



WINNER of a \$100 savings bond is Mrs. V. F. Myers, 917 Walnut. She is shown being presented her prize by Ed Niles, manager of the Klamath yard of Glass Mountain Brick Company, 456 Market Street. The Major Line Kitchens display, in the background, were shown for a week at both Market Basket stores. Mrs. Myers was prize winner in a store contest on the cabinets. These pre-finished factory built cabinets come in four finishes, English walnut, country kitchens, cosmopolitan and birch. Glass Mountain Brick became regional distributor last September for Southern Oregon and Northern California.

### Profit Taking Slows Stock Pace

NEW YORK (UPI)—The popular market indicators seemed to say last week that stocks halted their meteoric advance of recent months but a glance at the tremendous activity and speculative interest belied this apparent fact. The "pause" or "correction," if one should call it that, impressed traders about as much as shorting up the flood gates with scotch tape.

The big industrial issues, in short, were "out." Speculative and low-priced stocks were "in." The end result was a trader's paradise spurred by the greatest public participation in history as volume on Thursday topped the 6-million-share mark for the first time in 5 1/2 years.

Harried brokers, inundated with orders, were all smiles under the staggering work load and spoke of new electronic devices needed to replace the obsolete and over-worked ticker machines that ran behind floor transactions more often than not.

The ticker tape on Friday, however, began to show a slightly different picture as the gray train for many of the high-flying special situations ran into a stiff roadblock via the profit-taking route. The fact that analysts were lamenting the market's "poor leadership" and the vague timing of an economic upturn served notice on the public that some rough sledding was still a distinct possibility.

One leading commentator said that, to him, it doesn't seem likely that the market can sustain itself at the current pace if a business upturn is delayed as long as government economists suggest. Technically, the most bullish thing that could happen, he says, is a decline at this point on light volume.

Light volume, however, appeared to be a thing of the past as activity rose to another 28-year record and all five sessions recorded better than 3 1/2 million shares. The total for the week rose to 29,028,120 from 27,102,906 a week earlier and compared with only 15,980,064 shares at this time last year.

The Dow-Jones Industrial average, composed mainly of "quality issues," showed how the money moved to more fertile fields by declining 8.01 points to 683.58. Rails dropped 1.84 to 143.00 and utilities slipped 0.36 to 101.33.

Electronics, motion picture stocks and low-priced speculations were the best performing groups. Virtually every steel issue declined several points as investors

grew discouraged with all the promises of an industry pickup that failed to materialize. Building shares received a late lift on the report of new administration plans to spur low-cost housing. Avco Corp. led the market in activity with a whopping 879,800 shares, rising 1 1/2 to 18 1/2. Interest here stemmed from speculation that the company would earn \$1.20 in its latest fiscal year, up from 97 cents, and that backlog was increasing.

The market breakdown of 1,463 issues crossing the tape showed practically an even split of 668 gainers and 670 on the downside with 125 holding unchanged. Some 235 stocks touched new highs while only 3 hit new lows for 1960-61.

Mr. and Mrs. Logan, well known ranchers in the Klamath Basin for several years, will move to the Holt ranch at once and will occupy the main ranch house. They will be joined later by Mr. and Mrs. Ponke, presently operating an aircraft flying service in Chico.

Mr. and Mrs. Holt will remain until the end of school in this area, living in a smaller home on the ranch. Their future plans are uncertain. Mr. and Mrs. Holt have owned and operated ranch property in Klamath County for several years. They bought the land just sold in 1948.



NEWEST MAJOR manufacturing plant in Oregon is the Cottage Grove facility of Weyerhaeuser Company's Rilco engineered wood products division. At capacity, more than 150 workers will be turning out laminated wood arches and beams. The 620-foot building is supported by 200-foot clear-span trusses.

The ground hog is the only animal with a special day on the calendar.

In recent years Weyerhaeuser Company has manufactured Rilco laminated beams for the 11 western states, using space at Longview, Rilco, with headquarters at St. Paul, Minn., was merged with Weyerhaeuser last year. The Rilco plant in Albert Lea, Minn., continues operation.

