

GOOD BUSINESS FORECASTED BY NEW YORK BANK

Business Men Should Not Fear to Make Plans, Says Report

(By National Bank of Commerce, New York City)

Conditions in the United States today indicate that the year 1922 as a whole will be more satisfactory to business than the year just ended. Our forecast is that profits will depend more on economy of operation than on expansion of volume. With the many favorable factors now operating, business men should not fear to make plans for the new year, but they should plan with care and conservatism, and with constant effort toward reduction of costs.

Banking Position

The last twelve months have witnessed great progress toward stable financial conditions in business. Combined gold reserves of the twelve federal reserve banks have increased by more than 40 per cent, while discounts for member banks have dropped 56 per cent and federal reserve notes in actual circulation have declined 28 per cent. The federal reserve system once more proves to be a system designed to care for increases and decreases in the volume of credit, with the requisite elasticity to do this easily. The betterment in the position of member banks, while not so striking, is nevertheless satisfactory.

Notwithstanding the consistent improvement in financial conditions, recovery in manufacture and trade has been slow. Unemployment in the chief countries shows little decline from the high point reached early in the year, and it may well reach new high figures during January and February, when normally there is an increase in the number of those out of work in North America and Europe. Manufactured goods continue to move slowly and uncertainly into the channels of consumption.

The Raw Material Problem.

In last analysis, the business, of the world rests on a physical, not a financial foundation. Failure of balance between world-wide supply of and effective demand for physical goods forced the violent re-adjustment of the last two years; a readjustment which will not be complete until this physical balance has again been established.

The wool situation illustrates particularly well the various factors which have prevented a return to normal conditions. It has continued to accumulate, partly because Central Europe has not been able to purchase in the expected amounts, partly because an important part of the wool supply is a by-product, and partly because the building up of flocks is so slow a process that flock-masters reduce them only when they have given up hope of profits.

With curtailment of production and increased demand, cotton stocks are showing reduction. The short American and Egyptian cotton crops have served to bring the world's cotton supply approximately to a pre-war normal. Stocks of hides and skins are large in many countries, but are moving more freely into consumption. The prices of rubber and sugar are still below the cost of production. Sisal stocks carried over from last year now constitute nearly two-thirds of a normal year's supply. The world's wheat production is in a satisfactory state of balance in that there is an adequate supply and a sustained demand. The American farmer, in the face of a new corn crop of 3,152,000,000 bushels, is carrying over 281,000,000 bushels from the record crop of 1920. There is also an accumulation in

ARMED FORCES INVADE MEXICAN CHAMBER OF DEPUTIES TO QUELLOUT

MEXICO CITY, Dec. 30.—The Mexican chamber of deputies was invaded today by armed forces for the first time in its history when troops were called to quell fighting in the galleries between factions sympathizing with the liberal constitutionalists and the social democratic bloc.

BUTTER PRICES DUE FOR TUMBLE AFTER JAN. FIRST

Australian Importations Said to Have Caused Slump in Local Markets

By the first of the year butter will be selling at about 40 cents per pound, according to Allen Holcomb, of Holcomb & Richardson. The pending decrease is beginning to show, he says, butter today selling at 95c for two pounds in comparison to last week's price of \$1.00 for two pounds. This big drop in the butter price, according to Holcomb, is caused by the thousands of pounds of Australian butter now being shipped into the United States.

The Klamath Falls market is not affected directly by this foreign butter, but the creameries here have their biggest trade in San Francisco and Portland markets, hence must meet the prices in those places. Holcomb pointed out, The Holcomb & Richardson dairy ships 20 ten-gallon cans of cream to San Francisco each week, while the Klamath Falls creamery is reported to have equally large shipments of cream out of here in the same length of time. Klamath county with its cream, butter and cheese shipments is making a fairly good record as a dairy produce county. From 2000 to 5000 pounds of cheese leaves the local depot every week for the San Francisco markets, according to reports.

WHALE IS RULED FISH

Age-Old Dispute is Settled Through Decision of Judge

SAN FRANCISCO, Dec. 30.—The age-old dispute as to whether a whale is fish or flesh was "settled" here recently by Judge James F. Smith of the United States Court of Customs Appeals. A whale, decided Judge Smith, is a fish.

The question arose three months ago with the arrival here of a consignment of tinned whale. William B. Hamilton, collector of customs, had the whale classified as "fish in tins" and order it assessed accordingly. Whereupon the importers appealed to the Court of Customs Appeals, but it upheld Hamilton.

