

FARM AND STOCK
AID IS EXPLAINED

War Finance Official Writes
to E. E. Faville.

MARKETS CHIEF ISSUE

Eugene Meyer Jr. Says Credits Are
Not Sole Necessity for Agri-
cultural Districts.

Eugene Meyer Jr., managing director of the war finance corporation, the government agency which is giving financial aid to farmers and stockmen, has written E. E. Faville, chairman of the agriculture committee of the Portland Chamber of Commerce and editor of Western Farmer, explaining many of the details by which this agency is co-operating to stabilize market conditions through its loans. He said in part:

"The farmer and the stockman are the economic aspect of business as at most times mainly concerned with marketing. It has been peculiarly so in the last year and a half. Not only is it a matter of price high or low, though that is important, it is even more a matter of timing. Buyers within the normal and customary period which puts him in a position where he is forced to adopt some abnormal expedient to meet his financial obligations and to get funds for carrying on his next operation. The expedient too often has to be the form of sacrificing his products.

"At first blush it may seem that credit is all that he needs. But it is not merely credit. It is rather the ability to spread his marketing over a longer period. He has been accustomed to selling his product within a few weeks or months during and immediately after the maturing of the crop, and he is now suddenly confronted with a market which is buying on a hand-to-mouth basis and spreading its purchases over long periods, sometimes even a year or more.

"There are several causes of this condition. One has to do with exports. In the years when the world's financial strength was centered in Europe, European buyers were in the habit of arranging for their year's supply at the time when the market came on the market and themselves financing the stocks until needed. During the war and immediately afterwards the United States treasury by direct loans to foreign governments, made possible the continuation of this short-time marketing of American agricultural products for export.

"In the last year and a half the situation has changed. European buyers are no longer in a position to buy their year's supply in a few months. Even if they could they are unwilling to take the fluctuations in exchange necessarily involve. They are therefore buying only as the need arises, spreading their purchases over the year.

"Another cause which operates ultimately in much the same manner is the attitude of jobbers, wholesalers, retailers and manufacturers in this country in carrying short stocks," the letter continued.

"They go ahead courageously and lay in stocks in periods of high prices because excessively timid when prices decline, and therefore to get along with the lowest possible stocks instead of carrying normal supplies on the basis of the probable demands of consumers. These cases have combined to throw back on the producers and their local bankers an abnormal share of the burden of carrying the agricultural output, which would normally be distributed all along the line from the producer to the consumer.

"The backing up of stocks in the hands of producers led to an appearance of large surpluses, which operated to increase the timidity of buyers and to depress the bottom which had dropped out of prices. This fear has now largely passed. I believe that as soon as our merchants begin to feel that they are safe in laying in stocks at present price levels, accumulations now in the hands of producers will begin to move in larger volume.

"In the meantime the situation is abnormal. The producer has his goods ready for sale in the usual way, but the market has not been absorbing them at the normal rate. The way out is to take the pressure off the producer and thus enable him to feed his products into the market gradually, in accordance with the diminished rate of absorption. We must strengthen the hands of the local banks and other institutions that finance the farmer and the stockman and, through them, strengthen the hands of the producer himself.

"It is for this reason that the agricultural credits act, under which the war finance corporation is making domestic loans, was passed August 24, 1921. By this act the corporation is authorized to make advances to financial institutions and co-operative associations of producers which have made advances for agricultural purposes, thus putting these institutions in position to take care of the needs of the farmers and stockmen in the surrounding territory to the extent that the individual credit of each may warrant.

producers' side, are also helping it indirectly on the buyers' side. The psychological effect is to restore to a noticeable degree the confidence of merchants and manufacturers, and to help bring about more normal marketing conditions. The fact that there is in existence and functioning an organization with large resources and broad powers ready to meet all reasonable demands that may be made upon it is a powerful factor in stabilizing the flow of business.

"The operations of the war finance corporation not only help the farmer, but tend to stabilize the market and assist in this general resumption of the flow of business. The effects of its activities are now being felt throughout the financial channels from which the farmer draws his funds for carrying on farm operations. Every day they are strengthening the hands of more and more individual farmers and stockmen. Every day they are increasing in volume and effectiveness. The corporation now is daily making loans for agricultural and livestock purposes of from a million to several million dollars.

"The war finance corporation has not been content to wait for applications for loans but through its agricultural loan guaranty act has encouraged local conditions and has encouraged the banks to go ahead with their regular business. Within the last few weeks I have seen one of the best things I experienced was the readiness of the bankers there to co-operate in this regard in making loans to the producers of their own territory as a matter of general interest to the business man, farmer, merchant and stockman.

