As Representative Men View Past and Future Business

Northwest May Soon Look for Permanent Prosperity

By J. W. Kahle, President Crescent Manufacturing Company, Seattle.

IT WOULD be difficult to conceive or suggest conditions more favorable to an immediate and permanent prosperity than those now existing in the Pacific Northwestern States.

To our wonderfully diversified natural resources we now have added, it is believed, a stable financial system that will eliminate the fear of recurrent money stringencies as well as the alternating periods of inflation and reckless speculation. It is hoped that the new system will prove to be an effective balance-wheel, resulting in a more evenly distributed prosperity, and the consequent development of the richest of our resources, agriculture, stock-raising, dairying, horticulture and allied industries.

Attention has been too long centered on the development of our cities, to mining, lumbering and kindred quick profit-making industries to the neglect of more conservative, but in the end the more essential and safer line of business, namely, the production from the soil of the actual necessities of life.

The greatness of the Pacific Northwest is to be founded upon these primary resources, to which manufacturing, commerce, mining and lumbering are to be contributory but subordinate factors.

The Individual Opportunity.

The opportunity seems open to every farmer, ranch man, stockgrower and orchardist, to make his individual business a paying one. By increasing the quantity and quality of his crop, by intelligent, careful grading of his output, and the marketing of every pound possible of by-product, as well as principal crop, the volume of food products imported by the Northwestern States can be vastly decreased and the money paid therefor will go to increasing the products of our own producers.

The success of each individual unit in our agricultural communities is essential to the prosperity of the Northwest as a whole, so that prosperity becomes a matter of individual effort to turn to immediate profit the opportunities afforded by existing conditions.

In the movement to build up the farming business, as a business, the farmer should not lose sight of the importance of the local merchant as a factor in the farmer's success. Instead of co-operation among the producers for the purpose of eliminating the local merchant, the co-operation ought to be between the merchant and farmer in a concerted effort to rehabilitate the local trading center, which in turn creates and promotes the local social center.

Co-operation.

Co-operation with the local merchant in the assembling and shipment to larger markets of much produce now going to waste would afford a source of added income to nearly every farmer. The study of improved methods, of selecting, grading and packing, can as well or better be carried on through co-operation with local merchants as with associations managed by organizations in the larger cities.

Local co-operative effort would be coupled with the larger marketing organizations, but the more important feature is the working together of local factors whose interests are identical with the one idea of building up the business and prosperity of the local center, and of the farmer. With a well-arranged and intelligently-directed development of the natural wealth of our Northwest, prosperity cannot miss us in 1915.

Encourage Big Industries; Good Year Will Follow

By A. H. Averill, President Chamber of Commerce.

WE have recently had a report on the crop conditions of the Pacific Northwest and we find that these reports indicate that there has been an increase in the wheat acreage of about 10 per cent. We also find that crop conditions were never better in general at this time of year and there never was as great a foreign demand for wheat and breadstuffs, as at the present time. Sales reports indicate that more than 80 per cent of the available wheat is now sold. This has already brought millions of dollars into this territory and the continual demand for flour will bring a considerable sum of money into Oregon, Washington and Idaho during 1915.

Many small manufacturing plants, that have been idle for months, have resumed operation.

The recent increase in freight rates allowed the railroad by the Interstate Commerce Commission has caused the railroads to place millions of dollars in orders for cars, engines, ties, etc., and many more will follow.

In this section there are several hundred mills manufacturing ties and heavy timber for general construction. These mills have been idle, throwing thousands of men out of employment.

The resumption of railway improvement has already caused a big demand for supplies, which should cause a great many of these smaller mills to resume operation at once. This, coupled with the splendid price and general demand for everything that comes from the farm, causes us to predict a general improvement of financial conditions throughout the Pacific Northwest.

No doubt some good has come from the agitation against the railroads and corporations in general, but we believe the time has come when such agitation should cease and that everything should be done to encourage the railroads and every other line of business to resume operation.

Livestock Industry Will Receive Impetus From War

By D. H. Detchon, Editor Livestock Reporter.

FEW livestock men are complaining of their lot this Winter and the new year comes with many things for them to be thankful for. Of all countries in the world, this country is in best condition agriculturally and this Northwestern country is the best section of the whole country.

