

What Corporations Earn

Glancing over the Oregonian for Monday, corporation reports show that these large returns that the graduated income tax hounds are always demanding should be filed, need not necessarily mean a large rate per cent on the investment. For instance, there is the Alligator company. In 1928 it made less than three per cent; the American Home Products company less than four per cent; the National Department Stores company of which Lillian Wolfe of Portland are a part, made less than three per cent; the Public Service Corporation of New Jersey less than four per cent; the Indiana Refining company less than one per cent and so on. The International Harvester Co. came up a bit, making 5.99 per cent in 1928 as against 4.71 per cent in 1927. And this is the way they run. Thousands of corporations lose money. Thousands of others go broke and yet the old game of "biting" the corporations goes merrily on and probably will continue to do so long as politicians can get into office that way.—Corvallis Gazette-Times

Even Homer nods.

If the uniformly accurate editor of the Corvallis Gazette-Times had read the earnings reports more closely he would have observed that the figures were "dollars per share" not per cent. In the old days of \$100 par value for stock, dollars earned per share would be per cent. But corporation financing maintains its innocence of high earning power through the medium of "no par stock."

Let us examine the reported earnings of these companies so far as knowledge of their stock structure is at hand. American Home Products is a no par stock, its last offering to stockholders being at \$44 a share, which means earnings of over 8% on this cost. National Department Stores is another no par issue, its last offering being at \$40, which gives an earning power of about 7%. Public Service corporation is a real pauper. Its earnings are a little better than \$3.00 per share; but this is a no par stock. In 1923 for each \$100 share two no par shares were issued. In 1926 for each no par share three no par shares were issued. In other words through the multiplication table and the printing press the present \$3. a share is really 18% on the original par value.

Indian refining with less than a dollar earned has a par of \$10, so the earnings are something less than 10%. International Harvester has a par of \$100, but the report must be in error for in 1927 it paid 6% or \$6 a share in cash, 6% in new stock, and had a surplus of about 6% left over. In the same table were some earnings which the editor has omitted including Canadian Westinghouse, \$33.04; Gorman Silver \$8.23; and Lambert Chemical \$9.24. The last shows that the halitosis scare is highly profitable, to the listerine folk at any rate.

What do corporations earn? It is easy to pick out poor ones and rich ones, depending on what thesis you are trying to prove. There is just at hand the study made by the National City Bank of New York on corporate earnings for 1928. All companies so far reporting except railroads and utilities, having earnings of over \$100,000, have been tabulated by industries. The grand total of 900 companies shows earnings of 12.1% on net worth, which is determined by taking each company's own figures of capital and surplus together. This serves to keep the per cent figures down and so is quite generous to the corporations.

The table shows interesting divisions of prosperity. The woolen industry alone showed a net loss of 1.5%. The only other lines showing earnings of less than 6% are coal mining, 2%; cotton mills 2.8%; lumber and furniture 5.1%; railway equipment 5.7%; sugar 4.6%.

In contrast with the depressed industries stood out aviation with earnings of 34.6%; automobiles, 27.9%; printing and publishing 23%; and drugs and sundries 24.5%.

Yet 1928 was a "presidential year". There is less hostility now than ever before to high earnings of corporations because their stocks are now owned by people all over the country. One of the causes of the boom in Wall Street has been the coming into the market of thousands of small investors anxious to share in the growth of established and prosperous industries. It is not just gambling; it is not just wild speculation. It is a fundamental revolution in the ownership of capital wealth.

"Growing Responsibilities of Business"

THAT is the general subject of the 17th annual meeting of the chamber of commerce of the United States for the five days of April 29-May 3. We have just looked over the agenda of the meetings. It has a sufficient number of moot points of vital importance to keep its sections busy for forty days and forty nights. It rivals a publishers' convention for an absence of frills and a presence of all the hard knots in the woodpile.

Here are some of the questions to be considered in round table discussions. Under agriculture: "Does the development and growth of cooperative marketing depend upon federal and state aid?" Under industrial extension: "What proportion of all plants built prior to 1920 may be considered to be (1) economically located to meet present day competition, and (2) obsolete in commodities, plant, equipment or management?" Under government policy: "Should government produce and sell hydro-electric energy?" Under city financing: "Are our cities contracting a permanent, non-retireable debt?"

