

1901

Stone Cotton Mills Prospectus

East Mississippi Times (Starkville, Miss.)

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DRAFT PROSPECTUS.

—o—
JOHN M. STONE

COTTON MILLS,

—OF—

Starkville, Mississippi.

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CAPITAL STOCK - - - \$125,000

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Printed by the East Mississippi Times,  
Starkville, Mississippi.

DRAFT PROSPECTUS.

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**JOHN M. STONE**  
**COTTON MILLS,**

— OF —

**Starkville, Mississippi.**

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**CAPITAL STOCK**     -     -     -     **\$125,000**

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Divided into 1250 Shares of \$100 Each.

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Payable in Installments of \$5.00 per Share per Month,  
Beginning September 1st, 1901.

## STOCKHOLDERS.

Amongst the largest subscribers to the capital stock of this company are the leading business men of the town of Starkville and the county of Oktibbeha. Almost without a single exception the name of every merchant, business and professional man in Starkville will be found on the subscription list. This of itself will show conclusively the confidence our citizens have in the success of this enterprise.

Such firms and business men as the following are the leading promoters of the project and are the principal stockholders.

|                      |                      |
|----------------------|----------------------|
| W. W. Scales & Co,   | Blumenfeld & Fried,  |
| Caldwell & Lampkin,  | Stern & Goodman.     |
| Yeates & Wallace,    | Turner & Pierce,     |
| J. H. Smith & Co.,   | R. K. & F. L. Wier,  |
| Lindamood & Puckett, | H. L. Muldrow,       |
| A. C. Ervin,         | A. J. Moore,         |
| Carroll & Magruder,  | W. B. Montgomery,    |
| W. O. Page,          | Saunders & Hogan,    |
| L. & H. A. Kleban,   | And numerous others. |

In addition to the above over \$22,000 have been subscribed by members of the faculty of the A. & M. College. On this list will be found the names of Prof. J. C. Hardy, President of the College, Prof. Arthur Whittam, Director of Textile School, Prof. W. C. Welborn, R. C. King, secretary, and others.

It is the purpose of the company to erect and operate a cotton spinning and weaving plant with a capacity of 5000 spindles and about 150 looms, for the manufacture of cotton yarns and cloth of various descriptions.

Approximately \$100,000 have been subscribed to date and application for a charter has already been made.

## ADVANTAGE OF LOCATION

The vicinity of Starkville as a location for a cotton manufacturing plant is exceptionally advantageous. It is on two distinct lines of railroad, the Illinois Central and the M. & O. division of the Southern R. R., which insures reasonable railway rates permanently.

Water for manufacturing purposes can be had in abundance on the company's own property and from the public supply; the latter coming from two sources, the City of Starkville and the A. & M. College. With the factory located between the two the supply is unlimited and enables the mill to obtain the lowest possible insurance rates and guarantees cheap water for steam and other purposes.

All necessary labor, both skilled and unskilled, can at all times be secured without difficulty, and as the cost of living in the town or the mill village is not so high as in larger cities, the cost of labor is correspondingly lower. Such a class of help as is suitable for cotton mill work can be secured in large numbers from this and surrounding counties which enables the mill to operate to advantage from the start.

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## NEARNESS TO TEXTILE SCHOOL

Another advantage, and one which cannot be but conceded as of inestimable value to an enterprise of this description is the nearness to the State Textile School, where any information or advice can be had on short notice, and where experiments and tests of any description can be made for the mill free of any cost. It is now very generally conceded by New England Cotton Manufacturers that a Textile School is almost an absolute necessity in all manufacturing centers. Wherever such a school has been located heretofore that district has made rapid strides in all manufacturing lines. Such an institution is a source from which mills can obtain better superintendents, overseers, second hands, section hands,

etc. , etc. , enabling them to turn out goods with some originality and at a lower cost of production. Furthermore the proposed mill at this place would, whenever necessary, have at its disposal the advice of the Textile School instructors, all experienced mill men and specialists in their particular branch of the industry. This is an advantage many Northern towns have paid thousands of dollars to secure. As further illustration of the advantages to be derived by being near the Textile School, we might mention a proposition made by those interested in the Hargrove Cotton Mill of Shreveport, La., which was to the effect that they would gladly contribute a sum of \$30,000 in order to secure the location of such a school for Shreveport, provided the State would appropriate a like amount. No better proof of such an advantage, we think, could be submitted.

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#### EXEMPTION FROM TAXATION.

The company has received exemption from State taxation for a period of five years. This means a net saving of several thousand dollars yearly to the concern and is another source of increasing the profits not enjoyed by the majority of our Southern mills.

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#### GOODS TO BE MANUFACTURED.

It is proposed to equip the mill for the manufacture of high grade cotton yarns and sheetings.

Apart altogether from the probable increase in our export trade with China and other foreign countries, which is generally conceded as sure to bring about a boom in Southern cotton mill investments, and the better business outlook generally, there is ample room for the profitable manufacture of the class of goods proposed, for which there is a good market at all times and on which the margin of profit is considerable. It is also the intention of the promoters to purchase machinery

adapted for the manufacture of a still higher grade of cotton goods and so arranged that as the help become more skilled the necessary changes can be made at little expense to the company.

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### GRADE OF COTTON IN VICINITY.

The grade of cotton grown in this and surrounding counties and which is marketed in Starkville is such as to make the manufacture of higher grade goods very profitable, and a mill whose initial equipment is such as to permit these goods being turned out has the advantage of being able to operate its plant on a very successful basis.

The profits in fine goods are enormous, and located as this mill will be, near the Textile School, where skilled help can at all times be secured, the outlook for a big financial success is exceptionally bright.

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### DIVIDENDS.

The dividends paid by southern cotton mills manufacturing the most common grades of domestics scarcely ever average less than 10 or 12 per cent, and within the past few years the majority of Southern mills made net profits varying from 20 to 40 per cent per annum.

In numerous instances new companies have been organized and in less than four years have doubled their capacity by building a new mill out of the profits of the concern, and this in addition to having paid their customary dividends.

Further than this, these mills have been managed by men thoroughly unfamiliar with the business, whereas, in this proposed concern several of the principal stockholders are men with large experience in the manufacture of all classes of cotton goods, and with this experience at the practical side and the best and most successful financial skill in the State at the head of the company, we

think there is absolutely no room for questioning the success of this proposed mill.

This company will commence operations under more favorable conditions than any cotton mill ever built in the South, which ought to make such an investment a gilt edged one in the eyes of any conservative business man.

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### STOCK YET TO BE TAKEN.

With a proposed capital stock of \$125,000, of which approximately \$100,000 has been subscribed, there only remains about \$25,000 to be taken. This amount is offered at par. The shares are \$100 each, and are payable in installments of \$5 per share per month, giving to subscribers 20 months in which to complete their payments.

ARTHUR WHITTAM.

June 26th, 1901.