Proceedings of the National Paint, Oil and Varnish

Fortieth Annual Convention

Atlantic City, N. J., October 26 to 2

Wednesday, October 26

Opening Session: Wednesday Evening

The fortieth annual convention of the National Paint, Oil and Varnish Association was opened at 9:30 p. m., Wednesday, October 26, in the Hotel Ambassador, Atlantic City, by Dudley W. Figgis, the president of the association, presiding.

President Figgis:—William S. Nagle, the leader of the Pennsylvania University Glee Club, will lead us in singing two verses of "America."

(Singing of "America" by the assemblage.)

President Figgis:—I shall ask Dr. Henry Merle Mellon, of the First Presbyterian Church of Atlantic City, to open this meeting with prayer.

Dr. Mellon:—Thou, God, art the great artist sitting upon the circle of the earth and portraying Thyself in the work of Thy hand. Thou dost indeed cover Thyself with light as with a garment. Thou makest Thy way in the whirlwind and the clouds are the dust of Thy feet. How wondrous and how majestic art Thou enthroned in the heavens. And Thou are using the sons of men in order that they may fill in the Divine Mosaic, and each one of us has his coloring, each one of us has his tint, each one of us has his hue which he must contribute to this Divine Mosaic.

We rejoice that in the goings and doings of men, in the coming and going of the generations, in the rising and falling of great world movements Thou art showing Thyself in all Thy grandeur and majesty. And as the sons of men, one by one, are gathered to the side of Mother Nature, they are contributing to the divine picture of the great God Whose we are and Whom we serve.

So it is no small thing, O God, that we engage in as we invoke Thy benediction upon this gathering of men and women, for they are Thy servants and Thy handmaidens, each one of them in his sphere and in his little niche, working out Thy sovereign will, each one putting his part into the final fulfilment of all the Divine objectives.

So as we are gathered in this little corner of the world, tarrying by the surging and roaring sea, looking into one another's faces and remembering that we are of one brotherhood, may we know that with our fellowship one with another we may have the consciousness of the Divine approval, just so far as we perform our life's duty, acquit ourselves like men and do that which is strong in Thy sight. Let, therefore, Thy blessing be with these, Thy servants; let their deliberations be attended with the approval of Thy will; let their very pleasures be in consonance with the joy of the angels above. Let their coming in be accompanied by their love; let their going out be met with that blessing which maketh rich and addeth no sorrow thereto. Bless these, our brethren, as they sojourn in our city. May it be sweet for them to tarry here, and when they take their leave, may they have the finest, truest recollections of this place, and may they feel that it was good for them to be here.

We ask these things for Thy name's sake, and Thou, O God, hast taught us through Christ, our Lord, to pray, saying:—

"Our Father, who art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth as it is in heaven. Give us, this day, our daily bread, and forgive us our debts as we forgive our debtors, and lead us not into temptation, but deliver us from evil. For Thine is the kingdom, the power, and the glory. Amen."

President Figgis:—A year ago, I stood before this same audience, essentially this same audience, and at that time I was just a stripling with a banner in my hand, and on the banner was the word, "Excelsior," and tonight I stand here, a finished speaker, and I didn't acquire that by answering an advertisement, but I have picked it up, as you will very readily note, by talking all over the United States in the interest of the association.

I am perhaps going to disprove that during the evening, but at least that is the major premise on which I start. In opening this fortieth annual meeting of the

many square feet of surface it will save d
had been cleaned up, even though they h
things of that kind. So that this year w
annual report at this time, we would ha
suitable, and if any of you really yearn
dent's annual address, you can hear it
session.

I stated that I had acquired oratory, a
that better conventions are the result of
way in which we can contribute to the h
business program tonight. I am, therefo
presiding officer for a few moments. My
president's address, my address is room
that kind of a statement which was 'exp
smile carries me back to last year, when
made by our esteemed friend and my ass
tonight. You know, to take the place of
last year, and to take the place of the ad
and who is missing tonight, and to take t
we have had to get sixty men, and, inc
into the room, were the only men that I
are still with us, and we are going to hea
leadership of William S. Nagle, as you w
they will entertain you. I am glad to se

(The rest of the opening session was c
Pennsylvania Glee Club.)

Thursday,

First Business Session

(The first business session of the fortie
Oil and Varnish Association convened at
dent D. W. Figgis presiding.)

President Figgis:—It is my very ples
session of the convention, and I am not
this meeting, but I do want to express
here this morning from other associatio
hear from them.

The first representative is from the N
Harry E. Constant. We shall be very gl
fairness to Mr. Constant and quite a num
ing that there was a meeting called at ni
the Surface" and educational committees
arisen very suddenly, so that that meetin
have just left it. Mr. Constant is in tha
will hear from him at that time.

The International Association of Mast
States and Canada is represented here b
be very glad to hear from him this morn

Reception of V

International Association of Mas-

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IN CHE[illegible]

[illegible]r specify them again as [illegible]d. They looked up the He would neve[illegible]d this stuff was still in long as he lived, and never been delivered, records and found painted the job with the storehouse, hdth. foreign. The archi- and this man had a paint the building something entirely di[illegible] tect made this mar[illegible]tone in many States over completely. [illegible]and I am glad to see We can't get that det. Canada. Another in this country, but h[illegible]re flat wall finish that it is being done in Oman bought five incident cited here, whelven on the job as was specified, and a [illegible]why there was the gallon kits, and had there[illegible]job was painted If any owners came alo[illegible]ny this man had stuff sure enough. This pe[illegible] paint manu- with something else, and to[illegible]end for five the audacity to call up this [illegible] over. facturer and ask him to [illegible]ernational as- gallon kits that he had left[illegible]ndebted to us

As president of the Int[illegible] interest taken sociation, I feel greatly [illegible]or their efforts Painters' Magazine for th[illegible]ster painters of in our conventions and [illegible]ams as I before in placing before the mar[illegible]mat every manu- this country such proble[illegible]arnish, and that mentioned, and I hope tha[illegible]articles will con- facturer of paint and ve[illegible]orts and thus be every jobber of these se[illegible]pto what the in- tinue to read these [illegible]reports industry, which I kept fully informed as [illegible]sent, is doing portant branch of your [illegible] reports, should have the honor to repre[illegible]o as necessary for

After reading these [illegible]atter or in person, anything occur to you[illegible]rganization, please discussion, either by l[illegible]ti views known. We with officials of our o[illegible]ntleman and we will feel free to make your[illegible]co-operation. invite constructive cr[illegible]wat is all I have to always welcome your [illegible]ope to see something

Now, gentlemen, the[illegible]tion of paint that say, but I would lik[illegible]get your stuff in a done about this subst[illegible]ject to me it is up to is specified. If you the[illegible]that it is used. We specification, it seems [illegible]one can, but I cannot you, gentlemen, to see[illegible]ew York city and tell do everything that was[illegible]is job is being done go on the job in Ne[illegible]hat is not specified. I an architect that [illegible]mething that is none with something that [illegible]s have been advocating am putting into sc[illegible]an years the value of a of my business. I [illegible]ra painting at a consistent for the past ten duc[illegible]nvince the owner, the high-class job of p[illegible]economy everybody else that it is price, trying to co[illegible]economical things that architect, and eve[illegible]du building, a nice job of one of the most not[illegible]ope you gentlemen will he can put on his [illegible]ind consideration. painting, and I h[illegible]r us:—I see that Harry E. give that your kind[illegible]resident of the National

President Figg[illegible] Paint Distributors, has Constant, the pa[illegible]s room from the meeting I Association of ind[illegible]minute ago. come into the sur[illegible]ould you like me to intro- referred to a [illegible]p gates? General Secretary

Mr. Joy:—Wer[illegible]John Dewar, Pittsburgh; duce the delega[illegible]a Newark. Dablestein, ber[illegible] Figgis:—Not only that, Mr. Frank Shulz, [illegible]ff would be very glad, indeed, if

President [illegible] say just a word or two. Joy, but I re[illegible]year:—This is about my twenty- they would ap[illegible]twenty-fifth attendance at your

Mr. Dewar[illegible]sions that I have attended as a third or recti[illegible]a freelance. I have among the annual seat[illegible]nip of your association some of kind of th[illegible]rest friends that I ever met, and membership, [illegible]in mind a number of men that I I hav[illegible] with to work, look into and devise the det[illegible]t the betterment of the conditions both met [illegible]T painter and manufacturer, and while for be[illegible]ere are many innovations in the last as [illegible]few years, really if the membership of th[illegible] this association was familiar with them, they could be traced back to those early meetings where we met in different parts of this country with manufacturers appointed by your association, such as Marshall Evans, Norris Gregg, Ernest Heath, Thomas Neal, George Hecket, Robert Perry, Mr. Chapin, Mr. Waugh.

Day after day, and for several years, we met for the best interest of this association. It is history now. Many of the things that we talked of and developed at those different meetings are today leaders in the trade of the production manufacturer. Of course, there are things that lately have been developed and we are somewhat cautious. We are not ready yet to divorce ourselves from our first love to attach ourselves to anything which is a new development.

But, taking all the intricate together and the names of those gentlemen whom I have mentioned to you, I salute them. We, the international association, salute the memory of those men, dead and living, many of them passed away whom you know, and this association owes more today to the intelligent workings of those men quietly in the different places than the average member of today has any thought of. Thank you, gentlemen, and I hope to meet you again in another year.

President Figgis:—I want to apologize to Mr. Constant for a premature introduction, but we would be very glad to hear from you now. Mr. Constant.

National Association of Paint Distributors

Mr. Constant:—In behalf of the membership of the National Association of Paint Distributors, I thank you for your kind words of welcome. I assure you the distributors' association is hopeful that the same cordial relations that now exist between the two organizations may continue indefinitely.

Organizations such as yours and ours are formed for a common purpose, the principal object being to get together the best thoughts and opinions of the members in order to make more perfect that co-operation which is essential to good business practice.

The National Association of Paint Distributors is striving to cement a closer and, if possible, a more friendly feeling between the producers of paint and varnish, and the distributors operating in a wholesale capacity, that each may become acquainted with the various activities and ambitions of the other, which will result in a closer working understanding and a unity of purpose that will be reciprocal and advantageous to both.

As an association we are endeavoring to maintain those objectives that were conceived at a period of necessity by a handful of wholesale paint jobbers who foresaw the common need of a subsidiary organization. The memory of their contributions to the various activities of the industry is worthy of all the recognition we can bestow.

This occasion might justify my speaking at length on many subjects of mutual interest. Opinions, however, are so diversified and human nature so positive that I think it prudent to confine ourselves to generalities and not enter into a detailed discussion of problems that might lead to disputatious arguments with no definite results.

However, permit me to say, during the last two years the cost of conducting a wholesale paint business has been studied scientifically. Wide differences may appear when applying these percentages of average costs to individual cases, but, at the same time, conclusions are unanimous that the progress we have made and the knowledge gained has proven beneficial, and that the work is constructive in principle. The Harvard report on the cost of conducting a paint jobbing business has served a two-fold purpose. First, a clearer understanding among producers who are convinced the distributor is an economic necessity, by furnishing authentic costs on wholesale distribution. Second, assisting wholesale distributors



Dudley W. Figgis
The Presiding Officer

or direct marketers to analyze their overhead costs of warehousing, handling and selling more effectively.

General averages for the entire United States give to all of us a safe basis of averages that compares very favorably with the reports of the wholesale drug, wholesale dry goods, wholesale grocery, and the wholesale automotive businesses. Percentages will always vary according to circumstances and geographical locations.

The distributor understands perfectly that increased sales will decrease the percentage of burden or overhead, however, his sales are limited to the territory he serves. He further realizes that the costs of distribution will remain high as long as there is so much duplication of effort. Any remedy for these conditions will doubtless include improved methods of merchandizing, more conservative buying, established resale prices by the manufacturer, and more thought given to research, selling and advertising.

Net profits are the life blood of commerce. Being able to make both ends meet may sound all right fundamentally, but this condition cannot be accepted as representing a healthy policy. There must be an overlapping of the two ends before the investment becomes attractive or remunerative.

Many manufacturers have cast their lot with the distributors, and at this time they are working side by side to the mutual advantage and satisfaction of both. The shoulder-to-shoulder idea is organized co-operation.

I congratulate you on your many accomplishments in all departments of the industry. These were attained through united efforts. Like yourselves, we, too, are interested in standardization, simplification, "Clean-up and Paint-up," "Save the Surface," etc. Manufacturers and distributors must each solve their own problems, and I do not dispute the rights of either in determining their methods of distribution, which should never be destructive to the end the industry is to keep pace with progress.

I view the future with considerable optimism. I tell the demands for surface protection are increasing, and I expect competition will keep pace with the demand for materials. Competition is the life of the industry, and if the codes of ethics of both organizations are conscientiously observed the industry will be benefitted by the helpful results that will come to individuals and corporations alike.

The next convention of the paint distributors will be held in New York, the week of February 20, and we hope we may see many of our manufacturing friends there, and we will do our best to entertain you in a manner that you will wish to come again. I thank you.

I think we have a delegation of distributors who are present. Will they be kind enough to stand?

President Figgis:—We are very glad indeed to have the delegation from the National Association of Paint Distributors and the delegation from the International Association of Master Painters and Decorators of the United States and Canada. We hope you will participate in our convention, and that you may get something from it and also contribute to it.

If there is no point or order now, we will proceed to the calling of the roll. I think, perhaps, to establish a basis for determining the attendance for awards, that the general manager might again read the rules that have been set down.

Rules for Attendance Awards

General Manager Horgan:—These are the rules that have been outlined by the committee appointed to handle the attendance awards:—

The awards will be based on the ratio of the average attendance of the several constituent clubs at the four business sessions in relation to the total membership of the respective individual clubs. All members of the paint fraternity from the club district may register their attendance on the convention floor, regardless of whether they are active members of the local paint club or delegates to the convention. The only stipulation being that such an individual be a member of a firm or corporation holding membership in one of the local clubs. The basis of awarding the attendance prizes has a two-fold purpose:—First, to get large delegations to attend the sessions; second, to get all members of the paint fraternity to attend the business sessions and to participate in the deliberations on the floor of the convention.

The order of roll call for each session has been determined by lot, so that any club is not penalized by being placed first on the roll call list at all business sessions.

It is not the intention of your committee or the desire to create an academic schoolroom atmosphere, but we do want to impress upon each and every one of you that it is your moral obligation to yourself, to your firm, and, lastly, to this great industry of ours, to attend each and every business session and offer your counsel and advice by participating in the deliberations on the floor of the convention.

Mr. Horgan:—We shall now call the roll:—

Birmingham	0
Savannah	0
Knoxville	0
Detroit	6
Kansas City	0
Toronto	2
Tampa	0
Columbus	2
Atlanta	0
Dayton	2
Louisville	3
Cleveland	10
Mobile	0
Toledo	1
Chicago	14
Buffalo	5
Philadelphia	11
Puget Sound	0
Nebraska	0
Indianapolis	3
Duluth	0
New England	12
Charlotte	0
Houston	0
Portland	0
Golden Gate	3
Washington	0
New Orleans	0
Rochester	0
Richmond	1
Baltimore	5
New York	24
Colorado	0
Terre Haute	0
Cincinnati	1
Dallas	0
Pittsburgh	0
Fort Worth	0
Milwaukee	2
Memphis	0
St. Louis	8
Los Angeles	0
San Diego	0
Minneapolis-St. Paul	1
Utah	0
Miami	0
Oakland	0
Chattanooga	0
Pensacola	0

President Figgis:—It is unfortunate that there were some members who were not in here because of the meeting I told you of earlier in the morning.

I am going to ask Mr. Booker, the Southern son vice-president, if he will take the chair for just a few minutes while I read my report.