And so on through such topics as mass merchandising, tariff legislation, credit supply, city traffic, employer-employee relations.

The U. S. chamber of commerce is one body which is accomplishing something. Its officers do not pose as hand-shakers and after luncheon speakers. They are not afraid to tackle topics that are loaded with gunpowder. The result is that the Chamber is doing a great deal both to find out the sentiment of American business and to direct in wholesome manner the formation of that sentiment.

If they get through such an overloaded program without blowing out several fuses we will give the men in charge credit for a very unusual accomplishment.

Smokers ranked next to incendiaries as the causes of fires in Oregon timber during 1928, according to the report of State Forester F. A. Elliott. There were 240 set fires and 220 caused by smokers. Campers caused 143 fires and lightning started 154. The total number of fires was 1067 which burned over 18,937 acres of merchantable timber destroying timber to the value of \$31,029. Losses on account of burning logs and equipment, etc., amounted to \$350,177, showing that the actual loss to the green timber was almost negligible compared to the loss to logging equipment which was caught in the path of the fire. The total outlay for fire fighting was \$149,359.54, of which only \$10,882.18 was contributed by the state. Other expenditures in forest control totaled \$430,881.77.

In West Stayton this week 150 people, young and old, gathered one night for a program furnished by a Salem professional man. The West Stayton community club was sponsor for the affair. Thirty-eight other organizations like that at West Stayton are doing similar service for their communities by bringing together the boys and girls and their fathers for a time of fellowship and entertainment. Aumsville sent its musical talent to West Stayton for the program and West Stayton in turn will go back to Aumsville next week to support that community in its endeavor. It is this spirit of cooperation and friendship which builds a county. Salem citizens would do well to acquaint themselves more fully with the work of the community clubs in the valley.

Portland has no particular need for a new \$3,500,000 hotel but the whole town is jumping over the announcement of Ralph D. Lloyd that he is going to improve his real estate holdings on the east side and put up a ten story hotel. If Portland won't widen those streets for Mr. Lloyd we invite him to come to Salem where the streets are already wide and the hotel is really needed.

Caught in His Own Trap!



They Say ...

Expressions of Opinion from Statesmen Readers are Welcomed for Use in this column. All Letters Must Bear Writer's Name or Though This Need Not be Printed.

"SPRING"

Of all the seasons that we like, The one that gives the most delight, Is Spring.

This is the time we hear the sweet birds,

And the time that straightens our marcelled curls;

This is the time that the daffodils nod,

Also the time to dig up the sod;

This is the time to wield trowel, hoe and rake,

To prepare for the seeds that the birds will sure take;

This is the time to look at the sky and fearfully wonder

Whether it will sun shine, rain, snow, or thunder;

This is the time when good housewives clean house,

And the time the poultryman looks for the despicable louse;

This is the time when the whole world seems changing

But the monthly bills, and the dog who goes ranging.

Why all this grumble and fretful scowl,

That wrinkles and creases your placid brow,

As you dig and delve in the pungent sod,

Till your back's all "achy," and you're ready to nod?

Do you know that it is Spring,

And everyone's doing the very same thing?

Mrs. GEO. H. LEAVELL.

Salem, Ore., April 2, 1929.

To the Editors of The Oregon Statesman.

Gentlemen:

The joint annual meeting of the board of deacons and the board of trustees of the First Baptist church was held last night and among other things that was done they instructed me, and it is a pleasure to do it, to write you a letter expressing our thanks for your many kindnesses in the past towards our church and the gratuitous publication of the weekly notices of the Sunday services.

Our appreciation is sincere and we wish you every success in your new field. Again thanking you, I am, in behalf of the deacons and trustees and congregation of the First Baptist church,

C. O. Rice,

Sec'y Board of Trustees.

April 5, 1929.

The New Statesman, Salem, Oregon.

The American Legion Auxiliary, Capital Unit No. 9, has undertaken the task of seeing that the graves of all World War veterans not otherwise marked are marked with a government head stone, if the families of the veterans want the government stones. This applies to the four local cemeteries.

