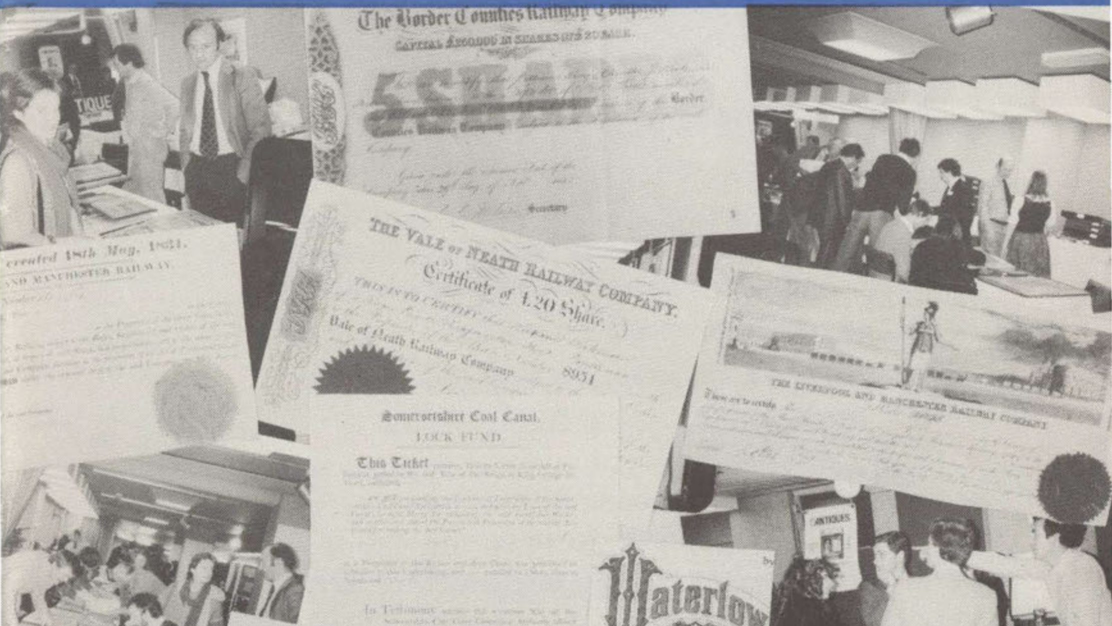
THE BOND & SHARE SOCIETY



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THE BOND & SHARE SOCIETY

(Established 1978)

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LETTER FROM THE CHAIRMAN

5th April, 1982

It is just over eighteen months since I last wrote a Chairman's message for the Journal, and in that time much has happened in our working lives, which affects our peace and prosperity, quite apart from spare time to develop our leisure interests. We have witnessed a collapse in prices of all the Bonds we do not collect, and scarcity of material in those that we do collect; the demise of Stanley Gibbons, and a few mergers amongst our dealer friends. You should not forget that bad times in the economy are good times for collectors, to find bargains, and new collections can be formed, which two years ago would certainly have been beyond my means.

There seems to be a similarity between Bond prices and collecting generally with the course of worldwide economies. By this I mean that in the narrow world of Bonds, overseas dealers report much better trading than in the U.K., and our own Society membership appears to have fallen in the U.K., but grown rapidly elsewhere, with new branches opening overseas to compensate for the drop in our total membership, as a result I think directly of the U.K. recession. Undoubtedly, the U.K. market has been harder hit than elsewhere, but it has not been confined to Bonds but applies to all collectables, with the exceptions of rare items in the higher brackets. Yesterday gold coins became subject to V.A.T., and this I think may help U.K. dealers in Bonds, because coin dealers will wish to diversify and have the resources to do this. I thought you might be interested in my views on how economics have affected the prices of your Bonds, with particular emphasis on Society membership. Obviously, if the numbers of interested collectors and members continue to grow, the effect on the supply and price of Bonds will be substantial, which is good if you have completed your collection. I have not.

I cannot but stress the importance of supporting the Society, and you can do this by helping to enrol new members, maintaining our tradition of friendliness and comradeship, and with whatever time you can spare, by helping in supportive roles with existing and planned new projects, and please never hold yourself back if you would like to join the Committee, or better still, to start up a new provincial branch. I think the early part of my letter will have helped you to brace yourself for this next request, which is do please renew your membership promptly, because otherwise the U.K. end of our worldwide society will become unimportant and ineffective and make it harder for the Committee to fill projects that are still at the planning stage and follow up the new ideas with which you will be feeding us. We would like to take the lead in home video films, and we hope to support either the BBC or ITV with a programme about Bonds, collecting and the people, but our role will be limited to advice and enthusiasm, and even then this will entail some expenditure, but will never take place if there are not enough Society members!

At this juncture, I would like to pay tribute to the hardwork and long hours that the Committee has put in, which I think they enjoy as much as I do, and I know you fully realise and recognise. During the year, Michael Moule has resigned, to give him more time in marital property development, and we will miss his enthusiasm and mercurial talents. Earlier this year, Michael Veissid joined, to takeover the editorship of the Journal, and I am sure you will have noticed the improvement in the layout, and will now be busy writing your articles for the next issue! Keith Hollender joined at the same time, and is already contributing with advice on marketing and cementing our press relations. Our latest recruit is Tim Robson who has supported the Journal on many occasions, and the whole Committee is considering how best we can use his talents, and reduce his spare time! Some time ago I proposed the formation of Study Groups but to date little progress has been made. If you would like to advance your interest in specialist areas, and research with other interested members in groups within the Society, do please make yourself known, either at our meetings or write to Richard Jackson or myself. When talking about the Committee, it would be unfair not to mention my gratitude to Richard Stokes, who has served us so well as honorary auditor, and frequently helps at the monthly meetings and never fails to offer helpful advice on accounting procedures. We are indeed fortunate.

The Congress went well this year, but was less well attended by Members but a greater number of the public attended than last year. I missed many of your faces, and you will have missed a good exhibition, mounted on the Society's own exhibition stands, which incidentally we will hire out when needed. I hope therefore in conclusion, that you will continue supporting us at meetings and whenever you can, and I look forward to meeting you at the Ski Club or next year's Congress and I wish you good collecting and a happy 1982.

J. P. BERTHOUD,
Chairman

THE SOCIETY'S ACCOUNTS

The Society's accounts for 1981 were approved at the Annual General Meeting on 2nd March. In summary, compared with 1980, the results were as follows :

	1981	1980
	£	£
Subscription income	3214	2980
Advertising revenue	682	817
Auction commissions	698	244
Other income	653	435
Total income	£5,247	£4,476
	£	£
Printing	2583	2287
Addressing and postage	1239	1205
Other expenditure	336	148
Total expenditure	£4,158	£3,640
Surplus for the year	£1089	£836
Accumulated fund 1 January	£1146	£310
Accumulated fund 31 December	£2235	£1146

The number of members has fallen from the 1980 peak to 582 at 31 March 1982. In financial terms, this drop in numbers was offset by the increase in the annual subscription fee. Other income also increased, especially auction commissions, with the result that our surplus in 1981 was £1089. Our accumulated fund of £2235 is now equal to approximately six months expenditure. The Committee proposed, and the Annual General Meeting agreed, that there should be no increase in the subscription rates for 1982/83 - £5 for U.K. addresses, £6 for other addresses - now due.

The Society's financial position is quite healthy. Accordingly the Committee would like to hear proposals from members for further activities that would benefit the membership.

Membership

At the end of the membership year, 31 March 1982, the Society had 582 members, spread around the world as follows

United Kingdom	314
United States	121
West Germany	32
Canada	20
South Africa	19
Netherlands	17
Australia	12
Rest of the World (15 countries)	47
	582

BRIAN MILLS,
Hon Treasurer/Membership Secretary

MEETINGS in London

These will be held at the Ski Club, Eaton Square, London S.W.1. at 6.15 p.m. on the following evenings :-

Tuesday	-	May 4th
Tuesday	-	June 8th
Wednesday	-	July 7th
Wednesday	-	September 8th
Tuesday	-	October 5th
Tuesday	-	November 2nd
Tuesday	-	December 7th

Other Local Meetings

I am sorry that I am unable to report any other local meetings as no details have been sent to me. I would ask all Secretaries of overseas chapters to send any information regarding meetings as soon as possible. Members wishing to establish regular meetings outside London, please send your proposals and I will be happy to publish these in the next journal.

Annual General Meeting

At the A.G.M. held on March 2nd, several important points were raised.

It was suggested that there should be an independent body to protect individuals from unscrupulous dealers or collectors. The Secretary pointed out that he had helped on two occasions, both of which were concluded to everyone's satisfaction. It was therefore proposed that any member having a complaint of any nature against another person should contact the Secretary for advice. During the discussions it became clear that the thought amongst the trade was to establish a Dealers' Association. This was generally welcomed and details will hopefully be available in the near future.