(Mr. Booker took the chair.)

Address of the President

President Figgis:—This meeting is the opening business session of the fortieth annual convention of the National Paint, Oil and Varnish Association.

According to the theory advanced by Dr. Osler some years ago, man deteriorated after passing his fortieth birthday. An association, even though it be a composite man, does not suffer in the same way, due to the constant renewing of its youth by the addition each year of younger men, but the fortieth year of an association may, nevertheless, be a dangerous one, as it may become less effective through self-satisfaction and smugness. It may be so absorbed in its past conquests as to affect due consideration of future accomplishments. Taking inventory and the keeping of the score in itself does not produce the result, but merely records it.

We can be proud of our accomplishments, and we should be, but the value of taking inventory should be to enable us to ascertain where we stand—to find out how broad and how solid a foundation we have built so that we may plan to pyramid a still larger and more imposing structure in the future.

The present officers, who constitute your executive committe, have carried on the affairs of your association since their election at the last convention, and it is now my duty to stand before you and attempt to create an atmosphere in which, and a background against which, the general manager and the committee chairmen may report as to what has been accomplished.

The Basic Principle

Our association was founded on the principle that a greater appreciation of the intent of each member and the fostering of friendships between members would raise the standard of the business methods employed by the whole; that a closer relationship would create the kind of a mutual consideration and respect that prevents a man from driving counter to a red traffic light, not because he fears the consequences, but because it isn't the sporting thing to do—that makes a man play the game with every desire to score, but to do it with a proper observance of the rules of the game. Therefore, we have made an effort to supplement the work of past administrations toward this end, and a great many of the constituent clubs have been visited during the past year.

Your president has also had the pleasure and opportunity of attending the Southern zone convention held in Dallas, Texas, in March, and the Western zone convention held in Portland, Oregon, in July.

The National Association of Paint Distributors held their annual meeting in Chicago, and your president was extended the privilege of talking at the banquet on that occasion. The annual meeting of the Canadian Paint, Oil and Varnish Association was held in Montreal in February, and it was a privilege not only to carry the greeting of your association to our Canadian friends and associates, but to observe the straightforward manner in which they approached problems very similar to our own.

In addition to these meetings specifically mentioned, your officers have attended a number of other meetings, and I wish at this time to express my very great appreciation of the courtesy shown on the occasion of these visits.

Benefits of Local Clubs

It has been my observation that our membership as a whole secures great benefit from the meetings held by the local clubs and by the opportunities for contacts with each other which these meetings provide. In some cases the local meetings are of such value that the average member considers his entire benefit is to be found there and loses sight of the advantages to be secured by his attendance at the national convention. While there is co-operation between the members in each club, and while there is even inter-relationship between the clubs themselves, it is still true that our members, by taking a greater interest in our national co-operative movement, could be of greater value to the industry and at the same time increase the horizon of their own vision. This, you will note, is a reflection on neither the members nor the clubs, but is expressed with the hope that there may be still closer articulation between both members and clubs, each with the other, and with the national association.

The spirit of the industry is impressive and our members are not only proud of their association with such an industry but realize an obligation to do what they can for the industry as a whole.

Untold time, energy and thought are contributed throughout the industry by individuals, some of whom are serving on committees, and others who are active in associational affairs. The aggregate of this time and energy and thought cannot be computed. It is given unselfishly and in many cases as the result of personal sacrifice. I pay this tribute to the man who contributes his share witho

even the reward of specific notice at our national conventions.

It has been the purpose of your officers to stimulate this spirit and to develop a deeper sense of this obligation. A Utopian condition does not exist, and while the ethics observed and the relationship of our members is distinctive and probably superior to the ethics and relationships which exist in many other industries that have not had the advantage of years of association work which this industry has had, it is undoubtedly a fact that in the heat of battle many things are done which would not be done if a proper consideration were given to the effect of such action on the entire structure of our industry.

A desire for greater volume is entirely laudable, but a policy which is based on an immediate return at a sacrifice of much that has been done to stabilize the industry is unsound. It is more important that an atmosphere be maintained in which co-operative work can be done to secure a larger share of the money spent by the American family than that this atmosphere be dissipated by the ill-advised and ill-considered action of a few.

Distribution Needs

The failure of so many distributors to function properly as distributors in many cases is but the reflex of the action of manufacturers who have not encouraged the distributor to develop his own muscles, but who have given him his exercise by osteopathic treatments.

Our members are in keen competition, in keener competition I dare say than ever before, but despite this competition with each other, there should be a clear appreciation that only by combined effort to increase the general use of our product can the most satisfactory and healthy increase be attained in the business of the individual unit.

Obviously, the grades of quality in our products vary; and no standardization is possible or desirable, but the manufacturer who produces a quality reduced to a point which jeopardizes the public confidence fails in his obligation to our industry and reduces the effectiveness of our trade promotional activities.

If our association is of value, it should so saturate our members with a sense of duty to the industry that quality will be maintained.

The finances of your association are in excellent condition, as will be indicated by the treasurer's report, and this is due in no small part, not only to the work of the treasurer, March G. Bennett, but to L. T. Minehart, chairman of the sustaining membership committee, and to the untiring effort of your membership committee, of which E. R. Hoag was chairman. He has added to our number by the campaign he has supervised, and at the same time has stimulated the clubs by directing the attention of the members to what they get from the association, and, therefore, what can be offered new members.

Trade-Promotion Activities

The "Save the Surface" campaign has been assimilated in the association office and economies have been reflected in the cost of operation. More important even than these economies is the fact that this campaign is now located where members who frequently visit the association offices may keep in touch with this activity and realize what is being accomplished under its slogan. W. R. McComb, the business manager of this campaign, has been with your officers at many meetings, and has done much to stimulate interest in this work throughout the country.

The "Clean-up and Paint-up" campaign bureau, which is now also located in New York city, has done an even more important work than heretofore, and because it is more nearly adequately financed is enabled to prepare for its campaigns in advance, thereby effecting economies. The removal of the campaign to New York has resulted in greater publicity by reason of its location, and the demand upon it for supplies has considerably more than doubled, these supplies, of course, being sold at cost.

This has been an active year for most of your committees, and their reports, as presented during the business sessions, will enable you to judge the scope of their work. I know I represent the sense of your officers when I seize this opportunity to recognize the very able work done by Granville M. Breinig, who has been the organizing genius behind the "Clean-up and Paint-up" campaign bureau since its removal to New York, and to whom we will be under obligation for the direction of the committee which has worked together so well assembling the entertainment features to be offered us during our convention; C. T. Nolan, chairman of the flax development committee, whose work has been so effective for so many years; A. S. Somers, chairman of the legislative committee, whose experience is of such value to us, and W. J. Pitt, the vice-chairman of that committee, who has been constantly on the alert in the interests of our members; W. H. Crawford, chairman of the manufacturers' committee, who, as usual, has been indefatigable, together with the various sub-committee chairmen operating on that committee, among them H. S. Chatfield, who has fought the industrialists' battle for alcohol without undue red tape; D. W. Edgerly, chairman of the trademarks committee, whose booklet issued this year presents to you in tangible form the data which has been accumulated; R. O. Walker, chairman of the rosin marketing methods committee, who has secured the active interest and co-operation of the American Paper and Pulp Association and the Association of American Soap and Glycerin producers, in seeking an improved method of marketing rosin; E. A. Laveille, chairman of the traffic committee who has been particularly busy and especially effective. The work of this committee should be reflected by a financial saving to each member of the association.

Government Co-operation

You association is indebted to the Department of Commerce and the Department of Agriculture for active co-operation and co-ordination with our manufacturers' committee. The Chemical Division of the Bureau of Domestic and Foreign Commerce has, as usual, been most responsive, and we are indebted to C. C. Concannon, chief of the chemical division, for his study and resultant understanding of our problems. We are also appreciative of the effective co-operation of the Bureau of Census and the Bureau of Mines.

At a meeting of trade association executives held in Washington early this year, it was pleasing to note the very evident desire on the part of the department to seek the suggestion of business men as to the particular need of each business group, so that it might attempt to supply that need. There was an entire absence of any indication on the part of the department to attempt to direct the conduct of business or of business associations.

Each man as he comes to the position of president of this great association approachee it from a somewhat different angle, and out of his experience during the year reaches certain conclusions which are perhaps the reaction of his own other experience, plus the experience he gathers during his term of office.

I took occasion at the Portland convention to indicate a line of thought which it seemed to me should be pursued by our members with the idea of crystallizing into some action at this convention to correct what, to my mind, is the greatest weakness in our association and our industry.

Use Appraises Product

Your product is judged by the final result, and while you cannot assume to follow your product through to its final use, except, perhaps, in so-called "industrial" use, you are, nevertheless, vitally interested in that final appearance and resisting quality which is controlled so much by the application of the product to the surface. If it is important to maintain quality of product (and it is), it is important to maintain the quality of application, whether that application be by amateur or professional. A greater knowledge of how to prepare a surface and how to apply a product would produce a better result.

The extended use of your product is affected not only by what you deliver to the public, but by the ultimate result secured by the public.

If a circular such as just issued by Dr. H. A. Gardner this month (No. 318) is necessary for manufacturers, how much more is it necessary to the painter (amateur or professional)? Methods of preventing the troubles identified by Dr. Gardner should be promulgated, for while it is desirable to be able to identify a trouble and understand its cause, it is more desirable to prevent such trouble by prior knowledge on the part of the user.

As an association, we have paid particular attention to those things which either raise the product or increase production, or concern the transportation of raw material or finished products in their movement around the country.

Sales Co-ordination Needed

We have, as an industry, made our appeal to the public and have aroused its interest, either in saving a surface or cleaning up and painting up a locality. We have, as an industry, benefited by the research work done by Dr. Gardner in Washington, but, as an industry, we have never co-ordinated our selling effort with our advertising. We have never undertaken to arouse on the part of those who ultimately sell or apply our product a consciousness of the need of greater knowledge of how to sell or apply it.

As individual firms, a great deal of work has been done toward this end, but, as an industry, we are taking for granted that the effort of the individual firm will accomplish the result to be desired. This same attitude is not taken with respect to any other function of the industry. If it were, we would have no chemical laboratory in Washington, we would have no traffic committee, we would have no industrial campaign to save the surface, nor would we have any bureau to stimulate the conduct of "Clean-up and Paint-up" days or weeks in the many towns and cities in which these campaigns are held.

Sales Study Recommended

I should like to have this subject discussed by the convention, and so that it may be discussed with a definite point of view, I recommend the appointment of two committees, one of which shall co-ordinate with a reciprocal committee from the National Association of Distributors, and another committee which shall co-ordinate with a similar committee from the International Association of Master Painters and Decorators, to the end that a thorough survey may be made to ascertain the need of stimulating interest in securing this more accurate knowledge on the part of the retailer and his salesmen, the master painter and his journeymen painters, and to determine how best it can be done.

With forty-five constituent clubs located all over the United States and in Canada, an educational campaign could be conducted by our association, utilizing these constituent units so that under well-considered programs, meetings could be conducted for the retailers and their salesmen, and other meetings for the master painters and journeymen painters.

It is, of course, conceded and entirely desirable that manufacturers shall at all times reserve the right to indicate what particular material shall be applied for specific work and the conditions under which this material shall be applied, but there are more abstract questions that should concern the association as the effect of the conditions of a surface and the effect of climatic conditions on the final result after the product is applied, and more particularly the bringing home to each individual who undertakes to make the ultimate sale to the consumer or the individual who finally applies the product to the surface, the need of seeking knowledge, even though it shall be sought from an individual manufacturer.

As an industry, or as an association, our handling of this campaign would be along as broad lines as are observed in the conduct of the "Save the Surface" campaign, still reserving for each manufacturer the right to advertise its particular product and emphasize its particular value as against some other product.

I have talked with no manufacturer during the past twelve months who has not admitted that this general condition of ignorance exists, and, if it does exist, plans should be made to correct it.

There is a difference of opinion as to the propriety of attempting to undertake this work, the question usually hinging on the infringement on the rights of the individual manufacturer, and it is for this reason that I have particularly discriminated between what we could do as an association and what we should not do. I shall leave this with you for such action as you may wish to take.

General Manager's Office

In echoing the expressions of past presidents with respect to their appreciation of the support and efficiency of our general manager, George V. Horgan, I am keeping in restraint my own appreciation of the spirit of his support, the understanding he has of your problems and the capable and expeditious manner in which he handles them. No one who has not held the position of president of this association can fully estimate the qualities of the man who has watched over the interests of the association continuously during the last ten years. I wish to endorse the recommendation he will make to you for a committee from both associations to be selected along similar lines to the committee which supervised the taking over by him of the general management of all the industry's activities, for I believe that such a committee should give due thought to the need of supporting him in his work.

I am of the opinion that his work would be even more effective if certain of his responsibilities could be delegated by him to others, so that he might have greater freedom to initiate and more time to contact with those in active charge of our industrial work. The present staff of the association office is effective and loyal and we are fortunate in the character of the service we receive from it, but if the work is to broaden, the staff should be supplemented.

We have made progress as an association in the accumulation of statistical data, but this progress has been necessarily slow because of the variety of factors that enter into the situation, and because also there has been a line of doubt as to what could and could not be done in this direction. If the work of accumulating statistics in conjunction with the Department of Commerce were undertaken by the association office under the direction of the general manager, greater headway in a shorter time would undoubtedly be made, and I recommend the consideration of this subject by the convention and its reference by them to the incoming executive committee.

It is the hope of your officers that out of the business program which has been so carefully prepared by the program committee, you may take a great deal of substance, and it is even more their hope and expectation that each member will contribute to the discussion of the topics under consideration.

The success of our association has been built on the theory of composite thought. We shall miss in this convention the wisdom of many of those who were with us last year and have now gone to their final rest. The toll that our association has paid this year has been a heavy one, not only in number, but in the type of men we have lost. We must rise to the occasion and attempt to supply the places of those who have gone from us.

Vice-President Booker:—You have heard the splendid report of the president. Mr. Secretary, what was the action of the board?

General Manager Horgan:—The board of directors received the report of the president with approval and a special vote of appreciaton and thanks and concurred in each and every one of the recommendations advanced by the president in his report.

Vice-President Booker:—I believe there is to be a motion upon that action of the board. You have heard the directors' approval of this report. What is your pleasure.

Sibley Felton:—I think the report just submitted has been one of the finest papers that ever came before our association. I think we all realize that in President Figgis, we have not only a capable administrator, but a wise and far-seeing statesman whose policies are safe and sound, and a leader who is able to express his ideas in such convincing fahion that they immediately evoke hearty co-operation, and I am glad to move that we accept this report and have it placed in our records.

(The motion was seconded, put to a vote, and carried by a unanimous rising vote.)

(President Figgis resumed the chair.)

President Figgis:—Thank you very much, gentlemen. The next order of business is the report of the general manager which I shall ask him to read now.

Report of General Manager

General Manager Horgan:—This is an epochal year in the history of our great association. Today we are celebrating the completion of forty years active existence. The old and trite saying, "They builded better than they knew" is an appropriate synonym. Looking back through the years, we recall it was due to the vision of a few pioneers in the industry in old New England that the nucleus for our association was established. Founded in 1888, this splendid organization stretches throughout the United States and Canada, its constituent clubs numbering forty-five; in addition ninety-four individual memberships are held in sections where no paint clubs are organized.

The deliberations of our convention promise to hold more than their usual significance this year; the association has never side-stepped vital issues; its activities have increased during successive administrations.

Ten years ago your general manager came amongst you as the first permanent secretary of the association, and may be pardoned for pointing to the record of progress which stands to the credit of the association during these years, due largely to the interest and loyal support of the members.

