

SLAG

SLAG

NEW ENGLAND SLAG COMPANY

Principal Crushing Plant: EAST CANAAN, CONN.

Slag Deposits: EAST CANAAN, CONN. LIME ROCK, CONN.
RICHMOND FURNACE, MASS.

NEW YORK OFFICE: 347 MADISON AVENUE

Founded
1734

SALISBURY IRON CORPORATION

LIME ROCK, CONNECTICUT

Salisbury Charcoal Iron
Charcoal Iron Castings
Gray Iron Castings
Chilled Iron Castings
Chilled Iron Car Wheels

OFFICE OF HORACE W. DAVIS
CHAIRMAN OF THE BOARD

56 PINE STREET
NEW YORK CITY

March 21, 1921.

New England Slag Co.,
East Canaan, Conn.

Gentlemen:

We herewith acknowledge receipt of your letter of March 17th, requesting our advices as to the quantity of slag you have located on our properties at East Canaan and Lime Rock, in Litchfield County, Connecticut.

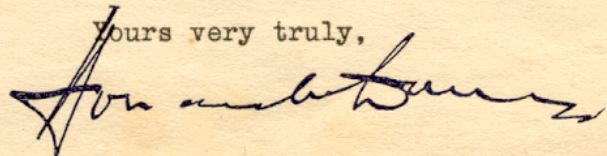
While it is impossible for us to advise you as to the exact amount of slag there is in the enormous deposits located on our properties, the fact remains that this slag is the residue of 187 years of iron production.

I personally examined the slag deposits and the tonnage represented by them is so large that I could not question your estimate of 1,000,000 tons as being inaccurate as there is as strong a possibility of its exceeding that as of their being any less. The photographs which you have shown me properly represent a portion of the deposits upon the ground. What quantities of slag were used to fill depressions are not susceptible even of calculations.

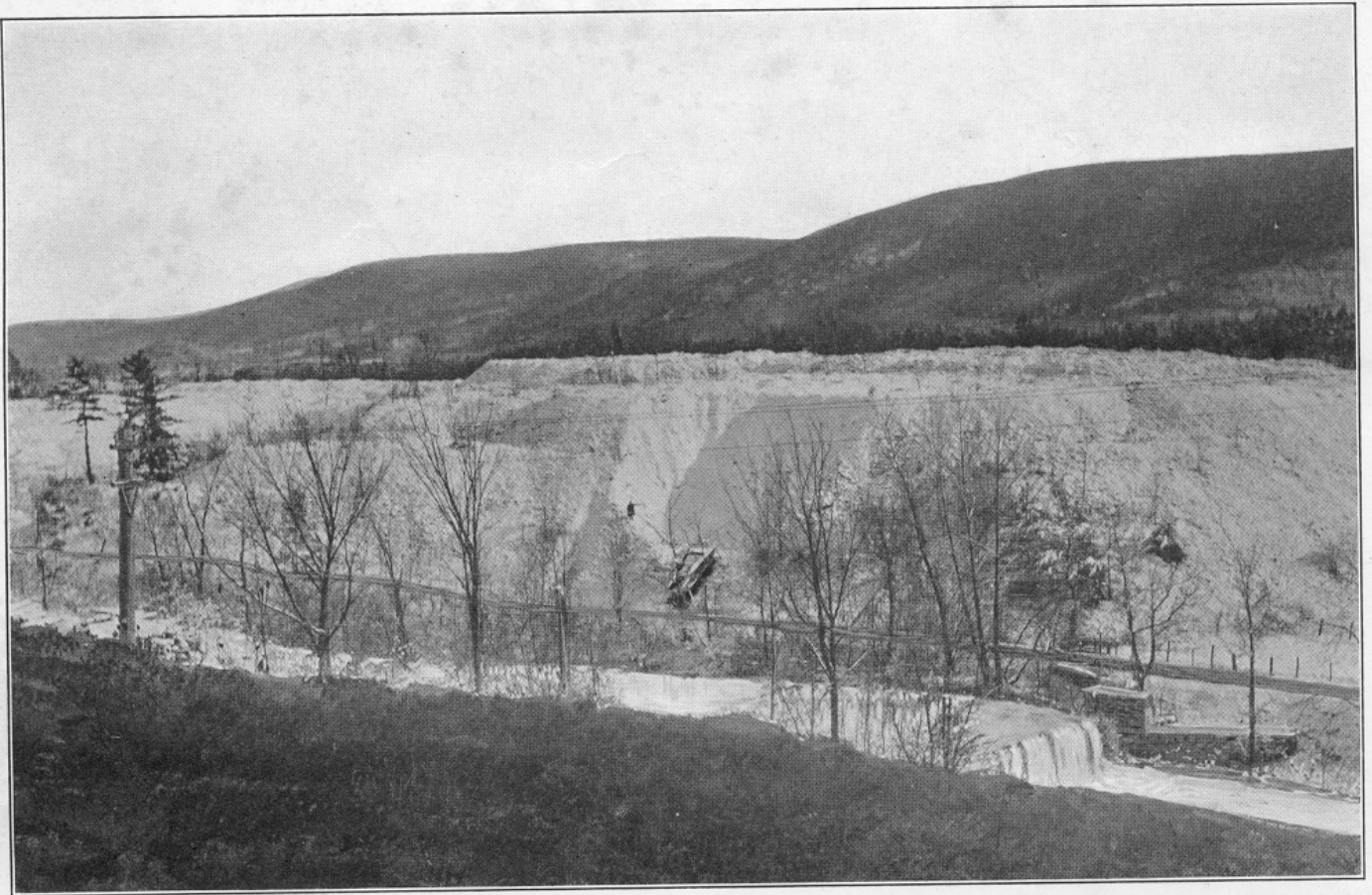
I want to take this opportunity of expressing my pleasure at the relationship which has been established between your company and ours. A contract such as we have which, in effect, will make each as reciprocally interested in the progress and profitableness of the other's business cannot but be one that will produce a desirable result over the long period covered by it.

We trust this information will answer your inquiries.

Yours very truly,



HWD.N



One of the New England Slag Company's deposits at East Canaan, Connecticut. Some idea of its enormous size may be obtained by comparing the size of the deposit with the man standing in the center of it

SLAG is a by-product resulting from the reduction of Iron Ore in the production of Pig Iron. Enormous quantities have accumulated on the properties of steel and iron companies that produce iron, such as the Salisbury Iron Company, United States Steel Company, Carnegie Steel Company, Bethlehem Steel Company and others.

The Development of Slag in New England

THE Slag deposits of the New England Slag Company located on the property of the Salisbury Iron Company are the accumulation of 187 years of operation by the Salisbury Iron Company and their predecessors.