Many people had a lot to say regarding the content of the journal. It has become very difficult to obtain articles, letters or any written comment from anyone but the hardcore of a dozen or so people that are regular contributors.

I will now make a plea for people to supply **any** material no matter how small for inclusion in future journals. I feel sure that many collectors are in possession of information that other members would like to read, and if not information, suggestions and comment regarding the activities of the society. *Ed.*

A special note for Overseas Chapters

As you will see in the journal the majority of material is supplied by English members. This is supposed to be an **international** society, so please make use of the 'Wants and For Sale Section' and send in articles on your local subject.

CONGRESS '82

The 2nd International Scripophily Congress was again a most enjoyable day. The new display stands purchased by the society showed off some impressive bonds and shares loaned by members for the event. Dealing was reported to be brisk and many collectors were able to find new items at keen prices.

The committee, however, was disappointed in the relatively small attendance of members (less than 150) when many of them were in easy reach of the venue. I wonder, when this is one of the most important days in the Scripophily calendar, why greater effort to support the Society is not made. Is the venue wrong? Do all the members understand what the Congress is? If anyone has any comments or questions regarding the Congress, **please** write to the Editor.

CONGRESS AUCTION REPORT

With about 80 people present in the Sudbury Conference Lecture Hall, the auction picked up steam from Lot No. 1. Material from Australia alphabetically through to Germany sold briskly with only three passes in 43 lots. Prices for Great Britain pieces proved disappointing with the exception of 'Cemetery' paper, printed on vellum. Top price was for Low Hill General Cemetery sold to international dealer, R. M. Smythe, for £175 after some lively bidding. The Russians nearly all sold, although below their estimates. American material was mixed; States and Confederates were wanted but Railways, (some items had been in recent dealer catalogues), were dull. A Fargo signature made £140 and the sale ended with a certificate issued to a Sigmund Rothschild being knocked down to Herzog Hollender Phillips for £18.

For the statisticians, 104 lots sold (68%) and total proceeds amounted to £2,448 (86% of estimates for lots sold).

JONATHAN LYTTLETON, Auctioneer.

CONGRESS AUCTION - 7th MARCH, 1982

The Lot numbers sold and prices obtained in the Congress Auction were as follows :-

Lot No.	£	Lot No.	£	Lot No.	£	Lot No.	£
1	20	33	15	74	30	110	12
3	10	34	9	75	7	112	6
6	16	35	8	76	6	113	20
7	30	36	7	78	18	114	15
8	15	37	9	80	4	116	14
9	12	38	11	82	175	117	12
10	16	39	40	83	6	119	18
11	4	40	120	85	10	120	50
13	18	41	12	88	110	121	42
14	12	42	7	89	78	122	24
16	30	43	7	90	72	124	15
17	8	44	25	91	12	126	15
18	36	45	6	92	12	127	95
19	8	46	45	93	5	128	17
20	20	47	30	96	15	129	60
21	9	48	62	100	5	130	13
22	42	49	22	101	16	134	12
23	19	51	20	103	8	137	40
24	6	52	5	104	14	145	28
25	5	53	20	105	32	146	140
26	8	54	18	105a	68	148	15
27	6	55	18	106	10	149	4
28	4	57	72	107	16	150	4
29	6	64	14	108	8	152	8
30	4	65	12	109	10	153	18
31	15	69	12				


ANTIQUES

SOTHEBY'S SALE OF BONDS & OLD SECURITIES

18th March 1982

The small section of scripophily items in the numismatic sale held on the 18th March comprised of forty-five lots, including pieces from Australia, Great Britain, Spain and the United States of America.

All but three lots were sold and the sale as a whole was very successful with the majority of pieces sold above the top estimates. Although the sale was sparsely attended with only the major dealers and collectors present in the room, the postal interest in the sale was very encouraging, both from at home and overseas.

The three Australian lots all attracted bids, the most notable being lot 221, comprising of six early British-financed investment companies operating in Australia, which fetched £95 against an estimate of £60-80.

The Great Britain section included nine lots of railway items, all of which attracted heavy bidding, the most notable being the early and very rare 1828 certificate of the Liverpool & Manchester Railway Co., which amidst spirited bidding was sold for £1,500. The majority of the other railway pieces were all 'fresh' on the market and were the property of one owner and were 'one-off' items. They naturally also attracted good prices and were sold for prices above the top estimate. One item in particular which again came from a private source saw several bids from interested local parties, this was the Banstead & Epsom Downs certificate which fetched £90 against an estimate of £40-50. Amongst the other companies represented in the Great Britain section the best price was realised by an early (1764) certificate of the Mason Barrowman Co, which fetched £180 against an estimate of £60-80. Finally one interesting piece which again attracted much interest was the Salvage of Le Telemaque, dated 1843, fetching £80 against an estimate of £30-40.

The Spanish section was also encouraging as all three lots sold for between the estimates, where in the past it has been extremely difficult to sell anything from this country.

The American section did not contain anything of particular note, but prices for all three lots were good, especially the £120 paid for the Tennessee-Colonisation-Company certificate dated 1844, estimated at £80-100.

Sale figures for the sale are as follows : Australian section total estimate £105/145, sold all lots for total £157; Great Britain railway section total estimate £870/1080, all lots sold for total £2120; Great Britain others total estimate £1500/2020, three lots unsold, sold for £1519; Spanish section total estimate £150/190, all lots sold for £165; and American section total estimate £180/220, all lots sold for £202. The total estimates for the whole bond section were £2805/3510 with all but three lots selling for £4163.

In conclusion 60% of the lots were bought by private buyers and 40% by dealers, in pure money spent terms the percentage bought by private buyers is in rough terms 80%. One interesting feature of this sale was the exclusion of buyer's premium, so that the hammer price was the price paid for each lot.

Selling rates for private vendors are now 15% and 10% for strictly scripophily dealers. The same policy of selling a section of scripophily items in a general numismatic sale will apply in future, unless a large collection presents itself meantime.

T. J. ROBSON,
Sotheby's Coin Dept.

ASSOCIATION FOR INDUSTRIAL ARCHAEOLOGY

The Association for Industrial Archaeology was established in September 1973 to promote the study of Industrial Archaeology and to encourage improved standards of recording, research, publication and conservation. It aims to assist and support regional and specialist survey and research groups and bodies involved in the preservation of industrial

Continued on page 26

THE CONTANGO COLUMN

Looked after by Joe McHugh and T. Robson

Welcome to this new regular space in the Journal which we hope will provoke comment and a frank exchange of views. With the sad disappearance of Scrip magazine it was felt that some effort should be made to fill that journal's vacuum. Both Joe and myself decided that the best way initially to start off the column was to print a letter from a purely fictious character, with, as you will see, some interesting viewpoints. We hope that this letter represents various views held by collectors, who have on occasion voiced them, but perhaps fought shy of actually printing them. We make no apology for not including any dealer viewpoints and hope that they will respond in the future.

Well, now it's over to our friend . . .

Dear Contango,

Being a keen collector of bonds and old securities, I have a few points I'd like to raise (audible clearing of the throat).

Firstly I want to know why it is only the same old regular group of enthusiasts who turn up for the Society's monthly meetings at the Ski Club in London. According to the yearbook there are many members within easy commuting distance from the Club. Is it that other member's mummies won't let them out to play, or that the venue is wrong, or the timing inconvenient, or even (indignant at the thought) that these members consider that the regulars that do attend are boring beyond belief? Well you tell me.

At the February Society meeting there was much debate upon the advantages to us collectors of the dealers forming themselves into an association. What advantages, I hear you exclaim. Well it would work like this : the dealers would decide amongst themselves (groan) not to include any of the less reputable traders and auction houses and thus protect us and them. Great Eh ? One small point, who decides who is respectable, if it is to be the dealers who governs them - perhaps the Society.

Talking of dealers I am in the most fortunate position of being able to visit the London fraternity on a regular basis. In my travels and during many cups of coffee I have been somewhat surprised, nay horrified, to hear grumblings or stronger about one such brother who has recently produced his fourth catalogue within a year. As I sipped my coffee (that being the only way to digest the stuff) I was subject to complaints about this brother's price-cutting of established prices for certain items, why moan to me, I'm a buyer and couldn't give a monkeys about their problems. When will they learn, I ask myself, as the guy opposite me has apoplexy, that business doesn't come to them, they must go and get it and to do that they must use that nasty word, marketing. Anyway who decides the 'established' price, them or the marketplace? At this juncture I am offered another cup of coffee and, horror upon horror, a soft biscuit.

Finally in the last issue of Scrip (sorry to keep harping on about that excellent journal, bit better than those awful dealer efforts), there was much talk and even, gasp, enthusiasm for an index of prices. Various Heath Robinson indexes were avidly promoted and then died - well you enthusiasts where are you now, given up? Entertain us with some more complicated systems. Well goodbye for now.

Yours faithfully,

A Keen Collector (naive ?)

