

## BREWERIES IN THE ISLE OF MAN AND THE AMALGAMATION OF 1899

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The bibulous Henry Prescott of Chester, the deputy registrar of the diocese of Chester from 1686 to 1719, recorded in his diary a great many visits to inns and a vast consumption of alcohol. This included ale from the Isle of Man: in January 1705 he gave Archdeacon Booth ‘the last bottle of my Mancks Ale’ (with which Booth ‘seemed pleas’d’).<sup>1</sup>

The Isle of Man Brewery in Douglas, owned by a certain J.J. Kayll, who was said to be retiring because of ill-health, was for sale in 1840. The announcement referred to ‘the small number of Breweries in the Town and Neighbourhood’ and ‘the rapidly increasing prosperity of the Island’.<sup>2</sup>

By the 1890s the island’s breweries were the Castle Rushen (Castletown) brewery in Castletown, the Castle Hill (Woolf’s), Lake (Clinch’s) and Falcon (Okell’s) breweries in Douglas, and the Royal Albert (Wall’s) brewery in Ramsey.

### **The Castle Hill Brewery, Douglas**

George Atkins of the Castle Hill Brewery, Douglas, was mentioned in 1856 in connection with a dispute over the rating of a house he formerly occupied in Liverpool. He may be the George Atkins who was recorded as a brewer in Soho Street, Liverpool, in 1841-43.<sup>3</sup> The 1861 census returns recorded him as aged 65, living at the Castle Hill Brewery, as a brewer and maltster employing 4 men, an occasional cooper and a gardener.

Atkins was insolvent in 1869, and the business was sold to Charles Udall, probably in June 1871. Udall was a plumber by trade, not a brewer, but he had done a lot of

plumbing work in breweries, and had brewed on some occasions.

An accident occurred at the brewery in January 1872 when Udall’s recently installed patent apparatus for cleaning barrels with steam and hot water was being tried out on a very dirty cask. The cooper fastened the head on it, and the water and steam were turned on; after a few minutes a Mr Smagg, who had been employed by Udall to set up the machinery, was about to turn off the steam when the head of the cask flew off with tremendous violence and threw him to the ground, breaking his leg. Other men, including Udall’s nephew, were scalded and bruised.<sup>4</sup>

In 1872 Atkins sued Udall in the Isle of Man Deemster’s Court. He claimed £9 9s for three weeks’ work as brewer and manager. He said that in October 1871 Udall’s nephew brought a message from Udall asking him to go and brew for him, as the brewer he had engaged from Burton-on-Trent had not arrived as expected. Atkins did so, staying until mid-November. He was an experienced brewer with over 30 years’ experience and, since coming to the Isle of Man, had operated the Castle Hill Brewery for over 14 years.

Atkins said that he had brewed for Udall seven or eight times. On a brewing day he would go to the brewery about seven in the morning and often stayed there until seven or eight at night until the ale was put into the cooler. He also had to attend to the fermentation and put the books in order. Evidence was given by a Mr Okell, who had been in the brewing trade for over 20 years, that nine guineas was a reasonable charge; if Atkins had been engaged for the year, he would have been worth two to three guineas a week.

Udall gave a rather different account. He said that he had engaged a brewer from Burton, who did not arrive on 1 October as he should have done. Atkins happened to be there and offered to do the brewing if Udall liked. On 21 October Udall told him that his style of brewing did not suit him and he was not to brew for him any more. Udall had had many complaints about the beer: the last brewing had been sent back by everyone it had been supplied, and was not fit for use. He considered that the bad brewing had lost him £100, besides the loss of trade. Atkins presented him with a bill for £10 for services rendered, which he grumbled at, but eventually paid. He said that after that Atkins was in the habit of calling in at the brewery in the morning and taking a glass of ale, but did not do any work. Udall did the brewing himself until the Burton brewer finally arrived.

The court found that a settlement had been made between the parties for the period to 21 October and Atkins had nothing to do with the brewing after that date. His claim therefore failed.<sup>5</sup>

According to advertisements from about this time, Charles Udall & Co produced draught X Ale, XX Ale, XXX Ale, XXXX Ale and Pale Ale, as well as bottled Pale Ale; they also distributed Manders's Dublin stout.

There was an attempt to set up an Isle of Man Brewing and Hotel Co Ltd., based on the Castle Hill brewery, in 1874; a prospectus was issued, but nothing seems to have come of it.

Henry Green and Henry Marsden bought the Castle Hill Brewery business from Udall in 1875. In 1876 Marsden sold his interest to John Brown, from Derbyshire, and the brewery then traded as Green and Brown.<sup>6</sup>

The brewery, which was stated to be an eight-quarter brewery, was put up for sale in 1880, as the owner was retiring. It included a dwellinghouse, brewhouse, maltings and stables, amounting to three acres of land.

### **Woolf's Brewery & Mineral Water Co Ltd**

Edward Samuel Woolf, the founder and owner of the South Cheshire Brewery in Crewe, took over the Castle Hill Brewery. Until February 1884 he was in partnership, under the name E.S. Woolf & Co., with Frank

Rigby and Samuel Davies, and then with Rigby alone. In February 1889 he turned the firm into a company, Woolf's Brewery & Mineral Water Co Ltd. The company also acquired his interest in mills at Ballaughton, which they converted into a brewery, and a neighbouring mineral water works. Woolf was the managing director, while John Archibald Brown was chairman. Woolf's brother Henry also became a director, and Woolf's son John worked for the company as a brewer (in 1891, according to the census returns, John 'Wolf', aged 38, master brewer, was living in a house called Hollies in Braddan parish, near the brewery).<sup>7</sup>

The directors were J.A. Brown (chairman), Charles Fox (vice-chairman), E.S. Woolf (managing director), R.B. Brierley (died c.1896), William Welden, William Henry Jones (died 1890), C.H. Kynaston (until 1890), Joseph Drake Rogers (until 1890), T.D. Livesey (from 1890) and Henry Woolf (from 1890).

