

20-Year Peak In Auto Production Brightens US Business Activity Picture

By RICHARD FISKE
 NEW YORK, June 27 (AP)—A bit of good news, including a 20-year peak in automobile production, popped up last week to take the sting out of generally declining business activity.

Some of the brighter news was a result of seasonal factors. Moreover, it was sparsely spread through the economy. Yet it was encouraging after a long period of slow but constant declines.

For instance, engineering construction contracts hit the second highest figure of the year. Electric power production reached its best total since early April.

Automobile production added up to the staggering total of 150,945 units, a figure unmatched since the rip-roaring days of '29. In the previous week output was 146,056 and

last year 95,027 units were produced in this country and Canada.

New England woolen and worsted mills reported a pickup in production. In several places idle employees were called back.

The bureau of labor statistics reported the cost of living moved down a little during the month ended May 15.

The decline in the BLS index was only three-tenths of one per cent, not startling but enough to give consumers a few more pennies to spend on non-essentials.

The backdrop for the week's encouraging items, however, was the same old decline in all major components of the national economy.

Unemployment crept up a little. Steel production fell to its lowest level since the week of April 19, 1948—the tenth consecutive week it has slumped.

The labor situation became increasingly tense.

Steel negotiations failed to get anywhere. The coal miners began their annual 10-day vacation at midnight Friday, less than a full week after returning from a one-week stoppage designed to "stabilize" the industry.

And there was some question whether the 400,000 soft coal miners would return at the end of the vacation.

Department store sales were down again. Goodall Co., Palm Beach suit manufacturers, knocked 28 per cent off its prices, effective July 11, in an effort to stimulate business.

Mail order catalogues showed lower prices averaging around six per cent. Linoleum prices were down. Baby carriages cost less.

Money in circulation was at the lowest mark since August, 1945. This was neither particularly good nor bad. It meant, however, that people were spending slowly. Perhaps they were banking it as savings deposits were up.

While it all, economists failed to see any serious depression in the offing.

Our Home Town

At Long Intervals Psychology Makes Sense

By EARL WHITLOCK
 Every once in a long, long while, some psychologist decides to abandon Freud and Jung and their predilection for sex, for a brief moment and do some thinking of his own. A young Northwestern has discovered that most "problems" bothering you can be solved by a simple and logical routine of analysis. Business men have been using the system for ages, but it is new to the professor.

It is just this. Take a sheet of paper and rule it into five columns. In the first column state your problem. What, exactly, is it you want to do or to know? Get the thing fairly before you. In column two, list the difficulties in the way. Column three, put down the advantages you have to work with. Column four, "What action can I take?" And in the fifth column, "What results may I expect?"

And there you are. That's all there is to it. Fill out each column as completely as you can—you'll have four or five items in each—and then balance one fact against another and reach your conclusion. You will get a picture of your problem and its ending you have never before faced squarely or realized fully.



Earl Whitlock

Art Exhibits Shown Here

Artists were a little late in getting their pictures up for the art fair on the courthouse lawn Saturday morning and visitors were already milling around viewing paintings as the exhibit was being arranged.

Kaelsaer was placed on the lawn facing sidewalks so that visitors could see all the paintings on a walk around the courthouse grounds.

Work displayed at the art fair is done by Klamath county artists entirely. Pictures for sale are marked with the prices on the back.

The art fair is sponsored by the Klamath Art association. This is the second outdoor showing. The last one was set up at Moore park last year. This year's exhibit is the first one limited to members only.

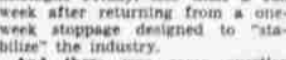
Pictures will be on show until 7 o'clock this evening and the public is cordially invited.

Brown Estate Set At \$16,000

The estate of the late Harold M. Brown, who died in Klamath Falls May 16, is tentatively estimated at up to \$16,000, according to probate filings.

Brown left a will drawn up in Sheridan, Wyo., and dated December 22, 1933, in which he left his

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Doctors Warn Of Diaper Poisoning
 CHICAGO, June 27 (AP)—A medical journal Thursday urged special precautions against poisoning babies with aniline dyes used to mark diapers.

The Journal of the American Medical Association said 72 cases of poisoning from coal tar derivative dyes used on diapers have been reported. In five cases, the poisoned infants died, it said.

"Prevention of such accidents is simple," the editorial said. "If diapers are boiled after they are stamped, and thoroughly dried before use, the dye becomes fixed and absorption does not occur."

