



**AN ENLARGEMENT PROGRAM** is getting underway in the Town and Country Shopping Center with the close out of the Thrifty Variety store, shown here. The complete stock, valued at \$100,000, is being sold and the store moved to another location in the shopping center. The area it occupies will be remodeled and the Suburban Drug, at far left, will occupy the entire building.

## Business Favors Move To Arrest Gold Outgo

By SAM DAWSON  
AP Business News Analyst

**NEW YORK (AP)**—Every little bit helps. That's the first reaction in financial and business circles to President Eisenhower's moves to stop some of the outward flow of dollars and gold into foreign hands.

But international bankers note that the major part of the outflow is still untouched.

President Eisenhower has told federal agencies to cut their spending abroad for foreign goods and foreign services. He hopes thereby to save as much as a billion dollars a year. This would leave the loss of dollars and gold still running at more than \$3 billion a year.

This loss—known technically as the deficit in the balance of payments—has been building up for several years. It has mushroomed in the last three years.

But it wasn't until the sudden rush of Europeans to buy gold on the London free market a month ago because they thought the U.S. dollar would pay no attention to the drain on the U.S. Treasury.

Its gold hoard now is down to \$18 billion from a high of more than \$24 billion. The short term dollar holdings of foreigners come to more than \$18 billion. Theoretically if they all sought at once

## Ag Department Issues Advice

**WASHINGTON (AP)**—Renewed advice against over-expansion of production of meat animals is going out to farmers from the Agriculture Department.

State farm economists and educators attending the department's annual outlook conference have been told that producers should be alert to the "serious depressing effect that may be exerted on prices if production continues to outrun population growth."

Earl E. Miller, department livestock economist, said cattle prices are expected to decline further next year under pressure of increased marketings. He said, however, a bad break in prices is not expected.

"Livestock producers have a great potential for increasing output," Miller said. "They currently have the physical assets of large feed supplies, basic productive stock and other facilities for expanding production. They also have the know-how."

"Relatively favorable prices — which will continue to be the governor as well as the generator for future production—are resulting in increases in the number of meat animals being produced," he said.

"The appraisal points up the possible dangers in the longer-run outlook. Beef consumption is currently a near-record high and will likely set new highs in the next few years. The effect of increased supplies on prices probably cannot be pinpointed too closely, but the price-depressing effect is certain."



**NEW PORTLAND TERMINAL** for the Bend-Portland Truck service is shown here shortly after completion. The new terminal features a number of innovations in the trucking field including a billing service that is up to 10 times faster than previous methods. It is built at Swan Island.

## Drug Store Expansion Is Planned

One of the largest drug stores in the area will become a reality shortly after the first of the year when the present Suburban Drug in the Town and Country Shopping Center is expanded into quarters now occupied by the Thrifty Variety.

Harry R. Waggoner announced the new changes Thursday.

He reported that the entire stock of the Thrifty Variety valued in excess of \$100,000 will be sold out between now and Jan. 1. The space this store now occupies will then be remodeled to include expanded quarters for the Suburban Drug. It will give quarters for the drug store of more than 16,000 square feet of floor space.

Thrifty Variety store will move to an area in the shopping center across from the House of Discount and will become a straight variety store featuring such new departments as novelties, notions and yardage. It will have a complete sewing department, Waggoner said, including yardage, patterns and other sewing accessories.

## Timber Rates To Be Lowered

**SEATTLE (AP)**—Reductions of \$5 to \$60 a car in railroad-freight rates on eastbound lumber shipments are expected early next year, railroad officials said Friday.

Word was received here that Eastern lines have agreed on a reduction of 7 cents a 100 pounds.

Lumber and plywood manufacturers asked transcontinental lines for lower rates more than a year ago. A reduction as low as the Mississippi River and Illinois points was approved several months ago.

Southern railroads have not yet concurred, but officials said this is not expected to delay preparation of new tariffs.

The new tariffs, officials here said, will require higher minimum loadings and will apply to lumber and plywood items generally, including shingles and crossarms.

Fred H. Toland, freight-traffic consultant here, advised his clients that shippers who can comply will save \$5 to \$60 a car.

## Amazing New Telephone System Geared To Handle Complex Life

**WHIPPANY, N.J. (AP)**—Today in some homes in Morris, Ill., mom can dial on the telephone, hang up, and ring every extension phone in the house to call the family to dinner.

And tonight, if she and dad are going visiting, they can dial a simple series of numbers, and from that moment on every call coming to their home phone will be routed to the house they will visit.

These are just two of the wonders of a telephone system of the future, installed today for trial in 30 homes and offices in Morris by the Bell Telephone System.

Other innovations: If dad or junior comes home early to find mom gone, they can track her down by dialing their own number on their own phone and thereby ring the telephone where mom is visiting, and where she directed all home calls.

Or, dad, leaving his office, can dial a simple code and immediately transfer all of his office calls to his home telephone.

## Truck Service Terminal Opened At Swan Island

Completion of a new Portland terminal which will speed movement of freight between Klamath Falls and the Portland area, has been announced by Charles Bane, manager of the Bend-Portland Truck Service terminal at Klamath Falls.