The company took over E.S. Woolf's business at the Castle Hill Brewery for £2,700, taken in fully paid shares, and his interest in the Ballaughton property; Under the guidance of Woolf and Kynaston, who was a brewer and maltster from Wem, Shropshire, the Ballaughton mills were converted into a well-equipped brewery, at a cost of £2,141 2s 11d. The new brewery was inaugurated in November 1889. There was a small mineral water works connected with Ballaughton, and in order to expand this the company bought the business of the Mona Aerated Water Co Ltd. for 2,000 shares and £1,000 in cash, and constructed a new mineral water plant at Ballaughton, thus concentrating all operations on one site.<sup>8</sup>

From the first year the company generally progressed slowly but steadily. The first year's profit was £671 4s and a dividend of 7½% was declared. The dividend was 5% for 1891, 4% for 1892 and 6% for 1893. Improvements to the Ballaughton brewery included the installation of a new boiler and the replacement of the old water wheel by a more modern one. Thought was given to building their own maltings instead of importing all their malt from England. In 1893 the directors complained about a letter published in the Manx Sun questioning the water supply. Sales increased, especially of beer (mineral water sales had an occasional poorer year, invariably blamed on the bad weather), and additions were made to the plant, particularly in 1893-94.

The increase in business not swallowed up in increased expenditure.

At the 1894 AGM J.L. Bromfield, a shareholder and seller of Woolf's beer, said he had had 410 barrels in the previous year and had not had to return a single quart. The beer was of excellent quality and kept splendidly. He suggested that it should be bottled. Livesey, a board member and shareholder, said that he had bottled two hogsheads in 1893, and it was very good.

In 1895 it was decided to issue more shares; of the 20 000 originally authorised, 6,665 were still unissued. They were offered to existing shareholders, and most were taken up.

In 1896 the chairman said that in six years the revenue of the company had doubled. The company was in an excellent position, and its investments now amounted to over £20,000. A dividend of 7½% was declared.

The trading profit for 1896 was £2,846 6d 2d, and the total available for distribution was £3,036 12s 9½d. The 1897 AGM appropriated £1,382 5s 4d to payment of the dividend, £500 to writing down costs of purchase, and £500 to the reserve account, with a balance carried forward of £654 7s 5½d.

Sales of beer and mineral waters in these years were:

1889	£5,888 15s 7½d	1893	£7,643 18s 6½d
1890	£6,248 2s 11d	1894	£8,868 16s 5d
1891	£6,391 14s 6½d	1895	£10,288 15s 4d
1892	£6,565 15s 0½d	1896	£11,128 10s 10d

At the 1898 AGM, the shareholders were again told that there had been a satisfactory increase in the business of every department, and the highest dividend since the formation of the company was distributed (10%).

Brown said that the account were now being presented differently, in less detail; hitherto they had with recorded every penny with childlike innocence and in almost Zola-like minuteness, which told too much to their competitors, so they had changed all that.

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**WOOLF'S BREWERY & MINERAL WATER CO., LTD.**

Directors—		
JOHN A. BROWN (Chairman).	W. WELDEN.	H. WOOLF.
C. FOX (Vice-Chairman).	E. S. WOOLF.	
T. D. LIVESLEY.	(Managing Director).	

Secretary—P. R. ROWE.

Auditor—M. M. BRIDSON.

Office—11, ATHOL STREET, DOUGLAS, ISLE OF MAN.

Nominal Share Capital, £20,000, in Shares of £1 each.

**BALANCE SHEET.**

Dr.	Year ending Dec. 31, 1897.	Cr.	Year ending Dec. 31, 1897.
Mortgages and Purchase Money Unpaid	£18,454	Brewery and Mineral Water Business, including Machinery, Plant, &c.	£12,321
18,940 Shares, £1	18,940	Hotel Household Properties	26,682
650 Shares (£s. paid)	169	Shares in Companies	2,694
275 Shares (£s. 6d. paid)	34	Dividends	3,097
Ground Rent	800	Stocks on hand	896
Interest due and accrued	223	Rents due and accrued	242
Sundry Creditors	2,887	Cash	574
Contingencies Fund	500		
Net Profit	2,031		

**Dividends on Shares.**—1894, 7½%; 1895, 7½%; 1896, 7½%; 1897, 10%.

**Reserve Fund.**—1896, £500; 1897, £9,000 (including Contingencies Fund).

**Remarks.**—The Company was registered February 10th, 1889, to acquire a Brewery and Mineral Water Business at Douglas, Isle of Man. The Business has been steadily progressive. Last year the Directors declared the highest Dividend since the formation of the Company, at the same time strengthening in various ways the financial position of the concern.

