

Consolidation Is to Be Completed Without Delay

Having Received Unanimous Endorsement of the Growers and of the Stockholders of the Union, the New Central Shipping Organization Will Be Incorporated This Week.

Following the unanimous endorsement by the growers of the valley at the mass meeting last week, the new central shipping organization of Hood River will be formally organized and incorporated under the laws of Oregon this week.

Prompt organization is now being undertaken in order that the growers may have an opportunity to sign up with the new organization and place its managers in a position to make the necessary plans for handling this year's crop.

In order that the new organization may be perfected at least 75 per cent of the total crop of the valley must be signed up. As all of the three other shipping concerns will be consolidated into the new one, it is not believed that there will be any difficulty in securing practically the entire crop of the valley.

What attitude the Hood River Apple & Storage Company will assume towards the consolidation is not yet definitely known, but assurances have been given that, although they would not care to sell or lease their packing house, they will probably ship through the big association. The company was organized more with a view to erecting a community packing house than to maintain a shipping organization and it is estimated that the storage plant will be just about sufficient for their crop when all the trees are in bearing. For this reason they prefer to maintain control of the plant.

The proposition was carried through with practically no opposition. In this respect it was somewhat of a surprise. A. I. Mason was the only one who voiced any opposition. He did not object to the amalgamation, however, so much so as to the scheme under which it was proposed to unite the shipping concern. He read his letter printed in the News last week as embodying his views and also gave additional explanations. That there were not many in accord with his views, however, was shown when the vote was taken, it being unanimous. Both Mr. Davidson and Mr. Sieg answered Mr. Mason's objections. They stated that the one great objection was that it was agreed by all that his plan was impractical at the present time.

Those who spoke in favor of the proposed consolidation included Wilmer Sieg, H. F. Davidson, C. W. Hooker, Roy D. Smith, L. F. Henderson, C. H. Sprout and E. H. Shepard. The Union members expressed themselves almost unanimously in favor of consolidation.

Some of the features of the meeting, which was most satisfactory in every way, follow under separate heads.

SAYS GROWERS MUST HAVE CONFIDENCE

Confidence in the management of the new amalgamation of local shipping interests is the first requisite for its success, according to C. H. Sprout, former manager of the Union, who was among the speakers at the mass-meeting last week.

"I might speak in favor of the proposed consolidation of shipping interests," said Mr. Sprout, "but I believe that we will all admit the necessity of such a move without my bringing any arguments before you. Now as to the success of the consolidation proposed I believe in the first place that it should be controlled by the growers and such control is provided for in the proposition submitted for your consideration. The new organization must also be so managed as to provide for proper maintenance of the warehouse properties so that they will retain at all times their rental value to the financial interests which built them.

"I have heard it said that the new organization might fall into the control of certain individuals but I want to say that this is impossible for just

as soon as it came to represent the interests of a few of the growers only it would fall of its own weight. The most important need is that its management should receive to the full degree the confidence and support of the growers of this valley. If it does not it can only be a failure. In the past we have been torn asunder by factions and their jealousies. Such a condition cannot prevail under the new organization if it is to fulfill its purpose. If you go into this consolidation, gentlemen, I urge upon you that you have the fullest faith in the directors and managers of the association, believing at all times that they are working honestly for the growers of the entire valley."

DECLARE GROWERS' RETURNS TOO SMALL

"Hood River orchardists have reached a high degree of perfection in the growing of apples," said Professor L. F. Henderson at the mass meeting last week, "but so far we have sadly neglected the selling end and we have suffered as a consequence. The time has passed when buyers will flock here and bid against each other for our apples. Conditions have changed and we must seek our markets and control our distribution according to the most approved modern methods. We must follow the apples right to the consumer and see to it that all of the proceeds are not absorbed before the grower gets his returns, for he is the last man in the line.

"I do not think we can attempt to eliminate the middlemen, at least not for a number of years to come, but we must pay more attention to the order to secure returns which will retain the apple industry upon a profitable basis, and it is just such a service that I believe this new organization now proposed will be well qualified to perform for us growers.