*The first iron forge in the State of Connecticut was built by Thomas Lamb in the town of Lime Rock in 1734. This was the beginning of the iron industry and the production of Slag in the Nutmeg State.

Samuel Forbes and Ethan Allen, of Ticonderoga fame, built the first iron blast furnace in Connecticut.

During the Revolutionary War the Iron Company's production of cannon, shot and shell was supervised and used by the American Army. Gouverneur Morris and John Jay frequently attended the inspection work during the casting and proof-testing of the guns.

Commodore Truxton's ship, the "Constellation," the "Constitution" (Old Ironsides) and the Battery at New York, were armed with Salisbury cannon.

The average individual heretofore, has had but little opportunity to earn dividends in basic industries as such stock has generally been assigned through private financing. The New England Slag Company, successfully engaged in the production of Slag, offers conservative investors an opportunity to profit in proportion to their investment in the development of this New England industry.

*From "Charcoal Iron," published by the Salisbury Iron Company.

The Uses of Slag

BECAUSE of its desirable properties, Slag is extensively used, where available:

In plain and reinforced concrete for every type of building construction and bridge building.

In foundations for all kinds of State, City, County, Town and Village Roads.

In concrete products, such as brick, blocks, sewer pipe, drain pipe, wall blocks, roofing tile, lintels, and ornamental concrete products. Also for plastering and stucco work.

As ballast for railroad trackage.

In roofing material.

As a basic product in the manufacture of Portland Cement.

Casting in moulds to form bricks or slabs for street pavements.

Superiority of Slag Over Competitive Products

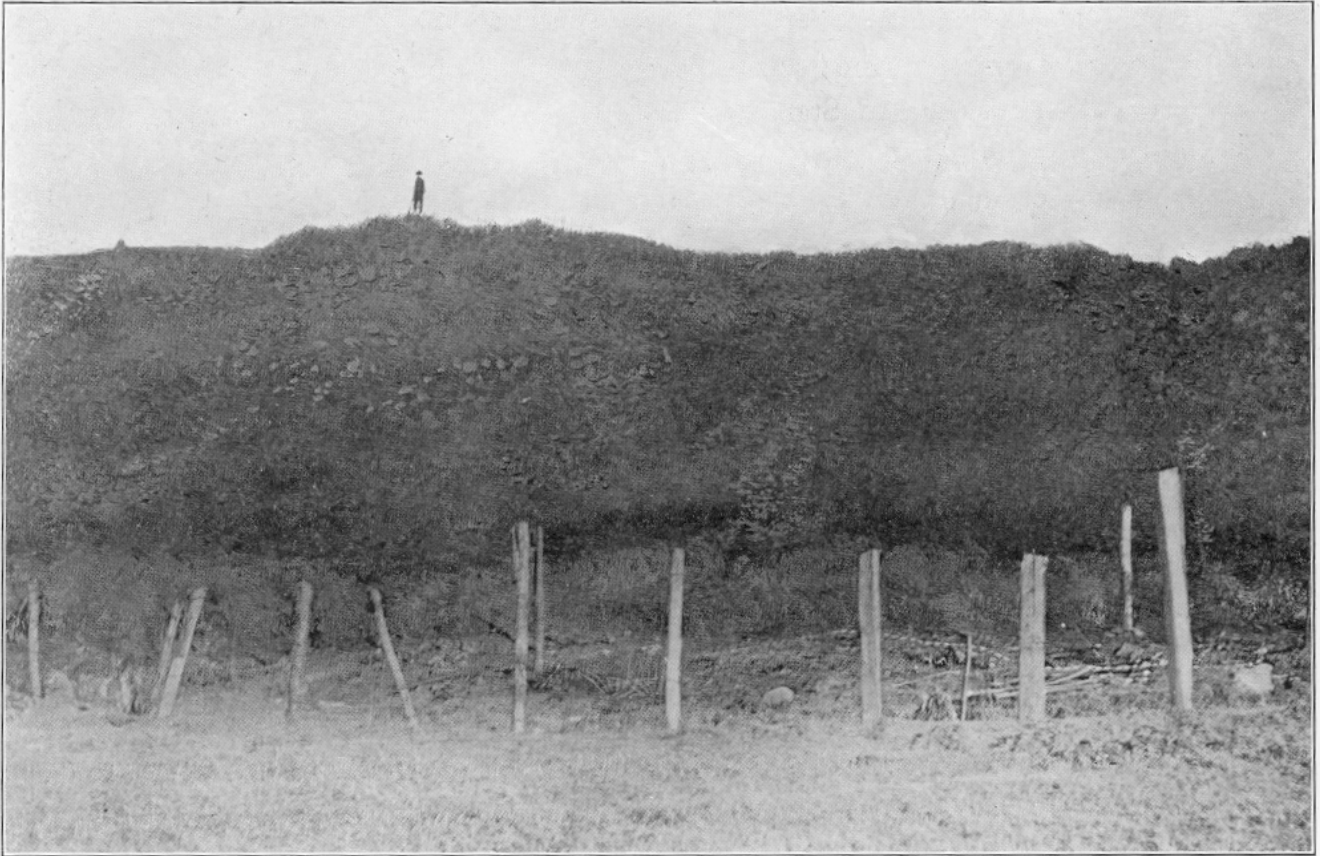
Slag is superior to and more economical than other materials used for similar purposes—such as stone, trap rock and gravel.

A cubic yard of Slag weighs 2,000 lbs.

A cubic yard of trap rock or stone weighs 2,800 lbs.

A cubic yard of gravel weighs 3,000 lbs.

Slag, furthermore, produces concrete 25% greater in compressive strength than concrete made with stone, trap rock, or gravel. Comparative tests by leading universities, Bureau of Standards of the Department of Commerce, and testing laboratories confirm this statement.



*Another Slag deposit of the New England Slag Company, located at its principal crushing plant
East Canaan, Connecticut*

Deposits of the New England Slag Company

THE principal Slag deposits of the New England Slag Company are located in Litchfield County, Connecticut; the company controlling all the commercially available slag in New England. Its main crushing plant is at East Canaan, Connecticut. The deposits located on the property of the Salisbury Iron Company were started in 1734.

Other Slag deposits of the company are situated at Lime Rock, Connecticut, and on the Richmond Iron Works' properties at Richmond Furnace, Pittsfield, Massachusetts.

In connection with the statements made in the above paragraphs, please note the letter reproduced on page two of this booklet.

Various Grades of Slag

The Slag taken from the deposits is crushed and screened so that it can be divided into the four sizes required for commercial purposes.

Slag Sand, which is used in all kinds of building, plastering, stucco, concrete work, road surfacing with oil, tar or asphalt, and as a binder in Macadam roads. The Sand can be divided to meet any specification.

