J. H. TODD & SONS.

In continuity of operation Messrs Todd & Sons are the oldest operating company in the province, having erected their first cannery, on Fraser river, in 1882. It is a private company, immensely wealthy, and their brands are well established and favourably known throughout the British Empire. Next to the British Columbia Fishing & Packing Co they enjoy the largest trade in Canada.

The company owns three canneries, one on Skeena river, one on Rivers Inlet, and the third at Esquimalt, near Victoria. The latter obtains its principal supply from fish traps on Juan De Fuca Straits - the only part of British Columbia in which trap fishing is permitted. In addition they had a cannery on the Fraser river, near its mouth, but this was destroyed by fire in the spring of 1924.

The Inverness cannery has one of the best sites on Skeena river, is on the line of the Grand Trunk Pacific Railway, and is large, modern and up to date. Under amalgamation this would be one of the plants operated, with its capacity increased by the installation of machinery from some of the plants to be dismantled.

The Beaver cannery on Rivers Inlet is also well located and modern, but under amalgamation would be closed and dismantled.

The Esquimalt cannery is well situated for handling trap caught fish, but until the Fraser river sockeye run is restored, large packs cannot be looked for. There should however be a good profit made as trap caught fish should average less in cost than fish taken elsewhere with gill nets.

If these properties are acquired, and their acquisition is most desireable, it would have to be on a cash purchase basis, and in addition to their physical assets payment would have to be made for their brands and good will. As independent competitors Messrs Todd & Sons would be dangerous. Their wealth, and the trade they command, makes them formidiable, while their methods have always been selfish and competitors have never considered them reliable.

While very close and anxious for profit themselves they apparently hate to see any one else make money. When the British Columbia Packers Association was formed they verbally agreed to enter that amalgamation, but once its formation was assured they repudiated their word and remained free lances. Recently, like their competitors, they made heavy losses and expressed themselves as anxious to sell out, but when solicited to amalgamate with others they declined to join, in the belief that with the others amalgamated, but as independent operators themselves, they could repeat their former successes.

If it became known to them that an amalgamation was contemplated they would not sell out even on a cash basis, and the only way in which their plants can be secured for the new company will be to deal with them first, buying their assets and business as if this was the only property the purchasers contemplated acquiring. Messrs Todd & Sons will not give an option on their properties, and cannot be relied upon to live up to an agreement to sell unless they are tied hard and fast when negotiations are first entered into. For this reason only a cash purchase proposition can be successful. Once it was made known the Todd interests had been secured the way would be made much easier for securing other companies, for many would hesitate to join with Messrs Todd & Sons as free lances, while anxious to amalgamate if this company's interests were secured.

Mr. J. H. Todd has been dead many years but his son, Mr. Chas. F. Todd, and the latter's sons continue the business. The younger men are not adverse to joining an amalgamation, but the father dictates the company's actions and is the stumbling block to its participation. He is a man of about 70 years of age, but active and shrewd in business. He has few friends, and is simply a money making machine; albeit a very successful one. Under ordinary circumstances it would be impossible to get him to sell out, but he hates to make losses, and if advantage is taken of this before an improvement sets in, and he is approached in the manner suggested, there is a good chance that the interests of his company may be acquired.

J. H. TODD & SONS.

Annual packs secured since 1910.

Year	R.Spring	W.Spring	Sockeye	Cohoes	Pinks	Chums	Blueback	Total
1910	777	1,364	55,707	13,515	2,693	5,083		79,139
1911	1,795	300	30,958	15,300	41,200	3,070		92,623
1912	2,524	2,143	44,833	16,669	15,303	36		81,508
1913	1,450	200	74,515	12,120	20,310	2,000		110,595
1914	3,589	2,800	41,800	13,494	12,415	4,300		78,398
1915	8,705	2,342	32,518	20,325	29,161	4,079		97,130
1916	7,561	3,456	16,817	22,296	6,339	4,917		61,386
1917	6,498	2,133	42,952	18,806	33,982	6,894		111,265
1918	8,753	2,356	16,414	21,369	17,158	3,584	416	70,050
1919	13,144	2,273	23,852	27,535	31,625	4,563	332	103,324
1920	12,871	2,217	21,472	18,229	15,369	3,631	99	73,888
1921	778	164	15,880	22,329	13,048	2,215		54,480
1922	3,997	472	22,551	19,726	16,753	1,359		64,858
1923	64	174	23,385	28,517	26,600	13,233		91,973
1924		23	23,357	26,942	23,370	6,555		80,247
1925	2,869	131	28,127	31,248	33,653	14,445		110,473
1926	3,389	60	16,320	19,335	20,647	13,217		72,968
1927	4,124	114	16,855	22,965	19,718	13,914		77,689
1928	824	218	13,081	25,848	32,152	22,288		94,411
1929	388	35	22,106	29,874	27,056	6,246		85,705
1930	192	49	26,872	19,113	27,296	1,631		75,153
1931	205	164	25,579	25,049	33,033	1,246		85,276
1932	1,603	35	17,771	31,184	12,084	3,371		66,048
1933		19	21,213	19,969	31,914	6,506		79,621
1934	3	2	30,484	32,515	27,075	14,569		104,602
1935			38,292	29,693	33,881	19,173		121,039

KINCOLITH FISHERIES LTD.

VANCOUVER, B. C.

Wallace Fisheries Ltd

Liabilities	1914	1915	1916	1917
Capital Stock	1,500,000.	1,500.000	1,500,000.	1,500,000.
Debentures & Int	904,550. 54.581 959,131	958,873.	889,870.	795,000.
Notes & Accts Payable	525,173.81	373.579.90	68,375.49	113,156,52
Depree. Bad Debts, etc Reserve	16,689.81 286,366.64	255,463.35	376,766.79	360,216.80
Surplus		263,131.99	293,900.96	382,105.90
	3,287,311.76	3,300,948.24	3,078,412.74	3,150,479.22
	1918			
	1,500,000.			
	689,000.			
	891549.75			
	434935.87			
	494845.51			
	4,010,330.13			

Assets				
R.E. Plant Bldg, License Strs, Boats Goodwill etc at cost	2,693,530.63	2,666,085.68	2,667,301.08	2,635,163.58
Furn & Fix	3,987.24	3,987.24	4.287.24	4,287.24
Fish Supplies, Mdse, etc	527,642.97	581,494.50	267,435.24	417,665.38
accts Rec. & cash on hand	49,432,42 4,674.22	34,597.43 5,884.93	133.601.84	83,374.65
Unexp. Ins.	8,043.78	7,898.47	5,796.80	9,988.37
	3,287,311.76	3,300,948.24	3,078,412.74	3,150,479.22

WALLACE FISHERIES LIMITED.

Results of operation since formation.

