

# Morse, Neuberger Ask Study of Plan To Merge Long-Bell, International Paper

By A. ROBERT SMITH  
Mail Tribune Correspondent

Washington—Two government agencies, the Justice Department and the Federal Trade Commission, are looking into the implications of the proposed merger of Long-Bell Lumber Co. with International Paper Co., world's largest paper producer.

The investigation was called for over the week-end by Oregon Sens. Wayne Morse and Richard L. Neuberger, after word of negotiations between the two firms leaked out in New York trade circles.

The Wall Street Journal said executives of the companies indicated the merger would not come before April. The financial paper reported that "International Paper Co's negotiations for acquisition of Long-Bell Lumber Co. are part of a long-range plan by the world's biggest paper company to establish its first pulp and paperboard mill on the Pacific coast, according to well-informed speculation."

**Long-Bell Stock Soars**  
Word of the negotiations sent Long-Bell stock skyrocketing last week. Opening on the New York exchange last Monday morning at 37, Long-Bell shot up to 71 by Friday for a momentary peak. It fell back again to 63 by closing time the end of the week.

"Paper industry sources speculated that, if the acquisition is approved, International can draw on Long-Bell's vast west coast timber resources to manufacture pulp and paperboard," the Wall Street Journal reported.

It said the board output could be used to supply a shipping container plant at Los Angeles which is now supplied from Southern mills. International has already announced it will build a new plant in the San Francisco area, the paper said, for paper milk container production.

Up to now, the big paper company has obtained its supply from vast holdings in the South, New England and Canada. Only this month it paid some \$33,000,000 in cash for 335,206 acres of timberland in Arkansas, Texas and Louisiana.

Most Timber in Oregon  
Long-Bell owns nearly 3,000,000 board feet of timber, 73 per cent of it located in Oregon. The rest is in Washington state, California and the South. The southern holdings would be integrated, trade sources said, with International's main pulp-making facilities in that region.

Morse and Neuberger said the proposed merger could result in "the reduction of competition" which would be detrimental to other firms in the Northwest.

"The combined assets of the two corporations may pose additional concentration into the hands of a relatively few corporate interests," they declared in joint letters to the Justice Department and Federal Trade Commission, as well as two congressional committees.

**Would Reduce Competition**  
"Furthermore, the small independent lumber operators may find that the emergence of a corporate giant in the Oregon lumber and wood products field would further reduce their ability to compete in sales of federally-owned timber in the public domain. Already smaller timber operators have found themselves excluded from many forest tracts under government operation because of the domination of big corporations," the senators said.

The Justice Department informed Neuberger's office that it was looking into the matter in line with its administration of the anti-monopoly laws.



**CAMPAIGN CONTRIBUTION BEFORE GRAND JURY**—A Federal Grand Jury began a formal investigation into the \$2500 campaign contribution offered to Republican Senator Francis Case of South Dakota during the controversy over the natural gas bill. Waiting to testify in Washington are, left to right, Sheriff Paul Whaley of Dawson County, Neb., Attorney John Neff, lobbyist for Superior Oil Company of California who offered the contribution, and Ivan Evans, Neff's attorney.

## Quotes From the News

By UNITED PRESS  
Washington—Rep. James P. Richards (D-S.C.) on the attitude of the Eisenhower administration towards the House's importance in the conduct of foreign affairs:  
"It appears . . . the executive department is still of the 19th century vintage opinion that in the foreign affairs field the House is an illegitimate member of the family, and a weak-minded illegitimate son at that."

Philadelphia—Gov. Christian Herter of Massachusetts on desegregation:  
"I am a strong believer in moving steadily though slowly."

New York—Margaret Truman on whether the fact her father was president changed her basic nature:  
"I remain mulish, pigheaded, curious, romantic, hero-worshipping, loyal, affectionate, procrastinating, slangy, amiable, high tempered, frank, loquacious, non-studious. I would also have remained lackadaisical and lazy, but I didn't have time."

New York—Miss Truman on her mother's warning to her chaperone before the start of a concert tour:  
"Whatever you do, don't let her marry an actor."

Belmont, Mass.—Housewife Mrs. Francis C. Gray Jr., who will be a bridesmaid at Grace Kelly's Monaco wedding, on rooming with the actress when they were dramatic students in New York:  
"She was terribly busy socially and always had lots of men calling but there was never any particular one. No matter what she's done, where she's been, she doesn't change a bit."

## Pendleton Man Missing in Alaska

Pendleton — (U.P.) — Doyle Harvey, son of Mr. and Mrs. L. B. Harvey of Pendleton, is missing and feared lost in stormy waters off Alaska. Harvey and a friend have been missing since early last week when they left Seward in a small open boat on a seal hunting expedition. Their destination was Fox island, some 10 miles off the coast and opposite Seward. With Harvey in the boat was Ray White. When the two men failed to return, a sea and air search was launched but no trace of the pair or the boat has been found.

## Westport Ferry May Be Discontinued

Astoria — (U.P.) — The possibility that the old Westport-Puget Island ferry service may be discontinued was brought forth here yesterday. Elmer Danielson, operator of the ferry, said dwindling business and continued financial loss of the 30-year-old ferry may force him to cease operations. Danielson said that lowering of the toll charge on the Longview bridge and the improvement of highway surfaces on the Lower Columbia highway have played a large part in the decreasing use car owners put to the ferry. Danielson said he has offered the service to both the state of Oregon and Clatsop county, but neither is interested in taking over the route.

## Roseburg Guardsmen Put on Real Show

Roseburg — (U.P.) — Roseburg National Guardsmen got a little bit too realistic here Sunday as they were demonstrating small-caliber mortar fire during a one-day recruiting drive. Guardsmen fired two training rounds from the mortar. One struck the ceiling of the armory, igniting the fir-tex paneling. The other round failed to go off but lodged in the armory rafters. Firemen were called to extinguish the blaze from the first round, and to bring down the second. The "dud" was pried loose, fell to the floor and exploded. Capt. Horace Pendergrass, explained that both shots went astray. The charge in the practice rounds is about that contained in a .22 caliber shell.

## Mysterious Bones Said To Be Animal

Portland — (U.P.) — A murder investigation was nipped in the bud late yesterday when mysterious bones found over the weekend on the banks of the Tualatin river proved to belong to "a large sheep or deer." Clackamas county coroner Leslie Peake said the identification of the bones was fixed by a pathologist at Good Samaritan hospital here.

Earlier, officials feared the bones and a four inch square of cloth found in the same area might have been those of a young man.

Grapefruit was not generally recognized as a fruit of commercial possibilities until it was introduced at the Chicago Exposition in 1893.



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