TELLS OF SUCCESS OF NEW FINANCING

Samuel Insull Explains to Bond Men How Customers Aid Public Utilities.

Samuel Insull of Chicago, president of the Commonwealth Edison Company and executive head of a large number of public utility corporations serving the middle West, delivered an address before the Bond Club of New York yesterday on the subject of local public utility financing. Mr. Insull went rather deeply into all forms of financing by public utility companies, but he laid particular stress on the method now used for raising money by the sale of capital stock to customers.

Mr. Insull's companies were among the pioneers in that field of financing, and he set forth many reasons why he has found the plan exceedingly desirable. In the first place, Mr. Insull said, it serves to promote that thing which is most desirable in the operation of gas and electric light properties—the interest of the customers in the success of the venture—or, as he put it, "it gets everybody yelling for us." He mentioned several instances in which public utility companies have been materially aided through the efforts of its customer stockholders.

His company was led into the customer-ownership proposition by the necessities of war, he said. When war began in 1914 it was found that large amounts of the stock of the company held abroad were being sent here for liquidation and it was then that the system of distributing that stock among customers was first tried out. Its success is measured by the figures which he presented, showing that in the first two or three years about $1,000,000 a year was raised in this fashion.

In 1920, however, customers purchased 144,358 shares at a cost of $14,684,210 and in 1921 they bought 149,890 shares, paying the company $14,840,332. This year, up to November 4, total sales under this plan amounted to 237,186 shares with a value of $28,119,203. During the entire period that the Insull companies have been using the customer-ownership plan, a total of more than 600,000 shares has been placed and $60,000,000 raised without recourse to the ordinary banking accommodations used by most companies.

Mr. Insull discussed at some length the troubles of the public utility corporations during the war time period of high prices and the postwar depression. All except the street railway companies have pulled out in excellent fashion, he said, and the traction properties are working out their problems in a satisfactory manner.

Average Bond Prices

Friday, November 10, 1922.

	Friday.	Net Chge.	Week Ago.	Year Ago.
10 Rails	84.92	—.16	85.67	78.61
10 Industrials	98.73	—.19	98.60	92.51
5 Foreign	99.98	—.34	100.42	99.00
5 Pub. Util.	88.17	—.33	89.47	73.32
30 Bonds	92.58	—.24	93.09	85.75

BOND NEWS AND NOTES.

Outside the foreign government list yesterday's bond market was a dull affair. Declines in foreign bonds, while mostly fractional, carried many issues to new lows for the year, French Republic's 7½s and 8s getting around 93¾ and 97⅝ respectively. British bonds were relatively firm, but there was considerable pressure on such issues as Czechoslovak 8s, Brazilian 8s and Paris-Lyons-Mediterranean 6s. The further recession of foreign exchange rates was a factor in the decline. United States Government bonds were little changed and steady in tone, while railroads moved listlessly around their previous final levels. In the industrial list weakness of Chile Copper 7s was again the feature. Tractions were somewhat in supply. The day's total turnover was around $11,200,000.

U. S. Bond Interest Payment.

On November 15 next approximately $70,000,000 interest will be paid by the Government on Second Liberty Loan 4 and 4¼ per cent. bonds. Of this amount it is estimated that the local Federal Reserve Bank will pay about $27,000,000 to holders of coupons from these obligations. On the same date the Government will receive another installment of interest on the British debt amounting to about $150,000,000. Interest on registered Government bonds is paid by check by the Treasury at Washington. Coupons may now be sent to the coupon paying division of the Federal Reserve Bank which is prepared to receive them. Checks in payment of coupons thus deposited in advance will be ready for delivery at 9:30 A. M. Wednesday, November 15, or member banks, upon request, may have the proceeds when due credited to their reserve accounts.

Offer New Municipals.

