

Linen Industry Is Forging Ahead Steadily, Say Leaders

LAND IS IDEAL FOR GROWTH OF SUPERIOR FLAX

Prediction of Hendricks is Rapidly Becoming Thing Of Actuality

No longer a fledgling, the linen industry of the Salem district has been trying out new found strength in its wings. It soared to new heights during the past year and a new altitude record looms for 1930.

In a short space of years flax raising and linen manufacturing has attained the rank of a million dollar industry. It promises much for the agricultural and industrial developments of this section.

200,000 Acres Available

With the soil and climate so ideally adapted to the raising of quality, long-fibre flax and more than 200,000 acres in the Willamette valley, of which Marion county is the geographical hub, and with the state and private individuals investing heavily in the flax growing and linen manufacturing industry here, the long-prophesied slogan of R. J. Hendricks, prophet of flax raising in Oregon, that Salem would become the "center of the world's linen and flax industry" bids fair to be fulfilled.

The real development of the flax industry here dates virtually from the introduction of the flax-pulling machines in 1924. The hand work required before the introduction of this machine, coupled with the fact that mowing was found unsatisfactory, had acted as a deterrent. But with the perfection of the automatic puller and under the last physical drawback to flax raising was removed.

Flax Long Raised Here

Of course, it had been known for many years that flax could be grown here and as far back as 1876 Oregon-grown flax had captured prizes at various world fairs. But it required persistence and faith to accomplish the development of the industry of its present plane. It required arduous individual effort at first.

The real motivating force was the part played by the state. Organization of the Oregon State Flax Industry and the association of its operation with the state penitentiary was the key to the situation. The state now owns in Salem the largest and best equipped flax plant in the United States and in the world.

The investment of the state in the flax industry now exceeds \$550,000. The flax is contracted before it is planted, sold to the growers, and when the crop is harvested the flax is delivered at the state plant to be treated for manufacture. Starting with less than 1000 acres under contract, the industry has grown until 4500 acres were under contract last year and 6700 have been signed up for 1930.

State Plant Impressive

At the state plant there are two fireproof mills having machinery for deseeding, seed cleaning, making upholstery tow, scutching, and stock feed making. There are also machines for sorting and baling. Seven large storage sheds store 8,000 tons of flax straw. There are 25 retting tanks, capable of retting 200 tons of flax every five days. The only automatic scutching machines in the United States are in this plant. There are three machines with which 21 men do work formerly requiring 180 men.

There are two linen mills now operating in Salem. The Miles Linen company and the Oregon Linen Mills, Inc., employed 175 persons during the past year and had a \$150,000 monthly payroll or approximately \$182,000 for the year.

Miles Mill Distinctive

The Miles Linen company has the distinction of being the only mill of its kind west of Chicago. The mill manufactures salmon twine and fish nets for the fisheries of the Columbia river and Pacific coast. It also produces sack twines for the wheat belt. Shoe thread, linen yarns and other similar products are also produced. This mill represents an investment of \$250,000.

Flax Profitable Crop

The average yield of flax is a ton to every one-half acre of ground. It has been estimated that the grower can make more money on flax production than in grain.

THESE MEN WERE THE BIG GUNS BEHIND LEGION CONVENTION!



Ten active members of Capitol Post, who planned and successfully executed the American Legion convention in August. Top row, left to right shows Carl Gabrielson, H. G. Maison, J. J. Elliott, Brasler Small. Bottom row, left to right: Willis E. Vincent, Frank M. Moore, Walter Zosel, C. B. McCullough, H. E. Shade.

SPAULDING PLANT ALL ELECTRIFIED

Logging Company Replaces Steam Machinery With New Motors

One of the important industrial developments of the year in Salem was the complete electrification of the Spaulding Logging company's mill. At present only one of the old battery of boilers is in use; it is necessary for work of the steam mills. To replace the old power unit the Spaulding mill has installed 52 motors having a total of over 2100 horsepower.

The Salem mill has a capacity of 160,000 feet of lumber per day. To produce this, the plant employs about 275 men regularly, on a payroll which amounts to nearly half-million dollars for a year.

Sashes, Doors Big Output

In addition to manufacturing and selling lumber, the Spaulding company makes sashes, doors, and a wide variety of built-in fixtures. Roofing materials, tile and other building materials make up the balance of products handled by the Spaulding company.

While recognized as a leader among Salem industrial concerns, the Spaulding company is equally a mill-valley institution. It maintains a mill and retail yard at Newberg, a planer and yard at McMinnville, and retail yards at Independence and Woodburn.

Y. M. AND Y. W. HAVE FULL COOPERATION

Women Accorded Privileges At Young Men's Association Building

By Mrs. Elizabeth Gallaher Secretary of Y. W. C. A.

The Young Men's Christian association and the Young Women's Christian association are two Christian lay organizations dealing with young people. They have much in common in their great objectives. The two associations in Salem do a fine piece of co-operative work. Since the Young Women's Christian association does not have a pool and gymnasium, the Y. W. C. A. has set aside the use of its swimming pool and gym all day Wednesday and Thursday mornings for the use of women and girls.

