

Detroit Expert Claims Four Billion Owed on Autos

Cars Bought "On Tick" at Retail Last Year Are Estimated at \$2,650,000,000—Wholesale Credits Add \$1,500,000,000—How Business Is Handled—Adds to Uiving Cost.

The automobile time payment situation is at present subject of discussion in Detroit. It is in the forefront because one or two enterprising automobile concerns, in an effort to dispose of accumulated second hand cars, have been recently offering unusually long time payment terms.

It is current rumor also, that several companies, if any slump in sales should occur, are ready to offer a time payment plan on sale of new cars of one-fourth down and two years on the remainder.

But inquiry among leading retail establishments does not reveal any general tendency toward extending standard time payment terms, which on new cars are 1-3 down, balance 12 months; on second-hand cars, 1-3 down, balance 10 months.

These terms are the crystallization of experience of several years handling time payment sales; they represent what can safely be expected from the average car purchaser.

They are to the finance companies what the American mortality experience table is to the life insurance companies.

Salary Forms Factor

But these standard forms are by no means followed in all instances. A leading Detroit company requires, for example, a 40 per cent down payment in all Ford and Chevrolet purchases where the credit applicant's weekly income is less than his monthly payment under the base plan, says the Wall Street Journal Bureau. And even this rule is subject to further change if the applicant's total income is out of proportion to the size of his obligation. Often an indorser is required.

As a matter of fact, longer time payment terms than 10 to 12 months defeat their own ends. If terms and payments are such that at all times during the contract's life the purchaser has an equity in his car, it is almost never repossessed. But just as soon as the purchaser's equity disappears and he gets into financial straits, he is willing to have his car repossessed. For that reason many applications are refused where no personal worth appears in addition to the car itself.

The chief difference between commercial banks and some of the more conservative automobile finance companies is that the latter part are specialists in a particular kind of credit.

The present tendency is a tightening of credits and terms. It is this tightening by the more conservative companies that has moved some of the dealers to extend more liberal terms on their own account. Nearly every one of the leading national automobile finance companies represented in Detroit disclaims knowledge of any intention of liberalizing time payment terms.

About three-quarters of all sales are on time payments. "You would be surprised," says the head of a large finance concern, "to see the class of people who pay for their cars on the time basis. We are more apt to receive cash from the workingman buying a second-hand car at \$150 than we are to receive cash from the relatively high-salaried man buying a new \$1500 car."

"Many purchasers," says this executive, "have no intention of being entirely out of debt for their cars. They have come to view the initial cost of an automobile as a fixed monthly charge in their living expenses, the same as groceries and rent."

In the view of a Detroit bank president there has been little change in the percentage of cars bought on a time payment basis. He says: "Before the finance companies began to function, the banks carried the load. The same bankers who complained about excess of retail automobile credits before the war, are now buying corporate notes and other obligations indirectly secured by automobiles."

Estimates of the amount of credit which the automobile industry used last year vary, with authorities showing wide divergence of opinion on the subject. One estimate places new credits granted to motor car purchasers in 1923 by finance companies in excess of \$1,056,000,000. Total outstanding credits, figuring aggregate balance of unpaid contracts as equal at any time to approximately one-half the amount of new credits

granted in any year, is approximately \$1,584,000,000.

A Detroit company which locally handles 90 per cent of the Ford time sales paper finds the average loan on a Ford car is \$330, and that fully 80 per cent of sales are the time basis. This would mean that 1,600,000 of the 2,000,000 Ford cars sold in 1923 were sold on time payments; at \$330 a car the total of credits granted on Ford sales last year was \$528,000,000.

Puts Credits at \$1,900,000,000

By adding an equal amount as representing the total credits granted in connection with sales of all other makes there is an apparent new credit of \$1,056,000,000 last year. And by adding half of that amount as total unpaid balance of previously granted credits, outstanding total becomes \$1,584,000,000. To this should be added another large amount representing unsecured credits advanced directly by the commercial banks to buyers who pay cash. All items added show approximately \$1,900,000,000 as the grand total of outstanding credits furnished to retail purchasers of automobiles.

