

Big Business Feeling Pinch of Credit Faces Two Alternatives

By **ELMER C. WALZER**
UPI Financial Editor

New York (U.P.)—Big business helped little business through the period of tight money by generosity in credit.

Now it is feeling the credit pinch itself and it faces two alternatives—cut back on trade credit to customers, or cut down on investment in plant and equipment.

Theodore H. Silbert, president of Standard Financial Corp., make these observations after a survey of his company of 629 major corporations in 19 major industries.

According to Silbert, many

smaller concerns owe their survival to the giant manufacturers of the nation.

Since 1954, the survey found, these great companies increased their trade credit by \$6.2 billion. Allowing for a normal growth of sales, of \$2.2 billion, the actual increase in trade credit amounts to \$4 billion, Silbert notes.

Trade credit, he explains, is the 10-to-60 day credit extended by a supplier to a buyer in connection with the purchase of goods for resale. On the suppliers' books, such trade credit appears as accounts receivable.

The actual \$4 billion credit increase is caused by the lengthening of trade terms during tight money periods, and failure to shorten terms when money loosened up in late 1957 through 1958.

As a result, a greater pro-

portion of receivables today runs through the full 30 days allowed, than was the case prior to 1954, Silbert finds.

Manufacturers whose net receivables increased the most in the six-year period of the study are non-electrical machinery with a \$690 million increase; petroleum, \$575 million; food and allied products, \$550 million; chemicals, \$380 million; primary metals, \$290 million; fabricated metal products, \$255 million; paper and allied products, \$170 million; textile mill products, \$160 million; printing and publishing, \$152 million, and stone, clay and glass, \$140 million.

Manufacturing industries showed declines in net accounts receivable from 1954 through 1959 are tobacco, apparel, and furniture.

Liquidation Reduced

"As more and more smaller customers were granted longer terms, a larger proportion of receivables of the larger companies became non-current and the liquidity of the corporations was strikingly reduced," Silbert says.

"For example, looking at the 629 major manufacturing companies in the study, the proportion of their current assets represented by cash and treasury securities declined from 27.4 per cent in 1954 to 21.3 per cent at the end of 1959.

Proportion Up

"The proportion represented by receivables rose from 22.5 per cent to 27 per cent over the same period. While this has been happening imperceptibly year by year, the six-year difference is startling . . .

"The larger companies now are sweating out the effects of a six-year trend of longer trade terms.

"Many treasurers of these companies are almost at their wits end trying to figure out how they can continue coping with 1960 business and maintain their plans for investment in new plant and equipment, if these long trade terms and tight money continue."

Disarmament Agreement Reached

Paris (U.P.)—The West's five disarmament delegates have reached agreement on a "common plan" to present to the Soviet Union at Geneva, next week, it has been announced.

The announcement came after a long period of haggling during which it appeared France would not go along with the United States, Britain, Canada and Italy.

Western officials were reported to have all but given up hope before a "last chance" meeting Thursday.

U. S. Disarmament Delegate Frederick Eaton made the announcement to a meeting of the Permanent Council of NATO.



CAROLE BREAKS DOWN—Red-haired Carole Tregoff, accompanied by a woman deputy sheriff, holds a hand to her face as she breaks into tears while leaving the Los Angeles court house. The jury deliberating the fate of Dr. R. Bernard Finch and Miss Tregoff remained out for the sixth day Thursday with about 200 spectators waiting impatiently inside the courtroom. (UPI Telephoto)



CROCHETING FIREMAN—Manning a fire station watch is one thing, but tending to your knitting (or crocheting) is another. Beaverton, Ore., fireman Cal McGann has crocheted 14 large bed spreads and five tablecloths while holding down the fort at the Beaverton fire station during the past five years. (UPI Telephoto)

MEDFORD TRIBUNE

MEDFORD, OREGON, FRIDAY, MARCH 11, 1960

Accurate Mapping Of Moon Planned By European Teams

Nice, France—(Science Service)—Two famous European research centers, the University of Manchester, England, and the French observatory 9,500 feet high on the Pic du Midi in the French Pyrenees are to play a major role in a program for accurate mapping of the moon.

The moon map is being sponsored by the U.S. Air Force. Prof. Zdenek Kopal of the University of Manchester told some 200 scientists of 20 countries, assembled here for the First International Space Science Symposium, organized by COSPAR, the Committee on Space Research.

Some 12,000 pictures of movie film have so far been taken of the moon, showing sunrises and sunsets in the lunar landscape, he reported. However, some 200,000 pictures are needed to make proper calculations about the height of lunar features such as mountains, peaks and hills with a precision of about 26 feet.