"As an example of the inadequate returns secured by the growers I might relate an incident in connection with two carloads of apples which I shipped from my Idaho property. I received for these apples an average of 55 cents a box. They were shipped to an Oklahoma city. About that time H. C. Sampson, secretary of the Spokane Apple Show, was in Oklahoma and he volunteered to find out what the consumer paid for the apples. He had to interview a number of commission men in order to find out, but he discovered that none of the apples brought less than \$2.75 a box. This means that the grower is not getting his share and I am in favor of this local consolidation of shipping interests because I believe that it will accomplish what we all want and that is more money back for the grower."

WENATCHEE GIVES VIEWS ON UNION

In a letter written by the Wenatchee Union to W. T. Clark, the views of the directors of the Wenatchee Valley Fruit Growers' Association regarding the part to be taken by that association in the North Pacific Fruit Distributors' Association are outlined at length. The directors, one and all, are opposed to any affiliation of interests which shall make the Wenatchee Valley join in a common selling plan.

The association directors prefer to keep the selling organization, as now in effect, intact, and do not desire co-operation with other districts in this department of the proposed campaign by the big union. They are in favor of co-operation, however, for the purpose of gathering data regarding crop conditions all over the country. To obtain this the directors believe that an assessment of a few cents a box on all the apples marketed through their association, should be levied. They also regard assessments for a live publicity campaign for box apples of the Pacific Northwest, to be carried on in the East, as a desirable feature.

The identity of the Wenatchee Valley Fruit Growers' Association, so far as the selling end is concerned, must be preserved, state the directors.

OTHER DISTRICTS WOULD ALSO JOIN

The new central selling agency of the Hood River Valley, which was unanimously endorsed by the growers and by the stockholders of the Union last week, will probably include not only the product of this valley, but also that of the surrounding sections. Thus the amount of apples to be shipped by the organization will be increased and these neighboring sections will be able to take advantage of what will without a doubt be the most efficient apple selling agency in the Northwest.

H. F. Davidson and Wilmer Sieg returned the first of the week after attending the meeting of the directors of the Northwest Distributors' Association at North Yakima. Saturday they are scheduled for a conference with the stockholders of the White Salmon Valley Fruit Growers' Union. This meeting was called in order to give the White Salmon district an opportunity, if they desire, to enter into a consolidation of the Hood River Underwood, Mosier and Lyle districts. The consolidation would be effected through contracts with the present unions in those places. It is understood that on account of the unfavorable season just past those districts are favorably inclined towards co-operation. Representatives from White Salmon, Lyle and Underwood were present at the mass meeting held here last week and became thoroughly familiar with the plans of the new central association.

SMITH GIVES REAL ROOSEVELTIAN TALK

Roy D. Smith made a real Rooseveltian speech at the meeting of apple growers last week and received an ovation when he concluded. He was the last of the speakers who held the floor prior to the taking of a general vote on the proposition for consolidation. Mr. Smith, who is a Bull Moose to the core and an ardent admirer of the militant Teddy, swung the big stick over the assemblage in true Progressive style. He swept aside all the objections which had been made and cleared the atmosphere, so to speak, for a general expression.

"What right have we poor farmers got to criticize this plan which has been submitted for our consideration," he declared in conclusion, "we've been out on our farms with our noses down to the furrow all these weeks while the directors of these companies have been working out this proposition and by what authority can we come in now and attempt to pick it to pieces as some of us have done. Can an intimate knowledge of this plan spring full-born from our minds? No! It has been worked out carefully and I think we ought to take it just as it is.

"If we don't accept and endorse this proposition for our own sakes we ought to do it to square ourselves with Mr. Sieg. I tell you, gentlemen, we have done this man an injustice. We went back there to Wisconsin and kidnapped him that's what we did. We told him that he'd find a bed of roses out here in Hood River and what did we bring him too—why a bunch of Killkenny cats, that's what we did, and we're guilty, every man in this room is guilty. We've got to square ourselves, that's what we've got to do, and now is the time to do it, right here today. Gentlemen, this proposition looks good to me; it looks to me as though we ought to endorse it just as it stands and that's what I believe the growers at this meeting are going to do. We've got to do it if only to square ourselves. That's what."

Handclapping and stamping followed Mr. Smith's vehement defense of the proposition and cries of "Question! Question!" rose from all parts of the room. It was then that Mr. Hall, who presided, called for an expression. The volume of "Ayes" rose unanimously and not a single "No" was heard.

