MOTORING NEWS

La Grande Evening Observer

GENERAL NEWS

VOLUME XXVIII — LA GRANDE, OREGON, SATURDAY, MAY 10, 1930 — NUMBER 226

CYCLE THEORY IS DISCREDITED

Walter P. Chrysler Holds Regular Periods of Depression Unnecessary.

DETROIT, May 10—The law of supply and demand always has been and always will be the determining factor in business stability and prosperity.

In these few words, Walter P. Chrysler, president and chairman of the board of the Chrysler corporation, discredited the theory that depression periods move in cycles, or that depressions are inevitable because of one, two or even ten years of prosperity.

"While there are bound to be fluctuations causing peaks and valleys in business, I see no reason for definite periodical cycles of depression," said Mr. Chrysler in a recent interview. "I can foresee nothing in the next decade that will necessitate any radical adjustments in our business or financial set-up.

Can Be Corrected

"The mythical codes of depression are caused by two factors—over-production and abatement of demand. Both causes can and are being corrected by a closer study of public needs on the part of industry, liberal credits and public confidence.

"In the automobile industry, with which I am most familiar, we do not anticipate any so called 'cycle of depression' over the next five years. Reliable estimates anticipate the production during this period to be 26,000,000 automobiles or an average of 5,200,000 vehicles a year. If these estimates are realized, and they are a conservative and reasonable expectancy, it will actually constitute an increase of 14 per cent from 1926-34 as against the period of 1925-29.

"Conceding that 1930 will show a decrease over 1929, it is still generally believed that 1930 will equal or surpass the production records of any year previous to 1929. The foregoing figures are not merely guess-work, but rather represent the consensus of opinion of motor car manufacturers, economists and statistical organizations.

Lists Basic Facts

"The basic facts of what may appear to be an optimistic forecast are as follows:

1. "That only a small percentage of our population was affected in the recent stock market recession.

2. "That our national wealth was in no wise impaired except in paper value of securities.

3. "That wealth is more widely distributed than ever before in this country.

4. "That the banking situation throughout the country has been materially strengthened by the withdrawal of large blocks of money from the call market, thus easing bank credits and making plenty of money available for local enterprise and improvements.

5. "That saving bank deposits are on the increase, February showing a decided gain over January, 1930.

"I am not attempting to produce a panacea for economic ills. I do not propose to quarrel with the use of the word 'cycle' if that appears to be an accepted word for business fluctuations. However, I do protest the interpretation that cycles much be recurrent in any definite period.

Two Main Causes

"There are just two principal causes, barring acts of God, for these fluctuations or cycles. They are optimistic error and pessimistic error.

"Our industry has made substantial inroads in reducing optimistic error to a minimum, and 1930 more than ever finds us striving to put production on a basis with current demand with a surplus to meet what we believe to be a reasonable expectation.

"The pessimistic error is a little harder to analyze and still harder to correct. Being purely a psychological influence, it is far reaching in effect. So far as industry is concerned, pessimism is rather easily dispelled by calm, patient analysis, but it is a long, tedious process to convince the public that a crisis has been safely passed.

"The comparatively mild depression of the past few months is readily accounted for both by the aforementioned errors—the pessimistic error being the chief stumbling block to an immediate return to normalcy.

"The cure for the present pessimistic error is a candid summary of the business outlook today.

"With business, agriculture and labor working shoulder to shoulder—with calm, patient and intelligent leadership in government and industry—with practically the whole world at peace and with promise of better international understanding, I am at a loss to comprehend by what process of calculation the economist can look forward to our next 'cycle of depression.'

"I am supremely confident of our continued national prosperity. In spite of the recent shrinkage in paper value of corporation stocks, our national wealth is unimpaired and in fact, is more widely distributed than ever. We have an abundance of raw materials, we have unlimited power, we have a favorable climate, just laws and a population disposed to work and be proud of its work. To all these elements, add good transportation, and I submit that what happened in the stock market a few months ago painful as it was to individuals, is an inconsiderable incident in our national economy."

