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Business Review and Prospect

The moderate decline in the seasonally adjusted index of business activity which began about the middle of February continued through March. Far more marked, however, than the actual downward trend in business statistics has been the growing pessimism regarding the longer-range outlook for industry and trade. This state of mind has developed from a number of circumstances among which are: legislative proposals now before Congress; uncertainty regarding foreign exchange; and political tension induced by recent events in Europe.

Concerning the radical legislative proposals, some reassurance may perhaps be derived from the recent speech in New York of Joseph Kennedy, chairman of the Securities and Exchange Commission. "Why conjure up legislative monstrosities that will never see the statute books?" asked Kennedy in his address. Should it become clear during the next few weeks that Mr. Kennedy is truly voicing the sentiment of the Administration, and that pending legislation supposed to be sponsored by the Administration is not to be pushed through the present session of Congress, a vast improvement in business sentiment would most likely ensue.

Among the more specific adverse factors which are currently affecting business sentiment and restricting forward planning are:

1. The weakness in commodity prices, reflecting unsettled foreign exchange rates; the break in cotton prices (which emphasized the artificial nature of our price structure); and the possibility of a complete breakdown of the N.R.A. These trends have raised the fear of near-term, widespread deflation and inventory losses on the one hand and the fear of later unbridled inflation on the other.

2. Indications that industrial activity on a seasonal basis passed its peak several weeks ago, and that volumes during the late spring will decline somewhat more than seasonally.

3. The slow activity in the durable goods industries, the seat of the unemployment problem.

4. Continued stagnation of demand for new capital for productive purposes, despite recent large refunding operations.

5. The steady rise in living costs without a corresponding increase in employment and wages, suggesting a contraction in effective purchasing power, particularly in the industrial areas.

6. Continued dilatory tactics on the part of Congress in enacting constructive legislation and the ever-present threat that some of the weird and uneconomic proposals will be written into law.

7. Finally, both business and the public generally are gradually realizing that the expanding national, state, and local debts ultimately must result in a marked increase in the already heavy tax burden with a corresponding decrease in purchasing power.

Potentially, as has been pointed out in previous issues of the REVIEW conditions exist for a broad expansion of industry as a result of five years of extreme subnormal activity. For example, in 1934 new public utility financing was less than 50 million dollars whereas the 1921–30 annual average was 1,470 milion dollars; railroad, 72 million against 506 milion; and industrial 56 million compared with 2,410 million. In spite of the obvious deferred demand for productive capital which the foregoing figures indicate, no early revival is in prospect. In view of the present rate and tax agitation and political antagonism toward the holding companies, there is little incentive for the public utility industry to increase expenditures for expansion purposes. The present earnings and financial position of the railroad industry does not promise a wide outlet for capital in this industry for some time to come. And such industries as producers of heavy steel and heavy electrical equipment will continue at their low rate of activity until the return of more normal conditions in the railroad, utility, and heavy construction industries. When these so-called heavy industries finally get under way, not only in providing current needs but in supplying the huge deferred requirements of capital goods which are known to exist, the problem of unemployment will be on the way to solution.

Texas business continues in general to make favorable comparisons with last year.

Reports from ninety representative retail establishments show an increase in sales during February of 5.6 per cent over last year and 2 per cent over January of the current year. Building permits in 38 Texas cities

were 130 per cent greater than in February 1934. New passenger car registrations were 64 per cent above a year ago. Commercial failures were down 41 per cent from last year. There was an increase in both numbers and capitalization of Texas charters in comparison with a year ago.

Production and sales of lumber were substantially higher than a year ago in the territory served by the Southern Pine Association. The cement industry of the State, however, made an unfavorable showing both with the previous month and a year ago, and the same is true of the Texas cotton textile industry. March employment declined slightly from the comparable periods although payrolls were 4.5 per cent above the corresponding week in March 1934.

F. A. BUECHEL.

For Texas Data, See Statistical Tables at the End of this Publication.

Financial

Despite the relatively low legislative output from the congressional mill, the past month has witnessed a number of significant financial developments. Among the more important of these can be mentioned the following: the critical foreign exchange situation resulting from depreciation of the pound sterling, the progress of the Treasury refunding program, the prospective retirement of the national bank note circulation, the beginning of congressional hearings on the Bank Act of 1935, the progress of the soldier's bonus legislation, and the nearing enactment of the Administration's giant Work Relief Bill.

The recent weakness in sterling exchange rates apparently was started by the failure of several large commodity brokerage firms in London early in February. This occurrence together with unsatisfactory trade trends was apparently sufficient to stimulate a substantial flight of capital from London, a movement which attained considerable magnitude by the end of the month. As a result of this flight, sterling exchange rates dropped sharply, the dollar rate falling from $4.88⅞ on February 20, to $4.72½ on March 6.

The British Exchange Equalization Fund apparently has made little effort to support the pound in the foreign exchange market and it becomes increasingly evident that the British policy is to prevent domestic price deflation by deliberately permitting the pound to depreciate in terms of foreign currencies. Inasmuch as this is precisely the policy which the United States pursued in 1933, we have but little basis for objection. Every decline in sterling exchange rates, however, increases the pressure on the continental gold bloc countries through affecting foreign trade balances and inducing further deflation of commodity prices. Belgium, the weakest link in the gold bloc chain, is apparently the first casualty, that country on March 17 announcing the adoption of a system of foreign exchange control similar to that used by Italy. Should the sterling exchange rate continue to weaken, it is entirely possible that all the gold bloc countries will adopt a policy of currency devaluation in self-defense, which would undoubtedly stimulate agitation for a further dollar debasement in this country.

It seems unlikely, however, that the Administration will willingly undertake more tinkering with the dollar in the near future, at least not so long as the Treasury is engaged with its extensive refunding program. Confidence in the soundness of the dollar is essential to the success of such operations and dollar debasement can hardly be classed as confidence inspiring.