Many Classes Held

Classes for women are held Wednesday and Thursday mornings. Classes for grade school, junior high, high school and university students are held Wednesday afternoon and business and professional girls' and women's classes Wednesday evening.

Classes are taught by Mrs. Elizabeth Bowley, a trained instructor, who has given excellent service.

The Y. W. C. A. physical education work is governed by a committee of Y. M. C. A. and Y. W. C. A. representatives.

Financial Outlook Held Sound in Local Section

Indications Point to Prosperous Conditions During Coming Year, Local Authorities Declare

General prosperity of Salem and its trade territory was reflected during 1929 in excellent banking conditions with a bright outlook for the coming year, despite a tendency elsewhere toward a brief pause in business during readjustments necessitated by the stock market crash.

This is the opinion shared generally by Salem bankers who look forward to the new year with confidence in the fundamental soundness of Salem industry, agriculture and trade.

The most important development in the field of banking in Salem in 1929 was, of course, the merger of the First National bank and the Salem bank of Commerce by the purchase of the latter by the former and the consolidation of their resources. The merger is regarded by bankers and business men of the city as in accord with the best modern business practices and a development which should further strengthen banking in the city.

Overhead is Reduced

From the joining of the two banks has emerged one large financial institution with less overhead and with greater facilities for serving the public generally.

According to the last report, made in response to the call of October 4, Salem still ranks well ahead of any city in the state outside of Portland in deposits. Bank deposits in Salem's four banks amounted to \$11,459,125.81. Portland with deposits of \$167,649,019 led the state.

In third place was Eugene with deposits of \$7,858,892 and Pendleton was fourth with \$7,217,743. Klamath Falls and Medford ranked fifth and sixth respectively, with about \$1,000,000 less in deposits each. Total deposits in the state's 236 banks amounted to \$304,413,796.

Salem deposits show a slight drop from those in October 1929 when \$11,729,942.12 was reported by the banks here. The difference amounted to \$24,817. This, it was believed, was due to the fact that a major portion of the hop crop has not yet been marketed this year, the growers holding for higher prices, and to a normal fluctuation in business.

Bank Deposits Up

The steady growth of business here is shown in the growth recorded over the past five and ten year periods. On October 10, 1924, the deposits in Salem banks stood at \$9,204,595, a net gain as shown on the face of the 1929 deposits of \$2,454,530., in the last five years. The deposits as reported November 17, 1919, were \$7,802,000. Thus the gain in the last ten years has amounted to \$2,501,000. The lowest point in the ten years was in 1921 when the deposits slumped to \$7,802,000.

The report of October 4, 1929, revealed the following bank deposits: Ladd & Bush bank, \$6,005,000; Salem Bank of Commerce, \$1,106,000; First National bank, \$1,514,000; and United States National bank, \$2,870,000.

"Salem banking is in the best situation it has been for years," said D. W. Eyre, president of the United States National bank. "The diversity of Salem and Marion county's agriculture and industry assure this city of continued prosperity. The banking business here is on a fundamentally sound basis. We have had a good year. We are told that we may expect a weak business start in 1929 and a strong finish."

This view was shared by officers of both the Ladd & Bush and First National banks. They said, with little affected by the situation on the stock market, except as the buying power of certain sections was influenced. Business, they thought, would be slightly slower during the period of adjustment nationally which is now taking place but would strengthen rapidly.

JUPE ODD OLD FELLOW

Queer Tricks Played by Rain During Last Year PRECIPITATION SHORT

Old Jupe has been playing a lot of tricks on Salem when it comes to rainfall during the past year. November which is entitled to be the rainiest month only saw .56 of an inch. The average is 6.35 inches for Salem.

And then December, which has averaged 5.79 inches, tried to make up for the delinquency of November and up to December 25, the rainfall had been 10.79 inches.

LAUNDRIES FORM REAL INDUSTRIES

Two Largest Plants Employ 100, Have 100,000 Annual Payroll

The business of Salem laundries was good last year, according to managers of various plants with an employe list of about 100 and a payroll annually amounting to over \$100,000, the laundries of Salem form an important part of its industrial life.

The two largest plants, those of the Capital City and the Salem laundries, maintain forces of 32 and 45 persons, respectively, and their combined payrolls total over \$80,000 annually. These concerns each run a fleet of five delivery trucks through Salem and adjacent territory.

Laundry Business on Up Grade

Managers of local laundries stated that the business here has kept up a healthy increase. There has been nothing sudden or sensational about it. They declared that it is the local expression of a trend over the whole nation. Increased activity was credited to a considerable degree to work of the National Laundrymen's association.

At the present time the national organization is engaged in an advertising program amounting to over a million dollars annually for a four year period. Advertising is being carried on through magazines, newspapers and over the radio. Of further interest to the laundrymen and their patrons, though, is the work of a large experimental laundry established at Joliet, Ill. This half-million dollar plant, working with the Mellon institute, is a laboratory to which laundrymen can send many problems for solution.