We are not only at peace with the whole world, but we are called upon to help feed a half-world at war. Prices of livestock are not as high as they have been, but they are remunerative and there is a market for all food animals that are being offered. Cattle, hogs and sheep are readily taken at this market and a profitable cash price is realized for all offerings.

To produce enough meat animals to supply the world's demand will be a problem for the next year or two, and there is little danger that the market for such animals will reach an unprofitable condition. At the outbreak of hostilities in Europe, gold and food animals were promptly prohibited from exportation and the home supply was conserved for home use. The supply of food animals must be nearly exhausted before peace comes and when peace does come, a few years of breeding up and of raising all the calves, pigs and lambs will be necessary to replace the livestock on the European farms. While the flocks and herds are being renewed in the European countries, these countries will still need to buy meat abroad. Wheat fields can be returned to full production with one seeding, but food animals will not reproduce so abundantly the first year, and we shall have a foreign market for food animals for several years.

Not Expect Big Prices.

We shall probably not receive exorbitantly high prices for the animals we sell and it would not be to the best interests of the livestock industry to have prices prohibitive so as to force consumers to curtail the use of meat or turn to substitutes. We shall have a market for every animal we raise at remunerative prices.

And the difficulties in raising livestock in the Northwest are less than those confronting many sections of the country. The dreaded foot-and-mouth disease did not get a foothold in this section and the outbreaks of hog cholera have not been as severe as they have been in some sections of the East. Serum plants have been established in our own part of the country and clean, effective serum is supplied to the hog raiser at nominal cost, so that he need not fear the cholera if it does appear in his locality. The sheep raiser who will follow the few simple rules of his business will not have stomach-worms, grubs or foot rot in his herds in this country. The sheep business bids fair to be a profitable industry, too, with the consumption of mutton on the increase and the price of wool at a profitable level.

English and French buyers are scouring this country and Canada for suitable horses for their armies and shipping them back to the lands where our foundation stock was procured from and thousands of head of horses have been sold to these governments. The Belgian and Percheron horses in their native countries are not plentiful enough to supply the local demand and the wastefulness of war is causing them to be still more scarce. This condition gives a foreign demand for our surplus horses at a fairly high price, and there will be sale for the horses which we have to offer for some time to come.

Year 1915 Shows Promise, Asserts Commission Man

By H. W. Patterson, Patterson & Co., Commission Merchants, Portland, Or.

IN summing up the prospects for prosperity during the year 1915, we are compelled to say that to us the future looks better than it has at any time in the past two years for a quick revival of business. Poultry prices are now firm and in our opinion will continue to be firm for some time to come.

We are receiving shipments frequently which indicate to us that the entire flock of poultry has been gathered up from the farm and delivered in one shipment. Unless the farmer quickly realizes the handicap this is going to be to him, we predict that the Pacific Northwest will be short of poultry. We attribute this class of shipments to the high price of feed. No matter what the cause may be the farmer should certainly keep enough poultry on hand to supply his needs for breeding and laying purposes for the year 1915.

Hogs are now selling firm and we feel safe in saying that the price will remain firm, due again to the high price of feed. Foreign countries are purchasing great quantities of packed pork and beef and everything indicates that the demand will continue to be great for some time to come even if the war were to close today.

There is now a shortage of veal and we predict that there will be during the entire season of 1915.

The farmer is the backbone of the country and to him and from him must prosperity come. Land prices are much less than they have been, but the productiveness of the soil remains the same. Prices are firmer today than they were two years ago or one year ago. Summing up the prospects from a commission merchant point of view for the year 1915, we must say that money is plentiful for every legitimate purchase, that livestock is now a good price, and will continue to be a good price, and that everything indicates a quick revival of business.

Perhaps the best way we could express our confidence in the future is to say that we are now buying and will continue to buy poultry, hogs, cattle, etc., for cash as soon as delivered to us.

Lumber Industry Should Lose Depression in 1915

By Edward T. Allen, Forester, Western Forestry and Conservation Association.

