GOSSIP OF
THE STREET

"Gossie he built little Accounting and the least was a company with a semblance of the company. The plan is a company with a semblance and the market machinery in the conform, given the built ranks and the market machinery in the conform, given the built ranks and the market machinery in the conform, given the built ranks and the market machinery in the conform, given the built ranks and the market machinery in the conform given the built ranks and the market machinery in the conform given the built ranks and the market machinery in the conform given the built ranks and the seminary of the market machinery in the conform given the built ranks and the seminary of the market machinery in the conform given the built ranks and the seminary of the market machinery in the conform given the built ranks and the seminary of the company. The plan is an expectation of the seminary of the seminary of the seminary of the company. The plan is an expectation of the seminary of the sem

Illinois Central is closing the biggest d best year in its history. It has rried a record amount of freight traffe, improved and augmented its equip-ment of power and rolling stock, built up shop forces 120 per cent of normal, begin work on the \$88,000,000 terminal n Chicago, and earned approximately 15.11 a share on the common stock fter allowing a full year's 6 per cent vidend on new preferred stock. Prospects for 1923 are even better, with three principal commodities, coal, humber and grain, moving better, and both the South and Middle West extending their purchases, says C. H. tending their purchases, Markham, the president.

There has been a striking divertise-

ese of the big wire houses concerning the market position for some time past. One of them has taken a decided bearb position regarding the industrial, division, and, in a nutshell, believes many of these stocks can be purchased at much lower figures. This is what be add yesterday: "Very little news overnight of im-

Crude Oil Going Up

Frank D. Kistler, chairman of the board of the Producers and Refiners' Corporation, declared yesterday that, in the face of the increasing demand at home and abroad, the outlook is decidedly good for the advancement in the price of crude oil and refined products until production is sufficiently stimulated to meet the needs of the world markets. Late figures show, according to Mr. Kistler, that current consumption in this country exceeds the domestic production of crude oil in the United States by about 100,000 barrels a day. barrels a day.

"Mexican production," said Mr. Kistler, "has been the measurement of price for American crude oil. Prices can imports. Economically and geo-graphically, conditions are so inter-regraphically, conditions are so inter-related that the 'tail swings the dog.' Mexico is now shipping us about 200, 000 barrels daily. Mexican imports have been declining since May from 500,000 barrels daily. The United States is producing about 1,500,000 Neither if the men was hurt.

Teulon, France, Dec. 20.—A practice to practic

return from the use of the line.

The total length of construction is estimated at about 2000 miles with the understanding that eventually it will be extended to Mediterranean points in the Near East. Construction of the cable is supported heartly by American business interests which have been handichapped by lack of direct communication with Italy.

The American Government, it is understood, is still experiencing difficulty with the Portuguess with respect to landing facilities for direct cable from Germany to the United States. Portugal's, close association with Great Britain is said to be influencing Lisbon in hampering direct communications be-Hrussels, Dec. 20. — (By A. P.)

— Premier Theunis, speaking, in the Chamber of Denuties today on reparations, said Belgium up to the present time had advanced 14,500,000,000 frates to Germany for restoration of devastated regions.

They demand Germany should recognize the wrong she had done and days by repair them; otherwise it would be impossible for Belgium to be ance her budget.

in hampering direct communications be-tween New York and Berlin.

Announcement was made several months ago that Belgium by the end of 1922 would have experded 16,000, 000,000 francs on reconstruction, the amount to be repaid by Germany. IF FIRST-BORN IS A BOY

King George Would Make a Grandson Viscount at Birth

\$1,500,000

Merritt-Chapman & Scott Corporation 10-Year 71/2% Convertible Sinking Fund Debenture Bonds

To mature January 1, 1933 Dated January 1, 1923 Principal and interest payable in gold at the office of W. A. Harriman & Co., Inc., New York City. Interest payable January 1 and July 1, without deduction for Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax, Connecticut Personal Property Tax up to 6 mills and Massachusetts

Income Tax up to 6%, refundable. Coupon Bonds in denominations of \$1,000 and \$500, registerable as to principal and interest and interchangeable.

Redeemable as a whole (or in part for Sinking Fund purposes only) at 116% and accrued interest on any interest date on sixty days' notice.

Convertible into Common Stock of the Corporation at the Basic Conversion Price of \$75 per share

A Sinking Fund beginning not later than January 1, 1925 provides for the retirement of a minimum of \$1,200,000 of these Bonds by maturity either by purchase at not to exceed 110% and accrued interest or by redemption at that price,

GUARANTY TRUST COMPANY OF NEW YORK, Trustee

CAPITALIZATION Outstanding \$1,500,000 \$1,500,000 Common Stock (no par value) 100,000 shares 53,000 shares

T. A. Scott, Esq., President of the Corporation, summarises from his letter to the Bankers, as follows:

HISTORY: The Merritt-Chapman & Scott Corporation is acquiring substantially all the plant, equipment, business and goodwill of the Merritt and Chapman Derrick and Wrecking Company and of The T. A. Scott Company with the exception of real estate which is leased for a term of years with an option to purchase. The Corporation is also acquiring two-thirds of the capital stock of the Overseas Salvors, Inc.