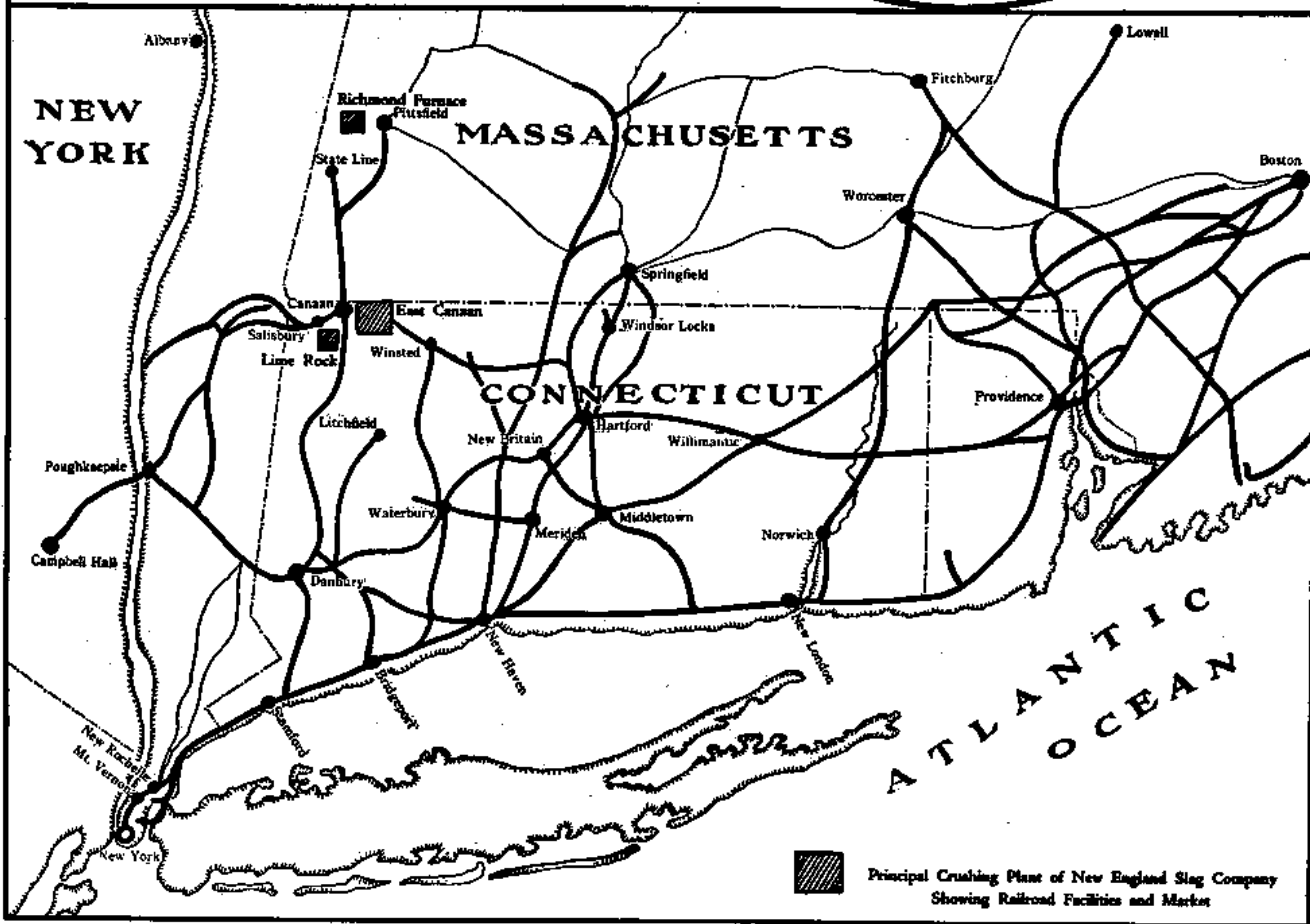
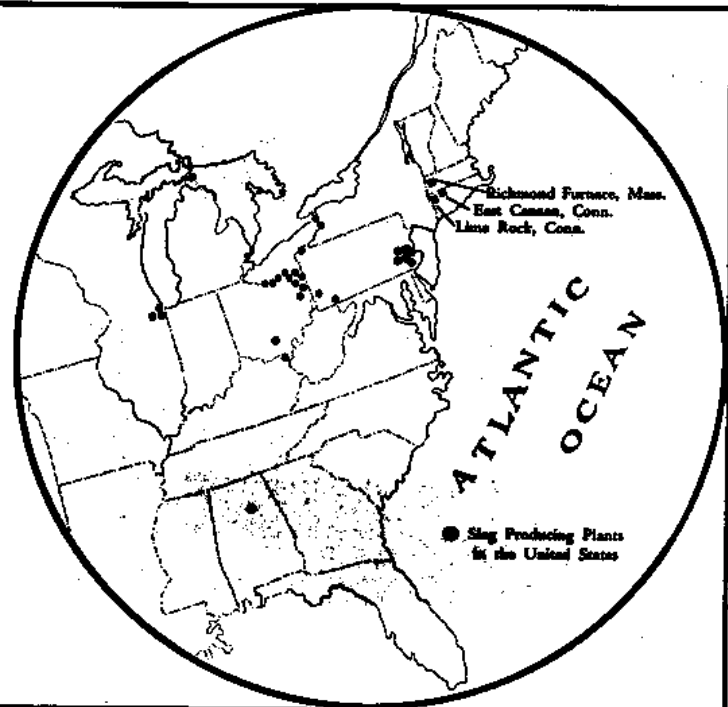
Roofing Size Slag, which is used with tar and asphalt combinations on the standard type of flat roof construction. The Roofing Size Slag can be divided into two sizes.

Concrete Size Slag, which is used in plain and reinforced concrete for roads, buildings, bridges, and all types of concrete construction.

Road Size Slag, which is used in the foundation of all types of roads.

THE locations of the slag deposits in the United States give the producers control over slag in their locality.

