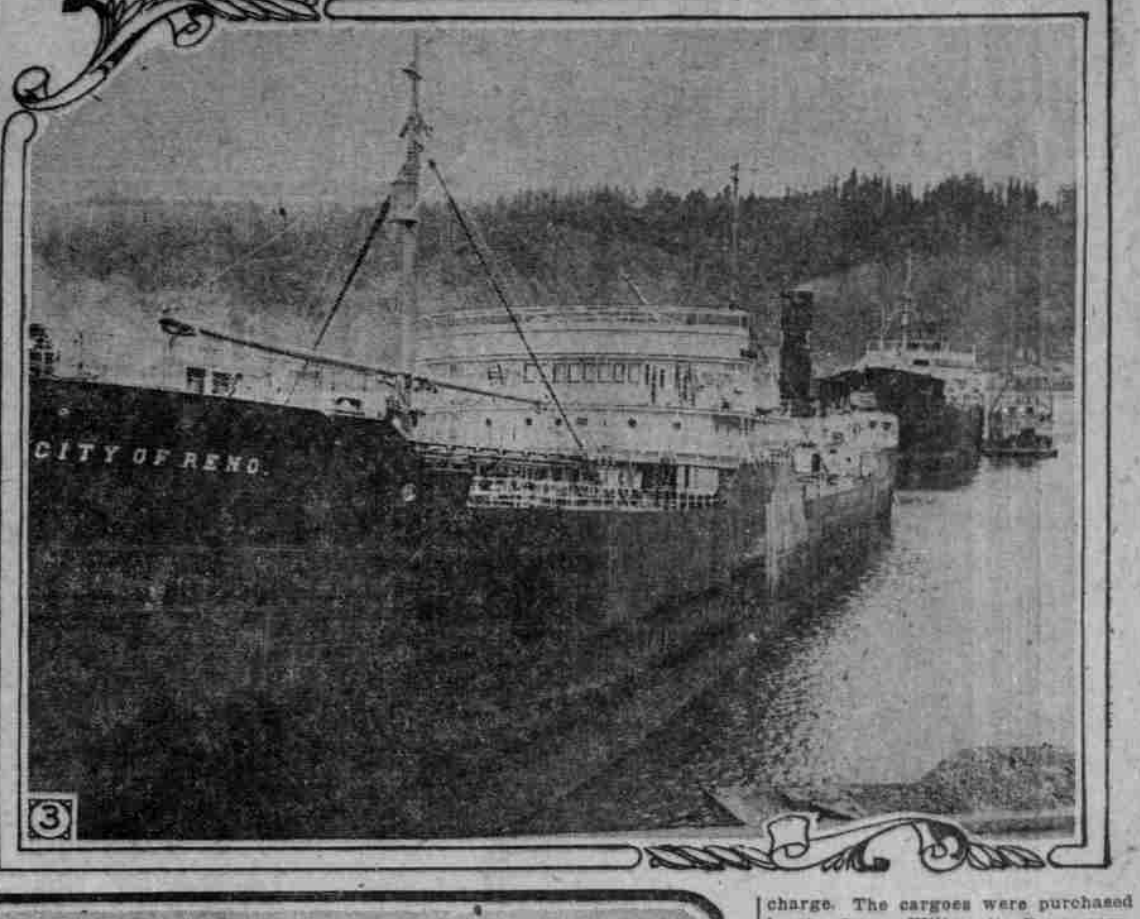
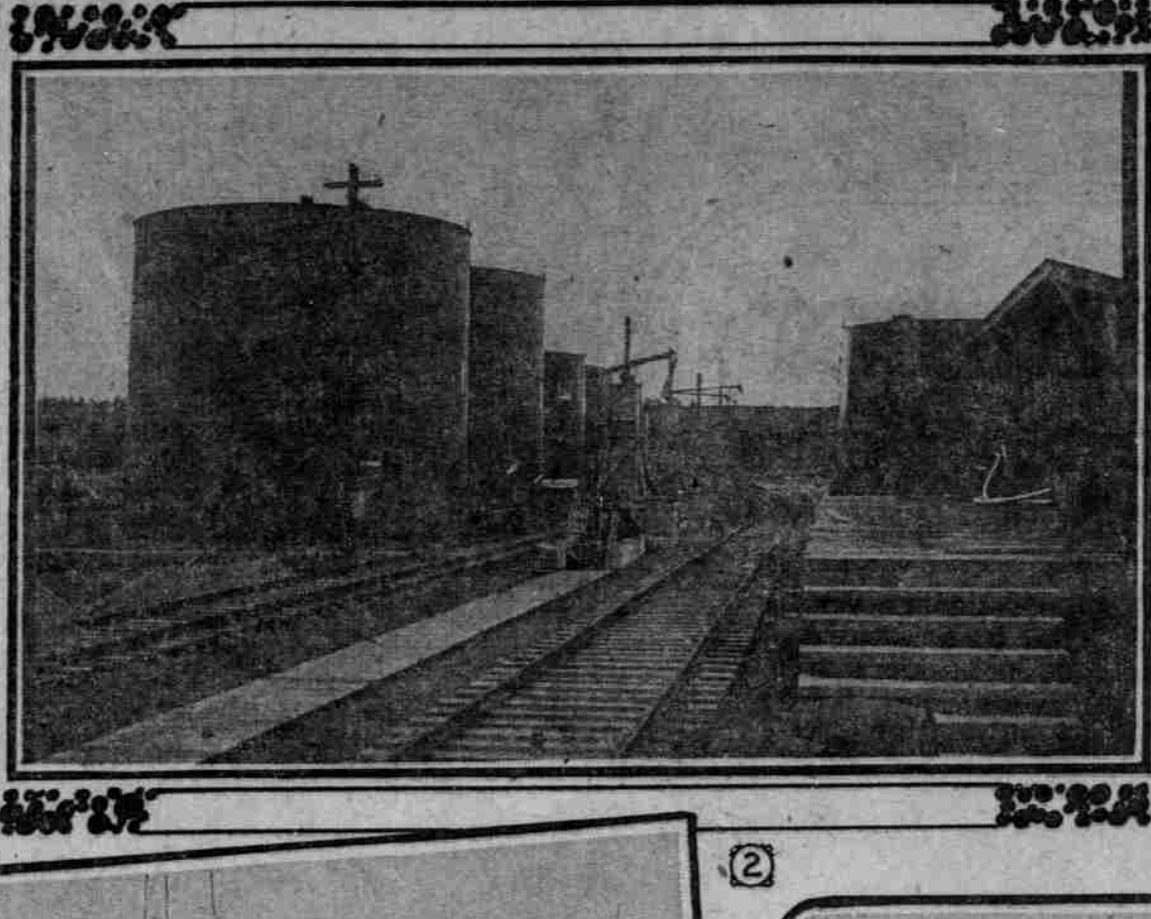
