# THE INTERNATIONAL BOND & SHARE SOCIETY

## JOURNAL
## SEPTEMBER 1991

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**SECRETARY/TREASURER**
Nancy McKenna, 6 Regency Court, Oakville, Ontario L6H 2P7

Membership list on page 2 removed
to comply with privacy requirements.

## FUTURE EVENTS

**September**

| | |
|---|---|
| 3 | International Bond & Share Society meeting, London |
| 14 | Auction, H.P., Bern |
| 28/29 | Auction, F.H.W., & bourse, Frankfurt |
| 30 | S.A. Bond & Share Society meeting, Johannesburg |

**October**

| | |
|---|---|
| 1 | International Bond & Share Society meeting, London |
| 19 | Auction, Wilbrand, Munich |
| 26 | Auction, Erik Boone, Antwerp |

**November**

| | |
|---|---|
| 5 | International Bond & Share Society meeting, London |
| 23 | Auction, H.P., Bern |
| 24 | London Paper Money & Bond & Share (Pam West) Fair |

Meetings are held as follows:-

London - Ski Club of Great Britain, Eaton Square (near Victoria station), at 6 p.m.

Toronto - E.J. Connell & Co., 26th Floor, Royal Bank Plaza

Johannesburg - Price Waterhouse, 3rd Floor, 88 Grayston Drive, Sandton (next to Sandton Holiday Inn), at 5.30 p.m.

Visitors are most welcome at all meetings.

## OUR NEW COMMITTEE

The Annual General Meeting reelected all existing office-holders, with the exception of Anne-Marie Hendy, publicity officer, who wished to resign due to her family commitments. Tim Robson kindly agreed to take over the post, and he is very welcome as a new member of the committee. In addition, Geoff Cole, chairman of the Canadian society, initiated a discussion on participation by overseas affiliates/chapters in the decision-making of the Society. Our last Journal discussed this issue. A lively discussion led to the acceptance of the proposal that the committee be expanded to include the chairman (or his nominee) of each of the three (hopefully soon four) overseas bodies. We shall ensure that the overseas members are fully informed of committee meetings, and the background of items to be discussed, to give them every opportunity to express their views, and they will, of course, receive the minutes of all meetings. The meeting asked the Secretary to make such amendments to the Society's rules as may be necessary.

## CONTENTS

News ..... 2

Auctions ..... 15

Articles:

The Bankruptcy of the French Panama Canal Company, by Heinz-Wilhelm Thiede ..... 23

Irish Bonds and Shares are Worth Looking For, by Jakob Schmitz ..... 27

The 'Train Renard', by Howard Shakespeare ..... 29

Coeur D'Alene Water Supply Company, by Henry Hinck ..... 31

**CHAIRMAN'S REPORT, 2 July 1991**

1990/91 must be regarded as a further year of consolidation for the hobby, rather than one of real growth. In the later part of the year, factors such as the general economic slowdown in several major countries, Germany's problems on absorbing the former GDR, and the Gulf War, all leading to uncertainties on the world's stock exchanges, tended to lead collectors to hesitate before adding substantially to their collections. Price-levels have been mixed. Really decorative pieces are as popular as ever, but less attractive material, even where historically important, does not arouse the enthusiasm of recent years. It becomes ever harder to find interesting new material, although a few superb discoveries have been made this year. Some dealers have reported business to be slower than usual, while others continue to find levels very satisfactory. Major auction-houses continue to show good results, but some smaller or newer houses are finding it difficult to find the material to attract the discriminating buyer, and figures weaken accordingly.

Your Society has had a generally satisfactory year. The AGM last year authorised a substantial increase in membership subscriptions (the first for 10 years), and your committee was of course concerned about the effect this might have on membership. However, it appears that most of our members accepted that membership was still good value at the higher levels (still far below those in other countries), and have stayed with us. Many took up the offer of a 10-year membership at the old rate, immediately before the new rates came into effect; while it is good to know they will be with us for so long a period, your committee was well aware that the need to service those memberships for so long a period at the old rate would cause a certain strain on the Society's finances. We have introduced a discount for members (wherever they may live) able to pay by standing order through a U.K. bank.

Members will notice from the accounts that there has been a deterioration in the Society's finances during the year, caused entirely by expenditure on publications running well ahead of subscription income. This was partly to demonstrate to members the way in which the Society's publications would be improving in the future, to assure them that membership would remain good value at the higher rates, and partly to encourage new members to join us. The policy has had some success. However, every effort will be made to bring subscription income and publications expenditure more closely into line in the current year, and steps have already been taken in this direction.

The year has seen the introduction of the International Bond and Share Society Award, initially in the name of Detlev Tschöpe, the German auctioneer and scripophily pioneer, who died last year. The Award is given to a person (or persons) who have contributed greatly to our hobby gover and above making their living, and on this first occasion was made jointly to Uli Drumm and Alfons Henseler, well-known Frankfurt auctioneers, whose efforts to establish and develop the hobby are universally recognised.

A number of steps have been taken by your committee to encourage the growth of the Society and of the hobby in general. The Society's name has been changed (subject to ratification tonight) to The International Bond & Share Society. We have restarted regular bourses in London; two have been held so far, in conjunction with the Pam West banknote fairs; they were both judged a success by those who came, but few members attended. Publications have been reorganised to amalgamate the Journal and the Newsletter; the format of the Newsletter was not popular, anyway, and the existence of two separate publications meant that news became rather out-of-date by publication. We have introduced a new membership form, much more

attractive than its predecessor, and this has been much appreciated (to the point of the being copied by another society in a parallel collecting field!). The Society has produced a Guide for Collectors, which has been much praised, and has led to a second printing, to meet the needs of a major American dealer. Our London meetings now take place in a different room, allowing a much less formal, and generally more agreeable, arrangement. Finally, the Society is now accepting payment of subscriptions, auction settlements, etc, by credit card.

We are very happy to see here tonight Geoff Cole and Nancy McKenna, who have inspired the rebirth and rapid growth of the Canadian Bond & Share Society; their achievement has been remarkable indeed. Our U.S. chapter continues to do its best, under the leadership of Scott Winslow and Diana Herzog, and we must hope that the enormous potential which must exist in the U.S.A. really manifests itself, in the way which seems to be happening in its northern neighbour. The South African Bond & Share Society also does its best, with a fine effort at a show in Johannesburg last year, but has not been able to boost its membership substantially, partly due to the poor exchange-rate of the Rand, making stocks abroad expensive for the South African collector. A gentleman in Sydney is trying to re-establish our Australian chapter; his initial efforts seem to be proving successful, and we very much hope soon to be able to give members the most welcome news of a revival of the Society in that part of the world.

There have been suggestions that the control of our now 'International' Society should be more widely spread, rather than just being in the U.K. Your committee is entirely in agreement with this proposal, providing that practical ways and means can be established, without entailing significant extra expense or loss of efficiency. Discussions are under way at present with overseas chapters and affiliated societies, and interested members in Europe will be consulted.

Last year the Society looked at the possibility of producing a bilingual magazine, with much greater coverage of continental European affairs, but the idea did not attract the commitments to practical support vital to its success.

I must thank the committee for its excellent support in this busy year; the Society has always been able to count on their selfless assistance in all those many matters which arise in the administration of a Society such as ours. Sadly, Anne-Marie Hendy has advised us that her family commitments make it impossible for her to give to the publicity function the effort she feels it needs, and has asked us to find a replacement for her in this role.

**ANNUAL DINNER**

Several members have said they would like an annual dinner for the Society, in London. The committee agrees, and will be looking into venues, prices, etc. More info later.

**THE NAME OF THE SOCIETY**

The change of name of the Society was introduced last year, subject to ratification at the Annual General Meeting. The members at the Meeting were fully in agreement, and the name-change is now official.

**TALKS AT MEETINGS**

The occasional talks at Society meetings have been much appreciated by members, and we would like to make them a regular feature. If you can be at a London meeting, and would like to give a talk, on any subject that is scripophily-related, we would be delighted to hear from you. We are sure that the American, Canadian and South African groups would be equally delighted to hear from members wishing to speak. Suitable talks can be published in the Journal, if the speaker agrees.

# THE INTERNATIONAL BOND & SHARE SOCIETY
# INCOME & EXPENDITURE ACCOUNT
# FOR THE YEAR ENDED 31ST MARCH 1991
# (15 months)

| | 1990 £ | £ | 1991 £ | £ |
|---|---|---|---|---|
| Subscriptions | 3993 | | 2778 | |
| Newsletter/Journal advertising | 1073 | | 1849 | |
| Auction Commission | 396 | | 204 | |
| Handbook Sales & Sundry Income | 4 | | - | |
| Interest received | 690 | | 598 | |
| Surplus on disposal of display stands | 80 | | - | |
| Total income | | 6236 | | 5429 |
| Production cost; publications | 4064 | | 5182 | |
| Postage; publications | 777 | | 843 | |
| Computer office and Committee's expenses | 617 | | 545 | |
| Stationery | - | | 150 | |
| Meeting costs, less fees | 321 | | 333 | |
| Bourse, etc costs, less fees | 474 | | - | |
| Bank charge | - | | 105 | |
| The Award | - | | 150 | |
| Handbooks written down | 53 | | - | |
| General advertising | 52 | | 105 | |
| Taxation on interest | 172 | | 149 | |
| Total expenditure | | 6530 | | 7562 |
| Deficit for period | | (294) | | (2133) |

# BALANCE SHEET AS AT 31ST MARCH 1991

| | 1990 £ | £ | 1991 £ | £ |
|---|---|---|---|---|
| Accumulated Fund B/Forward | 5028 | | 4734 | |
| Deficit for period | (294) | | (2133) | |
| | | 4734 | | 2601 |
| Represented by : | | | | |
| Loan to Canada | - | | 273 | |
| Bank deposit account | 5340 | | 5188 | |
| Bank and cash balances | 1145 | | 498 | |
| Sundry debtors | 418 | | 1459 | |
| Total assets | | 6903 | 8617 | |
| Unexpired subscriptions | 1977 | 4653 | | |
| Sundry creditors | 20 | | 1214 | |
| Taxation | 172 | 149 | | |
| | | 2169 | | 6016 |
| | | 4734 | | 2601 |

REPORT OF THE AUDITOR TO THE MEMBERS
I have examined the accounts of The Bond and Share Society set out above. In my opinion the Accounts give a true picture of the state of affairs at 31st March 1991 and of the year then ended.

