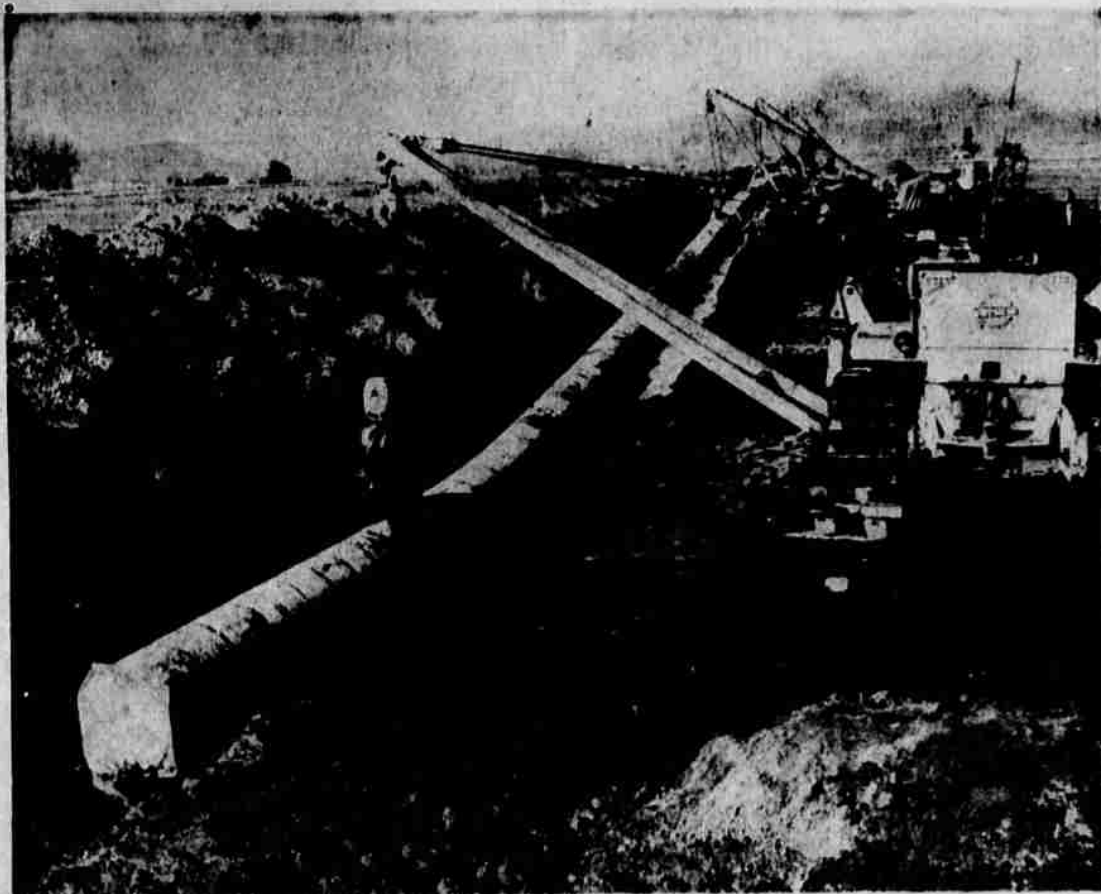




THE TOUGH JOB of laying big 36-inch pipe was made even tougher by the water levels as can be seen from this picture of the trench just south of Malin, showing the pipe being lowered into a trench partially filled with water. Despite this the work is progressing smoothly, handled by Western Pipelines on the Oregon side. The first pipe of the entire 1,400-mile line went into the ground at special ceremonies on Wednesday attended by officials from both Oregon and California. Natural gas from Alberta, Canada, will flow through the line by late 1961.

Plywood Producers Set Sales Record

Although nearly every mill ran well below capacity most of the year, the western fir plywood industry chalked up its 13th consecutive annual sales record in 1960. Figures released by the Douglas Fir Plywood Association indicate an increase of about three per cent over 1959.