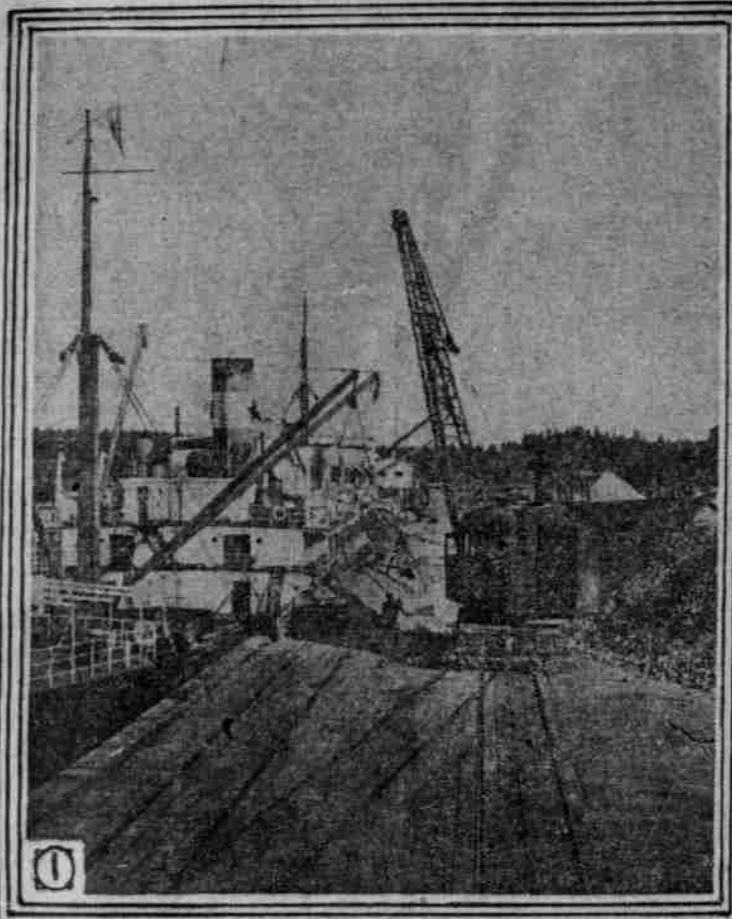