*Figure 1. Entry for Woolf's Brewery in Duncan's Manual for 1898.*

Just consider [he said] what this Company has achieved in the nine years of its existence. Nine years ago the Island was flooded with Scotch and other beers. We have driven our Scotch competitors out of the Manx market, and now we have scarcely any other beer consumer here except the apparently invincible Burton, and the more or less excellent productions of the local breweries. We hope, too, in time, to be able to successfully compete with the Burton breweries.

In those nine years they had returned to the shareholders 59% of the company's capital, had increased their assets, investments and cash from £14,815 16s 2d to £46,447 17s 11d, had formed a reserve fund of £2,000, and had paid £8,667 1s 4d in wages.

Henry Woolf died on 1 August 1898 at his home in Cheshire.

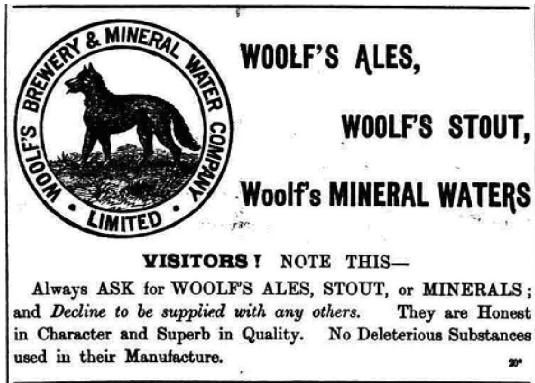


Figure 2. A newspaper advertisement from 1895.

The 1899 AGM was little different from the 1898 one. The directors reported an operating profit of £2,593 15s 4½d and recommended a dividend of 10%, as in the previous year.

However, a shareholder said that there was some rumour that the brewery was likely to amalgamate with some other brewery. Brown replied that they had been approached with regard to an amalgamation of that kind, but nothing definite had been done, and he could assure the shareholders that nothing would be finally settled in a direction in any way affecting their property or its disposal to an amalgamating company or a new company without the entire scheme being submitted to the shareholders.

At the dinner which followed the meeting, one of the toasts was to E.S. Woolf, popularly described as the ‘father’ of the company, who in reply spoke of his struggles at the old Castle Hill Brewery, where they had only one brew a fortnight.

What Brown did not disclose at the meeting was that the directors had just signed, or were just about to sign, an agreement to sell the company to a promoter of a syndicate set up to amalgamate as much as possible of the island’s brewing industry.

#### **The Castle Rushen Brewery, Castletown**

In the 1860s and 1870s Messrs Quayle & Usher were brewing at the Castle Rushen Brewery in Castletown.

The firm was mentioned in connection with a suicide and a marriage. In August 1867 R.T. Quayle, of the firm of Quayle and Usher, a young unmarried man, shot himself. He had been a member of the House of Keys from 1863 until March 1867, and, although a brewer, was an abstainer. In September 1869 a most fashionable marriage took place between George Parsons Quayle of the firm of Quayle and Usher, ‘the well-known brewers of Castletown’, and Mary, daughter of Captain Browne. All the brewery’s employees were entertained at a supper at which they drank the health of the principals of the firm, ‘which employs the most numerous staff in Castletown’.<sup>9</sup>

In 1871 the firm employed a brewer by the name of Bell. In 1872 they were reported, perhaps somewhat optimistically, to have started exporting bitter ale to Trinidad.

The partnership was dissolved in November 1880, and Thomas Frederick Usher continued the business on his own. The brewery was then operated by Theodore Sherlock and Edward Tooker, trading as T.E. Sherlock & Co. After Sherlock’s death, Tooker ran it on his own for a time, before deciding to turn it into a company in 1890.

According to the prospectus for Castletown Brewery Ltd, the brewery was believed to be over 150 years old. G.P. Quayle, who no longer ran the brewery but still owned the freehold, would grant the new company a lease for 21 years at a rent of £175, which would also tie the Castle Arms, Castletown, and the Cumberland Inn, Port St. Mary, to the brewery. The brewery owned the Round Table Inn, Arbory, and the Fenella Hotel, Peel.

A valuer’s report stated that the brewery had an oak mash tun, fermenting vats, four large iron tanks, a boiling copper to hold 31 barrels, an underback and coolers, steam engine and boiler, malt screen, malt mill, grain elevator, wort pump, Morton’s refrigerator and copper racking pipes. The fermenting vats and coolers were lined with copper. The steam boiler had been inspected and certified to be in satisfactory condition. The accountants certified that the profits for 1889 were £435 13s 7d.

There were 6,000 shares of £1 each, 5,500 being issued initially. The directors - all businessmen or profession-

als from Castletown - were to be Edward Green Tooker, brewer; James Mylchreest, merchant and Lloyds' agent for the Isle of Man; Tom Milner Dodd, merchant; William Kissack, of the Scarlett Limestone Quarries; and James Stowell Gell, advocate.<sup>10</sup> Gell later became the chairman.

The new limited company Castletown Brewery Ltd. operated the brewery from 1 January 1891. Improvements were made to the brewery: the wooden floors of the brewhouse were replaced by concrete ones supported by brick arches on iron girders. A water supply was now piped from a spring on the other side of the harbour, and this was used instead of the water from the waterworks company. The company exported a small amount of beer to 'the other side of the water', i.e. England.<sup>11</sup>

In March 1897 Herbert A. Cox, secretary and brewer, was injured in an accident in the brewery. He slipped and fell into the mash tun, which contained liquid at 160°. His legs and arms were scalded, but his thick clothing protected him from worse injury.