Aniline dyes are used, it said, because non-toxic dyes lack permanence.

entire estate to his wife, Mrs. Golden Brown, and also named her executrix.

Mrs. Brown is also named executrix of the will of the late Marie M. Parker, who died here June 9. Her estate is valued at about \$10,000 and her will makes several bequests to relatives and friends.

US Distillers Can't Make 'Scotch'

WASHINGTON, June 27 (AP)—American distillers can't make Scotch whisky any more.

The internal revenue bureau ruled Friday that they may make "Scotch type" whisky, and use typically Scotch names such as Highlands, Kilts, Scots, etc., but only Scotland may make plain "Scotch."

The decision followed eight months of hearings at which U.S. distillers and importers argued their case. They not only lost the right to make "Scotch," but also a plea some made that foreign whisky be required to follow the same labeling rules imposed on U.S. distillers.

Other rules announced by the bureau yesterday:

1. Labels of imported liquor must show where it is made except where this is made clear in the name (like Scotch, Irish whisky, etc.)
2. The "Scotch type" whisky made in America must be a blend of grain whisky instead of neutral spirits, as allowed before.
3. American corn, bourbon, rye

Sea Serpents May Be Ribbonfish

LA JOLLA, Calif., June 27 (AP)—Those sea serpent fishermen have been seeing recently may be ribbonfish, say scientists.

Specialists of Scripps Institute of Oceanography, dragging the briny deep, say their nets have brought up eggs and larvae of the ribbonfish near here. The ribbonfish, several feet long, has a way of floating up and streaking like a fluttering ribbon over the whitecaps.

The Scripps men, working under a \$700,000 grant to discover whence disappears California's sardines, say that their project may increase the known species of fish in these waters from 682 to 1,000 or more.

Livestock Group Draws Favor

SANTA BARBARA, Calif., June 27 (AP)—An all-state cooperative marketing association, to give the livestock grower stronger bargaining power, has been approved by western livestock leaders.

The newly-formed Western States Farm Bureau Livestock Cooperative Marketing association will accumulate data on markets and stock movements for producers in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

The westward population movement calls for improved marketing methods, an American Farm Bureau federation spokesman said.

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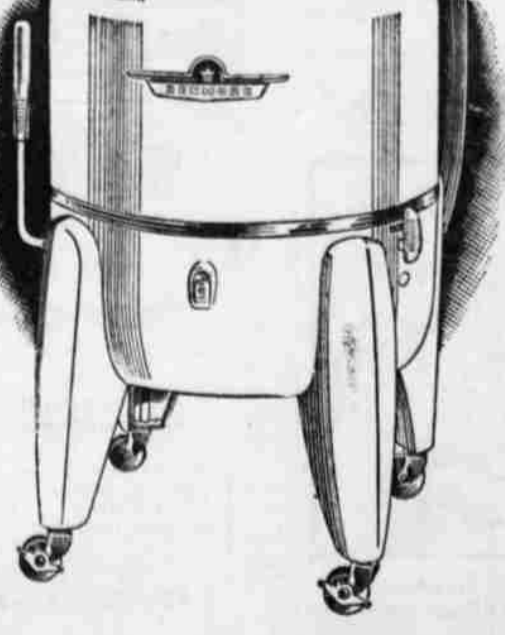


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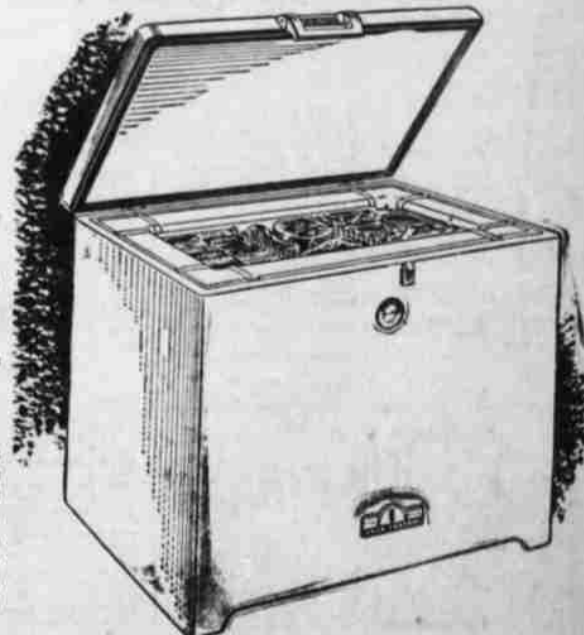
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