

## Aurora Borealis Offers Best Alibi for the Bulls

By S. S. FONTAINE.

New York, Jan. 6.—Aurora borealis was the best alibi of the bulls today when the stock market turned up its toes for a midwinter nap, and the wire systems, that spread like spider webs throughout the country to catch the unway fly, suddenly ceased to function.

"Have many out of town orders come in?" said the senior at the end of the first hour to the wire manager.

"Nothing doing."

"Why?"

"I can't get anything west of Hoboken."

"What's the cause?"

"Search me," said the manager. But the cause was much farther north than his own personality.

And this was the explanation of the American Telephone & Telegraph Co.

"Interference with the system's telegraph and telephone lines out of New York, presumably by the aurora borealis, began at 11:19 a. m. and afterwards at intervals of from two to ten minutes up to noon. Interference amounted to 120 volts of foreign potential noted.

"These mysterious interferences usually last from a few minutes to a few hours at intervals."

"When you want a good business executive there are two ways to get him," said the purveyor of gossip. "One is to offer him a large salary and take him away from the company with which he is identified. The other is to buy the company, lock, stock and barrel, and take the man along with it. Edward S. Jordan, who said a little over a year ago that an automobile company not making a straight eight would within six months find its car as obsolete as a prairie schooner, is one of the greatest recognized automobile salesmen in the world. He has been offered big jobs with big corporations time and again, but has turned a deaf ear to all temptations and has stuck by his own institution, the Jordan Motor Car Co., Inc., of Cleveland, Ohio.

"But Santa Claus never lets some people alone. If you have been watching Jordan Motor stock the last few days, the thought must have occurred that there is something unusual afoot because the sleigh bells have been ringing and Jordan Motor stock has been going up, while most of the other motors looked like they wanted to take a nose dive. Wall street has only one explanation, the same old one; somebody wants the sales ability of Edward S. Jordan. This time, instead of whispering the temptation of large salary in his ear, they are going to kidnap him by buying up control of his company, so it is said, and notifying him that from a certain date forward he is automatically transferred.

"It is a piece of good business. It may be Hudson, General Motors, Studebaker or John N. Willys in the market buying Jordan stock in order to get Edward S. Jordan. The total capitalization of the Jordan Co. consists of about 126,000 shares of common and about \$1,000,000 in preferred, all selling in the open market at about \$8,000,000. On the very basest estimate Edward S. Jordan, as sales manager, would be a cheap acquisition at, say, \$4,500,000, which would be the cost of control of Jordan Motor Co.

"If they tried to hire him outright, he might demand a salary of \$500,000 or more. Capitalized at 5 per cent, \$500,000 is the equivalent of \$10,000,000. But by spending only \$4,500,000, somebody can get the sales ability of Edward S. Jordan, probably at a salary of \$100,000 a year, with control of his company thrown in. That looks like the bargain which the eager buyers of Jordan stock appear just to have discovered. None of the companies named above as probable buyers of Jordan stock for control have a straight eight car. So, by the acquisition nothing would be lost. There would be no duplication of product and no necessity for tearing down a sales organization.

"Some theories are advanced that there is a big short interest in Jordan and that the purpose of the present rise is to make the professional element step up and see the captain. But Jordan earned enough last year, so the income specialists tell us, to make a short sale of its stock a rash and foolhardy undertaking. Furthermore, there is no indication that Jordan stock is in scant supply, so the rumors of a corner haven't the proper logical

background. It appears that Edward S. Jordan is about to be bought, body and soul, for better or for worse, and the stories of a corner against the shorts are only a red herring dragged across the trail.

"Incidentally, the Jordan Co. has Edward S. Jordan's life insured for \$1,000,000."

Putting the bus into its own business, instead of letting it take business away from it, is the new policy of every well managed railroad, and it means big business for the roads as well as for the bus builders. And it is good for isolated communities as well, for it's going to keep them on the transportation map; whereas the suspension of unprofitable branch roads would have left their lines of communication in the hands of private truckmen, responsible to no system of public utility regulation and control. And, as for putting the bus into business, contemplate what the Mack is doing.

Deliveries of Mack buses in 1925 increased 159 per cent as compared with deliveries in 1924, and during the last six months of the year exactly 100 more buses were delivered than during the entire year of 1924, according to a statement made by Roy A. Hauer, manager of the bus department, International Motor Co.

In spite of the fact that deliveries were almost three times as great in 1925 as they were in 1924, production kept pace with the country-wide demand for Mack city type and parlor car buses, although at times the three main factories of the company at Allentown, Pa., Plainfield and New Brunswick, N. J., have been taxed severely. Mack buses, according to a recent survey, are operating in every State in the Union except one.

Contemplated expansion in our production unit, said Mr. Hauer, will be sufficient to take care of increased business, and there is every indication favorable to a continuation of activity in the bus industry equal to, if not greater than, business in the past year.

Of the three models of buses manufactured by the company the greatest demand was for the city type. Of deliveries in 1925, 32 per cent were 29-passenger city type, 15 per cent 25-passenger city type, making a total of 47 per cent, as compared with 22 per cent for parlor car buses and 8 per cent for sedans. The balance was special units.

The peak month for the last few years has been July, and the winter months the slowest, but December, 1925, came within 58 buses, equaling the record month of July, 1925, the biggest month in the history of the Mack Co. as far as buses are concerned. Sales of buses during the first half of January, 1926, were 34 less than total sales for December.

There has been a big increase during the past year of electric traction lines which have included bus operation in their service to the public. Official estimates about the first of the year put the number of

traction companies operating buses at 270. Of this 27 per cent are operating Macks. Included in total Mack deliveries in 1925, 308 buses were delivered to traction companies. This compares favorably with 115 deliveries in 1924.

Steam roads adopted bus operation along broader lines during the past year, but not so extensively as electric lines during 1925. It is expected that railroad operation of buses will continue to expand and before the end of the year it is believed that the present number will be increased.

Official surveys of existing transportation companies show that 51 railroads are using trucks and 15 are in the market; 20 railroads operate buses and 18 are in the market, and 190 roads operate gasoline rail cars. Since these surveys were made there has been a number of additions and there is every reason to believe that these figures will be almost doubled before the end of the present year.

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