The above estimate seems low as no allowance is made for wholesale financing or the large volume of used car business. It is estimated that approximately 6,500,000 new and used cars were sold in 1923. On the basis that 70 per cent of these cars were sold on terms, the financial accommodation for both wholesale and retail purchases last year may have exceeded \$4,000,000,000. A fairly reliable basis for estimating credit requirements is to be had from operations of General Motors Acceptance Corporation, which in 1923 granted credit on retail new and used car purchases covering 186,887 vehicles totaling \$102,050,000. If the same ratio be applied to an estimated 4,875,000 cars sold on credit during the year, the retail requirements of the industry is handling both new and used cars could be placed at \$2,650,000,000. At least another \$1,000,000,000 to \$1,500,000,000 might be added to this figure as representing the amount required on wholesale purchases, bringing the total credit requirements of the industry last year to between \$3,650,000,000 and \$4,200,000,000.

Regardless of the volume of financing required, the acid test of the soundness of automobile credit rests in the experience of well-managed companies.

MOST SIX-CYLINDER CARS They Gain Ten Per Cent in Last Four Years

Of the 104 kinds of cars listed in the current trade papers, 68 are six-cylinder cars, or 65.4 per cent, compared with 54.8 per cent in 1920, a gain of more than 10 per cent.

In 1920 there were 146 kinds of all types. This figure comprised 52 fours, 80 sixes, 11 eights and three 12s. In the last four years the total has been reduced to 104, consisting of 24 fours, 68 sixes, 10 eights (V-type) and two straight eights. The 12-cylinder car has ceased to be manufactured, says a Detroit report.

Of the 42 makes which have dropped from the ranks since 1920 only 12 were sixes, while 28 were four-cylinder cars, comprising 15 per cent and 52 per cent, respectively, of the total makes of each type.

Seven companies now make a six and four, and four companies produce both a six and an eight.

Of the 22 companies that have been manufacturing motor cars 20 years or more, 14 are producing sixes today, two are producing fours, one is producing an eight, two have both a four and a six, and three manufacture both a six and an eight.

ARIZONA ROADS ARE BOULEVARDS

PHOENIX, March 16.—The Automobile Club of Arizona reports Arizona roads very good at present, though generally dry and dusty, a condition that may be changed by local showers noted throughout the state. All crossings of the Colorado river are in use, as well as the Gillespie dam crossing of the Gila river, west of Phoenix. On all roads leading westward from this city are stretches of chunky road, but the going generally is good. To the eastward, as far as the New Mexican line, the Borderland, Central and Old Trails highways are veritable boulevards.

OVERSIZE TIRES

The car manufacturer equips the automobile with tires the correct size and type for the car's weight and carrying capacity, and, at the same time, the tire are classed by the tire manufacturer with a specified inflation capacity.

"If," says a tire service bulletin, "you expect to carry excess passengers occasionally or invest in numerous accessories, and if easy riding is a special desideratum, oversize tires should by all means be specified, otherwise your tires will not give you the service ordinarily expected."—Automobile Digest.

COUPLE MARRIED 70 YEARS

(By Mail)

OWSCHLAG, Holstein, Feb. 24.—Jurgen Schnack and his wife recently celebrated the 70th anniversary of their wedding. Schnack 90 years old, and his wife, 85, are both in excellent health.

SCENIC TRIPS NEAR SALEM

1. Silver Creek Falls—25 miles—good gravel and dirt roads—east from Salem.
2. Taylor's Grove—near village of Mehama—25 miles south-east of Salem—paved, gravel, and good dirt roads—picnic grounds and fishing.
3. Through Rosedale district—10 miles south of Salem—orchards and farms—rolling hills—paved and fairly good gravel roads.
4. Through Polk county orchard and farm district—west from Salem along Willamette river going north—passing tulip farm where are planted 1,000,000 tulips—on west farther is scenic view of Willamette valley.
5. Willhoit Springs—40 miles northeast from Salem—mineral springs and scenery—hotel accommodations—paved, gravel, and dirt roads—good in summer.
6. North from Salem through Keiser orchard district—to Spang's landing where is found bathing and picnic grounds—and through Chemawa, largest Indian school in United States.
7. To Albany along Pacific Highway—all paved—28 miles—through scenic low mountains and green hills.

