

# Descent of Billie Sol Estes Comes Faster Than First Million Dollars

Editor's note: This is the last in a series of three dispatches on Billie Sol Estes and the collapse of his agricultural empire in West Texas.

By HARRY FERGUSON

Pecos, Tex.—(AP)—In the days when he was riding high as the executive head of a business empire worth \$150 million Billie Sol Estes liked to tell interviewers, "I'm just a little boy with an office by the side of the road."

A sign on the front door of that office today reads: "The Billie Sol Estes Enterprises are under the jurisdiction of the United States District court and Harry Moore is the receiver. Nothing shall be re-

moved from these premises without court authority."

Estes is 37 years old. Seven years ago he was a routine millionaire in the sense that he was worth \$1 million, and it must be true that the first million is the hardest. Once he got over the first hurdle, he began to pile up money with incredible speed and controlled or had an interest in 40 companies, from a funeral home to a grain storage organization.

But his descent was even faster. In the last four months his business enterprises have been put into receivership and he is under indictment by the federal government on 57 charges of fraud. There will be a meeting of Estes' creditors in El Paso on May 23.

You can get a fast idea of the sprawling nature of Estes' organization and the extent of the trouble he is in from the fact the federal district court has notified 564 creditors that they can appear and try to salvage some assets.

**Some Are Solvent**  
There is an erroneous impression that every enterprise in which Estes engaged now is on the rocks. Investigations still are under way, but so far some of his companies appear to be in good shape. Estes estimates his assets at \$54 million but that is subject to a court review.

What got him into trouble is a metal cylinder about seven feet long and painted white. It is called an anhydrous ammonia fertilizer tank. When you feed its contents into an irrigation ditch, it gives a terrific boost to growing cotton. The price of a tank is about \$1,000.

Using his credit, Estes began buying large orders of anhydrous ammonia from Commercial Solvents Corp. Then he began slashing prices to west Texas farmers and underselling competitors in an attempt to drive them out of business. Before the roof fell in, Estes had succeeded in becoming one of the world's largest distributors of anhydrous ammonia. He used some of the money derived from the farmers to get into the grain storage business expecting to



BILLIE SOL ESTES

get heavy government fees for storing crops.

Into the picture now comes Alan Propp and Oscar Griffin, general manager and editor of the Pecos Independent, a newspaper published on Monday and Thursday with a circulation of 3,450. There was a lot of talk going on around Pecos when the farmers came to town about "10 per cent," and all of it seemed to be connected with Estes. Griffin began investigating.

This is the story he finally uncovered:

Estes, in partnership with a tank manufacturing concern, Superior Manufacturing Co., would approach farmers and tell them his credit was

over-extended, but that he needed some fertilizer tanks.

The farmer was asked to buy some tanks from the Superior Manufacturing Co., on credit, sign a mortgage for them and then lease the tanks to Estes. The farmer was promised a cash bonus of 10 per cent of the purchase price and Estes agreed to make the lease payments precisely the same amount of money as the mortgage would cost.

It sounded like a good deal, and the farmers in this area had great confidence in Estes. They began signing the mortgages, and some of them, it is said, without reading the documents.

Estes took the farmers'

mortgages and sold them at a discount to finance companies.

"With the 10 per cent cash payments he was making to the farmers and the discount to the finance companies, he must have been paying close to 30 per cent for his money," said a Pecos business executive.

What the Pecos Independent's investigation disclosed was that there were 16,000 tank mortgages on file in Reeves county alone. The number in west Texas was in excess of 33,000, and that, said a business man, "was enough to fertilize everything from here to California."

The inevitable conclusion was that Estes had been collecting mortgages on tanks which didn't exist and there was testimony in one court action that he admitted that such was the case—"Those tanks just aren't there."

The finance committee called a meeting in Dallas to decide what to do, and some of them filed suit against Estes. The Federal Bureau of Investigation moved, and the Texas attorney general's office got to work. Documents in connection with the fertilizer tank transactions had been put in the mails, which placed the whole thing into interstate commerce and in the jurisdiction of the federal government. A federal grand jury brought in an indictment against Estes and a federal district court put his enterprises into receivership.

At first Pecos seemed to be almost solidly behind Estes. Lately sentiment seems to be swinging against him. In the Brandon barber shop here, where an informal public opinion poll seems to be going on all the time, many persons are taking an I-told-you-so attitude and saying, "Don't see how Billie Sol can get out of this one."