George B. Gibbons & Co., Inc., are offering five new issues of municipal bonds, including $1,000,000 5 per cent. school bonds of the city of Birmingham, Ala., due April 1, 1950, offered at 105.40 and interest to yield 4.65 per cent., and $150,000 5½ per cent. public improvement gold bonds of the same municipality, due November 15, 1932, and offered to yield 4.75 per cent. Other issues are: Duval county, Florida, $300,000 of 5 per cent. improvement gold bonds due January 1, 1950, offered at 106.20 and interest to yield 4.60 per cent.; $294,000 city of Amsterdam 4¼ per cent school bonds, due September 15, 1923 to 1958, to yield 4.10 per cent., and $49,000 village of Larchmont, N. Y., 4.40 per cent. road improvement bonds, due December 1, 1927 to 1952, to yield 4.25 to 4.20 per cent.

Government Financing.

It is fairly certain, bankers say, that the Government will be compelled to undertake more financing to meet year end requirements. According to specialists in short term paper, an issue of Treasury notes at this time should be highly successful, as many large corporations would welcome the opportunity of investing surplus funds for a short period until the expected business boom gets fully under way. If the last issue of long term Government bonds had been maintained at a premium, it was asserted, it would have been an easy matter for the Government to sell more long term securities at this time. The Secretary of the Treasury hurt his chance to float a second large long term loan, bankers declare, when he permitted the new 4¼s to sink below par.

Bids on Cuban Loan.

A banking group, headed by Speyer & Co. and including Blair & Co., expects to bid on the forthcoming $50,000,000 Cuban loan, it was learned yesterday. Representatives of both houses are in Cuba arranging details. Speyer & Co. served as fiscal agents for the $35,000,000 Cuban loan in 1907 and the $16,500,000 loan in 1909. It is not known whether there will be any other bids for the loan [illegible] from the Morgan and the Spe[illegible] groups.

UNITED STATES PRE-WAR BONDS.

	Bid.	Ask.		Bid.	Ask.
2s r '30	100¼	100¾	P 4s, '34	92	[illegible]
3s c '46	92	93	P 4s, '35	92	93
2s r '36	100¼	100¾	PofC 3s '63	98	100
4s '51	91	93¾	*Liv 4s, '41	4.75	..
2s r '38	100¼	100¾	*P R 4s, '39	4.75	..

*Yield.

BONDS IN STOCK EXCHANGE

FRIDAY, NOVEMBER 10, 1922.

	1922.	1921.	1920.
Day's sales	$11,174,000	$15,885,000	$13,489,000
Year to date	3,679,081,000	2,916,003,000	3,870,741,000

RANGE OF U. S. GOVERNMENT BONDS.

—Closing— Bid.	Asked.	Yield.	Sales (in $1,000)		Open.	High.	Low.	Last.	Net Ch'ge.
100.52	100.66	3.42	600	3½s (1932-47)	100.76	100.76	100.52	100.52	—.18
98.60	99.10	4.08	..	1st cv. 4s	..	..	..	..	..
98.90	99.00	4.31	72	1st cv. 4¼s (1932-47)	98.90	99.08	98.82	99.00	+.12
98.50	98.70	4.11	..	2d 4s (1927-42)	..	..	..	..	..
98.64	98.76	4.34	598	2d cv. 4¼s (1927-42)	98.68	98.78	98.58	98.76	+.10
..	..	..	1	2d cv. 4¼s reg.	98.46	98.46	98.46	98.46	—.06
98.90	98.96	4.48	879	3d 4¼s 1928	98.92	99.08	98.88	98.94	+.02
100.10	100.20	..	..	1st 2d 4¼s (1927-42)	..	..	..	..	..
98.92	98.98	4.34	725	4th 4¼s (1933-38)	98.90	99.06	98.86	98.92	—.04
..	..	..	3	4th 4¼s reg.	98.70	98.84	98.70	98.74	—.12
100.32	100.38	3.94	114	*Vic 4¾s (1922-23)	100.32	100.32	100.30	100.32	—.04
..	..	..	1	*Vic. 4¾ reg.	99.98	99.98	99.98	99.98	—.04
100.02	100.06	4.21	199	†Vic. 4¾s (1922-23)	100.02	100.06	100.02	100.06	+.04
..	..	..	5	†Vic. 4¾s reg.	99.90	99.90	99.90	99.90	—.02
99.88	99.92	4.27	541	U.S.Gov. 4¼s (47-52)	99.92	99.94	99.88	99.90	..