DFFA, which represents 137 of the 159 mills currently operating, estimates that final figures on 1960 will show production of about eight billion square feet, measured on a 3/4-inch basis.

The association pointed out that this increase, while modest, occurred in a market so soft as to mean semi-depression in the industry and against a backdrop that included a serious slump in housing, plywood's biggest single market.

"What this means is that we are sharply increasing our share of the market, far more than the figures indicate," said W. E. Difford, executive vice president of DFFA. "In 1950 the average new house used 500 square feet of plywood. Today, surveys indicate, that figure has risen to nearly 2,650 square feet per house."

While signs for 1961 are better, the association does not expect any sharp rise in the number of housing starts and is concentrating its activity on new markets and old ones that have been relatively unimportant in the past.

The industry has grown every year, but production increase has varied from one per cent in 1949 to 26 per cent in 1959. Average annual growth for the past 10 years has been 12.9 per cent, according to DFFA, and 1959's 19 per cent increase was third best for the decade.

Two factors were chiefly responsible for the industry's woes in 1960, the association said.

The first was a drop in housing starts of about 20 per cent, after predictions of a slight increase over 1959. The second was an increase in production capacity, encouraged by rosy market predictions late in 1959.

Based partly on this hope, and partly on the economic reality that dollar recovery from timber is greater in plywood manufacture than lumber production, 13

new mills entered production. At year's end, industry capacity was 11 per cent greater than it was a year before, and seven mills were completely shut down.

Housing experts, who have taken another look at their calculations, now agree that the next big building boom is five years away, when grown-up war babies begin to create new family units. But this doesn't mean the plywood industry must mark time for half a decade, according to Difford.

DFFA will continue promoting the industry's products to the building industry, Difford said, but also will concentrate heavily in these areas:

The second home, or leisure cabin. This market, pioneered by DFFA, already accounts for an estimated 100,000 units a year and will continue to grow, according to housing economists. DFFA has developed information on all phases of the market for builders, lumber dealers and land developers, and offers 22 different second home plans at 25 cents each.

Retirement housing. Private industry had almost ignored this potentially enormous market until the plywood association kicked off a major campaign late in 1960. Annual potential for this market, which includes 21 million Americans, is 250,000 houses.

The industrial market. The association's 80-man field staff is concentrating its efforts in this area during the slack winter months, when housing is almost at a standstill. The potential market here is incalculable, with pallets alone offering an annual outlet for as much as a billion square feet.

Engineered fir plywood building components. Two years ago Plywood Fabricator Service, Inc., was created, to provide quality control, engineering and design assistance and promotional help to fabricators. It has broadened the market for these big "building blocks" and will expand further in 1961.

Research. Many of the markets now absorbing large quantities of plywood were developed through research in one of DFFA's three laboratories. Difford said there will be accelerated work on several projects now under way.



CHRISTMAS brings a big happy surprise early to Dean Williams, 3-year-old son of Mr. and Mrs. Joe M. Williams, 5144 Avalon. Dean was the winner of this electric train set at Bogatay's Shoes, 617 Main Street. Dean and his brother, Kelvin, 5 years old, will be railroading this Christmas. The Williams family has lived here about nine years. Williams works at Home Lumber and his wife at Klamath Disposal.

Business Review

By Floyd L. Wynne

Rec Asks Lease Bids

Sealed bids for the leasing of 70 tracts of public lands in the B-9 ("Frog Pond") and "H" (south of the N-12 Lateral) lease areas for agricultural and grazing purposes will be received from the general public until 9 a.m. and 2 p.m. Jan. 17, 1961, at the Bureau of Reclamation office in Klamath Falls.

The morning bid opening will include all of the lease units east of the Siskiyou-Modoc County line while the afternoon bid opening will include all of the lease units west of the Siskiyou-Modoc County line.

Information on bidding procedure and leasing conditions may be obtained from the bureau's office at the corner of Washburn Way and Joe Wright Road, or from bulletins posted at all post offices in the Klamath Basin vicinity.