On March 2, the Treasury announced an offer to exchange 20–25 year 2⅞% bonds for the $1,850,000,000 of Fourth Liberty 4¼'s called for payment April 15. At the same time, five-year 1⅝% notes were offered for some $528,000,000 of maturing 2½% notes. On March 9, the Treasury called for cash payment in mid-summer the $675,000,000 of 2% consols and Panama Canal bonds. On March 14, the Treasury called for payment on June 15 all of the remaining First Liberty 3½'s, aggregating $1,993,000,000, the exchange basis to be announced later. The calling of the First Liberties has exercised a bullish effect on municipal bonds as large estates and wealthy investors attempt to reinvest their funds in other securities fully exempt from income taxation. In line with the Treasury program of retiring gold clause bonds and refunding into lower coupon bonds, it seems certain that the remaining block of Fourth Liberties will be called on or before April 15.

The calling of the 2% consols of 1930 and the 2% Panama Canls for cash payment on July 1 and August 1 respectively is of peculiar significance in that the move aims in part at eliminating the present national bank note circulation. The bonds are to be paid off out of a part of the "gold profit" resulting from dollar debasement, thus adding to the gold certificate reserves of the Federal Reserve System and broadening further the base for future credit expansion. These two bond issues are at present the only bonds permanently eligible to collateral national bank notes. The Borah "Rider" permitting the use of Treasury bonds bearing 3⅜% interest or less for this purpose expires by limitation on July 22. It thus appears that, in the absence of new legislation, no bonds will be eligible to collateral national bank notes after August 1, which will necessitate the retirement of the $825,000,000 of national bank notes and their replacement with federal reserve notes.

The object of this move appears to be three fold: to retire gold clause bonds, to simplify the currency system, and to pave the way for centralized money control. In so far as the currency system is simplified, the retirement of national bank notes should be regarded as constructive as it will leave but three types of paper money in current circulation — federal reserve notes, United States notes, and silver certificates. Further, all of these monies will be issued by either the Treasury or the Federal Reserve Banks, thus facilitating currency

and credit control which the Administration is preparing to attempt under the proposed Bank Act of 1935.

Hearings on the Administration sponsored Bank Act of 1935 began several weeks ago before the House committee on currency and banking. Thus far, Marriner Eccles, Governor of the Federal Reserve Board, has been the chief witness. He has advocated more complete political control of the central banking system and a continuation of heavy government emergency expenditures to "prime the pump." It is interesting to note that while Eccles was "viewing with equanimity" a federal debt of $40,000,000,000, Lewis Douglas ex-director of the federal budget, in a public address was warning of the certain ruin which would follow continued unbalanced budgets.

On March 23, the House passed the Patman Soldier Bonus Act by a huge majority. The Act provides for the immediate payment in full of the adjusted compensation certificates, payment to be made in fiat currency. Present prospects are that the Senate will in due course pass some bonus bill and that the President will veto the bill. Administration leaders are reasonably confident that the Senate would sustain such a veto.

After many weeks of wrangling, the Senate approved the giant Work Relief Act on March 23. Efforts to cut down the staggering appropriation by amendment were unsuccessful. Senator Elmer Thomas, the great inflationist from Oklahoma, succeeded in attaching a rider to the act requiring the Treasury to issue silver certificates at $1.29 an ounce against all silver thus far acquired or to be acquired. The difference between actual cost of the metal, averaging 50c an ounce thus far, and $1.29 would represent seignorage "profit" which would be applied to meeting the cost of the Work Relief Act. It is estimated that this rider would involve a present increase of some $375,000,000 in silver certificates. The Administration, however, hopes to have this rider eliminated before the bill is finally enacted into law, and it is to be hoped that its efforts in this respect will prove successful.

J. C. DOLLEY.

Petroleum Production in Texas and the Southwest

RANK OF TEXAS AND THE SOUTHWEST

For the year 1934 the total production of petroleum in the states of the Southwest, (including Kansas) amounted to 73.5 per cent of the output of the entire country; of this total for the Southwest, Texas alone produced considerably more than half. Outside of the Southwest, the only large producing state is California. During the five-year period, 1930–34, the percentage rank in production for the Southwest and for California was very similar to the percentages of 1934. As recent as the five-year period, 1925–29, the percentages for these various sections were considerably different from those of more recent years. For that five-year period, the Southwest furnished 64 per cent of national production. These comparisons illustrate the accelerated growth of oil production in Texas, a movement which apparently will continue for some time to come. In 1920 Texas produced nearly 104 million barrels of oil; in 1934 the recorded production was around 360 million barrels. And Texas production during 1934 amounted to 9.5 per cent of its total production to January 1, 1935.

SHIFTS AND GROWTH TEXAS PRODUCTION BY DISTRICTS

The dominance of the Southwest and particularly the leadership of Texas in oil production is apparent from data presented in the preceding paragraphs. Production in Texas is confined to certain well defined districts, and just as major shifts have occurred in the oil production of the more important states, so have major shifts occurred in the larger producing districts of Texas. In 1920 West Central Texas produced 38.5 per cent of the 103,800,000 barrels—the total for the state in that year. In the same year the Texas Gulf Coast district, a leader in Texas production since 1901 accounted for 28.7 per cent of the total; North Texas furnished 32 per cent of the state total.

By 1930, when the state's total had risen to nearly 295,000,000 barrels, a very different distribution of production was evident. West Central Texas in that year contributed only 5 per cent of the total, as contrasted with 38.5 per cent ten years previously. West Texas had, in the ten-year period, risen from nothing to 36.8 per cent of the state's total! Next came Texas Gulf Coast with 17 per cent, followed by the Texas Panhandle, with 11 per cent and North Texas with 10 per cent. Then followed, in order, South Central Texas (9 per cent), South Texas (6 per cent), West Central Texas (already noted, 5 per cent), and East Central and East Texas with only 4.5 per cent!

Distribution of the total recorded production of the 358,000,000 barrels in 1934 registered still more striking shifts in the major districts. East Central and East Texas furnished 50 per cent of the total, as contrasted with 4.5 per cent in 1930. Texas Gulf Coast furnished 15 per cent of the State total and West Texas followed with 14.4 per cent. Then followed, in order, North Texas and Texas Panhandle (nearly 6 per cent each) and South Texas (5 per cent). West Central Texas, the leading district in 1920, furnished only 2.6 per cent in 1934, and was fololwed by South Central Texas with 2.2 per cent.

The East Texas fields have held the limelight for several years . The vast production of East Texas, however, should not blind us to the relatively large production of other major Texas districts, especially the field of the Texas Gulf Coast and of West Texas.

ELMER H. JOHNSON.

