LOCATING THE FINANCIAL LEAKS THAT TAKE THE PROFITS OUT OF FARMING

By DAN H. OTIS

Director Agricultural Commission, American Bankers Association

TNDUSTRIAL lines suffer because of inefficient firms, whose officers cling to old methods and place goods on the market, even at a loss, to compete with the more efficient institutions.

Agriculture, too, has this problem to face. We find farmers who fight new methods. They retard the prosperity of other farmers by throwing on the market poor quality products, frequently produced at a loss.

The nature of the banker's business

places him in a position to help this type of farmer as well as the more progressive farmer. At the same time the banker can assure himself of good loans based on the farm as a going concern.

A study of the investments, sources of in-come and expenses of the successful farmers in his community will give the banker a measuring stick by which to gage the haz-ard entailed in furnishing loans to other farmers. This study is readily accomplished through the use of summaries of farm records. In the absence of good records, survey blanks which can be obtained from the agri-

cultural colleges, may be used for collecting the information. A banker in a dairy district would use data similar to Farmer A's summary in the following table as a measuring

B:		
Farm receipts	A \$5,465 2,122	Farmer B \$2,214 1,079
Rec'pts above expenses Interest on total invest- ment @ 5 per cent	\$3,343 1,070	\$1,135 989
Net income after de- ducting interest	\$2,273	\$146 130

Total investment ... \$21,400

Operating capital (machinery, livestock,
equipment) ... 5,862

Number of cows ... 18

Investment in cows ... \$2,302 \$1,205 The total investment of Farmer A

is moderate with a large percentage (27 per cent) of operating or working capital. Farmer B is low in operating capital. The number of cows is also low, which is reflected in the farm receipts, these being \$3,251 less than those of Farmer A. The expenses of Farmer B, although about one-half of those of Farmer A, are, nevertheless, high in the ratio to receipts. The only way to safeguard a loan

to Farmer B is to consider assets and not income. Before any loan should be considered at all the banker and the farmer should go over the situation, uncover the leaks and outline a definite program of improvement.

Diversity of Business Good Sign

Income from crops ... \$1,476 From dairy products . 2,343 Sale of livestock (in-cluding increased in-ventory)

A good diversity of income serves to protect the farmer against years would hasten tremendously the day of

sity of income. Notice that the leading source of income, dairy products, constitutes less than one-half of the total income. The various enterprises that make up Farmer B's diversity of business all show marked decreased

Quality of Business Shows Leaks

Receipts per cow..... \$130 Receipts per livestock units other than

Under the heading, "Quality of Business," Farmer B shows that his cows are bringing in \$62 less per year than Farmer A's. The \$68 a year which they are producing is undoubtedly below the cost of feed and keep. The income per live-stock unit is still worse, and while this farm needs more cows to increase its volume of business, it would be financial suicide to invest in the same type of cow. This poor farmer must weed out his poor cows and feed the balance properly to get results before money is loaned to him to increase his herd with good stock.

An analysis of the farmer's records will bring out many other leaks which the farmer may not have noticed. He may be paying high prices for feed when less money spent for fertilizers Farmer Farmer and lime may enable him to raise the 1,476 2,343 153 and stop this drain on his pocket

Barring temporary emergencies farm loans handled on the basis of income, indicating a going concern, of over-production of any one farm a permanent and prosperous agri

Slowly to Johnson

Bampel Johnson gained little money

when he compiled an English diction-

ary, but the work served to make his

reputation secure. He had been in

London ten years, living obscurely as

a back writer and slowly winning a

reputation when he was given a

chance to prepare the dictionary, for

It took him seven years to complete

the tremendous work and he had to

pay several assistants. The work is

remembered not because of its merits,

but largely because of Johnson's letter

to the end of Chesterfield, who had

rebuffed the editor until he heard the

dictionary was nearing completion and

then hoped to be regarded as one of

Upon the publication of the diction-

ary, Johnson was given recognition as

the greatest fiving figure in English

literature. Fielding was dead, Rich-

ardson was living in retirement, Gib-

bon was in Switzerland, Gray and Cowper were publishing little. John-

son was bailed as England's greatest

scholar. The honor had been slow in

coming, for 18 years had passed since

he had left Lichfield to make his for-

Freight Bureau Reduces Timper Hates

Olympia, Wash. - Heading off the

pending investigation by the depart-

ment of public works into the meth-

ods of scaling logs for freight rate purposes, with a view of prescribing

a fair method, S. J. Henry, represent-

ing the North Pacific Coast Freight bureau, filed a new tariff of log scale

computations, effecting a material re-

duction from present rates. All prin-

cipal railroads of the state are includ-

ed in the filing, effective September 1.

