 per \$1,000 discount. Chicago 10c. per \$1,000 discount. St. Louis 20c. per \$1,000 discount. San Francisco \$1 per \$1,000 premium.

**State and Railroad Bonds.**—No sales of State bonds.

The market for railway bonds has been more active, owing to more liberal offerings. The latter have resulted in declining prices and a considerable portion of the active list is from 1 to 2 points lower.

Some of the industrial issues have been conspicuously weak, American Tobacco 6s showing a loss of 6 points and Central Leather 5s 3 points.

**United States Bonds.**—Sales of Government bonds at the Board include \$40,000 4s reg., 1925, at 121 to 122, \$3,500 3s coup., 1908-18, at 102½, and \$10,000 2s reg., 1930, at 105. The following are the daily closing quotations; for yearly range see third page following.

	Interest Periods	Oct. 12.	Oct. 14.	Oct. 15.	Oct. 16.	Oct. 17.	Oct. 18.
2s, 1930	registered Q-Jan	*105¼	*105¼	*105¼	*105¼	*105	105
2s, 1930	coupon Q-Jan	*105¼	*105¼	*105¼	*105¼	*105	*105
3s, 1908-18	registered Q-Feb	*101¾	*101¾	*101¾	*101¾	*101¾	*101¾
3s, 1908-18	coupon Q-Feb	*102¼	*102¼	*102¼	*102¼	*102¼	*102¼
3s, 1908-18	small coupon Q-Feb	*101¾	*101¾	*101¾	*101¾	*101¾	*101¾
4s, 1925	registered Q-Feb	*123	*122¾	*122¾	*121¾	*121¾	121
4s, 1925	coupon Q-Feb	*123	*123	*123	*123	*123	*123
2s, 1936	Panama Canal regis Q-Nov	*105	*105	*105	*105	*105	*105

\*This is the price bid at the morning board; no sale was made.

**Railroad and Miscellaneous Stocks.**—The stock market has again been more active. The transactions on Wednesday and again to-day aggregated over 1,000,000 shares, the largest amount since the sharp decline in August. Prices continued the downward movement which has been in progress for some time past, during which several prominent railway issues showed a loss of from 6 to 10 points within the week and at least 8 made a new low record for the year. These are Atchison, Missouri Pacific, Union Pacific, St. Paul, Illinois Central, Delaware & Hudson, Reading and Baltimore & Ohio. Union Pacific sold below 114, which was over 6½ points below its previous low price on March 14. A few issues have been relatively steady throughout the week, including Pennsylvania, New York Central, Erie, etc.

The industrial list, and especially the copper stocks, have been the notably weak features, led by United Copper on the curb. Tennessee Copper declined 12 points, Smelting & Refining over 16. Amal. Copper 10 and Anaconda nearly 8.

For daily volume of business see page 996.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS.	Sales for Week.	Range for week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Balaklala Copper	2,265	\$3 Oct 17	\$4½ Oct 15	\$3 Oct 11	July
Bethlehem Steel Corp.	600	10 Oct 16	11 Oct 12	9 Aug 20½	Jan
Preferred	500	30½ Oct 16	35 Oct 12	30 Aug 65	Jan
Chic Un Trac trust recs.	210	1¼ Oct 18	1¼ Oct 18	1¼ Oct 3½	May
Preferred do	300	7 Oct 16	14 Oct 16	87 Oct 17	July
Comstock Tunnel	500	2½ Oct 17	2½ Oct 17	2½ Oct 50c.	Jan
General Chemical, pref.	100	90 Oct 18	90 Oct 18	90 Oct 102½	Feb
G. Northern subscriptn recs, 70% paid.	5,600	*110¼ Oct 17	114¼ Oct 12	105¼ Aug 130¼	Apr
Homestake Mining	250	70 Oct 17	72½ Oct 14	55½ May 85	Feb
Ingersoll-Rand, pref.	100	87 Oct 14	87 Oct 14	7 Oct 94½	Jan
Knickerbocker Ice, pref.	100	65 Oct 12	65 Oct 12	65 Sept 75	Mch
Morris & Essex	50	167½ Oct 15	167½ Oct 15	167½ Oct 179	May
New York Dock, pf.	158	71 Oct 18	71 Oct 18	69 May 71	Oct
N Y & N J Telephone	50	100 Oct 14	100 Oct 14	100 Oct 115	Jan
Ontario Silver Mining	200	2¼ Oct 16	3 Oct 16	2¼ Oct 8½	Feb
Standard Mining	100	\$2.10 Oct 18	\$2.10 Oct 18	\$1.90 Aug 370	Jan
Tennessee Coal rights	1,250	2¼ Oct 14	2¼ Oct 14	2¼ Oct 9½	Oct
United Cigar Mfrs, pref.	100	76 Oct 17	76 Oct 17	76 Oct 9½	Jan
U S Leather, preferred.	100	100¼ Oct 18	100¼ Oct 18	90 Aug 114	July
Vulcan Detinning	100	2¼ Oct 18	2¼ Oct 18	2¼ Oct 9½	Jan
Western Maryland	600	6 Oct 14	8 Oct 14	6 Oct 30½	Jan

**Outside Market.**—The violent movements in United Copper stocks on the "curb" this week completely demoralized the market for outside securities. From 46½, last Friday's close, the common dropped to 37¼, and on Monday rushed up to 60 as a result of manipulation, as afterwards disclosed, by a firm of brokers connected with the Heinze interests. The next day, however, there was a succession of sharp breaks, and on Wednesday the stock dropped to 10. The firm of Gross & Kleeberg, who had acted for Otto Heinze & Co., announced their suspension, and charged that Heinze & Co. had repudiated their contracts. Thursday matters became still more complicated, with Heinze & Co. suspended from the New York Stock Exchange. United Copper on that day recovered to 13½, but on heavy selling broke again to-day to 10½. The preferred suffered equally, and after moving up a point to 75 ran down to 25, with the final transaction to-day at 25¼. Boston Consolidated Copper fell from 12½ to 10½, rose to 12½ and dropped back again to 10½. Butte Coalition lost 2 points to 10 and ends the week at 10½. Davis-Daly Estates sank from 7½ to 3½ and closes to-day at 4½. Nevada Consolidated Copper declined from 8½ to 7½ and to-day to 6¼. Nevada-Utah from 2 13-16 receded to 2½. Cumberland Ely went down from 5½ to 4½ and to-day still lower to 4. Greene Cananea declined from 7 to 6¾, then moved up to 7½, dropping back finally to 6¾. Nipissing from 6½ sank to 5¾ and closed to-day at 5¾. The weakness of the copper group was reflected in the specialties. Consolidated Steamship 4% bonds were the feature. On record-breaking sales (some \$1,900,000 up to Friday and about \$2,000,000 to-day), the price dropped from 22½ to 18¾, a bad break to-day carrying the price to 17¾, with the close to-day at 18. The stock declined from 2½ to 1½. American Tobacco lost about 10 points to 200, closing to-day at 205. Standard Oil declined from 435 to 415. Chicago Subway from 18 sold down to 15 and ends the week at 15½.

Outside quotations will be found on page 996.











Main table with columns: BONDS, N. Y. STOCK EXCHANGE WEEK ENDING OCT 18, Price Friday Oct 18, Week's Range or Last Sale, Range Since January 1, and various other columns for bond details.

MISCELLANEOUS BONDS—Continued on Next Page

Miscellaneous Bonds section with columns: Bond Name, Price Friday, Week's Range or Last Sale, Range Since January 1, and other details.

\*No price Friday; latest bid and asked. aDue Jan bDue Feb cDue Mar dDue Apr eDue July fDue Aug gDue Oct hDue Nov iDue Dec jOption Sale

BONDS				BONDS							
N. Y. STOCK EXCHANGE				N. Y. STOCK EXCHANGE							
WEEK ENDING OCT 18				WEEK ENDING OCT 18							
Incl. Foreign	Price Friday Oct 18	Week's Range or Last Sale		Bonds Sold	Range since January 1	Incl. Foreign	Price Friday Oct 18	Week's Range or Last Sale		Bonds Sold	Range since January 1
		Low	High					Low	High		
<p><b>MANUFACTURING &amp; INDUSTRIAL</b></p> <p>Both Steel 1st ext sf 5s. 1926 J-J 95 96 Aug'06</p> <p>Cent Leather 20-year g 5s. 1925 A-O 82 85 82 85 110</p> <p>Consol Tobacco 50-yr g 4s. 1951 F-A 64 63 Oct'07</p> <p>Distl Sec Cor conv 1st g 5s. 27 A-O 69 Sale 69 72 63 69</p> <p>Int Paper Co 1st con g 6s. 1918 F-A 105 106 105 105 3</p> <p>Consol conv s f g 5s. 1935 J-J 86 87 Sep'07</p> <p>Int St Pump 1st conv g 6s. 1913 J-J 97 97 Aug'07</p> <p>Knicker 1cc (Chic) 1st g 5s. 1925 A-O 97 97 Oct'06</p> <p>Lackaw Steel 1st g 5s. 1923 A-O 80 80 Sale 80 80 8</p> <p>Nat Starch Mfg Co 1st g 5s. 1920 J-J 80 80 Aug'07</p> <p>Nat Starch Co s f deb 5s. 1925 J-J 70 70 Apr'07</p> <p>Repub I &amp; S 1st &amp; coltr 5s. 1934 A-O 93 90 Oct'07</p> <p>U S Leath Co s f deb 6s. 1913 A-O 103 103 Sep'07</p> <p>U S Realty &amp; I conv deb g 6s. 24 J-J 75 76 Oct'07</p> <p>U S Steel Corp—J coup. d. 1963 M-N 91 91 Sale 91 92 136</p> <p>Sf 10-60 yr 5s. 1 reg. d. 1963 M-N 89 89 89</p> <p>Va-Car Chem col r 5s g 4s. 1912 A-O 95 97 Aug'07</p> <p>Westinghouse E &amp; M s f 5s '31 J-J 84 84 Sale 84 86 3</p>											
<p><b>MISCELLANEOUS BONDS—Concluded.</b></p> <p>Adams Ex col r g 4s. 1948 M-S *88 88 1 88 103</p> <p>Am SS Co of W Va g 5s. 1920 M-N 100 100 J'ne'02</p> <p>B'K'n Ferry Co 1st con g 5s '48 F-A 25 41 Oct'06</p> <p>Chic J &amp; S 2nd col r g 5s. 1915 J-J 103 101 May'07</p> <p>Det M &amp; M Id gr incomes. 1911 A-O 70 Sep'06</p> <p>Int Mercan Marine 4 s. 1922 A-O 55 56 17 54 70 8</p> <p>Int Navigation 1st s f 5s. 1922 F-A 84 85 J'ly'07</p> <p>M &amp; N 1st con g 4s. 1940 M-N 50 Feb'07</p> <p>Newp Ne ship &amp; D 5s d. 1990 J-J 87 87 87 87 8</p> <p>N Y Dock 50-yr 1st g 4s. 1951 F-A 80 80 80 80 8</p> <p>Providence Sec deb 4s. 1957 M-N 80 80 80 80 8</p> <p>Provident Loan Soc 4 s. 1921 M-S 89 89 May'07</p> <p>St Joseph Stk Yda 1st g 4s. 1930 J-J 100 100 Sep'05</p> <p>St L Ter Cuppies Stat'n &amp; Prop. Co 1st g 4 s 5-20 year. 1917 J-D 112 J'ly'04</p> <p>S Xuba Wat Co con g 6s. 1923 J-S 113 J'ly'00</p> <p>Sp Val Wat Works 1st g 6s. 1906 M-N 90 90 Aug'07</p> <p>U S Red &amp; Ref 1st s f g 6s. 1931 J-J 80 80 80 80 8</p>											

\* No price Friday; latest bid and asked this week. a Due Jan b Due Feb c Due Apr d Due May e Due June f Due July g Due Nov h Option Sale





Table with columns for BOND, Price Friday Oct 18, Week's Range or Last Sale, Bonds Sold, Range Since January 1, and BOSTON STOCK EXCH'GE WEEK ENDING OCT 18. Includes various bond listings like Am Bell Telephone 4s, Am Telop & Tel coil tr 4s, etc.

NOTE—Buyer pays accrued interest in addition to the purchase price for all Boston Bonds. \* No price Friday; latest bid and asked. † Flat price.

Philadelphia and Baltimore Stock Exchanges—Stock Record, Daily, Weekly, Yearly

Large table with columns for Share Prices—Not Per Centum Prices (Saturday Oct 12 to Friday Oct 18), ACTIVE STOCKS (For Bonds and Inactive Stocks see below), Range for Year 1907 (Lowest, Highest), and Range for Previous Year (1906) (Lowest, Highest). Includes sections for PHILADELPHIA and BALTIMORE with various stock listings.

\* Bid and asked; no sales on this day. † Ex-rights. ‡ \$7.50 paid. § \$15 paid. ¶ \$10 paid. †† \$35 paid. a Receipts. b \$25 paid. c \$30 paid. d \$42.5 paid.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table showing weekly and daily stock transactions at the New York Stock Exchange, including columns for Week ending, Stocks (Shares, Par value), Railroad Bonds, State Bonds, and U. S. Bonds.

Table showing sales at the New York Stock Exchange, categorized by Stocks (No. shares, Par value), Bonds (Government, State, R.R. and misc.), and Total bonds.

DAILY TRANSACTIONS AT THE BOSTON AND PHILADELPHIA EXCHANGES

Table showing daily transactions at the Boston and Philadelphia exchanges, with columns for Week ending, Boston (Listed, Unlisted, Bond sales), and Philadelphia (Listed, Unlisted, Bond sales).

Outside Securities

A weekly review of Outside Market will be found on a preceding page.

Large table of Outside Securities, organized by Street Railways (New York City, Boston, Philadelphia), Gas Securities (New York, Other Cities), and Electric Companies (Chicago, Newark, etc.).

Table of Telegraph & Telephone stocks, listing companies like eAmer Telegr & Cable, eCentral & So Amer, and others with Bid and Ask prices.

Table of Ferry Companies, listing various ferry services and their respective Bid and Ask prices.

Table of Short-Term Notes, listing various government and corporate notes with Bid and Ask prices.

Table of Railroad stocks, listing various railroad companies and their Bid and Ask prices.

Table of Industrial and Miscel stocks, listing various industrial and miscellaneous companies with Bid and Ask prices.

Table of Industrial and Miscel stocks (continued), listing various industrial and miscellaneous companies with Bid and Ask prices.

\* Per share. † Buyer pays accrued int. a Ex-rights. e Sells on Stk. Ex., but not very active. i New stock. n Nominal. s Sale price. z Ex-div.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of every STEAM railroad from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from July 1 to and including such latest week or month. We add a supplementary statement to show the fiscal year totals of those roads whose fiscal year does not begin with July, but covers some other period. The returns of the street railways are brought together separately on a subsequent page.

Main table of Railroad Gross Earnings with columns for Road, Latest Gross Earnings (Week or Month, Current Year, Previous Year), and July 1 to Latest Date (Current Year, Previous Year). Includes various railroads like Ala Great Southern, N Y C & Hud River, etc.

Various Fiscal Years. Table with columns: Various Fiscal Years, Period, Current Year, Previous Year. Lists specific road earnings for different periods.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Table with columns: Monthly Summaries, Cur'nt Year, Prev's Year, Inc. or Dec., %. Shows aggregate earnings for various months and years.

a Mexican currency. b Includes earnings of Gulf & Chicago Division. c Includes the Houston & Texas Central and its subsidiary lines in both Illinois in both years. f Includes Evansville & Indiana R.R. g Includes earnings of Denver End & Gulf R.R., Pecos System and Santa Fe Prescott & Phoenix Ry.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the first week of October. The table covers 44 roads and shows 6.99% increase in the aggregate over the same week last year.

Table with columns: First week of October, 1907, 1906, Increase, Decrease. Lists 44 roads and their earnings for the first week of October 1907 and 1906, along with percentage changes.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings of STEAM railroads reported this week.

Table with columns: Roads, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Lists 44 roads and their monthly gross and net earnings for the current and previous years.

a Net earnings here given after deducting taxes. b Net earnings here given as before deducting taxes. c Figures revised for previous year so as to accord with the new classification of earnings and expenses now required by the Inter-State Commerce Commission.

For August additional income and net profits from coal, etc., were \$63,160 this year, against \$23,947 last year, and from July 1 to Aug. 31 were \$159,682 this year, against \$52,579 last year.

Interest Charges and Surplus.

Table with columns: Roads, Int., Rentals, &c.—Current Year, Previous Year, Bal. of Net E'ngs.—Current Year, Previous Year. Lists 11 roads and their interest charges and surplus for the current and previous years.

Table with columns: Roads, Int., Rentals, &c.—Current Year, Previous Year, Bal. of Net E'ngs.—Current Year, Previous Year. Lists 11 roads and their earnings for the current and previous years.

STREET RAILWAYS AND TRACTION COMPANIES.

Table with columns: Name of Road, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to latest date (Current Year, Previous Year). Lists 44 street railway and traction companies and their earnings.

a Figures for the month in both years include operations of the Scranton Ry., acquired Jan. 1 1906. b Figures are from Feb. 1. c These figures are for consolidated company. d These are results for main line. f Now includes Rapid Ry. Syst., Sandwich Windsor & Amherstburg Ry. and Detroit Monroe & Toledo Short Line Ry. h These are early preliminary returns decrease due to earthquake, fire and strike among employees, Aug. 26 to Sept. 5 1906.

Street Railway Net Earnings.—The following table gives the returns of STREET railway gross and net earnings reported this week. A full detailed statement, including all roads from which monthly returns can be obtained, is given once a month in these columns, and the latest statement of this kind will be found in the issue of Oct. 5 1907. The next will appear in the issue of November 2 1907.

Table with columns: Roads, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Lists 11 street railway and traction companies and their monthly gross and net earnings.



Table with columns: Gross Earn'gs (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Rows include United Rys of St L., West Ches (Pa) St Ry., Whatcom Co Ry & Lt., etc.

a Net earnings here given are after deducting taxes.
b Net earning here given are before deducting taxes.

Interest Charges and Surplus.

Table with columns: Int., Rentals, &c. (Current Year, Previous Year), Bal. of Net E'ngs. (Current Year, Previous Year). Rows include Brockton & Plym St Ry., Cape Breton El Co., El Paso Elec Cos., etc.

ANNUAL REPORTS.

Annual Reports.—The following is an index to all annual reports of steam railroads, street railways and miscellaneous companies which have been published since the last editions of the "Railway & Industrial" and "Street Railway" sections. This index does not include reports in to-day's "Chronicle."

Table with columns: Railroads, Industrial Companies (cont.), Street Railways. Lists various companies and their page numbers.

Baltimore & Ohio Railroad.

(Report for Fiscal Year ending June 30 1907.)

On subsequent pages will be found the report of President Murray for the year 1906-07 and also the general balance sheet in detail. The comparative statement of operations, earnings, charges, &c., for four years is as follows:

OPERATIONS, EARNINGS AND EXPENSES.

Table with columns: 1907-06, 1905-06, 1904-05, 1903-04. Rows include Miles operated, Tons freight carried, Passengers carried, Earnings from Freight, Passengers, Mail, Express, Miscellaneous, Total earnings, Operating Expenses, Total expenses, P. c. of exp. to earnings, Net earnings.

a Revenue freight only.

INCOME ACCOUNT.

Table with columns: 1906-07, 1905-06, 1904-05, 1903-04. Rows include Net earnings, Add dividends and int. and miscell. receipts, Total, Deduct net Wash. Br., Available income, Deduct Interest and rentals, Taxes, 4% div. on pref. stock, Div. on com. stock, Additions & improv'ts., Miscel. improv'ts. &c., Discout and commiss'n, Total, Balance, surplus.

b In 1904-05 this item, \$215,000, and in 1903-04 \$842,000, was charged to "profit and loss" account, instead of being deducted in income account as in previous years.

c The difference in the surplus as shown here and in the pamphlet report is due merely to a difference in the method of charging the common stock dividends, the above method being used for the sake of simplicity.

GENERAL BALANCE SHEET JUNE 30.

Table with columns: 1907, 1906, 1905. Rows include Assets (Cost of road, Rolling stock, Marine equipment, Gas and electric plants, Real estate, Securities to retire old bonds, Due by other companies for adv's, Cash on hand and in banks, Due from agents, Traffic balances, Due by individuals and cos, Bonds of B. & O. Co., Bonds of sundry companies, Stocks of B. & O. RR, Stocks of B. & O. Equipment Co, Stocks of sundry companies, Materials on hand, Insurance fund and miscellaneous), Total assets, Liabilities (Preferred stock, Common stock, Subscriptions to common stock, Bonds (see "Ry. & Ind." Section), Ground rent liens, Real estate mortgages, Old bonds and stocks not deposited, M. Riv. RR. Co. car trust warrants, Monon. River RR. Co. 1st M. bonds, W. Va. & Pittsb. RR. Co. 1st M., Schuyl. Riv. E. S. RR. Co. 1st M., Due to Wash. B. Incl. annuities, Paybills & West. equipment trusts, Pay-rolls and unclaimed wages, Traffic balances, Interest, Dividends, Acc'd taxes, and ground rents, B. & O. Relief Department, Audited vouchers and bills and accounts payable, Miscellaneous), Total liabilities, Profit and loss.

—V. 85, p. 220, 98.

Southern Railway.

(Report for Fiscal Year ending June 30 1907.)

The report of President Finley, together with the balance sheet, income account, operations and other tables, are published on subsequent pages. The comparative tables below compiled for the "Chronicle" show the results of operations of the company for four years.



team tracks at Evansville. The construction of a new passenger station at Evansville was authorized, at an estimated cost of \$125,000. The contracts have been awarded and at the close of the year the work is in progress. An estimated expenditure of \$15,868 was authorized for the re-arrangement and enlargement of the freight depot at Terre Haute. ("Additions and improvements" costing in the aggregate \$145,562 were charged to cost of property during the year.—Ed.) An industrial extension 1 1/2 miles in length at Vincennes, Ind., to serve the property reserved by its Board of Trade for factory purposes, was authorized, at an estimated cost of \$20,911.

1,698.2 tons of new 85-lb. steel rails were laid in the main track and 98-325 cross-ties and 59 sets of switch-ties were renewed. 16.8 miles of main track were re-ballasted with gravel. 14.8 miles of woven wire fence were constructed.

Equipment.—Equipment notes amounting to \$215,081 have been paid. The eight locomotives contracted for during the last fiscal year for July and August delivery have been received, and are included in the equipment account for this year. During the year there have been sold, broken up and destroyed 4 engines, 4 passenger cars and 438 freight and other cars, the value of which (less salvage), \$167,560, has been charged to operating expenses. (The "additions to equipment" during the year aggregated \$118,500, viz.: 2 switch locomotives and 6 freight locomotives, \$111,713, and air-brakes, &c., \$6,787.—Ed.)

OPERATIONS, EARNINGS, &c., INCLUDING EVANSVILLE & INDIANAPOLIS.

Table with columns for years 1906-07, 1905-06, and 1904-05. Rows include Total miles operated, Passengers carried, Revenue freight, Gross receipts, Earnings, Expenses (Maintenance of way, equipment, transportation), and Total disbursements.

x Declared in September 1907, payable Nov. 1 to stockholders of record Sept. 20. See V. 85, p. 599, and profit and loss account below. y The total surplus June 30 1907 (\$1,057,888), as per balance sheet, was obtained after deducting \$107,823 for taxes accrued in prior fiscal years, now written up to date, and \$278 for miscellaneous accounts charged off. From this accumulated surplus will be paid the 5% dividend on the preferred stock and 4% on the common stock, calling for \$223,662, declared last month from the earnings of the fiscal year 1906-07 and charged again the same above.

GENERAL BALANCE SHEET JUNE 30. (Including Evansville & Indianapolis.)

Balance sheet table with columns for years 1907, 1906, 1907, and 1906. Rows include Assets (Cost of road, Equipment, Materials, Cash, etc.) and Liabilities (Common stock, Preferred stock, Funded debt, etc.).

x There has been heretofore included in "cost of road" \$2,000,000, representing outstanding stock of the Evansville & Indianapolis RR., the same item being carried on the liability side of the balance sheet under "common stock." This stock, being entirely owned by the Evansville & Terre Haute RR., is eliminated in both years from both sides of the combined balance sheet.

y Exclusive of 20,000 shares of Evansville & Indianapolis RR. stock par value \$2,000,000.—V. 85, p. 921, 599.

Chicago & Eastern Illinois Railroad.

(Report for Fiscal Year ending June 30 1907.)

This company is controlled by the St. Louis & San Francisco RR.—see report of that company, also report of "Rock Island Company," the parent holding company, on subsequent pages of this issue.

President H. I. Miller says in substance:

General.—The results for the fiscal year were as follows: Gross earnings increased \$1,409,152, or 14.2%; operating expenses increased \$606,820, or 9.2%, and net earnings increased \$802,332, or 23.9%. The net income, after providing for all fixed charges, was \$1,670,168, being 6% on preferred and 15.8% on common stock. The dividends paid (6% on preferred and 10% on common stock) called for \$1,251,622, leaving a surplus for the year of \$418,546, or an increase of \$380,853.

Bonds.—The funded debt has been increased \$4,122,000, of which \$1,225,000 were issued to provide in part for prior liens maturing in December 1907 and \$2,897,000 for additions and improvements. Car trust obligations have been paid to the amount of \$1,183,058, leaving the net increase of funded debt \$2,938,942.

Improvements.—The enlargement of locomotive repair shops and engine-house facilities at Oaklawn (Danville, Ill.), authorized on Oct. 11 1906, at an expenditure of \$560,000, was well under way at the end of the year, the total expenditure as of that date aggregating \$286,722.

The construction of a new freight terminal, with engine-house and other facilities, at Lenox, Ill., contiguous to St. Louis, has contributed largely to the satisfactory service obtained in the handling of traffic to and from St. Louis.

Increase in Wages.—The rates of pay of practically all classes of employees have been increased during the year, the increase at the close of the year aggregating approximately \$300,000 per annum, or 5.79%.

Passenger Rates.—The wide-spread agitation for a reduction in passenger rates has resulted in a 2-cent law, effective on the lines in Indiana on April 10 1907, and a similar enactment in Illinois on July 1 1907. These reductions will create a considerable decrease in the earnings per passenger and per passenger mile in comparison with former years.

New Enterprises.—The industrial department has located during the year 45 plants and manufacturing at different points, employing in the aggregate 3,269 men and costing approximately \$2,359,000.

Property and Franchises.—Additions During Year, Aggregating \$3,727,206 (Net).

New Construction.—Completion of Eastern Illinois & St. Louis RR. \$4,328 Additions and Improvements (incl. \$147,178 for ballasting) 495,406 Additions to Equipment—Under equipment trusts—Series C, D and F, additions 983 Series F—58 locomotives, 3 dining cars and 3,250 coal cars 3,855,320 Purchased for cash—5 locomotives, 6 baggage cars, &c. 60,743 Less—Car trust notes retired and not funded, equipment destroyed, &c. 689,573

Road.—A heavy increase was incurred in the expense of maintenance of way and structures, the average expenditure per mile of road owned and leased having been \$791.50, compared with \$511.17 during the previous year. Ties renewed averaged, per mile of main, second and third track, 324 against 224 for the year 1905-06. Linal feet of stone and concrete arch culverts built, 91; miles of roadbed widened to standard width, 20 miles.

WEIGHT OF RAIL IN TRACK (MAIN, SECOND AND THIRD) JUNE 30.

Table showing weight of rail in track for different types of rails (56 and under, 60-lb., 70-lb., 80-lb., 85-lb.) for years 1906-07, 1905-06, and 1904-05.

Total miles of new ballast 0.99; total miles on which additional ballast has been placed, 202.15. Heavy expenditures have been made in replacing wooden bridges with heavier wooden structures; also in strengthening other bridges to provide for heavier equipment now in use. An amount equal to the cost of the original structures, or the estimated cost of renewing them in kind, has been charged to operating expenses. 100 linal feet of timber bridges were replaced with steel. 407 linal feet of bridges have been filled.

STATEMENT OF SECURITIES OWNED—TRUST ASSETS AND IN TRUST—JUNE 30 1907.

Trust Assets Held by Trust Co. of America under Agreement Dated July 1 1905. (Total par value, \$11,769,400; book value, \$10,578,092.)

Table of securities owned, including Chicago & West. Ind. RR. stks., Mo. & Ill. Bridge & Belt Ry common stock, Chicago Un. Transf. Ry. stock, etc., with par and book values.

OPERATIONS, EARNINGS, EXPENSES, &c.

Table with columns for years 1906-07, 1905-06, 1904-05, and 1903-04. Rows include Miles operated, Passengers carried, Revenue freight, Earnings, Expenses, and Balance, surplus.

x Also paid 5% extra during year from surplus earnings of the fiscal years ending June 30 1903, 1904 and 1905, and charged the same to profit and loss.

y The profit and loss surplus June 30 1906, \$1,925,077, has been credited with the surplus for the late year, \$418,546, and other items, \$81,651, making a total of \$2,425,274, and has been charged with items aggregating \$997,023, viz.: Equipment, \$821,573; taxes, accrued in prior fiscal years, \$173,857 other items, \$1,593. Credit balance June 30 1907, \$1,428,250.

BALANCE SHEET JUNE 30.

Balance sheet table with columns for years 1907, 1906, 1907, and 1906. Rows include Assets (Road & equipm't, Bonds, Cash, etc.) and Liabilities (Common stock, Preferred stock, etc.).

y Of these \$6,408,300 common and \$161,300 preferred is treasury stock held in trust by Trust Co. of America. z Of this \$5,569,600 consists of common and preferred stock (see above); balance sundry investments.—V. 84, p. 1550.

**Chicago Great Western Railway.**

(Report for Fiscal Year ended June 30 1907.)

The remarks of President Stickney, from the annual report, giving much valuable information regarding the property, and the principal tables of operations, &c., are given on subsequent pages. Comparative results of operation and statistics for four years were given last week.—V. 85, p. 917, 721.

**Canadian Pacific Railway Company.**

(Proceedings at the 26th Annual Meeting.)

At the annual meeting held at Montreal on Oct. 2, President Sir Thomas G. Shaughnessy, in moving the adoption of the report for the fiscal year ended June 30 1907 (see V. 85, p. 652, 726) said in substance:

**Improvement Work—New Stock.**—The twenty-sixth annual report shows an increase in your gross revenue from traffic of more than \$11,000,000 for the year, but the effect of an unusually severe winter and of the enhanced cost of labour and material is shown in the increased ratio of working expenses to income. The works of improvement on different sections of the system, necessary to facilitate the handling of traffic, has been vigorously prosecuted, and the outlay for additional cars and locomotives was particularly large. Since the close of the fiscal year there has been no change in the policy of your directors with reference to these matters; indeed, unless the business of the country has a serious and prolonged set-back, and there are no present grounds for such an apprehension, circumstances will make it necessary to continue these expenditures year by year, but it may be on a somewhat reduced scale.

To provide the requisite means your directors will at a future date, ask you to sanction the issue of the balance of the ordinary share capital authorized, as and when required, but there are sufficient funds in hand to meet all immediate requirements.

**Outlook for Traffic.**—In Ontario, although the yield of wheat was satisfactory, the season has not been an auspicious one for other crops, and in Western Canada, where you are more largely interested, the very backward spring has resulted in a shrinkage of probably 25% in the quantity of marketable wheat as compared with last autumn. There will, however, be a considerable increase in the quantity of oats and other grains, so that with the higher price of wheat, the farmers of Western Canada will receive in the aggregate quite as much for their produce as they did last year.

Because of the late harvest, and the consequent delay in the movement of grain, we carried to the ports of Lake Superior during the month of September only 1,381 carloads as against 4,898 carloads in September 1906; but notwithstanding this large falling off in that class of traffic, the comparative weekly earnings have thus far shown no diminution, and we anticipate an extraordinary rush of grain to the head of Lake Superior before the close of navigation.

**Value of lands.**—It is suggested that the directors should bring before the shareholders the tangible value of the company's land assets. It is not easy to do this with any degree of accuracy, but it may be fairly assumed that, in the case of your agricultural lands as sales are made and the area decreases, the value of the remaining lands will be enhanced, and, as a consequence, the 8,900,000 acres of the original grant still unsold will yield on the average a price per acre considerably higher than has heretofore been realized, without in any manner obstructing settlement or depriving your company of the traffic advantages resulting from the cultivation of lands tributary to your lines.

Your lands in British Columbia are of a different character, their main value being in the standing timber and the possibility of large coal deposits, although there are some areas in the valleys suitable for cultivation. During the last couple of years a considerable demand has sprung up for these lands and the timber, and ultimately they will yield a handsome return.

By the end of the present season, 363 miles of canals and ditches will have been completed in the Western section of the irrigation block, sufficient to give water to approximately 210,000 acres out of a total of 350,000 acres to be served in that section, and the ultimate cost of the work, which should be finished next year, will be in the neighborhood of \$6 50 per acre, including the expenditure on the main canal which will be available for the Central and Eastern sections as well. While this expenditure gives a largely increased value to the irrigated lands themselves, the adjoining areas, greater in extent, but that are above the ditches and cannot therefore be served by water, are being made available and are now selling at prices considerably above the average of your sales. Thus your directors confidently believe that not only will the investment in the irrigation canals and ditches be profitable, but that a large tract of territory along the main line east of Calgary, that by reason of the uncertainty of the rainfall would otherwise have remained bleak and uncultivated, will be converted into a pleasing and productive district.

**Steamships.**—Your steamship lines on both the Atlantic and Pacific oceans have not only been directly profitable but they are very substantial contributors to the revenue of the railway by bringing to it traffic that could not otherwise be secured.

**Stock.**—With the exception of the discount on the original \$65,000,000 of common stock sold nearly twenty-five years ago, when few people had faith in the ultimate success of the enterprise, the aggregate of all the capital stock and securities of other descriptions appearing in the balance sheet has yielded to your treasury cash in excess of their face value. Government and municipal subsidies, whether in the shape of constructed railway lines or money, and the proceeds of the land sales expended on the property, amounting in the aggregate to more than \$100,000,000, have never been capitalized, nor are they included in the balance sheet item "railway and equipment."

I estimate that there are in all upwards of 14,000 people whose individual holdings do not exceed fifty shares. In other words that practically one third of the entire ordinary share capital is held by small investors.

**Dividends from Land Accounts.**—The dividend from land interest account will be the same in the current year as it was in the last, namely, 1%, in two semi-annual instalments of ½% each.

The following resolutions were unanimously adopted, viz.:

(1) That the agreement with the *St. Mary's & Western Ontario Ry. Co.* and others be approved, which agreement provides for a lease to this company of the said railway when constructed, from St. Mary's, Ontario, to a connection at or near the Village of Embro with the proposed extension of the Tilsonburg Lake Erie & Pacific Railway leased to your company, a distance of about 13 ¼ miles, for 99 years, on the basis of a rental of 40% of the gross earnings, with a minimum rental of \$7,930 per annum, which represents the interest at 4% per annum on \$198,250 first mortgage bonds to be issued at the rate of \$13,000 per mile and with an option in favor of this company to purchase the whole of the capital stock at any time within twelve years for \$25,000.

(2) That the agreement with the *Northern Colonization Railway Co.* for the construction of an extension of that company's railway from Nominiguet to Rapide de L'Original, Que., about 34 miles, be approved; and the directors are hereby authorized to acquire the bonds issued or to be issued by the said company in respect of such extension, the interest thereon, at 4% per annum, being guaranteed by this company, such issue not to exceed \$20,000 per mile, and to dispose of consolidated debenture stock of the company for the purpose of acquiring the said bonds.

(3) A resolution providing for the issue of additional consolidated debenture stock to an amount not exceeding \$10,000 per mile (increasing the total amount of said stock issuable thereon to not over \$40,000 per mile) on account of the Sudbury Branch, the necessity for which is explained in the annual report. (V. 85, p. 726.)

(4) A resolution relating to the purchase or construction of additional ocean steamships, referred to in the annual report. (V. 85, p. 726.)

(5) A resolution authorizing the extension of the Moose Jaw branch and the construction of a branch line from Regina to Saskatoon, referred to in the annual report.

(6) That the directors be authorized to construct an extension of the Moose Jaw branch 100 miles in a northwesterly direction, and a branch from a point in or near Regina to a point in, or in the vicinity of Saskatoon, about 165 miles, whenever they deem it advisable, and that for the construction and equipment of the said extension and branch line to dispose of 4% consolidated debenture stock not exceeding \$4,000 sterling per mile.

(7) A resolution relating to the acquisition of two additional lake steamships, and one Pacific Coast steamship, and authorizing the creation

of consolidated debenture stock bearing interest not exceeding 4% per annum, to the amount of £305,000 sterling, for the purpose of paying therefor.—V. 85, p. 863, 726.

**Pere Marquette Railroad.**

(Report for Fiscal Year ending June 30 1907.)

This report is made by Judson Harmon, Receiver, and includes those items related to the period prior to the receivership, which were adjusted during the year.

**General Results.**—The operations of the Pere Marquette RR., the Lake Erie & Detroit River Ry. and the London & Port Stanley Ry., which are covered by the tables in the report, show an increase in gross earnings of \$784,025 and in net earnings of \$739,767. Taxes decreased \$719,101, making the "net operating income" \$1,458,868. "Other income" decreased \$22,365; interest payments increased \$192,265, and rentals decreased \$48,932. The result for the year was a surplus of \$432,222, contrasting with a deficit of \$860,947 in 1905-06, or an increase of \$1,293,169. The percentage of expenses to earnings was 70.19, against 73.96 in 1905-06, and the percentage of expenses and taxes to earnings was 73.55, or a decrease of 9.32.

**Bonded Debt.**—The bonded debt was decreased \$479,000 by the payment of P. M. Transportation Co. 6% bonds, \$20,000, and sundry other equipment bonds and notes, \$459,000.

**Receiver's Certificates.**—During the year the amount of receiver's certificates was increased \$619,180, namely, from \$1,619,180 to \$2,238,360, as follows:

July 2 1906—To provide funds to pay interest due July 1 1906 on the following bonds, viz: Pere Marquette RR. collateral trust 4s, consol 4s and refunding 4s and Flint & P. M. Toledo Div. 1st M 5s	\$419,180
March 1 1907—Issued as the consideration, among other things, for the surrender of certain bonds of the P. M. RR. Co., amounting to \$3,500,000, with the unpaid interest notes or coupons issued therewith, and in settlement of certain litigation between the P. M. RR. Co. and Wm. A. Bradford Jr. and others	400,000
Less—tax certificates issued May 5 1906 paid and canceled Feb. 1 1907	200,000
<b>Capital Expenditures.</b> —Payments aggregating \$1,121,137 have been made from current cash as follows:	
Principal of Pullman equipment notes issued by the receiver in payment for new box cars purchased during the year	\$239,840
Final payment on obligations issued by the receiver to pay for 35 locomotives purchased prior to receivership	200,000
Paid receiver of C. H. & D. Ry. on account of Kleybolte equipment notes issued in payment for equipment furnished the Pere Marquette under equipment trust agreement of April 1 1905	68,744
Amount paid to retire sundry equipment trust bonds	479,000
Additions and improvements to the property, \$310,009, less credits of \$176,456 representing tracks or structures removed or sold, net amount	133,553

**New Equipment.**—During the year contracts were made with the Pullman Company for 4,000 new box cars (36-foot, 80,000 lbs. capacity). The delivery of these cars commenced Oct. 24 1906 and was completed Feb. 28 1907. There were issued in payment for the cars receiver's equipment notes aggregating \$4,346,753, of which \$3,661,200 was for the cost of the cars and \$685,553 for accrued interest to date of maturity. These notes are payable in monthly instalments—the final maturity of one of the contracts being Nov. 15 1913 and of the other contract Jan. 1 1914.

Attention is called to the charge of \$1,015,296 to profit and loss on account of depreciation on equipment. When the receiver took charge there were on hand approximately 2,800 low-capacity, non-air freight cars, also a number of old locomotives. No provision had been made by previous managements for renewing this equipment or for the depreciation thereon.

All of these old cars and engines have now been condemned and charged off, and nearly all of them have been scrapped, or sold for scrap value, so that the new year starts with the equipment in excellent condition. Fully 70% of the freight cars have been purchased within the past four years, while the remainder are in good repair, and will be available for heavy service for many years. The road's equipment is now in a position to compare favorably with that of any railroad in the United States.

**Track.**—During the year there were 16.42 miles of siding and yard tracks built and 18.04 miles taken up, a net decrease of 1.62 miles. The Chippewa Lake Branch (5.46 miles) was also taken up. There were 406,227 cross-ties used, 277,748 being put in main track renewals, 91,014 in side-track renewals and 37,265 used for new work. 66.45 miles of track were ballasted with gravel. During the year there were 35.5 miles of 85-lb. steel rail laid on main line.

**Two-cent Passenger Fare Law.**—Following the example of other States, Michigan enacted a two-cent passenger fare law in June 1907, which takes effect Sept. 28 1907. It is hoped that increased patronage will make good the substantial loss inevitably resulting from such large reduction. If a maximum rate of two cents per mile proves insufficient to allow a fair return upon the value of the property used in the passenger service, it is expected that the people of Michigan will modify the law.

**Chicago Cincinnati & Louisville RR. Settlement.**—In the last annual report mention was made of the commencement of a suit to obtain the cancellation of \$3,500,000 of bonds of the Pere Marquette RR. issued in July 1904 to pay for the capital stock of the Chicago Cincinnati & Louisville RR. Co. In April 1907 a settlement was reached under approval of court by which, in consideration of \$400,000 in receiver's certificates, the \$3,500,000 of bonds were surrendered and canceled—the Pere Marquette RR. Co. yielding any claims it had to the capital stock of the Chicago Cincinnati & Louisville RR. Co. and for advancements to that company.

**Lease.**—On April 15 1907 the line from Lawton to South Haven, which was acquired in 1903 from the South Haven & Eastern Ry. (33.82 miles), was leased to the Kalamazoo Lake Shore & Chicago Railway Co. for 25 years.

**OPERATIONS, EARNINGS, EXPENSES, &c.**

	1906-07.	1905-06.	1904-05.
Miles operated June 30	2,298	2,333	2,327
Passengers carried	4,579,279	4,366,048	4,034,683
Passengers carried 1 mile	167,061,923	157,483,507	145,810,035
Earnings per pass. per mile	2,054 cts.	2,057 cts.	2,141 cts.
Earnings per pass. train mile	\$0.9888	\$0.9338	\$0.9299
Revenue tons carried	9,538,512	9,289,930	8,354,760
Revenue tons carried 1 mile	1,715,405,481	1,624,353,350	1,312,402,547
Earnings per rev. ton per mile	0.590 cts.	0.597 cts.	0.689 cts.
Tons per freight train mile	322.02	311.69	251.37
Earnings per freight train mile	\$1.89806	\$1.85978	\$1.7333
Gross earnings per mile	\$5,947	\$5,599	\$5,322
<b>Earnings—</b>			
Freight	\$9,902,158	\$9,605,899	\$9,049,573
Passengers	3,431,021	3,239,447	3,121,217
Mail, express and miscellaneous	881,016	584,824	496,630
<b>Total earnings</b>	<b>\$14,214,195</b>	<b>\$13,430,170</b>	<b>\$12,667,420</b>
<b>Expenses—</b>			
Maintenance of way, &c.	\$1,639,448	\$1,627,308	\$1,715,232
Maintenance of equipment	1,975,221	1,873,321	1,547,548
Conducting transportation	5,640,323	5,563,682	5,843,596
Marine operations	356,935	460,631	427,996
General expenses	365,425	408,153	381,405
<b>Total expenses</b>	<b>\$9,977,352</b>	<b>\$9,933,094</b>	<b>\$9,915,777</b>
P. c. of expenses to earnings	(70.19)	(73.96)	(78.28)
Net earnings	\$4,236,843	\$3,497,076	\$2,751,643
Add other income	218,988	216,153	241,036
<b>Total</b>	<b>\$4,375,831</b>	<b>\$3,658,429</b>	<b>\$3,192,679</b>
<b>Deduct—</b>			
Interest on bonds	\$2,578,917	\$2,500,612	\$2,178,955
Rentals	717,918	766,850	561,794
Interest on bills payable	51,782	33,266	59,698
Interest on receiver's certs.	117,176	21,730	-
Taxes	477,816	1,196,918	414,663
<b>Total</b>	<b>\$3,943,609</b>	<b>\$4,519,376</b>	<b>\$3,215,110</b>
Balance, surplus or deficit	sur.\$432,222	def.\$860,947	def.\$22,431

x During the years 1906-07 and 1905-06 nothing was received by way of rental from the C. H. & D. Ry. Co.; in the year 1904-05 the rental received and included with "other income" amounted to \$321,038.

y Including back taxes.

CONSOLIDATED GENERAL BALANCE SHEET JUNE 30.

Table with 3 columns: 1907, 1906, 1905. Rows include Assets (Franchise and prop., Stocks and bonds owned, etc.) and Liabilities (Pere Marquette RR. common stock, etc.).

Cincinnati Hamilton & Dayton Railway.

(Report for Fiscal Year ending June 30 1907.)

This report is made by Judson Harmon, receiver, and includes those items related to the period prior to the receivership, which were adjusted during the year.

Bonded Debt.—The bonded debt was decreased \$318,000 by the payment of equipment obligations.

Receiver's Certificates.—Receiver's certificates amounting to \$511,830 were issued to provide funds to pay interest due July 1 1906 on the following bonds: Dayton & Michigan RR. consol. mortgage 5% bonds, Cincinnati Hamilton & Dayton Ry. 2d mortgage 4 1/2% bonds, Cincinnati Indianapolis & Western Ry. first and refunding mortgage 4% bonds, Cincinnati Hamilton & Dayton Ry. refunding mortgage 4% bonds, Indiana Decatur & Western Ry. first mortgage 5% bonds.

General Results.—The statistics in this report include the operations of: Cincinnati Hamilton & Dayton Ry., Dayton & Michigan RR., Home Avenue RR., Cincinnati Findlay & Fort Wayne Ry., Cincinnati Indianapolis & Western Ry., Columbus Findlay & Northern RR., Bowling Green RR., Piqua & Troy Branch RR., and Cincinnati & Dayton Ry. The increase in gross earnings was \$548,516, and in net earnings, \$185,531. Taxes decreased \$212,837; other income decreased \$18,811; interest increased \$115,280 and rentals decreased \$22,000. The resulting deficit from the operations of the year was \$861,354, being a decrease of \$286,277 compared with 1905-06. The percentage of expenses to earnings was 75.80%, a decrease of .63%, and of taxes to earnings, 3.12%, a decrease of 2.74%; total, 78.92%, against 82.29% in 1905-06, a decrease of 3.37%.

Capital Expenditures.—Payments aggregating \$348,848 have been made from the current cash as follows:

Amount paid to retire sundry equipment trust bonds (\$318,000, less \$68,744 received from receiver of Pere Marquette RR. to cover that company's proportion of \$108,000 Kleybolte 4 1/2% equipment notes and improvements to the property (total charges \$244,960; credits \$145,368, representing tracks or structures removed or sold). 99,592 Track.—308,200 cross-ties were used in renewals of main and side tracks. 12,000 yards of ballast were put under track of the Indianapolis Division, and 25,000 yards on the Cincinnati-Toledo Main Line; also 36,000 yards on the Wellston Division, the larger portion made necessary by unprecedented floods. 12 miles on Cincinnati-Toledo Main Line, between Hamilton and Toledo, were re-laid with 85-lb. steel rail. This makes a total of 144 miles of 85-lb. rail now laid between Hamilton and Toledo.

Work has been started on the enlargement of Toledo and Lima yards. General.—During the year air-brakes were applied to 1,716 freight cars, at a cost of \$87,895. Winter and spring floods throughout the Ohio Valley, and especially in the vicinity of Cincinnati, caused considerable business to be temporarily diverted to other gate-ways and railroads. New industries located on the line during the year, and additions made to those in operation, will yield much additional revenue if commercial conditions continue on the present basis of activity. But this will not be reflected in earnings to any material extent until after Jan. 1 next. The year's business has been done without additions to the motive power, equipment and facilities which have been in view for several years and are sorely needed.

OPERATIONS AND FISCAL RESULTS.

Table with 5 columns: 1906-07, 1905-06, 1904-05, 1903-04. Rows include Miles operated, Passengers carried, Revenue, Freight, Expenses, and Earnings.

Total \$2,848,629 \$2,755,350 \$2,148,897 \$1,811,134 Balance, sur. or def. \$861,354 dr. \$1,147,631 dr. \$363,779 sr. \$399,293 a Includes \$101,924 in 1906-07, \$120,735 in 1905-06 and \$97,229 in 1904-05, which the Receiver treats outside of gross earnings as special items of "other income."

CONSOLIDATED GENERAL BALANCE SHEET JUNE 30.

Table with 3 columns: 1907, 1906, 1905. Rows include Assets (Franchises and property, Stocks and bonds owned, etc.) and Liabilities (C. H. & D. common stock, etc.).

—V. 85, p. 921 653

Missouri Pacific Railway.

(Preliminary Statement for Fiscal Year ending June 30 1907.)

Table with 4 columns: 1906-07, 1905-06, 1904-05. Rows include Gross earnings, Operating expenses, Net earnings, Total income, Taxes, Interest and rentals, Equipment trust and sundry charges.

—V. 85, p. 221.

Chicago Union Traction Co.

(Report for Year ending Aug. 31 1907.)

We have been favored with the following statements of earnings for the several operating companies for the year ending Aug. 31 1907:

NORTH CHICAGO STREET RAILROAD.

Table with 4 columns: 1906-07, 1905-06, 1904-05, 1903-04. Rows include Gross earnings, Operating expenses, Net earnings, Total income, Charges, Depreciation, Consol. Trac. Co. def.

WEST CHICAGO STREET RAILWAY.

Table with 4 columns: 1906-07, 1905-06, 1904-05, 1903-04. Rows include Gross earnings, Operating expenses, Net earnings, Total income, Charges, Depreciation, Consol. Trac. Co. def.

CONSOLIDATED TRACTION CO.

Table with 4 columns: 1906-07, 1905-06, 1904-05, 1903-04. Rows include Gross earnings, Operating expenses, Net earnings, Total income, Deductions, Deficit.

Compare balance sheet in V. 85, p. 919.

Massachusetts Gas Companies, Boston.

(Report for Fiscal Year ending June 30 1907.)

President C. Minot Weld, under date of Boston, Mass., Oct. 8 1907, says in substance:

Dividends on Common Stock.—During the year the trustees voted to set aside \$750,000 from the accumulated earnings for the payment of dividends (at the rate of 3% per annum) upon the common shares, and out of that sum a dividend of 1% was paid on Aug. 1 1907. (A similar appropriation was made in 1905-06.—Ed.)

"Property Account."—This includes the following securities:
Shares. Shares.
New Eng. Gas & Coke Co. 175,000 Chelsea Gas Light Co. 2,957
Boston Consolidated Gas Co. 151,106 Citizens Gas Lt. Co. of Quincy 330
East Boston Gas Co. 8,633 New Eng. Coal & Coke Co. 1,250

New England Coal & Coke Co.—This company, organized during the year, has contracted for three steel steam colliers, each with a carrying capacity of 7,200 tons, which, it is expected, will be used to carry coal from United States ports to Boston in the interests of our various companies.

The New England Coal & Coke Co. has issued 1,250 shares of capital, for which the Massachusetts Gas Companies has paid \$125,000. The balance of the money which the new company has spent and will spend has been and will be obtained, temporarily, on the notes of the New England Coal & Coke Co., endorsed by the Massachusetts Gas Companies.

New Plant.—In addition to the new construction mentioned in the last report as having been commenced by the Boston Consolidated Gas Co., and which is now practically completed, the Boston Consolidated Gas Co. has let contracts for the construction of a new gas plant of 10,000,000 cubic feet per day capacity, which will be erected in Everett, adjacent to the New England Gas & Coke Co.'s works.

During this year and the previous year the Boston Consolidated Gas Co. sold real estate which it had abandoned for manufacturing purposes amounting to \$1,058,337, which was used in part payment for the new construction and improvements.

Operations of Sub Companies.—Under the provisions of the so-called "sliding scale" bill, the Boston Consolidated Gas Co. paid a dividend of 7% for the year ending June 30 1907, but, having reduced the price of gas on July 1 1906, they are entitled to pay dividends at the rate of 8% per annum in the succeeding year, namely, year ending June 30 1908. (Compare V. 82, p. 1270, 1324.)

Operations of Sub Companies During Year 1906-07.

Table with columns: Net Gain in Meters, Additions to Street Mains, Gas to Consumers Total Cubic Ft., Inc. Rows include Boston Consol. Gas Co., Chelsea Gas Light Co., East Boston Gas Co., Citizens' Gas Light Co.

