

# \$2,000,000 Shaffer Oil and Refining Co.

Secured 7% Convertible Sinking Fund Gold Notes

Dated June 1, 1920 Due June 1, 1923 To be Authorized and Issued \$2,000,000

Coupon Notes registerable as to principal in denominations of \$100, \$500 and \$1,000. Interest payable June 1 and December 1 in New York or Chicago, without deduction of any Normal Federal Income Tax up to 7%. Callable on 30 days' notice at 101% and interest during the first year, 101 and interest during the second year, and thereafter at 100% and interest.

### PENNSYLVANIA FOUR MILLS TAX REFUNDED

**Notes Convertible Into Bonds**  
Convertible at the option of the holder at par and accrued interest into First Mortgage Convertible 6% Sinking Fund Gold Bonds, due June 1, 1929, at 87½ and accrued interest.

**Negotiable Stock Warrants**  
will accompany each Note, entitling the purchase of Shaffer Common Stock in even share lots, any time prior to June 1, 1923, on the basis of 15 shares for each \$1,000 Note, or \$66.23 per share.

ILLINOIS TRUST AND SAVINGS BANK, CHICAGO, TRUSTEE

*We summarize in part from letter of Mr. Arthur S. Huey, Vice-President of Shaffer Oil and Refining Company, as follows:*

**PROPERTIES** include 255,797 acres of leases with 458 producing wells on 8,717 proven acres; present daily settled production of over 4,000 barrels and over 2,000 barrels additional production brought in June 1; a modern refinery with a daily capacity of 6,000 barrels; 633 steel tank cars; twenty-five 55,000 bbl. steel storage tanks; over 177 miles of pipe lines and gathering lines; marketing organization including 173 retail distributing stations.

**SECURITY:** Notes will be secured by \$3,000,000 of Company's 6% First Mortgage Bonds which are a first lien, direct or through deposit of collateral, on the entire system of oil properties, having a value estimated in excess of twice the total funded debt of the Company, including this issue of Notes.

**SINKING FUND,** operating semi-annually, commencing December 1, 1920, will provide \$1,000,000 cash for retirement of Notes before maturity. To provide this cash pledged Bonds may be tendered to or retired by the Bond Sinking Fund.

**NET EARNINGS** from operations for the 12 months ended April 30, 1920, were \$3,742,469 or nearly 4¾ times total annual interest charges on Bonds and these Notes leaving \$2,948,031 available for Federal Taxes, Depreciation, Dividends, etc.

*When, as and if issued and received by us, and subject to approval of counsel*

Price 97½ and Interest to Yield 8%

Montgomery & Co.  
Philadelphia-New York-Chicago

H. M. Byllesby & Co., Inc.  
New York-Chicago-Providence-Boston

Illinois Trust and Savings Bank Chicago  
Fort Dearborn National Bank Chicago

The Merchants Loan and Trust Company  
Chicago

This information and these statistics are not guaranteed, but have been obtained from sources we believe to be accurate.

## MARKET SENTIMENT MORE CONFIDENT

### Activity Deferred Until the Chicago Convention Decided on Standard-Bearer

The return of confidence in the financial district, especially in brokers' offices, which may be said to have had its beginning on Friday last, continued throughout the half session on Saturday, but the events in Chicago which are so uncertain at this writing, preclude the possibility of any prophecy as to what may or may not happen at the opening this morning.

A broker said he looked for a continuation of conditions as they are for the last few days, with a marked upward trend, on the assumption that no radical will be nominated by the convention, but he added, no one knows what conventions may do.

It is surprising, remarked a broker that railroad stocks don't show more strength than they are doing now. Every one, he said, is convinced that at last the railroads are going to have a square deal at the hands of the Interstate Commerce Commission. He said the only way he could account for their heaviness at presents is the reflex effect of the cutting of the Chicago, Northwestern dividends by the directors a few days ago. Then, he said, people have viewed the industrial stocks galvanized into life during the last week, while the rails did not respond and the result was several investors dumped their holdings on the market. This broker said that in the face of all that he is bullish on rails and will continue to be so till something not now evident changes his opinion.