In rendering his decision, Judge Smith stated that even though scientists generally agree that a whale is not a fish, the Book of Jonah, V. 17, says that "The Lord prepared a great fish to swallow up Jonah." That great fish, relates Matthew, XII, 40, was a whale.

"NEW GERMAN" WANTS NO MORE HEAVY FOOTWEAR

BERLIN, Dec. 30.—The "new German" wants a lighter, finer footgear than the heavy shoes the soldiers wore, according to a report of the Treasurer to the Reichstag, asserting his inability to dispose of large stocks of soldiers' shoes which the government has on hand.

The government's offer to sell the shoes brought the reply from dealers that there was no market for them. An effort will be made to sell the shoes to a foreigner purchaser.

Other less well-known commodities. This accumulation of physical goods is not a misfortune. It assures to the world a supply of cheap food and clothing, and real prosperity has never rested on any other basis. But producers of raw materials constitute much more than half of the buying power of the world, and the conclusion is inevitable that the entire economic structure will gradually adjust itself to the raw material market.

WEATHER PROBABILITIES

The Cyclo-Stormograph at Underwood's Pharmacy has registered a very even barometric pressure for the past 24 hours and therefore no great change in weather conditions is expected for a like period. A rather remarkable thing occurred as to temperature during the same interval of time. Since noon of yesterday the variation has been less than one degree.

Forecast for next 24 hours: Continuation of present conditions. The Tyco's recording thermometer registered maximum and minimum temperature today as follows:
High.....32
Low.....31

WORLD'S FLYING RECORD BROKEN BY U. S. PILOT

Continuous Flight of Over 26 Hours is Made in Heavy Snowstorm

MINEOLA, N. Y., Dec. 30.—A new world record for continuous flying was established by Edward Stinson, pilot of an all-metal monoplane, and Mechanician Lloyd Reraud, when they descended today after being in air 26 hours, 19 minutes and 35 seconds.

They commenced the flight yesterday at 8:50 a. m. at Roosevelt field in a heavy snowstorm. The flyers surpassed the record of 24 hours, 19 minutes and 7 seconds made in France in June, 1920, by Lucien Houssoutrout and Jean Bernard.

LA VOGUE STORE UNDER LOCAL MANAGEMENT

With the advent of the new year L. Blotsky, general manager of the La Vogue chain of stores, has inaugurated a new policy which will place each of their several stores in Oregon and California under the management of local people. In Klamath Falls, Mrs. George R. Barnhart, whose husband is well known here in connection with the reclamation service, will be in charge as general manager, and Mrs. George Fry, whose husband is also in the reclamation service, will direct the fitting and alteration department. Mrs. Goldie Houston will be the presiding genius of the sales-rooms.

C. S. TRUSTEES OUSTED

Church Directors Remove Board of Publishing Company

BOSTON, Dec. 30.—The board of directors of the First Church of Christ Scientists has announced the removal of the board of trustees of the Christian Science Publishing society. The trustees at the same time insisted that they still are in office, and that the fact that their resignations had been offered to the supreme court placed jurisdiction solely in the supreme court's hands. The supreme court recently held that the trustees are subordinate to the directors of the Mother Church.

BIRTH OF DAUGHTER TO BONANZA PEOPLE REPORTED

Birth of a baby daughter to Mr. and Mrs. William Bechtoldt at Bonanza, December 29, is reported by Dr. R. B. Craver.

FEW BIDDERS ON HAND AT SALE OF DELINQUENT LOTS

Mayor Bids in Property Valued at \$27,374.13; Only Two Other Bids

A large audience and few bidders took part in the sale of properties for delinquent paving assessments, which was advertised for December 22, and which was conducted in front of the city hall on that day. The mayor, on behalf of the city, was the only bidder with the exception of but two others.

The city's purchases amounted to \$27,374.13, and constituted the properties up for sale and bid in by Mayor Wilson S. Wiley. Lot 3, block 76, was bid in by P. H. McCornack, mortgagee, for the sum of \$564.99. Lots 1 and 2, block 74, were bid in by William Powers for \$149.22.

BALDWIN OPTIMISTIC

Head of Locomotive Works Looks for Improvements

LIVERPOOL, Dec. 30.—Stanley Baldwin, President of the Board of Trade, has just told the shipbrokers here that there were more indications of improvement than the reverse in the industrial and financial outlook.

He was advised that in the United States they considered the corner was being turned; in India the bottom had been reached; there were signs of revival in Japan where the slump was first experienced, while in the British Dominions and South America the feeling was more plentiful.

One thing upon which they put a definite finger was the fall in food prices. The harvests of the world had been good and as a rule plenty of food meant plenty of orders.