PORTLAND NEW DISTRIBUTING CENTER OF INLAND EMPIRE

Progress Made by This City in Entering Into World Commerce Responsible for Vast Influx of Trade From Eastern Oregon, Southern and Eastern Washington, Idaho and Montana



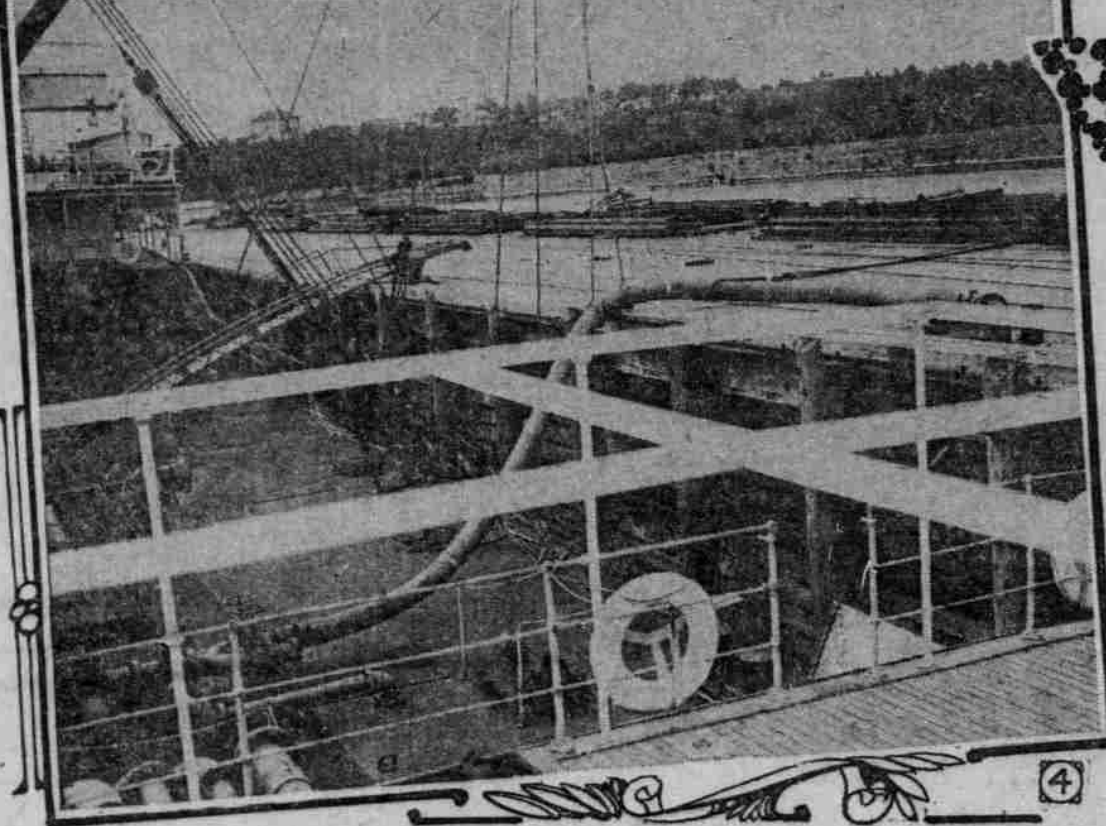
By Fred M. White.

THE finest inland of the Fiji group exports its dried coconut meat whenever the little trading schooner stops there on one of her infrequent visits. Ice-bound settlements of slant-eyed Eskimos export the furs that bring fabulous prices in our cities. Similarly, the Fiji imports whatever the trader has to barter for the coira, and the Eskimo imports firearms and food-stuffs. All of these remarks are introductory to the statement that imports and exports alone do not make a port. If products of the inland region do not flow to the seaboard city for export, and the commodities of the world do not come to the seaboard city for distribution inland, then the town upon the water amounts to little as a port, be its harbor what it may.

Thus it is that economists see in the recent rise of Portland as a distributing center a development of greater importance than the shipment abroad of any quantity, however vast, of timber that grows on the banks of the Willamette and Columbia rivers.