Cotton

Cotton occupies the center of the national economic picture again in the space of two months, this time by staging a spectacular fall in price on March 11 of nearly 200 points, or from 12.10 cents for May New York to 10.25 cents for the May delivery. Cotton has again demonstrated its strongly international characteristics by taking a drop of about 100 points below the loan value placed on it by the United States Government.

Decline in the price of American cotton so far below the Government loan value has virtually priced it out of the market for the time being.

According to the New York Cotton Exchange Service, the total stocks of American cotton in the United States were about 10,500,000 bales on March 14. Mill stocks amounted to a little over 1,000,000 bales, and according to trade sources, the United States Government controls about 5,500,000 bales now, and there are about 500,000 additional bales subject to the 12-cent loan which at present prices means that the Government will either own or control 6,000,000 bales of cotton. This leaves only about 3,500,000 bales for export and consumption in the United States until the new crop comes. Moreover, stocks in European ports and afloat to Europe are only 982,000 bales, or 957,000 bales less than on March 1 last year. Stocks of American cotton in and afloat to the Orient are about 50,000 more than last year.

If the Government is to hold its cotton for 12 cents or better, there must inevitably be a strong advance in prices of all growths of cotton or else very drastic curtailment of the consumption of American cotton which might conceivably result in a carryover of cotton August 1 in the United States almost equal to that of 1934 in spite of the 9,634,000-bale crop.

SPINNERS MARGIN Prices of both cotton and yarn hardened during February which resulted in yarn advancing about an eighth and cotton about a twelfth of a cent. The net result was an advance of 1 point in the spinners ratio margin to 155 during February from 154 during January. The pence margin advanced from 3.87 d in January to 3.90 d in February. During February 1934, the ratio margin was 162 and the pence margin 4.09 d. The above figures indicate a weak demand and partly forecast the drastic break which occurred in cotton prices March 11.

COTTON BALANCE SHEET Total supplies of cotton in the United States March 1 were 10,871,000 bales compared with 11,969,000 last year, 13,634,000 two years ago, an all-time high of 14,337,000 three years ago, and a normal of between 7 and 8 million. The net decline in supply this year from last in the supplies in the United States and of American cotton in and afloat to European ports has been 2,045,000 bales.

Calculated prices based on average demand and supply price relations prevailing during the past 7 years indicate that the index price calculated on the Bureau of Labor Statistics wholesale index number should be about 352 points above the price of this date last year, calculated on the supply of American cotton only. As a matter of fact, on March 14 it was 237 points under last year's price. The calculated price of Middling 7/8 inch spot cotton in New Orleans based on changes in supply and spinners margin is 15.87 cents. Calculations based on average percentage changes indicate a price of 14.69 cents.

The above figures do not take into account the increased supplies of foreign cotton.

Livestock Shipments

Depletion in numbers of Texas livestock as a result of the drouth has placed the industry in the most favorable statistical position in many years. But while the longer term economic outlook for the cattleman is vastly improved, it will require many months to obliterate fully the adverse results of nearly four years of almost continuous price decline climaxed by one of the worst drouths in the history of the State. Advantage should be taken by leaders in the livestock industry of the present favorable supply situation for working out a program which, while aiming to insure reasonable prices to producers in the future, will give due regard to the price consumers are able and willing to pay. It would be unfortunate in the long run for the livestock industry if per capita consumption of meat were to decline as a result of a protracted period in which prices of meat were seriously out of line with other food products, thus causing a widespread use of substitutes.

The extent to which numbers of Texas livestock on farms and ranches have been reduced is shown by the marked increase in shipments during 1934 in comparison with 1933. For cattle this excess was 1,036,728; calves, 187,536; sheep, 569,413. Marketings of hogs, however, during 1934 were 816,953 less than in the previous year, showing the effects of the Government's hog reduction program in the late summer of 1933. The foregoing figures include all rail shipments both intrastate and interstate, and they also include truck shipments to Fort Worth. They do not include truck shipments to markets within Texas other than Fort Worth.

The only section of the State in which shipments of cattle and calves were less in 1934 than in the previous year was the Coastal Plains district. In the Plains country of Northwest Texas, in the Trans-Pecos, and in the Edwards Plateau the disappearance was more than double that of 1933. Shortage of feed during the past winter and consequent low condition of livestock on farms and ranches will doubtless adversely affect the new crops of calves, lambs, and pigs, both in numbers and quality.

With reduced numbers of livestock and increased acreages planted to feed crops as a result of the cotton acreage curtailment program, probabilities are that the price of livestock will be high in comparison with feed costs next year. This situation may result in retardation of livestock marketings since there will be a tendency to keep as much livestock as possible, especially if the prospects for pasture and feed crops should become better, which seems likely.

MARKETINGS OF LIVESTOCK IN FEBRUARY

Shipments of livestock during February reflected the sharp curtailment in numbers on Texas farms and ranches. With the culmination of the Government's livestock purchase program for drouth relief and feed conservation, and with better range and feed prospects, shipments of all classes of livestock to Fort Worth and interstate points totalled only 2,434 cars or 30 per cent below those of February last year. Cattle shipments of 1,637 cars declined 26 per cent; calf shipments, 366 cars, dropped 35 per cent; hog shipments, 327 cars, declined 5 per cent; and sheep shipments, 104 cars, dropped 75 per cent.

Shipments of all classes of livestock except hogs to the markets of Fort Worth and Los Angeles showed a decline in comparison with last year, and there was a decrease also in shipments of cattle and sheep to feeding areas in Kansas and Illinois. Sharp increases occurred in shipments of cattle to Arizona and California because of the more favorable feed and grazing conditions in these states.

Receipts of hogs from midwestern states totalled more than 100 cars during the month. Shipments to out-of-State points other than Los Angeles were negligible.

POULTRY AND EGGS

The downward trend in poultry and egg shipments from Texas to interstate points which has been apparent for the past three years continues. During February a total of only 110 cars were shipped from the state against 169 cars a year ago. Poultry shipments amounted to 79 cars compared with 100 during February last year; and egg shipments were 31 and 69 cars respectively for the two periods.

F. A. BUECHEL.

Retail Trade and Credit

This is the second issue of the REVIEW containing a section on Retail Trade and Credit. The venture is still in the experimental stage, and criticisms and suggestions are earnestly invited.