# Business Review

By Floyd L. Wynne

## Ranch Sale Announced By Realtors

One of the largest ranch transfers in recent months was announced Friday by Mr. and Mrs. Homer N. Holt who sold their 650-acre farm, all buildings and some ranch equipment for a reported \$100,000. Transfer of the property, located three miles west of Bonanza on the Poe Valley Road, became effective March 9.

New owners are Mr. and Mrs. Frank Ponke of Chico and Mr. and Mrs. John M. Logan of Tulelake.

Mr. and Mrs. Logan, well known ranchers in the Klamath Basin for several years, will move to the Holt ranch at once and will occupy the main ranch house. They will be joined later by Mr. and Mrs. Ponke, presently operating an aircraft flying service in Chico.

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PAUL SUPRENANT

## Hotel Names Former KF'er As Manager

A former Klamath Falls man is the new manager of the Winema Hotel and Coffee Shop. Merle West and Ted Lindley, co-owners of the establishment, announced recently that Paul Suprenant has taken over that post.

Suprenant comes here from Eugene. He graduated from KUHS in 1940 and attended the University of Oregon. Following school, Suprenant entered the hotel business and has served with such hotels as the Eugene Hotel, Medford Hotel, Marion Hotel in Salem, and the Sands of Gearhart at Gearhart, Ore.

Suprenant, his wife Dolores and their three children, Michael, 5, Kelli, 4, and Kimberly, 2, are residing at the hotel for the time being.

Several weeks ago, plans were announced for a future expansion to convert the hotel into a motel-hotel business with the addition of a three-deck motel arrangement to the east end of the present structure.

## Local Bottler Attends Meet

W. Ray Lamb, manager of the Canada Dry Bottling Company, has returned from Seattle, where he took part in a two-day conference.

He said that the conference was an annual event, and included marketing officials of the corporation and other franchised bottlers. Its theme was "CD in 3-D" and it was set up on a work-shop basis, he said, to permit maximum two-day discussion between the bottlers and parent company representatives. A keynote talk by Roy W. Moore Jr., president of Canada Dry, opened the conference.

The local soft drink company's advertising and promotional plans for the year were also mapped out, he said, with the expectation of substantial campaigns in local media, developing as the new selling season gets underway. Cooperative promotions with retailers and with other food manufacturers also figured in the group's planning.

The meeting was one of a series being held in 14 cities across the country. Each meeting was carefully planned to take into account the prevailing marketing conditions and shopping habits of each geographic area, so that the program adopted would meet the needs and desires of consumers in the particular area.

## New Lumber Plant Opens

COTTAGE GROVE — Production of laminated wood products has begun at Weyerhaeuser Company's newest plant here, according to an announcement from Dale L. Gaeth, vice president-manager of the Rilco engineered wood products division.

The 124,000-square-foot building adjoins Weyerhaeuser's Cottage Grove lumber and plywood mills. Principal products will be laminated beams, arches and trusses. The payroll now includes 135 production workers and 23 executive, engineering and office employees. When maximum production is reached, Gaeth said, employment should amount to 153 production men.

The largest clear-span wooden trusses in Oregon were used to construct the 200- by 820-foot building. In recent years Weyerhaeuser Company has manufactured Rilco laminated beams for the 11 western states, using space at Longview, Rilco, with headquarters at St. Paul, Minn., was merged with Weyerhaeuser last year. The Rilco plant in Albert Lea, Minn., continues operation.

Key personnel from Albert Lea and Longview were transferred to start limited operations last fall. G. H. West Jr., formerly at Longview, is the plant manager. Rilco's nationally distributed line includes post-free clear spans for churches, schools, stores, factories and farm buildings. The firm has furnished spans over 200 feet.

## Newspapers In Key Role For Brewery

Newspapers will play the key role in one of the most unusual campaigns ever used by a U.S. brewery when Sicks' Rainier Brewing Company unveils its new advertising program. The quality of the ingredients in Rainier's unique light beer will be stressed, according to Gordon Bennett, advertising manager of the Seattle brewery.

The first of a series of full-page four-color ads will appear in the Herald and News the week of March 13.