In regard to wages, the concessions generally speaking had been satisfactory. There was a better spirit and temper in the country and a greater willingness for cooperation and mutual help. If they could get through the next year without industrial stoppage they might look forward with hope and confidence, Mr. Baldwin said.

BIG SAWMILL PLANNED

Plant of 250,000 Capacity Will Be Built by Operator

PORTLAND, Dec. 30.—Resumption of activity in Northwest timber development is forecast in the plans of Charles S. Keith for opening up of the Eccles timber tract in Washington, Columbia, Clatsop and Tillamook counties, according to an announcement made today by W. D. Skinner, traffic manager of the S. P. & S.

Through a contract recently entered into by the Great Northern and Northern Pacific Railway companies and Keith the building of a lumber mill with a minimum capacity of 250,000 feet daily is guaranteed.

FATE OF FAIR IS WITH BOARD OF DIRECTORS

Governor's Refusal to Add Signature to Measures Creates Impasse

SALEM, Dec. 30.—The next move in the Portland 1922 exposition situation is up to the fair directors as a result of being placed on file late yesterday the exposition resolution and the gasoline tax bill, following the refusal of Governor Olcott to sign the bill and refusal of Secretary of State Kozen to receive the resolution.

Courses open to the directors include court action to test the question of the constitutionality of the passage of the measures by the senate, drafting new bills to submit to the people by initiative, or waiting until the next session of the legislature. The initiative measure could not be voted on before next November.

SALEM, Dec. 30.—When legislative clerks late yesterday took the exposition gasoline tax measure to the governor without the signatures of Ritner or Bean, the governor refused to sign the resolution. It was then taken to Secretary of State Kozen's office in the same manner, but he refused to receive it.

PORTLAND, Dec. 30.—Chairman Meier of the exposition board announced today that he would call a state-wide executive committee next week to decide upon future action.

CURE FOR SLEEPING SICKNESS DISCOVERED

CHESTER, Eng., Dec. 30.—A cure for sleeping sickness has been discovered in Germany, according to Professor Newstead, of the Liverpool University, who related how a man who had spent some years in Africa went to Liverpool University where he was found to be suffering from sleeping sickness.

The man, along with a young medical student, was sent to Germany and said the Professor, "with more credit to the Germans, he came home within a month completely cured."

The Germans, he said, had discovered a new drug, which had proved invaluable in the cure of sleeping sickness.

ELKS BOWLING GAMES FOR TONIGHT POSTPONED

The Elks bowling games scheduled for tonight will be postponed until a future date while the alleys are being repaired. It was announced today. The Monday games will be played according to schedule.

THIS WILL MAKE IT MUCH EASIER FOR MANY MAIDENS



BROKERAGE FIRM FAILS; PRESIDENT TAKES ISSUE WITH STOCK EXCHANGE

NEW YORK, Dec. 30.—Failure of E. W. Wagner & company of this city was announced today from the stock exchange rostrum.

CHICAGO, Ill.—E. W. Wagner, President of E. W. Wagner & company, issued a statement criticizing New York stock exchange. He said the exchange promised to take no action until after 2:15 o'clock this afternoon, but had failed to keep its promise. His company, he said, was long on certain stocks, which are being closed out.

IMPORTATION OF DAIRY CALVES IS TO BE ENCOURAGED

Farm Bureau Arranges Shipments From Tillamook and Coos County Herds

With view to developing diversified farming in Klamath county, the farm bureau has made arrangements for securing a shipment of two-week-old heifer calves from Coos and Tillamook counties. These calves are from cows producing not less than 300 pounds of butter fat per year and are from purebred Holstein, Jersey and Guernsey dairy bulls.

The need for more dairying in Klamath county is recognized, and the farm bureau will bend every effort toward that end," said E. H. Thomas, county agriculturist. "On the other hand, a general demand has decreased the supply of available dairy cows and has made it necessary to pay a premium for them. With this in mind we shall import calves and thereby effect a large saving."

From Best Dairy Herds

The calves are from the best dairy herds in the counties mentioned and the cows in these herds have been under test for several years, Thomas says. Orders for these calves will be filled by the owners in the order in which they are received. The cost, he says, is not to exceed \$15 a head plus shipping expenses. A deposit of \$5 should accompany the order which should be sent to the farm bureau office, and the order should specify the breed desired.

Full information regarding these calves has been placed in the hands of all banks in this county as well as the Klamath Falls and Merrill Creameries and the Malin cheese factory, all of which are authorized to accept orders.