Should you wish to respond to any of the above views please send your letters addressed to Contango Column, c/o the Editor. Even though the Editor is a dealer his coffee is at least charmingly served.

News Section

Editions Mayers will shortly be publishing their 1981 International Catalogue of Sales of Collector-Item Security Certificates and Records, mouthful that. Details can be obtained from Iégor de Saint Hippolyte, 224 avenue du Maine, 75014 Paris.

Hirsch Mynthandel AB have occasional auctions of bonds and certificates relevant to

Scandinavia. Details from them at Malmskillnadsgatan 29, S-111 57, Stockholm, Sweden.

For those collectors interested in the Industrial Archaeology of London, the Greater London Industrial Archaeology Society offers a wealth of field trips and information. Details from the Hon. Secretary, Brenda Innes, 9a Upper Park Road, Bromley BR1 3HN.

And finally to finish off with a topical subject beloved by the Press. The Chinese are selling bonds again, only initially as a testing ground to see how much interest may be forthcoming. They have already (last month) privately placed $50m worth with 30 Japanese institutions. The bonds carry a coupon of 8.7% and a maturity of 12 years. This recent success has spurred them on to produce a new issue for sale on international markets, again in Yen denominations. (Times 11/2/82).

Stop Press

Sunday 8th March saw me at the Society's annual Congress in London and well worth the effort it was too, giving me a chance to see all the dealers and their wares in one day. The attendance this year was marginally smaller than 1981, but that did not detract from the volume of trade carried out. Dealers were reportedly happier in 1982's binge than for last year with figures well up. The auction (results published elsewhere in this journal) was as usual conducted magnificently by Jonathan Lyttleton, even though the Electricity Board were having a knees up in an adjacent hall. The distant chorus of 'Roll out the Barrel' did not peturb our honorary auctioneer as he knocked down all 153 lots in just over one hour. The exhibition encased in the Society's new display cabinets was I thought extremely well done, both interesting and mouthwatering, containing as it did some particularly rare and beautiful pieces, credit due to Michael Veissid for his efforts. I took three guests along to see what my enthusiasm for pieces of paper was all about, all three thoroughly enjoyed themselves; they bought some bonds, albeit cheapo jobs; learnt a lot about scripophily; were well looked after by many dealers who took the trouble to explain about prices, rarities and technical points; and finally came away with a distinctly pleasurable taste of scripophily. I would like to thank everybody, dealers, organisers and helpers for a great day, and for giving scripophily an honest name to those members of the public who wandered in. Finally having said such nice things about the congress, there was one small factor I found extremely irritating - I didn't have enough money!

Next Journal

We hope to bring you an interview with a well-known railway collector about his collection and views on scripophily. Also in the meantime anyone interested in giving us an interview about their collection, please let us know.

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Art & Antiques Magazine takes on Scripophily

Art & Antiques Magazine (with a circulation of over 8,000) has decided to enter the field of scripophily.

A scripophily supplement of 4-6 pages will be included each quarter, the first of which appeared in the 5th March issue. The usual annual subscription for the magazine is £23 (24 issues) but members of the Bond & Share Society are being offered a discount of £4. Individual copies may be ordered directly for £1 inclusive of postage.

Art & Antiques covers a wide range of products in a highly readable style accompanied by many illustrations. The scripophily supplements will include market commentary, news of forthcoming events and historical features.

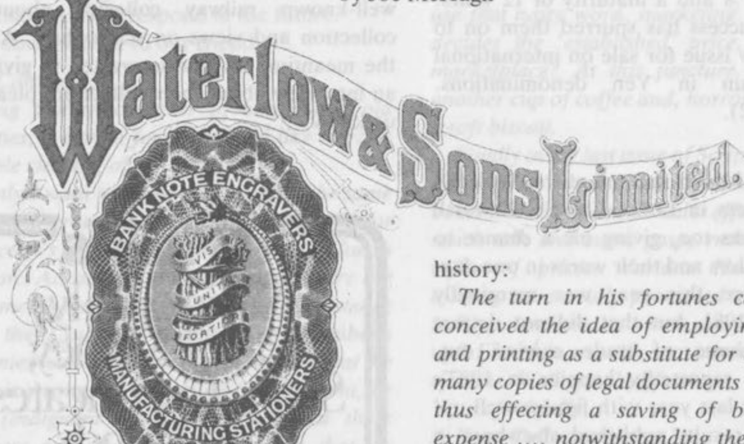
Subscriptions should be sent to :

Art & Antiques, Bridge House, 181 Queen Victoria Street, London, EC4V 4DD.

Annual subscription is £19 including postage irrespective of destination.

THE HOUSE OF WATERLOW - Part 1

by Joe McHugh



In 1625 Walran Waterlo, a native of the Canterbury settlers came to London to join relatives and friends who had been driven out of France by the revocation of the Edict of Nantes, which had given the Huguenots equal political rights with the Catholics.

The first Waterlow to enter the printing trade, James, did so crabwise from the copying business. Early in the nineteenth century he was a law writer: he copied legal documents for law firms.

The pay was low, the work arduous. Then in 1811, according to the official Waterlow history:

The turn in his fortunes came when he conceived the idea of employing lithography and printing as a substitute for copying where many copies of legal documents were required, thus effecting a saving of both time and expense ..., notwithstanding the opposition of the law stationers, the Admiralty and the Judicature approved the innovations. Meanwhile he had taken his sons, Alfred, Walter, Sydney and Albert into partnership ...

In 1844 when the development of the new railway system was at its height the Waterlow firm had twenty employees. Alfred Waterlow saw a great opportunity and seized it. He and his brothers developed new types of machinery and paper particularly suited to the printing of timetables and tickets. The innovations were successful and the firm grew larger each decade. Stock certificates for the railways and other Limited corporations were turned out by the thousands.

But in 1877, the year after the founder, James Waterlow, died, the firm encountered its first internal difficulty. The sons of the founder separated. The eldest, Alfred, formed the firm of Waterlow Brothers and Layton which retained most of the legal and general printing business (Layton had been associated with the firm since 1839). Alfred took his three sons, Alfred, Herbert and Walter into the firm.

The other firm, Waterlow & Sons Ltd., was formed by Sir Sydney Waterlow and his sons, Philip, George and Charles. Sir Sydney, very much the public figure, was first Sheriff, then Alderman and finally Lord Mayor of London. He also became a Member of Parlaiment. Sir Sydney was an innovator - he conceived and set up the first telegraphic communications system for the London police - and a philanthropist. He was the founder of the Industrial Dwelling Company which erected six thousand low-rent tenement apartments in London. Sir Sydney's firm took over the original company's railway printing work plus the printing of foreign currency and postage stamps which the original firm had started doing in 1850.

Both offshoots thrived and got along with a minimum of friction by avoiding competitive spheres. They might have remained separate entities if Alfred's grandson, William Alfred Waterlow, hadn't decided in 1914 that the banknote-printing business was a desirable one.

William was born 23 April 1871, to James Jameson Waterlow, one of the four sons of Alfred, the eldest son of the founder. William's father, James, was the only one of the sons who didn't take an active role in the firm.

James died a few months before this second son, William, was born and the lad was raised largely in the home of his grandfather, Alfred, now the head of Waterlow Brothers & Layton. Alfred sent his fatherless grandson to a good public school, Marlborough. Afterwards he was articled to a solicitor, Sir Thomas Paine, and in 1896 admitted as a solicitor. In less than a year he joined his grandfather's firm, Waterlow Brothers & Layton, from a rather advanced apprentice perch as director.

In 1904, when he was thirty-three, William Waterlow married an Edinburgh lady, Adelaide Hay, thirty-two. They met during a game of golf. The marriage was a good one and produced two sons. Waterlow did not make and keep friends easily and his wife became his confidante in business matters.

His reputation in the printing trade grew and in 1914 he became President of the Federation of Master Printers of Great Britain, after having served as Master of the Stationers Company, one of the eighty-one ancient guilds of the City of London.

As Managing Director of Waterlow Brothers & Layton he pushed the growing firm more into foreign banknote work, sometimes taking accounts away from the rival firm run by his cousins. But the snatched job that rankled them most was the local one for 100,000,000 British Treasury notes of £1 each. William got the order because he promised to deliver the first four million notes in five days. He got the order on 2 August 1914, the day Germany had

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declared war on Russia, when formal mobilisation orders were issued in France and Germany.

On August 6th, when the banks reopened - the August Bank Holiday had been extended three days by official proclamation - they had 2½ million of the new pound notes printed by Sir William's firm on postage-stamp paper rather than the fine linen-cotton paper which the Portal family had been supplying the Bank of England for its banknotes since 1724. The new notes were smaller than the traditional Bank of England currency and were signed by Sir John Bradbury, the Permanent Secretary to the Treasury. Inevitably, they were called Bradburys.

There was a certain amount of criticism from bankers who felt that the Bradburys were not particularly good examples of banknote printing. In the great haste some banknote bundles were delivered wrapped in uncut sheets of the new banknote. But they were delivered on time to let the banks open. It was a great printing coup.