Price of Gas.—The following reductions were made in the net price charged for gas by the constituent companies from July 1 1906 to July 1 1907: Boston Consolidated Gas Co., 5c.; Chelsea Gas Light Co., 5c., and East Boston Gas Co. 10c. per 1,000 cubic feet.

MASSACHUSETTS GAS COMPANIES—YEAR ENDING JUNE 30.

Table with columns: 1906-07, 1905-06, 1904-05. Rows include Interest on bonds, notes, certfcs., &c., Dividends received, Total earnings, Deduct Expenses, Interest, Dividends on preferred shares, 4%, Total deductions, Balance, surplus, Surplus from previous years, Adjustments, Total, Dividend on com. shares, 3%, Balance.

The net undivided earnings of the constituent companies from the operations of 1906-07 (see the several statements below) aggregated \$127,309, against \$66,272 in 1905-06 and \$85,787 in 1904-05.

BOSTON CONSOLIDATED GAS CO.—YEAR ENDING JUNE 30.

Table with columns: 1907, 1906, 1907, 1906. Rows include Gross income, Expenses, Net income, Miscell. income, Net earnings, Total, Balance, surplus.

NEW ENGLAND GAS & COKE CO.—YEAR ENDING JUNE 30.

Table with columns: 1907, 1906, 1907, 1906. Rows include Production, Oper. expenses, Net inc. fr'm op., Miscell. income, Total income, Gen. exp. & man., Taxes & insur., Int. on mortgage, Int. on float. debt, Dividends, Total deduc's., Balance, surplus.

CHELSEA GAS LT. CO.—EAST BOSTON GAS CO.—YEAR 1906-07.

Table with columns: Chelsea, E. Boston, Chelsea, E. Boston. Rows include Gross income, Expenses, Net inc. fr'm op., Miscell. income, Net earnings, Total, Balance, surplus.

CITIZENS' GAS LIGHT CO. OF QUINCY—YEAR END. JUNE 30 1907.

Table with columns: 1907, 1906. Rows include Gross income, Expenses, Net income from opera's., Miscellaneous income, Net earnings, Total, Balance, deficit.

BALANCE SHEET OF MASSACHUSETTS GAS COMPANIES JUNE 30.

Table with columns: 1907, 1906, 1907, 1906. Rows include Assets: Property account, Cash in banks, Notes receivable, Total; Liabilities: Preferred stock, Common stock, Accounts payable, Pref. div., ac'd., Reserve for com. dividend, Surplus, Total.

The following balance sheet was furnished to the Massachusetts authorities, but does not appear in the report:

BOSTON CONSOLIDATED GAS CO. BALANCE SHEET JUNE 30.

Table with columns: 1907, 1906, 1907, 1906. Rows include Assets: Real estate, Mach., mains, &c., Materials, &c., Cash, d'ts rec., &c., Office furniture, Profit & loss def., Total; Liabilities: Capital stock, Notes, Accounts payable, Deposits, Taxes accrued, Employees' rel'f fd, Stock premiums, Total.

OPERATIONS OF BOSTON CONSOL. GAS CO. FOR YEARS ENDING JUNE 30, REPORTED BY PUBLIC ACCOUNTANTS AS REQUIRED BY SLIDING SCALE ACT.

Table with columns: 1906-07, 1905-06. Rows include Gas purchased (cubic feet), Gas manufactured (cubic feet), Total, Gas sold during year (cubic feet), Cost of gas in holder, per 1,000 cubic feet, Gas purchased, Gas manufactured, Gas sold, Cost of distribution management, &c., Total cost of gas sold (excluding interest, deprecia., and reserve).

—V. 85, p. 923, 723.

Pacific Gas & Electric Co., San Francisco.

(Report for Year ending June 30 1907.)

The combined income account of all properties owned and controlled, including the California Gas & Electric Corporation, the San Francisco Gas & Electric Co. and properties directly operated, is as follows:

Table with columns: Year ending June 30 1907, 6 Mos. to Dec. 31 '06, 6 Mos. to June 30 '07, Totals for Year. Rows include Gross earnings from all sources, Oper. exp., maintenance, taxes, &c., Net income available for bond interest, Int. & sink. fds. of subsidiary corp'ns, Surplus available for interest and sinking funds of Pacific Gas & Elec. Co., Bond int. & sink. funds Pacific Gas & Electric Co., Balance, Preferred stock dividends accrued, Balance.

The final balance above shown is equivalent, after deducting dividends accruing on the preferred stock during the year ending June 30 1907, to more than 5% on the entire \$20,000,000 of authorized common stock of the Pacific Gas & Electric Co. 75% of this balance was earned in the last half of the 12 months period, the larger earnings of that term reflecting the advent of more normal conditions at San Francisco. The gross earnings of the San Francisco Gas & Electric Co. are now practically as great as they were before the catastrophe of April 1906. The company had in service Jan. 1 1907 in San Francisco 46,633 meters and 530 miles of mains. Gas sales during the 12 months ending June 30 1907 were 2,253,000,000 cubic feet. (See also separate report for California Gas & Electric Corporation above and "Street Railway" Section of June 1906.—Ed.)—V. 85, p. 923, 725.

California Gas & Electric Corporation.

(Financial Statement.)

This company, whose capital stock is mostly owned by the Pacific Gas & Electric Co. (of San Francisco), reports as follows for the fiscal years ending Feb. 28 1907 and 1906 and the year ending June 30 1907:

Table with columns: Fiscal Yr. end. Feb 28 1907, 1906, Increase Amount, % 1907-06, Year ending June 30 '07. Rows include Gross earnings, Oper. exp., maint., taxes, &c., Net earnings from oper., Other income, Total net income available for interest, Interest, Balance, Sinking funds, Surplus.

An authoritative statement says:

It will be noted that the company earned nearly twice its interest charges during the twelve months ending June 30 1907. The company's hydroelectric generating stations have a capacity of 93,150 horse-power; its steam plants have a capacity of 39,382 horse-power; making a total electrical generating capacity now in operation of 133,132 horse-power. During the twelve months ending June 30 1907 sales of gas were 1,785,000,000 cubic feet. The distribution system comprises 687 miles of low and high-pressure mains and 1,500 miles of high-voltage transmission lines. Fifty-five thousand gas meters and 31,000 fuel gas appliances are in use. The company's operations extend into 23 counties, with more than four times the area of the entire State of New Jersey, and containing 60% of the population of the entire State of California.

See also separate statement for Pacific Gas & Electric Co. below.—V. 85, p. 407.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING STREET ROADS.

Albany & Susquehanna R.R.—New Director.—Henry E. Cooper has been elected a director to succeed the late John Harsen Rhoades.—V. 85, p. 721.

Bloomington Pontiac & Joliet Electric Ry.—Change in Control.—The Fisher syndicate of Joliet, Ill., which controls the Joliet Plainfield & Aurora R.R., has purchased the control of this company, and, it is said, will push the extension of the line, now in operation between Pontiac and Dwight, 20 miles, to Bloomington and Joliet. H. A. Fisher has been elected President; John K. Newhall, Secretary; and L. D. Fisher, General Manager and a director, Messrs. Carothers Folsom and Legg having resigned.—V. 81, p. 1375.

Central of Georgia Ry.—New Directors, &c.—Major R. E. Steiner of Montgomery and C. E. James of Chattanooga have been elected to the board to fill vacancies. The official title of W. D. Beymer has been changed from Auditor to Comptroller. The board now includes:

Major J. F. Hanson and S. R. Jaques, Macon; Alexander R. Lawton, W. A. Winburn and Joseph Hull, all of Savannah; W. C. Bradley, Columbus; J. G. Oglesby, Atlanta; George B. McCormack, Birmingham; Robert Steiner, Montgomery; and C. E. James, Chattanooga.—V. 85, p. 792, 721.

Central Vermont Ry.—Report.—For year ending June 30:

Year—	Gross.	Net.	Other Inc.	Charges.	Bal., sur.
1906-07	\$3,833,088	\$688,381	\$13,840	\$700,407	\$1,814
1905-06	3,836,976	686,628	13,840	695,952	4,516

—V. 85, p. 283.

Chicago & North Western Ry.—New Director.—E. E. Osborn has been elected a director to succeed the late Albert Keep.—V. 85, p. 657, 651.

Chicago Union Traction Co.—Time Extended.—The bondholders of the several companies are notified that, by order of the reorganization committee of the Chicago Railways Co., the time for depositing securities under the plan of reorganization (V. 85, p. 529) has been extended to and including Oct. 31. The Harris Trust & Savings Bank, Chicago, is depository, and the Farmers' Loan & Trust Co., New York City, sub-depository.

Foreclosure Proceedings.—The Guaranty Trust Co. of New York on Oct. 9 filed petitions in the United States Circuit Court asking the foreclosure, for default of interest on five notes, aggregating \$1,158,287, made by the West Chicago and North Chicago street railways and Union Traction Company in the suit brought in 1903 under which the receivership was granted. Compare V. 76, p. 918. It is claimed that the receiver has used funds properly applicable for interest for improvements. Judge Grosscup will take up the matter next week. It is commonly supposed the suits will not be pressed if a modified reorganization plan is arranged.—V. 85, p. 863.

Cleveland Lorain & Wheeling Ry.—Report.—The results for the year ending June 30 were:

Year—	Gross.	Net.	Oth. Inc.	Charges.	5% on Pf. Bal., sur.
1906-07	\$4,608,901	\$1,807,935	\$3,657	\$568,462	\$250,000
1905-06	3,480,257	935,660	2,936	559,506	250,000

From the balance as above, in 1906-07, \$993,130, there was deducted \$175,008 for improvements, leaving \$818,122 carried to profit and loss account.—V. 80, p. 1169.

Cleveland & Pittsburgh RR.—New Stock.—The New York Stock Exchange has been requested to list \$796,250 additional special guaranteed betterment stock, making the total listed \$8,274,050.—V. 83, p. 687.

Coal & Coke Ry., West Virginia.—Preferred Stock Issued in Exchange for Bonds and Other Indebtedness.—Secretary C. M. Hendley, under date of Elkins, W. Va., Oct. 16 writes:

At the annual meeting of the stockholders held on Aug. 13, a new issue of preferred stock to the amount of \$10,000,000 was created, with which to reduce the bonded and other indebtedness. On Oct. 1 the directors, in adjourned meeting, carried out the plan adopted by the stockholders. The mortgage under which the bonds were secured provided for an issue of \$10,000,000; \$9,500,000 of these were issued and sold, of which \$6,800,000 have been paid and paid for with preferred stock. Of this last-named amount \$5,000,000 have been retired, destroyed and released from the operation of the mortgage. The company, therefore, has now outstanding \$3,000,000 of 5% first mortgage bonds and \$2,000,000 in the treasury. Of the new preferred stock created, there have been issued and used, in payment for bonds purchased and in settlement of other indebtedness of the company, \$8,881,900.—V. 85, p. 921.

Delaware & Hudson Co.—Application to List Equipment Bonds.—The New York Stock Exchange has been requested to list the \$10,000,000 first lien equipment 4½% per cent bonds, due 1922, which were offered by Kuhn, Loeb & Co. and the First National Bank last June (V. 84, p. 1307).—V. 85, p. 99, 40.

Detroit & Mackinac Ry.—Report.—The results for the year ending June 30 were:

Year—	Gross.	Net.	Charges, &c.	5% on Pref.	Bal., Sur.
1906-07	\$1,311,275	\$301,122	\$248,449	\$47,500	\$5,233
1905-06	1,154,826	281,692	228,935	47,500	5,237

The item of "charges" in 1906-07 included \$40,020 for construction of Hillman branch; in 1905-06, \$30,728 penalty on back taxes for 1902, 1903 and 1904. V. 83, p. 1168.

Detroit United Railway Co.—Dividend Omitted.—Owing to the condition of the money market, the company has decided to apply its surplus earnings to improvements, &c., and to omit the November dividend on its \$12,500,000 capital stock. The company's dividend record has been as follows: March 1 1901 to May 1 1905, 4% per annum; Aug. 1 1905 to Aug. 1 1907, 5% per annum, payable quarterly. President J. C. Hutchins in a circular says:

As you know, the territory which the Detroit United Railway serves has been developing at a rapid rate, necessitating large expenditures for equipment, improvements and additions to the property. The present condition of the money market is such that the company is unable to reimburse itself through the sale of its bonds, at what it deems a reasonable price, for sums properly chargeable to capital account. Notwithstanding the fact that the surplus earnings are approximately equal to those of the previous fiscal year, it is deemed to be for the best interest of the stockholders to use such present surplus earnings in providing for the improvements to which reference has been made above. Your directors have therefore decided to omit payment of the regular quarterly dividend at this time.—V. 85, p. 345.

Great Northern Ry.—Merger Approved.—At the annual meeting on Oct. 10 the shareholders ratified the proposition to merge in the company the St. Paul Minneapolis & Manitoba and other controlled properties. Compare V. 85, p. 600.

Hudson Companies.—One Tunnel Nearly Completed.—The tunnel from Christopher St., Manhattan, to Hoboken, it is believed will be ready for traffic on or about Dec. 1, or a month earlier than was anticipated.—V. 84, p. 1113.

Interborough Rapid Transit Co., New York.—Brooklyn Extension to Be Opened by Dec. 15.—Chairman Willcox of the Public Service Commission stated on Wednesday on the authority of Messrs. Belmont and Shonts that the subway extension to the Borough Hall in Brooklyn would be opened for traffic not later than Dec. 15.

Increased Service Ordered.—The Public Service Commission on Oct. 9 ordered the company, beginning Oct. 14, Oct. 25 and Nov. 20, to make material increases in its service during the rush hours on both subway and elevated lines,

except on Saturday afternoons, Sundays and holidays, as indicated chiefly by the following:

Subway Express Service below Grand Central Station		North bound, 5 to 5.30 p. m.----- 7%	
South bound, 7 to 7.30 a. m.----- 18%	do do 8.30 to 9 a. m.----- 7.7%	do do 6.30 to 6.45 p. m.----- 16 2-3%	
Manhattan Elevated Railway Service below 42d, 34th or 50th Streets.			
Sixth Ave.—South bound locals	7.30 to 9 a. m.----- 16 2-3%	North bound, 5 to 6.30 p. m.----- 16 2-3%	
Ninth Ave.—North bound, 5 to 6 p. m.----- 20%	Third Ave.—South bound, 6 to 8 a. m.----- 9½ to 14%	North bound, 5 to 6 p. m.----- 16 2-3%	
Do. 8.30 to 9 a. m.----- 2%	Second Ave.—South bound, 6.15 to 7 a. m.----- 21%	North bound, 5 to 6.30 p. m.----- 7½%	
Do 7 to 8.30 a. m.----- 7½%	Do 7 to 8.30 a. m.----- 7½%	do do 6.30 to 7 p. m.----- 22%	

—V. 85, p. 864, 345

Joliet Plainfield & Aurora RR.—Purchase.—See Blooming-ton Pontiac & Joliet Electric Ry. above, and compare V. 85, p. 722.

Lehigh Valley RR.—Sale of Car Trusts.—The company has sold to Brown Brothers & Co., New York, Drexel & Co., Philadelphia, and the First National Bank of New York, jointly, an issue of \$2,000,000 4½% car trusts dated Sept. 1 1907 and payable \$100,000 each six months to and including Sept. 1 1917; denomination \$1,000. Interest payable March 1 and Sept. 1. These obligations were issued against steel frame box cars, steel gondolas and steel coal cars, upon which a cash payment of 16% has been made.—V. 85, p. 410, 401.

Macon (Ga.) Railway & Light Co.—Change in Control.—W. J. Massee, President of the Bibb Power Co., and other Macon capitalists, have, it is announced, in connection with J. S. Collins of Savannah, already a stockholder, purchased a large part of the interest in the property held by Herman Myers, Sigo Myers and W. W. Osborne of Savannah, and J. H. Fall of Nashville, and now control the enterprise. The management as reorganized is as follows:

Officers—W. J. Massee, President; Jacob S. Collins, 1st Vice-President; M. Felton Hatcher, 2d Vice-President; J. W. McFarland, Gen. Supt.; J. E. Jaudon, Secretary and Treasurer.  
New Directors—W. J. Massee, M. Felton Hatcher, F. B. Stubbs, Jos. N. Neel, A. T. Small and M. H. Massee, Macon; J. C. Walker, Marshville.  
Old Directors Remaining—Jacob S. Collins and Jacob Paulson, Savannah; Leon S. Dure, T. J. Carling, Morris Happ and E. G. Harris, Macon.  
Directors Retired—J. H. Fall, Herman Myers, Sigo Myers, S. Guthman, J. H. Hertz, Henry Horne and W. W. Osborne.—V. 81, p. 1100.

McCloud River RR., California.—New Bonds.—This company recently filed a new first mortgage on its property to the Mercantile Trust Co. of San Francisco, as trustee, to secure an issue of \$1,200,000 5% thirty-year bonds.

The road extends from Sisson, Cal., to McCloud, Cal., and thence to points east of McCloud, a total distance of approximately 50 miles. It connects at Sisson with the railroad of the Southern Pacific Co. Before the recent bonds were issued the old bonds, aggregating \$316,000, were all taken up and fully paid and the property re-conveyed to the railroad company by California Safe Deposit & Trust Co. of San Francisco, the trustee under the former bond mortgage. The President and General Manager is J. H. Queal; Vice-President, S. O. Johnson. Office, James Flood Building, San Francisco, Cal.

Nashua & Lowell RR.—Extra Dividend.—The company has declared an extra dividend of ½% of 1%, payable Nov. 1 along with the usual semi-annual 4½%, to stockholders of record Oct. 15. The same amounts were disbursed in November 1906.—V. 83, p. 970.

New York Haven & Hartford RR.—Debentures.—The outstanding debentures issued and assumed by the company are shown by the annual report to have been as follows on June 30 1907:

Convertible—	Outstanding	Maturity	2-Year Notes	Outstanding	Maturity
3½% dated 1906	\$11,578,900	Jan. 1 '56	5% (concl.)	\$200,000	Dec. 22 '08
do do warrants	18,421,100	Jan. 1 '56	5%	250,000	Dec. 24 '08
4% dated 1898	66,100	April 1 '08	5%	450,000	Dec. 29 '08
Non-convertible—			5%	500,000	Dec. 31 '08
4% dated 1904	5,000,000	Feb. 1 '14	Notes, &c., Dated 1907—		
4% dated 1897	5,000,000	Mch. 1 '47	2-year 5%	1,500,000	Jan. 9 '09
3½% dated 1901	5,000,000	Mch. 1 '47	3-year 5%	3,500,000	Jan. 9 '10
3½% dated 1904	10,000,000	April 1 '54	3-year 5%	50,000	Jan. 10 '10
4% dated 1905	15,000,000	July 1 '55	4-year 5%	2,150,000	Jan. 9 '11
4% dated 1906	15,000,000	May 1 '56	5-year 5%	300,000	Jan. 1 '12
2-Year Notes Dated 1906—			5-year 5%	6,400,000	Jan. 9 '12
4½% -----	600,000	Oct. 20 '08	European loan 4%	27,985,000	April 1 '22
5½% -----	1,250,000	Nov. 15 '08	Debentures Assumed—		
5% -----	500,000	Nov. 15 '08	Naugatuck RR.		
5½% -----	100,000	Nov. 19 '08	3½% 1902	\$2,000,000	Oct. 1 '30
5% -----	2,000,000	Nov. 22 '08	Hartford St. Ry.		
5% -----	500,000	Nov. 27 '08	4½% "N"	145,000	Jan. 1 '30
5% -----	370,000	Dec. 1 '08	4% "M"	165,000	Jan. 1 '30
5% -----	300,000	Dec. 5 '08	Consol. Ry. (see V. 84, p. 1114)—		
5% -----	200,000	Dec. 7 '08	4% dated 1904	\$4,353,000	July 1 '54
5% -----	50,000	Dec. 11 '08	4% dated 1905	\$2,350,000	Jan. 1 '55
5% -----	400,000	Dec. 11 '08	4% dated 1905	\$1,341,000	April 1 '55
5% -----	400,000	Dec. 14 '08	4% dated 1906	\$2,108,000	Jan. 1 '56
5% -----	250,000	Dec. 21 '08	3-3½-4% 1905.	1,000,000	Feb. 1 '30

x Of the Naugatuck debentures, \$1,766,000 are held in treasury. y Exchangeable for stock, \$1,000 in debentures for \$500 stock of N. Y. N. H. & H. RR. See V. 84, p. 1114.—Ed.—V. 85, p. 922, 858.

Pennsylvania Company.—Offer to Purchase Notes Due Nov. 1 1907.—Kuhn, Loeb & Co., New York, announce by advertisement on another page that they are prepared to purchase at par and interest to date of delivery all or any part of \$10,000,000 of the total issue of \$50,000,000 4½% collateral improvement notes due Nov. 1 1907. The payment of this issue was provided for by the sale of \$60,000,000 3-year 5% notes of the Pennsylvania RR. dated Mar. 15 1907 (V. 84, p. 451, 571).—V. 85, p. 865.

Pittsburgh Cincinnati Chicago & St. Louis Ry.—Consolidated mortgage 3½% bonds, series "E," to a total of \$580,000, have been purchased for the sinking fund and canceled, reducing the amount listed on the Philadelphia Stock Exchange from \$9,291,000 to \$8,711,000.—V. 84, p. 1183, 812.

Rutland RR.—Directors Re-elected.—At the annual meeting held on Oct. 15 the old board was re-elected. T. C. Delevan, representing the minority interest, cast about 13,000 of the 70,000 votes. Compare V. 85, p. 795; V. 83, p. 1230.

**Stephenville North & South Texas RR.—Bonds.**—The Texas Railroad Commission has authorized the company to issue \$322,000 bonds on 20 miles of completed road out of Stephenville. The road is said to be almost completed from Stephenville to Hamilton, a distance of about 43 miles. An extension northerly 30 miles to a connection with the Texas & Pacific is projected.

Incorporated in Texas in February last with \$250,000 of authorized capital stock. B. C. Cage is President and James B. Gilmer is Vice-President and General Manager. The incorporators were: B. C. Cage, J. M. Cage, J. D. Cage, J. H. Cage, W. S. Watson, Marshall Ferguson Mrs. M. J. Crow, all of Stephenville, and John Spurlin of Hamilton.

**Toledo (O.) Railways & Light Co.—Surplus Earnings Used for Improvements—Dividend Deferred.**—This company, which paid on its stock (now \$13,875,000) 1% semi-annually (2% per annum) from May 1 1905 to May 1 1907, both inclusive, has decided not to pay a dividend during the coming month, as the necessary funds, though earned, have been applied to improvements. President Everett in a circular says:

The past six months have been more than usually prosperous, and the surplus earnings will show considerable more than the usual semi-annual dividend, but on the other hand the growth in the electric light business of this company has compelled it to largely increase its power facilities and the street railway traffic has demanded new cars, which have been added during the past year, and a large amount of double-tracking and increased weight of rail has been found necessary.

The surplus earnings as they have come have been used for these permanent improvements, so that the only source from which this company could properly pay a dividend at the present time would be from the sale of bonds, under the terms of the mortgage, for 75% of the cost of the permanent improvements made.

As the condition of the money market is such that bonds can only be sold at an excessive discount, it is the opinion of the board that the payment of a dividend should be delayed until the bond market becomes more favorable.—V. 85, p. 795.

**Tri-City Railway & Light Co. of Rock Island and Moline, Ill., and Davenport, Iowa.—Report.**—For twelve months ending July 31:

Year—	Gross.	Oper. Exp.	Net.	Bond Int.	Bal. Sur.
1906-07	\$1,736,174	\$1,059,411	\$676,763	\$357,097	\$319,666
1905-06	1,520,953	968,423	552,530		

—V. 85, p. 161.

**Virginian Railway.—Status.**—The "Manufacturers' Record" of Baltimore in its issue of Oct. 3 had a short article regarding this line and on Sept. 26 quoted President W. N. Page of Ansted, Va., as saying:

We are going right ahead with the construction of the road. We have 290 out of 443 miles laid with track, the work of construction is proceeding without delay, and the whole line from Deepwater to Tidewater will be finished by April or May of next year.—V. 84, p. 1368.

**Western Maryland RR.—New Director.**—Edwin Gould has been elected a director to succeed James Hazen Hyde.—V. 84, p. 1054.

**INDUSTRIAL, GAS AND MISCELLANEOUS.**

**Amalgamated Copper Co.—Dividend Reduced from 8% to 4% Basis.**—The directors on Oct. 17 declared a quarterly dividend of 1%, payable Nov. 25 1907 to stockholders of record Oct. 24, thus reducing the regular annual rate (exclusive of extras) from 8%, to 4%, contrasting with—

Per Cent—	1907										
	1900	1901	1902	1903	1904	1905	1906	Feb	May	Aug	Nov.
Regular	6	6	2½	2	2	4	6	1½	1½	2	1
Extra		2	1½			½	1	½	½		
Total	8	7½	2½	2	2	4½	7	2	2	2	1

The Boston & Montana Consolidated Copper & Silver Mining Co. (controlled), which since January 1906 has paid regularly every three months \$2 a share (8%) and \$10 a share (40%) extra, has declared a quarterly dividend of \$2 a share and an extra dividend of \$4 a share. V. 85, p. 865.

**Fall in Price of Copper.**—The price of electrolytic copper, which in July last was reduced from 25 cents to 22 cents, and in September to 16 cents, and which has since been gradually receding, was reduced on the New York Metal Exchange on Oct. 17 to 12½@12½ cents.

Approximate Highest and Lowest Prices of Ingot Copper, 1894 to 1906.

1894	9 - 10¼	1899	13¼ - 19¾	1903	12 - 15¼
1895	9.35 - 12¼	1900	16 - 17¼	1904	12¼ - 15½
1896	9¾ - 12	1901	13 - 17	1905	14¾ - 20
1897	10¾ - 12	1902	11 - 13½	1906	18 - 25
1898	11 - 13¼				

The following official statement was issued:

The directors of the Amalgamated Copper Co., in arriving at a decision to reduce the dividend from \$2 per share to \$1 per share for this quarter, have been governed by the fact that the copper market has been for the past few months in a most unsettled condition. The business of the manufacturing consumer has been so depressed that only a small portion of the copper produced has been sold, and that at such a decreased price that necessarily the earnings realized by the producing companies have been affected.

It was deemed advisable some time ago, after thorough consideration by the boards of directors of the companies from which the income of the Amalgamated Company is derived, to curtail the output from the mines by about 60% of their normal production. So that at the present time but about 40% of the regular output is being maintained.

The officers of those companies report that the physical condition of the mines is the best in their history, the results from the development work of the past year having been most satisfactory, and that they have on hand large stores of refined copper. The smelters and reduction works generally are in most excellent condition, and the normal output can be resumed as soon as the condition of the copper metal market will warrant.

Compare editorial remarks on a preceding page and V. 85, p. 687.—V. 84, p. 865, 724.

**American Gas Co., Philadelphia.—Sale of Bonds.**—Bioren & Co. and E. B. Smith & Co. of Philadelphia have jointly purchased, and are offering at par and interest, a large block of the company's \$1,500,000 convertible collateral trust 6% bonds, and have taken an option on the remainder. The bonds are dated 1907 and are due Oct. 1 1914 but are subject to call at 102 and interest on any interest day; also convertible at option of holder into the stock of the company at \$105 per share until Oct. 1 1910.

**Abstract of Letter from President Morris W. Stroud, Philadelphia, Oct. 1 1907.** Referring to the issue of \$1,500,000 convertible collateral trust 6% seven year gold bonds of the American Gas Co., I would state that this bond is

the only direct obligation of this company, whose outstanding capital, full paid in cash, amounts to \$1,700,000, on which dividends have been paid at the rate of 6% since 1893. The company, moreover, has accumulated a surplus of \$685,000, which has been invested in extensions and betterments to the various plants owned by the company.

This issue of bonds is made for the purpose of providing for the floating debt which was incurred through the purchase of the stocks of the People's Gas Co. of Pottstown, Pa., the Belleville Gas & Electric Co. of Belleville, Ill., the East St. Louis Gas Light Co. of East St. Louis, Ill., the Kewanee Light & Power Co. and the Lighting & Heating Co. of Kewanee, Ill., together with amounts spent for extensions and betterments on the plants previously owned by the company.

The American Gas Co. owns the stock of the following gas plants: Bangor (Me.), Pottstown (Pa.), Canton (Ohio), Peru (Indiana), Rockford (Ill.), East St. Louis (Ill.), Portage (Wis.), and the gas and electric plants at Burlington (Vt.), Kingston (N. Y.), Waukesha (Wis.), and Belleville (Ill.), the latter during the past six months having been consolidated into one corporation with the East St. Louis Gas Light Co. mentioned above, under the name of the St. Clair County Gas & Electric Co. (V. 85, p. 44, 164.) It also owns the stock of the Kewanee Light & Power Co. and the Lighting & Heating Co. of Kewanee, Ill., which owns the gas, electric light and ice plants in that town. In addition to this, it is largely interested in the Western United Gas & Electric Co. (V. 81, p. 1032; V. 82, p. 1327), operating in about fifteen cities and towns in the State of Illinois, including among others Aurora, Joliet and Elgin, and is also interested in the Steubenville & East Liverpool Railway & Light Co. of Steubenville, Ohio, and in the Ohio River Passenger Railway Co. of Pennsylvania.

**Receipts of American Gas Co. for Year ending December 31 1906:**

Income from all sources	\$201,913	Net income	\$197,965
Interest on bonds in treas'y	30,982	Interest on loans	55,677
Total income	\$232,895	Net earnings	\$142,288
General exp., taxes, &c.	34,930	Dividends	101,676
Net income	\$197,965	Surplus	\$40,612

It must be borne in mind that in the above statement profits for only part of the year are included from the following plants, as they were purchased during the year: People's Gas Co. (Pottstown, Pa.), Belleville Gas & Electric Co. (Belleville, Ill.), East St. Louis Gas Light Co. (East St. Louis, Ill.), Kewanee Light & Power Co. and Lighting & Heating Co. of Kewanee, Ill.

Securities pledged with the Merchants' Trust Co. of Philadelphia, Trustee, to secure these Collateral Trust Bonds.

	Pledged.	Total Par of Issued. shar's
Burlington (Vt.) Gas Light Co. stock	\$1,249,875	\$1,250,000 \$25
Kingston (N. Y.) Gas & Electric Co. stock	697,500	700,000 100
Rockford (Ill.) Gas Light & Coke Co. stock	299,750	300,000 50
Western United Gas & Electric Co. of Aurora, Ill., preferred stock	200,000	(V. 81, p. 1052) 100
Kewanee (Ill.) Light & Power Co. stock	96,900	100,000 100
Lighting & Heating Co. of Kewanee, Ill., stk.	99,700	100,000 100
St. Clair County Gas & Electric Co. first consolidated mortgage 5s of 1937	410,000	(V. 81, p. 1052) --

A conservative estimate of the value of the above securities which are specially pledged to secure this \$1,500,000 of convertible collateral trust bonds is over \$2,500,000, and the net earnings of these companies for the twelve months ending Aug. 31 1907 is \$183,219, showing a surplus of \$93,219, or an earning capacity of over double the interest on these bonds. The constant growth in population in the localities in which these plants are situated gives promise of continued increase in the earning power of the properties. V. 85, p. 43.

**American Locomotive Co.—Payment of Notes Out of Earnings.**—The first annual installment, \$1,000,000, of the \$5,000,000 5% notes which were issued in 1906, fell due Oct. 1 and was paid out of current assets at the office of Harvey Fisk & Sons.—V. 85, p. 597, 525.

**American Telephone & Telegraph Co.—Listed in London.**—The London Stock Exchange has listed the company's \$131,551,400 capital stock.—V. 85, p. 923, 724.

**American Type Founders' Co.—Report.**—The results for the year ending Aug. 31 were:

Fiscal Year—	Gross Earnings.	Interest Charges.	Net Earnings.	7% on Preferred.	4% on Common.	Balance, Surplus.
1906-07	Not stated.		\$461,043	\$140,000	\$160,000	\$161,043
1905-06	\$585,742	\$139,829	445,913	140,000	160,000	145,913
1904-05	434,471	104,956	329,514	127,708	160,000	41,806

**Automatic Electric Co., Chicago.—Purchase.**—Press reports stated that nearly three-quarters of the shareholders of the Strowger Automatic Telephone Exchange have agreed to accept a proposition from the Automatic Electric Co. to purchase the \$5,000,000 stock of the Strowger company, paying therefor in 6% 20-year first mortgage bonds (covering the entire property of the Automatic company) at the rate of \$20 in bonds for every \$100 of stock.—V. 85, p. 223.

**Batopilas Mining Co.—First Dividend.**—The directors on Oct. 14 declared an initial dividend of 12½ cents per share, payable Dec. 31 "from the earnings of the year 1907" to holders of record Dec. 24. The stock is \$8,925,360, in shares of \$20 each.—V. 84, p. 1116; V. 74, p. 1309.

**Bergner & Engle Brewing Co.—Payment of Accumulated Dividends.**—With the usual semi-annual dividend of 4% on the \$1,523,900 preferred stock, the directors have declared a deferred semi-annual dividend of 4%, both payable Nov. 1 to holders of record Oct. 19. This will leave \$32 a share of accumulated dividends on the preferred stock. Compare V. 84, p. 998.

**Brooklyn (N. Y.) Ferry Co.—Service to Be Discontinued.**—This company, in receiver's hands for a year past, owing to the competition of the Williamsburgh bridge, on Oct. 13 posted the following notice:

To the Public—Notice is hereby given that this property will be utilized for other purposes at an early date, necessitating the abandonment of these ferries. Due notice of discontinuance will be given.

(Signed) Brooklyn Ferry Co. of New York. (The city authorities having declined the offer of the company to sell out for about \$13,000,000, are disposed to look upon the present announcement as in the nature of a "bluff." Compare V. 69, p. 1102.)—V. 85, p. 224, 101.

**Commonwealth Edison Co., Chicago.—First Dividend of Consolidated Company.**—The directors on Oct. 17 declared a dividend of 1¼%, payable Nov. 1 to holders of record on that date.—V. 85, p. 724, 163.

**Consolidated Steamship Lines Co.—Earnings.**—An official statement says:

The net earnings of the Consolidated Steamship Lines to Oct. 1 are sufficient to pay all their fixed charges and bond interest for the year and also the interest on the Consolidated Steamship Lines bonds due Jan. 1 1908, and \$210,276 over, with three months' earnings yet to come, which will be at least \$1,000,000 more net. Compare V. 85, p. 656 286.



**General Fire Extinguisher Co., Providence, R. I.—Option to Subscribe to New Stock.**—Shareholders of record Sept. 30 have the privilege of subscribing pro rata at par (\$100 per share) until and including Oct. 31 for \$1,000,000 new capital stock. Subscriptions are payable in quarterly installments commencing Feb. 4 1908 and stock at par of equal amount will be issued therefor from time to time upon the making of each payment. "The entire new stock issue has been underwritten by the directors, as stockholders, of the company without expense." Compare V. 84, p. 341; V. 85, p. 471.

**Kewaunee (Ill.) Light & Power Co.—Purchase of Stock.**—See American Gas Co. above.

**Marconi Wireless Telegraph Co.—Trans-Atlantic Service Begun.**—Wireless communication across the Atlantic for news purposes was begun on Oct. 17 between Glace Bay, Nova Scotia, and Clifden, Ireland.

Over 10,000 words, it is stated, were received and sent the first day, at the rate of about twenty a minute, without any repetitions being necessary. Between Glace Bay and points in the United States the messages are handled by the Western Union and Postal companies. The wireless charge is 5 cents a word for press matter and 10 cents a word for commercial business, to which land line charges from point of departure must be added. At Glace Bay there are four towers, 215 feet high, and on the towers are 24 masts for the transmission and receipt of messages. Only eight of the masts, it is said, were in use on Thursday. The stations will be opened for business purposes within a short time, of which due notice will be given.—V. 85, p. 158.

**Mergenthaler Linotype Co.—Earnings.**—The net profits for the year ended Oct. 1 1907 were \$3,171,571, contrasting with \$2,733,752 the previous year. Dividends at the rate of 15% per annum (the quarterly rate being 2½% and extra 5% in December) call for about \$1,650,000.—V. 83, p. 1232.

**National Steel Foundry Co., New Haven, Conn.—Not Included in Sale.**—See National Wire Corporation above.—V. 85, p. 225.

**National Steel & Wire Co.**—See National Wire Corporation below, and compare V. 85, p. 866.

**National Wire Corporation, New Haven, Conn.—Sale.**—The creditors will meet Oct. 22 to vote on confirming the sale of the plant to the American Steel & Wire Co. (controlled by the United States Steel Corporation) for \$650,000, which the trustees say is the best offer they can get for it. The "Iron Age" of New York on Oct. 10 said:

The American Steel & Wire Co. proposes to operate the plant of the National Wire Corporation, New Haven, Conn., as soon as the transfer can be completed. There is no intention of changing the product of the New Haven works. The plant, which is in excellent condition, is equipped to manufacture market wires, galvanized wires, tinned mattress, weaving, rope and piano wires, wire rope, nails, barb wire, fencing, wire fabric and wire rods. The plant of the National Steel Foundry Co., owned by the parent company, the National Steel & Wire Co., and located at New Haven, is not included in the sale; neither has a buyer been found for it.—V. 85, p. 408.43.

**North American Company.—New Stock for Subsidiary.**—See Union Electric Light & Power Co. of St. Louis below.—V. 84, p. 1310.

**North Georgia Electric Co., Atlanta.—Receiver Discharged.**—Judge Newman, in the United States District Court at Atlanta on Oct. 15 directed that receiver Dunlap be discharged, his appointment having been "improvidently made" by referee Clifford Walker of Monroe, Walton County, Ga., apparently under the erroneous impression that the company's main offices were at Gainesville instead of at Atlanta, which was out of his jurisdiction. The "Atlanta Constitution" of Oct. 16 says:

Albert Howell of Dorsey, Brewster, Howell & Heyman, representing Ellwood Allen et. al. of Ohio, original movants for the receivership, addressing the Court, stated that his clients and others who had moved against the company would be satisfied if allowed to withdraw the original petition for a receiver. Hollis Randolph, representing Nisbett and other Ohio creditors, endorsed Mr. Howell's presentation. Harry A. Alexander, appearing for Roehling's Son Co. of New Jersey, objected to the withdrawal of the petition, but it was asserted, had already expressed in writing a willingness to the withdrawal.—V. 85, p. 656.

**Northern Liberties Gas Co., Philadelphia.—New President.**—Alfred Fittler Moore was on Oct. 11 elected President to succeed the late Alexander M. Fox.—V. 71, p. 33.

**(J. E.) North Lumber Co., Bond, Miss.—Receivership.**—A press dispatch from Gulfport, Miss., on Oct. 12 said:

Concerning the financial embarrassment of the J. E. North Lumber Co. of Bond, of which S. D. Thayer, of the Thayer Export Lumber Co. of Gulfport, was appointed receiver, the concern is bonded for \$800,000 and the validity of the mortgage securing the bonds is to be contested by the unsecured creditors. Compare V. 81, p. 512; V. 82, p. 338.

**Parke, Davis & Co., Detroit.—New Stock Authorized.**—The shareholders voted unanimously on Oct. 17 to increase the share capital from \$4,000,000 to \$8,000,000, \$3,500,000 of the new stock to be distributed as a stock dividend of 87½%, and the remaining \$500,000 to be offered to stockholders at par—\$25 a share. Compare V. 85, p. 923.

**People's Gas Co. of Pottstown, Pa.—Stock Purchase.**—See American Gas Co. above.

**Plymouth Bridge Co.—Bonds Called.**—Three first mortgage bonds numbered 3, 9, 60 and 71, issued under the mortgage dated Oct. 1 1894, have been drawn by lot for payment on Oct. 1 at the Anthracite Savings Bank of Wilkes-Barre, Pa., trustee.

**Republic Iron & Steel Co.—New Directors.**—Leonard T. Beecher and H. L. Rownd have been elected to the board to succeed C. A. Baird and A. W. Houston.—V. 85, p. 718, 603.

**Standard Milling Co.—Report.**—For year ending Aug. 31:

Fiscal Year—	Net Earnings	Int. on Bds.	Div. on Pref. Stock.	Bal. Sur.
1906-07	\$688,572	\$175,350	(2½%) \$172,274	\$340,948
1905-06	468,150	179,850	(2%) 137,795	150,505

—V. 85, p. 923.

**Standard Sewing Machine Co., Cleveland.—Decrease of Capital Stock.**—This company on Aug. 31 filed at Columbus, O., a certificate of decrease in capital stock from \$1,400,000 to \$1,000,000. Secretary H. W. Corning says:

The decrease in capital stock was thought to be necessary, inasmuch as the company did not need the additional capital. The full \$1,400,000 has been issued in first, second and third preferred and common stock issues. On none of them have we been paying dividends. The company has issued one grade of new stock, common, for the \$1,000,000 new capital and the former stockholders' holdings have been reduced to bring about the change. I do not know when we will pay dividends. Compare V. 78, p. 1279.

**Strouger Automatic Telephone Exchange, Chicago.—Terms of Settlement.**—See Automatic Electric Co., Chicago, above.—V. 85, p. 226.

**Union Electric Light & Power Co. of St. Louis.—New Stock.**—This company, controlled by the North American Company, has called a meeting of its stockholders for Dec. 2 to vote on increasing the capital stock from \$10,000,000 to \$18,000,000, for the purpose, it is understood, of providing for the cost of improvements and additions and for the retirement at or before maturity of the \$3,000,000 5% collateral trust notes due Feb. 15 1909. (Compare V. 82, p. 104; V. 79, p. 2751.)—V. 83, p. 269, 102.

**United Copper Co.—Flurry in Stock.**—See reports on stock market on a preceding page.—V. 84, p. 1372, 1363.

**United States Express Co.—Dividend Increased.**—The directors on Tuesday declared a semi-annual dividend of \$3 per share, payable Nov. 15 to stockholders of record Oct. 31, thus increasing the annual rate for the \$10,000,000 stock from 4% to 6%, contrasting with:

Dividend Record Since 1892.							
Year.	1892	1893	1894	1895	1896 to 1900	1901 to May 1907	1907
P. Ct.	2	4	2	0	3 yearly	3½	4 yearly Nov., 3

An official statement says: The directors have taken this course not because of the recent unreasonable attacks of a certain small body of shareholders but because the directors have become convinced, after consultation with the shareholders generally, that it is the judgment of the reasonable and conservative shareholders that a dividend of 3% should be declared at the present time.

Eugene G. Kremer, Counsel for the shareholders' committee, is quoted as saying:

United States Express stock is divided into 100,000 shares; of this the American and Adams interests hold 10,000 each. The shareholders' committee represents more than 50,000 shares. Outside of the express company holdings, then, there are less than 30,000 unaccounted for. The charter requires a demand of two-thirds of all the shareholders to call a meeting. As a result, there has been no meeting of the stockholders since 1862, and that is why, although we control a clear majority of the stock, we cannot compel a recognition of our rights. In view of the fact, however, that money is closer now than it was two months ago, we are satisfied with the 2% increase over last year's dividend. Compare V. 85, p. 467, 474.

**United States Gypsum Co., Chicago.—Dividend Payable in Treasury Railroad Stock.**—A dividend of 2½% is announced, payable presumably only on the preferred shares, in the stock of the Erie & Michigan Railway & Navigation Co., comprising practically all of the stock of the railway company in the treasury of the Gypsum Co. A Chicago paper says:

The railway has a capital of \$100,000 (no bonds), and owns a road running between Alabaster and Travis City, Mich., a distance of 17 miles, and three lake steamers. It is stated that the earnings for the last year were about \$8,000 net. The company has two locomotives.—V. 84, p. 1365, 630.

**United States Independent Telephone Co., Rochester, N. Y.—Sale of Jamestown Company.**—Jamestown capitalists, represented by Arthur C. Wade of Jamestown, it is stated, have arranged to purchase this company's interest in the Home Telephone Co. of Jamestown, N. Y.—V. 85, p. 809, 669.

**Western United Gas & Electric Co., Aurora, Ill.—Stock Interest.**—See American Gas Co. above.—V. 82, p. 1327.

—As is well known, many standard railroad and municipal securities are selling at the lowest prices that have been recorded for the past nine years. To show the fluctuations Lee, Higginson & Co., Boston, have prepared a circular containing a series of charts which disclose graphically the fluctuations in prices since Jan. 1 1899, of the bonds of a number of representative railroad companies; the surplus earnings of each road above fixed charges; the fluctuations in prices of New York City 3% bonds due 1924, and Boston 4% bonds due 1936 for a period of ten years; also the average rate of yield of five selected issues of short-term notes at the various prices which have ruled at weekly periods during the seven months ending Sept. 30 1907. It seems that the average rate of yield of these short-term notes reached the highest point in August, but the rate of yield at present prices is higher than at any time prior to Aug. 1.

—The Philadelphia banking house of Edward B. Smith & Co., 511 Chestnut Street, is to-day offering American Gas Co. convertible collateral trust 6s, due Oct. 1 1914, at 100 and interest. Detailed circular on application. The firm's New York office is at 7 Wall Street.

—Messrs. Sufferin & Son, Certified Public Accountants, at 60 Wall Street, New York, have issued a very attractive circular in pamphlet form, entitled "Concerning Decisions," in which they point out the necessity of obtaining the most reliable information for making a wise decision.

—The "Street Railway Journal" of New York has issued the third annual edition of its "Dictionary of Electric Railway Material."

## Reports and Documents.

### THE BALTIMORE & OHIO RAILROAD COMPANY.

EIGHTY-FIRST ANNUAL REPORT—FOR THE YEAR ENDED JUNE 30 1907.

Office of the Baltimore & Ohio Railroad Company,  
Baltimore, Md., October 10 1907.

To the Stockholders of The Baltimore & Ohio Railroad Company:

The President and Directors submit the following statement of the affairs of the Company for the year ended June 30 1907.

The results from operation on the entire system were:

	Miles.	Earnings.	Expenses.	Net Earnings.	Percentage of Expenses to Earnings.
The Baltimore & Ohio Railroad, including Baltimore & Ohio Southwestern.....	4,006.32	\$82,243,921 57	\$54,880,090 85	\$27,363,830 72	66.73
Controlled or Affiliated Lines.....	455.78	6,309,002 92	4,151,936 17	2,157,066 75	65.81
Grand Total.....	4,462.10	\$88,552,924 49	\$59,032,027 02	\$29,520,897 47	66.66

The general distribution of the earnings and of the operating expenses of The Baltimore & Ohio Railroad Company was as follows:

OPERATING RESULTS OF THE BALTIMORE & OHIO RAILROAD COMPANY FOR THE YEAR ENDED JUNE 30 1907, IN COMPARISON WITH THE YEAR ENDED JUNE 30 1906.

	1907.	1906.	Increase (+) or Decrease (-).
<b>Earnings—</b>			
From Freight Traffic.....	\$64,625,946 48	\$60,002,204 32	+\$4,623,742 16
From Passenger Traffic.....	14,147,116 53	13,701,697 97	+445,418 56
From Express Traffic.....	1,459,212 41	1,529,099 40	-69,886 99
From Transportation of Mails.....	1,403,937 89	1,405,053 13	-1,115 24
From Miscellaneous Sources.....	607,708 26	754,001 27	-146,293 01
Gross Earnings.....	\$82,243,921 57	\$77,392,056 09	+\$4,851,865 48
<b>Expenses—</b>			
For Maintenance of Way and Structures.....	\$10,542,498 67	\$9,330,859 21	+\$1,211,639 46
For Maintenance of Equipment.....	13,448,502 12	12,514,983 83	+933,518 29
For Conducting Transportation.....	29,380,155 58	26,198,468 63	+3,181,686 95
For General Expenses.....	1,508,934 48	1,470,909 32	+38,025 16
Total Expenses.....	\$54,880,090 85	\$49,515,220 99	+\$5,364,869 86
Net Earnings from Operation.....	\$27,363,830 72	\$27,876,835 10	-\$513,004 38
Percentage of Expenses to Earnings.....	66.73	63.98	+2.75

The lines included in the foregoing table of operating results, and their respective mileage, aggregating 4,006.32 miles, appear in detail in table 28 of this report [pamphlet], subject to the exclusion of the  
Valley Railroad of Virginia, Cleveland Terminal & Valley Railroad  
Ravenswood Spencer & Glenville Railway, Cleveland Lorain & Wheeling Railway,  
Ohio & Little Kanawha Railroad,

for which a summarized table follows:

OPERATING RESULTS OF THE FOLLOWING LINES CONTROLLED BY OR AFFILIATED IN INTEREST WITH THE BALTIMORE & OHIO RAILROAD SYSTEM FOR THE YEAR ENDED JUNE 30 1907, IN COMPARISON WITH THE YEAR ENDED JUNE 30 1906.

	Miles.	1907.			Comparison of Net Earnings with 1906. Inc. (+) or Dec. (-).	Perc'ntage of Expenses to Earnings.
		Earnings.	Expenses.	Net Earnings, from Operation.		
Valley Railroad of Virginia.....	62.12	\$187,021 25	\$133,960 16	\$53,061 09	-\$25 01	71.63
Ravenswood Spencer & Glenville Railway.....	32.60	48,141 84	65,239 09	Def.17,097 25	-5,267 22	135.51
Cleveland Terminal & Valley Railroad.....	92.72	1,182,485 60	916,913 13	265,572 47	+36,390 94	77.54
Cleveland Lorain & Wheeling Railway.....	194.28	4,608,900 94	2,800,965 99	1,807,934 95	+872,274 47	60.77
Ohio & Little Kanawha Railroad.....	74.26	282,453 29	234,857 80	47,595 49	-36,271 18	83.15
	455.78	\$6,309,002 92	\$4,151,936 17	\$2,157,066 75	+\$867,102 00	65.81

The gross earnings of The Baltimore & Ohio Railroad Company for the year ended June 30 1907 were \$82,243,921 57, an increase over those of the preceding year of \$4,851,865 48.

Of this increase, \$4,623,742 16 was from freight traffic, the increase in tonnage carried being 3,113,163 tons, with an average earning per ton per mile of .570 cents, as against .560 cents in 1906.

The most marked increases were in anthracite coal, 150,199 tons; in bituminous coal, 980,339 tons; in coke, 307,169 tons; ores, 597,293 tons; iron and steel castings and machinery, 516,771 tons; bar and sheet metal, 59,184 tons; there were increases in flour and other mill products aggregating 62,945 tons, and in merchandise and miscellaneous shipments of 458,818 tons, with a falling off in shipments of grain to the extent of 122,028 tons; in hay, 49,402 tons, and in pig iron, blooms and rails, 74,542 tons. The increase in general average of earnings per ton per mile for the year was one-tenth of one mill.

The increase in earnings from passenger traffic was \$445,418 56, with an average earning per passenger per mile of 1.956 cents, as against 2.006 cents in 1906. The number of passengers carried increased 1,323,014.

There was a decrease in earnings from express traffic of \$69,886 99, which, however, does not indicate a falling off in the volume of business, but is due to other causes. Mail earnings decreased \$1,115 24, and earnings from miscellane-

ous sources decreased \$146,293 01, due mainly to diminished receipts from elevators at Baltimore and wharves, warehouses, dining cars and hotels.

The expenses of operation were \$54,880,090 85, an increase of \$5,364,869 86, of which amount \$1,211,639 46 was in maintenance of way and structures; \$933,518 29 in maintenance of equipment; \$3,181,686 95 in conducting transportation and \$38,025 16 in general expenses. The percentage of expenses to gross earnings for the year 1907 was 66.73 per cent, as compared with 63.98 per cent in 1906, an increase of 2.75 per cent, occasioned by the very considerable advances (approximating \$1,154,000) in wages of employees; the increase in cost of fuel and other supplies, and the large expenditures charged to injuries to persons by reason of the unfortunate train accidents at Woodville, Ind., and Terra Cotta, D. C. The specific character and amounts of the operating expenses, in comparison with those of the preceding year, will be found in table 11 of pamphlet report.

The General Income Account of the Company shows the net income of the year, after the payment of interest on the funded debt, taxes and all other fixed charges, to have been \$17,445,629 82, a decrease from that of the year 1906 of \$618,669 90. Against this net income there were charged dividends of four per cent on the preferred and three per cent on the common stock, the dividend of three per cent on the common stock payable March 1 1907 having been charged

against the surplus as of June 30 1906; an appropriation of \$3,000,000 for extraordinary construction expenditures in the way of additions and improvements made during the year, leaving as the surplus of the year, to be carried to the credit of Profit and Loss account, \$7,480,384 95.

