

March 27th.

way Company.

CAPITAL STOCK.

7 per cent. cum. Auth.	Outstdg.
\$100,000,000	\$5,450,000
Ordinary.	
\$100,000,000	7,700,000

Transfer office and registrar of stock, G. D. Fearman, Hamilton.

Dividends have been paid on the stocks of the company (on the preferred stocks of company and predecessor since 1899) in calendar years as follows:

Preferred stock—1907, 6 per cent.; 1908, 3 per cent.; 1909 and 1910, none; 1911 and 1912, 7 per cent. and 3 per cent. on account of accumulations each year; 1913, 7 per cent. and 6½ per cent. full payment of arrears; 1914-1929, 7 per cent. each year.

Limited preference stock—1907, ½ per cent.; 1908, 1 per cent.; 1909 to 1912, none; 1913, 2 per cent.; 1914, 4 per cent.; 1915, 2½ per cent. The last payment, ½ of 1 per cent. on the limited preference stock, was made on Dec. 15, 1915; this completed the 10 per cent. it was entitled to, and it accordingly became ordinary stock.

Ordinary stock—1916 to 1919, 4 per cent. each; 1920, 3 per cent., of which last payment was 1 per cent. Sept. 15; none thereafter until March 15, 1924 when 1 per cent. was paid; June and Sept. 15, 1924, 1 per cent. each; none reported thereafter to Oct. 1, 1929.

FINANCIAL STATEMENTS.

Earnings, years ended Dec. 31:

	Gross Revenue	Avail for Interest	Times earned
1928	\$3,546,026	\$ 853,609	1.91
1927	3,479,622	772,081	1.94
1926	3,218,911	742,054	1.77
1925	3,120,509	575,812	1.36
1924	3,132,438	460,592	1.03
1923	4,019,766	711,288	1.58
1922	3,830,559	*727,888	1.64
1921	3,758,947	*835,189	1.87
1920	3,803,723	*864,052	1.98
1919	3,477,386	1,112,010	2.45

	Net income	†Earn. per sh. pfd.	Ord.
1928	\$407,860	\$ 7.48	\$0.34
1927	375,250	6.88	0.03
1926	322,062	6.18	0.11
1925	146,606	3.46	nil
1924	13,319	0.32	nil
1923	260,413	7.07	0.02
1922	544,855	14.80	3.71
1921	391,734	10.64	1.74
1920	441,569	12.00	2.40
1919	670,445	18.21	5.35

* Before depreciation in 1920 and 1921 and in 1922 after \$256,884 reserve for depreciation.

† Based on stock outstanding at end of year.

Shares to Public.

On Nov. 25 last the company offered, through its employees, to its customers 10,000 shares of its 7 per cent. cumulative preference shares at \$105. It is said that within six days applications had been received from more than 2,450 customers. It is claimed that there are 5,000 shareholders in Hamilton.

On Jan. 1 last St. Catharines electorate endorsed a by-law renewing the franchise of the Lincoln Light and Power Company subsidiary for ten years.

Net Earnings.

The net earnings of the company for the year ending Dec. 31 last are placed at \$1,400,926. In December last its electrical output was 20,390,700 kilowatt hours, and in January 21,873,200.

The officers of the company are: William E. Phin, President; G. E. Waller, W. G. Angus; George D. Fearman, Secretary; James Dixon, Treasurer. Directors include Colonel J. R. Moodie, James Dixon, W. E. Phin, J. Dickenson, J. B. Woodyatt, James Moodie, A. J. Nesbitt, S. C. Mewburn, C. W. G. Gibson, G. E. Waller, P. A. Thompson, W. G. Angus. The annual meeting is in April.

Sir John Gibson and Cyrus A. Birge, recently deceased, were former directors.

Radial History.

The company some years ago abandoned the radial line to Burlington and Oakville, and subsequently the line from Hamilton to Burlington, replacing the service on the latter section by a bus line. Of late months the Brantford-Hamilton line service has been supplemented by bus services.

The Hamilton-Dundas radial was replaced by busses some years ago.

The company owns a handsome radial terminal station in downtown Hamilton, virtually in the centre of the city.

Monthly net earnings of the company last year were as follows: March, \$130,630; May, \$112,537; June, \$111,211; July, \$119,637; August, 111,867; September, \$110,528; October, \$105,383.

Surprise to Hamilton.

Hamilton, March 26.—Announcement by Premier Ferguson in the Legislature this afternoon that the Ontario Hydro Commission has purchased the Dominion Power and Transmission Company for \$21,000,000 came as a surprise to citizens here, and also to officials and directors of the company.

Reports that such negotiations were under way have persisted here during the past year or so, but always were vigorously denied by W. E. Phin, President. The result was that citizens took Mr. Phin's word for it, and came to believe there was only a remote possibility of such a transaction being consummated.