"The great lesson that we are all being forced to learn in these difficult times is that the only real advantage of working together for a common end. A realization by merchants and manufacturers that they are not alone in their predicament and that they are not alone in their need to adopt a policy of dumping that will knock the bottom out of the market, and that the only way to get out of the present predicament is to lay in more normal stocks, will tend not only to put the farmer in better condition to carry on his farm operations but also to restore his buying power.

"The work of the war finance corporation fits into the situation right at this point in that it is intended not only to remove the necessity of forcing agricultural products on the market, but to assist in the marketing of such products, by making loans generally that the necessity is removed. The influence of the corporation is being felt in the market to bring about a better understanding and a greater willingness to pull together, to 'live and let live' in all the various phases of the business world all along the line from the producer to the consumer.

"The educational committee of the Portland chapter, American Institute of Banking, has opened classes in political economy under the direction of Prof. D. of the University of Oregon. Professor Crockett is considered an authority on the subject. A class of 50 has been enrolled.

Dividends on the established basis of 8 per cent a year were declared by the directors of the Union Savings & Loan association in its meeting held last week. The dividend declared was 4 per cent to cover the final fiscal six months period ending January 15. The association has a strictly mutual association owned and controlled by its members. The officers are: Conrad P. Olson, president; R. J. Bennett, vice-president and general manager; L. C. Stidd, second vice-president; R. P. Hanke, secretary; Opal E. Hoyem, assistant secretary, and Anthony E. Smith, treasurer.

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Walla Walla Church to Wait. WALLA WALLA, Wash., Jan. 15.—(Special.)—Members of the Congregational church at service this morning decided to investigate further the question of a new building, following the reports of conditions on repairing and rebuilding. The church was destroyed by fire last Sunday night during services. Estimated cost of repairs is \$25,000. The other continued its efforts. However, it is planned not to build for some time, but the financing plan will be developed.

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Yamhill County Road Bonds 5 1/2% Dated Aug. 1, 1920 Due Aug. 1, 1930-38 Denom. \$500, \$1000 Price to Yield 4.90% Income Tax Exempt

CITY OF PORTLAND, OREGON
6% Gen'l Obligation Imp. Bonds
Dated October 1, 1921 Due October 1, 1931
Optional After October 1, 1924
Denomination \$1000
Income Tax Exempt
PRICE 104.76 YIELD 5%

Municipals Government Provincials
Yields to 6.75%
Port of Kalama, Wash., 6s. 1924-31 6.75%
Morrow County, Or., 5 1/2s. 1929 5 1/2%
Wallowa County, Or., 5 1/2s. 1932-34 5.00%
Dutch East Indies (Kingdom of Netherlands) 6s. 1947 Opt. '32 6.75%
Prov. of Ontario, Can., 5 1/2s. 1937 5.55%
Prov. of Ontario, Can., 5 1/2s. 1925 6.25%
Penn. R. R. Equip. 6s. 1928-35 5.80%
Make Reservations by Phone, Wire or Letter

LUMBERMENS TRUST COMPANY - BANK
BROADWAY and OAK

WIFE SLAYER'S TRIAL SET
JAMES SLAGLE TO BE TRIED ON FIRST DEGREE CHARGE.
Plea Will Be Made That Killer Was Insane and Later Recovered Reason; Jury List Long.

ROAD WORK IS MAPPED
Tillamook County Expected to Start Big Programme.
TILLAMOOK, Or., Jan. 15.—(Special.)—W. D. Clarke, division engineer of the state highway commission, with the county court, surveyor and county road master, are going over different sections of the county, mapping out road work for the coming year in which the state highway commission will take part on a 50-50 basis with the county. Notwithstanding that there was considerable loss on account of the recent storm and flood, Tillamook county will expend a large amount on road improvements. There is available \$25,000 from the following sources: County road tax, \$20,000; market roads, \$30,000; special road tax in road district No. 1, \$35,000; sale of bonds, \$150,000. In addition to this the state highway commission will duplicate the money for market roads and several other road projects, and it is hoped that the commission will do more hard surfacing in this county this year. The county officials are setting the road work well lined up and as soon as weather conditions permit, the work will commence.

Tillamook Bank Prospers.
TILLAMOOK, Or., Jan. 15.—(Special.)—At the annual meeting of the First National bank of Tillamook, the report showed that the bank had had a very successful year. The regular semi-annual dividend of 8 per cent was ordered paid. The officers elected were: B. C. Lamb, president; C. J. Edwards and W. J. Riechert, vice-presidents; C. A. McHugh, cashier; I. E. Keldson and H. Helzel, assistant cashiers.

Albany Soft Drink Prices Cut.
ALBANY, Or., Jan. 15.—(Special.)—Ordinary soft drinks may be procured in Albany now for 1 cent for the first time since the early days of the war. Other drinks, while they have been reduced, are not back to the pre-war level yet.

