MISSOURI PACIFIC IN CASH

$20,000,000 5 PER CENT. NOTES SOLD TO SPEYER & CO.

Gould Estate Pledges $25,000,000 on Call President Says Shop Forces Will Be Increased and Betterments Made in Other Departments—Purchase of 40,000 Tons of Rails Approved.

Missouri Pacific directors met yesterday at 165 Broadway and concluded a sale of $20,000,000 three year collateral notes to Speyer & Co., the proceeds of which will allow the road after paying off its floating debt to spend $15,000,000 in improvements. The first move which the board made in that direction was to approve the purchase of 40,000 tons of steel rails and twelve locomotives.

B. F. Bush, the recently elected president, who got back yesterday from a trip through the country which the road taps, said when the meeting was over that he expected that the forces in the company's shops would be increased soon to the normal complement and that betterments would be made which would bring up other departments to normal running capacity.

The notes will be dated June 1, 1911, and will bear interest at 5 per cent. The issue is made subject to approval of the Kansas and Nebraska railroad commissions. The road recently has been authorized to issue $25,000,000 of notes. It is possible that it will issue an additional $5,000,000 to bring the total amount up to the full sum authorized.

The following collateral was specified in a statement issued yesterday by Chadbourne & Shores, attorneys for the Missouri Pacific, as security for the notes:

First—$10,000,000 face value of the first and refunding mortgage fifty year non-convertible 5 per cent. gold bonds, series B.

Second—Three year notes of the St. Louis, Iron Mountain and Southern Railway Company for $8,500,000, issued to the Missouri Pacific in consideration of indebtedness incurred for moneys advanced by the Missouri Pacific Railway Company and expended by the Iron Mountain company since February 15, 1905.

Third—98,000 shares of the preferred capital stock of the Denver and Rio Grande Railroad Company.

Fourth—150,000 shares of the common capital stock of the Denver and Rio Grande Railroad Company.

Fifth—50,000 shares of the capital stock of the Texas and Pacific Railroad Company.

In addition to this collateral the Gould estate pledged itself to advance $3,000,000 to the Missouri Pacific whenever Speyer & Co. asked for it. In the event of the issue of the additional $5,000,000 note more collateral is to be pledged, which shall meet with Speyer & Co.'s approval.

George J. Gould, who has kept his place as chairman of the board, asked the board to appoint H. T. Miller to serve as his executive assistant. Mr. Miller was made a vice-president of the road and a member of the executive committee. According to the lawyers' statement he is "to supplement the chairman's work for the corporation and to advise, with the executive committee and the board, in Mr. Gould's absence." Mr. Miller is now receiver of the Buffalo and Susquehanna. He has worked on the Pennsylvania and the Rock Island and was also president of the Chicago and Eastern Illinois and the Evansville and Terre Haute.

E. J. Pierson, who has been chief engineer of the Chicago, Milwaukee and Puget Sound Railway, was made first vice-president. This was on Mr. Bush's suggestion. His headquarters will be in St. Louis, and he will be the chief operating officer. Before going to the Puget Sound Mr. Pierson was chief engineer of the Northern Pacific. On Mr. Bush's suggestion also John Drew, comptroller of the Great Northern, was made auditor of the Missouri Pacific.

Mr. Bush told the board that the road's offices in St. Louis were too expensive. He suggested cheaper and equally convenient quarters, and the board acquiesced.

"The financing pays off the present floating debt of the corporation," said the lawyers, "and with what it now has on hand supplies it with $15,000,000 for improvements, betterments and general corporate purposes. It also leaves a substantial amount of securities in the company treasury as free assets."

Speyer & Co. report that the note issue has been largely oversubscribed.

CORPORATION ELECTION BILL.

Assemblyman Goldstein Would Enforce Cumulative Voting.

A plan for cumulative voting in corporation elections has been devised by Assemblyman Louis Goldstein of Kings county. The bill providing for the scheme is on the calendar for passage to-day.

The plan provides that at all elections of directors of stock corporations a stockholder competent to vote shall be entitled to as many votes as he has shares of stock, multiplied by the number of directors to be elected. The plan allows the stockholder to cast all his votes for a single candidate or to scatter them as he pleases.

Assemblyman Goldstein explains that his scheme will give minority stockholders a chance for representation on boards of directors, even though the majority may object. He thinks that his scheme will clear away many abuses possible in corporation management as it exists to-day.

Chicago Northwestern Elevated.

In addition to the $30,000,000 notes of the Chicago Northwestern Elevated Company, which the National City Bank proposes to buy, it was announced yesterday that the company has sold at par $16,000,000 6 per cent. cumulative preferred stock. This, together with part of the proceeds of the sale of notes, is expected to provide for refunding $18,000,000 Northwestern Elevated first mortgage 4s maturing in September, the payment of floating debts of the merged companies and to supply working capital.

More Machinists Back at Work.

Henry C. Hunter, secretary of the New York and New Jersey Metal Trades Association, reported last evening that all the machinists who had been on strike for the eight hour workday in the shops of the Palmer-Singer company, one of the largest firms affected by the strike, had gone back to work. Part of the strikers in the shops of about twenty-five other concerns had also returned to work. Through the cooperation of the National Metal Trades Association, he said, the places of most of the boilermakers who had gone on strike in the shipyards had been filled.

Public Service Corporation Indicted.

JERSEY CITY, N. J., May 23. The Grand Jury this afternoon brought in an indictment against the Public Service Corporation for maintaining a nuisance. The indictment is based on complaints by Mr. Kelley, Father Stoin, pastor of the church of Our Lady of Lourdes, and other residents of the riverside district that the smoke from the gas works at high tide is intolerable.

Queens Grand Jurors Want More Pay.

