

Local Investments Frequently Prove Best, Babson Says

By ROGER W. BABSON

BABSON PARK, Mass.—Most readers of my column look at times for something in which to invest. It never occurs to them that there may be good local investments under their own noses.

They want to invest in some big company and send their money to Wall Street. With the exception of your local bank and certain chain stores, the telephone company which operates in your territory is probably your best investment, considering safety, income, and possibility for growth. The purpose of this column today is to praise the entire telephone industry, which is one of the fastest growing of all industries.

If you live in Bell territory, then purchase stock of your local Bell company or of the American Telephone and Telegraph Company. This latter supplies the entire nation—Bell and Independents—with "long-distance" service. If you do not live in Bell territory, then consider the stock of your independent telephone system, provided it is one of the 373 which report annually to the U.S. Independent Telephone Association at Munsey Building, Washington, D.C.

MORE THAN 5000 "INDEPENDENTS"

With the exception of the big General Telephone Company, which is the largest "Independent," most of these 373 Independents are locally owned—185 have annual gross earnings of over \$250,000; while 101 of these have gross of less than \$100,000; but nearly all of them show constant growth.

Moreover, each has a monopoly which very few businesses have. Their total exchanges number 4,884, with over 9,000,000 telephones, and 100,000 employees.

Let me add that there are 4,850 other little telephone companies in addition to the 373 which I recommend above, plus 60,000 mutually-owned farmers' lines. Altogether the Independents have over \$1,500,000,000 invested, with total annual gross of about \$500,000,000, or 10 percent of what the Bell System has.

STOCKHOLDERS TOO OFTEN MOVE AWAY

When you move from one house to another and especially from one city to another, be sure to write the company in which you hold any stock of your new address. Don't even look at a "valueless" certificate and say it is not worth a 3-cent postage stamp and the time required for writing such a letter. After two many changes of address, your envelope comes back marked "unknown" and the company marks you "dead."

One of the companies in which my family has very large holdings (United Stores Common, selling on the American Stock Exchange for \$3 to \$4) has nearly 100 such stockholders who cannot be located. Perhaps you are one of these stockholders. There probably are hundreds of other companies just like United Stores. This stock could easily double or triple in value.

NEVER SELL DEFAULTED BONDS

When a stock stops paying dividends the price of the stock may gradually decline, but no one gets panicky. The stockholders hope for a resumption of dividends. When, however, a bond defaults—especially a foreign bond—most bondholders think this is the end. The price of the bond then suddenly drops from around par to fifty cents on the dollar.

Discouraged bondholders have rushed to sell their bonds and the price has dropped to twenty or even less. But, in the course of years, many of these bonds returned in value to \$1,000.

Some of the hotels in the famous Sheraton Chain were built in the gay nineties. The bonds were sold for \$1,000 each. Then they defaulted and kicked about at perhaps \$200 for years. Finally, one of Boston's most courageous financiers, Ernest Henderson, had faith in the hotel business and bought up these bonds. They have since been paid off at par.

WHAT YOU SHOULD DO ABOUT STOCKS

Before selling any "worthless stock" or defaulted bond, you can send \$2.00 to the Information Center at New Boston, New Hampshire. This gives no investment advice but has lists of 40,000 such stocks and will pass along to you what report it has on file. This is a non-profit educational association to help deserving people on business problems. The \$2.00 will cover a full year's inquiry. In other words, you can write again about the same stock or bond anytime within 12 months without further cost to you.

Moore Firms Are Headed By New Chief

EMERYVILLE, Calif.—Thomas S. Duncanson has been elected president of Moore Business Forms, Inc., and of the parent company, Moore Corporation, Limited, it was announced at the corporation's head office here.

W. Norman McLeod, former president, has been elected chairman of the board of directors.

Moore Business Forms, Inc., pioneer of the business forms industry, has Pacific Division plants at Los Angeles, Salem, Ore., and Emeryville. Founded in 1882, the organization now operates 22 plants from coast to coast and throughout Canada. Sales offices are located in more than 300 cities.

Portland Produce

PORTLAND (UP)—Butterfat—Tentative, subject to immediate change—Premium quality delivered in Portland, 58-61 lb; first quality, 56-59; second quality, 54-57.

Butter—Wholesale f.o.b. bulk cubes, to wholesalers—Grade AA, 93 score, 58 1/2; 92 score, 57 1/2; B grade, 90 score, 56; 89 score, 55.

Cheese—To wholesalers—Oregon singles, 38 1/4-41 lb; Oregon 5-lb loaf 41-44.