Year	Cases Packed	Profit Made	Profit per Case	Surplus	% Pack Total BC
1911	68,870				.07½
1912	152,856				.15-1/3
1913	109,508	xx			.08
1914	118,917				.10-7/10
1915	107,463			263,131.99	.09½
1916	106,011	99,722.	.94	293,900.96	.10-2/3
1917	113,879	183,075.	1.60	382,105.90	.07-3/10
1918	143,559	218,741.	1.52	494.846.51	.08-7/8
1919	115,125	209,403.	1.81	660,494.66	.08¼
1920	117,663	xx 111,322.	.90 xx	549,171.67	.10
1921	29,346)				.04-7/8
1922	118,436)	xx 106,683.			.09-1/6
1923	56,072	xx 120,866.		248,682.05	.04-1/3
1924	129,781	xx 763.		247,918.96	.07-1/3

xx signifies losses.

Although the company's statements for the years 1920 to 1924 inclusive show apparent losses totalling $338,871.8 for that period, they paid no dividends during that time and their surplus shrunk from $660,494.66 in 1919 to $247,918.96. This would make their losses $412,575.70 The difference probably lies in some of the loss in realization of packs being dealt with independently of the following year's current transactions as exhibited in their balance sheets.

WALLACE FISHERIES LIMITED.

Annual packs secured since formation.

Year	R.Spring	W.Spring	Sockeye	Cohoes	Pinks	Chums	S.H.	Total
1911	11,313	201	26,516	7,329	11,132	12,379		68,870
1912	16,316	1,103	62,439	24,761	37,374	10,863		152,856
1913	9,709	1,311	52,785	4,650	14,061	26,992		109,508
1914	5,383	13	73,710	3,171	16,055	20,985		118,917
1915	7,700		78,736	3,196	10,757	7,069	5	107,463
1916	5,613		29,695	6,167	35,784	28,752		106,011
1917	7,461	308	23,539	5,939	16,792	59,840		113,879
1918	8,596	412	30,408	12,106	63,496	28,015	526	143,559
1919	2,906	393	41,562	10,960	15,874	43,192	238	115,125
1920	5,868	17	31,535	2,688	77,273	282		117,663
1921	1,375		12,325	956	10,519	4,171		29,346
1922	764	2	27,885	1,775	73,218	14,792		118,436
1923	823	12	35,944	594	12,436	6,263		56,072
1924	43	5	34,078	1,263	93,412	980		129,781
1925	4,348		47,343	18,859	19,400	56,947		146,897

WALLACE FISHERIES LIMITED.

Balance Sheet as at 31st December 1920.

ASSETS

Real Estate, Canneries, Buildings, Licenses, goodwill, etc.	$2,576,205.68
Steamers Gasoline Boats and Launches	93,460.37
Furniture and Fixtures	4,486.74
Inventories	964,377.55
Accounts receivable	119,974.08
Cash on hand and in Bank	10,180.64
Unexpired Insurance	16,411.65
	$3,785,096.71

LIABILITIES

Capital Stock issued	$1,500,000.00
6% Debentures Stock & Accrued interest	636,000.00
Bank Loan	442,700.00
Accounts Payable	76,770.01
Outstanding Cannery Accounts	3,258.60
Reserves for Depreciation, Bad Debts, etc.	577,196.43
Surplus Account	549,171.67
	$3,785,096.71

Original debenture issue was $750,000. and share stock issued as a bonus for those taking up the bonds.

Price paid for Wallace Bros. Pkg. Co. was approximately $200,000.
" " " Alberni Pkg. Co. " "
" " " Strathcona Pkg. Co. " $150,000.
" " " Hickey, Smiths Inlet " " $330,000.

Shareholders as at 31st March 1914 included;-

A. D. McRae	1440 shares
Davidson & McRae	1460 "
Estate Jno. A. Hombird	1000 "
Geo. C. Howe	1150 "
E. J. Palmer	725 "
J. M. Macmillan	928 "
Peter Wallace	2850 "
A. D. Davidson	1031 "

WALLACE FISHERIES LIMITED.

Balance Sheet as at 30th November 1924.

ASSETS

Real Estate, Canneries, Buildings, Licenses, goodwill, etc.	$2,579,455.68
Steamers, gasoline boats and launches	81,960.37
Furniture & Fixtures	4,466.74
Inventories	392,828.14
Accounts Receivable	37,125.23
Cash on Hand and in Bank	19,443.14
Unexpired Insurance	10,092.98
	$3,125,373.33

LIABILITIES

Capital Stock Issued	$1,500,000.00
6% Debenture Stock & Accrued Interest	611,408.00
Bank Loan	16,500.00
Accounts Payable	84,093.29
Outstanding Cannery A/Cs.	15,314.58
Reserves for Depreciation, Bad Debts, etc.	650,137.50
Surplus Account	247,918.96
	$3,125,373.33

WALLACE FISHERIES LTD.

This company was formed in 1911, when the Claxton cannery on Skeena river was purchased from the Wallace Bros. Packing Co., for approximately $200,000., the Alberni cannery from the Alberni Packing Co., for about $60,000., the Strathcona cannery, on Rivers Inlet, from the Strathcona Packing Co for $150,000., and the Hickey cannery on Smith's Inlet for $300,000. The money to pay for these purchases was provided by a bond issue of $750,000., and the issued share capital of $1,500,000. was given as a bonus to the syndicate taking up the bonds.

The company has been over capitalized from the beginning, the management has not been good, and heavy losses have been made. No dividends have ever been paid, and at the present time $500,000. worth of bonded indebtedness still remains, and the company is heavily in debt to its bankers.

Originally the principal shareholders were as follows;-

A. D. McRae	1440	shares
Davidson & McRae	1460	"
Jno. A. Hombird	1000	"
Geo. C. Howe	1150	"
E. J. Palmer	725	"
J. M. Macmillan	928	"
Peter Wallace	2850	"
A. D. Davidson	1031	"

A. D. McRae was the leading spirit in the organization. Howe was his father-in-law, Davidson his partner, and Hombird and Palmer business associates in other enterprises. Through these connections he controlled the company, put in his own manager, and dictated the policy of the company. Since then Howe, Davidson, Hombird and Palmer have died, and the heirs and executors of the two last mentioned are dissatisfied with the showing made under the McRae regime. Wallace and Macmillan are practical and experienced cannerymen and have always been dissatisfied with the management, and with the estates of Hombird and Palmer now supporting them they control the situation. Owing to illness, Mr. F. E. Burke, the general manager, has been given a year's leave of absence on half pay, and P Peter Wallace is now acting manager. It is doubtful if Mr. Burke will again occupy the position.

The properties owned are all good, and properly managed, the company should be one of the best revenue producing in the industry. Claxton cannery has the best situation on Skeena river, puts up the largest packs, is large, up to date, and well equipped in every respect, and has a cold storage plant in connection with it. Both cannery and cold storage are operated by water power. Under an amalgamation this plant would be the most valuable of its assets on Skeena river.

The Strathcona cannery on Rivers Inlet is also a first class plant, modern and well equipped, but under amalgamation would be closed and dismantled.

The Smith's Inlet cannery is equally good. Under amalgamation - and if the Canadian Fishing Co's Marguerite Bay cannery is secured - this plant would receive the Marguerite Bay machinery and equipment and do the company's packing for that area.