The growth of Portland as an assembling point for the products of the inland empire has been constant, with a few fluctuations, and has in the main kept pace with the settlement and development of the interior territory. The most important development along this line in many years was the settlement in favor of this city of the now famous Columbia river rate case, which ended with a recommendation that the interstate commerce commission decree that rates from the inland empire should be lower to Portland than to Tacoma or Seattle because of the economical water-grade haul down the Columbia river.

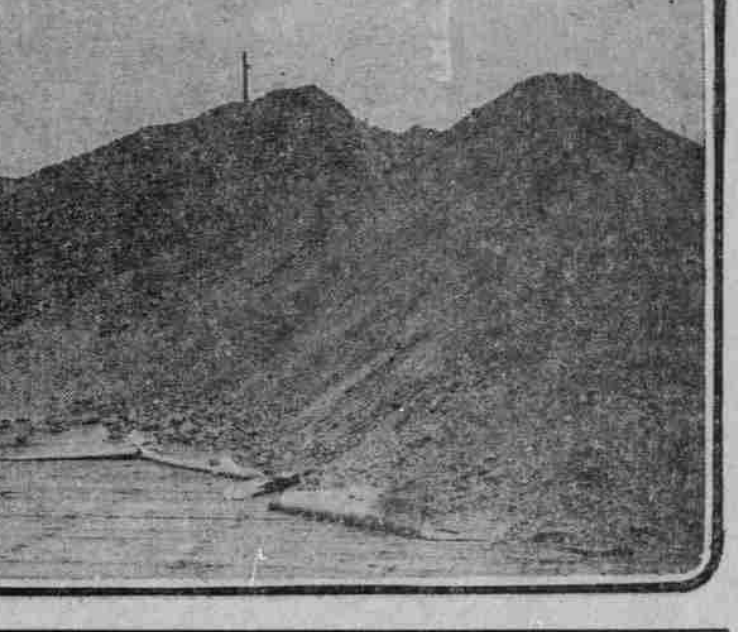
Early in 1920 there came to Port-



land the steam schooner Idaho, bringing a full cargo of Chilean nitrates from Talca, Chile. The event was unprecedented. Such cargo had never come to Portland before. Nitrates from the west coast of South America had always gone to San Francisco for shipment by rail to the manufacturing centers of the east or had gone into Puget sound for the Du Pont plant at the town of that name. What little of this product had been used in the Oregon country had filtered through from the north or south. The particular cargo brought by the Idaho was destined entirely for use as fertilizer and was distributed throughout the fruit-growing regions tributary to Portland, especially the Hood

River and Willamette valley sections. This was only a start, however. Vessels of the General Steamship corporation, operating regularly between Portland and other Pacific coast ports and the west coast of South America, are now bringing large quantities of nitrates to Portland. Some of this valuable mineral is used in Portland's hinterland as fertilizer and some of it goes on to Du Pont, Wash., for manufacture into explosives, but operators of the steamships, securing full cargoes of outward freight at Portland, or enough freight here so that they can easily fill up at San Francisco, find it advisable to use Portland as the distributing point.

Wise foresight moved the commission of public docks during the past year to increase the facilities already provided here for the handling and storing of large cargoes of liquids, such as vegetable oils and molasses, and as a consequence these facilities have been taxed to their utmost capacity. Two full cargoes of molasses in bulk, the last one amounting to over 3000 tons, have come to Portland during the last year for distribution. Tank vessels were employed in both cases to bring the sweet, sticky cargo from the Hawaiian islands. The first to come was the sailing tank ship Falls of Clyde and she was followed by the shipping board's motor steamer City of Reno.



1—Green Star line steamer Clauson discharging full cargo of sulphur at municipal terminal No. 4. The electric locomotive crane provided by the dock commission is keeping the ship steady. 2—Part of the oil storage plant at municipal terminal No. 4. Here cargoes of molasses and oriental vegetable oils are received and stored for distribution. 3—The shipping board tank steamer City of Reno, lying at pier 2, terminal 4, discharging cargo of bulk molasses from Honolulu. 4—Close-up view of City of Reno, showing seven-inch flexible pipe by which fluid cargo is pumped from ship's hold to storage tanks. 5—Sulphur forming this young mountain was first such cargo to come to Portland. It was brought from Galveston by motorships Cethana and Culberrra.

charge. The cargoes were purchased by the Crown-Willamette Paper company, which uses the yellow element in the manufacture of paper. Results obtained were so entirely satisfactory that the practice of bringing sulphur here by rail from the gulf was practically discontinued. Moreover, it was discovered by the Texas Gulf Sulphur company and Union Sulphur companies, the two largest concerns of the gulf, that Portland made an excellent distributing center and other cargoes of sulphur were sent here to be stored in the municipal docks and sent out through the northwest in carload lots as it was sold to the various sulphur-consuming industries of the district.

