CHERRY GROWERS SEEK FOR JOKER IN CONTRACT

CONTRACT FOR BLACK CHERRIES IS ANALYZED

(Continued from Page One)

per 16 pound box, but in analyzing the terms of this advance the "joker" begins to show its head. From this advance is to be deducted 32½ cents grading and packing charge, bringing the advance down to 80 cents, or 5 cents a pound.

However, only one half of this advance or 2½ cents is payable upon delivery, the contract specifying:

Contract Specifications

"Terms of advance payment are one half of said guaranteed advance shall be paid when cherries are loaded in iced express cars and a clear express receipt is delivered to the company by the express company showing said cherries to be received in good condition and the balance of the said guarantee, to be made immediately upon delivery of said shipments upon the original order to the purchaser."

Grower the Goat

The grower is obliged not only to assume responsibility for the good condition of the fruit as delivered to the company, but also to be responsible for what happens to them between the time they are thus delivered to the packing plant and the time they are loading into the iced cars and receipted for by the express company, although the growers' control over the fruit ceases when the cherries enter the company plant. The grower is required to deliver the cherries as fast as they are picked and specific provision is made as to the manner in which the fruit shall be delivered in order to insure its good condition. But there is nothing in the contract to require that the company shall pack the fruit as fast as it is delivered and otherwise insure it against spoilage between the time of delivery and the time it is packed and loaded into the cars.

The interests of the company are well and carefully safeguarded against any chance of loss.

How Contract Reads

Beyond the 2½ cent advance payment the company is not necessarily required to assume any responsibility, and if the condition of the eastern markets is such as to make operations hazardous it need not even make this advance, which can be evaded by simply refusing to accept the fruit they have contracted for. As to the company's obligation to accept the cherries the contract reads:

"****if in the judgment of the company the said company considers the condition and carrying quality of the cherries such that they will not carry well to eastern markets, or that the condition of the market does not warrant further shipment, OR IT FOR ANY OTHER REASON OR REASONS THE COMPANY DEEMS IT ADVISABLE TO DISCONTINUE SHIPMENTS TEMPORARILY, THEY MAY DISCONTINUE SHIPMENTS UPON NOTIFYING THE GROWER TO THAT EFFECT, AND THE COMPANY SHALL NOT BE COMPELLED TO RECEIVE ANY CHERRIES FROM THE GROWER AFTER SAID NOTICE IS GIVEN. The fact that the company discontinues the receiving of cherries SHALL HAVE NO EFFECT ON THIS CONTRACT, except during the time that it does not deem it advisable to accept shipments for reasons aforesaid. And the grower upon notification of the company so to do, will again deliver cherries under the terms of this contract."

Company Protected

The company is fully protected against loss from operating expenses and overhead, except in case they should fail to handle any cherries or only a small amount when the cost of opening up a plant here would be lost, by the provision in the contract, exclusive of the 32½ cents assessed for packing, that insures them of 10 per cent of the sales receipts as a handling charge. This handling charge does not include any auction charges.

There is also an ambiguity in the contract which might enable them to assess all expenses of any nature against the gross receipts.

If at the close of the season the net return from the pool averages more than 6 cents a pound half of the net above 6 cents goes to the company.

In the case of claims against the railroad or express companies for loss or damage to fruit in transit the company reserves the unlimited right to negotiate and collect for such damages and assess the charges, upon which no limit is placed, against the pool.

Guarantee Is Refused

Discussing the construction and interpretation placed upon the contract by the Capital Journal and its attorneys this morning Roy R. Hurst, local representative of Denney and company, declared that he was not authorized to make a statement regarding the contract until he had talked to the heads of the company.

Previously Hurst had denied that it was the intention of the company to pay an advance of only 2½ cents upon delivery. He stated that the advance to be paid was 5 cents, but when asked to make the positive statement for publication that the company would pay 5 cents upon delivery of the cherries at the plant or in the cars here he refused to do so.

Giving Denney and company credit for a desire to return to the growers the best price possible, so that they may sustain the reputation of the firm and remain in good standing with the growers, it is nevertheless possible under the terms of the contract for them to pay the 2½ cents advance and nothing more. A collapse of the eastern cherry market, or in case they realized no more than enough to pay handling and auction charges from the sales, they would not be legally bound to pay the grower anything beyond the 2½ cent advance.

PORTUGAL NOW UNDER MILITARY REGULATION

Lisbon.—The much talked of military revolution having collapsed, the government has established martial law. Portugal is now under strict military rule, and all newspapers that do not applaud and bow down to the government have been suspended.