The Alberni cannery has been entirely re-built and a large cold storage erected in connection therewith. This property would do the new company's packing on the west coast of Vancouver Island, receiving the machinery and equipment from Gosse Millerd Ltd's San Mateo cannery. In addition to salmon canning, and freezing herring for halibut bait, it would carry on with the dry salting of Chum salmon and herring for the Japanese and Chinese markets. This dry salting business has assumed considerable proportions in recent years, and the profits made on these commodities have been the only redeeming feature of the company's operations in the past few years. Mr Peter Wallace was the manager of this plant until his recent appointment as acting general manager of the company.

In addition to the canneries mentioned above, which were acquired by purchase, the company also built two new ones, one at Quatsino Sound at the head of Vancouver Island, and the other at Masset Inlet, Queen Charlotte Islands.

The Quatsino plant was in a poor location, only having a fair run of fish, and this only in every second year, and has not been operated for a long time. It cannot be considered an asset of any value.

The Masset Inlet cannery was originally built at Naden Harbour, about 20 miles from Masset Inlet, but the location was found to be unsatisfactory. It was then re-built at its present location, which is an excellent one, and large packs are secured every second year when the Pink salmon run. The cannery building however was not erected on as suitable a site as it should have been, and the ravages of torredoes make necessary constant renewal of the foundations. It may be found more economical in the long run to build on the proper, and nearby, site rather than continue expending so much on keeping up the present structure.

Both factions of the shareholders in the Wallace Fisheries Ltd., are keen for an amalgamation and its assets can be acquired for much less than their cost to the present owners. The company enjoys an excellent reputation for its products, it is the fifth largest operator in the industry, and third in its production of the valuable sockeye species.

In 1925 the company purchased the Mill Bay canne ery from the Northern B.C. Fisheries Ltd., for $45,000. cash.

Additional Notes re Wallace Fisheries Ltd.

With the acquisition of Mill Bay the company now owns 6 operating plants (the Quatsino plant not having been operated for many years) situated as follows;-

Claxton cannery on Skeena river.
Mill Bay " " Naas "
Strathcona " " Rivers Inlet
Hickey " " Smith's Inlet
Masset " " Queen Charlotte Islands
Kildonan " " west coast of Vancouver Island

These plants give them representation in every important sockeye fishing district except Fraser river. They are all well located as regards the cheaper grades. The combined annual packing capacity exceeds 250,000 cases, with sufficient supply available to insure ~~a~~ capacity packs, except at Masset where pink salmon only run every ~~seca~~ second year.

In addition to salmon canning Kildonan, Claxton and Mill Bay have cold storage plants (the latter however is dismanted of its machinery), all of which, as well as the canneries at the points mentioned, are operated by water power.

Kildonan cannery has a Hiller Reduction unit for manufacturing oil and fertilizer from pilchards. It has packed large quantities of canned pilchards and herring and many thousand tons of dry salted herring. Both the reduction and dry salting operations have shown excellent profits.

The company has a can making plant at Kildonan of sufficient capacity for all their requirements.

WESTERN PACKERS LTD.

No statement had been given out by this company up to June 1920, but at that time they claimed position as at 31st Decmeber 1919 was very satisfactory.

Capital issued and paid up was $600,000. in June 1920, of which $250,000. had been paid in cash and balance was represented by the companies taken over in 1917 (March) when the present company was formed. These companies were the Goletas Fish Co., John Wallace Ltd., and the Chambers Pkg. Co.

The consideration given John Wallace for Butedale was $100,000.

Capital stock of the Goletas Fish Co was $300,000. in 3,000 shares of $100. each. This was issued as paid up 5 shares, other considerations 2995 shares. Shareholders as at 27th March 1916 were as follows;-

D. Macpherson	New Westminster	1321	shares.
J. L. Davidson	Vancouver	421	"
Stuart Cameron	"	417	"
W. R. Lord	"	1	"
S. H. Hedges	Seattle	420	"
R. M. Dyer	"	140	"
Geo. E. Hardenbergh	"	280	"
	Total issued	3000	"

WESTERN PACKERS LIMITED.

Annual packs secured since formation.

Year	Plants	R.Spring	W.Spring	Sockeye	Cohoes	Pinks	Chums	B.B.	Total
1917	3	269	192	5,971	5,035	29,304	2,477		43,248
1918	3	95		8,086	5,679	19,606	3,180	23	36,669
1919	2	59		13,902	5,508	38,104	10,533		68,106
1920	3	53		21,927	5,705	19,731	6,487		53,908
1921	1	42	44	3,429	66	31			3,612

PROVINCIAL CANNING CO. LTD.

This comapny commenced business in 1917, the owners being Mr. Wm. Todd of J. H. Todd & Sons and Robt. Johnston, who is the manager of Messrs Todd & Sons canneries in northern British Columbia. It has therefore to be treated as if part of the latter companyes interests since its inclusion in an amalgamation would be contingent on Messrs J. H. Todd & Sons properties also being acquired.

The cannery has a good location, is well equipped, though small, but under amalgamation would be dismantled and its machinery installed in one of the larger plants on Rivers Inlet.

PROVINCIAL CANNING CO.

Annual packs secured since formation.

Year	R.Spring	W.Spring	Sockeye	Cohoes	Pinks	Chums	Total
1917			3,702	659	506	136	5,003
1918		18	3,800	210	3,906	27	7,961
1919	363	19	5,387	3,678	1,446	1,741	12,634
1920	1,271	87	8,679	271	3,519	57	13,884
1921			5,603	1,429	4,809	18	11,859
1922			5,078	311	5,198	25	10,612
1923			8,711	334	2,821	69	11,935
1924			8,137	227	2,684		11,048
1925			14,982	141	48	11	15,182
1926			5,646	201	3,979	65	9,841
1927			5,072	133	160	37	5,402
1928			5,207	146	1,686	65	7,104
1929		3	5,409	214	1,145	793	7,564
1930			8,837	122	2,888	69	11,916
1931		7	7,117	149	1,512	46	8,831

PUNTLEDGE CANNING CO. LTD.

Balance Sheet as at 10th December 1917.

ASSETS

Cash in Bank	5,909.05
Accounts Receivable	5,304.36
Machinery & Fixtures	3,400.00
Real Estate	1,500.00
Fishing Licenses and locations	10,000.00
Building construction expenditure	6,209.92
	$ 32,323.33

LIABILITIES

Capital Stock paid up in cash	29,575.00
Accounts payable	2,748.33
	$ 32,323.33

Authorized capital was $50,000. of which $35,500. was subscribed and $29,575. paid in.

The company owns a cannery situated at Deep Cove, Vancouver Island. The company is controlled by the Nanaimo Canners & Packers Ltd., and Persell is manager of both companies.

QUATHIASKI CANNING CO. LTD.

This property is not listed amongst those proposed for inclusion in the amalgamation, for, although well worth having, it is not essential to the enterprise, and it is doubtful if Mr. W. E. Anderson, the sole owner, would be willing to sell.