"Caterpillar's" Rolled Shoe Is Great Advance

Success has finally crowned several years efforts of Caterpillar Tractor Co., engineers to get a superior track shoe in answer to demands of contractors and loggers for something that would stand brutal punishment beyon the expected. Patent number 1,705,802, granted March 19, 1929, is it.

A statement from "Caterpillar" engineers says:

"For a number of years, the "Caterpillar" has sought to develop a track shoe that would have all the qualities looked for in shoes for track type tractors. Practically all materials and methods have been tried out, with varying degrees of success. Originally, cast steel sections were used as cast.

"Later, additional heat treatment was given and this form gave better results than cast iron and various alloys. After many experiments and discouraging experiences, we developed a drop forged shoe that more nearly approached the ideal than anything attained up to that time. The particular section was difficult to produce on account of enormous breakage and wear of the forging die, but the product lent itself much better to the application, both on account of the response to heat treatment and the greater wearing qualities. It was possible also to lighten the section and thereby produce it as less cost.

"More recently, after several years of constant contact with producers of steel, it has been possible to get a rolled steel shoe section."

Racing Classic Is Endurance Test

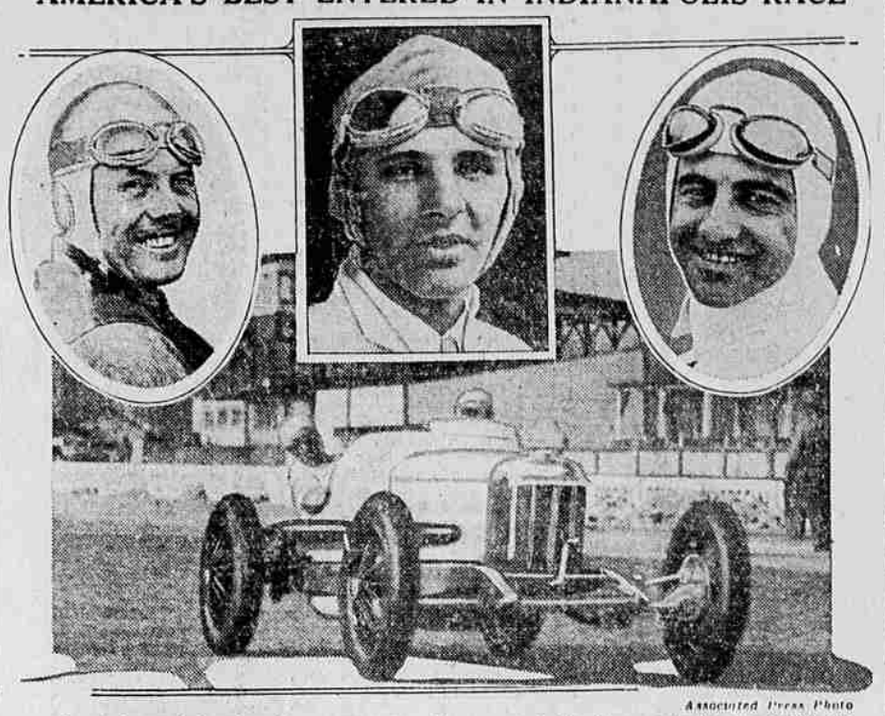
PARIS (AP) — The Le Mans auto race, to be run June 21-22 this year, is regarded as Europe's biggest competitive event for automobiles.

It attracts a large number of foreign cars, and the fight by American cars for a good showing is keen because of its advertising value.

In the Le Mans event the competing machines must maintain certain minimum speeds for 24 hours. Two drivers are permitted to change off in what is really an endurance test of the cars.

LONDON — European women and children evacuate Sholapur, India; riot quelled with arrival of troops.

AMERICA'S BEST ENTERED IN INDIANAPOLIS RACE



Associated Press Photo

America's greatest active drivers are among those nominated to drive cars in the annual 500 mile race in Indianapolis, May 30. They include: Louie Schneider, who is shown sending his car over the speedway; Phil Shafer (left), Louie Meyer (center), racing champion in 1928 and 1929, and Pete De Paolo (right), 1925 and 1927 champion.

