

# The Marketing of Dehydrated Fruits and Vegetables Is "Over," Absolutely, and the Demand Is and Will Be for More and More and More

## IN A NUTSHELL, JUST WHAT DEHYDRATION WILL DO FOR US

It Will Bring New Wealth Every Year and Increase the Value of the Land Every Year, and It Will Pay for Any Farm in the Salem District

The Salem slogan editor yesterday asked one of the best posted men on dehydration in this section to say, in a nutshell, just what dehydration will do for us; and, more especially, what it will do for our farms and farmers. This man graciously responded, and the slogan editor has put what he gathered of the response under five headings, as follows:

**Clean Tilled Crops.**  
Our farmers have long needed clean tilled crops in a diversified cropping scheme, in order to get rid of weeds and bring up the fertility of the soil.

**Intercropping Scheme.**  
Intercropping with vegetables, such as beans, peas, carrots, tomatoes, spinach before potatoes, carrots, beans, corn, etc. This is important, especially to men who are developing young orchards.

**Insuring of Markets.**  
This is very important. Any industries man may buy any piece of land anywhere in the Salem district, at its present selling price, and if allowed to pay for it on any reasonable amortization plan, can pay for it out of the products of the soil.

He can make contracts with the King's Food Products company so as to anticipate all the payments of both interest and principal. In most cases, he can make his payments from the vegetable crops alone, while developing an orchard of either bush or tree fruits or nut trees, and, when these begin to bear, if not before, he can have a surplus for further investment or for greater comforts for himself and family, or for the education of his children, or for any other purpose.

Dehydration is thus an insurance policy. It is a stabilizer.

It is a sure guarantee against failure. There is nothing whatever that can be of greater value in this respect to this section and this city—for as the country produces more to sell to distant markets for cash, there will be more business in Salem; more manufacturing, more shipping, more of everything that goes to the building of solid cities.

**Lower Costs of Marketing.**  
Dehydration lowers the cost of marketing by supplying the containers for shipment; for the shipment of the raw products to the factory, and the shipment of the manufactured product to the market. After the Salem paper mill gets to running, it will be possible to get our dehydrated fruits and vegetables to the world's markets without sending away for a single thing excepting the nails for the outside boxes—and perhaps this may be obviated in time by improved shipping methods. The great shipping interests are now working along these lines.

**Supplies the Right Seeds.**  
The King's Food Products company supplies the seeds of the right varieties at cost to growers, and takes payment without interest at harvest.

The company also gives help in the way of advice as to the proper methods of ground preparation and cultivation to get the best results. This is important. The managers want the largest possible production. Even then they cannot get enough of the raw products to turn into the manufactured articles that are wanted by a continually expanding market. And the managers also want the growers to make the largest possible profits, in order that they may be glad to persist in furnishing the raw products, and in doing so in ever increasing volume and ever improving quality.

### STABILIZING PROSPERITY

Salem is prosperous and likewise Marion county and the entire valley is prosperous. Salem holds first place outside the metropolis in bank deposits—over \$8,000,000.

Every available house in the city is occupied and many more are needed to care for the increased population which comes with healthy community prosperity such as we are now enjoying.

The financial condition of the community to care for this prosperity and to handle the large incoming crops is excellent and reflects sound and conservative banking.

Within the next four months millions of dollars will come into this community which will all be new wealth.

This new wealth is all from the soil and it is taking practically nothing from the soil to produce it, so we are not destroying our main asset to produce it. This new wealth is, however, requiring the full employment of labor at the highest price ever known. It is also creating an exceptional market for farm implements, tractors, trucks, automobiles, seeds and innumerable other supplies far beyond our greatest expectations—and what is the cause of it all?

There is but one answer. We have the industries which give us an insured market for our products.

It is only necessary to recall conditions of a very few years ago to be reminded of three cent loganberries, five cent prunes, three cent cherries, etc., and no market at these prices and consequently no profit to the community or grower.

Then compare them to present day conditions and prices.

We may say that general conditions and demand had a great deal to do with this prosperous local condition. True, but advantages of the opportunity would have slipped by if it were not for the enterprise of those who invested in our industries and built up a solid and substantial market for our products.

To the Phez company and King's Food Products company must go the credit for the introduction and popularity of the loganberry. Through the perfected system of King's dehydration the loganberry and likewise the Oregon prune, apple, peach, pear, cherry, apricot and squash, pumpkin, spinach, beans and a dozen other vegetables, for which we never had a market before, have been successfully marketed in the big centers of the United States and many parts of the world, and these markets are repeating and doubling their orders for more.