Later Waterlow & Layton also won the contract for printing several million ten-shilling notes but had to share the overall order with a competitor, Thomas de la Rue & Company.

As the demand grew for paper money Waterlow & Layton built a new banknote-printing plant at Watford. In addition to the £1 and ten-shilling notes they also did the notes for the several Scottish banks which traditionally printed their own notes and for certain English county banks which had permission to issue their own notes - a right which wasn't removed until 1921.

On 7 January 1919, William Waterlow was made a Knight Commander of the Civil Division of the Order of the British Empire, for the services he and his firm had rendered the Crown during the war. He was now Sir William Alfred Waterlow, KBE.

In addition to the services he had rendered the Crown through the great mass printings of the much needed banknotes, he had performed certain printing services for the British Secret Service during the war which he never discussed publicly but alluded to mysteriously from time to time.

The service rendered was counterfeiting. In 1917 the British Secret Service asked the help of Waterlow and Thomas de la Rue in making imitations of German, Austrian and Bavarian stamps, to be affixed to envelopes in those countries bearing Allied propaganda messages. The letters were mailed in the appropriate country by neutrals and agents.

In an even more secret operation Waterlow was called upon by the Secret Service to counterfeit Imperial German banknotes. Waterlow engravers helped make the plates which were run off in a specially-guarded section of the Bank of England's printing works.

Because of his manu overt and occult services to the Crown Sir William naturally felt his OBE was a just one. It certainly wasn't purchased. But this didn't prevent his cousin, Edgar, who was a year older and openly envious, from sometimes saying how glad he was not to have any honours in the year of 1919.

Sir William's firm skimmed the cream of the wartime banknote business and had every intention of going after a great deal more of the overseas banknote printing now that several new countries had come into existence. This led to the opening of merger talks by Waterlow & Sons. There was no sense in the Waterlow cousins bleeding each other with price-cutting. Their non-Waterlow rivals, de la Rue and Bradbury Wilkinson would be the only beneficiaries of such a consanguineous rivalry.

The secret merger talks began early in 1919 and were concluded with an announcement on 21 January 1920. The new head of the firm was Sir Philip Waterlow, chairman. His son Edgar and Sir William Waterlow became joint managing directors. In the interests of family harmony - and because he didn't control enough stock in Waterlow, Layton - Sir William took a secondary role. At the time he had little doubt that his second cousin, Edgar, would succeed Sir Philip, his father.

He didn't - because Thomas de la Rue filed suit against the newly reconstituted Waterlow firm. The complaint alleged that for some time -probably since 1913 - de la Rue and Waterlow & Sons had had a secret agreement not to bid too vigorously against each other in seeking security printing work from the British Government. The successful bidder would give a percentage of its profits to the other firm. These payments had been made several times to each other, but apparently in 1919 or 1920 Sir Philip Waterlow had welshed on a payment due to de la Rue. Hence the suit.

Sir William Waterlow was particularly outraged as, indeed, were many Waterlow directors who hadn't known of the secret agreement. But worse emerged. It became clear that Sir Philip Waterlow had been pocketing the secret rebates from de la Rue rather than putting the money in the Waterlow treasury. Sir William, who had dug out this particularly heinous bit, brought it to the attention of the other Waterlow directors. As a result the de la Rue suit was settled out of court on 10 April 1923 for £30,000. Sir Philip was retired as chairman and replaced by Sir William. Why not Edgar Lutwyche Waterlow, the son of the outgoing chairman? Edgar, it appeared, had known of his father's pocketing of the de la Rue rebates. He had allowed fillial silence to over his obligations to his fellow Waterlow Directors.

Thus on 9 November 1923 Sir William Waterlow had become chairman and joint managing director of the Waterlow firm at £10,000 a year, plus a car, chauffeur and expenses. His second cousin, Edgar, was the other joint managing director but Sir William now felt he couldn't trust his cousin and some of his cousin's supporters among the directors. Henceforward the Waterlow firm would be a house divided in the upper reaches of management. Sir William expected Edgar to be seeking any wedge that would enable him to topple his cousin from the chairmanship. In turn, Sir William knew there would be many company matters which he could not safely confide in his cousin. As long as he kept Waterlow & Sons profitable he would enjoy the support of the other nine Waterlow directors.

Sir William quickly got to work. On 1 January 1924 the Crown announced that all British postage stamps would be printed by Waterlow. A few months later Sir William was also able to announce that the firm had secured the contract to print Latvia's banknotes. The firm's net profit of £114,910 for 1923 soared to £198,657 for 1924. The stockholders and the directors knew that their new Chairman was firmly in command.

After getting his knighthood Sir William began thinking of his next goal: Lord Mayor of London. Dick Whittington could start his ascent with a clever cat but modern candidates rise through more mundane moves. In 1921 Sir William was elected Chairman of the City of London School Committee. Then a year later, Alderman for the Cornhill Ward of the London Corporation, which meant that he had

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become one of the Magistrates of the City of London, a traditional stepping-stone to the Lord Mayorship.

His rise was noted jealously by his cousins. When Sir William became alderman in 1922, Sir Philip and Edgar Waterlow meanly proposed that part of Sir William's salary be deducted for the time he had given his aldermanic post. The humiliating debate in the Board of Directors caused Sir William considerable shame but in the end the Board voted not to cut his salary. The issue was never raised again. Even if he wasn't giving the firm all his time Sir William was clearly making the firm far more profitable than Sir Philip had been able to do with his full-time efforts. Besides, one director pointed out, Sir William might be difficult and arbitrary but he wasn't the kind to pocket illegal rebates.

Since 1866 the head offices of the great Waterlow printing empire - including eight large factories - had been housed in a rather modest four-storey, yellow-brick building in narrow Great Winchester Street in the City of London. Nearby are the Bank of England, the Stock Exchange and headquarters of the leading insurance companies.

NOTE: Anyone having any certificates printed by Waterlow, please write to the Editor with details.

THE TEHUANTEPEC NATIONAL RAILWAY

by J. C. Whitworth

Having recently acquired a £20 Bond of 1904 and a similar 4½% one of 1901 issued by S. Pearson Limited for the Tehuantepec National Railway Company, in connection with Gold Loans of £2,000,000 and £1,500,000 raised in those years, I was very pleased when browsing in the London Library to come across a book published in New York in 1869 by the Tehuantepec Railway Company.

This gives full details of the 70 year concession which was granted by the Mexican Government on 6th October 1867 to Don Emilio la Sere and later modified, confirmed and published on 4th January 1869. To take advantage of it a Company had been incorporated in the State of Vermont, U.S.A. on 10th November 1868 entitled 'Tehuantepec Railway Company 1867'. The Company's emblem, the Mexican Eagle holding a map of the Atlantic & Pacific Oceans with the Isthmus of Tehuantepec placed strategically in the middle appears as a Vignette on the Title page.

The Concession required the deposit of $100,000 as security for carrying out certain works within specified times and authorised the construction of 162 miles of railway from Minatitlan on the Goatzacoalcos River in the Gulf of Mexico to Ventosa or an adjacent point on the Pacific Coast together with a road and a telegraph line.

The authorised Capital was $18,000,000 in $100 shares which were allocated as follows :

Emilio la Sere	30,000
Louis Eugene Hargous	1,000
Peter A. Hargous	1,000
Horace J. Hirsch	100
Simon Stevens, trustee	147,900

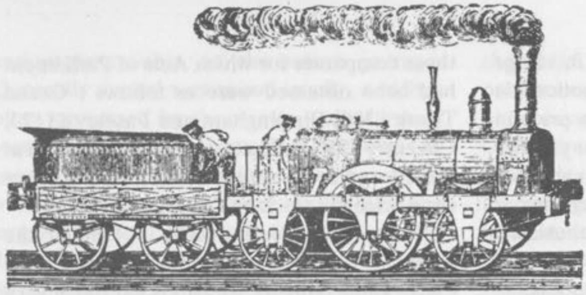
The Mexican Government was to receive 8% of net profits whenever a dividend was declared for the Stockholders and 12 cents for each passenger going over the road.

The book has charming engraved illustrations of the scenery, a full description of the geography of the region and full details of the whole project.

The Bonds refer to Coatzacoalcos and Salina Cruz and an Atlas confirms that the line was built as set out in the prospectus in the book.

I should be most interested to know what happened to the original Vermont Company and how the Mexican Company which raised the Loans came to be set up.

Has anyone any information for the Author - Ed.



"MANIA"

by T. J. Robson

In 1860 William Makepeace Thackeray looking back on the advance of the railways and the effects of the Industrial Revolution which they transported said :

'Your railroad starts the new era, and we of a certain age belong to the new time and the old one. We elderly people lived in that pre-railroad world, which has passed into limbo and vanished from under us. I tell you it was firm under our feet once, and not long ago. They have raised those railroad embankments up, and shut off that old world that was behind them. Climb up that bank on which the irons are laid and look to the other side - it is gone.'