WHITE SALMON MILL SOLD

Purser Bros., owners of the Advance Lumber Mill of White Salmon, have sold their plant on the Heights to parties from Husum, Wash. A logging road will be constructed to the timber tract owned by G. A. Rath and the sawing capacity increased from 20,000 to 50,000 feet a day.

Among the Mosier fruit growers who attended the massmeeting here last week were D. Robinson, John Carroll, Lee Evans and H. E. Birkner.

O.A.C. HEADS HERE TO DISCUSS STATION

Dean Cordley and James Withycombe of the O. A. C. Experiment Station are expected here this morning to confer with the local county court in regard to the experiment station here, which was established by the recent session of the legislature. The meeting will be held at the courthouse and all horticulturists and others interested are invited to be present.

Since the necessary appropriation was made by the legislature the county court has been awaiting further information as to the manner in which the details of the new arrangement shall be worked out. This will be done by the county court and the O. A. C. Experiment Station jointly. The meeting today will probably clear the way for definite arrangements being made, as the appropriation takes effect beginning with the first of the present year.

BEAUREGARD HOUSE DESTROYED BY FIRE

At an early hour Monday morning fire destroyed the home of V. T. Beauregard located at 1094 Pleasant View Avenue. Mr. Beauregard was awakened about three o'clock by the crackling of the flames which had already made considerable headway. He hurriedly got his family out of the house. Neighbors were awakened and responded promptly and did all that was possible towards saving the building and preventing neighboring houses from catching fire from the flying sparks.

After the fire had been, to all appearances, extinguished, the fire department and neighbors retired. The wind, however, soon afterwards fanned the fire into life again and a second alarm was sounded, the department this time giving the ruins a thorough soaking.

The house was a five-room bungalow. It was insured for \$500. The contents of the house were also insured for an equal amount. Mr. and Mrs. Beauregard were not able to save so much as a suit of clothes. When he heard the fire and opened the door into the living room, it was filled with smoke and flames. With their children they escaped in their night clothes and barely in time to save their lives.

RIGHT TO INCREASE LIGHT RATES ASKED

Salem.—The Hood River Gas & Electric Company has filed a petition with the State Railroad Commission asking that it be allowed to discontinue the flat rate charged for electricity, and be allowed to make charges in accordance with a tariff filed with the commission. The Hydro-Electric Company of the same place has filed a petition asking for permission to file a new schedule of rates for electricity furnished for light, power and heat.

Hearings in both matters will be held in Hood River Monday, March 31, beginning at 10 a. m. The Hood River Gas & Electric Company alleges that by reason of the competition with the Hydro Electric they have suffered a net loss of operating expenses, including rentals, over the year 1912 amounting to \$11,301.48, and including the payments paid by it under its lease from the Pacific Company an actual net loss for the year of \$34,962.28.

The company further alleges that it has at the present time accounts accrued and becoming delinquent during the past 14 months amounting to approximately \$3,500, which cannot be collected. They declare that the company's capital will soon be wiped out unless it is allowed forthwith by the commission to discontinue the present "inadequate and unreasonably low rates" and to charge rates commensurate with service furnished and unless its competitor, the Hydro Electric Company, is required to charge "reasonable and adequate" rates for the service furnished by it.

The schedule of rates submitted by the Hood River Gas and Electric Company is the same, they state, as are now charged by the Pacific Power & Light Company in Walla Walla and North Yakima, The Dalles and Pendleton.

The company alleges that the schedule of rates submitted is fair and reasonable and that they are in the main

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EAST SIDE GRADE IMPROVEMENT DOEN

An extensive improvement of the East Side grade, carried on under the direction of the city council, was completed Tuesday and the gang of men that had been employed there was put to work trenching for the new outfall sewer.

The appropriation of \$2000 made for the improvement of the grade by the city was expended to the dollar and the results are most satisfactory.

The improvement has enhanced that section of the road which was not improved last year. This includes the piece from the bridge to the first point and also the piece of road extending around the second point. The hill was blown away at the points where the road was narrow and the highway has been materially widened. At the west end of the bridge not only was the road widened, but a retaining wall was constructed to prevent a possible landslide. It is now the intention of the street committee to put on a quantity of crushed rock and so improve the roadbed.