Through the King Company's efforts and success Salem is nationally and internationally known as the center of the dehydration industry and Oregon's luscious fruits and vegetables have been given to the consumers in less favored localities in their full ripe and true fresh flavor and new laurels and profit are added to her fame.

The King's Food Products Company and dehydration is primarily a Salem institution—it is even more than that, it is an absolute insurance to Salem and Marion county prosperity. Salem has a profound interest in its success and growth. Our Commercial club and leading citizens recognize its great importance to the community and have pledged themselves to its support on the same fundamental principles that a good business man will take off his coat and fight for or dig down in his purse and invest in a thing that makes his business and community prosper.

## DEHYDRATED PRODUCTS FROM THE STANDPOINT OF THE CONSUMERS OF THE UNITED STATES

The Taste Lingers, and Those Who Try the Products of Our Salem Factory Come Back for More and Tell All Their Friends How Good They Are—Advertised by Their Loving Friends

Last year, the King's Food Products company, in their advertising campaign in the magazines and newspapers, carried coupons inviting the ordering of sample cartons by mail.

There were thousands of responses—coming from every nook and corner of the United States, and from the Orient, in fact, from all over the world.

And after these cartons had been tried out by the consumers, thousands of letters came back from them, with re-orders, and with expressions of appreciation.

The whole number would make a very big book.

They came largely from housewives, but also from hotel chefs, from mountain climbers, from residents of the tropics who have banked after the fruits and vegetables of the good old U. S. A., from writers of domestic economy—from a very wide range of people interested in food and dietary matters and food conservation.

These letters prove as nothing else could that the marketing problem of dehydration has already been "put over."

There remains only the question of production, and of providing sufficient capital and adequate facilities for getting the fruits and vegetables to the world markets.

That is up to the people at this end.

It is the biggest thing in the world in its line.

Following are just a few of the sample letters mentioned above:

John O. Potts, Multnomah hotel chef, Portland:

"I have used your dehydrated foods and found them very satisfactory. In fact, the flavor more nearly equals the fresh fruits and vegetables. From the experience I have had in cooking these products, I can highly recommend them."

E. W. Hatfield, of the Pittsburgh & Allegheny Telephone Co., Pittsburgh, Penn.:

"A few weeks ago I sent you an order for several cartons of your products. The same were received in good order and due time, and to say they were good is only putting it mildly. We cannot get anything in Pittsburgh to compare with them, so far as I have been able to find."

Ruth Van Vleet, 151 S. Home Ave., Franklin, Indiana:

"Have just received your products. I think they are delicious and so does my family. My mother said at dinner she did not know they could be so like the fresh. I tried the loganberries and thought I never could stop thinking them so good. Everything is wonderfully like the fresh. Thank you very much."

H. W. DeBerg, of the American Sheet & Tin Plate Co., 209 Seward Ave., Detroit, Michigan:

"Kindly send a few more packages as they were good in which am sending herewith my check. The prunes, apples and peaches which we have already tried are the best dried fruits which we have ever had, and

as compared to the past investment of approximately \$500,000, the issuance of common stock as a bonus has been decided upon, as the underwriting syndicate can through these means obtain a profit on the underwriting and such common stock will cover the necessary expenses in connection with the actual placing of the stock. This the underwriters prefer to the payment of an actual cash commission, which under ordinary conditions would be \$100,000 upon the placing of a new issue of \$1,000,000 of stock. This plan of recapitalization also places the holdings of common stock owners on the same basis of stock holdings of the original investors, which amounts have in the past been used for the development of the industry and the establishment of a market, as will be noted by the above figures.

The fact that the resistance on the sales of the company's products has been reduced to a minimum and at the present time their sales have reached substantial proportions, indicate that the expenditures in developing the market have been very properly made.

Some explanation should be made as to the value which might be placed upon the patent licenses referred to of \$750,000. Certain royalty contracts are now under contemplation, the terms of which make a proper basis for the valuation. When it is realized that this company has the only system of dehydration which has ever produced dehydrated products for the commercial market, it will be understood that they have valuable process patents. There is no doubt that the King's Food Products company controls the best dehydrating processes in existence in the United States today and the company is recognized as being the foremost in the commercial market producing dehydrated products.

Many interesting things may be said as to happenings in the company during the last two or three years, but the above quite fully covers the present proposals with reference to the reorganization of the companies' affairs.