The cannery is located in a good fishing area, near Seymour Narrows, 125 miles north of Vancouver. The plant is modern, well equipped and up to date, and has been one of the most profitable investments in the canned salmon industry. Mr. Anderson is an experienced canneryman, quiet and attentive to business, devotes all his energies to this one undertaking, and has become independently well off from his ownership of the property. Under the circumstances he is not likely to consider disposing of it, although its acquisition would be an advantage to the amalgamation.

On the other hand to leave him out would not greatly affect the new company's operations as the locality is one in which they would have no conflicting interests, nor could he adversely affect their operations elsewhere. As a competitor he would be a friendly one.

Quathiaski Canning Co Ltd.

Annual packs secured since 1910.

Year	R.Spring	W.Spring	Sockeye	Cohoes	Pinks	Chums	B'back	Total
1910	230		1,163	3,086	1,697	260		6,418
1911	72		1,653	4,746	5,423	1,050		12,944
1912	147		1,088	7,490	10,464			19,189
1913	20		2,950	3,246	5,239	2,096		13,551
1914			1,815	2,924	16,022	2,308		23,069
1915	253	126	3,097	10,474	14,188	2,200		30,338
1916	105	36	494	7,379	20,382	5,210		33,606
1917	229	187	2,435	5,133	8,032	10,283		26,299
1918	215	310	606	3,806	18,055	5,038		28,030
1919	622	425	1,613	3,004	3,871	7,024	4,191	20,750
1920	482	60	785	4,195	8,115	5,551		19,188
1921	83		2,100	388	4,434	241	3,144	10,390
1922	195		2,077	4,956	13,896	77	3,093	19,363
1923	78		2,882	395	11,438	363	7,097	22,253
1924	161	96	1,993	153	24,497	494	2,138	29,532
1925	485	136	1,494	1,583	14,612	5,016	2,810	26,136
1926	176	57	1,681	203	16,950	1,096	641	20,804
1927	740	246	2,548	924	9,474	543	5,954	20,429
1928	7	3	1,097	223	5,110	2	1,993	8,435
1929	27	13	2,400	834	9,586	1,5??	2,989	17,371
1930	258	83	1,654	316	12,123	367	2,913	17,714
1931	319	99	86?	965	11,975	460	4,75?	19,38?
193?	241	61	2,796	436	6,?30	1,?26	4,89?	15,84?
1933	99	30	1,069	1,376	15,000	2,130	4,035	23,739
1934	181	41	1,4?5	77?	11,?53	2,943	1,419	18,034
1935	306		1,096	1,519	16,935	2,586	1,054	23,496

QUATHIASKI CANNING CO. LIMITED

Balance Sheet as at 30th November 1915.

ASSETS

Land		3,000.00
Buildings & Plant	21,902.49	
Add Additions during year	3,048.50	
	24,950.99	
Less Depreciation	2,550.99	22,400.00
Boats and seines		16,055.00
Stock on Hand. Stores $9,286.48 Salmon $63,191.67		72,478.15
A/Cs Receivable, less reserve for bad debts		2,251.85
Cash in Bank		4,931.78
Cash on Hand		528.46
		$ 121,645.24

LIABILITIES

Capital Stock issued and fully paid up		68,000.00
Accounts Payable		7,460.99
Bank Loan		6,000.00
Profit & Loss A/C. Balance 30th Nov.1914	$45,743.47	
Less loss on realization 1914 pack	3,550.20	
	42,193.27	
Profit for 1915 Season	41,990.98	
	84,194.25	
Deduct Dividend	44,000.00	40,184.25
		$ 121,645.24

Authorized capital of the Company is $200,000. of which $100,000.was issued in 1916 in addition to the $68,000. then outstanding, making total now $168,000. W. E. Anderson was at that time owner of ¾ of the stock and W. H. Malkin owned the remaining ¼ but it is understood that at the present time Anderson is the sole owner.

Past operations in part show the following;-

Year	Capital	Surplus	Profit Made	Profit per c/s.	Dividend
1910	18,100.	7,354.32			
1912	24,000.	18,102.31			
1913	24,000.	23,022.69			
1914	24,000.	45,743.47	22,720.78	.98	
1915	68,000.	40,184.25	41,990.98	1.38	44,000.

STANDARD PACKING CO. LTD.

This company, owned by Frank Inrig, Rivers Inlet manager for the B.C. Fishing & Packing Co, and his associates secured a license in 1922 and commenced operations the season of 1923. Pack secured that season was as follows;-

Cohoes	Pinks	Chums	Total
349	1,212	2,86o	4,421

From an operating standpoint it is of little value to include this company in an amalgamation, but its value to the latter lies, 1st., in the fact that it has a license to operate, 2nd., all the Rivers Inlet canneries should be absorbed by the new company in order to give them control of that district, and 3rd., Inrig has been manager for the B.C. Fishing & Packing Co for about 15 years and is so familiar with fishermen and fishing conditions on the Inlet that it would not be advisable to leave him as a free lance .

What price would have to be paid them depends on the amount of money they have already invested. This is understood to be small and it is felt $40,000. is more than sufficient to cover. Perhaps their assets can be secured for a considerably less sum.

Year	R.Spring	W.Spg	Sockeye	Cohoes	Pinks	Chums	Total
1923				349	1,212	2,860	4,421
1924	29			1,140		3,656	4,825

STANDARD PACKING CO. Ltd.

Year	R.Spring	W. Spring	Sockeye	Cohoes	Pinks	Chums	Total
1923				349	1,212	2,860	4,421
1924	29			1,140	[illegible]	3,656	4,825
1925				3,403	2,413	2,988	8,804

[Told]

Inverness	40,000.00
Beaver	36,000.00
Richmond	29,000.00
Goodwill brand, etc.	40,000.00
	$145,000.00

Including 10 acres of land at Sooke Harbor $672.

Has agents

Geo Stanway & Co Toronto.

W.S. Goodhugh & Co Montreal.

Has contracts with managers

Ross at Beaver expires 1907.

Gosse " Richmond " 1904.

Macdonald " Inverness " 1907.

No steam boats Beaver or Richmond or Inverness

- capper Richmond or Inverness
- newborder "
- steamer at Beaver or Richmond.

Wharf at Inverness.

Repairs at Richmond & Beaver.

Todd & Son

QUEEN CHARLOTTE FISH SUMMARY, 1917.

	Cohoes.	Chums.
Fish Caught.	7988	156482
C/s. Packed.	818	13103
Average per case.	9.76	11.90

Ocean Salmon Canners Ltd.

Year	Red Spg	Wht Spg	Sockeye	Blueback	Steelhead	Cohoes	Pinks	Chums	Total
1932	383	497	14,930	3,355	17	1,783	2,570	1,481	24,965
1933	257	33	6,212	1,257	256	6,201	25,368	9,307	48,886
1934	402	47	14,805	229	-	8,483	18,032	13,037	54,975
1935	2		3,763			855	5,444	2,429	12,493

TELEPHONE: SEYMOUR 1040

GRANVILLE ISLAND,

VANCOUVER, B. C.,_____ 192____

TERMINAL ENGINEERING COMPANY, LIMITED

SOLD TO_____

[Pac. Packing + Nav. Co.]