Main goal of the program is to produce an accurate map of the moon on the scale one to one million.

On photographs taken with the 24-inch telescope at the Pic du Midi Observatory, objects down to a size of 1,500 feet, corresponding to one second of arc, can be distinguished.

A main problem of the program, Prof. Kopal reported, is that there is yet no proper

system of reference in existence. All measurements on the moon so far are based on 200 to 300 ill-defined peaks and hills.

Research done by Pic du University of Manchester has shown that small craters, known as craterlets, should be used as points of reference rather than hills and other mountainous objects.

Five Years Goal

Prof. Kopal and his associates hope to complete the program within five years. Several additional large instruments will be made available by the U.S. Air Force for the enterprise.

Prof. Kopal also suggested that because of the non-existence of a lunar atmosphere, the moon's surface might become ionized during lunar daytime by ultraviolet solar light. This might cause a charged dust atmosphere, the negatively charged dust slightly drifting above the positively charged lunar surface. Prof. Kopal indicated that this situation might cause great trouble to any future space traveler landing on the moon.



JAPANESE GIFT—June McAllister receives a string of pearls from Sally Cross at the opening of the Japanese Industrial Exposition in Miami, Fla. This is the first world trade show held by Japan since pre-World War II days. (UPI Telephoto)

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All Men of Good Will Urged To Come Nearer to Almighty God

By **RICHARD CARDINAL CUSHING**

Catholic Archbishop of Boston

Written for UPI

It seems to be one of our great American customs to dedicate weeks and months to place emphasis on special causes. And people with authority of any kind are invited to add the supposed weight of their words to the publicity involved. How much of this wisdom survives longer than the page on which it is printed would make an interesting study.

But a Christian bishop hailing the approach of another Lenten time feels that his message must survive. It is one of his most sacred duties to urge all men of good will

to come nearer to almighty God during the age-old season originated for that very purpose. In every way he can he must repeat the words of John the Baptist, "Do ye penance," and of Paul of Tarsus, "Now is the acceptable time!"

Putting aside for a moment the demands of any special project, may I take this opportunity to plead the cause of prayer and personal supernatural housekeeping? It is time indeed to refurbish the soul, to cleanse the heart of evil thoughts, and to extend a willing hand to those around us.

On Ash Wednesday every year, millions throughout the world wear on their foreheads the symbolic ashes intended to remind them and those who see them of the frailty of merely human hopes, of the lowly earth which begins and ends each life's journey here below. But this curious observance, inherited from olden days when penances were truly realistic, will only be a badge of foolishness or hypocrisy if affected by men and women whose pride and prejudices are not wholesomely reduced thereby.

Words Grow Stale
To penance, then, and prayer, must all of us return. For us the hour-glass warns: "It is later than you think." What a world this could be, what a world this can and will be, if each of us recalls in Lent what dust we are and to what dust we shall return.

With repetition such words as these grow stale; we must revive their meaning. What better time for this than the Lent of the mysterious "sixties." Perhaps this will be a scientific decade, or a savage one, or both. Why can we not so act as to give these new years of grace a nobler claim to remembrance? Is it beyond our hopes, with God ever ready to assist us to make these "the saintly sixties?" Think they will may be if each of us, in his own way, accepts this Lent as a proper time to make a start.