Paying tribute to newspapers as the medium which reaches everybody, Bennett said a saturation schedule of full-page ads, both black and white and four-color, in all leading dailies of the Northwest will provide the springboard for Rainier's lively campaign during the year.

Rainier also will use spot television, outdoor posters in key areas, spectacular painted bulletins, and in another unusual move, will run a dozen full-page ads, mostly color pages in the Saturday Evening Post. In addition, Bennett said Rainier will co-sponsor several baseball telecasts from Spokane and will sponsor radio broadcasts of the full 154-game baseball schedule at both Seattle and Spokane.

The campaign for Rainier was created by its newly-appointed advertising agency, Doyle Dane Bernbach, Inc. William Zarkades, manager of DDB's Seattle office, serves as account executive under James M. Loughran, account supervisor.

## Fruit Firm Shows Rise

Di Giorgio Fruit Corporation, in its report to stockholders released Saturday, lists 1960 earnings for the corporation and its consolidated subsidiaries of \$1,285,061, equivalent to 97 cents per share of outstanding common stock, compared with \$1,043,372, or 78 cents per share, in 1959.

Consolidated net sales for the same period climbed to \$102,344,986 from the \$97,572,406 reported last year. The net income figure includes a non-recurring capital gain after taxes of \$348,926, attributed to part payment from the sale of farm properties in Florida, the report shows.

Robert Di Giorgio, executive president, said the firm's California fresh fruit crops were adversely affected by an extreme hot weather spell last June. Grapes particularly suffered in quality during their formative period, depressing their market value, he said.

## Public Land Bids Asked

Sealed bids for the leasing of five tracts of public lands with a total area of 456 acres in Lease Area "J," B-1 (League of Nations), Lease Lot 105, Lease Area N, and Lease Area G (Southwest Sump) for agricultural and grazing purposes will be received from the general public until 10 a.m., March 23.

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.

## Conducts Class

Dr. Clyde E. Browning, head of the real estate department, University of Oregon, will be the lecturer for the third class of the certificate education course for Klamath and Lake County real estate brokers and salesmen on March 13.

All classes in the non-fee certificate course are conducted at Klamath Union High School, beginning at 7:30 p.m. Subject for discussion at the third class will be "Real Estate Markets." Dr. Browning is co-director of the certificate program sponsored by the Oregon Real Estate Department and the University of Oregon. As the 16 lectures in the course are continuous, attendance at any class will establish registration.

## Auto Bonuses

DETROIT (AP)—The automobile companies will pay selected employees bonuses totaling more than \$128 million for their services during 1960.

Approximately 20,440 men and women will share in the awards at General Motors, Ford, American Motors and Chrysler. Each company has its own formula for determining the total bonus. At GM the minimum salary an employee can receive and still be eligible for a bonus is \$750 a month or \$9,000 a year.

## EXPLORATION TO RISE

NEW YORK (UPI)—Oil exploration slowed in 1960, but officials look for a step-up in activity this year. Drillers completed only 46,750 wells last year, the smallest number for any year since 1952, and sharply below the record 58,000 completed in 1956.



SEVEN DRIVERS of the Bend-Portland Truck Service who operate out of Klamath Falls were honored by being awarded safe driving honors at a recent all-day meeting from all stations of the firm held at the Pilot Butte Inn at Bend. Shown here are three of the local drivers, right to left, Fred Metcalf, honored for 16 years safe driving; Howard Streight, and Harley Newland, both one-year awards. Others not pictured, Jerry Wagner, and Robert Gallup, both one-year awards; Walter Sexton, four-year award, and W. Frank Hanan, seven-year award. Wilfred E. Jossy, president of the firm, made the presentations at a banquet at the Bend Golf Club.

## Economy Lag Helps Home Buyer

By HENRY J. BECHTOLD UPI Financial Editor

NEW YORK (UPI)—One segment of the U.S. population benefiting from the lag in the economy is the homebuyer.

While house sales are lagging, the supply of savings is growing and the new year brought the sharpest drop in months in the cost of mortgage money.