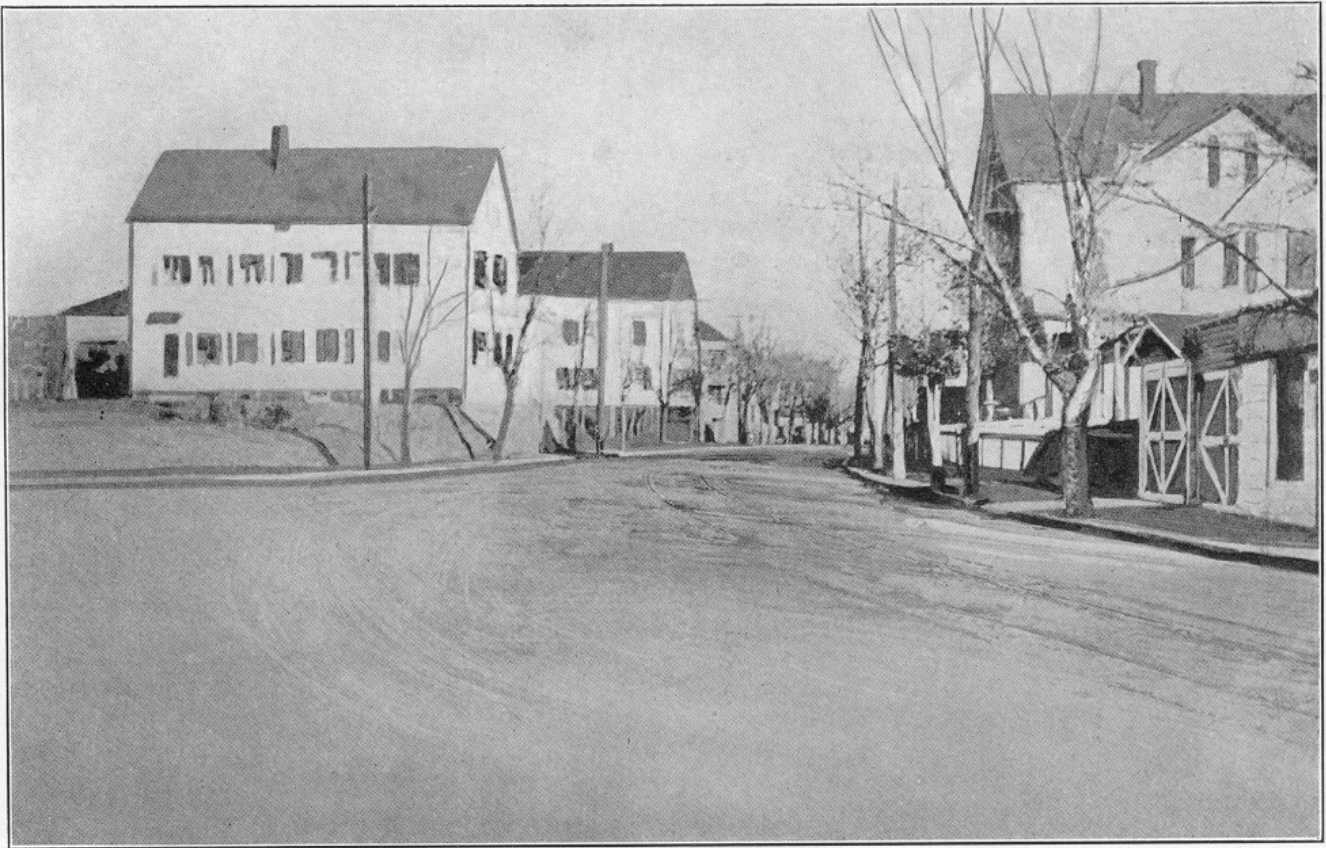
Note how the location of the New England Slag Company's deposits give the Company control over the New England and New York slag markets.



EAST CANAAN, the location of the principal crushing plant of the New England Slag Company, is about 119 miles from New York City, 44 miles from Hartford and Waterbury, Connecticut, and about 36 miles from Pittsfield, Massachusetts and Poughkeepsie, New York.

This plant is served by two railroads; the Central New England—an outlet east and west, and the New York, New Haven and Hartford—an outlet north and south.

The principal territory supplied from East Canaan includes such extensive markets as New York City, New Rochelle, Mount Vernon, Bridgeport, New Haven, Hartford, Stamford, Norwalk, Waterbury, Danbury, Meriden, Pittsfield, Springfield, and the intermediate manufacturing and industrial Cities and Towns.



*Plainfield Avenue, Olneyville, Rhode Island, "Bitoslag" State Highway
Surface and foundation built of Slag produced by the New England Slag Company*

Roads in which New England Slag Co. Products were used

Slag Used in "Bitoslag" Surface Roads

			<i>Contractor</i>
Olneyville, R. I.	22,000 sq. yds.	R. I. Patterson, Engineer, State Board of Public Roads, State of R. I., Providence, R. I.	Conn. Const. Co., Meriden, Conn.
Boston, Mass.	¼ mile	Mace Moulton, Jr., Inc., Engineers, Boston, Mass.	Central Const. Co., Boston, Mass.
Yalesville, Conn.	8,000 sq. yds.	Board of Selectmen, Yalesville, Conn.	Conn. Const. Co., Meriden, Conn.

Slag Used in "Tarvia" Surface Road

Waterbury, Conn.	¾ mile	William G. Smith, Supt., Dept. of Streets	Dept. of Streets, Waterbury, Conn.
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Slag Used in "Concrete" Surface Roads

Torrington, Conn.	¼ mile	American Brass Co., Owners and Engineers	Mascetti & Holley, Torrington, Conn.
Salisbury, Conn.	1 mile	} State Highway Commission Hartford, Conn.	Osborn-Barnes Co., Danbury, Conn.
Lakeville, Conn.	1 mile		Osborn-Barnes Co., Danbury, Conn.
Lakeville, Conn. (Hotchkiss School)	½ mile		Mascetti & Holley, Torrington, Conn.

Where Slag was used for road foundations

		<i>Contractor</i>
Colebrook, Conn.	1 mile	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div style="text-align: center;"> <p>State Highway Commission Hartford, Conn.</p> </div> <div style="font-size: 3em; margin-left: 10px;">}</div> </div>
Canaan, Conn.	2½ miles	
Salisbury to Lakeville, Conn.	6 miles	
Lakeville to Sharon, Conn.	7 miles	
Brookfield, Conn.	1¼ miles	
Lakeville, Conn.	1 mile	
Lakeville, Conn. (Hotchkiss School)	½ mile	
Olneyville, R. I.	22,000 sq. yds.	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div style="text-align: center;"> <p>R. I. Patterson, Engineer, State Board of Public Roads, State of R. I., Providence, R. I.</p> </div> <div style="font-size: 3em; margin-left: 10px;">}</div> </div>
Waterbury, Conn.	¾ mile	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div style="text-align: center;"> <p>William G. Smith, Supt., Dept. of Streets</p> </div> <div style="font-size: 3em; margin-left: 10px;">}</div> </div>

Partial list of places where Slag of the New England Slag Company was used in combination with Asphalt, Tar and Oil for maintenance of roads and streets