In 1897 James Mylchreest was chairman of the company. He was also a member of the Isle of Man legislature, the House of Keys, and when a bill was brought in to permit the sale of beer in boarding houses, he voted against it. The other directors effectively forced him to resign from the board.

### **The Royal Albert Brewery, Ramsey**

John Lane was brewing Lane's Star Ales at the Royal Albert Brewery, Ramsey, from 1863 or earlier. He was also involved with the Oriel Street Brewery, Vauxhall Road, Liverpool.<sup>12</sup>

Lane lived in Liverpool and the Ramsey brewery was managed by James Radley. The 1881 census returns listed Radley as aged 44, a native of Cheshire, living at 4 West Street next to the brewery with his wife and two nephews (and recorded Lane at 77 Shaw Street, Everton, Liverpool). However, the brewery's advertisements mentioned only the proprietor Lane.

By 1887, according to newspaper advertisements for the Albert Ales, the proprietor of the brewery was John

Lane, the oldest brewer in the island (he was in his eighties), and the manager was Alfred Wall, who claimed previously to have been head brewer for several years in the chief breweries of the midland counties of England.

After Lane's death in March 1889, his executors in July 1889 offered his real property in Ramsey for sale by auction. This included the Royal Albert Brewery, West Street; premises known as Mylrea's Brewery, at the west end of the town at the beginning of Lezayre Road; and premises in Tower Street known as Moore's Brewery. Nothing seems to be recorded about the antecedents of Mylrea's and Moore's breweries.

Alfred Wall bought the Lezayre Road site for £1 230. The Royal Albert Brewery was withdrawn from sale when the bidding stopped at £640, but Wall may then have bought it for about £720. The Tower Street land was not sold.<sup>13</sup>

In January 1891 James Radley was declared bankrupt, and in April his trustees announced the sale of the 'recently new' plant and fittings of the Ramsey Brewery, Station Road; the plant had been 'recently purchased new' and 'but a short time in use'.

The plant was described in detail:

The Plant comprises a large copper Brewery Pan, wood Malt Mill, Steam Engine of about 3½ nominal h.p., with heavy fly wheel and cog wheel attached, and copper steam pipe to boiler; large upright Steam Boiler, with fittings all complete; wood Fermenting Tun, copper Temperator and Refrigerater, with copper tray and fittings; 5 quarter Mash Tub, with under plates; copper Masher, copper Sparger, 3 Mashing Vats and Hopper, all complete; 22-barrel Boiling Vat, with copper coil and ball taps, also with steam piping and taps complete to boiler; 2½ inch loose copper Coil, 1 inch ditto, brass Force Pumps, 2 Thermometers, 1 Sachrometer, Dipping Rod and Sample Tin, galvanized Water Tank, wood Stillages, with taps complete; 3/4 Pocket Kent Hops, 1889; large number of Puncheons, Casks, and Barrels, and the other usual Fittings and Appurtenances generally found in a first-class Brewery.

The brewery's transport park consisted of a float and a dogcart.

The auctioneer's advertisement also stated that this was

the only brewery in operation in the north of the Isle of Man; if this claim was accurate, the Royal Albert Brewery must have temporarily ceased brewing.<sup>14</sup>

In November 1891 the Royal Albert Brewery Co Ltd was formed to take over the brewery which, it was stated, had been conducted for many years by the late John Lane of Liverpool and more recently by Alfred Wall of the Prince of Wales Hotel in Ramsey. The share capital was £6,000, of which 2,000 ordinary and 2,000 7% preference shares of £1 each were issued. The directors were to be James McWhannell, Edward Quayle and H.C. Kerruish, businessmen of Ramsey, John Sawrey Everard of Douglas, and Alfred Wall the brewer. The company would pay Wall £4,221 (part paid in cash and shares, part to remain on mortgage) for the West Street premises with the equipment and goodwill. Wall would continue to manage the business.<sup>15</sup>

The first general meeting of shareholders, held in May 1892 and chaired by McWhannell, was informed that trade in Ramsey and the island generally had been dull, but sales of ale were none the less £108 higher than in the corresponding period of the previous year. The company had a 'smart little brewer', the equipment was in good order and there were plenty of barrels and puncheons, but, although the water from the town water works was good, the pump was not powerful enough to raise it to the cistern, and this would have to be attended to. The present premises were their own property, but they would before long have to consider the possibility of moving the brewery to Lezayre Road. The permanent directors were then appointed: J.S. Everard, W. Dyson, Alfred Wall, H.C. Kerruish, Mr Allen and Charles Banks Nelson.<sup>16</sup>

The brewery was subsequently leased to George Holmes, who traded as Wall & Co.

The company ran into difficulties in 1894. In June 1894 the AGM was told that £500 would have to be raised to enable the company to continue trading. This was apparently not forthcoming, as in July 1894 the shareholders voted to voluntary winding up and J.R. Fergusson was appointed liquidator. He later stated that the only significant asset was the company's claim against Holmes under his lease. Holmes died in about 1895, and in 1899 his executor eventually paid the company £1,036 11s 5d in respect of the claim.

The brewery continued brewing despite the liquidation of the company. In 1894 and 1895 the brewery in West Street and that in Lezayre Road were put up for sale by auction by the coroner of Ayre sheading and the lockman of Maughold parish; coroners, assisted by lockmen, were responsible in the Isle of Man for enforcing court judgments. The West Street site was probably used for brewing and Lezayre Road for malting. Alfred Wall bought them back for £1,610.