Inworth, 2nd July, 1991

GEOFFREY H. METZGER
Hon. Auditor

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**TEN-YEAR MEMBERSHIP**

We now have around 150 ten-year members. So many members have realised the excellent value this gives, in ensuring ten years subscription at today's rates, without the trouble of reminders, cheques, etc, every year.

**MEMBERSHIP LIST**

Our 1990 membership list is now getting rather our of date, and it is time we issued a fresh one. We hope it will accompany the next Journal. As usual, it will include members of our affiliated societies and chapter.

**INTERNATIONAL BOND & SHARE SOCIETY AWARD**

Our U.S. chapter has submitted a nomination for the 1991 International Bond & Share Society Award. It is a very strong nomination, which we imagine will have wide support. However, the U.K., Canadian and South African societies, and any individuals, have every right to submit other nominations, and these should be sent to the Chairman of the U.K. society before 1 November, 1991. On that date, assuming there are competing nominations, the officers of the various societies and chapter will decide who is the most worthy winner of the Award for the current year. Unsuccessful nominations may, of course, be submitted again next year.

**SOCIETY NOW TAKES CREDIT CARDS**

We are happy to advise members that we now accept Visa, MasterCard and Eurocard for payment of subscriptions and IBSS auction settlements. This service will be of particular use to members of the London-based Society, living outside the U.K., who cannot easily pay by standing order drawn on a U.K. bank. We shall be very pleased to accept an order to debit a member's card automatically on the subscription renewal date, to save remembering to send small cheques.

**VIDEO AT MEETINGS**

Keith Hollender has offered to video the Frankfurt and Antwerp auctions this autumn, and show the films at our meetings in October and November. This is a great opportunity for those of our members who don't usually attend the big Continental events to see how they work. Not to be missed!

**ERROR**

In our last Journal, the subscription rate was given in one place as £19, While it might still be good value at that price (and still cheaper than other societies), this was a typesetting error, missed in proof-reading, and the rate is, of course, only £10.

## MEMBERSHIP SUBSCRIPTIONS

Current rates are:-

| 1 Year | | | 10 Years |
|---|---|---|---|
| £10* | United Kingdom & Europe | | £70 |
| $25 | U.S.A. | † | $175 |
| $35 | Canada | † | $250 |
| R60 | South Africa | † | -- |
| $12* | Rest of the World | | $80 |

† Through our affiliated society or chapter.

* Payment by STANDING ORDER is available on U.K. bank accounts, at £9 (UK & Europe) or £11 (Rest of the World).

Subscriptions, other than from countries marked '†' can be paid by cheque/Eurocheque in sterling, or cash in major currencies (rounded to nearest $/DM5/FF10, etc.) Visa, Mastercard and Eurocard may all now be used for subscriptions.

The subscription year is 1 April to 31 March. Members joining well into the year pay a reduced rate to 31 March.

## ADVERTISING

The Society is always pleased to accept advertising in its publications. Rates for 1991 are:-

| | |
|---|---|
| Outside back cover | £60 |
| Inside cover (either) | 50 |
| Full page | 45 |
| Half page | 27 |
| Quarter page | 17 |
| Eighth page (minimum) | 10 |

However, the back cover and the inside front cover are reserved for the whole of 1991.

## LONDON MINI-AUCTIONS

As always, our auctioneer, Bruce Castlo, is looking for material for the mini-auctions, held at our London meetings. You can put on your reserve (which should be realistic), and we pay promptly, with a deduction of only 10%. Please send your spare certificates to Bruce.


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WORLDWIDE DECORATIVE

Active buyers contacting us will receive illustrated lists throughout the year of all new bond and share certificates available to collectors.

# NEW SHOP OPENS IN SHREWSBURY

Squirrel Publishing Ltd. and M. Veissid & Co. are pleased to announce the opening of new shop and office premises in Shrewsbury Town centre, directly opposite Shrewsbury Station and 100 yards from the Castle and the Bus Station.

If you are a collector of bonds and shares, please drop in and you will see 1000's of different items from many countries. Our new retail catalogue will be available at the beginning of September so please request your copy now!

Our next specialist Bond and Share auction will be November 22nd and entries are accepted until September 22nd. Catalogue subscription is £5 per year, which includes full prices realised posted one week after the sale.

*In addition we have a large stock of stamps, postcards, coins, paper money, cheques and cigarette cards, which is backed up by a large range of reference books, albums and accessories.*

## *Collectors Gallery*

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## LONDON PAPER MONEY FAIR & BOND AND SHARE FAIR, May 19

The second on the 'Pam West' fairs (in which the IBSS has participated) was held in the Mount Royal Hotel, in London's west end, in similar form to the excellent first event on February of this year. Mike Veissid's auction was held at the same time. A good range of dealers (including Juan Casanovas, from Barcelona) had tables, and, as before, felt the level of business was satisfactory, although dependent on a small number of clients, often from outside U.K.

The event had a lively air to it, with a steady flow of visitors. Unfortunately, they were mostly paper-money enthusiasts, and attendance by U.K. members was poor, as always seems to be the case at events in this country.

The event was excellently organised, as we would expect, and we look forward to the next fair, at the same venue, on 24 November. Free tickets will again be offered in the Journal. Is it too much to hope that members will give the event the support it deserves?

## THE VEISSID RUSSIAN CATALOGUE

We hear that Mike Veissid's large & comprehensive Russian catalogue is about to go to the printers, and so should be available later this year. Once that is published, the Latin American catalogue should be ready within a very few months, and should be published early in 1992.

## BANKNOTE NEWS

In our last Journal we reported that the publishers of Banknote News were very positive about covering scripophily in future. We were, therefore, disappointed (but not greatly surprised) to read in their latest issue that the scripophily section of the magazine will continue to shrink. The renaming of the magazine (to exclude 'Bond and') has resulted in increased subscriptions and advertising revenue, and less support from scripophily dealers and collectors. We have to hope, then, that scripophilists can be satisfied with the IBSS Journal alone as a source of information on our hobby.

## WHY CAN'T BRITISH COMPANIES PRODUCE ATTRACTIVE CERTIFICATES?

We had occasion recently to speak to the brokers handling the recent share issue by Manchester United PLC (the famous football club). They assured us that their share-certificate was decorative and very attractive. We were most disappointed to see that their idea of 'decorative' was one very small club crest, on a plain black-and-white certificate, with, admittedly, ornate lettering of the club name. When we compare this with a really decorative football club piece, such as the bonds issued by the Spanish Barcelona and Valencia clubs, in club colours, with underprint of the stadium, the club crest in full colour, and sometimes goalposts, corner vignettes of footballs, etc, it seems that U.K. brokers have no idea of what can be done, and at minimal cost, too.

A few years ago, in the early days of Eurotunnel PLC, we wrote to that company, pointing out the tremendous scope for an attractive share certificate, showing the Channel, lion and cockerel, etc. The company replies implausibly and boringly that the requirements of computer processing would not permit such a certificate - a reply we found quite incomprehensible! The Eurotunnel certificate is, of course, totally unattractive.

## ON THE MOVE

Mike Veissid has recently moved his business (M. Veissid & Co. and Squirrel Publishing Ltd.) into large new premises in central Shrewsbury, directly opposite the Station and only 100 yards from the new Bus station and Shrewsbury Castle. Mike states that after nearly 10 years of working from home he is looking forward to going out to work again!

The premises, comprising 2 shops, 2 office floors and a basement are ideal for the development of the idea of ***Collectors Gallery,*** which is dealing in not only the large stock of bonds and shares but in other areas of collecting such as stamps and coins. The shop is open from 9am to 6pm Monday to Saturday and at other times by appointment.

## AMERICAN CHAPTER MEETING

Our U.S. chapter held a very useful meeting during the Memphis auction/ bourse in June, with two leading members of the Canadian society present. In the unavoidable absence of Scott Winslow, the vice-president, Bill Schmidt, was in charge. There was a lively discussion on how to expand the Society in the U.S., especially with the cooperation of dealers at shows. Strasburg, in January, will see exhibits of collections, with an award for the most interesting presentation. Haley Garrison will give a talk on 'Millionaires for Rent', with slides, during the event. We in London hope to persuade him to give us the pleasure of hearing his talk next time he is in London, and we hope to publish the text. Haley also put forward a nomination for the 1991 International Bond & Share Society Award.

## THE BURLINGTON LIBRARY

In our last issue, we supposed that the Burlington Library share related to Burlington, Vermont. We now understand that the Burlington in question was very probably the one in New Jersey, across the Delaware river from Philadelphia. Strangely, it was a U.K. member who pointed this out; it is surprisingly that none of our U.S. members knew.