To those members is due a brief recital of the year's accomplishments. How well the organization has succeeded in its undertakings, to what definite purposes it has functioned in behalf of the members, and the direct and individual services it has performed for you, will best be described in the reports of the various committees. That you may take time to read these reports is my very earnest hope, for from them you will obtain a graphic and comprehensive understanding of the association's activities during the year, and furthermore, a clearer conception of its value to you.

No doubt you will rate at their true worth the main activities reported in detail, but I bespeak your appreciation of your association as a medium of service and while you, your officers and your general manager these practical utilities are a matter of continuing and abounding pride, we sometimes feel they are too little used by the membership at large.

Executive Committee Meetings

Your executive committee has held four meetings during the year—one in Washington, two in New York, and one in Atlantic City—all of which have been presided over by your president and attended by a majority number.

The executive committee, the entire membership and the industry as a whole suffered an irreparable loss in the death of Norris B. Gregg on September 6. Mr. Gregg was president of the association in 1924 and was just completing a three-year term as a member of the executive committee.

Zone Conventions

Your general manager accompanied President Figgis to the southern zone convention in Dallas, Texas, on March 15 and 16, and while the attendance was not large, the interest of those present was intense and a well-prepared program was carefully carried out. Before adjournment, President Figgis asked for an expression of opinion as to the advisability of continuing the southern zone conventions, and many suggestions were advanced. These suggestions were collated and presented to the executive committee at its midyear meeting in June, who voted to recommend to the incoming executive committee that instead of the former plan for holding a general Southern zone convention, two group meetings be annually held in the South—one in the East and one in the West—at which members in those two sections could concentrate on matters of common interest and the national officers could plan their annual visits to coincide with these group or regional meetings.

Your general manager was prevented from attending the Western zone convention in July owing to conflicting duties at association headquarters, but was represented by Mr. McComb.

Clubs Visited

During the year the following paint clubs have been visited by the president and general manager:—Atlanta, Baltimore, Buffalo, Chicago, Cleveland, Colorado, Dallas, Detroit, Golden Gate, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Minneapolis-St. Paul, New England, New York, Philadelphia, Pittsburgh, Portland, Ore.; Richmond, St. Louis and Toronto.

In addition, the national officers attended the annual meetings of the National Association of Paint Distributors, the Canadian Paint Manufacturers' Association, and the Chamber of Commerce of the United States.

Committee Work

While each and every committee in the association merits our thanks for work performed during the year, your general manager wishes to express his fervent to the splendid results obtained by the membership committee under the leadership of E. R. Hoag. A high mark had been set by previous membership committees, and the list of eligible non-members was thoroughly canvassed with the gratifying result that we are able to report the achievements of Mr. Hoag and his associates in enrolling 101 members during the year which brings the total membership up to 1,709.

It is with regret we report that the clubs in Terre Haute, Duluth, Chattanooga, Fort Worth, Tampa, and Washington have ceased to function. Much effort has been exerted by our membership committee and the national officers to keep these clubs intact, but the local trade in these cities apparently cannot be made to see the importance and value of co-operation in business or affiliation with the National Association.

In some instances, we have succeeded in "saving from the wreck" several individual memberships in the national association from these clubs: Terre Haute, 2; Chattanooga, 1; Washington, 3; Duluth, 3.

Sustaining Memberships

One hundred sustaining memberships have been subscribed and paid for by firms, corporations and individuals in the industry. Former President L. T. Minehart, of Denver, chairman of the committee in charge of this work, with

characteristic initiative, secured the desired number of membership, five of which were subscribed in the form of memorials to the memory of W. W. Lawrence, J. H. McNulty, Lewis R. Atwood, W. H. Andrews and M. S. Clapp.

Trade-Mark Bureau

From year to year it has been my pleasure to refer to the work of our trade-mark committee; each year sees more activity in that department and added interest and appreciation on the part of members as to the value of the trade-mark bureau. In May, a new trade-mark book was issued containing over 16,000 names, indicating the firm using same and products used on. This form of book has met with general approbation and is receiving wide distribution.

The chairman of the trade-mark committee, D. W. Edgerly, is once more entitled to sincere thanks for the fine work he is contributing in the interest of the industry.

Flax Development

This important work goes on successfully under the direction of Chairman C. T. Nolan and at each annual convention the report of the flax development committee is perhaps awaited with as much interest as any report on the convention program.

The subscriptions to the flax development fund this year have about equalled those of preceding years.

Clean Up and Paint Up

The "Clean Up and Paint Up" campaign has had the best year in its history, and is being efficiently managed by the conscientious and hard-working secretary of the bureau, R. W. Emerson, under the direction of Chairman G. M. Breinig. The report of this activity with accompanying financial statement showing receipts and disbursements is especially recommended for your study.

During the year, two motion picture films have been prepared; one for trade use entitled "Give to Get," and the other for general use, "In Humanity's Service."

Save the Surface

Headquarters of the "Save the Surface" campaign completed its first year in New York in July last. In attaching this department to association headquarters, economies were effected and the efficiency of the work enhanced. An increasing number of members have visited headquarters in New York, enabling the manager, Mr. McComb and his staff to illustrate the actual workings of the campaign much more effectively than could be done otherwise. The campaign is gathering momentum as the years go on and is now recognized not only by our own industry, but many others as one of the most successful co-operative campaigns in existence. An accounting of the year's work and results obtained by both campaigns will be made at the afternoon's session of the convention and your general manager, therefore, will not anticipate the reports of the gentlemen having these activities in charge.

Bulletins

During the year effort has been made to improve the make-up and kind of material published in the monthly association bulletin. Members are especially urged to pass this bulletin along to the men in their organizations especially interested in some particular subject, such as traffic, legislation, etc. Comment has been made from time to time that matters covered in the bulletin have not come to the attention of the man in an organization responsible for the particular branch of the business affected.

Traffic

Immediately following the 1926 convention, a conference was held by President Figgis, President Cheesman, Secretary Heckel and the general manager, for the discussion of matters of joint interest. One of the important results of this conference was the employment of E. A. Leveille to jointly represent both associations as chairman of the traffic committee, which work was previously directed by Mr. Pitt, resigned.

Your officers feel that this arrangement has proved to be an advantageous one as indicated by the manner in which Mr. Leveille has handled many important matters during the year. These will be covered in detail by Mr. Leveille's report to the convention.

Interim Planning

During the year there have been frequent meetings at association headquarters in the planning of procedure for carrying on our activities. To be specific:—Six conferences on traffic matters; five regarding "Clean Up and Paint Up" campaign; three on flax development; no less than ten on trade-marks; practically daily conferences with the "Save the Surface" staff; three conferences on cost bureau matters; two on unfair competition (the latter two activities being more directly connected with the manufacturers' association); four conferences on rosin marketing methods; five on lacquer; four on revisions in constitution and by-laws; miscellaneous conferences with other organizations on matters of mutual interest, such as arbitration, credits, foreign trade, co-operative advertising, simplification, etc.

President Figgis and your general manager have participated in these conferences, and the office staff has rendered efficient service in connection therewith.

It is gratifying to note that an increasing number of members are making it a practice to visit association offices when in the vicinity and this habit is at all times encouraged by the general manager and the staff. From these contacts your general manager is enabled to keep in constant touch with the conditions in the industry throughout the country.

Further Study of Plan

Your general manager recommends to the incoming executive boards the appointment of a joint committee to study and report on what has been done since the consolidation and general manager plan became effective January 1, 1926; such committee to reconsider the division of expenses, to determine what has been accomplished in the way of concentration of our activities, and to determine what, if any, further steps may be taken toward solidifying the various activities of the industry.

As will be recalled, following the action taken at the Cleveland convention in 1925 by the several associations interested, a joint committee on organization and joint management was appointed. In the judgment of the general manager it would seem very desirable to appoint a committee substantially in the same manner as the previous committee was appointed, and I so recommend.



George V. Horgan
General Manager.

Your general manager was invited by the editor of Nation's Business (the official organ of the Chamber of Commerce of the United States) to contribute an article on the work of the various associations in the paint and varnish industry. Accordingly in the July issue this article appeared under the caption, "Under the Umbrella." This publication enjoys wide distribution amongst business men throughout the nation and in addition to the regular mailing list of the magazine, reprints of the article were mailed to two thousand concerns and individuals in the paint and varnish industry throughout the United States and Canada.

The editor of Nation's Business in referring to the oft-repeated statement, "we are over-organized," recently said: "Set this down as gospel, the work of the world today is being done by groups. Certain wastes are group wastes and can be only eliminated by a group program and group action. Questionable trade practices can be dealt with best by the groups involved. And the beauty of American organization is that individuality is stimulated—not suppressed. Roosevelt declared that every man owes something to his trade or profession, not a dole in the form of dues, but his best thought and inspiration. And, incidentally, Kipling said about the same time something about 'the everlasting teamwork of every bloomin' soul.'"

In this world of modern business with its complexities, no man can stand alone.

At this time I wish to register appreciation of the assistance so willingly and constantly given to all our efforts by the trade press. Without this wholehearted support from the publications of the industry, it would be difficult to successfully carry through the ideals and activities promoted by our association.

Not desiring to be fulsome, your general manager feels he would be lacking in appreciation did he fail to make public acknowledgment of the able and constant assistance given him by our retiring president, Mr. Figgis. Due to his good judgment and thorough knowledge of association affairs and the many ramifications of the industry, he has "steered the ship with an even keel," and I cannot conclude my report without registering sincere thanks for his fine co-operation. His conduct of the high office with which he was honored a year ago is beyond all praise.

Your general manager wishes to record appreciation and thanks to the officers and committee workers for unselfish and devoted service rendered. Without this co-operation whatever the degree of success attained in our work would have been difficult to accomplish.

To the members of the staff at association headquarters who have carried on the work from day to day with a degree of efficiency and loyalty which is inspiring, I wish to register my appreciation and congratulations for the results achieved through their labors.

President Figgis:—This report was read at the board of directors' meeting yesterday and was referred by them to you with their approval. What is your pleasure with it, gentlemen?

H. L. Calman:—I would like to add a vote of thanks to our secretary for the splendid manner in which he has accomplished the work of co-ordination and the efficiency he has shown in handling the affairs and different activities of the association over which he is the supervisor.

(The motion was seconded.)

President Figgis:—It has been moved and seconded that the report be accepted with a vote of thanks in consideration of the knowledge of you gentlemen of the work which has been done by the general manager during the past year under very trying circumstances.

(The motion was carried.)

President Figgis:—The next order of business is the report of the treasurer. I will ask Mr. Bennett if he won't come to the platform and read his report.

Report of the Treasurer

March G. Bennett:—I have a great many figures here. All of the details can be examined by any inquiring member but I will not inflict the reading of all those figures upon the convention unless it is desired.

(The treasurer's report was as follows.)

The finances of the association during this last year have at all times been in excellent shape. On October 6, 1926, the books showed a net surplus of $36,357.19. On October 6, of this year, the net surplus was $44,865.72, an increase of $8,508.53 for the yearly period.

This is the first time we have had an outside accounting organization audit the books. Ernst & Ernst were selected. The following are summarized reports of their more detailed ones:—

Assets and Liabilities
October 6, 1927

Assets

*Cash		$11,924.58
Notes receivable (fire insurance)		143.91
Accounts receivable (dues)		1,975.00
Inventory (trade-mark books)		1,290.00
Contingent funds (bonds)		23,000.00
Accrued interest		454.28
Advance (entertainment committee)		2,000.00
Furniture and fixtures		2,000.00
Deferred charges (rent, etc.)		404.73
		$45,192.48

Liabilities

Golf committee (1927)	$103.76	
Accrued expenses	223.00	
Surplus	44,865.72	
		45,192.48

*Cash balance October 6, 1926, was $11,223.02.

Income and Expenses

Income

Subscriptions	$34,997.50
Interest	1,512.87
Miscellaneous	1,905.05
Total income	$38,416.02

Expenses

Operating	26,894.32	
Appropriations	1,250.00	
Traffic committee	977.91	
Premiums (U. S. bonds)	664.28	
Miscellaneous	338.70	
Total expenses		30,125.92
Net income transferred to surplus		8,290.70

You will note a variance of $217.83 in the surplus item mentioned in the above statement as compared with that shown in the first paragraph. This is due to several minor adjustments as shown in their analysis of the surplus account and which will work themselves out before the close of our fiscal year October 31.

The accounts of the "Clean Up and Paint Up" campaign were also audited by Ernst & Ernst and included in the general reports of the association. As summary of these detailed reports:—

Assets and Liabilities
October 6, 1927

Deferred

Assets

Cash	$32,900.72	
Accounts receivable	540.00	
Inventory (supplies)	3,865.78	
Furniture and fixtures	1,500.00	
Films	$3,500.00	
Rent paid in advance	233.34	3,733.34
		$42,500.84

Liabilities

Accounts payable	2,546.84	
Advance salaries	153.12	
Surplus	39,809.88	
		42,509.84

Income and Expenses

Income

Subscriptions	$50,661.50
Interest	609.09
Total income	$51,270.59

Expenses

Operating	39,372.74	
Display material	4,740.96	
Miscellaneous	1,084.22	
Total expenses		$45,197.92
Net income transferred to surplus		$6,072.67

You will note from the above that the surplus account of the "Clean Up and Paint Up" campaign has been increased $5,933.78 during the yearly period and is now $39,809.88, against $33,876.10 on October 6, 1926. The above increase is also slightly at variance with the surplus mentioned on the income and expense statement and carries the same explanation as with the association. The condition will automatically adjust itself when closing the books at the end of their fiscal year, which is the same as that for the association.



March G. Bennett
Treasurer, 1927-1928

The association books show that there was $1,975.00 outstanding in dues on October 6, 1927, and $510.00 outstanding in the "Clean Up and Paint Up" campaign. Much of this has already been received and properly recorded and credited in the October receipts. As in former years, the books were temporarily closed on October 6 to give the auditors time to check the books and present their report before the convention. Every effort will be made to secure all outstanding dues before the final closing.

President Figgis:—You have heard the report of the treasurer. I think perhaps it would be well to submit at this time, Mr. Bennett, the audit.

Mr. Bennett:—This is the audit statement of Ernst & Ernst and it contains their account of the examination of the books, the general condition of the association and a combined statement of their audit of "Clean-Up and Paint-Up" and national association accounts, all of which will be signed with the association.

President Figgis:—The essential stated fact being, there has been a check-up on cash balances, investments and various other funds entrusted to the treasurer and found correct. What is your pleasure with this report, gentlemen?

Mr. Robinette:—I move the report be received and a vote of thanks extended to the treasurer for his work.

(The motion was seconded and carried.)

Nominating Committee Appointed

President Figgis:—It is customary at this session to announce the nominating committee. The chair in accordance with the provisions of the by-laws announces the following:—

R. B. Robinette, chairman; T. F. Moneypenny, H. S. Chatfield, F. M. Brininstool, D. J. Devlin, J. R. MacGregor, Richard Moore.

The next order of business on our program is the formal presentation of the report of the committee on constitution and by-laws, Mr. Cheesman.

F. P. Cheesman:—I might preface the report by reading article VIII of the constitution which covers amendments to the constitution:—

This Constitution may be amended or revised at any annual convention of the Association by an affirmative vote of not less than three-fourths of the voting power present, as provided in Article III, Section 6, of the By-Laws. However, no such amendment or revision shall be considered unless the same has been first submitted to the Committee on Constitution and By-Laws in writing, who shall present it, with their recommendations, to the Board of Directors, and by them present it, with their recommendations, to the Association at a regular session prior to the session at which vote—final vote—is taken.

This, is, therefore, the first reading of this report and there will be no discussion on it in accordance with the constitution, but the report will be presented again for your approval at this afternoon's session.