Truth at Any Price

Each man should learn what is

within him, that he may strive to

mend; he must be taught what is

without him, that he may be kind to

others. It can never be wrong to tell him the truth; for, in his disputable

state, weaving as he goes his theory

of life, steering himself, cheering or reproving others, all facts are of the

first importance to his conduct; and

even if a fact shall discourage or

corrupt him it is still best that he

should know it, for it is in this world

as it is, and not in a world made easy

by educational suppression, that he

must win his way to shame or glory.

-Pobert Louis Stevenson,

tune in London.-Kansas City Ştar.

the benefactors of the scholar.

which he was to receive \$4,500.

Literary Fame Came

Great Ones of Earth

Not Always Imperial I have met regultles, informally and formally, and always as a simple citizen sociably inclined. They luipressed me that they are rather wistful creatures whom no one would ever suspect of royalty without being told. I make one exception, an Afri-

can, the king of Wallo-and he sent a tremor through me with a single flash of the eye at the instant of his complete humiliation.

A very impressive queen called on me in the wilderness somewhere southeast of Lake Eyassi in what was then German East Africa. She came at nightfall with beating drums and a bodyguard of powerful warriors armed with shields and spears. Behind her walked two handmaids, and slaves carrying pots of wild honey and ground nuts as gifts for my askaris. This lady was a genuine queen and respected and obeyed as such But she was rather fat, and waddled as she walked, and her only garment was a single string of blue bends hanging about her creased hips. She was as coy in our interview as a playful spinster.

I have in my possession a beautiful little gold watch presented to me by an authentic princess of distinguished royalty. There is no doubt that among those who know her she is one of the most beloved bearers of title in Europe; yet at that time she was seriously considering abandoning her title, since it was an embarrassing impediment to travel,-William A. Anderson, in Adventure Magazine,

No Superlative

An English teacher was making it a practice of giving an 8A class a review of a certain point in grammar each day. One day she said, "You may compare the adjectives I shall give you.

The entire class looked puzzled. To the first girl the teacher said, "high." There was a little pause and finally in a little hesitant voice, the girl said, "hello,"

Rainbow Division Plans Parls Meet, Des Moines, Ia.-Plans for a pilgrimage to France in 1928 to celebrate the 10th anniversary of Champagne, St. Mihiel and Argonne were launched by the veterans of the Rainbow division at their annual reunion here. An invitation to Paris or Nancy, France, has been received from the French government.

Mother Ants Employ Babies as Needles

"A baby that you sew with, a baby that's needle and thread-child labor

with a vengeance, eh?" The naturalist closed a book by a brother-naturalist, Glenwood Clark. "Glenwood Clark tells all about it here," he said. "The baby I refer to is an ant, not a human being. In the chrysalis or baby form this ant se-

cretes a silk, and with that silk its mother sews the leaves together to make the ant nest, using the baby itself as a needle, mind you. "The ant nest is built on a twig rather high up in a tree. The leaves that form it are held together by

one group of ants, while another group

-mothers armed with their babies-

does the sewing. "They hold their babies in their claws. They press the tiny heads against a place where two leaf-edges join. The heads deposit on the leaves their cobwebby silk, and then they are moved across the leaf joint, needle fashion, back and forth, and as they

move they make a thread. "In this manner, thanks to the needle-and-thread bables, the ants' nest is soon ready."

The Journey of Life.

When about to undertake a journey we consider the way, the people, and the conveniences of travel, and try to meet their requirements in advance. An effort is made to learn what we can from the reports of those who have traveled that way, and we accordingly supply ourselves with accessible literature pertaining to it. This is the course that wise people follow, but there are many inconsiderate ones who give no attention to sane preparation, and therefore get confused respecting the course, get off at uninteresting and dangerous places, suffer much inconvenience, and derive little benefit. Therefore, let us give heed to the proper beginning of our journey.-Psychological Magazine,

Governor to Set Date of Election.

Salem, Or .- The federal constitution makes it incumbent upon Governor Patterson to issue writs of election to this year, fill the vacancy resulting from the recent death of Maurice E. Crumpacker, representative in congress from the third Oregon congressional tor. district, according to a legal opinion prepared by the attorney-general at the request of Governor Patterson.

Plea for Brotherhood

What a great and glorious world this might be if we always kept the attitude toward one another which and earthquake. Oh! The pity of it that we walt for some colossal disaster to awake us to the real spirit of universal love .- & Th is

The Churches **Baptist Church**

Sunday school at 9:45 A. M. The right education of the young was never so important as it is today, and perhaps never so difficult.

Divine Worship at 11:00 A. M. Young Peoples Meeting at 7:00 P. M. Education is shifting from discipline and information to experience; the expert is in great demand, he is the expert is in great demand, he is now defined as the fellow who is away from home.

Song and Praise service at 8:00 P M. Topic for consideration, "Some Problems of Modern Youth and How to Overcome Them!" Young Peoples Prayer meeting Tuesday evening at 8:00 P. M. Next Thursday evening our regular monthly business meeting, reports of officers and committees a very interesting part of this

All ought to be in christian work of some kind. You are cordially invited to our services. REV. E. M. BOLLINGER, Pastor.