Bank Re-elects Senator Cusick.
ALBANY, Or., Jan. 15.—(Special.)—Senator Cusick has been re-elected president of the bank of J. W. Cusick & Co. of this city. All of the other officers also were re-elected. They are: Charles H. Cusick, vice-president; Harry B. Cusick, cashier, and Stanley A. Starr, assistant cashier. Harry B. Cusick composed the board E. D. Cusick, Charles H. Cusick and of directors.

Banking Saturday Evenings
Have you ever wanted to cash a check so as to have funds over Sunday?
Have you ever wanted to deposit currency so as not to risk carrying it over the week-end?
Have you wanted to talk to a bank officer, buy or sell a liberty bond, leave an item for collection and not be able to go to the bank between 10 and 3.

HIBERNIA BANK
A Conservative Custodian
Banking Saturday Evenings
To serve its customers the Hibernia Bank is open in all departments Saturday evening from 6 to 8.
MEMBER FEDERAL RESERVE SYSTEM

Proof of the Pudding
WE ADVOCATE what we believe and practice what we advocate. The bonds we offer for sale are bonds in which we have our own funds invested. We buy only what we believe are desirable for you to own. We do not deal in securities that we have under option or hope to obtain. If they are not good enough for us to buy they are not good enough for us to sell and we don't believe them good enough for you to own.
Whether our judgment is worthy of confidence is evidenced by the appended partial list of well-known issues of which we distributed large amounts to our clientele.

Table with columns: Issue, Present Market Price, Present Market About. Lists various bonds such as American Agri. Chemical Co. 7 1/2s, 1941, and others.

THESE FIGURES represent cash values, not trading propositions. The fact that someone may be willing to offer two or three per cent more "on a trade" does not mean anything as to market value. Perhaps that which appears to offer large profit through a "trade" is in fact disguising the sale of overpriced or questionable "securities".
This is the time of all times to convert your short-term investments into long-term bonds, but it is good principle to sell for cash and then buy what you want—what you know is safe and that you can sell promptly and satisfactorily if you need cash. You may be able to trade advantageously, but you should know what you obtain has all the elements of safety and marketability that are contained in what you already own. Bring your investment problems to us. We will endeavor to assist you in an unbiased manner.
Ask us for list of high-grade bonds that WE OWN and recommend.

Freeman, Smith & Camp Co. LUMBERMENS BLDG., PORTLAND
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Our Partial Payment Plan Makes Investing Easy
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We own and offer:
Tillamook County, Or., Road... 5 1/2 1932-36 Various 5.00
Washoe County, Nevada... 6 1932 105.97 5.30
Wallowa County, Or., Road... 5 1/2 3-1-33 104.24 5.00
Wallowa County, Or., Road... 5 1/2 3-1-34 104.52 5.00
Whatcom Co., Wash., Road... 6 5-1-24 101.75 5.25
Whatcom Co., Wash., Road... 6 3-1-28 103.95 5.25
Whatcom Co., Wash., Road... 5 1/2 1924 100.47 5.25
Peninsula Drainage Dist. No. 1... 6 1922 Par 6.00
Silver Lake, Irr. Dist., Or... 6 1926-46 Various 6.50
Slide, Irr. Dist., Or... 6 1932-39 Various 6.50
Summer Lake Irr. Dist., Or... 6 1931-45 Various 6.50
Portland, Or., Gen. Obl... 5 1/2 1930 103.07 4.85
Portland, Or., Gen. Obl... 5 1925 93.20 5.75
Portland, Or., Improvement... 6 1931 104.76 5.00
Lincoln County... 6 1930 106.55 5.10

LANE COUNTY, OREGON
\$100,000
5% ROAD BONDS
Dated May 1, 1921 Due Serially 1931-44
Denominations—\$100, \$500, \$1000
FINANCIAL STATEMENT
Assessed Valuation, 1920... \$34,873,272.97
Bonded Debt, including this issue... 560,000.00
Population, 1920 census—36,116.
PRICE TO YIELD 4.875% TO 5%

Sherman County, Oregon
\$100,000
5% ROAD BONDS
Dated July 1, 1919 Due July 1, 1939
Denomination \$1000
FINANCIAL STATEMENT
Assessed Valuation, 1921... \$17,181,226.63
Actual Value, Approximately... 35,000,000.00
Total Bonded Debt, this issue only... 300,000.00
Ratio of Debt to Assessed Value less than 1%.
Population, 1920 census—3826.
PRICE ON APPLICATION
The above issues are direct general obligations and will be paid by ad valorem taxes levied against all the taxable property therein. EXEMPT FROM FEDERAL INCOME TAX.
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