This is one of the most used stretches of road in the valley and its improvement is a source of great satisfaction to residents on the East Side. City Surveyor Morse and Street Commissioner Lewis were in active charge of the work.

WATER MAINS ARE ALMOST ALL IN

Rapid progress is being made in laying the water mains for the new system in the city. Already a large amount of work has been done on the Heights and mains have been laid on a dozen of the main streets of that section. This completes all of the work there except the laying of the main pipeline, which will run south from the Brosius corner on Ninth street.

After completing the work on the Heights last week the gang of men was moved to the west end of Columbia street, where the pipeline was laid. Then they were moved to Cascade Avenue and after they have finished there they will undertake the last piece of work in the city. This will be the laying of a pipe line from the corner of Second and State east to the National Apple Company and thence south to Sherman Avenue.

With this part of the work completed, it will remain to lay the main pipe line from Tucker's Spring and to construct the reservoir and head-works.

OUTFALL SEWER IS BEING REPLACED

Work was started last week on replacing the outfall sewer, which has been in very bad condition all winter. Early in the winter one of the sections of the pipe, which lies on the surface of the ground, became broken and the entire contents of the sewer were emptied into the slough on the flat. The new line will be laid under the surface of the land and will follow the old right of way. The trenching is now about completed, a gang of men being at work under the direction of Street Commissioner Lewis and City Surveyor Morse. The pipe is expected from Spokane this week and the new pipeline will probably be in place within the next few days. The high water will remove the accumulation of refuse and sanitary conditions will be much improved.

ENDORSE UNION OF NORTHWEST GROWERS

Unanimous endorsement of the Northwest Distributors' Association was given by local growers at the mass meeting last week. H. F. Davidson, who is a director of the association, went to the meeting Friday as an authorized representative of Hood River.

Mr. Davidson stated at the meeting that although Hood River would not care to ship her standard varieties through the association she might find it advantageous to dispose of the off varieties in that way, and that any way, it would help the apple situation in the entire Northwest. He pledged himself not to commit Hood River to any plan but said that he would return and submit to the growers any proposition for consolidation of the Northwest apple districts that might be decided upon.

Selling Combine of the Northwest Is Effected

Manager Sieg, of the Union, and H. F. Davidson Return from Conference of Northwest Fruit Districts at North Yakima--Mr. Davidson Reviews Marketing Conditions and Outlines Plan.

Wilmer Sieg of the Union and H. F. Davidson of the Davidson Fruit Company returned the last of the week from North Yakima where representatives of the fruit districts of the Northwest completed the details of a co-operative selling agency which will handle the fruits of 300,000 acres in Washington, Oregon, Idaho and Montana.

This action was taken at the conference of the nine trustees, Mr. Davidson being one of these. It was also decided that the marketing machinery will be developed and directed by J. H. Robbins, manager of the Yakima Valley Fruit Growers' Association, H. C. Sampson of Spokane and Mr. Davidson, these constituting the executive committee.

The new organization plans to handle all fruits that are shipped in carload lots, including strawberries, cherries, pears, prunes, plums, peaches and apples.

The association will make contracts with the organizations of the nine districts represented by the trustees. The local organizations will secure the contracts from the individual growers if they approve of the proposition when it shall have been submitted for their consideration.

Davidson Explains Plan In order that local growers may be fully informed upon the plans of the distributors' association Mr. Davidson has prepared for the News a detailed statement. This has been approved by Manager Sieg of the Union. As will be seen by those reading the article, it is not intended as an argument either for or against, but is rather a statement of the conditions as Messrs. Davidson and Sieg see them. This statement follows.

Market is Distant One The fruit growers of the four Northwestern states, viz. Oregon, Washington, Idaho and Montana, produce from 15,000,000 to 25,000,000 packages of marketable product annually and have one of the largest unorganized lines

LOCAL TRANSFERS OF REAL ESTATE

Oregon Realty Company to Stella A. Dodd, 10 acres in Upper Valley. Maggie Howell and husband to Gracie A. Kiser, 7 1/2 acres northeast of Winans, \$1250. J. P. Thompson to Clayton Fletcher, 200 acres in Dukes Valley, \$40,000. Carlton T. Roberts and wife to Sarah Dorn, lot 14 and south half of lot 16, Sunnyside. Sarah A. Regnall to F. E. Jackson, 15 acres in Belmont district. Mary J. Sidney and husband to Edith M. Davis, 10 acres at Fir, \$900. J. M. Wright to L. S. Smith, west half of lot 3, block 7, Parkhurst. Nettie Smith and husband to Joel Straub, lot 6, block 2, Clarke's Add, \$375.