31 Years Ago

July 31, 1896

George Martin and Owen Rusie drove down to Pendleton Wednesday. Born-In Athena, July 29, 1896 to Mr. and Mrs. Harden, a girl, weight 14 pounds.

William Russell claims the honor of bringing to market the first load of this season's crop of wheat. It is graded at No. 1, and is stored with Dave Taylor, agent for the Hamilton-Rourke warehouse system.

Johnnie McKay is ill with typhoid fever in Pendleton. Nothing serious is apprehended and he will soon be able to be up.

The editor is under obligations to John Duffy for a fine lot of trout. John is another one who never fails to get a basket full.

A. J. Parker informs us that his three children, who are with their mother on a visit in the Willamette valley, are ill with whooping cough.

The band has dispensed with the services of Frank Henry as instructor. Mr. Henry has accepted an engagement with Bingham Springs or-

The Press is in receipt of the Eastern Oregon normal school catalogue for 1896. It is from the press of the Weston Leader and like all work turned out by that house, is A 1.

J. W. Chapman, the painter, has just finished painting Joe Rainville's new residence, south of the city. Mr. Chapman is a first class workman and always gives satisfaction.

Mrs. Harvey Whiteman is now at the home of Tom Mosley on the mountain southeast of Weston, and though she is very weak, she hopes to be benefitted by the trip. Mrs. Whiteman has been a sufferer for several years.

Jinks Taylor, Charles Henry and Quill Gerking will assist Dave Taylor on the Hamilton-Rourke platform

William Wilkinson is preparing to receive a goodly portion of this season's crop at the Pacific Coast eleva-

Wood is coming from the mountains with a rush. Now is the time to lay in a supply.

Hugh Robie and wife have returned from a camping trip on the North Fork of the Umatilla. Plenty of fish found their way into the frying pan and Hugh killed a bear, preserving prevails in the hour of fleed and fire the pelt. Bear are reported plentiful in the mountains this year.

Monday night someone entered Wells' saloon and got away with revolvers and some change, which was left in the cash drawer. Entrance to the building was made by prying open the back door, and bursting the night latch.

The merry and thrilling whistle of "Bob White" greets the ears of our citizens every morning from the cool shades of the grove below town. The Eastern quail is with us and if the Topic, Repeating the Life of Christ. man and small boy with a gun will not kill them, in a short time there will

Pendleton **Marble and Granite** Works

A Hometown Business for Local People

Special Prices for July All Work Guaranteed T. L. REEDY,

Successor to T. A. Wyle

You Always Have a Good Time at

Bingham Springs

We Always Treat You Right

Dolph Thompson, Manager Gibbon, Oregon

Hey! You Harvesters!

We Can Fit You Out

In Work Shirts, Overalls, Jumpers, Sox and Gloves

The Kind You Want at the Right Price

Good health is the greatest possession you and your family can have. Be sure and keep it. The best safeguard you can have is to eat good foods. When your foods come from our store you can depend upon them being fresh and pure. The quality will be high but the price will be right down as low as our good quality can be sold for. Give us your grocery order today.

STEVE'S GROCERY

Quality Quantity, Service.

Phone 171.

Athena, Oregon

The Athena Hotel

MRS. LAURA FROOME, Prop.

Courteous Treatment, Clean Beds Good Meals

Tourists Made Welcome

Special Attention Given to Home Patrons

Corner Main and Third Athena, Oregon

Department Store

insurance, real estate farm loans at lowest rates

B. B RICHARDS,

J. L. Harman Blacksmithing

We Carry the Pendleton Machine Works Hinged Weeder Main Street Athena, Oregon

Bell & Dickenson

Two Auto Truck Drays Always At Your Service

HAULING

and Horse Team Work

Foley's Kidney Cure makes kidneys and bladder right

Continental Oil Company Prompt Service Always

Bryce Baker, Agent Phones 761 and 31F11, Athena

THE KILGORE CAFE

GERALD KILGORE, Proprietor

FRIGIDAIRE COLD DRINKS

Malted Milk, Sodas, Coca Cola, Root Beer, Sundaes, Ice Cream, Bricks, Dixies, Eskimo Pies, etc. Gerald Kilgore, Proprietor - - Athena, Oregon

THE ATHENA MARKET



We carry the best

Meat That Money Buys

Kippered Salmon, all Kinds of Salt Fish. Fresh Fish, Oysters, Crabs, Clams, Kraut in Season. A. W. LOGSDON

Main Street

Athena, Oregon.

The Lumber You Need

If you are planning alterations or additions to your building, let us give you an estimate on the Lumber needed. You will be pleasantly surprised at the reasonble total we will quote.

Wood and Coal Fence Posts

Tum-A-Lum Lumber Co.

Main Street, Athena