Below are opinions of financiers and financial institutions on current events which have a bearing on present financial conditions:

**Corn Exchange National Bank, Philadelphia**—Suppose you were studying in a strange land. Would not your impression of that country be derived from your contact with them as individuals? A rule Americans are very provincial. We lack consideration for the foreigner's point of view. The proposition is not by any means an altruistic one. We should make these foreign students feel at home. That is a Christian duty, but it is also good business. In many cases foreign students have returned home with a rather bitter and false impression of Americans and American ideals. And these foreign students, moreover, are usually men of influence in their own countries. Their countrymen learn of America through them. It behooves us to see to it that they have nothing but good to say about us.

Here is an illustration of the material benefits. A wealthy Japanese student, who attended the University of Pennsylvania years ago, only recently

placed an order of \$2,000,000 in the Pittsburgh district. More than that, the ideals that Japanese absorbed here led to his endowment of a college in Japan which is a regular distributing center for American ideas, methods and good will. That Japanese was thrown into contact with the right people. But unfortunately his case was exceptional.

**Guanty Trust Co., N. Y.**—The marked decline foreign trade values for April, with a relative gain for imports, the stringency in domestic credit due to transportation difficulties, the spectacular cutting of retail prices in clothing and in a limited number of commodities and the uncertain and frequently conflicting reports of economic, social and military disturbances throughout parts of Europe have all combined to cause a certain hesitancy among business men to commit themselves very far in advance, particularly overseas. Unfortunately, this tendency is at times carried so far as to obscure the constructive forces acting under the surface and accomplishing a fundamental improvement.

**Chandler Bros. & Co.**—The "puff" was applied two or three times the past week when there seemed to be a "budding" instinct in the market which, immediately checked, might lead forth toward an advance movement. Then 10 per cent was bid for call money and prices naturally declined, after which money dropped quietly with a price cut and with warning signals attached to the money post. One of the old standard bearers of the stock market which for fifty years has stood for all that is right and honorable in their management, had to reduce their dividend rates, thus causing a 10 per cent decline in both the common and preferred shares of Chicago and Northwestern. They could stand practically every grievance and still weather the gale until government railroad control and government supported labor and government controlled grain crops were handed over for them to carry and this was too much, so that the market has lost 2½ per cent to 10 per cent of whatever gains it made last week.

**James & Baker**—With investors and traders displaying so much interest in the course of events at Chicago and with the future market trend depending so largely on the presidential choice, nothing but dullness was to be expected. Recalling the spectacular bull markets of other election years, and particularly the one of 1916, it is easy to understand why so many students of security trends foresee another bulge once the nominees are known and the presidential campaign gets under way.

**Henry L. Doherty Co.**—Within the last week or so there has been somewhat noticeable improvement in the trend of prices of corporation bonds. While there have been no sharp advances, the general bond list, including bonds and industrials, has shown a distinct upward tendency which leads close students of the investment market to predict that the lowest prices in fixed income bearing securities have been seen, and while there may be for some time rather irregular market in this class of securities there should be a gradual return to much higher prices. The change is attributed to the lowering of commodity prices and the consequent increased purchasing power of the dollar.

While this movement has not been extensive as yet, it is the opinion of many leading financiers that the peak of high commodity prices was reached some weeks ago and that conditions will not again change to reverse the trend toward more normal commodity prices and a progressive increase in the purchasing power of the dollar.

### WANTS A MODERN MOSES High School Speaker Appeals to Graduates to "Make Good"

Pottstown, Pa., June 14.—The alumni chapel at the Hill School was crowded yesterday. The baccalaureate sermon was preached to the class of 1920 by Bishop Edwin H. Hughes, of the Methodist Episcopal Church.

Bishop Hughes pointed out that God when He has a great task for a man picks out a learned man, Moses, in the Old Testament, and St. Paul, in the New Testament, were both learned men, but they were also God-fearing men. George Washington and Abraham Lincoln were also learned men and they were chosen of God to do a great work. The world today, the bishop said, needs a man of the Moses type to lead it out of the wilderness of unrest and uncertainty. The graduates were urged to lead lives of service directed by the teachings of Almighty God.

**DETECTIVE IS BETTER  
Man Found With Bullet Wound May Have Shot Himself**  
Albert Seitz, twenty-two years old, of 41 Maple street, a vice squad detective, found early Sunday morning unconscious in front of a drug store at Eleventh and Vine streets, with a bullet wound in the abdomen, is reported to be much better today at the Hahnemann Hospital.

Seitz declared he had been shot from across the street, but Detective Belsaw found burns on the abdomen, one carried short in the detective's automatic, and the empty shell near where he was lying. It is thought he either shot himself by accident or intentionally.