This sad reflection indicates the pace with which the railways invaded the countryside and people's everyday lives. Just how they were able to do just that is the substance of this talk, and to understand the railway mania we must go back to the beginnings of the Industrial Revolution.

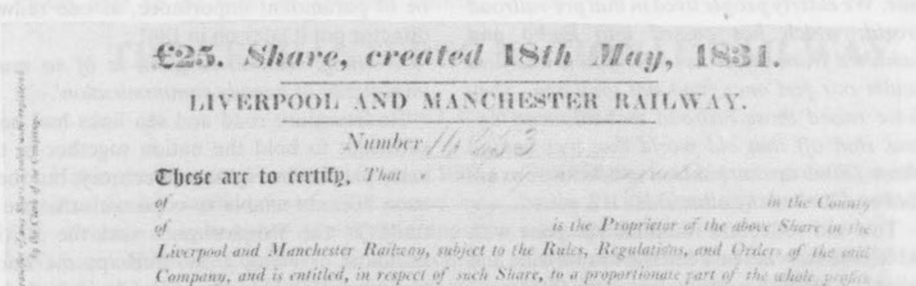
For the Industrial Revolution to have happened at all there had to have been a ready and available supply of capital, and this there indeed was, money accumulated during the eighteenth century from slaving and coal, from prosperous merchants and not least from the emergent bankers. But the canal and railway age, and the two transport systems are not separate entities, but joined by many common denominators, saw the advent of a new powerful financial influence, that of the small investor, the solid bourgeoisie who did not actually work for a living but had capital at their disposal. To give some indication of the growing wealth of the nation, out of the National Debt of 1815 which stood at 876 million, only 4% was not held by British subjects and later figures from 1829 tell us that 90% of these investors were receiving an annual interest of around £200. From these sources came the monies used to promote and build the British railway network.

As the Industrial monster grew the need for ready, cheap and efficient transport began to be of paramount importance, as one railway director put it later on in 1841 :

'Nothing, next to religion, is of so much importance as a ready communication'.

Rudimentary road and sea links had been sufficient to hold the nation together in the early part of the eighteenth century, but these soon became unable to cope with the rise in trade as the Empire grew and the British standard of living grew. Perhaps the boom transportation industry of the day was that of the mail coach, but this system could not handle heavy industrial and commercial loads and so does not concern us here, as the canals and early railways were designed and initially promoted by industrialists for commercial carriage of goods - passengers turned out to be an added bonus. Suffice to say that in their heyday in the 1820's there were some 300 coaches a day passing through the Toll gates at Hyde Park Corner, some twenty years later this figure was substantially slashed. The long awaited answer to the freight forwarding problem came in the form of the canal.

The first major work to be undertaken and completed was built by the engineer James Brindley in 1761 for the illustrious Duke of Bridgewater and linked the Duke's coalfields with the hungry markets of Liverpool and Manchester. Shortly afterwards the Grand Trunk network was built and the combination of the two with their overnight commercial success soon affected the whole country and canal schemes were promoted in large numbers. One of the immediate and noticeable benefits was that coal fell by half in price in Manchester and this more than any other factor began the first canal boom. Canals were advocated in pamphlets, in newspapers and at public meetings. One enthusiastic pamphleteer advocating the building of a canal between Kendal and Manchester, denouncing the wretched state of the turnpike-roads, which were maintained by *'an enormous tax'*, went on to exclaim *'May we all scorn to plod through the dirt as we long have done at so large an expense; and for the support of our drooping manufactories, let canals be made through the*


£25. Share, created 18th May, 1831.

LIVERPOOL AND MANCHESTER RAILWAY.

Number 16253

These are to certify, That

of in the County

of is the Proprietor of the above Share in the Liverpool and Manchester Railway, subject to the Rules, Regulations, and Orders of the said Company, and is entitled, in respect of such Share, to a proportionate part of the whole profits and advantages of the said Company, pursuant to the provisions of an Act of Parliament passed 1st William IV. Given under the common Seal of the said Company, the 18th day of May, 1831.

Entered,

Clerk of the said Company.

whole nation as common as the public highways.'

Major works soon followed; the Staffordshire and Worcester Canal linked the Rivers Mersey and Severn in 1772; the Trent and Mersey Canal joined Hull to Liverpool in 1777; and the mighty Thames and Severn Canal provided through water-travel from Bristol to London in 1789.

By 1792 the country had been gripped by canal mania. Notices of 18 new canals were published in the 'Gazette' of the 18th August 1792. The current premiums on single shares in those companies for which Acts of Parliament had been obtained were as follows : Grand Trunk £350; Birmingham and Faseley £1170; Coventry £350 and Leicester £155, and even at these large premiums over the original share issue price the stock was quickly taken up.

At the first meeting held in 1790 of the promoters of the Ellesmere Canal, 112 miles in extent connecting the Mersey, Dee and Severn rivers, applications for stock were four times the disposal number of shares. In the course of the four years ending in 1794, no fewer than 81 Canal and Navigation Acts were obtained: of these 45 were passed in the latter two years authorising the expenditure of £5,300,000. By 1830, 4,000 miles of navigable waterways were in operation with well over 20,000 barges working upon them, transporting 30 million tons of freight annually of which coal was the chief cargo.

The first canal mania has many similar characteristics of the later Railway booms, both in the engineering and in the financing. The initial promotion of a project was usually undertaken by prominent local citizens, usually businessmen looking for cheaper ways of getting their finished products to the market place and their raw materials quicker, cheaper, and more reliably on the return journey. Generally capital was raised locally, which is often supported by the names and addresses seen on the shares themselves, although of course later subscription became more widespread. The shares were normally for the larger amounts, typically in £50, £100 or £200 denominations - thus the early shareholders were men of some substance. Once the required subscription had been promised the company sought Parliamentary approval of their scheme, this later proved to be very expensive, once granted construction could begin. It is here that the problems began, since early estimates as to construction costs almost invariably were wildly optimistic, and so the company sought out more capital. The general method adopted was by means of the preference share, so named because the shareholder is guaranteed payment of dividends before other commitments are fulfilled (usually issued at a fixed rate, so that, if the company is more profitable than expected, the preference shareholder gains his extra security at the expense of participation in the extra profits). This method of financing normally believed to be a product of the railway manias was in fact around long before.

Throughout the Canal age the government adopted a 'laissez-faire' approach unless the particular scheme was deemed to be of national importance, this admiral policy allowed local schemes to cater for local needs. The roadway systems were the first casualities of this fierce new competition; for example to transport a ton of freight from Basingstoke to London by road cost £2, by using the new Basingstoke Canal this figure was cut to 12/-. The Canals and thus their shareholders, the people, played an important part in the nation's growth, providing new markets for more goods. The canals at their height in 1830 were paying dividends as high as 25% with the increased profits being handed straight to the shareholders and thus reinvestment in improvements was nil. The shareholders were happy with an unequalled return anywhere else on their investment, the canals were happy they held a complete monopoly and saw no need to waste money on what they considered unnecessary improvements.

Tariffs were therefore high and some merchants, disenchanted with this state of affairs began looking towards a better, cheaper form of moving their goods. They were to find their answer in the form of the iron horse. Before leaving the canals and their monopoly I want to dispel some commonly held myths. Firstly the advent of the railways did not wipe out the canals, as certain goods in bulk could only be transported by large barges, nor did they totally redirect capital into their companies' schemes. For instance in 1835 before the opening of the London & Birmingham Railway, the through tonnage carried on the Grand Junction Canal was 310,475 tons; and in 1845, ten years after the opening of the railway the tonnage carried had increased to 480,826 tons. At a meeting of the proprietors of the Birmingham Canal Navigations, held in October 1860, the chairman was able to report :

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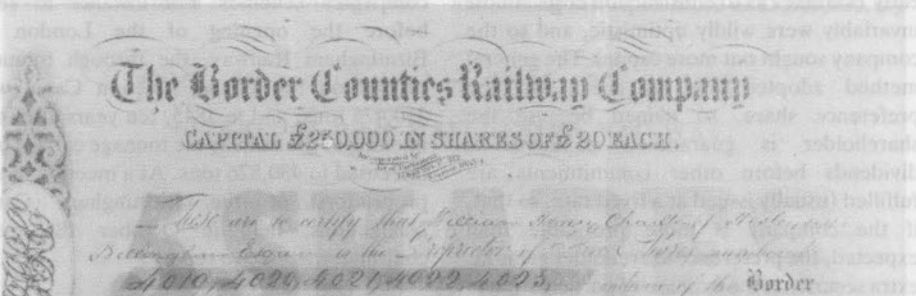
'... *the receipts for the last six months were, with one exception, the largest they had ever had*'.

