

CHANGE IN WHISKY TRUST

SECURITIES CORPORATION IS FORMED TO TAKE IT OVER.

Levy Mayer Returns from New York After Organizing the New Corporation and Arranging All Details of the Deal—Capitalization Is Scaled Down and All the Stock Made Common—Charter Taken Out Under the Jersey Law.

Efforts to place the "whisky trust" on a better working basis have resulted in the organization of the Distillers' Securities company, which plans to take over the stock of the Distilling Company of America, by which the trust has been known since its organization in 1890. The new organization has been chartered under the New Jersey laws, and its completion was announced by Levy Mayer on his return last evening from New York, where, as general counsel of the new concern, he had been attending to the details of the organization.

The new company is capitalized at \$32,500,000, about one-half of which will be issued now. One class of stock only will be issued. A bond issue of \$16,000,000 is contemplated at once and is now being underwritten.

"Permanent officers will be elected for the new company within a couple of days," said Mr. Mayer, "and offices already have been opened in New York. There was no difficulty experienced in effecting the reorganization. The single classification of the stock might be called a new wrinkle in financing, as there are few instances of the kind."

Owns Stock of Five Companies.

The Distilling Company of America, since its organization, three years ago, has acquired about 95 per cent of the stock of the five distilling and distributing companies which control practically the entire manufacture and sale of alcohol and whisky in America. This stock is of two kinds, and the object of the Distillers' Securities company is to take over these stocks.

"The new organization was formed in an effort to simplify the financing of the old organization," said a man connected with the new concern. "The charter was secured under the New Jersey laws a few days ago. We hope we have solved the problem involved in the creation of such an organization."

Details of the Plan.

According to information given out by those concerned in the new company the outstanding stock of the Distilling Company of America amounts to \$83,130,000. This will be taken over by the new concern on the following basis:

For each share of preferred stock in the Distilling Company of America seven-tenths of a share of the stock of the Distillers' Securities company will be given. Each holder of preferred stock will be given 21 per cent of the stock in the bonds of the new concern for three years' accumulated dividends.

For each share of common stock in the old company 15-100 of a share in the new company will be given.

The result of this reorganization will be the reduction of the outstanding stock and bonds of the trust from \$83,130,000, as under the old concern, to \$48,500,000, the total of the stock and bonds of the new company.