The new terminal incorporates a number of trucking industry firsts including a new "Freight-Rite" system of billing which is up to ten times faster than any previous billing method.

The new system, according to Wilfred Jossy, Portland, president of the company, simplifies paperwork, eliminates transcription errors, speeds tracing of lost shipments and drastically reduces time required to handle shipments.

Bend-Portland was the first Oregon-based trucking concern to order the new procedure. The Port-

## Firm Lists Earnings

**SAN FRANCISCO** — Di Giorgio Fruit Corporation today reported earnings of \$892,000, equivalent to 67 cents per share of outstanding common stock, for the nine months period ending Sept. 30. This compares with \$703,000, or 52 cents per share, for the first three quarters of 1959.

The unaudited consolidated third quarter statement for Di Giorgio and its subsidiaries showed net sales of \$74,868,000, compared with \$71,710,000 for the same period in 1959.

Earnings of \$1,582,000 before federal income taxes of \$690,000 were reported this year, compared with \$1,228,000 for the third quarter in 1959 when taxes totaled \$325,000.

Robert Di Giorgio, executive vice president, said that due to the nature of the company's business, these preliminary quarterly reports cannot be indicative of the trend in earnings for the year. The important grape crop and other farming activities are not yet completed, he said, and the final quarter is also one of the biggest sales volume periods for consumer brand foods processed by Di Giorgio subsidiaries.

He said this year's nine months earnings statement includes an after-tax capital gain of \$349,000, attributed to part payment from the sale of certain Florida properties.

Also today, Di Giorgio's board of directors declared the regular semiannual preferred dividend of \$1.50 per share payable Jan. 1, 1961, to stockholders of record Nov. 28, 1960.

He began his banking career with the Oregon City of Commerce in 1923 as a general bookkeeper, spent four years with the firm, then returned to Blue Rapids, Kan.

After engaging in other business ventures, Holt returned to the banking field with the Pacific National Bank in Omaha in 1934 and remained with the firm for nine years.

He served 2½ years with the finance branch of the Army, assigned to the Air Corps, and in 1945 joined the First State Bank of Milwaukee, Wis. In 1948 he became associated with the First National Bank of Oregon.

He spent three years in Ashland, three years in Gold Beach, and additional time in Oregon City and Newberg prior to his most recent Portland position.

A past president of the Rotary Club at Gold Beach, Holt also likes to golf and fish.

## Amazing New Telephone System Geared To Handle Complex Life

In homes where there are extension phones, they can be used as an intercom system.

By 1965, Bell Laboratories officials expect to have the system in production for national use. Eventually 600 Morris users will give this vanguard system its customer trial. Other services to be added at Morris, or eventually to the national system:

A third party, and perhaps others, will be able to dial into an existing telephone conversation.

Of special interest in homes where teen-agers monopolize the telephone, the system will hold incoming calls with a recorded "please wait" announcement, ringing the busy phone as soon as it is hung up.

You would be able to use your phone as an alarm clock, simply giving the telephone central office the hour you want to be awakened by your bedside telephone.

Bell officials say the new system can handle any new service that can be logically described. All of these wonders are handled by a new, super-quick central office that replaces mechanical devices with thousands of transistors and neon-filled tubes, and a photographic electronic memory.

The new central office makes its moves in a matter of microseconds, or millionths of a second. There are as many millions of a second in one minute as there are minutes in about 107 years.

Even after performing all of its duties, the new central office has time left over. So Bell designers at this laboratory in Whippany, N.J., have set the system to constantly rechecking itself, testing its thousands of switches, connections and wires. The central office, finding a bad switch or connection, can often repair itself, removing the defective part from operation, and substituting a duplicate which is built in as a safeguard.

In any case when a defective connection is found, the machine prints out on a teletypewriter the location, what the trouble is, and the month, day, hour and minute of the defect.

At the heart of the new system is the photographic memory. Its actions are to a large extent set up ahead of time by the instructions in this memory, or book of procedures.

An electronic eye scans the coded instructions on glass photographic plates, learning from these clusters of photographic dots what actions to perform next to complete the call.

Here, in the dots of the code are the instructions to pass Mr. Jones' office call to Mr. Jones' home. Here too is the instruction that 1-2 from Whitney 2-2908 is their grocery, Whitney 2-4911.

In addition, the system uses electronic tubes as a sort of scratch pad memory.

**MAJOR LIFE COMPANY**  
Desires Salesman  
Inquire Confidential  
Box 535-D  
c/o Herald & News

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**NEW OWNERS AND OPERATORS** of the D&R Auto Parts, 229 South Sixth Street, are former employees of Ballou and Wright which formerly operated at this same location. Left to right are Ted Van, Dick Cad and Rex Young. Young and Cade are co-owners of the new firm which will feature auto parts, garage equipment and a complete line of automotive equipment. The stock of the firm is new. D&R Auto Parts will be open six days a week and the phone number is TU 2-4619.



**LAWRENCE E. SLATER**

## OAIA Picks Director

Lawrence E. Slater, Klamath Falls mayor and insurance man, was appointed this week to a one-year term on the board of directors of the Oregon Association of Insurance Agents.