PRINCE OF WALES DANCES BY LIGHT OF CANDLES

Johannesburg, South Africa, June 23.—(A. P.)—The Prince of Wales ushered in his 31st birthday in the small hours of this morning dancing to the light of candles and matches held by other guests at a party given by the British Empire Service league. The emergency form of lighting was necessitated when the electricity failed for half an hour.

EXPECT RISE IN BUTTER PRICE DUE TO DEMAND

Portland, June 23—With the demand now in excess of the supply, the local butter market is exceedingly strong, and further advances in print prices in the near future would not be surprising. Southern California traders are taking all the butter they can get and other shipping outlets are improving since the hot weather. There is also some movement into storage.

On the dairy exchange, all cube prices are a fraction higher today, firsts being the exception. Extras 45; standards 44½; prime firsts 44 and firsts unchanged at 41½.

Cream production is hardly keeping up with requirements and butterfat competition is keen among the creameries. Bids for fats in zone one are out at 44 cents f. o. b. shippers track.

A half cent decline in current receipts is the only change in the local egg market. The market is apparently marking time although graded stocks are moving promptly and conditions locally show a healthy tone.

Country dressed hogs are scarce and the market is firm with choice light porkers moving promptly at 18 to 18½ cents. Choice light veal are steady at 13 cents. Receipts from the country were light today.

LIVESTOCK

Portland, June 23—Hops strong; receipts 1993; heavy weight (250 to 350 pounds) medium, good and choice $12.25@13.50; medium weight (200 to 250 $12.50@13.75; lightweight (100 to 200 lbs.) common, medium, good and choice $13.75@14.25; light lights (130 to 160 lbs.) common medium, good and choice $12.50@13.50; packing hogs smooth $11.00@12.50; rough $10.00@11.00; slaughter pigs (130 lbs. down) medium, good and choice $11.50@13.00; feeder and stocker pigs (70 to 130 lbs.) common, medium, good and choice $11.50@13.75. (Soft or oily hogs and roasting pigs excluded.)

Cattle steady; receipts none; steers, good $9.00@9.25; medium $7.00@9.00; common $6.50@8.00; canners and cutter steers $4.50@$6.50; heifers, good (850 lbs up.) $8.00@8.25 common and medium, all weights $5.25@7.50; cows good $7.50@7.75; common and medium $4.75@7.00; canners and cutters $3.50@4.75; bulls, good (beef yearlings excluded $4.75@5.50; common to medium (canners and bologneas) $3.50@4.75; calves medium to choice (190 lbs. down) $7.00@9.00; cull and common (190 lbs. down) $4.00@7.00; medium to choice (190 to 200 lbs.) $6.50@8.50; medium to choice (260 lbs. up) $4.50@6.00; cull and common (120 lbs. up) $3.00@5.00.

Sheep and lambs steady; receipts 36 lambs light and handyweight medium to choice $9.50@11.25; heavyweight (92 lbs. up) medium to prime $8.00@9.50; all weights cull and common $6.00@8.00; yearling wethers, medium to prime $6.50@8.00; wethers 2 years old and over, medium to prime $5.00@6.50; ewes, common to choice $4.00@5.50; canner and cull $1.50@4.00. (Above quotations except spring lambs on short basis).

PORTLAND GRAIN

Portland, June 23—Wheat hard white, bluestem, hard $1.60; soft white $1.58; western white, hard winter $1.57; northern spring $1.50; western red $1.55; B. R. R. hard white $1.62. Today's car receipts: wheat 10, flour 4, corn 5, oats 1, hay 2.

BUTTER AND EGGS

Portland, June 23—Eggs firm; current receipts 31c; pullets 29@29½c; firsts 31½@32c; extras 32½@33c delivered Portland.

Butter firm, extra cubes, city 45c; standards 44½c; prime firsts 43½c; firsts 41½c; undergrades nominal; prints 46c; cartons 47c.

Butterfat firm. Best churning cream 44c net shippers' track in zone 1.

POULTRY

Portland, Or., June 23—Poultry steady; heavy hens 20@22c; light 15c; broilers 21@24c; young white ducks 20c.

ONIONS AND POTATOES

Portland, June 23—Potatoes and onions nominal; old potatoes No. 2, $2.25@3.50.

NUTS, HOPS AND CASCARA

Portland, June 23—Nuts steady walnuts No. 1 28½@32½; filberts nominal.

Hops steady; 1924 crop 15@18c; 1923 crop nominal.

Cascara bark quiet. New peal 7@8c per rpound; Oregon grape root 2½c.

CHICAGO DEALERS PHONE PRICE OF CHERRIES GOOD

Word from the Chicago market indicates that the price of cherries will go up over the eight and a half cent bid announced here yesterday, according to I. W. Wells of the Young and Wells company, who talked with Chicago buyers by long distance telephone this morning. The market looks good, he reported, but it is too early to predict yet how far the movement will go.

