

BEAVERTON ENTERPRISE

LARGEST CIRCULATION IN EASTERN WASHINGTON COUNTY

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Business and Financial Outlook For 1937 By Roger Babson

Thumb-nail Sketch of Roger W. Babson's 1937 Outlook

Business: Eight Per Cent Gain for Year.

CONGRESS: Will Not be Harmful to Business.

REAL ESTATE: Sharp Improvement—Rents Higher.

BUILDING: Boom in New Homes, Year's Feature.

STRIKES: Possibility of Grave Labor Troubles.

LABOR: Higher Wages and More Jobs.

FARM PRICES: Spotty—Total Farm Income Higher.

LIVING COSTS: Clothes to Lead Sharp Advance.

RETAIL TRADE: Big Year Best Since 1929.

ADVERTISING: Boost Quotas Ten to Twenty Per Cent.

STOCKS: Higher But Good Selection Vital.

BONDS: At Ceiling—Watch Money Policy.

FOREIGN: No European War in 1937.

SUMMARY: First Year of Prosperity Since 1929.

Babson Park, Mass., January 1, 1937.—I predict that 1937 will be our first year of real prosperity since 1929! It will be a year of genuine business expansion, considerable real estate activity, constant labor troubles, shortages of skilled workers, rising prices and living costs and brisk retail trade.

Nearly every line will enjoy good gains in both volume and profits with the heavy industries showing the greatest percentage improvement. Tuck this forecast away for a check-up next December and I predict that you will find general business around 8 per cent above today's figures and not far from the 1929 peaks!

BUSINESS AT NORMAL

A year ago at this time my forecast was: "By next Christmas general business as measured by the baton-chart, should be hugging the 'X-Y' Normal Line and heading into another period of prosperity." Statistically, that is exactly where business is today. We are right square on normal.

1936 REMARKABLE YEAR

The year just closed has been a remarkable one in many ways. While it is generally believed that elections do not change the basic course of business, most analysts concede that they are temporarily upsetting. The tide of recovery was running so strong in 1936, however, that it swept over every obstacle and washed out the old year in a burst of glory.

There are scarcely any figures on record that can match 1936's steady gains in jobs, payrolls, industrial activity, profits and dividends. Topping off the year was a real post-election boom. Wave after wave of wage boosts and bonuses and dividend increases and extras lifted Christmas trade back to old-time levels.

Eight Per Cent Gain for 1937

The momentum picked up by this surge of buying will carry into the New Year. Business in 1937 will be better. My estimate is for a 10 per cent gain in the first six months over the initial half of 1936. It is harder to make a definite prediction for the second half, but I think a 5 per cent gain over the closing months of the old year is within reason.

This would put my Babsonchart index about 5 per cent above normal by the Fourth of July and approaching 10 per cent over normal by next Christmas. The entire year's gain should average about 7 to 8 per cent above 1936. Business will be above the X-Y line—in other words, in a prosperity era—for the first entire twelve month period since 1929! Unless

Labor Holds Whip-lash

It is seldom that there is no "unless," 1936 was an exception. Then there was no "but" to my bullishness. Today, however, there is one major question in my mind—the labor problem. If this issue is not handled properly, business could receive a very rude setback. Workers are in the most strategic position today they have ever held.

Labor leaders can tie prosperity in a knot if they call a general walk-out or they can give prosperity a boost if they keep their heads. Do not misunderstand me. I am not predicting grave labor tie-ups, even though current situations do look threatening and even though there will be a big increase in the number of strikes. I merely say that if labor leaders try to push too far and too fast in their demands for higher pay and shorter hours, we are in for serious trouble.

Four New Factors

There are four new factors in the picture today which gives labor such a strong hold on industry. First, is the tremendous gain in industrial production and profits. Second, is the steady rise in living costs. Third, is the big gain in labor influence as indicated by the election results. Finally, there is the "powder-keg" row between the Lewis and Green factions. These factors, particularly the latter, all increase the tension of the situation.