First Federal Sets Dividend Of \$392,000

George W. McIntyre, president of the First Federal Savings and Loan Association, today announced that the directors of First Federal have declared a dividend of 4 per cent per annum, payable on Dec. 31. This dividend will exceed \$392,000.

This dividend and the one paid in June of this year will total more than \$765,000 for the year 1960. This is the largest amount ever distributed in any one year to the savers at First Federal Savings and Loan Association.

Total dividends paid since the organization was established in 1934 will be over five million dollars, with the payment on Dec. 31 of this year.

Total resources of First Federal now exceed 23 million dollars, making the association the fourth largest in the state.



Realtors Select Cedarleaf

E. Willard Cedarleaf was elected president of the Klamath Board of Realtors for 1961.

The election of officers took place at a recent meeting of the board.

Other officers were Orville Reichenberg, vice president, and John M. Quinn, secretary-treasurer.

Debt Boosted

Net bonded indebtedness of Oregon port districts increased from \$10,290,985 to \$11,408,945, a net amount of \$1,117,960, during the two years ending June 30, 1960, according to a survey of port indebtedness compiled by Howard C. Belton, state treasurer.

Thirteen of the 23-port districts in the state are debt free. These include the ports of Arlington, Bandon, Brookings, Coos Bay, Coquille River, Morrow, Nehalem, St. Helens, Siuslaw, The Dalles, Toledo, Umatilla and Umpqua.

Dividend Distributed

Two hundred ninety seven farmers and ranchers of Klamath and Lake counties are sharing in a \$9,606 dividend declared by the Federal Land Bank Association of Klamath Falls, Bryant Williams, manager, announced last week.

Williams said the association dividend resulted from a \$465,728 dividend declared by the Federal Land Bank of Spokane for which the association makes and services loans. Being a cooperative, savings which the bank can effect over and above its operating expenses and needed reserves are shared with its borrowers through their associations.

The capital stock of the association, Williams explained, is owned by its farmer and rancher members and the bank's stock is owned by Federal Land Bank associations in Idaho, Montana, Oregon and Washington. Since 1944 the bank has paid \$4,393,113 in dividends.

Lawrence J. Horton, a Klamath County stockman, serves the Board of Directors of Federal Land Bank Association of Klamath Falls as president. Vancil Withers, a Lake County rancher, is vice president. Other members of the board are Roy Gooding, Klamath County; William F. Jinnette, Klamath County; Fred Peat, Lake County; W. Warren Maxwell, Lake County.

The Klamath Falls association serves both Klamath and Lake counties.

High Dealer

Newman Kimes, Kimes Plumbing and Heating, 2861 South Sixth Street, was high dealer in the state for Kar-Go Trailer Rentals during the month of November.

Kimes has had the franchise only for the past six months. "Trailer and equipment - rental business is really booming," Kimes reports. He also handles U-Haul trailer and truck rentals.

U.S. Bonds Reach New High Mark

"The holdings of United States Savings Bonds have risen above the \$3 billion dollar mark for the first time in the bond program's history," Thomas S. Prideaux, state savings bonds chairman, reported here recently.

"This is 13 billion dollars more than the \$3 billion dollars in savings bonds held by Americans at the end of World War II," he continued.

"At the same time, November sales of 326 million dollars carried the national 1960 total above four billion dollars in sales during the year," he concluded.

Sales of United States Savings Bonds throughout the State of Oregon for the month of November totaled \$2,571,504 as compared with \$2,437,981 for the same period a year ago.

In Klamath County, sales of E and H Savings Bonds amounted to \$54,137 for the month.

For the first 11 months of this year bond sales statewide have reached \$31,325,634 as compared with \$30,800,732 for the same 11-month period a year ago.

The state chairman said he expects the sales for December to be very good because more and more people are purchasing savings bonds to give to members of their families for Christmas gifts and an increasing number of companies are purchasing savings bonds to give as Christmas or year-end bonuses to employees.

PUD Selects Harold Hardin

ALTURAS — Harold Hardin, former employee of the Surprise Valley Electrical Corporation here, has been promoted to general manager of the Truckee Public Utility District with headquarters at Truckee. He served as superintendent for the district for the past year.

