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THE VAST RESOURCES OF THE SOUTH.

Unimpeachable Facts about the Opportunity for Investment in Southern Mining, Timber and Farming Properties. Their Development Has Hardly Begun.

Absolutely unimpeachable facts about the opportunity for the paying investment of capital in Southern development enterprises may appear overdrawn to those who are personally acquainted with the bountiful endowment of wealth that blesses this region in both climatic and material ways. Probably the climate should be given credit for being the greatest boon possessed by "Dixie" inasmuch as it permits outdoor work to progress continuously throughout the year while other regions are icebound and idle or handicapped by too severe weather for constant work.

Coal, iron, copper, gold and other minerals are sprinkled over the South in a profusion of lavishness second to few, if any, other areas of similar extent. The development of these resources is hardly begun. True, that before the discovery of gold in California, the States of Georgia, North Carolina and South Carolina, produced more gold than all the rest of the States combined and with only the crudest methods of mining employed. One South Carolina owner of a mine employed slave labor and secured one and one-half millions of gold from an area the size of four city blocks. His fortune was devastated by the war of secession and today his mine property lies dormant awaiting capital and scientific methods to develop and recover its remaining wealth. Nuggets of gold have been picked up on this property worth \$2.50 to \$10 each. The records of the United States Assay Office at Charlotte, N. C., and Dahlonega, Ga., show that over one million dollars was received at those offices from the property mentioned.

As a rule the public speak of gold mining in more glowing terms than of the mining of other substances. Copper, coal and iron are as preferable, and sometimes more sound as an investment property. This is due to the fact that the latter minerals are found in such immensely greater quantities and located with so much more absolute certainty. Proof of this is had in the United States Steel Corporation and in the great copper companies that are now at work in the Western States. The South has gold. It has iron, it has coal, and it has copper. The Tennessee Copper Company, located at Ducktown, Tenn., pays dividends of a million a year. The Tennessee Coal and Iron Company was but a short time ago sold to the United States Steel Company at a figure that is an ample index to what the best judges in such values think of Southern iron ore.

Pig iron sells today at \$13 per ton. When selling at \$7 per ton several years ago the South even then manufactured it

at a profit. Plants at other places closed down, but the advantages of cheaper labor and living make it possible for the South to compete with any other producer and be certain of a profit while others are compelled to be idle. Birmingham, Ala., and surrounding towns are creating wealth today from coal and iron which in a few years will be equal to that produced in and around Pittsburg through similar undertakings.

Many of the opportunities open for capital to double and treble and multiply time and time again, and, when traveling over the field one cannot but regret that these great advantages are not known and appreciated by more of those who are financially able to develop them. Looking over reports of analyses made by the State geologist of several States and by the Geological Survey of the United States government, millions of tons of iron ore are reported which carry 50 per cent and more metallic iron the equal of any found elsewhere.

There are iron properties in this field where both rail and water facilities are immediately at hand, thus guaranteeing better rates to market than are had by localities with an all rail rate.

Low prices cause the abandonment of properties that were actually making a profit. People who mine want big profits. When prices are "cut to the bone" by industrial depression the spirits of many miners dampen and other callings with better offers of profit are sought. Interest in those other undertakings become oftentimes too great to permit some former iron producer to return to the industry, and as a consequence iron furnaces are brought to the bargain counter.

Progress of Southern Timber.

The Southern timber field is making marked progress, and it is safe to presume that within a period of a few years it will lead all other communities, both in point of manufacture and general output.

A bulletin recently issued by the United States Department of Forestry indicates clearly that the great lumber industry of the Northwestern States is on the decline. Figures presented therein show that the Southern field is increasing its production at about the same ratio that the Northwest is decreasing its output.

The following States are among the leading producers of lumber, and with each is shown the tendency of production. According to latest reports, Washington decreased 12 per cent; Wisconsin, 14 per cent; Minnesota, 7½ per cent; Michigan, 12 per cent. On the other hand, North Carolina gained in production, 32 per cent; West Virginia, 43 per cent; Alabama, 21 per cent; Kentucky, 38 per cent, and

Georgia, about 36 per cent gain. The report states, however, that the information from Georgia was meagre and that much more was cut than was reported. Louisiana, next to Washington, is the largest timber cutting State in the Union and while Washington lost a little over 6 per cent, Louisiana gained that much. In Oklahoma the greatest increase (180 per cent) is shown.