(Mr. Cheesman presented the report of the committee on constitution and by-laws.)

President Figgis:—That covers all the suggested changes that will be taken up this afternoon. I think there is no action then to be taken on this report at the present time. It will be deferred in time to consider the matter.

General Manager Horgan:—The following appointments have been made:

Sergeants-at-Arms:—Kenneth J. Howe, chief; Walter E. Yarnall, James E. Heckel, W. B. Wallace.

Press Committee:—C. F. Beatty, chairman; C. P. Morris, H. O. Gibson.

President Figgis:—The next order of business is the report of the legislative committee of which Arthur S. Somers is chairman.

(In the absence of Mr. Somers and Mr. Pitt the following report of the legislative committee was read by General Manager Horgan.)

Report of Committee on Legislation

The year 1926-27 in the legislative field has been remarkable for its unusual activity. There were forty legislatures as well as the Congress in regular session. Again your committee is glad to report that not a single bill adversely affecting its interests has been written upon the statute books, nor has there been a regulation established by any State which interferes with our progress or welfare.

General Manager Horgan made the following interpolation:—I will have to augment that statement, because since this report was written, we have had knowledge of a tax bill that has been passed in the State of Alabama, and I think that it would be well to have a little discussion on that question when Mr. Somers or Mr. Pitt come into the room, because they are familiar with it.)

There have been, as usual, numerous bills introduced and regulations proposed, but they were disposed of satisfactorily. The following is a summary of those activities.

Bills in State Legislatures.

Texas:—House bill 127 requiring formula labeling was defeated in committee; house bill 357 to prohibit spray painting was defeated unanimously in public health committee.

Colorado:—House bill 377 to prohibit spray painting. This bill was not reported.

North Dakota:—House bill 291 to prohibit spray painting. This bill was defeated in committee.

California:—House bill 676 to require formula labeling. This bill was not reported out of committee.

Wisconsin:—House bill TN 2 and 3 to require formula labeling was defeated in the labor committee; house bill 515 to require a license for spray painting operations was defeated in the labor committee almost unanimously.

New Jersey:—House bill 333 working rules and regulations for the painting craft failed of passage in the senate; house bill 336 to require labeling, etc., was not reported out of committee.

Ohio:—Senate bill 114 to require a periodical inspection of spray painting tanks and air receivers was not reported out of committee.

State Regulations

In the field of State regulation, the Pennsylvania Department of Labor and Industry completed its investigation of the spray process, prepared tentative regulations, held four public hearings, attended by representatives of your committee and other business interests of the State, who offered counter-proposals to certain objectionable provision. Your committee feels that the regulations finally adopted will be satisfactory, but recommends that the subject be closely followed by your incoming committee.

The Department of Labor and Industry of New Jersey prepared tentative regulations which were proposed and advocated by the Workers' Health Bureau and the New Jersey Painters' Union to require labeling and forbid spray painting. Public hearings were held, your committee protested and the attorney-general informed the Department of Labor and Industry that it was without authority to establish such regulations, which were deemed unjust and unreasonable and contrary to the public interest. Nothing further has been done in this State except the introduction of New Jersey house bills 333 and 336, neither of which were passed. We believe this is the end of the agitation going on for several years in that State to impose unwarranted legislation or regulation upon this industry.

The Michigan Department of Labor and Industry established spray painting regulations for the industrial field, principally to control fire hazards, which regulations were entirely satisfactory to your committee.

The California Industrial Accident Commission have instituted an investigation of the spray process, apparently prompted by the house painters' union, and an advisory committee was appointed composed of various cross-sections of the interests affected among whom are representatives of the Los Angeles and Golden Gate paint clubs. Certain provisions are deemed unreasonable and are not justified by facts or experience, and counter-proposals have been submitted.

Illinois house bill 463, amending sections 4, 5, 6, 10 and 15 of the act of June 21, 1927, regulating the sale of paints, oils and other compounds used in connection therewith, established a paints and oils standards commission of five members, consisting of the State analyst and a representative of each of the oil crushers or dealers, naval stores industry, paint and varnish manufacturers, and retail trade. This bill provides that the governor shall appoint its members from time to time as required for the purpose of determining, adopting and promulgating standards of quality, purity or strength for boiled and raw



Arthur S. Somers
Chairman on Legislation

linseed oil, gum spirits of turpentine, steam distilled wood turpentine, destructively distilled wood turpentine, and rosin for the State of Illinois.

As to Federal legislation or regulations, the only matter of importance is the alcohol control measures which will be reported on by the special committee on industrial alcohols.

Regulations on Lacquers

Your committee deems it expedient to call attention to the agitation recently started among the fire insurance people with regard to the hazards incidental to the use and handling of lacquers and the probable efforts to have local ordinances passed to control these hazards. It affects not only lacquers, both brushing and spraying, but paints, varnishes, enamels and other products. Your committee is in close touch with the underwriters' associations relative to such proposed ordinances, and, if any are passed, will endeavor to see that only reasonable, just and practical measures are enacted. We would recommend that your committee be urged to watch this situation closely as there is a tendency on the part of the fire underwriters to urge extreme and uncalled for measures, due, we believe, principally to misinformation and absence of facts. Your committee is cooperating with the fire prevention committee of the American Paint and Varnish Manufacturers' Association in this matter.

Your committee is of the opinion that it would be well to recommend that any State legislation urged by the members of our industry, receive very careful consideration before its introduction, and the joint legislative committee will gladly cooperate in all such matters which may be submitted to it by our local clubs.

We have had excellent co-operation in our work from the local paint clubs and the representatives of the state and local associations of master painters and decorators.

We repeat our recommendation of last year that every local club appoint a legislative committee to co-operate with the joint legislative committee and to watch closely such affairs in their States, particularly what transpires in the State legislature or before the departments of labor and industry, agricultural departments, etc. This alone will tend to afford the maximum security against harmful or destructive legislation or regulation.

The expense of this committee for travelling, stationery, telegraph, telephone, postage, etc., was $1446.37. No counsel fees were incurred. We would recommend that the usual appropriation of $750 each be made by the American Paint and Varnish Manufacturers' Association and the National Paint, Oil and Varnish Association for the expenses of the joint legislative committee for the ensuing year.

In conclusion, we express our thanks to General Manager Horgan, Secretary Heckel and M. Q. MacDonald for the splendid co-operation and assistance they have rendered this committee.

General Manager Horgan:—I will say for your information that the recommendation that each association contribute the usual appropriation of $750 was approved by the manufacturers' association and was likewise approved yesterday by the board of directors of this association.

President Figgis:—What action do you wish to take with regard to this report, gentlemen?

(Upon suggestion of General Manager Horgan, it was decided to postpone action until the arrival of Mr. Somers, whose train had been delayed and who, it was announced, had arrived in the city.)

President Figgis:—Mrs. Cheesman, will you rise to the occasion and make your report for the special committee on budget and finance?

(Mr. Cheesman read the following report).

Report of Committee on Budget and Finance

Circumstances affecting the situation are such that your joint committee on budget and finance has had no opportunity to make progress since its report submitted to the Washington convention last year.

Your committee still believes there is much to be gained by adopting a budget plan (such as originally proposed at the 1924 convention through a resolution introduced by the Paint, Oil and Varnish Club of New York) if and when the industry is in position to proceed.

Your committee calls attention to the conclusions previously reached and submits the following resolution adopted at a meeting held at association headquarters in New York, September 12:—

Resolved: That the joint committee on budget and finance approve in principle the idea of a general budget covering the various activities in the industry. That, in its opinion, however, the time is not opportune to put such plan into effect; further

Resolved:—That we recommend no further committee shall be appointed to consider this subject until the matter has, in the opinion of the presidents of the two associations, reached a point where some reasonable expectations of a budget system can be developed. When that time arrives, the presidents of the two associations shall appoint a new joint budget and finance committee.

Mr. Cheesman:—I move the adoption of the report, Mr. President.

(The motion was seconded.)

President Figgis:—This report also had the approval of the board of directors.

(The question was put to a vote and carried unanimously.)

President Figgis:—If I may step out of my part for just a moment and take the part of a chairman reporting for a committee, I shall read the report, because I think it is important to get before our membership so much of what was said at the Western convention in connection with the work coming under the direction of this committee. This is the special committee on interpretation and extension of the code of ethics:—

Report of Committee on Interpretation and Extension of Code of Ethics

The report of your committee can best be made by quoting from a paper read by F. M. Brininstool at the Western zone convention held in Portland, Oregon, in July:—

We, through the declarations of national associations, have adopted a wonderful code of ethics.

We have had it beautifully embossed, draped with a golden frame and hung in a prominent place in our office.

We point it out with pride to visitors and members of other industries.

Does it land in our hearts and radiate its principles throughout our institutions?

Fair Play Among Employees

How much of an effort are we truly making to educate our employees to sincerely believe that it is a strict requirement of their institution that they "compete always with fairness and honesty, seeking patronage on merit and service," that they are "to refrain from *false derogatory reference*, written or printed, to competitors and their products and to the circulation of harmful rumors regarding any competitor's products or their personal or financial standing"; that the guide of their conduct, is to be "justice, honor and fairness"; that they are to discourage in every way "unfair trade practices"; that they are "to avoid and actively strive to prevent all forms"—all forms, big and little, mind you—"of commercial bribery or corruption"; that they are honestly to believe that "the Golden Rule is the only safe guide of conduct among men."

Codes of ethics are binding only on the ethical.

Any concern is only as ethical as its employees demonstrate it to be.

Employees are but the windows in any industrial structure through which the soul of that institution is clearly revealed.

Co-operation, to be effective, must, like charity, "begin at home."

Your committee therefore urges each member to again read the code of ethics and to subscribe again to the principles expressed in it.

President Figgis:—Your committee also felt, I may state, that we could have attempted at great length to have made a report independent of any reference to Mr. Brininstool's report, but he has covered the situation so beautifully and so definitely that it was adopted and incorporated in our report.

What is your action, gentlemen, regarding this report?

Mr. Calman:—I move its acceptance and approval.

(The motion was seconded, put to a vote, and carried.)

President Figgis:—Will Mr. Somers now come to the platform? We have read the report of the legislative committee in Mr. Somer's absence, but we should like very much indeed to have Mr. Somers amplify that report by anything he may have to say, and then we shall consider any discussion.

I am sure you will be interested in the Alabama law situation, which was referred to as being outside the report.

Legislative Information

A. S. Somers:—I am very sorry that I was delayed, but I only got here at 11:10, being detained until this morning in New York and obliged to take the early train, and I didn't know that the report had already been presented and read to you. It is a brief report. It seeks to avoid any discussion or discussion of details but to present the active work of the committee for the past year, calling attention to the significance of such legislation as has been proposed in the various States of the country and the disposition finally without burdening you with the detail as to the harrowing sometimes and at other times rather enjoyable experiences of the committee and those who have very gladly compensated the committee's effort by lending their genuine and generous and enthusiastic support.

I assume from the remarks of the president that the situation that has developed in Alabama has been called to your specific attention, and that perhaps that might be considered outside of the report. On the contrary, it is very much in the report and is one of those matters with which the committee, and I think the entire trade of the country, not only the paint trade, but all industry, ought to concern themselves very sincerely, because it opens up a very vital question that may result in such conditions as will bring about sharp divisions as between the contending forces that are now operating in this country, those for the constructive erection of these edifices to which we have contributed by our industry and effort and those that are tending toward the destructive forces that seek to undermine and tear down all that spells progress and sometimes goes to the heart of the development of civilization.

It is a good many years since this country began its voyage upon a career that has put it in the position where today it may justly proclaim itself, and not boastingly, as the leading moral force of the world.

I think it is conceded—and I am not attempting to make a speech, because I didn't suppose that I would be called upon to say a single word except present the report, but I can't resist the temptation to discuss this matter—that when the smoke had disappeared and the rumble of musketry had ceased and the nations of the earth had come to realize that they had engaged in a horrible conflict and that the greatest task before humanity today was to restore those broken places and the soil upon which men and women might walk safely and homes might be erected, that the United States came out of it with the whole world realizing that America's place in the conflict was simply for the preservation of the principles upon which humanity had been builded, and not in the spirit of aggression or seeking to destroy that which had been built, nor to take from the other man anything that was rightfully his.

That gave America a prominent place among the world powers such as she had never enjoyed before, and for the very good reason that she had never sought such power. So I think it may be admitted by those of us who are here—and we are probably of one mind—and without disparagement and without reflecting upon the integrity and power and genuineness of any other nation upon the face of the earth, that America today leads in finance, in industry, in political integrity, notwithstanding all of the vices that do creep into this thing that we call machinery that is necessary for the operation of governmental institutions.

And it has all been because a few pioneers away back in those days before we were a nation resisted an effort that was made on the part of the mother country to impose upon them certain burdens and taxes that they felt they should not justly bear. And so the colonies who had grown here, had worked here, and had looked forward hopefully toward a day of larger development while here, had a tea party one night, and they celebrated the event by being the Boston harbor for the tea party—it hadn't a home!

An organization was formed to carry forward the principle that that act represented. It wasn't very long before that organization was disbanded, because there was no longer any need for its existence. Matters had been settled, not amicably settled, not without a great show of hostility, not without great damage to life and to property, but because of the resistance of those early pioneers and the soundness of the judgment and the keenness of the vision of those on the other side of the water that saw that further resistance to the demands of these simple people was quite impossible.

America began its journey, and people began to live in peace and harmony. The husbandman gathered his forces together and tilled the soil, and from its fruits the nation was nurtured. Industry grew, brick upon brick rose. Steam came from great pipes, great throats, mechanical throats. Smoke came from great stacks. And all because the people were permitted to conduct their business in a peaceful and orderly manner, and had been relieved of the iniquitous burdens that had been imposed upon them before this condition came into being.

Now, that was because the people resented the idea of being taxed for their energy unjustly—that was back of it all—taxed unjustly for their energy! And who would assume in the early part of this century that we would ever come into a condition of life, that we would ever come to a realization of the fact that we

were gravitating back toward those terrible times that divided our people and threatened much except for the industry and the perseverence and the good sense and good judgment to which I alluded a moment ago?

There is that destructive element working constantly among the vitals of America, without stopping to consider the result of their energy, but all because they want to tear down something that somebody has erected.

The strife between capital and labor has been very much mollified, but it crops up in a new form, and this is one of the forms it has taken to impose upon the people of this country the conditions that they resented and resisted, and against which they fought before you or any man or woman in this room came into being.

There is a desire on the part of some to give very little thought to the burdens that industry bears; that industry ought to pay a larger direct share of its emoluments than it is now contributing.

Does anyone who stops to think, any economist must admit that the only reason that this nation is successful, and the only reason government is able to function, the only reason that states can live and municipalities can grow and improvements can go on and people have service and travel about in peace and comfort, and be protected night and morning, is because of the methods of indirect taxation that seem to have been a fixed principle ever since this became a nation.

The moment you seek to impose a direct tax, then you arouse somebody's ire when attention is called to the fact. What man is there in this room today that looks his tax bill in his home town and analyzes that tax bill to find out how the money is being distributed or spent? He doesn't do it. He pays so much upon the thousands of dollars of value of his property, and that is the end of it. But the moment somebody steps in and seeks to impose a direct tax in addition to that upon him, then he is aroused.

Now, then, this element is working in the hope of securing from industry that I believe industry should not contribute, and we have had many illustrations in recent years.