THE greatest industrial activity of the Pacific Northwest—forest industry—has found 1914 a disturbing year. Lumber has not brought the cost of manufacture and a particularly hazardous forest fire season involved great expense in protecting the raw material. To some extent the depression has been caused by the war and other accidental influences, but a deeper-seated unsatisfactory condition seems also evident and the welfare of the entire community is so dependent upon its great lumbering industry that even the Government has recognized the need of study and remedy. The United States Forest Service and the Department of Commerce and Labor are co-operating with lumbermen in such a study. A similar situation exists in British Columbia.

At a "forest industry conference" held a few days ago in Tacoma, under the auspices of the Western Forestry and Conservation Association, representatives of Federal, state, Dominion and provincial governments met with lumbermen and timber owners from Montana, Idaho, Washington, Oregon, California and British Columbia to discuss forest protection and lumbering problems. Nearly a third of the standing timber in the United States was represented. One of the most prominent speakers, the Chief Forester of British Columbia, summed up the situation as follows:

"The present depression in the lumber industry respects no boundary lines, whether interstate or international.

"In British Columbia, to the same extent as in the Northwestern States, the prosperity and development of the community awaits upon the return of conditions which will allow of the profitable operation of timber industries.

"The present situation is due chiefly to ignorance of the true value of the industry to the community, ignorance of the disabilities under which lumber manufacturers operate, together perhaps with some failure on the part of lumbermen to meet competition in improvement of manufacturing and selling methods. If out of this lean year there develop the remedies which an analysis of the situation must suggest both to the public and the lumbermen, even this year will earn a place amongst the most profitable.

"The paramount position of the forest industries here in the Northwest cannot be stated too often nor in too striking terms. In our commercial fabric it is the warp around which other industries are woven. The production of lumber is the pioneer occupation which opens up the new districts, brings employment, transportation, clears the land, furnishes markets for the settler and brings into the country the wealth upon which other industries are supported.

Industry Ranks High.

"Measured in terms of annual production of wealth the lumber industry both in British Columbia and in the Northwestern States ranks high above its nearest competitors—agriculture, mining and fisheries. In British Columbia of every dollar in the pocket of the wage earner, merchant or financier, 33 cents is from the forest. In Washington, Oregon and Idaho the lumbermen are still more productive—42 per cent of the public wealth of Washington, 45 per cent of the public weath of Oregon and 31 per cent of the public wealth of Idaho is derived directly from the logging camps, sawmills and other forest occupations.

"We in the Pacific Northwest pride ourselves justly on the beauty and size of our cities, upon our growth in population, upon the magnitude and stability of our financial institutions, factories and supply houses and upon our transportation facilities. These institutions are the conspicuous organs of our commercial body. The lumber industry is the heart of that organization, constantly p u m p i n g through it the nourishing financial blood without which it could never have grown, and without which it could not maintain even its present size.

Lumberman's Wealth Travels.

"It is unnecessary to state here that the wealth brought into the country by the lumber industry does not remain in the hands of the lumberman. The lumberman's dollar is one of the world's best travelers; of every dollar, 40 cents goes to transportation companies, 35 cents to labor directly employed in the industry, 15 cents to merchants for equipment and supplies, 10 cents for interest on capital invested. This analysis of the lumbermen's dollar discloses the source of our prosperity.

"The lumberman of this forest region may pay directly each year to transportation companies $80,000,000, to wage earners $70,000,000, to merchants $30,000,000 and for the use of borrowed working capital $20,000,000. This money is later circulated into every portion of the community and forms an important factor in the livelihood of those few people who do not come into direct contact with the lumber industry.

Importance to States.

"I have outlined the importance of the lumber industry at some length for a definite reason. You will have noticed that in the distribution of the wealth produced by this industry, which I gave a moment ago, there was no sum assigned to the lumbermen for profits. This is true at the present time. There are losses but no profits. It is a point to be kept in mind when discussing this great industry. It is an industry which is of far greater importance to wage earners, merchants, communities, counties and states or provinces, than it is to the few men who happen to be charged at present with the control of the timber lands, logging camps and sawmills.

"The manufacture of lumber at the present time is the one great industry of North America which is operating at a serious loss. The situation can be stated in a few words. It costs on the average $15 per thousand to produce lumber. This lumber is now being sold at $10 to $12 per