Holmes's executor sold some loose items from the brewery - barrels, weighing machines, grindstones, the office clock and so forth - in 1895.

The details are obscure, but it appears from the prospectus issued in 1899 for Isle of Man Breweries Ltd that Alfred Wall ran the brewery, which he held under a lease, trading under the name of the Ramsey Brewery. The firm, which was probably not a limited company (despite references to Wall & Co Ltd. and The Ramsey Brewery Ltd), was described as recently established.

#### **The amalgamation and the Isle of Man Breweries Co Ltd.**

In November 1898 J.A. Brown, Edwin Belfield of London, C.B. Nelson and J.D. Rogers agreed to form a syndicate with the aim of buying up breweries and leading hotels and pubs in the island and selling them on, at a profit, to a new company they would set up. These could include, among others, Woolf's Brewery Co., the Castletown Brewery Co, Wall's Brewery Co., Clinch's Brewery Co., Castle Mona Hotel Co. and the Commercial Hotel, Laxey.

Brown, in addition to being chairman of Woolf's and other companies, and a shareholder in the Castletown Brewery, was the owner and editor of the island's principal newspaper, the *Isle of Man Times*.

The guiding spirit behind the amalgamation was Alexander Bruce, the general manager of Dumbell's Banking Co. He had previously been involved with schemes such as the tramway from Douglas to Laxey and Ramsey. He preferred not to appear in person, and acted through his nominee Rogers, but it was understood by the syndicate that Rogers was representing Bruce and Dumbell's Bank. The lawyer C.B. Nelson

was also a friend of Bruce and a director of the bank, and the bank gave the promoter Belfield an accommodation bill for £3,000.<sup>17</sup>

W.B. Stevenson, the chairman of Dumbell's Bank, was invited to join the syndicate, but refused, as he afterwards said, because he had a bad opinion of it.

Approaches to the various firms targeted were made in late 1898 and early 1899. Most seem to have been welcomed. Thus at the Castletown Brewery shareholders' meeting in April 1899 it was agreed by 16 votes to 2 to accept the syndicate's offer to purchase the business for £18,000. £2 10s would be distributed for each £1 share, leaving £3,000 to be divided among the directors and staff. The freehold of the brewery, with the Castle Arms, Castletown, was also bought from its owner by the same purchasers for £7,000.<sup>18</sup>

Similarly, an extraordinary meeting of shareholders in Woolf's was called for 19 April 1899. The shareholders were presented with a resolution which they had to accept or reject. It read:

In the opinion of this meeting it is desirable that a provisional agreement, bearing date the 18th day of February, 1899, made between the Company of the one part, and Edwin Belfield, of 57, Moorgate-street, London, of the other part (and now produced), for the sale of the Company's property and undertaking, be, and the same is, hereby approved and adopted.

Charles Fox, who chaired the meeting, recommended the sale to the shareholders. The consideration was £61,000, which would give each shareholder £3 a share, with money left over for the directors and brewery staff who would lose their jobs. Fox explained that the purchaser intended to form a new company

for the purpose of taking over and working the undertaking of this Company and several other businesses, including at least one other brewery; a number of hotels; a wholesale wine, spirit, and bottling business; and a central supply store in the Isle of Man, by which amalgamation and concentration of interests it is anticipated that large economies can be effected, to the advantage of shareholders.

Without the amalgamation, according to Fox, 'it would have been absolutely necessary that, before long, a new and modern brewery would have to be built by this

Company; and that would have to be paid for'. He then said that 'the Syndicate have already purchased beyond all doubt the Castletown Brewery, as well as forty hotels in this Island, without reckoning the seven hotels belonging to this Company', and how would Woolf's fare if those customers were taken away? It could not be called a bad deal to accept £3 a share, equivalent to a 10% dividend for many years to come. In any case, he said, 'we must either be in or out of these operations. The spirit of amalgamation has reached the Isle of Man: and I do not know who will be able to stop it'.

If, as intended, the contract with Belfield were assigned to a new company to be set up, Woolf's could take cash or shares in payment, and Woolf's shareholders would be entitled to apply for shares in the new company. There was some discussion of whether the shareholders could take cash or shares and when the purchase money would be paid. A shareholder asked who the mysterious Mr Belfield was. Fox's answer was that that was immaterial to the shareholders: Belfield was operating for the people who offered them £3 a share, and there was no risk in the matter.<sup>19</sup>

Despite the opposition, the resolution for sale was passed by 13 votes to 7. A dissenting shareholder asked if a ballot could be taken, but Fox smilingly told him that it would be of no use because of the proxies he held.<sup>20</sup>

The new company was registered on 24 June 1899 as The Isle of Man Breweries Ltd., of Douglas. Shares were then offered to the public.

According to the prospectus issued, the company was to have a share capital of £350 000 divided into 175,000, 5% cumulative preference shares of £1 each and 175,000 ordinary shares of £1 each. A further 50,000 shares were reserved for future issue. In addition, £200,000 4% irredeemable first mortgage debenture stock would be issued. 50,000 preference shares, 50,000 ordinary shares and £25,000 debenture stock would be allotted to the vendors.