Portland's interior trade territory is limited at present by an unfavorable differential in rail rates to the territory west of the Chicago-New Orleans line. Last summer's increase in rail rates abolished temporarily the old import and export rates that made it possible to ship any commodity from an interior point to a foreign destination by the shortest rail and water haul at the same cost as the longer all-water route.

Whereas, formerly it had been possible to ship steel from Pittsburg to Japan, for example, either by rail to a Pacific coast port and thence across to Japan, or from Pittsburg to an Atlantic coast port and around through the Panama canal by water all the way to Japan at practically the same total transportation cost by either route, it now became much cheaper to use the long water haul. A revision made in September re-established preferential export and import rail rates as far east as Chicago, but eastern transcontinental railroads refused to concur in this arrangement. So now Portland and the other ports of the Pacific coast can compete with Atlantic ports in the trans-Pacific business, except for freight originating west of Chicago. Traffic men generally, however, consider it only a matter of a few months until the old system of open competition by all ports will be re-established and then Portland, the most central port of Pacific America, equipped with ample terminal facilities, placed by nature at the bottleneck of a great inland empire, will claim the whole United States for her hinterland.

PORTLAND PACEMAKER OF PACIFIC PORTS

Community Interest Results in Firm Establishment of City in Trans-Pacific Shipping Field; Unfair Discrimination Against Port Is Fought.

By W. D. B. Dodson, Executive Secretary Portland Chamber of Commerce.

PORTLAND closes the year 1920 with the best steamship service to the orient she has ever enjoyed and also a more extensive connection with other ports of the world than was known in even the best of pre-war days.

We have today three lines operating directly and exclusively from Portland to oriental ports and a large number of other lines give this community connection with practically every port that may be desired in the Pacific or the Atlantic.

In the nature of things, the trans-Pacific business for a Pacific port looms the highest in its shipping prospects. Provided the trans-continental railroads are able to haul traffic westward at a sufficiently low rate, the Pacific seaboard is the natural shipping point for the United States in dealing with the orient. As the transcontinental railroads must have a reciprocal movement of freight, the assumption follows that rates will be, in the future as in the past, such as to attract to the Pacific seaboard a large volume of trans-Pacific business.

Portland has devoted her chief work in the past year, in fact since the armistice, to getting trans-Pacific shipping firmly established. This work has been crowned with results of the highest importance to the community.

Including the ports from Shanghai to Dairen. The latter is the first time that direct trans-Pacific steamship service has been maintained to these ports and the experiment has proven very satisfactory.

The three companies that are now maintaining trans-Pacific services are the Columbia Pacific Shipping company, the Pacific Steamship company and the Toyo Kisen Kaisha. The first is an Oregon corporation, the Pacific has headquarters at Tacoma with stock holdings distributed throughout the west and some parts of the east, and the T. K. K. is one of the three big Japanese steamship lines that has operated in trans-Pacific trade for years, serving San Francisco only.

The T. K. K. by extending its service to Portland has opened to it opportunity to get a share in the outbound cargo movement of the enormous volume of local products that are available in the Columbia territory.

In addition to securing regular trans-Pacific steamers, the China Pacific Company, organized by the same interests that control the Columbia Pacific Company, has bought control of the China Importing and Exporting Company, Ltd., with headquarters in Shanghai, China. This is one of the oldest and best of the American controlled companies in the orient. It has a large volume of cargo in the lumber and timber line and is rapidly coming to handle general cargo and a general shipping business at practically all oriental ports.

The China Pacific, with its subsidiaries, owns two large steamships in the Yangtze river plying between Shanghai and Hankow; very valuable waterfront property in Shanghai, Hankow and other ports; has lease rights on hulks at various points along the Yangtze river; has 35 lumber yards in various parts of China reaching all the strategic trade centers; has two sawmills operating in China using native lumber or those bought from Japan or the Philippines; and in addition, is just finishing a most imposing office building in Shanghai.