Mr. Phin has been out of the city for several weeks and he could not be reached tonight. Other officials, including George E. Waller, Vice-President; W. G. Angus, Vice-President; and George D. Fearman, Secretary, doubted the report, and professed themselves completely surprised when told that no less a person than Premier Ferguson was authority for the statement. These officials declared positively that no consummation of the large deal had been made by the Board of Directors, no had it been considered by the board. They did admit, however, that they knew negotiations were under way and had been for some time. But that the actual purchase had been made was something they were unable to credit as they pointed out that the sale of the company would have to be ratified by a two-thirds vote of the shareholders.

Director Is Astonished.

Even James Dixon, veteran director who is close to the company's affairs refused to credit the report when he first learned of it over the telephone to night. He said it was not so.

"But Premier Ferguson announced it," he was told.

"I am surprised to hear that," Mr Dixon replied. "But this is the first I have learned of it."

When asked if preferred shareholders were likely to receive much over par provided the sale price of \$21,000,000 was correct, Mr. Dixon said he could not say anything tonight, as he really knew nothing about it.

Mr. Waller, on the other hand, admitted that it was possible a third party, acting for the stockholders, had carried on the negotiations with the Ontario Hydro Commission.

At no time, though, he asserted, had any purchase price been suggested to the Board of Directors.

Mr. Waller, Mr. Angus and Mr. Fearman all inclined to the belief that what Premier Ferguson really intended in his announcement today was that his Government had enacted legislation permitting the Ontario Hydro Commission to expend \$21,000,000 for the purchase of the D. P. & T. Company. They ventured the opinion that several months would elapse before the deal could be consummated, granting that their surmise was correct.

Mr. Magrath's Announcement.

In the light of the Prime Minister's announcement today it was recalled that not long ago Charles A. Magrath, Chairman of the Ontario Hydro Commission, stated publicly that the Commission would purchase the D. P. & T. Company at a reasonable price. Alfred Maguire of Toronto, another member of the Commission, the next day, when asked to enlarge on Mr. Magrath's utterance, pleaded he knew nothing of it or anything of negotiations being under way.

Then, a little later, Premier Ferguson also stated that it was the intention of the Government to secure all possible power rights within the Province as public-owned utilities.

Another fact which indicated negotiations were under way was the consist-

ent way in which the stock of the D. P. & T. Company remained at a high level all during the recent stock slump, and since then. Shares advanced in value on several occasions.

As regards the shareholders, it is learned here tonight that common shareholders were expecting \$80 or better for their stock. The last issue of preferred shares was \$105, and it is believed this, or more, would be paid out of the purchase price. The company's stock was quoted today at \$65 a share, so brokers said.

History of Company.

The Dominion Power and Transmission Company is attached to Hamilton by strong ties of sentiment. Hamilton owes much to it and to the "five Johns" who brought it into being about 35 years ago, when Hamilton was then a city of but little more than 48,000 population.

The "five Johns" were: John Patterson, the man who dreamed, but was no visionary; Sir John Gibson, John Moodie, John Sutherland, who have all passed on, and John Dickenson.

It was John Patterson who conceived the project of developing electric power at Decew Falls and transmitting it to Hamilton. The other four Johns were hard-headed and canny business men. They were impressed with the dreams of Patterson, but so much doubt was thrown upon the scheme that they decided to get more information on the question. Up to that time electric power had never been transmitted over any great distance; certainly not so far as Patterson said he could bring it—from Decew Falls to Hamilton. So they consulted Lord Kelvin, then the

foremost living scientist. They told him what John Patterson promised to do. Lord Kelvin studied the project and finally gave it as his reasoned conclusion that the Patterson project was, while not perhaps altogether visionary, at least impracticable, as the power would be so spent by the time it reached Hamilton as to be useless for motive energy.

Proves Kelvin Wrong.

Lord Kelvin's judgment was a blow, naturally, to John Patterson, but he was one of those rare men whose self-confidence cannot be shaken. He was not a scientist, but he had a lot of practical knowledge and common sense; and he pitted this against Lord Kelvin's erudite finding, and declared to the four other Johns that electric power could still be brought from Decew Falls to Hamilton—and at a profit. They believed him. What is more, they backed him with their money. Nor did they ever have cause to regret their action, for they and the company prospered as the years went on. Patterson was right and Kelvin was wrong.

The project was launched as the Hamilton Cataract Light and Power Company. It made a play for domestic consumers and rapidly replaced the gas illumination of the gay nineties by offering an attractive flat monthly rate and a guaranteed burning period for incandescent lights. It also held out strong inducements to industrialists to scrap their steam plants and install electric power, which was about the cheapest on the continent at that time.

New Era for City.

A new era dawned for Hamilton, and it was destined to become a thriving industrial centre. The first large industry which "Patterson Power" attracted to Hamilton was the Deering Company, now the International Harvester Company. Next came the Canadian Westinghouse. Then the Steel Company began to enlarge, as did the Hamilton Bridge Works. Other large industries followed in rapid succession and Hamilton was booming.

The company soon expanded and became the Dominion Power and Transmission Company. It acquired the Hamilton Street Railway system and established a number of radial lines—from Hamilton to Dundas, now discontinued; from Hamilton to Burlington and Oakville, also discontinued; Hamilton to Brantford, service now curtailed; and from Hamilton to Grimsby