

FINANCIAL BRIEFS

The average price of twenty active industrial stocks advanced 0.22 per cent on Saturday to 113.20, while twenty railroads declined 0.21 per cent to 81.36.

Library Bureau to teach file clerks

Realizing the need for well-trained file clerks, and wishing to extend to girls and women the fullest opportunity to study under practical teachers, Library Bureau has assumed control and management of the Philadelphia School of Filing.

To you, as a business man, this move is of tremendous importance. Somewhere in your office there is an ambitious girl who wants to study filing.

Send one of your girls here—for either the day or night classes. She will appreciate it—your filing department will move more smoothly than ever before.

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about the only hope of settling the threatened coal miners' strike, which would undoubtedly be a national disaster.

Decrease of \$90,000,000 in loans and gain of \$14,000,000 in reserves by New York banks as shown by the actual statement of condition would seem to indicate that towards the end of last week the money market was beginning to straighten itself out and that banks have the situation in hand better than was generally regarded.

The annual dinner of the employees of the Ninth National Bank was held at the Bellevue-Stratford, Saturday evening.

It has been often said that the London exchange traded in everything from street railways in South Africa to land properties near the Arctic zone, but New York seems destined, in the view of many, to take the place of London to a great extent in the breadth of its trading activities.

Blank Cartridge May Ruin Sight Benjamin Hodgson, sixteen years old, 720 Clinton street, Camden, may lose the sight of his left eye as the result of being struck by the end of a blank cartridge fired from a gun by Leon Ferry, fifteen years old, 331 North Tenth street. The boys were playing with the gun when it accidentally exploded.

GOSSIP OF THE STREET

BANKER SAYS BUDGET SYSTEM WILL NOT REDUCE EXPENSES

Necessity in Washington of Legislative Spirit Responsive to Demands of People for Strictest Economy

AN INVESTMENT banker, when speaking of the possibility of a budget system being adopted for our national finances—a plan which he in common with almost every financier in this city approves—said that in some minds he believes there is a belief that the adoption of a budget system meant a positive reduction in our national expenditures.

Such is not necessarily the case, he remarked. A proper budget system, he said, should be the best means of reducing expenses, but the budget's strong point is its power to control; precedent to that there must be for the strictest economy in every department, consistent with the immediate needs of the country.

If anything were found to prove that a budget system alone would reduce expenses, it could be used in the present financial condition of Great Britain, he said, which is supposed to be the birthplace of the budget system.

He remarked that these conditions are creating considerable unrest. One paper, in giving figures to prove its statement, said that Great Britain's expenditures from May 1 of this year to October 1 last are approximately \$3,700,000,000, with receipts for the same time of \$2,300,000,000.

But to return to the budget system, he said a majority of the governors of the different states are all in arms against the present slipshod methods of national expenditures, and more than forty of them have in operation some sort of a budget system.

Philadelphia Investment Bankers at St. Louis The following members of the Investment Bankers' Association of America, in this city, left North Philadelphia station of the Pennsylvania Railroad on Saturday last in a special train for the annual convention of the Association at St. Louis:

William Wollerton, H. F. Baelman & Co.; George de B. Keim, Chandler & Co.; George K. Reilly, Reilly, Brock & Co.; Frank Schwab, West & Co.; A. B. Moller, Frazier & Co.; J. Lewis Henry, Middle & Henry; H. O. Peabody, Brown Brothers & Co.; J. Clark Moore, Jr., Barseley, Moore & Co.; Lewis H. Parsons and A. G. R. Steel, Graham, Parsons & Co.; William West and W. W. Watson, Jr., West & Co.; Robert K. Cassatt and T. Johnson, Ward, Cassatt & Co.; Lloyd A. Munger, Halsey, Stuart & Co.; Clyde L. Paul, Paul & Co.; E. G. Parsley, Harper & Turner; Joseph Dixon, Graham Parsons & Co.; Clarence H. Clark, 3d, E. W. Clark

& Co.; Arthur Guy, Hemphill, Noyes & Co., and Charles P. Stokes, Montgomery & Co.

Many Steel Mills Working at Full Capacity

A broker who is in touch with the Pittsburgh steel district, including the adjacent steel towns in the Mahoning and Shesango valleys, said the reports reaching him through ordinary correspondence are all to the effect that the return of the workers to the mills has been the largest last week of any week during the strike.

Today, he continued, the situation, many of the mills and furnaces are working at full capacity and orders for steel are piling up, but the companies are not accepting large orders without a thorough understanding as to the time of delivery.

One thing the labor leaders must be painfully aware of, he said, is that each day the settlement is withheld weakens their position.

Railroads Doing Record Business for Season According to a prominent local banker, the country is doing a larger business on its railroads than ever before for this season of the year.

Referring to our foreign trade for the month of August, the Guaranty Trust Company of New York says:

The decline in the export trade indicated by the July figures did not continue in August. The value of exports in August was \$646,270,614, or \$74,000,000 more than in July.