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Capital required:-

	For Purchasing plants		$300,000.
For Nushigak pack say	50000 c/s @ 1.00 per c/s	$50,000	
" Uyak " "	35000 c/s @ 1.00 -	35,000	
" Chignik " "	60000 c/s @ 1.00 -	60.000	185,000.
" Orca " "	35000 c/s @ 1.00 -	35.000	
			$485.000.
	Capital required say		
		600,000	

Capital stock 6000 shares of $100.00 each		600,000
For purchase of plant	$300,000	
" working capital	185.000	
" initial expenses	65.000	
" treasury reserve	50,000	600,000

Pack obtained 180000 c/s @ 1.00 per case profit = $180,000 or 30% on entire capital stock. That this is not excessive is shown by the fact that the estimate of pack is lower by considerable than has been obtained in each of these plants, and by the A.P.A. statement of profits for 1903. In that year they made $1,142,758 on a pack of 1,334,824 c/s. This is equal to 85¢ a case. Their Alaska pack was $1,267,693 c/s and as their Puget Sound operations were unprofitable to the extent of over $200,000, their net profits on the Alaska portion of their pack was over $1.00 per case.

In estimating the above pack only red fish was taken into consideration, whereas in the A.P.A. figures 15% of the total are other grades on which profit is considerably under $1.00 per case. The conservatism of the figures is further shown by the packs proposed being less than that obtained this year in red fish

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 1. P P & N Co. Behring Sea.

Nushagak cannery, outbuildings, etc, 48 Columbia river boats, 13 lighters, traps, skows, piledrivers, the steam tugs Koggiung, Rattler, Mary D. Hume, and the ship America
The lowest bid considered will be $87500

Pack at Nushigak, since building, has been as a Nushigak

1899.	18778	cases
1900	43387	"
1901	76774	"
1902	73000	"
1903	64704	"
1904 54000	50000	"

Pack was short in 1904 owing to ice detaining ships and thus shortening season, also by the loss during the season of the Mary D. Hume, the tender carrying fish from the Koggiung camp to Nushigak. The Hume was afterwards recovered and is now in Bellingham.
The Nushigak plant includes the cannery situated at Port Alexander on the left bank of Nushigak river, together with floating property at cannery, three cannery sites on the Koggiung and one on the Neknek river. Cannery was built in 1899. Capacity when worked in connection with fishing station on Koggiung, 100,000 cases. Estimated value of floating property $90,000. This includes besides boats mentioned, pile drivers, lighters, fishboats, etc. The estimated value of the plant as a whole is $200,000.
The late superintendent says the cost of pack laid down in S.F. has never exceeded $3.00. Market to-day being 4.40 less 5% = 4.18, this would mean a profit of about $1.00 per case on pack secured.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes : A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 1 P P R Co Continued

The cannery is modern, well built & equipped, has good light and is clean and airy. The capacity is 2400 cases per day. The cannery machinery consists of 4 large retorts (90 ℄s each) 3 fillets, 2 solder machines, 1 capper 1 power knife. Fish are cleaned in gut shed and are carried by a bucket conveyor to the main building

Cannery uses 100 Sockeye Gill Net 6¼" mesh 24 m.d.
" " 98 Spring " " 9¼" " 24 "

The lighters are worth $ 300 each Skiffs $30 each Columbia river boats $200 each

The "Rattler" is 15 tons and valued at $4500
" "America" " 1908 " " " 55000.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 2. P.P.R.Co Kadiak Island

2 canneries at Uyak, 38 dories, 16 seine boats, 4 decked lighters, 4 house lighters, piledriver, tugs Herbert Hume, Kenai, Uyak, Shelikof, & the ship Guy C. Goss.
The lowest bid considered will be $72500.

Pack at Uyak, since building, has been

Year	P.S.W.Co.	Hume	Total
1897	17000	13375	30375
1898	29800	16500	46300
1899	19000	15569	34569
1900	30409	29700	60109
1901			84077
1902		2	80000
1903		2	36321
1904		1	
		1	

Owing to lack of finances only 1 plant was operated in 1903 & 1904. The 1904 pack is not known except that it exceeded the Chinese guarantee given.
The P.S.W cannery used wooden steam boxes and had 2 retorts, 2 fillers, 1 solder machine 1 power knife. Capacity 1600 ℔s
The Hume cannery had 4 retorts, 2 fillers, 1 solder machine and 1 power knife
All fishing was done by seines. Lighters are worth $400 each, seine boats $75.00 each. Dories $20 each Piledriver $1000. Herbert Hume 5 tons Value $ 3500, Kenai 5 tons $7000. Shelikof 101 tons $36000.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 3 P.S.N.Co

2 canneries at Chignik, 16 Columbia river boats, 30 dories, 2 floating traps and equipment, 6 lighters, 6 piledrivers, 3 fish scows, 17 trap scows, steam tugs Equator, Florence Hume, Ethel & Marion, Eskimo, & ship St Paul with gear and supplies The lowest bid considered will be $87,500

Pack at Chignik, since building, has been

Year	P.S.W.Co	Hume	Total	a/a pack
1896	21515	17893	39408	48361
1897	24000	12000	36000	38159
1898	30061	27400	57461	50418
1899	31600	21500	53100	34674
1900	33086	26617	59703	40396
1901			65443	40681
1902			73000	60155
1903			60854	
1904			68000	

The P.S.W. cannery had 2 retorts, 4 steam boxes, filler, 1 solder machine 1 power knife
The Hume cannery had 4 retorts, 1 filler 1 solder machine
Fishing appliances are 6" m gill nets, seines and traps. Seines cost about $250 each, traps $1500 each & gill nets $100 each. Lighters are $400 each. Fish scows $300 each. Trap scows $60 each, Dories $20 each Seine boats $75 each, Col. River boats $200 each Pile Drivers $1000 each
The "Equador" is 42 tons Value $12000.
" "Florence Hume" 5 - - 3200.
" "Ethel & Marion" 6 - - 2880.
" "Esquimo" 5 - - 2500.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes : A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 4 PPN Co Cooks Inlet

Cannery at Kenai(?) with skiffs, dories, decked lighters, piledrivers, traps. etc.

The lowest bid considered will be $1000.

The cannery itself was burned down in 1903 when 18808 cs had been packed. The floating property, outbuildings, and what plant was saved from the fire are all the assets.

Pack put up at Kenai, since building, was

Year	Pack	aPa pack
1898	16876	39566
1899	23300	28815
1900	25089	33781
1901	17925	31082
1902	29500	41455

Fish are taken by traps and gill nets.

Kenai is not worth considering as a cannery purchase except that it is grouped with Nushigak, Uyak and Chignik. The property which can be moved is probably easily worth $1000, so nothing would be lost in purchasing it.