Some time ago we had a condition in North Carolina that was very burdensome and promised considerable embarrassment, not alone to manufacturers doing business in that State, but especially to firms doing business and depending upon the business within the State. Upon them the heaviest burden fell, and we succeeded in having that changed and the law repealed, and today there is a law in Louisiana that does not affect the paint industry, but has more to do with the insecticide industry, if I may refer to that for just a moment, by which the commissioner of agriculture is authorized to impose a tax of so much per pound upon every pound of insecticide that is sold within the State or that comes across the State's border, with the result that the man who manufactures his material in Ohio, in Illinois, in Pennsylvania, or in New York, must put a stamp tax on it, and that is the iniquity. I think we all hate the idea of the stamp tax as such. A stamp tax must be put upon every package of material that is sent into Louisiana. And here is the injustice of it —you are obliged to buy these stamps from the State, and then their value ceases except for the purposes described by the law. If there is no demand for your material, and you have no occasion to ship material into the state, the stamps are worthless, the State absolutely refuses to redeem those stamps, thereby compelling firms who may not have occasion to use them to pay tribute.

Who is going to pay the freight? Is the manufacturer going to absorb that tax in his profit, if there be a profit (and I hope there is), or is he going to add that tax to the cost of his goods, and is the merchant, the middleman, the distributor in turn going to add that tax to the price of the goods when he sells it across the counter to the consumer? If so, isn't this a method of direct taxation upon the resident of the State to the exclusion of the resident of any other State, and isn't that an iniquity, that there shall be inequality as far as the rights of purchase and the rights of doing business and the rights of buying and selling goods in one State as against another are concerned? It raises a question as to whether that is not only just, but whether it is sound law, and I take the position, with all due respect to the eminent lawyers—and I am not a lawyer —who contend that such legislation is well within the police powers of the State, that the law is unconstitutional, and the test can only be made if the manufacturers themselves resist compliance with the law.

Now, is that condition going to arise among the paint manufacturers of the State of Alabama? I don't know what your disposition is going to be, gentlemen, I don't know what your attitude is with respect to it. I don't know whether there are those who believe that the law should not be complied with.

I don't know, and I have no advice to give, except to say that I believe your committee who may be charged with the responsibility of watching the legislative activities during the next year ought to be instructed to make every possible effort to have this law amended or repealed if possible because of its iniquitous aspect as reviving a principle that was crushed one hundred and fifty years ago by the American people, and we don't want those questions staring us in the face again or amended by those who would suggest that the burden be imposed upon those living exclusively within the State, and that the material shall be taxed only within the State, and only such material shall be taxed as will be consumed within the State, because it may very well happen that some manufacturer has a distributing point in an Alabama town, and from there sends into other States, but he would be obliged under the law to put the stamp tax on that material that goes into the State of Alabama, although it is never going to be opened and used in the State: it is going to be shipped out of the State. In that way there is a toll being exacted from you that is unjust and unfair, and I hold unconstitutional.

Mr. Chairman, I don't know whether I have contributed anything to the discussion this morning with reference to this matter. I have not said a word about our report. I don't know what disposition you have made of the report.

But let me say, before I take my seat, that I feel as time goes on a deeper and a more profound sense of appreciation for the fact that there are so many men engaged in business even yet who are willing to give of themselves for a cause that is worthy. This committee today, with the magnitude of business and the awakening desire on the part of the legislators to make a showing to their constituency, could not function were it not for the fact they were supported everywhere (I regret the incident that occurred in Alabama, and in making that exception it is without any reflection on those who do business in the State) and for the interest everywhere manifested in carrying on part of the work of this committee.

One of the happiest results has been that we have, even with those with whom there has been a degree of antagonism, cemented friendships through respect of our decent motives that I am quite sure may be regarded as one of the most delightful resting places along the path of industrial activity.

I see my friend, Mr. Dewar, and I can't resist the temptation of paying to him the compliment that his life and service and integrity, devotion and high principles richly deserve. I wouldn't have made that speech twenty years ago, when I was first charged with that responsibility, but the years have mellowed whatever differences there have existed, and I say whatever may be the activity today, there is no animus behind it, but a broad honest, sincere devotion to an ideal, and there is that dignified, sturdy conscientious resistance on the side of those who feel that the ideal does not fit into the industrial picture of this day and this age.

I am very glad, indeed, to be permitted to say that to my very dear, personal friend, and those who have been engaged with him. I want to thank the president for his generous support and his willingness at all times to aid the committee in anything they require and of Mr. Pitt. I could make a long speech if I had the time and you had the patience to listen to me at the rambling pace I have taken you on this journey that you didn't expect to take when I got on my feet.

I thank you!

President Figgis:—I am sure you will agree we are indebted to Mr. Somers for this amplification of this report. No action was taken on the report, as we withheld it until he arrived.

Mr. Somers:—I move the report be received and placed on file.

(The motion was seconded.)

Mr. Cheesman:—Before passing that, I think we should include in it the committee be instructed to do what their powers will permit them to do toward having that particular bill in Alabama amended. I don't think it should be repealed, because this is only a small portion of the bill. It would be much easier, I should think, to have that portion amended by being removed from the bill than to have the whole bill repealed.

Mr. Calman:—May I ask a question, Mr. Somers? Has a test ever been made before supreme court as to the right of a State to tax its individual members under the provision of our laws?

Mr. Somers:—There are some questions on record not specific enough to quote as such, but the broad principle is laid down by the Supreme Court of the United States in very many cases that interstate relations are controlling and one State cannot impose a burden upon another States that is in conflict with the Constitution of the United States. That is a broad answer, because the question is a broad one and the principle involved is a broad one. There is no question in my mind as to the right of the State to impose a tax on its own citizens.

President Figgis:—Before we vote on this, I would like to read a letter which Mr. Coigne, president of Wose & Coigne, employed by the association to watch legislation, has written to the general manager in connection with this particular law:

You will note that neither the title nor the body of the law under which the code was adopted mentioned nor even hinted the question of paint, and it was, no doubt, due to that fact that our representative, who is a capable lawyer, overlooked it.

They recite the fact this is the only law which they have missed or pending bill for five years in which they have served us. I refer to that because it indicates it was a very exceptional situation.

General Manager Horgan:—May I supplement that with one remark? When this came to our attention, and Mr. Somers and Mr. Pitt and myself knew nothing about it, I wrote a sharp letter to Wose & Coigne on the subject, which brought out this reply. The first intimation we had of it was when we received letters from manufacturers in the South who were affected by the law.

(The motion was put to a vote and carried.)

John Dewar:—I have been coming here for twenty-three years, appointed in the City of Boston. I never brought up legislation before you, although I have three bills in my pocket (one to be presented at the next meeting of Congress), but I find one of my most truly great opponents to the measure that I advocate in the name of the International Association of Master Painters and Decorators is my friend, Mr. Somers. Early in the game we met, and when I would see him coming into the legislative halls, both State and national, especially before the Senate of the United States, I would think, "There comes Somers, one of the hardest ones the master painters have to contend with in advocating a principle."

I am not going to talk about legislation, because I am your guest. I am so glad that I have the opportunity of saying that all the tribunacies lead toward Somers (I forget to call him "mister") as to the making of the man of the hour.

President Figgis:—We are glad Mr. Somers is appreciated outside our association as well as inside of it.

The next order of business is the report of the flax development committee, which will be presented by C. T. Nolan, the chairman.

(Mr. Nolan read the following report for the committee on flax development:)

Report of Committee on Flax Development

The flaxseed crop season just passed in most respects has been much more favorable to production than the two preceding years, particularly 1926. In 1926, owing to drought, a considerable abandonment of flaxseed area took place, and the harvested area yielded but 6.6 bushels per acre for a total production of 18,592,000 bushels from 2,827,000 acres sown.

As of October 1 this year, the indicated yield per acre is 9.1 bushels for a total production of 24,270,000 bushels from 2,653,000 acres.

The outcome of the 1926 crop was so very disappointing to flaxseed producing farmers that it strongly discouraged sowing of flaxseed this year.

Anticipating the probability of a greatly reduced acreage to flaxseed this year as a result of the above mentioned conditions, and with the purpose of moderating that discouraging state of mind of our flaxseed producing farmers, and a view to stimulating flaxseed sowing, a survey of the world's supply and probable demand of flaxseed was made at the end of April by our committee and furnished to the Northwestern flax producing States, agricultural colleges, experiment stations, farm extension departments and agricultural economists.

The data on the outlook, below, are extracted from that survey.

The 1925 yield is the peak, and the two year average yield 1926 and 1926 of 11.6 bushels is the high record for any two successive years.

In 1916, drought year, the Argentine flaxseed crop was an 85 percent failure.

Will Argentine in 1927 produce a high yield per acre for the third successive years? Under the law of averages, is that not unlikely? May not our American farmers to a degree speculate that Argentina will not repeat in 1927 its successes in flaxseed production of the years 1925 and 1926?

The production of flaxseed in India in 1926-26 admitted of exports during calendar year of 1926 of 7,000,000 bushels.

The exports of flaxseed from Russia during the calendar year 1926 were 2,600,000 bushels.

Exports of flaxseed from surplus producing countries, January 1st to April 20th, 1927, and corresponding period, January 1st to April 20th, 1926, were:—

From—	1927 Bushels	1926 Bushels
Argentina	30,000,000	27,800,000
India	1,250,000	930,000
Russia	600,000	1,140,000
Totals	31,850,000	29,430,000
Increase, 8.5 percent.	2,420,000	.....

Total supply for export (incinding supply from South America for United States) from the same surplus producing countries for the calendar years 1927 and 1926:—

From—	1927 Bushels	1926 Bushels
Argentina	64,000,000	68,000,000
India	7,000,000	7,000,000
Russia	2,600,000	2,600,000
Totals	73,600,000	77,600,000
Decrease, 5.15 percent.	4,000,000	.....

Thus during the first seventeen weeks of 1928 and 1927 those countries (flaxseed surplus producing countries) show the following comparisons:—

	1927	Percent	1926	Percent
Total for export, 12 months	73,600,000	100	77,600,000	100
Exported first 17 weeks	31,850,000	43	29,430,000	38
Remaining for export, 35 weeks	41,750,000	57	48,170,000	62

Of the 48,170,000 bushels of flaxseed exported during the last thirty-five weeks of 1926 from Argentina, India and Russia, there was shipped to the United States 13,850,000 bushels from Argentina.

The supply of flaxseed available for export from Argentina for the remainder (thirty-five weeks) of 1927 is about 34,000,000 bushels, and it is safe to estimate that the United States must receive from that source as much (13,850,000 bushels) during the last thirty-five weeks of 1927. That allows 20,000,000 bushels for export during remainder of this year from Argentina to importing countries other than United States, in comparison with 25,000,000 bushels the corresponding period last year.

After high record supplies and the naturally depressing influence of their volume on prices, the London, England, market, taken as representative of the world's markets, but exclusive of U. S. A. markets, shows the following:—

	Argentine seed per bushel	Linseed oil per pound
January, 1926	$1.38½	$0.0635
December, 1926	1.88	.0650
April 27, 1927	1.39½	.0710

After more than 15 months of the movement of the large supplies of flaxseed from Argentina, the price of flaxseed in Europe is now but 9 cents per bushel lower than at the start of that movement.

Prices obtaining for spot delivery of linseed, also linseed oil, in European markets are higher than for delivery a few months hence, signifying the absence of accumulated stocks.

Flaxseed Outlook

Flaxseed Production in Argentina

Year	Acres	Bushels	Yield per acre Bushels	Exports lagged one year 1927 estimated
1913	4,530,000	36,090,000	8.2	.....
1922	4,315,000	47,600,000	11.0	.....
1923	5,444,000	57,200,000	10.5	42,524,000
1924	6,317,000	45,100,000	7.1	67,388,000
1925	6,200,000	76,000,000	12.3	41,448,000
1926	6,400,000	70,200,000	11.	67,176,000
1927	.....	.....	....	64,000,000
Five years, 1922-26	28,676,000	296,100,000	10.3	278,536,000

Consumption of Linseed Oil

The consumption of linseed oil in the United States during the calendar years 1923, 1924, 1925, and 1926, averaged 94,400,000 gallons. In 1926 it was 95,600,000 gallons, the equivalent of 38,240,000 bushels of flaxseed. During the calendar year 1926, the importations of flaxseed and linseed oil into the United States, measured in gallons of oil, were 58,325,000 gallons, and measured in bushels of flaxseed, 23,350,000 bushels. To this volume of importations there may be compared the total production of flaxseed in the United States 1926 crop, 19,459,000 bushels, and from the latter figure (19,459,000 bushels) there must be deducted the quantity of flaxseed required for sowing purposes this spring.

Because of the large areas sown and the successful crops of flaxseed in Argentina in 1925 and 1926, it has become a habit with some to characterize those supplies of flaxseed produced in Argentina as surplus, in the sense that they were in excess of the world's means of consuming them, and that accumulations of large stocks would result.

After fifteen months there is no accumulation, but there is a steadily increasing demand, especially from European consuming countries, and as the facts of supply conditions now disclose, there in all probability must occur a decrease in consumption but not of large proportions between now and the end of 1927 from that of corresponding period, 1926. It therefore does not seem proper that anyone in describing the flaxseed outlook should henceforth state that there is a world's surplus existing or in prospect. To do so seems to me is misleading to American flaxseed farmers, however unintentional.

To Assure Good Seed

Early last December we took the initiative in the direction of having as much as possible of good germinating quality flaxseed reserved for sowing the coming season. Practically throughout the period of cutting, gathering and threshing the last flaxseed crop wet weather prevailed and the flaxseed marketed contained an amount of moisture averaging half again as much as normally. The greater the presence of moisture, the greater the tendency of flaxseed to become scabby.

Moist flaxseed held on the farm, or elsewhere, during severe freezing weather is injured and, like immature or scabby seed, its germinating quality is materially lowered. Such seed, if used for sowing, can only produce a thin and poor stand of flax plant; hence a low yield per acre. In the knowledge of the moist condition of very much of the flaxseed when threshed and marketed or stored the past season, and apprehensive of that condition adversely affecting the germinating properties of the seed, we brought the matter to the attention of the Federal agricultural department at Washington and the officials of the Northwestern States agricultural experiment stations.

Commencing early in January last, that situation was brought to the attention of farmers from those official sources through notices published in farm journals and country newspapers in the flax-growing districts. Suggestion was made to farmers, merchants and country elevator companies to submit samples of flaxseed to the seed laboratories of the several States for testing and reporting the germinating value of the seed. This suggestion was freely accepted and many samples were tested. Not a few of the samples represented flaxseed wholly unsuitable for sowing purposes, and were so reported. Unquestionably, many bushels of flaxseed were produced this year in fields that might otherwise have partly failed of production had seed of poor germinating properties been sown.

The government estimate of July 1 on flaxseed acreage this year shows a reduction of 5.4 percent from that of 1926. This year the State of Minnesota shows a reduction of 10 percent, and North Dakota a reduction of 12 percent in acreage sown to flaxseed from that of last year. Most of the reduction in these States occurred in the Red River valley sections.

The spring crop season opened favorably this year with good soil conditions and ample rains in late March and early April, immediately followed by comparatively dry period during last half of April and first week of May. During that time wheat and other cereal grains were sown, but not much flaxseed. Then there followed a period of heavy and almost incessant rainfall during much of May and June, seriously interfering with field work, delaying further sowing of wheat and especially, flaxseed. The average date of sowing flaxseed this year was very late. The decrease in acreage in the Red River valley sections of Minnesota and North Dakota may be wholly ascribed to the heavy rainfall throughout May and June, delaying until it was too late for the plowing and sowing of considerable areas that were intended for flax.

After a series of experimentations on the State farms in Montana, extending over five years, in the production of flax-wheat mixtures, the officials of the Montana agricultural college and experiment stations this spring entered into a plan of co-operation and control with forty-one different farmers. Each farmer was to sow a ten-acre field with flax-wheat mixture on irrigated land in various counties. The arrangement with these co-operating farmers provided, among other things, for the return to the State or disposal under its direction of an equal quantity of flaxseed that was furnished for sowing the mixed crop. Our committee co-operated in this work to the extent of providing funds for the purchase and distribution of seed for sowing last spring. These fields were not sown as early as desirable, owing to the wet spring season, and, due to recent unfavorable weather conditions, the threshing of these mixed crops has not been completed; hence the yields are not as yet ascertained.

