THE WINNIPEG TELEGRAM - June 5, 1911

bscription List Will Open on Wednesday, June 21st, and Close on or Before 1 P.M. Saturday, June 24th.

MONTREAL-LONDON SECURITIES CORPORATION, LIMITED

and

JOHNSTON, McCONNELL & ALLISON

Offer for Subscription $300,000 7 per cent. Cumulative Preferred Stock, with 20 per cent. Bonus of Common Stock of

THE SHERWIN-WILLIAMS COMPANY OF CANADA
Limited

(Incorporated under the Laws of the Dominion of Canada.)

- - - - - - - - - -

Of the $3,000,000 of Preferred Stock issued, The Sherwin-Williams Company of American and the Directors of the New Company have taken $1,500,000 for investment, and of the balance, $1,200,000 has been taken firm by Canadian investors, leaving only $300,000 available for the present offering.

- - - - - - - - - -

CAPITALIZATION

	Authorized	To be issued
Preferred Stock, 7 per cent. cumulative........	$4,000,000	$3,000,000
Common Stock....................................	$4,000,000	$4,000,000

BOND ISSUE

30 years 6 per cent, consolidated first morgage sinking gund gold bonds,
4,000,000 $2,450,000

- - - - - - - - - -

BOARD OF DIRECTORS

WALTER H. COTTINGHAM, President; President The Sherwin-Williams Company of America, President Detroit White Lead Works, Ltd., Detroit, Director Cleveland Trusts Co.
C. C. BALLANTINE, Vice-President and Managing Director; Member Harbor Harbor Commission, Montreal.
WM. McMASTER, Director Canadian Bank of Commerce.
W. J. WHITE, K.C., Director Mexican Northern Power Co., Limited
J. W. McConnell, Vice-President Montreal Street Railway, Limited.
JAMES W. GARSON, Managing Director Lewis Berger & Sons, Limited, London, Eng.

Transfer Agents, Royal Trust Company,
Registrars, Investment Trust Company, Limited
Bankers, Bank of Montreal
Solicitors, White & Buchanan

- - - - - - - - - -

HEAD OFFICE AND FACTORIES, MONTREAL
BRITISH OFFICE AND FACTORIES, LONDON, ENGLAND.
Branch Offices, Factories and Warehouses:
Toronto, Winnipeg, Vancouver, Oxide Mines, St. Malo, Que.
Foreign Branches:
Sydney, Australia; Wellington, New Zealand; Paris, France; Bombay, India.

- - - - - - - - - -

The Montreal-London Securities Corporation and Johnston, McConnell and Allison will receive subscriptions for $500,000 or 5,000 shares of the par value of $100 each, of the 7 per cent. Cumulative, Preferred Stock, at$95 per share, carrying with it a bonus of Common Stock equal to 20 per cent. of the par value of the Preferred allotted. Payments are to be made in the following instalments; 20 per cent. on application, 25 per cent. on allotment, 25 per cent. on July 1st, 1911, 25 per cent. on July 15th, 1911. Total, 95 per cent.

The right is reserved to allot only such subscriptions, and for such amounts, as may be approved, and to close the subscription books without notice.

Dividends on the Cumulative Preferred Stock accrue from June 15th, 1911. Dividends will be payable quarterly.

Application will be made immediately for the listing of the securities of the company on the Montreal and Toronto Stock Exchange

---

PROPERTIES

The following information has been supplied by Messrs. Walter H. Cottingham and C. C. Ballantyne:

The Sherwin-Williams Co. of Canada, Limited, has been formed to take over the Canadian business of the Sherwin-Williams Co. of America; the Lewis Berger & Sons, Limited, of London, England, which, since 1905, has been associated with the Sherwin-Williams Co. of American, and was founded over 150 years ago; and has acquired control of the Canada Paint Co. of Montreal.

The Sherwin-Williams Co. are the largest manufacturers of paints and varnishes in Canada. Their plant covers about four acres in the City of Montreal and is the most modern and complete of its kind in the world, having been build in 1905. It comprises paint works, varnish works, linseed oil mill, tin can factory and box works, all connected and operated by one central power plant, insuring economy and efficienty in operating. The company has its offices and modern warehouses in Winnipeg, and operates branch houses in Toronto and Vancouver. The business was established 24 years ago by Mr. Walter H. Cottingham, now President of the Sherwin- Williams Co. of America.

