

After a brief investigation I declined to have any thing to do with the Job printing. I found that stock rated at over £500, the business from various causes fallen down to almost nothing, & what there was consisting almost wholly of Mess^{rs} A & R's own work & the stock principally selected with that view; I have no doubt that in time a good job business might be made in efficient hands, But I considered the way to make that was ~~best~~ ^{not} to look up capital in an old & ill selected stock & that the paper would be for the present quite enough for me. Favorable proposals were made to me to take out the capital in work at long instalments, but I resolutely declined to encumber myself with it.

I was also fully satisfied with the bonâ fide nature of the reasons alleged for selling the paper, which were generally, that it was too much for their time & their capital, & that it was the only part of their business readily vendible.

I had also some guide to the value of Newspaper property in Montreal. The Herald, which is considerably ahead of the Gazette, tho' certainly far short of twice its circulation & advertising could now be sold with ease for £3000, & it is not a very improveable property, which all agree the Gazette is, being as deficient in all its details as it is respectable in character. I have the best reason to know that the Herald clears £1200 yearly, with little or no jobbing. In 1823 having 330 tri-weekly subscribers it sold for £1700, stock, I suppose, included. In 1833 its then proprietor having made a fortune sold it to Mr. Weir just deceased. It had then 1500 tri-weekly subscribers a little over the subscription of the Gazette now, the price, was paper & type £1600

Copyright — 1650 £3250

paid Cash £650

6 Months Bie 600 - the rest in the course of 5 years

Cash		£ 400
A & R. to save trouble to both & me the expence of collecting separate accounts took my share in the year's subscriptions, I commencing as from Aug ^r at my own valuation - less 10 p ^{ct} . for collection as Cash		£ 140 2
Bill pay over	1843 Dec ^r 1	150
do	1844 April 1	150
"	Nov ^r 1	150
"	1845 Feb ^r 1	250
"	Nov ^r 1	150
"	1846 Feb ^r 1	150
"	Oct ^r 1	100
		<u>£ 1902</u>

These terms were formerly agreed on & made matter of legal Record before Mr. Gibb. Notary, & other minor stipulations I thought not worth encumbering the deed with were reduced to Minute & signed. These related to good will & cooperation, to their own advertisements, to the occupation of the premises which I am to have as fully as they themselves hitherto ^{to} next May when their lease expires, for £40, & a full acknowledgment that, having brought the capital they named, namely £500 in hand & £300 to follow me to order, & having entered into those engagements on their assurance of my ability to meet them from the resources of the business, should those fail they will, in respect of the bill falling due Dec^r 1st '43 take measures to save my credit by renewing it for three months, & if necessary half of any future bill. This of course depends on their ability to do so, for I have no doubt, in deed it was freely admitted, the bills will as speedily as possible, find their way into the hands of third parties. It is possible I might have reduced the sum by hard bargaining but on the whole, considering their statements fairly made out, that I saw no reason

to suspect ~~any~~ any thing but candour & fair dealing, that I saw clearly they were men of character and standing in society I thought their good-will was of more importance dependent on it as I must be largely for some time, than any possible saving.

In addition to £1902

Furnishing a part of a house which for many reasons I find the most eligible plan 25

Repairs & trifling additions in the office say 25
£1952

Aug¹⁰, 1842.

I have only to add that nothing can exceed the great attention of both Mess^{rs} A & R. to forward my interests & lighten my labours & that I have had no occasion to qualify my opinion of the property in any respect.

The person in the office most competent to judge thinks I have given two & a half years purchase for the property - I think it principally depends on the general current of business whether it is two years or three.

Minute of Negotiations relative to purchase of Montreal Gazette - Aug¹⁰ 1843.