TOURISTS COME FROM THE WEST

Ninety Per Cent of Oregon's "Crop" Live in Eleven Nearby States

PORTLAND, May 10—"Ninety per cent of Oregon's tourists come from the eleven western states," stated Dr. E. B. McDaniel, president of the Oregon State Motor association in an article published in the May issue of the Oregon Motorist.

Dr. McDaniel then submitted the following table of the origin of tourist traffic in the state of Oregon:

Western States	91,742	90.6%
Eastern States	1,986	1.3%
Middle W. States	9,141	8.5%
Foreign	139	.2%
	103,008	
East of Mississippi	5,509	5.3%
West of Mississippi	97,560	94.5%
Foreign	139	.2%
	103,008	

"In analyzing traffic figures for Oregon and California," continued the doctor, "one is struck by the fact that the California motor visitors during the year 1929 practically all came from two geographical sections. The 11 western states, with a very sparse population, furnished 47.7 per cent of California's non-resident registration, while the Middle Western states furnished 41.8 per cent, the two sections together furnishing 85.5 per cent.

"Attention is directed to the fact that California's major advertising expenditure is in national magazines, the majority circulation of which (for which the advertiser pays) is in the densely populated Eastern states. Only 10 per cent of California's automobile tourist traffic came from Eastern states but a great part of California's national advertising bill was spent for Eastern circulation.

"Oregon's problem is entirely different than California's. California has over two million automobiles, the majority of which are concentrated in the southern part of the state which is dry and hot during the summer months. The green hills and running streams of of the Northwest have a strong appeal for this section of the country and as a result, sixty per cent of all Oregon's tourist traffic in 1929 came from California.

"Oregon scenery and Oregon hospitality have proved themselves as attractions for tourists. Our running streams, forested hills and snow-clad mountains are welcome change to the recreation-bound motorist from the drier, warmer sections. Oregon's tourist problem resolves itself not in the attraction of a greater number of tourists but rather in the entertainment of the tourists we have for a longer period of time."

Motor Vehicle Fuel Tax Money Showing Gains

SALEM, Ore., May 10 (AP)—Motor vehicle fuel tax receipts by the state for the first three months of 1930 totaled $1,595,922.45, says a statement by Secretary of State Hoss. Refunds from this amount on account of gasoline used for purposes other than transportation on the highways were $165,603.65 and the administrative expense deducted was $3583.65, leaving a net of $1,426,865.15 transferred to the state highway fund. Net receipts for the 12 months of 1929 were $4,447,058.25, the indications being that receipts for the whole of this year will exceed those of last year. Net receipts since the first motor vehicle fuel tax became effective in 1919 are $27,915,475.25.

WASHINGTON — State department refuses to act regarding Joseph E. Barlow's $9,000,000 claim against Cuban government.

Chevrolet Six Wins Economy Race In South

LOS ANGELES, May 10 (AP)—Competing against a field of 41 other entrants, a 1930 Chevrolet six cylinder coach, driven by Mrs. Paul A. Lawrence of Los Angeles won the sweepstakes and first place in its class in the annual Gilmore Blue-Green economy run here.

Every type of road and grade was encountered in the run that covered 200 miles between Los Angeles and the Wrightwood mountains. Mrs. Lawrence's Chevrolet demonstrated its economical operation over a course that included city traffic, country roads and mountain stretches along a circuitous route rising from sea level to an elevation of 6000 feet.

To win the event, the Chevrolet coach traveled 36.71 ton-miles to the gallon of gasoline, averaging 26.5 miles to the gallon for the 200 miles traversed. The total weight of the Chevrolet coach, with its driver and four passengers, was 3580 pounds. No oil and no water was used during the run.

The economy test was staged under the supervision of the American Automobile association, sanction number 2306 and was limited to stock cars. Six classes of cars were represented among the 42 entries. The Chevrolet coach, with Mrs. Lawrence at the wheel, not only won first place in its class, but in addition, won the sweepstakes for all classes.

36,000 Miles for Degree

MURRAY, Ky. (AP) — When Merle Snow, co-ed at Murray Teachers college, receives her degree in May she will have traveled 36,000 miles during her college career. She travels 24 miles by train and one by bus every day to and from college.