**CANARD, SAYS COOLIDGE  
Afraid His Landlord Will See \$35 Rental Report**

Boston, June 14.—Governor Coolidge, as he was greeted by newspapermen yesterday morning, made a whimsical complaint of a statement published in a local paper that he paid \$35 a month rent for his half house in Northampton, where as he actually pays \$32.

He said if the landlord should happen to see the story the rent might be raised to correspond, and that the governor declared, he did not want to happen.

**RSE**  
INVESTMENT SERVICE

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Industrially and financially?

An indication of how sound and prosperous things are in the Dominion—and how attractive the Canadian Investment market is to Americans—is given in our latest issue of *Investment Items*.

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## The Goodyear Tire & Rubber Co. of Akron, Ohio

\$20,000,000 Par Value  
7% Cumulative Preferred Stock  
Par Value \$100

\$10,000,000 Par Value  
Common Stock  
Par Value \$100

Offered in blocks of 2 shares Preferred } for \$300  
of three shares } 1 share Common

Stock exempt from the General Property Tax under the Laws of Ohio  
Dividends exempt from the Normal Federal Income Tax

### CAPITALIZATION

Reflecting capitalization of a portion of the surplus on recent declaration of stock dividend of 150%, but without giving effect to present financing

	Authorized	Outstanding
Seven Per Cent Cumulative Preferred Stock (this issue)	\$100,000,000	\$46,844,100
Common Stock	100,000,000	51,890,000

NO BONDS

A letter from Mr. F. A. Seiberling,  
President, is summarized as follows:

**ASSETS AND BUSINESS:** The total net assets of the company from the balance sheet as of April 30, 1920, amounted to more than \$115,000,000. The Good Will, Patents, Trade Rights and Trade-names are capitalized at \$1.00 although the Management believe that this is the most valuable asset of the Company. In addition to having a sound value of \$122 back of each share of common stock, purchasers will have also their pro rata share of the Company's Good Will. *Business for the six months to May 1, 1920, exceeded that of the preceding fiscal year for the same period by 59.3%. An estimate based on six months' operation indicates net earnings for fiscal year ending Oct. 30, 1920, approximating \$30,000,000. Total business for this year will approximate \$225,000,000 as compared with \$168,000,000 in the preceding fiscal year.*

**PREFERRED RESTRICTIONS:** The Preferred Stock is safeguarded by restrictions which include provisions for the maintenance of assets, for the annual retirement of a portion of the issue and against the creation of a mortgage or lien on the assets.

**RECORD OF COMMON STOCK:** Earnings for past twelve years applicable to common stock after payment of preferred dividends have exceeded an average of 54% per annum on common stock outstanding. Since 1908 cash dividends of 12% have been paid each year on the common stock and in addition stock dividends have been paid as follows: 1908, 100%; 1909, 100%; 1911, 100%; 1913, 20%; 1915, 100%; 1920, 150%.

**POSITION OF COMPANY:** (1) Producing approximately 20% of total automobile tire business of country. (2) Producing largest single volume of pneumatic truck tires, also one of the largest outputs of solid truck tires, both in extensive demand in industrial and agricultural fields. (3) Producing mechanical goods, such as power transmission belts, also packing, hose and valves now in rapidly increasing demand in the fields mentioned. (4) Producing Neolin soles and Wingfoot rubber heels, widely distributed by the shoe trade.

We are offering the unsold portion of this stock  
in blocks of 2 shares Preferred } for \$300  
three shares } 1 share Common

**BORTON & BORTON**  
Investment Securities  
Leader Building, CLEVELAND

Orders may be placed through your own bank or dealer

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## Petroleum

is a priceless resource, for it can never be replaced. It has taken ages for nature to distill it in her subterranean laboratory. To industry, agriculture, commerce and the pleasures of life petroleum is now essential. (Secretary of the Interior Franklin K. Lane, in a recent report.)

Gasoline is petroleum's richest by-product. Improved methods now enable refiners to produce three and one-third times the amount of gasoline that was obtained in 1909 from the same quantity of raw material. During the same period the number of automobiles in use has increased fifteen times.

The three hundred or more other refined products of petroleum have grown in demand until we have reached the point where we are consuming more oil than we produce.

The premier oil companies of today stand among the largest and most substantial corporations in the world. They have combined production, transportation, refining and marketing in a natural sequence that is the logic of economy of operation. Their remarkable growth is a proof of their soundness and the opportunity they afford for

Safe Profitable Investments

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