*Uncalled. †Called.

FOREIGN.

Argentine 7s 27	Bordeaux 6s 34	Chile 8s 1926	1 97¾	Mexico 5s 1954	Rio de Janeiro	Gen Electric deb 5s 1952	Interna Paper 5s B 1947	Mo Pac 6s 49	Norf & West div 4s 1944
2 100⅝	1 77	10 101⅞	2 97⅝	1 49¾	s f g 8s 1946	2 100⅝	2 87⅝	1 99¾	12 87½
5 100⅝	4 77	10 101⅞	2 97⅝	1 49¾	1 96	5 100⅝	5 87½	5 99¾	6s ser B 2047
2 100⅝	1 77½	2 102¼	2 97⅝	1 49¾	27 93¾	5 100⅝	2 87¾	4 99¾	7 108⅝
15 106½	1 77	Chinese R 1K	1 98	1 49¾	2 96	Genesee Riv RR 1st 6s 57	5 87¾	6 99¾	1 108⅝
2 100⅝	2 77	Ry 5s 1951	2 97⅝	Mexico 4s 1954	Rio Grande W	1 99¾	3 87¾	1 99¾	14 108⅝
2 100⅝	1 77½	2 93¾	2 97⅝	10 36¾	1 97	Goodrich B F 6½s 1947	2 87⅝	Mo Pac 5s 65	10 108⅝
Belgium 8s 41	Brazil 7½s	Colomb 6½s 27	10 98	15 36	Montevideo	certificates	3 87½	1 87½	5 108⅝
8 101	coffee in 52	10 98	5 97¾	1 98¾	7s 1952	1 101⅞	Iowa Central 4s 1951	4 87½	Missouri Pac
1 101	receipts	1 98	5 97¾	1 99	3 91	5 101¾	3 89¾	10 87½	gen 4s 1975
4 101	5 88½	10 98	1 97¾	2 98¾	French 7½s 41	1 101⅞	1 89¾	1 89¾	2 63⅝
5 101¼	4 87	2 98	Brazil Cen Ry	2 98¾	Netherlands 6s 1972	5 101¾	Jurgens A 6s 1947 rcts	2 63⅝	1 64½
6 101	5 88½	5 98	1 98¾	10 93¾	receipts	1 101¾	5 76½	1 64¼	3 63⅝
1 101	10 88¾	Copenhagen	10 94	1 95¾	Seine 7s 1942	Goodyear Tire & R 8s 1931	1 76½	1 63¼	1 63¼
½ 100¼	1 88½	s f 5½s 1944	6 93¾	1 95¾	15 82½	1 98½	1 76½	1 63¼	1 63¼
10 101	4 88¾	10 89¾	1 94	5 95½	5 82½	1 98⅝	1 76½	1 63¼	1 63¼
1 101	2 89¾	2 89¾	2 93¾	5 95½	9 82½	1 99	KC Ft Sot & M 4s 1936	Montana Power 1st A 5s 1943	1 63¼
2 100¾	large bonds	1 89	4 94	10 87 93¾	6 82½	1 98¾	10 79¼	1 97¼	1 63¼
2 100⅝	Brazil Cen Ry	1 98¾	68 94¼	2 94¾	10 82½	5 99	15 79½	2 97¼	4 97¼
2 101	7s 1952	3 89¾	1 94	3 95¾	5 82½	1 99	Kan C Southn ref 5s 1950	4 90¼	MontrealTram 1st 4s 1941
Belgium 7½s 45	2 65¼	Czechoslovak 8s 1951	2 94¾	1 95¾	10 82½	1 99	1 80½	1 80½	6 89¾
1 101	10 85½	certificates	8 94	10 95¾	17 82½	1 98¾	2 80½	4 90¼	Morris & Co
16 100⅝	1 85½	4 99	4 94	10 95¾	2 82½	1 99	Kan C Southn 5s 1950	Montreal Tram 1st 5s 1941	30 89¾