GENERAL RETAILING

Rural Sales of general merchandise are holding up.

1929–31 = 100 (adjusted)

February 1933	February 1934	February 1935
56.0	80.5	90.5

Department of Commerce.

Texas Manufacturing. — Changes between 1931 and 1933:

Year	No. of Establishments	Av. No. Wage Earners	Wages (000)	Value of Products (000)
1931	4,250	93,700	$98,400	$833,000
1933	3,650	91,400	73,400	687,000

U. S. Census of Manufacturers.

Significant.—New England stores report that luggage sales for February 1935 are up 71.9 per cent over February 1934. Also that women's coats, girls ready-to-wear, and jewelry are up from 25 to 40 per cent! This looks like travel. People don't travel when they have little confidence in the future!

Printers Ink.—Indexes of advertising all show increases over a year ago.

February 1935 over February 1934

Newspaper advertising	+ 5.7%
Magazine advertising	+ 12.9%
Farm paper advertising	+ 6.1%
Radio advertising	+ 22.6%

Variety Store Sales.—United States:

February 1935 over February 1934 = + 4 per cent
February 1935 over February 1931 = + 16 per cent

Dallas Federal Reserve Bank.

Department Stores:

	January 1935 over January 1934
Total Sales	+ 7.6%
Credit Sales	+ 11.1%
Stock on Hand End of Month	+ 6.9%

Taxes.—Retailers are particularly interested in three kinds of taxes: State Sales Taxes, State Chain Store Taxes, Federal Sales Taxes. The first two are well established and the third is generating much support. State and national governments must have money and these taxes seem to work. Watch their development. Eighty-five per cent of the Michigan retailers told *Retailing* that the retail sales tax was a satisfactory method of raising revenue!—*Retailing.*

Texas Retailing:

	1929	1933	Per cent change from 1929
Number of Stores	66,918	67,914	+ 1.5%
Sales	$ 2,043,000,000	$ 965,500,000	− 52.7%

United States Retailing:

Number of Stores	1,540,000	1,526,000	− 1.1%
Sales	$49,100,000,000	$25,000,000,000	− 49.0%

Only eight states had sales losses for this period greater than Texas, the worst sufferer being Mississippi with a loss of 66 pe rcent.

U. S. Census of Distribution.

GENERAL CREDIT

Christmas Repercussions. — One store used a Christmas triangle plan.

"One-third at time of purchase, one-third in January, one-third in February"—and liked it.

Another store, on *November 13*, said: "books closed: charges payable in January."

The first looks pretty sensible; the second looks like an open invitation to let the evil day take care of itself!

The longer an account is inactive the harder it is to reopen it. Capper and Capper in Chicago circularized old and current lists for a sale:

76 per cent of the active charge accounts made purchases
7.5 per cent of the accounts inactive for 3 months
1.7 per cent of the accounts inactive more than 10 months

Moral—keep acounts active. Go over those accounts regularly and work on them. This is one constructive use of direct-mail which all stores should be employing continuously.

One Month's Free Groceries.—A western grocer offers to regular cash customers a cash or credit refund at the end of a year of an amount equal to the purchases in the smallest volume month — provided customers have purchased every month and *have paid their bills by the tenth of the following month.* Rather smart. Concentrated business is profitable and worth paying for. Make it as worthwhile for a customer to purchase 100 per cent with you as to shop around!

Housewives.—In a small survey conducted by *Progressive Grocer*—90 per cent of the housewives who buy groceries on credit said they like to trade with a grocer who is strict in his collections and insists on regular payments. Ordinary folks like to know where they stand. They want help. Coöperate with them and don't let them get away from themselves!

Are you liberal, moderate or tight in your credit granting policy? It doesn't make much difference if you keep your collection policies in proper balance.

If liberal, follow collections closely. If moderate, you can be moderate with collections. If tight, collections are perhaps no problem—but you are probably restricting sales volume and not getting the maximum promotional benefit from your credit department.

They Don't Pay.—The Massachusetts consumer bankruptcy study showed, among others, these reasons for non-payment:

28.2 per cent—Overbuying and extravagance
13.2 per cent—Decrease in incomes
12.4 per cent—Sickness and domestic misfortune
7.1 per cent—Speculation
5.3 per cent—Business difficulties
4.9 per cent—Dishonesty

Note the first two!

How Many Charge Accounts?—When the A. T. Lewis Dry Goods Company went out of business recently, it opened up the question as to who would get the Lewis business. One store made a test which convinced it that it already had about 90 per cent of the charge customers of the defunct store on its own books.

—*Retailing.*

It would be interesting to know how much duplication of accounts there is, and what the pattern of the duplication is by income groups.

Opening Accounts.—One store in the middle west which for a number of years has developed its Credit Department by use of direct mail to specially selected lists, finds that it has cost from 69 cents to $1.46 per account to open these accounts.

They figure that an average active customer purchases about $40 per year for four years on his account, so than on the basis of $160 sales the cost of opening the account runs less than 1 per cent of the potential sales.

LARGE STORES

System.—A southwestern store found that its sales had switched from 60 credit, 40 cash, to 40 credit, 60 cash—this in spite of a $12,000 campaign for new accounts.

They looked. They found: that they were demanding verification of both charge—take and charge—send sales while the customer was waiting at the counter. No other store in town took this precaution. Customers are so sensitive about the *little things!* Just think how you feel when you are held up 90 seconds in a traffic jam!

Telephone Selling.—Lit Brothers in Philadelphia developed $750,000 additional business over the telephone last year.

Interesting Facts:

32 telephone order clerks.
150–200 orders per girl per day on average day.
375–400 orders per girl per day on sale days.
$2,500 average day telephone sales.
Monday, Wednesday and Thursday best telephone selling days. Mornings are busiest.
Store maintains 24-hour telephone service but evenings are not important.
Every order must be filled the same day or customer notified.
Girls do suggestive selling and get 3 per cent on certain articles which are sold by suggestion.
Girls build up prospect lists and get 3 per cent on solicited selling.
Girls tell customers their names and have built up very nice relationships.
Returns on telephone sales are average. Errors are infinitesimal.
Free suburban phone service is allowed up to 15 cents a call.
Telephone selling needs good supervision, girls of quickness and tact, and a good system.

