

Spending Plans Increased By Nation's Businessmen

NEW YORK (UPI)—Businessmen are increasing their spending plans which is an acknowledgment of rising industrial statistics.

What was over-capacity not long ago is being used now. And new plants are needed not only for current demand but also to fill the needs that will develop in the 1960s when the expected spurt in new families arrives.

Also it's part of industry's fight to keep costs down and fight growing competition.

This expansion program is a big one for all types of business—big and small. The big ones can afford some errors. The small ones seldom can.

With this in mind, the engineering firm of Ford, Bacon & Davis has just brought out a study on comparative projections of new plant costs.

It has been estimated that industry would like to rebuild one-third of its \$300 billion plant. The big obstacle is the Federal Reserve Department's depreciation policy which prevents writing off old plants on the basis of the cost of replacement—costs that have risen sharply with the decline in the dollar.

Despite the depreciation rules, the corporations are going ahead with more and more construction.

There is a tendency toward changes in location of plants, and also toward more automation.

Ford, Bacon & Davis, with years of experience in plant engineering, warns against building a structure that some day will be referred to as "so and so's folly." Don't get the "Taj Mahal complex," it advises.

A company can build itself out of business by over-capacity, use of automation where it isn't feasible, improper location, selection of the wrong type of tooling, and equipment and general layout, the firm indicates.

Then, too, there's the cost of financing which can hack down

Mounting Infant Death Toll Prompts Plastic Bag Action

United Press International

A steadily climbing toll of infants deaths prompted widespread action against the otherwise innocent plastic bag, a United Press International survey showed today.

The survey revealed more than 40 infants have suffocated when they became enwrapped in the bags. The survey also showed the bags have been used for suicide in an ominously increasing number.

Practically all the victims have been only a few months old. One 4-month-old, apparently pulled a bag over his face while he was in his crib at Neptune, N.J., Monday. At about the same time, Bridget Ledington, 3 months, died in Chicago. She was found entangled in a cleaner's bag which apparently had blown on top of her.

In many communities cleaning shops and laundries have voluntarily curtailed use of the plastic wrappings. Some legislators have

While Earl Hospitalized, Long Faction Fidgets Over Possible Successor

Editors Note — While Louisiana Gov. Earl K. Long awaits a sanity hearing in Galveston, Tex., his powerful political machine is without an heir with a governor's race on tap in December. The Long influence has been a dominant factor in Louisiana politics since the late Huey P. Long became governor in 1928, and Earl K. Long is—or was—undisputed master of the political legacy Huey left. In his last of a three-part series, AP writer Hugh Muligan deals with Earl Long and the political repercussions in Louisiana while Long is confined in a Galveston psychiatric clinic.

campaign time.

Straw hat perched on the back of his head, stomach protruding over low slung trousers, Earl plays his champion of the poor role to the hilt, whether blistering "them lying newspapers" in a profanity-strewn stump speech or patrolling the aisles of the Legislature to browbeat passage of his bills.

Public office has been a way of life—more than that—an obsession, with him. In Louisiana, the governor can't succeed himself. But "Old Uncle Earl" has tried every trick in and out of the book to keep himself in power. Defeated for governor in 1940, he tried to have himself named secretary of state when the nominee died without taking office. At the end of his 1948 term, he attempted to call a constitutional convention to extend his term without a vote of the people.

And next week's sanity hearing will determine whether he can carry out his latest scheme to resign in favor of Lt. Gov. Lether Frasier and then run to succeed him. The sound trucks are painted and waiting.

Without Earl doing the boeing, the harvest this year could go to the anti-Long camp where several popular figures, like young Mayor deLesseps S. Morrison of New Orleans and former Gov. Jimmy Davis are eyeing the race. At the moment the big house on the hill that Huey built stands empty, and his followers seem reluctant to try the door. At least until they find out whether the big boss is coming back.



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Paper Firm's New Report May Be Industry Guide

By ELMER C. WALZER
UPI Financial Editor

NEW YORK (UPI)—Scott Paper Co. has introduced an innovation in its annual report that may set a pattern for industry in telling its story to the many stockholders of American corporations.

Scott simplified its regular report to implant its image in the minds of college students. It was part of its educational program.

Wall Street experts who have seen the report look on it as a method of making clear the operations of big business in a way that the novice stockholder can understand.

The company took its regular report and inserted annotated partial pages keyed to text and figures. Each item is explained simply so that it can be read without reference to special booklets or other texts.

Thomas B. Mc Cabe, president of the company, said the specially prepared report, believed the first of its kind, was designed "to provide students with an explanation of a corporate annual report in everyday language in order to promote a better understanding of business operations and their significance in the general economy."

The report has been sent to 252 colleges throughout the country without cost for use in their business and economics courses.

Special attention is devoted to the consolidated financial statements, the shareholders' investment, and other significant items.

"This unique student edition has been undertaken," Mc Cabe said, "because we firmly believe that it is the responsibility of industry to provide all possible help in telling the story of free competitive enterprise and its vital role in our economy."

Wall Streeters, scanning the report as annotated for college students, noted that this type of report would be especially valuable for the many new stockholders springing up all over the nation.