The directors were to be John A. Brown, of Woodlands, Onchan, Isle of Man, who was chairman of Woolf's Brewery Co Ltd. and of Palace and Derby Castle Co Ltd.; Tom Milner Dodd, chairman of Castletown Brewery Ltd.; J.T.H. Cottier, chairman of Glen Helen

Hotel Co. Ltd. and director of Peveril Hotel Co. Ltd.; Leonard Dursley, chairman of Salisbury and Star Hotels Co. Ltd. and director of Palace and Derby Castle Co. Ltd.; J.D. Rogers, director of Isle of Man Tramways and Electric Power Co. Ltd.; and Robert Stott, director of Palace and Derby Castle Co. Ltd. and of Salisbury and Star Hotels Co. Ltd.

The secretary would be F.J. Cain, and the registered office Athol Street, Douglas. The company's bankers would be Dumbell's Banking Co. Ltd., of Douglas, and banks in Manchester, London and Edinburgh.

According to the prospectus, the company was being formed to acquire three breweries, the wine, spirit and provision businesses of T.M. Dodd in Castletown and of Joseph Bucknall in Douglas, 46 hotels and public houses, and 47 cottages and shops in the Isle of Man. The breweries were described as:

(a) The freehold brewery and mineral water works, buildings, offices, land, stabling, &c., known as Woolf's Brewery and Mineral Water Works, Douglas, at present a limited company established in 1889, the fully-paid £1 shares in which are freely dealt in at £2 15s. per share.

(b) The old-established and prosperous freehold brewery and the business known as the Castletown Brewery Company, Limited, Castletown; is a limited company since 1890; is the only brewery in the south of the Isle of Man; the fully-paid £1 shares are dealt in at £1 17s. 6d.

(c) The recently-established business known as the Ramsey Brewery, which is enjoying a large proportion of the trade of the northern part of the Isle of Man.

The hotels included the Castle Mona Hotel (described as the former home of the Duke of Atholl, and the finest stone building on the island) and the Central Hotel (claimed to have the largest smokeroom of any hotel on the island), and others in Douglas, Port Erin, Peel and Laxey. They would be supervised by Mr August Frederick Mueller, formerly of the Hotel Majestic, New York.

The company also had the right to supply four hotels controlled by the Isle of Man Tramways Company and future hotels to be built or acquired by the tramways company along the lines from Douglas to Laxey,

Snaefell and Ramsey. It also had the sole agency in the Isle of Man of Samuel Allsopp and Sons Ltd., brewers of Burton-on-Trent.

The properties were valued by William Wilson & Son, brewery valuers, Manchester, and William Thomson, hotel and property valuer, Liverpool, at a total of £440,132, and by Robert Cain and James Cowie, Government Valuers, Douglas, at £448,000.

The accountants certified the average net profits of the businesses at £20,089, with additional uncertified profits of £9,700, and an expected 6% increase, making a total of over £31,000. The purchase price to the company had been fixed by the vendor, who was the promoter and sold at a profit, at £500,000, payable in debentures (£25,000) and ordinary and preference shares (£100,000) and the balance in cash or shares, out of which he would provide the company with £25,000 working capital.<sup>21</sup>

It seems that the prospectus was not received with great enthusiasm in the City of London or elsewhere. Only £51,665 was applied for by the general public. £248,335 was registered in the names of various interested parties, including £206,034 for Brown; how much of this was real money and not merely a figure transferred from one Dumbell's account to another is doubtful. The nominees later transferred their shares to Brown. The use of nominees was apparently intended to comply with a guarantee that had been given to Allsopp's as to the raising of sufficient capital, while appearing not to break Stock Exchange rules on the allocation of shares to promoters of quoted companies. Dumbell's undertook to take up the shares and debentures not allotted, so that the company could carry out the purchases contemplated.<sup>22</sup>

Despite the only moderate success of the flotation, the company proceeded on its way. The old Woolf's company was voluntarily wound up by resolutions of the shareholders in August and September 1899.<sup>23</sup> The purchase of the freehold of the Castletown Brewery from G.P. Quayle was completed in August 1889, and Castletown Brewery Ltd. was wound up at about the same time. The legally effective dates of the three brewery acquisitions were different: 12 November 1898 for Castletown Brewery Co. Ltd., 1 November 1898 for Wall and Co. (Ramsey Brewery), and 1 January 1899 for Woolf's Brewery Co Ltd.

The Ramsey brewery was closed in August 1899 and the brewing transferred to the other breweries.

Mr Cox of the Castletown Brewery was appointed head brewer. The house called The Hollies, Braddan, where John Woolf previously lived, was bought as his private residence.

The first statutory meeting of shareholders was held in Liverpool in December 1899 (shareholders' meetings were to be held every six months, alternately on the island and in England). Chairman J.A. Brown said the company was now in possession of all the properties and businesses. The directors contemplated building a central brewery on modern principles and closing the existing breweries; negotiations were being carried on for a freehold site near Douglas with a good water supply. The company were also sole agents for Allsopp's ales, stout and lager in the Isle of Man. In the chairman's opinion, the company had every element of success.<sup>24</sup>

Brown's optimism may or may not have been well founded at the time, but in any event it cannot have lasted long. Dumbell's Bank was generally thought to be sound and prosperous, but it collapsed in February 1900. On 3 February the bank's doors stayed closed and a notice was posted announcing that it was compelled to suspend payments. The brewery company suffered, in common with many other Manx firms and individuals, and had also played some part in the collapse.