Eggs—To wholesalers—Candled f.o.b. Portland, A large, 42 1/4-44 1/2; A medium, 40 1/4-41 1/2.

Eggs—To retailers—Grade AA, large, 48-49; A large, 45-46; AA medium, 44-45; A medium, 42-43; A small, 36-37. Cartons, 1-3 cents additional.

Poultry and Nuts

Live chickens—No. 1 quality, f.o.b. Portland—Fryers, 2 1/4-4 1/2 lbs, 23-24; at farm, 22-23; roasters, 4 1/2 lbs and up, 23-24; at farm, 22-23; light hens, 11; heavy hens, 14; old roosters, 10.

Rabbits—Average to growers—Live white, 3 3/4-4 1/2 lbs, 18-20; 5-6 lbs, 14-16; old does, 8-10, few higher. Fresh dressed fryers to retailers, 54-57; cut up, 60-63.

Filberts—Wholesale selling price f.o.b. Oregon plants, No. 1 jumbo, 26-28 lb; large, 24-26; medium, 22 1/4-24; to growers, on field run basis, f.o.b. plant, 14-15; best Barcelonas to 16.

Walnuts—Wholesale selling price, f.o.b. Oregon plants—First quality jumbos, 32-33; large, 29-30 1/2; mediums, 26-27; second quality, 3 per pound less; to growers, f.o.b. plant, tree run basis, 15-16 lb 90 per cent crack test.

Wholesale Dressed Meats—Beef carcasses—Steers, choice 500-700 lbs, 39.00-42.00; good, 35.00-39.00; commercial, 32.00-36.00; utility, 28.00-33.00; commercial, cows 25.00-31.00; utility, 23.00-28.00; canners-cutters, 21.00-23.00.

Beef cuts (choice steers)—Hind quarters, 50.00-54.00; rounds, 43.00-49.00; full loins, trimmed, 70.00-78.00; forequarters, 32.00-35.00; chucks, 33.00-37.00; ribs, 52.00-58.00. Pork cuts—Loins, choice, 8-12 lb, 47.00-49.00; shoulders, 15 lb, 30.00-35.00; spareribs, 42.00-49.00; fresh hams, 10-14 lb, 49.00-53.00.

Veal and calves—Good choice, all 31.00-42.00. Lambs—Choice-prime under 50 lb 39.00-42.00; good, all weights, 36.00-40.00.

Wool—All prices nominal. Country-dressed Meats, f.o.b. Portland:

Beef—Cows, utility, 20-24 lb; canners-cutters, 17-19. Veal—Top quality, lightweight, 31-33; rough heavies, 20-28. Hogs—Lean blockers, 27-28; sows, light, 23-24. Lamb—Best, 32-34. Mutton—Best, 12-24; cull-utility, 10-11.

Fresh Produce—Onions—50 lb Ore-Wash, yellows, med No. 1s, 1.90-2.25; fair 1.50; 3-in min, 2.25-50; Ore. Spanish, lge, 2.25-50; Idaho yellows, med, 1.75-2.00.

Potatoes—Ore. Russets, 100 lbs, No. 1A, 3.50-60, few down to 3.25; 12 oz min, 4.00-50; bales, 5-10 lb, 2.15-25; No. 2A, 50 lb, 1.10-15; 10 lb mesh, 35-40; Idaho bales, 5-10 lb, 2.40-50; 100 lb, 4.00-25.

Hay—U. S. No. 2 green alfalfa, baled, f.o.b. Portland, 35.00 a ton trucked; 37.00 rail.

Portland Livestock

PORTLAND (UP)—(USDA)—Cattle salable 250; market slow, mostly steady but some feed cows gaining weak to 50 lower and some unsold; truck lots high good 1,163 lb fed steers 22.75, low good steers down to 21.00, utility 13.00-17.50; load good and choice fed heifers 21.00, few canner and cutter cows 7.50-9.00, utility 10.00-12.00, load high commercial young fed beef cows 17.00; few utility and commercial bulls 13.50-16.00.

Calves salable 25; market nominally steady; good and choice vealers salable 30.00-25.00. Hogs salable 850, includes 11 deck not yet shown; scattered sales about steady; few choice No. 1-2 butcher 180-233 lb 20.00-20.50, some bids around 50 lower; sows scarce.

Sheep salable 100; one lot choice prime 107 lb fed wooled lambs fully steady at 19.50; good-choice feeders salable 15.00-17.50; good-choice ewes quotable 5.50-6.50.