BUSINESS: The business of the new Corporation may be divided into two parts: (1) The salvage operations, and (2) the harbor or "inside" business of heavy derrick work, lightering, and construction work of every nature under water and in connection with shore improvements. The two predecessor companies have for many years been known as the leading wrecking and salvage organizations in this country, and their operations cover the Atlantic Coast and inland waters from Newfoundland to the Straits of Magellan, with stations conveniently located. The Merritt and Chapman Derrick and Wrecking Company has for a long time handled practically all of the heavy lightering in New York Harbor. The management of the Corporation will be a consolidation of the managements of the two predecessor companies.

PLANT: The plant and equipment comprising the most modern type derricks, lighters, wrecking vessels, and miscellaneous salvage gear, have been appraised at \$4,215,000. The new Corporation has contracted for the purchase of plant and equipment formerly owned by the United States Government, Navy Department, which will bring the total appraised value to \$5,115,000.

SECURITY: These Bonds are a direct obligation of Merritt-Chapman & Scott Corporation. Under the terms of the Trust Indenture securing this issue of Bonds, the Corporation covenants to maintain net tangible assets equal to at least 300% of the amount of Bonds outstanding. No dividends may be paid on the Common Stock which would reduce net quick assets below 100% of the amount of Bonds outstanding. Trust Indenture also provides that no mortgage shall be placed on the property (other than purchase money mortgages on after-acquired property) without consent of two-thirds of these Bonds and a majority of the Preferred Stock outstanding.

ASSETS: Consolidated Balance Sheet as of December 1, 1922, after giving effect to this financing and consummation of contract for U. S. Navy Department equipment, shows tangible assets applicable to these Bonds of \$6,515,000 of which \$1,400,000 are quick assets. The Corporation has no current liabilities.

EARNINGS: Consolidated earnings of the merged companies as audited for the six years and eleven months ended November 30, 1922, available for interest charges on this issue average \$697,156 annually over the above period in excess of 3½ times the annual interest requirements of this issue.

PURPOSE OF ISSUE: The purpose of this issue is to provide additional working capital, and funds for payment, in part, for the U. S. Navy Department plant and equipment.

CONCLUSION: Government authorities, ship operating and insurance companies, having in mind the efficient distribution of plant with the greatest possible territory under its protection, have urged the merger of the two active agencies in this field. Among the subscribers for Common Stock of the Corporation at \$50 per share who will be represented on the Board of Directors of the Corporation are many leading shipping companies, including Standard Oil of New Jersey, Standard Oil of New York, Merchants' Shipbuilding Corporation, Pan-American Petroleum and Transport Co., Atlantic Refining Co., etc.

We offer these Bonds for delivery when, as and if issued and received by us, and subject to approval of counsel,

Price 101% and accrued interest to yield over 7.25%

All legal details in connection with this issue will be passed upon by Messrs. O'Brien, Boardman, Parker & Fox, New York City, for the Bankers and Messrs. Kirlin, Woolsey, Campbell, Hickox & Keating, New York City, for the Company. The accounts have been audited and certified to by Messrs. Lybrand, Ross Bros. & Montgomery. Appraisals have been certified to by Mr. J. Howland Gardner and Messrs. Frank S. Martin & Son.

W. A. HARRIMAN & CO.

NEW YORK PHILADELPHIA CHICAGO

F. S. MOSELEY & CO.

BOSTON

FRAZIER & CO.

PHILADELPHIA NEW YORK

The above information is based upon official statements and statistics on which we have relied in the purchase of these Bonds. We do not guarantee it but believe it to be correct.

(Additional Issue)

\$5,000,000

Belgium Has Advanced 14,500,000.

Toulen, France, Dec. 20.-A practice torpedo, badly aimed during navel

000 France on Reconstruction !

Electric Bond and Share Company

6% Cumulative Preferred Stock

(Par Value of Shares \$100)

Free from Present Normal Pederal Income Tax .

Preferred as to Assets as well as Dividends. Callable, as a whole, at the entire of the Company upon 90 days' notice on any Dividend Date at 110 and accrued dividends. Dividends cumulative from date of issue, and are paid quarterly, February, May,

GUARANTY TRUST COMPANY OF NEW YORK, REGISTRAR BANKERS TRUST COMPANY, NEW YORK, TRANSFER AGENT

> CAPITALIZATION (Upon completion of present financing)

Authorized Preferred Stock 6% Cumulative (including this issue) \$20,000,000 \$16.250,000

The following information is summarized from a letter signed by Mr. S. Z. Mitchell, President of the Company.