Sheridan's comments in the newspaper the 'Critic' with regard to the greed of the bourgeois investors in canals was to pale into insignificance some years later in the railway manias, he said :

'*When these fellows have once got hold of a good thing, they do not know when to stop*'.

The Canals wetted the investors' appetites for what was to come, not only for the dividends, but for the speculation in shares. The railway age provided this opportunity to a much wider and less responsible sector of society than the Canal age had done, the speculator became a new breed whose humble origins were no disadvantage.


The Border Counties Railway Company

CAPITAL £250,000 IN SHARES OF £20 EACH.

4010, 4020, 4021, 4022, 4023, ... Border Counties Railway Company ... Company

... Secretary

Railway historians disagree as to the origins of the railway and I don't intend to choose any particular school of thought, suffice to say that the world's first commercial railway was built in the South of England between Wandsworth on the Thames and Croydon in the South. The humble origins of the Railway age began in 1799 when a group of industrialists proposed a canal up the Wandle Valley to enable them to get their goods to the Thames and thence into London more cheaply and on a more regular basis.

They consulted the famous canal engineer William Jessop, who based on his considerable rail experience with the Leicester Navigation in 1794 suggested :

'... *There is another way of obtaining the object in view; if not quite so effectually as by a Canal, it will, under all circumstances, be not much inferior to it; this by the adoption of an Iron railway. Railways of wood or iron have many years been in use in the northern parts of England, chiefly among the coal mines; it is but lately that they have been brought to the degree of perfection, which now recommends them as substitutes for canals; and in many cases they are much more eligible and useful.*'

Such was Jessop's reputation that his suggestion was adopted, although he may have had ulterior motives as he was a partner in an ironworks company, the Butterley Company, however, his company did not get the rail contract.

The first independent railway in the world formed into a company was sanctioned by

Parliament on 21st May 1801. The Surrey Iron Railway was formed with a capital of £30,000, in £100 shares, 100 of which were given away to property owners through whose land the line was to pass. The return on capital was estimated at an optimistic figure of 10% by Jessop. The first railway Act stated that the proposed line :

'... will be of very great advantage to several considerable manufactories established in the Neighbourhood, and to the Inhabitants of many towns and places, and of a very populous County, lying on or near to the line of the said intended Railway, by opening a cheap and easy Communication for the Conveyance of Coals, Corn, and all Goods, Wares, and Merchandise, to and from the Metropolis and other places.' The Act gave the company powers to raise £35,000 in £100 shares and to raise a further £15,000 in shares or by mortgage.

At the Wandsworth terminus the company built a dock from where the rail goods could be transported by barge into the City of London. The formal opening of the line took place on 26th July 1803. The line was later extended as far as Merstam by Jessop, but the return on capital was only between 1-2% per annum, not exactly a serious challenge to the Canals, however, it was the first in what was to become a flood later on.

The war with France temporarily put a stop to many projects as at one stage invasion of England itself seemed highly probable. The Bank of England raised money through bonds for this. But after the peace of 1815 the British commercial enterprise began to get back into gear, interesting is a letter from Thomas Telford, a great road and canal engineer, during his employment as a consultant for the Exchequer Bill Loan Commission :

'After a war of unexampled extent during more than twenty years, in part of which England stood unaided by a single ally - the peace of 1815 was welcomed as the harbinger of plenty and domestic happiness; but this natural expectation had in truth become quite unfounded from the time when wars had been decided by the wealth and natural credit of Great Britain, quite as much as by conduct and courage in the field of battle.'

Many schemes were in serious financial difficulties and the object of the Loan Commissioners who sat from 1817-29 was to grant money to projects deemed in the national interest. Telford continues in his letter to outline some of the origins and functions of the Commission :

'In the year 1817 Lord Bexley was Chancellor of the Exchequer, and had cause to triumph over the sarcasms of his political oponents, refuted as they were by notorious fact, when the Bank of England note rose to its full value throughout Europe within a year after the proclamation of peace. But this good man and real patriot rather occupied himself in finding remedy for the revulsion by which all the industrious classes of society were sorely distressed; and by a judicious extension of the principle by which local visitations and mercantile embarrassment had sometimes been relieved, he effected his object by a grant of Exchequer Bills, to be expended in public works, personal security being given by the borrowers.

The Commissioners under this Act appointed me (Telford) to exercise my judgement on all works requiring the opinion of a civil engineer; and in that capacity I examined and reported on the plans, specifications and estimates of sundry works, in aid of which applications were made to the Commissioners.

In the year 1817 the Regent's Canal, which proceeds from the Grand Junction Canal at Paddington, and passes along the northern boundary of the Regent's Park, through Islington, to the river Thames at Limehouse, had been partly executed, but being then deficient in funds, applied to the Exchequer Bill Commissioners for a loan.

The metropolis had increased so as to occupy all the space between the river Thames and the base of the Hampstead Hill, and the supply of timber, coals, and other bulky articles, had become inconvenient and expensive to the inhabitants. The principal streets of London, also, running east and west, were liable to *obstruction from the numerous heavy carriages of various descriptions crossing them in their passage from the river to the northern parts of this great City. A navigable canal, therefore, connecting itself with the river at one extremity, and the Grand Junction Canal at the other, promised much public accommodation.*

The Commissioners having weighed all these circumstances, accommodated the Canal Company with successive loans to the amount of £250,000; but this canal, however, useful as a connection between the Thames at Limehouse, and the Grand Junction Canal, has not sensibly superceded land-carriage in the streets of the metropolis, the delivery of all commodities rendering necessary their being placed on wheelcarriages, and short distances adding little to that expense.'

The Commissioners loaned money to dock companies, canals and interestingly to the Liverpool & Manchester Railway, to the tune of £100,000 in 1826 towards completion, the Chat Moss crossing having absorbed much of the capital.

When the Commissioners closed their doors in 1829 the only way to raise money was by public subscription.

The true beginnings of the Railway mania finds its origins in the Stockton & Darlington Railway, which began its life as early as 1811, when Leonard Raisbeck, the recorder at the Stockton Town Hall, during a debate on transportation suggested :

'That a Committee should be appointed to enquire into the practicability and advantages of a railway or canal from Stockton to Darlington and Winston, for the more expeditious carriage of coals, leads, etc....'

The motion was carried but nothing really happened until 1817 when Edward Pease and his fellow directors on the board of the new Stockton & Darlington Railway Company actively began to promote the 37 mile route. The line received Parliamentary assent on April 19, 1821, the Act stating simply for :

'... the making and maintaining of a railway or tramroad for the passage of waggons and other carriages will be of great public utility by facilitating the conveyance of coal, iron, lime, corn and other commodities.'

The line was officially opened on September 7th 1825. The railway was a financial success from the very outset, not only did it lower prices on raw materials along its route but the tonnage carried rose dramatically, industries in the area were encouraged by the lower prices and boomed, and the delighted shareholders received a first dividend of 10%. Understandably the share price rose against this continuous demand and so began the railway speculation characteristic of the early to middle part of the century.

As more and more Railway schemes came before Parliament William Wordsworth was moved to write :

'Is there no nook of English ground secure,
From rash assault? ...
Plead for thy peace, thou beautiful romance
of Nature.'

One immediate effect of the Stockton and Darlington Railway was to reduce the price of coal in Darlington from 18s to 8s 6d a ton. Money for the new projects was generally easily obtained. The Runcorn Railway, for example, was entirely subscribed in the local area, the 'Fleece' Inn acting as the selling agent at St. Helens, where a near riot ensued as eager investors fought one another to get their names on the list. This first mania and its victims seemed to do little to deter the speculators as they gaily built up towards another mania. Hardly surprising, however, as the Liverpool and Manchester (who had had to reduce their original share price from £100 shares to £25 shares to raise capital earlier in 1829) paid dividends of 10%, the London and Birmingham 10%, the North Midland 10% and the Stockton and Darlington 15%.

The 1836 mania was short and sharp, more weird schemes were proposed such as wind and rocket powered locomotives, in total 39 companies obtained Acts and of these very few went bankrupt. It is true many companies suffered : the Great Western Railway even had some of its cheques returned; the Eastern Counties Railway, authorised in 1836 was the hardest hit from the rapid dissipation in railway euphoria. It was unable to sell all its authorised share issue, and when it called on a fairly modest £16 on its £25 shares, the total receipts fell well short of the desired sum, construction petered out and only half of the projected track had been built by 1843. The first mania faded away in 1837 due in part to a general recession and also a tightening up by Parliament which faced with the disturbing rush of new companies, passed legislation which forced new companies to possess at least 10% of the required capital before incorporation. Many companies having boomed during the mania were left to attempt to build their expensive lines during the resultant slump - a feature that was to become very familiar.

Before passing onto perhaps the most famous and disastrous mania of 1844-45, let us pause to look at how the projects were promoted and their associated problems.