Bantam, Conn. Canaan, Conn. Danbury, Conn. Litchfield, Conn. Long Hill, Conn. Mill Plains, Conn. Oxford, Conn. Southbury, Conn. Torrington, Conn. Winsted, Conn.	<div style="font-size: 3em; margin-right: 5px;">}</div> Used by State Highway Commission Hartford Conn.	Stamford, Conn. Paul Nash, City Engineer Bloomfield, Conn. Board of Selectmen Danbury, Conn. J. S. Fisher, Superintendent of Streets Greenwich, Conn. M. A. Knapp, Supt. of Highways Litchfield, Conn. L. J. Goodman, First Selectman Norfolk, Conn. A. P. Curtiss, First Selectman Sound Beach, Conn. M. A. Knapp, Supt. of Highways Torrington, Conn. C. A. Paterson, Borough Engineer Westerly, R. I. Board of Selectmen Willimantic, Conn. A. L. Gelinis, Supt. of Streets
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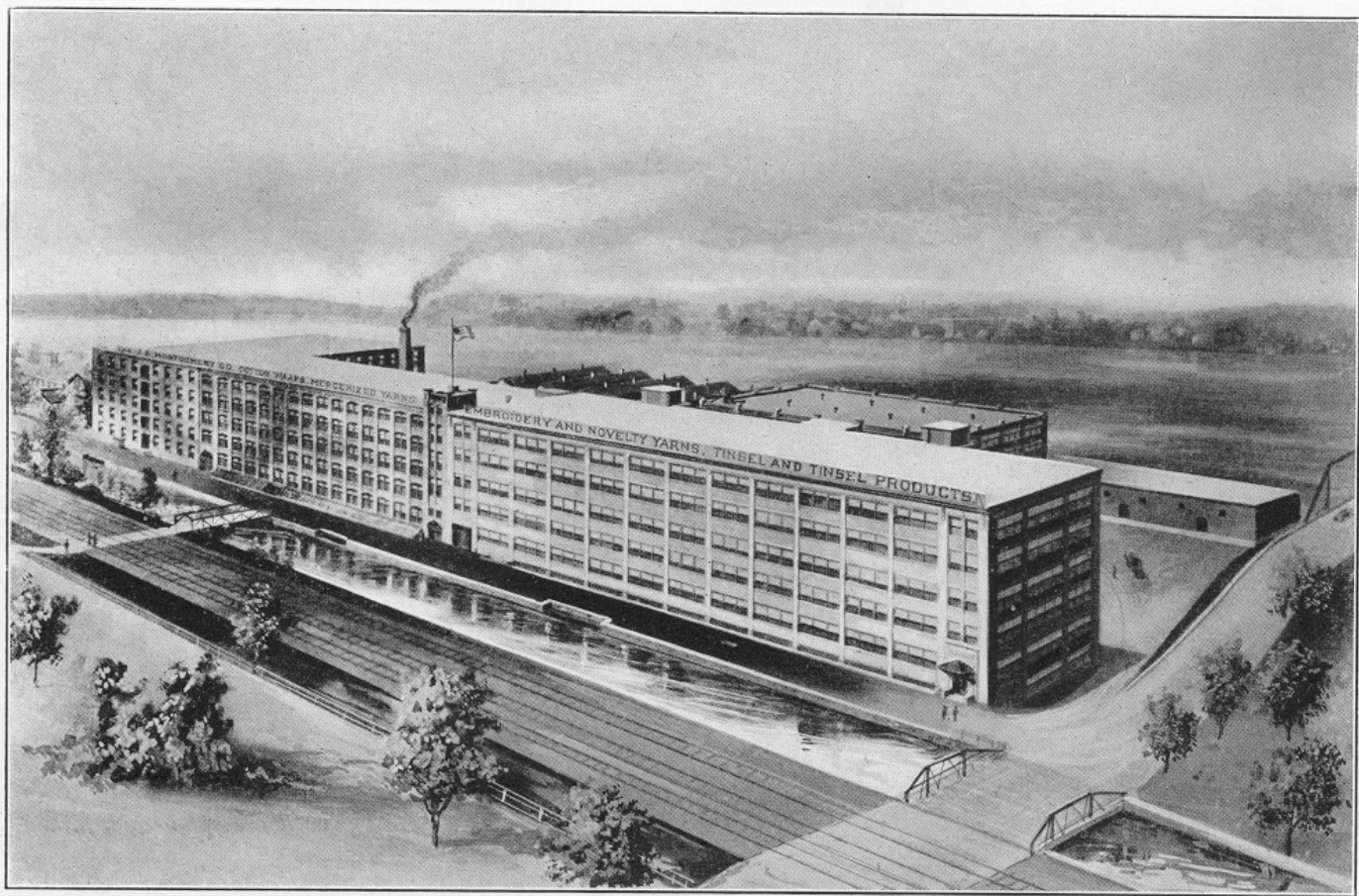
Slag is desirable for all types of road construction and has been used wherever available in the United States and Europe



*Concrete Bridge across Blackberry River at Canaan, Connecticut
Slag furnished by the New England Slag Company*

CONCRETE bridges in which New England Slag Company's Slag was used, built in the State of Connecticut, in accordance with the design and under the Supervision of the State Highway Commission, Hartford, Connecticut.