The real key to this puzzle is the Administration and its policy toward labor. If trouble should develop, Mr. Roosevelt with his almost unanimous backing could swing the tide of battle in whatever direction he wished. Because of the President's unprecedented worker-following, the outlook for labor troubles depends to a large extent on Washington.

Congress Not Harmful

In fact, much depends on Washington as far as most problems are concerned.

Not so many years ago it was the vogue to take careful soundings in Wall Street before making an annual forecast. Today the most important preparation for any outlook letter is to drop the lead-line in the Potomac. A fortnight before Christmas, I visited the Capital. Experienced observers there believe that the President may have more trouble than the public imagines in holding his huge Democratic majority together.

The Washington consensus is that Congress will not be harmful to business in spite of the voter's roar of approval of the New Deal. There will be a lot of barking but little biting. The emphasis of the coming session will be on perfecting legislation already passed and adding a few amendments thereto. I doubt if a hamperful of new reform laws will be jammed through.

Bond Inflation to Continue

It will be two years before another election and the average Congressman will be worrying less about his constituents and more about the Constitution. Along this line, I expect to see a big improvement in federal finances. An effort will be made to cut expenses. Relief aid will be continued but not on the bonodoggling scale of the past three years. The government's income should rise steadily as 1937 works along. But despite Washington forecasts to the contrary, I doubt if the gain in revenue or the slash in expenditures will be sufficient to bring the budget into balance by June 30, 1938.

This means that inflation will gain ground this year. It has already taken big strides in recent years although the general public is entirely unaware of it. Public debt has grown \$16,000,000,000 since July 1, 1933. Tax receipts have doubled since 1933. Still the Treasury is forced to raise funds to pay the public bills by selling government bonds. This money finds its way into the banks in the form of jobholders' or contractors' deposits. The bank then "invests" these deposits by buying more government bonds.

The cycle repeats itself over and over again, building up bank deposits and ballooning the public debt. This is camouflaged inflation. It will continue in 1937 aided by another form of inflation—the check or credit type, similar to that which we had in 1929. When all is said and done, every one of the various inflations has the same effect—the boosting of prices and the speeding up of business and building activity.

Sees Home Building Boom

Four years ago the building of a new home or factory was a relatively rare sight. Only eight homes were built at the depression low in 1930 where 100 were built in 1929 and where fifty are being built today. Home building is a typical capital goods industry. It is a direct thermometer of public confidence. Once confidence returns there is a veritable stampede to take advantage of real estate bargains and to get under the wire on building costs. A feature of 1937 should be a real boom in home building.

Non-residential construction, aside from public works, should also enjoy a big gain. Plant expansion or modernization is a necessity for many concerns. Prices of building materials are on the verge of a sharp mark-up. Demand for skilled building mechanics will soon be reflected in higher bids on jobs. Bargains in existing structures are pretty well picked over. If you must modernize, renovate, repair, or build, let out your contracts NOW!

Extend Leases Now

The same applies to rents. If you have a favorable lease extend it NOW for a five-year period. After a 10 per cent advance last year, rents will probably increase another 5 per cent in 1937—maybe more in well-located areas. With the optimistic prospect for building and rents, I look forward to a profitable year for real estate men with rising values and with activity at least 20 per cent above 1936.

Where to Get Jobs

The 3,000,000 heavy industry workers who are still jobless should dwindle to 2,000,000 by the end of 1937. This would leave only 6,000,000 out of jobs next December and of this number 4,000,000 are the floating jobless or are unemployable. By far the best bet for new jobs will be in these industries. My advice to young men looking for a job today is to learn a building or machinery trade or to join the sales force of a building materials or machinery concern!