Carstairs & Co., commenting on market conditions, say: Banking restraint upon a market which had appeared all too willing to rush to further dangerous extremes, has made for a degree of improvement in the general financial situation.

Hecker & Co. say: The market has given good account of itself this week under some very discouraging circumstances.

The banks gave a warning in the 10 per cent renewal rate that the market must beat time for a while, and it would be well to heed this signal, which experience teaches means exactly what it says.

Church Spectacle for New York New York, Oct. 20.—The Interchurch World Movement announced that "The Wayfarer" would be presented at Madison Square Garden for five weeks, beginning December 15.

BUSINESS NOTES

Shortage of the better grades of all kinds of leather continues to trouble manufacturers. Consignments of goatskins, sheepskins, calfskins and hides are received regularly in the market, but not in sufficient quantities to meet requirements.

According to mill agents, the forthcoming spring production of woollen goods is all sold upon the allotment basis. Jobbers, who are the only ones having any accumulation of winter goods on hand, report slight demand for immediate use.

Trading was brisk in the gray or unfinished cotton fabrics market last week. Converters placed substantial orders for these materials, both for immediate and future delivery.

Under pressure of heavy demands for raw silk by mills in this country and abroad, the price of the fiber rose to dizzy heights last week. Shinsui No. 1, a standard grade, passed the \$11 mark, an advance of about 50 cents over the week previous.

The beginning of the spring wholesale selling season in men's clothing was accomplished quietly last week. More manufacturers are expected to be ready to take spring orders this week.

The once familiar "Made in Germany" is not appearing on products of German manufacture, since armistice, which are finding their way into continental markets.

Following the auction sale of the Federal Tax Reports

A course in organizing material and working out all forms required for Individual Income Tax Corporation Tax Excess Profits Tax

Y.M.C.A. Central Branch, 1421 Arch Street

week before, activities in all branches of the fur trade last week reached a low ebb. Colder weather is expected to start a buying movement on the part of the general public that gradually will work back through the various intermediaries to the raw skin merchants.

Liabon Chooses Machado Senator Liabon, Oct. 20.—Bernardino Machado, formerly president, has been elected senator to represent Liabon. The minister of war, General Covaro, was elected deputy.

Send For This Free New Book

It contains much valuable information about the market. The experienced trader as well as those to whom the market is strange ground will find it helpful. It tells

- The General Rules of Trading. How to Give a Broker Instructions. Brokers' Commission Charges. How to Indorse a Stock Certificate. How to Use Collateral in Trading. How to Group Investments. The Deposit Requirements for Carrying Stocks on Account. The Rights of Stock and Bond Holders, etc.

Ask for No. T. U.-634 JONES & BAKER SECURITIES Widener Bldg., Philadelphia Phone Bell, Walnut 6065 Keynote, Race 2290 Direct Private Wire

NEW ISSUE \$4,000,000

Panhandle Producing & Refining Company 8% Cumulative Convertible Sinking Fund Preferred Stock

Preferred as to both assets and dividends. Dividends cumulative from October 1, payable quarterly beginning January 1, 1920. Redeemable in whole or in part at 110 and accrued dividends. Convertible into common stock at the option of the holder in the ratio of one share of preferred for two shares of common stock. Free from present Normal Federal Income Tax.

Table with 3 columns: Stock Type, Par Value, Shares. 8% Cumulative Convertible Preferred Stock (par \$100) \$4,000,000 40,000 shares. Common Stock (without par value) 300,000 shares. 180,000 shares.

The Company will have no bonded debt. GUARANTY TRUST CO. OF NEW YORK Registrar. COLUMBIA TRUST CO., NEW YORK Transfer Agent.

Mr. Roy B. Jones, President of the Panhandle Refining Co., has summarized his letter to the Bankers in reference to this issue as follows: The Panhandle Producing & Refining Company has been organized to acquire the entire capital stock of the Panhandle Refining Company of Texas, which in turn will acquire substantially all the properties heretofore owned by Brown & Jones, Trustee, The 6666 Oil Co., The Trojan Oil Company and the Panhandle Boiler & Machine Shop.

PRODUCTION AND LEASES—Settled production of more than 1,500 barrels a day, and in addition an estimated flush production of more than 5,000 barrels a day. The Company will own either in their entirety or the operating control of more than 20 producing leases covering about 1,000 acres in Wichita County, Texas, including 40 acres in the Burk Burnett Northwest Extension and a one-third interest in a 22-acre lease in that same field; also 81 acres in Cotton County, Okla.; together with leases on about 30,000 acres of undeveloped territory in Texas and Oklahoma.

REFINERY AND PIPE LINES—At Wichita Falls, Texas, the Company will own a refinery of 5,000 barrels daily capacity; eight miles west of Burk Burnett a casing head gasoline plant of 750,000 cu. ft. capacity, with storage facilities and nine miles of pipe lines; and south of Electra another gasoline plant of 350,000 cu. ft. capacity.