The Canada Paint Company, Limited, organized 18 years ago, is a consolidation of three of the largest paint manufacturing concerns in Canada, outside of the Sherwin-Williams Company. Its total output today is practically as large as that of the above company. The Canada Paint Company, Limited, operates it own paint and color works at Montreal; varnish works at Toronto, and a paint factory and linseed oil mill at Winnipeg. It also owns and operates its own Oxide and Graphite mines, the products of which are extensively used in the manufacture of paintl

The brands of these two companies are among the best and most favorably known in Canada.

Lewis Berger & Sons, Limited, is one of the oldes and best known paint, varnish and color manufacturers in Great Britain. Founded over 150 years ago, it has grown from small beginnings till today it stands one of the leading concerns of its kind in the British Empire. The plant is situated upon four acres of land in the City of London. Besides the large business arried on in London and Throughout Great Britain, this company's export business has grown to large proportions and maintain its own offices and warehouses at Sydney, Australia; Wellington, New Zealand; Bombay, India, and Paris, France.

MANAGEMENT

The present management will be continued, and the Canadian company, under an agreement with the American company, will have the benefit of the large research and development work constantly being done by the latter, Mr. Walter H. Cottingham, founder of the Canadian business of the Sherwin-Williams Co., Chairman of Lewis Berger & Sons, Limited, and President of the Sherwin-Williams Co. of America, will be President of the New Company. Mr. C. C. Ballantyne, who has been General Manager for Canada of the Sherwin-Williams Co., and who has been associated with Mr. Cottingham for nearly twenty years, will be Vice-President and Managing Director of The Company.

The present management of the Canada Paint Co. and Lewis Berger & Sons, Limited, will be continued.

Mr. James W. Garson, Managing Director of Lewis Berger & Sons, Limited, who will be one of the directors of the new company, has been connected with the Berger organization for twenty years.

OBJECTS OF CONSOLIDATION

It is confidently expected that large economies will be effected by utilising the manufacturing facilities of each company for the benefit of the common interest. Some of the products, it has been found, can be more economically manufactured in one plant than in others, by reason of conditions being more favorable. It has also been found that by handling the entire output of some articles in one plant instead of three, a considerable saving can be accomplished, by reason of the larger output being handled in one plant. The new company will be operated in a manner to take advantage of the opportunity for savings and increased efficiency of this kind.

The Sherwin-Williams Co. of America are manufaturers in a large way of zinc oxide and white lead, their plants being among the most efficient for this purpose. The new company will have the advantage of their plans and experience.

It will be the object of the new company to produce and control practically all of its important raw materials, including Dry White lead, thus guaranteeing lowest cost with highest quality.

MARKET

Paints, varnishes and colors are among the most staple articles being used in some form or other by railroads, steamships and manufacturers, builders, property owners and householders, and are used in some form in every house, and in all buildings, public or private.

ASSETS AND EARNINGS

The books and account os the Sherwin-Williams Co. (Canadian Branch) and the Canada Paint Co., Ltd. have been examined by Messrs. Price, Waterhouse & Co., Chartered Accountants, and the Real Estate, Buildings and Equipment have been apprised by the Canadian American Appraisal Company, Ltd. The books and accounts of Lewis Berger & Sons, Ltd. have been audited in London by Messrs. Craig, Gardener & Harris, Chartered Accountants, and the Real Estate, Leaseholds and Plant have been valued by Messrs Fuller, Hosey Sons & Cassell, London.

On the bais of the reports and valuations mentioned the net assets amount to..............................		$3,635,012.61
to which must be added the profits to date of the combined companies as estimated by Mr. C. C. Ballantyne, Managing Director, amounting to............		370,000.00
or a total.............		$4,005,012.61
In the above no allowance has been made for formulae, trade mark, patents, rights, good will of the companies, which are valued at...		$3,000,000.00
The combined earnings for the year 1910, as certified by the same accountants, after allowing for depreciatsion, amounted to.....		547,807.73
Interest on bonds issued........	$147,000	
Dividend on 7 per cent. Preferred Stock............	210,000	
Total Charges..................		357,000.00
Surplus, equal to 4.50 per cent. of the total Common stock.........		$ 180,807.73

Mr. C. C. Ballantyne, Managing Director, estimates that the combined profits for 1911 will be $550,000 and for 1912, $600,000 or over.

Although the subscription list will close on or before Saturday, June 24th, arrangements have been made to allow four days for subscription from Western Canada and Maritime Provinces. As far as possible all applications for 25 shares and under will be allotted in full.

Applicates may be made on the form accompanying the prospectus and forwarded to:

MONTREAL-LONDON SECURITIES CORPORATION, LIMITED
Royal Insurance Building, Montreal or to

JOHNSTON, McCONNELL & ALLISON
Bank of Ottawa Building, Montreal