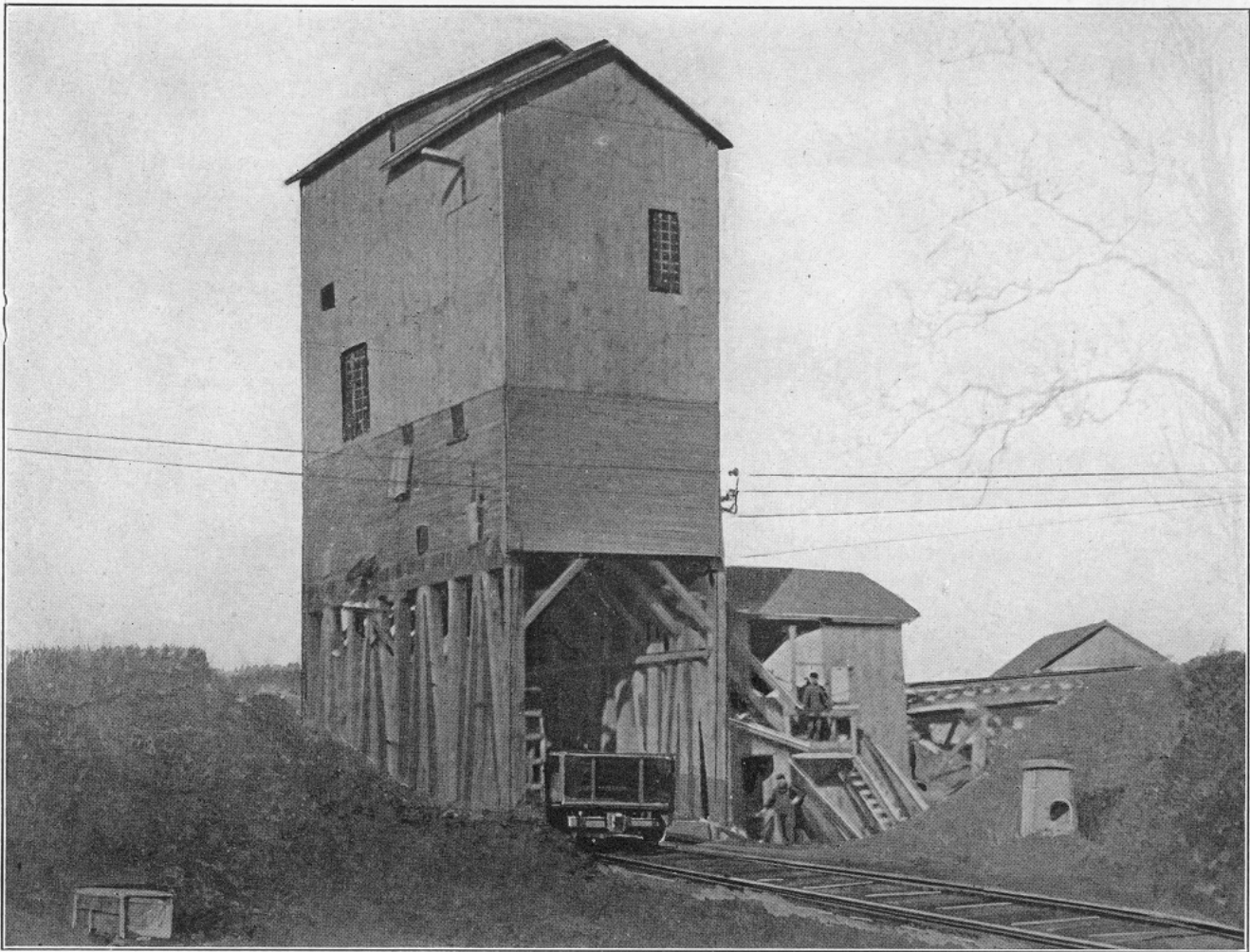
<i>Location</i>	<i>Contractor</i>
Blackberry Bridge, Canaan, Conn.	Ossola & Besozzi, Torrington, Conn.
Dutchess Bridge, Canaan, Conn.	L. J. Sieling, New York City
State Road Bridge, Watertown, Conn.	Mascetti & Holley, Torrington, Conn.
Main Street Bridge, Lakeville, Conn.	Osborn-Barnes Co., Danbury, Conn.
State Road Bridge, Goshen, Conn.	Mascetti & Holley, Torrington, Conn.
Main Street Bridge, Salisbury, Conn.	Osborn-Barnes Co., Danbury, Conn.



*J. R. Montgomery Company Factory, built of Slag Concrete containing 7,000 tons of Slag
All furnished by New England Slag Company*

Buildings In Which New England Slag Company's Products Were Used

<i>Location</i>	<i>Building</i>	<i>Engineer—Architect</i>	<i>Contractor</i>
Windsor Locks, Conn.	J. R. Montgomery Co.	Ford, Buck & Sheldon Hartford, Conn.	Bent-Bartlett Co. Hartford W. J. Sexton, Hartford Ellison Const. Co. Hartford J. H. Grozier Co., Hartford Ellison Const. Co.
Hartford, Conn.	Arrow Electric Co.		
Windsor Locks, Conn.	G. P. Clark Co.		
Hartford, Conn.	Windsor Cement Co.		
Mansfield Depot, Conn.	Mansfield State Training School	Lockwood, Green & Co., Boston, Mr. Russell, Holyoke, Mass. A. L. Ruland, Bridgeport, Conn.	R. G. Bent & Co. Hartford National Eng. Corp. Boston Lynch Bros. Co., Holyoke J. R. Sheehan, Bridgeport
Hartford, Conn.	Allied Tobacco Co.		
Naugatuck, Conn.	Goodyear Metallic Rubber Co.	Private Plans	J. H. Grozier Co. Hartford, Conn.
South Lee, Mass.	American Writing Paper Co.		
Bridgeport, Conn.	Karm Terminal Co.		
Torrington, Conn.	Turner-Seymour Co.		
Broad Brook, Conn.	Broad Brook Woolen Co.		
Griffins, Conn.	Griffin Tobacco Co.		
New London, Conn.	New London Ship & Engine Co.		
Bloomfield, Conn.	Griffin Tobacco Co.		
East Berlin, Conn.	Conn. Metal & Chemical Co.		
Waterbury, Conn.			
Maybrook, New York	N. Y., N. H. & H. R. R.	W. J. Backus, Engineer F. W. Mellor, Architect	H. Wales-Line Co. Meriden, Conn.
State Line, Mass.			
Georgetown, Conn.	Gilbert & Bennett	Greenwood & Noer, Hartford Frederick L. Smith, Engr., N. Y. G. S. Phelps, Meriden, Conn.	Ellison Const. Co., Hartford, Conn.
West Dudley, Mass.	Burmur Paper Co.		
Southampton, Conn.	Southampton Hardware Co.	Fletcher-Thompson Co., Bdgpt. Greenwood & Noer, Hartford Stewart Wayne, New York City	Howard Co., New Haven Sperry Eng. Co. Scoville Mfg. Co. Turner Const. Co., Boston R. W. Smith Const. Co., New York City
Bridgeport, Conn.	Nicholls Underwear Corp.		
Hartford, Conn.	Maxim Silencer Co.	Private Plans	
Hartford, Conn.	P. A. Frasse & Co.		
Hartford, Conn.	Spencer Turbine Co.	Davis & Brooks, Hartford, Conn.	
New Britain, Conn.	Union Mfg. Co.		
New Haven, Conn.	Howard Co.	Private Plans	
Waterbury, Conn.	American Brass Co.		
Waterbury, Conn.	Scoville Mfg. Co.	Private Plans	
Bristol, Conn.	New Departure Mfg. Co.		
Canaan, Conn.	Standard Oil Co.	Turner Const. Co., Boston, Mass. R. W. Smith Const. Co., New York City	



Crusher Building, where Slag is crushed and screened into various sizes

New England Slag Company's Properties

THE plant of the New England Slag Company consists of the following buildings, machinery, equipment, tools and supplies:

- Osgood steam shovel
- Standard gauge track siding
- Narrow gauge track, switches, etc.
- Two gasoline locomotives
- Narrow gauge side dump cars
- Reliance jaw crusher
- Crusher building, storage bins, screen house and crushing platforms
- Elevator, belts and buckets
- Revolving screens
- Electric motors, belts, wiring, etc.
- Supply chutes to screens and crusher
- Shop building, and locomotive house
- Office building and equipment, including typewriter, steel files, desks, etc.
- Storage building for supplies and parts
- Miscellaneous tools, pumps, water lines and supplies, including blacksmith shop and equipment

New York, March 29, 1921.