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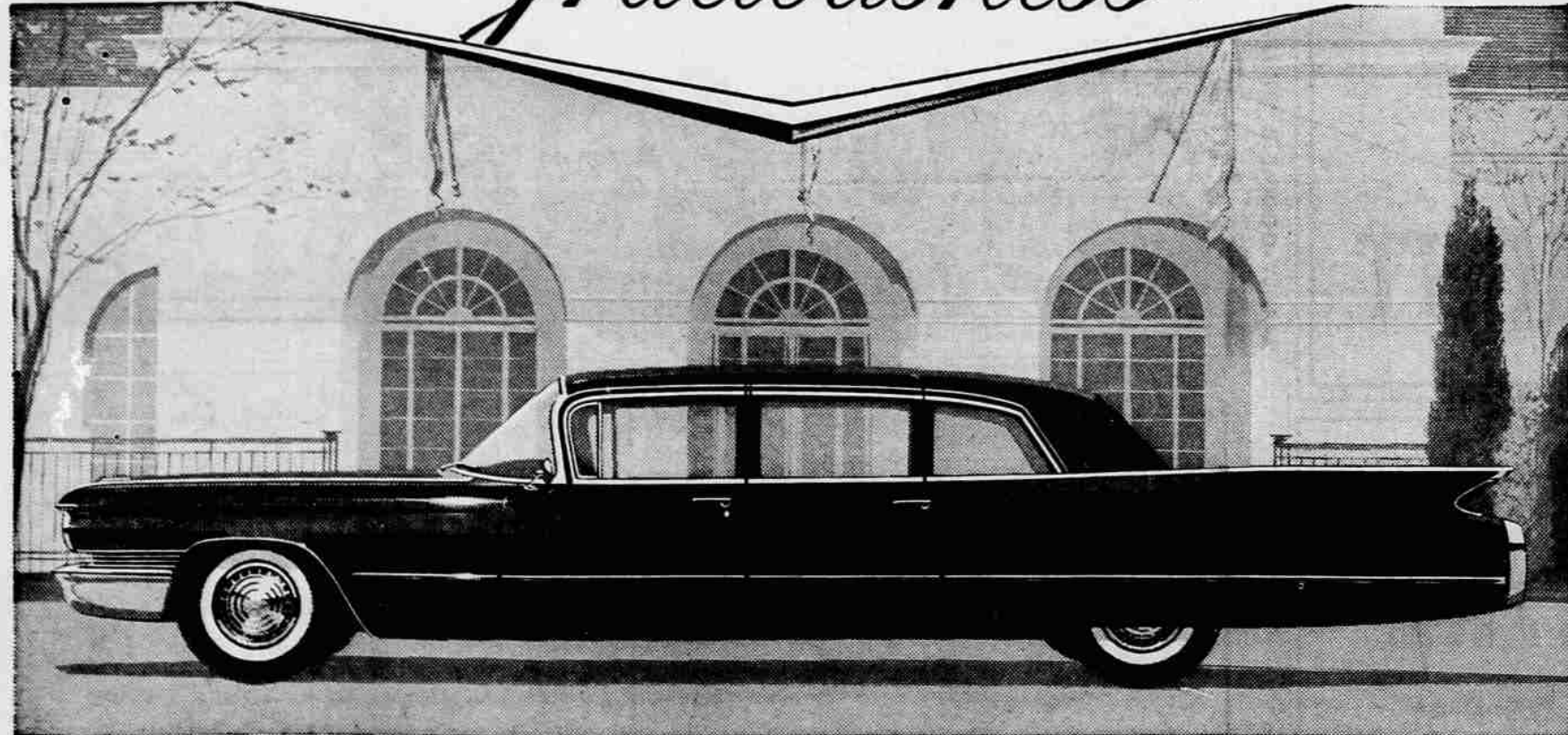
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Airliner Travel Safe as Ever, Statistics Show

Washington, (Science Service)—Flying at home or abroad in a scheduled U.S. airliner is about as safe as ever and far safer than driving, statistics being compiled here indicate.

The Bureau of Safety of the Civil Aeronautics Board is now compiling and analyzing 1959's crashes, in which 270 persons died from crashes of scheduled U.S. airliners here and abroad. The number of passengers carried is estimated at 52,784,000.

Fairly Safe Year
Per passenger mile, 1959 is likely to be a bad year compared to 1958. But compared with an average of the last decade or more, 1959 may be considered a fairly safe year.

Thus 1959 will have a rate of less than one person killed for every 100,000,000 passenger miles flown. For each 100,000,000 passenger miles driven in automobiles and taxis, there are nearly three deaths.

Traced to Explosives
In the first two months of 1960, two fatal crashes of scheduled U.S. airliners have caused 75 deaths—a higher number than the average in two 1959 months. The first 1960 crash on Jan. 6 near Wilmington, N.C., has been traced back to explosives aboard the plane. The other crash was Jan. 18 near Holcroft, Va.

But statisticians say no conclusions can be drawn from figures that cover just two months. Even yearly statistics, they say, are inadequate for good comparisons. Accidents, by their nature, are too random.

Church Manuals Said 'Inexcusable'

Washington (U.P.)—Air Force Secretary Dudley C. Sharp said Thursday that publication of an Air Force training manual linking some U. S. churches to Communism was "inexcusable."

The secretary told a House Armed Services subcommittee, however, that his subsequent withdrawal of the manual did not mean the Air Force was passing on "the truth or falsity" of the charges it contained.

Sharp was summoned by a subcommittee assigned to find out just how the armed forces prepare their manuals, and how certain controversial passages have found their way into the publications.

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