—*Retailing.*

The telephone, as a selling instrument, has been subject to much abuse in some cases, and has been entirely overlooked in others.

Macy on Shortages.—H. F. Kamermeyer, Assistant Controller of Macy's, reports in *Retailing*

Shortages:

33%—Errors in pricing and price change procedure in all stocks, forward, reserve and warehouse.

20%—Faulty stock handling in the receiving delivery, and return goods divisions.
20%—Poor stock-keeping in forward stocks and reserves and in merchandise loans.
10%—Sales clerk errors—especially in inter-selling and in large and hectic promotions.
5%—Clerical errors in Accounts Payable, sales-audit, statistics, and auditors divisions; especially on account of poorly made vendor's invoices.
5%—Faulty end-of-season cut-off (invoices, intra-department transfers and price changes).
5%—Shoplifting.
2%—Employee's theft.

100%

Put grease where the squeak is.

Aging.—The May Company of Los Angeles—ages accounts.

1. Less than 30 days.
2. 30 to 60 days overdue.
3. 60 to 90 days overdue.
4. Over 90 days overdue.

and appraises them on this basis:

1. Length of time account has run.
2. Customer's practice in past payments.
3. Trend of account.
4. General character of dealings with customer.
5. Credit ratings and special reports.

—*Retailing.*

Returns.—Boston reports as follows on a four months' campaign of customer education.

For the seven stores coöperating, an average decline of 3.77 per cent in returned goods compared to the same period of previous year.

Labor.—Department stores in the larger cities and chains must watch their contact with labor. Throughout its history, retailing has been practically free from labor trouble, mostly because the units were small, the contact with store owners and managers so personal, and the jobs white-collared. Retailing is no longer small, and labor has been in an aggressive mood since the N.R.A. gave its organizations a new lease on life. Social trends are definitely recognizing collective bargaining as a principle.

The immediate issue seems to be that of complete unionization on the basis of horizontal unions and the labor organizations have been naturally hostile to company unions. In the two major retail strikes to date, the A. & P. strike in Cleveland and the Boston Store strike in Milwoukee labor has made gains. There is every reason to expect the continuation of these efforts.

One of the most efficient retail-strike tools developed by labor is that of cutting off supplies and deliveries by calling out all the truckers. The significance is obvious. A small percentage of employees can throw the whole business into confusion.

Because a great store has such close and sensitive relations with its customers, it cannot afford a strike on violent picketing, regardless of the merit of the issues.

It is suggested that larger stores go over personnel contacts very carefully and make sure that everything possible is being done. This job needs intelligent handling—perhaps with a somewhat new viewpoint.

SMALL STORES

Sheboygan, Wisconsin, is a Town of 40,000.—To develop its farm trade, the Sheboygan Dry Goods Company opened a Farm Produce Purchase Department in a separate room on a street immediately back of the store proper.

Significant Facts:

All purchases are for cash. No barter.
Store buys anything a farmer raises except dairy products.
Mostly eggs—3,000 dozen per day; chickens, potatoes, beans, cucumbers, peanuts, apples, strawberries, cabbage, or anything else.
Department in charge of an expert handler.
Some of these products are sold in the grocery department, it is good advertising for this department.
Bulk of products purchased shipped out to wholesalers.
Department breaks even on its costs.
Radio is used to broadcast prices and for good-will.
About 50 per cent of money comes back into the store.

A Flint, Michigan, Store Says: We still believe that the smaller stores can exist and make a profit.

Management: The management must be actively at the head of the store every moment.

Credit: We had always been lenient with our credit and had large charge-offs. In the last two years we have tightened up materially. It hurt some customers to think that they were notified for not paying accounts when due, but we succeeded in reeducating them to respond to that treatment.—*Retail Ledger.*

COLLECTIONS

The Hilder Report Recommended:

1. A meeting of all local merchants.
2. An agreement to improve collection ratios and to establish uniform methods of calculating and reporting.
3. An agreement on the question of weekly, by-weekly, and monthly payments.
4. Establishing definite due-dates (for monthly—usually the tenth.
5. Service charge 1 per cent per month on all accounts over 30 days old.
6. Uniform collection letter on all accounts when 30 days overdue, listing the accounts in parts according to age.
7. Customers trained to pay exact amounts and not even amounts on account.
8. Strict follow-up on overdue accounts.
9. Coöperative newspaper advertising.

10. Consolidation of delinquent accounts at a small loan bank.
11. Safe-guarding credit authorization.
12. Defining credit terms carefully.
13. Creating more personal contact between department and the customers.
14. Giving a good credit-man complete control and holding him for results.—*Retail Ledger.*

"**Courage** more than caution is one of the primary requisites of a credit man.

We are aiming at results in credit work. First, *all* the business we can get on a safe credit basis and second, the collection of what is ours, when due."—Adams, Meldrum and Anderson, Buffalo, N.Y., *The Bulletin.*

Collections:

Dallas Federal Reserve District

January 1935—Collections on open accounts to outstandings—40.7 per cent.

January 1935—Collections on installments to outstandings—13.9 per cent.

INSTALLMENTS

John Guernsey Says: Why, do the installment finance companies add a carrying charge that amounts to 16 to 24 per cent? The explanation lies in the fact that they are not using sound credit methods in the first place, in the extension of credit. The dealers from whom they take the paper have developed a trade habit of insuring the credit risk at the expense of the purchaser instead of evaluating the risk on the basis of the usual retail credit standards and assuming the acceptable risks themselves, as an incidental part of the function of retailing.

Any crook or deadbeat with a hundred dollars cash can walk into an automobile agency and purchase a car on credit; anyone without regard to color, credit or criminal record can buy a refrigerator or a radio or almost anything that is sold on terms by dealers who use the finance companies, by making the down payment in cash. He lays down his cash, signs his contract and walks out with the purchase or drives it away before the dealer makes any investigation of the risk. Why? Because in the amount of carrying charge is included an allowance for insuring against defalcation, damage, fire, misappropriation and about everything but the recurrence of twins. The dealer and the finance company take little risk; almost every imaginable loss is protected by insurance which is paid for unwittingly by the purchaser. The unfair part of it is that 90 conscientious purchasers out of each 100 are required to pay for the loss that will result from the deliberate fraud of the remaining 10 per cent.