To enable any railway project to get off the ground required two things; firstly the required capital, or assurance of it; and secondly an enabling Act of Parliament. From the companies' viewpoint the Act of Parliament was essential for it gave them a firm basis for negotiation with the owners through whose land their line was to pass. Normally the Act gave the railway the right of purchase, but as no arbitration service existed, landowners were able to ask astronomical figures for their property. For example Lord Petre of Ingatestone Hall demanded and was paid £120,000 from the Eastern Counties Railway for land worth only £5,000. The actual securing of the Act was also cripplingly expensive and lengthy, and for some companies proved the first stumbling block.

It is commonly believed that most railway capital was raised from local people, and for many small rural lines this was the case, but for the trunk routes which appealed to speculators everywhere the sources were wide and varied. Much of the money for the Stockton & Darlington came from the banker family of Pease and other bankers in Norwich, all of whom incidentally were Quakers, from whence the line gained its nickname of the 'Quaker line'. Generally speaking the share capital was raised locally with substantial loans coming from London and other principal financial centres.

The usual method of raising capital in the early days was to sell scrip at locally organised and publicised meetings, the scrip being exchangeable at a later date for shares in the company. The price paid for the scrip was usually only a small holding deposit. The remainder came from the bankers or financiers and often the promoters themselves owned or operated banking houses. By the 1850's the position changed with the large railway companies or the large contractors, such as Brussey and Peto, themselves financing in the main the railways.

The railway manias were the result of economic booms generally rather than vice-versa and so railway progress was erratic to say the least. Since investment came largely through the issue of capital stock, it was therefore very much dependent on the state of that market,the capital market itself in its turn was likewise reliant on many and varied economic indicators. The main hassle as far as the railway companies were concerned was the long delay between the first airing of the proposal and the actual opening of the line, and in particular the time taken securing the necessary Act of Parliament. Once the initial proposal had been voiced, it then normally took a year to survey the route and to obtain the promises of investment. The enabling Act took at least another year to secure, and much longer if the Bill was rejected for some reason. The London & Birmingham Railway, for instance, came before Parliament in 1832 where it was defeated by the combined opposition of the canal, mail-coach and turnpike road interests in the House of Lords. In 1833 after many amendments it was passed, opening for traffic eventually in 1838.

To be continued

RUSSIA : HISTORICAL NOTES

by Stephen Maier

Until 1918, Russia adhered to the old Julian calendar. In the nineteenth century, this calendar was twelve days behind the Gregorian calendar used almost everywhere else. In the twentieth century, the Russian calendar fell thirteen days behind.

Every Russian has three names: his first or Christian name; the name of his father with VICH added (meaning SON OF); and his family name. Thus, the last Tsar, Nicholas, was Nicholas Alexandrovich Romanov. For women, the second name is their father's with EVNA or OVNA (meaning DAUGHTER OF) added. The Tsar's youngest daughter was therefore, Anastasia Nicolaevna.

The Yalu Timber Company

In the latter years of the nineteenth century, many Russians dreamed of expansion, particularly in Asia. Russia's only Pacific port, Vladivostock, was imprisoned in ice three months a year. In 1895, Japan occupied several Chinese territories which Russian coveted, among them the warm-water port and fortress of Port Arthur. Six days after Japan had confiscated the port, Russia intervened, declaring that Japan "constituted a perpetual menace to the peace of the Far East". Japan, unwilling to risk a war, was forced to relinquish Port Arthur to the Russians.

Only one further prize remained on the North Pacific coast, the peninsula of Korea. Although Japan clearly regarded Korea as essential to her security, a group of Russian adventurers resolved to steal it. Their plan was to establish a private company, the **Yalu Timber Company**, and begin moving Russian soldiers into Korea disguised as workmen. If they ran into trouble, the Russian Government could always disclaim responsibility. If they succeeded, the empire would acquire a new province and they themselves would have vast economic concessions with it. Sergius Witte, the Finance Minister, vigorously opposed this risky policy. But Tsar Nicholas, impressed by the leader of the adventurers, a former cavalry officer named Bezobrazov, approved the plan, whereupon Witte in 1903 resigned from the Government.

The Russian advance into Korea made war with Japan inevitable. In February, 1904, Japanese destroyers attacked the Russian squadron anchored in Port Arthur. In May, 1905, after a thoroughly humiliating defeat in the Strait of Tsushima and realizing that Russia had no chance of winning the war, Tsar Nicholas sent for Sergius Witte to make the best of a peace conference which President Roosevelt had offered to mediate.

*Excerpted from **Nicholas and Alexandra** by Robert K. Massie.*

GERMAN CITY LOANS

Further notes by Mrs. H. Braunsberg

A list of German dollar loans, published in the Zeitung für Historische Wertpapiere No. 6-81 includes three further loans not mentioned in Table 6 :

OLDENBURG 7% Redeemable 1945 *
PFÄLZISCHE STÄDTE (Consolidated Municipalities of the Pfalz) 7% Redeemable 1945
WÜRTTEMBERGISCHE STÄDTE (Consolidated Municipalities of Württemberg) 7% Redeemable 1945.

* It is not clear whether this is a loan of the city or the state of Oldenburg.
Any further information as to the size of loan, denominations etc. would be welcome.

I would like to apologise for the printing error in Table One of Mrs. Braunsberg's article; for those interested it is reproduced (correctly) below - Ed.

Table 1
Internal Foreign Currency Loans

CITY	YEAR ISSUED	LAST YEAR DUE	INTEREST (%)	LOAN	DENOM.
Bremen (State)	1923/4	1934	5	$2,000,000 (issued)	5 10 50 100
Freiburg	1922	1947	4½	Swiss Frs. 3,000,000	?
Heidelberg	1917	1927	5	Swiss Frs. 1,852,500 or Marks 1,500,000	Equivalent to Marks 5,000 10,000 25,000

OXFORD'S FIRST DEBENTURE ISSUE

by Geoff Cole

(Reproduced from Canadian Chapter Newsletter 1-82)

When the County of Oxford was incorporated on January 1, 1850, there were no railroads, telephones, hydro and few roads; however, the Great Western Railroad Company was building a railway and they required funds to complete the line. On July 24, 1850, authority to purchase stocks in the company was passed by the local council.

Many ratepayers in Oxford were opposed to the Council's decision to purchase stock in the railroad and the final approval was due largely to the efforts of Francis Hicks, M.P.P. and John Barwick, Reeve of Blandford Township.

By-law No. 8 was passed on December 30, 1850, to authorize the Warden, on behalf of the Corporation of the County of Oxford, to subscribe to 1000 shares in the Capital Stock of the Great Western Railroad Company. The shares were priced at £25 each, equivalent to a total of $100,000. (At that time our monetary system was based on the pound sterling.)

In order to pay for the stock, eighteen-year County of Oxford debentures at 6% yearly, were issued with coupons payable on the first day of January and July and which were to mature January 1st, 1871.

It is of interest to note that the Great Western Railroad was officially operating by January 18, 1854, approximately two and a half years before the famous Grand Trunk Railway between Montreal and Toronto, which was not completed until October 27, 1856.

The new railway line began at Niagara Falls Suspension Bridge, ran through the Niagara region to Hamilton, Brantford, Woodstock, London and on to Windsor and Detroit. Oxford County had six stations: Canning, Princeton, Eastwood, Woodstock, Beachville and Ingersoll.

The development of Oxford County increased substantially due to the completion of the railway: acreage under cultivation increased from 80,491 to 231,058 and the population rose from 31,448 to 46,185 in ten years.

The debentures were printed and signed on

March 1, 1853 with interest beginning July 1, 1853. Each debenture and interest coupon was signed by Warden Donald M. Mathe of West Zorro and H.C. Barwick, County Treasurer.

The interest payable upon the Oxford County debentures was paid the Railway Company during construction of the line and following its completion the debenture interest was paid from the dividends accrued upon the stock held by the County; there was no cost to the Ratepayers.

The Great Western Railroad was an immediate financial success and private investors, particularly in Great Britain, wanted to purchase stock. The Council decided, at a special meeting in October 1855, to sell their 1000 shares to the highest bidder. The prices realised for the $100,000 worth of stock was $110,125 to which was added a further $1,000 dividend which had been paid by the Railway company a month previous to the date of sale.

Since accounting practices were different in those days, almost all the bonus and profit realised was divided amongst the local Municipalities according to assessment; Blandford $498.12; Blenheim $1322.88; Dereham $1,106.42; Ingersoll $501.95; East Nissouri $777.80; North and South Norwich $1,372.32; West Oxford $519.33; East Oxford $703.73; North Oxford $416.43; Woodstock $879.60; East Zorro $978.50 and West Zorro $1,042.20.

The County Treasurer held $100,000 in cash, with the debentures not coming due for nearly fifteen years. At that time the position of treasurer was a part-time occupation and the County funds were held in the Treasurer's personal bank account. Therefore, the Treasurer was directed, by resolution of the Council, to advertise in daily newspapers that persons holding County debentures present them at his office where they would be redeemed at par.