THE NEW ENGLAND SLAG CO., INC.,
East Canaan, Conn.

GENTLEMEN: In accordance with your request I have audited the books of the New England Slag Co., Inc., and herewith submit report of Sales and Operating Expenses for the Season of 1919-1920.

Sales of Slag (approximately 36,500 tons).....	\$40,100.00
Cost of Operation:	
Supplies and repairs....	\$8,310.50
Labor, wages, etc.....	9,765.21
	18,075.71

Gross operating profit..... \$22,024.29
The above would show the following averages:

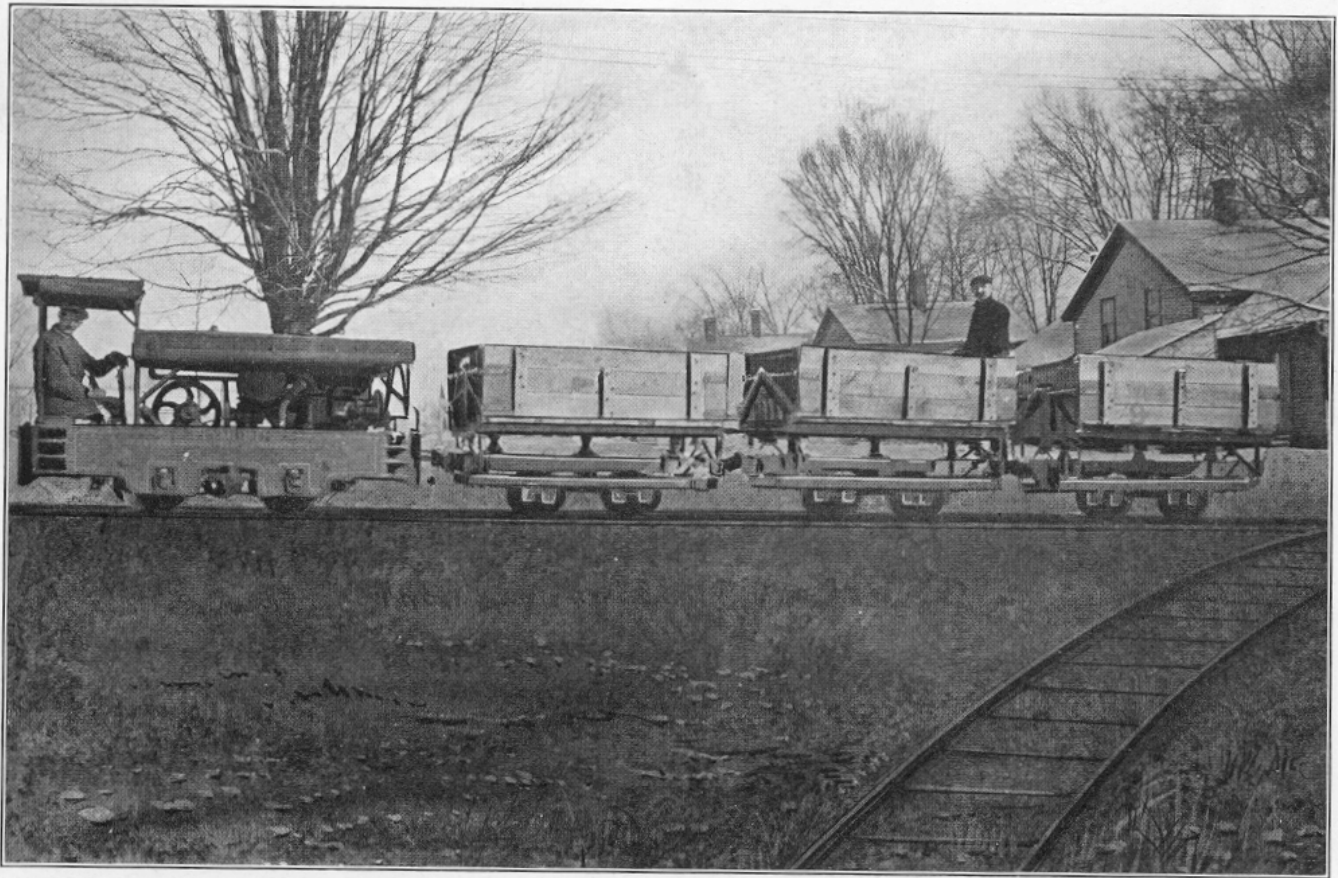
Selling price per ton.....	\$1.10
Cost per ton.....	.49½

Gross profit per ton..... .60½
In addition to the operating expenses the selling and overhead, including rent and advertising, amounted to \$6,043.54 for this period. Deducting this amount from the gross operating profit of \$22,024.29 shows a net profit of \$15,980.75.

Respectfully yours,
(Signed) HARRIS GOLDSTEIN.

Public Accountant and Auditor
95 Fifth Ave., New York

The operations of the New England Slag Company in the season of 1919-1920, with the present plant and equipment, produced the results as shown in the above report.



Part of the New England Slag Company's equipment

Increasing Production—Sales—Profits

IN order to substantially increase production, new buildings, machinery and tracks will be added to the existing plant, to produce at least 80,000 tons annually after the proposed improvements are completed.

Plans for the construction of a bridge, new building, screen house, storage bins, etc., have been prepared by Buck & Sheldon, Engineers and Architects, of Hartford, Conn. Improvements for increasing plant are under way.

Equipment Necessary to Increase Production

The following machinery, tracks, buildings, etc., are included in the items required to increase the present plant to produce the increased output:

One complete drying plant	Additional standard and narrow gauge tracks, ties and switches
One steam shovel	Twelve 4-yard dump cars
One jaw crusher	One saddle-tank steam locomotive
One elevator	Three electric motors, belts, wiring, etc.
Three Stimpson screens	New building, storage bins and screen house
Bridge to cross river	

After the proposed additions and improvements are completed, a conservative value of output of 80,000 tons will be as follows:

<i>Quantity</i>	<i>Selling Price</i>	<i>Total</i>
20,000 Tons of Slag Sand	\$0.75	\$ 5,000
8,000 Tons of Roofing Slag	4.00	32,000
28,000 Tons of Concrete Slag	1.00	28,000
24,000 Tons of Road Slag.....	1.00	24,000
<u>80,000 Tons</u>		<u>\$99,000</u>

The average selling price per ton is \$1.24.