OBERAMMERGAU — Passion play opens in cold rain before crowd of 5,000.

1930 TO BE BIG YEAR FOR SALES

Dodge Brothers Official Gives Opinion Following Extended Journey.

DETROIT, Mich. May 10—Motor coach and bus sales in the United States during 1930 promise to show substantial increases according to A. H. Ferrandou, director of the motor coach department of Dodge Brothers, who has just returned from an extended trip during which he studied at first hand the operation of hundreds of Dodge street car, de luxe parlor coaches an buses in many of the larger cities.

"The electric railway companies of the country are carrying through their 1930 construction and maintenance budget plans," said Mr. Ferrandou. "Orders for many modern buses to replace equipment bought five or six years ago have already been placed by these companies and the purchase of hundreds of additional motor coaches and buses is pending. While electric railway expenditures of the first three months represent a large sum, it is only relatively a small part of the year's budget," he said. "In the next six months improvement plans will be pushed more rapidly.

"Some interestings figures on bus and bus-route mileage just compiled by Dodge Brothers statisticians show how the motor coach is forging ahead as a common carrier. According to accurate records common carrier bus route mileage has increased at the rate of nearly 30,000 miles per year for the last four years until in 1929 the total route mileage in the United States reached approximately 290,000 miles. This huge route mileage is regarded as remarkable in view of the limited time that buses have been regularly in operation as common carriers.

"Common carrier mileage has also increased, at the rate of nearly 200,000,000 bus miles per year, for the same period. During the past 12 months common carrier bus operations exceeded the staggering total of 1¾ billion miles.

"From 1925 to 1929 the mileage of surfaced highways in the United States increased from 471,667 to 615,000. Present construction programs promise an even more rapid increase in the near future, and every mile of improved highway is a potential motor coach and motor bus route. Motor coach operation is fast becoming a big business."

New Studebaker Car Is Priced In Lower Range

The lowest price ever placed on a Studebaker car—$895 to $1125 at the factory—is announced by M. J. Goss, local Studebaker dealer.

"The New Studebaker Six is not only a big car in value," said Mr. Goss, "but big in performance, for it is powered by a 70 horsepower Studebaker-built engine. It is also a big car in size, having a wheelbase of 114 inches.

"But the qualities which make the car an outstanding value are not dimensions alone. Of greater significance are its many features designed to contribute brilliant, long lasting performance. The engine, for example, has a Lanchester vibration damper to promote smoothness of power flow. Further aids toward smooth performance are found in rubber engine mountings, and the Studebaker precision practice of matching pistons and connecting rods in sets.

"A double drop frame contributes low-hung appearance to the car, and provides an additional factor of safety by lowering the center of gravity. Tests conducted by Studebaker engineers show that the new Studebaker six san be tilted to an angle of 53 degrees without toppling. Other safety features are, armored steel body on wood base, powerful duo-servo four wheel brakes and unbreakable steering wheel of hard rubber with core of steel.

"The New Studebaker Six carries out the same theme of exterior beauty characterizing other Studebaker models. It is offered in seven different body types: tourer, coupe for two, coupe for four, sedan, club sedan, regal sedan (with six wire wheels and trunk rack) with landau sedan."

2,464 New Fords In State This Year

There were 5730 new automobiles registered in Oregon in the first quarter of this year and of this number 2464 or 43 per cent were Fords, according to local Ford dealers.

This record, the local dealers point out, reflects the popular appreciation of the new Ford body types.

WASHINGTON—Chairman Britten of house naval committee makes public $936,995,000 warship construction program based on London naval pact.

BAYONNE, N. J.—Fire at plant of Gulf Refining company causes 3,000,000 loss.

Dealers Urging Motorists To Change Plugs

Local dealers in automative equipment are uniting with their colleagues throughout the world in urging car owners to join in observing national change week, which has come to be recognized everywhere as the annual period when motorists install new sets of spark plugs in their engines. National change week this year is May 5 to 11.