You Pay for the Crook's Car.—You are an honest citizen, with the usual man's caution against undertaking an obligation he cannot see his way to fulfill. You have a regular income and a clean credit record. But does that get you anything when you deal with a finance company, say in the purchase of a motor car? *Not the least!* The amount of carrying charge you must pay is set in advance, and is exactly the same as the carrying charge required of a member of a snatch mob ten days out of stir. Maybe the very man who laid down the pen which you took up to sign your installment contract is being sought by the police, or under another name has just disposed of a $1,500 car purchased last week with a $500 down payment. It doesn't make the least difference in the way you are treated, or how much you are charged, that you have a record as long as your arm of having met all your obligations promptly.—*Retail Ledger.*

TAXATION

The Supreme Court of the United States.—In a highly important recent decision, and by a vote of five to four, upheld the right of West Virginia to tax chain stores, and upheld the constitutionality of the West Virginia law under which the Standard Oil Company of New Jersey paid $240,173 on 1,003 service stations and bulk plants in 1933, while 2,000 "independent" gasoline stations contributed a total of only $5,000.

Discussing the rights of a state to tax large chains more heavily than small ones the Court said: "Not only may it do this, but it may make the tax so heavy as to discourage a multiplication of units to an extent believed to be inordinate and by the incidence of the burden develop other forms of industry."

In deciding the question the Supreme Court found: First, that the filling stations and distributing plants are stores or mercantile establishments within the meaning of the West Virginia statute. Second, that the statute in its application to Standard Oil of New Jersey and others similarly situated does not deny to the taxpayer the equal protection of the laws; and third, that the statute does not violate the constitution of West Virginia which requires that taxation shall be equal and uniform throughout the state.

Read the third paragraph carefully!

E. G. SMITH.

CREDIT RATIOS

Greater aggressiveness on the part of credit departments in Texas retail establishments is indicated by the February reports on sales and credits. The ratio of credit sales to net sales averaged 2.5 per cent greater than in February last year, according to reports from 61 representative establishments. Percentage of collections to outstanding accounts remained practically the same while the relative cost of handling the credit business declined slightly.

Comparing the different types of stores, it may be noted that each group shows a substantial increase in the percentage of credit to net sales over February last year. But reference to the similar figures for January contained in the February REVIEW reveals that while department stores, dry goods and apparel stores, and

women's specialty shops show substantial percentage increases in February as compared with January, men's clothing stores declined materially.

When comparison is made of credit to net sales according to annual volume of business, it is to be noted that stores doing more than two million dollars worth of business have shown the greatest increase in relative amount of credit business in comparison with last year. For this class of stores the increase was nearly 6 per cent. Collections for this group also were well maintained.

FEBRUARY CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting		Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
	1935	1934	1935	1934	1935	1934	1935	1934
All Stores	61	61	61.4	58.9	34.6	34.2	1.7	1.8
Stores Grouped by Cities:								
Austin	4	4	57.5	57.9	37.8	37.4	1.5	1.6
Beaumont	3	3	60.2	58.1	35.3	32.8	2.0	2.2
Dallas	8	8	68.3	67.0	34.6	36.0	1.4	1.5
Fort Worth	6	6	57.4	55.9	31.8	29.9	1.7	1.8
Houston	7	7	59.2	56.9	37.5	34.3	2.0	1.7
San Antonio	3	3	59.0	53.4	37.7	40.1	1.1	1.6
Waco	4	4	62.5	60.6	31.6	29.8	1.9	2.0
All Others	26	26	56.5	53.3	32.2	32.3	2.6	2.5
Stores Grouped According to Type of Store:								
Department Stores (Annual Volume Over $500,000)	18	18	59.9	57.9	35.3	34.8	1.6	1.7
Department Stores (Annual Volume Under $500,000)	19	19	58.6	57.3	27.9	28.2	2.5	2.3
Dry Goods–Apparel Stores	4	4	61.0	59.3	29.4	29.6	2.5	2.9
Women's Specialty Shops	10	10	67.6	64.0	35.7	34.9	1.2	1.4
Men's Clothing Stores	10	10	66.2	61.3	36.4	37.3	2.2	2.3
Stores grouped according to Volume of Net Sales during 1934:								
$3,500,000 down to $2,000,000	7	7	64.7	58.8	35.8	36.9	1.2	1.6
$2,000,000 down to $1,000,000	9	9	58.6	58.1	32.9	36.2	1.7	1.7
$1,000,000 down to $300,000	17	17	52.9	50.2	39.2	39.3	2.0	2.1
Less than $300,000	28	28	56.5	57.4	31.3	29.0	3.5	3.3

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total of accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.

The data are reported to the Bureau of Business Research by Texas retail stores.

TEXAS RETAIL SALES*

	Number of Stores Reporting	Percentage Change in Dollar Sales: Feb., 1935 from Jan., 1935	Feb., 1935 from Feb., 1934	Year-to-date 1935 from Year-to-date 1934
Austin	9	+ 8.0	+ 8.2	+ 11.0
Beaumont	5	− 0.3	+ 14.0	+ 8.0
Corsicana	3	+ 14.4	+ 4.6	+ 4.7
Dallas	10	+ 8.8	+ 10.4	+ 11.3
El Paso	3	− 4.7	+ 2.9	+ 0.3
Fort Worth	6	+ 7.2	+ 5.2	+ 4.6
Houston	9	− 4.1	− 0.1	+ 2.3
Lubbock	3	− 14.7	− 18.4	− 13.0
Port Arthur	3	− 6.3	+ 1.1	− 12.2
San Antonio	4	+ 1.4	+ 12.0	+ 13.8
Temple	3	− 6.0	+ 7.1	+ 20.5
Tyler	3	+ 33.2	+ 2.4	+ 1.7
Waco	4	+ 0.6	+ 4.4	+ 1.8
Wichita Falls	3	− 15.7	+ 4.9	− 0.8
All Others	22	− 6.4	− 3.4	+ 1.7
STATE	90	+ 2.1	+ 5.6	+ 6.1
Department Stores (Annual Volume over $500,000)	19	+ 3.5	+ 5.9	+ 5.5
Department Stores (Annual Volume under $500,000)	33	− 2.7	− 3.2	− 2.3
Dry Goods and Apparel Stores	10	+ 7.9	− 0.6	− 2.7
Women's Specialty Shops	14	+ 7.5	+ 9.9	+ 14.0
Men's Clothing Stores	14	− 12.3	+ 15.0	+ 18.2

*The classification by towns includes all of the stores reporting as indicated in the classification by types of stores.