My principal object in visiting New York was to obtain information relative to the position of the paper & of its proprietors. I met there with two persons both well acquainted with Canada & with Montreal, One a reporter for the N. Y. Morning Herald who went, about six years ago, from Liverpool the other Dr Bartlett, formerly partner with Dr Fisher of Quebec, & now the proprietor of the N. Y. Albion, a paper of high standing. Both agreed that the paper had a very good standing & afforded a capital opening. The latter thought no one could be wrong in giving three years purchase for it & pointed out the means by which he thought its annual value could be ascertained. On my Road through the Upper Province I had numerous opportunities of making similar enquiries & the results were, in every instance, satisfactory.

On my arrival in Montreal I made similar enquiries with the same results. I was always informed that the concern was highly respectable & had no reason to think that the paper was sinking in reputation or circulation.

Mr Ramsay the managing proprietor met me in the most frank manner, put every document before me & put me in communication with every person in the establishment whom I wished to see. The following was the statement for the year 1842-3 which I had to verify from the books & from enquiries -

Advertising -	2018	0	0	(erroneously stated 1804.10.8)
Subscribers -	1068	1	1	
Jobs -	607	10	11	
	3693	12		
Expenses	2678	8	9	
	1015	3	3	
Bad Debts say	220	0	0	
	£795	3	3	

(1) From more effective Management.
 (2) From the steadily increasing trade of the great district of which Montreal is & must always be the capital, which in spite of all temporary discouragements is regularly augmenting in population & Resources. At this moment there is scarce a house or Shop to let & Clearings going on & cultivation improving in every direction.
 (3) From a better system of collecting advertisements which has been almost totally neglected.
 (4) From a better system of selling the papers. The ready money that comes in is quite trifling and no wonder, for with a view of saving trouble by forcing people to subscribe, the papers here with one exception which has made a fair circulation (twice a week - the Transcript) by acting differently refuse to sell single papers or virtually ~~do~~ do so by charging 3^d or even 6^d each copy while 1^d is more than the price to subscribers. Consequently they are neither hawked nor to be had in the shops. I am satisfied the English & American system might be introduced with great advantage. Finally, I came to the following terms with A & R. I took the copyright at £1500. The Stock was valued to me, I am sure very moderately, at £402. This includes an ample supply of type in fair condition, one very good press in excellent order, another new but rather deficient in construction, which an Engineer, I think competent, assures me can be made perfect for £12 to £14, both full size, all the implements the overseer considered necessary, & the office Furniture which is very good with Stoves pipes - every thing in fact used in bringing out the paper. Total £1902 currency, equal to about £1500 sterling. The mode of payment was arranged as follows;

There are two other daily papers in Montreal the Times & the Courier but both insignificant in circulation & value. All I publish this way; - one series daily for 6 months in the year & tri-weekly for 6 months, an other series tri-weekly the year round. There is also the Transcript published twice a week & two French papers. Almost every respectable person in & about Montreal takes in two or more of these papers & advertising is general to the exclusion of bill posting which is all but unknown - The political position of the Gazette is that of the organ of the moderate British party & particularly of the Scotch Presbyterians & dissenters. This so far as I can judge is the growing party. The Herald is the very high tory paper.

In verifying A. & R's figures there was this difficulty, that no separate accounts had been kept of the Gazette, but those of the whole business mixed up together. The books were kept by respectable clerks, in the most business like manner (with this exception) by double entry, & it was impossible to doubt their genuineness, but equally so to disentangle the whole transactions, & I really believe I arrived at a more accurate notion of the actual position of the paper than they possessed themselves, or rather than Mr Ramsay possessed for Mr O. who confined himself to the actual working of the paper, which in my notion he worked in the most clumsy dilatory inefficient manner, was entirely passive & ignorant of any thing out of his office.

The first business was to estimate the probable cost of bringing out the paper, which by careful inquiry I stated as follows.