The number of participants in national change week has grown steadily ever since its inauguration and now every year millions of car owners are shown by reports as having had their spark plugs replaced.

It is predicted that in 1930 the number of observers of national change week will be materially in excess of all previous totals. This forecast is based in part on the general increase of interest manifested each year about the custom. There is also a concensus of opinion among automotive experts that last winter's severely cold weather and the generally rough condition of roads imposed an unusually severe strain on spark plugs, with the result that this spring motorists find new spark plugs needed for easy starting and generally satisfactory engine performance.

Spark plug design and manufacture have improved vastly in recent years. Today, they are actually in advance of other motor car design, especially in their rapid development in relation to high compression automobile power plants. But these high compression engines and modern fuels have imposed even greater strain and stress on spark plugs than ever before. It is, therefore, the conviction of automotive engineers that annual replacement of spark plugs is not only a necessity, but an actual economy for the car owner.

"The monetary saving in gasoline and oil more than offsets the cost of new spark plugs," says R. A. Stranahan, president of the Champion Spark Plug company. "In addition, repairs to the engine are obviated, through better performance, greater efficiency and reduced oil dilution."

MIAMI, Fla.—Capone and three companions released from jail on habeas corpus writ.

WASHINGTON — Chairman Wickersham of law enforcement commission denounces nation's methods of holding criminals.

SAN FRANCISCO—City's population is 621,762, an increase of 115,086.

OFTEN TIMES

When a storage battery doesn't operate it may be merely run down —not worn out.

It will pay you to see a reliable battery man before you trade in your old battery.

Willard STORAGE BATTERY
TRADE MARK REGISTERED

AUTOMOTIVE ELECTRIC CO.

213 Greenwood — *Phone M-520*

Across from L. W. Weeks, Chrysler Dealer

CAN YOU AFFORD TO PAY?

Are your finances in such shape that an unexpected call for $100 or $1000 would not inconvenience you? Or would such a call embarass you?

If you own a car such a call may come today — tomorrow—it's liable to come at any time . . . for who knows when that auto smash-up will come. Everyday it comes to hundreds of people — some have never had an accident before in 20 years of driving.

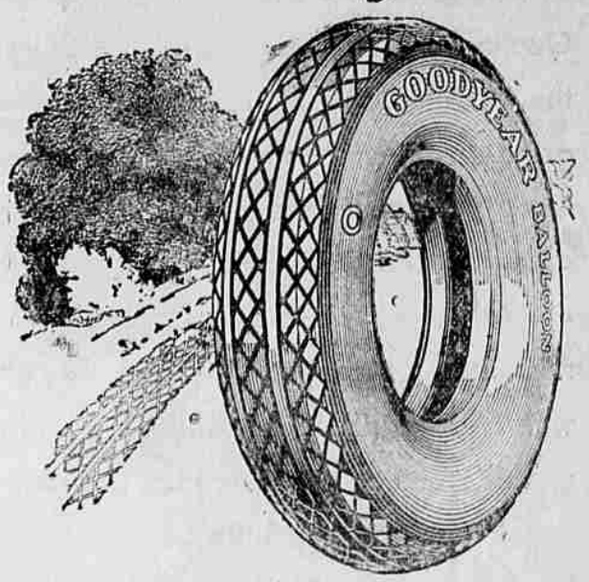
There is no need to fear financial strain in the event of property damage, collisian and claims for personal injury if (and if is a big word) you carry Auto Insurance with us. Act today and eliminate that word "If." Don't put it off but put Auto Insurance on your car today.

Ask about our liberal Installment Plan.

UNITED STATES INVESTMENT CO.

O. W. Warnock, Mgr.

The BEST Tires on E. Z. Payments



Goodyears For You

WE HAVE THE TYPE AND SIZE YOU WANT. BUY THEM ON CREDIT---NO DELAY---NO RED TAPE.

You can put on an entire new set with as little cash as you would pay for one inferior tire. Come in—we'll arrange the down payment and then divide the balance in weekly or monthly payments to suit your budget. Now more than ever you'll want Goodyears —the prices are the lowest in history—the quality is higher than ever.

BOHNENKAMP'S