Sees Rising Prices

Three years ago higher costs would have meant slimmer profits. This year they will mean higher selling prices. This holiday season we are waving good-bye to a buyers' and employers' market. For the first time since 1929, we shall see prices during

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It is estimated that over 500 attended the program given by the Alameda school at the grange hall. On the program was a play "First Christmas in Oregon" by pupils in Mrs. Kearney's room; operetta "at the Court of Santa Claus" by pupils from Miss Grand and Mrs. Whitehead; play "Christmas Stocking" direction of Mr. Haas; "The Christmas Card," Mrs. Macks room; "What the Fire Told" beginners in Mrs. Barker's room. The costumes were colorful and lovely and the children showed careful training.

Don't accept substitutes—Buy the advertised article.

Long Wed



Mr. and Mrs. C. E. Thorne, Route 8, Box 1141, Portland, have just observed their 50th wedding anniversary.

With their sons, Jay H. Thorne and Calvin E. Thorne Jr., and two grandsons present, Mr. and Mrs. C. E. Thorne, route 8, box 1141, recently celebrated their golden wedding anniversary. They were married December 22, 1886, at McCook, Neb., and have been residents of Portland 24 years. Both are active in a business they operate.

Restitution Fails to Avert Theft Charge

An effort by Arlio Beck, 30, of Gaston, to restore loot assertedly stolen by him from the Peter Zimmerman pool hall and beer parlor at Gaston failed to keep Beck from going to jail. Zimmerman found on the morning of December 23, that his establishment was robbed of \$36 and two watches, and obtained a warrant charging burglary not in a dwelling, only to be visited a short time later by Beck who returned about \$30 and one watch, according to Sheriff Connell and Deputy Busch, who were summoned.

Beck is in the county jail under \$500 bail.

County Employs Nurse For New Health Unit

Mrs. Clara Ingebreton of Portland, has been given a contract as county nurse of Washington county, County Judge D. T. Templeton revealed. This is the first step toward the formation of the new county health unit. Another nurse still remains to be hired as well as the department physician. Templeton said. Mrs. Ingebreton now is employed with the visiting nurses of Portland hospital and comes well recommended due to her experience in public health work. From 1930 to 1934 she served as county nurse of Douglas county and then was superintendent of nurses at the Oregon Tuberculosis hospital at Salem and in the Eastern Oregon institution.

School Census in Washington County Shows Gain

Washington County has 9779 children of school age, those between the years of 4 and 20, according to a county census just completed, states O. B. Kraus, county superintendent. The total is made up of 5080 boys and 4699 girls is over the 1933 figure of 9347. Those counted in towns and larger districts were as follows: Hillsboro 1237, Forest Grove, 775; Beaverton 561; Tigard, 469; Aloha-Huber 452; Mettger 230; Sherwood 214; Tualatin 204; Garden Home 169.

Officers Dump Brandy and Ducks Get Drunk

Lodi, Calif.—Abraham Bechtold was fined \$150 for the illegal possession of 52 gallons of brandy which officers confiscated and dumped on his property.

When Bechtold returned home after paying his fine, his 100 Mallard ducks were drunk in degrees varying from being asleep, to lying on their backs, staggering around, waddling uncertainly and lying in mudholes.

Alfalfa Seed to Cost More

Alfalfa seed will cost Washington county farmers more money in 1937 than it has for several years. Due to an extremely short production in the territory where the seed supply usually comes from the price on the grade and quality of seed Washington county growers have been demanding will be up to almost what it was six or seven years ago.

Seed will undoubtedly be offered to the local trade at prices under that asked for the certified Grimm that growers here are accustomed to. Local growers have proven that when they use certified seed from regions known to produce hardy, vigorous strains of alfalfa their chances of a satisfactory crop and stand are much greater than when uncertified seed is used.

Past experience on field seedings and demonstration plantings has shown that while occasional lots of uncertified alfalfa seed may occasionally prove satisfactory that it cannot be definitely depended upon. Growers here generally have become converted to the idea of buying only seed that is certified. Because the probable price the coming season may be considerably higher than that of uncertified stuff there may be a tendency to buy the cheaper seed. If past experience means anything it would indicate that the purchase of the cheaper seed that is uncertified may mean that it is higher priced in the end.

