

ANNUAL REPORT  
*of*  
**THE MARCONI WIRELESS  
TELEGRAPH COMPANY**  
*of CANADA, LIMITED*



FOR YEAR ENDING  
DECEMBER 31, 1923



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THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA, LIMITED

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## Directors



G. G. GREENSHIELDS, Esq., K.C.  
*President*

SENATORE G. MARCONI, G.C.V.O., LL.D., D.Sc.  
ROBERT BICKERDIKE, Esq.  
A. E. DYMENT, Esq.  
*Vice-Presidents*

G. M. BOSWORTH, Esq.  
DR. MILTON L. HERSEY

GODFREY C. ISAACS, Esq.  
HENRY W. ALLEN, Esq.

H. M. SHORT, Esq.  
*General Manager*

JOHN D. LOWREY, Esq.  
*Secretary*

*Auditors*  
PRICE, WATERHOUSE & CO.

*Registrars*  
MONTREAL TRUST CO.

*Transfer Agents*  
QUEBEC SAVINGS & TRUST CO.





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THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA, LIMITED

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## Notice of Annual and Special General Meetings of Shareholders.

The Annual General Meeting of the shareholders of the Marconi Wireless Telegraph Company of Canada, Limited, will be held at the Head Office of the Company, Marconi Building, 11 St. Sacrament Street, Montreal, on Thursday, the 18th day of December, 1924, at Eleven of the clock in the forenoon, to receive the report of the Directors, to elect Directors for the ensuing year, and for the transaction of such other business as may be legally brought before the Meeting.

Immediately following the Annual Meeting a Special General Meeting of Shareholders will be held to consider and, if deemed advisable, to ratify and confirm the enactment by the Directors of the following By-law,

### *By-Law No. XXXI*

Be it enacted that the capital stock of the Company be and the same is hereby reduced from Seven Million Five Hundred Thousand Dollars (\$7,500,000.00) to Three Million Dollars (\$3,000,000.00) by reducing the par value of the shares from Two Dollars and Fifty Cents (\$2.50) each to One Dollar (\$1.00) each, and further be it enacted that the capital stock fixed as aforesaid at Three Million Dollars (\$3,000,000.00) be and it is hereby increased to Seven Million Five Hundred Thousand Dollars (\$7,500,000.00), such increase to consist of Four Million Five Hundred Thousand (4,500,000) shares of the par value of One Dollar (\$1.00) each.

By order of the Board

JOHN D. LOWREY,

*Secretary*

Montreal, November 24th, 1924.

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## BALANCE SHEET

As at 31st December, 1923

## Assets

Assets		Liabilities	
PROPERTY, PLANT AND EQUIPMENT:		CAPITAL STOCK:	
Comprising Trans-Atlantic Stations at Glace Bay and Louisburg, Inland, Coast and Ship stations installed, with the necessary buildings, machinery and equipment, and manufacturing plant at Montreal.-----	\$1,448,941.26	Authorised—3,000,000 Shares of \$2.50 each----- Subscribed and Issued—2,520,000 Shares of \$2.50 each-----	\$7,500,000.00
MORTGAGES-----		MORTGAGES-----	\$6,300,000.00
			49,000.00
PATENTS, PATENT AND OTHER RIGHTS, LICENCES AND CONTRACTS-----	4,909,381.03	CURRENT LIABILITIES:	
INVESTMENTS IN SUBSIDIARY COMPANIES, less RESERVE-----	104,058.94	Loan-----	\$ 75,000.00
CURRENT ASSETS:	\$55,022.35	Note Payable-----	100,000.00
Cash on hand and on deposit-----	249,050.80	Accounts Payable and Accrued Liabilities-----	268,138.59
Accounts Receivable, less Reserve for Bad and Doubtful Debts-----	291,856.12		\$443,138.59
Manufactured Stock, Materials and Supplies as certified to by responsible officials of the Company-----	\$595,929.27		
DEFERRED CHARGES-----		RESERVES:	
		For Depreciation of Plant and Amortization of Patents-----	\$311,222.11
		For Insurance and Contingencies-----	9,598.89
DEFICIT:	\$7,081,299.42		\$320,821.00
Loss for the year ending December 31, 1923, before making provision for Depreciation and amortization of Patents-----	\$39,144.73		
DEDUCT:	7,484.56		
Balance of Surplus December 31, 1922-----	31,660.17		
			\$7,112,959.59

## AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of the Marconi Wireless Telegraph Company of Canada, Limited, for the year ending December 31, 1923, and have obtained all the information and explanations which we have required.