The sophisticated stockholders could read the regular report without bothering with the annotations while the novices in finance—and there are many at present—could profit from the explanations.

Simplifications are broad and in clear, concise language.

For example, the item depreciation and depletion is explained as follows:

"Scott has various kinds of plants, equipment, and timberlands which become worn out or used up . . . frequently over a period of many years.

"Annual amounts to measure this using up (depreciation for plants and equipment; depletion

for timber) can be fairly estimated by experience and must be included as part of the cost of doing business in every periodic calculation of net income."

And for net current assets:

"The difference between the total of all current assets and the total of all current liabilities. This is how much Scott would have left if it collected its receivables, liquidated all its inventories at cost, and paid its current debts. This difference is sometimes called 'working capital' which every company has in amounts dependent on the nature and volume of its business and the judgment of its management."

Patents, trademarks, and good will are carried in the balance sheet at \$1 with the annotated explanation: "This \$1 is a reminder of the fact that all that Scott has ever spent to promote and improve its products has been treated as expense when paid."

And so on each item is taken up in sufficient detail to make it perfectly clear in reading the report.

The novice stockholder doesn't like to go around asking what each item in a report means. Here he would have all the information needed for a thorough grasp of the report.

Further details could be obtained from other sources for those who wanted to pursue the subject in detail.

This type of annual report might well be circulated generally. Once the report is laid out the printing and binding wouldn't raise the price much and it might well mean that the report would be read by a great many more people.

It just might be the means of preventing the stockholder from tossing his company's report in the waste basket without even giving it a once-over.

BATON ROUGE, La. (AP)—With fiery Gov. Earl K. Long in a Texas mental clinic awaiting a sanity hearing, the powerful Long faction that his brother Huey founded faces a governor's race in December with no heir apparent in sight.

"There is no heir apparent," says State Sen. Charles Deichmann, a Long leader from New Orleans. "Earl doesn't believe in grooming successors. He always busts up his organization and rebuilds after losing an election. When he's out, he wants the whole bunch out with him. That way everyone stays dependent on him and nobody gets big ideas."

For nearly 30 years the sulphur-tongued "last of the red hot poppas," as Earl once called himself, has been in and out of office, running for governor or lieutenant governor in every election since the hey-day of Huey, with the exception of 1952 when he tried to handpick a successor and lost overwhelmingly.

Huey Long, with his dynamic personality, his emotional appeal to the common man, his ruthless power-grabbing tactics, founded the dynasty and bequeathed it a spiritual figurehead, the image of the "martyred Kingfish."

But to younger brother Earl, now 63 and in his third term as governor, must go the credit for rescuing the dynasty from the wreckage of the Louisiana scandals and building it into a lasting political machine by sheer force of politicking.

There are and have been other Longs on the Louisiana political scene. Huey's son is the state's junior U.S. senator. Another brother, George, died in office as a congressman. Huey's widow, Rose, filled out the remainder of the Kingfish's Senate term when

Steam From Earth Depths Seen As New Energy Source

BIRMINGHAM, Ala. (AP)—Steam from the depths of the earth is seen as a cheap source of untapped energy, a reserve to which man might turn when all other sources are spent.

Prospects for such power sources were outlined by Earl F. English before the Southern Research Institute's "Undiscovered Earth" conference.

"The volume of the geothermal heat is millions of times greater than all the known resources of fossil fuels, and will endure for millions of years," said English, vice president of the Thermal Power Co.

English sees the use of geothermal steam as a heat source for many industries, providing the location of the steam supply is suitable for installation of such an industry.

He says, however, that it is not

'Decadent' Western Jazz Copied By Soviet Ballet

By A. I. GOLDBERG

MOSCOW (AP)—The Soviets officially frown on Western jazz and abstract art but a smattering of both appears in a new ballet at the Bolshoi Theater.

It's the Negro girls' dance from the new ballet "Path of Thunder," based on Peter Abrahams' novel about race conflict in South Africa.

Strikingly beautiful girls of the Azerbaijan Art Theater did the dance.

The choreography for the number smacked of New Orleans—through perhaps slightly up the river. The music could have been St. Louis jazz.

But the torso twisting and the sinuous swaying as the ballet worked out its pattern—waving about with mock guitars—could have come out of any smoking Kansas City or Chicago night club.

The selected audience of government officials and high-ranking

workers were somewhat bewildered during the 10-day Moscow run. There was only polite handclapping in contrast with the enthusiastic outbursts of applause from Westerners in the audience.

The Communist Party newspaper Pravda in a review of the show dismissed the dance number with the comment that it "was received with interest."

The reviewer for the government newspaper Izvestia wrote that the music revealed strains of Negro folk music but actually retained its Azerbaijan flavor.

The ballet is expected to have its premiere abroad late this summer when the Bolshoi company goes to Peiping.

TELEVISION

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BEAUTY TO WED

COLUMBIA, S.C. (UPI)—Betty Lane Cherry, "Miss United States" of 1957, disclosed Thursday that she will marry former University of South Carolina football star Johnny Gramling next September.

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