Develop By Degrees

"It is our plan to develop dairying by degrees rather than overnight," said Thomas. "Calves from these counties have been brought into Klamath county in a small way by individuals in the past, and have proven very satisfactory. If a farmer can spare eight to 10 pounds of whole milk per head a day for two or three weeks, gradually shifting to skim milk and oats, he can raise these calves very profitably. This seems to be one of the most feasible ways of stocking Klamath county with good dairy cattle."

R. R. FARE LESS JAN. 1

Special Round Trip Rates Will Be Offered by Southern Pacific

Withdrawal of war tax on railroad transportation January 1, will mean a reduction in transportation costs of 8 per cent, it was announced today by J. J. Miller, local Southern Pacific agent.

The Southern Pacific will offer special round trip excursion rates from January 1 to April 30, as follows: San Diego, \$68; Los Angeles, \$58.75; Santa Barbara, \$52.50, including stopovers. The reduction to each point will amount to \$7.

BRIDGE OF GODS TO SPAN COLUMBIA RIVER

The Bridge of the Gods corporation, which was recently organized to construct a suspension bridge across the Columbia river at Cascade rapids, is seeking bids for the substructure. The bridge will be 1500 feet long, the length of the main span to be 705 feet. The bridge will connect directly the Columbia River highway on the Oregon side and the North Bank highway on the Washington side.

The two main towers will be 240 feet in height and the main span will be 145 feet above low water. There is only five feet difference in the elevation of the North Bank and Columbia River highways at the point where the bridge is being built, which is the narrowest place in the Columbia river gorge.

NATIONS AGREE TO LIMITATION PLANS OF U. S.

Auxiliary War Craft Would Be Limited to 1,000 Tons Displacement

WASHINGTON, D. C., Dec. 30.—The American proposal for the limitation of auxiliary war craft to a maximum of 1,000 tons displacement is understood to have been virtually agreed upon at this morning's session of the arms conference naval committee.

All delegations accepted the American proposal except the French, who, while holding formal approval in abeyance, are expected to agree to the proposal.

All powers are understood to have accepted the additional American proposal that guns of auxiliary craft be limited to eight inches.

WASHINGTON, Dec. 30.—Albert Sarraut, head of the French arms conference delegation, at a meeting today of the naval committee, declared in substance that France was beginning to be regarded with suspicion by the other powers at the Washington meeting and that this could not go on.

WASHINGTON, Dec. 30.—President Harding characterized today as "silly" the reports that relations between him and Secretary of State Hughes had been greatly strained by developments during the arms negotiations.

FISTIC BOUTS TONIGHT

Promoters Believe Fans Will See Real Boxing

All is in readiness for what the promoters believe will prove one of the best fistic bouts ever seen in Klamath Falls, which will be staged at McDonald's hall tonight.

The main event will be between Jack Downey, of San Francisco, and Earl Ritchie, the popular Klamath Falls heavyweight. Other matches will be as follows: Kid Harrington vs. Kid Vincent; Bob Allen vs. Young Ritchie; Sailor Hall vs. Sailor Childers; and the usual popular curtain raiser, Young Fitzsimmons vs. "Tuffy" Anderson.

The Harrington-Vincent match comes as a result of both fighters being dissatisfied with the outcome of the recent match, and promises to be a whirlwind affair. Great interest has been aroused in the Ritchie-Downey match because of Downey's long record of ring victories.

The preliminaries are scheduled to start at 8:30.

SPANISH POLICE MISSION TO REORGANIZE PERU ARMY

LIMA, Peru, Dec. 30.—A Spanish police mission engaged by the government has arrived in Peru to reorganize the corps of gendarmes throughout the republic. The members of this mission are of the celebrated Spanish corps of the "Benemerita" members of which have organized the gendarmes of Mexico, Cuba, Uruguay, Costa Rica, Columbia, Salvador and Guatemala.

An American naval mission and a French army mission have for some years past had charge of the reorganization of these two important branches of Peru.

SYLVAN CRUME ARRAIGNED ON BAD CHECK CHARGE

Sylvan Crume, an Indian, indicted by the grand jury on the charge of uttering a bad check, yesterday was arraigned in the circuit court and pleaded guilty. His trial is set for the latter part of January. James Moore, sentenced to two years to the penitentiary, was granted a parole by Judge Kuykendall.

SCHOOL OPENS MONDAY

The high school and all city schools will open for business on Monday morning despite the holiday. The high school student body voted to take the day Friday before Christmas as a holiday, in preference to having the day off Monday after New Year's. It was believed that the snow on Friday was much better for coasting than it would be on Monday. Their first-aid edness has been effectively demonstrated.