The Profit and Loss account as of June 30 1906 was \$15,823,643 05, and to this has been charged the three per cent dividend on the common stock paid March 1 1907 and credited by reason of sundry adjustments \$1,000,458 89, in which is included \$634,278 59, increment of Insurance Fund, referred to on a following page, and \$336,486 60, adjustment of accrued taxes relating to prior years, referred to on next page, making the total to the credit of Profit and Loss account as of June 30 1907 \$19,739,542 02.

GENERAL INCOME ACCOUNT OF THE BALTIMORE & OHIO RAILROAD COMPANY (INCLUDING BALTIMORE & OHIO SOUTHWESTERN RAILROAD COMPANY) YEAR ENDED JUNE 30 1907, IN COMPARISON WITH THE YEAR ENDED JUNE 30 1906.

	1907.	1906.	(+) Inc. or (-) Dec.
Gross Earnings	82,243,921 57	77,392,056 09	+4,851,865 48
Operating Expenses	54,880,090 85	49,515,220 99	+5,364,869 86
Net Earnings from Operation	27,363,830 72	27,876,835 10	-513,004 38
Other Income—			
Dividend and Interest on Securities Owned	3,047,182 76	3,048,663 15	-1,480 39
Western Union Telegraph Company Annuity	60,000 00	60,000 00	
General Interest and Discount	547,208 11	181,361 64	+365,846 47
House Rents and Miscellaneous Receipts	380,625 53	357,708 81	+22,916 72
	4,035,016 40	3,647,733 60	+387,282 80
Gross Income	31,398,847 12	31,524,568 70	-125,721 58
Deductions from Income—			
Net Earnings, Washington Branch (Included in System Earnings)	249,050 66	375,894 10	-126,843 44
Interest on Bonded Debt, payable by B. & O. RR. Co.—Table 1 (pamphlet)	10,449,477 80	10,170,659 48	+278,818 32
Ground Rents and Interest on Real Estate Mortgages—Table 1 (pamphlet)	117,274 80	122,092 85	-4,818 05
Car Trust Interest payable by B. & O. RR. Co.—Table 1	12,276 69	21,208 35	-8,931 66
Miscellaneous Rentals, &c.—Table 1 (pamphlet)	249,669 77	244,075 80	+5,593 97
Taxes	1,759,795 44	1,448,363 60	+311,431 84
Misc. Improvements—Table 7	1,099,981 09	1,066,038 29	+33,942 80
Topographical and Right-of-Way Surveys and Maps	15,691 05	11,936 51	+3,754 54
	13,953,217 30	13,460,268 98	+492,948 32
Net Income	17,445,629 82	18,064,299 72	-618,669 90

From this Net Income for the Year the following amounts have been deducted:	\$17,445,629 82
Appropriation for Construction, Additions and Improvements	\$3,000,000 00
Dividend on Preferred Stock, 2% payable March 1 1907	\$1,200,000 00
Dividend on Preferred Stock, 2% payable Sept. 1 1907	1,200,000 00
Dividend on Common Stock, 3% payable Sept. 1907	4,565,244 87
Leaving Surplus, which has been carried to Profit and Loss—Amount to Credit of Profit and Loss June 30 1906	\$7,480,384 95
Deduct Dividend on Common Stock, 3% paid March 1 1907	\$15,823,643 05
	4,564,944 87
Add Sundry Adjustments, Net Credit Balance	1,000,458 89
Amount to Credit of Profit and Loss, June 30 1907	\$19,739,542 02

The General Balance Sheet, table 2, shows an increase in Capital Liabilities of \$19,834,475 00 explained as follows:

The additional Common Stock authorized April 13 1906 was \$27,750,000, of which there have been issued to subscribers in shares or scrip, at par value	\$27,460,769 00
Common Stock has been issued in exchange for Ten-Year Gold Convertible Debentures	134,000 00
Total additional Common Stock issued during the year	\$27,594,769 00
There were issued for Improvements, Betterments and Extensions as provided in the respective Mortgages securing said bonds:	
First mortgage 4% Bonds	1,000,000 00
Pittsburgh Lake Erie & West Virginia System 4% Bonds	525,000 00
and under the provisions of the New York Division and Terminal Mortgage, its First Mortgage 4% Bonds	1,050,000 00
Total Issues	\$30,169,769 00
from which deduct—	
Ten-Year Gold Convertible Debentures converted into Common Stock	\$134,000 00
And installments on subscriptions to the additional issue of \$27,750,000 Common Stock, which were paid and taken up last year	10,201,294 00
	10,335,294 00
	19,834,475 00

In "Capital Liabilities Assumed" there is a net decrease of \$82,234 78, the result of further payments on old equipment trusts of the Monongahela River and Pittsburgh and Western Companies, a reduction in the outstanding undeposited old securities and additions in Ground Rent Liens on property purchased.

The \$30,000 00 Ten-Year Gold Coupon 4 1/2% Notes which remained outstanding on June 30 1906 have been retired.

Accrued Taxes and Ground Rents have decreased \$507,252 57, due to large payments during the year and the closing and adjustment of this old account, which has been carrying estimated payments during a series of years, to a basis of actual assessments and payments, to be maintained in the future. The amount carried to the credit of Profit and Loss by reason of this adjustment was \$336,486 60.

"Capital Assets" show an increase in Cost of Road and Bonds and Stocks held by Trustees as security for the funded debt of \$11,212,937 91, consisting of the proportion of construction expenditures of the year charged to Cost of Road, \$4,338,708 57; the transfer to Cost of Road of the cost of construction of the Mahoning Valley Western and Trumbull and Mahoning Railroads, aggregating \$6,360,287 79, which had been carried in the account of "Due by Other Companies as advances," together with some adjustments made during the year, and of additional deposits with Trustees, under provision of the several mortgages, of securities of sundry companies acquired during the year.

"Real Estate" has decreased during the year \$26,222 91, which represents the differences between the sale and acquisition of certain properties, with some minor adjustments.

"Equipment" shows a decrease of \$1,583,109 46, which will be found to be fully explained on following pages.

"Securities Owned"—The ledger value of bonds owned by the Company, table 5, has increased \$4,825,416 09; the principal increases being in the holdings of your Company's own issues of bonds, made during the year account of improvements, as provided in the several mortgages, and the acquirement of Cleveland Lorain & Wheeling Railway Consolidated Refunding Mortgage bonds, \$3,050,000 00, taken in settlement of advances made by your Company for improvements during the past several years; together with some decreases due to transfer of certain securities to the Insurance Fund investments, and to the transfer to other accounts of Chesapeake & Ohio Canal bonds of 1878, of par value of \$500,000 00, which were held as collateral security for advances made to the Canal Trustees, of which the Trustees have redeemed and canceled bonds to the value of \$240,000 00, and the remaining bonds, \$260,000 00 in amount, are yet with your Company as collateral for advances made.

The ledger value of stocks owned by the Company, table 4, has increased \$297,813 05, due mainly to increased holdings of your common stock and the purchase of additional stock of the Staten Island Railway Company and to some adjustments made during the year.

In "Current Assets" there is a decrease in the item of "Due by Other Companies for Advances" of \$8,473,861 02—the principal items of decrease being the reduction of the accounts against the Mahoning Valley Western and the Trumbull & Mahoning railroads, which were transferred to Capital Assets and now appear in "Cost of Road" and the adjustment of the account with the Cleveland Lorain & Wheeling Railway, in which your Company received the Refunding Mortgage bonds of that Company, as previously stated in this report; the foregoing, with some other minor adjustments involving increases, as well as decreases, make up the net decrease for the year in this account.

The large increase in the account "Due by Individuals and Companies," \$18,314,066 56, beyond the fluctuating character of the items entering into this account, is occasioned by the advance of \$17,042,952 84 by your Company in the redemption and acquisition of the bonds of the Chicago Terminal Transfer Railroad Company for the purpose of protecting the occupancy by your Company of its passenger terminus in Chicago, pending a judicial determination of the rights of the parties in interest.

CONSTRUCTION AND BETTERMENTS.

The aggregate expenditures for Construction and Betterments for the twelve months have been	\$9,022,768 36
For the twelve months ended June 30 1906 they were	9,050,924 07
A decrease of	\$28,155 71

The detail of the \$9,022,768 36 expended is shown in the statement of "Analysis of Construction Charges," table 6, which gives the character of the expenditures and the points at which they were made. The general distribution as to locality was:

New York Division	\$14,922 11
Philadelphia Division	564,685 02
Baltimore Division	3,168,993 05
Cumberland Division	89,669 11
Shenandoah Division	643 80
Monongah Division	168,715 79
Wheeling Division	370,512 97
Ohio River Division	35,300 29
Connellsville Division	240,142 20
Pittsburgh Division	1,059,184 77
New Castle Division	1,227,589 82
Cleveland Division	587,959 14
Newark Division	666,014 19
Chicago Division	416,772 46
Southwestern Division	402,703 64
Total	\$9,022,768 36

Which amount was charged:

Capital Account, Cost of Road	\$4,338,708 57
Railroads in General Account	1,684,059 79
Income Account, being the appropriation out of Surplus	3,000,000 00
Income of the year	
Total	\$9,022,768 36

In addition to the foregoing, there were charged direct to the Income Account of the Company during the year the sum of \$1,099,981 09, and to the Railroads in General Account \$220,600 55, the character of such expenditure and the locality being given in statement of "Analysis of Miscellaneous Improvements Charged to Income," table 7. These improvements were in the nature of substantial betterments and additions to the property, but were not capitalized, nor were they considered as properly chargeable as an expense

incident to operation. The general distribution as to locality was:

Philadelphia Division	993,268 97
Baltimore Division	439,203 19
Cumberland Division	23,304 92
Shenandoah Division	4,004 22
Monongah Division	68,933 88
Wheeling Division	28,348 71
Connellsville Division	52,551 91
Pittsburgh Division	151,534 39
New Castle Division	14,337 02
Cleveland Division	220,099 25
Newark Division	125,094 52
Chicago Division	5,092 94
Southwestern Division	99,807 72
Total	\$1,320,581 64

On the Baltimore & New York Railway the improvements at Linden Junction and the extension of yard at Cranford Junction have been completed and additional right of way purchased.

Philadelphia—A new hay warehouse, 80 feet by 244 feet, located at Race Street, has been built and put into service.

Work on the new engine terminal and classification yard at East Side has progressed; there have been completed coal tipple, sand house, machine shop, blacksmith shop, boiler and engine room, store and oil house, two-story trainmen's building, two-story yardmaster's office and ash pit; considerable track also has been laid; the 25-stall engine house is still in course of construction, also a water-treating plant, interlocking plant, two signal towers, water supply and fire protection, track laying and filling.

At Locust Street additional interlocking has been installed.

Darby—A new 15-ton pillar crane has been erected.

Bay View—Signal tower and new interlocking have been installed.

Between Philadelphia and Baltimore various pieces of additional right of way have been purchased.

Baltimore—Considerable property has been purchased for the enlargement and extension of Camden Yard, and for proposed new line, with elimination of grade crossings, from Hamburg Street to Curtis Bay Junction.

The construction of the new double 50-stall engine house at Riverside, machine shop, oil house, coal tipple, sand house, turn-table, of additional heating, lighting, water-supply and fire protection, together with grading and considerable track laying, has been completed; there are still under construction some track laying and filling, new electric interlocking plant and a few small items. The old buildings are being torn down and the space formerly occupied will be covered with tracks.

Mount Clare—The saw mill, which was destroyed by fire, has been rebuilt and enlarged; considerable new and additional shop machinery has been placed in the shops.

Locust Point—The work on new Pier 8, to which allusion was made in report of last year, progressed and approached completion, when it was interrupted by accident. Conditions are now nearly ready for resumption of the work.

A new grain belt conveyor has been installed in Elevator C.

Hollofield and Davis—The new double-track improvement between Hollofield and Davis, a distance of 15,917 feet, which was referred to in report of last year, has progressed steadily and is now nearing completion.

At Brunswick the extension of the present yard has steadily gone forward, the grading and track work being about 80 per cent completed. This yard, together with an interlocking power plant to be installed, will be finished during the coming fiscal year. When completed this improvement will cover an area of 117 acres and will include an east-bound receiving yard of 16 tracks with a capacity of 65 cars each, a car repair yard with a capacity of 120 cars, an east-bound classification yard of 36 tracks, with a capacity of 65 cars each and an eastbound solid train yard of 4 tracks with a capacity of 65 cars, with a gravity hump between the receiving and classification yards.

Washington—The grading for the joint coach and engine yards, located north of New York Avenue extended, between Florida Avenue and Langdon, has been about 95 per cent completed and about 70 per cent of the tracks has been laid. The two 25-stall engine houses, machine and blacksmith shop, oil house, store house, signal tower, battery-charging station, boiler house, two-story enginemen's building, car repair shop, locker and wash room building, sand house and steel coal tipple, are about 98 per cent completed; there are under construction a four-story store house, power plant, 150-foot brick chimney, oil house and three bedding, airing and carpet cleaning sheds. The Rhode Island Avenue bridge has been completed; also the New York Avenue bridge to within 10 per cent.

Gaithersburg to Germantown—The double tracking between these two points, mentioned last year, together with interlocking at the ends of double track and the construction of station at Gaithersburg, has been completed.

Barnesville to Dickerson—This improvement, providing for double tracking between these points, the elimination of the wooden trestle at Little Monocacy bridge, interlocking at the ends of double track and new station at Barnesville, which received notice last year, has been completed.

Orleans Road to Great Cacapon—The extension of the westbound passing siding from Orleans Road to a point near Great Cacapon, 6½ miles, has been completed.

Hansrote to Baird—The extension of third track from Hansrote to Baird, with additional passing siding at Magnolia,

interlocking, switches, etc., at Magnolia and Hansrote, and water station at Magnolia, have been completed.

Evitts Creek—New interlocking is being installed.

Cumberland—The grade crossing at Old Town Road has been eliminated.

Keyser—A new car repair shop and new caboose tracks in the yard have been finished.

Woodford to Webster—The extension of double track has been completed.

Parkersburg—Terminal and yard facilities.—A new 6-stall engine house, machine shop, store room and oil cellar, and considerable track have been completed; there are now under construction tracks, coal tipple, sand house, single ash pit, under-grade crossing at East Street and some minor items.

On the Connellsville Division, near Fairmont, the new bridge over the Monongahela River and the approaches to same, have been completed and put into use.

Wheeling—Passenger and Freight Terminals.—This construction has progressed steadily during the year. The new line substitutes a 1.3 per cent grade (the ruling grade on the line between Wheeling and Pittsburgh) for a 3 per cent uncompensated grade and a curve of 17 degrees, equivalent to a grade of 3.5 per cent. This work involves the construction of masonry abutments, pier and retaining walls, excavation for street depression, changes of tracks and street car tracks, steel work for elevated tracks from Main Street to Chapline Street, new passenger station, 90 feet by 250 feet, power plant, two umbrella sheds, each of 620 feet length, and some minor items. The work is well advanced and should be completed within the year.

McKeesport to Wheeling Junction—The construction of third and fourth tracks has been somewhat retarded, owing to the difficulties in obtaining right of way and the necessary ordinances. At Braddock a new passenger station, 32 feet by 120 feet, and freight house, 40 feet by 400 feet, have been completed.

At Glenwood additional machinery and tools have been installed in the power house and shop, the yard has been extended and additional land purchased for further extensions.

Pittsburgh—Additional property has been purchased for the Try Street yard; 33d Street and Liberty Avenue yard; ore yard, and additional tracks have been laid.

The Glade Run trestle on the Butler Branch of the Pittsburgh Division has been replaced with a steel girder and masonry structure.

Youngstown—Plans have been prepared for an additional freight house and track facilities at this point, and property purchased for the purpose.

Akron—A portion of right of way has been purchased for the proposed new "Gulch line" near this point. The construction of this line will shorten the distance 5,800 feet, securing better alignment and grades and eliminating considerable curvature, substituting grades of .3 per cent compensated westbound and .37 per cent compensated eastbound for 1.25 per cent grades in both directions.

Sterling to Nova—The construction of a second track from Sterling to Nova, a distance of 25.7 miles, with passing sidings at Sterling and near Homer, westbound siding east of Lodi, and interlocking and re-arrangement of tracks at Sterling, with necessary passenger and freight stations, water supply, etc., has progressed steadily during the year and is now well advanced, and should be completed during the next year.

Lorain—17th Avenue Yard.—A new round house, shop buildings, turn-table, water station, coaling station, ash pits, etc., extension of present power and lighting plant, and new car repair yard, have been completed.

Cleveland—The construction of a 10-stall engine house, machine and blacksmith shop, with 125-foot brick chimney, boiler and engine room, store and office building and oil house, trainmen's and shopmen's building, sand house, coal tipple, ash pit, water supply and fire protection, extension to power and lighting plant and car repair shop, and considerable yard and track work has been completed; there are now under construction track work, yardmaster's office, shaving shed, locker room, carpenter shop and some minor items. The entire improvement should be completed within the next year.

Newark—There has been constructed a 25-stall engine house; also two-story office building, store room and oil cellar, sand house, coal tipple, 80-foot turn-table with electric motors for turning it, and new machinery and tools have been added. There yet remains to be completed the water supply and fire protection work.

On the line between Columbus and Newark, used jointly by this Company and the P. C. C. & St. L. Ry. Co., additional third tracks have been constructed between Central City and Outville, 34,320 feet, and between Summit and Big Walnut, 32,525 feet. There yet remains to be installed some interlocking and other work of minor character.

Chicago Junction—A new 25-stall engine house, machine and blacksmith shop, with 125-foot brick chimney, store and oil house, sand house, coal tipple and considerable grade and track work have been completed.

Byers Junction to West Junction—The second main track has been completed a distance of 7.48 miles, with 2.45 miles of sidings.

Portsmouth—Additional property is being purchased at Market and Fourth Streets on which to construct team tracks and freight house to handle increased freight business

Mitchell—Additional yard tracks and sidings have been constructed at this point to provide facilities for the increased business.

Madeira to O'Bannon—Second track work and new station at Loveland have been completed.

During the year new stations have been erected at Ijamsville, Doubs, Gaithersburg, College, Tunnelton, Cameron, Littleton, Maggie, Holgate, Uniontown, D. C.; Curtin, Allingdale, Orlando, Hollsopple, Bruceton, Harmony Junction, Braddock and Loveland, and there are now nearing completion stations at Mt. Vernon, Cambridge, Sandusky and Fostoria.

The work of strengthening bridges for heavy power is steadily progressing, as indicated in the tables.

There were 1,245.14 miles of track ballasted; 77,306.29 tons of steel rail laid of 100 and 85 pounds to the yard, and 1,942,381 cross-ties used in renewals and construction.

77.11 miles of sidings, 5.01 miles of main track, 33.76 miles of second track, 11.56 miles of third track and 6.89 miles of fourth track were built during the year.

WASHINGTON TERMINAL.

This construction has continued without interruption and steady progress has been made. The expenditures of the Washington Terminal Company to June 30 1907 aggregate \$12,207,682 30.

The exterior of the Washington Terminal Station, except cleaning down, pointing and dome roof, is completed; the interior of the east wing is 96 per cent advanced; the central section, 90 per cent; the west wing, 60 per cent; the concourse, 96 per cent; train sheds and platforms, 90 per cent; express building, 95 per cent; power house, 98 per cent; tracks, 92 per cent; interlocking and signal apparatus at K Street, 80 per cent, and at Massachusetts Avenue, 60 per cent; and the filling for the plaza, 95 per cent. All masonry, bridge work and filling, tunnel and girder work on both the north and south approaches have been completed.

It is expected that train service will commence October 27 1907.

EQUIPMENT—LOCOMOTIVES AND CARS.

During the year the following new rolling equipment was added to your service: 1 Electric Motor, 5 Passenger cars, 250 Freight cars and 1 Service car; the total equipment as of June 30 1907 being:

Locomotives	1,951
Passenger car equipment	1,176
Freight car equipment	83,500
Service car equipment	2,964

carried in the following accounts:

	Locomotives.	Passenger.	Cars.	Service
			Freight.	
Baltimore & Ohio Railroad	1,412	890	59,840	2,080
Baltimore & Ohio Equipment Co.	249		9,700	
Baltimore & Ohio Southwestern RR.	176	188	9,164	627
Affiliated Lines	114	98	4,796	257
	1,951	1,176	83,500	2,964

as further explained below, and in table 18 of pamphlet report.

The Baltimore & Ohio Railroad Company.

Referring to table 18 (pp. 50 and 51), Eightieth Annual Report, it will be seen that the entire equipment owned by the Company in service June 30 1906 comprised:

1,432 Locomotives	907 Passenger cars,	
6 Electric Motors,	63,975 Freight and Service Cars,	\$48,872,028 58
10 Spare Tenders,		

There have been charged to this account during the fiscal year—

Through purchase and construction at Company's works:

1 Electric Motor,	5 Passenger cars,	
32 Freight cars,	1 Service car,	\$140,081 58
Through betterments applied to Passenger Cars		1,136 00

And in course of adjustment of records, there have been restored in the current year:

37 Freight and Service cars,	6,520 00	
		147,737 58
		\$40,019,766 26

Credits have been made for record value of:

27 Locomotives, 10 Spare tenders, 17 Passenger cars and 2,130 Freight and Service cars "put out of service" through condemnation, wreck, sale, fire and destroyed on foreign roads	\$508,760 64
and for depreciation of equipment	1,292,615 56
	1,801,376 20
	\$47,218,390 06

being the value June 30 1907 of:

1,405 Locomotives,	890 Passenger cars,
7 Electric Motors,	61,920 Freight and Service cars.

The amount of reduction of Equipment (\$1,801,376 20), less salvage on equipment "put out of service," was charged to Operating Expenses.

Note.—5 Passenger coaches were changed to service cars during the year.

THE BALTIMORE & OHIO EQUIPMENT COMPANY.

The equipment supplied through this Company during the year was:

218 Freight cars	\$214,076 00
making the total equipment supplied to June 30 1907:	
249 Locomotives and 9,700 Freight cars	15,114,451 50

The Baltimore & Ohio Southwestern Railroad Co.

Referring to table 18 (p. 53, Eightieth Annual Report), it will be seen that the entire equipment in service June 30 1906 comprised:

184 Locomotives,	194 Passenger cars,	
10,254 Freight and Service cars,		\$5,262,309 37

In the course of adjustment of records, there have been restored in the current year:

5 Freight cars and 1 Service car,	630 00
	\$5,262,939 37

Credits have been made for the record value of:

8 Locomotives, 5 Passenger cars and 470 Freight and Service cars "put out of service" through wreck, condemnation, fire, sale, and destroyed on foreign roads	\$119,933 00
and for depreciation of equipment	139,232 20
	259,165 20
	\$5,003,774 17

being the value June 30 1907 of:

176 Locomotives, 188 Passenger cars and 9,791 Freight and Service cars.

Note.—1 Passenger coach was changed to service car during the year.

The amount of reduction of Equipment (\$259,165 20), less salvage of equipment "put out of service," was charged to Operating Expenses.

MARINE EQUIPMENT.

The amount at debt June 30 1906, representing the value of Marine Equipment, as shown on General Balance Sheet (page 20) of the Eightieth Annual Report was \$1,025,233 04

There have been charged this account during the year for construction of the following:

Steam Derrick Lighter Antletam	\$13,500 00
Open Lighter Glenwood	5,748 65
" " Hazleton	5,748 60
Covered Lighter Ravenna	5,380 65
Car Float 73-B	22,000 00
" " 74-B	22,000 00
" " 75-P	21,800 00
Balance of payments on account of:	
Open Lighter Connellsville	368 00
" " Catawba	368 00
" " Bessemer	368 00
" " Braddock	368 00
" " Montana	368 00
Steam Lighter Ohio	9,086 26
Purchase of Southern Ry. Co.'s one-half interest in Tug Major Brewerton	3,400 00
Payment on account Car Float 76-P	7,000 00
	117,504 16

Total \$1,142,737 20

There have been credited this account during the year account sale of:

Barge 52 B	\$5,575 00
Interest in Float 71-S	3,400 00
	8,975 00

Total \$1,133,762 20

and there has been credited this account as of June 30 1907, and charged to Operating Expenses, account of annual depreciation

	38,000 00
Total value Marine Equipment, June 30 1907	\$1,095,762 20

being the value of:

14 Steam Lighters and Tugs,	2 Pile Drivers,
125 Barges, Floats and Scows,	1 Wharf Boat.

INSURANCE FUND.

The value of the Insurance Fund on June 30 1906 was \$724,121 07 and the estimated value as of June 30 1907 is \$902,360 09, an increase for the year of \$178,239 02. In addition to the original cash appropriation of \$250,000 00 made in 1901, there now appears on the general books of your Company the increment to this fund since its inception, \$634,278 59, which amount has been credited to Profit and Loss account. The character of the assets of the fund, and its investment, will be found in table 8 of pamphlet report.

RELIEF DEPARTMENT.

The report of the Relief Department for the twelve months ended June 30 1907 will be printed for distribution to members as customary. The operations of the Department, covering the Relief, Savings and Pension features, will be found in table 9 [pamphlet]. The Pension feature is entirely maintained by contribution from the Company, and not by its employees.

GENERAL.

The operations of the year indicate a continuation of the general business prosperity which has prevailed throughout the country, the participation in which by your Company is evidenced in the increased volume of traffic handled and the gross earnings therefrom. The expenses of operation have been largely augmented by the increased force essential to the proper care of the large volume of traffic and by increases in the compensation of your employees, whose claims have been met in a liberal manner.

The year has also been marked by legislation on the part of the Federal Congress, in a revision of the Act for the regulation of commerce through what is known as the Hepburn Bill, which was adopted on June 30 1906, becoming effective sixty days thereafter. Under this Act, the authority and duties of the Inter-State Commerce Commission were enlarged, and that body charged with the formulation of a uniform system of accounting to be observed by all public carriers engaged in inter-State traffic.

The co-operation of the carriers, through their representative accounting officers, was invited, and there have been published by the Inter-State Commerce Commission, as effective July 1 1907, a Classification of Operating Revenues,

a Classification of Operating Expenses, a Classification of Expenditures for Road and Equipment (Construction accounts), and a Classification of Locomotive, Car and Train Miles, to which all carriers will be required to conform, to the exclusion of other methods, from the above date. The Commission has also in hand other features of accounting regulation, which will be published and made effective as such may be determined.

In addition to the above, there has been legislation on the part of a number of the States which threatens most serious consequences to the carriers affected thereby. This action has been mainly confined to a reduction of the charge for the transportation of passengers to a maximum rate of two cents per passenger per mile. The States whose action affects your lines, and the dates such action became effective, are: Virginia, July 1 1907 (with an exception as to B. & O. lines), fixing the maximum at 3 cents per passenger per mile;

West Virginia, May 21 1907; Ohio, March 10 1907; Penns: 1 vania, October 1 1907; Indiana, April 10 1907; Illinois, July 1 1907. A compliance with the above legislation required a revision of passenger tariffs and rates, and it cannot be said at this time with any positiveness to what extent your passenger earnings will be affected; that the reduction will be considerable admits of no reasonable doubt. In some sections the incentive to travel may afford some possible compensation, but in others nothing of this character can be looked for, and the result as a whole is problematical.

The President and Directors take great pleasure in acknowledging the faithful and efficient services of the officers and employees during the past year.

By order of the Board,

OSCAR G. MURRAY,  
President.

GENERAL BALANCE SHEET YEAR ENDED JUNE 30 1907.

CAPITAL ASSETS.		Increase.	Decrease.	Comparison with June 30 1906.	
Cost of Road including Bonds and Stocks pledged with Trustees as security for Funded Debt Issued—					
Cost of Road	\$165,066,928 47			\$10,542,932 17	
Bonds and Stocks held by Trustees	174,605,265 11			670,005 74	
		\$339,672,193 58			
Real Estate—					
Miscellaneous	\$6,878,752 93				\$26,255 59
Property at Washington, D. C.	583,584 54			32 68	
		7,462,337 47			
Gas and Electric Plants				15,020 01	
Equipment—					
Rolling Stock	\$47,218,390 06				1,653,638 62
Marine Equipment	1,095,762 20			70,529 16	
		48,314,152 26			
Total			\$396,160,631 12		
Securities Owned—					
Bonds—					
Baltimore & Ohio Railroad Co.	\$17,829,379 27			2,395,424 15	
Sundry other Companies	5,568,109 11			2,429,991 94	
		23,397,488 38			
Stocks—					
Baltimore & Ohio Railroad Co.	\$1,215,845 18			193,816 20	
B. & O. Equipment Co.	1,000,000 00			1,000 00	
Sundry other Companies	30,231,815 39			102,996 85	
		32,447,660 57			
Total			55,845,148 95		
New Bonds and Stocks held to retire old securities			248,425 21		4,485 00
Insurance Fund			884,278 59		634,278 59
Materials on hand			6,371,071 32		1,022,141 28
CURRENT ASSETS.					
Cash in hands of Treasurer		\$5,914,377 87			2,967,142 94
Cash on deposit with fiscal agents to pay coupons		5,759 80			3,450 00
Due by other companies for advances—					
B. & O. Equipment Co.	\$14,114,451 50				
Other Companies	1,703,325 91				
		15,817,777 41			8,473,861 02
Due by Individuals and Companies		27,490,340 42		18,314,066 56	
Traffic Balances		1,578,841 11			91,897 57
Due from Agents		4,515,182 16		881,195 01	
Loans and Bills Receivable		5,715 75			9,947 58
Miscellaneous		590,662 93		78,360 40	
Total			55,918,657 47		
			\$515,428,212 66	\$24,121,112 42	
CAPITAL LIABILITIES.				Comparison with June 30 1906.	
				Increase.	Decrease.
Capital Stock—					
Preferred	\$60,000,000 00				
Common	152,174,829 00			\$27,594,769 00	
Paid on subscription to additional issue of \$27,750,000 Common Stock					\$10,201,294 00
			\$212,174,829 00		
Funded Debt—					
Prior Lien Three and One-Half Per Cent Bonds	\$75,000,000 00				
First Mortgage Four Per Cent Bonds	73,000,000 00			1,000,000 00	
Pittsburgh Junction and Middle Div. Prior Lien Three and One-half Per Cent Bonds	13,810,530 00				
Southwestern Div. Three and One-half Per Cent Bonds	45,000,000 00				134,000 00
Ten Year Gold Con. Debenture Four Per Cent Bonds	140,000 00				
Pitts. Lake Erie & W. Va. Four Per Cent Refdg. Bonds	37,339,900 00			525,000 00	
New York Div. and Terminal Four Per Cent Bonds	5,000,000 00			1,050,000 00	
			249,290,430 00		
Capital Liabilities Issued			\$461,465,259 00		
Monongahela River RR. Co. First Mtge. 5% Bonds	\$700,000 00				
West Va. & Pitts. RR. Co. First Mtge. 4% Bonds	4,000,000 00				
Schuykill Riv. E. S. RR. Co. First Mtge. 4% Bonds	5,000,000 00				
Ground Rent Liens	1,082,280 41			48,391 25	
Real Estate Mortgages	20,000 00				
Old Bonds and Stocks not deposited under plan	128,900 97				3,626 03
Monongahela River RR. Co. Car Trust Warrants	109,000 00				50,000 00
Pittsburgh & Western Ry. Co. Equipment Trusts	55,000 00				77,000 00
Capital Liabilities Assumed			11,095,181 38		
Total			\$472,560,440 38		
CURRENT LIABILITIES.					
Accounts Payable for current expenditures—					
Audited Vouchers	\$2,817,989 04				469,625 98
Pay Rolls and Unclaimed Wages	3,343,610 06			287,655 49	
		\$6,161,599 10			
Loans and Bills Payable					
Funds and Accounts of controlled companies—					30,000 00
Miscellaneous	\$1,637,502 14			748,359 51	
Washington Branch, including annuities	345,625 86				830,938 51
		1,983,128 00			
Traffic Balances		1,715,585 81		479,192 08	
Matured Interest on Bonds unpaid		98,862 56			33,094 38
Accrued Interest on funded debt		3,553,458 64		15,773 84	
Dividends on Stock unpaid—Declared, but not due	\$5,765,244 87			827,843 07	
Due, but not called for	67,975 63			7,248 92	
		5,833,220 50			
Accrued Taxes and Ground Rents		32,430 26			507,252 57
Relief Departments		2,383,110 32		98,728 39	
Miscellaneous		1,364,825 87			140,916 63
Total			23,128,230 26		
Profit and Loss			19,739,542 02	3,915,898 97	
			\$515,428,212 66	\$24,121,112 42	

The above General Balance Sheet presents an accurate and true statement of the Accounts of the Company as of June 30 1907.

H. D. BULKLEY, Comptroller.

## THE CHICAGO ROCK ISLAND &amp; PACIFIC RAILWAY COMPANY.

TWENTY-SEVENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30 1907.

*To the Stockholders:*

The Board of Directors herewith submit their report of the operations and affairs of the Rock Island Lines for the fiscal year ended June 30 1907.

The results of the operations for the year were as follows:

Gross earnings (Increase \$9,000,561 86, or 17.6 per cent).....	\$60,238,419 91
Operating expenses (Increase \$5,977,083 47, or 17.0 per cent).....	41,044,142 00
Net earnings (Increase \$3,023,478 39, or 18.7 per cent).....	\$19,194,277 91
Other income.....	745,181 71
Total income.....	\$19,939,459 62
Taxes.....	\$1,676,038 31
Interest.....	8,279,300 02
Rentals.....	1,233,604 22
Net income, after providing for all charges, being 11.6 per cent on capital stock (\$75,000,000 00).....	\$8,750,517 07
Dividends paid (5½ per cent on capital stock).....	4,116,728 00
Surplus for the year (Increase \$2,525,509 53).....	\$4,633,789 07

The increase in gross earnings was disposed of as follows:

Increase in expenditures for maintenance of the property (road and equipment).....	\$1,974,568 87
Increase in cost of movement and administration.....	4,002,514 60
Leaving in net earnings (33.5 per cent of gross increase).....	3,023,478 39
Total increase in gross earnings.....	\$9,000,561 86

For comparative income account in detail see table below.

The property of the St. Louis Kansas City & Colorado Railroad Company was taken over for operation on October 1 1906. The greater portion of the cost thereof was carried last year in the general balance sheet as advances for construction and equipment.

The capital stock of The Chicago Rock Island & Pacific Railway Company outstanding at the close of the previous fiscal year was \$74,847,600, and has since been increased by the issue of \$6,500 in exchange for a like amount of capital stock of the Burlington Cedar Rapids & Northern Railway Company.

The amount of capital stock shown on general balance sheet as outstanding June 30 1907 represents:

Capital stock of The Chicago Rock Island & Pacific Railway Company, issued and outstanding.....	\$74,854,100 00
Capital stock of the Burlington Cedar Rapids & Northern Railway Company and Rock Island & Peoria Railway Company outstanding, for the purpose of taking up which there is reserved a like amount of the capital stock of The Chicago Rock Island & Pacific Railway Company.....	145,900 00
Total authorized capital stock of The Chicago Rock Island & Pacific Railway Company.....	\$75,000,000 00

Of the outstanding capital stock of the Burlington Cedar Rapids & Northern Railway Company, \$5,000 is in the treasury of your company.

During the year the funded debt increased \$15,880,000, for the details of which reference is made to table below.

The cost of property and franchises increased \$18,180,162 06, details being shown in table below. There were also expended \$4,375,221 38 for additions and improvements as follows:

Right of way and real estate, \$323,361; widening cuts and fills and drainage, \$322,368; grade and alignment improvements, \$116,572; track elevation and depression, \$4,240; bridges and culverts, \$708,415; ballast, \$1,058,509; heavier rails and fastenings, \$243,542; telegraph and telephone lines, \$19,744; fences, road crossings and signs, \$15,012; signal and interlocking plants, \$220,510; shop machinery and tools, \$904; road department tools, \$3,167; freight stations, \$74,902 passenger stations, \$37,872; combination freight and passenger stations, \$29,407; other transportation department buildings and fixtures, \$32,006; road department buildings and fixtures, (credit) \$1,128; shops, engine houses and turntables, \$128,222; fuel stations, \$54,208; water stations, \$95,114; electric light plants, \$704; grain elevators, \$97,846; miscellaneous structures, \$47,805; passing tracks, \$181,493; main tracks, \$13,478; house and team tracks, \$44,558; industrial tracks, \$127,120; yard and other tracks, \$375,271.

The line Fordyce to Crossett, Ark., 56.85 miles, was put in operation February 1 1907, and the line Tinsman to Eldorado, Ark., 35.81 miles, on June 23 1907. These two lines compose what was reported a year ago as the uncompleted portion of the Little Rock & Southern Railroad, now a part of the Rock Island Arkansas & Louisiana Railroad. That road is laid with 60-pound steel rail and is ballasted with gravel. Standard Rock Island buildings and bridges, including a first-class brick depot at Fordyce, Ark., have been erected.

Trackage rights have been obtained over the rails of the Louisiana & Arkansas Railway Company and the Louisiana Railway & Navigation Company to carry the line to Alexandria, La., and it is expected that the line from Alexandria to Eunice, La., will be operated in October 1907. At this latter point connection will be made with the Colorado Southern New Orleans & Pacific Railroad (Frisco), from Houston, Tex., to New Orleans, La., establishing a new through route of importance to the Rock Island Lines.

The earnings, operating expenses, taxes, interest, etc., of the operated portion of the Rock Island Arkansas & Louisiana lines were included in the accounts of your company.

## GENERAL.

The records of the industrial department show that there have been located along the Rock Island Lines during the year three hundred and twenty-seven new enterprises, at an estimated cost of about eight and one-half millions of dollars. These new enterprises are scheduled to employ over eight thousand persons.

During the past year your company built or made additions to fifty-eight tracks to private industries and four side tracks to coal mines.

During the fiscal year 109 locomotives, 95 passenger-train cars (including 1 passenger motor car), 6,847 freight-train cars, 1 derrick car and 2 other road service cars were received and placed in service. Details are shown on pages 34, 36 and 37 (pamphlet report).

The work of installing automatic block signals has been pushed, as will be attested by the expenditure of \$220,509 58, as shown on page 19 (pamphlet report), for new and additional signal and interlocking plants. The greater portion of this amount was for the installation of automatic block signal apparatus.

To meet the growing demands of increased traffic, \$4,089,934 18 have been expended for additional and improved terminals at various points.

The new freight depots and yards constructed in St. Louis by the Rock Island-Frisco Terminal Railway Company were put in operation March 1 1907. The money was provided jointly by this company and the St. Louis & San Francisco Railroad Company, each company receiving securities of the Terminal Company in reimbursement of its advances.

\$3,000,000 of 5 per cent bonds have been issued by the Terminal Company, and guaranteed jointly by this company and the St. Louis & San Francisco Railroad Company, the unexpended balance of which is reserved for further additions and improvements.

Joint use of these terminals has been granted to the Chicago & Eastern Illinois Railroad Company.

The transfer yard of the Iowa Transfer Railway Company at Des Moines, Ia., referred to in the last annual report, has been completed and is being operated. The total amount advanced by your company as its one-fifth of the cost of this transfer yard was \$6,200, for which was received 62 shares, par value \$6,200, being one-fifth of the capital stock of the Iowa Transfer Railway Company.

The Peoria Railway Terminal Company, a new corporation, with a capital stock of \$1,000,000 par value, has acquired all of the property of the Peoria & Pekin Terminal Railway Company, one-half of whose capital stock was owned by your company at the date of rendering the last annual report. In exchange for such capital stock your company has received one-half of the capital stock of the Peoria Railway Terminal Company, and the latter company is now operating the property.

Trackage rights were acquired and trains of The Chicago Rock Island & Gulf Railway Company have been operated since July 1 1906 over the Ft. Worth & Denver City Railway Company from Amarillo, Texas, to Dalhart, Texas, 82.06 miles. Your company has acquired similar rights and has operated its trains, since November 25 1906, over the line of the St. Louis & San Francisco Railroad Company from Wichita, Kansas, to Medora, Kansas, 48.07 miles.

During the year your company has advanced on account of The Trinity & Brazos Valley Railway Company, for construction and equipment of that line, \$97,415 50, and on account of construction of important terminals at Galveston, Texas, \$98,016 66.

Legislation by the various States which your lines serve, respecting rates and operating methods of railroads, has been excessive in quantity and severe in character. The Legislatures of five such States have passed laws establishing two-cents per mile as the maximum rate of passenger fare, and other laws have been passed by the several States calling for serious reductions in freight rates. Doubtless a large part of this legislation has been due to misconception of the actual conditions. At every opportunity it is the policy of the officers of your company to endeavor to establish better relations with the people of the various States, and to impress upon them the fact that the progress of the section of the country traversed by your road, and the continued prosperity thereof, require candid co-operation between the railroads and the other business interests. The aim of all must be to promote the welfare of the country, and it is to be hoped that when the situation is thoroughly understood, a spirit of mutual co-operation will be the result.

A complete inventory of material, fuel and supplies was taken April 30 1907 and the necessary adjustment of the accounts made.

The accounts of your company at the close of the fiscal year were examined by Mr. Stephen Little, and copy of his certificate appears below. (See pamphlet report.)

It is a pleasure to acknowledge the hearty and necessary co-operation of officers and employees.

By order of the Board of Directors,

B. L. WINCHELL, *President.*

INCOME ACCOUNT YEAR ENDED JUNE 30 1907 COMPARED WITH PREVIOUS YEAR.

Table showing income account for 1906-07 and 1905-06, including Average mileage operated, Earnings (Freight, Passenger, Mail, Express, Miscellaneous), Operating expenses, Net earnings, Total income, Taxes, Interest, Rentals, Improvements on leased lines, Available for dividends, Dividends, Surplus, and Balance of surplus carried to credit of profit and loss.

DIVIDENDS DECLARED DURING YEAR ENDED JUNE 30 1907.

Table listing dividend declarations: Dividend No. 105, 2 per cent paid October 1906; Dividend No. 106, 1 per cent paid January 1907; Dividend No. 107, 1 1/2 per cent paid April 1907; Dividend No. 108, 1 per cent paid July 1907.

PROFIT AND LOSS.

Table showing Profit and Loss: Balance as of June 30 1906, Surplus for the year ended June 30 1907, Interest prior to October 1 1906 on advances by The Chicago Rock Island & Pacific Railway Company, Interest prior to July 1 1906 on advances for St. Louis, Mo., freight terminals, Net profit from operation of mines, Sundry liabilities written off, Less—Discount and expenses in connection with first and refunding mortgage gold bonds, Depreciation on tracks, structures and equipment, Sundry uncollectible accounts written off, and Profit and loss as of June 30 1907.

CONDENSED GENERAL BALANCE SHEET JUNE 30 1907 AND COMPARISON WITH PREVIOUS YEAR.

Table showing ASSETS: Capital Assets (Property and franchises, St. Louis Kansas City & Colorado Railroad Co., Advances for construction and equipment, Real estate, Investment account—stocks, Stock of The Chicago & Alton Railroad Company, Deposit with trustee, First and refunding mortgage gold bonds held in the treasury), Current Assets (Cash, Station agents and conductors, Companies and Individuals, Traffic balances, Express companies, Advances for construction, Loans and bills receivable, Bonds, Stocks in treasury, Accrued income, Prepaid insurance, Material and supplies), Deferred Assets (Open carrying accounts, East St. Louis & Suburban Railway Company bonds).

Table showing LIABILITIES: Capital Liabilities (Capital stock, Funded debt, Three-year notes due July 1 1907, Collateral trust gold notes due April 1 1908, Equipment trust notes), Current Liabilities (Purchase money note for Dering Coal Company stock, Unpaid vouchers and drafts, Unpaid wages, Interest, rentals and dividends due July 1, Taxes accrued, Interest and rentals accrued, Interest coupons due and not presented, Dividends due and not called for, Bonds matured, Notes payable, Interim certificates for first and refunding mortgage gold bonds), Deferred Liabilities (Keokuk & Des Moines Railway Company—account equipment, White & Black River Valley Railway Company—account equipment, C. C. Henderson, trustee, Hospital fund), Provisional Accounts (Equipment replacement funds, Insurance fund, Special improvement and equipment fund), Grand total liabilities (including provisional accounts).

Figures in bold face denote credits. \* Paid July 1 1907. x Exchanged July 1 1907 for first and refunding mortgage gold bonds.

NOTE.—In stating the assets and liabilities of the companies forming the Rock Island Lines, the holdings of The Chicago Rock Island & Pacific Railway Company in the bonds and capital stock of the auxiliary lines, together with loans between the various companies, have been eliminated from the liabilities and a like reduction made in the book value of the assets; the figures shown, therefore, represent the book value of the assets and the liabilities without duplication. The classification of some of the items in the general balance sheet has been changed during the past year. To preserve comparisons the figures for last year have been re-stated to agree with the classification of the 1907 figures; hence the 1906 figures do not agree in every detail with those published in the annual report for the previous year.



SUMMARY OF FINANCIAL CHANGES YEAR ENDED JUNE 30 1907.

RESOURCES:			
Cash on hand June 30 1906 (including unexpended balance of special fund set apart for completion and equipment of Rock Island Arkansas & Louisiana Railroad)			\$9,646,668 76
Funded debt increased—See page 20 pamphlet report	\$9,745,000 00		
Equipment trust notes increased—See page 20 pamphlet report	6,135,000 00		
Net credit to profit and loss account		\$15,880,000 00	
Changes in current accounts, as follows:		1,920,654 73	
<i>Decrease in Assets—</i>			
Stocks in treasury—unpledged	\$281,442 44		
E. St. Louis & Suburban Railway Co. bonds	49,725 00	\$331,167 44	
<i>Increase in Liabilities—</i>			
Unpaid vouchers and drafts	\$1,411,997 81		
Unpaid wages	508,470 38		
Taxes accrued (not due)	36,025 48		
Interest and rentals accrued (not due)	269,029 51		
Interest coupons due and not presented	212,065 00		
Dividends due and not called for	3,871 82		
Bonds matured, not presented	26,500 00		
Notes payable	150,000 00		
Interim certificates for first and refunding mortgage gold bonds	3,000,000 00		
Hospital fund (employees)	5,288 31	5,623,248 31	
<i>Increase in Provisional Accounts—</i>			
Equipment replacement funds	\$348,022 35		
Insurance fund	51,891 57	399,913 92	
<i>Less:</i>			
<i>Increase in Assets—</i>			
Due from agents and conductors	\$303,265 95		
Due from companies and individuals	1,086,743 92		
Due from express companies	125,510 70		
Due from traffic balances	101,193 62		
Due from United States Post Office Department	120,124 23		
Loans and bills receivable	1,217,948 48		
Accrued income from investments	7,177 66		
Prepaid insurance	70,149 63		
Material and supplies	388,005 56		
Open carrying accounts in process of adjustment	840,795 18		
	\$4,260,914 93		
<i>Decrease in Liabilities—</i>			
Purchase money note for Dering Coal Co. stock	\$540,000 00		
Interest, rentals and dividends due July 1	1,178 37		
C. C. Henderson, trustee	50,000 00		
	\$591,178 37	4,852,093 30	1,502,236 37
Total to be accounted for			\$28,949,559 86
APPLIED AS FOLLOWS:			
Property and franchises (increase)	\$21,672,743 04		
Less amount transferred from St. Louis Kansas City & Colorado Railroad Co. to property and franchises	16,804,457 58	\$4,868,285 46	
Additions and improvements, current year (increase)			882,640 40
Advances for construction and equipment			1,030,912 52
Real estate			208,719 79
Investment account—stocks representing ownership of Rock Island Lines in sundry properties			228,584 46
Stock of The Chicago & Alton Railroad Co.			24,427 62
Rock Island Improvement Co.—deposit with trustee for purchase of equipment under indenture of February 1 1907			7,533,550 00
Advances for construction, equipment, etc., fundable			854,693 62
Bonds, etc., in treasury—unpledged			3,400,246 94
Balance, cash on hand June 30 1907			\$9,917,499 05

EXPLANATION OF CHANGES IN FUNDED DEBT AND EQUIPMENT TRUST NOTES DURING YEAR ENDED JUNE 30 1907.

Funded debt and equipment trust notes, June 30 1906:			
Funded debt	\$164,587,000 00		
Three year notes, due July 1 1907	7,500,000 00		
Collateral trust gold notes, due April 1 1908	6,000,000 00		
Equipment trust notes	1,250,000 00		
First and refunding mortgage bonds issued and held in the treasury	11,250,000 00		
Total		\$190,587,000 00	

This has been increased during the year by the issue of The Chicago Rock Island & Pacific Railway Company's first and refunding mortgage gold bonds, viz.:

For additions, improvements and equipment, 1907 fund	\$2,500,000 00		
For an equal amount of general mortgage gold bonds, issued January 1 1907, for additions and improvements, said general mortgage gold bonds having been deposited with trustee of first and refunding gold bond mortgage	1,000,000 00	\$3,500,000 00	

For purchase of \$5,605,000 00 Rock Island Improvement Company's 4½ per cent equip't bonds, series "B"

For redemption of matured obligations:

The Chicago Rock Island & Pacific Railway Company's gold bonds of 1902 series "E," matured May 1 1907	\$1,494,000 00		
Choctaw Oklahoma & Gulf Railroad Company's equipment trust notes, matured as follows:			
August 1 1906, series "B"	\$70,000 00		
Feb. 1 1907, series "B"	75,000 00		
Apr 1 1 1907, series "C"	220,000 00	365,000 00	1,859,000 00
		\$11,250,000 00	

and has further been increased by the issue of The Chicago Rock Island & Pacific Railway Company's equipment 4½ per cent gold notes

and has been reduced by the redemption of matured obligations as follows:

The Chicago Rock Island & Pacific Railway Company's gold bonds of 1902, matured May 1 1907	\$1,494,000 00		
Choctaw Oklahoma & Gulf Railroad Company equipment trust notes as above	365,000 00		

Brought forward \$1,859,000,000 \$17,759,000 \$190,587,000

Little Rock Bridge Company's bonds, matured June 1 1907 20,000 00 1,879,000 00

Net increase in funded debt and equipment trust notes 15,880,000 00

Funded debt and equipment trust notes June 30 1907:

Funded debt	\$174,332,000 00		
Three-year notes, due July 1 1907	7,500,000 00		
Collateral trust gold notes, due April 1 1908	6,000,000 00		
Equipment trust notes	7,385,000 00		
First and refunding mortgage gold bonds issued and held in the treasury	11,250,000 00		
Total		\$206,467,000 00	

PROPERTY AND FRANCHISES—CHANGES DURING YEAR ENDED JUNE 30 1907.

Balance June 30 1906, as per balance sheet \$221,825,639 16

Cost of additions and improvements for year ended June 30 1906, transferred to property and franchises \$3,492,580 98

Changes during the year:

Cost of the property of the St. Louis Kansas City & Colorado Railroad Company transferred to property and franchises \$16,878,313 50

Disbursements in connection with completion and equipment of Rock I. Arkansas & Louisiana Railroad Company's property (of which \$1,509,999 98 was for equipment) 2 848,073 41

Disbursements for completion of Choctaw Oklahoma & Gulf Railroad 3,017 63

Disbursements for additions and improvements to mines 33,351 18

Expenditures for construction of track from T. & P. Crossing, Dallas, Texas, to connection with H. & T. C. RR., Dallas, Texas. 79 14

Expenditures for additional equipment: 161,413 87 \$19,924,248 71

Deduct—Value of equipment destroyed, dismantled or sold during the past fiscal year (exclusive of equipment which, under mortgages or equipment trust agreements, must be replaced). Such value, less salvage, was charged to operating expenses and profit and loss. \$1,742,744 34

Refund of excess amounts paid for Gowrie & Northwestern Railway 1,342 33 1,744,086 67

Total changes during year 18,180,162 06

Total increase in property and franchises \$21,672,743 04

Balance June 30 1907, as per balance sheet \$243,498,382 20

## ST. LOUIS &amp; SAN FRANCISCO RAILROAD COMPANY.

## ELEVENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30 1907.

*To the Stockholders:*

The Board of Directors herewith submit their report of the operations and affairs of the St. Louis & San Francisco Railroad Company's Lines (exclusive of the Chicago & Eastern Illinois Railroad) for the fiscal year ended June 30th 1907.

The results of operations for the fiscal year were as follows:

Gross earnings (Increase \$6,574,410 95, or 20.5%)	\$38,621,067 51
Operating expenses (Increase \$4,327,046 24 or 21.1%)	24,872,579 36
Net earnings (Increase \$2,247,364 71, or 19.5%)	\$13,748,488 15
Other income	1,540,866 55
Total income	\$15,289,354 70
Taxes	\$896,958 13
Interest, rentals and other fixed charges	10,233,813 28
Net income after providing for all charges, being equal to 4% on the first and second preferred stock (\$21,000,000) and 11.44% on the common stock (\$29,000,000)	\$4,158,583 29
Dividends paid— Four per cent on first preferred stock	199,742 12
Balance of surplus carried to profit and loss (Increase, \$2,169,447 66)	\$3,958,841 17

There was a slight decrease in the mileage operated during the fiscal year, as compared with the previous year, caused by a re-measurement of line and the taking up of small sections of useless track.