The United States furnishes a headstone for the marking of the graves of World War veterans very much like those of the G. A. R. and Spanish war stones. These stones may be procured by filling out the proper application blanks. There is no expense attached as the government makes no charge and even pays all freight charges. Through the kindness of local men there will be no drayage charges even at this end as volunteers have offered to deliver them from the freight station to the various graves in the cemeteries.

I have the application blanks necessary and will appreciate it very much if those desiring the white marble government stones will call me on the phone or write me at the earliest date possible so that all blanks may be sent to Washington together at the soonest possible time. Call on the phone 2570-M or write Mrs. Robert F. Budrow, 1225 Fairmount St., Salem, Chairman cemetery committee.

Bits for Breakfast

By R. J. HENDRICKS

About the burial places—

Of Oregon's outstanding men of her pioneer history, inquired about by L. L. Knight of Atlanta, Ga., for his forthcoming book, as mentioned in the statesman of yesterday, a great deal might be said, of a long list.

Mr. Knight inquires particularly of the graves of five. Taking these in order of the inquiry: Benjamin F. Harding, U. S. senator from 1862 to 1865, was buried in the cemetery at Cottage Grove, Oregon. Samuel R. Thurston, Oregon's first territorial delegate in congress, was buried in the Odd Fellows cemetery, Salem. His monument, built by the people of Oregon, occupies a place in the roadway entering from the east. The shaft is one of the most conspicuous in that historic burial place.

Rufus Mallory, congressman from Oregon, 1867 to 1869, who died in Portland April 30, 1914, was buried in the Riverview cemetery there.

Stephen F. Chadwick, governor of Oregon, 1913 to 1917, was buried in the Odd Fellows cemetery, Salem.

George K. Shiel, Oregon congressman, 1861 to 1863, was buried in the Odd Fellows cemetery here. He met death by accident, falling into one of the entrances from the street to the basement of the Willamette hotel, December 13, 1863. That was the second name of the hotel. It was first the Chemekeita; generally spelled in those days; Chemekeite. It is now the Hotel Marion, rebuilt and renamed some 20 or more years ago. Mr. Shiel had been a resident of the city for a long time, in company compared with the importance of his place in history.

Mr. Knight can find many historic graves in the old Oregon country, worthy of a place in the book for a long time, in company with the names of James W. Nesmith buried across the Ricketts hill from his farm home, was Lincoln's right hand man in matters of finance during the war of the states. Though sent to the United States senate as a democrat, he loyally supported all war measures of Lincoln.

Jesse Applegate's grave is on

teries. The only expense attached will be that of setting the marble stone in concrete, which will be about \$1.50.

Application for the government stones may be made only where the grave of the veteran is not already marked with a permanent marker. They may be secured for the graves of soldiers, sailors, marines and army nurses whether they died in the service or after being mustered out, providing they received honorable discharge from service. Those contemplating the removal of graves to the American Legion circle in the City View cemetery should make such arrangements before they have a government stone set.

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FLORIDA BOOM IDEA ENDS IN LAWSUIT

NEW YORK, April 5.—(AP)—Ninety-three investors in the proposed \$100,000,000 realty development of Boca Raton, Fla., today filed suit in supreme court to recover \$1,450,000 from officers of the Mimner Development corporation, sponsor of the project.

Among the plaintiffs are Maximilian Morgenthau, son of the former ambassador of Turkey, and Douglas Cairns of Miami and New York, who charged with others that T. Coleman Du Pont, former senator from Delaware, Jesse L. Livermore, Wall Street operator, and 10 others of the corporation conspired to inflate the value of Boca Raton values.

Although the corporation went into involuntary bankruptcy in May, 1927, with assets of \$56,000, the complaint charges that the project netted \$9,000,000 in sales after it received the backing of social and financial leaders.

Rosedale School To Close; But to Transport "Kids"

Rosedale, Apr. 5.—At a special school meeting Monday evening it was decided by a vote of 17 to 8 to hire a bus to carry school children to a nearby district the ensuing year, instead of hiring teachers here.

Mr. Dick Allen and Wayne Glover have returned from California.