Weed growth is of the greatest menace to flaxseed production on old land, as old land has a tendency to be weedy and flax has not the tendency to fight or crowd out Russian thistles and other weeds. Recently a weed destroyer has been developed and in a limited way manufactured for sale. It is a burner using kerosene which is converted into a gas and passes a flame over the grain, flax and weed stubble. The flame produced by this burner reaches so close to the ground that it destroys not only the weed seeds which lie on the surface of the ground, but destroys the weed seeds that have just started to germinate near the surface. The cost of this weed destruction varies according to conditions and averages about $1.50 per acre. The Montana State agricultural scientists and expert farmers are enthusiastic over the effectiveness of this weed burner and the prospective adoption of it by farmers generally. If found successful in general farming, this method of eradicating weeds and preventing the growth will be of especial importance to production of flaxseed, since, generally speaking, the flaxseed plant is the poorest in combatting weed growth of any of our spring crops.

Farmers Are Aided

The problems of the flaxseed farmer and the difficulties met with in production of flaxseed that science and research may solve and remove, are receiving the continued study and assistance of the agricultural scientists and experts throughout the flaxseed territory.

The financial support to that work provided through our committee and the close co-operation and service in other respects make possible the progress and results obtained in flax production development. Those engaged in industry directly and indirectly consuming linseed oil recognize the fact that flaxseed development work must be carried on indefinitely, and the problem of the flax development committee is to secure contributions in the necessary amount essential to the oil consumer's interests and absolutely required to support the agricultural colleges and experiment stations. The committee expresses its appreciation to the loyal subscribers who regularly contribute to its support and also to those new subscribers who for the first time this year supported the committee's activities. To insure future success of the work, it is imperative that this financial support be continued.

In concluding this report to the linseed oil consumers and linseed oil manufacturers, our committee wishes to avail itself of the opportunity to express its appreciation of the wholesome and intense interest taken in continued flax production by the officials and scientists of the United States Department of Agriculture and those of the several agricultural colleges, station and extension workers of our Northwestern flaxseed producing States.

Mr. Nolan:—As I said before, that was a survey of the flaxseed outlook presented to our leaders of agriculture in the Northwest and it has been reported that extracts or news items based on this survey probably appeared in as many as seven hundred country newspapers and more than once in most of them.

I have evidence here of co-operation on the question of germinating flax and several letters, all expressing appreciation of bringing to their attention the seriousness of the poor germinating flax.

(Mr. Nolan exhibited several bulletins and reports that he had received).

Mr. Nolan:—There are about 175,000 acres of land in Montana under irrigation. The number of acres may be vastly increased, and if this flax and wheat mixture proves successful in practical farming in irrigated lands as it has on experimentation plots, they are looking forward to a very considerable increase in the production of flaxseed in that State. Since it has been on experimentation, it has been shown you can raise as much wheat with five or six bushels of flaxseed in addition per acre that would be your flax production or velvet so to speak to the farmer.

Here is an outline of the State of Montana. The shaded areas are lands of possible irrigation. The very dark ones are those under irrigation and the red spots show where these forty-one co-operating farmers have worked on this proposition this year.

Here is a special report from Montana received at our annual meeting last year. Here are many pages from South Dakota. I am not going to burden you by referring to any of them. They are very technical in detail.

I took occasion (I think it was when we held our last convention in Atlantic City, three years ago) to call attention to the fact that down in South America we had some pretty clever merchant distributors of flaxseed, who usually held on to a reasonably large supply until they were reasonably assured of what the next crop down there was going to be. We have had three reports from Argentina in the last six weeks. On the matter of the acreage this year and each succeeding report has shown they have put in a little more flaxseed than at first estimated.

It has been variously stated with the last month, especially since the rainfalls and the draught has broken that retarded condition of the crop indicated a production per acre of from eighty to ninety percent of last year's production, but it has been my observation at long distance that Argentina has such soil and climatic conditions year in and year out, recuperation after early unfavorable conditions is very great and seems to me now possible that we may raise as large a yield per acre as last year or anyway a production of flaxseed that is going to be large and ample.

The way it appears now, we have as large if not the largest linseed oil consuming year that we have had.

All I see for the future is, we haven't much to worry whether we are going to have enough. We don't have to dig down very deep into our pockets to pay for it. If we had a less favorable outlook, I would have taken the trouble to analyze the situation and remark further on it.

President Figgis:—I don't have to say to you gentlemen, the compilation of the report in itself created a great deal of burden but it also indicates a vast amount of work to secure the basis on which to compile the report.

What is your pleasure with it?

Mr. Bennett:—May I ask Mr. Nolan if the crop on those forty-one farms has gone far enough to indicate whether that is going to live up to the average of the experiment.

Mr. Nolan:—No. This is largely my own vision of the thing. I would say it is going to show as average results that would obtain if we hadn't had such favorable weather. Irrigation on this new scheme hasn't been put to a test. The whole State of Montana and the Northwest has had an ample supply of natural rainfall and we don't know and I don't know that anyone will be able to determine when they get the returns of mixed crops whether it will represent the returns of mixed crops. It may be inferior because the irrigation hasn't been regular. It hasn't of necessity been regular. It has been a bad year to put irrigation to a test because the weather has been so good.



C. T. Nolan
Chairman on Flax Development

Mr. Daniels:—I don't think we realize how much work Mr. Nolan has done as chairman of the committee. I believe this is the most constructive work that this association is doing because when we started on this work, the farmers of the Northwest had almost given up the raising of flaxseed. We had to give them some encouragement to come on with the work.

Mr. Nolan's standing with the agricultural colleges out there is phenomenal. They have implicit faith in him. They don't look on him as big business, as most of those western people do. They look on him as a friend and for that reason they co-operate with him and we have had the best crop of flaxseed ever raised in the Northwest.

The farmers have had many discouragements. Last year the crop was bad because of the weather conditions. The farmers have obtained good yields and the finest seed which has come out of the Northwest in ten years.

I feel that Mr. Nolan deserves the thanks of everybody in this industry for the masterly way in which he has carried on this work. It is a great work and something you all ought to be proud of.

Mr. Moore:—I would like to ask Mr. Nolan one question:—Nobody seems to understand what is meant by a mixed crop. Isn't it both wheat and flax grown together at the same time?

Mr. Nolan:—Yes, sir. Some farmers will drill their wheat and cross-drill with flax.

Mr. Moore:—How do they reap it?

Mr. Nolan:—At the same time. They usually separate it on the farm with an old-fashioned fanning mill. If the production of mixed wheat and flax became large, it might be the farmer would not care to equip himself with the necessary machinery or mills or fans large enough and probably they would have to be established at the county station or elevator.

That in other parts of the Northwest has been the drawback in producing mixed flax and wheat. The farmers want to market their flax the minute it comes through the threshing machine, and as a result they have been retarded by having to make the separation, probably at a time when they want to proceed with other farm work.

There have been localities up there (I don't say on irrigated land, because this is our first experimentation) where those drawbacks have caused the farmers to give it up. You have to have normal heavy rainfall in that vicinity or resort to irrigation.

I didn't touch on the fact that in Montana, particularly wheat harvesting and threshing has been done by the recent invention. There again is a problem. Montana is going into mechanical farming. It is well started, and that machine has to work as well on flax as well as on wheat, or they will raise wheat and not flax.

President Figgis:—I shall be glad to entertain a motion to dispose of this report.

Mr. Calman:—I move acceptance and approval of the report, and although it may be improper for me, being a member of the flax development committee, to second the remarks of Mr. Daniels, I wish to say, although my name appears as a member of the committee, I know I have done no work on it, and I don't think anybody has. Whatever credit is due is due entirely to the magnificent work Mr. Nolan has been doing.

(The motion was seconded and carried.)

President Figgis:—Had I thought a moment, I would have asked for a rising vote, and we will consider that as a rising vote.

(President Figgis then mentioned the program for the afternoon and the interesting papers and pictures to be presented.)

(The session was adjourned at 12:30 o'clock.)

Second Business Session: Thursday Afternoon

(The meeting was convened for its second business session at 2:10 p. m., Thursday, President Figgis presiding.)

(The roll was called with the following result.)

Cleveland	1	Pittsburgh	1
Columbus	1	San Diego	0
Fort Worth	0	Mobile	0
Buffalo	1	Birmingham	0
Pensacola	0	Charlotte	0
Central New York	0	Colorado	0
Salt Lake City	0	Knoxville	0
Oakland	0	Toledo	1
Portland	0	Milwaukee	2
Memphis	0	Atlanta	0
Puget Sound	0	Savannah	0
Nebraska	0	Washington, D. C.	0
Chattanooga	0	New York	0
New Orleans	0	St. Louis	3
Utah	0	Rochester	0
Cincinnati	3	Minneapolis	0
Baltimore	2	Philadelphia	0
New England	3	Louisville	2
Dayton	0	Dallas	0
Duluth	0	Richmond	1
Golden Gate	1	Chicago	3
Toronto	1	Detroit	0
Tampa	0	Los Angeles	0
Kansas City	0	Houston	0
Miami	0	Indianapolis	0
		Terra Haute	0

President Figgis:—We shall proceed to the consideration of the report of the traffic committee. Mr. Leveille, the chairman, will present the report.

(E. A. Leveille read the following report for the traffic committee.)

Report of Committee on Traffic

Your traffic committee respectfully submits its report for the year 1926-1927; this committee being a joint one, representing both associations.

The chairman of your committee was employed to act in that capacity beginning December 1, 1926, since which time your committee has been actively and constantly engaged in dealing with an unprecedented volume and variety of topics of interest and importance to this industry. With the recollection of the number and variety of topics considered fresh in mind, the numerous factors involved, and the volume of work performed in an effort to give each adequate attention, the statement that we were actively and constantly engaged is perhaps too conservative.



E. A. Leveille
Chairman on Traffic

The following meetings were held in the period between March 15 and September 15, on the dates and at the places named:—March 15, at Cleveland, Ohio; March 31, at New York, N. Y.; April 13, at New York, N. Y.; April 21, at Chicago, Ill.; April 27, at Atlanta, Ga.; May 16, at Milwaukee, Wis.; May 20, at New York, N. Y.; July 20, at Chicago, Ill.; September 12 to 15, at Cleveland, Ohio.

Believing you will be interested in a review of some of the more prominent situations with which we have dealt, we submit:—

Rates on Oils

One of the topics of major importance was introduced with the filing of tariffs on behalf of Eastern railroads, increasing by about 35 percent the rates on chinawood, linseed, perilla, soya bean, fish, and other oils, from the Atlantic Seaboard to the interior. Illustrative of this situation, we submit a statement of the present and proposed rates to a few centrally located points:—

New York to—	Present.	Proposed.
Chicago	33c.	51c.
Cincinnati	33c.	44c.
Cleveland	33c.	36c.
Louisville	33c.	51c.
St. Louis	44½c.	59½c.

As these oils move freely in tankcars weighing 60,000 or more pounds each, it is at once apparent that on a shipment to Cincinnati, for example, the transportation charges would be increased $66 or more per car; with corresponding increases at other points.

Your committee has had some experience with these oil rates, as a result of an effort that was made in 1925 to cancel the commodity rates and restore them to the class rate basis—a proceeding known as investigation and suspension docket No. 2125, decided June 23, 1925—and was satisfied that the proposed rates were unreasonable.

We prepared a petition for investigation and suspension, which was filed with the Interstate Commerce Commission, requesting that the rates be not permitted to become effective until after their reasonableness and lawfulness had been established, and citing numerous reasons why we believed the rates to be unreasonable and unlawful. As a result of this petition, and others filed by other interested shippers, the effective date of the new tariff was postponed until April 28, and was later postponed until January.

Hearings in New York

This proceeding is known as investigation and suspension docket No. 2320, and hearings conducted by Examiners Money and Esch for the Interstate Commerce Commission, were begun in the City of New York on May 23. Your committee was represented by the chairman and Elmer R. Spangenberg, and we introduced testimony and exhibits analyzing, comparing and contrasting the proposed rates with other rates in which these carriers concur, with rates applied by other carriers in other sections, and with scales prescribed by the Interstate Commerce Commission itself, all tending to prove that the proposed rates are unreasonable, and that the present rates are reasonable maxima for this traffic. We were able to locate and cite a dozen decisions of the Interstate Commerce Commission in support of our position. The rates on these oils have been made part of the general investigation being conducted by the Interstate Commerce Commission, docket No. 17000, and it will be many months before a decision is reached.

Increased Rating on Paint

The significance of classification ratings is apparent when it is remembered that railroad rates are graded and are subject to the classification. The class rates between Chicago and New York, for example, are as follows:—

Classes	1	2	3	4	5	6
Rates	1.42	1.24½	94½	66	50½	47½

An article that is rated fourth class is charged at the rate of 66 cents per 100 pounds between these two points, and the rates between other points correspond more or less. And if the classification rating be changed from fourth to third, the rate increases from 66 cents to 94½ cents which is exactly what we proposed on the April docket of the classification committee, i.e., to increase the classification rating on paint in bulk, in barrels or drums, from fourth class 66 cents, to third class 94½ cents, a difference of 28½ cents per 100 pounds.

Classification ratings, it should be noted, are made with regard to transportation characteristics; some of these are relative density, value, competition, fragility and relationship. And it was the view of your committee that to remove this paint from the fourth class group, to the third class group, would involve a disregard of the recognized principle of fixing classification ratings that we believed needed only to be pointed out to be immediately recognized. A carefully reasoned brief was prepared and submitted to the classification committee, in which we reviewed the history of the classification ratings on paints, the relationship to pigments, that have always been and should be observed, the great relative density and other considerations that it was believed would induce a classification committee to reject the proposal. We submitted for example, an exhibit of numerous objects of transporta-

tion of lesser weight and greater value, indicating that they were not as favorable transportation objects as paints that were rated fourth class. And we had another exhibit of fluids of lesser weight, density, and equal or greater value, with which paint would be grouped, if the rating were changed—all indicating that the present rating is the reasonable and proper rating, and that the proposed rating would be unreasonable.

Paint in Cans Boxed

Paint in boxed cans now rated fourth class in the Southern and Western classifications was proposed to be reclassified at third class, with much the same result, and to which we offered objections, supported by reasoning similar to that used in connection with the bulk paint.

Varnishes and Lacquers

In connection with this general regrouping or reclassification of paints, varnishes and lacquers were to be grouped with paints, and this would have reduced the rating on varnishes in cans, boxed, from second class to third, and in carloads from fourth class to fifth.

While your committee has felt for some time that the carload ratings on varnishes are too high, and would welcome the grouping of paints and varnishes, it was our view that this should be achieved, if possible, by reductions in the ratings on varnishes that would rest upon sound classification principles, rather than acquiesce in a grouping that would involve a very substantial sacrifice, and which was indefensible. We offered many interesting, and we thought, convincing reasons, for our position.

Increase Minimum on Lamp Black

Another subject on the April docket was the proposal to increase the minimum weight on lamp black from 20,000 to 24,000 pounds for a 36 foot car, with graduated minimum for cars of greater length. Your committee appeared before the railroad classification committee and pointed out that it was impossible to attain a weight of 24,000 pounds in a 36 foot car, and that the present minimum weight of 20,000 pounds was practically the maximum weight capable of being loaded into a car of that size.

It appeared that a request for a reduction in the less carload rating had been received by the committee, supported by data indicating that 25,000 pounds could easily be loaded.