The Grand Jury of Queens county, now in session, has drawn up a petition which was yesterday presented to Justice Kapper and will be sent to the State Legislature, asking that the pay of Grand Jurors be raised from $2 to $4 a day and mileage. The jurors say that the price of living has gone up and that as Grand Jurors frequently sit for a month and the jurors have to pay for their meals they get out of pocket when they serve.

GOSSIP OF WALL STREET.

The absorbing feature of the stock market yesterday was the extraordinary nature of the trading in United States Steel common. Of the 547,000 shares dealt in 177,344 were Steel common. The heaviest pressure brought to bear against the stock was just before 2 o'clock, when an enormous quantity of stock was thrown on the market. Blocks of thousands of shares changed hands and the price declined slowly to 79¼. At this point 33,700 shares were sold without a change in the quotation and from then on the price recovered rapidly upon heavy transactions. The failure of Steel to break sharply under such heavy liquidation and the determined support that seemed to be lent were everywhere spoken of in speculative circles as the most remarkable performance seen in any stock in many a day.

In view of the heavy sales of Steel and the decline in that stock, which at one time aggregated 1½ points, the behavior of the remainder of the market was also considered significant. Union Pacific, which has recently shared the leadership with Steel common, moved within an extreme range of ½ a point and closed without variation for the day, the trading here being about a quarter of that in Steel. Reading, Amalgamated and other active shares left off at advances. Strength was even more conspicuous in the inactive issues, which exhibited such net gains as 25 points in American Snuff, 6 in Keokuk and Des Moines preferred, 2¾ in International Paper preferred, 2¼ in Pittsburg Coal, 3 in New York, New Haven and Hartford and a further advance of 1¾ in Western Union.

Tuesday is by tradition the day for taking profits in the stock market. Speculators who have been inclined to expect a reaction had more ground than usual upon which to base their arguments in the almost perpendicular rise in the market that has taken place since Monday a week ago. Individual advances in the active shares during this time were as follows: Amalgamated, 4¼ points; American Smelting, 5¼; Chesapeake and Ohio, 2¾; St. Paul, 3¾; Lehigh Valley, 4½; Pennsylvania, 2¾; Reading, 4¾; Rock Island, 3¾; Southern Pacific, 4¾; Union Pacific, 6¾; United States Steel common, 4½. Substantial gains have also been recorded in a good many of the less active industrial stocks, such as 2¾ in American Locomotive, 3 in American Tobacco, 2½ in Distillers Securities, 3¾ in General Electric and 4¾ in Westinghouse, but strength in these issues is less noticeable than in the speculative favorites.

American Tobacco continues to advance steadily. Yesterday the forward movement that has been in progress took the price to 320, the highest level ever touched. Dealings were considerably enlarged. The nearest approach to this figure was made in 1906, when the stock sold at 313.

The full report of the American Beet Sugar Company issued yesterday makes pleasant reading for its stockholders. The progress made by the company since 1907 has been equalled by few other industrial corporations. That year the company reported a surplus equivalent to 1.01 per cent. on the company stock, in 1908 the same surplus amounted to 4.25 per cent., in 1909 6.98 per cent., in 1910 7.31 per cent. and this year 10.9 per cent. What makes this showing of continuous improvement even more impressive is the fact that the company has disposed of $3,000,000 of certificates of indebtedness incurred in 1905 against which interest charges were heavy and now stands free of all bonded or other debt.

President B. F. Bush threw some intimate light on the financial situation of the Missouri Pacific in his recent speech entitled "Shippers, Be Patient," before a commercial organization of Kansas city. "You must help with our finances. I cannot get the people in the East to let us have money on their faith in the road. I must show them that money invested in the Missouri Pacific will pay them a profitable rate of interest. And with the Legislature, the State officials and the people fighting us it becomes impossible for us to sell our securities abroad. We must obtain short time loans and pay a high rate of interest if we get money at all. * * * I want you to understand that we cannot sell securities in New York that your own bankers will not buy here. You have more power with the Missouri Pacific than the big stick made famous by a certain President."

Canada again requisitioned gold from the Sub-Treasury here, from which $1,250,000 in gold coin was withdrawn for shipment to the Dominion, making $1,500,000 this week and $2,500,000 since the opening of last week.

The board of managers of the Coffee Exchange did not grant the petition of members that the exchange be closed on Monday, May 29, as is usual in most years. No petitions have put in an appearance so far on the Stock, Cotton or Produce exchanges.

A Cotton Exchange seat sold for $13,000, the same price as registered from the last previous sale.

Discrepancy has flavored Washington despatches dealing with the Government's new issue of $50,000,000 Panama 3s, bids for which will be opened on June 17. The range of estimates for the average bid price is from 100½ to 101. Officials say that the really "popular" bids have not had time to get in yet but that there will unquestionably be a great number of them. On the curb yesterday Panama 3s sold up to 102¼. Heaviest sales were at 102⅛ and total transactions reached $155,000.

The sale of a single block of $500,000 in temporary receipts for the New York city 4¼s at 104¼ and other comparatively heavy sales of those receipts were conspicuous in the day in bonds on the Stock Exchange.

Central Cuba Sugar Co. Incorporated.

ALBANY, May 23.—The Central Cuba Sugar Company of New York city, organized to carry on business in agriculture, mining and manufacturing of all kinds in Cuba, was incorporated to-day with a capital of $5,000,000. The directors are Frederick R. Swift, Earl C. Demoss, William Lilly, Thomas Aschenbach and Ross W. Lynn of New York.

Court Calendars This Day.

Supreme Court—Appellate Division—Recess. Supreme Court—Appellate Division—Motion calendar called at 10:30 A. M. Part II—Ex parte matters. Part III—Clear. Motions. Demurrer No. 195. Preferred causes—Nos. 2385, 3173. General calendar—Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40,