View of Crusher Buildings and Screen House showing Steam Shovel, Dump Cars, one of the Locomotives, and Shop

Roofing Slag Market Advantages

FOR more than twenty years, roofing slag for New England and New York was sold by Eastern Pennsylvania slag producers. In serving New England and New York, the freight rate—a highly important item—is decidedly in favor of the New England Slag Company.

For example, the rate to the more important New England points from Pennsylvania slag producers is \$4.20 per ton. The rates from our main plant to the same points are as follows: Hartford, \$1.26 per ton; New York and Stamford, \$1.12 per ton; New Haven and Bridgeport, \$1.40 per ton. *This gives the New England Slag Company an average advantage of \$3.00 per ton on equal quotations for roofing slag.*

Profits in Roofing Slag

The 1919-1920 production lacked the advantages of a drying plant and the sales included but little Roofing Slag, which is a very profitable item, hence the average selling price of 36,500 tons of the various sizes of slag then produced was only \$1.10 per ton, as noted previously.

Most of the Roofing Slag recently produced at East Canaan was sold to the New York, New Haven & Hartford Railroad at \$4.00 per ton. This slag will be worth at least 30% more when dried.

The other sizes of slag will be marketed just as readily. In fact, New England users are waiting for the company to resume operations, as the demand has always exceeded the company's production.

(Note the letter from the Windsor Cement Company, of Hartford, Conn.)

WINDSOR CEMENT COMPANY INCORPORATED

Hartford, Conn., March 15, 1921.

NEW ENGLAND SLAG CO.,
East Canaan, Conn.

GENTLEMEN: Acknowledging your letter of the 8th, we note you are planning extensive improvements to your plant.

The increased production that you plan should enable you to place us in position to secure our share of business in this vicinity, and the outlook, at this time, indicates a large volume of concrete aggregate will be required for several years.

The light weight of your material makes it especially attractive to contractors, as it cuts down labor expenses and, where stone and slag prices are equal, the contractor who has once used slag will select it in preference to stone.

We note your improvements include a dryer to produce a thoroughly clean roofing slag. There is a strong demand for this material which in the past, we have been compelled to refuse owing to your inability to furnish a clean, dry material.

Congratulating you on the success you are making, we assure you that you can continue to expect our patronage.

Yours very truly,

WINDSOR CEMENT CO., INC.,
(Signed) A. A. JACKSON,
V. Pres. & Gen. Manager.

Increased Earnings

THE estimated cost of the improvements (detailed on page 13) at East Canaan is \$60,000. When these plant extensions are completed, the gross sales of the company computed on the earnings of its principal plant at East Canaan are estimated as follows:

80,000 Tons Slag (see table on page 13)	\$99,000.00
Operating Costs (including power, fuel, labor, town taxes, insurance and selling expense).....	\$32,000.00
Depreciation on Plant at East Canaan, figured at 10% annually.....	10,000.00
	42,000.00
Gross Profit.....	\$57,000.00
Interest on Preferred Stock, 8% per annum.....	8,000.00
NET PROFITS (Estimated).....	\$49,000.00

This amount will be available for United States Government Taxes, sinking fund to retire Preferred Stock and for dividends on Common Stock.

These gross earnings will be more than seven times the dividend requirements of the \$100,000 Preferred Stock.

It is obvious that these estimates are sincerely conservative when a comparison is made with the 1919-1920 earnings.

	<i>Estimated Earnings</i>	
	1919—1920	1921—1922
Sales.....	\$40,100.00	\$99,000.00
Operating Costs.....	18,075.71	32,000.00
	\$22,024.29	\$67,000.00

The earnings of the 1919-1920 season were used to purchase part of the present plant and equipment. The increased plant will not only be capable of tripling the 1919-20 production, but the drying plant will substantially increase the value of the roofing slag and slag sand.

The operating costs will be but a little more than 1919-1920 as the machinery is power driven and the extra operating cost is mainly for coal, oil and electricity. Very few more employees are needed than were employed in 1919-1920.

The possible earnings of an additional plant at Richmond Furnace are not included, notwithstanding the fact that the proceeds from the sale of all the Preferred Stock will provide ample funds to construct said plant.

The proceeds of the sale of the Preferred Stock will be used for the construction of the bridge, buildings and tracks, and the purchase of all necessary machinery and equipment. The 8% Cumulative Preferred Stock has a par value of \$100.00 per share, and may be retired at \$110.00 and accrued dividends on any interest date.

The officers of the company are the same men who started the business in 1917, and will continue its management. They draw no salaries and will not do so until such time as the Common Stock is on a substantial dividend paying basis.

The officers of the company invite any investigation as to the accuracy of any statement made, and are pleased to refer to any public official, engineer, architect, builder or contractor who has purchased or used our product—slag.

The New England Slag Company aims to distribute its stock among investors who seek the maximum return on their investment with a minimum of risk—those who are particularly desirous of profiting in proportion to their investment by encouraging and sharing in a small, rather than a spectacular industry.

This is the first public offering of the stock of this company.

Financial Condition of the New England Slag Company, Inc.
as of April 2nd, 1921

ASSETS

Cash in Canaan National Bank.....	\$ 4,682.34	
Plant and Equipment (as per inventory).....	38,145.49	
Slag Deposits	150,000.00	
TOTAL ASSETS		\$192,827.83

LIABILITIES

Notes and Loans payable.....	\$12,000.00	
Common Stock, subscribed.....	137,500.00	
SURPLUS	43,327.83	
TOTAL LIABILITIES		\$192,827.83

AUTHORIZED CAPITAL STOCK

Cumulative 3% Preferred Stock (par value \$100).....	\$100,000.00	
Common Stock (par value \$25).....	150,000.00	

The property of the company is free and clear of all encumbrances

Statement prepared by

HARRIS GOLDSTEIN, *Public Accountant*

OFFICERS

J. R. STRAIN
President

E. C. HESSENBRUCH
Vice-President

A. W. HERBST
Sec.-Treas.

DIRECTORS

J. R. STRAIN

E. C. HESSENBRUCH

C. C. J. CULMER

R. H. FOX

A. W. HERBST

Sales Manager, American Motor Body Company, Philadelphia, Pa.

Guy A. Willey Motor Company, Philadelphia, Pa.

Vice-Pres. and Treas., Economy Hoist & Body Co., New York, N.Y.

T. R. Fox & Son, Builders, Hartford, Conn.

General Manager, New England Slag Company

REFERENCES

Canaan National Bank, Canaan, Conn.

R. G. Dun & Co.

The New England Slag Company is a member of The National Slag Association, comprising the principal Slag Producers in the United States. Executive Offices: Leader-News Building, Cleveland, Ohio.