The second AGM of Isle of Man Breweries Ltd. in July 1900 was told that trade was highly satisfactory. However, when Dumbell's Bank closed the company had £44,000 to its credit, and the promoters had consequently been unable to deliver all the properties to the company free of incumbrances, so that the company was in a difficult position and would be unlikely to pay dividends for some years. An arrangement was proposed which involved the surrender of shares in return for debentures and would leave working capital of £7,000.

Later that month, a meeting of debenture stock holders approved a scheme whereby the outstanding mortgages left unpaid because of the failure of Dumbell's guarantee would be paid and increased working capital would be provided.<sup>25</sup>

Meanwhile, in August 1900 J.R. Fergusson, the liquidator of the Royal Albert Brewery Co Ltd, complained in a letter to the press that he was in a difficult position. The money from Holmes had been paid to Fergusson's advocate C.B. Nelson, who was now bankrupt as a result of the failure of Dumbell's. The liquidation had been completed in March 1900 and the creditors were entitled to 14s 6d in the pound. Fergusson was legally liable to pay them this amount, but was unable to do so. He hoped the creditor would be satisfied with whatever they could get from Nelson's bankrupt estate.

The next half-yearly meeting of the shareholders of Isle of Man Breweries Ltd was held in England in October 1900. It took place in Manchester, where the company had a large number of shareholders. Brown once more explained that when Dumbell's bank failed the company had £44,000 to their credit, and that, as well as losing working capital, they had lost the benefit of Dumbell's guarantee to provide capital for their purchases of properties. However, they had made new arrangements. The Commercial Hotel, Laxey, had been paid for, but they were still not in possession, probably because of the difficulties of the former owner, Isle of Man Tramway Co. The season had been less good than usual because of the bad weather in August (and because Englishmen had spent their money on patriotic celebrations and subscriptions to Boer War funds instead of holidays).<sup>26</sup>

In the meantime, prosecutions had been brought against Alexander Bruce, C.B. Nelson as director and John Shimmon and J.D. Rogers as officials of the failed Dumbell's Bank, and the bank's auditors William Aldred and Harold Vincent Aldred of Manchester, on charges of issuing false balance sheets and embezzling money from the Brewery Amalgamation Trust account, contrary to sections 218 and 221 of the Isle of Man Criminal Code. The charges included one against Rogers and Bruce of applying to their own use £523,000 in sums drawn on the 'J.A. Brown Brewery Amalgamation Trust' account. Bruce was too ill to appear in court; he died in July 1900.

At the various preliminary hearings and at the trial itself, which took place in November 1900, presided over by the Lieutenant-Governor of the Isle of Man, it came out that the bank was rotten. The balance sheet bore little resemblance to the real facts: for example,

large sums in irrecoverable debts due from bankrupts and persons who had been dead for years were set down as assets, and unissued banknotes were entered as cash in hand. Accounts had been opened to pay losses incurred by Nelson, Bruce and Shimmon in various speculations, including speculations in Allsopp's shares. The auditors were mildly unhappy, but did nothing.

An overdraft of £140,000 on the Brewery Amalgamation Trust account was still outstanding and had not even been drawn to the attention of the bank's directors; when the chairman Stevenson heard a rumour that the bank was supporting the brewery syndicate, general manager Bruce assured him that everything was in order: 'We are not furnishing them with any money. We are merely taking on their account, which will be a very good working account'.

Evidence given by J.A. Brown explained the origin of the 'Brewery Syndicate', which apparently thus became public for the first time. He admitted that at one point cheques for some £150,000 drawn on the Brewery Amalgamation Trust account had been paid into the Isle of Man Breweries account, and a cheque for an equivalent amount paid into the Amalgamation Trust account, but insisted that this was perfectly correct. He had to admit the existence of the overdraft, although he disputed the amount.<sup>27</sup>

All five defendants were convicted and sentenced to terms of imprisonment. In addition to the criminal proceedings, by 1901 Allsopp's were suing Dumbell's and the Isle of Man Breweries, and the Isle of Man Breweries were suing Dumbell's. Nelson and others were also declared bankrupt.

Meanwhile, EGMs of Isle of Man Breweries Ltd. of 12 and 28 July 1902 passed motions for voluntary winding up ('That it is desirable that the Company be reconstructed, and with a view thereto that the Company be wound up voluntarily'), and appointed W.H. Walker and T. Thorp as liquidators with power to consent to the registration of a new company and to sell all or part of the assets to that company. A restructuring committee was set up, consisting of Walker, Thorp, T.H.P. Mylechreest, of Douglas, C.B. Rideal, of Preston, directors John A. Brown and John Thomas Henry Cottier, both of Douglas, and shareholders Mr Innes and F.P. Howard, both of Manchester.<sup>28</sup> Walker was an accountant, of

Liverpool and Douglas, who was also Isle of Man Government Auditor and the liquidator of Dumbell's Bank.