VALUATION—The Company's properties, including its net quick assets, are conservatively estimated to have a present value of more than \$8,500,000, or over twice the amount of the preferred stock issue. This valuation has been confirmed by independent experts.

EARNINGS—After making allowance for interest charges which will be eliminated by this financing the earnings before depreciation and taxes, including Federal taxes, for the 12 months ended December 31, 1918, were \$1,243,663.28; for the 12 months ended June 30, 1919, were \$1,951,148.57, and for six months ended June 30, 1919, were \$1,183,976.50.

Earnings after depreciation and reserve for all taxes, including Federal taxes:

Table with 4 columns: Period, Total Earnings, Rate per annum on Preferred Stock, Rate per annum on Common Stock. 12 months ended June 30, 1919: \$1,229,549.63, 30%, \$5.05. 6 months ended June 30, 1919: 816,205.35, 40%, 7.28.

CONVERSION PRIVILEGE—The preferred stock is to be convertible into common stock at the option of the holder in the ratio of two shares of common stock for one share of preferred. With earnings so largely in excess of preferred dividend and Sinking Fund requirements, and the valuation of the properties, including its net quick assets, over twice the amount of the preferred stock issue, the common shares have a substantial value and one which in due course should make the conversion privilege of the preferred stock attractive.

SINKING FUND—For the retirement of the preferred stock there is provided a Sinking Fund amounting to 25% of the net profits after preferred dividends, but not less than \$400,000 a year, until the preferred stock is reduced to \$3,000,000; similarly thereafter 25% of the net profits, but not less than \$300,000 a year until the issue has been reduced to \$2,000,000; and likewise thereafter 25% of the net profits, but not less than \$200,000 per annum until the preferred stock has been retired.

We offer this stock when, as and if issued and received by us. PRICE 97 AND ACCRUED DIVIDEND Purchasers of Preferred Stock will have the privilege of subscribing to the Common Stock at \$25 a share on the basis of one share of Common for each two shares of Preferred.

- Hayden, Stone & Co. New York. Merrill, Lynch & Co. New York. Hemphill, Noyes & Co. New York. F. S. Smithers & Co. New York.

All statements herein are based on information which we regard as reliable, and while we do not guarantee them they are the data upon which we have relied in the purchase of these securities.

\$2,000,000 A. G. Spalding & Bros. 7% Cumulative First Preferred Stock

Preferred as to both assets and dividends. Redeemable as a whole or in part at 115 and accrued dividend on 3 days' notice. Dividends payable quarterly March, June, September and December 1. Par value \$100. Total authorized \$5,000,000. Total outstanding, including present issue, \$5,976,900. Bankers Trust Company, New York, Registrar. United States Mortgage & Trust Company, New York, Transfer Agent.

A sinking fund of at least 3% per annum of the total amount issued, beginning 1921, provides for the purchase of this stock up to the redemption price. Free of the United States Normal Income Tax

The following information is summarized from a letter to us from Mr. J. W. Spalding, President of the Company: Property and Business—A. G. Spalding & Bros., established in 1876, manufactures practically all kinds of athletic equipment. With the exception of certain retail specialties, approximately 90% of the goods sold by the company through its widespread sales organization are of its own manufacture.

Average Net Income for 10 Years 3 1/2 Times Present Dividend—Net income after provision for Federal Taxes and available for dividends and depreciation reserves follows:

Table with 4 columns: Year, Net Income, Dividend, Reserves. 1918: \$1,034,256, \$99,682, \$955,846. 1917: 943,404, 94,951, 699,753. 1916: 1,165,086, 1,016,098, 747,078. 1909: 1,090,802.

Net Quick Assets, \$180 per Share—The consolidated balance sheet as at July 31, 1919, after giving effect to the present issue, shows net quick assets of \$7,085,751, equal to \$180 per share of outstanding First Preferred Stock.

Total Net Tangible Assets, \$270 per Share—Total net tangible assets are shown as \$10,629,997, equivalent to \$270 per share.

Maintenance of Net Assets—The company agrees to maintain net quick assets of at least \$125 per share, and total net tangible assets of \$225 per share of First Preferred Stock.

Restrictions on Further Capital Issues—The company has no funded debt. No bonds or notes, (other than current bank loans) or stock ranking ahead of or equally with this issue, can be created without the consent of the holders of 75% thereof.

We offer this First Preferred Stock when, as and if issued and received by us, and subject to the approval of legal matters by our counsel. Price 100 and Accrued Dividend

- Wm. A. Read & Co. 1421 Chestnut Street Philadelphia, Pa. Smith, Moore & Co. 509 Olive Street St. Louis

The information contained herein has been obtained from sources which we consider reliable. While not guaranteed, it is accepted by us as accurate.