Successful work covering about 20 years, with a very large organization and a most successful business man at the head, i. e., C. L. Sells, is proving one of the greatest assets in going after oriental business that Portland could possess, and the community is just beginning to realize that such connections as these bring more permanent benefits in a trade way than any other line of effort.

Seek Shipping Board Vessels.

The Columbia Pacific company applied early the past year for two of the large freight-passenger ships that the shipping board promises to operate on the Pacific. A most determined fight has been made for these vessels and undoubtedly will result in success. The plan of the shipping board to turn over five of these large express ships for the service of one Puget Sound port and totally to disregard the Columbia river, has been attacked so bitterly by the chamber of commerce and the entire state of Oregon, and the wrong of such a procedure has been so clearly proven, that no doubt will remain in the mind of the ordinary person that the new shipping board, representing the interests of the entire country will compel a change from the announced procedure. If these two large vessels are granted the Portland company they will operate initially between Portland and the north China coast, including Shanghai, but at a later date, as the commerce expands, might possibly be used in a more extensive service.

The China Pacific company applied for five of the Lake type of ships provided for the China coast with Shanghai as a base. Twelve of these ships had already been allocated to the Pacific Mail Steamship company and Robert Dollar interests. The Chamber of Commerce proved beyond all possible doubt to the shipping board this summer that Portland's business, steamship connections and existing coastwise trade were of a larger volume, more permanently established and more promising than some of the other interests which

had already been favored by the use of such ships.

As a result of the long fight made in Washington it can be stated with good positiveness that the China Pacific company will have the nucleus very soon for a good coastwise fleet on the China coast that will connect with its steamboats on the Yangtze river and its trans-Pacific trunk lines, thus insuring for the steamship companies operating out of this port an oriental organization capable of meeting any form of competition that may be inaugurated.

During the past years in negotiating with steamship interests the Chamber of Commerce has repeatedly called attention of the operators to the fact that in the outbound movement of cargo to the orient in normal peace time a large percentage is of local or northwestern origin. On top of this statement was the correlated argument, accepted without any doubt whatever, that the Columbia district, of which Portland is the center, has the largest volume of local origin cargo for the Pacific of any port district on the Pacific seaboard.

In the past this local cargo apparently had not been regarded as a factor of high importance, but today, when the depression in trans-Pacific business is strong, the strength of a line able to draw upon its local cargo is proven in a manner that is most gratifying to the people of Portland. The fact is that in the variations of business, both in America and the orient, a line dependent solely upon transcontinental freight is often left in a serious condition. This was proven when the old reliable Nippon Yusen Kaisha had inaugurated service to the north Pacific seaboard on transcontinental freight alone and was later driven to vigorous solicitation for local cargo.

Railway Connections Adequate.

It has been left to the past year also to demonstrate quite fully that Portland has railway connections enabling it to secure as large a volume of transcontinental cargo as may be had at any other Pacific port. The assumption seemed to have prevailed for a long while that because the Northern Pacific, Great Northern and Chicago, Milwaukee & St. Paul operated their main lines to Puget Sound, Portland stood little chance of securing a large volume of transcontinental cargo. In fact this community

has the only direct main line of the Union Pacific to Pacific tidewater and it has a better connection through the Spokane, Portland & Seattle railway with the northern lines than is provided on their main lines with the very soon to be constructed trunk line down the north bank of the Columbia river.

This favorable situation with reference to the transcontinental lines is developing very strongly to Portland's advantage and with organized, determined pressure from the entire community in the coming years, must bring to our port a vastly increased volume of general cargo.

During the past year Portland's carefully laid plans of the past decade for the accommodation of cargo and the solicitation of same in the railway territories began to develop quite fully through the port of Portland and commission of public docks traffic bureau. This department was organized with H. L. Hudson as manager and is functioning as planned. Offices have been opened in New York and the orient. As necessary other offices will be opened.

The year 1920 closes with the most promising situation for shipping in this port that we have ever enjoyed. The opportunity of the people in the development of, same is the best that has ever been witnessed here. The co-operation between the official and semi-official bodies such as the port and dock commissions, Chamber of Commerce and other civic organizations, the press of the community and the officials themselves, has reached a point where it is attracting the attention of the entire coast.