Hardin succeeds Wilbur Bell, manager for the last year, who left three weeks ago, leaving no reason for his departure.

Before Hardin entered upon his probationary appointment, he experienced years of utility work in Modoc County and Southern Oregon and was also employed with the Sierra Pacific Power Company in Reno.

Hardin has a wife and son. He is the son of Mrs. Mary Pepperdine Enockson of Crescent City. His brother, Sheldon, is football coach at Cal-Poly.

Hardin was reared in Alturas where he received his early education.

Hardin's paternal grandparents were pioneer settlers in Surprise Valley, while his maternal grandparents were pioneers who chose Parker Creek near Alturas for their ranching efforts.

Wins Scholarship

Clifford F. Kenyon, 703 Mitchell Street, has been named winner of a \$225 scholarship in pharmacy at Oregon State College.

He was selected to receive an Oregon State Pharmaceutical Association continuing scholarship. The selection is based on high school scholastic achievement, leadership and need. Pharmacy is a five-year course.

Kenyon is a freshman this year at OSC. His parents are Mr. and Mrs. Clifford Kenyon.

Forest Service Holds Open House

U.S. Forest Service personnel at Mt. Hebron held an open house for the public in the new Goose-nest office building on Dec. 4, according to District Ranger Lester D. Clark. The occasion was held to acquaint the public with their newly-constructed, five-room, modern office. Visitors were served refreshments, and given a tour of the new building.

During the tour, visitors were shown the new offices for the district ranger and assistant ranger, a timber management office, a fire control office and a receptionist's room. These expanded facilities will enable the Goose-nest to more efficiently manage the resources of their district, for the benefit of the public. Although the old office has been a landmark in Butte Valley since its construction in 1934, its usefulness had been outgrown by the forest service's constant expansion. Thus, along with the realization that the change was necessary, there was a note of sorrow as the rangers moved out of their old building.

In addition to the office, a new three-bedroom house was constructed on the ranger station by the E. R. Cummings Construction Company of Yreka. This brings to five the total number of residences on the station for forest service personnel.



A MODERN five room office has replaced the old office building for the U.S. Forest Service at Mt. Hebron, California. The new building is shown here nearing completion.



A RESIDENCE for the timber management assistant and his family has also been constructed recently at the Mt. Hebron Ranger Station. This brings to five the number of residences on the station.

Outstanding Young Men Search On

A search is on throughout Oregon to find the state's three outstanding young men of 1960 in a program co-sponsored by the Oregon Junior Chamber of Commerce and the First National Bank of Oregon.

Nomination blanks have been mailed from Oregon Jaycee headquarters in Portland to all newspapers, radio and television stations, Jaycee clubs, and many civic, fraternal, religious, labor, educational and professional groups throughout Oregon.

The program will honor the top three men of the year between the ages of 21 and 36 who have made outstanding contributions to their work and professions and to the general welfare of the people.

These men are expected to come from all walks of life and will be exemplary of the purpose of the new program — to present

to the world concrete evidence that success in our free enterprise system is still available to those individuals who strive to achieve.

The public will be invited to nominate young men from their own communities who are deemed worthy of such a high honor. Neither nominees nor their nominators need be members or affiliated in any way with a Junior Chamber of Commerce.

A panel of business and professional men, serving only in the 1961.

public interest, will make the selection. Presentation of the awards will be made Feb. 5 at a banquet in Grants Pass concluding the winter board meeting of the Oregon Jaycees.

Nomination blanks are available at the 85 offices of the First National Bank of Oregon and from the office of the Oregon Junior Chamber of Commerce, 824 S.W. Fifth Avenue, Portland, Oregon. Deadline for entries is Jan. 20, 1961.



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SPECIAL PACKS of a prepared horseradish are being readied for shipping in this picture of some members of Tulelake Horseradish Association. The association produces mustard, ketchup, wine vinegar and "old fashioned" blends for gourmets. Those pictured are, from left, Hugh Rick, James Foust and Paul Christy. — Photo by Marlon Barron.