Also in July 1902, the Manx Chancery Court appointed two accountants from Liverpool as receivers and managers of the company in the interests of Parr's Bank, who as successors to Dumbell's held a mortgage of £70,000, and of debenture holders to the extent of £300,000. The court also enjoined the company from selling as Guinness stout brewed other than by Guinness in Dublin; the reason for this order is not known.<sup>29</sup>

In February 1903 the sale by tender was announced of the property of Isle of Man Breweries Ltd. (in liquidation). The receivers/managers were selling under an order in Chancery of 10 December 1902. Tenders could be submitted for the entire undertaking - 2 breweries, 34 freehold houses, 9 leasehold houses, and other hops and buildings - or one or more of 14 lots. Lot 2 was 'Ballaughton Brewery and Mineral Water Works, near Douglas' together with 18 freehold and 8 leasehold pubs, while Lot 9 was 'Castletown Brewery, Stables, and Outbuildings, Castletown'. Other lots included the Castle Mona, Central and other hotels in Douglas, and the tie over the four hotels belonging to the Manx Electric Railway Co Ltd. (the successor to the previous tramways company controlled by Alexander Bruce, which had also collapsed). Tenders were to be submitted by 28 March 1903.<sup>30</sup>

(The houses to be sold in Lot 2 together with the Ballaughton brewery were the Quarter Bridge Inn, near Douglas; Richmond Hill Inn, near Douglas; Half-Way House to Peel, Marown; Crosby Hotel, Marown; Tynwald Inn, St John's; Colby Glen Hotel, Colby; Whitestone Inn, Ballasalla; Commercial Hotel, Laxey; Bay View Hotel, Port St Mary; Albert Hotel, Port St Mary; Brown Cow Inn, Santon; Lancashire Inn, Santon; Saddle Hotel, Ramsey; Plough Inn, Ramsey; Castle Arms, Castletown; Castletown Hotel, Castletown; Round Table Inn, Ronagh; Level Inn, Colby; Railway Hotel, Ballaugh; Friendship Inn, Ramsey; Victoria Hotel, Ramsey; Royal Hotel, Peel; Hawthorn Inn, Greeba; Waterfall Hotel, Glen Maye; Crown Arms Hotel, Castletown; and Queen's Hotel, Laxey.)

In December 1903 a provisional agreement signed between liquidators and Henry Ambler, banker, of

Preston, as trustee of the new company, for the sale of the assets for £266,000 (£58,000 in cash and the rest in shares and debentures of the new company). Cash, debentures and shares would be allotted to the old company's debenture holders, but the ordinary shareholders and creditors would get nothing.<sup>31</sup> This implies that no satisfactory tenders had been received in March.

### Boddingtons and the new Isle of Man Breweries Co Ltd.

In January 1904 the first statutory meeting of the shareholders in the new Isle of Man Breweries Co took place at the Castle Mona Hotel in Douglas. Chairman William B. Rideal said they intended to close the two small breweries on the island and had arranged for the Manchester brewery Boddingtons & Co. to supply their hotels. It was resolved to change the company's name to Boddingtons' Isle of Man Ltd.<sup>32</sup>

According to Jacobson's history of Boddingtons,

Boddingtons owned [the Isle of Man Brewery] until 1922. Robert [Boddington] first came in touch with this concern because one of the Hull's [Preston brewery] directors had had sizeable holdings in it. Around 1907, he bought £2,180 of its Ordinary shares; and subsequently, when a bank failure put the Isle of Man company in difficulty, he raised £20,000 and reconstructed the firm as Boddingtons Brewery (Isle of Man) Ltd. The deal brought in a further 34 outlets, including the important Castle Mona and Central Hotels; but Robert had the brewery on the island closed (its equipment was, in any case, pretty antiquated) and the premises used henceforth as a depot for beer supplied from Strangeways.<sup>33</sup>

That chronology is not correct: the bank failure was in 1900 and Boddingtons became involved in 1903, not 1907. Hull's Brewery Ltd., Preston, was registered as a company in 1895 to carry on the business of James Hull & Sons; it was acquired by Boddingtons in 1900. How antiquated the equipment at Ballaughton was is not known - it had only been converted to a brewery in 1889 - but it clearly stopped brewing.

The Castletown brewery must have been sold off at some date. A new company was set up to run it, presumably in 1906; at any rate, its name was Castletown Brewery (1906) Ltd. This company in turn was replaced

in 1948 by a new company, Castletown Brewery Ltd., which also took over the business of another Isle of Man brewery, Clinch's Brewery Co Ltd. The new company was an associate company of Hope & Anchor Breweries Ltd. of Sheffield.

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4. *Isle of Man Times*, 27 January 1872.
5. ibid. 26 October 1872.
6. ibid. 29 June 1878.
7. This section is based on the reports of the annual meetings of the company published in the *Isle of Man Times*. In some years the meeting was reported in full, while in others - apart from 1891 and 1896 - the directors' report including the balance sheet was published. For 1896 there is a brief report in the *Liverpool Mercury*. See also (1898) *Duncan's Manual of British & Foreign Brewery Companies, 1898*. London, p.218.
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12. Barge, J. (1987) op. cit., pp.16, 44 (the reference to John Lane 1843-90 must be to two or more persons of the same name); Barber, N., Brown, M. & Smith, K. (2012) *A Century of British Brewers - Plus Plus: 1890-2012*. Brewery History Society: Longfield, p.110.
13. *Isle of Man Times*, 3 July 1889.
14. ibid. 11 April 1891.
15. ibid. 31 October 1891.
16. ibid. 10 May 1892.
17. See Chappell, C. (1981) *The Dumbell Affair*. Prescot: T. Stephenson & Sons Ltd. Dumbell's Bank was established by George William Dumbell in Douglas in 1853 and became Dumbell's Banking Co. Ltd. in 1874.
18. *Isle of Man Times*, 29 April 1899.
19. He was the Belfield of Edwin Belfield & Co, brewery valuers of 57 Moorgate Street, London EC, who acted in connection with numerous brewery company flotations.
20. *Isle of Man Times*, 22 April 1899.

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