## THE CANADIAN BOND & SHARE SOCIETY - THE DOMINION CHALLENGE

Our Canadian friends have asked us to point out that the Dominion Challenge contest, for the stock certificate or bond bearing the longest English-language name. The winner was one Howard Shakespeare, whose entry (The Great Western Mutual Exploration and Development Corporation of British Columbia, Limited), at 81 letters was 'by far the longest of all those that were submitted'. It is a happy coincidence that the winning entry was of a Canadian company.

Geoff Cole (saying 'it looks like a fix but it isn't') presented the prize, an early Canadian certificate, to the winner at the IBSS AGM in London.

As we have said before, a splendid initiative from Canada. Well, U.S.A. and South Africa - any bright ideas?

## A GENEROUS OFFER

The Canadian Society has received a very generous gift of stock certificates from a transfer agent in Toronto. It is very kindly prepared to offer surplus material to our members, on a one-piece-per-member basis. A list of the available material will be published in a forthcoming Journal.

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## WHAT WE LOOK FOR IN AN ARTICLE

Several members have asked us to give guidelines as to the sort of articles we are looking for.

We must remember we are scripophilists, and articles should mostly be related to scripophily. Thus, a story about a financier whose autograph on scrip as president of a company is well-known, is fine, but someone, even if important, who appears only as a stockholder (which most people were!), is not.

Articles should be of interest to a wide range of members. Thus sector articles are fine (say, U.K. shipping shares or California railroad stocks). Also, more limited subjects, if essentially colourful, or interesting to people outside the scripophily of the issue (such as the Train Renard in this issue). Short articles can be outside scripophily completely (such as the recent 'Diamond Jim' article), if sufficiently colourful.

Illustrations are usually essential to any article, and can include the scrip and very relevant people and places.

We prefer original work, but can use material from elsewhere, provided all necessary rights are agreed.

We don't always stick to this general plan ourselves, but have a Journal to fill, and are not exactly inundated with material!

## BOOK REVIEW

**BONDS AND SHARES OF THE SPANISH ROYAL AND PRIVATE TRADING COMPANIES OF THE 18TH CENTURY**
(Translation of the German name), published Haag + Herchen, Frankfurt, DM58.

As forecast in our last Journal, Alexander Kipfer's epic work on these superb certificates has just been published. We are not disappointed. The plan of the book was explained in our last Journal, and we will not repeat it now. The sheer quality of the research and dedicated hard work which went into this ten-year project is quite obvious, and most impressive, especially in view of the difficulty, well understood by the reviewer, of finding and using 18th century sources.

These certificates have fascinated and delighted scripophilists since the beginnings of our hobby. We now see so much unsuspected detail, and have so much background to each piece, that they will be more rewarding than ever as a collecting theme. The detail of varieties is catalogued and pictured as never before, in line with a specialised stamp-catalogue. All texts are carefully translated (into German, of course). Every known example of each share/bond is identified to plate type, seal type, person to whom issued, known damage, etc. The work is well indexed, and easy to refer to.

It is to be hoped that dealers will take the trouble to use the catalogue intelligently, quoting the catalogue number for each piece they offer (which is not always the case with other catalogues available).

The reviewer is slightly less happy with the presentation of the material. Is it really best to group all illustrations together at the end, rather than placing them near the relevant text? It does make for a rather dull layout of the text pages. Others may disagree. What is a clear error of judgment is the failure to grade headings - thus, a new company name is in the same print and point-size as all paragraph headings within the description of its paper. Surely new company names should stand out from the rest, preferably (at least for the major companies) starting on a new page. Layout generally is unimaginative.

The price, at DM 58 (£20/$32.50), is not cheap, particularly for a soft-cover work, but, nevertheless, such scholarship cannot be cheap, and we would very strongly recommend this book to all those seriously interested in scripophily. For the collector of the subject material, it is of course quite indispensable - it will be his bible.

Herr Kipfer, perhaps not well-known to most of our members, is Swiss, and lives near Zürich. He has been a collector for more than twenty years, and has a fine collection of mining and oil certificates. He contributes frequently to H.P. Magazin, and also to mineralogy publications, reflecting another of his passions.

As we said in the last Journal, it is very much to be hoped that it will prove possible some time to publish this fine work in English and Spanish.

## A NEW SCRIPOPHILY COMPANY IN THE U.K.

We read in the London press of an issue of shares in 'Collectibles Trading Ltd', a company formed 'to wholesale vintage bonds and share certificates'. According to the 'Daily Telegraph', the company aims to raise £625,000 by sale of 5% preference shares, at £1.25 each; the company hopes to raise some equity later. The shares are to be very decorative. The company's chairman is Paul Seabrook and its managing director is Bill Kuhlmann. Mr Seabrook, a London stockbroker, is not known to us as a collector, and is not a member of the Society. However, Mr Kuhlmann, the well-known dealer of Hannover, has been a member for years, and was, we believe, the first member to take out a ten-year subscription.

We cannot comment on the merits of this issue, and mention it only as a matter of interest to observers of our hobby.

## ASSOCIATION FRANCAISE DE COLLECTIONNEURS DE TITRES ANCIENS

The newsletter of our French friends continues to appear as a single sheet of A3 paper, although is now appearing monthly (to challenge HP Magazin's claim to be the only monthly publication in the world on our hobby?).

Recent issues have had various interesting pieces of news. We were sorry to read that Numistoria, Guy Cifré's shop in the bourse district of Paris, will close before the end of the year, due to the renovation of the building in the rue Vivienne, part of which has been its home for years. It seems that Guy is not planning to re-open elsewhere, but will enjoy an early retirement. As the only 'dedicated' scripophily shop in Paris, it will indeed be missed.

The Numismonnaies event in Paris last year included a good participation by the AFTCA, with its 50 finest bonds and shares of the world, and much else. The terms for participation in the 1991 event have just been announced. The organisers have offered 15 stands to scripophily dealers, at F15,000 (£1,500/$2,500) each! Au revoir, Numismonnaies.

On 24 May the AFCTA held a sale on board a boat in the Vieux Port of Marseille, and the second half of the same sale (of a large collection) will be held in Bordeaux in October. The AGM of the Association will be held in Bordeaux on the same occasion, followed by a wine-tasting and a dinner. NOW we know how to get members to attend an AGM! The proposal to hold the AGM away from Paris has not proved universally popular. Our recent AGM was quite well attended, but one wonders whether the attendance would be as good if we held it in, say, Manchester or Edinburgh.

## NETHERLANDS SOCIETY MAGAZINE

We are now receiving the Netherlands magazine regularly. Members are welcome to borrow it, and should ask the editor of this Journal.

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## TRAIN A VAPEUR DES GAVES - SPECIAL OFFER FOR IBSS MEMBERS

In a recent Journal we mentioned an attractive new share certificate, being issued by the Bluebell steam railway, in Sussex, southern England. We are now happy to mention the certificate of the Gaves steam railway, in the foothills of the Pyrenees, in southwest France. To launch the financing necessary to reinstate this very scenic line, in cooperation with the local authorities, founders' shares are being offered at F500 or £52. The certificates are extremely attractive, and we show one here. As a special offer to IBSS members, the very attractive poster will be given free to all buyers of a founder's share. Moreover, there are special deals, with poster and printer's proof certificates, available to buyers of 3, 5 or 10 shares. The certificates are valid legal documents with a real financial value, and there is a bank guarantee that, if the project does not proceed, all funds will be fully reimbursed. Buying just 1 share gives 10 free return tickets on the line, and various other benefits. Full info from: Chris Randall, 38 Kilmorey Gardens, Twickenham TW1 1PY, U.K. or Jacques Willigens, 4 rue Sully, 64000 Pau, France.

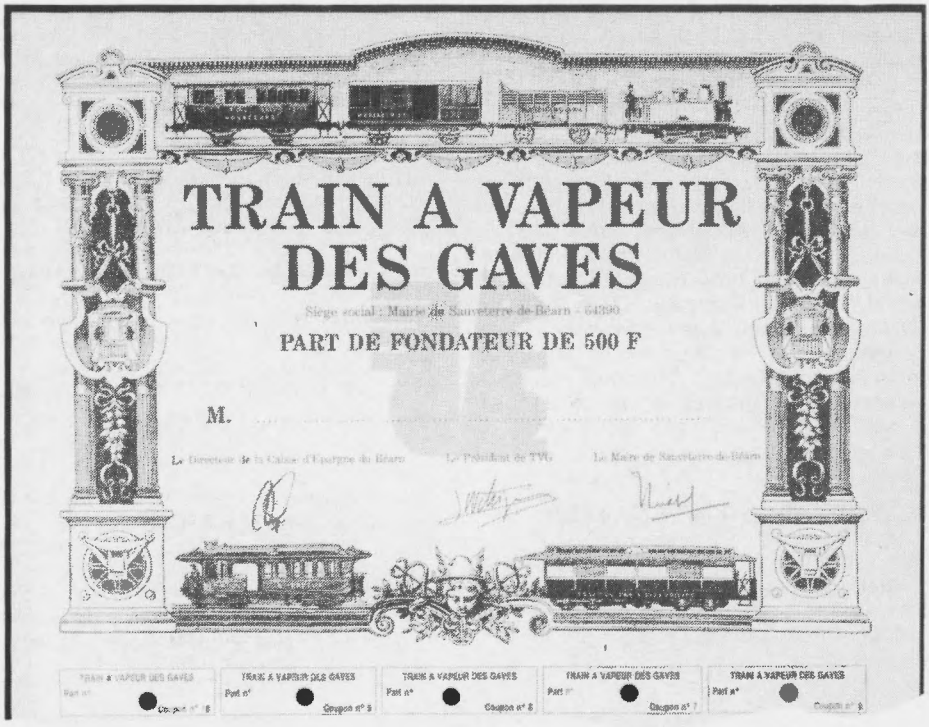
## AUCTION CENTRES CENTRES COME AND GO

We notice that Handels-gesellschaft, who run the Vienna auctions, are presenting an auction in October in the Upper-Austria city of Linz.