SPRING CLEARING NEAR AT HAND

Advice on Overhauling an Automobile Is Given By Local Supply House

Spring is near at hand. Many motorists are having their cars overhauled and repainted at this time of the year. Others are doing the work themselves in the odd moments that they can find over the week ends. W. F. Watson, local manager of the Western Auto Supply company, has outlined a procedure for the back yard mechanic who plans to do his own "spring cleaning" in his own garage.

"With the proper tools and equipment it is an easy matter for the motorist to make the numerous adjustments and minor repairs that his car should receive before the summer months. With the many special tools that are now offered, many car owners do their own valve grinding, bearing tightening and all other similar operations," says Mr. Watson.

Mechanical Work First

"To do a complete overhauling job, the mechanical labor should be done first. A thorough inspection of the chassis should follow; tightening of bolts and inserting lock washers where needed. It is often necessary that the radiator hose should be inspected, and new equipment will prevent much trouble.

"After the mechanical and tightening process are completed a thorough greasing should follow. If the shackles are clogged they should be removed and cleaned. Springs should be thoroughly lubricated and a general greasing should be given where needed. If the car is equipped with wood-spoke wheels, close inspection should be given them, as the spokes may have worked loose and will require tightening. This may be remedied by squirting a few drops of "Spoketite" in the fellows of the wheel and at the points where the spokes enter the hubs.

First North Sea Train Ferry Soon Will Be in Operation

(By Mail)

HARWICH, Eng., Feb. 26.—The first North Sea train ferry will soon be running from this port to Zeebrugge, a distance of 84 miles, in nine hours. It is planned to run three boats, each of which will accommodate 54 railway trucks standing side by side on two sets of rails.

The cost of loading and unloading each boat is estimated at four shillings per ton of merchandise, as compared with 15 to 25 shillings per ton when the contents of each individual truck have to be transferred between train and boat.

Six Lose Lives in Old Accident on Tsinan-Tsingtao

(By Mail)

TSINGTAO, Feb. 10.—Four men were roasted alive in a blazing coach of a moving train on the Tsinan-Tsingtao railway recently. Two others to escape being burned leaped from the train and were killed.

The train was running at high speed when a carelessly dropped lighted match in a third class coach ignited a can of alcohol. The accident happened at midnight and the resultant explosion

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Sedan . . . 1495 De Luxe Sedan . 1695

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JEWETT

PAIGE BUILT SIX

GERMAN ACTORS IDLE IN U. S.

(By Mail)

BERLIN, Feb. 25.—The actors' Association has issued a warning to theatrical performers against going to the United States unless they have sufficient funds to tide them over several months. The warning followed the receipt of many hard luck letters from German actors now in the United States and unable to get work.

LESS CARS AND TRUCKS IN JANUARY

In Oregon in 1923, 1974 automobiles of various makes were sold during the month of January, while in January of this year there were 1872 cars sold. This shows 102 fewer sold this year than last. There were 197 trucks sold in Oregon last year against 90 this year.

CANCER MUST BE TREATED NOT NEGLECTED

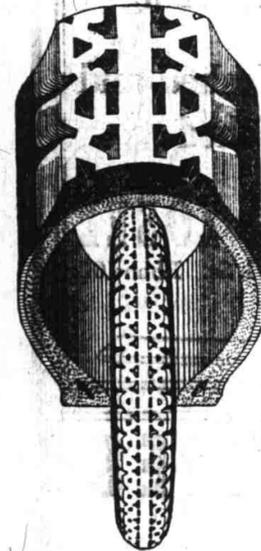
NEW YORK, March 14.—That the best course to follow when attacked by cancer is to make intelligent use of every help which science and experience show to be of value rather than rely upon secret, proprietary, and sensational cures is the announcement made by the American Society for the Control of Cancer following a conference of experts in this disease held under the auspices of the Society at its annual meeting just concluded in New York City.