The average mileage operated during the year was 5,061.72 miles, as compared with 5,068.92 for the preceding year, being a decrease of 7.20 miles.

The total main track mileage operated at June 30 1907 was 5,064.16 miles, for details of which see statement on pages 72 and 73. (See pamphlet report.)

The capital stock of the company outstanding at the end of the fiscal year was \$50,000,000, being the same as in the preceding year, and is composed of  
\$5,000,000 first preferred.  
16,000,000 second preferred.  
29,000,000 common.

The total funded debt at June 30 1906, including that of leased and auxiliary lines was \$167,440,148 59  
The net increase during the fiscal year was 10,080,153 61

Making the total funded debt at June 30 1907 \$177,520,302 20

Statements will be found on pages 19 and 20, showing in detail the new issues, as well as bonds which have been redeemed, and on page 30 the bonds remaining in the treasury as a current asset. (See pamphlet report.)

The total amount of equipment bonds and notes outstanding at June 30 1906 was \$8,078,629 97  
The net increase during the fiscal year was 4,371,859 82

Making the total amount of equipment bonds and notes outstanding at June 30 1907 \$12,450,489 79

Full details of the amount of equipment notes issued during the year, as well as of the amount paid during the year, will be found on page 21. (See pamphlet report.)

A comparison of the assets and liabilities of the company and its leased and auxiliary lines, at June 30 1907, with the figures of the preceding year, is shown on the comparative condensed balance sheet on a following page.

The increase in the franchises and property accounts, including those of the leased and auxiliary lines, for the fiscal year, was \$8,214,792 31.

Full details making up this increase are given in statements on pages 22 and 23. (See pamphlet report.)

Liberal expenditures were made during the fiscal year for additions and improvements to the property, and to its equipment.

For details of such expenditures, which were charged to franchises and property, reference is given to statement on pages 24, 25, 26 and 27, and for details of expenditures for renewals of roadway and structures, charged to operating expenses, reference is given to statement on page 33. (See pamphlet report.)

The various classes of rolling stock added are shown on statements, pages 41 and 42 (see pamphlet report), and in addition thereto contracts were placed for 70 freight, 10 passenger and 10 switch locomotives, 87 passenger train cars and 5,255 freight cars, but deliveries of same could not be obtained until the last half of the calendar year 1907.

Contract has been let for the construction of new car and engine shops at Springfield, Mo., to be completed by February 1 1908 at a cost of approximately \$1,350,000.

A new union passenger station at Birmingham, Ala., was constructed during the year jointly by the lines centering at that point, and this company, in conjunction with all the other lines interested, has guaranteed the bonds issued covering the cost thereof. The interest charge is to be apportioned between the lines using the terminals on the basis of cars handled.

The station, though not quite completed, was put in operation at July 1 1907, and 4% bonds to the amount of \$1,150,000 had then been issued in payment of the property, one-sixth thereof, or \$198,333 33, being the amount guaranteed by this company.

The new freight depots and yards constructed in North St. Louis by the Rock Island-Frisco Terminal Railway

Company were put in operation March 1 1907. The money was provided jointly by this company and The Chicago Rock Island & Pacific Railway Company, each company receiving securities of the Terminal Company in reimbursement of its advances.

\$3,000,000 of 5% bonds have been issued by the Terminal Company, and guaranteed jointly by this company and The Chicago Rock Island & Pacific Railway Company, the unexpended balance of which is reserved for further additions and improvements.

Joint use of these terminals has been granted to the Chicago & Eastern Illinois Railroad Company.

The Company has acquired, through the proceeds of its \$7,500,000 five-year 5% collateral trust gold notes, dated January 1 1906, all the capital stock (except Directors' shares) and all the bonds of Colorado Southern, New Orleans & Pacific Railroad Company. The property of the last-named Company has been leased to this Company for the period of nine hundred and ninety-nine years from April 30 1907. Through the ownership by Colorado Southern, New Orleans & Pacific Railroad Company of all the stock (except Directors' shares) of The Orange & Northwestern Railroad Company and of The Beaumont Sour Lake & Western Railway Company, a through line will be in operation from Houston to Baton Rouge upon the completion of construction work now in progress. From Baton Rouge to New Orleans the trains of your Company will be operated into New Orleans under a trackage agreement with the Illinois Central Railroad Company and Yazoo & Mississippi Valley Railroad Company.

The increase in the tonnage carried during the fiscal year was 2,305,162 tons, or 16.64%, and the increase in number of passengers carried was 1,194,353, or 19%.

The earnings from operation per mile of road for the fiscal year were \$7,630 03, an increase over the preceding year of \$1,307 84, or 17%, and is the largest revenue per mile of road earned by the company in any year.

The percentage of all fixed charges and taxes to net income for the fiscal year was 72.8%, as compared with 82.4% for the preceding year and 93.3% for the year 1905. This shows a healthy growth in the financial strength of the company.

The industrial department has reported that 338 new industrial plants, employing over 12,000 men, and costing approximately \$9,000,000, have been located on the tracks of the Frisco lines during the fiscal year.

It is encouraging to note this expansion of industrial development going on in the territory tributary to the company's lines, as it insures, to a large extent, a continued increase in both freight and passenger traffic.

The crops for the current year in the territory tributary to the company's lines are about normal.

The net receipts from land sales and royalties for the fiscal year were:

St. Louis & San Francisco RR.	\$371 46
Kansas City Fort Scott & Memphis Ry.	24,929 97
	\$25,301 43

This amount was credited to other income in the income account for the year.

The usual statements showing the income and profit and loss accounts, condensed balance sheet and statistical exhibits, each including the figures of the Chicago & Eastern Illinois Railroad Company, added to those of this company, are appended to this report, and show the results of the operation of both properties and their financial condition at the end of the fiscal year. (See pamphlet report.)

The books and accounts of the company at the close of the fiscal year were examined by Mr. Stephen Little and copy of his certificate appears below. (See pamphlet report.)

Acknowledgment of the faithful and efficient services rendered by officers and employees during the year is here made.

By order of the Board of Directors.

A. J. DAVIDSON,  
President.

## ST. LOUIS &amp; SAN FRANCISCO RAILROAD LINES.

## INCOME ACCOUNT FISCAL YEAR ENDED JUNE 30TH 1907, COMPARED WITH PREVIOUS YEAR.

	1906-07.	1905-06.	Increase (+) or Decrease (-).	Per Ct.
	Amount.	Amount.	Amount.	Per Ct.
Aver. mileage oper.	5,061.72	5,068.92	-7.20	-1.4
Earnings—	\$	\$	\$	\$
Freight	26,848,664 91	21,955,975 42	+4,892,689 49	+22.3
Passenger	9,169,400 43	7,908,644 11	+1,260,756 32	+15.9
Mail	885,662 71	704,415 22	+181,247 49	+25.7
Express	998,864 97	882,232 39	+116,632 58	+13.2
Miscellaneous	718,474 49	595,389 42	+123,085 07	+20.7
Total	38,621,067 51	32,046,656 56	+6,574,410 95	+20.5
Operating expenses—				
Maintenance of way and structures	5,406,107 20	4,049,093 65	+1,357,013 55	+33.5
Maint. of equipment	4,699,674 36	3,803,210 75	+896,463 61	+23.6
Conduct. transport'n.	13,610,703 47	11,742,742 07	+1,867,961 40	+15.9
General expenses	1,156,094 33	950,486 65	+205,607 68	+21.6
Total	24,872,579 36	20,545,533 12	+4,327,046 24	+21.1

	1906-07.	1905-06.	Increase (+) or Decrease (-). Amount.	Per Ct.
Net earnings	13,748,488 15	11,501,123 44	+2,247,364 71	+19.5
Other income	1,540,866 55	1,632,659 89	-91,793 34	-5.6
<b>Total income</b>	<b>15,289,354 70</b>	<b>13,133,783 33</b>	<b>+2,155,571 37</b>	<b>+16.4</b>
Taxes	896,958 13	943,559 23	-46,601 10	-4.9
Interest	5,419,637 54	5,178,866 90	+240,770 64	+4.6
Rentals and sinking fund	3,179,293 74	3,067,339 57	+111,954 17	+3.6
Dividends on trust certificates, The Kansas City Fort Scott & Memphis Ry	540,400 00	540,400 00	-----	-----
Dividends on trust certificates, Chicago & Eastern Illinois RR.	1,094,482 00	1,094,482 00	-----	-----
<b>Total charges</b>	<b>11,130,771 41</b>	<b>10,824,647 70</b>	<b>+306,123 71</b>	<b>+2.8</b>
Available for divs.	4,158,583 29	2,309,135 63	+1,849,447 66	+80.1
<b>Dividends—</b>				
4% on first preferred stock in 1907 and 4% on first preferred and 2% on second preferred stock in 1906	199,742 12	519,742 12	-320,000 00	-61.6
<b>Surplus carried to credit of profit and loss.</b>	<b>3,958,841 17</b>	<b>1,789,393 51</b>	<b>+2,169,447 66</b>	<b>+121.2</b>

GENERAL PROFIT AND LOSS ACCOUNT AND ADJUSTMENTS THEREIN, JUNE 30TH 1906 TO JUNE 30TH 1907.

<b>Credit—</b>		
Balance at credit, June 30th 1906		\$3,470,978 25
Surplus for the year ended June 30th 1907, as per income account	\$3,958,841 17	
Miscellaneous liability accounts, written off	32,451 57	3,991,292 74
<b>Total Credit</b>		<b>7,462,270 99\$</b>
<b>Debit—</b>		
Annual installment from franchises and property account, on account of difference between the cost of underlying bonds refunded and the proceeds of refunding bonds sold, and the commissions paid therefor	\$250,000 00	
Discount on securities sold and exchanged, and expenditures in connection with listing, certifying and issuing new bonds	665,906 34	
Taxes on land in New Mexico and Arizona, and also expenses in connection therewith (not part of operated property)	10,706 50	
Depreciation in value of buildings torn down, tracks taken up, and equipment destroyed and dismantled during current fiscal year (balance of cost less salvage charged to operating expenses)	625,247 55	
Miscellaneous uncollectible accounts, written off	28,368 25	
<b>Total Debit</b>		<b>\$1,580,228 64</b>
Balance		5,882,042 35
		\$7,462,270 99
By balance at credit, June 30th 1907		\$5,882,042 35

SUMMARY OF FINANCIAL CHANGES YEAR ENDED JUNE 30TH 1907.

RESOURCES.			
Cash on hand June 30th 1906			\$3,641,537 21
Funded debt, increased			\$9,208,153 61
Outstanding securities on leasehold estate (The Kansas City Ft. Scott & Memphis Railway) increased			470,898 00
Equipment notes outstanding, increased			4,772,961 82
Sinking funds, decreased			7,305 63
Net credit to profit and loss account, increased			2,411,064 10
			\$16,870,883 16
<b>Changes in current accounts, as follows—</b>			
<b>Increase in assets—</b>			
Due from agents and conductors	\$371,898 47		
Due from railroad companies account traffic	105,916 27		
Due from companies and individuals	394,662 44		
Due from United States Post Office Department	55,167 92		
Securities in treasury, unpledged—cost of	2,257,238 44		
Securities pledged as collateral under notes payable—cost of	4,751,000 00		
Supplies on hand	685,116 68		
Open carrying accounts in process of adjustment	81,001 00		
	\$8,702,001 22		
<b>Decrease in liabilities—</b>			
Interest accrued	7,066 36	\$8,709,067 58	
<b>Less—</b>			
<b>Increase in liabilities—</b>			
Notes payable	\$4,828,800 21		
Audited vouchers and pay-rolls	297,753 50		
Interest and dividends, matured	260,892 10		
Taxes accrued (not due)	16,886 42		
	\$5,404,332 23		
<b>Decrease in assets—</b>			
Advances account construction	89,442 11	5,493,774 34	3,215,293 24
			13,655,589 92
<b>Total to be accounted for</b>			<b>\$17,297,127 13</b>
APPLIED AS FOLLOWS.			
Franchises and property, increased			\$6,874,736 84
Leasehold estate (The Kansas City Fort Scott & Memphis Railway), increased			1,138,449 09
Franchises and property, auxiliary companies, increased			201,606 38
New equipment under equipment trusts, increased			4,469,308 46
Securities under collateral trust notes of 1908—cost of, increased			1,225,325 00
Trustees sinking fund accounts, increased			122,927 55
Sinking funds accrued, decreased			7,639 44
Improvement fund (Kansas City & Memphis Railway & Bridge Company), decreased			2,549 30
			14,042,542 06
Balance, cash on hand June 30th 1907			\$3,524,585 07

ST. LOUIS & SAN FRANCISCO RAILROAD LINES, INCLUDING CHICAGO & EASTERN ILLINOIS RR.

	1906-7.	1905-6.	Increase (+) or Decrease (-). Amount.	Per Ct.
Average mileage operated	6,009.39	6,016.59	-7.20	-----
<b>Earnings—</b>				
Freight	36,168,856 46	30,042,568 25	+6,126,288 21	
Passenger	10,854,248 48	9,511,660 17	+1,342,588 31	
Mall and express	2,194,881 52	1,797,578 20	+397,303 32	
Miscellaneous	740,795 42	623,412 60	+117,382 82	
<b>Total</b>	<b>40,958,781 88</b>	<b>41,975,219 22</b>	<b>+7,983,562 66</b>	
<b>Operating Expenses—</b>				
Maintenance of way and structures	6,692,721 97	4,868,087 60	+1,824,634 37	
Maintenance of equipment	6,512,224 76	5,255,215 82	+1,257,008 94	
Conducting transport'n.	17,316,988 82	15,701,171 59	+1,615,817 23	
General expenses	1,527,952 55	1,291,547 06	+236,405 49	
<b>Total</b>	<b>32,049,888 10</b>	<b>27,116,022 07</b>	<b>+4,933,866 03</b>	
<b>Net earnings</b>	<b>17,908,893 78</b>	<b>14,859,197 15</b>	<b>+3,049,696 63</b>	
<b>Other income</b>	<b>735,631 03</b>	<b>998,952 71</b>	<b>-263,321 68</b>	
<b>Total net income</b>	<b>18,644,524 81</b>	<b>15,858,149 86</b>	<b>+2,786,374 95</b>	
Taxes	1,231,958 13	1,224,359 23	+7,598 90	
Interest	7,501,336 11	7,008,328 61	+493,007 50	
Rentals and sinking fund	3,542,079 51	3,486,612 12	+55,467 39	
Dividends on trust certificates, The K. C. F. S. & M. Ry	540,400 00	540,400 00	-----	
Dividends on trust certificates, C. & E. I. RR.	1,094,482 00	1,094,482 00	-----	
<b>Total charges</b>	<b>13,910,255 75</b>	<b>13,354,181 96</b>	<b>+556,073 79</b>	
<b>Available for dividends</b>	<b>4,734,269 06</b>	<b>2,503,967 90</b>	<b>+2,230,301 16</b>	
<b>Dividends to stockholders—</b>				
Four per cent on first preferred stock of St. Louis & San Francisco Railroad Co. in 1907 and four per cent on first preferred and two per cent on second preferred stock in 1906	199,742 12	519,742 12	-320,000 00	
Six per cent on preferred stock of the Chicago & Eastern Illinois Railroad Company to stock-				

	1906-7.	1905-6.	Increase (+) or Decrease (-).
holders other than St. Louis & San Francisco Railroad Company	157,140 00	157,140 00	-----
<b>Total dividends</b>	<b>356,882 12</b>	<b>676,882 12</b>	<b>-320 000 00</b>
<b>Surplus carried to credit of profit and loss</b>	<b>4,377,386 94</b>	<b>1,827,085 78</b>	<b>+2,550,301 16</b>

GENERAL PROFIT AND LOSS ACCOUNT AND ADJUSTMENTS THEREIN, JUNE 30TH 1906 TO JUNE 30TH 1907.

<b>Credit—</b>		
Balance at credit, June 30th 1906		\$5,396,055 45
Surplus for the year ended June 30th 1907	\$4,377,386 94	
Premium on general consolidated first mortgage bonds, issued for refunding prior liens, less discount on bonds issued for improvements, which are chargeable against earnings by provision of refunding and improvement mortgage	42,250 00	
Miscellaneous liability accounts written off	71,852 37	4,491,489 31
<b>Total Credit</b>		<b>\$9,887,544 76</b>
<b>Debit—</b>		
Annual installment from franchises and property account, on account of differences between the cost of underlying bonds refunded and the proceeds of refunding bonds sold, and the commissions paid therefor	\$250,000 00	
Discount on securities sold and exchanged, and expenditures in connection with listing, certifying and issuing new bonds	665,906 34	
Taxes on land in New Mexico and Arizona, and also expenditures in connection therewith (not part of operated property)	10,706 50	
Taxes accrued prior to July 1st 1906	173,857 14	
Depreciation in value of buildings torn down, tracks taken up, and equipment destroyed and dismantled during current fiscal year (balance of cost less salvage charged to operating expenses)	1,448,413 96	
Miscellaneous uncollectible accounts, written off	28,368 25	
<b>Total Debit</b>		<b>\$2,577,252 19</b>
Balance		7,310,292 57
		\$9,887,544 76
By balance at credit, June 30th 1907		\$7,310,292 57

ST. LOUIS & SAN FRANCISCO RAILROAD LINES.  
CONDENSED GENERAL BALANCE SHEET JUNE 30 1907 AND COMPARISON WITH PREVIOUS YEAR.

Assets—	1907.	1906.	Increase (+) or Decrease (—).	Liabilities—	1907.	1906.	Increase (+) or Decrease (—).
Capital Assets—	\$	\$	\$	Capital Liabilities—	\$	\$	\$
Franchises and property	170,544,848 03	163,670,111 19	+6,874,736 84	Capital Stock—			
Stocks & bonds owned	203,845 69	203,845 69	-----	First preferred	5,000,000 00	5,000,000 00	-----
Total franchises and property	170,748,693 72	163,873,956 88	+6,874,736 84	Second preferred	16,000,000 00	16,000,000 00	-----
Leasehold estate (The Kansas City Ft. Scott & Memphis Ry.)	51,729,525 06	50,591,075 97	+1,138,449 09	Common	29,000,000 00	29,000,000 00	-----
Leasehold estate (Kansas City Memphis & Birmingham RR.)	9,175,875 76	9,175,875 76	-----	Funded debt	123,054,582 20	113,846,428 59	+9,208,153 61
Franchises, and property auxiliary companies	7,451,879 52	7,250,273 14	+201,606 38	Total capital stock and bonds	173,054,582 20	163,846,428 59	+9,208,153 61
Chicago & Eastern Illinois Railroad Co. preferred stock (cost of)	9,321,550 00	9,321,550 00	-----	Outstanding securities on leasehold estate (The K. C. Ft. S. & M. Ry. Stock—			
Chicago & Eastern Illinois Railroad Co. common stock (cost of)	18,239,237 13	18,239,237 13	-----	Preferred certificates	13,510,000 00	13,510,000 00	-----
New equipment under equipment trusts	11,731,234 01	7,261,925 55	+4,469,308 46	Funded debt	38,295,300 00	37,423,300 00	+872,000 00
Securities under Collateral Trust Notes of 1908 (cost of)	1,225,325 00	-----	+1,225,325 00	Equipment bonds and notes	2,885,202 00	*3,286,304 00	-401,102 00
Total	279,623,320 20	265,713,894 43	+13,909,425 77	Total outstanding securities on leasehold estate (The K. C. Ft. S. & M. Ry.)	54,690,502 00	54,219,604 00	+470,898 00
Current Assets—				Outstanding securities on leasehold estate (K. C. M. & B. RR.)	-----	-----	-----
Cash in treasury	880,833 16	1,091,051 11	-210,217 95	Funded debt	9,247,420 00	9,247,420 00	-----
Cash in hands fiscal agents	2,373,751 91	2,550,486 10	-176,734 19	Funded debt, auxiliary companies	6,923,000 00	6,923,000 00	-----
Due from agents and conductors	1,313,563 31	941,664 84	+371,898 47	Prefer'd stock trust certificates (C. & E. J. RR.)	9,317,550 00	9,317,550 00	-----
Due from railroad companies account traffic	209,068 32	193,152 05	+105,916 27	Com. stock trust certificates (C. & E. I. RR.)	18,044,500 00	18,044,500 00	-----
Due from companies and individuals	2,385,149 01	1,990,486 57	+394,662 44	Equipment notes outstanding	9,565,287 79	4,792,325 97	+4,772,961 82
Due from United States Government	236,328 55	181,160 43	+55,167 92	Total	280,842,841 99	266,390,828 56	+14,452,013 43
Securities in treasury unpledged (cost of)	4,107,016 63	1,849,778 19	+2,257,238 44	Current Liabilities—			
Securities pledged as collateral under notes payable (cost of)	4,751,000 00	-----	+4,751,000 00	Notes payable	5,577,250 00	748,449 79	+4,828,800 21
Supplies on hand	2,870,441 61	2,185,324 93	+685,116 68	Audited vouchers and pay-rolls	4,110,834 18	3,813,130 68	+297,703 50
Advances account construction (fundable)	864,853 65	954,295 76	-89,442 11	Interest and dividends matured	2,695,243 10	2,434,351 00	+260,892 10
Total	20,082,005 95	11,937,399 98	+8,144,605 97	Interest accrued (not due)	1,000,417 62	1,097,483 98	-97,066 36
Deferred Assets—				Taxes accrued (not due)	240,978 81	224,092 39	+16,886 42
Open carrying accounts in process of adjustment	506,939 72	425,938 72	+81,001 00	Total	13,624,773 71	8,227,507 84	+5,397,265 87
Trustees sinking fund accounts	352,456 93	229,529 38	+122,927 55	Provisional Accounts—			
Sinking funds	87,541 25	95,346 88	-7,805 63	Sinking funds accrued	295,042 53	302,681 97	-7,639 44
Total	439,998 18	324,876 26	+115,121 92	Improvement fund (Kansas City & Memphis Ry. & Bridge Co.)	7,563 47	10,112 77	-2,549 30
Total Assets	300,652,264 05	278,402,109 39	+22,250,154 66	Total	302,606 00	312,794 74	-10,188 74
				Grand total liabilities	294,770,221 70	274,931,131 14	+19,839,090 56
				Profit and loss	5,882,042 35	3,470,978 25	+2,411,064 10
				Total	300,652,264 05	278,402,109 39	+22,250,154 66

\* \$566,304 of this amount was included in "Funded debt" of The K. C. F. S. & M. Ry. Co. in the June 30 1906 report and the remainder, or \$2,720,000 in "Equipment notes outstanding."  
Note.—In stating the assets and liabilities of the companies covered by this report for the current fiscal year, the holdings of the St. Louis and San Francisco Railroad Co. in the bonds and capital stocks of leased and auxiliary lines have been eliminated, and for the purpose of comparison similar changes have been made in the 1906 figures.

ST. LOUIS & SAN FRANCISCO RAILROAD LINES, INCLUDING CHICAGO & EASTERN ILLINOIS RR.  
CONDENSED GENERAL BALANCE SHEET, JUNE 30TH 1907.

ASSETS.		LIABILITIES.	
Capital assets—		Capital liabilities—	
Property, franchises and trust assets	\$333,715,929 12	Capital stock	\$59,188,600 00
Current assets—		Stock trust certificates	40,872,050 00
Cash	\$4,617,429 85	Funded debt	215,104,302 20
Due from agents and conductors	Dr. \$2,053,836 16 Cr. 26,296 24	Equipment notes outstanding	21,099,952 99
Due from railroad companies account traffic	Dr. \$2,136,932 55 Cr. 1,768,765 36		\$336,264,905 19
Due from companies and individuals	Dr. \$2,965,154 71 Cr. 58,022 47	Current liabilities—	
Due from United States Government	2,907,132 24	Notes payable	\$7,527,250 00
Loans and bills receivable	265,007 29	Audited vouchers and pay rolls	5,426,557 07
Securities in treasury unpledged—Cost of	79,831 43	Interest and dividends matured	3,225,943 60
Securities pledged as collateral under notes payable—Cost of	6,877,284 49	Interest accrued—not due	1,604,344 87
Supplies on hand	4,751,000 00	Taxes accrued—not due	454,409 85
Advances account construction—Fundable	3,823,822 94		\$18,238,505 39
Total current assets	\$28,325,571 24	Provisional accounts—	
Deferred assets—		Sinking funds, accrued	\$295,042 53
Open carrying accounts in process of adjustment	Dr. \$1,400,635 27 Cr. 604,248 53	Insurance, improvement and replacement funds	1,079,139 60
Trustees of sinking funds	439,998 18		\$1,374,182 13
Total assets	\$363,187,885 28	Grand total liabilities	\$355,877,592 71
		Profit and loss	7,310,292 57
		Total	\$363,187,885 28

Note.—In stating the assets and liabilities of the companies covered by this report for the current fiscal year, the holdings of the St. Louis & San Francisco RR. Co. in the bonds and capital stocks of leased and auxiliary lines have been eliminated

THE ROCK ISLAND COMPANY.

FIFTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30 1907.

To the Stockholders of The Rock Island Company:

The Board of Directors submit their report of the affairs of the Company for the fiscal year ended June 30 1907.

The "Income Account," "Profit and Loss Account" and "General Balance Sheet" will be found on following pages.

Changes in company's condition during year are as follows:

CAPITAL STOCK.

	June 30 1907.	June 30 1906.	Inc. (+) or Dec. (—).
Preferred—			
In hands of public	\$49,047,390 00	\$48,956,880 00	+\$90,510 00
In treasury	4,952,610 00	5,043,120 00	-90,510 00
Total	\$54,000,000 00	\$54,000,000 00	-----
Common—			
In hands of public	\$89,602,402 50	\$89,448,802 50	+\$153,600 00
In treasury	6,397,597 50	6,551,197 50	-\$153,600 00
Total	\$96,000,000 00	\$96,000,000 00	-----

The increase in stock outstanding represents the acquisition by the Chicago Rock Island & Pacific Railroad Company

of 1,293 shares of stock of The Chicago Rock Island & Pacific Railway Company and 360 shares of common stock of St. Louis & San Francisco Railroad Company.

Changes in the condition of Chicago Rock Island & Pacific Railroad Company are as follows:

FUNDED DEBT.

	June 30 1907.	June 30 1906.	Increase.
4% Gold Bonds (due 2002)	\$70,067,700 00	\$69,938,400 00	\$129,300 00
5% Gold Bonds (due 1913)	17,364,180 00	17,342,580 00	21,600 00
Total	\$87,431,880 00	\$87,280,980 00	\$150,900 00

The \$129,300 of 4% Gold Bonds were issued against the acquisition of 1,293 shares of stock of The Chicago Rock Island & Pacific Railway Company. The \$21,600 of 5% Gold Bonds were issued against the acquisition of 360 shares of common stock of St. Louis & San Francisco RR. Company.

Reference was made in last year's report to the fact that The Rock Island Company had acquired a half interest (sub-

ject to the pledge thereof under the Refunding and Extension Mortgage of The Colorado & Southern Railway Company) in the capital stock issued and to be issued, of The Trinity & Brazos Valley Railway Company. During the year in question this company has practically completed its line of railroad from Fort Worth and Dallas to Houston and Galveston, Texas.

As The Rock Island Company is the owner of the entire capital stock, except directors' shares, of the Chicago Rock Island & Pacific Railroad Company, the income of both companies is included in the following statement.

COMBINED INCOME ACCOUNT.

THE ROCK ISLAND COMPANY AND CHICAGO ROCK ISLAND & PACIFIC RAILROAD COMPANY.

Table showing dividends on The Chicago Rock Island & Pacific Railway Company stock owned, including percentages and share counts for various dates from 1906 to 1907.

Table showing financial items: Total income, Less expenses and taxes, Less interest on Chicago Rock Island & Pacific Railroad Company bonds, and Balance for current fiscal year.

Separate statements of the receipts and disbursements of each company are shown below:

THE ROCK ISLAND COMPANY.

Assets section for The Rock Island Company Balance Sheet, June 30 1907, including Stocks owned, Cash, and Due from companies and individuals.

Liabilities section for The Rock Island Company Balance Sheet, June 30 1907, including Capital stock (common and preferred) and Unpaid vouchers and accounts.

PROFIT AND LOSS.

Table showing Profit and Loss for The Rock Island Company, including Income from dividends, Other income, Total income, Expenses and taxes, and Surplus for June 30 1907.

CHICAGO ROCK ISLAND & PACIFIC RAILROAD CO.

BALANCE SHEET, JUNE 30 1907.

Assets section for Chicago Rock Island & Pacific Railroad Co. Balance Sheet, including Stock owned, Other investments, and Cash and cash items.

Liabilities section for Chicago Rock Island & Pacific Railroad Co. Balance Sheet, including Capital stock, Funded debt (Gold bonds), and Unpaid coupons.

Surplus section for Chicago Rock Island & Pacific Railroad Co. Balance Sheet, showing Interest accrued, Surplus, and Total Surplus.

PROFIT AND LOSS.

Table showing Profit and Loss for Chicago Rock Island & Pacific Railroad Co., including Surplus for June 30 1906, Dividend on stock, Total income, Expenses, and Balance for current fiscal year.

Table showing Balance available for dividends and Dividends to stockholders for Chicago Rock Island & Pacific Railroad Co.

Table showing Surplus for June 30 1907 for Chicago Rock Island & Pacific Railroad Co., including Dividends to stockholders.

COMBINED STATEMENT OF PROFIT AND LOSS OF OPERATED LINES AS OF JUNE 30 1907.

Table showing Profit and Loss for Operated Lines, including Credit section (Balance as of June 30 1906, Surplus for year ended June 30 1907, Sundry items of profit) and Total Credit.

Table showing Debt section for Operated Lines, including Discount on securities sold, Depreciation on tracks and equipment, Dividends paid out of surplus, and Total Debt.

STATEMENT OF COMBINED INCOME ACCOUNT OF OPERATED LINES.

YEAR ENDED JUNE 30 1907, COMPARED WITH PRECEDING FISCAL YEAR.

Large multi-column table comparing financial data across different railroad lines: Rock Island Lines, St. Louis & San Francisco Railroad Lines, Chicago & Eastern Illinois Railroad, and Evansville & Terre Haute Railroad, with a Total of All Roads column. Rows include Average Mileage Operated, Earnings, Oper. Exps., Taxes, Total Charges, Bal. of Income, Dividends, Bal., Surplus, and Bal. of surplus.

## SOUTHERN RAILWAY COMPANY.

## THIRTEENTH ANNUAL REPORT—FOR THE YEAR ENDED JUNE 30 1907.

New York, October 3 1907.

To the Stockholders of the Southern Railway Company:

The President and Board of Directors submit the following report of the affairs of the Company for the year ended June 30 1907:

## INCOME STATEMENT.

The income account for the year, as compared with that for the previous year, is as follows:

	1907.	1906.	Inc. (+) or Dec. (-).
Miles of Road Oper., Average.	7,546.86	7,373.98	172.88
	\$	\$	\$
Gross Earn'gs from Operation	56,657,994 39	53,641,438 67	+3,016,555 72
Operating Expenses & Taxes	44,699,282 22	39,773,139 04	+4,926,143 18
Net Earnings from Operation	11,958,712 17	13,868,299 63	-1,909,587 46
Income from Other Sources	1,829,281 47	1,589,000 50	+240,280 97
Total Income	13,787,993 64	15,457,300 13	-1,669,306 49
Interest and Rentals	11,265,615 86	9,853,358 49	+1,412,257 37
Other Deductions from Income	232,056 71	374,875 67	-142,818 96
Total Deductions	11,497,672 57	10,228,234 16	+1,269,438 41
Balance over Fixed Charges	2,290,321 07	5,229,065 97	-2,938,744 90
Dividends on Preferred Stock— No. 17, 2 1/4 %, paid in April 1906; No. 19, 2 1/4 %, paid in April 1907	1,500,000 00	1,500,000 00	
No. 18, 2 1/4 %, paid in Octo- ber 1906		1,500,000 00	-1,500,000 00
	1,500,000 00	3,000,000 00	-1,500,000 00
Balance over Preferred Divi- dends	790,321 07	2,229,065 97	-1,438,744 90
Special Appropriations for Im- provements, Betterments, and Charges not to be Cap- italized	536,334 29	999,827 10	-463,492 81
Balance Carried to Credit of Profit and Loss	253,986 78	1,229,238 87	-975,252 09

The financial condition of the Company at the close of the year is shown by the Comparative Balance Sheet, Table 1, on another page, from which it will appear that the balance to the credit of Profit and Loss at the close of the year was \$6,242,162 74.

An additional dividend of one and one-half per cent upon the Preferred Stock, calling for a distribution of \$900,000, has been declared out of accumulated surplus and will be paid October 17 1907. This, with the dividend declared in March and paid in April 1907, makes a total dividend distribution of four per cent for the year.

A statement of the financial operations of the Company during the year, in the usual detail, will be found in the report of the Comptroller, hereto annexed.

The accounts of the Company have been examined by Certified Public Accountants, Messrs. Patterson, Teele and Dennis, and their certificate is made a part of this report.

## THE PROVISION OF NEW CAPITAL.

During the year bonds and notes of the aggregate par value of \$32,052,000 have been sold. These additions to Capital Account are principally responsible for the increase of \$1,412,257 37 shown in the Income Account as the net increase in Interest and Rentals. The actual net increase in the Funded Debt by reason of obligations issued during the year (including \$9,821,300 of bonds still in the treasury of the Company, unsold), as shown by the balance sheet, was \$26,717,900. The details of this are as follows:

New obligations issued during the year were:	
Southern Railway Company First Consolidated Mortgage Five Per Cent Bonds	\$1,950,300
Southern Railway Company Memphis Division First Mortgage Five Per Cent Bonds	700,000
Southern Railway Company Mobile & Ohio Collateral Four Per Cent Bonds	11,000
Southern Railway Company St. Louis Division First Mortgage Four Per Cent Bonds	250,000
Southern Railway Company Development and General Mortgage Four Per Cent Bonds, Series A	8,852,000
Southern Railway Company Three Year Five Per Cent Notes, due February 1 1910	15,000,000
	\$26,763,300
Reductions during the year were:	
Richmond & Danville Equipment Sinking Fund Mortgage Five Per Cent Bonds, retired	\$2,000
Charlotte Columbia & Augusta Railroad First Mortgage Five Per Cent Bonds, Extended, retired	22,000
Charlottesville & Rapidan First Mortgage Six Per Cent Bonds, retired	21,400
	45,400
Net Increase in Funded Debt	\$26,717,900

All of the bonds above described were issued, in pursuance of the terms and restrictions of the several mortgages securing them, for the acquisition of additional property and for improvements chargeable to Capital Account.

Pending the marketing of the bonds mentioned above as still in the treasury and of additional Development and General Mortgage Bonds which, under the terms of the mortgage, may be issued during the current and subsequent fiscal years, the \$15,000,000 Three Year Five Per Cent Notes were issued and sold to reimburse the treasury for cash theretofore, and during the remainder of the year, expended for the enlargement of the existing plant, in the construction and acquisition of additional tracks, equipment and other

facilities, and to pay for new properties heretofore acquired. It is contemplated that all of these expenditures shall ultimately be cared for in the sale of Development and General Mortgage Bonds provided for that purpose.

The capital necessary to complete the various union passenger stations in which this Company is a joint proprietor with other railroad companies, and which are now under construction in response to urgent demands of several of the most important cities of the South, was provided during the year by the sale, on most satisfactory terms, of capital obligations of the terminal companies in whose names the work is being done, such obligations being guaranteed by the proprietary railroad companies which will use such union stations and contribute to the interest charge on the basis of user. In this way, Southern Railway Company has joined with others during the year in guaranties on bonds or notes issued and sold by Gulf Terminal Company of Mobile, Ala., Birmingham Terminal Company, Charleston Union Station Company, Chattanooga Station Company, Meridian Terminal Company and New Orleans Terminal Company. The proceeds of these guaranteed terminal obligations will suffice to finance the several undertakings, for which purpose the issue of securities is strictly limited in each case.

## THE EXPENDITURE OF NEW CAPITAL.

The purpose of the policy of establishing the territorial relations of the Company may now be considered to have been attained, and the policy of the future would seem to be a concentration of resources upon building up and strengthening the established lines in the system on which the possibilities of earnings are no longer problematical. This involves, first of all, the addition of second track and the revision of grades and curvature on the lines now burdened with the heaviest traffic. Much has been done in this direction, but much more remains to be done.

## DOUBLE TRACK AND REVISION OF GRADES AND CURVATURE.

When the construction work now under contract is completed, Southern Railway will have the following double track:

	Miles-
Alexandria, Va., to Orange, Va.	78.51
Monroe, Va., to Sycamore, Va.	37.40
Through Galveston, Va.	2.26
Danville, Va., to Pelham, N. C.	10.20
Two miles north of Greensboro, N. C., to Salisbury, N. C.	52.10
Through Charlotte, N. C.	2.87
Asheville, N. C., to Biltmore, N. C.	2.20
Asheville, N. C., to Craggy, N. C.	4.40
Morristown, Tenn., to Knoxville, Tenn.	41.42
Chattanooga, Tenn., to Ooltewah Junction, Tenn.	14.87
Knoxville, Tenn., to Coster, Tenn.	1.94
Atlanta, Ga., to Austell, Ga., and Atlanta Belt	23.58
Between Columbia, S. C., and Charleston, S. C.	6.19
Between East St. Louis, Ill., and New Albany, Ind.	6.37
Woodlawn, Ala., to Birmingham, Ala.	2.13
Between Tusculuma, Ala., and Sheffield, Ala.	.97
Kansas City Junction, Trezevant Avenue, Memphis, Tenn.	1.88
Spartanburg to Spartanburg Junction, S. C.	2.00
Union Street Branch, Alexandria, Va.	1.14
Total	292.43

Of this total, there was in service at the close of the year 206.81 miles.

In the construction of this second main track the first efforts have been directed to those places where the traffic is densest. Therefore, between points where two or more lines converge, and heavy traffic is thrown over the line, double track has been constructed. Such gauntlets exist between Salisbury, N. C., and Greensboro, N. C., Knoxville, Tenn., and Morristown, Tenn., Atlanta, Ga., and Austell, Ga., and Chattanooga, Tenn., and Ooltewah Junction, Tenn. At Lynchburg, Va., on account of the connections with the Chesapeake & Ohio and Norfolk & Western railways, together with the present heavy grades and the difficulty of getting proper facilities through that city, the new line around Lynchburg has become a necessity, and the double track for approximately thirty miles south of that point is essential for the successful and economical handling of freight and passenger traffic.

These gauntlets, when they were only single-track lines, limited the capacity of the Southern Railway, since practically all of the traffic handled by the system between the East and West and the North and South, had to pass over one or more of the gauntlets, and the maximum capacity of single-track lines had been reached. Not only did the effect of this throttling apply to the gauntlets, but it affected the development of all of the branch lines and practically the whole system.

The double track already in service has demonstrated the wisdom of the policy.

Furthermore, in order to meet the growing demands of the traffic, there is necessity, after completion of the present work, for additional second track as rapidly as it can consistently be provided. Second main track should be provided from Orange, Va., on the Washington Division, to Charlotte, N. C.; of course, the busiest part of this line to be improved first, so as to get relief quickly. On the line between Clinton, Tenn., and Knoxville, Tenn., over which a heavy and increasing volume of coal and other traffic is moved, and also on the line between Asheville, N. C., and Morristown, Tenn., there is need for second track. In addi-

tion to the above, there should be, radiating from all principal terminals, double track for a distance of five or ten miles, so as to facilitate the movement of trains in and out of the terminals.

What has been done to carry out this general policy with the means available during the past year may be recorded as follows:

The second main track between Pomona, N. C., and High Point, N. C., a distance of 11.9 miles, referred to in the last annual report, was completed, and also double track between High Point and Spencer, N. C., a distance of 32.3 miles, was practically completed and in service at the close of the year, although there is some additional work necessary to complete ballasting and some of the passing tracks. The construction work should be entirely finished by October 15 1907. The completion of this work provides double track between Greensboro, N. C., and Spencer, N. C., and gives a much needed facility. The grades have been reduced from a maximum of 52 feet to 40 feet to the mile, and the alignment has been improved by the elimination of 150 degrees of curvature. At the close of the year the benefits from the improved grades were being derived, and standard freight engines heretofore handling trains of 1,300 tons are now handling 1,600 tons. Furthermore, additional economies have been secured on account of the double track. Freight trains between Greensboro and Spencer now consume about one-third as much time as formerly.

The construction of second main track and revision of grades and curvature between Winesap, Va., and Sycamore, Va., at the close of the year were well under way. Within ninety days the grading should be finished between Durmid, Va., and Sycamore, Va., a distance of 30 miles, and this part of the line should be completed and in service before January 1 1908. Between Winesap and Durmid, including the line through the City of Lynchburg, a distance of 6.9 miles, the work is heavy, especially a tunnel of 1,300 feet in length. When the work between Winesap and Sycamore is completed, the ruling grades will have been reduced from a maximum of 74 feet to 48 feet to the mile northbound and 53 feet to the mile southbound. The maximum curvature of the present line is 10 degrees and of the new line 3 degrees. The new line eliminates 1,600 degrees of curvature.

Near Galveston, Va., for a distance of 2.26 miles, the grading for the second main track on revised alignment and grades is practically completed and the track-laying will be finished during the early part of the current fiscal year. This work eliminates much objectionable curvature and obviates the necessity of renewing a viaduct.

The second main track and grade revision between Peyton, Ga., and Austell, Ga., a distance of 11.56 miles, was completed in April 1907, with the exception of the double-track bridge over Chattahoochee River, the masonry for which was practically completed at the close of the year, and the new structure is on hand ready for erection. The new line reduces the grade from a maximum of 69 feet to 42 feet to the mile, and the curvature from a maximum of 8 degrees to 2 degrees 30 minutes, thereby eliminating 180 degrees of curvature. The old line had numerous wooden trestles, and was subject to serious damage from high water, which frequently caused interruption of traffic. The new line has no trestle work and the dangers from high water have been eliminated. This double track has materially improved the train movement, both for trains between Atlanta and Chattanooga and between Atlanta and Birmingham, and has effected a considerable saving in train expenses.

On the Knoxville Division there has been completed during the year double track from Knoxville, Tenn., to Mascot, Tenn., a distance of 12.25 miles, and from Jefferson City, Tenn., to New Line, Tenn., a distance of 10.32 miles. The work between Mascot and Jefferson City, a distance of 14.3 miles, including a new double track bridge over the Holston River, at the close of the year is rapidly approaching completion, and by the middle of October double track should be in operation for the entire distance between Knoxville and New Line. The new line eliminates 484 degrees of curvature and overflow by high water. The double track already in service between these points has greatly aided the operation of trains. Heretofore, on account of the large number of trains handled, it has required an average of about ten hours for a freight train to make the run between Knoxville and New Line. With the improved facilities this time has been reduced to about three hours. With the completion of the work between Mascot and Jefferson City trains will move with still greater facility and economy.

Between Asheville, N. C., and Craggy, N. C., a distance of 4.4 miles, grading for double track is about seven-eighths completed. This improvement will reduce the maximum curvature from 9 to 6 degrees. Most of the second main track will be put into service at an early date. The new track is constructed with permanent work throughout, including a concrete viaduct over the French Broad River, and the expensive maintenance of several wooden structures is eliminated.

Between Ooltewah Junction, Tenn., and Citico, Tenn., a distance of 13.75 miles, the double track work was about one-half completed at the close of the year. The grades were reduced from a maximum of 63 to 40 feet to the mile, and the maximum curvature reduced from 4 degrees 15 minutes to 3 degrees.

In order to illustrate more clearly the character of the work done in the way of revision of grades and curvature

there are attached to this report maps and profiles of the most important pieces of the work hereinbefore discussed.

#### CAROLINA & TENNESSEE SOUTHERN RAILWAY. TENNESSEE & CAROLINA SOUTHERN RAILWAY.

There has been under construction during the year a line extending from Bushnell, N. C., westwardly along the North bank of the Little Tennessee River to a point on the North Carolina-Tennessee State line, a distance of 26 miles, with a maximum grade of one-half of one per cent and 8 degrees maximum curvature. The grading is completed from Bushnell westwardly for a distance of 15.4 miles.

A line is also under construction from Maryville, Tenn. southwestwardly to the Little Tennessee River; thence along the north bank of Little Tennessee River to a point on the Tennessee-North Carolina State line, joining there with the line first above described, a distance of 38.8 miles. The grading on this line has been completed for a distance of 37.4 miles.

Upon completion of this work there will be a continuous line from Bushnell, N. C., to Maryville, Tenn., a distance of 64.8 miles, the maximum grade of which will be one-half of one per cent. With the completion of this line and by an extension from Bushnell up the valley of the Little Tennessee to Franklin, N. C., and there connecting with the Tallulah Falls Railway, which has recently completed its line through Rabun Gap to Franklin, a through line could be established with a maximum grade against the loading of one-half of one per cent. Such a line would enable the economical handling of traffic originating in the Knoxville territory and north and west thereof, destined to the consuming territory of Georgia and South Carolina, avoiding the necessity of handling this traffic over the heavier grades via Asheville and Spartanburg.

#### ENSLEY SOUTHERN RAILWAY.

During the year there has been under construction an extension of the Ensley Southern Railway, from its present terminus at Short Creek, Ala., in a general northwesterly direction to Coal Creek, a distance of 3.39 miles, upon a maximum grade of 39.6 feet per mile, with a maximum curvature of 8 degrees. This line is known as "Pratt Consolidated Coal Company's Extension No. 1." The grading is completed and track laying has begun, there being at the end of June about one-half mile of track laid. In addition to the above line, there is also a spur being built up Coal Creek, 1.47 miles, extending from the above mentioned line near its terminus. This spur will have a maximum grade of 1 per cent and a maximum curvature of 8 degrees; the grading has been completed and track will be laid as soon as the line is completed to the end of Extension No. 1. Extensive coal mining operations are being established on both of these spurs.

#### MEMPHIS-CHATTANOOGA RAILWAY.

During the year the construction of the Memphis-Chattanooga Railway, as previously reported, was continued. This line extends from Chattanooga, Tenn., crossing the Tennessee River at "The Narrows" and thence through the Valley of the Tennessee to a connection with the Memphis Division of Southern Railway at Stevenson, Ala., a distance of 42 miles. Grades on the new line are lighter than those on the line of the Nashville Chattanooga & St. Louis Railway, over which trains are now being operated. The grading and masonry on line from point of connection with Belt Line near Chattanooga to east portal of Lookout Mountain tunnel is about 90 per cent completed. The double track tunnel through Lookout Mountain, 3,500 feet in length, has been successfully driven and is practically completed, only the arching near the portals remaining to be done. Both approaches of Raccoon Mountain tunnel are out, and the tunnel excavation is under way. About 25 per cent of the grading from Raccoon Mountain tunnel to Tennessee River crossing has been completed. From Tennessee River crossing to the State line all of the grading and masonry has been done, including that at crossings of Battle Creek, Sequatchie River and Tennessee River, and 1.3 miles of track have been laid out from South Pittsburg, Tenn. Erection of the bridge over Battle Creek is about completed, and the structures for Sequatchie River and Tennessee River crossings are on the ground ready for erection.

#### JASPER-FRENCH LICK EXTENSION.

Construction of the line from Jasper, Ind., to French Lick, Ind., referred to in the previous annual report, has steadily progressed, and the indications are that it will be in service during November 1907. The line extends from Jasper in a northeasterly direction to French Lick, a distance of 24.7 miles. It has one tunnel, 2,000 feet long, a maximum grade of eight-tenths of one per cent and a maximum curvature of six degrees. With the completion of this line, a large amount of traffic now handled over the heavier grades between Huntington, Ind., and New Albany, Ind., can be diverted to the new line and greater economy of handling thereby obtained; while an entirely new source of profitable traffic is expected through the new connection thus afforded with the Chicago Indianapolis & Louisville Railway.

#### OKOLONA-BIG CREEK LINE IN MISSISSIPPI.

The extension of the Okolona-Big Creek Line in Mississippi from Vardaman, Miss., to Calhoun City, Miss., a distance of 8.2 miles, reference to which was made in a previous report, was completed and placed in operation December 12 1906.

## TERMINAL IMPROVEMENTS.

During the year substantial additions have been made to the yards at Spencer, Winston-Salem, and Asheville, N. C., Greenville, Branchville and Hamburg, S. C., Meridian, Miss., Hamilton Springs, Tenn., Mobile, Ala., and Toccoa, Ga.; new station buildings have been under construction at High Point, Reidsville and Salisbury, N. C., Gaffney, S. C., Decatur and Birmingham, Ala., and Burkeville, Va.; new roundhouses and other facilities to care for locomotives have been added at Monroe, Va., Charlotte and Asheville, N. C., Greenville, S. C., and Inman Yard, Ga. There is much more work of this kind which should be undertaken at an early date.

## PURCHASE OF EQUIPMENT.

During the year payments, chargeable to Capital Account, amounting to \$3,017,735 47 were made for account of rolling stock heretofore acquired. Since June 30 1900 the Company has purchased new rolling stock costing \$43,295,663 18, largely represented by obligations issued under equipment trusts. Of this total there has been paid during the past seven years \$22,718,176 21, the difference representing the balance outstanding at the close of the year.

## OPERATING CONDITIONS.

The conditions of operation during the past year have been extraordinary. The investment of new capital in the construction of double track, additional yards and new lines has increased the fixed charge upon the revenues of the Company without securing for the moment an immediate corresponding benefit, a relief which can come only with the completion of the new work. It is more apparent every day that this benefit will more than offset such increased fixed charge when the new facilities are put in operation, as they will be largely during the current year.

Great as are the burdens upon the operation of a railroad to-day by reason of the increased cost of material of all classes and the unabating expectations of labor, on the one hand, and legislative reduction of revenue and increased taxes, on the other hand, the crying need of the railroads of the South is more track, more equipment, more terminal facilities. With the strategic position and established relations which Southern Railway Company now has, there would be no stint in the amount of traffic it could obtain and profitably handle if it had the facilities necessary to afford to those who offer traffic the service they demand. During the past winter there were serious congestions of freight on the lines of this Company, which were due, almost without exception, to the failure of the plant to respond to demands which were made upon it beyond its capacity. While exasperating the public, congestion rolls up the expense of operation, and both shipper and carrier suffer.

Some of the most acute causes of the congestion of the past year will happily not exist another year. The construction of new double track, now nearing completion, on the Cincinnati Southern Railway will open for an important part of Southern Railway traffic the connection over which all business between its main system and the St. Louis-Louisville lines is moved, a connection which last winter was paralyzed. The recent completion of the double track on revised grade in the main line between Spencer, N. C., and Greensboro, N. C., and the approaching completion of double track between Knoxville, Tenn., and Morristown, Tenn.—funnels through which large volumes of business are poured—will be a further relief, a saving in almost every element of the expense of operation, especially overtime of labor, fuel and hire of foreign equipment. The expected completion before January 1 1908 of the double track now under construction south to Lynchburg will have a similar effect.

These facts merely serve to illustrate that the problem of economical operation upon Southern Railway lines under existing conditions is the problem of providing additional facilities and of keeping ahead rather than behind the demands of business. As more facilities are provided, greater economies and increased net earnings may be expected.

Apart from congestion of traffic, the expenses of operation, of which mention has been made, have been extraordinary. To illustrate: during this fiscal year the rates of pay of machinists, boilermakers, blacksmiths, tanners and pipemen, car-men, engineers, firemen, conductors, trainmen, operators and maintenance of way employees were substantially increased, this increase approximating \$1,250,000 per annum; while the greater price at the mines, together with freight charges paid for coal purchased for the Virginia and North Carolina lines from mines on other railroads, added nearly \$250,000 to the cost of fuel in the same period. If comparisons are made with the cost of material and labor several years ago, the present burden is still more apparent. Since 1898 the cost of bridge timber increased from \$9 36 to \$23 59 per thousand feet; cross-ties from 28 cents to 37.6 cents per tie; steel rails from \$17 75 per ton to \$29 per ton; fuel coal from 89 cents to \$1 37 per ton; the cost of labor per mile of road has increased from \$1,621 67 in 1895 to \$2,513 64 in 1905, with a further advance to \$3,189 11 in 1907.

On the Southern Railway these causes have sometimes produced disappointing results, but the officers believe in the property, know its possibilities and, with the loyal co-operation of all classes of employees, look forward confidently to the future.