However, Hamburg seems to have disappeared from the auction map, Antik Effekten having transferred their event to Berlin.

## A GOOD USE OF SCRIPOPHILY

A member brought to a recent meeting his company's Annual Report, with attractive use of bonds and shares to decorate the cover and inside pages. While this is quite common in some countries, it is uncommon in Britain, and we are very pleased to see it. Is it too much to hope it will catch on?



## AUCTION REPORTS

**Dr Edgar Richter, Dresden, 4 May**

This was the first auction in the former DDR, and many people must have wondered how it would fare, given the lack of a regular market in that country - in fact, there was little 'Ossi' interest, and most visitors were 'Wessis'. There were exactly 1,000 lots, comparable with the major auctions described below, but the catalogue was cheaply produced, with minimal descriptions and far fewer illustrations than we are used to seeing elsewhere. Total sales were DM 75,000 (£25,500/44,200), which is very small for such a large auction, and reflects both the large number of pieces unsold (54%), and the general lack of quality material (virtually no 18th century or earlier, for instance). Lots started at only DM 15, and there were very many at DM 30 or less, yet the reason was clear - it was very common material, not acceptable in auctions elsewhere. Even at these prices, only about 30% of the non-German pieces sold.

To be more positive, best prices were for attractive Flensburg, Germany, brewery shares, and the best non-German price was for the New Mercantile Exchange of Cape Town, at DM 1500 (£510/$840).

**Witula, Bologna, 11 May**

Alex Witula's first auction, at the Hotel Corona d'Oro, in his home town of Bologna, was a success. he produced a high-quality catalogue, with very full descriptions (in Italian), and virtually every lot was illustrated. There were 444 lots (of which 40 were of banknotes), and 95% of the scrip lots were sold, for a total of about lire 72,000,000 (£33,000/$54,000), plus a premium of 15%, inc. tax. Around half of the successful bidders were postal, the rest in the room. Of the 50 people attending the auction, 5 were from outside Italy.

Whilst it must be admitted that most of the better material in the sale was all quite well-known, good prices were achieved. Top price, for a very rare piece, was lire 4,600,000 (£2,100/$3,500) for the Assicurazioni Generali di Venezia (General Insurances of Venice), issued in Trieste in 1832. The company is one of the oldest Italian insurance companies, and flourishes today, being the largest private insurance company in Italy and a major player in Europe.

We see the Florence bonds of the 17th & 18th centuries rather too often at auctions these days (and Alex included some), but he also had a Siena issue. This is much more interesting, for not only is it much rarer than the Florence pieces, but the Monte dei Paschi di Siena is a major Italian banking institution today. The Siena bond sold at lire 3,500,000 (£1,600/$2,700). Other good prices were for the familiar Banco de San Carlos and the Peche des Baleines. However, a Standard Oil Trust, opening at lire 2,000,000 (£910/$1,500) was not wanted.

Among the lower-priced material, not surprisingly, best prices were obtained for the Italian material. Various banking, railway and tramway certificates doing well. The local influence often apparent at European sales was visible in strong demand for Emilia-Romagna material, with a (very attractive) local bank share, the Credito Romagnolo, from 1947 selling at lire 750,000 (£350/$560).

We understand that, after the event, Alex, friends and clients celebrated at a splendid party in the hills outside Bologna.

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**M. Veissid & Co., London, 19 May**

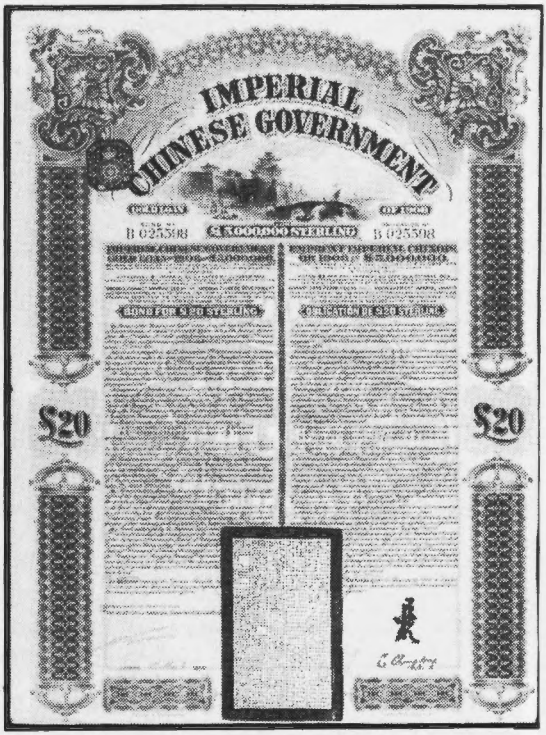
This second auction to be held in conjunction with Pam West's Paper Money & Bond and Share Fair was a reasonable success. The venue of the Mount Royal Hotel in London's West End was quite spacious, although a double booking of the auction room meant a move further away from the bourse room.

Plenty of bids were placed 'on the book' prior to the sale, but room attendance was very poor. It looked worse than it really was, because people would wander from the auctionto the fair at all times, but even so only a total of 30 people or so were bidding. Mike Veissid tells us that future auctions will be held on Fridays, immediately prior to the fair, and during the afternoon. This should still encourage people to come to London for both events and should ensure that the auction is not distracted by the fair.

The first section of the sale comprised a rare group of specimen government bonds, mainly from Australia and South Africa. Almost all sold to the same buyer at the reserve price. For example, a set of 3 bonds, all overprinted 'specimen', from the Government of Victoria, 1883, sold at only £115. It does seem that the opposite applies to specimens in the bond world as opposed to other hobbies. Banknote specimens are sought after, and fetch large sums. If you consider the rarity of the specimen bonds, perhaps the only ones to survive, they are certainly quite cheap!

The usual section of Australian items was a bit depressed, with the local market having fallen away during the first half of this year. Almost all were purchased by British and Continental collectors. The Bank of Australia share of 1833, however, sold well at £462 (all prices quoted include the 10% premium), well in excess of its £250 estimate (doubtless because it was illustrated in our May Journal!). Any gold mine not previously seen attracted many bids: Gleeson's Success Gold Mines Ltd, of 1899 (a Coolgardie, W.A., mine) sold at £53, and and the same price was paid for North Boulder Gold Mining Co. Ltd, of 1896 (of Kalgoorlie, also W.A.).

Although the Canadian market is quite active, several of the better-known pieces failed to sell. This included the Inverness Railway & Coal Co., the Newfoundland Railway, the Quebec Central Railway, and the Toronto, Grey & Bruce Railway. The most sought-after lot was the pair of Brooks Steam Motors Ltd, dated 1925/6. These were knocked down at £165, 50% up on estimate.




Several scarce Chinese items found buyers at around estimate, for example, the 1908 Gold Loan £20 bond issued by the Hong-Kong & Shanghai Bank made £418. Only 250 of these bonds remained outstanding prior to the Chinese settlement! A rare 'Austrian' Loan £50 sold at £132, despite its rather poor condition (we have yet to see a really nice example). A set of the popular 1934 Sterling Indemnity Loan sold at £440.

European material was not well represented this time. A Rolland Pilain certificate of 1911 sold at £66, and a group of 8 Citroën shares made £121. A rare

Polish Government bond of 1927 for £100 sold well at £143. The small Portuguese section of 9 lots all remained unsold!

The British section contained several rare items. The top price of £693 was paid for an inscribed stock receipt certificate of the

East India Company, 1754. A similar item of the South Sea Company sold at £242. Transport-related items attracted much interest, with a share in the Wey and Arun Junction Canal, 1831, being knocked down at £286; the rare Carmarthen & Cardigan Railway bond sold at the same figure, and the Banstead & Epsom Downs Railway Company share made £220. Other early pieces sold well: the Hope Insurance Co. share of 1807 (unfortunately misprinted in the catalogue as 1897!) made £522, and the proof certificate of the Royal Institution of South Wales, circa 1838, made £528.

Thematic collecting is certainly on the increase. Apart from the obvious subjects such as railways and mining, there is considerable interest in shipping-related material. However, the Kent Shipping Co. failed to reach its reserve of £225. Brewing shares are also sought, especially the famous names! The Guinness stock certificate of 1894, the only one seen so far, made £88. Other names were keenly bid on, with the share in Ye Mecca Ltd, 1900, selling at £33. This company became Mecca Group, well-known in recent decades for dance-halls and many leisure activities. A lovely certificate in Printex Co. Ltd sold at £231; dated 1913, the certificate was signed by Henry Tetley, millionaire director of textile-giant Courtaulds. Printex produced proofs and essays of the postage-stamps of George V, and is a well-known name in the philatelic world. A 1948 certificate in Shell Transport & Trading, sporting a lovely vignette, sold at £53.

There is a maintained level of interest in Latin America, with railways, other transport and mining themes being predominant. A rare certificate in the Demerara Railway Co., 1876, sold at £66, and another in the United Electric Tramways of Montevideo Ltd, dated 1910, made £45.

Although the market for the commoner Russian pieces is not brilliant, except for framing and promotions, the scarcer items sold quite well. A $1,000 bond of the Vladikavkaz Railway Co., 1900, sold at £126, and a 5000 rouble bond of the Moscow Windau Rybinsk Railway went at £71.