(1) Composition £15 per week x 52	£ 780
(2) Editor ——— £ 3 ———	1040
(3) Paper 10½ reams weekly at 18/8 ———	468
(4) Clerk to forward papers & collect ———	70
(5) Rent ———	50
(6) Fuel, Water & Gas ———	30
(7) Insurance ———	3
Turn over ———	7661

	Brought over	1661
(8) Extra reporting & Correspondence	—	50
(9) Market Intelligence	—	50
(10) Postage	—	60
(11) Miscellaneous, Ink, Candles, English paper	—	700
(12) Extra Clerk for making out accounts	—	50
(13) Self for maintenance	—	130
		<u>2101</u>
(14) Add for a police & town Reporter, say	—	99
		<u>£ 2200</u>

This is by the £ currency which for all practical purposes (remittance of course excepted) may be taken as the £ sterling. It is a more full establishment than the present one & would make incomparably the most complete & efficient in the Canada. Subsequent observation has corrected the estimate as follows —

(1) This is the sum now actually paid for composition & presswork & overseer & delivery of papers. Wages are low (7¹/₂ Ann per 1000 ms) no combinations, apprentices unlimited. Average setting 48 cols per wk ^{advs} included. It may easily be reduced to an average in the 12 months of £13 or 13.10. Mr. Armour's way has been to protract his work, to keep the men to 2 A.M. or later, the overseer to 4 or 5, with great consumption of fuel & gas, the men & apprentices dropping in in the course of the next day without superintendance. Great dissatisfaction & confusion ^{exist} in clearing the composition by 6 P.M., sending the men to bed, return at 7 to correct proofs & set an odd advertisement & all clear out except press man at 8. All return early & the apprentices will now be brought forward. The materials of the office are good so far that all the men are sober, have all served their Apprenticeship in it & A.R. are the only printers in Montreal who have always paid their Wages

in the whole for losses of bona collection of the distant portion & at this valuation Mr. R. at a subsequent period very readily took the remaining 5 mos. of this year. On the whole I think to add £180 a year to Mr. A's deductions is sufficient & the account then stands thus —

(last year) Advertising	2010	Gross profit	—	598
(this year) subscriptions	1080	Interest on Capital		
	3098	in £ currency	—	60
Losses	—	400		Net — 538
		2698		
Expenses say —	—	2100		
		<u>£ 598</u>		

If I see in these calculations I think it is on the safe side. I do not think I have at all over rated the productiveness of the paper last year, but the contrary, & I have certainly allowed enough for bringing it out this year. I am told the Herald is not economically managed & does not cost more than £2000. The next question to ascertain was the comparative position in the present year of the paper. I found in the last six weeks of this year as compared with the like period of last year the advertising was less by £90. But the spring of this year which very much governs the advertising was a month later in opening than the last & Montreal is now labouring under extreme depression, a large portion of its capital having been destroyed last year & credits in the upper Province imprudently extended not more than one third the mercantile business doing & one half the retail, so that I could not look upon this as any real decline in the paper. On the other hand the subscription list is decidedly on the increase.

I think on the whole future improvement may confidently be looked for; —

G	3. 3. 9	Jan ^y 1843
B & H	4. 2	Dec ^r
Commisariat	2. 3. 2	as before
D	2. 11. 9	May
M	4. 1. 3	do
G	2. 5. 1	Feb ^r

I could find nothing to impeach in these accounts & supposing all unpaid to be bad which is not likely But I made the deduction which I think Ramsay had overlooked or underestimated. The Brokers or Auctioneers here are a very peculiar class general consignees of merchandise & produce & very respectable. They advertise for their customers & settle in the end of the year in 3 Mo. Bills with a discount or allowance of 25 to 30 p. cent. on what they charge their Principals.

I found this amounted in the year to £ 1140; the subscription list I subjected to a similar scrutiny, tracing Batches of each class of subscriptions of which it would be very tedious to repeat the results. I found about 2/3rd in & near Montreal, the remainder principally on the banks of the river easily accessible by steamers, & a very respectable in character. I found very little unpaid, a small portion in Lower Canada in July, a little in Aug^t & the remainder with great regularity in the close of the business year in Nov^r since turned over to the next commencement. Average about 12 Mos. from the commencement of the subscription in January. I do not of course, include a considerable number to postmasters & others, sent gratis, & never expected to be paid nor charged as that merely adds to the Paper account allowed for elsewhere. I reduced the bona fide subscription (of this year) to £ 1080 & allowed 10 per cent

when due; £ 1 a week at least may be saved by a machine press.