Many people responded and debentures totalling $84,400 were redeemed. However, a few people chose not to cash their debentures and a total of $15,600 remained outstanding; thirty-nine debentures of $400 cash. Since it was deemed unwise to hold the monies for nearly fifteen years, the County Council passed, in June 1856, By-law 47 whereby the monies were distributed to the local Municipalities on the basis of an equal assessment. The By-law urged that the monies be carefully invested since the debentures would eventually be redeemed and could cause a sharp increase in taxes.

Each year, the County levied an amount against the local Municipalities to cover the coupon interest of the debentures.

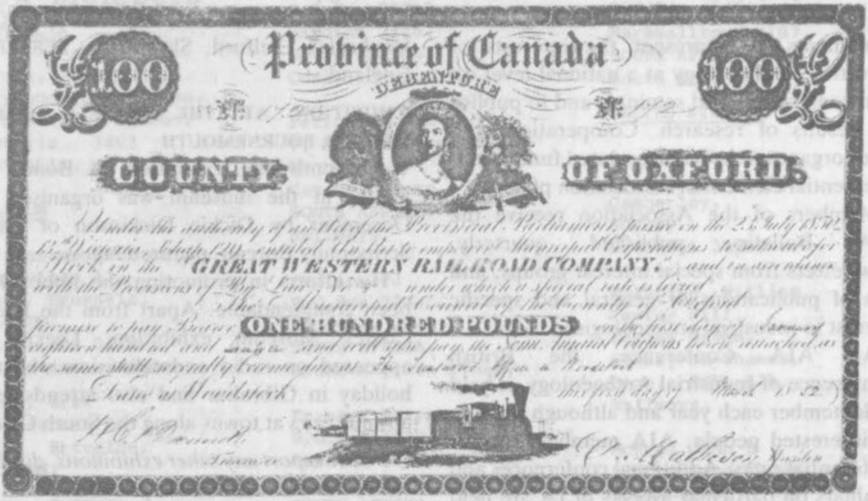
In 1870, the $15,600 was reclaimed from the Municipalities and they were assessed exactly the same amount as had been originally paid to them regardless of changes in assessment.

It was later reported to authorities that in January and February of 1871 that all remaining debentures had been redeemed.

Here should end the story of Oxford's first debenture issue, but on March 19, 1979, Mr. Howard Day, the County Treasurer, received a phone call from Mr. Don Lake of "October Books", Antiquarian and Scholarly Booksellers, Queen Street East, Toronto, stating that he had in his possession an 100-pound County of Oxford debenture dated 1853, certified no. 162, and he requested that the County redeem the bond plus coupons 6 - 36 inclusive. At today's rate of exchange this would mean between $460 and $480. This request was put in writing and accompanied by a photocopy of the debenture forwarded to Mr. Day.

Howard Day and his staff, after researching available records, came to the conclusion that all the original debentures had been redeemed and reported their findings to the County Council. The Council rejected Mr. Lake's request but realised that the debenture was of historical value and authorized the Treasurer to try to obtain the document.

Mr. Lake did not want to donate the debenture certificate to the County; his letter reads in part: "Unfortunately at this point we cannot afford the price of immortality. We have been offered $100 for the debenture by a paper ephemera dealer in the event it proved



worthless, and we can offer it to you at the same price. We will hold the item for two weeks until your reply."

County Council wanted the document and Councillor Andy McKenzie of Woodstock suggested that if each of the twenty councillors contributed $5 they could purchase it. The $100 was collected and the document will now be on permanent exhibition in the County Court House.

On June 22 of the same year, Howard Day had a call from one Bruce Heron of Woodstock stating that he had found an 1853 County Oxford debenture on the back of an old picture frame; there were 27 coupons attached.

It would seem that the County Treasurer responsible for the original collection of the debentures, did not cancel or destroy them, but rather, only made a book entry to the effect that they had been all redeemed.

An interesting bit of Oxford County history!

WANTS & FOR SALE

E. H. GARLAND, P.O. BOX 20503, HENNESSY RD. P.O., HONG KONG : Has for sale Chinese, Russian and U.S.A. Bonds. Will send list upon request.

R. AUSTIN-COOPER, BOURNE COTTAGE, LOWER HALLING, ROCHESTER, KENT : Has for sale the following bonds : City of Frankfurt $1,000 Municipal External loan 1928; Banque Ind. de Chine 500 frs. 1920 unissued; K. Rudzki & Co. Ltd. Metals (Polish) 50zl. 1926; Fushima Co. 1896 share cert. (Japan); Japan, 1940/42 War bond, different denominations; Santiago Railways (Chile) 1 share 1866; **Offers invited.**

DAVID CHAPMAN, 43 NORTH ACRE, BANSTEAD, SURREY : Has for sale various U.S. Rails - send for list.

STEVE MAIER, FLAT 9, 16 BINA GARDENS, LONDON S.W.9. : Wants : Russian Banks and Companies

JOE McHUGH, 159 GREAT TATTENHAMS, EPSOM DOWNS, EPSOM, SURREY : Wants : Bonds or shares printed by Waterlow & Sons or Waterlow Bros. & Layton - photocopies please.

T. J. ROBSON, 21 HILL VIEW CLOSE, PURLEY, SURREY CR2 1SU : Wants : British Pier Company shares.

Continued from page 6

monuments, to represent the interests of Industrial Archaeology at a national level, to hold conferences and seminars and to publish the results of research. Co-operation with other organisations having related functions is an essential element of Association policy.

Members of the Association receive the AIA Bulletin, published quarterly, Newsletters from special interest groups, and lists of publications of general and specific interest to industrial archaeologists.

An AIA Conference, the British Conference of Industrial Archaeology, is held in September each year and although open to all interested people, AIA members receive preferential rates. Additional conferences and seminars on particular aspects of IA are held from time to time, and all these take place in differing parts of the country.

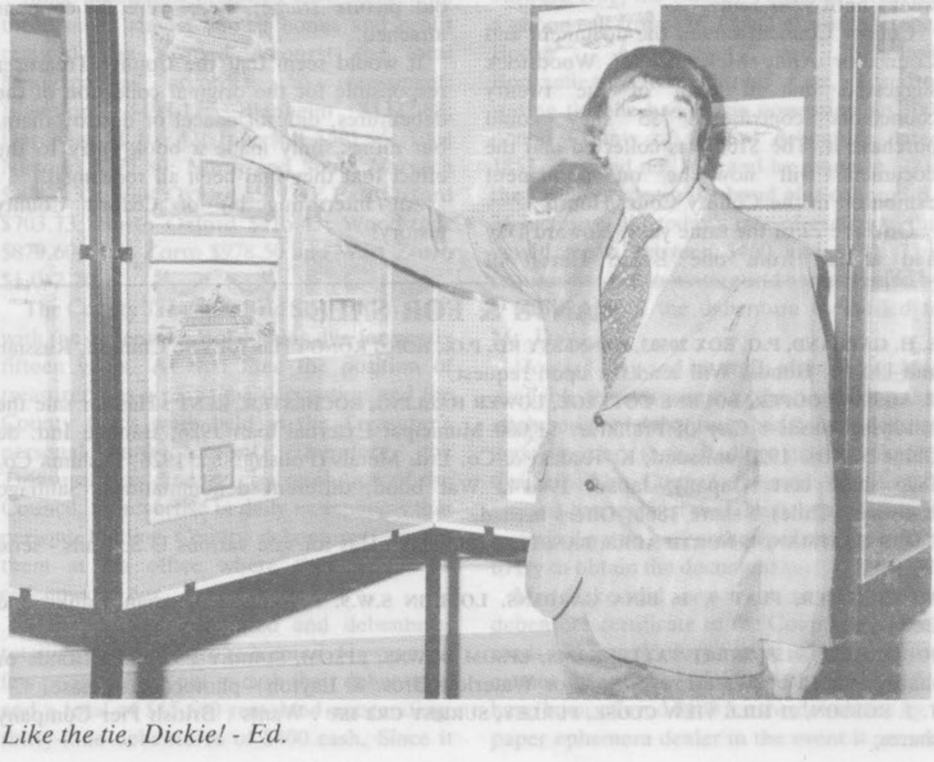
Details from the Secretary, The Wharfage, Ironbridge, Telford, Shropshire TF8 7AW, England.

EXHIBITION AT THE RUSSELL COATES MUSEUM, BOURNEMOUTH

A month-long exhibition of Bonds and Shares at the museum was organised last December by Dickie Dickinson of Talbot Scripophily Bureau, pictured below.

His efforts in promoting the hobby have been commendable. Apart from the Russell Coates Museum exhibition, Dickie has appeared on radio and television whilst on holiday in Gibraltar and also attends many antique fairs at towns along the South Coast.

Please report any other exhibitions, displays, etc. to the editor as soon as possible.



Like the tie, Dickie! - Ed.

Membership list on pages 27 – 28 removed to comply with privacy requirements.

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