Groups 1, 2, 3, & 4 offered as a bulk for $295,500 if the individual properties bring ~~the~~ aggregate that sum.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 5. P.P.P.N.Co Prince William Sound (Copper River)

Cannery at Orca, 33 Columbia river boats, 19 dories, 2 seining skiffs, 5 house lighters, 4 open scows, 2 pile drivers, steam launch Sylph, tugs, Thlinket, Wildcat, Salmo, and the ship J.D. Peters.
The lowest bid considered will be $47000

The pack at Orca, since building, has been

Year	Pack	U.S.A. Quak
1895	23041	21453
1896	32321	39873
1897	28756	23301
1898	28668	32158
1899	29864	31931
1900	30588	39410
1901	35516	40665
1902	42000	45488
1903	35081	

The cannery had 4 steam boxes, 2 retorts, fillers, solder machine, power knife
Gill nets and drag seines are used in fishing.
House scows are valued at $400 each, Columbia river boats $200 each
Seine boats $200 each, dories $20 each pile driver $200
The "Thlinket" is 90 tons value $10,000
" "Wildcat" " 104 " " 10,000
" "Salmo" " 78 " " 10,000

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Rough valuation of PPN property Group 1.

Buildings	$20,000	
48 Col River boats @ 200 each	9600	
13 Lighters @ 300 -	3900	
- Scows say	1000	
- Piledrivers -	1000	
"Rattler"	4500	
"America"	55000	
"Logging" "Mary D Hume" say	2500	
Machinery say	10000	107500

This is merely an estimate and does not allow anything for traps, cannery sites, material on hand, etc.

Group 2

Buildings	$50,000	
38 Dories @ 20.00 each	760	
16 Seine boats @ 75 -	1200	
8 Lighters @ 400.00 -	3200	
Piledriver	1000	
"Herbert Hume"	3500	
"Kenai"	7000	
"Shelikof"	36000	
Uyak & Ship G. C. Goss say	10000	
Machinery say	10000	122,660

This is merely an estimate and does not allow anything for traps, cannery sites, material on hand, etc.

SKEENA RIVER
COMMERCIAL COMPANY,
LIMITED.

Codes: A. B. C.,
ARMSBY.

VANCOUVER, B.C.,

Group 3

Buildings	50,000	
16 C.R. boats @ $200.	3200	
30 Dories @ $20.	600	
6 Lighters @ 400.	2400.	
6 Piledrivers @ 1000.	6000.	
3 Fish Scows @ 300.	900.	
17 Trap Scows @ 60	1020.	
"Equator"	12000.	
"Florence Hume"	3200.	
"Ethel & Marion"	2880.	
" Esquimo "	2500.	
St Paul say	10000.	
Machinery say	15000.	109,700

This is merely an estimate and does not allow anything for traps, cannery sites, materials on hand, etc.

Group 4

Buildings say	500.	
Skiffs & dories "	500.	
Lighters "	1000.	
Pile drivers "	1000.	3,000

This is merely an estimate and does not allow anything for traps, cannery site, materials on hand etc.

WESTERN SALMON PACKING COMPANY LIMITED.

TRIAL BALANCE. 29th Nov. 1915.

Expense	548 55 ~~712.55~~	
Merchandise		2,264.70
Arrandale Cans		1,302.59
Mess House	1,220.00	
Fuel	1,622.51	
Fish	21,267.96	
Boats	757.94	
Nets	7,358.93	
Salt	370.65	
Salmon Shipments		131,704.71
Tinplate	11,415.88	
Solder	805.98	
Nets, Labour	2,183.22	
Cans	8,657.87	
Repairs & Renewals	409.95	
Boxes	2,628.13	
Lacquer	86.10	
Insurance	1,413.37	
Acid	311.84	
Interest	623.83	
Canned Fish - Operations	19,908.70	
Capital		400.00
Evans Coleman & Evans Ltd.	57 795 72 ~~57,631.72~~	
Kincolith Packing Co.		4,150.14
Imperial Oil Co.		3.50
Union Steamship Co.Ltd.		260.35
Evans Coleman & Evans Ltd.	56.98	
The Creditors	2,500.00	
Provincial Government		885.08
Bank Overdraft		973.04
	$141,944.11	$141,944.11

WALLACE FISHERIES LTD. SALMON CANNERS VANCOUVER B.C.

September 24th, 1925.

Late statement will not be available until sometime after the end of November next and in the meantime the company are in the midst of their canning season. They continue to maintain high credit standing and appear to be considered undoubted for trade requirements.

TRADE REPORT

HIGHEST CREDIT	OWING	DUE	
9000	52		Prompt Sold for years.
2000			Prompt
8069	3670	0	Discounts
2500	521		Discounts
500	200		SLOW BUT SATISFACTORY.

(6) Large account. Discounts.
(7) Large account. Prompt.

- 1

Also Branches.

WALLACE FISHERIES LTD SALMON CANNERS VANCOUVER B.C.
736 Granville St.

January 17,1925 Contd.

Six per cent First Mortgage Debenture Stock		
	576,800	
Add accrued interest	34,608	
		611,408.00
Bank Loan (secured)	16,500.	
Accounts Payable	84,093.29	
Outstanding cannery drafts	15,314.58	
		115,907.87
Reserves.		
For depreciation	626,195.23	
Against accounts receivable	23,942.27	
		650,137.50
Contingent liability	75,157	
Notes Receivable discounted		
		3,125,372.33

BANKERS INFORMATION.

It is claimed that the bank loan has been liquidated since the statement was prepared and that the company will have coming in from sales ample to take care of its requirements until active packing operations are commenced next summer.

The Company have quite a large investment in cannery plants, buildings and real estate and have operated successfully although one or two seasons have shown a loss, but on the whole they have made good profits.

They maintain canneries at Claxton on the Skeens River at Watum River on Masset Inlet, At Strathcona B.C., also at Smithe Inlet Quatsino and Kildonan.

In February 1924 an application was registered under section 88 of the Bank Act.

Under date of May 15,1924 and filed June 5,1924, gave a mortgage and deed of trust to the Montreal Trust Co. to secure an issue of bonds aggregating $250,000 and charges all the undertaking properties, assets etc. with the exception of merchandise and book debts, covering general store.

In face of preferred security a capital quotation is not ventured but the company maintains a high credit standing and considered in credit for requirements.

Those connected with the company are well known men who for the part are possessed of means, McCormack is the President of the Canadian Western Lumber Co.Ltd. of New Westminster B.C.

PAYMENTS.

The company is reported prompt pay.

FIRE RECORD.

About May 1920 reported lost their steamer "K.& W" by fire, loss about $150,000 covered by insurance.

1-17-25
4-20-25-G. 4482 Also Branches.

WALLACE FISHERIES LTD. SALMON CANNERS VANCOUVER B.C
736 Granville Street.

James D. McCormack Pres.
C. Thomas Secretary.
E.A. James Treasurer.

January 17,1925.

RECORD:

Incorporated under B.C. Laws on January 24,1911 capitalized at $2,000,000 in $100 shares. The Company acquired the plant of the Wallace Bros. Packing Co.Ltd. which was practically controlled by Peter & John Wallace, also the Albemi Packing Co.Ltd. They also acquired the Strathcona Packing Co's Cannery at Rivers Inlet, B.C.

Wallace Bros. received the following for their interest
1. $330,000 6% stock, secured by all the assets of of company.
2. 15,000 fully paid up shares, and 3rd. that the company would assume all liabilities and contracts of the Wallace Bros. Packing Co.Ltd.