Attention is invited to the report hereto appended of the Vice-President and General Manager, giving the customary details showing results of operation.

## THE INHERENT COMMERCIAL STRENGTH OF THE PROPERTY.

## IN TRAFFIC.

The remarkable growth of diversified industry in the South, particularly along the lines of this Company, in recent years, has created an internal traffic largely local as to its origin but covering a wide field in its distribution. This has given the Company a sound basis of independent operation and a commanding position in its negotiation for traffic from outer sources.

The extent and diversity of this commercial expansion and its beneficial effect on the interests of the Company can only be fully appreciated by close and careful analysis. It is fully reflected in the tonnage statistics of the annual reports. The main facts are that the South now melts more than half the pig iron and converts into cloth and garment more than one-fifth the cotton which it produces. Its phosphate beds have formed the basis for the manufacture of commercial fertilizer on such a scale as to make the South independent of outside sources of supply and to add greatly to her agricultural productiveness. The manufacture of furniture has grown to such proportions as are not exceeded in any other like section of the country, yet without decrease in the volume of lumber sent from the South to other markets of this country and abroad.

The production of coal has, with difficulty, kept pace with the development of industry, not because of inadequate supply, but because of restricted transportation facilities.

The cultivation of fruits and vegetables has afforded a large and increasing flow of that class of traffic to the eager markets of the East and North.

That this commercial growth will continue along healthy lines is assured by profitable operation in the past and a continuing increase in demand. That it must take place in a large measure along the lines of this Company is certain, because of the abundant supplies of fuel and raw materials originating along its rails, and because of the outlet it affords to all consuming markets. The Company is therefore assured of a continued increase in its internal traffic with respect to both raw materials and manufactured products. A single industry, the operation of which will soon begin, will add one-half million tons to its freight traffic and as many dollars to its annual gross revenues.

The existing relations with connections by land and sea are most satisfactory. The conditions of interchange are such as to justify the claim for increased tonnage on reciprocal grounds. Traffic arrangements with steamship connections at Virginia, South Atlantic and Gulf ports afford the fullest opportunity for the development of the maxima of export, import and coastwise traffic. Through service and a complete package car system operated with chief connections and supported by efficient traffic organizations guarantee a large increase in the higher classes of traffic.

Reciprocal relations with lines serving the great grain and grazing sections of the North and West have enabled the Company to share in a large way in the movement of meat, grain and grain products from those sections into the South and East. The large consuming section served and the important milling interest located on the lines of this Company add greatly to its strength in the control of this important traffic.

## IN INDUSTRIAL OPPORTUNITY.

Southern Railway lines have enjoyed and are destined to increasingly share in the extraordinary industrial opportunity which exists in the South. Those lines penetrate a territory whose resources fully justify the rapidly increasing interest manifested in its economic development and progress. The minerals, timber and soils, all important elements in the best development of the Nation's wealth, are paramount in the Southern country. The promotion of their proper development has received the particular attention of this Company, and the policy pursued in bringing the latent resources of the South to the attention of the World is redounding to the advantage of the railway and the rich territory it serves.

This territory is being covered with new manufacturing plants (the records show 860 new industrial enterprises completed and placed in operation during the year), while the numerous existing factories established since the organization of the Company are most successful and are being generally enlarged.

Particularly the forests of the South have attracted capital for their development. Several hundred wood-working plants alone were established in Southern Railway territory during the year. The second largest furniture industrial centre in the United States (High Point, N. C.), is located on this Company's tracks; along the lines of the Company twenty-seven new furniture factories began operations during the year. Manufacturing wood pulp is a recent important industry, from which an entirely new and large volume of traffic may be expected. The abundant supply of necessary raw material and cheap power is attracting to the territory capitalists interested in the manufacture of paper, a promising industry from which large traffic may be ultimately expected. It is important, however, to remember that these industries can be perpetuated only if the sources of the supplies of raw materials are preserved. The forests



of the South are to-day one of its chief assets, and there is opportunity to preserve them as such for all time. While other sections, by the indiscriminate cutting of their forests, have in great measure consumed their supplies of raw material for the manufacture of lumber, and of everything in which wood is used, the South still has great areas in which the forests have been practically untouched. It is hoped that the Southern people will benefit by the mistakes of others. By the adoption of a system of intelligent forestry, the woodlands of the South may be so used as to yield a substantial immediate profit, and, at the same time be so preserved and reproduced as to be a continuing source of wealth for future generations. The railway companies which depend so largely upon the forests for the material they consume, not to speak of commercial traffic, are fully alive to these considerations, and this Company is co-operating in all reasonable ways to preserve this important element in the inherent strength of its commercial position.

The textile industry of the South is largely confined to the districts reached by this Company's lines, and gives promise of great future growth by the erection of more mills and enlargements. During the year forty-eight new textile manufacturing plants were completed and placed in operation in the territory served by Southern Railway lines. The electrical power developments directly tributary to the lines, and the mining districts supplying cheap coal, make beyond all peradventure the districts served pre-eminent in the South for profitable manufacturing.

Co-ordinate with the promotion of the industrial development is the practical solicitation of immigration. The general advertising by this Company of the merits and possibilities of the country has proven an influential factor in introducing prospective immigrants to the possibilities of the South.

A line of work has been carried on which tends to very greatly diversify the agricultural products of the territory, and to establish the value of Southern lands for a widely varied husbandry. More skilled methods of agriculture are greatly increasing the amount and value of farm products, of which there is direct evidence in the substantial increase of land values throughout all States traversed by Southern Railway lines.

RELATIONS WITH THE PUBLIC.

As a railway must depend for its prosperity on the confidence and support of the public served by it, the policy of Southern Railway Company is to merit the confidence and support of every community which it serves. Efforts are being made to cultivate closer relations with all the public and especially with the men in all lines of business who are most directly interested in the adequacy and efficiency of transportation facilities, and to bring about a realization on their part that the Company has a direct and vital interest in the success of their individual enterprises and in the prosperity of their communities. In all the dealings of the Company with the public, it is the purpose of the management to cultivate a spirit of co-operation, to deal justly with all the patrons of the Company on the basis of sound business and economic principles, and to this end particularly special efforts have been made to bring about courteous and considerate treatment by all employees of every person transacting business with the Company. These endeavors have not been fruitless. There is increasing evidence that the thinking people in the territory served by the Southern Railway appreciate the fact that they can only attain the highest degree of prosperity if they are served by carriers able to increase their facilities so as to keep pace with the growing demand for their service, and the fact that increased transportation facilities are of much more importance to them than any possible reduction in charges. There is a growing public opinion among those who actually use the railways of the South in favor of legislative and administrative policies that will recognize that a railway company is a business institution, subject to the same economic laws that control all other business enterprises, and that it cannot obtain new capital for the enlargement of its facilities unless investors can have a reasonable assurance that its income will be sufficient to defray its operating expenses and fixed charges, and leave a reasonable balance for dividends and surplus.

It must be recorded, however, that during the year drastic action was taken by some of the States in which this Company operates (similar to action taken in many of the other States of the Union) to reduce the maximum passenger rates. In the States of Illinois and Indiana, where the interests of this Company were small in comparison with other lines, it followed the lead of the lines having most at stake, and put the reduced rates into effect under protest, reserving the right to contest them in the future. In the State of Alabama, where a two and one-half cent rate was established by the Legislature, in the State of North Carolina, where a two and one-quarter cent rate was established by the Legislature, and in the State of Virginia, where a two cent rate was established by the Corporation Commission, the interests of this Company were so large, and the effect of the reduced rate so hurtful to its revenues, that, by direction of the Board of Directors, suits were brought in the appropriate Federal Courts to test the constitutionality of the rates, and to secure for the property the protection of the Fourteenth Amendment to the Constitution of the United States.

The disputed rates have been put into effect pending determination of these cases on their merits. This was not

done, however, until the record was put into shape to present the fundamental questions involved in the Supreme Court of the United States. The Board has considered it essential, not only in the interest of the owners of the property, but in the interest of the public (whose interest it is that the railroads shall not be deprived of the means of providing adequate facilities for the commerce of the country), that the issues raised by the action of these States, whether investments in railroad properties are entitled to the same measure of protection as other property, and whether they can be deprived, by any form of State action, of the effective protection of the Constitution of the United States, shall be finally settled with the least possible delay.

Appended to the Twelfth Annual report of Southern Railway Company was one of the last expressions of the luminous intelligence of our late President, Mr. Samuel Spencer, the remarkable exposition of the financial necessities of the Company which served as the foundation upon which the Development and General Mortgage was built.

Appended to this report will be found the memorial resolutions adopted by the Voting Trustees and the Board of Directors of the Company at their joint meeting held immediately after Mr. Spencer's funeral service.

These two documents should be read together. They are an honorable monument, and a living inspiration to those to whom the management of the property has descended.

The acknowledgments of the Board are due to all officers and employees for the faithful discharge of their duties during the year.

Respectfully submitted, by order of the Board,  
W. W. FINLEY, President.

PATERSON, TEELE AND DENNIS,  
Certified Public Accountants,  
New York and Boston.

New York, September 2 1907.  
To the Stockholders and Bondholders of the Southern Railway Company  
We have made an examination of the books and accounts of the Southern Railway Company for the fiscal year ending June 30 1907 and have verified the Balance Sheet and Income and Profit and Loss Accounts published herewith.

The amount charged to Capital Accounts for expenditures during the year is, in our opinion, proper.

The securities owned have either been produced or we have obtained certificates from the various Trustees or Depositors holding the securities.

The valuation of the equipment in the Balance Sheet is fully borne out by the rolling stock on hand and the provisions made for replacement.

The method of arriving at the valuation placed upon the material and supplies on hand has been carefully examined, and the results reached in former inventories justify the present valuation.

The amounts due to the Company from the various sources cited in the Balance Sheet are believed to be collectible, due provision having been made in the reserves for such as are of doubtful realization.

Cash has either been counted or certificates obtained from the Depositories.

All known liabilities have been stated, and sufficient reserves exist for such as have not yet been determined.

The charges against the year's Income for the Maintenance of Way and Structures and Equipment have been, in our opinion, sufficient for the upkeep of the capital.

Respectfully submitted,  
PATERSON, TEELE & DENNIS,  
Certified Public Accountants.

FINANCIAL CONDITION.

Cost of Road—	
The Cost of Road on June 30 1907 was.....	\$287,425,400 33
The Cost of Road on June 30 1906 was.....	277,958,164 89
Net increase during the year.....	\$9,467,235 44
The Additions during the year were as follows:	
Real Estate at various points.....	\$895,112 58
Less—Real Estate sold.....	11,034 00
	\$884,078 58
Jasper-French Lick Line Extension (St. Louis Division).....	691,724 94
Okolona-Big Creek Line in Mississippi.....	26,532 57
Stevenson, Ala., Extension: From Stevenson, Ala. to Chattanooga, Tenn.....	1,288,569 11
Maryville, Tenn., Extension: From Maryville to Walland, Tenn.....	2,642 11
Miscellaneous New Branches and Spurs.....	334,541 47
Additional Yards, Extensions and Improvements Second Main Track and Revision of Lines—	893,022 61
Washington Division.....	27,916 94
Atlanta Division.....	678,912 61
Charlotte Division.....	5,031 95
Chattanooga Division.....	465,465 18
Danville Division.....	4,312,126 28
Asheville Division.....	2,793 40
Knoxville Division.....	1,071,088 85
St. Louis Division.....	15,007 08
New Passenger Stations.....	65,886 30
New Freight Stations & Additional Facilities.....	166,927 62
Miscellaneous Station Buildings & Facilities.....	90,383 09
New Shop Buildings, Tools and Machinery at various points.....	695,495 44
Improvements to Docks and Wharves.....	18,885 44
New Coaling and Water Stations, Roadway and Other Buildings.....	173,172 08
Interlocking and Block Systems.....	35,845 30
New Steel Bridges to accommodate heavier power (proportion in excess of renewals).....	104,202 67
Overhead and Undergrade Crossings.....	43,834 10
Net Cost of Passing, Side and Industrial Tracks.....	738,697 39
Total.....	\$12,832,793 11
Less—Miscellaneous Credits.....	3,365,557 67
Net increase during the year.....	\$9,467,235 44
Cost of Equipment—	
The Cost of Equipment on June 30 1907 was.....	\$25,678,535 88
The Cost of Equipment on June 30 1906 was.....	22,681,262 91
Net Increase during the year.....	\$2,997,272 97
This increase represents payments for new and additional equipment, as follows:—	
49 Locomotives.....	\$775,105 86
27 Passenger Train Cars.....	193,474 21
2,644 Freight Train Cars.....	1,981,557 26
7 Road Service Cars.....	45,098 14
3 Barges.....	22,500 00
Less—Floating Equipment sold.....	20,462 50
Net Increase as shown.....	\$2,997,272 97

<b>Funded Debt—</b>	
The Funder Debt outstanding on June 30 1907 (including \$9,821,300 bonds owned by the Company as follows):	
\$1,956,300	First Consolidated Mortgage 5% Bonds.
5,565,000	Development and General Mortgage 4% Bonds, Series A.
800,000	Memphis Division First mortgage 5% Bonds.
1,500,000	Memphis Division Second Mortgage 5% Bonds.
500,000	Knoxville & Ohio First Consolidated Mortgage, 4% Bonds
\$9,821,300.	was.....
	\$202,349,800 00
The Funder Debt at the close of the previous year (including \$15,143,000 First Consolidated Mortgage, Development and General Mortgage, and Divisional Mortgage Bonds owned by the Company) was.....	
	175,631,900 00
Net Increase during the year.....	
	\$26,717,900 00
The Additions during the year were:	
Southern Railway Company First Consol. Mortgage Five Per Cent Bonds.....	
	\$1,950,300 00
Issued for the following purposes—	
For Improvements and Betterments and for the acquisition of new property as provided for in the mortgage.....	
	\$1,900,000 00
For retirement of an equal amount of Richmond & Danville Equipment Sinking Fund Five Per Cent Bonds.....	
	2,000 00
For retirement of an equal amount of Charlottesville & Rapidan Railroad First Mortgage Six Per Cent Bonds.....	
	21,000 00
For retirement of an equal amount of Charlotte Columbia & Augusta Railroad First Mortgage Five Per Cent Bonds, Extended.....	
	22,000 00
For retirement of an equal amount of Franklin & Pittsylvania Railroad First Mortgage Six Per Cent Bonds.....	
	4,000 00
Scrip Certificates for balance due account of equipment and general purposes.....	
	1,300 00
Southern Railway Company Memphis Division First Mortgage Five Per Cent Bonds, issued for the construction of line from Stevenson, Ala., to Chattanooga, Tenn., as provided for in the mortgage.....	
	700,000 00
Southern Railway Company Three-Year Five Per Cent Notes temporarily issued to reimburse the Company for construction expenditures.....	
	15,000,000 00
Southern Railway Company Mobile & Ohio Collateral Four Per Cent Bonds issued to acquire an equal amount of Mobile & Ohio Railroad Company General Mortgage Four Per Cent Bonds.....	
	11,000 00
Southern Railway Company St. Louis Division First Mortgage Four Per Cent Bonds issued for improvements and betterments and for acquisition of new property as provided for in the mortgage.....	
	250,000 00
Southern Railway Company Development and General Mortgage Four Per Cent Bonds, Series A, issued for the following purposes:	
To reimburse the Company for advances to Subsidiary Lines.....	
	\$1,694,000 00
For improvements and betterments and for the acquisition of new property	

Brought forward.....	\$1,694,000 00	\$17,911,300 00
as provided for in the mortgage.....	5,000,000 00	
For proportion of equipment expenditures charged to Capital Account.....	2,158,000 00	8,852,000 00
Of which Development and General Mortgage Bonds, Series A, \$5,565,000 were in the Treasury of the Company on June 30 1907.		
Total Additions.....		\$26,763,300 00
The Reductions during the year were—		
Richmond & Danville Railroad Equipment Sinking Fund Mortgage Five Per Cent Bonds, retired.....	2,000 00	
Charlotte Columbia & Augusta Railroad First Mortgage Five Per Cent Bonds, Extended, retired.....	22,000 00	
Charlottesville & Rapidan Railroad First Mortgage Six Per Cent Bonds, retired.....	21,400 00	
Total Reductions.....		45,400 00
Net Increase in Funder Debt.....		\$26,717,900 00
The Outstanding Securities of Leasehold Estates—		
1907 amounted to.....		\$32,358,500 00
On June 30 1906 they amounted to.....		32,358,500 00
Equipment Obligations—		
Equipment Obligations outstanding on June 30 1907 amounted to.....		\$20,577,486 97
There were outstanding on June 30 1906.....		24,033,216 05
Net Decrease during the year.....		\$3,455,729 08
The Additions during the year were—		
Miscellaneous Equipment Obligations issued in part payment for new equipment purchased during the year, payable in monthly installments, final payment due in March 1908 for—		
4 Baggage, Mail and Express Cars,		
25 Baggage and Express Cars,		
10 Postal Cars,		
6 Passenger and Baggage Cars,		
157 Steel Double Hopper Coal Cars,		
72 Steel Flat Bottom Gondola Cars,		
The cost of which was.....		\$562,930 15
The Reductions during the year were:		
Payments of Obligations as matured, viz.:		
Car Trust, Series A.....	\$425,000 00	
Equipment Trust, Series B.....	340,000 00	
Equipment Trust, Series C.....	458,000 00	
Equipment Trust, Series D.....	354,000 00	
Equipment Trust, Series E.....	300,000 00	
Equipment Trust, Series F.....	85,320 00	
Equipment Contract, Series G.....	188,100 00	
Equipment Trust, Series H.....	450,000 00	
Equipment Trust, Series K.....	280,000 00	
Equipment Trust, Series L.....	600,000 00	
Miscellaneous Equipment Obligations.....	538,239 93	
Total Reductions.....		4,018,659 93
Net Decrease during the year.....		\$3,455,729 08
The total equipment obligations outstanding on June 30 1907, amounting to \$20,577,486 97, represents unamortized balances on contracts covering the following equipment, viz.:		
751 Locomotives,		
33,354 Freight-Train Cars,		
196 Convertible Ballast Cars,		
45 Passenger-Train Cars,		
10 Work-Train Cars.		
The contract price of which was.....		\$38,534,157 95
Of which there has been paid to July 1 1907.....		17,956,670 98
Balance unamortized as stated.....		\$20,577,486 97

TABLE 1.—COMPARATIVE BALANCE SHEET, JUNE 30 1907 AND JUNE 30 1906.

June 30 1906.	ASSETS.	June 30 1907.
\$277,958,164 89	<b>COST OF ROAD—</b>	
	Cost of Southern Railway Properties to June 30 1906.....	\$277,958,164 89
	Additions during the year (See preceding page).....	9,467,235 44
\$277,958,164 89	TOTAL COST OF ROAD JUNE 30 1907.....	\$287,425,400 33
\$21,997,307 91	<b>COST OF EQUIPMENT—</b>	
	Cost of Southern Railway Equipment to June 30 1906.....	\$21,997,307 91
	Trust Equipment received with Purchased Properties released from lien.....	683,955 00
683,955 00	Cost of Equipment charged to Capital during the year.....	2,997,272 97
	Trust Equipment received with Purchased Properties.....	
22,681,262 91	TOTAL COST OF EQUIPMENT JUNE 30 1907.....	25,678,535 88
\$30,818,057 31	<b>LEASEHOLD ESTATES—</b>	
1,540,442 69	Road.....	\$30,818,057 31
	Equipment.....	1,540,442 69
32,358,500 00	TOTAL LEASEHOLD ESTATES (Per Contra).....	32,358,500 00
24,033,216 05	Southern Railway Trust Equipment (Per Contra).....	20,577,486 97
\$557,031,143 85	TOTAL COST OF ROAD, EQUIPMENT AND LEASEHOLD ESTATES.....	\$366,039,923 18
\$13,306,634 97	<b>COST OF SECURITIES PLEDGED OR HELD FOR CONTROL</b>	
407,678 06	Pledged under First Consolidated Mortgage (See Table 7).....	\$13,306,634 97
39,066,466 43	Pledged under Development and General Mortgage (See Table 8).....	3,003,758 06
5,089,830 10	Pledged or deposited under various indentures (Table 9).....	39,153,610 53
	Securities unpledged, held for control or as muniments of title.....	8,631,277 87
57,870,609 56		64,095,281 43
8,652,000 00	<b>SOUTHERN RAILWAY DEVELOPMENT AND GENERAL MORTGAGE BONDS</b>	5,565,000 00
\$423,553,753 41	COST OF ROAD, EQUIPMENT AND SECURITIES HELD AS STATED.....	\$435,700,204 61
\$4,394,400 43	<b>MATERIAL AND SUPPLIES ON HAND</b> (See Table 21 of pamphlet).....	\$4,610,815 71
284,203 73	<b>RAIL AND FIXTURES LEASED</b> .....	317,231 06
4,678,604 16		4,928,046 77
\$428,232,357 57	<b>TOTAL CAPITAL ASSETS</b>	\$440,628,251 38
1,368,037 51	MISCELLANEOUS SECURITIES OWNED—in Treasury Unpledged.....	1,100,432 03
1,277,995 68	BILLS RECEIVABLE—deferred but secured.....	1,865,420 84
3,116,457 93	ADVANCES TO SUBSIDIARY COMPANIES.....	2,613,478 96
290,938 47	INCOME ACCRUED, NOT DUE.....	163,697 61
2,978 01	INSURANCE PAID, NOT ACCRUED.....	616 04
434,954 71	INSURANCE FUND (Per Contra).....	547,963 39
2,050 00	SINKING FUNDS—Uninvested Balance in hands of Trustee.....	1,000 00
2,682,607 81	NEW STEEL RAIL.....	3,293,849 51
	NET DISCOUNT ON SECURITIES SOLD—to be charged off during life of Securities.....	1,655,537 08
489,752 91	SUNDRY ACCOUNTS.....	810,189 33
	<b>CURRENT ASSETS</b>	
\$4,491,000 00	Miscellaneous Current Securities.....	\$2,256,300 00
4,340,882 57	Cash in hands of Treasurer, Banks and Financial Agents.....	9,816,961 11
1,132,595 78	Cash in Transit from Agencies.....	1,244,453 79
1,475,935 91	Due from Agents and Conductors.....	1,827,372 86
477,559 97	Due from United States Post Office Department.....	476,466 73
1,612,472 21	Due from Other Transportation Companies.....	2,557,429 57
1,110,537 65	Due from Individuals and Companies.....	1,403,369 77
44,982 28	Bills Receivable—Current.....	2,924,403 87
14,685,966 52		22,506,757 64
\$452,584,097 22		\$475,187,193 21

June 30 1906.	LIABILITIES.	June 30 1907.
\$120,000,000 00	CAPITAL STOCK—	\$120,000,000 00
60,000,000 00	Common	60,000,000 00
	Preferred	
\$180,000,000 00	TOTAL	\$180,000,000 00
5,670,200 00	SOUTHERN RAILWAY MOBILE & OHIO STOCK TRUST CERTIFICATES	5,670,200 00
175,631,900 00	FUNDED DEBT (See Table 5)	202,349,800 00
32,358,500 00	OUTSTANDING SECURITIES OF LEASEHOLD ESTATES (Per Contra)	32,358,500 00
	EQUIPMENT OBLIGATIONS (Per Contra)—	
\$637,000 00	Car Trust, Series A	\$212,000 00
850,000 00	Equipment Trust, Series B	510,000 00
1,603,000 00	Equipment Trust, Series C	1,145,000 00
1,416,000 00	Equipment Trust, Series D	1,062,000 00
2,505,000 00	Equipment Trust, Series E	2,205,000 00
291,510 00	Equipment Contract, Series F	206,190 00
689,700 00	Equipment Contract, Series G	501,600 00
4,050,000 00	Equipment Trust, Series H	3,600,000 00
2,660,000 00	Equipment Trust, Series K	2,380,000 00
8,000,000 00	Equipment Trust, Series L	8,400,000 00
331,006 05	Miscellaneous Equipment Contracts	355,696 97
24,033,216 05		20,577,486 97
1,750,000 00	CERTIFICATE OF INDEBTEDNESS, FUNDABLE IN DEVELOPMENT AND GENERAL MORTGAGE BONDS	
2,750,000 00	UNMATURED OBLIGATIONS ACCOUNT PURCHASE TENNESSEE CENTRAL RAILROAD COMPANY PRIOR LIEN BONDS	
107,000 00	UNMATURED BALANCE OF PURCHASE PRICE OF NORTHEASTERN RAILROAD OF GEORGIA	107,000 00
	UNMATURED BALANCE OF PURCHASE PRICE OF VIRGINIA & SOUTHWESTERN RAILWAY COMPANY STOCK PAYABLE ON AND AFTER JULY 1 1908	1,493,000 00
14,125 00	UNMATURED BALANCE ON REAL ESTATE	
10,260 35	UNMATURED BALANCE ON HARTWELL, IND., BRANCH	7,790 50
\$422,325,201 40	TOTAL CAPITAL, FUNDED AND LIEN LIABILITIES	\$442,563,777 47
	RESERVES—	
\$2,193,756 32	For Maintenance of Way	\$2,412,581 79
58,092 67	For Maintenance of Equipment	694,602 36
68,115 64	Miscellaneous	59,493 91
2,319,964 63		3,166,678 06
1,400,616 12	INTEREST AND RENTALS ACCRUED, NOT DUE	1,719,130 71
606,323 81	TAXES ACCRUED, NOT DUE	673,224 67
2,667,250 35	UNMATURED OBLIGATIONS ACCOUNT NEW STEEL RAIL PURCHASED, PAYABLE ON AND AFTER JULY 1 1908	1,056,109 45
434,954 79	INSURANCE FUND (Per Contra)	547,963 39
142,367 45	SUNDRY ACCOUNTS	167,569 38
1,500,000 00	RESERVE FOR DIVIDEND NO. 18, 2½ per cent on Preferred Stock paid in Oct. 1906	
	CURRENT LIABILITIES	
\$2,676,809 32	Interest and Rentals Due and Unpaid, including amount due July 1	\$2,817,680 15
3,132,813 05	Audited Vouchers	4,084,673 33
843,176 67	Materials and Supplies in transit, not vouchered	804,757 81
2,026,619 41	Unpaid Wages, including June Pay-Rolls	2,244,737 71
127,635 45	Freight Claim Authorities Outstanding	141,521 80
1,158,077 00	Due Other Transportation Companies	1,217,227 22
120,200 45	Due Individuals and Companies	563,022 84
2,260,714 29	Bills Payable	6,521,874 41
499,628 77	Reserve for Undetermined Liabilities	655,082 00
12,845,674 41		19,050,577 34
8,341,744 26	PROFIT AND LOSS (See Table 4)	6,242,162 74
\$452,584,097 22		\$475,187,193 21

TABLE 2.—INCOME ACCOUNT FOR YEAR ENDED JUNE 30 1907, COMPARED WITH YEAR ENDED JUNE 30 1906.

1906.		1907.
\$13,259,113 85	GROSS EARNINGS—	
36,141,547 16	Passenger	\$14,683,005 65
1,900,915 63	Freight	37,368,094 67
1,458,632 29	Mail	1,828,344 80
881,229 74	Express	1,677,878 14
\$53,641,438 67	Miscellaneous	1,100,671 13
		\$56,657,994 39
\$7,122,355 17	OPERATING EXPENSES AND TAXES—	
8,588,451 64	Maintenance of Way and Structures	\$7,660,168 08
20,810,939 66	Maintenance of Equipment	9,576,041 88
1,752,355 48	Conducting Transportation	23,941,599 44
1,499,037 09	General Expenses	1,890,737 89
\$9,773,139 04	Taxes	1,630,734 93
\$13,868,299 63		44,699,282 22
\$224,571 50	NET EARNINGS FROM OPERATION	\$11,958,712 17
283,558 00	INCOME FROM INVESTMENTS—	
79,635 05	Dividends on Chicago Indianapolis & Louisville Railway Company Stock	\$224,571 50
12,600 00	Dividends on Mobile & Ohio Railroad Company Stock	283,558 00
10,000 00	Dividends on Alabama Great Southern Railroad Company Stock	103,500 00
40,000 00	Dividends on Old Dominion Steamship Company Stock	12,600 00
6,750 00	Interest on Charleston Terminal Company Bonds	10,000 00
101,645 00	Interest on St. Johns River Terminal Company Bonds	41,640 00
341,392 99	Interest on Lancaster & Chester Railway Company Bonds	6,750 00
5,400 00	Interest and Dividends on Georgia Southern & Florida Ry. Co. Bonds and Stock	104,835 00
68,208 40	Interest and Dividends on Sundry Bonds and Stock	368,040 63
14,732 22	Interest on United States Government Bonds	5,400 00
323,086 67	Interest on Northern Alabama Railway Company Bonds	77,625 67
28,453 33	Interest on Kentucky & Indiana Bridge & Railroad Company Bonds	15,190 00
48,967 34	Interest on Mobile & Ohio Railroad Company General Mortgage Bonds	323,813 34
	Income from Shepherd's Ferry, Alexandria, Va	12,074 81
	Net Income from Compresses and Other Property	25,368 87
	Miscellaneous Interest and Commissions	214,241 65
\$1,589,000 50	TOTAL	\$1,829,281 47
\$226,808 00	MISCELLANEOUS DEDUCTIONS FROM INCOME—	
96,898 76	Dividends accrued on Southern Railway Mobile & Ohio Stock Trust Certificates	\$226,808 00
46,563 08	Miscellaneous Interest and Commissions	
4,605 83	Accrued Interest on Tennessee Central Railroad Co. and Nashville Terminal Co. Bonds July 1 to December 1 1905, less net from operation Eastern Division Tennessee Central Railroad July 1 to December 1 1905	
\$374,875 67	Other Miscellaneous Deductions	5,248 71
1,214,124 83	TOTAL	232,056 71
\$15,082,424 46	NET INCOME FROM INVESTMENTS AND OTHER SOURCES	1,597,224 76
9,853,358 49	TOTAL AVAILABLE INCOME	\$13,555,936 93
\$5,229,065 97	FIXED CHARGES, INCLUDING RENTALS (See Table 3)	11,265,615 86
\$1,500,000 00	BALANCE OF INCOME OVER CHARGES	\$2,290,321 07
1,500,000 00	FROM WHICH DEDUCT—	
3,000,000 00	Dividends Nos. 17 (2½%) and 19 (2½%) on Preferred Stock	\$1,500,000 00
	Reserve for Dividend No. 18 (2½%) paid in October 1906	
\$2,229,065 97	TOTAL DIVIDENDS	1,500,000 00
999,827 10	BALANCE OVER PREFERRED DIVIDENDS—	\$790,321 07
	Special Appropriations for Improvements, Betterments and Charges not to be Capitalized	536,334 29
\$1,229,238 87	BALANCE CARRIED TO CREDIT OF PROFIT AND LOSS FOR THE YEAR	\$253,986 81

Interest and Rentals—	\$2,372,000	First Consolidated Mortgage Five per Cent Bonds	\$184,623 62
The Interest and Rentals for the year ended June 30 1907	13,652,000	Development and General Mortgage Four per Cent Bonds, Series A	512,366 67
were	\$11,265,615 86	800,000 Memphis Division First Mortgage Five per Cent Bonds	48,902 78
The Interest and Rentals for the year ended June 30 1906		250,000 St. Louis Division First Mortgage Four Per Cent Bonds	23,694 44
were	9,853,358 49	11,000 Mobile & Ohio Collateral Trust Four per Cent Bonds	726 67
Net Increase during the year	\$1,412,257 37	15,000,000 Southern Railway Company Three-Year Five per Cent Notes	322,733 06
The Increases during the year were as follows—			
To the sale or exchange of—			

To increased rate of interest on Memphis Division First Mortgage Bonds from Four and One-Half per Cent to Five per Cent	28,915 00
To increase in interest on Certificate of Indebtedness	6,416 67
To one year's interest on \$1,000,000 Southern Railway Company Collateral Trust Five-Year Five per Cent Bonds as against ten months and twenty-nine days for the previous year	4,305 56
To increase in interest on Equipment Trust Obligations (chiefly Equipment Trust L) To Transylvania Railroad Rental, twelve months this year as against six months for the previous year	252,206 68
To interest on Tennessee Central Railroad Company and Nashville Terminal Company	12,500 00

Bonds, twelve months this year as against seven months last year	92,888 89
Total Increases	\$1,490,280 04

The Decreases during the year were as follows—

Virginia Midland Serial Mortgage Bonds, Series A, retired	\$24,000 00
Atlanta & Charlotte Air Line Rental due to decrease in rate of interest	51,500 00
Sundry net decreases	2,522 67
Total Decreases	78,022 67

Net Increase as above	\$1,412,257 37
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TABLE 3.—STATEMENT OF INTEREST AND RENTALS FOR YEAR ENDED JUNE 30 1907, COMPARED WITH YEAR ENDED JUNE 30 1906

CLASS.	Period.		Amount Outstanding June 30 1907.	Rate.	Amount Accrued.	
	1907.	1906.			1907.	1906.
Southern Railway Company—						
First Consolidated Mortgage	Various	Various	\$48,149,000 00	5%	\$2,360,879 17	\$2,176,255 55
Development and General Mortgage, Series A			20,000,000 00	4%	541,912 00	29,545 33
East Tennessee Reorganization Mortgage	12 months	12 months	4,500,000 00	5%	225,000 00	225,000 00
Memphis Division First Mortgage	Various	Various	6,583,000 00	5%	313,302 78	235,485 00
Alken Branch First Mortgage	12 months	12 months	150,000 00	4%	6,000 00	6,000 00
St. Louis Division First Mortgage	Various	Various	12,500,000 00	4%	494,638 89	470,944 45
Mobile & Ohio Collateral Mortgage			8,097,000 00	4%	323,813 34	323,086 67
Collateral Trust Five-Year Bonds	12 months	"	16,000,000 00	5%	800,000 00	795,694 44
Three-Year Notes	5	"	15,000,000 00	5%	322,733 06	"
Louisville & Nashville—Southern Monon Collateral Joint Bonds	12	12 months	5,913,500 00	4%	236,540 00	236,540 00
Certificate of Indebtedness	1 m. 25 d.	1 m. 21 d.	"	6%	16,333 34	9,916 67
Car Trust, Series A	12 months	12 months	212,000 00	4%	18,400 67	35,406 66
Equipment Trust, Series B	12	"	510,000 00	4%	27,200 00	40,800 00
C	12	"	1,145,000 00	4%	58,013 33	76,333 33
D	12	"	1,062,000 00	4%	50,740 00	64,900 00
E	12	"	2,205,000 00	4 1/2%	108,225 00	120,265 46
Equipment Contract, Series F	12	"	206,100 00	3 1/2%	8,684 86	11,671 10
G	12	"	501,600 00	3 1/2%	20,701 45	27,284 97
Equipment Trust, Series H	12	"	3,600,000 00	4 1/2%	173,812 50	142,900 39
K	12	"	2,380,000 00	4%	87,845 92	13,517 14
L	12	Various	8,400,000 00	4 1/2%	289,461 73	57,805 73
Atlantic Tennessee & Ohio First Mortgage	12	12 months	150,000 00	6%	9,000 00	9,000 00
Alabama Central First Mortgage	12	"	1,000,000 00	6%	60,000 00	60,000 00
Atlantic & Yadkin First Mortgage	12	"	1,500,000 00	4%	60,000 00	60,000 00
Charlotte Columbia & Augusta First Mortgage, Extended	12	"	1,039,500 00	5%	52,275 00	53,725 00
Second Mortgage	12	"	500,000 00	7%	35,000 00	35,000 00
Columbia & Greenville First Mortgage	12	"	2,000,000 00	6%	120,000 00	120,000 00
East Tennessee Virginia & Georgia First Mortgage	12	"	3,106,000 00	5%	155,300 00	155,300 00
Consolidated Mortgage	12	"	12,770,000 00	5%	638,500 00	638,500 00
Georgia Pacific First Mortgage	12	"	5,660,000 00	6%	339,600 00	339,600 00
Knoxville & Ohio First Mortgage	12	"	2,000,000 00	6%	120,000 00	120,000 00
Richmond & Danville First Consolidated Mortgage	12	"	5,997,000 00	6%	359,820 00	359,820 00
Debenture	12	"	3,368,000 00	5%	168,400 00	168,400 00
Equipment Sinking Fund	12	"	"	5%	"	2,541 67
Richmond York River & Chesapeake First Mortgage	12	"	400,000 00	5%	20,000 00	20,000 00
Second Mortgage	12	"	500,000 00	4 1/2%	22,500 00	22,500 00
Virginia Midland Serial Mortgage, Series A	12	8	"	6%	"	24,000 00
B	12	"	1,900,000 00	6%	114,000 00	114,000 00
C	12	"	1,100,000 00	6%	66,000 00	66,000 00
D	12	"	950,000 00	5%	47,500 00	47,500 00
E	12	"	1,774,000 00	5%	88,700 00	88,700 00
F	12	"	1,310,000 00	5%	65,500 00	65,500 00
General Mortgage	12	"	4,859,000 00	5%	242,950 00	242,950 00
Western North Carolina First Consolidated Mortgage	12	"	2,531,000 00	6%	151,860 00	151,860 00
Washington Ohio & Western First Mortgage	12	"	1,025,000 00	4%	41,000 00	41,000 00
Atlanta & Charlotte Air Line First Mortgage Preferred, Extended	12	"	500,000 00	4 1/2%	21,250 00	20,000 00
First Mortgage, Extended	12	"	4,250,000 00	4 1/2%	244,375 00	297,500 00
Income Mortgage, Extended	12	"	750,000 00	4 1/2%	31,875 00	30,000 00
Stock	12	"	1,700,000 00	7%	119,000 00	119,000 00
Organization Expenditures	12	"	"	"	2,500 00	4,000 00
Atlantic & Danville Railway Rental	12	"	"	"	188,000 00	188,000 00
Atlantic Coast Line Railroad Trackage	12	"	"	"	80,017 43	78,487 72
Athens Belt Line Rental	12	"	"	"	1,050 00	1,050 00
Blackville Alston & Newberry First Mortgage	12	"	9,500 00	6%	570 00	570 00
Charlottesville & Rapidan Railroad Rental	12	"	"	"	13,400 00	14,600 00
Charleston & Savannah Railway Trackage	12	"	"	"	7,958 20	8,858 19
Georgia Midland First Mortgage	12	"	1,650,000 00	3%	49,500 00	49,500 00
Mobile & Birmingham Railroad Rental	12	"	"	"	113,904 00	113,904 00
North Carolina Railroad Rental	12	"	"	"	286,000 00	286,000 00
Richmond & Mecklenburg Railroad Rental	12	"	"	"	12,600 00	12,600 00
South Carolina & Georgia First Mortgage	12	"	5,250,000 00	5%	262,500 00	262,500 00
Spartanburg Union & Columbia First Mortgage	12	"	1,000,000 00	4%	40,000 00	40,000 00
Sumter & Wateree River First Mortgage	12	"	100,000 00	5%	5,000 00	5,000 00
Transylvania Railroad Rental	12	6	"	"	25,000 00	12,500 00
Tennessee Central Railroad—						
Interest on General Mortgage Bonds	12	"	"	"	95,893 32	55,937 77
Interest on Prior Lien Bonds	12	"	"	"	107,040 00	62,440 00
Interest on Nashville Terminal Company Bonds	12	"	"	"	20,000 00	11,666 66
Wilmington & Weldon Railroad and Norfolk & Carolina Railroad—						
Trackage and Real Estate Rental	12	"	"	"	76,033 87	73,994 59
Total (See Income Account, Table 2)					\$11,265,615 86	\$9,853,358 49

TABLE 4.—PROFIT AND LOSS ACCOUNT FOR YEAR ENDED JUNE 30 1907. (See Next Page.)

TABLE 5.—FUNDED DEBT JUNE 30, 1907, COMPARED WITH JUNE 30, 1906. (See Next Page.)

TABLE 6.—OUTSTANDING SECURITIES OF LEASEHOLDS ESTATES JUNE 30 1907, COMPARED WITH JUNE 30 1906.

	Principal Due.	Interest.		Amount Outstanding.	
		Due.	Rate.	June 30 1907.	June 30 1906.
Atlanta & Charlotte Air Line Railway—					
First Mortgage Preference Bonds, Extended	1910	J. & J.	4 1/2%	\$500,000 00	\$500,000 00
First Mortgage Bonds, Extended	1910	J. & J.	4 1/2%	4,250,000 00	4,250,000 00
Income Mortgage Bonds, Extended	1910	J. & J.	4 1/2%	750,000 00	750,000 00
Stock		M. & S.	7%	1,700,000 00	1,700,000 00
Atlantic & Danville Railway—				\$7,200,000 00	\$7,200,000 00
First Mortgage Bonds	1948	J. & J.	4%	\$3,925,000 00	\$3,925,000 00
Second Mortgage Bonds	1948	J. & J.	4%	775,000 00	775,000 00
Georgia Midland Railway—				4,700,000 00	4,700,000 00
First Mortgage Bonds	1946	A. & O.	3%	1,650,000 00	1,650,000 00
Mobile & Birmingham Railroad—					
Prior Lien Bonds	1945	J. & J.	5%	\$600,000 00	\$600,000 00
First Mortgage Bonds	1945	J. & J.	4%	1,200,000 00	1,200,000 00
Preferred Stock		J. & D.	4%	900,000 00	900,000 00
North Carolina Railroad—				2,700,000 00	2,700,000 00
Stock		J. & J.	"	4,000,000 00	4,000,000 00
Richmond & Mecklenburg Railroad—					
First Mortgage Bonds	1948	M. & N.	4%	315,000 00	315,000 00
Southern Railway—Carolina Division—					
General Mortgage Bonds, Southern Ry.—Carolina Division	1952	J. & J.	4%	\$5,000,000 00	\$5,000,000 00
First Mortgage Bonds, South Carolina & Georgia Railroad	1919	M. & N.	5%	5,250,000 00	5,250,000 00
First Mortgage Bonds, Spartanburg Union & Columbia RR	1905	J. & J.	4%	1,000,000 00	1,000,000 00
First Mortgage Bonds, Sumter & Wateree River Railroad	1919	A. & O.	5%	100,000 00	100,000 00
First Mortgage Bonds, Blackville Alston & Newberry RR	1908	F. & A.	6%	9,500 00	9,500 00
First Mortgage Bonds Transylvania Railroad	1956	J. & J.	5%	434,000 00	434,000 00
Total as per Balance Sheet				11,793,500 00	11,793,500 00
Total as per Balance Sheet				\$32,358,500 00	\$32,358,500 00

TABLE 4.—PROFIT AND LOSS ACCOUNT FOR YEAR ENDED JUNE 30 1907.

Balance at Credit of this Account June 30 1906	\$8,341,744 26
Add—Credit Balance of Income for the Year	253,986 78
Less—Sundry Miscel. Items, Discount on So. Ry. Co. Securities sold and Reserves for undetermined liabilities accruing prior to June 30 1906	\$8,595,731 04
Credit Balance June 30 1907	2,353,568 30
	\$6,242,162 74

TABLE 5.—FUNDED DEBT JUNE 30 1907, COMPARED WITH JUNE 30 1906.

CLASS OF BONDS.	Principal Due.	Interest.		Amount Outstanding.	
		Due.	Rate.	June 30 1907.	June 30 1906.
Southern Railway—					
First Consolidated Mortgage Bonds	1994	J. & J.	5 %	a\$50,105,300 00	b\$48,155,000 00
Development and General Mortgage Bonds, Series A	1956	A. & O.	4 %	c25,565,000 00	d16,113,000 00
East Tennessee Reorganization Mortgage Bonds	1938	M. & S.	5 %	4,500,000 00	4,500,000 00
Memphis Division First Mortgage Bonds	1996	J. & J.	5 %	e6,885,000 00	f6,183,000 00
Memphis Division Second Mortgage Bonds (owned by Southern Railway Company)	1996	A. & O.	5 %	1,500,000 00	1,500,000 00
Alken Branch First Mortgage Bonds	1998	J. & J.	4 %	150,000 00	150,000 00
St. Louis Division First Mortgage Bonds	1951	J. & J.	4 %	12,500,000 00	12,250,000 00
Mobile & Ohio Collateral Bonds	1938	M. & S.	4 %	8,097,000 00	8,086,000 00
Collateral Trust Five-Year Bonds	1909	A. & O.	5 %	16,000,000 00	16,000,000 00
Three-Year Notes	1910	F. & A.	5 %	15,000,000 00	
Louisville & Nashville-Southern Monon Collateral Joint Bonds—					
Total outstanding June 30 1907, \$11,827,000. Southern Railway Company's proportion, one-half				5,913,500 00	5,913,500 00
Atlantic Tennessee & Ohio Railroad—					
First Mortgage Bonds	1913	A. & O.	6 %	150,000 00	150,000 00
Alabama Central Railroad—					
First Mortgage Bonds	1918	J. & J.	6 %	1,000,000 00	1,000,000 00
Atlantic & Yadkin Railroad—					
First Mortgage Bonds	1949	A. & O.	4 %	1,500,000 00	1,500,000 00
Charlotte Columbia & Augusta Railroad—					
First Mortgage Bonds, Extended	1909	J. & J.	5 %	1,039,500 00	1,061,500 00
Second Mortgage Bonds	1910	A. & O.	7 %	500,000 00	500,000 00
Columbia & Greenville Railroad—					
First Mortgage Bonds	1916	J. & J.	6 %	2,000,000 00	2,000,000 00
East Tennessee Virginia & Georgia Railway—					
First Mortgage Bonds	1930	J. & J.	5 %	3,106,000 00	3,106,000 00
Consolidated Mortgage Bonds	1956	M. & N.	5 %	12,770,000 00	12,770,000 00
Georgia Pacific Railway—					
First Mortgage Bonds	1922	J. & J.	6 %	5,660,000 00	5,660,000 00
Knoxville & Ohio Railroad—					
First Mortgage Bonds	1925	J. & J.	6 %	2,000,000 00	2,000,000 00
First Consolidated Mortgage Bond (owned by Southern Railway Company)	1953	J. & J.	4 %	500,000 00	500,000 00
Richmond & Danville Railroad—					
Consolidated Mortgage Bonds	1915	J. & J.	6 %	5,997,000 00	5,997,000 00
Debenture Mortgage Bonds	1927	A. & O.	5 %	3,368,000 00	3,368,000 00
Equipment Sinking Fund Mortgage Bonds	Var. Dates	M. & S.	5 %		2,000 00
Richmond York River & Chesapeake Railroad—					
First Mortgage Bonds	1910	J. & J.	5 %	400,000 00	400,000 00
Second Mortgage Bonds	1910	M. & N.	4 1/2 %	500,000 00	500,000 00
Virginia Midland Railroad—					
Serial Mortgage Bonds, Series B	1911	M. & S.	6 %	1,900,000 00	1,900,000 00
" " " " C	1916	M. & S.	6 %	1,100,000 00	1,100,000 00
" " " " D	1921	M. & S.	5 %	950,000 00	950,000 00
" " " " E	1926	M. & S.	5 %	1,774,000 00	1,774,000 00
" " " " F	1931	M. & S.	5 %	1,310,000 00	1,310,000 00
General Mortgage Bonds	1936	M. & N.	5 %	4,859,000 00	4,859,000 00
Charlottesville & Rapidan Railroad—					
First Mortgage Bonds	1913	J. & J.	6 %	196,500 00	217,900 00
Western North Carolina Railroad—					
First Consolidated Mortgage Bonds	1914	J. & J.	6 %	2,531,000 00	2,531,000 00
Washington Ohio & Western Railroad—					
First Mortgage Bonds	1924	F. & A.	4 %	1,025,000 00	1,025,000 00
Total as per Balance Sheet				\$202,349,800 00	\$175,631,900 00

a Including \$1,956,300 owned by the Company. b Including \$2,378,000 owned by the Company. c Including \$5,565,000 owned by the Company. d Including \$10,365,000 owned by the Company. e Including \$800,000 owned by the Company. f Including \$400,000 owned by the Company.

TABLE 7.—STATEMENT OF SECURITIES OWNED BY SOUTHERN RAILWAY CO., AND BY IT PLEDGED UNDER ITS FIRST CONSOLIDATED MORTGAGE AS OF JUNE 30 1907.

Name of Security.	June 30 1907.
	Par Value.
<b>Railroad Bonds—</b>	
Alabama Central Railroad Co. Income	\$1,355,275 00
Danville & Western Railway Co. 1st Mtge. 5 %	1,051,000 00
Elberton Air Line Railroad Co. 1st Mtge. 7 %	150,000 00
High Point, Randleman, Asheboro & Southern Railroad Co. 1st Mtge. 6 %	402,000 00
Knoxville & Ohio Railroad Co. 1st Con. Mtge. 4 %	500,000 00
North Carolina Midland Railroad Co. 1st Mtge. 6 %	801,000 00
Piedmont Railroad Co. 1st Mtge. 6 %	500,000 00
Piedmont Railroad Co. 2d Mtge. 6 %	500,000 00
Southern Railway Co. in Kentucky 1st Mtge. 5 %	3,000,000 00
Southern Railway Co. in Mississippi 1st Mtge. 5 %	200,000 00
Western North Carolina Railroad Co. 1st Mtge. 6 %	1,325,000 00
Washington Ohio & Western Railroad Co. 1st Mtge. 4 %	225,000 00
Yadkin Railroad Co. 1st Mtge. 6 %	615,000 00
<b>Total Bonds</b>	<b>\$10,624,275 00</b>
<b>Railroad Stocks—</b>	
Alabama Great Southern Railroad Co. Preferred	\$1,725,000 00
Alabama Great Southern Railroad Co. Ordinary	4,540,050 00
Atlantic & Yadkin Railway Co.	999,300 00
High Point, Randleman, Asheboro & Southern Railroad Co.	212,500 00
Mobile & Birmingham Railroad Co. Common	880,400 00
Mobile & Birmingham Railroad Co. Preferred	20,500 00
North Carolina Midland Railroad Co.	787,600 00
Ore Belt Railroad Co.	30,000 00
Southern Railway Co. in Kentucky	998,200 00
Yadkin Railroad Co.	464,450 00
<b>Total Stocks</b>	<b>\$10,658,000 00</b>
<b>Other Securities—</b>	
Chesapeake Steamship Co. Capital Stock	\$400,000 00
Chesapeake Steamship Co. Certificate of Indebtedness	250,000 00
<b>Total Other Securities</b>	<b>\$650,000 00</b>
<b>Total Bonds, Stocks and Other Securities</b>	<b>\$21,932,275 00</b>

TABLE 8.—STATEMENT OF SECURITIES OWNED BY SOUTHERN RAILWAY COMPANY AND BY IT PLEDGED UNDER ITS DEVELOPMENT AND GENERAL MORTGAGE AS OF JUNE 30 1907.

Name of Security.	June 30 1907.
	Par Value.
<b>Railroad Bonds—</b>	
Carolina & Tennessee Southern Railway Company—Registered First Mortgage 4 %	\$492,000 00
Cumberland Railway Company—Registered First Mortgage 4 %	531,000 00
Delta Southern Railway—Registered First Mortgage 4 %	1,023,000 00
Tennessee & Carolina Southern Railway Company—Registered First Mortgage 4 %	938,000 00
<b>Total Railroad Bonds</b>	<b>\$2,984,000 00</b>
<b>Railroad Stocks—</b>	
Augusta Southern Railroad Company. Common	\$294,800 00
Augusta Southern Railroad Company. Preferred	296,000 00
Augusta & Summerville Railroad Company	49,900 00
Carolina & Tennessee Southern Railway Company	59,400 00
Central Transfer Railway & Storage Company	24,800 00
Chattanooga Terminal Railway Company	59,500 00

Cumberland Railway Company	\$99,500 00
Danville & Western Railway Company	367,700 00
Deita Southern Railway	49,500 00
Georgia Midland Railway Company	998,900 00
Norfolk & Portsmouth Belt Line Railroad Company	7,200 00
Richmond & Mecklenburg Railroad Company	299,400 00
Sievern & Knoxville Railroad Company	139,500 00
State University Railroad Company	16,800 00
Tallah Falls Railway Company. Common	199,500 00
Tallah Falls Railway Company. Preferred	16,400 00
Terminal Railroad Association of St. Louis	205,600 00
Tennessee & Carolina Southern Railway Company	199,500 00
<b>Total Railroad Stocks</b>	<b>\$3,383,900 00</b>
<b>Other Stocks—</b>	
Atlanta Terminal Company	\$25,000 00
Augusta Union Station Company	24,800 00
Birmingham Terminal Company	2,300 00
Charleston Union Station Company	24,700 00
Chattanooga Station Company	24,700 00
Durham Union Station Company	8,100 00
Gulf Terminal Company (Mobile, Ala.)	2,200 00
Meridian Terminal Company	4,800 00
New Orleans Terminal Company	998,500 00
<b>Total Other Stocks</b>	<b>\$1,115,100 00</b>
<b>Total Bonds and Stocks</b>	<b>\$7,483,000 00</b>

TABLE 9.—STATEMENT OF SECURITIES OWNED BY SOUTHERN RAILWAY COMPANY AND BY IT PLEDGED OR DEPOSITED UNDER VARIOUS INDENTURES AS OF JUNE 30 1907.

