

The Philippines' New Young Mining Tycoon

A personal sketch of Andres Soriano, who captains the fate of Antamok at Baguio, IXL (and IXL-Argos Syndicate) and Masbate Consolidated in Masbate

The towering new figure in Philippine gold mining in 1935 was that of Andres Soriano—when he was but 39 years old!—known heretofore as the head of the San Miguel Brewery and its associated interests, along with his colleague, Antonio Brias. In the mines he heads a trio of the better ones of recent date, counting the vast expansion of Masbate as making that property new: Antamok, 1932; IXL, 1935; Masbate Consolidated, 1935. This last embraces the old Paniqui mines, Colorado, and Boston Hill, the enlarged Paniqui mill to handle the ore from the 3 properties. Besides this, he heads the IXL-Argos Syndicate now operating a very promising property in the Masbate district, adjoining IXL Mining.

At date of writing, Antamok shares are 10 times par, IXL shares 5 times par, and Masbate Consolidated shares 3 times par. Everyone who has ridden along with Soriano in one or more of these properties has made the potential profits indicated by these quotations. But he says the public hears of his successes only, because stock in none of his projects is marketed until success is assured. He and his associates take the losses on the duds.

When he gets hold of a property he puts organizing ability into its development. Starting 3 years ago, Antamok turned out P1,295,436 in 1934, and 3 times that, or P3,013,177, last year. Such data mean close management backed by audacious courage. Antamok's capacity is being upped for greater output. Soriano has no monopoly of courageous prudence among Philippine mining men, but he has his share of it.

He likes options, likes time limits to opportunity—something to compel quick decisive judgment. When on May 31 last year, at the last moment, his group took up the Masbate option, in London he liked the long-distance calls bringing him into the drama at Manila. He liked saying finally, "Yes, go ahead—close!"

When he bought IXL-Argos the option had 12 days to run when he was approached. Disliking to buy sight-unseen, flying as far as he could, using a cutter across the channel from Luzon to Masbate at Aroroy gulf, in the lack of even a good trail he hiked the final 18 kilometers to the property; and having looked it over thoroughly, and not knowing what it is to tire, he hiked back to the coast in time to take up the option. (With him was J. Fraser Brown, his close associate, of Messrs. Fleming & Williamson, auditors. A more recent partner in the Soriano group is J. H. Sampson, his chief mining engineer.)

At IXL there was no ore on the dumps, all was milled as soon as it was mined, and development was little ahead of the daily production. Yet the 50-ton mill was going merrily, and the possibilities, upon examination, were first rate.

This project's new capitalization is P1,000,000; the name, IXL-Argos Syndicate. The IXL partnership had been working a few claims leased from the Argos Mining Company. The deal involved purchase of the whole property with other claims added making up about 100 in all. Already there has been material development. The IXL 50-ton mill at Balete has been kept running, while a road and a new 150-ton mill have been built. At Napuangan, to develop the Argos group outside the IXL lease, a pilot mill has been installed.

Here was an option, if you would speak of options. During development the 50-ton mill has shouldered the whole cost, even paid in part for the new 150-ton mill, and made 2% a month on the capital of P1,000,000. But the new mill capacity is still too low to cope with the rich discoveries from the development work. There will soon have to be a large mill in place of the pilot mill at Napuangan, and the 150-ton mill at Balete will have to be enlarged.

It was different with Masbate. Soriano knew that property, the Paniqui district, only by its history and the records when it was bought. Though it is true that some 2 years ago he conceived the project of a large mill at Paniqui; he reports that he actually began preliminary negotiations with the owners at that time, and with capitalists in Spain, but he visited the property for the first time only recently. This first inspection was thorough, Soriano going over every bit of underground work, climbing 100-foot ladders from 1 level to another, stooping through drifts—getting clear mental possession of the whole layout and the possibilities ahead.

Days given to this sort of thing, during evenings the new mill plans were gone over. (The trip was made by plane, with Captain Bradford, and on the way down from Manila storm caused loss of the course for about 2 hours. Ralph Pauli, a Negro planter, was a guest. He flew, was frankly frightened; he landed, thankfully. He went the pace through the mine for a few days. Then he returned to Manila by steamer, no more blind flying for him. But back in Manila he said, "Why should I worry, I saw enough." Pauli owns more than 1 million shares of Masbate, no cause for worry.)

Machinery and supplies from the United States for the new mill at Paniqui for Masbate Consolidated are arriving at Aroroy faster than building requires. By the end of this month capacity will be 800 to 1,000 tons a day; by the end of June, 2,000 tons. No rival of Balatoc at Baguio in ore value, Masbate is planned to handle the largest daily volume of ore of any mill in the Islands. The larger the mill, the lower the cost.

What sort of man is Manila's new mining tycoon? Democratic, robust, an exercise-addict boxing vigorously every morning as a setting-up exercise, getting down to work about 8 o'clock and getting away in the evening at about the same hour. He is quiet-voiced, quiet-mannered, ready at the telephone on call. Patient with routine, he doesn't let the forest keep him from seeing the tree when it turns up. He seems able to see the big chance when it turns up. He was born in Manila but spent his early childhood in Spain, when his family returned to Manila and gave him his early education here including English studies with his course at Ateneo. In 1909 he was sent to England to take the course at the Jesuit school at Stonyhurst, and thence in 1914 he went to Madrid and graduated in commerce at the Escuela Superior de Comercio, 1917.

Back to Manila in 1918 he joined the San Miguel company's accounting department and soon headed it. Then for 3 months he was in the office of Fleming & Williamson, auditors, after which he returned to San Miguel as its acting manager. With him began the company's expansion, well known in Philippine commercial circles, purchase of the rival brewery starting it off. He has so organized his extensive interests as to give him half of each year in travel abroad, and from 1926 to 1931 he sojourned in France with Paris his playground. He was traveling in England when the Masbate deal came up in May last year. Polo, once his hobby, would now take too much of his time. It gave him a compound fracture of the shin as a permanent memento. He played in Manila with the Elizalde brothers, in Europe with several teams, once on a team with King Alfonso XIII.

Flying is his current hobby—as well as a convenience in reaching his mines. Polo comes at week-ends, just when these mining inspections may be made. He likes pleasure, but puts business first. That he can be away from the Islands so often and so long, attests his organizing powers.



ANDRES SORIANO