As with Australia, the market locally in South Africa is quiet. Fortunately, there is some interest in gold and diamond mines from many other places, so the certificates sold reasonably well. A Cape of Good Hope Diamond Mining Co. share of 1881 made £37. The Rietvlei Gold Mining Co. certificate, signed by the Rogers brothers in 1889 sold at £33. The Vaughan-Williams Rhodesia Development Co. shares, signed by Alfred Haggard (brother of author Rider Haggard, of 'King Solomon's Mines' fame) sold well above estimate at £41.

America was, as usual, well represented. A Meiggs Railway Construction Co. bond of 1867 made £132, and the scarce Oregon Pacific Railroad bond of £1880 made £104. The Meiggs piece was signed by Civil War general Benjamin Butler! The well-known Great Republic Gold & Silver Mining Co. £50 bond of 1867 sold at £110, and the rare Monte Christo Gold & Silver Mining Co. of Nevada share made £103. Most other mining certificates found buyers around estimate, although Arizona still proves harder to sell than most!

A 1937 share in the famed Auburn Automobile Co. sold well above estimate at £111. Bank shares were sluggish except for the Farmers' Bank of Lancaster, 1812, which found a buyer at £77. A group of 4 early 20th-century oil shares sold at £77, showing the expanding interest in this subject.

A group of Confederate bonds was included this time. Although interest in the more ordinary pieces was not as good as last year, the rarities sold very well indeed. A lightly-stained piece of Cris.133 sold at £441, well above estimate, and 2 varieties of Cris.12 sold at £88 and £104, respectively.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**Gutowski, Bonn, 25 May**

Vladimir Gutowski's 9th event took place in its usual venue, the Hotel Bristol, Bonn, and achieved sales of about DM 283,000 (£96,000/$160,000), the highest figure anywhere in the world so far this year, plus premium of 12%. However, no less than 37% of lots were unsold - a very high figure. The fine catalogue showed nearly 1,000 lots (how can anyone sit through 1,000 lots!), and was very informative, with many fine pieces, and must have been a positive factor. The problem must have been one of price. Blocks of lots were unwanted; often of attractive material, the level of start-price was clearly above that which the collector was willing to pay.

Top price was DM 27,500 (£9,300/$15,400), plus premium, for a bond dated 1541, signed by the Holy Roman (i.e. German) Emperor Ferdinand I of Habsburg. The bond, for 2,000 Pfund, was issued to fund a war against the Hungarian aristocracy, which had united with the Turks to fight the Austrian takeover of Hungary. One always wonders, with such pieces, how far it is the autograph which accounts for the high price, since the bond is usually not much to look at, and the historical impact is often rather limited.

Next best was DM 14,000 (£4,750/$7,800 for a Standard Oil Co., of 1878, signed by Rockefeller, Flagler and Bostwick, and the same price for a German insurance document of 1613, signed by the Holy Roman Emperor Matthias of Habsburg. After that - DM 8,500 (£2,900/$4,750) for a Bank of England inscribed stock receipt dated 1773. This was described in the catalogue as the earliest Bank of England share ever offered in auction, which may well be the case, but slightly earlier pieces are known. Many fine, very artistic French, Spanish and other pieces were sold, but mostly at their start-price, and some did not find buyers at all.

**Tschöpe, Düsseldorf, 15 June**

Reinhild Tschöpe held another high-quality auction at the Ramada Hotel, with the very satisfactory result of DM 218,000 (£74,000/ $122,000), although 35% of lots were unsold. The catalogue was very well illustrated and informative, and we would expect. Unfortunately, we have not received the results-list, so cannot report fully on the auction. However, the best price (DM 18,000/£6,100/$10,000) was for the lovely Portuguese Fabrica de Faianças (one was illustrated in our last Journal), and following that was DM 11,000 (£3,700/ $6,150) for the Hawaiian Agricultural Company share of 1891, signed on the reverse by Liliuokalani, the last queen of Hawaii, who was on the throne at the time of the American annexation in 1892/3..


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**PHILLIPS, London 13 June**

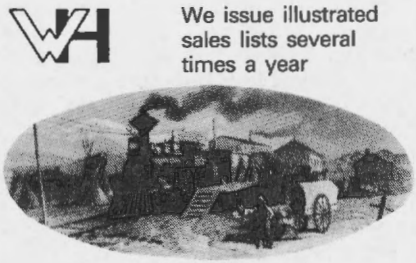
Phillips' results over the last 2 or 3 years have shown a fairly steady improvement, but this was not to be one of their better days. There were only 79 lots, and quite a few of those, we understand, were re-offers of lots unsold in previous auctions. Further, of those 79 lots, the first 22 were assorted job lots, a further 19 were clearly the breakup of a Confederates collection, as were perhaps the 7 southern states lots. There were therefore few single pieces on offer from any country. The total yield of the sale was around £14,000 ($22,500), plus premium of 11.5%, inc. tax. 58 lots (73%) were sold.

The job lots (the largest being of over 2,500 pieces) were of interest to dealers able to restock cheaply, but much of the content was in poor condition, very modern, and so not likely to appeal to collectors. Prices of the job lots, therefore, were low - well under the estimates, which some people felt were optimistic. Several of the one-country lots appeared to be collections; it is always sad to see a whole collection being sold - we just hope it does not mean that someone is giving up scripophily.

By far the two best lots were a Spanish Real Compañía de Toledo, of 1751, and a lot of 150 pieces of the Gibraltar Gas Co., of 1857. The Spanish piece is a classic - very fine and rare piece, 1 of only 2 known on the large format vellum, which sold to a European dealer at £2,800 ($4,500) after strong room bidding. The other of the 2 sold in Antwerp last year for the equivalent of £3,800 (plus a 20% premium), and there were 3 bidders around that figure. The Gibraltar pieces were attractive, with a fine vignette of the rock of Gibraltar, but a good many were not in very good condition (as shown by the catalogue grading of F-VF), and were felt by some to be expensive at £2,900 ($4,650), especially as the buyer was gambling that there were no more where these had come from. Someone who had examined the serial numbers of the certificates felt that there may be quite a lot more somewhere.

The Confederates and Southern States section included some good pieces, including the George Washington $5,000 and $10,000 (fetching £360/$575 and £800/$1,280, respectively), the rare Criswell 164 (£340/$550), and 3 Florida bonds of the 1830s, 2 of which are not shown in the Criswell catalogue. However, these two did not sell, along with quite a few of the confederate lots, and a ludicrously overpriced North Carolina bond of 1869.

We understand that the next Phillips auction, in October, has received some excellent material, and looks to be a big improvement on the June event.

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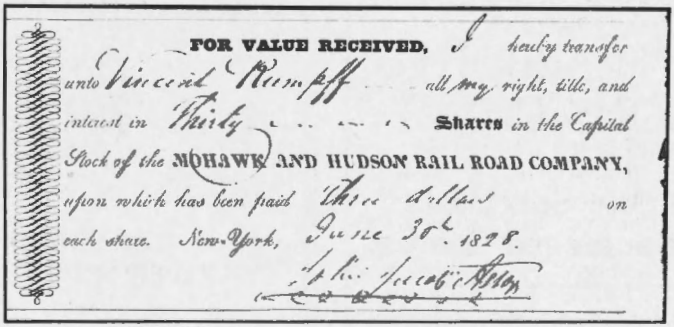
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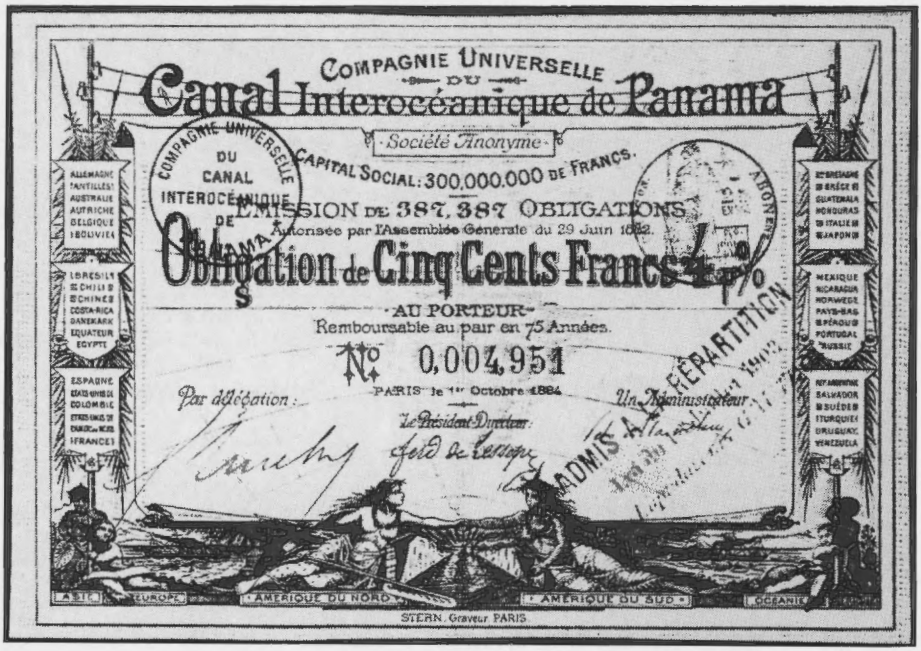



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# THE BANKRUPTCY OF THE FRENCH PANAMA CANAL COMPANY

**Heinz-Wilhelm Thiede**

**(translation of the text of a lecture given by him in Berlin in 1990)**

On 17 November, 1869, the Suez Canal was officially opened, to great celebrations. The builder of this canal, which shortened the searoute from Europe to India by half, was Ferdinand de Lesseps (1805-1894), who was already 64 years of age by that time. De Lesseps had no engineering training, and was originally a French diplomat in Spain. It took ten years to cut the Canal from the Mediterranean to the Red Sea.