Headquarters for packing by the Young and Wells firm was definitely established this morning in the old Salem Fruit Union plant and preparations were begun at once for the receipt of their fruit. Everything will be ready by the time the fruit is ripe and starts coming in, Wells declared. The phone number at the packing plant is 865.

LOGANBERRIES FLOOD PACKERS; QUALITY FINE

Fruit row hummed with activity this morning as cherry buyers scrambled to established headquarters in preparation of the opening of the cherry pack this week and local canners staggered under the first heavy run of logan receipts. The logan pack here yesterday indicated that the peak of that run would come within the next few days and there were predictions current that the first cars of cherries would leave before the end of the week.

Canners and packers of several firms were snowed under this morning with logans with several firms reporting a holdover to be cleared up from yesterday's receipts. The berries that are coming in now are of excellent quality and full crews have been turned on the job of clearing them away.

Announcement of cherry prices yesterday and this morning brought unusual activity in the cherry market from small growers who have been waiting for the quotations before offering their fruit. Indications were that there would be buyers for all of the small lots that will be offered today and tomorrow with immediate delivery. A considerable tonnage of small unit size is expected to be signed today as soon as the buyers of outside firms get packing headquarters established.

FARMERS MADE PROFIT IN CROPS IN LAST YEAR

Washington, June 23—The country's major crops of last year are reported by the department of agriculture as having returned profits for the farmers.

The average 1924 crop of producing wheat on 4616 representative farms was placed at $1.22 a bushel, compared with an average sale value of $1.43 a bushel. The average corn crop on 7531 farms was 82 cents a bushel against a $1.10 bushel sale value and, oats on 5509 farms cost 50 cents a bush el and a sale value of 57 cents.

Average production costs for potatoes in different parts of the country were below the average selling price, but less than the 1923 margin.

Labor of the farmer and his family on a rental basis were included in cost figures.

In the early potato section, the average cost was $80.01 an acre and the average sales value $143.09 an acre. The north central group states showed the lowest margin the Denney consignment from Albany, McMinnville, Forest Grove, Sheridan, Portland, and other outlying points where contracts are held or fruit available. The first lot of cherries will be received at the Kings plant today and if the receipts within the next few days are large enough, the first cars will go out this week. Otherwise shipments for the market by carload lots will go Monday and Tuesday.

The Denney people will handle all of their deal on a guarantee plus basis to the grower depending upon the prices at which they are sold.

"The present cash price is too low and I think we can get more money," Hirsch declared this morning. "It is too early to predict the price, but whatever advantage we get will be proportioned to the grower. In the deal we just closed at The Dalles the farmers netted 14 cents, but whether the price for the deal here will be more or less it is too early to say. It is safe to say, though, that with the condition of the market, there is every indication that we will get a very good price."

The King plant will be used exclusively for the handling of the Denney deal. Complete equipment has been installed and every facility possible to expedite the handling and service to the growers has been provided.

"We would like to correct a false impression that seems to be current," Hirsch declared this morning. "There is no question of ing next year or any other year, whether the Denney firm is com- We are here to stay and we will come here every year as long as there is business in the valley. This year we would have handled a hundred cars if the fruit had been here to get and we will be back again next year to take whatever is on the market for us."

PROSPECTS FOR CHERRIES GOOD STATES DENNEY

Cherries from the districts east of the mountains which have recently flooded the eastern markets have been cleared away and the market will be bare within ten days to provide an excellent market for the crops of this district, is the statement of Roy R. Hirsch, western division manager for the Denney firm, who arrived in Salem yesterday to direct handling of the Denney deal here. Headquarters for the Denney packing was established this morning in the old King's Products plant on North Front street. Telephone number at the plant is 291.

The Denney people are ready to receive all available black cherries and will take any amount of satisfactory quality that is offered in addition to what they have already signed, according to Hirsch. Salem is to be the only shipping center for the firm and will receive between cost and value. The average cost being 31 cents a bushel and the price received averaging 42 cents.

CONFESSES PLOT TO HAVE WIFE MURDERED

Concordia, Kan., June 23.—The sheriff of Cloud county confirmed today reports published in Kansas City that Charles B. Davies, wealthy retired merchant of Concordia, had confessed he had conspired with Kansas City gun men to kill his wife.

Mrs. Davies recovered from an attack made on her last October by gangsters.

Davies was released on $5000 bond for appearance at an arraignment Thursday.