The Ladies' Missionary society met with Mrs. C. Tucker Wednesday afternoon.

The school nurse visited school and made some examinations Wednesday.

Floyd Bates of Albany was a business caller in the community Wednesday.

Cunningham New Silverton Agent For Statesman

SILVERTON, April 5.—(Special)—Sheldon Cunningham is now the Silverton agent for the Oregon Statesman and the Portland Telegram. Headquarters for the agency are at Cunningham's confectionery, 213 Main street.

Pioneer, 92 is Dead; Funeral to Be On Saturday

JEFFERSON, April 5.—Mrs. Sarah Reeves passed away at her home in Jefferson Thursday morning at 8:30 after a few days' illness, at the age of 92 years. Funeral services will be April 6 at 2 o'clock at the Methodist church.

Rosedale Enjoys Easter Egg Search

ROSEDALE, April 5.—Saturday afternoon, 20 children of the Sunday school participated in an Easter egg hunt on the church lawn. After the eggs were found games were played and refreshments served by Mrs. G. Cole, Mrs. T. D. Trick and Miss Laura Cammack.

Miss Laura Cammack entertained a few friends Friday evening in her home here. The guest of honor was Gerald Pearson, a Stanford student. Games, music and conversational formed the diversions of the evening. The other guests were: Mildred Cannay, Carol Kiser, Ruby Kiser, John Trachsel and the Cammack boys.

The Young Peoples' class had a rollicking good time at the Carter home Saturday evening.

Kellogg III With Cold Aboard Ship

PLYMOUTH, England, Apr. 4.—(AP)—Frank B. Kellogg, former secretary of state, was ill in bed with a cold when the steamer Ile De France reached here today. Mrs. Kellogg said that rest and quiet were imperative, although there was no cause for anxiety.

The Kellogg party proceeded to Havre en route to Paris on the liner and expect to be in London at the end of the week.

Young Lad's Body Is Found Frozen

GORDON, Neb., Apr. 4.—(AP)—The body of Melvin Reeves, 6, who was lost in a snowstorm here three weeks ago, was found early tonight by a neighbor, four miles south of the Reeves ranch. On March 13 during a snow storm the boy had gone to a pasture in search of a lost mitten. He never returned.

Foul Play Aboard Schooner Feared

ATLANTIC CITY, N. J., Apr. 4.—(AP)—The schooner yacht Nomad, flying the colors of the New York Yacht club, was seized by the coast guard and towed to the harbor at Cape May today. John B. Scudfield of Cape May, said to be the sailing master, together with the log were missing.

Who's Who & Timely Views

Continuation of Rotating Army Offices Announced

By JAMES W. GOOD, secretary of war.

(James William Good was born at Cedar Rapids, Ia., Sept. 24, 1866. He is a graduate of Ohio college, later obtaining an L. B. degree at University of Michigan. From 1906 to 1908 he was city attorney at Cedar Rapids. He was selected to succeed the following year from the fifth Iowa district, serving until 1923. For two terms he was chair-man of the central committee of the Chicago, until recently, when he was appointed secretary of war by President Hoover. His home is now in Evans-ton, Ill.)

THE question of reappointment of bureau chiefs and their assistants has been under consideration by me for a considerable period.

Under the national defense act officers commissioned in combatant branches are not eligible for selection as combatant general officers of the line of the army. In order that more officers of these branches may have the prospect of becoming general officers during their service it would appear desirable and in the interest of these departments that appointments as chiefs of these branches be not made permanent in character.

For the above reason it is desirable to establish a general principle of rotation for the benefit of the service in general and in order to provide greater opportunity to all.

While there may be occasions when the best interest of the service may necessitate exceptions, I have adopted a general policy of rotation concerning appointment of chiefs and assistant chiefs of bureaus as I believe that the application of this general principle is in accordance with the intent of congress and for the good of the service as a whole.

I desire to emphasize the fact that it is our policy to maintain in time of peace only a skeletonized army and that it is therefore of the utmost importance that the chiefs of branches should be highly efficient at all times, most especially in emergency. I think that this might be assured by rotation in office that would bring periodically to the highest position in branches, men who recently have had intimate contact with troops and field services and will, in consequence, bring fresh zeal and enthusiasm, progressive ideas and recent varied experience to their task, thus vitalizing the whole military establishment.