In view of the discussion, it is our expectation that the subject will be dropped from the docket.

Ratings on Nitrocellulose

The present rating on nitrocellulose in less than carloads is 150 percent of first class, and in carloads second class, subject to a minimum weight of 30,000 pounds.

At the July meeting of the railroad classification committee we advocated a proposal to reduce the less carload rating to second class and the carload rating to fourth class, pointing out the composition of nitrocellulose and the charges applied to the different articles of which it is composed, indicating that in fixing the present ratings due weight had not been given to constituent elements.

In addition to these considerations the weight per cubic foot and the value per pound were submitted, and in our judgment these factors in themselves indicated that this commodity should properly be rated no higher than second and fourth class in less than carloads and carloads respectively.

The difference between 1½ times first class, the present rating, and second class, the requested rating for less than carloads is the difference between $2.13 and $1.24, or 89 cents per 100 pounds, using the New York-Chicago scale as illustrative, and for the carload movement this difference between the present second class rating and the fourth class rating requested is 58 cents per 100 pounds, or $116 per car.

Barrels and Drums Defined

Another suggestion submitted on the formal docket of the classification committee was a revision of rule 40, section 5, fixing the definitions for metal packages. The definition suggested was so framed that the 5-gallon steel container with bail, that our trade uses in quantities for the transportation of both paints and varnishes, would be classified as a pail, whereas under the current rule this container is defined as a drum.

It would be a matter of indifference to us by what name this package is designated but for the fact that in Eastern territory paint in drums is rated fourth class (66 cents) and in pails third class (84½ cents), so that on every shipment of paint in this package the transportation charges would be increased 28½ cents per 100 pounds. As to varnishes, the increase would be from 94½ cents to $1.12. The situation in the South is similar. From New York to Atlanta, for example, on varnish in drums, the rate is $1.12½; third class; in pails it is $1.89, first class.

Your traffic committee could not acquiesce in this proposal and undertook to demonstrate to the classification committee that as applied to our trade it was intrinsically unreasonable. We understood from the discussion on this subject with the classification committee that they would endeavor to reframe the rule so as to continue the existing ratings and rates. The subject, however, is one of some difficulty, and we will continue to accord it all necessary attention.

Minimum Container Capacity

A further requirement of the revision of the container definition was that containers of capacity less than 2½ gallons will not be accepted as outside freight shipping containers. This means that kegs, kits and pails of less than 2½-gallons capacity not being acceptable as outside shipping containers, would, if this suggestion be adopted, have to be boxed. There are thousands of these small packages used in the trade for the movement of paint and lead, and it seemed to your committee that to require boxing them imposed a burden on the trade for which there was no apparent warrant, and our only alternative was to discontinue the use of this package. We explained our difficulties to the committee, pointing out that these packages did not need added protection, and that so far as handling was concerned, they were as favorable as some and much more favorable than many other small objects that are offered and accepted for transportation, and as to which no change whatever is suggested.

This feature of the package rule was taken under consideration with others and will receive the careful consideration of the classification committee.

Increased Rates Deferred

In addition to the classification matters just mentioned the Western Trunk Lines and Central Freight Association Lines published a docket contemplating the cancellation of many commodity rates on paints and varnishes, and increasing the rates on pigments in Central Western territory north of the Ohio River, between the Missouri River and the Buffalo-Pittsburgh line.

All commodity rates on paints, paint materials and putty, varnishes, glue, turpentine, paint and varnish driers were proposed to be cancelled. The cancellation of these commodity rates would leave only the classification basis available, and this means higher rates in all instances.

The commodity rates on red and white lead, lithopone, sublimed lead, zinc lead, zinc oxide, litharge and titanox were proposed to be revised and increased to the general basis of the sixth class, or class C, where no sixth class rate is provided, as in Illinois Freight Committee territory.

The rate on lead, etc., from Joplin, Mo., district to Chicago and Illinois territory, including Milwaukee and related points, to be advanced 7½ cents per 100 pounds, or $1.50 per ton.

The rates on ground iron ore, ocher, mortar color, barytes, whiting and dry earth paints to be revised to 85 percent of Class C, or 85 percent of sixth class, to be observed as a minimum basis within Central Freight Association territory, and from Central Freight Association territory to Illinois and Western Trunk Line territory, where through rates are in effect.

A further proviso stipulated that when these articles are shipped in mixed carloads of paint and paint materials, classification basis is to be observed.

Illustrative of the advances contemplated, the rates on ground iron ore, ocher, motor colors, barytes, whiting, and dry earth paint, upon which the present rate from St. Louis to Chicago is 13 cents, would be increased to 18½ cents (85 percent of Class C), an increase of $27.50 per minimum carload of 50,000 pounds.

On zinc oxide, white lead and marbon white, the present 17½ cents commodity rate (St. Louis-Chicago) will become 22 cents, which is the class C rate.

On red lead, lithopone, titanox and sublimed lead, on which the St. Lous-Chicago rate is 14½ cents, the class C basis proposed, would increase this to 22 cents—an increase of 7½ cents per 100 pounds, or $1.50 per ton.

On mixed paints from Chicago to St. Louis, the 22½ cents rate to be increased to 27½ cents.

On mixed car loads of paints and varnishes, Chicago to Rockford, Janesville, Freeport, Madison, Watertown, Evansville, Dixon, Sterling and Milwaukee, the present rate of 15½ cents to be cancelled, and the classification basis ranging from 18 cents to Milwaukee, to 21 cents to Madison, Watertown, etc., substituted.

In addition to the increase in rate, the minimum weight is increased from 30,000 to 36,000 pounds.

On varnishes in mixed carloads, the less carload rate of second class in cans boxed, and third class in bulk will apply, practically doubling the rate on the varnish content of these cars.

On varnishes in straight carloads, the rate is increased from 15½ cents to 26 cents to Milwaukee, 15½ cents to 27 cents to Janesville and Dixon, and 15½ cents to 28½ cents to Evansville, and 30 cents to Madison and Watertown—almost double.

From Chicago to St. Paul and Minneapolis and related points, the present rate is 29½ cents. To cancel this and substitute the classification basis of fifth class would result in a rate of 34½ cents, an increase of 5 cents per 100 pounds, or $1 per ton.

The foregoing is but indicative of the general adjustment over a wide territory, increasing the rates on both raw materials and finished products.

Your traffic committee appeared before the executive committee of the Western Trunk Line in an endeavor to dissuade the executive committee from approving this program, pointing out the post war development and present condition of the industry and the unfortunate consequences that would be likely to result. Affirmative action was deferred indefinitely, but we will doubtless have to deal with this situation again.

Mississippi Valley

A suggestion to revise the commodity rate description in the Mississippi Valley and broaden it somewhat was accompanied by rates which would have increased the carload rates in the Valley on our products from 51 cents to 94 cents, Chicago-New Orleans, with corresponding increases to Memphis and intermediate points, and also from all Ohio River points, like St. Louis, Louisville, Cincinnati, etc.

Upon calling the attention of traffic executives of prominent Mississippi Valley lines to the effect of this proposal, it was explained that the increase in rates was inadvertent, and that the proposal would be reframed in such a way as to avoid that result.

Your committee regarded the matter as of sufficient importance to go to Atlanta and discuss the situation personally with the standing rate committee of the Southern Freight Association. We called attention to the fact that the commodity description in the Mississippi Valley tariffs had not been revised in fifteen or twenty years, and that it no longer reflected the needs of the trade. We were invited to formulate a description that would be satisfactory to the industry, and we have done so, and submitted it to every member on our traffic committee, and some other interested shippers, incorporating the suggestions received, and have submitted this revised description to the Southern Freight Association for their consideration, offering to supplement our explanation with all additional facts the committee might desire. They have taken the matter under advisement and no definite action of which we are advised has been taken up to the time of writing this report.

Southern Class Rates and Ratings

Reference has been made in previous reports to the traffic committee of the Southern class rate investigation undertaken by the Interstate Commerce Commission, with a view to adopting a class rate structure within the South and interterritorially between the North and East and South. The first report was issued July 7, 1925, 100 I.C.C. 513, and has since been modified in decisions rendered April 13, 1926, July 9, 1926, and July 19, 1927. As a result of these proceedings, carriers are now working on a revision of their class rates, which it is understood will become effective on or about January 1, 1928.

The Southern Classification Committee announced August 22 a docket of changes in classification ratings on 1875 different descriptions of traffic, as to which changes in ratings were proposed, which, except as modified after the conclusion of hearings, it contemplated making effective contemporaneously with the effective date of tariffs publishing the revised class rates prescribed by the Interstate Commerce Commission in docket 13494. So far as our industry is concerned, the proposals are mostly increases.

Roofing cement, for example, which has always taken sixth class in Southern territory, is proposed to be increased to fourth class.

Numerous changes are suggested in connection with the ratings assigned to insecticides and fungicides, and in respect to the paint items it is proposed to increase the ratings on aluminum, bronze and gold paint in iron or steel pails, from second to first, and in cans, boxed, from third to first, both in less than carload quantities.

Asphaltum and coaltar paints in metal cans completely jacketed will be increased from third class to first, and in pails or cans in barrels or boxes, or in bulk in kits or pails, it is proposed to increase the ratings from fourth class to third.

Ground iron ore in barrels, which has always been rated sixth class l.c.l. is to be raised to fourth class.

Dry ocher in most packages is to be increased from fifth to third. In bulk, in barrels, the increase is from fifth to fourth.

Dry paints now rated fourth class in pails or cans, boxed, or in paper packages in barrels or boxes, or in bulk in boxes, kits or pails, now rated fourth class, will be increased to third.

Liquid or paste paints in metal cans completely jacketed, now third, will be first, and in pails or cans, in barrels or boxes, or bulk in kits or pails, now rated fourth class, will be advanced to third.

Dry lead is to be raised from fourth to third, and paste lead in cans, boxed, is slated for a similar increase, in addition to which it is to be rated first class, instead of third, when shipped in metal cans completely jacketed.

Putty in bladders, in barrels or boxes, or in cans or pails in barrels or boxes, now rated fourth class, will be rated third class.

Similar changes are proposed in connection with furniture and wood stains, wood fillers and zinc oxide, both dry and in oil.

At the time this is written your traffic committee is planning to appear before the Southern Classification Committee in opposition to these increases, and to explain the position of the industry in respect to these matters. The present proposals of the Southern Classification Committee cover a much wider range of objects than that with which we had to deal last spring, and there is this added difference that whereas the spring docket contemplated an increase in the ratings on paints in both cans, boxed, and in barrels, the present proposals are confined to the boxed cans, which they are evidently planning to increase from fourth class to third, but the bulk, in barrels or drums, is to be permitted to remain at fourth class.

Ratings on Lacquer

The matter of the classification ratings on lacquers second class in less than carloads when in boxed cans, and fourth class in carloads, is one to which your committee has devoted considerable attention in an endeavor to secure for the pigmented or opaque lacquer, at least, the same ratings that are accorded to paints. Negotiations were conducted with the classification committee over a period of many months, without success, and your committee thought that this was a matter of sufficient importance to secure a ruling, from the highest tribunal, the Interstate Commerce Commission. In the meantime, the Glidden Company filed a complaint in its own behalf, and the association intervened in the Glidden case and also filed an independent complaint in the interest of all its members.

This case came on for trial on September 13, and the entire preceding day was devoted by your committee in going over the testimony and exhibits which it was planned to introduce, and getting the entire case in shape for presentation in a systematic and logical way. The trial took place on September 13, as scheduled, but it will be several months before a decision is reached. It is the belief of your committee that we presented a strong case, and have reasonable ground for expecting a successful issue.

The Bulletin

Your traffic committee has contributed to each issue of the bulletin articles on current developments in rates and classification matters of interest to the industry, and in addition has had articles of interest to your traffic department, dealing with transportation subjects, such as the proper marking and labeling of shipments of inflammables and paints and varnishes, and the proper description of shipments on bills of lading in the terms used in the classification, and the advantage of using these terms, etc. Many favorable comments and the correspondence which these articles have inspired are convincing evidence of their helpfulness. They will become increasingly helpful as the practice of passing each issue of the bulletin to the traffic department for perusal is more generally adopted.

Mr. Leveille:—In concluding my report I want to acknowledge gratefully the encouragement and interest that has been manifested by both your president and the general manager. It has been very helpful to your committee in carrying on this work, the net result of which at this time is that, notwithstanding all of the proposals considered and dealt with, the ratings and the rates on paints and paint materials and oils remain unchanged.

President Figgis:—I had the opportunity of sitting in with this committee on one or two occasions, and I know the work they have done. You have heard the report. What is your pleasure? This was referred to the convention with the approval of the board of directors, I believe, yesterday.

(A motion was made that the report be accepted, which was seconded.)

Mr. Calman:—I think there should be added a special vote of thanks to this committee for the wonderful work it has performed. Between March and July, the committee must have spent most of its time in traveling through the United States, because I think they have held eight or nine meetings in different cities from St. Louis, I believe, down to the eastern section of the United States, and that is a work of devotion and a devotion of time and energy that has not been asked of any other committee of this association. I think they are entitled to special consideration.

President Figgis:—And I might state there were as many as thirty-one at one of those meetings which required a good deal of travel on the part of a great many of the members.

(The motion to accept the report was adopted, and the committee was given a vote of thanks.)

President Figgis:—We will take the next order of business which appears on the regular program, the final presentation of the report of the committee on constitution and by-laws, to be presented by Mr. Cheesman as chairman.

(Mr. Cheesman again read the report which was as follows.)

Report of Committee on Constitution and By-Laws

Your committee takes pleasure in submitting the briefest report that has ever been presented by this committee to the association. In fact, we had hoped that it would not be necessary to present any report at all, but it was necessary to give the executive committee and the treasurer the legal authority to open bank accounts and to buy and sell securities and the property of the association when it became necessary to do so. These are practically the only points covered in the following report.

We have had in mind for several years and have mentioned to the association, that when we thought the time was ripe for it, we would recommend that the association change its system of appointing delegates entitled to vote at its meetings to an open meeting where all of its membership present can cast a vote. This is the policy with most associations and your committee believes that it makes the business sessions of the convention more interesting and draws a larger number of its membership when they know that they have a right to vote on any subject that is brought up.

The committee hopes that we will have a discussion at this meeting upon this question, so as to perhaps secure a straw vote upon it so that the incoming committee on constitution and by-laws can have some guide to go by with regard to this very important question.

Constitution
Old
Article IV

Duties of Officers

Section 3. Duties of the Treasurer:—It shall be the duty of the treasurer to provide for the receipt of all moneys due the association, and to disburse the same by voucher after the signed approval of the indebtedness by the general manager, or his authorized representatives.

He shall provide for accurate account of all receipts and disbursements and shall submit a financial statement and operating statement covering the period from the last financial statement to the last day of September. This report to be audited and certified by a certified public accountant and submitted to the board of directors at its annual meeting and by them presented to the annual convention. He shall also submit to the general manager, thirty (30) days before the annual convention, a complete list of the clubs holding membership in the association with the number of their members and a list of the individual members, in good standing on his books, which list shall be the basis of representation at the annual convention. He shall also furnish a complete list of all delinquents. He shall also furnish to the executive committee within sixty (60) days after the annual convention a detailed budget of the estimated receipts and expenditures for the fiscal year.

It shall be the duty of the treasurer to render bills to local clubs for new members elected to clubs, and also bills for new individual members, as soon as he is notified by the general manager of such election in accordance with Article II, Sections 2 and 3 of the by-laws.