## Local Student To Study in Japan

Portland—Steve Eichelberger, Medford, a senior at Lewis and Clark college, Portland, will be among the 125 students from that college going to Japan and other countries in September on a foreign study junket, according to college officials.

The land, people and culture of Japan will be the core of Eichelberger's program of independent study; to increase international understanding. The students will live in native homes. They will study the language, history, government, religions, art, music and drama and talk with industrial and educational leaders.

Eichelberger is the son of Mr. and Mrs. Sharon S. Eichelberger, 3367 Forrest ave., Medford.

## New Veneer Plant Set at White City

The Lawyer Veneer company will be the 28th firm to locate in the White City industrial area, according to John Laden, White City Realty.

The Lawyer Veneer company with an anticipated production capacity of 8 million square feet of three-eighths veneer monthly plans to begin operations at the new White City location in September. Shipments are expected to total 65 to 60 carloads per month.

The plant will be installed at an estimated cost of \$600,000 and will use the latest and most modern equipment, according to Laden.

The 44 employees will man the operation in two shifts, he said. Plant supervisor will be Freeman Tollefson. The operation will be located adjacent to the Olson-Lawyer gangmill at White City.

## Greater Choice Noted By Army Recruiter

A greater number of choice assignments are now available in the Army for high school graduates and non-graduates interested in the service, M/Sgt. Warren M. Long, local Army recruiter, has announced.

Among the courses available for high school graduates are electronic devices repair, airplane repair, diesel engine repair, drafting, stenography, photography and medical and dental procedure training. Non-high school graduates may select job vocational training.

Additional information may be obtained at the Army recruiting station in the post office building, Medford, or by telephoning SPring 2-5022.

**GIVES BIRTH TO QUADS**  
Belgrade—(AP)—Housewife Fatima Artukovic gave birth to healthy quadruplets Saturday in a hospital in Doboj, the official Yugoslav news

agency Tanjug said today. The news agency said two of the babies were boys and two girls. Mrs. Artukovic, 42, has four other children, two of whom are twins, Tanjug said.

(REPUBLICAN)  
**FRED L. WALKER**  
for  
**COUNTY COMMISSIONER**  
• 25 Years Proven Business Success  
(X) Pd. Pol. Adv. Walker for County Comm., John Ross, Chm., 230 W. Main, Medford.

"WE MUST BUILD OREGON'S ECONOMY"

**ELECT CARL FISHER**

YOUR REPRESENTATIVE IN CONGRESS

An outstanding Republican State Representative for two terms. Carl Fisher will work and cooperate with people to get things done for Southern Oregon, the Coast and the Mid-Willamette Valley. Members of both parties respect his complete honesty and sound judgment.

CARL FISHER SAYS: "The primary job of your Congressman in Washington is to represent the people. Your Congressman must help develop more Oregon payrolls, encourage expansion of existing industries and agriculture."

- ★ Outstanding State Representative
- ★ Sound Judgment
- ★ Will Concentrate on Improving Oregon's Economy

**CARL FISHER FOR CONGRESS 4th DISTRICT**

Pd. Adv. Fisher for Congress Committee, 119 East Broadway, Eugene, Oregon—Ralph F. Cobb, Chairman

## NEWBRY NAMED GOOD SENATOR

On May 5, 1962, the Oregon Voter said: "Lynn Newbry, Republican incumbent, deserves the nomination over Donald L. Stathos who in our opinion is trying to unseat Newbry for no objective purpose. Newbry was a good Senator indeed."

Pd. Pol. Ad by Neighbors for Newbry Committee  
Chet Hubbard, Chm., Medford,

Ben Day and Henry Padgham Jr. suggest:

Run Your Own Affairs

HOME RULE—YES!

Pd. Pol. Ad. County Citizens Comm. for Home Rule  
R. E. Collins, Chmn., 235 So. Oakdale, Medford

**Pick's APPAREL**  
**MAY**

# Blouse & Skirt

**JUBILEE**

MORE THAN

# 1,000

BLOUSES and SKIRTS TO SELECT FROM

## BLOUSES

- Sizes 32 to 38
- Sleeveless
- Short sleeve
- 3/4 Sleeve
- Solid colors
- Fancy prints

# \$2.99

Values to \$5.95

## SKIRTS

- Sizes 8 to 18
- Straight
- Flaired
- Full circle
- Solid colors
- Fancy prints

# \$3.99

Values to \$12.95



**WE ARE NOT OPEN MONDAY EVENINGS!**