It then seemed a good idea to de Lesseps to build a canal between the Atlantic and Pacific oceans, reducing greatly the sea-route between the east and west coasts. Even during the time of the Spanish conquistadores there were plans to cut through the isthmus of Panama. However, after the destruction of the Armada by the English in 1588, Philip II of Spain banned any further work on the project, in case the completed canal should fall into the hands of the English!

At the beginning of the 19th century there were new plans to build a canal. Understandably, the greatest interest in such a project came from the U.S.A., especially after the great gold discoveries in California. First, the U.S.A. obtained from the government of Colombia the right to build a railway across the isthmus of Panama, to enable the gold-seekers from the eastern states and from Europe to be carried more quickly to their destination. In five years (1850-55) a railway of 77 km (48 miles) was built from coast to coast, although only with great difficulty. The U.S.A. had also obtained from Nicaragua the right to build a canal between the two oceans. However, after a complaint from England, which demanded that the canal should be neutral, and in view of the serious financial problems in the U.S.A. during the civil war of 1861-65, the project was set aside.

The republic of Colombia, which had incorporated Panama after its liberation from Spanish colonial rule in 1821, was very keen that the canal should be built through its territory, since it expected to gain great profits from its construction. Since the Americans felt that building the canal through Nicaragua was better from a technical point of view, they showed little interest in taking up the Colombian offer, and Colombia asked France to take on the project. France accepted, and in 1879 the 'Congrès International d'Etudes du Canal Interocéanique' in France entrusted to Ferdinand de Lesseps the task of building the canal through Panama. De Lesseps formed the Compagnie Universelle du Canal Interocßanique du Panama, and on 1 January 1880 de Lesseps turned the first spadeful of earth in the building of the canal.

The capital needed for the project should have been raised by sale of shares. De Lesseps thought that his 'magic name' would be sufficient to guarantee the success of the share issue. However, the first share issue was a failure, due to the covert opposition of both the worlds of high-finance and the press. To obtain their support, he had to give them both an intermediary role in his undertaking. The banks were to make their offices available to receive subscriptions, and to make discreet recommendations to buy. The press was to stress to the public the security of the undertaking, and the advantages and good prospects of the investment.

Success justified this decision; subscriptions in 1880 were doubled. However, this success was not achieved without cost; the journalists and financiers had to be paid for their assistance, and thus began the financial misery of the Panama company. The company had to bear the

enormous costs of the construction work in Central America, and, as almost always with such colossal undertakings, had to bear the costs of establishing the company and of the support of those who originally financed the operation, during the entire construction period. Unforeseen technical difficulties and the murderous swampy ground consumed ever greater sums of money. In order to make faster progress in construction, the canal company bought the Panama Railroad from the Americans for the vast sum of 25.5 million dollars, about one-third of the canal's already modest share capital.

The methods of the Panama company were not exceptional; many large financial companies worked in this manner. In the years from 1880 to 1888 the whole press received larger or smaller sums from the company for the publication of favourable forecasts.

Up to 1884 the shareholders had invested 556 million francs; a new issue, on 25 September 1884, brought only 125 million, instead of the 129 million expected. It appeared that the press and financial circles were not enough, and de Lesseps turned to another source of help - the government and parliament. He thought that it would authorise him to create a lottery. However, this could be arranged only by a specific law passed by parliament and in 1868 such a law had been passed in respect of the Suez Canal. In 1885 the company submitted to the government a request to be allowed to hold such a lottery, but the government refused. De Lesseps had to try his luck again with the issue of further shares. Still, he tried again to obtain authorisation for a lottery. After payment of further substantial bribes, the law was finally passed in the Chambre des Députés in April 1888. The law had to pass the Senate also, and this required further enormous bribes. The law needed for the salvation of the Panama Canal Company, which it had worked for since 1885, was finally agreed in 1888. On 26 June 1888 the company was able to start the sale of the lottery tickets. The operation failed. Instead of the 720 million expected, only 254 million was realised - it was too late.

Once more Ferdinand de Lesseps tried to exercise influence over the state and public opinion. He undertook another offer, this time of bonds. The issue would be valid only if at least 400,000 bonds were sold. The bonds were offered from 12 December 1888, but only 200,000 were sold, far short of the critical figure of 400,000. This was the end. By the middle of December 1888 the Panama Canal Company was no longer able to meet coupons or payments falling due. There was an almighty scandal, as a result of which de Lesseps stepped down from control of the company on 9 February 1889, and the company went into liquidation on 15 March 1889.

In the years 1880 to 1888 the pockets of small investors had contributed 1,335,538,454 francs to the company. The collapse of the undertaking ruined over half a million middle-class people, and was a serious failure of the foreign policy of the French republic. After the financial manipulation by the company became known, and led to an internal political crisis, the government tried to keep silent over the bankruptcy of the company, since parliament and the press were partners in the catastrophe. No immediate enquiry was held. Only at the beginning of January 1892 was the matter opened up to free discussion in parliament. This led, on 5 January to a decision by the Chambre des Députés to initiate prompt and determined action against those responsible for the Panama Canal catastrophe. The company hoped to avoid a trial by blackmail, threatening to expose the men behind the disaster.

On 10 September 1892 it was finally decided to investigate the actions of Ferdinand de Lesseps, his son Charles de Lesseps and several directors of the company. The investigations showed up a mass of bribery and other irregularities. The affair grew into a major scandal. Since members of the government were involved in the scandal, a number of ministers were forced to resign. During the trial Ferdinand de Lesseps was unable to appear in court, being unfit both physically and mentally. The trial closed in Paris on 9 February 1893. The 88 year old Ferdinand

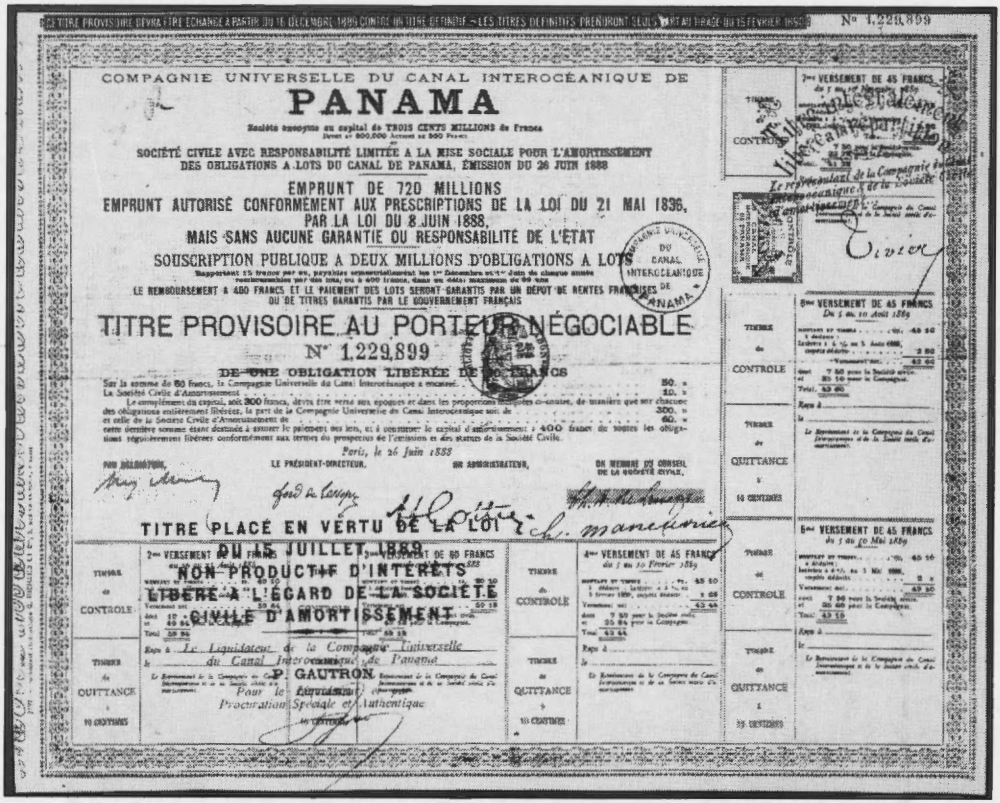
de Lesseps and his son Charles were each sentenced to five years' prison and a fine of 3,000 francs. The sentences were reduced on appeal, and only the son was sentenced to prison, and for one year only.

One year later, a new company, the Nouvelle Compagnie du Canal de Panama, was formed for the purpose of carrying out the agreement with Colombia. The Americans purchased all the rights of this company for 40 million dollars cash, hardly more than one-third of the 500 million francs originally demanded. Thus all rights over the canal went to the U.S.A. The Americans adopted the most modern techniques of the day, and in particular made the hygiene conditions much more sanitary, with effective combat against the rampant tropical diseases. They also built locks, raising the level by 26 metres (de Lesseps had originally planned a sea-level canal, with vast earthworks, which added massively to the cost of the project).

The completed canal was 81.6 km (51 miles) long, and the construction costs totalled 375 million dollars. After ten years of building, the first ship passed through the canal on 3 August 1914, and the canal was officially opened to traffic on 15 August 1914.

(Translated by H.S., and presented to the London meeting of the Society on 4 June, 1991. Subsequently amended to include the scripophily of the company, for this publication).

Note - we have a list of the German sources used by Dr. Thiede, and will be pleased to supply these on request.



## SCRIPOPHILY OF THE PANAMA CANAL

Cie Universelle du Canal Interocéanique de Panama

Shares
Capital F300,000,000 in shares of F500.
Part Fondateur (900 issued) yellow
Action (1st issue - nos. 1-10,000) blue
Action (2nd issue - nos. 10,001-600,000) blue
Cert. Inscription Nominative green

**Obligations**
1883 issue - 250,000 x F500 red
Cert. Inscription Nominative red

1884 issue (3%) - 600,000 x F500 green
1884 issue (4.5%) - 387,387 x F500 black

1886 issue (4%) - 90,000 x F500 black
1886 issue (1st series) - 229,901 x F1000 ?