Section 4. Duties of the Executive Com-

mittee:—The executive committee shall receive for consideration and action at their meetings, called as provided in Article VII, Sections 4 and 5 of the Constitution, all reports, resolutions and communications presented by the officers, board of directors, chairmen of committees and members, which in the judgment of the executive committee require immediate action, the benefits and effectiveness of which, if held over for the action of the convention, would be seriously impaired or entirely destroyed; except changes in the constitution and by-laws as provided for in Article VIII of the constitution and Article XIV of the by-laws.

They also shall consider and take action upon the expenditure of any funds for current needs not provided for in the constitution and by-laws, or by authorization of the association. However, all expenditures of unusual character, which are not provided for in the constitution, or the by-laws, or by authorization of the association, shall, after approval by the executive committee, be submitted by the president through the general manager to the board of directors for their approval; provided that the total expenses (including all disbursements of the association) do not during one year exceed the total revenue of the association for said year. The expenses of the general manager's office shall take precedence over all other expenses of the association.

Bond:—The association shall provide indemnity bonds for the treasurer and such employees as the executive committee may direct. The executive committee shall designate the amount of the bonds; this bonding expense to be paid by the association.

New
Article III
Officers and Their Election

Section 5. Secretary:—The executive committee shall elect a secretary for a period not to exceed one year, or until his successor is appointed. The executive committee may in their discretion elect the general manager as secretary.

Present Sections 5, 6, 7, 8 and 9 to become Sections 6, 7, 8, 9 and 10 respectively without change.

Article IV
Duties of Officers

Section 3. Duties of the Treasurer:—It shall be the duty of the treasurer, subject to the approval of the executive committee, to open such bank accounts as may be necessary; to provide for the receipt of all moneys due the association, and to disburse the same by voucher after the signed approval of the indebtedness by the general manager, or his authorized representatives.

Under the authorization of the executive committee, the treasurer shall be empowered to invest the funds of the association; to sell securities or property owned by the association, and to execute any necessary documents in connection therewith.

He shall provide for accurate account of all receipts and disbursements and shall submit a financial statement and operating statement covering the period from the last financial statement to the last day of September. This report to be audited and certified by a certified public accountant and submitted to the board of directors at its annual meeting and by them presented to the annual convention. He shall also submit to the general manager, thirty (30) days before the annual convention, a complete list of the clubs holding membership in the association with the number of their members and a list of the individual members, in good standing on his books, which list shall be the basis of representation at the annual convention. He shall also furnish a complete list of all delinquents. He shall also furnish to the executive committee within sixty (60) days after the annual convention a detailed budget of the estimated receipts and expenditures for the fiscal year.

It shall be the duty of the treasurer to render bills to local clubs for new members elected to the clubs, and also bills for new individual members, as soon as he is notified by the general manager of such election in accordance with Article II, Sections 2 and 3 of the by-laws.

Section 4. Duties of the Executive Committee:—The executive committee shall receive for consideration and action at their meetings, called as provided in Article VII, Sections 4 and 5 of the Constitution, all reports, resolutions and communications presented by the officers, board of directors, chairmen of committees and members, which in the judgment of the executive committee require immediate action, the benefits and effectiveness of which, if held over for the action of the convention, would be seriously impaired or entirely destroyed; except changes in the Constitution and By-Laws as provided for in Article VIII of the Constitution and Article XIV of the By-Laws.

They also shall consider and take action upon the expenditure of any funds for current needs not provided for in the Constitution and By-Laws, or by authorization of the association. They shall have power to authorize the treasurer to open bank accounts; to buy and to sell securities and property of the association as provided for in Article IV, Section 3, of the Constitution. However, all expenditures of unusual character, which are not provided for in the constitution or the by-laws, or by authorization of the association, shall, after approval by the executive committee, be submitted by the president through the general manager to the board of directors for their approval; provided that the total expenses (including all disbursements of the association) do not during one year exceed the total revenue of the association for said year. The expenses of the general manager's office shall take precedence over all other expenses of the association.

In accordance with Article III, Section 5, they shall elect a secretary of the association, and as provided for in Article III, section 9, they shall engage the services of a general manager.

Bond:—The association shall provide indemnity bonds for the treasurer and such employees as the executive committee may direct. The executive committee shall designate the amount of the bonds; this bonding expense to be paid by the association.

Mr. Cheesman:—I move the adoption of section 5 of article III.
(The motion was seconded and carried.)
Mr. Cheesman:—I move the adoption of section 3 of article IV, as changed.
(The motion was seconded and carried.)
Mr. Cheesman:—I now move, Mr. President, the adoption of the entire revised report as read.
(The motion was seconded and carried.)

Voting Privileges

Mr. Cheesman:—I would like to take up the question which we asked the association to vote on informally, that is, with regard to changing the system of appointing delegates entitled to vote at its meeting to an open meeting where all of its membership present can cast a vote.

Under the present rule, section 5, article III: "At all meetings of the Association a properly approved motion or resolution except amendments to the Constitution and by-Laws may be adopted by a majority vote of the members of the Association present."

That means everyone in the room who is a member in good standing of the association can vote on any question submitted except on the amendments to the constitution and by-laws, but a qualified delegate may demand a vote by rollcall of delegates, said vote may be taken at once or during the next regular business session and only the delegates or their alternates as provided in section 1 and 2 of this article.

I might say never in my recollection which goes back twenty odd years, has it been necessary to use that power of only allowing the delegates to vote and as it is a great deal of unnecessary work in my judgment to appoint delegates and I think defeats the object of some interest in the meeting, if all could vote, I would like to have an informal vote on that point which would guide the incoming committees on by-laws to bring it up if necessary next year.

President Figgis:—I should be glad to consider a motion which will state that the sense of this meeting may be one thing or another.

Mr. Bennett:—I make that motion that it is the sense of this meeting that the proposed amendment to the by-laws be adopted.

(The motion was seconded by Mr. Calman.)

Mr. Bennett:—I am very glad to hear from the chairman of the committee on constitution and by-laws that he had this in mind. I was subjected to great humiliation at the Washington convention last year because I innocently and zealously undertook to vote upon a question in the meeting, and I was not an accredited delegate. A distinguished member of the New York delegation arose to a point of order that I was trying to sneak something over on the convention by voting when I wasn't authorized to do so. I believe the proposed amendment by the committee on constitution and by-laws is a step toward civilization.

Mr. Howard:—I can sympathize with the member who has just spoken in desiring to face the obloquy of the occasion he mentions, but does that justify us in a step so radical as to practically do away with the original constitution privileges of the delegate? Do we want to do away with delegate representatives entirely and have this body governed by the vote of all the members present?

I will very freely grant that the interest of a member is usually shown by his presence here to a certain extent. I am facing this particular proposition for the first time and I may not be very clear in my conception of just what its intention is, but as I heard it, it seemed to me that it did practically remove all the privileges and all the authority of the elected delegate on behalf of a purely democratic vote. That may be the very best thing for the organization. It also seems to me something to be submitted to the various members, the individual clubs and possibly that is a part of the program as it has been stated but until I was satisfied that it was to be so submitted, I should feel that we might be giving up some of our constitutional rights which as a member of the Chicago club I shouldn't feel I was authorized in doing.

Mr. Cheesman:—I don't know if you were in the room when I read the original idea. It was a straw vote to guide the committee during the year toward what they might do toward bringing such a resolution before it. You have the whole year to think of it and we will be glad to send it, when it is worked out, to the clubs.

Mr. Howard:—I didn't fully gather that.

President Figgis:—If I may ask Mr. Cheesman to take the chair just a minute, I would like to indicate a point of danger that lurks in this particular move, as I see it.

I have heard this discussed. I have heard both sides of its discussed. It seems to me that there is the possibility of the convention being held in a large city and it being entirely possible for that large city to control the convention because of that fact they have so many of their own members in attendance, or a smaller city might hold a convention and situated at a distant point from the concentrated area where our members are located and it would make it possible for even that city to control the convention. As our present method operates, it seems to me everyone has an opportunity for voting and we still have a safeguard on a serious question of difference of superseding that vote by a vote of duly authorized representatives from the various clubs.

Mr. Daum:— I would like Mr. Bennett to repeat his motion.

Mr. Cheesman:—It is merely a recommendation to get a straw vote. We waited some twenty years for this.

Mr. Calman:—It is merely an expression of the sense of this meeting.

President Figgis:—I think that it should be discussed.

Mr. Yarnall:—I was very much interested in our president's remarks and they expressed my views fully in the matter.

Mr. Cheesman:—The remarks are very just, and I only call attention to the fact that it hasn't been necessary to call upon that rule for a period of twenty years.

Mr. Bennett:—I believe what the chairman of the committee on constitution and by-laws has said on this general subject is very true. There are only a few associations of our type still in existence who insist upon this delegate voting rule, and, so far as I know, they have no difficulty, but gain great advantage. Everybody who is interested enough to attend the meeting has the right to discuss the matter and vote upon it. The mere fact of a man's being a delegate does not give him greater interest in what is being done in a meeting than those who come voluntarily, who are members of the organization. I see no difficulty or danger to the association in making this change.

Mr. Booker:—I should think something in the form of a referendum could be worked out and let each club vote on it and express an opinion.

President Figgis:—There is a motion before the convention now, Mr. Booker.

President Figgis:—Then the motion is that it is the sense of this meeting that this amendment to be adopted be referred to the clubs as a referendum, as suggested by Mr. Booker.

(The motion was seconded, put to a vote and carried.)

President Figgis:—We will again come back to the report of the arbitration committee and we will have the pleasure of hearing from Mr. Cornish.

Report of Committee on Arbitration

E. J. Cornish:—The arbitration committee begs leave to report that but one matter was submitted to it during the year. Pending the formation of issues so that the matter could be understandingly presented to the arbitration committee, the parties adjusted their own grievances, with the result that the arbitration committee must again report, as in previous years, that nothing has been submitted to it for action.



E. J. Cornish
Chairman on Arbitration

At one time, when I found that nothing was submitted to the committee, although I had a high regard for my associates on the committee, I thought it was a suspicious circumstance; that there must be some reason. Disputes must surely arise between the members of this association that were never submitted to the arbitration committee. I thought there must be something wrong in the committee. This experience to which I refer seems to me a solution to the matter. There is an old legal phrase that a case well stated is three-quarters argued. Here was a dispute coming up that looked as though it were going to be quite serious, and the only thing that I demanded in the matter was that they should get the issues clearly presented before the arbitration committee would be called to order to consider it. But by the time they got the issues clearly presented for consideration, they settled their grievances. I think that shows the real advantage of this association of ours. The meeting together here with you once again and then again with our officers going from place to place, it allows all differences of opinion on all questions to be clearly stated and when so stated; we understood there is always a grievance among men having an identity of interest and an identity of purpose, so that we ought never to have a dispute that leads to the arbitration committee.

We ought never to have a question come up in the government of our organization here or its policies that, when clearly stated and properly discussed, does not result in unanimity of opinion and of action. I think that is what is developing in this association. I think the ethics of the paint, oil and varnish trade has been greatly improved because of the necessity of meeting our friends here once a year. I believe this little report forms a sort of text upon which to base a sermon, if you please, upon those lines in which our organization has been most useful and promises the greatest usefulness in the future.

President Figgis:—You have heard the report of the arbitration committee. What is your pleasure with regard to it?

(It was moved, seconded and carried that the report be adopted.)

President Figgis:—There was a slip in the introduction of your president last night, as you may remember, and introducing the next chairman, I am going to introduce him (while he will cover the report of the "Clean-Up and Paint Up" campaign committee) as the chairman of the entertainment committee, G. M. Breinig.

(Mr. Breinig presented a comprehensive summary of the following report of the "Clean Up and Paint Up" campaign committee.)

Report of Clean Up and Paint Up Committee

The National Clean-Up and Paint-Up Campaign Bureau has now completed its first full fiscal year of twelve months since it became an integral activity of the National Paint, Oil and Varnish Association, Incorporated, and was moved to New York in January, 1926, in order that its offices might be relocated adjacent to the offices of the national association, and come under the close personal supervision of its general manager, George V. Horgan.

Progress

Since coming under the control of the National Paint, Oil and Varnish Association, Incorporated, the National Clean-Up and Paint-Up Campaign Bureau has brought such an increased demand for service from the newspapers that it has exceeded our maximum estimates of service for 1927. Our problem now is to meet our existing opportunities for the promotion of campaigns until the financing of the bureau can be adequately increased, for to further encourage newspaper and civic aid without a reasonable increase in the total investment from the trade would be to court serious embarrassment for ourselves. As a concrete example, I will say that early in the summer the bureau had unfilled requisitions for press material from 281 newspaper publishers to whom nothing could be given this year. Material which the newspapers wanted for full pages and special sections, and which takes considerable time to prepare, was predicated upon the funds available for the purpose at the time the work was ordered, but proved to be wholly insufficient in quantity when the rush came.

Sale of Supplies Largest in History

The growing interest in the campaign is reflected in the increased sale of campaign supplies by the bureau for 1927. Cash collections from this year's sales have totaled $14,027.13, more than two and a half times as great an amount as for 1926, and the largest in the history of the bureau. These supplies are made up from designs approved by a subcommittee of representative advertising men within the industry, and are sold at prices intended to cover their cost and handling. It is of important significance that the demand for these supplies comes largely from public-spirited organizations and newspapers which are not in any way associated with the paint, varnish and allied industries.

Two New Films

Your national committee has authorized the production of two "Clean-Up and Paint-Up" motion picture films—one film for showing to the public, the other to be shown exclusively to the trade.

The trade film is entitled, "Give to Get." The civic film is entitled, "In Humanity's Service." Both films are being released for use in 1928.

Advance Work for 1928

The bureau's art work and copy are prepared under the direction of W. Livingston Larned, of the Ethridge Company, who is one of the foremost authorities on newspaper advertising copy in the United States, with the close co-operation of H. C. Bursley, chairman of the advertising sub-committee, and the executive secretary, R. W. Emerson.

In order to enable the work to be put upon an all-the-year-around schedule, the art work for the 1928 newspaper and promotional services was ordered this spring and is now being completed. This material largely represents the "mold" in which the 1928 campaign is to be cast, and its value to the trade will depend upon the promptitude and adequacy with which the 1928 finances are secured.

Civic Co-operation

Throughout the past year the bureau has enjoyed the continued and increased active co-operation, not only of the newspapers and the trade, but of such organizations as the Chamber of Commerce of the United States, the National Fire Protection Association, National Safety Council, National Tuberculosis Association, United States Public Health Service, United States Government Departments of Agriculture, Labor and Commerce, city officials, chambers of commerce, women's clubs, boards of education and organizations of junior citizens, Boy Scouts, Girl Scouts and Camp Fire Girls. The American Legion and the Outdoor Advertising Association, the National Association of Real Estate Boards, the National Fire Protection Association and the National Safety Council also have been co-operators.

Newspaper Co-operation

It should be constantly borne in mind that one of the most remarkable accomplishments of the "Clean-Up and Paint-Up" campaign has been the splendid co-operation secured from the newspapers. No similar campaign has been able to enlist this support to any such extent. It is estimated that the publicity given the "Clean-Up and Paint-Up" movement in editorial and front page space—which, of course, cannot be bought—if valued at ordinary advertising rates, was worth in 1923, when the last computation on the basis of clipping service was made, some three and a half million dollars. It is important to note that this campaign creates its own publicity in the form of live local news about local people who are community leaders, and is the kind of real, legitimate news that newspapers find to be of benefit to themselves in their own community, and which they like to print. In 1927, it is estimated that at least a 25 percent increase of publicity appeared in the newspapers, which reaped for themselves a rich financial harvest with a much larger amount of advertising.

It should be noted that much of the newspaper co-operation is in the form of entire sections of many pages, and that it continues throughout the year. During the past year the trade press has co-operated generously in the movement, frequently devoting full pages and double pages, and sometimes several pages in a single issue to phases of the campaign.