Some farmers are already making their needs in the alfalfa seed line known to their dealer connections so that the latter have an opportunity to purchase the quality of seed their trade is going to demand. There was in the past season a considerable crop of alfalfa seed harvested in some sections and owing to a shortage of the crop in that territory producing the hardy certified strains our growers have become accustomed to using there is a probability that seed will move into this territory from regions from which we ordinarily have not bought.

Eastern Star Install Officers Sunday Evening

Installation of officers of Beaver chapter O. E. S. was held in the Masonic hall Sunday evening, following a potluck dinner for members and friends. Mrs. Dora E. Stipe, Associate Grand Conductress of the Eastern Star, was installing officer, assisted by Myrtle Felsher, retiring matron. Ruby Janssen, Grand Chaplain, Emma Garriah, Grand Marshal, Raymond Ferry Grand color bearer, Myrtle Felsher, Grand Organist. The following officers were installed: Worthy Matron, Bertha Williams; Worthy Patron, John Felsher; Associate Matron, Bess Lacy; Associate Patron, Fred Goyt; Secretary, Margaret Denney; Treasurer, Lia Marsh; Conductress, Mildred Rosebraugh; Associate Conductress, Madge Ellander; Chaplain, Eunice Murray; Marshal, Evelyn Alexander; Organist, Irene Barnes; Adah Mabish; Goyt, Ruth, Stella Ellis; Martha, Minnie Scheone; Electa, Ethel Phelps; Warder, Veda Scott; Sentinel, Sam Fetter.

Ida Felsher, daughter of the Patron, and Evelyn Williams, daughter of the Matron, were flower girls. The installation ceremony was interspersed with musical selections. Evelyn Williams and Wilber Janssen played accordion duets. Tommy Thompson sang several solos accompanied by Mrs. Bonnie Hansen.

Mrs. Myrtle Felsher was presented with a past matrons jewel from the chapter. Mrs. Emma Garriah making the presentation. Mrs. Williams presented each of her officers of the year with a hand made purse. Mr. Ellander, the outgoing Patron, was presented with a gift from the outgoing Matron, Mrs. Felsher. Mrs. Felsher also presented a ritual to Mrs. Williams from the chapter. Mr. Felsher was presented with the same gift.

There was a large number of 1937 matrons and patrons and other visitors present to witness the ceremony.

The Court House

Happenings of Week at The County Seat

By Rose Cave

The following Circuit Court Orders Have been signed by Judge R. Frank Peters and Filed with the Clerk

W. A. Wheeler vs Minnie Bonham, et al., order confirming sale of real property.

Rowena Ketcham vs Charles W. Ketcham, decree of divorce. First Security Bank vs Arnold Struffler, default and judgment.

William Tupper vs A. B. Garrigus, et al., order of dismissal. Iris Wahner vs Arthur J. Wahner, default and decree of divorce.

Wilma Jones vs Wallace Jones, order of reference for testimony. Lilly Ekenkrantz vs Eggon Ekenkrantz, order of publication of summons.

The following probate orders have been signed by Judge D. T. Templeton and filed with the Clerk

Phillip L. Schaeffer, order to issue citation.

R. L. Wildman, approving inventory and appraisement.

Williamina D. Jesse, closing estate of record.

Frank Bennett, appointing appraisers.

Bridget Bauman, fixing date of hearing objections to final account.

John E. Bailey, order to sell personal property.

J. S. McNeill fixing time of hearing objections to final account.

Henry Weaver, appointing commissioner to take testimony to will.

James R. McPoland, closing estate of record.

Marie Fuhrer, order of publication.

Victoria A. Anderson, closing estate of record.

W. P. Scheets admitting last will and testament to probate and appointing Orville H. Scheetz, executor.

Grace A. Wood, closing estate of record upon filing receipts.

Anna L. Ramsdell, closing order in estate.

Millard F. Ayres, order to sell personal property.

Marie Schuman, authorization to assign mortgage.