1887 issue (2nd series) - 129,443 x F1000 black
(of 250,000 authorised)

1888 issue (3rd series) - 45,901 x F1000 ?
(of 175,000 authorised)

1888 issue (lottery bonds) - 849,249 red
(of 2,000,000 authorised)
A further 357,894 were issued by the liquidators, & are overstamped accordingly. Known with several stamp & signature varieties.

Société Internationale d'Etudes du Canal Interocéanique de Panama

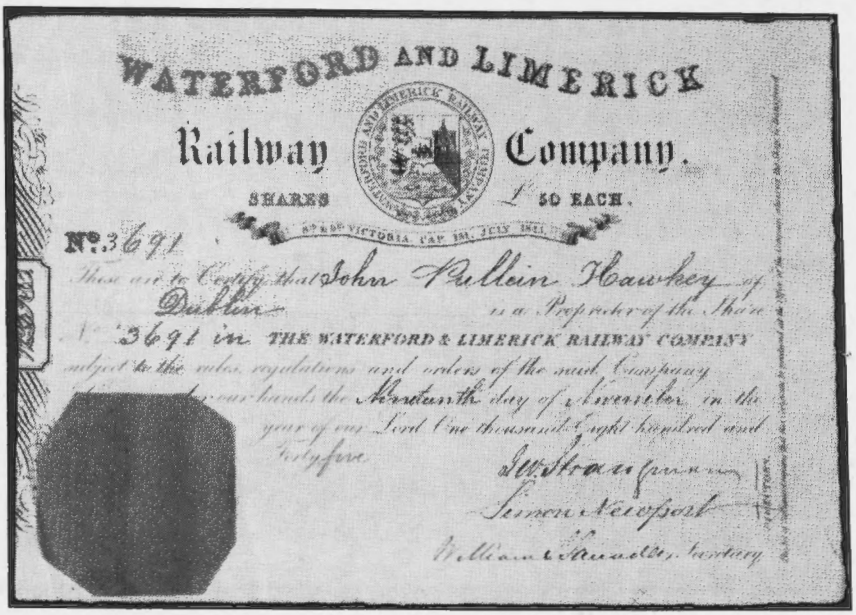
Formed in Paris 1889 to study possible means of completing the canal.

**Shares**
Part bénéficiaire (20,000 issued) ?

Cie Nouvelle du Canal de Panama
Formed Paris 1894.

**Shares**
Capital F65,000,000 in shares of F100.
Action blue, green & red

The scripophily of the canal is explained in greater detail in the forthcoming Veissid Latin America catalogue.



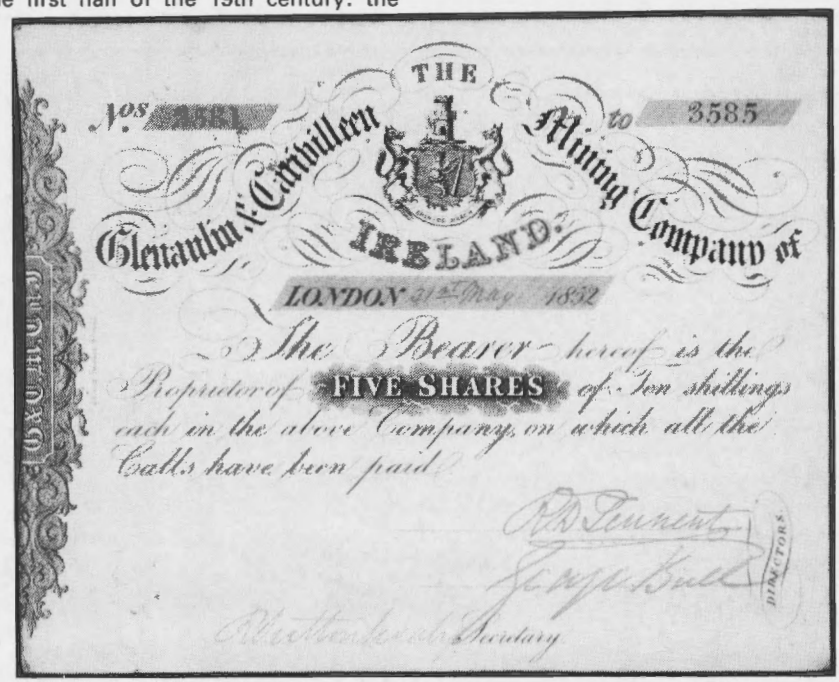
# IRISH BONDS & SHARES ARE WORTH LOOKING OUT FOR

**Jakob Schmitz**

If money is the lifeblood of a country's economy, then Ireland is suffering from chronic anaemia. You search in vain in Irish economic history for great deeds and resounding names - the capital was never there. He who wanted to become something special did it elsewhere - for instance in the U.S.A. or in Germany. Old shares of Irish companies are so rare that they are like the glimmers of hope in the works of Dublin's Samuel Beckett.

Ireland, the 'green lung' of Europe, never had the blast-furnaces of England, Belgium or Germany, and, perhaps partly for that reason, was considered for a century or more to be the poorhouse of Europe. In the time of the great famines, in the middle of the last century, millions of Irish left their homeland. Even today, half of the whole area is given over to pasture-land.

A modern economy set foot only timidly in the island. The Bank of Ireland was founded in 1783. Six more banks followed in the first half of the 19th century: the Northern Banking Co. (1825), the Hibernian (also 1825), the Belfast Banking Co. (1827), the National (1835), the Ulster Bank (1836), and the Royal (also 1836). In 1756 the greatest Irish brewery was founded by Guinness, now a name of world renown. In 1755 the Grand Canal from Dublin, through the midlands to the Shannon, was built, followed by another canal, the Royal, also from Dublin to the Shannon; neither was a financial success. The railway made its entry to Ireland in 1834; the first line was 6 miles long, from Dublin to Kingstown (now Dun Laoghaire), the ferry port to Liverpool and Holyhead. There were various mining activities - coal, iron-ore, and especially bauxite. In the years from 1823 to 1828 four mining companies were formed, to bring together the whole of Irish mining - The Mining Company of Ireland, the Hibernian Mining Co., the Royal Irish Mining Co. and the Imperial Mining Co. However, English speculators didn't allow them to develop as they might have done.



A many-sided textile industry blossomed; the linen industry of Ulster, founded in 1700 by Louis Crommelin, a Huguenot, the wool industry, which had in 1879 no less than 79 mills, the cotton industry from Lancashire, flax- and jute-mills, and silk-production in Dublin. Irish beer enjoyed a worldwide fame, and was brewed in virtually every town, as did whisky, distilled on the Emerald Isle. Shipbuilding was important, too, especially that by a name of international significance - Harland and Wolff, of Belfast. From oil-tankers to cargo-liners - all types of ships were built on these wharves. Harland and Wolff also built the famous White Star liners, which held the Blue Riband for Britain. Tanning and leather, paper and glass and fishing round off the economic portrait of Ireland.

Companies came into being to meet the financial needs of the development of the infrastructure, as seen from the certificate of the Electric Telegraph Company of Ireland, of 1852. However, he who wanted to make his fortune went away - to the U.S.A., to Britain, its colonies or to Germany. Any student of mining companies of the U.S.A., Canada, Australia or New Zealand is familiar with the Hibernias, the Shamrocks, and other echoes of the home they left to find hope.

In 1855 an Irishman named Mulvany acquired coalfields in the region of Gelsenkirchen, in the Ruhr. This grew into the Prussian Mining and Ironwork Company, which collapsed. However, he created a new Hibernia & Shamrock Bergwerkgesellschaft (mining company), and in 1871 became chairman of one of the first great German industrial groups.

Collectors of bonds and shares occasionally come across Irish paper, without realising the colourful background of these sober documents. Irish shares must be searched for with patience at the fairs in London. It is noticeable that Irish shares hit the headlines just as rarely as does the country itself. They are a quiet passion.

(Originally published in 'Das Wertpapier', whose permission is acknowledged)

(Translated, and lightly edited, by H.S.)

# THE 'TRAIN RENARD'

**Howard Shakespeare**
**(mostly from material sent in by Malcolm Carpenter)**

Those collectors familiar with French scripophily know the Société Française des Trains Renard, with its vignettes of a strange vehicle, towing a line of carriages. The certificate of the U.K. subsidiary, 'The Renard Road & Rail Transport Corporation Ltd' has also been seen. Collectors will have wondered just what this Renard system was.