Business:

Electric Bond and Share Company, incorporated Pebruary 28, 1905, takes a financial interest in Electric Power and Light and Gas enterprises. It buys, holds and sells securities issued on such properties, and renders expert assistance in connection with the financing and operation of companies controlling and operating

Purpose of Issue: Proceeds from the sale of this Preferred Stock will be used for general corporate purposes of the Company in expanding its business.

Provisions:

Company has no mortgage or funded debt. Under the By-Laws no indebtedness shall ever be incurred in excess of the total par value of the outstanding Preferred Stock without the affirmative vote, or consent in writing, of the majority of all outstanding stock.

This stock is preferred as to cumulative dividends at the rate of 6% per annum. No dividends may be paid on the Common Stock unless; after such payment, there remains a surplus equal to at least 18% (three years' dividend requirement) on the total outstanding Preferred Stock.

Earnings:

For the year ended October 31, 1922, Net Income, after Federal taxes, was \$3,655,821.13, or over 3.7 times annual dividend requirements of \$975,000 on the total amount of Preferred Stock outstanding, including this issue. The Net-Income of the Company since its incorporation in 1905, has been sufficient to meet the Preferred dividend payments during all of that period, more than 4.1 times.

Dividend Record:

Dividends at the rate of 5% per annum were paid regularly on the Preferred Stock from organization up to October 31, 1911, at which time the regular rate was increased from 5% to 6% per annum, and have been paid regularly at this rate since then. Common Stock has regularly paid dividends of not less than 8% per annum since July 15, 1909.

Equity:

The Preferred Stock will be followed, upon completion of present financing, by \$16,250,000 par value of Common Stock, all owned by the General Electric

All legal details in connection with the issue of this Preferred Stock will be passed upon by Mesera. Winthrop & Stimson, New York, for the Bankers, and Mesera. Simpson, Thacher and Bartlett, of New York, for the Company. The accounts of the Company are audited by Mesera. Marwick, Mitchell & Co., Accountants and Auditors.

We offer the above stock when, as, and if issued and received by us, and subject to approval of coupsel, at 97 and Accrued Dividends, from November 1, 1922, to yield about 6.20%

> Bonbright & Company 437 Chestnut Street

Successful Speculation

Strange as it may seem your success in the market depends more upon when than upon what you buy.

The great basic law of Action-Reaction governs both speculative and in-timens markets mostly as it governs our mechanical and scientific worlds. Changes within the concern itself cause its securities to fluctuate within range of the 10 points. These "ripples" cannot be forecast in any way! Artificial market manipulations are responsible for minor movements lasting for a few days or a few weeks. These "wanes" are unnatural, artificial, and are effective only as long as the pressure is kept up. They cannot forecast in any way.

Changes in the Fundamental Conditions underlying the business world, mesnwhile, cause the whole market to travel its regular cycle showing an average rise and fall—a fluctuation of around 50 points. These—the "tides"—travel with almost clock like regularity. They can be forecast with remarkable accuracy.

3. Sell out at the top of the broad

The Long-Swing Method

The common sense method is evident. Instead of gambling on the ripples—instead betting against the "insiders"—instead of trying to run cross current or counter to funda-mental conditions, take advantage of them.

Buy at the bottom when funda-mental conditions have forced secur-ities far below their true worth.

2. Hold through the rising market in spite of minor movements, rumor,

3. Sell out at the top of the broad tise at 30 to 100 points profit.
4. Hold funds liquid during the

RESULT-You enjoy half again to twice the usual return without the nary speculation.

The Opportunity Now Certain stocks are at or near the bottom of the cycle and should be purchased at once. Others are rapidly

approaching a buying point. If you are a buyer of stocks and mise this opportunity you may have to wait three to five years for another as favorable.

Send for Booklet—Today

A request on your letterhead will bring samples of recent Bulletins and booklet "Getting the Most from Your Money"—gratis. Tear out the MEMO—now—and hand it to your secretary when you dictate the morning's mail.

Merely ofth for Booklet No. 34MU

REPORTS

Bahson Statistical Organization

MEMO--For Your Secretary Write Babon's Statistical Organ-ization, Wellesley Hills, 82, Mass., as follows: Please send me copy of Bulletin 34MU and book-let "Getting

Announcement

Mr. Lloyd A. Munger has become associated with us in charge of the bond department in our New York office.

A. G. Becker & Co.

New York

137 South La Salle St.

ST. LOUIS SAN FRANCISCO LOS ANGELES SEATTLE December 20, 1922.

Georgia Railway & Power Company SECOND PREFERRED & COMMON STOCKS

> HARRISON & CO. BANKERS

106 SOUTH FOURTH STREET PHILADELPHIA Members New York and Philadelphia Stock Exchanges

Alan A. Alexander & Co. Stocks and Bonds Colonial Trust Bldg. Phile