Name of Security.	June 30 1907.
	Par Value.
<b>Under Southern Ry. Memphis Division First and Second Mtges.—</b>	
Memphis & Charleston Ry. Co. First Mtge. 6 % Bonds	\$900,000 00
Sheffield Machine Works. First Mtge. 6 % Bonds	75,000 00
Memphis-Chattanooga Ry. Capital Stock	250,000 00
<b>Under Southern Ry. St. Louis Division First Mortgage—</b>	
Southern Railway Co. of Indiana First Mortgage 5 % Bonds	5,000,000 00
Southern Railway Co. of Indiana Stock	999,300 00
<b>Under Southern Ry. Mobile &amp; Ohio Collateral Trust Indenture—</b>	
Mobile & Ohio Railroad Co. General Mortgage 4 % Bonds	8,097,000 00
To Secure Southern Ry. Mobile & Ohio Stock Trust Certs.—	
Mobile & Ohio Railroad Co. Stock	5,670,200 00
<b>Under Louisville &amp; Nashville-Southern Monon Collateral Trust Indenture—</b>	
Chicago Indianapolis & Louisville Railway Co. (Monon) Preferred Stock, Southern Railway Co.'s proportion—	
one-half of \$3,873,400	1,936,700 00
Chicago Indianapolis & Louisville Railway Co. (Monon) Common Stock, Southern Railway Co.'s proportion—	
one-half of \$9,798,960	4,898,450 00
<b>To Secure Southern Ry. Five-Year 5 % Coll. Trust Bonds—</b>	
Miscellaneous Securities	26,086,324 60
<b>Under North Carolina Railroad Lease—</b>	
United States 4 % Bonds	135,000 00
<b>Under Trust Agreement, April 20 1906—Union Bank &amp; Trust Co. of Nashville, Tenn—</b>	
Tennessee Central Railroad Co. Prior Lien 4 % Bonds	333,000 00
<b>Under Agreement January 1 1907—The Equitable Trust Co. of New York, Trustee—</b>	
Charleston Union Station Company Capital Stock	100 00
<b>Total Bonds and Stocks</b>	<b>\$54,381,074 60</b>

TABLE 13.—TRAFFIC STATISTICS, YEAR ENDED JUNE 30 1907 AND 1906.

	1907.	1906.	Percentage of Increase (+) or Decrease (—).
Average miles of road operated.....	7,546.86	7,373.98	+2.34 %
<i>Passenger Traffic</i> —			
Number of passengers carried.....	12,842,914	11,663,550	+10.11 "
Number of passengers carried one mile.....	599,161,080	549,518,645	+9.03 "
Average distance hauled per passenger (miles).....	46.65	47.11	-0.98 "
Total revenue from passengers.....	\$14,683,005.65	\$13,259,113.85	+10.74 "
Average receipts per passenger per mile.....	Cents 2.451	Cents 2.413	+1.57 "
Passenger-train earnings per mile of road.....	\$18,479,147.59	\$16,870,032.85	+9.54 "
Passenger-train earnings per train mile.....	2,448.59	2,287.78	+7.03 "
Average number of passengers in each train.....	1,083.88	1,030.73	+5.16 "
*Average number of passengers in each car.....	35.14	33.57	+4.68 "
	12.53	12.27	+2.12 "
<i>Freight Traffic (Revenue Freight)</i> —			
Number of tons carried.....	24,167,048	23,518,071	+2.76 "
Number of tons carried one mile.....	3,816,420,059	3,886,314,181	-1.80 "
Average distance hauled per ton (miles).....	157.92	165.25	-4.44 "
Total freight-train earnings.....	\$37,368,094.67	\$36,141,547.16	+3.39 "
Average receipts per ton per mile.....	Cent 0.979	Cent 0.930	+5.27 "
Freight-train earnings per mile of road.....	\$4,951.48	\$4,901.23	+1.03 "
Freight-train earnings per train mile.....	\$1,971.26	\$1,899.32	+3.79 "
Average number of tons of freight in each loaded car.....	201.33	204.23	-1.42 "
	14.80	14.45	+2.42 "
<i>All Freight (Including Company's Material Hauled Free)</i> —			
Number of tons carried.....	28,295,518	27,339,377	+3.50 "
Number of tons carried one mile.....	4,480,161,286	4,488,915,839	-0.20 "
Average number of tons of freight in each train.....	236.34	235.90	+0.19 "
Average number of tons of freight in each loaded car.....	17.37	16.69	+4.07 "
<i>Earnings and Expenses</i> —			
Passenger and freight-train earnings.....	\$55,847,242.26	\$53,011,580.01	+5.35 "
Passenger and freight-train earnings per mile of road.....	\$7,400.06	\$7,189.01	+2.94 "
Gross earnings.....	\$56,657,994.39	\$53,641,438.67	+5.62 "
Gross earnings per mile of road.....	\$7,507.49	\$7,274.42	+3.20 "
Gross earnings per revenue train mile.....	\$1,636.86	\$1,583.74	+3.35 "
Operating expenses and taxes.....	\$44,699,282.22	\$39,773,139.04	+12.39 "
Operating expenses and taxes per mile of road.....	\$5,922.90	\$5,393.71	+9.81 "
Operating expenses and taxes per revenue train mile.....	\$1,291.37	\$1,174.28	+9.97 "
Net earnings.....	\$11,958,712.17	\$13,868,299.63	-13.77 "
Net earnings per mile of road.....	\$1,584.59	\$1,880.71	-15.75 "
Net earnings per revenue train mile.....	\$0.34549	\$0.40046	-15.62 "

[\*] Excludes dining, cafe and special car mileage.

	1907.	1906.	Percentage of Inc. (+) or Dec. (—).
<i>Train and Engine Mileage</i> —			
Miles run by passenger trains.....	15,657,396	14,841,477	+5.50 %
Miles run by freight trains.....	17,564,725	17,503,133	+0.35 "
Miles run by mixed trains.....	1,391,711	1,525,532	-8.77 "
Total revenue train mileage.....	34,613,832	33,870,142	+2.20 "
Miles run by work trains.....	1,502,634	1,666,532	-9.83 "
Miles run by special trains.....	74,370	59,005	+26.04 "
Total train mileage.....	36,190,836	35,595,679	+1.67 "
Miles run by helping engines.....	713,541	570,677	+25.03 "
Miles run by light engines.....	473,539	437,595	+8.21 "
Miles run by switch engines.....	9,082,447	8,268,041	+9.85 "
Total engine mileage.....	46,460,363	44,871,992	+3.54 "
<i>Car Mileage and Statistics</i> —			
Mileage of loaded freight cars.....	257,858,637	268,964,943	-4.13 "
Mileage of empty freight cars.....	80,067,732	97,062,347	-17.51 "
Mileage of caboose cars.....	17,528,839	17,378,579	+0.86 "
Total mileage of freight-train cars.....	355,455,208	383,405,869	-7.29 "
<i>Percentage of Inc. (+) or Dec. (—).</i>			
* Mileage of passenger cars.....	50,604,362	47,494,446	+6.55 %
Mileage of baggage, mail and express cars.....	28,301,214	27,408,443	+3.26 "
Total mileage of passenger-train cars.....	78,905,576	74,902,889	+5.34 "
Mileage of work-train cars.....	4,808,122	5,306,670	-9.30 "
<i>Average number of loaded cars in each freight train</i>			
a Average number of empty cars in each freight train.....	13.60	14.14	-3.82 "
b Average number of empty cars in each freight train.....	5.15	6.01	-14.31 "
<i>Average number of cars in each freight train</i>			
Average number of loaded cars in each freight train.....	18.75	20.15	-6.95 "
Average number of passenger cars in each train.....	72.54	70.17	+3.38 "
Average number of baggage, mail and express cars in each train.....	2.97	2.90	+2.41 "
Average number of cars in each passenger train.....	1.66	1.68	-1.19 "
	4.63	4.58	+1.09 "

\* Includes dining, cafe and special car mileage. b Includes caboose cars.

CHICAGO GREAT WESTERN RAILWAY COMPANY.

FIFTEENTH ANNUAL REPORT—FOR THE YEAR ENDING JUNE 30 1907.

To the Shareholders:

The directors submit the following report:  
The operations for the year show the following results:

Gross Earnings.....	\$9,139,087 16
Operating Expense.....	6,583,808 06
Net Earnings.....	\$2,555 279 10
Ratio of Operating Expenses to Earnings 72.04 %.	
Taxes.....	216,000 00
Net Income from Operation.....	\$2,339,279 10
Rental of Leased Lines.....	\$424,330 15
Interest on Equipment Lease Warrants.....	18,831 92
Interest on Loans.....	437,107 28
	880,269 35
Surplus over all charges prior to 4 % Debenture Stock.....	\$1,459,009 75

Out of this Surplus the Company has made two semi-annual interest payments of 2% each on the 4% Debenture Stock, amounting to \$1,044,984, and has paid a 2½% dividend on the Preferred Stock A, amounting to \$283,422 50.

Following are the usual statistical tables and information prepared by the Auditor.

By order of the Board of Directors.

A. B. STICKNEY, President.

CHICAGO GREAT WESTERN RAILWAY COMPANY.

NO. I.—DETAILS OF CAPITAL EXPENDITURES.

Additions to Rolling Stock.

At the date of the last Annual Report the Company owned Rolling Stock which cost.....	\$8,541,420 13
<i>Expenditures During the Year</i> —	
480 Box Cars (70,000 lbs. capacity).....	\$408,452 62
320 Stock Cars (60,000 lbs. capacity).....	229,576 85
100 Furniture Cars (60,000 lbs. capacity).....	102,390 00
12 Caboose.....	13,293 24
3 Jordan Spreaders.....	10,322 67
3 Steam Shovels.....	29,823 94
1 Lidgerwood Unloader.....	5,626 74
Converting Flat and Stock Cars to Box Cars.....	72,184 76
Electric Light Equipment for Passenger Cars.....	1,075 59
Various other Improvements to Equipment.....	62,776 30
	935,522 71
Making Total Cost.....	\$9,476,942 84

ADDITIONS AND IMPROVEMENTS TO THE PERMANENT PLANT:

There has been expended during the year for additional terminals and improvements the sum of \$1,391,131 89, as follows:

Additional Terminals and Improvements.....	\$115,028 71
Double Track.....	370,410 85
Reduction of Grades and Widening Embankments.....	83,095 46
Bridges and Culverts.....	199,826 13
Extension Winston Tunnel.....	8,717 33
New Ballast.....	62,539 30
New Buildings, Water Supply, etc.....	418,130 41
New Rails, Fastenings, etc.....	109,325 94
New Side Tracks.....	24,057 76
	\$1,391,131 89
Additions to Rolling Stock.....	935,522 71
	\$2,326,654 60

TABLE NO. II.—GENERAL BALANCE SHEET, CAPITAL ACCOUNTS, JUNE 30 1907.

ASSETS.

Cost of Rolling Stock Owned.....	\$8,488,654 94
Cost of Rolling Stock Purchased on Car Trusts.....	888,287 90
	\$9,376,942 84
Cost of Road, Including Terminals.....	67,341,165 05
Stocks of Proprietary Companies.....	\$38,846,428 48
Stock of Chicago Union Transfer Co.....	57,274 01
An equal interest with nine other RR. Cos.: In St. Joseph Union Depot Co.....	25,156 53
In Minnesota Transfer Ry. Co.....	7,000 00
An equal interest with eight other Railway Companies in St. Paul Union Depot Co.....	103,600 00
An equal interest with four other Railway Companies in Iowa Transfer Ry. Co.....	6,200 00
Kansas City and St. Joseph Elevators.....	190,000 00
	39,235,659 02
Bonds and Stocks of other Companies.....	293,627 31
Balance due on Subscriptions to \$2,000,000 Debenture Stock, payable July 1 1907.....	879,753 27
Accounts Receivable.....	647,873 16
	\$117,875,020 65

LIABILITIES.

4% Debenture Stock issued	\$26,127,000 00	
4% Debenture Stock Scrip	2,489 00	
4% Debenture Stock issuable July 1907	2,000,000 00	
Less in Treasury	\$28,129,489 00	\$28,127,089 00
	2,400 00	
5% Preferred Stock A	\$11,372,400 00	
Less in Treasury	35,500 00	11,336,900 00
4% Preferred Stock B issued	\$23,070,706 00	
4% Preferred Stock B issuable	54,236 00	
Less in Treasury	\$23,124,942 00	
	21,100 00	23,103,842 00
Common Stock		44,465,195 00
5% Gold Notes, due 1908	\$3,342,545 45	
5% Gold Notes, due 1909	4,069,060 54	
5% Gold Notes, due 1910	56,727 27	
5% Gold Notes, due 1911	999,272 70	
5% Gold Notes, due 1912	24,242 42	
5% Equipment Lease Warrants	8,491,848 38	
Bills payable	437,926 05	
Advances from Earnings	1,025,000 00	
	887,220 22	
	\$117,875,020 65	

TABLE NO. III.—GENERAL BALANCE SHEET REVENUE ACCOUNTS, JUNE 30 1907.

ASSETS.

Current Accounts Receivable—	
Due from Agents and Conductors	\$376,093 27
Due from other Companies and Individuals	917,423 02
Supply of Fuel and Material on hand	1,185,352 10
Cash on hand	\$223,689 14
Due from Capital Accounts	887,220 22
	\$1,110,909 36
	\$3,589,777 75
LIABILITIES.	
Current Accounts Payable—	
Vouchers and Current Accounts	\$1,441,676 10
Unpaid Pay Rolls	445,678 25
Unpaid Coupons	8,035 00
Rentals and Taxes accrued not due	\$50,528 61
Accrued Interest on Loans not yet due	157,483 33
Interest Payable July 15 1907 on 4 per cent Debenture Stock	522,492 00
Fund for Improvements and Renewals	686,723 74
Balance Income Account June 30 1907	267,160 72
	\$3,589,777 75

TABLE IV.—INCOME ACCOUNT FOR THE YEAR ENDING JUNE 30 1907.

Freight Earnings	\$6,333,698 69
Passenger Earnings	2,148,219 37
Mail Earnings	129,687 81
Express Earnings	173,655 89
Rental Earnings	23,599 55
Miscellaneous Earnings	50,186 03
Surplus Earnings of Proprietary Lines	280,039 82
	\$9,139,087 16
Operating Expenses and Taxes	\$6,799,808 06
Rental Chicago Terminals	\$222,629 36
Rental Des Moines Terminals	15,590 00
Rental Dubuque Bridge	30,000 00
Rental of Leased Lines	145,180 88
Interest on this Company's proportion as joint owner of the Bonds issued by:	
St. Paul Union Depot Co.	\$5,934 91
Minnesota Transfer Railway Co.	7,085 00
Interest on Equipment Lease Warrants	18,831 92
Interest on Loans	437,107 28
Surplus over all charges prior to 4 per cent Debenture Stock	468,959 11
	1,459,009 75
	\$9,139,087 16
Surplus Earnings, as above, over all charge prior to 4% Debenture Stock	\$1,459,009 75
Surplus of previous years	\$419,979 97
Less 2 1/2 % Dividend on 5 % Preferred Stock A for the half year ending June 30 1906, paid Oct. 1 1906	283,422 50
	136,557 47
	\$1,595,567 22
Two Semi-Annual Interest payments of 2% each on 4% Debenture Stock	\$1,044,984 00
2 1/2 % Dividend on 5 % Preferred Stock A paid April 1 1907	283,422 50
Balance to Credit of Income Account June 30 1907	267,160 72
	\$1,595,567 22

TABLE VI.—COMPARATIVE STATEMENT OF GROSS RECEIPTS.

Receipts—	Year ending June 30 1907.	Year ending June 30 1906.	Percentage Increase. of Inc.	
Freight	\$6,333,698 69	\$5,993,374 31	\$340,324 38	5.68
Passengers	2,148,219 37	1,984,402 54	163,816 83	8.26
Mail	129,687 81	131,427 38	*1,739 57	1.32
Express	173,655 89	138,536 16	35,119 73	25.35
Rentals	23,599 55	31,230 72	*7,631 17	24.43
Miscellaneous	50,186 03	66,745 62	*16,559 59	24.81
Surplus Earnings of proprietary lines	280,039 82	227,431 32	52,608 50	23.13
Total	\$9,139,087 16	\$8,573,148 05	\$565,939 11	6.60

\*Decrease.

TABLE VII.—COMPARATIVE STATEMENT OF OPERATING EXPENSES.

Operating Expenses.	Year Ending June 30 1907.	Year Ending June 30 1906.	Percentage Increase. of Inc.	
Maintenance of Way and Renewals	\$840,100 60	\$730,961 11	\$109,139 49	14.93
Maintenance of Equipment	1,263,502 13	982,709 46	280,792 67	28.57
Fuel for Locomotives	1,079,702 57	1,011,798 22	67,904 35	6.71
Conducting Transportation	2,895,288 10	2,605,326 89	289,961 21	11.13
General Expenses	505,214 66	486,859 73	18,354 93	3.77
Totals	\$6,583,808 06	\$5,817,655 41	\$766,152 65	13.17

TABLE VIII.—TRAFFIC AND MILEAGE STATISTICS.

Passenger Traffic—	1907.	1906.	Inc. (+) or Dec. (-)	P. C.
Pass. carried earning rev.	1,088,722	1,122,543	-*33,821	3.01
Pass. carried one mile	97,501,157	92,803,690	+4,697,467	5.06
Pass. carried one mile per mile of road	119,142	113,402	+5,740	5.06
Ave. distance each passenger was carried	89.56	82.67	+6.89	8.33
Total passenger revenue, including milk	\$2,148,219.37	\$1,984,402.54	+163,816.83	8.26
Average amount received from each passenger	1.84	1.63	+22	13.29
Average rate per passenger per mile (cents)	2.06	1.97	+9	4.57
Total pass. train earnings	\$2,451,563.07	\$2,254,366.08	+197,196.99	8.75
Passenger train earnings per mile of road	2,995.70	2,754.73	+240.97	8.75
Earnings per passenger train mile	1.00	.96	+0.04	4.17
Freight Traffic—				
Tons carried of freight earning revenue	3,557,838	2,287,435	+270,403	8.23
Tons carried one mile	964,880,466	871,714,113	+93,166,353	10.69
Tons carried one mile per mile of road	1,179,042	1,065,196	+113,846	10.69
Average distance haul of one ton	271.20	265.17	+6.03	2.27
Average amount received for each ton of freight	1.78	1.82	+0.04	2.20
Average rate per ton per mile (cents)	.66	.69	-.03	4.35
Total freight earnings	\$6,333,698.69	\$5,993,374.31	+340,324.38	5.60
Freight earnings per mile of road	7,739.50	7,323.64	+415.86	5.68
Average earn. per freight train mile	2.02	2.03	-.01	.49
Average pay load to each freight train mile (tons)	308.26	295.08	+13.18	4.47
Average pay load to each freight engine m. (tons)	267.41	253.60	+13.81	5.45
Average number of tons of freight per loaded car m.	15.21	14.64	+0.57	3.89
Train & Engine Mileage				
Mileage of revenue passenger and mixed trains	2,452,243	2,348,848	+103,395	4.40
Mileage of locomotives employed in helping passenger trains	35,380	29,107	+6,273	21.55
Mileage of revenue freight trains	3,130,103	2,954,192	+175,911	5.95
Mileage of locomotives employed in helping freight trains	300,238	323,797	-23,559	7.28
Mileage of light engines	177,857	159,843	+18,014	11.62
Mileage of work trains	1,029,856	63,320	+99,407	156.99
Mileage of switch engines		957,374	+72,482	7.57
Car Mileage—				
Mileage of passenger cars	12,775,422	12,837,435	+437,987	3.55
Average number of passenger cars per train mile	5.21	5.25	-.04	.76
Average number of passenger cars per train mile	40	40		
Mileage of loaded freight cars—east	35,270,234	33,766,669	+1,503,565	4.45
Mileage of loaded freight cars—west	28,417,550	25,760,373	+2,657,177	10.32
Mileage of empty freight cars—east	7,162,513	8,285,540	-1,123,027	13.55
Mileage of empty freight cars—west	14,787,347	16,950,007	-2,162,660	12.76
Average number of freight cars per train mile	27.36	28.69	-1.33	4.64
Average number of loaded cars per train mile	20.35	20.15	+2.0	.99
Average number of empty cars per train mile	7.01	8.54	-1.53	17.92
Average mileage operated during year	818.36	818.36		

\*Decrease due to taking off Motor Trains Aug. 13th 1905 between St. Paul and South St. Paul.

TABLE XI.—EQUIPMENT OWNED.

Locomotives owned	259
Freight cars	7,435
Passenger cars	148
Miscellaneous	236

TABLE XII.—MILEAGE.

The Company owns the following mileage:		
Main line	Miles.	714.17
Branch lines		*42.80
Total		756.97
The operated mileage is as follows:		
Main Line, Chicago to St. Paul, via Oelwein		401.59
Main Line, Oelwein to St. Joseph, via Des Moines		289.58
Main Line, Bee Creek to Beverly		23.00
Branch, Wilson Junction to Cedar Falls		7.48
Branch, Eden to Mantorville		7.57
Branch, Sycamore to DeKalb		5.81
Total		20.86
Total Miles Operated June 30 1907		818.36
Mileage Operated this Year		818.36
Mileage Operated last Year		818.36

\*21.94 Miles Leased to Waterloo Cedar Falls & Northern Ry.

WISCONSIN MINNESOTA & PACIFIC RR. CO.

All the stock of the Wisconsin Minnesota & Pacific Railroad Company is owned and held in the treasury of the Chicago Great Western Railway Company.

TABLE XIII.—DETAILS OF EARNINGS AND EXPENSES.

	1907.	1906.	Increase.
Average miles operated	271	271	
<i>Gross Earnings—</i>			
Freight Earnings	\$497,730 76	\$513,568 09	*\$15,837 33
Passenger Earnings	164,094 22	164,745 05	*650 83
Express Earnings	9,582 88	8,830 63	752 25
Mail Earnings	19,386 40	19,534 13	*147 73
Rental and Miscellaneous	4,270 04	4,404 94	*134 90
	\$695,064 30	\$711,082 84	*\$16,018 54
<i>Operating Expenses—</i>			
Transportation	\$199,632 03	\$196,619 14	\$3,012 89
Maintenance of Cars and Locomotives	50,989 82	48,329 31	2,660 51
Maintenance of Way	127,461 22	112,494 62	14,966 60
Miscellaneous Expenses	3,795 54	4,875 90	*1,080 36
	\$381,878 61	\$362,318 97	\$19,559 64
Net Earnings	\$313,185 69	\$348,763 87	\$35,578 18
Taxes	27,802 56	26,689 04	1,113 52
Income from Operation	\$285,383 13	\$322,074 83	*\$36,691 70
Ratio of Operating Expenses to Earn-ings	54.94 %	50.95 %	3.99 %

\*Decrease.

TABLE XIV.—INCOME ACCOUNT FOR THE YEAR ENDING JUNE 30 1907.

Freight Earnings	\$497,730 76
Passenger Earnings	164,094 22
Express Earnings	9,582 88
Mail Earnings	19,386 40
Rentals and Miscellaneous Earnings	4,270 04
	\$695,064 30
<i>Conducting Transportation—</i>	
Maintenance of Equipment	\$199,632 03
Maintenance of Way	50,989 82
Miscellaneous Expenses	127,461 22
Taxes	3,795 54
	\$409,681 17
Income from Operation	285,383 13
	\$695,064 30
Income from Operation for the year, as above	\$285,383 13
One year's interest on First Mortgage Bonds	231,990 00
Surplus for the year over all charges	\$53,393 13
Surplus of previous years	445,845 39
<i>*Total surplus to June 30 1907</i>	<i>\$499,238 52</i>

\*This surplus (\$499,238 52) under the operating contract belongs to and has been paid over to the Chicago Great Western Railway Company as owner of all the stock of this company, and to the extent of such surplus the Chicago Great Western Railway Company guarantees the future payment of the interest on the bonds of the Wisconsin Minnesota & Pacific Railroad Company.

TABLE XV.—GENERAL BALANCE SHEET JUNE 30 1907.

<i>Assets, Capital Accounts—</i>		
Cost of Railway	\$11,455,404 49	
Cost of Rolling Stock	662,987 79	
	\$12,118,392 28	
<i>Liabilities, Capital Accounts—</i>		
Capital Stock		\$5,893,400 00
First Mortgage Bonds Issued and Issuable	\$6,232,000 00	
Less Unissued	421,000 00	
		5,811,000 00
Accounts Payable		413,992 28
		\$12,118,392 28
<i>Assets, Revenue Accounts—</i>		
Cash		\$66,394 57
Accounts Receivable		253 62
		\$66,648 19
<i>Liabilities, Revenue Accounts—</i>		
Accrued Interest on Bonds		\$58,110 00
Taxes Accrued		8,264 19
Accounts Payable		274 00
		\$66,648 19

TABLE XVI.—MILEAGE OWNED.

Single Track (see details below)	271.0 Miles
Side and Passing Tracks	37.5 Miles
Total Length of Track	308.5 Miles
<i>Details.</i>	
Mankato to Red Wing, including Faribault branch	95.7 Miles
Red Wing to Osage	118.2 Miles
Clay Banks Branch	2.9 Miles
Winona to Simpson	54.2 Miles
Total Miles Owned	271.0 Miles

EQUIPMENT OWNED (Condensed).

Locomotives	14
Cars—	
Freight Cars	779
Passenger Cars	14
Miscellaneous Cars	6

**MASON CITY & FORT DODGE RR. CO.**

All the stock of the Mason City & Fort Dodge Railroad Company is owned and held in the treasury of the Chicago Great Western Railway Company.

—The Guaranty Trust Company of New York has issued a booklet, Number 109, entitled "When to Buy Bonds." On account of the unusual decline in bonds this question is now of great interest to all investors. The subject is treated in a broad and comprehensive manner, and a careful study of the work should help in deciding whether or not prices have reached the low point. The argument is largely based on the theory that the market movements in investment securities are determined by the strain upon capital and credit occasioned by the demands of mercantile business. The booklet will be forwarded upon application.

TABLE XVII.—DETAILS OF EARNINGS AND EXPENSES.

	1907.	1906.	Increase.
Average miles operated	386.25	386.25	
<i>Gross Earnings—</i>			
Freight Earnings	\$1,427,587 49	\$1,328,385 90	\$99,201 59
Passenger Earnings	423,251 83	391,872 93	31,378 90
Express Earnings	24,847 98	18,368 89	6,479 09
Mail Earnings	21,580 65	21,999 76	*419 11
Rental and Miscellaneous	9,679 11	11,868 48	*2,189 37
Rental of Equipment	157,691 52	90,966 26	66,725 26
	\$2,064,638 58	\$1,863,455 72	\$201,182 86
<i>Operating Expenses—</i>			
Transportation	\$844,658 72	\$775,805 69	\$68,853 03
Maintenance of Cars and Locomotives	218,752 14	207,970 11	10,782 03
Maintenance of Way	169,070 30	143,406 36	25,663 94
Miscellaneous Expenses	13,431 07	16,797 43	*3,366 36
	\$1,245,912 23	\$1,143,979 59	\$101,932 64
Net Earnings	\$818,726 35	\$719,476 13	\$99,250 22
Taxes	60,000 00	52,000 00	8,000 00
Income from Operation	\$758,726 35	\$667,476 13	\$91,250 22
Ratio of Operating Expenses to Earnings	60.35 %	61.39 %	*1.04 %

\*Decrease.

TABLE XVIII.—INCOME ACCOUNT FOR YEAR ENDING JUNE 30 1907.

Freight Earnings	\$1,427,587 49
Passenger Earnings	423,251 83
Express Earnings	24,847 98
Mail Earnings	21,580 65
Rents and Miscellaneous	9,679 11
Equipment Earnings	157,691 52
	\$2,064,638 58
<i>Conducting Transportation—</i>	
Maintenance of Equipment	\$844,658 72
Maintenance of Way	218,752 14
Miscellaneous Expenses	169,070 30
Taxes	13,431 07
	\$60,000 00
Income from Operation	\$758,726 35
Income from Operation for the year, as above	\$758,726 35
One year's rental Missouri River Bridge, etc.	\$52,079 66
One year's interest on First Mortgage Bonds	480,000 00
Surplus for the year over all charges	\$226,646 69
Surplus of previous years	1,062,975 86
<i>*Total Surplus to June 30 1907</i>	<i>\$1,289,622 55</i>

\*This surplus (\$1,289,622 55) under the operating contract belongs to and has been paid over to the Chicago Great Western Railway Company as owner of all the stock of this company, and to the extent of such surplus the Chicago Great Western Railway Company guarantees the future payment of the interest on the bonds of the Mason City & Fort Dodge RR. Company.

TABLE XIX.—GENERAL BALANCE SHEET JUNE 30 1907.

<i>Assets, Capital Accounts—</i>		
Cost of Road, Equipment and Terminals	\$44,623,731 07	
Omaha Elevator	221,692 91	
Stocks of other Companies	20,000 00	
	\$44,865,423 98	
<i>Liabilities, Capital Accounts—</i>		
Common Stock	\$19,205,400 00	
Preferred Stock, 4 % non-cumulative	13,635,752 00	
First Mortgage, 4 % Gold Bonds, due in 1955.	12,000,000 00	
Interest payable June and December		\$44,841,152 00
Accounts Payable		24,271 98
		\$44,865,423 98
<i>Assets, Revenue Accounts—</i>		
Accounts Receivable		\$37,300 61
Cash		17,253 37
		\$54,553 98
<i>Liabilities, Revenue Accounts—</i>		
Accrued Interest on Bonds		\$40,000 00
Accounts Payable		14,553 98
		\$54,553 98

TABLE XX.—EQUIPMENT OWNED (Condensed).

Locomotives Owned	27
Cars—	
Freight Cars	1,869
Passenger Cars	16
Miscellaneous	138

TABLE XXI.—MILEAGE.

Single Track (see details below)	378.13 Miles
Double Track, Junction to Council Bluffs	1.19 Miles
Double Track, Council Bluffs	3.00 Miles
Side and Passing Tracks	95.75 Miles
Total	478.07 Miles
<i>Details of Miles Owned.</i>	
Oelwein, Iowa, to Council Bluffs, Iowa (forming in connection with the Chicago Great Western lines, part of a through line between Chicago and Omaha)	259.83 Miles
Hayfield, Minnesota, to Clarion, Iowa (forming a part of a through line between Minneapolis and Omaha)	99.71 Miles
Total miles main line	359.54 Miles
Branch lines to Lehigh and Coalville	18.59 Miles
Total miles owned	378.13 Miles

—The new banking firm of Winnill & Fish has recently started business at 20 Broad Street, this city. The partnership is composed of: Robert Campbell Winnill, for six years connected with the Fifth Avenue Trust Co.; Harry Van Cortlandt Fish, until lately identified with the Van Norden Trust Co., and Edward Charles Gude, ten years Treasurer of the O. J. Gude Co. Messrs. Winnill & Fish will deal largely in unlisted and inactive stocks and bonds, negotiate loans, foreign exchange, accept deposits subject to check, allowing interest thereon, and handle bank and trust company stocks.



# The Commercial Times.

## COMMERCIAL EPITOME.

Friday Night, Oct. 18th, 1907.

The continued depression in financial circles is inducing caution in the business world. The metal industries continue to show signs of a reaction and copper has further declined, but in the main prices are pretty well maintained. Everywhere there is a tendency towards increased conservatism.

LARD on the spot has advanced, owing to an increase in the demand and light offerings. There has been an improvement in the export trade of late, principally for account of the United Kingdom. City 9½¢ and Western 9.50@9.60¢. Refined lard has also advanced, with a larger volume of business, partly for export. Offerings have continued moderate. Refined Continent 9.90¢., South American 10.75¢ and Brazil in kegs 12¢. The speculation in lard futures at the West has been active. Of late prices have shown some tendency to react, owing to the fall in the grain markets and liquidation. But in the main the tone has been firm, owing to the improved spot trade, investment buying, support from packers and the strength of the market for live hogs.

### DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
November delivery	9.27 ½	9.35	9.25	9.25	9.25	9.17 ½
January delivery	9.07 ½	9.17 ½	9.12 ½	9.05	9.00	8.95
May delivery	9.27 ½	9.40	9.30	9.22 ½	9.17 ½	9.12 ½

PORK on the spot has been firm but without quotable change in prices. Trade has been moderately active. Mess \$17@17 75, clear \$16 75@18 and family \$18 75@19 25. Beef has been more firm as a rule, with trade more active and offerings light. Mess \$9@10, packet \$11 50@12, family \$14 50@15 and extra India mess \$23@23 50. Cut meats have been quiet but firm with offerings small. Pickled shoulders 8c., pickled hams 11½@12c., and pickled bellies, 14@10 lbs., 11½@12½c. Tallow has been moderately active and firm. City 6@6½c. Stearines have been strong and active. Oleo 10c. and lard 11@11¼c. Butter has been active and easier; Creamery extras 28½¢. Cheese has been quiet and firmer; State, f. c., small, colored or white fine, 16c. Eggs dull and lower; Western firsts 21½@23c.

OIL.—Cottonseed has been dull but firm. Prime summer yellow 52@53c. The receipts of seed have been small. Linseed has been dull but firm. City, raw, American seed, 49@50c.; boiled 50@51c.; Calcutta, raw, 70c. Lard has been fairly active and firm with offerings light. Prime 74@76c. and No. 1 extra 54@57c. Coconut has been quiet but strong. Stocks are very small. Cochin 9½@10½c. and Ceylon 8@8½c. Olive has been moderately active and firm. Yellow 75@80c. and green 68@70c. Cod has been in fair demand and steady. Domestic 40@42c. and Newfoundland 42@44c.

COFFEE on the spot has been in fair demand and steady. Rio No. 7, 6½c., and Santos No. 4, 8c. West India growths have been active and generally firm. Stocks are light. Fair to good Cucuta 8½@9½c. The speculation in future contracts has been on an extremely small scale, with correspondingly narrow fluctuations in prices. In the main, however, the tone has been easier, owing to liquidation for local and foreign account. The depression in financial circles has also had an adverse influence, while the stagnation of the speculation has of itself had a bearish effect.

The closing prices were as follows:

October	5.80c.	February	6.05c.	June	6.25c.
November	5.85c.	March	6.10c.	July	6.30c.
December	6.95c.	April	6.15c.	August	6.35c.
January	6.00c.	May	6.25c.	September	6.40c.

SUGAR.—Raw has been easier. Refiners show no disposition to make purchases. Larger receipts are expected shortly. Centrifugal, 96-degrees test, 3.90c.; muscovado, 89-degrees test, 3.40c.; and molasses, 89-degrees test, 3.05c. Refined has been steady. Withdrawals on old contracts have been fairly active, but new business has been dull. Granulated 4.70c. Teas have been steady with a moderate jobbing trade. Spices have been fairly active and steady. Hops have been dull and firm.

PETROLEUM has been firm. There has been some falling off in domestic trade, but the demand for export has continued active. Refined, barrels, 8.75c.; bulk, 5.00c., and cases, 10.90c. Gasoline has been active and firm; 86-degrees, 21c., in 100-gallon drums. Naphtha has been active and firm; 73@76-degrees, 18c., in 100-gallon drums. Spirits of turpentine has been fairly active and firmer at 56½c. Rosin has been in moderate demand and firm; common to good strained, \$4 35@4 40.

TOBACCO.—There has been no increase in the volume of business in domestic leaf, but an improvement in trade is expected shortly. Prices have ruled firm. The bulk of the crop has been gathered and stored. Havana has been strong and in active request, but owing to the small supplies, sales have been light. Sumatra firm and moderately active.

COPPER has been dull and lower; lake 12½@12¾c. and electrolytic 12½@12¾c. Lead has been dull and weak at 4.60c. Spelter has been dull and steady at 5.45c. Tin has been quiet and easier and 32c. for Straits. Iron has been quiet and steady; No. 1 Northern \$19 50@20 50; No. 2 Southern \$21 75@22 25.

## COTTON.

Friday Night, October 18 1907.

THE MOVEMENT OF THE CROP as indicated by our telegrams from the South to-night is given below. For the week ending this evening the total receipts have reached 267,873 bales, against 250,455 bales last week and 215,948 bales the previous week, making the total receipts since the 1st of September, 1907, 1,248,451 bales, against 1,703,733 bales for the same period of 1906, showing a decrease since Sept. 1 1907 of 455,282 bales.

Receipts at—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	7,579	7,118	11,030	8,790	8,030	8,531	51,087
Port Arthur	---	---	---	---	---	394	394
Corp. Chris. &c.	---	---	---	---	---	3,195	37,744
New Orleans	3,558	5,115	10,698	11,741	3,437	3,181	13,969
Mobile	1,614	4,487	1,758	1,134	---	---	9,017
Pensacola	---	---	2,939	---	5,950	128	331
Jacksonville, &c.	100	---	---	---	231	---	82,800
Savannah	12,662	16,497	19,525	9,574	13,913	10,629	4,386
Brunswick	---	---	---	---	---	---	14,107
Charleston	2,577	3,489	2,055	1,337	2,262	---	30,159
Georgetown	---	---	---	---	---	---	22,899
Wilmington	5,159	8,663	4,472	4,295	2,585	4,985	247
Norfolk	4,632	4,551	5,039	2,273	2,548	---	698
N'port News, &c.	---	---	---	---	---	---	25
New York	---	---	---	---	---	---	---
Baltimore	---	---	---	---	---	---	---
Philadelphia	---	---	40	---	---	---	---
Totals this week	37,881	49,920	57,556	39,153	42,087	41,276	267,873

The following shows the week's total receipts, the total since Sept. 1 1907, and the stocks to-night, compared with last year:

Receipts to October 18.	1907.		1906.		Stock.	
	This week.	Since Sep 1 1907.	This week.	Since Sep 1 1906.	1907.	1906.
Galveston	51,087	333,125	150,900	753,314	67,445	241,030
Port Arthur	---	---	---	6,083	---	---
Corp. Christl. &c.	394	2,269	447	4,832	---	---
New Orleans	37,744	118,481	62,942	263,852	102,001	120,937
Mobile	13,939	45,864	8,833	38,266	26,961	28,177
Pensacola	9,017	10,269	---	3,149	---	---
Jacksonville, &c.	331	860	25	228	---	---
Savannah	82,800	404,536	73,728	369,620	100,425	112,734
Brunswick	4,386	44,803	5,873	13,638	13,584	10,249
Charleston	14,107	63,691	9,096	51,055	31,037	16,220
Georgetown	---	---	25	78	---	---
Wilmington	30,159	144,671	31,968	107,776	43,480	35,244
Norfolk	22,899	76,341	26,872	82,952	25,811	28,847
Newport News, &c.	247	1,066	123	1,082	---	---
New York	---	---	---	---	149,721	87,988
Boston	---	391	17	61	3,160	1,695
Baltimore	698	1,575	629	2,147	461	2,922
Philadelphia	65	509	180	600	3,539	4,307
Total	267,873	1,248,451	371,658	1,703,733	576,675	690,350

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1907.	1906.	1905.	1904.	1903.	1902.
Galveston	51,087	150,900	124,890	110,318	103,532	96,538
Port Arthur &c.	394	447	6,927	1,984	1,424	2,318
New Orleans	37,744	62,942	44,384	95,632	67,634	91,803
Mobile	13,939	8,833	11,487	13,045	14,105	9,878
Savannah	82,800	73,728	71,935	81,526	71,818	49,828
Brunswick	4,386	5,873	8,183	7,188	6,823	6,863
Charleston	14,107	9,121	8,042	11,791	7,773	9,091
Wilmington	30,159	31,968	14,706	27,095	23,784	16,366
Norfolk	22,899	26,872	29,240	35,460	1,740	25,284
N'port N. &c.	247	123	197	468	138	629
All others	10,111	851	1,928	9,132	5,779	5,301
Total this wk.	267,873	371,658	321,919	393,639	324,280	313,879
Since Sept. 1.	1,248,451	1,703,733	1,935,303	2,250,891	1,580,629	1,952,245

The exports for the week ending this evening reach a total of 184,502 bales, of which 99,892 were to Great Britain, 18,693 to France and 65,917 to the rest of the Continent. Below are the exports for the week and since Sept. 1.

Exports from—	Week ending Oct. 18 1907.				From Sept. 1 1907 to Oct. 18 1907.			
	Great Britain.	France.	Continent.	Total.	Great Britain.	France.	Continent.	Total.
Galveston	29,863	---	19,891	49,754	134,643	48,478	78,802	261,923
Port Arthur	---	---	---	---	---	---	---	---
Corp. Christl. &c.	---	---	---	---	---	---	---	---
New Orleans	12,915	3,921	1,295	18,031	19,670	6,961	15,107	41,738
Mobile	---	---	8,651	8,651	2,009	4,251	8,651	14,902
Pensacola	6,028	6,498	300	12,826	6,830	7,048	300	14,178
Fernandina	---	---	---	---	---	---	---	---
Savannah	---	5,997	19,259	25,247	36,097	21,903	87,276	145,276
Brunswick	---	---	---	---	8,829	---	17,674	26,503
Charleston	---	---	---	---	---	---	---	---
Wilmington	10,253	---	---	19,253	47,248	---	53,701	100,949
Norfolk	1,500	---	---	1,500	1,950	---	75	3,025
Newport News	---	---	---	---	---	---	---	---
New York	14,700	2,277	10,786	27,763	64,564	5,656	57,083	127,303
Boston	8,155	---	84	8,239	40,593	---	464	41,057
Baltimore	5,365	---	3,833	9,198	6,263	1,400	12,718	20,381
Philadelphia	2,213	---	649	2,862	10,833	---	649	11,482
Portland, Me.	---	---	---	---	1	---	---	1
San Francisco	---	---	---	---	---	---	300	300
Seattle	---	---	1,178	1,178	---	---	1,182	1,182
Tacoma	---	---	---	---	---	---	32	32
Portland, Ore.	---	---	---	---	---	---	---	---
Pembina	---	---	---	---	---	---	---	---
Detroit	---	---	---	---	---	---	---	---
Total	99,892	18,693	65,917	184,502	379,521	95,697	334,014	809,232
Total 1906.	125,363	6,952	92,552	224,967	489,775	109,330	457,269	1,047,383

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Oct. 18 at—	On Shipboard, Not Cleared for—					Leaving stock.	
	Great Britain.	France	Ger-many.	Other Foreign	Coast-wise.		Total.
New Orleans	3,740		150	473		4,363	97,638
Galveston	15,000	3,000	15,000	13,000	3,000	49,000	18,445
Savannah	2,820	6,200	15,762		4,700	29,482	79,943
Charleston			8,000			10,000	21,037
Mobile	5,000	3,049			975	9,024	17,937
Norfolk					18,873	18,873	6,938
New York	4,000	500	3,000	6,000		13,500	136,221
Other ports	15,000	3,000	14,000	3,000		35,000	29,274
Total 1907	45,560	15,749	55,912	22,473	29,548	169,242	407,433
Total 1906	103,351	36,061	70,790	50,859	31,740	292,801	397,549
Total 1905	47,508	13,006	45,352	20,964	55,959	182,789	731,076

Speculation in cotton for future delivery has not, as a rule, been active, although there has been considerable business in December. Indeed, the attention of the trade has at times been focused on that option. This was because of aggressive manipulation, which has lifted the premium on that month over January at times to 40 points, as against a premium last week of 10 points and not so long ago a discount of 10 points. This exceptional strength of December is attributed to a sharp demand to liquidate hedges or straddles made during the present year by selling December and buying January or later months. Roughly speaking, the near months advanced during the week and the distant months have receded. The general tendency of much of the trading has been to buy the near months and sell the distant ones. Meantime, although killing frost was reported on three nights during the past week, and on Monday there was a sharp advance on this account, the weather has since had comparatively little effect. Killing frost has been officially reported in seven different States, namely, Mississippi, Louisiana, Arkansas, Alabama, Tennessee, Georgia and South Carolina, but, owing partly to a belief among many that the damage in those States has not been widespread or very severe, and partly to the disturbed financial situation and "cuts" in cotton goods by a large Chicago house, the frost news has latterly had very little influence. Some private reports insist that considerable damage was done, but such reports have been practically ignored, especially as of late the weather throughout the belt has been warmer, and Texas has not yet been reached by killing temperatures. Moreover, there is an idea among many that the financial stringency throughout the country, the South not excepted, must sooner or later lead to the abandonment of the policy of holding back for 15 cents, although many farmers in different parts of the belt seem to be refusing to market their cotton, at least at present prices. Speculation has been quiet. This is by no means without its effect on prices, if not in causing a decline then in tending to check any upward movement. At times, however, the Liverpool market has been so strong as to exert more or less influence on American quotations. Russians have been buying in the English market, and reports are rife that the crop in Russian Turkestan, which last year seems to have approximated 675,000 bales, has been considerably injured by frost. Also, there are reports that the crop outlook in Egypt and India is not altogether favorable. Latterly, too, there has been some manipulation of January as well as December. So far as the spot situation is concerned, it has been in the main pretty steady, practically ignoring the movements of prices for futures, whether upward or downward. To-day, prices were irregular, closing with little change, firm spot markets and December manipulation offsetting the bearish factors. Spot cotton has been quiet and steady. Middling uplands closed at 11.75c., showing no change for the week.

The rates on and off middling, as established Sept. 11 1907 by the Revision Committee, at which grades other than middling may be delivered on contract, are as follows:

Fair	.....c1.75 on	Strict low mid	.....c 0.30 off	Middling tinged	.....c 0.30 off
Strict mid fair	.....1.50 on	Fully low mid	.....0.65 off	Strict low mid, ting	.....1.00 off
Middling fair	.....1.25 on	Low middling	.....1.00 off	Low mid, tinged	.....1.50 off
Barely mid fair	.....1.00 on	Barely low mid	.....1.25 off	Strict g'd ord, ting	.....2.00 off
Strict good mid	.....0.75 on	Strict good ord	.....1.50 off	Fully mid, stained	.....1.00 off
Fully good mid	.....0.62 on	Fully good ord	.....1.75 off	Middling stained	.....1.25 off
Good middling	.....0.50 on	Good ordinary	.....2.00 off	Barely mid std	.....1.75 off
Barely good mid	.....0.37 on	Strict g'd mid, tgd	.....0.35 on	Strict low m. stain	.....2.25 off
Strict middling	.....0.25 on	Good mid, tinged	.....Even	Fully l. m. stained	.....2.62 off
Middling	.....Basis	Strict mid, tinged	.....0.20 off	Low mid, stained	.....3.00 off

The official quotation for middling upland cotton in the New York market each day of the past week has been:

Oct. 12 to Oct. 18—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling upland	11.70	12.00	11.75	11.75	11.75	11.75

MARKET AND SALES AT NEW YORK.

The total sales of cotton on the spot each day during the week at New York are indicated in the following statement. For the convenience of the reader we also add columns which show at a glance how the market for spot and futures closed on same days.

	Spot Market Closed.	Futures Market Closed.	Sales of Spot and Contract.			
			Export	Con-sum'n.	Con-tract.	Total.
Monday	Steady 30 pts adv	Steady		400	400	
Tuesday	Steady 25 pts dec	Steady				
Wednesday	Steady	Firm	73		73	
Thursday	Steady	Steady	219		619	
Friday	Steady	Steady	1,100	200	1,300	
Total			1,100	575	1,000	2 675

FUTURES.—The highest, lowest and closing prices at New York the past week have been as follows:

Week.	Friday, Oct. 18.	Thursday, Oct. 17.	Wednesday, Oct. 16.	Tuesday, Oct. 15.	Monday, Oct. 14.	Saturday, Oct. 12.	October	Range	Closing
Nov.	11.11 @ 11.11	11.09 @ 11.11	10.82 @ 11.03	10.71 @ 10.90	10.87 @ 11.03	10.75 @ 10.75	Oct 10	10.75 @ 10.85	10.85 @
Dec.	10.71 @ 11.11	11.08 @ 11.09	11.01 @ 11.04	10.80 @ 10.83	11.02 @ 11.04	10.75 @ 10.75	Nov 10	10.75 @ 10.85	10.85 @
Jan.	10.74 @ 11.11	11.03 @ 11.08	11.01 @ 11.04	10.74 @ 10.90	11.02 @ 11.04	10.75 @ 10.75	Dec 10	10.75 @ 10.85	10.85 @
Feb.	10.86 @ 11.33	11.15 @ 11.30	11.25 @ 11.28	10.91 @ 11.20	11.22 @ 11.22	10.86 @ 10.96	Jan 10	10.86 @ 10.96	10.96 @
Mar.	10.73 @ 11.07	10.81 @ 10.91	10.83 @ 10.84	10.73 @ 10.98	11.07 @ 11.07	10.75 @ 10.85	Feb 10	10.75 @ 10.85	10.85 @
Apr.	10.77 @ 11.03	10.88 @ 10.90	10.81 @ 10.83	10.81 @ 10.83	11.03 @ 11.03	10.85 @ 10.85	Mar 10	10.85 @ 10.85	10.85 @
May	10.76 @ 11.12	10.81 @ 10.86	10.76 @ 10.94	10.77 @ 10.98	11.12 @ 11.12	10.81 @ 10.89	Apr 10	10.81 @ 10.89	10.89 @
June	10.81 @ 10.88	10.84 @ 10.85	10.81 @ 10.82	10.84 @ 10.85	11.08 @ 11.08	10.88 @ 10.88	May 10	10.88 @ 10.88	10.88 @
July	10.81 @ 10.90	10.81 @ 10.85	10.81 @ 10.85	10.86 @ 10.86	11.08 @ 11.08	10.90 @ 10.91	June 10	10.90 @ 10.91	10.91 @
Aug.	10.76 @ 11.15	10.72 @ 10.84	10.76 @ 10.96	10.81 @ 10.99	11.15 @ 11.15	10.87 @ 10.95	July 10	10.87 @ 10.95	10.95 @
Sept.	10.76 @ 11.15	10.83 @ 10.84	10.83 @ 10.84	10.88 @ 10.89	11.08 @ 11.08	10.92 @ 10.93	Aug 10	10.92 @ 10.93	10.93 @
Oct.	10.84 @ 11.13	10.80 @ 10.82	10.80 @ 10.80	10.86 @ 10.86	11.13 @ 11.13	10.91 @ 10.92	Sept 10	10.91 @ 10.92	10.92 @
Nov.	10.71 @ 10.80	10.69 @ 11.15	10.77 @ 10.91	10.79 @ 10.99	11.15 @ 11.15	10.93 @ 10.93	Oct 10	10.93 @ 10.93	10.93 @
Dec.	10.65 @ 10.80	10.70 @ 10.73	10.65 @ 10.80	10.65 @ 10.80	11.10 @ 11.10	10.78 @ 10.78	Nov 10	10.78 @ 10.78	10.78 @
Jan.	10.65 @ 10.73	10.66 @ 10.68	10.65 @ 10.70	10.65 @ 10.70	11.10 @ 11.10	10.88 @ 10.88	Dec 10	10.88 @ 10.88	10.88 @

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

	1907.	1906.	1905.	1904.
Stock at Liverpool	563,000	239,000	624,000	252,000
Stock at London	24,000	16,000	24,000	15,000
Stock at Manchester	42,000	22,000	32,000	10,000
Total Great Britain stock	629,000	277,000	680,000	277,000
Stock at Hamburg	18,000	22,600	17,000	33,000
Stock at Bremen	81,000	38,000	190,000	83,000
Stock at Antwerp				4,000
Stock at Havre	86,000	26,000	53,000	40,000
Stock at Marseilles	4,000	4,000	3,000	3,000
Stock at Barcelona	11,000	4,000	7,000	5,000
Stock at Genoa	19,000	15,000	14,000	17,000
Stock at Trieste	34,000	1,000	3,000	9,000
Total Continental stocks	253,000	110,000	287,000	194,000
Total European stocks	882,000	387,000	967,000	471,000
India cotton afloat for Europe	52,000	53,000	82,000	8,000
American cotton afloat for Europe	469,600	611,625	596,000	739,000
Egypt, Brazil, &c. afloat for Europe	58,000	54,000	48,000	32,000
Stock in Alexandria, Egypt	81,000	88,000	70,000	90,000
Stock in Bombay, India	340,000	416,000	415,000	205,000
Stock in U. S. ports	576,675	690,350	913,865	692,409
Stock in U. S. interior towns	292,930	291,529	401,743	422,250
U. S. exports to-day	24,379	41,585	53,349	58,006
Total visible supply	2,806,584	2,633,089	3,546,957	2,717,665

Of the above, totals of American and other descriptions are as follows:

American	2,025,584	1,885,089	2,790,957	2,235,665
Total American	2,025,584	1,885,089	2,790,957	2,235,665
East India, Brazil, &c.—				
Liverpool stock	92,000	66,000	77,000	47,000
Manchester stock	24,000	16,000	24,000	15,000
Continental stock	8,000	4,000	3,000	2,000
India afloat for Europe	96,000	51,000	37,000	83,000
Egypt, Brazil, &c., afloat	82,000	53,000	82,000	8,000
Stock in Alexandria, Egypt	58,000	54,000	48,000	32,000
Stock in Bombay, India	81,000	88,000	70,000	90,000
Stock in U. S. ports	340,000	416,000	415,000	205,000
U. S. interior towns	781,000	748,000	756,000	482,000
U. S. exports to-day	2,025,584	1,885,089	2,790,957	2,235,665

Continental imports past week have been 50,000 bales.