GREAT DEMAND FOR BARRELED BERRIES EAST

The heat wave in the middle west and east which ended the strawberry crop there prematurely has caused a terrific demand for barrelled frozen goods from the coast, is the report of local brokers who are buying to meet the market. With the strawberry deal practically over here shipments on the frozen berries and canned stuffs has shifted to raspberries and blackberries but there are several lots of the strawberries yet to go out from here.

Blackberries are netting a better yield than was at first anticipated, is the report of the buyers. Shipments of them will go east both canned and frozen.

The market for pears is showing increased signs of strength and indications are that there will be a good demand. The present difficulty is that buyers have not yet boosted the price up to the point that canners are being forced to ask in consideration of the price of the fresh fruit.

Packing for the California-Lyons Glaze fruit company will be handled in the Albers warehouse, a half block west of the Marion hotel, it was announced this morning by Claude McKinney who is handling the cherry deal for the California firm here. The cherries are being received now.

No prediction is available now of the tonnage that the Lyons company will pack this season. The market is good for the glazed fruit and the quality of the cherries now being received satisfactory, McKinney declares. E. G. Raas who has their deal here for the past several seasons is not expected to come here this year.

S. D. CONSIDERS ONE HOUSE LEGISLATURE

Pierre, S. D.—South Dakota, first state in the union to adopt the initiative and referendum, and first state to establish a system of rural credits as a branch of government, is interesting itself seriously in another governmental innovation—a one-house legislature.

The unicameral legislative reform is propose and sponsored by Robert Emmett Towdell, a veteran democrat and state senator, but it has gained support from so wide a range of political thought in the state that it already looms as a major issue in the legislature of 1927.

Salem Markets

Compiled from reports of Salem dealers for the guidance of Capital Journal readers. (Revised daily.)

Wholesale Prices

Grain, No. 1 white wheat $1.45; No. 1 red wheat $1.43 (sacked).

Meat: Top hogs 13¾c; sows $9.50@10.50; dressed hogs 17c; top steers 6c; cows $2.50@5.00; bulls 3½@4c; spring lambs, 80 lbs. and under 9@9½c; heavier 8½c; veal 7@7½c; dressed veal 12½c.

Poultry: Springers 16&22c; light hens 15@16c; heavy hens 18@20c old roosters 6c.

Butterfat 43c; creamery butter 17@18c; eggs 26c; standards 28c; selects 30c; milk $2.20 cwt.

Vegetables and fruits; Cantaloupes $4.50; watermelons 3¼c lb.; cherries, early eating, 8c lb.; gooseberries 4c lb.; oranges $7.75@8.25; lemons $9.00@9.50; grapefruit $7.75; bananas 8½c lb.; pineapples $2.50 per doz.; apples, extra fancy Winesaps $4.00; asparagus $1.25@1.75 box; peppers 30c lb.; peas 5c lb.; new potatoes 3¾c lb.; spinach 7c lb.; bunched vegetables, beets, carrots, turnips, local 40@80c; beets, carrots, onions 30@60c; radishes 25@40c doz. bunches; tomatoes $2.50 crate; Mississippi tomatoes $2.50 lug; hothouse tomatoes 20c lb.; green beans 12c; lettuce dry pack crate $1.25@1.75; doz. 60c; cucumbers, per doz., hothouse $1.15@1.75; rhubarb, local 4c; celery, California new crop per dozen $1.25; old potatoes, $3.50; sacked vegetables beets, 3½c; new carrots 4½c; rutabagas and turnips 3½c; onions crystal wax, per crate $3.75; California red, per cwt., $5.50; local cauliflower $2.00 crate; strawberries $1.75@2.00; California apricots $2.25 for 4 basket crate; canning, $2.00; plums $2 for 4 basket crate; home grown cabbage 4c; new yellow onions, 6c by the sack; fresh parsley 60c dozen.

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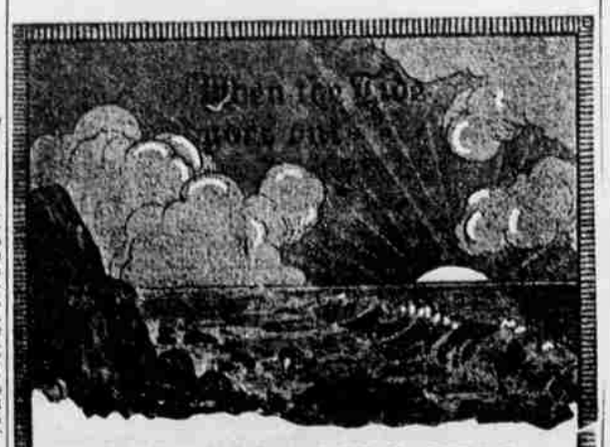

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