NOTE: Reported to the Bureau of Business Research by Texas retail stores.

STOCK PRICES

	Feb. 1935	Jan. 1935	Feb. 1934
Standard Indexes of the Securities Markets:			
421 Stocks Combined	67.8	69.7	80.5
351 Industrials	80.0	81.4	88.4
33 Rails	31.8	34.6	50.0
37 Utilities	54.5	57.4	80.6

NOTE: From Standard Statistics Co., Inc.

TEXAS CHARTERS

	Feb. 1935	Jan. 1935	Feb. 1934
Capitalization*	$1,569	$3,028	$1,290
Number	143	186	130
Classification of new corporations:			
Oil	37	44	38
Public Service	1	2	2
Manufacturing	31	32	20
Banking-Finance	7	9	6
Real Estate-Building	8	10	6
Transportation	3	3	4
Merchandising	32	51	34
General	24	35	20
Foreign Permits	23	33	36
Number capitalized at less than $5,000	54	68	61
Number capitalized at $100,000 or more	1	9	1

*In thousands.

NOTE: Compiled from records of the Secretary of State.

COTTON MANUFACTURING IN TEXAS

	Feb. 1935	Jan. 1935	Feb. 1934
Bales of Cotton Used	2,652	3,223	5,687
Yards of Cloth:			
Produced	3,998,000	4,013,000	5,499,000
Sold	2,875,000	4,422,000	6,173,000
Unfilled Orders	7,240,000	8,023,000	15,920,000
Active Spindles	116,506	118,010	159,431
Spindle Hours	25,533,000	28,558,000	47,916,000

NOTE: Reported to the Bureau of Business Research by 16 Texas cotton mills.

COMMODITY PRICES

	Feb. 1935	Jan. 1935	Feb. 1934
Wholesale Prices:			
U. S. Bureau of Labor Statistics (1926 = 100)	79.5	78.8†	73.6
The Annalist (1913 = 100)	124.3	122.6	108.1
	74.0*	73.1*	65.4*
Dun's	$176.81	$176.77	$165.03
Bradstreet's	$ 9.80	$ 9.78	$ 9.26
Farm Prices:			
U. S. Department of Agriculture (1910–1914 = 100)	111.0	107.0	83.0†
U. S. Bureau of Labor Statistics (1926 = 100)	79.1	77.6	61.3
Retail Prices:			
Food (U. S. Bureau of Labor Statistics, 1913 = 100)	122.0	118.5	108.3
Department Stores (Fairchild's Publications, Jan. 1931 = 100)	86.6	86.8	89.5

*On gold basis based on exchange quotations for France, Switzerland, Holland, and Belgium.
†Revised.

PETROLEUM

Daily Average Production

(In Barrels)

	Feb. 1935	Jan. 1935	Feb. 1934
Panhandle	61,650	59,110	49,350
North Texas	57,150	57,010	54,500
West Central Texas	25,750	26,170	26,150
West Texas	150,200	154,830	128,950
East Central Texas	51,650	51,590	43,150
East Texas	435,000	425,530	413,900
Conroe	47,450	47,040	49,050
Southwest Texas	59,100	57,170	43,350
Coastal Texas*	128,250	127,410	110,950
STATE	1,016,200	1,005,860	919,350
UNITED STATES	2,522,200	2,489,700	2,245,700
Imports	125,536	112,000	127,607

*Not including Conroe.
NOTE: From American Petroleum Institute.

New Development in Texas

	Feb. 1935	Jan. 1935*	Feb. 1934
Permits for new wells	924	1,237	783
Wells completed	788	973	627
Oil Wells	587	715	442
Gas Wells	16	26	30
Initial Production (In thousands of barrels)	2,488	2,584	1,795

*Five weeks.
NOTE: From *The Oil Weekly*.

Gasoline sales as indicated by taxes collected by the State Comptroller were: January 1935, 71,947,000 gallons; December 1934, 74,505,000 gallons; January 1934, 65,584,000 gallons.

CEMENT

(In Thousands of Barrels)

	Feb. 1935	Jan. 1935	Feb. 1934
Texas Plants			
Production	221	294	280
Shipments	229	240	273
Stocks	717	725	492
United States			
Production	3,053	3,202	4,168
Shipments	2,952	2,846	2,952
Stocks	21,948	21,847*	20,762
Capacity Operated	14.9%	14.1%	20.2%

*Revised.
NOTE: From U. S. Department of Interior, Bureau of Mines.

TEXAS COMMERCIAL FAILURES

	Feb. 1935	Jan. 1935	Feb. 1934
Number	19	24	32
Average Weekly Number	5	6	8
Liabilities	$184,000	$379,000	$468,000
Assets	$ 68,000	$154,000	$265,000
Average Liabilities per Failure	$ 9,684	$ 15,792	$ 14,625

NOTE: From Dunn & Bradstreet, Inc.

BANKING STATISTICS

(In Millions of Dollars)

	Feb. 1935		Jan. 1935		Feb. 1934	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
Debits to individual accounts	$576	$27,420	$552	$29,407	$512	$26,778
Condition of reporting member banks on	Feb. 27, 1935		Jan. 30, 1935		Feb. 28, 1934	
Loans and Investments—total	413	18,321	426	18,244	430	17,400
Loans on Securities—total	49	2,995	49	3,024	60	3,520
To Brokers and Dealers:						
In New York	5	726	4	702	†	†
Outside New York	1	166	1	166	†	†
To Others	43	2,103	44	2,156	†	†
Acceptances and Commercial Paper	3	440	3	439	†	†
Loans on Real Estate	23	965	23	971	†	†
Other Loans	112	3,198	114	3,127	†	†
U. S. Government Direct Obligations	161	7,227	178	7,237	†	†
Obligations Fully Guaranteed by U. S. Gov't	24	660	18	601	†	†
Other Securities	41	2,836	41	2,845	†	†
Reserve with Federal Reserve Banks	86	3,454	83	3,439	71	2,271
Cash in Vault	9	286	9	278	9	224
Net Demand Deposits	312	14,175	308	14,027	281	11,398
Time Deposits	124	4,449	126	4,434	121	4,370
Government Deposits	52	1,019	58	1,227	62	1,467
Due from Banks	163	1,850	151	1,785	118	1,412
Due to Banks	149	4,462	143	4,245	138	3,187
Borrowings from Federal Reserve Banks	----	1	----	----	----	12

†Not available.
NOTE: From Federal Reserve Board.