- (2) The only department efficiently conducted.
- (3) The Pressman's estimate of present consumption overrated for the year. About £ 70 may be struck off for short impression in winter. No check now on waste or pilferage, as pressman takes what paper he wants without any check or receipts on Deliveries. Settlements every 3 Months with 3 months Bill probably 8 per cent might be saved by cash.
- (4) Twice what paid now, nothing done regular in the way of collection.
- (5) to (11) All ample. Tedious to go into particulars.
- (12) The present estimate is rather over it. Most probably advantageous in future to employ a good clerk regularly say at £ 100 a year.
- (13) Sufficient at present. Montreal is a cheap place to live in in every thing but Rent which is enormously dear. For Houses 50 per cent above Liverpool.
- (14) Nothing of the kind now. very desirable. (The other papers no better off).

The next thing was to estimate the income of the paper which was ^{more} ~~made~~ difficult, as there was no separate cash book. The Items of Advertising £ 2010 & Subscriptions £ 1068 were merely copied from the general ledger & were the sums of the different accounts as charged, not as actually paid. & the deductions of £ 250 & £ 220 conjecture. I first made a general survey by the ~~of~~ of the accounts which appeared to me larger in amount for advertisements than I had been used to, & generally as regularly paid. The number of accounts was not so large as might have been expected from the number of advertisements. Those were generally, or universally in Montreal. The System of

advertising constantly prevails among the merchants & tradesmen. Few advertisements are less than six times, many for a month & it is very common to pay £12.10 the year for what is called "a square" varying from 20 to 110 lines. The whole are posted from month to month & I put my finger on certain consecutive groups which I thought were a fair sample of the whole & traced in the Ledger as follows

Jan ^r 1841	16.6	Queens College	paid Oct ^r 1842
—	2.10	Board of Officers	do
—	1.13.6	M ^r L	April do
—	12.16	M ^r B	in ^g c average 1 st Mon ^r Credit
—	6.13.7	P.	July & Oct ^r
—	9.10	S.	August
Jan ^r 1842			
Railroad	1.5.0		Nov 1842
J. printer)	an ^g c current average	12 th mo ^r Credit
P	12.6		May
M	2.18.7		do
B & C	10.15		May
B	4.4		do
Corporation	5.11.11		April
J. C.	3.8.11		March
J. D. B.	2.0.10	(see end -)	Broker & Auctioneer
N. C.	17.6		March
C & C.			Brokers & C ^o
Mercantile Association			End of Year.
Savings Bank	5		August
A.	18.9		unpaid, to be good
Commissariat	5.10		July
D.	3.4		Nov ^r
Sept ^r 1842			
Y	6.6.7		Broker & C ^o
M	12.6		Jan ^r 1843

B	11.10.6		Broker & C ^o
B	14.18		D ^o
A	8.2		Dec ^r '42
P	16.9		unpaid
Bank	15.6		prompt
Sept ^r 1842			
B	3.7.9		Feb ^r 1843
R	1.1.0		May
M	18.2		March
Commissariat	9.6.5		Prompt
Seemung	11.13.1		Broker & C ^o
Mason	6.10.11		D ^o
Dugles	13.2		unpaid
R	2.4.3		Oct ^r in note
L	12.6		unpaid
Nov ^r 1842			
L	5.0		end of the year in note
R	5		yearly in May
J	16.5		January
C	5.15.8		do
L	1		Brokers & C ^o
Y	3.6.11		do
C	13.6.11		do.
M	1.6.11		do
N	1.15		May
B	5		Aug ^t
Commissariat	1.19.11		whenever presented -
G	6.8		June
Dec ^r 1842			
P	11.6		unp ^d expected in Sept ^r
Library	18.8		Dec ^r
G	1.10		February
M	3.16		unp ^d supposed by mistake
J	1.11.6		June