Louisiana produces more than two thirds of the cypress lumber in the United States. Florida is second with 8.8 per cent, while Mississippi and Arkansas show 5 per cent each; Georgia, South Carolina, Montana and North Carolina about 3 per cent each. With the mill men in Louisiana the question of a future supply is becoming paramount.

In Georgia, Florida and the Carolinas pine lumber is the principal wood product. The "yellow pine" of these States is famous in all the lumber trade marts. The supply is becoming rapidly exhausted and large tracts are now rare and becoming more valuable as the diminishing supply is realized. Forests of virgin pine have been completely devastated by the turpentine industry which is now nearing its end because of the lack of further forests to support it. Some mill men are endeavoring to conserve by the aid of the Department of Forestry of the United States government! One particular instance is had in the case of a company owning an immense tract of pine forest in Berkeley county, South Carolina. The annual output of their mills is gauged to the actual growth of timber for each year and in this way their timber supply is always maintained at the same balance. Scientific forestry, as practiced here, cannot be had in the case of the small producers. Their entire holdings must be cut over in a few years at longest and that supply being exhausted another field is entered and likewise eliminated from the count of the world's available supply. This will eventually bring the would-be scientific lumberman to the point where the demand for lumber is greater than desire for the preservation of a future supply and he will "kill the goose that lays the golden egg" by following the footsteps of the small producer.

Investors can look with certainty to pleasing returns from holdings of timber tracts. Prices are now at an attractive figure on many investments of this nature in the Southern field and the price which they may probably reach within the next decade is a matter of entirely too much conjecture to enter this article.

On November 20, 1908, one of the largest lumbermen of Minneapolis, Minn., testifying before the Ways and Means Com-

mittee at Washington stated, "We have already crossed the verge of a timber famine so severe that its blight will be felt in every hamlet in the land. In five years every saw mill in Minneapolis will be abandoned; yet this industry in its prime employed 5,000 to 10,000 men in that city alone."

When the great Appalachian Park is established, it will withdraw an immensely valuable territory of hardwood timber from the markets. Some of the transcontinental railways, looking to a future supply of crossties, have made purchases of large tracts of timber land in some of the Pacific Islands. The wisdom of such a policy is immediately apparent to those who examine what may reasonably be looked upon as the supply of our own forests ten years from today.

Phosphate Mining.

Few enterprises carry the certainty of success that accompanies pebble phosphate mining in Florida. From data secured from records of various mining companies now engaged in the industry, and compiled by the State Geologist an accurate information of the investment may be had.

A good plant to mine from 50 to 100 tons per day can be erected for \$50,000. One to handle from 100 to 200 tons can be placed for \$75,000 to \$100,000. In mining pebble phosphate all the work is practically by machinery. Little human labor is employed, i. e., common labor; expert men are required to handle the machinery. A properly equipped plant to handle 100 tons per day should place the material f. o. b. cars at plant for \$1 per ton or less depending on local conditions and particularly on efficiency of management. The average cost per ton is less than \$1 per ton f. o. b. at plant. The cost of freight is 1 cent per ton per mile to seaboard. The extreme mileage from the pebble phosphate district to seaboard is about ninety miles. Allowing for all possible contingencies \$2.00 per ton would cover the cost delivered at nearest port. The price now at the ports is \$5.75 to \$6 per ton showing a net profit of \$3.75 to \$4 per ton. The above estimate of cost includes all salaries, fuel, wear and tear and 6 per cent interest on the investment. A plant to cost not over \$100,000 should handle from 75 to 100 tons daily and show a net profit of over \$200 per day.

Deposits of phosphate, where developed, show uniformity and 10,000 tons per acre is a conservative estimate though 20,000 to 30,000 tons is not unusual. The pebble district extends over several of the extreme Southern counties of the State and the stratum varies in depth or thickness from 3 to 30 feet with from nothing to 20 feet overburden.—Thos. A. Miller in The Financier.