DATE	ASSETS	LIABILITIES	NET WORTH.
Dec.1912	3,367.304	1,576.151	1,791,253
Dec.1915	3,300.948	1,282,352	2,018,596
Dec.1916	3,078,412	958,245	2,210,167
Dec.1918	4,010,332	1,580,651	2,429,681
Dec.1922	3,698,258	1,178,573	2,519,685

The following is a copy of their balance sheet for November 30,1924 signed by a local firm of chartered accountants

ASSETS:

Real estate, cannery plants, buildings and good will		$2,579,455.68
Steamers, gasoline boats and launches		81,960.37
Furniture & Fixtures		4,466.74
Canned Salmon, canned herring, frozen fresh and cured fish	213,027.11	
Cannery supplies and merchandise and expenditure on 1925 pack	179,801.03	
		392,828.14
Accounts Receiavable	37,125.28	
Cash in bank and on hand	19,443.14	
		56,568.42
Unexpired Insurance		10,092.98
		$3,125,373.33

LIABILITIES:

Capital issued and fully paid		1,500,000.00
Surplus		
Balance at December 31,1923	248,688.05	
Deduct loss for the year ended Novr.30,1924	763.09	247,918.96
		$1,747,918.96

Prior Lien Six per cent, Bonds, Authorizes issue of $250 000 due May 15,1927 Deposited with Bank as collateral security for loan and notes receivable discounted

WESTERN SALMON PACKING COMPANY LIMITED.

PROFIT AND LOSS

29th November 1915.

By Salmon sold	75,972.26	
Salmon shipments, pro forma invoice	55,732.45	131,704.71
Merchandise		2,264.70
Arrandale Cans		1,302.59
To Expense	~~712.55~~ 548.55	
Mess House	1,220.00	
Fuel	1,622.51	
Fish	21,267.96	
Boats	757.94	
Nets	7,358.93	
Salt	370.65	
Tinplate	11,415.88	
Solder	805.98	
Nets, Labour	2,183.22	
Cans	8,657.87	
Repairs and Renewals	409.95	
Boxes	2,628.13	
Lacquer	86.10	
Insurance	1,413.37	
Acid	311.84	
Interest	623.83	
Canned Fish - Operations	19,908.70	
Balance	53680.59	
	$135,272.00	$135,272.00

By Balance 53680.59 ~~53,516.59~~

Contingent Liability
American Can Co. Rental for year $1728.00
$51,952.59

The proposition is to organize a Company to hold a control of the stock of certain proposed constituent Companies and to finance and act as sales agent for said Companies, the intent and purpose being to prevent the present competition both with respect to the purchase of raw material as well as to the sales of finished p roduct.

It is not the intention to merge the constituent Companies or to change their present administration and an arrangement is contemplated whereby the actual control of each of these Companies will be vested in Trustees to be nominated by the respective interests and the control of the holding Company itself and the distribution of such of its stock as may be offered for sale for the purpose of acquiring its necessary working capital would be governed by such agreement as may be mutually arranged between the parties conveying the control of the constituent Companies.

The purpose of making the Holding Company also the Selling Company is that the income to be derived from the commission on sales which would be an assured revenue to the Holding Company would tend to make its stock more valuable a nd strengthen its position as the financial agent of the constituent Companies. The values of the stock of each of the constituent Companies should therefore be based upon the amount of revenue that each of the said Companies would contribute to the Holding Company in dividends and commissions.

It follows therefore that the average yearly pack of each has a most important bearing on this feature. It is proposed that the Holding Company shall receive a commission of five per cent. on all sales and in addition thereto such actual brokerage as may be paid by them. This would mean a possible additional tax on the present cost of doing the business of a maximum of 2 1/2 per cent., but it woild be compensated for several times over by the higher prices made obtainable by reason of the absence of competition.

The elimination of trade allowances and the other improvements over the methods now employed, the following figures are given for the three Companies which are at present contemplated in the proposed arrangement:

P. P. & N. Co.

Average annual pack 1,000,000 cases of an average balue of $4,000,000

B. C. P.

Average annual pack 400,000 cases of an average value of $2,000,000

C. R. P. A.

Average annual pack 200,000 cases of an average value of $1,000,000

It is further proposed that the Holding Company have a working capital of $1,000,000, which is to be realized from the sale of its stock. It is estimated that the necessary control of the stock of these Companies can be acquired by an exchange of stock in the Holding Company which, together with the amount of stock necessary to be sold by the Holding Company to acquire its working capital, would not in the aggregate make an issue of the Holding Company's stock of over $5,000,000.

The earnings of the Holding Company from commissions on the packs and values given in the foregoing would be

7,000,000 at 5%	$350,000.
Its earnings from dividends on the holdings of stock in the constituent Companies which would be principally preferred stock is estimated at	300,000.
Earnings from interest on cash capital	50,000.
Total gross earnings	$700,000.

or say 15% on the capitalization.

The total administration expenses of the Holding Company should not exceed as a maximum 2% on its capital stock, leaving 13% for dividends.

P. S. COMPANY.

The Proposition is to organize a Company to hold a control of the stock of its constituent Companies to finance the said Companies and to act as the Selling Company for the same.

The P.S. Company would control the marketing of the product of the constituent Companies, thereby eliminating competition and would also act in an advisory capacity with respect to the economical management of the affairs of the constituent Companies.

It is not the intention to merge these constituent Companies or to change in any radical way their present method of handling the business or the administration of same.

It is proposed that the Holding Company should receive a commission of five per cent. on all sales and in addition thereto, such brokerage as they may have paid in effecting such sales.

The value of the stock of the constituent Companies from the view point of the Holding Company would be with respect to the amount of income to be derived from the stock itself as well as the volume of the sales of the said Company. In looking at it in this way it would figure out about as follows:-

	P.P. & N. CO.		
I,000,000 c/s.	value $4,000,000 -	$3,000,000 Pref.at 53) 4,000,000 Com. at IO)	$I,990,000
	B.C.P.A.		
400,000 c/s.	value $2,000,000 -	I,250,000 Pref.at74-8/IO) 250,000 Com.Bonus)	)935,000
	C.R.P.A.		
200,000 c/s	value $I,000,000 -	900,000 at 50	450,000
	NEW COMPANY.		
Working Capital	$I,333,333 at 75	$I,000,000	I,333,333
			4,708,333
		Surplus	291,667
		Total Capitalization	$5,000,000

EARNINGS.

P.P. & N.CO.	Dividend	3,000,000 at 7%	$2IO,000.
	Commission	4,000,000 at 5%	200,000.
	Percentage on cost of control - 20.6%		$4IO,000.

B.C.P.A. Dividend	I,250,000 at 7%	$ 87,000.
Commission	2,000,000 at 5%	I00,000.
Percentage on cost of control	20%	$I87,000.
C.R.P.A. Dividend	900,000 at 5%	$ 45,000
Commission	I,000,000 at 5%	50,000.
Percentage on cost of control	2I.I%	$ 96,000.
Working Cap.	750,000 Int. at 6%	45,000.
Total gross earnings		$737,000.