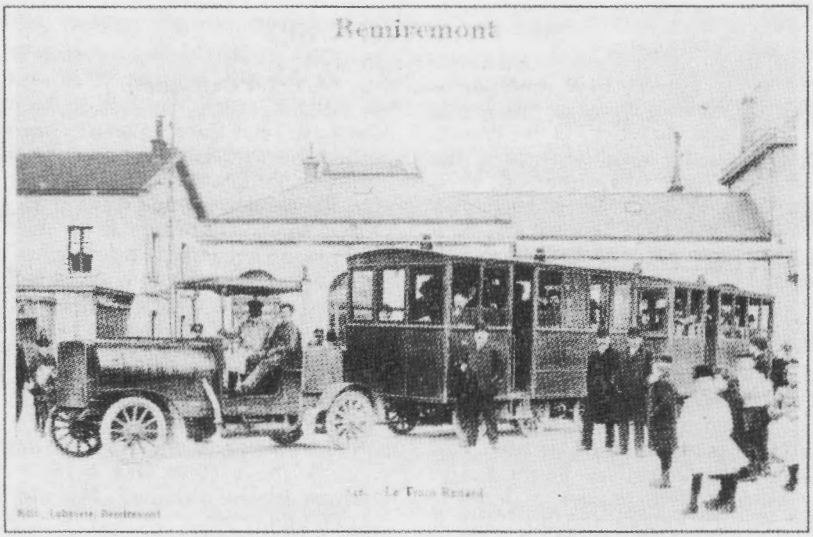
Charles Renard was born in Bamblain, France, in 1847, and trained as an engineer. During the Franco-Prussian War of 1870-71 he saw columns of men and equipment becoming stuck in mud, and became convinced there was a practical way to transport people and goods over difficult terrain. However, he was interested at first in aviation, and developed an engine light enough to be used to power lighter-than-air machines. He, with others, developed a successful airship, and also a process for producing hydrogen, and a small but powerful burner for balloons. He became famous by his invention of the 'automobile train', known to us as the Train Renard. He committed suicide in 1905.

The Train Renard consisted of a motor unit (using either an internal combustion engine, or a steam-motor, powered by petrol, coke, wood or fuel oil) with a series of carriages or freight wagons, with (and this is the distinctive element of the system) a system of carrying drive-power to each part of the train, and also ensuring that each part followed exactly the line of its predecessor. The initial project was to supply, using a 50 h.p. engine, a train for the army, capable of moving 36 tonnes at speeds, depending on the terrain, of 7 to 45 mph (12 to 72 kph).

The first recorded attempt at commercial use was in 1905, to establish a regular service between Remiremont and Plombières, in the Vosges area of eastern France. The local authorities were sceptical, preferring a proposal for a tramway. However, Renard formed a company, the Société Vosgienne des Trains Renard, which brought in a train to start the service without waiting for official permission. Unfortunately, the train suffered a mechanical breakdown during an initial demonstration, and had to be returned to Paris by train.

However, a regular service finally started in April 1906, and operated until the end of the Plombiéres spa season, in October. During this time it run 900 'convoys', carrying 9,453 passengers. After this initial success, the system was bought by the Shah of Persia, Hungary, Holland, Spain and Paraguay.

In 1907 the Société Française des Trains Renard was formed in Paris, with a capital of F1,750,000 in shares of F100; these are the French shares we are familiar with. Other companies, to operate the train services, were formed in several French départements, under the name of Compagnie des Trains Renard du (département). The aim of these companies was to provide regular links between towns and villages where no rail or tramway service existed. The new services attracted great public interest, and people rushed to see and try out this new means of transport. However, disadvantages soon became apparent, and interest fell away quickly. Tickets were expensive, due to the tax system, which was that relating to carriages. The train was unstable and thus could only travel on the poor roads at well below the planned speeds; often it could move only at walking pace. The tyres were weak, and needed constant maintenance and great care by the staff. The level of comfort was poor, without glass in the windows in 2nd class, poor suspension, dust and noise. The noisy train frightened animals in the fields and horses in the towns. A series of accidents finally brought an end to Charles Renard's invention, and the company was liquidated in 1911.




## THE RENARD ROAD AND RAIL TRANSPORT CORPORATION

The French company decided in 1907 to form a subsidiary in England, to produce and market the Renard trains in the U.K., the British Empire, and, strangely, Italy and South America. The English company had a capital of £250,000 in shares of £1 (half ordinary and half preferred). The company came to an agreement with Daimler, of Coventry, to build the trains for the English company, which decided to concentrate on the freight aspect of the system; it laid great stress on producing a powerful system at low cost, and with a level of reliability and easy maintenance, permitting its use in remote parts of the Empire.

The first three trains built at Coventry, in 1909, were for Argentina, Australia and Canada. Others were sent to the U.S.A., Italy and India. A subsidiary company (the Renard (India) Transport Corporation Ltd) was formed in India, to use the system to transport bales of compressed cotton. One train was ordered by Lord Kitchener, when governor of Egypt, and despatched to Alexandria.

After the failure of the French company, the English company was also liquidated, in 1912, but all assets were acquired by a new company Renard Commercial Motor Co. Ltd. This had a capital of only £81,250 in shares of 5/-, which were issued (as 4/- paid) in exchange for the shares of its predecessor, showing a substantial loss for the original shareholders. This was itself liquidated in 1914. Daimler acquired all manufacturing rights, and continued producing the Renard trains until the outbreak of World War I, under the name Daimler-Renard.

Of all the Renard trains, only one is known to have survived, in South Australia. It was ordered in 1909 by the Union Consolidated Copper Mines, to transport copper concentrates from the Yudnamatana mine to the township of Farina. However, the mine closed in 1910, and the train became the property of a Mr Napier, who used it as a breakdown vehicle until 1946. Then left to deteriorate, it was acquired a few years ago by a Mr Wilsdon, who is restoring it with the aim of including it in his exhibition of Australian mining life at the beginning of the century. The Renard train, with its wagons, in working order, can be seen at the museum, at Geralka, 70 miles (120 km) north of Adelaide.

# COEUR D'ALENE WATER SUPPLY COMPANY

**Henry Hinck**

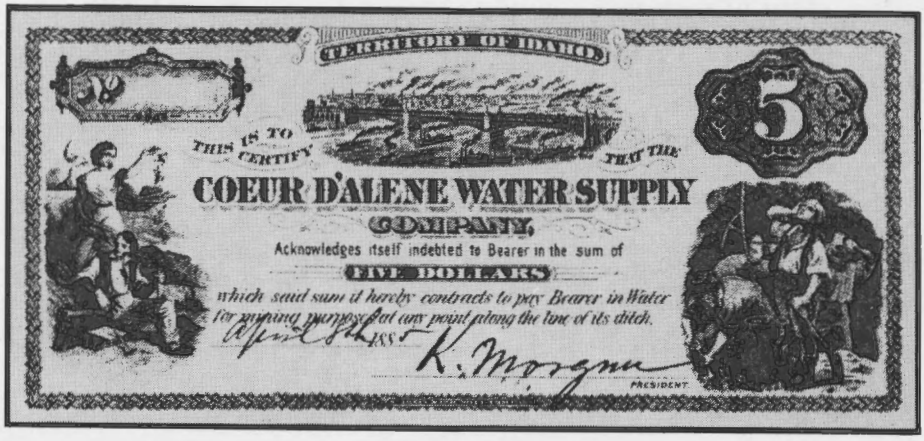
The cry of gold brought men from all over the West to the narrow canyons of the Coeur d'Alene mountains, in the panhandle of Idaho Territory in 1883. They raced to locate claims along the banks of the Pritchard Creek in a timbered wilderness, which later grew into the world-famous Coeur d'Alene Mining District.

As in all gold rushes, the placer land was quickly located, and the prospectors took to the hills to see what else could be found. Everyone searched for the Mother Lode from whence all the gold in the Creek originally came. It did not take these men long to discover the gravel beds of an ancient river channel, which were visible along the mountain side parallel to, and north of, Pritchard Creek. This old channel was promptly located for its entire length of about eight miles (13 km), and rich showings of gold were made when this gravel was flushed with water. The old river-bed was 75 to 300 feet (25 - 100m) above the rushing waters of Pritchard Creek, in the bottom of the canyon, but water presented the main problem. In 1884, men were packing gravel down the sides of the mountain on their backs to the waters of the Creek, and making from $25 to $50 per week.

A man from Missouri, Dr. K. Morgner by name, undertook to solve the problem by building a high flume to carry water from several miles upstream, and along the mountainside to the gravels of the old river-bed. He planned a flume 6 feet (2m) wide and 4 feet (1.3m) deep, to furnish water for the sidehill claims and quartz mills, and to float timber down the canyon. Seven miles (12km) of his flume were graded along the survey in the summer and fall of 1884, before his finances gave out.

In his attempt to keep his project going, Morgner issued scrip to be paid 'in water for mining purposes, at any point along the line of its ditch (flume)'. The scrip was issued in a $5 denomination, and bore an imposing picture of a populous city, with a grand bridge and many steamboats in the foreground. It is easy to believe that the goldseekers along the cold waters of the narrow Pritchard Creek were not amused, as they intensely disliked Morgner.

Old records and letters show that Dr. Morgner owed about $9,000 for labour, workers' board and other supplies, when his finances failed. He paid these bills with scrip, and it appears that some of the labour claims were settled for 33 1/3 cents on the dollar, in scrip.



Morgner's plan was to keep the project together until such time as the water could be flumed to the sidehill claims. This called for the cooperation of the entire goldfield as it was necessary for the worker to be able to trade his scrip, at a discount, for his necessary food and drink. Them the merchant or saloon-keeper had to be able to trade the scrip, at a discount for cash, to a claim-owner needing the water on his sidehill claim. Needless to say, the claim-owners were not willing to put out their cash until the water was available, so the plan failed. Some old-timers felt that Morgner's plan was logical and workable, and could have provided the waters, but for the arrogance and bullheadedness of the promoter.

One of the carpenters working on the flume was Noah Kellogg, who was owed $53.16 when the scrip was issued. Having no funds, he obtained a grubstake of $18 worth of bacon, beans and other supplies, plus a burro. Kellogg prospected the canyons to the southwest of the goldfields, and in the late summer of 1885, located the Bunker Hill mine. This mine is still in production, and has become one of the nation's leading silver, lead and zinc mines.

The scrip was printed on only one side of white paper by the St.Louis Bank Note Company, and very few copies are known to exist. The notes were hand-signed and -dated, and each of them bears the corporate seal of the Coeur d'Alene Water Supply Company.

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