New Suits Filed This Week

Suit to collect \$2500 general damages and \$7500 punitive damages was filed this week by George Heppner against Charles A. Boyer, and Thomas Pearson Mills. The suit is an outgrowth of an assault and battery charge of November 15, in which Heppner alleges he received bodily injuries.

State of Oregon, World War Veterans, State Aid Commission, vs William F. Willings, mortgage foreclosure. Winifred E. Reeves vs George H. Withycombe, mortgage foreclosure.

ARRESTS

A charge of reckless driving was filed against G. G. Pfeifer, of 337 northeast twelfth avenue, Portland, arrested by State Officer Wm. Zoelst at Six Corners on the Pacific Highway after a traffic accident.

Arthur Johnson of Tigard, was taken into custody Monday by A. F. Johnson of State Police, on a charge of being drunk on a highway.

Theft of seven sacks of walnuts from George Withycombe, of near Gaston, on November 28, was cleared last week by an asserted confession on the part of Peter Knight, 29, of Banks, now in jail on a charge of larceny.

Jailed as a suspect and held under \$500 bail for the Withycombe theft, one of a series in that vicinity last month, Knight was reported to have implicated Phillip Speigle, junk buyer of Portland, Speigle has insisted to officers that his only connection with the case was the innocent purchase of walnuts from Knight. He is under technical arrest, states Sheriff Connell.

Bill Adkins, 38, of Hillsboro, was taken into custody this week as being implicated in the theft on a charge of receiving stolen property.

The arms of the law have reached out in Longmont, Colorado, where Earl Murray, also wanted on the theft charge is in jail on a telegraphic warrant. Deputy Sheriff Johnson left Monday night to return him to Hillsboro.

Tuesday Adkins and Knight waived grand jury indictments and plead guilty. Their sentence was postponed to January 8.

McElroy's Plan Big Show New Year's Eve

In keeping with the spirit of the time Cole McElroy, manager of McElroy's Palm Gardens, at 5th and Main Streets, has gathered an array of excellent talent for his spectacular floor show on New Year's Eve, featuring whirled, thrills, speed, and song, favors and all kinds of noise makers will be in abundance.

Mr. McElroy suggests for those planning to attend his show and dance to call ATwater 5780 for reservations now.

... Kiddie Koop Downtown Playroom

A good time for the children . . . Slides, swings, sand-box, sun-lamp, and cribs. Expert supervision. Reasonable rates. Inspection invited. 207 Broadway Bldg., Portland. BE. 1060.

News Notes From Here and There

Christmas Day was a gala event at the home of Mrs. Hattie Ross when a large number of relatives gathered at the dinner table. Outside guests were Mr. and Mrs. J. W. Graham, Portland, and Mrs. Robert Evans, of Wasco, Oregon.

L. L. Meyers will be inducted into office as mayor of Beaverton at a Council meeting on January 4. Robt. Johnston will be the new councilman.

Christmas Day was a sad one for the Seabrook family. On December 22nd Mrs. L. S. Seabrook went to the Good Samaritan hospital with a broken ankle. On Christmas eve, Dec. 24th, her niece, Mrs. Esther Lane, was brought to the same hospital with both legs broken, one just below the knee and a fractured skull suffered in an auto accident. She died 2 days later.

The little 3 year old daughter of Mr. and Mrs. Waldo Flint spent a happy Christmas at home. She had her appendix removed December 18th and was able to return home Christmas eve.

A son, Donald Jack, was born Dec. 18th to Mr. and Mrs. J. A. Simpson of route 1.

Mrs. Wilmet, mother of Mrs. Ruby, is ill.

Santa Claus was a welcome visitor at the home of Mr. and Mrs. Laurence King of route 1. At 10:40 Christmas day he left a 9½ pound son, Robert Jerrold.

Mr. and Mrs. Dewey Drorbaugh and son Earl, drove to Bellingham, Wash., Saturday and visited with Mrs. Drorbaugh's sister and family, Mr. and Mrs. P. H. Rogers, returning Monday night.