Soil Scientists Plan Conference

CORVALLIS, Ore., Dec. 31.—(AP)—January 16 to 18 are the dates selected for the annual convention of soil scientists of 11 western states who will gather at Dr. W. L. Powers, chief of soils, is president of the organization. This is the first time in five years for the group to meet in the northwest.

rainfall of only 1.23 inches, compared to the average of 4.66 inches. On December 28 there had been only 25.68 inches for 1929. The annual average for Salem is a total of 37 1/2 inches.

Yes, it has been quite "unusual" this year, if you are talking about Sale rainfall.

••••• TELEPHONE USERS IN CITY GAIN RAPIDLY

As a city and community grows, telephone stations increase. The following is a record of telephone growth in Salem and vicinity for the past ten years:

Year	City	Rural	Total
1920	2955	1019	3974
1921	3410	1072	4482
1922	3282	1048	4330
1923	4371	1021	5392
1924	5103	1070	6173
1925	5639	1034	6723

SALEM BANKS JOIN FORCES DURING YEAR

First National is Combined With Bank of Commerce in City

The word "merger," which has been such an important one of late in the vernacular of national business, has also taken its place in the vocabulary of Salem banking circles.

Announcement of the consolidation of the First National bank and the Salem Bank of Commerce was made at the close of business Saturday, November 16. The merger was accomplished by the purchase of the accounts and physical assets of the Bank of Commerce by the First National bank and acquisition of stock in the First National by former directors of the Bank of Commerce.

Accounts and physical properties of the purchased institution were quickly transferred to the modern quarters of the First National. The combined deposits of the two banks amounted to approximately \$2,800,000. Capital stock of the First National was increased to \$200,000 and the surplus was also increased, swelling the combined surplus and capital to \$230,000.

Fry Bank President

Officers of the First National following the consolidation were announced as follows: Daniel J. Fry, Sr., president; S. B. Elliott and E. F. Slade, vice-presidents; C. W. Paulus, cashier; H. E. Eakin, assistant vice-president and trust-officer; Arthur B. Bates and W. A. Smithe, assistant cashiers.

The directors are: D. J. Fry, Carl P. Gerlinger, W. M. Hamilton, R. M. Hofer, D. B. Jarman, T. A. Livesley, John H. McNary, W. W. Moore, H. H. Olinger, J. C. Perry, Custer E. Ross, E. F. Slade, B. L. Steeves, R. E. Lee Steiner and H. O. White.

The First National bank is the successor to the old Capital National bank, founded in 1855 by R. S. Wallace and John H. Albert. The Salem Bank of Commerce was founded in 1910 as the Salem Bank & Trust company. In 1915 the bank was reorganized, Dr. B. L. Steeves becoming president and S. B. Elliott, vice-president.

Lumber Market Thought Better in Coming Year

Blodgett, Industry's Leader, Finds That Farm Demands Will Go Higher

Revival of a demand for lumber in the agricultural sections where purchasing power has been low for a number of years, offers the most favorable outlook for the lumber industry, in the opinion of John W. Blodgett of the National Lumber Manufacturers association.

"We believe," said Mr. Blodgett "that agricultural needs will replace in some degree any decline in demand lumber has recently had from other sources. Lumber production in 1929 has since June been below the average production for the past three years and has been about 70 per cent of the normal capacity. The majority of the larger mills in this country, especially on the Pacific Coast and inland Empire have a week with occasional shut-downs of a week. No wage reductions have taken place, and so far as I know, none are in contemplation.

Mill Stocks Down

Inventories at mills on November 23 showed about a 10 per cent increase over corresponding inventories in 1928 and unfilled orders showed approximately a 10 per cent decrease. Mill inventories, while somewhat above the last year, are not abnormal, as compared to the last six years. Stocks in the hands of retail dealers are reported as less than a year ago and lower than they have been in the last six years.

"The export trade, especially from the Pacific Coast, is languishing, being reported at about 50 per cent normal. This condition is due in large part to foreign competition in our export markets, notably Russian competition in Japan."

Cattish Live Out of Water For 72 Hours

ASTORIA, Ore., Dec. 31.—(AP)—A crate, not cans, of blue cattish, taken from the Sacramento river in California, was received by the Oregon game commission.

Fish usually are sent in cans or tanks but these cattish arrived in a crate with no more water than a few gunny sacks would hold. The fish were taken to the McKenzie river hatchery.

Matt Ryckman, who received the shipment, said he found the 38 cattish alive and wiggling in the crate which resembled the same container which is used to ship chickens. They had been three days out of water.

With Caroline Testout roses blooming in the city parkings eight months of the year, with its broad streets and the most attractive civic center in the west, a Salem is a charming city.



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LINEN HEAD

Colonel W. B. Bartram, pictured here, has long been recognized as an outstanding factor in the linen industry of the valley.