In making the above announcement Dr. George A. Soper, Managing Director of the Society said, "The most helpful fact thus far established in the organized fight which is being waged against the cancer menace is that many cases of this disease can be cured and some prevented through intelligent cooperation between qualified physicians and those persons who think they may have cancer."

"The Society recommends," said Dr. Soper, "that all persons who think they have cancer to go to a competent physician and receive such treatment as he advises. The form of treatment will necessarily depend upon the kind, location, stage of development and other factors. Surgery and radiation by radium or X-ray are valuable methods of dealing with cancer cases, but," cautioned Dr. Soper, "radiation should be regarded as a tool which, in the hands of skillful persons may accomplish good results, but when administered by those who are not thoroughly familiar with it, may aggravate the disease."

At a time when the public is becoming alarmed by the reports of the increasing prevalence and mortality from cancer; and when pub-

He anxiety with respect to this disease is being capitalized as never before by quacks and charlatans, it is timely to have this latest pronouncement with respect to the cancer problem from this organization of physicians and scientists especially formed to study this disease and to make known to the public the facts as discovered.



Stronger Tires

Without the strength of carcass, tread and sidewalls wherein would you expect maximum tire mileage under all road conditions?

In addition to the better materials, expert hand-craftsmanship and improved compounding in these big oversize C-T-C low inflation cords—there is a heavier and stronger body to withstand the road shocks.

There is also a C-T-C hand-built Balloon tire for extreme low inflation, which fits any standard wheel and rim. C-T-C Tubes add mileage to almost any casing.

- Marion Automobile Co.
- Salem Automobile Co.
- Valley Motor Co.
- Ira Jorgenson.
- Vict Bros.
- Columbia Tire Corporation.
- Factory Branch, 477 Court St.



Nite-Lite

"Controlled on your speed—makes road turns clear"

Have you ever driven a car at night? Have you ever wondered why automobile manufacturers did not provide proper lights? Have you ever bought spot lights and various other kinds of lights, hoping to solve the problem?

If you own a car your answer to all three questions will undoubtedly be, "yes"

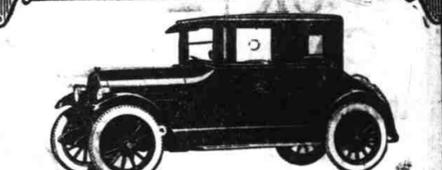
The problem is now solved—order a Nite-Lite

Nite-Lite "controlled on your speed—makes road turns clear" mounted on the front frame of your car and connected with a control rod to your steering post in a solid substantial manner, you will enjoy a light that will:

1. Follow the direction you may steer your front wheels, giving a perfect light where it is wanted—ALWAYS!
2. Give a light that will penetrate beneath fog, because of the position in which it is mounted.
3. Be always bright, because dimming is unnecessary, as it is mounted below the vision of approaching cars.

We have installed Nite-Lite "controlled on your speed—makes road turns clear" on practically all of the standard manufacture of cars, such as Cadillac, Packard, Studebaker, Premier, Paige, Buick, Geo, Hupmobile, Chalmers, Dodge, Willys-Knight, Hudson, Essex, Darr, Maxwell, Auburn, Nash, Cole, Oakland, Davis, Chevrolet, Ford, and many others.

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Body by Fisher: Big, roomy, staunchly built. Velour upholstery, heater, dome light, satin-silvered fittings, door locks, cowl ventilator.

Wonderful Chassis: 40 H. P. Six engine, smooth and quiet. Delco ignition, Borg & Beck clutch, Alemite lubrication, cord tires, 86 3/4" spring length with 110" wheel base.

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Roadster . . . \$785	Cab . . . \$985
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