The policy announced by my predecessor appears to be sound and in the interests of good administration. It will be followed in the future.

Democratic Simplicity is Chief Feature of Funeral Of American Ambassador

PARIS, April 5.—(AP)—With the democratic simplicity that the late Ambassador Myron T. Herrick ever sought in his daily life, his body traveled westward tonight on its last journey home aboard an ordinary baggage car of the French state railway.

Unprecedented honors from the French government and the French people marked its progress from the embassy to the church where funeral services were held today. The honors will be renewed at Brest tomorrow when the cruiser Tonrville, finest new unit of the French navy, will anchor for New York with all that is mortal of one of the greatest friends of France abroad.

Honors Greatest Ever Accorded Foreigner

Never did a diplomat or foreigner of any walk or station of life draw from all classes of society such a unanimous manifestation of sorrow and sympathy as has marked the passing of the ambassador.

Ceremonies in honor of his memory today were formal and official to the extent of corresponding rigorously to the diplomatic protocol, yet scarcely ever before did such cold formality succeed in detaching itself so completely from pure state or political consideration to take on a real human, personal glow of sentiment. From heads of the government and army leaders to the common people, who lined the streets through which the funeral cortege passed, every individual showed that the death of the ambassador was regarded as a personal bereavement as well as a loss to France.

Attendance Limited To Selected Few

Attendance at the ceremony necessarily was limited to a chosen few hundred who could be accommodated in the American embassy and the pro-cathedral. Hundreds of thousands of persons showed their respect for the dead ambassador in other ways. All who could find a vantage point on the route followed by the cortege stood bareheaded in the sharp cold air. Those who could not do even that remembered the ambassador at the hour of his funeral.

General John J. Pershing pronounced an eulogy of his great friend with a gentleness that contrasted strangely with his soft conversational tones. General Pershing stirred such stern warriors as Marshal Petain, Marshal Franchet D'Esperey and General Gouraud to unusual emotion.

Pelicans Feared

Premier Poincaré seemed to have felt strongly the influence that has surrounded Ambassador Herrick's life since his death. He hid himself of his habitual cold and formal eloquence and the sharp tones with which he usually speaks changed to a mellowness rivaling General Pershing's and

LINDY AND FIANCEE VISIT HER MOTHER

MEXICO CITY, Apr. 5.—(AP)—Colonel Charles A. Lindbergh and his fiancée, Miss Anne S. Morrow left this morning at 8:40 for Cuernavaca to join Mrs. Dwight W. Morrow and her other daughters Constance and Elizabeth in a flying visit to the country home of the ambassador there.

Mr. Morrow stayed in Mexico City to watch the revolutionary situation and to speak tonight over long distance telephone to a great New Jersey dinner at the New Jersey state chamber of commerce.

Miss Constance Morrow after a ten day Easter vacation with her parents here will fly to Brownsville, Texas, on the regular airline on Saturday enroute to Milton academy in Massachusetts where she is a student.

Mrs. Morrow with Constance and Elizabeth went to the country residence this morning. The entire party was expected to return tomorrow afternoon.

Colonel Lindbergh this morning made a two hour flight over the city in an airplane in which he arrived here on Monday. He passed over the United States embassy and gave his fiancée and her family an aerial salute.

Stockbrokers to Face Charges in City of Seattle

SAN FRANCISCO, April 4.—(AP)—Three San Francisco stockbrokers, charged with using the mails to defraud in indictments handed down by a Seattle federal grand jury, today consented to return to the northern city and face the charges.

The men are Walter D. Forsyth, well known local broker, Harold Harris and Meyer Morris.

When they appeared before United States commissioner this afternoon, after having been arrested by Postal Inspector George E. Moser, Seattle, each posted bond of \$2,500, Forsyth depositing the bond in \$100 bills.

Keenest of emALL!

PRICE

And how! A couple of slips on the stropp and you have an edge so keen that even the stiffest beard seems like peach fuzz. Stropps, shaves and cleans without removing blade... Try it!