No provision has been made during the year for accruing Depreciation of Plant and Equipment and for Amortization of Patents, and subject thereto we certify that the above Balance Sheet at December 31, 1923, is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

(Signed) PRICE, WATERHOUSE &amp; CO.

(Signed) Auditors.

Montreal, April 23, 1924.

APPROVED ON BEHALF OF THE BOARD:  
(Signed) C. G. GREENSHIELDS, Director.  
(Signed) R. BICKERDIKE, Director.



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THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA, LIMITED

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TO THE SHAREHOLDERS:

*Gentlemen:*—

The calling of the Annual Meeting and publication of the Report was delayed owing to certain important developments which your Directors felt would have considerable bearing upon the policy to be adopted by the shareholders.

Upon reference to the statement it will be noted that the year's operations show a loss of \$39,144.73. These results are disappointing but the proposed improvements to our transatlantic service give good ground for encouragement as to the future.

Since the last meeting Senatore Marconi has made great progress in developing and perfecting his discoveries in connection with what is known as the Beam system of wireless transmission and reception. A number of new and valuable patents have been secured. The Beam system provides greatly increased capacity and efficiency together with substantial economies in capital expenditures and working costs.

The policy of the British Government regarding wireless communications has now been defined. It is proposed that all stations in Great Britain communicating with stations in the Empire should be owned and operated by the Government. Following the settlement and announcement of this policy Marconi's Wireless Telegraph Company, Ltd., entered into an agreement with the British Government to erect a station in England operating on the Beam principle to work with a corresponding station in Canada.

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THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA, LIMITED

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Your Company has entered into an agreement with Marconi's Wireless Telegraph Company Limited, for the construction of this latter station. Sites have been secured and the construction of the station is now well under way.

It is confidently expected that the building of this station and the opening of this new and highly efficient trans-Atlantic circuit will be the first step in a programme of considerable expansion for your Company.

After the Annual Meeting a special General Meeting of Shareholders is being held at which the shareholders will be asked to sanction By-law Number XXXI.

Before embarking upon the new programme of development arrangements had to be made to finance the construction of the new stations, to fund your Company's current liabilities and to secure working capital.

The sale of common stock appeared to your Directors to be the most desirable means of obtaining the funds required. It was found impossible to secure a purchaser for additional common stock except upon condition that the par value of the outstanding shares should be reduced. Such reduction was also considered desirable in view of the revolutionary nature of recent developments and the consequent obsolescence of considerable equipment at existing stations.

The reduction proposed will not only take care of all depreciation required to cover obsolescence of existing plant and equipment,

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THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA, LIMITED

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but will also enable your Company to revise all inventories and other items, bringing them down to present day values, and thereby ensure the most conservative valuation of all assets shown on the balance sheet.

This re-valuation will be carried out as soon as the capital reduction has been effected.

Subject to the capital being reduced your Directors have arranged for the sale to Marconi's Wireless Telegraph Company, Ltd., of a sufficient amount of new stock at par to fund the excess of current liabilities, furnish additional working capital and pay for the construction of the first Beam station.

Present shareholders will be given an opportunity of supplying their proportion of the new capital on similar terms. Any unsubscribed balance will be taken up by Marconi's Wireless Telegraph Company, Limited.

Your Directors strongly recommend the approval of the By-law in order to ensure that your Company may be placed upon a sound financial basis to take advantage of the undoubtedly great possibilities of the future.

Respectfully submitted,

C. G. GREENSHIELDS,

*President.*

Montreal, November 20th, 1924.

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