1 100⅝	3 85	12 91	1 94	5 95¾	2 82½	5 99	5 69¾	1 89¾	2 89¾
3 100⅝	2 85	2 90¾	10 94¾	5 95¾	14 82½	5 99¾	7 69¾	1 89	2 89¾
1 100⅝	2 85	3 90¾	1 94	Norway 8s 40	2 82½	1 99¾	2 69¾	Morris & Co 4½s 1939	1 89¾
1 100⅝	6 85	Denmark 8s 45	3 94	2 110¼	2 82½	Grahby Con 8s 1925	Kansas City Term 4s 1960	10 89¾	1 89¾
2 100⅝	8 85	2 108	3 94¼	3 110¼	3 83¾	1 97¾	4 82	2 89¾	2 89¾
1 100⅝	1 85¼	1 108	15 94	3 110¼	3 83¾	Grand Tk Ry 7s 1940	Kelly Spr Tire s f 8s 1931	2 89¾	1 89¾
3 100⅝	Canada 5½s 29	1 108¾	10 93¾	2 111	Solssons 6s 36	1 111¾	1 97¾	2 89¾	1 89¾
Belgium 6s 25	1 100⅝	9 108¾	1 93¾	Norway s f 6s 1952	6 77	1 111¾	Kings Co El & P g 4s 1997	2 98¼	New Eng T&T 5s 1952
1 96	3 100⅝	Denmark 6s 42	9 93¾	certificates	1 76½	Grand Tk Ry 6s 1936	1 110	1 98¼	2 98¼
2 95¾	5 100⅝	9 99	2 93¾	20 100	12 76½	1 102⅝	Kings Co El 4s 1949	1 98¼	1 98¼
7 95⅞	1 101	10 98¾	7 93¾	5 100	2 76½	2 102¾	1 74	1 98¼	1 98¼
1 95¾	1 100¾	2 98¾	2 93¾	5 100	4 76½	5 102¾	stamped	1 98¼	Ore RR & Nav 4s 1946
Bergen 8s 45	1 100¾	2 98¾	2 93¾	2 100	2 76½	2 102¾	10 75	2 98¼	1 87¼
1 108	2 100¾	Denmark Mun ser B 1946	1 94	1 100	Sweden 6s 39	Gt Falls Power 1st 5s 1940	2 75	1 98¼	5 87
Berne 8s 1945	2 100¾	1 107¾	2 93¾	1 100	5 104	Gt North Ry 7s A 1930	Kinney G R 7½s 1936	1 98¼	Ore-Wash ref & N 4s 1931
1 108¾	Canada 5s 26	1 99¾	Prague 7½s 52	Swiss 8s 1940	5 104	1 110¾	1 100½	1 98¼	1 81
Bolivia 8s 1947	4 99¾	Dominican CA 5s 1958	certificates	2 105¾	Un Kingdom cv 5½s 1929	1 110¾	Lackawanna Stl 1st 5s 23	2 98¼	1 81
5 94¾	Canada 5s 31	1 99	3 74	5 110¾	1 108¾	1 108¾	10 99¾	1 98¼	1 81¼
9 94¾	15 99	1 99¾	3 74	5 110¾	8 108¾	Gt Nor 5½s 52	Lackawanna Stl cn 5s 50	2 98¼	1 81¼
4 94¾	14 99	Dutch East Indies 25-yr 6s 1947	3 74	8 108¾	1 108¾	11 101¼	L Erie & West 1st 5s 1937	2 98¼	Otis Steel Co 8s A 1941
2 94¾	2 98¾	1 99¾	5 74	1 109¼	1 109¼	3 101¼	L Sh & M So deb 4s 1928	1 98¼	1 100¼
2 94¾	5 99¾	receipts	3 74	1 109¼	1 109¼	3 101¼	25 83¾	1 98¼	12 64¼