The above figures for 1907 show a decrease from last week of 220,671 bales, a gain of 173,495 bales over 1906, a decrease of 740,373 bales from 1905, and a gain of 88,919 bales over 1904.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Sept. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period for the previous year—is set out in detail below.

Table with columns: Towns, Receipts, Shipments, Stocks, and Movement to October 19 1907. Lists various towns like Paducah, Montgomery, Helena, etc., with corresponding numerical data.

The above totals show that the interior stocks have increased during the week 54,942 bales and are to-night 1,401 bales more than at the same time last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE SEPT. 1.—We give below a statement showing the overland movement for the week and since Sept. 1, as made up from telegraphic reports Friday night.

Table showing overland movement for the week and since Sept. 1, comparing 1907 and 1906. Includes categories like Shipped, Receipts at ports, Net overland, and Total to be deducted.

The foregoing shows the week's net overland movement has been 10,311 bales, against 19,037 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 24,312 bales.

Table showing In Sight and Spinners' Takings for 1907 and 1906. Includes Receipts at ports to Oct. 18, Net overland to Oct. 18, and Southern consumption to Oct. 18.

Table showing Movement into sight in previous years for 1905, 1904, 1903, and 1902.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Table showing Closing Quotations for Middling Cotton on various days of the week (Sat. day, Monday, Tuesday, Wed. day, Thurs. day, Friday) for markets like Galveston, New Orleans, Mobile, etc.

NEW ORLEANS OPTION MARKET.—The highest, lowest and closing quotations for leading options in the New Orleans cotton market for the past week have been as follows:

Table showing New Orleans Option Market data for months October through July, including Range, Closing, and Tonic information.

RECEIPTS FROM THE PLANTATIONS.—The following table indicates the actual movement each week from the plantations. The figures do not include overland receipts not Southern consumption; they are simply a statement of the weekly movement from the plantations of that part of the crop which finally reaches the market through the outports.

Table showing Receipts from the Plantations for the week ending 6, 13, 20, 27, and Oct. 4, 11, 18, 25, comparing 1907, 1906, and 1905.

The above statement shows: 1.—That the total receipts from the plantations since Sept. 1 1907 are 1,460,798 bales; in 1906 were 1,898,986 bales; in 1905 were 2,201,869 bales.

2.—That although the receipts at the outports the past week were 267,873 bales, the actual movement from plantations was 322,815 bales, the balance going to increase stocks at interior towns.

WEATHER REPORTS BY TELEGRAPH.—Telegraphic reports to us this evening from the South indicate that the weather has been favorable in the main during the week. Dry weather has prevailed at many points, and where rain has fallen the precipitation has been light as a rule.

New Orleans, Louisiana.—Dry all the week. The thermometer has averaged 63. Shreveport, Louisiana.—It has rained on two days the past week, the rainfall being eight hundredths of an inch. The thermometer has averaged 63, ranging from 42 to 84. Little Rock, Arkansas.—The weather has been favorable for gathering and marketing cotton, but receipts at interior points continue small.

**Helena, Arkansas.**—Frost on the 14th did little damage. Cotton is still blooming. There has been no rain during the week. The thermometer has ranged from 36 to 76, averaging 55.3.

**Memphis, Tennessee.**—Light frost on the 12th and heavy frost on the 14th, the latter reported as killing at some points. Picking and marketing are making good progress. It has been dry all the week. The thermometer has averaged 57.1, the highest being 71.9 and the lowest 39.8.

**Montgomery, Alabama.**—There has been no rain during the week. The thermometer has ranged from 38 to 78, averaging 58.

**Selma, Alabama.**—There has been no rain the past week. Average thermometer 56.5, highest 73, lowest 39.

**Mobile, Alabama.**—Heavy to killing frost occurred in the interior on Monday, Tuesday and Wednesday, with considerable damage to cotton. Picking and marketing are making good progress. It has been dry all the week. The thermometer has averaged 62, the highest being 78 and the lowest 46.

**Madison, Florida.**—We have had no rain the past week. The thermometer has averaged 63, ranging from 46 to 80.

**Savannah, Georgia.**—We have had no rain during the week. Average thermometer 60, highest 78 and lowest 44.

**Augusta, Georgia.**—We have had no rain the past week. The thermometer has ranged from 38 to 77.

**Charleston, South Carolina.**—It has been dry during the week. The thermometer has averaged 62, the highest being 75 and the lowest 44.

**Greenwood, South Carolina.**—We have had no rain the past week. The thermometer has averaged 54, ranging from 40 to 68.

**Charlotte, North Carolina.**—There has been no rain during the week. Average thermometer 54, highest 74, lowest 35.

The following statement we have also received by telegraph, showing the height of rivers at the points named at 8 a. m. of the dates given:

	Oct. 18 1907.	Oct. 19 1906.
	Feet.	Feet.
New Orleans	Above zero of gauge. 5.0	8.6
Memphis	Above zero of gauge. 11.0	12.5
Nashville	Above zero of gauge. 8.3	10.4
Shreveport	Above zero of gauge. 4.9	2.5
Vicksburg	Above zero of gauge. 12.5	25.0

**ALEXANDRIA RECEIPTS AND SHIPMENTS OF COTTON.**—Through arrangements made with Messrs. Chorem, Benachi & Co., of Liverpool and Alexandria, we now receive a weekly cable of the movements of cotton at Alexandria, Egypt. The following are the receipts and shipments for the past week and for the corresponding week of the previous two years:

Alexandria, Egypt, October 16.		1907.	1906.	1905.
<b>Receipts (cantars)—</b>				
This week		300,000	330,000	220,000
Since Sept. 1		940,465	890,602	644,062
<b>Exports (bales)—</b>				
To Liverpool	8,750	24,472	13,000	29,603
To Manchester	8,500	18,086	5,500	14,011
To Continent	7,250	24,868	7,500	26,476
To America	400	2,091	750	1,820
<b>Total exports</b>	<b>24,900</b>	<b>69,517</b>	<b>26,750</b>	<b>71,910</b>
				20,750
				66,442

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs.

This statement shows that the receipts for the week were 300,000 cantars and the foreign shipments 24,900 bales.

**NEW YORK QUOTATIONS FOR 32 YEARS.**

The quotations for middling upland at New York on Oct. 18 for each of the past 32 years have been as follows:

1907 c.	11.75	1899 c.	7.38	1891 c.	8.44	1883 c.	10.5
1906	11.75	1898	5.44	1890	10.25	1882	11.21
1905	10.00	1897	6.19	1889	10.56	1881	11.50
1904	10.35	1896	7.94	1888	9.62	1880	11.18
1903	9.80	1895	9.25	1887	9.50	1879	10.36
1902	8.70	1894	5.94	1886	9.31	1878	10.00
1901	8.50	1893	8.56	1885	9.81	1877	11.36
1900	9.94	1892	8.12	1884	9.94	1876	10.85

**HAND BOOK FOR DAILY CABLE RECORDS OF AMERICAN, EAST INDIAN, EGYPTIAN AND BRAZILIAN COTTON STATISTICS, &c.**—Statistics of the principal cotton crops of the world are very fully covered in the "Hand Book for Daily Cable Records," issued by Comtelbuero, Limited, of London, Liverpool and New York, a copy of the thirty-seventh annual issue of which has reached us this week. While keeping up the high standard set in previous issues, the publishers have still further extended the scope of the work. New features comprise the international census of mill stocks, private crop reports, &c., &c. The book contains, of course, the usual very full statistics of the American, East Indian, Egyptian, Russian and Brazilian crops, the pages being so arranged that the daily and weekly figures for this year as received can be inserted side by side with those for the previous year. The book will be found on sale at the office of Comtelbuero, Limited, 16 Beaver Street, New York.

**JUTE BUTTS, BAGGING, ETC.**—The market for jute bagging has continued very quiet during the week, and prices nominally unchanged at 9½c. for 2 lbs., standard grades. Jute butts dull at 3@4c. for bagging quality.

**WORLD'S SUPPLY AND TAKINGS OF COTTON.**—The following brief but comprehensive statement indicates at a glance the world's supply of cotton for the week and since Sept. 1, for the last two seasons, from all sources from which statistics are obtainable; also the takings, or amount gone out of sight, for the like period.

Cotton Takings, Week and Season.	1907.		1906.	
	Week.	Season.	Week.	Season.
Visible supply Oct. 11	2,585,913	---	2,342,419	---
Visible supply Sept. 1	---	2,291,844	---	1,784,156
American in sight to Oct. 18	382,126	1,825,882	500,686	2,281,382
Bombay receipts to Oct. 17	5,000	49,000	10,000	36,000
Other India ship's to Oct. 17	1,000	28,000	4,000	30,000
Alexandria receipts to Oct. 16	40,000	125,000	44,000	118,700
Other supply to Oct. 16 a	7,000	45,000	9,000	66,000
<b>Total supply</b>	<b>3,021,039</b>	<b>4,364,726</b>	<b>2,910,105</b>	<b>4,316,238</b>
<b>Deduct—</b>				
Visible supply Oct. 18	2,806,584	2,806,584	2,633,089	2,633,089
<b>Total takings to Oct. 18</b>	<b>214,455</b>	<b>1,558,142</b>	<b>277,016</b>	<b>1,683,149</b>
Of which American	169,455	1,139,142	222,016	1,294,449
Of which other	45,000	422,000	55,000	388,700

a Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.

**DOMESTIC EXPORTS OF COTTON MANUFACTURES.**

—We give below a statement showing the exports of domestic cotton manufactures for August and for the eight months ended August 31 1907, and for purposes of comparison like figures for the corresponding periods of the previous year are also presented.

Quantities of Manufactures of Cotton (colored and uncolored) Exported to—	Month ending Aug. 31.		8 mos. ending Aug. 31.	
	1907.	1906.	1907.	1906.
United Kingdom	292,591	219,945	1,825,164	1,914,596
Germany	8,942	22,386	117,233	330,807
Other Europe	191,730	131,185	864,542	1,165,491
British North America	474,451	926,440	5,381,257	6,830,064
Central American States and British Honduras	1,697,383	2,160,666	19,552,023	18,666,663
Mexico	199,186	279,884	1,697,116	1,471,337
Cuba	2,033,629	3,076,083	9,137,145	10,289,436
Other West Indies and Bermuda	1,767,347	4,460,368	16,002,879	22,054,749
Argentina	23,403	165,188	670,753	1,409,659
Brazil	580,177	694,394	4,265,358	4,732,014
Chile	548,965	311,763	7,025,194	7,824,811
Colombia	513,137	1,327,617	8,913,622	10,568,338
Venezuela	591,118	816,298	2,993,254	4,518,584
Other South America	529,644	551,364	4,842,594	4,097,510
Chinese Empire	4,807,901	11,542,141	31,839,764	236,351,004
British East Indies	338,675	681,706	4,016,780	4,520,672
Hongkong	11,628	100,392	490,751	338,927
Japan	8,145	403,209	108,617	712,970
British Australasia	658,571	986,939	7,500,440	5,974,758
Philippine Islands	430,801	1,189,352	12,136,394	5,135,266
Other Asia and Oceania	1,898,493	5,818,721	19,591,439	28,361,196
British Africa	13,869	804,118	2,525,661	5,080,225
All other Africa	---	215,539	492,361	657,350
<b>Total yards of above</b>	<b>17,529,786</b>	<b>36,795,698</b>	<b>161,990,291</b>	<b>383,007,237</b>
<b>Total values of above</b>	<b>\$1,277,524</b>	<b>\$2,345,071</b>	<b>\$10,926,087</b>	<b>\$24,014,686</b>
<b>Value per yard</b>	<b>\$0.0729</b>	<b>\$0.0637</b>	<b>\$0.0675</b>	<b>\$0.0627</b>
<b>Values of Other Manufactures of Cotton Exported to—</b>				
United Kingdom	\$89,800	\$146,286	\$637,961	\$811,266
Belgium	1,596	3,368	10,026	27,484
Germany	2,744	8,008	31,053	115,069
Other Europe	13,477	7,152	60,572	61,288
British North America	84,577	173,032	753,827	768,333
Central American States and British Honduras	40,263	30,158	378,542	193,870
Mexico	56,450	22,381	289,009	165,282
Cuba	38,357	31,773	283,707	194,929
Other West Indies and Bermuda	13,777	16,761	130,030	112,041
South America	11,692	8,771	70,913	70,308
Chinese Empire	64,606	45,382	259,537	92,457
Japan	2,985	4,156	14,024	125,529
British Australasia	37,736	21,919	236,870	184,855
British Africa	26,452	11,423	105,864	169,911
Other countries	25,409	6,683	302,422	155,839
<b>Total</b>	<b>\$509,921</b>	<b>\$437,253</b>	<b>\$3,562,479</b>	<b>\$3,248,521</b>
Waste, cotton mill	\$208,754	\$150,751	\$1,747,550	\$1,329,241
Yarn	29,157	44,592	206,911	204,396
All other	295,011	298,245	2,272,890	2,269,888
<b>Total manufactures of</b>	<b>\$2,320,367</b>	<b>\$3,275,012</b>	<b>\$18,715,917</b>	<b>\$31,126,702</b>

**EGYPTIAN CROP.**—The Alexandria correspondent of the Manchester (Eng.) "Guardian" wrote in part as follows under date of Sept. 30:

The turn in the Nile that last week the Acting Adviser to the Ministry of Public Works thought might be deferred, and so relieve to some extent the poorness of the flood, has, contrary to expectation, just occurred. The fall of the flood has begun on both the Blue Nile and the Atbara. There is no improvement now to be expected, and the Acting Adviser reports that to all intents and purposes the flood is over. The basins are filling but slowly, the discharge should begin early in October; but, as is always the case in years of low flood, the manipulation of the basins will be a long and difficult operation. The area of fallow land ("sharak") is likely to be the same as in 1902, and, as the present flood is so much inferior to that of 1902, this result may be considered highly satisfactory. Reports on the crop from the plantations continue satisfactory, but there is not quite the same note of elation as before. The quality in particular appears hardly to be all that is desired. In fineness and silkiness of texture the average staple so far received seems inferior; but it is fair to add that lower Egypt has hardly yet begun to send cotton to market. No one, however, would object to a short period of humidity; that is the chief requirement to improve the silkiness of the staple, which has suffered from the extreme dryness of the season.

Another reason for the apparent inferiority of this season's Egyptian staple is perhaps more serious still than the caprices of temperature. It is to be feared that the high prices ruling for cotton are contributing to the ruin of much good soil in Egypt. The temptation to grow cotton year after year on the same land is one to which the fellahs succumb with more alarming unanimity than ever before. Our Alexandria correspondent writes that on one estate which he has just visited a cultivator who, though a peasant, is a rich man, has grown cotton on the same fields for thirteen years in succession. That is why fields of stunted cotton can be seen to-day in districts of once lovely soil which should long ago have been fertilized with growths of lucerne. "A crying need of the country is," he says, "agricultural instruction for the fellahen. They would assimilate it, as witness their readiness to profit by example in the destruction of the cotton worm. A body of opinion, native and European, is growing up in Egypt to exert pressure on the Government to this end." The first auction of the season has taken place on the State Domains. The ginning yield to date up to Sept. 30 is estimated at about 2% in quantity more than at the corresponding date in 1906.

INDIA COTTON MOVEMENT FROM ALL PORTS.—The receipts of cotton at Bombay and the shipments from all India ports for the week and for the season from Sept. 1 for three years have been as follows:

Table showing India Cotton Movement from all ports. Columns include Receipts at (Bombay, Calcutta, Madras, All others) and Exports from (Bombay, Calcutta, Madras, All others) for the weeks of 1907, 1906, and 1905, broken down by Great Britain, Continent, and Total.

According to the foregoing, Bombay appears to show a decrease compared with last year in the week's receipts of 5,000 bales. Exports from all ports India record a loss of 10,000 bales during the week and since Sept. 1 show an increase of 4,000 bales.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market is firm for yarns and quiet for shirtings. The demand for both home trade and foreign markets is improving. We give the prices for to-day below and leave those for previous weeks of this and last year for comparison.

Table showing Manchester Market prices for various cotton goods like 32s Cop Twists, 8 1/4 lbs. Shirtings, etc., comparing prices from 1907 and 1906.

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have exceeded 184,502 bales. The shipments in detail, as made up from mail and telegraphic returns, are as follows:

Table of Shipping News listing destinations (NEW YORK, GALVESTON, NEW ORLEANS, MOBILE, PENSACOLA, SAVANNAH, WILMINGTON, NORFOLK, BOSTON, BALTIMORE, PHILADELPHIA, SEATTLE) and the corresponding ship names and total bales.

The particulars of the foregoing shipments for the week arranged in our usual form, are as follows:

Table showing particulars of shipments for the week, categorized by destination (New York, Galveston, New Orleans, Mobile, Pensacola, Savannah, Wilmington, Norfolk, Boston, Baltimore, Philadelphia, Seattle) and broken down by Great Britain, French ports, Germany, etc.

The exports to Japan since Sept. 1 have been 1,514 bales from Pacific ports, and 545 bales from New York.

Cotton freights at New York the past week have been as follows, quotations being in cents per 100 lbs.:

Table showing cotton freights at New York for various ports (Liverpool, Manchester, Havre, Bremen, Hamburg, Antwerp, Ghent, Reval, Barcelona, Genoa, Trieste, Japan) with rates for different days of the week.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

Table showing Liverpool market statistics: Sales of the week, stocks, and amounts for various categories like Actual export, Forwarded, Total stock, etc.

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Table showing Liverpool market conditions (Market, Mid. Upl's, Sales, Spec. & exp., Futures, Market) and daily closing prices for spot cotton from Sept. 27 to Oct. 18.

The prices of futures at Liverpool for each day are given below. Prices are on the basis of uplands, good ordinary clause, unless otherwise stated.

Table showing Liverpool futures prices for various months (Oct. 12 to Oct. 18) and days (Sat., Mon., Tues., Wed., Thurs., Fri.) for different grades of cotton.

BREADSTUFFS.

Friday, Oct. 18 1907.

Prices for wheat flour have ruled firm, and many grades have advanced. The rise has been to a large extent merely nominal, however, as many buyers have withdrawn from the market. The sales in the main have been to fill immediate requirements.

What has declined, a fact which is to be attributed largely to two things, namely, some sympathy with the disturbed financial situation and profit-taking in the various markets of the world. All have latterly declined rather sharply. The impression is that in a technical speculative sense they



The destination of these exports for the week and since July 1 1907 is as below:

Table showing exports for week and since July 1 1907, categorized by Flour, Wheat, and Corn. Columns include destination (e.g., United Kingdom, Continent, So. & Cent. Amer., West Indies, Brit. No. Am. Cols., Other countries) and quantities in bushels.

The visible supply of grain, comprising the stocks in granary at the principal points of accumulation at lake and seaboard ports Oct. 12 1907, was as follows:

Table showing visible supply of grain (Wheat, Corn, Oats, Rye, Barley) in bushels at various ports including New York, Boston, Philadelphia, Baltimore, New Orleans, Galveston, Montreal, Toronto, Buffalo, Toledo, Detroit, Chicago, Milwaukee, Fort William, Port Arthur, Duluth, Minneapolis, St. Louis, Kansas City, Peoria, Indianapolis, On Mississippi River, On Lakes, and On Canal and River.

THE DRY GOODS TRADE.

New York, Friday Night, Oct. 18 1907.

The principal feature of interest in the cotton goods market during the past week was the announcement by a large Chicago jobbing house that it was willing to receive orders for prominent lines of bleached and other goods at prices ranging from 9 to 15% below those at which the same goods were being offered by manufacturers and agents. While this was immediately followed by statements declaring that agents' prices remained the same as heretofore, and that there was no change in contemplation, yet it has undoubtedly intensified the feeling of indecision as to the immediate future, and has resulted in the cancellation of many orders for goods where delivery of these was overdue. Other Western jobbers have felt it incumbent upon them to meet the reduction, and it is more than probable that, rather than lose business, Eastern jobbers will shortly follow suit. At the same time there has been much criticism of the move, and there is a difference of opinion as to the purpose of the cut. Manufacturers are still well booked ahead and continue very firm in their ideas. The primary cotton goods market generally is very steady, but new business has been small, owing to the continued re-selling of goods by second-hands at concessions from agents' prices. The stringency in the money market is principally responsible for this, and the latter is being very closely followed. Export business remains very dull, and inquiries from China are merely being made to keep in touch with affairs and are much too low to attract business. The woolen and worsted goods market has been quiet but steady.

DOMESTIC COTTON GOODS.—The exports of cotton goods from this port for the week ending Oct. 12 were 3,613 packages, valued at \$263,786, their destination being to the points specified in the tables below.

Table showing domestic cotton goods exports for 1907 and 1906, categorized by destination (New York to October 12, Great Britain, Other European, China, India, Arabia, Africa, West Indies, Mexico, Central America, South America, Other Countries).

The value of these New York exports since Jan. 1 has been \$8,815,168 in 1907, against \$13,805,302 in 1906.

The new prices named by Marshall Field & Co. at which they are willing to accept business are as follows: Hope bleached, 8 3/4c.; Lonsdale, 4-4, 10c.; Fruit of the Loom, 4-4, 10 1/4c.; Hill, 4-4, 9 3/4c.; Chapman X, 8 1/4c.; Indian Head,

36-in., 7 3/4c.; Clover, 7c., and A. C. A. tickings, 13c. These represent reductions of 1c. to 1 3/4c. per yard from agents' prices, which still remain in force, and at which figures stocks will have to be replenished during the next thirty or sixty days unless some change should be made in the meantime. Few orders have been booked at first hands during the week, and some cancellations have been received of goods which should have been delivered as far back as last July. Shipments have been maintained on a heavy scale, however, and mills continue well sold ahead. There have been still further sales of goods at second hands at concessions, notably by converters who have found themselves with more goods than they required for immediate needs and who have felt the effect of the tight money market. Four-yard sheetings have been sold at reductions, but heavy goods have remained steady. Manufacturers of colored goods have been unable to catch up on orders, and all shipments are being comfortably taken care of. The call for linings has been fair but not active. New buying of prints has been quieter, but agents have orders for three months on their books. Ginghams continue very scarce. Standard gray goods are slightly lower, but print cloth regulars remain steady at 5 1/4c.

WOOLEN GOODS.—There has been continued duplicate ordering of men's wear light-weight woolen and worsted goods, and the position of the market is much more satisfactory than appeared probable a little while ago. Of course, so far this business has not been on a large scale, but it is expected to increase from this time on. The lines which proved most popular during the initial buying period are still the most sought after, and, generally speaking, worsteds are outranking woolens. Low grades of the latter, however, are selling well. A particularly gratifying feature of the situation is the improvement noted in collections, which should have a good effect generally. For fall the demand for browns continues, and these are being sold so far forward into next year that they are again likely to figure prominently in the fall lines. Overcoatings continue very dull and little improvement is looked for until some colder weather sets in. Spring buying of dress goods is proceeding in quite a satisfactory manner, and orders for serges are exceptionally good. At the same time voiles and Panamas are not being neglected. There is still a good fall business being transacted and broadcloths, particularly in navy blue, are selling well.

FOREIGN DRY GOODS.—In imported woolen and worsted dress goods, voiles are in best demand, trade generally being satisfactory. Silks are rather better but ribbons are quiet. Linens remain very firm, and burlaps are steadier with stocks still small.

IMPORTATIONS AND WAREHOUSE WITHDRAWALS OF DRY GOODS.

The importations and warehouse withdrawals of dry goods at this port for the week ending Oct. 12 1907 and since Jan. 1 1907, and for the corresponding periods of last year, are as follows:

Large table showing importations and warehouse withdrawals of dry goods, categorized by Manufactures of (Wool, Cotton, Silk, Flax, Miscellaneous) and Warehouse Withdrawals Thrown Upon the Market. Columns include Pkgs., Value, and various sub-periods (Week Ending Oct. 12 1907, Since Jan. 1 1907, etc.).

## STATE AND CITY DEPARTMENT.

## News Items.

**Alabama.**—*Special Session of Legislature.*—Governor Comer has issued a call for an extra session of the Legislature to convene 12 m. Nov. 7. The proclamation is a very lengthy one and in the main urges additional legislation directed against the railroads.

**Connecticut.**—*Vote.*—We are advised that the vote cast at the election held Oct. 7 on the proposed amendment in the form of a general revision of the State Constitution (V. 85, p. 958) was 15,597 "for" to 20,054 "against."

**New Jersey.**—*Legislature Adjourns.*—The Legislature of this State adjourned at 3:15 a. m. Oct. 12. This session, it is stated, is the longest in the history of the State. Prior to adjournment the bill providing for a Public Utilities Commission was defeated, owing to a split on the question of giving the commissioners appointed under the Act the power to regulate rates, which the Democrats sought to incorporate in the measure.

## Bond Proposals and Negotiations this week have been as follows:

**Altus, Greer County, Okla.**—*Bond Election.*—Reports state that an election will be held Nov. 5 to vote on the question of issuing \$50,000 water-works bonds.

**Anderson County (P. O. Clinton), Tenn.**—*Bond Sale.*—On Oct. 5 the \$100,000 4½% coupon road bonds described in V. 85, p. 745, were awarded to the Harris Trust & Savings Bank of Chicago. Maturity on Oct. 1 as follows: \$5,000 yearly from 1917 to 1921 inclusive, \$10,000 yearly from 1922 to 1926 inclusive and \$5,000 yearly from 1927 to 1931 inclusive.

**Arlington Heights, Hancock County, Ohio.**—*Bond Offering.*—Proposals will be received until 12 m. Nov. 12 by J. W. Evans, Village Clerk, for \$1,226 27 5% Maple Avenue curb and gutter construction assessment bonds. Denomination \$245.26. Date Nov. 1 1907. Interest semi-annual. Maturity one bond yearly on Nov. 1 from 1908 to 1912 inclusive. Certified check for 5% of the amount of bonds bid for, payable to the Village Treasurer, is required. Purchaser to pay accrued interest.

**Bedminster Township School District (P. O. Gladstone), Somerset County, N. J.**—*Bond Sale.*—This district recently awarded an issue of \$23,000 4½% serial school-house bonds to the First National Bank of Somerville at par. Denomination \$2,000, except one bond for \$1,000. Date Oct. 1 1907. Interest semi-annual.

**Bells School District (P. O. Bells), Grayson County, Tex.**—*Bonds Not Sold.*—Up to Oct. 11 no sale had yet been made of the \$12,000 5% 5-40-year (optional) coupon brick-school-house bonds registered by the State Comptroller on Sept. 5 (V. 85, p. 746) and offered on Sept. 25.

**Birmingham, Jefferson County, Ala.**—*Bond Election Proposed.*—We are informed that this city purposes to call an election to submit to the voters the question of issuing \$400,000 sewer bonds.

**Boston, Mass.**—*Bond Sales.*—The following loans were issued by the city of Boston during the month of September:

- \$34,000 4% school-buildings and land bonds maturing in July 1937.
- 264,000 4% sewerage loan maturing in July 1937.
- 75,000 4% Ward Building for measles bonds maturing in July 1927.
- 5,000 4% Bath House, Tenean Beach, bonds maturing in July 1927.
- 2,000 4% Bath House, Dewey Beach, bonds maturing in July 1927.
- 2,000 4% engine-house-addition bonds maturing in July 1927.
- 3,000 4% First Street playground bonds maturing in July 1927.
- 3,000 4% Charlestown Playground bonds maturing in July 1927.
- 1,000 4% Franklin Field, Locker Buildings, bonds maturing in July 1927.

**Bowling Green, Wood County, Ohio.**—*Bond Offering.*—Proposals will be received until 12 m. Oct. 21 by Alex. Williamson, City Clerk, for \$4,600 4% coupon refunding bonds. Authority Section 2701, Revised Statutes, and an ordinance passed by the City Council on Sept. 4. Denomination \$500, except one bond of \$600. Date Sept. 1 1907. Interest semi-annually at the City Treasurer's office. Maturity \$500 each six months from March 1 1914 to Sept. 1 1917 inclusive and \$600 on March 1 1918. Certified check for \$100 is required. Accrued interest to be paid by purchaser.

**Brandon School District No. 129 (P. O. Brandon), Man.**—*Debt Offering.*—Proposals will be received until Oct. 23 by J. B. Beveridge, Secretary-Treasurer, for \$49,000 5% debentures. Date July 1 1907. Interest annual. Maturity thirty years. Accrued interest to be paid by purchaser.

**Breckenridge, Wilkin County, Minn.**—*Bond Offering.*—Proposals will be received until 8 p. m. Nov. 4 by J. D. Jones, City Clerk, for \$23,280 64 5% refunding bonds. Maturity fifteen years.

**Bucyrus, Crawford County, Ohio.**—*Bond Sale.*—On Oct. 1 \$11,500 4% street-paving bonds were disposed of to the Sinking Fund Trustees at par. Denomination \$500. Date Oct. 1 1907. Interest semi-annual. Maturity part yearly on Oct. 1 from 1908 to 1917 inclusive.

**Buffalo, N. Y.**—*Bond Issue.*—Pursuant to Section 105 of the City Charter, the Mayor and Comptroller are authorized to issue \$21,528 36 4% Department of Public Works bonds dated Oct. 1 1907 and maturing Oct. 1 1908. Interest semi-

annually at the City Comptroller's office. Under the ordinance providing for these bonds, they are to be taken by the Tax Loan Fund.

**Campbell County (P. O. Jacksboro), Tenn.**—*Bonds Not Sold.*—No award has yet been made of the remaining \$50,000 of the \$100,000 10-30-year (optional) coupon road bonds mention of which was made in V. 85, p. 615.

**Campbell Union High School District, Santa Clara County, Cal.**—*Bond Sale.*—On Oct. 8 the \$5,000 5% 10-19-year (serial) gold coupon high-school bonds described in V. 85, p. 746, were awarded to the Bank of Campbell at 104.15 and accrued interest—a basis of about 4.605%.

**Cartersville, Jasper County, Mo.**—*Bond Sale.*—On Sept. 26 \$19,000 5½% 10-20-year (optional) public-sewer bonds offered on Aug. 1 were awarded to the First National Bank of Cartersville at par. Denomination \$1,000. Date July 1 1907. Interest semi-annual. These securities were offered without success as 4s (V. 85, p. 114) on June 20.

**Charleston, Charleston County, S. C.**—*Bond Offering.*—Proposals will be received until 12 m. Nov. 16 by the City Treasurer for \$850,000 4% coupon refunding bonds. Bids are requested as follows:

For the purchase of all or any portion of \$850,000 4% 30-year coupon refunding bonds, payment to be made in bonds maturing January and July 1909, with all coupons falling due subsequent to July 1 1907 attached thereto; any premium bid to be payable in cash. Settlements to be made July 1 1907.

For the purchase of all or any portion of \$850,000 4% 30-year coupon refunding bonds, payment to be made in cash; said bonds, however, to be issued upon cancellation of similar amounts of the 4% coupon bonds falling due Jan. 1 or July 1 1909, which may be held by the city, or which may be purchased by it.

Tenders are also requested for the sale to the city of all or any part of the \$850,000 4% coupon bonds now outstanding and maturing Jan. 1 or July 1 1909; all coupons falling due after July 1 1907 to be attached. Payment to be made in cash.

Interest on the new bonds will be payable Jan. 1 and July 1. Successful bidder to deposit a certified check or surety bond for 5% of the amount of bid awarded to him. These bonds are exempt from State, county and city taxes, and in the hands of banks in Charleston exempt their shareholders from all taxes to the extent of the holding, as is now the case with 4½% Brown State bonds. Bonds are ready for immediate delivery.

**Cincinnati School District (P. O. Cincinnati), Hamilton County, Ohio.**—*Bond Sale.*—On Oct. 14 the \$250,000 4% 40-year coupon public-school-improvement bonds described in V. 85, p. 747, were awarded to Seasongood & Mayer of Cincinnati at par and accrued interest. There were no other bidders.

**Clallam County School District No. 3, Wash.**—*Bond Offering.*—Proposals will be received until 2 p. m. Oct. 29 by A. R. Pringle, County Treasurer (P. O. Port Angeles), for \$3,500 warrant-refunding bonds. Authority election held Sept. 21 1907. Interest (rate not to exceed 5%) payable semi-annually at the County Treasurer's office. Maturity twenty years, subject to call after one year. Certified check for 1% of bonds is required. Bonded debt at present, \$2,233 38. Assessed valuation \$70,989.

**Claude Independent School District (P. O. Claude), Armstrong County, Tex.**—*Bond Sale.*—This district has disposed of the \$15,000 5% 15-40-year (optional) school-house bonds registered by the State Comptroller on Sept. 6 (V. 85, p. 747) to the State School Fund at par and accrued interest.

**Clay Center, Clay County, Kan.**—*Bond Sale.*—On Oct. 11 the \$25,000 4% electric-light-plant bonds, a description of which was given in V. 85, p. 880, were awarded \$10,000 to the Farmers' State Bank of Clay Center at 94.59 and \$15,000 to D. H. Myers of Clay Center at 93. Bids were also received from Wm. Hocking at 92.91 and the C. G. Streat Investment Co. of Kansas City at 88.

**Claysville, Washington County, Pa.**—*Bond Sale.*—On Oct. 4 \$5,700 5% bonds offered on Sept. 28 were awarded to local bidders as follows: \$1,000 at 102, \$500 at 101 and \$4,200 at par. Denomination \$500, except one bond of \$200. Date Oct. 1 1907. Interest semi-annual. Maturity part yearly on Oct. 1 from 1908 to 1912 inclusive.

**Cleves, Hamilton County, Ohio.**—*Bond Sale.*—On Oct. 7 the \$2,500 5% 10-year coupon sidewalk bonds described in V. 85, p. 747, were awarded to W. R. Todd & Co. of Cincinnati at 102.52 and accrued interest—a basis of about 4.682%.

**Collin County Common School District No. 123, Tex.**—*Bonds Registered.*—On Sept. 23 \$1,240 5% 15-20-year (optional) school-house bonds were registered by the State Comptroller.

**Collins, Covington County, Miss.**—*Bonds Defeated.*—Reports state that the proposition to issue the \$5,000 light-and-water-plant-extension bonds mentioned in V. 85, p. 747, was defeated at an election Sept. 24.

**Colorado.**—*Bonds Not to be Offered at Present.*—We are advised that the \$900,000 3% 20-year coupon funding bonds described in V. 85, p. 615, will not be offered for sale until after the Auditing Board, which is now in session, finishes the checking of the bills.

**Comanche, Comanche County, Tex.**—*Bond Sale.*—This city recently awarded the \$11,000 additional-high-school,



\$6,000 sewerage and \$5,000 additional-water-works 5% 20-40-year (optional) bonds voted on Sept. 23 (V. 85, p. 959) to J. B. Oldham of Dallas at par. Purchaser to pay all expenses. Denomination \$1,000. Interest annual.

**Commerce, Hunt County, Tex.**—*Bonds Not Sold.*—No sale was made on Oct. 7 of the \$16,000 4½% 20-30-year (optional) coupon water-works bonds described in V. 85, p. 819.

**Compton, Los Angeles County, Cal.**—*Bonds Authorized.*—On Aug. 6 the Board of City Trustees passed an ordinance providing for the issuance of the \$50,000 5% 1-40-year (serial) coupon street-improvement bonds voted on July 9. Denominations \$1,000 and \$250. Date Sept. 2, 1907. Interest semi-annually at the City Treasury.

**Coram School District, Shasta County, Cal.**—*Bond Sale.*—On Oct. 7 the \$8,000 6% 1-16-year (serial) school-house bonds mentioned in V. 85, p. 880, were awarded to the Bank of Anderson at 101.625. Denomination \$500. Date Sept. 3 1907. Interest annual.

**Covington, Newton County, Ga.**—*Bonds Voted.*—The election held Oct. 9 resulted in favor of the propositions to issue the \$55,000 water-works-and-sewerage-system-construction and the \$5,000 public-school-addition 5% 30-year bonds dated July 1 1909, mentioned in V. 85, p. 747. The vote was 140 "for" to 7 "against".

**Crafton School District San Bernardino County, Cal.**—*Bond Sale.*—Local papers report the sale of \$5,000 bonds of this district.

**Crawford County, (P. O. Bucyrus) Ohio.**—*Bond Sale.*—On Sept. 6 the \$50,000 5% coupon Road District No. 1 bonds described in V. 85, p. 542, were awarded to the New First National Bank of Columbus at 105.21. Maturity on Aug. 1 as follows: \$17,000 in each of the years 1919 and 1920 and \$16,000 in 1921.

**Dalhart Independent School District (P. O. Dalhart), Dal- lam County, Tex.**—*Bonds Registered.*—We are advised that the \$25,000 5% 20-40-year (optional) coupon brick-school-building bonds described in V. 85, p. 615, were registered by the State Comptroller on Oct. 12.

**Delaware County (P. O. Delaware), Ohio.**—*Bond Offering.*—Proposals will be received until 1 p. m. Oct. 31 by the Board of County Commissioners, M. Meredith, Stephen Potter and J. L. Edwards, for \$184,780 4½% road-improvement bonds. Authority Sections 4670-19 and 22b, Revised Statutes. Denominations \$1,000 and \$239. Date Sept. 1 1907. Interest semi-annually at the County Treasurer's office. Maturity \$9,239 each six months from March 1 1908 to Sept. 1 1917 inclusive. Certified check on some bank in Delaware County, made payable to the County Auditor, is required. Purchaser to pay accrued interest. These bonds were offered as 4s on Oct. 10 (V. 85, p. 959) but no award was made on that day.

**De Pere, Brown County, Wis.**—*Bond Offering.*—Proposals will be received until 4 p. m. Nov. 2 by M. J. Maes, City Clerk, for the \$6,000 5% coupon water-works-extension bonds mentioned in V. 85, p. 959. Authority Section 926, Chapters 11 and 13, Laws of 1898. Denomination \$300. Date Nov. 15 1907. Interest annually on Jan. 15 at the First National Bank in Chicago or the National Bank of De Pere, in De Pere, or the State Bank of De Pere, in De Pere. Maturity \$300 yearly on Jan. 15 from 1909 to 1926 inclusive and \$600 on Jan. 15 1927.

**Dover, Morris County, N. J.**—*Bonds Voted.*—At an election held recently this town authorized the issuance of \$35,000 school-building bonds. Denomination \$500.

**East Waterloo Independent School District (P. O. Water- loo), Iowa.**—*Bond Sale.*—This district, it is stated, has awarded an issue of \$18,000 4½% refunding bonds to Geo. M. Bechtel & Co. of Davenport for \$18,100.

**Eddy County (P. O. Carlsbad), N. Mex.**—*Bond Offering.*—Proposals will be received until 12 m. Oct. 23 by W. R. Owens, Probate Clerk, for \$22,000 6% coupon Pecos River bridge-building bonds. Authority Sections 349 to 364 inclusive, Chapter 83, Laws of 1891. Denomination \$1,000. Date Oct. 1 1907. Interest semi-annually on Jan. 1 and July 1 at Kountze Brothers in New York City. Maturity thirty years, subject to call after twenty years. Certified check for \$2,000 is required. Bonded debt, including this issue, \$129,801. Assessed valuation for 1907 \$2,505,835.

**Edgefield County (P. O. Edgefield) So. Car.**—*Bonds Not Yet Sold.*—We are advised under date of Oct. 10 that this county is still in the market with the \$20,000 6% 20-year Dean or Pine Grove Township and the \$20,000 5% 30-year Johnston Township coupon railroad-aid-construction refunding bonds offered but not sold (V. 85, p. 615) on July 27.

**El Paso, Woodford County, Ill.**—*Bond Offering.*—Proposals will be received until 10 a. m. Oct. 26 by the City Hall Committee, Omer North, J. S. Welch and W. H. Render, at the office of the City Clerk, for the \$6,000 5% coupon city-hall construction bonds mentioned in V. 85, p. 748. Denomination \$500. Date Nov. 1 1907. Interest annually at City Treasurer's office. Maturity \$500 yearly beginning Nov. 1 1908. Certified check for \$500, payable to the Mayor, is required.

**Ephraim School District No. 2 (P. O. Ephraim), Sanpete County, Utah.**—*Bond Offering.*—Proposals will be received until 2 p. m. Oct. 21 by the Board of Trustees for \$25,000 5% coupon bonds. Denomination \$500. Interest semi-annually at the Bank of Ephraim. Maturity twenty years, subject to call after five years. Certified check for \$500 is required.

**Fairfield, Solano County, Cal.**—*Bonds Not Sold.*—*Bond Offering.*—No sale was made on Sept. 30 of the \$20,000 5% 1-40-year (serial) gold sewer-system bonds described in V. 85, p. 918, 819. Proposals are again asked for these securities and will be received, this time, until 8 p. m. Dec. 4. Date of bonds Oct. 1 1907.

**Fairfield School District, Solano County, Cal.**—*Bond Sale.*—On Oct. 7 \$18,000 5% 1-18-year (serial) gold coupon school-building-and-improvement bonds were awarded to R. D. Robbins for \$18,161—the price thus being 100.894—a basis of about 4.882%. Denomination \$1,000. Date Aug. 5 1907. Interest annually on March 4 at the County Treasury.

**Farmville, Pitt County, No. Car.**—*Bonds Not Sold.*—No sale has yet been made of the \$5,000 5% 30-year railroad-aid-construction bonds offered on Sept. 25. See V. 85, p. 483, for a description of these securities.

**Fruita, Mesa County, Col.**—*Bond Offering.*—Proposals will be received up to and including Nov. 1 (postponed from Oct. 15) by I. H. Whittemore, Town Clerk, for \$25,000 6% water-works-completion bonds. Denomination \$1,000. Date Oct. 1 1907. Interest semi-annually at the Town Treasurer's office or at Kountze Bros., in New York City. Maturity Oct. 1 1922, subject to call after Oct. 1 1917. Certified check for 2½% of the bonds bid for, payable to the Town Treasurer, is required.

**Grand Marais, Cook County, Minn.**—*Bond Offering.*—Proposals will be received until 10 a. m. to-day (Oct. 19) by Chris. Murphy, Town Clerk, for \$1,000 6% town-hall-construction bonds. Denomination \$500. Interest semi-annual. Maturity ten years.

**Green Bay, Brown County, Wis.**—*Bond Sale.*—A bid at par and accrued interest, less \$250 for blank bonds, attorney's fees and other expenses, submitted by the Harris Trust & Savings Bank of Chicago for the \$17,000 4½% coupon street-improvement and school-house bonds offered on Oct. 8 (V. 85, p. 881), was accepted. A bid was also received from A. B. Leach & Co. of Chicago at par.

*Bonds Not Sold.*—No bids were received for the four issues of 4½% coupon sewer bonds aggregating \$32,000, offered on the same day. We are advised, however, that these securities will be taken by local banks at par and accrued interest.

**Greenfield, Highland County, Ohio.**—*Bond Offering.*—Proposals will be received until 12 m. Nov. 15 by D. R. Cowman, Village Clerk, for \$4,500 4% additional-cemetery-ground-purchase-and-improvement bonds. Authority Section 2835, Revised Statutes, as amended March 26 1906. Denomination \$500. Date Nov. 5 1907. Interest semi-annual. Maturity Nov. 5 1930. Certified check for 10% of bonds bid for, payable to the Village Treasurer, is required. Accrued interest to be paid by purchaser.

**Greensboro, Guilford County, No. Caro.**—*Bonds Voted.*—According to reports an election held Oct. 8 resulted in favor of a proposition to issue \$125,000 funding bonds. The vote was 339 to 8.

**Greenwich, Huron County, Ohio.**—*Bond Sale.*—On Oct. 14 the \$4,700 5% 1-10-year (serial) Main Street improvement (village's portion) bonds offered on that day (V. 85, p. 820) were awarded to the First National Bank of Greenwich at 102.638 and accrued interest—a basis of about 4.454%. Following are the bids:

First Nat. Bank, Greenwich \$4,824 00 | W. A. Knapp, Greenwich, \$4,727 79  
Denison & Farnsworth, Cl'v 4,764 40 | Hayden, Miller & Co.,  
J. S. Beibout 4,745 00 | Cleveland 4,717 00

**Gulfport, Harrison County, Miss.**—*Bond Offering.*—Proposals will be received until Oct. 25 by N. D. Goodwin, City Clerk, for the following bonds, which were offered without success as 5s (V. 85, p. 54) on July 2:

\$18,000 6% school bonds. | \$10,000 6% water bonds.  
4,000 6% jail-construction bonds. | 10,000 6% sewer-extension bonds.

Denomination not less than \$100 or more than \$1,000. Interest annual. Maturity "not later than twenty years." Certified check for \$1,000 is required.

**Harrisburg, Dauphin County, Pa.**—*Bond Offering.*—Proposals will be received until 10 a. m. Oct. 26 by Henry W. Gough, City Comptroller, for \$400,000 4% coupon bonds. Denominations \$100, \$1,000 or \$5,000, at option of purchaser. Date March 1 1906. Interest semi-annual. Maturity \$50,000 March 1 1911 and \$14,000 yearly on March 1 from 1912 to 1936 inclusive. Certified check for 2% of bonds bid for, payable to the City Treasurer, is required. Bonds to be delivered on or about Dec. 2 1907. These securities will be certified to as to their genuineness by the United States Mortgage & Trust Co. of New York City and their legality approved by John G. Johnson of Philadelphia, whose opinion to that effect, or duplicate thereof, will be delivered to purchaser. Accrued interest to be paid by successful bidder. These bonds were offered without success as 3½s (V. 84, p. 885) on Feb. 28.

**Haskell County (P. O. Santa Fe), Kan.—No Bond Election.**—We are informed that this county does not propose to call an election to vote on the proposition to issue the \$60,000 railroad-aid-construction bonds mentioned in V. 85, p. 748.

**Haskell Independent School District (P. O. Haskell), Haskell County, Tex.—Bonds Registered.**—The State Comptroller registered \$15,000 5% 10-40-year (optional) school-house bonds on Oct. 9.

**Bond Sale.**—An issue of \$10,000 5% 10-40-year (optional) school-house bonds was recently awarded to the State School Fund at par and accrued interest.

**Hettinger County (P. O. Mott), No. Dak.—Bonds Voted.—Bond Offering.**—An election held recently resulted in favor of a proposition to issue \$20,000 5% funding bonds maturing Dec. 1 1917. The vote was 108 to 75. Proposals for these bonds will be received until Nov. 4.

**Hobart, Kiowa County, Okla.—Bond Sale.**—This city has awarded the \$25,000 water-works-extension, the \$25,000 sewer and the \$15,000 street-improvement 6% coupon bonds dated Oct. 1 1907, offered on July 18, to R. J. Edwards of Oklahoma City. See V. 85, p. 116, for description of these securities.

**Houghton, Houghton County, Mich.—Bonds Awarded in Part.**—Of the \$50,000 10-year West Houghton sewer-system bonds voted on May 6, \$28,000 (not \$25,000 as at first reported) were awarded at par as follows: \$25,000 to John Nuveen & Co. of Chicago and \$3,000 to the "Croatian Cemetery Co., Calumet, Mich." Securities are dated Sept. 3 1907. Interest semi-annual. We are advised that the remaining \$22,000 bonds will not be issued.

**Ishpeming, Marquette County, Mich.—Bonds Refused.**—We are advised that the \$35,000 5% water-main and pump-house construction bonds awarded in August to Mason, Lewis & Co. of Chicago (V. 85, p. 543) have been refused by that firm. The bonds are now being offered to local people at par.

**Islip Union Free School District No. 1 (P. O. Bay Shore), Suffolk County, N. Y.—Bids.**—The following bids were received on Oct. 10 for the \$25,000 coupon or registered school-building-addition bonds awarded on that day (V. 85, p. 960) to N. W. Harris & Co. of New York City at 100.122 and accrued interest for 4.75s:

N. W. Harris & Co., New York (for 4.75s)	25,030 50
Ferris & White, New York (for 4.85s)	25,053 00
A. B. Leach & Co., New York (for 5s)	25,100 00
W. J. Hayes & Sons, Cleveland (for 5s)	25,007 00
S. A. Kean, Chicago (for 5s)	25,000 00

**Janesville, Rock County, Wis.—Bonds Authorized.**—The Common Council recently authorized the issuance of North Academy Street special assessment improvement bonds.

**Johnstown, Weld County, Colo.—Bond Election.**—The Town Board has called an election Nov. 19 to submit to the voters the question of issuing \$20,000 water-system-construction bonds.

**Kalamazoo, Kalamazoo County, Mich.—Bonds Awarded in Part.**—Of an issue of \$155,000 4½% coupon bonds recently offered by this city, \$91,500 have been awarded to the Board of Bond Commissioners at par and accrued interest.

**Kearny, Buffalo County, Nebraska.—Bond Election.**—An election will be held Oct. 15 to vote on the question of issuing \$100,000 water-system bonds.

**Kearney (P. O. Jersey City), N. J.—Bond Offering.**—Proposals will be received until 8 p. m. Oct. 30 by the Town Council for the following bonds:

\$23,000 5% fire-department bonds. Maturity twenty years.
62,000 5% school bonds. Maturity twenty-five years.
150,000 5% improvement bonds. Maturity 30,000 yearly, beginning six years from date.

Certified check for \$5,000 is required with each bid. Burton E. Canfield is Town Treasurer.

*The official notice of this bond offering will be found among the advertisements elsewhere in this Department.*

**Kenmore, Erie County, N. Y.—Bond Sale.**—On Oct. 7 \$33,660 improvement, \$6,000 water and \$3,000 gas 5% 1-30-year (serial) bonds offered on Aug. 31 were awarded to W. N. Coler & Co. of New York City for \$42,662 50—the price thus being 100.005. Date Sept. 1 1907. Interest semi-annual.

**Kent, Portage County, Ohio.—Bond Offering.**—Proposals will be received until 12 m., Oct. 31, by T. A. McMahon, Village Clerk, for \$15,000 5% coupon Franklin Avenue, Erie Street and Portage Street paving assessment bonds. Denomination \$1,500. Date Oct. 21 1907. Interest annual. Maturity \$1,500 yearly on Oct. 21 from 1908 to 1917 inclusive. Bid must be made on a blank form furnished by the Village Clerk and accompanied by a certified check for \$500, made payable to the Village Clerk. Purchaser to pay accrued interest and furnish printed bonds.

**Knox County (P. O. Edina), Mo.—Bonds Defeated.**—An election held recently resulted in the defeat of a proposition to issue court-house bonds.

**La Crescent School District (P. O. La Crescent), Houston County, Minn.—Bonds Authorized.**—On Oct. 5 the Directors of this district authorized the issuance of \$1,500 bonds at not exceeding 6½% interest.

**Lake County (P. O. Painesville), Ohio.—Bond Offering.**—Proposals will be received until 12 m. Nov. 4 by the Board

of County Commissioners for \$200,000 4% coupon court-house and jail-construction bonds. Authority Sections 871, 872 and 875 Revised Statutes. Denomination \$500. Date Sept. 1 1907. Interest semi-annually at the County Treasurer's office. Maturity \$2,500 each six months from March 1 1909 to Sept. 1 1914 inclusive; \$3,000 each six months from Mar. 1 1915 to Sept. 1 1919 inclusive; \$4,000 each six months from Mar. 1 1920 to Sept. 1 1924 inclusive and \$5,000 each six months from Mar. 1 1925 to Sept. 1 1934 inclusive. Certified check for 5% of the amount of the bid, payable to the County Treasurer, is required.