Percentage on capitalization $5,000,000. I5%.

The advantage of this plan to the constituent Companies is quite apparent.

The removal of competition in the purchase of the raw product is in itself a very important feature. More important than this, however, is the quieting of competition in selling and the possibitity of arranging a uniformity in prices, the elimin ation of trade concessions and allowances and the intelligent distribution of the product over such period of time as trade conditions require.

This plan has cert ain marked advantages over that of a complete merger of the Companies in interest in that

(1) Each company would retain its own individuality, and pack under its own brands, thereby giving a semblance of competition.

(2) The packing is conducted over such a wide range of territory that one management for all the territories would not be as efficient as the present management of each Company is for its own business.

(3) All of these Companies are in more or less danger from adverse legislation, and on the other hand may occasionally ask for protective legislation, therefore the feature of a local industry should be preserved.

(4) The conditions under which the raw material is obtained vary considerably in the territory operated in by each of the Companies, and render it essential that the local management of each should be retained.

The advantages to the B.C.P.A. are

(1) That they pack less than 10% of the total Coast pack, their principal market is Great Britain. Their sales there representing less than 33 1/3 % of the total shipments to that market, they are therefore compelled to meet the prices established by their competitors. Under the proposed plan they would be represented by a Company which would immediately control 40 % of the total pack, and over 50 % of the shipments to Great Britain, with a probability of largely increasing these percentages by encouraging and assisting the packers now outside of these companies in organizing new companies and becoming a part hereof.

(2) That it operates principally in a Territory contiguous to that of the P.P.& N.Co., making it possible by connected action brought about through allied interests to greatly reduce, if not control, the price of the raw product. In the purchase of supplies the larger volume in the aggregate would also result in a considerable saving.

(3) While the B/C Co. have no doubt been abundantly able to borrow the large amount of money required at certain seasons in business of this kind, their position in this respect would be greatly strengthened with the assistance of the Holding Company. The stockholders

of the B/C Co. in exchanging their stock for that of the Holding Co. would be benefitted.

(1) That they would receive in exchange a stock which could be listed on the N.Y.Stock Exchange market, thereby provided, limited only to the quantity offered.

(2) That the Holding Company's stock would have assured earnings from the commissions alone, regardless of dividends on its holdings of stock in the constituent companies.

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The pack of the B/C is obtained largely on the Fraser River, where according the records for many years past there is almost an absolute failure every fourth year, which would again occur in 1904, while the average pack of the B/C Co. is put down herein at 400000 cases. On these short years it might go below 200000 cases, and at a considerable increase in cost of raw material by reason of the limited supply, together with an increase per case in fixed charges. And unless the selling price was advanced correspondingly, making it possible that the whole operation for such years would be conducted at a loss.

On the other hand, in periods of abundant supply of fish such as should occur again in 1905, the increased output, together with the lack of organization and facilities for carrying over the excess product of our season to supply the shortage in another, leads to ruinously low prices, and prevents the packer from reaping the advantages of a large and cheap supply of raw material, which, under certain conditions, should enable him to realize good average profits one year with another.

The loss of profit in the operations of the large Canning consolidations, which comes through competition with each other, both in the purchase of the raw material from the fishermen and in the disposal of the finished product, has suggested the advisibility of arranging some approximation to a community of interests. It is essential to retain in their entirety local Companies, more especially in the case of the British Columbia Packers Association, one unanswerable argument being that, if the public thought the salmon interests of the country were being handed over to the control of Americans, adverse legislation of some sort would be introduced which would effectually damage the operations of the concern. In addition to this it is quite reasonable to suppose that protective legislation may from time to time be required. This might well be granted to local applicants when it would be refused entirely to aliens.

The plan which suggests itself as most nearly fitting the circumstances is to form a Company which will hold a voting majority of the stock of such Companies as are willing to enter into an arrangement. At the present time it does not appear feasible to have such a concern joined by the Alaska Packers Association, but this may be possible later on. It is thought that the three institutions that could with great advantage be joined at the present time are the Pacific Packing and Navigation Company, the British Columbia Packers Association and the Columbia River Packers Association.

The proposal is to obtain incorporation of a Company having say $5,000,000 capital, and to exchange for a proportion of that capital sufficient stock in these respective Companies to give the holding Company the control in each of the constituent Companies. One objection which immediately presents

which the holding Company's stock had been exchanged. This would depend largely upon whether preferred stock or common stock, or what combination of both, was to be exchanged.

itself is the handing over of the control of the British Columbia Company to the larger interests represented by the two American Companies. This it is believed could be overcome, as it has been in other cases, by some such arrangement as the following:

The voting power in the stock of the holding Company would be equally divided between the American concerns and the Canadian concern, save for a balance of 5% or 10% which would be vested in an individual or individuals of such reputation as to render it certain that they would hold this balance of power to be used in an absolutely equitable way when any difference arose between the other interests.

Another and very important feature of the holding Company would be to act as salesmen for the constituent Companies. The disposal of the pack has been a difficult proposition. A great many unnecessary expenses are always incurred by the constituent Companies above referred to under the present arrangements. These it is believed would be obviated under this arrangement. For the sale of the pack the constituent Companies would pay the holding Company 5% of the gross returns. This would mean a possible tax, additional to the present cost of doing the business, of a maximum of 2 1/2 % but it would be compensated for several times over by the higher prices obtainable for the goods from the middlemen by reason of the absence of competition. These higher prices would not necessarily increase the ultimate cost to the public of the goods, but would be deducted from the enormous profits at present made by middlemen.

In considering this plan it must be clearly borne in mind that the administration of the constituent Companies shall be maintained as at present, the actual control being vested in

trustees to be nominated by the shareholders of the Company, their actions not to be interferred with save in most important questions of policy.

It is estimated that the stock of the holding Company required for these purposes would not be issued to the extent of the whole capital of $5,000,000, but would leave sufficient stock to realize a working capital of $I,000,000, which it would be well to have on hand.

The operations of the P. P. & N. Co. and of the B.C. P. Assn. are largely confined to the same waters . The benefit of concerted action would be most materially felt there. They would be able to control the price of the raw product. In addition, the purchase of very large amounts of supplies required by the various Companies would reduce their cost. The assistance of the holding Company in all financial matters would be of benefit to the constituent Companies.

The assistance of such a holding Company, controlling the sales of the constituent Companies, would have a great effect upon the price obtained, and would enable this to be maintained at better figures than heretofore, more especially in the seasons which are either very heavy or very light. The facilities for carrying over a heavy pack to help out a light pack would be of great advantage in equalizing the yearly profits.

The question of adjusting the ratio in which the exchange of stock in the constituent Companies should be made for stock in the holding Company is an important one. It would seem to be equitable to dispose of it on the basis of the profits to be derived by the holding Company from the operations of a particular constituent Company. This should not be very difficult to arrive at,- firstly, by a consideration of the annual average pack of the different constituent Companies which could be estimated the gross returns, of which 5% would go to the holding Company; secondly, by consideration of the profits to be derived from the stock for