Wheat (bid) to arrive market, basis No. 1 bulk, delivered coast: Soft White 2.35; Soft White (excluding Rex) 2.35; White Club 2.35. Hard Red Winter, 11 per cent 2.37; 12 per cent 2.46. Car receipts: wheat 80; barley 6; flour 6; corn 9; mill feed 3.

Salem Market Quotations

(As of late yesterday)

BUTTERFAT	30
Premium	36
No. 1	36
Butter	36
Wholesale	36
Retail	37
EGGS—(Daying)	
(Wholesale prices range from 8 to 1 cents over buying price)	
Large AA	33
Large A	32
Medium AA	32
Medium A	31
Small	29
POULTRY	
Colored Hens	14
Leghorn Hens	11
Colored Fryers	11
Colored Roasters	12
Old Roosters	10

Stocks and Bonds

(Compiled by the Associated Press)

Jan. 20				
STOCK AVERAGES				
	30	15	15	00
Indust	116.6	116.6	116.6	116.6
Auto	116.6	116.6	116.6	116.6
Chem	116.6	116.6	116.6	116.6
Comm	116.6	116.6	116.6	116.6
Elect	116.6	116.6	116.6	116.6
Food	116.6	116.6	116.6	116.6
Gen	116.6	116.6	116.6	116.6
Met	116.6	116.6	116.6	116.6
Oil	116.6	116.6	116.6	116.6
Pharm	116.6	116.6	116.6	116.6
Pub	116.6	116.6	116.6	116.6
Text	116.6	116.6	116.6	116.6
Util	116.6	116.6	116.6	116.6
Unch	116.6	116.6	116.6	116.6
Wtr	116.6	116.6	116.6	116.6
Yr	116.6	116.6	116.6	116.6
Net change	-.4	D. 8	A. 6	A. 2
Thursday	200.2	116.6	68.2	151.1
Prev. day	200.6	117.4	67.7	150.9
Week ago	202.2	112.4	67.9	153.1
Month ago	208.3	122.3	67.5	153.4

BOND AVERAGES				
	20	10	10	10
Rate	100	100	100	100
Year ago	149.2	81.8	56.4	111.9
Net change	-.1	A. 1	Unch	Unch
Thursday	99.5	99.5	99.0	84.5
Prev. day	99.6	99.5	99.0	84.5
Week ago	99.5	99.5	99.3	84.3
Month ago	99.5	99.7	99.8	84.7
Year ago	99.1	99.5	99.1	81.3

Onion Futures Drop Sharply

CHICAGO (UP)—Onion futures dropped 16 to 21 cents a 50 pound sack on the Chicago Mercantile Exchange Thursday in the heaviest dealings in this commodity since trading started in 1942.

Brokers said selling was touched off by an Agriculture Department report placing visible supplies of onions on Jan. 1 at 9,974,000 sacks, which was 600,000 more than trade estimates. January onions closed at \$1.38 a 50 pound sack.

Stock Market Rises Again

NEW YORK (UP)—The stock market made its third straight advance Thursday, but the showing was not very convincing. The Associated Press average of 60 stocks advanced 20 cents at \$151.10. The total rise for the past three days has been \$2.30 as compared with a fall of \$2.50 on Monday.

The average now stands at \$151.10. That is \$5.30 under the 1955 peak on the first trading day of the year. The all-time high was \$157.70 on Sept. 3, 1929. The industrial component of the average advanced 40 cents and

Russians Free Pvt. Verdine After 6 Years

BERLIN (UP)—The Russians Thursday freed American Pvt. William A. Verdine after nearly six years of imprisonment. The 28-year-old soldier from

Starks, La., was turned over to American authorities in Berlin and he was rushed to the Army hospital for a thorough physical examination.

An Army announcement said Verdine "will remain under military restriction while the circumstances under which he became absent without leave are thoroughly investigated."

Verdine disappeared from his unit in West Germany Feb. 3, 1949, and he was listed as absent without leave.

An Army spokesman said he will be under guard at the hospital. The Russians freed two other Americans Jan. 8. They were John H. Noble, 31, a civilian from Detroit, and William T. Marchuk, 38, Army private from Norristown, Pa.

Noble has said he saw Verdine shortly before his own release

utilities were up 60 cents while the railroads lost 80 cents. There were only 1,212 individual issues traded, lowest since Armistice Day, with 525 advancing and 441 declining. There were 41 new highs and no new lows for 1954-55. Volume came to 2,210,000 shares, lowest since Nov. 1 of last year when it was 1,790,000 shares. The total Wednesday was 2,760,000 shares.

