

The Cultivation of Rubber.

(Adv.)

We desire to make a statement with reference to the following advertisement, which is published in the INTELLIGENCER, of the Obispo Rubber Plantation Company:

The demand for crude rubber has been increasing so rapidly during the past decade that it came to be a question with the manufacturers where the crude rubber was to come from to meet the demand. Before that time there was no other rubber to be had than that which grew wild, in Africa, South America and other places; and the necessity for more rubber than these natural forests would supply suggested the thought of cultivated rubber, and immediately plantations began to be established, but to produce rubber in this way means patient waiting of seven to nine years until the new trees come to a tapping age, for rubber runs from the bark of the trees. Speculators and manipulators were quick to see their opportunity, and so began to fight the idea of cultivating rubber, and to urge that the real remedy was in the introduction of modern and intelligent methods of tapping the wild trees.

The story of the Obispo Plantation is briefly as follows: The work was undertaken by a group of practical planters, who, foreseeing present conditions, had already undertaken the cultivation of rubber on their own private properties. They assumed that many people of moderate means would like to invest in an enterprise of this character provided some return could be obtained while the rubber trees were being developed. As only a certain amount of work could be done each year, requiring a certain proportion of capital, and there were many sources from which earnings could be made sufficient to pay a moderate return during the development period, a plan was drawn whereby the cost of cultivation was distributed over a period of five years. For convenience in accounting, one acre cultivated to rubber was taken as a basis, one share of stock to be issued against each acre to be cultivated—thereby guarding against any watering of the stock, as every share must be represented by at least one acre of grown rubber trees.

To place the responsibility upon the management, a development company was organized which undertook to develop the property—one acre to rubber and one-eighth of an acre to other crops for every share sold, and a turn over to the Obispo Rubber Plantation Company at the end of nine years a fully equipped property, including all implements, machinery, houses, stocks, roads, etc., etc., required by a property of this kind.

The first four years of the time is now completed, with the surprisingly brilliant record of 33 per cent earnings in less than four years.

The contractors are a responsible body of men, individually liable. They are bound by an individual contract with each subscriber.

The price agreed upon to cover the first cost of the land, cost of organization, of placing the stock, and the earnings of the contracting company covering the period of nine years while they are on the property including all expenses of equipment, management, etc., etc., was \$300 an acre. It was further agreed that ten per cent of this sum (the contractors' estimated profits) should be deposited with the North American Trust Co. as an additional guarantee of the faithful completion of their contract.

Four per cent was guaranteed shareholders during the development period; all earnings over and above that amount to be paid to subscribers. These earnings, if applied against the original cost of the share, reduces the \$300 figure to a considerable smaller amount, as a TOTAL OF THIRTY-THREE PER CENT has already been returned to subscribers in less than four years, instead of but the FOUR PER CENT guaranteed.

The terms of payment, which are distributed over five years, and cannot be paid more than one year in advance, are

one of the safeguards. The terms are at the rate of

FIVE DOLLARS PER MONTH ON EACH SHARE, which can be paid at the rate of \$5 monthly, \$15 quarterly, \$30 half-yearly, or \$60 yearly. The safety lies in the fact that the money is provided in regular amounts just as it is needed on the property, preventing the accumulation of an idle surplus that would participate in the earnings. Further, the largest amounts of money will be reaching the property later on, at a period when the greatest amount of work is under way, and when the expenses will be the heaviest.

The earnings are distributed on the same basis as if deposits were being made in a Savings Bank. \$60 paid on a share at the beginning of the year draws earnings for the full twelve months. If paid at the rate of \$5 per month, the first \$5 draws for 12 months, the second for eleven months, etc.

The Obispo Plantation is undoubtedly a great success. Rubber is selling at very high prices, with every prospect of going much higher, and no one knows where any additional supply is to be obtained except by cultivation.

We cannot see other than a great future for the industry, particularly as cultivated rubber has already sold for \$1.50 per pound, while Obispo profits, which figure a return of over \$500 an acre, are based on a selling price of 50 cents per pound and a producing cost of only 5 cents per pound.

FOUR SUCCESSFUL YEARS

Obispo Rubber Plantation Company.

7% 1901—10% 1902—8% 1903—8% 1904

Thirty-Three Per Cent

will have been earned and returned to stockholders in less than four years when the next distribution of earnings, amounting to at least 8%, is made on January 2, 1905. These earnings are derived entirely from the cultivation of other products resorted to as a source of income while the main feature, RUBBER, is being brought to a producing age. When this is accomplished the earnings will vastly increase and larger profits will be returned.

Limited Number of Shares Unsold

We are limited to fifteen hundred shares at the present price. Should there be any unsubscribed for after January 31, 1905, the intention is to advance the price to \$325.00 or \$350.00 per share on those remaining unsold. Subscriptions will be filled in the order in which they are received.

Mitchell, Schiller & Barnes,

52 Broadway, New York, N. Y.

Date 1905

MITCHELL, SCHILLER & BARNES,
Bayard Building,
St. John, N. B.

Gentlemen—Please send me full particulars of the Obispo Rubber Plantation investment, including Inspector's and Shareholder's Reports.

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INTELLIGENCER.