We have always tried to secure the best. Have recommended yours to friends also."

Mrs. A. W. Wolfsohn, 171 Cedar St., Buffalo, N. Y.:

"I received my order from you some time ago and the spinach last week. I just waited for the spinach before writing to tell you how much I liked your products. We surely never enjoyed eating prunes as much as those you sent. And as for the loganberry and squash, they were just like fresh fruit picked from the garden. Of course, I followed instructions and soaked them over night, but the results were delightful. I am sending another order to Chicago as per your directions. Am sorry I haven't a family of 10 or more children; how I would enjoy feeding them such good fruits and vegetables. We went west last summer and if we should go again this summer we will give ourselves the pleasure of seeing Portland. Anyway, I am a big booster for your products."

Carrie B. Adams, 124 Adams St., Terre Haute, Indiana:

"Thanks for your prompt response to my brother's order of loganberries. They are indeed most delicious. It is a source of great satisfaction to me to be able to get your products. The loganberries are especially natural."

Mrs. Ernest Sauve, Iron River, Wisconsin:

"When I purchase some of your dehydrated fruits and vegetables? We liked the samples so well that there will not be any peace in my household until I furnish more loganberries and string beans."

Mrs. A. H. McDermott, 2104 Grant Ave., Milwaukee, Wisconsin:

"Will you kindly send me a price list of your products? The sample you sent to my daughter came some time ago and we found them splendid and we would like to order some."

Geo. C. Gross, 1122 Franklin St., Reading, Pa.:

"I have received my order in full. Goods are fine. Hereafter, for dried fruits and vegetables, King's for ours."

Mrs. M. C. Gage, Lynbrook, N. Y.:

"Your generous package of fruit products came to me duly and I have given each one a trial. I cannot speak too highly of them. The flavor of each fruit and vegetable has been preserved to a most remarkable degree. Your prunes are superlative, even showing some of their fine purple color when cooked."

Ruth Haefner, Home Demonstration agent in co-operative extension work, Iowa City, Iowa:

"Some time ago I received samples of dried apples and beans which I am told were prepared by your company. I distributed those packages to several families and in every case received satisfactory reports; in fact, all of the women were delighted with the apples and wished to know where they could be obtained."

Wm. E. Hall, of Ryan Fruit Co., Spokane, Wash.:

"The writer wishes to thank you for the many samples of your dehydrated products which you shipped me after my return from Seattle, and I can say frankly that I was never more agreeably surprised in any connection with which I have come in contact, than I was with the King dehydrated food products. We have had pumpkin pie, loganberry pie, and I do not think they could be surpassed by any fresh fruit or vegetable."

Unless it can be shown by authoritative legal opinion that the public service commission has jurisdiction over the distribution of gasoline in Oregon, it is probable that legislation will be introduced at the next session of the legislature to give the commission that authority.

If it is determined that the commission now has that jurisdiction a formal complaint against the fuel oil distributors will be made and a hearing before the commission requested.

The commission is in receipt of a letter from the Portland Garage & Repair Men's association asking if the commission has this authority. Expert legal opinion in Portland, the letter says, is that the service board has power to act because of the relation of gasoline to the public welfare.

Fred G. Burdick, chairman of the commission, does not think the commission's jurisdiction covers gasoline distribution, but will refer the letter to Attorney General Brown.

Service Commission May Have Gasoline Authority

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## A BANKER'S VIEW OF THE OUTLOOK FOR DEHYDRATION TOLD BRIEFLY

Mr. Eddy of the Ladd & Tilton Bank Thinks the Proposition Is Sound and That the Preferred Stock Now Being Offered by the Reorganized Company Represents a Very Good Investment

(The following is the language of a statement that was recently made to the commercial bodies of The Dalles and Salem by S. L. Eddy, of the Ladd & Tilton bank, Portland. The managers of this great bank have a policy of not attempting to get business away from other banks; their idea being that it is better business and more constructive business for their territory to encourage the industries that create new wealth from the soil and the natural resources of the Northwest. While not departing from the sound principles and practices of banking, this institution, in pursuance of its avowed policy, is helping in every way possible to increase its regular banking business by helping worthy men and institutions to make new wealth and to stabilize the prosperity of large numbers of people who live on the land. Following are the words of Mr. Eddy, referred to above.)