Verdine was honorably discharged from the Army in Seoul, Korea, Feb. 14, 1946. He enlisted in the regular Army the next day. He was discharged again in June, 1947, and re-enlisted two months later at Fort Sam Houston, Texas.

NEBRASKA FARMERS LINCOLN, Neb.—(UP)—Kris Kristjanson, agricultural economics professor at the University of Nebraska, said 18 per cent of Nebraska's farmers have a net income of less than \$1,000 and 54 per cent have a net income of less than \$3,000.

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New York Stock Markets

Admiral Corporation	28 1/2	Johns Manville	88
Allied Chemical	83 1/2	Kaiser Aluminum	59 1/2
Allis Chalmers	72 1/2	Kennecott Copper	101 1/2
Aluminum Co. America	67	Libby McNeill	15 1/2
American Airlines	21 1/2	Lockheed Aircraft	51 1/2
American Motors	12 1/2	Loew's Incorporated	19 1/2
American Tel. & Tel.	174 1/2	Long Bell A.	30 1/2
American Tobacco	66 1/2	Montgomery Ward	81 1/2
Anacosta Copper	48 1/2	New York Central	33 1/2
Atchafalaya Railroad	123	Northern Pacific	66 1/2
Bethlehem Steel	105 1/2	Pacific American Fish	11 1/2
Boeing Airplane Co.	72	Pacific Gas & Electric	45 1/2
Burroughs Adding Mach.	24 1/2	Penney (J.C.) Co.	85
Canadian Pacific	29 1/2	Pennsylvania R.R.	23 1/2
Caterpillar Tractor	84	Pepsi Cola Co.	18 1/2
Celanese Corporation	24 1/2	Philo Radio	17 1/2
Chrysler Corporation	67 1/2	Radio Corporation	37 1/2
Cities Service	119	Rayonier Corp.	62 1/2
Consolidated Edison	65 1/2	Republic Steel	78 1/2
Crown Zellerbach	17 1/2	Reynolds Metals	111
Curtiss Wright	127 1/2	Richfield Oil	68 1/2
Douglas Aircraft	159	Safeway Stores Inc.	47
du Pont de Nemours	20 1/2	Scott Paper Co.	58
Eastman Kodak	69 1/2	Sears Roebuck & Co.	75 1/2
Emerson Radio	14 1/2	Socony-Vacuum Oil	51 1/2
General Electric	49 1/2	Standard Oil Calif.	75 1/2
General Foods	75 1/2	Standard Oil N.J.	107 1/2
General Motors	95 1/2	Studebaker Packard	13 1/2
Georgia Pac. Plywood	26	Sunshine Mining	11 1/2
Goodyear Tire	103 1/2	Swift & Company	47 1/2
Homestake Mining Co.	45 1/2	Transamerica Corp.	38 1/2
International Harvester	37 1/2	Twentieth Century Fox	29 1/2
International Paper	84	Union Oil Company	54 1/2
		United Airlines	142 1/2
		United Aircraft	35 1/2
		United Corporation	77 1/2
		United States Plywood	6 1/2
		United States Steel	38 1/2
		Western Union Tel.	70 1/2
		Westinghouse Airbrake	77
		Westinghouse Electric	28
		Woolworth Company	78 1/2
			51 1/2

Investment Trusts

(Zilka, Smith & Co., Inc.)	
Affiliated Fund	Bid Asked
Canadian Fund	5.74 6.21
Century Shares Trust	15.22 16.48
Chemical Fund	23.60 25.51
Delaware Fund	25.99 28.10
Diver. Invest. Fund	20.33 22.37
Dividend Shares	8.71 9.55
Easton & H. Bal. Fund	2.33 2.96
Gas. Ind.	19.18 20.50
Group Tobacco	24.15 26.39
Incorp. Investors	4.02 4.43
Key. Cust. Funds:	15.08 16.30
B-3	19.94 21.25
B-4	11.54 12.59
K-1	19.48 21.25
S-8	11.26 12.29
S-4	8.92 9.74
Man. Bond Fund	8.28 9.16
Man. Invest. Trust	27.32 29.54
Natl. Sec. Series:	
Income Series	5.96 6.51
Stock Series	7.41 8.10
Prof. Stock Series	7.41 8.10
Special Series	4.39 4.79
Tel.-Elec. Fund	10.45 11.39
Value Line Inc. Fund	5.78 6.32
Wellington Fund	24.22 26.00

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8.00 x 15	27.75	45.50	4.80

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