

# A \$640,000 Linen Mill for Salem

For twenty years Salem has been waiting to read a headline like the above. Many of the pioneers who brought the Willamette valley to the attention of the world as a flax producing center have passed on but the actual establishment of linen mills here which in the next ten years will employ thousands of people, will stand as an everlasting monument to their vision energy and courage in developing the flax growing industry which will furnish the raw material for these mills. They have done their part and it remains for those of us who will enjoy the fruits of their labor to now do our part.

#### What Industries Mean

We have all said: "What Salem needs is industries. How can we interest capital in the development of our resources?" Salem has made a good start along that line and everyone has witnessed the substantial growth in population and building during the past five years. This can be credited wholly to new industries that have located here and to the enlargement of old ones.

The establishment of a linen mill here opens an entirely new era of growth for Western Oregon. Linen is a product which has a world-wide market. The raising of the raw material is confined to restricted areas. The Willamette valley seems to be one of the world's most favored locations for raising flax. This means that with the actual establishment of linen manufacturing in Salem we will gradually witness the location of additional mills in this district and it is entirely safe to predict that within ten years the number of laborers employed in this industry will aggregate thousands.

#### Successful Men Behind Project

The men who wish to build a linen mill in Salem are practical linen manufacturers and have been operating mills in Canada at a very fine profit for many years. Their raw material is shipped into Canada from different parts of the world. One of their largest markets is the United States. To sell their goods here, however, they must pay a duty of some 30 percent which is imposed by our government to protect United States industries. As it has been demonstrated that the finest quality of flax can be grown in the Willamette valley, these gentlemen wish to establish the first mill at the most central source of supply of raw material and escape the duty which is levied against Canadian linen.

#### Mill Proposition Stands Inspection

Mr. Sanson, who is head of the Canadian mills is ready to invest \$62,500 in the Salem plant. He must raise the balance of the money from local investors. It is his desire that as large a number of stockholders as possible interest themselves in this undertaking in order that the greatest amount of public sentiment may be created in favor of the industry, thereby insuring a proper supply of raw material. The Salem Chamber of Commerce and a committee of Salem Chamber of Commerce and a committee of Salem bankers have investigated every statement made by Mr. Sanson and find that he is a highly respected and a successful and responsible business man in Toronto, Canada, and Lockport, New York, at both of which points he has linen mills. Salem has raised hundreds of thousands of dollars as donations for various purposes. It now has a chance to invest a little money in a profitable enterprise which will return not only good dividends on the stock but still bigger dividends in increased business and work for every merchant and laboring person in this vicinity.

#### Salem to Raise \$300,000

Of the \$640,000 which the plant will cost, Salem will have to provide about \$300,000. The town of Albany has signified its willingness to raise

\$50,000; Silverton, a like amount; Portland capital will come in for a large block of stock. All of these outlying districts are willing that the first plant be located in Salem because they realize that the development of this industry in the Willamette valley means new industries and business for almost every town in Western Oregon.

#### Linen Manufacturing Employs Much Labor

The proposed mill will employ from 240 to 260 persons at an average payroll of about \$4,000 per week. It will use the product of 5,000 acres of flax. A normal crop of flax can be produced at a cost of \$29.50 per acre which includes taxes and interest on land value, labor, and all overhead charges. The gross output of the mill to start with will be about \$600,000 per annum. The estimated profits based on past years of experience by Mr. Sanson in the manufacture of linen goods will be about \$118,500 per annum. This will provide a 7 percent dividend on preferred stock, allow for depreciation and reserve and pay a dividend on common shares. Local men will control the board of directors. There are no commissions, selling cost or promotion fees connected with the raising of the money for this mill. It is strictly an undertaking by the highest type of business men and technical experts who know the linen industry and who have made a success of this business. It would be hard to choose a manufacturing plant for Salem which would be of greater value to the community and surrounding towns.

#### Benefits to Follow Linen Mill

The result of such a mill will be the establishment of scutching mills in other cities throughout the valley. It will mean a steady and profitable market for this great farm crop. Salem's most prominent business men have identified themselves with this movement and are subscribing their money. Without doubt this is the greatest single event preparatory to future growth of this city that local residents have ever witnessed. Linen mill will not stop at Salem but a successful demonstration must be made here to start with.

There will be a mass meeting at the Grand opera house Friday night at 8 o'clock where prominent speakers will discuss every phase of this question. It is the desire of the Chamber of Commerce, the gentlemen proposing to build the Oregon linen mill and the heads of financial and business institutions of the city that all citizens turn out to this meeting. The Grand opera house has been donated by the management and this advertisement is donated by the newspapers and business men of Salem.

#### Unparalleled Opportunity Pressed to Us

This is the greatest community opportunity that we have ever faced and the opera house should be packed to overflowing Friday night. If we fail to take advantage of the proposition that is offered us we should forevermore keep still about Salem needing industries. If Salem passes this up some other town will jump at the opportunity and become one of the linen manufacturing centers of the world.

## Opportunity Waits for No Man!

This advertisement paid for by local business men who are interested in the development of Salem.