**Reorganization King's Food Products Co.**  
In the latter part of 1918, some weeks before the signing of the armistice the King Food Products company, which was later changed to the King's Food Products company, had some new contracts and had been doing more or less a commercial business. At that time Mr. E. A. Clark, now identified with the company,

went into the organization to actively assume the management with a view of sooner or later reorganizing and recapitalizing the company; at the same time obtaining as much definite and detailed information as possible as to the merits of the company's products and the probability of ultimate success of the company.

After a few weeks of very searching investigation on the part of Mr. Clark, assisted by competent accountants and appraisers, a plan was devised for the reorganization and recapitalization of the company inasmuch as it was quite evident that the business had considerable merit and was a very important factor in the development of the state of Oregon and furnished the means through which the products of the soil might be marketed.

It was proven to those interested that dehydration was simply a higher art of drying—a process of preserving certain foods—which has been in use for years.

At the time the recapitalizing was proposed there were in existence three corporations—the Wittenberg King Co., later changed to the King's Food Products Co.; The Dalles-King's Products Co.; and the Salem-King's Products Co. Aside from these three companies mentioned there was the Pacific Evaporator Co., which owned and controlled the patent rights, and which it was proposed would give license contracts to the plant companies.

It was at that time proposed to recapitalize all three companies, the two plant companies were to each have a capital of \$100,000 common and \$400,000 preferred, and the sales company \$200,000 common and \$300,000 preferred. Common stock of the food company would be represented by ownership of common stock in the plant companies. This plan of reorganization was placed before some gentlemen in The Dalles and in Salem and was carried well along toward completion, but before the management had proceeded very far with the plan of reorganization it was quite apparent that it would not provide a sufficient amount of capital to properly handle either the food company or the plant companies.

In preference to completing the reorganization in the spring of 1919—finding it was necessary to recapitalize so soon after completing this recapitalization—it was deemed advisable to postpone until this year and work out a more flexible and larger plan for the companies.

In lieu of the capital which was needed in the business last year and which had been subscribed, an arrangement was entered into with a bond mortgage upon the two plant companies and a trust agreement perfected against the merchandise being manufactured and the funds advanced by the present underwriters pending the recapitalization which would be perfected as soon as the company closed its fiscal year on March 31st.

There is now proposed a reorganization and recapitalization on the following basis:

A consolidation of the assets of the King's Food Products company, The Dalles-King's Products company and the Salem-King's Products company into the King's Food Products company, the capital stock of which will be raised from \$200,000 common to \$1,500,000 common and the preferred stock will be raised from \$300,000 to \$1,500,000, making \$1,500,000 preferred and \$1,500,000 common.

Inasmuch as it was desired that the reorganization and recapitalization be completed as quickly as possible, it was proposed that a syndicate be formed in Portland for the purpose of underwriting an additional amount of the preferred stock so that at least \$1,000,000 of new preferred stock might be placed. This amount was decided upon as it was agreed that with capitalization of at least \$1,000,000 the company would have sufficient finances to operate its business comfortably during the year with such credit as it might obtain in Portland, Salem and The Dalles, as well as in Chicago, where a merchandise depot is maintained

and from which shipments are made to important eastern markets.

A Portland syndicate was therefore formed and stock has been underwritten by the syndicate totaling \$730,000. In the plans for recapitalization it was deemed desirable and essential that we obtain financial support from the local communities to the extent of at least \$1,500,000 at The Dalles and \$150,000 at Salem. It was proposed that these local communities either underwrite the \$150,000 or actually obtain subscriptions there quickly so that the reorganization plans could be completed.

This work has actually been commenced in The Dalles as well as in Salem, with very gratifying results. It is important to note herein the condition of the company as under the proposed reorganization as of April 1st, showing the recapitalization as follows:

Current Assets.	
Cash	\$210,913.23
Accounts Receivable	79,843.59
Notes Receivable	3,107.20
Acceptances Receivable	14,072.95
Merchandise	453,109.49
Insurance Prepaid	5,326.70
Mary Alice Wittenberg	14,322.17
Pacific Evaporator Co.	9,374.01
Sub total	\$781,080.25
Fixed Assets.	
Plants	491,785.58
Sub total	\$1,272,865.83
Market development	548,096.08
Patent license	750,000.00
	\$2,570,962.01
Current Liabilities.	
Accounts payable	\$ 29,756.63
Notes payable	256,603.75
Acceptances Payable	21,599.48
Contingent:	
Acceptances discounted	14,072.95
Accrued interest	11,914.77
Sub total	\$332,947.58
Capital Stock.	
Preferred	\$1,000,000.00
Common	1,210,600.00
Reserve for inventory depreciation, bad debts, etc.	26,414.43
	\$2,570,962.01

In recapitalizing the companies and consolidating the various assets it has been proposed that the exclusive right to use the patents in every manner be turned over to the King's Food Products Co., the company to issue for such exclusive rights \$750,000 in common stock, which, from the above statement, it will be noted makes the total outstanding common stock approximately \$1,200,000.