Instead of the ambitious and haughty ports of the Pacific referring to Portland as a back number, the most gracious compliment has lately been paid in speaking of Portland as the "boom-maker" for the Pacific. These results have been made possible only as the community became interested in the great shipping problem. This interest has become widespread and is wonderfully effective. If properly sustained, as it is sure to be in the next few years, our revolution in shipping and industrial affairs will be one of the surprises of the entire Pacific. The Chamber of Commerce believes big things are in order, that the great work is just fairly launched and that the enterprising business men of Portland and Oregon are going to see that the task is finished as it merits.

TERMINAL NO. 4 LAST WORD IN DOCKS

Most Efficient Cargo-Handling Facilities on Pacific Coast Take Care of Bulk Vegetable Oils and Molasses as Readily as Sacked Grain.

By James D. Olson.

IF THE WORD of experienced mariners will suffice, Portland has in Terminal No. 4 the most efficient dock and cargo handling facilities on the Pacific coast, if not in the entire United States.

Although yet uncompleted, Terminal No. 4 located on the riverfront in the St. Johns district, is a city unto itself. Here one will find from 800 to 1200 workmen busily engaged in loading or unloading cargo, in storing the freight consigned to ships calling at Portland, or engaged in handling the grain which is being emptied into the million bushel grain elevator.

Less than 1 per cent of Portland's population has viewed Terminal No. 4 under close inspection, according to officials of the commission of public docks, the body which operates this institution. And hence few Portlanders are aware of the mass of facilities installed at this terminal for the purpose of handling the greater part of the imports and exports which pass through the Port of Portland.

Pier No. 1, 1550 feet in length has been completed and Slip No. 1 has been dredged to its full depth. Pier No. 2 has likewise been constructed and a contract has been let for the building of a pier shed covering the forward one-half of the pier. Pier No. 5 has been partially completed, with contract let for its completion. The million bushel elevator is in successful operation, as are the vegetable oil tanks and the bunkers, constructed on the south side of Pier No. 1.

Pier No. 3 and No. 4 and Slip No. 2 have not yet been constructed, although plans have been completed and it is but a matter of time until this part of the huge project will be awarded to contractors.

familiar to the boys who served at the supply stations of the American expeditionary forces in France and the like system has been installed at Terminal No. 4.

By use of the hump, which in reality is merely a raise in the trackage, cars can be disconnected from the tender and through the use of levers switched onto tracks leading it to the spot where it is needed, and, by a release of the lever, started under its own momentum to the side of a ship or a place along one of the sheds where it is loaded.

By use of this system both time and expense are spared, for it is not necessary to use the tender in making personally conducted tours with each freight car in order to place it in its berth.

Another labor-saving and expense-reducing system is the use of a motor conveyance which tow strings of trucks through the terminals. One will see this motor vehicle bring from 10 to 15 of these trucks to the side of a ship, and while the trucks are being piled heavily with cargo taken from the hold of a ship the motor vehicle has scurried away to haul a loaded cargo to the freight cars and to return with another string of empties.

Thus thousands of dollars annually are saved in wharfing costs, for until this system was used all cargo was taken from the ship's hold to the freight cars by use of trucks hauled by men.

In handling vegetable oils the steamer is docked on the south side of slip No. 1, where the oil is pumped from the tanks, carried to the oil tanks on the terminal and weighed before it is emptied into the tanks. This process is done without difficulty and at extremely low cost.

A huge cafeteria is operated on the terminal for the benefit of the workers, where wholesome meals are served at extremely moderate prices, according to the members of the dock commission. At the side of the cafeteria is located a well equipped play games, read or amuse themselves in any manner desired during their recreation periods.

Until recently no car line facilities were furnished for persons having business at the terminal or working on the terminal. However, the commission of public docks secured a franchise and has completed a car line over which cars are now operated from the gates of the terminal to the junction of the street-car lines operating into the city proper.

The grain elevator at this terminal has a capacity slightly in excess of 7,000,000 bushels of grain, with the operating house designed to handle an additional storage of 1,000,000 bushels should the needs of the port demand this increased capacity. It was built at a cost of \$420,000 by Grant Smith & Co., contractors.

Pier No. 1, 1550 feet in length, of which the outer one-half is a two-level structure covered with a transit shed 600 feet in length and 120 feet in width, and the remainder of the pier being uncovered, to be used temporarily in handling lumber and other bulky cargo, was constructed for \$440,000 and was completed in February, 1919.

Since the completion of pier No. 1 it has been extended until today it is 1590 feet in length. Slip No. 1 was completed in March, 1918.