Slater will represent independent agents of the Second Congressional District on the 13-member governing body of the state association.

In the insurance business since 1933 and owner of his own agency, Slater is an advisory member of the Insurance Company of America, new Oregon home-owned life insurance company.

In addition to his insurance activities, he is past exalted ruler of the Elks, Klamath Falls Lodge; past vice president of the League of Oregon Cities, a member of the Kiwanis Club and the State Speed Control Board.

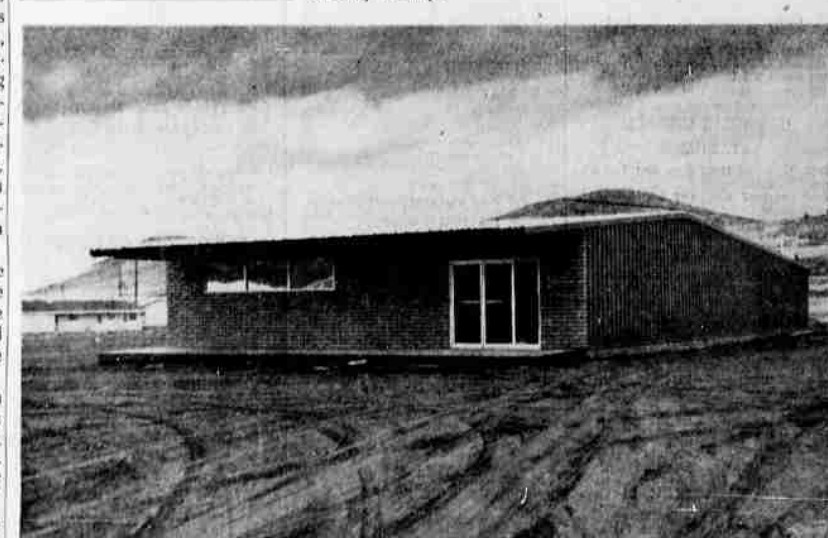
Announcement of Slater's appointment was made by Merrill C. Hagan, McMinnville, OAIA president.

## WELCOME GIFT?

**TULSA, Okla. (AP)**—An article in the newsletter of a suburban chamber of commerce notes the group is trying to raise \$115 to put an "annihilator" in a fire station.

## CRIME AD

**WEST HARTFORD, Conn. (AP)**—An ad Larry Ross placed in a newspaper to sell his wife's mink stole was even more effective than he imagined. A burglar snatched the fur piece from a hall closet while Ross was watching television.



**A NEW general merchandise store, "Pay and Save,"** will open shortly to serve the residents of Falcon Heights and the rural area. Adjacent to Falcon Heights, the new store will be managed by Bob and Mickey Henry, and will feature complete lines of general merchandise including hardware and farm items, clothing, housewares and other items.

## DEALERSHIP AVAILABLE

Dealer wanted for Klamath County to market nation's finest pickup camper. Protected territory. Write: CAVEMAN CAMPER, INC., P.O. Box 666, Grants Pass, Oregon.

## Big Advertising Plan Okayed By Commission

**SALEM (Special)**—A travel advertising budget equaling the record Centennial Year appropriation of \$400,000 was approved by the Oregon State Highway Commission.

This figure represents an increase of \$50,000 over the 1959 expenditure of \$350,000. The money will be used by the highway department's Travel Information Division to publicize Oregon's scenic attractions through a comprehensive national advertising campaign.

The 1961 budget was presented to the commission by William Tugman, representing the Travel Division's advisory committee. Tugman said the purpose of the increase is to enable the division to enlarge its invitational program in heavily populated areas of the Midwest and East.

The new budget is the sixth largest state travel advertising budget in the nation, according to the Curtis Publishing Company's annual report. Oregon also ranks fourth among the states in the amount of actual travel advertising space purchased, behind only Florida, Hawaii and North Carolina.

Among the publications slated for color insertions are Sunset, The New Yorker, Holiday, The Saturday Evening Post, National Geographic, The New York Times, The Chicago Tribune, The Los Angeles Times and The San Francisco Chronicle.

Highway Commission Chairman Milo Melver said Thursday the Travel Division's advertising program has "more than paid its own way."

"Travel advertising has brought in millions of dollars in added revenue throughout the years," Melver stated. "When the Travel Information Division was created 25 years ago the visitor industry was netting around 35 million dollars annually—today the figure is almost five times as great. The and yardage. It will have a comments and drastically reduces time required to handle shipments.

Recreational travel today is the state's third largest industry, with out-of-state visitors alone spending 170 million dollars. A record total of 6,383,850 tourists visited Oregon during the 1960 season.

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## NOTICE SENIOR CITIZENS!!!

Social Security Retirement Program, Medical Care, Housing for Elderly Discussion, J. M. BURK, Regional Director NATIONAL LEAGUE OF SENIOR CITIZENS, KLAMATH FALLS LIBRARY, 5th and Klamath, Next WEDNESDAY, NOV. 23 — 7:00 P.M. Meeting Open to Everyone.