Mrs. Sarah Butler with her brother Ed Thomas, spent Christmas day with their niece and nephew, Mr. and Mrs. Davies in Portland.

Mr. and Mrs. O. A. Powell of Portland, spent Saturday visiting at the home of Mr. and Mrs. H. R. Nelson. Mrs. Claire Buxton visited the Whitworth-Evans home Tuesday.

Dewey Drorbaugh and family spent Christmas Day at the J. E. Berger home at Bethany.

Mrs. H. P. Brown and daughter Marilyn and Miss Ruth Filley left Sunday for San Francisco, Calif., for several days visit.

Mrs. Carrie Leward, Seattle, Wash., spent several days in Beaverton the latter part of the week with relatives. Dr. and Mrs. J. R. Talbert and daughters spent the Christmas holidays with relatives at Medford.

Miss Ida Alexander of Bellingham, Wash., is spending the Christmas holidays at the home of her brother Harry Alexander.

Mr. and Mrs. J. O. Osfield entertained Mr. and Mrs. Carlton Lasters at dinner Christmas day.

Mr. and Mrs. Dayton Peck and son Crandal, were Christmas dinner guests of Mr. and Mrs. Jay Gibson.

Miss Maxine Klinge of Gaston, is spending several days at the Jay Gibson home.

Mr. and Mrs. Essex Marsh entertained relatives at dinner Christmas eve including Mr. and Mrs. M. P. Marsh and Mrs. E. Jones of Portland, Mr. and Mrs. Ted Hornecker and son Garry of Coquille and Mr. and Mrs. J. H. McLeod of Beaverton.

Mrs. Eunice Murray and son Carlton spent from Thursday to Sunday visiting relatives at the coast.

Floyd Wallen, wife and daughter Lorraine, were in Beaverton during the first of the week visiting at the home of Della C. Fisher and C. D. Allen.

Mr. and Mrs. J. E. Davis of Omaha, Neb., who spent Christmas with relatives in Portland, were calling on friends in Beaverton Thursday.

Mrs. Dora Stipe installed the officers of the Eastern Star chapter at Troutdale Wednesday evening.

Mrs. C. J. Shively has been confined to her bed by illness for the past week.

W. L. Burke, wife and son Delbert, all of Scholls, were dinner guests at the home of Della C. Fisher Tuesday. Delbert is home from O. S. C. spending the holidays in the Tualatin Valley.

Mrs. Miller and son David, of Goldendale, Wash., are spending the Christmas holidays with Mrs. Miller's son-in-law and daughter, Mr. and Mrs. Otto Keil.

Mrs. Harry Alexander has been staying with her aunt Mrs. R. D. Benham, who is ill at the Portland Sanitarium.

Janice Osfield, small daughter of Mr. and Mrs. J. Osfield, is confined to her home with whooping cough.

Mr. and Mrs. Jay Gibson and Mr. and Mrs. Lee Richey attended a Christmas eve party at the home of Mr. and Mrs. Carl Klinge in Gaston Thursday evening.

Mr. and Mrs. Robert Summers entertained a group of relatives at dinner Christmas day, including Mr. and Mrs. Harris Hanson and daughter Elaine of Multnomah, Mr. and Mrs. Elmer Stipe, Mr. and Mrs. Guy Alexander, and daughter Alexander, and Mike Rhoads.

Mrs. M. C. McKercher, Mrs. Walter Van Kleek and Miss Catherine Van Kleek spent Wednesday and Thursday at Eugene Oregon, visiting George McKercher.

Mr. and Mrs. C. C. Anderson entertained with a large Christmas dinner for relatives at their home in Portland, in which Mr. and Mrs. Walter Van Kleek and Catherine attended.

Mr. and Mrs. Lin Fisk and Miss Lola Chestnut of Cornelius, were Christmas dinner guests of Mr. and Mrs. Sam Olds. Dr. and Mrs. Smith and Miss Mavin Schute of Portland, were supper guests Christmas at the Olds home.