10 94¾	5 99¾	5 94¾	1 74¾	8 109¾	1 109¾	1 101¼	25 93¾	1 98¼	2 64¼
1 94¾	2 99¾	2 94¾	5 74	1 109¾	1 109¾	8 101	1 95¾	L Sh & M So deb 4s 1931	2 64¼
5 94¾	8 99¾	1 94¾	1 73¾	1 109¾	1 109¾	24 101¼	5 92¾	1 92¾	1 64¼
5 94¾	Brazil 8s 1941	2 95¾	Un Kingdom cv 5½s 1937	1 109¾	1 109¾	Gt North Ry 4½s 1961	Lehigh Valley cl 4s 1948	5 92	1 64¼
10 94¾	50 97¾	Chile 8s 1941	1 107¾	1 107¾	1 107¾	5 89¾	1 90	5 92	5 96¾
1 94¾	1 97¾	5 103¾	1 107¾	1 107¾	1 107¾	Green Bay & West deb B	Leh Val R R cn 4½s 2003	2 92	5 96¾
5 94¾	2 97¾	2 104	1 107¾	1 107¾	1 107¾	1 12½	2 102¼	1 92	2 97
5 94¾	1 97¾	1 103¾	Queensland 4s 1947	1 102¼	1 102¼	Havana Elec 5s 1952	2 102	1 92	8 97
14 95¾	2 97¾	5 103¾	1 100⅝	21 102	21 102	10 91¼	10 91¼	1 91¼	10 97
1 95¾	1 97¾	1 103¾	5 101	41 102	41 102	3 91¼	Lehigh Val of N Y 4½s 1940	1 91¼	1 97
1 95¾	9 103¾	2 94	1 101¼	2 102	19 47	Hav El R & P gen 5s 1952	1 93¾	1 91¼	4 96¾
1 95¾	2 96 103¼	4 94¾	1 101¼	1 102	Erie gen 4s 96	3 83¾	1 93¾	1 91¼	1 96¾
1 95¾	1 103¾	6 94¾	Rio de Janeiro 8s 1947 ctfs	4 102¼	2 47¼	6 83¾	Lehigh Valley 4s 2003	1 91¼	1 96¾
2 95¾	1 103¾	2 94	1 97¼	16 102¼	1 47	Hershey Choc 6s 1942 when issued	9 81	1 91¼	5 96¾
3 95¾	11 103¾	14 94	14 97¼	2 102¼	1 47	1 98¾	Liggett & My Tob 7s 1944	1 91¼	1 96¾
1 95¾	5 103¾	2 94	2 97	2 102¼	6 47¼	2 98¾	10 117¾	1 91¼	1 97
2 97¾	1 103¾	3 94	1 97	2 102¼	9 47¼	1 98¾	10 117¾	1 91¼	1 97
2 97¾	5 103¾	6 94¾	2 97¾	Uruguay 8s 46	1 47¼	1 98¾	Liggett & My Tob 5s 1951	1 91¼	1 97
2 97¾	3 103¾	2 94¾	1 97¾	1 104¾	1 47¼	Hock Valley con 4½s 1999	1 98¾	1 91¼	1 97
2 97¾	5 103¾	5 97¾	1 97¾	5 104¾	1 47¼	5 85¾	1 98¾	1 91¼	1 97
5 97¾	2 103¾	5 97¾	1 97¾	5 104¾	1 47¼	5 85¾	1 98¾	1 91¼	1 97
5 97¾	1 103¾	5 97¾	1 97¾	5 104¾	1 47¼	Holland-Amer 6s 1947 rcts	1 98¾	1 91¼	1 97
5 97¾	1 103¾	5 97¾	1 97¾	5 104¾	1 47¼	3 86¾	1 98¾	1 91¼	1 97
5 97¾	1 103¾	5 97¾	1 97¾	5 104¾	1 47¼	3 86¾	1 98¾	1 91¼	1 97
5 97¾	1 103¾	5 97¾	1 97¾	5 104¾	1 47¼	2 87 86¾	1 98¾	1 91¼	1 97
5 97¾	1 103¾	5 97¾	1 97¾	5 104¾	1 47¼	1 87