This common stock, however, is to be placed in escrow with Ladd & Tilton bank for the new subscribers and underwriters who are at the present time receiving with each share of preferred stock purchased or underwritten half a share of common. It is important to note the class of preferred stock which the company is floating—same to be voting preferred, with a preference of 7 per cent dividend, which is to be followed by 7 per cent upon issued common stock and thereafter all earnings are to be pro-rated share and share alike. This is a rather attractive preferred stock, but in view of the fact that the industry is a new one and that a large amount of money is now going into the company

## DATES OF SLOGANS IN DAILY STATESMAN (In Twice-a-Week Statesman Following Day)

- Loganberries, Oct. 9.
- Prunes, Oct. 16.
- Dairying October 23.
- Flax, October 30.
- Filberts, Nov. 6.
- Walnuts, Nov. 13.
- Strawberries, Nov. 20.
- Apples, November 27.
- Raspberries, December 4.
- Mint, December 11.
- Great Cows, December 18.
- Blackberries, December 25.
- Cherries, January 1, 1920.
- Pears, January 8, 1920.
- Gooseberries, January 15, 1920.
- Corn, January 22, 1920.
- Celery, January 29.
- Spinach, February 5, 1920.
- Onions, February 12, 1920.
- Potatoes, February 19, 1920.
- Bees, February 26, 1920.
- Mining, March 4, 1920.
- Goats, March 11, 1920.
- Beans, March 18, 1920.
- Paved highways, March 25, 1920.
- Biscuits, April 1, 1920.
- Shoes, April 8.
- Legumes, April 15.

- Asparagus, April 22.
- Grapes, April 29.
- Drug Garden, May 6.
- Sugar beets, May 13.
- Sorghum, May 20.
- Cabbage, May 27.
- Poultry and Pet Stock, June 3.
- Land, June 10.
- Dehydration, June 17.
- Hops, June 24.
- Wholesaling and Jobbing, July 1.
- Cucumbers, July 8.
- Hops, July 15.
- Paper Mill, July 22.
- Wood Working, July 29.
- National Advertising, August 5.
- Flowers, Bulbs and the City Beautiful, August 12.
- Seeds, August 19.
- Sheep, August 26.
- Live Stock, September 2.
- Schools, September 9.

(It will interest some people to know that these back copies are selling fast—that, nearly every day, orders are received from near and distant points for the whole series. They will be sold out before the fifty-two Slogans are completed, without doubt.—Ed.)

## CAPACITY OF KING'S SALEM PLANT WILL BE SEVERELY TESTED THIS YEAR; FIGURES SHOW ADDITIONAL NEW UNITS NEEDED

Salem folks may witness at no distant future, the erection of additional units to the King's Salem plant. Many times its present capacity will be needed when full national distribution is secured.

Figures made public today by the Portland office of King's Food Products company indicate that the above conjecture can be made a positive certainty if present financing plans prove successful. So far this year orders have been booked on Oregon's dehydrated fruits and vegetables for future delivery in a territory limited to six central states. The approximate population in this area is five million. The estimated population of the United States for the year 1919 was 106,871,294, or twenty times more than the territory consuming Salem's present capacity.

"This particular territory has barely been scratched," states a representative of King's who has just returned from the East. "When thorough distribution is secured and the full benefit of King's national and local newspaper advertising begins to take effect, the quantity of products that this territory can absorb will be greatly increased."

It is a foregone conclusion that Salem will want to take advantage of the wonderful opportunity now at its threshold. Like all worthwhile things, there is a "price" attached to securing and holding permanently the dehydrating industry. The "price" in this instance consists of close co-operation between the grower and manufacturer.

The King representative calls attention to the concerted effort being made in the east just at this time to discredit western fruit and vegetable products on account of their high price. The word has gone out that growers are holding out for profiteering prices, particularly on loganberries. It is imperative therefore at this time that everyone concerned work in close harmony and that nothing be done to kill the "goose that lays the golden egg."