A. W. Monosmith to Winifred L. McLucas, lot 1, block 6, Monohights. Jessie W. Moore to C. E. Swanson, lots 5 and 6, Block 2, Cascade Locks, \$100.

William C. Adams to William M. Stewart, lots 1 and 2, Block A, Coe's First Addition, \$1200.

Scott Young and others to John F. Richards, about 300 acres near Cascade Locks.

A. W. Monosmith to R. B. Bragg, 5 acres on Brookside Drive. Lewis Montgomery to Ella F. Stewart, 8 acres in Belmont district.

ANNUAL MEETING OF UNION ON APRIL 5

Notices have been sent out to all stockholders of the Union that their regular annual meeting will be held on Saturday, April 5, at 10:30 o'clock at Helfbronn Hall for the purpose of electing a board of directors and such other business as may come before it. Proxies are being sent out and all who will be unable to attend are urged to give the proxy to any member whom he may desire to represent him or else to mail it to the secretary, Albert Stutton. A full representation of the stock is desired at this meeting.

of business in the United States. Considering the perishable nature of the product and the great distance to large market centers, it is perhaps the most hazardous. Marketing Northwestern grown boxed apples in Chicago, Pittsburg, New York, Philadelphia, Boston, Kansas City, St. Louis, and points south and east of these cities is a similar proposition to marketing Florida citrus fruits in California when California has a large citrus crop. In other words, approximately one-half of the population of the United States is located east of Pittsburg, and that territory is the heaviest apple producing district in the world.

Competition is Hardship The problem now before the fruit growers of the Northwest is to work out a successful plan of marketing a very large proportion of their product in that territory at a profit. It is a notable fact that other industries have seldom reached such proportions without special advertising. While there are mutual organizations of more or less magnitude in each of the larger producing districts for assembling and forwarding the fruit, also a number of strong private companies working along the same lines, there has been no harmony among these different institutions. The result is that competition among themselves on the crop of 1912, which was the first crop of any considerable volume, has taken away practically all the grower's margin and has left him little or nothing for his first big crop of fruit.

Ruthless Waste Practiced Another most important item is the ruthless waste practiced in the duplication of enormous expense accounts in the maintenance of so many heads of institutions, telegraph bills and traveling men covering the same territory with no knowledge of what the other fellow is placing in any particular market. These conditions brought about either a consignment proposition or one of holding stock in cold storages until the other fellow sold out or materially reduced his holdings. This season, as always when there is a big crop, either of these two methods will be ruinous to the grower. Many an honest wholesaler has agreed that the incentive to work harder for full values is stronger on goods when he gets the benefit of his effort than when the benefit goes to some grower a thousand or two thousand miles away. In other words, the dealer works harder to move stock at good values if he owns the goods at a fixed price than he does on the goods on which he charges a commission of from 7 per cent to 10 per cent for selling, for he can make more money selling commission goods at a low price because of the increased volume of business resulting from cut prices. But in a very short time he finds his neighbor has cut under his price, hence a demoralization which kills all the grower's income, and the grower is always the owner of goods sold on commission.

Lack of System Responsible This seems a sufficient diagnosis to warrant the deduction that the main trouble is a lack of system or organization. The North Pacific Fruit Distributors is a non-profit mutual organization without capital stock, made up of representatives from all the nine different districts into which the four states are divided, the directors or trustees elected by the growers in the several districts.

The nine representatives met at North Yakima last week and during the two days and one night given to deliberating over the cause and cure of the troubles decided, first, that no permanent beneficial results could come, except on the broad principle of co-operation or harmony, which must begin at home; hence, a resolution passed unanimously to contract and do business, with but one organization in each of the districts, a sub-central, which can be made up of individuals, associations, or corporations organized under one head in each of the districts. This organization to be on any basis satisfactory to the local district.

Second, that the policy be positive constructive; that is, to build an organization as rapidly as possible to sell and distribute the product of these

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