**Lansing, Ingham County, Mich.—Bond Offering.**—Proposals will be received until 7.30 p. m. Oct. 21 by Myles F. Gray, City Clerk, for \$12,700 Moores Park and Bradley, Barnes, Sparrow and Smith avenues sewer-construction bonds. Date Nov. 1 1907. Interest (rate not to exceed 5%) annually on Dec. 1 at the City Treasurer's office. Maturity on Dec. 1 as follows: \$4,700 in 1908 and \$4,000 in the years 1909 and 1910. Certified check for \$25 is required.

**Lawrence, Essex County, Mass.—Temporary Loan.**—Dispatches state that this city recently negotiated a temporary loan of \$50,000 in anticipation of taxes with Blake Bros. & Co. of Boston at 5.74%.

**Leflore County (P. O. Greenwood), Miss.—Bonds Authorized.**—It is stated that the Board of County Supervisors has authorized the issuance of \$60,000 bridge-construction and \$40,000 road-building 5% 25-year bonds. Denomination \$500.

**Lemberg School District (P. O. Lemberg), Sask.—Debt Offering.**—Further details are at hand relative to the offering on Oct. 29 of the \$10,000 6% gold coupon brick school-building-construction debentures mentioned in V. 85, p. 881. Proposals for these debentures will be received by Dr. H. E. Knoke, Secretary Treasurer, until 8 p. m. on that day. Date Oct. 5 1907. Interest annually in December at the Union Bank of Canada in Lemberg. Maturity part yearly on Dec. 5 from 1908 to 1927 inclusive. Certified check for \$500, payable to the Secretary-Treasurer, is required.

**Lewiston, Nez Perce County, Idaho.—Bonds Voted.**—The election held Sept. 21 resulted in a vote of 182 to 53 in favor of the proposition to issue the \$57,300 5% 10-20-year (optional) water-system-extension bonds mentioned in V. 85, p. 749.

**Lima, Ohio.—Bond Sale.**—On Oct. 1 \$5,319 Elizabeth Street and \$2,983 West Street 5% paving bonds were awarded to the Sinking Fund Trustees at par. Denominations \$531 90 and \$298 30. Date Oct. 1 1907. Interest annually on Jan. 1. Maturity one-tenth yearly on Jan. 1 from 1908 to 1917 inclusive.

**Lineville, Clay County, Ala.—Bonds Voted.**—By a vote of 112 to 0 this place on Sept. 24 authorized the issuance of \$8,000 5% 20-year school bonds.

**Lockney Independent School District (P. O. Lockney), Floyd County, Tex.—Bond Sale.**—The issue of \$3,000 5% 5-20-year (optional) school-house bonds registered by the State Comptroller on Aug. 14 (V. 85, p. 484) was recently purchased by the State School Fund at par and accrued interest.

**Lockney Independent School District (P. O. Lockney), Floyd County, Texas.—Description of Bonds.**—We are advised that the \$3,000 5% 5-20-year (optional) school-house bonds registered by the State Comptroller on Aug. 14 (V. 85, p. 484) are in denomination of \$500 and are dated June 18 1907. Interest annual.

**Lometa Independent School District (P. O. Lometa), Lampasas County, Tex.—Bonds Registered.**—On Oct. 10 an issue of \$10,000 5% 20-40-year (optional) school-house bonds was registered by the State Comptroller.

**Los Angeles, Los Angeles County, Cal.—Bond Election Postponed.**—We are informed that the election to vote on the question of issuing the \$300,000 fire-department-improvement bonds mentioned in V. 85, p. 748, was not held Oct. 10. Our informant adds that an "election may be held in December."

**Louisville, Jefferson County, Ky.—Temporary Loan.**—Local papers state that this city on Oct. 7 negotiated a loan of \$50,000 with the Southern National Bank of Louisville at 6% interest. Loan matures next February.

**Lynden School District, Santa Barbara County, Cal.—Bond Sale.**—On Oct. 7 the \$2,750 5% 1-year school bonds offered on that day (V. 85, p. 680) were awarded to the Central Bank of Santa Barbara at par and accrued interest. This was the only bid received. Denomination \$250. Date Aug. 5 1907. Interest annual.

**Macon, Bibbs County, Ga.—Bond Election Proposed.**—Local papers state that an election will be held in the near future to vote on a proposition to issue bonds for a new grammar school, public park, street-paving and the enlargement of the water-works and fire department.

**Madison, Morgan County, Ga.—Bonds Voted.**—Reports state that an election held Oct. 7 resulted in favor of a proposition to issue \$50,000 water-works, sewerage and electric-light-system-improvement bonds.

**Marion, Marion County, Ohio.—Bonds Authorized.**—On Sept. 16 the City Council passed ordinances providing for the

issuance of \$2,500 4% coupon ditch-construction bonds. Denomination \$500. Bonds to be dated not later than Nov. 1 1907. Interest semi-annually at the City Treasurer's office. Maturity \$500 yearly on March 1 from 1909 to 1913 inclusive.

**Marshall, Harrison County, Tex.**—*Bonds Not Sold.*—We learn upon inquiry that up to Oct. 14 the city had not yet disposed of the \$60,000 5% 10-40-year (optional) coupon sidewalk-paving bonds offered on Sept. 10 or the four issues of 5% 40-year improvement bonds, aggregating \$85,000, offered on Sept. 25. See V. 85, p. 617 and 749, for description of these securities.

**Medicine Hat, Alta.**—*Debentures Not Sold.*—No award has yet been made of the four issues of 5% coupon debentures aggregating \$65,000, offered on Sept. 23. For description of these securities see V. 85, p. 677.

**Melita, Man.**—*Debenture Offering.*—Proposals will be received until 6 p. m. Nov. 4 by W. F. Thomas, Secretary-Treasurer, for \$5,000 5% street-improvement debentures. Interest annual. Maturity twenty years.

**Mercer County (P. O. Celina), Ohio.**—*Bond Offering.*—Proposals will be received until 10 a. m. to-day (Oct. 19) by T. A. Weis, County Auditor, for \$14,000 4 1/2% coupon Romer and Jones Road pike-improvement bonds. Authority Title 7, Chapter 8, Revised Statutes, as amended. Denomination \$500. Date Nov. 1 1907. Interest semi-annual. Maturity on Nov. 1 as follows: \$2,000 in 1908 and \$3,000 yearly from 1909 to 1912 inclusive. A cash deposit of \$100 is required.

**Milford Center, Union County, Ohio.**—*Bond Sale.*—On Oct. 12 the \$19,700 5% coupon street-improvement assessment bonds described in V. 85, p. 820, were awarded to C. S. David for \$19,837 13 (100.697) and accrued interest. A bid of \$19,709 85 was also received from S. A. Kean of Chicago. Maturity one bond each six months from March 1 1909 to March 1 1928 inclusive.

**Milwaukee, Milwaukee County, Wis.**—*Bonds Proposed.*—An ordinance providing for the issuance of \$250,000 Twenty-Seventh Street viaduct-completion bonds is before the Board of Aldermen.

**Monongahela School District (P. O. Monongahela), Washington County, Pa.**—*Bonds Proposed.*—According to reports this district will shortly issue \$52,000 school-building bonds.

**Monroe Union Free School District No. 1 (P. O. Monroe), Orange County, N. Y.**—*Bond Sale.*—On Oct. 15 the \$40,000 5% school-building bonds, a description of which was given in V. 85, p. 882, were awarded to N. W. Harris & Co. of New York City at 102.688 and accrued interest. The bids were as follows:

N. W. Harris & Co., N. Y.	\$41,075 20	Merchants' Bank, Middle-	
A. B. Leach & Co., N. Y.	41,044 00	town	\$40,050 00
Edmund Seymour & Co.,		W. J. Hayes & Sons, Clev.	40,012 00
New York	40,760 00	Goshen Savings Bank,	
Ferris & White, N. Y.	40,710 80	Goshen, N. Y.	Par

Maturity \$1,000 yearly on Jan. 1 from 1915 to 1954 inclusive.

**Montgomery, Montgomery County, Ala.**—*Bonds Authorized.*—According to local papers a bill providing for the issuance of \$2,000,000 refunding bonds has been passed by the City Council.

**Murray School District No. 7 (P. O. Murray), Cass County, Neb.**—*Bond Sale.*—On Oct. 8 \$1,800 6% 3-year school bonds were awarded to C. C. Pormle for \$1,870—the price thus being 103.888—a basis of about 4.958%. Date Sept. 10 1907. Interest annual.

**Nampa, Canyon County, Idaho.**—*Bond Offering.*—Proposals will be received until 8 p. m. Oct. 21 by Claude Duval, City Clerk, for the \$27,000 paving and \$6,000 water-works 6% coupon bonds voted on Sept. 10. Denomination \$1,000. Date Jan. 1 1908. Interest semi-annually at the City Treasurer's office or at the Chase National Bank in New York City. Maturity twenty years, subject to call after ten years. Bonds are exempt from taxation.

**Nashville, Davidson County, Tenn.**—*Bonds Voted and Defeated.*—The election held Oct. 10 resulted in favor of the proposition to issue the \$200,000 water-main-extension bonds and in the defeat of the propositions to issue the \$400,000 30-year electric-light-plant-improvement bonds at not exceeding 6% interest and the \$50,000 4 1/2% sidewalk-construction assessment bonds, mention of which was made in V. 85, p. 821. The vote was 2,185 "for" to 738 "against" the first issue, 923 "for" to 1,407 "against" the second issue and 1,659 "for" to 1,781 "against" the third issue.

**Neenah, Winnebago County, Wis.**—*Bond Offering.*—Proposals will be received until 12 m. Nov. 5 by J. P. Keating, City Clerk, for \$20,000 coupon water-works funding bonds at not exceeding 5% interest. Authority Section 959-4, Chapter 41, Revised Statutes of 1898. Interest semi-annual. Maturity \$2,000 yearly on Jan. 1 from 1919 to 1928 inclusive.

**Negaunee, Marquette County, Mich.**—*Price Paid for Bonds.*—The price paid for the \$10,000 5% 15-year electric-light and street improvement bonds awarded on Oct. 1 to local parties (V. 85, p. 961), was par. Denomination \$500. Date Oct. 1 1907.

**New Bern, Craven County, No. Car.**—*Bonds Voted.*—The election held Oct. 8 resulted in a vote of 368 to 34 in favor of the proposition to issue the \$50,000 5% 30-year streets-

improvement bonds mentioned in V. 85, p. 750. Date of sale not yet determined.

**New Castle, Lawrence County, Pa.**—*Bond Offering.*—Proposals will be received until 8 p. m. Oct. 28 by A. E. Rhodes, City Clerk, for \$35,000 4 1/2% coupon sewer-construction bonds. Denomination \$1,000. Date Oct. 1 1907. Interest semi-annually at the office of the City Treasurer. Maturity Oct. 1 1927, subject to call after Oct. 1 1917. Bonds are exempt from taxation. Accrued interest to be paid by purchaser. These securities were offered as 4s without success on July 29. See V. 85, p. 484.

**North Bergen Township School District (P. O. Jersey City), Hudson County, N. J.**—*Bond Offering.*—Proposals will be received until 8 p. m. Oct. 22 by the Board of Education for \$17,500 5% coupon school bonds. Denomination \$1,000, except one bond of \$500. Interest semi-annual. Maturity \$1,000 yearly from seventeen years to thirty-three years inclusive and \$500 thirty-four years from date of issue. Certified check for \$1,000, payable to the Board of Education, is required. George P. Christmann is District Clerk.

**North Dakota.**—*Purchases by State.*—The following bonds were purchased at par by the State of North Dakota with endowment funds of educational institutions during the months of July, August and September. The items marked with an asterisk (\*) have been previously recorded in these columns.

- Adams Special School District No. 128, Walsh County.—\$6,300 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Backoo School District No. 57, Pembina County.—\$2,000 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1917.
- Bathlet School District No. 1, Ramsey County.—\$4,000 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1927.
- Blooming Valley School District No. 17, McLean County.—\$1,95 4% school bonds, dated July 1 1917 and maturing July 1 1927.
- Buchanan School District No. 11, Stutsman County.—\$11,000 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Carrington Special School District No. 10, Foster County.—\$4,000 4% school bonds, dated May 1 1907 and maturing May 1 1917.
- Casselman School District No. 16, McLean County.—\$3,500 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1917.
- Chaffield School District No. 39, Bottineau County.—\$1,800 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1917.
- City of Dickinson, Stark County.—\$26,000 4% fire and water bonds, dated July 1 1907 and maturing July 1 1927.
- City of Drayton, Pembina County.—\$4,500 4% sewer bonds, dated Aug. 1 1907 and maturing Aug. 1 1927.
- City of Harvey, Wells County.—\$10,000 4% water-works bonds, dated July 1 1907 and maturing \$1,000 yearly on July 1 from 1917 to 1926 inclusive.
- City of Jamestown.—\$20,000 4% City Hall bonds, dated June 1 1907 and maturing \$1,000 yearly on June 1 from 1908 to 1927 inclusive.
- City of Lakota, Nelson County.—\$3,000 4% refunding bonds, dated July 1 1907 and maturing July 1 1927.
- Coal Valley School District No. 118, Ward County.—\$2,200 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Crooked Lake School District No. 26, McLean County.—\$500 4% school bonds, dated July 1 1907 and maturing July 1 1922.
- Driscoll School District No. 36, Burleigh County.—\$4,500 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Dymond School District No. 89, Ward County.—\$1,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Erle School District No. 52, Cass County.—\$2,000 4% school bonds, dated August 1 1907 and maturing August 1 1927.
- Foothills School District No. 107, Ward County.—\$650 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Galesburg School District, Traill County.—\$8,000 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Glenla School District, Cavalier County.—\$8,500 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Gopher School District No. 4, Towner County.—\$3,500 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Herz School District No. 38, Morton County.—\$400 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1917.
- Highland School District No. 27, Burleigh County.—\$1,200 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- James River Valley School District No. 1, Dickey County.—\$1,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Klunt School District No. 14, Logan County.—\$3,500 4% school bonds, dated July 1 1907 and maturing July 1 1922.
- Leonard School District, Rolette County.—\$15,000 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Lewis School District No. 8, Towner County.—\$3,850 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Logan School District No. 8, Emmons County.—\$1,400 4% school bonds, dated July 1 1907 and maturing July 1 in the years 1919, 1922 and 1925.
- Mandan Special School District, Morton County.—\$8,000 4% school bonds, dated August 1 1907 and maturing August 1 1927.
- Medicine Hill School District No. 54, McLean County.—\$850 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Melknock School District No. 56, Grand Forks County.—\$1,950 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Mercer School District No. 56, McLean County.—\$2,000 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1922.
- Merkel School District No. 3, Kidder County.—\$800 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1927.
- Miller School District, Logan County.—\$600 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Milroy School District No. 22, McHenry County.—\$3,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Moscow Township, Cavalier County.—\$1,000 4% refunding and road bonds, dated July 1 1907 and maturing July 1 1912.
- Paradise Township.—\$2,000 4% road-improvement bonds, dated July 1 1907 and maturing July 1 1913.
- Pleasant Valley School District No. 35, Wells County.—\$2,500 4% school bonds, dated August 1 1907 and maturing August 1 1917.
- Roosevelt School District No. 42, Morton County.—\$1,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Roseglan School District No. 53, McLean County.—\$1,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Rugby School District, Pierce County.—\$5,000 4% city bonds, dated July 1 1907 and maturing July 1 1927.
- Ruter School District No. 31, McLean County.—\$700 4% school bonds, dated July 1 1907 and maturing July 1 1922.
- Sampson School District No. 9, Pierce County.—\$2,000 4% school bonds, dated July 1 1907 and maturing July 1 1922.
- Sandoun Township, Ransom County.—\$500 4% refunding bonds, dated July 1 1907 and maturing July 1 1913.
- Sarles Special School District,\* Cavalier and Towner Counties.—\$10,000 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Sanders School District No. 49, Morton County.—\$1,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- School District No. 19, Williams County.—\$800 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1917.
- Storlie School District, Cavalier County.—\$900 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Swede School District, LaMoure County.—\$700 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Thursby Butte School District No. 37, McHenry County.—\$5,000 4% school bonds, dated July 1 1907 and maturing July 1 1927.
- Victoria School District No. 7, McLean County.—\$3,000 4% school bonds, dated July 1 1907 and maturing July 1 1917.
- Victor School District No. 12, Towner County.—\$6,150 4% school bonds, dated July 1 1907 and maturing July 1 1927.

Village of Sheldon, Ransom County.—\$3,500 4% water-works bonds, dated July 1 1907 and maturing July 1 1927.

Williams School District No. 22, Kidder County.—\$700 4% school bonds, dated Aug. 1 1907 and maturing Aug. 1 1927.

**Norwalk, Fairfield County, Conn.—Bids Rejected.**—The following bids, both of which were rejected, were received on Oct. 10 for the \$35,000 4% 20-year coupon (with privilege of registration) sewer-construction bonds described in V. 85, p. 882:

Blodgett, Merritt & Co., Boston. 93.81 | Hincks Bros. & Co., Bridgeport. 93.00

**Norwood, Hamilton County, Ohio.—Bond Offering.**—Proposals will be received until 12 m. Nov. 14 by W. E. Wichgar, City Auditor, at the office of J. A. Stewart, Room 712, Traction Building, Fifth and Walnut Streets, Cincinnati, for the following assessment bonds:

\$4,457 31 5/8 % Section Avenue improvement bonds. Date Oct. 29 1907.  
1,545 43 4/8 % Rose Avenue improvement bonds. Date Oct. 15 1907.  
4,477 84 4/8 % Rolston Avenue improvement bonds. Date Oct. 29 1907.  
3,829 42 4/8 % Lawn Avenue improvement bonds. Date Oct. 29 1907.  
3,000 50 4/8 % Elsmere Avenue improvement bonds. Date Oct. 15 1907.

Interest annual. Maturity one-tenth of each issue yearly. Certified check for 5% of the amount of bonds bid for, payable to the City Treasurer, is required. Accrued interest to be paid by purchaser. The amount of bonds to be offered will be reduced by any assessments paid in cash prior to the date of sale.

**Bond Sale.**—Reports state that on Oct. 10 the \$3,654 78 1/2% Park Avenue sanitary-sewer assessment bonds were awarded to Weil, Roth & Co. of Cincinnati at par and the \$34,000 4% 30-year water-works bonds were awarded to the Western German Bank of Cincinnati for \$34,090—the price thus being 100.264. See V. 85, p. 750, for description of these securities.

**Oklahoma City, Oklahoma County, Okla.—Bond Offering.**—Further details are at hand relative to the offering of the \$200,000 5% water-works and the \$50,000 5% sewer bonds mentioned in V. 85, p. 961. Proposals for these bonds will be received until 2 p. m. Oct. 25 by George Hess, City Clerk. Authority, vote of 4,937 to 1,265 cast at election held Sept. 17. Denomination \$1,000. Interest semi-annually in New York City. Maturity thirty years. Certified check on an Oklahoma City bank or New York or Chicago Exchange for 3% of the amount of bid, is required. Official advertisement states there has never been any default in the payment of any of the obligations of the city.

**Omaha, Douglas County, Neb.—Bond Election.**—In addition to the propositions to issue the \$50,000 paving-intersection, \$50,000 park-system and \$49,000 sewer bonds to be submitted to a vote of the people Nov. 5 (V. 85, p. 750), reports state that propositions to issue \$3,500,000 municipal-gas-plant, \$500,000 school-building and \$30,000 fire-engine-house bonds will also be voted on.

**Osceola Special School District (P. O. Osceola), Mississippi County, Ark.—Bond Offering Postponed.**—The offering of the \$25,000 6% 20-year coupon school-building bonds which was to have taken place Oct. 15 (V. 85, p. 961), has been postponed until Oct. 29.

**Palestine, Anderson County, Tex.—Description of Bonds.**—We are informed that the \$50,000 4% 10-40-year (optional) street-paving bonds dated Jan. 2 1908, voted on Aug. 20 (V. 85, p. 617), are coupon in form and are issued under authority of Chapter 49, Acts of the Legislature of 1899. Denomination \$500. Interest semi-annually in Austin, at the City Secretary's office in Palestine or at the Park National Bank in New York City.

**Pana Township High School District (P. O. Pana), Christian County, Ill.—Bond Sale.**—On Oct. 15 the \$50,000 5% coupon high-school-construction bonds described in V. 85, p. 961, were awarded to the Harris Trust & Savings Bank of Chicago at 103.06 and accrued interest. The bids were as follows:

Harris Tr. & Sav. Bk., Chic. \$51,530 00 | John Nuveen & Co., Chicago. \$50 775  
A. B. Leach & Co., Chic. 51,525 00 | MacDonald, McCoy & Co., Chic. 50,680  
First Nat. Bank, Chicago. 51,525 00 | Little & Hays Inv. Co., St. L. 50,651  
H. N. Schuyler S. Bk., Pana 51,465 00 | Emery, Anderson & Co., Cleve. 50,375  
Farson & Son Co., Chicago 51,191 50 | R. Kleybolte & Co., Chicago. 50,270

Maturity \$3,000 yearly on Oct. 15 from 1912 to 1926 inclusive and \$5,000 on Oct. 15 1927.

**Pascagoula, Jackson County, Miss.—Bond Offering.**—Proposals will be received until 7:30 p. m. Nov. 5 by the Mayor and Board of Aldermen for \$20,000 5% bonds. Certified check for \$500 is required. W. M. Watkins is City Clerk. These bonds were offered but not sold (V. 85, p. 617) on Aug. 6.

**Passaic Township School District, Morris County, N. J.—Bond Election.**—It is reported that an election will be held Oct. 26 to vote on the question of issuing \$10,000 school-house and \$3,000 school-addition bonds.

**Pekin, Ill.—Bond Offering.**—Proposals will be received until 7 p. m. Oct. 21 by J. H. Soldwedel, City Clerk, for \$53,000 4 1/2% refunding bonds.

**Polk County Drainage Districts Nos. 69 and 70, Minn.—Bonds Proposed.**—Application has been made to the State of Minnesota for a \$6,700 4% loan.

**Pontiac, Oakland County, Mich.—Bond Sale.**—According to local reports \$25,000 water and \$10,000 sewer 5% bonds were recently awarded to Otis & Hough of Cleveland. Interest semi-annual.

**Pope County (P. O. Glenwood), Minn.—Bond Sale.**—On Oct. 11 the \$10,000 ditch bonds described in V. 85, p. 962, were awarded to U. M. Stoddard & Co. of Minneapolis at

par for 6% bonds maturing Nov. 1 1917. The bids were as follows:

U. M. Stoddard & Co., Minn. (6s) a par | Minnesota L. & Tr. Co., Minn. (6s) epaf  
Union Inv. Co., Minn. (6s) --- b par | Caledonia Inv. Co., St. Paul (6 1/2 s) --- pa<sup>f</sup>

a Bonds to mature Nov. 1 1917. b Bonds to be dated July 1 1907. c "And \$250 commission."

**Port Huron, St. Clair County, Mich.—Bond Award.**—The following award was made on Sept. 30 of the \$19,740 (not \$20,000 as reported in V. 85, p. 962) 5% public-improvement, general-road, sewer, bridge and sidewalk bonds dated Sept. 28 1907, offered on that day:

\$16,720 awarded to S. J. McFarland as follows: \$2,200 due 1908, for \$2,211; \$2,200, due 1909, for \$2,220 90; \$2,200, due 1910, for \$2,230 58; \$1,500, due 1909, for \$1,514 25; \$720, due 1909, for \$736 84; \$900, due 1909, for \$908 55; \$3,000, due 1908 for \$3,014 40; \$2,000, due 1909, for \$2,019; and \$2,000, due 1910, for \$2,027 80.

2,000 awarded to Herman Stummel as follows: \$1,000, due 1909, for \$1,010; and \$1,000, due 1910, for \$1,015.  
1,020 due 1909, awarded to Geo. W. Moore at par.

**Prague, Lincoln County, Okla.—Bond Election.**—The electors of this town will vote Oct. 21 on a proposition to issue \$30,000 5% 20-year water-works bonds.

**Preble County (P. O. Eaton), Ohio.—Bond Sale.**—On Oct. 12 the four issues of 4% ditch bonds, aggregating \$1,610, described in V. 85, p. 962, were awarded to the Preble County National Bank of Eaton at par and accrued interest. This was the only bid received.

**Putnam County (P. O. Carmel), N. Y.—Bond Sale.**—On Oct. 2 this county issued \$16,000 4 1/2% coupon highway improvement bonds. Interest February and August at the First National Bank of Brewster. Maturity \$2,000 yearly on Aug. 1 from 1908 to 1915 inclusive.

**Raleigh, Wake County, N. C.—Bonds Defeated.**—The election held Sept. 26 resulted in a vote of 87 "for" to 483 "against" the proposition to issue the \$100,000 improvement bonds mentioned in V. 85, p. 618.

**Richmond, Henrico County, Va.—Bond Offering.**—Edward J. Warren, City Auditor, is offering at par and accrued interest an issue of 4% registered bonds. Denomination \$100 or multiples thereof. Maturity Jan. 1 1941. Bonds are exempt from city taxes.

**Ripley, Lauderdale County, Tenn.—Bonds Not to be Re-offered at Present.**—We are advised that the \$7,500 bonds, the unsold portion of the \$15,000 6% 10-20-year (optional) street-improvement bonds mentioned in V. 85, p. 618, will not be re-offered until next spring.

**Rochester, Beaver County, Pa.—Bond Offering.**—Proposals will be received until 7:30 p. m. Nov. 1 for \$35,000 4 1/2% bonds. Denomination \$1,000. Interest semi-annually on May 1 and Nov. 1. Bonds are "payable after Nov. 1 1923" and are exempt from taxation. Certified check for \$100, payable to the Secretary of the Town Council, is required. James W. Doncaster is Secretary and William A. McConnel is attorney for the borough.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

**Rockford, Winnebago County, Ill.—Price Paid for Bonds.**—We are advised that the price paid for the \$39,100 4% 20-year refunding bonds awarded on Oct. 7 to the Harris Trust & Savings Bank of Chicago (V. 85, p. 962), was par. Denomination \$1,000, except one bond of \$100. Interest semi-annual.

**Saginaw, Saginaw County, Mich.—Bond Offering.**—Proposals will be received until 2 p. m. Oct. 21 by Wm. Seyffardt City Comptroller, for \$10,000 4% sidewalk bonds. Denomination \$1,000. Date Oct. 22 1907. Interest semi-annually at the City Treasurer's office in Saginaw or at the current official bank of Saginaw in New York City. Maturity \$1,000 yearly on Oct. 22 from 1908 to 1917 inclusive. Bonds are free from all taxes. Certified check on some Saginaw bank or a New York draft for 2% of bonds bid for, payable to the City Treasurer, is required. Purchaser to pay accrued interest.

**St. Bernard (P. O. Cincinnati), Hamilton County, Ohio.—Bond Offering.**—Proposals will be received until 12 m. Nov. 18 by George Schroeder, Village Clerk, for \$6,118 80 (amount subject to be reduced by cash payments of assessments before bonds are issued) 5% Sullivan Avenue improvement assessment bonds. Authority Section 95, Municipal Code. Date Sept. 28 1907. Interest annually at the Citizens' Bank in St. Bernard. Maturity part yearly on Sept. 28 from 1908 to 1917 inclusive. Accrued interest to be paid by purchaser.

**St. Paul, Ramsey County, Minn.—Bond Sale.**—We are advised that the \$50,000 coupon fire-station and the \$50,000 water-works-extension 4% 30-year bonds described in V. 85, p. 883, have been awarded to local investors at par and interest.

**Saint Paul, Howard County, Neb.—Bond Offering.**—Proposals will be received until Oct. 26 by S. W. Jackson, City Clerk, for \$18,000 5% coupon electric-light and power-plant bonds. Authority Section 8504 of Cobbe's Annotated Statutes of 1893. Denomination \$1,000. Date Nov. 1 1907. Interest semi-annually at the Nebraska Fiscal Agency in New York City. Maturity twenty years, subject to call after five years. Certified check for \$100, payable to the City Clerk, is required. Bonded debt, including this issue, \$37,000. Assessed valuation 1907, \$213,945.

**Salem, Mass.—Bond Offering.**—Proposals will be received until 7 p. m. Oct. 21 by W. A. Hill, City Treasurer, for \$100,000 4½% high-school bonds dated April 1 1907. Interest semi-annually at the Merchants' National Bank of Boston. Maturity \$5,000 yearly on April 1 from 1908 to 1927 inclusive. Official advertisement states that the legality of these bonds has been approved by Story, Thordike, Palmer & Thayer and the City Trust Co., both of Boston, who will certify as to their genuineness and legality.

**Bonds Authorized.**—Reports state that the Executive Council on Oct. 9 passed an ordinance providing for the issuance of \$200,000 bonds for the construction of a battalion armory.

**San Mateo School District (P. O. San Mateo), San Mateo County, Cal.—Bond Sale.**—On Sept. 3 this district awarded \$40,000 4½% 1-20-year (serial) school-building bonds dated Sept. 2 1907 to the First National Bank of San Mateo County in Redwood City at par. Denomination \$1,000. Interest semi-annual.

**Santa Ana School District (P. O. Santa Ana), Orange County, Cal.—Bonds Defeated.**—The election held Sept. 25 resulted in the defeat of the propositions to issue the \$37,500 public-school and the \$12,500 high-school-land bonds mentioned in V. 85, p. 302.

**Santa Monica, Los Angeles County, Cal.—Bond Offering.**—Proposals will be received until 5 p. m. Oct. 21 by J. C. Hemingway, City Clerk, for the following bonds voted on Sept. 27:

\$150,000 5% bonds for the building of a septic tank and wharf at the foot of Colorado Avenue for the proper disposal of sewage.  
10,000 5% incinerator bonds. Authority, vote of 447 "for" to 180 "against."

Denomination \$1,000. Date Nov. 1 1907. Interest semi-annual. Maturity forty years. Certified check for 2% of the amount of bonds bid for, payable to the "City of Santa Monica", is required.

**Sea Cliff, Nassau County, N. Y.—Bond Offering.**—Proposals will be received until 8 p. m. Oct. 23 by G. Griffith Clapham, Village Clerk, for \$2,500 gold coupon shore-front-purchase bonds. Denomination \$500. Interest (rate to be

named in bid) to be payable semi-annually at the Sea Cliff Bank in Sea Cliff. Maturity \$500 yearly beginning five years from date. Certified check for 10%, payable to the "Village of Sea Cliff," is required. Bonded debt, including this issue, \$47,500. Assessed valuation \$1,317,156.

**Shelby, Cleveland County, N. C.—Bonds Not Yet Sold.**—Up to Oct. 9 no award had yet been made of the \$100,000 coupon water-works and sewerage bonds at not exceeding 5% interest, offered without success (V. 85, p. 618) on Sept. 2.

**Shiloh, Richland County, Ohio.—Bond Offering.**—Proposals will be received until 12 m. Oct. 25 by P. Y. Barnes, Village Clerk, for the following bonds:

\$5,400 4½% coupon Main Street Improvement assessment bonds. Maturity par each six months from Sept. 1 1908 to Sept. 1 1917 inclusive.

1,200 4½% coupon Main Street Improvement (village's portion) bonds. Maturity part each six months from Sept. 1 1908 to Sept. 1 1910 inclusive.

Denominations \$100 to \$500. Date Sept. 1 1907. Interest semi-annually at the village treasury. Bonds are exempt from taxation. Certified check for 10% of bid, payable to the Village Council, is required. Bonded debt this issue. Assessed valuation for 1907, \$193,080.

**Soper Lake Drainage District (P. O. Vandalia), Fayette County, Ill.—Bonds Awarded in Part.**—This district has awarded \$3,784 6% coupon (with privilege of registration) drainage-works-and-ditch-construction bonds dated Oct. 15 1907 to local investors at par. These securities are part of an issue of \$16,960, the remainder of which will be offered for sale in about sixty days by Albert & Matheny, attorneys for the district. Denomination \$500. Date, day of issuance. Interest annually on March 1 at the Bank of Patoka, Patoka, Ill. Maturity part yearly from 1912 to 1920 inclusive.

**South Cannonsburg School District (P. O. Cannonsburg), Washington County, Pa.—Bond Sale.**—On Oct. 5 the \$11,000 5% school-building bonds offered on that day (V. 85, p. 963) were awarded to the First National Bank of Cannonsburg for \$11,025, the price thus being 100.227.

**South St. Paul School District (P. O. South St. Paul), Dakota County, Minn.—Bond Election Proposed.**—The Board of Education is considering the advisability of calling

**NEW LOANS.**

**\$35,000**

**BOROUGH OF ROCHESTER**  
BEAVER CO., PA.,  
4½% BONDS.

The Borough of Rochester, in the County of Beaver and State of Pennsylvania, will receive bids until November 1st, 1907, at 7.30 p. m., for the sale of \$35,000 of bonds to be issued by the borough aforesaid, in denominations of \$1,000 each, interest at four and one-half per cent (4½%) payable semi-annually on the first days of November and May of each year, and free from tax. Assessed valuation of said borough is \$2,898,636. The total indebtedness, including the \$35,000 is \$70,100. Every bid must be accompanied by a check, certified, payable to the Secretary of the Town Council of the Borough of Rochester for \$100. Bonds payable after November 1st, 1923. For any further information, address James W. Doncaster, Secretary, Rochester, Pa.  
WILLIAM A. MCCONNELL, Atty.  
Beaver, Pa.

**\$591,000**

**City of Minneapolis, Minn.,**  
SCHOOL AND PARK BONDS.

Sealed bids will be received by the Committee on Ways and Means of the City Council of the City of Minneapolis, Minnesota, at the office of the undersigned, THURSDAY, OCTOBER 24TH, 1907, AT 2 O'CLOCK P. M., for the whole or any part of the \$441,000 00 School bonds and for the whole or any part of \$150,000 00 Park bonds.

Said bonds bear interest at the rate of four (4) per cent per annum, payable semi-annually, dated July 1, 1907, and payable July 1, 1937.

The right to reject any or all bids is reserved. A certified check for two (2) per cent of the par value of the bonds bid for, made to C. S. Hulbert, City Treasurer, must accompany each bid.

Circular containing full particulars will be mailed on application.

DAN. C. BROWN,  
City Comptroller.

**NEW YORK CITY**  
4½% TAX EXEMPT  
BONDS

**T. W. STEPHENS & CO.,**  
2 WALL ST., NEW YORK

**NEW LOANS.**

**\$75,000**

**Borough of Torrington, Conn.**  
4½% BONDS.

Sealed proposals will be received by the Warden of the Borough of Torrington until the 21st DAY OF OCTOBER, 1907, at seven o'clock, p. m., for the purchase of \$75,000 four and one-half per cent coupon bonds of the Borough of Torrington, Conn. to be issued in accordance with the provisions of a resolution of the General Assembly of the State of Connecticut, passed at the January session, 1907, entitled "Resolution Authorizing the Borough of Torrington to Issue Bonds."

Said bonds will be dated November 1st, 1907, and mature November 1st, 1927, with interest payable semi-annually on the first day of May and of November in each year, at the rate of four and one-half per cent per annum, at the office of the Treasurer of said Borough.

Each bid must be accompanied by a certified check for two per cent of the par value of the bonds bid for. Said bonds to be delivered to the successful bidder at such time and place as may be agreed upon.

The right is reserved to reject any and all bids. No bid less than par will be considered.  
WM. H. DAYTON,  
Warden.

Torrington, Conn., Sept. 1st, 1907.

**BONDS TO YIELD**  
4.50% to 6%

Our new 10-page circular, describing nearly forty issues of

**Municipal, Railroad and Public Utility**  
Corporation Bonds

is now ready for distribution. We suggest a personal interview.

ASK FOR CIRCULAR NO. 846F.

**E. H. ROLLINS & SONS.**  
21 Milk St., Boston, Mass.  
CHICAGO DENVER SAN FRANCISCO

**BLACKSTAFF & CO.**  
INVESTMENTS

1332 Walnut Street  
PHILADELPHIA

**LIST OF SPECIALTIES ON REQUEST**

**Knickerbocker Audit Co.,**  
45 William Street.  
CHAS. GRISWOLD BOURNE, President  
Telephone Connections

**NEW LOANS.**

**\$235,000**

**Town of Kearny, Hudson Co.,**  
NEW JERSEY,  
Fire, School and Improvement Bonds.

Sealed proposals will be received by the Town Council of the Town of Kearny, Hudson County, New Jersey, at the Town Hall, October 30th, 1907, at 8 p. m. for the purchase of the following bonds:

\$23,000 Fire Department Bonds, payable 20 years from date, 5% interest.

62,000 School Bonds, payable 25 years from date, 5% interest.

150,000 Improvement Bonds, payable \$30,000 annually, beginning 6 years after date, 5% interest.

Total Indebtedness with these issues \$942,813 61

Total Sinking Fund 114,441 08

Net Indebtedness \$828,372 53

Tax Valuations 1907 \$13,945,150 00

Each bid must be accompanied by a certified check for \$5,000.

The Town Council reserves the right to reject any or all bids.  
For further information, if desired, address  
BURTON E. CANFIELD,  
Town Treasurer.

**Albert Kleybolte & Co.,**

409 Walnut Street,  
CINCINNATI, O.

**Municipal,**  
**County, State,**

and High-Grade Public Service  
Securities

Correspondence Solicited

**MUNICIPAL AND RAILROAD**  
BONDS.

LIST ON APPLICATION.

**SEASONGOOD & MAYER,**  
Mercantile Library Building,  
CINCINNATI.

Established 1885.

**H. C. Speer & Sons Co.**  
First Nat. Bank Building, Chicago  
CITY COUNTY  
AND TOWNSHIP **BONDS.**

an election to submit to the voters the question of issuing \$45,000 school-building bonds.

**Speers School District (P. O. Speers), Washington County, Pa.—Bond Sale.**—This district recently disposed of an issue of \$15,000 bonds.

**Stonewall School District No. 108 (P. O. Stonewall), Man.—Debt Offering.**—Proposals will be received until today (Oct. 19) by James E. Turner, Secretary-Treasurer, for \$18,000 5% debentures. Denomination \$900. Maturity twenty years

**Summit Union School District, Siskiyou County, Cal.—Bond Sale.**—On Oct. 9 \$9,000 school bonds were awarded, it is stated, to W. F. Johnston of Los Angeles for \$9,239 60.

**Sunnyside School District, Siskiyou County, Cal.—Bond Sale.**—Reports state that the Board of County Supervisors on Oct. 9 awarded an issue of \$5,000 school bonds of this district to the Los Angeles Trust Co. of Los Angeles at 100.50.

**Tecumseh, Lenawee County, Mich.—Bonds Voted.**—An election held Sept. 23 resulted in favor of a proposition to issue \$29,000 sewer bonds.

**Terre Haute, Vigo County, Ind.—Bids Rejected.**—All bids received on Sept. 30 for the \$100,000 4% 10-20-year (optional) coupon bonds described in V. 85, p. 823, were rejected.

**Bond Offering.**—Proposals are again asked for the above bonds and will be received, this time, until 4 p. m. Oct. 21, by Chas. R. Duffin, City Comptroller. Denomination \$1,000. Date Oct. 1 1907. Interest semi-annually at the Hanover National Bank in New York City. Certified check for \$1,000 is required. Purchaser to furnish bonds.

**Texarkana, Bowie County, Tex.—Bonds Authorized.**—It is stated that the City Council on Oct. 7 authorized the issuance of \$20,000 street-improvement, \$10,000 concrete-bridge and \$10,000 sewer-system-extension bonds.

**Thermopolis, Fremont County, Wyo.—Bond Offering.**—Proposals will be received until Nov. 18 by the Town Council at the office of F. C. Hank, Town Clerk, for the \$50,000 6% coupon water-works bonds voted (V. 85, p. 823) on Sept. 17. Denomination \$500. Date Dec. 1 1907. Interest annually on Jan. 1 at the Chemical National Bank in New

York City. Maturity Dec. 1 1937, subject to call after Dec. 1 1917. Certified check or certificate of deposit for \$1,000, payable to the Town Treasurer, is required.

**Toledo, Lucas County, Ohio.—Bond Election Proposed.**—A proposition to call an election to submit to the voters of this city the question of issuing \$150,000 Boulevard bonds is before the City Council. We are informed, however, that no action will be taken on this proposition for some time.

**Bonds Authorized.**—The City Council on Sept. 16 passed ordinances providing for the issuance of the following bonds:  
1. 1,471 28 5% coupon Sewer No. 989 construction assessment bonds. Denomination \$400, except one bond of \$271 28. Maturity \$271 28 on March 10 1908 and \$400 each six months from Sept. 10 1908 to Sept. 10 1909 inclusive.  
1. 1,106 21 5% coupon Sewer No. 990 construction assessment bonds. Denomination \$300, except one bond of \$206 21. Maturity \$206 21 on March 10 1908 and \$300 each six months from Sept. 10 1908 to Sept. 10 1909 inclusive.

The above bonds are dated Sept. 10 1907. Interest semi-annually at the City Treasurer's office.

**Bonds Authorized.**—On Sept. 30 the City Council passed ordinances providing for the issuance of the following bonds:  
\$1,755 97 5% coupon alley-improvement No. 27 assessment bonds. Denomination \$180, except one bond of \$135 97. Date Oct. 1 1907. Maturity \$135 97 on March 1 1908 and \$180 each six months from Sept. 1 1908 to Sept. 1 1912 inclusive.

641 99 5% coupon Bush Street paving No. 2 assessment bonds. Denomination \$65, except one bond of \$56 99. Date Sept. 1 1907. Maturity \$56 99 on March 1 1908 and \$65 each six months from Sept. 1 1908 to Sept. 1 1912 inclusive.

3,526 45 5% coupon North Twelfth Street paving No. 1 assessment bonds. Denomination \$370, except one bond of \$296 45. Date Oct. 8 1907. Maturity \$296 45 on March 8 1908 and \$370 each six months from Sept. 8 1908 to Sept. 8 1912 inclusive.

Interest semi-annually in March and September at the City Treasurer's office.

**Toppenish, Yakima County, Wash.—Bonds Voted.**—This city on Oct. 7 authorized the issuance of \$4,000 town-hall and \$2,000 street-improvement 10-20-year (optional) bonds at not exceeding 6% interest. The vote was 68 to 20.

**Torrington, Litchfield County, Conn.—Bond Offering.**—Proposals will be received until 7 p. m. Oct. 21 by Wm. H. Dayton, Borough Warden, for \$75,000 4½% coupon bonds. Authority a resolution of the General Assembly passed at the January session 1907. Date Nov. 1 1907. Interest semi-

MISCELLANEOUS.

“WE ARE IN VERY GREAT NEED

of telephone girls”, walls a manual operating company, in a letter to us. “Can you advise us where you have recently replaced manual boards with automatic so that we can get in touch with them

“WE MUST HAVE GIRLS

from somewhere.” We sympathized with the company, told them where we thought they might be able to get some girls; but we suggested the

AUTOMATIC SYSTEM AS THE SOLUTION

of their problem, which is becoming a common one among manual companies. Have you encountered it yet? When you do, remember that the Automatic dispenses with girls, saves money, makes money, and gives the best service. Automatic equipment has been adopted in the following cities:

- |                     |                     |                    |                        |
|---------------------|---------------------|--------------------|------------------------|
| Aberdeen, S. D.     | Denver, Colo.       | Marianao, Cuba.    | San Diego, Cal.        |
| Akron, Ohio.        | Dowagiac, Mich.     | Marion, Ind.       | San Francisco, Cal.    |
| Allentown, Pa.      | El Paso, Texas.     | Medford, Wis.      | Santa Monica, Cal.     |
| Auburn, Me.         | Emaus, Pa.          | Miamisburg, Ohio.  | Saskatoon, Sask., Can. |
| Auburn, N. Y.       | Fall River, Mass.   | Mt. Olive, Ill.    | Sloux City, Iowa.      |
| Battle Creek, Mich. | Grand Rapids, Mich. | New Bedford, Mass. | South Bend, Ind.       |
| Beaver Falls, Pa.   | Hastings, Neb.      | Oakland, Cal.      | Spokane, Wash.         |
| Bellingham, Wash.   | Havana, Cuba.       | Ocean Park, Cal.   | St. Mary's, Ohio.      |
| Berkeley, Cal.      | Hazleton, Pa.       | Omaha, Neb.        | Tacoma, Wash.          |
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| Butte, Mont.        | Hopkinsville, Ky.   | Pontiac, Ill.      | Traverse City, Mich.   |
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| Chicago, Ill.       | Lake Benton, Minn.  | Princeton, N. J.   | Walla Walla, Wash.     |
| Cleburne, Texas.    | Lewiston, Me.       | Richmond, Ind.     | Wausau, Wis.           |
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Certificates engraved in best manner, or partly lithographed and partly printed

ALBERT B. KING & CO., 206 Broadway, N. Y.

annually at the office of the Borough Treasurer. Maturity Nov. 1 1927. Certified check for 2% of bonds bid for is required.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

**Upland, Franklin County, Neb.—Bonds Defeated.**—The election held Sept. 24 resulted in the defeat of the proposition to issue the \$10,000 6% 5-20-year (optional) water bonds mentioned in V. 85, p. 752.

**Upland School District, San Bernardino County, Cal.—Bond Offering.**—Proposals will be received until 11 a. m. Oct. 28 by the Board of County Supervisors for \$30,000 5% gold coupon (with privilege of registration) school-house and lot-purchase bonds. Authority Sections 1880 to 1888 inclusive, Political Code. Denomination \$1,000. Date Sept. 23 1907. Interest annually at the County Treasurer's office in San Bernardino. Maturity \$2,000 yearly on Sept. 23 from 1917 to 1931 inclusive. Bonds are tax-exempt. Certified check for 5% of bid, payable to the Chairman Board of County Supervisors, is required. Total debt, this issue. Assessed valuation for 1907, \$609,060. Charles Post is County Clerk and ex-officio Clerk of the Board of County Supervisors.

**Utica, Oneida County, N. Y.—Bond Offering.**—John J. Bannigan, City Treasurer, will offer at public auction at 12 m. Oct. 25 \$8,000 4% public-improvement bonds. Denomination \$1,000. Date Oct. 15 1907. Interest semi-annual. Maturity \$1,000 yearly on Oct. 15 from 1927 to 1934 inclusive. The successful bidder will be required to deposit a certified check on a national bank or New York State bank or trust company, and payable to the City Treasurer, for 1% of the amount of bonds bid for.

**Bonds Awarded in Part.**—Local papers report that of the \$145,000 school-building and the \$95,000 delinquent-tax 4% registered bonds offered on Sept. 3 (V. 85, p. 486), \$15,000 of the former issue, maturing \$7,500 on May 1 in each of the years 1908 and 1909, were awarded on Oct. 15 to Mrs. S. B. Eagan of Buffalo at par and accrued interest.

**Warren Township, Huntington County, Ind.—Bonds No Sold.**—Reports state that no bids were received on Oct. 10

for \$35,531 76 4% 10-year gravel-road bonds offered on that day by the County Treasurer.

**Watertown, Middlesex County, Mass.—Note Offering.**—Reports state that proposals will be received until 3 p. m. Oct. 22 by Charles W. Stone, Town Treasurer, for the discount of \$50,000 notes issued in anticipation of taxes. Denomination to suit purchaser. Maturity April 20 1908.

**West Bend, Washington County, Wis.—Bonds Voted.**—An election held recently resulted in a vote of 255 to 42 in favor of a proposition to issue \$25,000 water-works bonds.

**White River School Township, Johnson County, Ind.—Bond Sale.**—Of the \$32,000 4% coupon school-building bonds offered on Sept. 20 (V. 85, p. 753), \$22,000 were awarded to the Franklin National Bank of Franklin at 102 and \$10,000 were awarded to local investors. Maturity \$2,500 each six months from Feb. 15 1908 to Aug. 15 1913 inclusive, \$1,000 on Aug. 15 1914 and \$1,000 on Feb. 15 1915.

**Wildwood, Cape May County, N. J.—Bonds Not Sold.**—We are advised that the \$65,500 municipal-improvement bonds offered on Oct. 15 were not sold. For description of these securities see V. 85, p. 885.

**Winston-Salem, Forsyth County, N. C.—Price Paid for Bonds.**—We are advised that the price paid for the \$85,000 street-improvement, \$35,000 water-main-extension and the \$30,000 sewerage-system-improvement 5% 30-year coupon bonds recently awarded to the Wachovia Loan & Trust Co. of Winston-Salem (V. 85, p. 965) was 100.25 and accrued interest.

**Yonkers School District (P. O. Yonkers), Westchester County, N. Y.—Bond Sale.**—On Oct. 10 \$109,000 4 1/2% registered school-building bonds were awarded to N. W. Harris & Co. of New York City at 105.561 and accrued interest. Following are the bids:

N. W. Harris & Co., N. Y. 105.561 | R. L. Day & Co., New York 102.089  
Kountze Bros., New York 103.57 | Blodget, Merritt & Co., Bos. 101.53  
Wadsworth & Wright, N. Y. 103.13 | O'Connor & Kahler, N. Y. 100.83

Authority Chapter 543, Laws of 1899. Date Oct. 1 1907. Interest semi-annual. Maturity \$10,000 yearly on April 1 from 1957 to 1966 inclusive and \$9,000 on April 1 1967. Bonds to be delivered Oct. 25 1907.

**INVESTMENTS.**

**H. W. NOBLE & COMPANY,**  
DETROIT, PHILADELPHIA.  
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AND  
PUBLIC SERVICE CORPORATION  
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**ERVIN & COMPANY,**  
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Members { New York Stock Exchange,  
Philadelphia Stock Exchange.  
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43 Exchange Place, Drexel Building,  
New York Philadelphia.

**F. B. SHERMAN & CO.**  
MUNICIPAL AND CORPORATION } BONDS

205 La Salle Street, CHICAGO

**INVESTMENT BONDS**  
Lists upon request.

**Denison & Farnsworth,**  
BOSTON  
CLEVELAND and PHILADELPHIA.

**MISCELLANEOUS.**

OFFICE OF THE

**ATLANTIC MUTUAL INSURANCE COMPANY.**

New York, January 22d, 1907.

The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1906.

Premiums on Marine Risks from 1st January, 1906, to 31st December, 1906	\$3,190,241 67
Premiums on Policies not marked off 1st January, 1906	582,191 98
<b>Total Marine Premiums</b>	<b>\$3,772,433 65</b>
Premiums marked off from 1st January, 1906, to 31st December, 1906	\$3,081,714 32
Interest received during the year	\$359,457 98
Rent, less Taxes and Expenses	125,501 85
<b>Total</b>	<b>\$481,959 83</b>
Losses paid during the year which were estimated in 1905 and previous years	\$309,817 14
Losses occurred, estimated and paid in 1906	1,009,224 32
<b>Total</b>	<b>\$1,319,041 46</b>
Less Salvages	\$107,176 57
Re-insurances	150,190 74
<b>Total</b>	<b>\$257,367 31</b>
<b>Net</b>	<b>\$1,061,674 15</b>
Returns of Premiums	\$62,411 11
Expenses, including officers' salaries and clerks' compensation, stationery, newspapers, advertisements, etc.	\$344,098 27
The Company has the following Assets, viz.:	
United States and State of New York Stock, City, Bank and other Securities	\$3,697,108 00
Special deposits in Banks and Trust Companies	700,966 67
Real Estate corner Wall and William Sts., and Exchange Place	\$4,299,000 00
Other Real Estate and claims due the Company	75,000 00
<b>Total</b>	<b>4,374,000 00</b>
Premium notes and Bills Receivable	1,191,974 88
Cash in hands of European Bankers to pay losses under policies payable in foreign countries	271,142 54
Cash in bank	562,631 63
<b>Total</b>	<b>\$12,797,823 72</b>

A dividend of Six per cent interest on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the Fifth of February next. The outstanding certificates of the issue of 1901 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the fifth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment, and canceled. A dividend of Forty per cent is declared on the net earned premiums of the Company for the year ending 31st December, 1906, for which, upon application, certificates will be issued on and after Tuesday the seventh of May next.

By order of the Board,  
G. STANTON FLOYD-JONES, Secretary.

**TRUSTEES.**

- |   |  |  |
|---|--|--|
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Mercantile Trust Co.

St. Louis, Mo
Member St. Louis Clearing House Association
Capital and Surplus, \$9,500,000
FESTUS J. WADE, President. WM. MAFFITT, Treasurer

Table with 2 columns: Date (Nov. 16, 1899 to Nov. 16, 1906) and Amount (\$1,667,051 19 to \$27,984,599 63)

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CENTRAL TRUST COMPANY OF ILLINOIS, CHICAGO.

Capital, - - - - - \$2,000,000
Surplus and Profits - 900,000

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BANKING, SAVINGS AND TRUST DEPARTMENTS.

Girard Trust Company.

CAPITAL AND SURPLUS, \$10,000,000.
CHARTERED 1836.

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The Trust Company of North America

503-505-507 Chestnut St., Philadelphia.
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