A mortgage survey by House & Home Magazine showed that both

## Lease Store

FORT ROCK—Mr. and Mrs. Edwin Shaver and his stepmother, Zella Shaver of Bend, have leased the Fort Rock Store from Andy P. Hergert and began operations March 1.

Mr. and Mrs. Edwin Shaver have three sons, all attending Bend schools, and the family will join Shaver at the close of the current school year.

In addition to the store, the new proprietors expect to continue the restaurant, service station and post office, with Mrs. Zella Shaver as postmaster. Hergert will continue his John Deere business.

## REASON WHY

BURLINGTON, Iowa (UPI)—If you're wondering what makes a \$2,000 automobile cost \$2,000, the National Education Program Letter has the answer.

There is \$22 of raw materials, \$500 in taxes and between \$1,200 and \$1,500 in direct and indirect labor costs in the car. Net profit to producers of raw materials and allied industries, \$89; to parts makers \$47; to local dealer \$77 and to car manufacturers \$65.

FHA and VA mortgages were subject to smaller discounts by lenders, bringing about a savings to homebuyers of from 1/2 to 1 percent of the amount of the mortgage.

Behind this drop in mortgage costs is the gain in deposits in mutual savings banks and savings and loan associations (nearly \$10 billion) and a flood of pension fund money into the mortgage market, according to the magazine.

At the same time, it noted that the slowdown in housing sales has cut the demand for such funds, bringing a downward pressure on interest rates and discounts.

One result of this changing mortgage picture has been an increase in the number of builders offering VA insured loans. High discounts have kept builders out of the GI market recently, but they now are getting small enough to encourage some builders to absorb the cost in order to offer better terms to their buyers, House & Home declared.

It noted that there still are nine million World War II veterans and five million Korean veterans eligible to buy homes under the VA program.

The magazine also found that VA financing may get a shot in the arm in many areas because VA's 5 1/2 per cent interest rate now is much closer to the FHA's rate, recently cut from 5 1/2 per cent to 5 per cent.

As for the cut in the FHA rate, the survey showed that the reaction of the market has not been as unsettling as pessimists feared nor as stimulating as optimists hoped. Housing experts do not see the lower rate stampeding buyers into the market.

Most builders and lenders agree that the main effect of the 5 1/2

per cent rate on homebuyers will be psychological.

Under the new rate, a buyer of a \$15,000 house with a 30-year FHA mortgage will pay \$87.75 a month instead of \$90.06. But a Long Island builder believes this will make a difference, the magazine said. And a California builder agreed, stating that "a buyer will feel he is getting something."

In another article, the professional magazine of the housing industry urged the Kennedy administration to take seven steps that would help the construction and sale of new housing.

It said the seven changes need not cost the taxpayer a penny, but "it is high time they were made."

The suggestions were: —Require local FHA offices to conform to forward-looking directives from Washington, rather than what has been "local custom."

—Let FHA spend at least one-third of its premium income to do its work right and to pay high enough salaries to hold good men.

—Reduce the FHA insurance premium to a single non-refundable advance. The 1/2 per cent saving per year would let most homebuyers qualify for a better house.

—Permit the Federal National Mortgage Administration (FNMA) to lend money to institutional investors on their security with recourse.

—Base FHA income requirements on a 40-year straight-line depreciation regardless of how fast or how slow the amortization.

—Provide more nearly adequate market statistics on housing for guidance of the industry.

—Permit FHA to spend more of its income for construction research.



WORK IS PROGRESSING on construction of new facilities at the Great Northern Railway yards. The company is building four new classification tracks for blocking trains, and extending three tracks about 25 car lengths each, rearranging the switching lead. Crews have also leveled a slight hump in the switching yard. Ray Kizer Construction Company of Portland did the grading and earth-moving and GN crews are laying the new track.

## ESTIMATE RIGHT

WASHINGTON (UPI)—The Internal Revenue Service says taxpayers often underestimate the amount they can deduct in federal income tax returns for state and local taxes.

You can use standard state tables to figure these deductions. For instance, a Rhode Island table would put the deduction for the three per cent state sales tax on a \$20,000 income at \$266.

## INCOME TAXES

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