LUMBER

(In Board Feet)

	Feb. 1935	Jan. 1935	Feb. 1934
Southern Pine Mills:			
Average Weekly Production per Unit	229,216	208,850	204,190
Average Weekly Shipments per Unit	229,564	216,502	180,228
Average Unfilled Orders per Unit, End of Month	540,845	475,784	660,036

NOTE: From Southern Pine Association.

BUILDING PERMITS

	Feb. 1935	Jan. 1935	Feb. 1934
Abilene	$ 6,170	$ 18,275	$ 5,280
Amarillo	10,307	21,304	5,083
Austin	176,590	1,735,803	29,300
Beaumont	14,269	48,865	10,335
Big Spring	845	3,295	1,485
Brownsville	20,310	975	3,021
Brownwood	115	1,775	30
Cleburne	9,350	6,950	4,025
Corpus Christi	23,487	36,081	13,335
Corsicana	8,870	7,025	600
Dallas	309,179	444,320	257,211
Del Rio	4,125	2,835	1,181
Denison	6,410	860	....
El Paso	42,390	15,557	38,905
Fort Worth	49,400	379,489	40,000
Galveston	208,968	25,173	36,278
Harlingen	5,840	4,427	12,700
Houston	443,179	521,500	252,495
Jacksonville	5,320	125	10,375
Laredo	2,150	2,750	700
Longview	486,000	368,000	25,520
Lubbock	16,505	9,563	5,379
McAllen	2,400	61,885	735
Marshall	4,712	2,010	1,345
Palestine	5,375	34,848	10,119
Pampa	16,200	25,700	4,125
Paris	5,130	8,045	1,600
Port Arthur	31,247	24,628	12,989
Ranger	.....	7,000	...
San Angelo	10,967	8,630	1,886
San Antonio	45,241	214,186	68,990
San Benito	6,325	1,250	23,948
Sherman	4,949	2,290	15,038
Sweetwater	2,795	700	500
Tyler	70,831	121,375	26,645
Waco	13,834	29,254	8,907
Wichita Falls	69,859	9,551	2,160
TOTAL	$2,139,644	$4,206,299	$ 932,225

NOTE: Reported to the Bureau of Business Research by Texas chambers of commerce.

1934 CARLOAD MOVEMENT OF POULTRY AND EGGS

Shipments from Texas Stations

	Cars of Poultry								Cars of Eggs	
	Live				Dressed					
	Chickens		Turkeys		Chickens		Turkeys			
	1934	1933	1934	1933	1934	1933	1934	1933	1934	1933
TOTAL	108	143	72	72	573	705	1154	1606	605	679
Intrastate	5	2	4	....	7	18	4	4	154	185
Interstate	103	141	68	72	566	687	1150	1602	451	494
Interstate Shipments Classified										
New York	73	124	18	25	226	349	419	551	99	85
Illinois	....	3	7	10	43	45	135	202	37	62
Massachusetts	....	....	8	10	42	49	137	248	7	21
New Jersey	....	....	3	2	41	27	34	31	53	21
Pennsylvania	4	....	6	7	93	101	136	187	12	28
Louisiana	10	3	....	....	6	8	9	19	96	83
Connecticut	....	....	4	2	36	20	41	45	....	4
Missouri	....	....	4	....	6	9	33	73	3	5
Georgia	....	....	....	....	7	14	9	16	31	47
Michigan	....	....	3	1	6	5	26	33	....	....
California	15	11	1	1	22	33	6	7	19	23
Alabama	....	....	....	....	2	2	1	5	20	17
Florida	....	....	1	....	2	11	35	28	12	15
Rhode Island	....	....	1	....	15	6	17	18	3	4
Ohio	....	....	2	1	2	2	50	51	....	13
Tennessee	....	....	4	12	1	....	8	14	28	10
Maryland	1	....	2	....	6	1	13	20	1	2
Mississippi	....	....	....	....	....	....	2	1	....	9
Oklahoma	....	....	....	....	....	....	....	....	2	3
Indiana	....	....	1	....	....	....	1	4	....	....
Virginia	....	....	....	....	....	1	4	5	....	2
New Hampshire	....	....	....	....	....	....	2	6	....	....
Maine	....	....	1	1	....	....	7	11	1	....
Nebraska	....	....	2	....	8	....	7	12	2	....
Kansas	....	....	....	....	....	....	1	1	....	8
South Carolina	....	....	....	....	....	....	....	....	5	6
North Carolina	....	....	....	....	....	....	3	3	10	13
Wisconsin	....	....	....	....	....	....	1	....	....	....
D. of Columbia	....	....	....	....	2	3	13	8	3	3
Iowa	....	....	....	....	....	....	....	2	7	....
Other States	....	....	....	....	....	1	....	1	....	10
Receipts at Texas Stations										
TOTAL	....	....	6	1	9	9	....	6	453	413
Intrastate	....	....	6	1	9	9	....	6	144	148
Interstate	....	....	....	....	....	....	....	....	309	265
Interstate Receipts Classified										
Kansas	....	....	....	....	....	....	....	....	222	160
Missouri	....	....	....	....	....	....	....	....	45	60
Oklahoma	....	....	....	....	....	....	....	....	3	9
Nebraska	....	....	....	....	....	....	....	....	12	19
Iowa	....	....	....	....	....	....	....	....	4	8
Illinois	....	....	....	....	....	....	....	....	20	8
Other States	....	....	....	....	....	....	....	....	3	1

NOTE: These data are furnished the U. S. Department of Agriculture, Division of Crop and Livestock Estimates, by railway officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

FEBRUARY SHIPMENTS OF LIVESTOCK CONVERTED TO A RAIL-CAR BASIS‡

	Cattle		Calves		Hogs		Sheep		Total	
	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
Total Interstate Plus Fort Worth†	1,637	2,227	366	561	327	356	104	418	2,434	3,562
Total Intrastate Omitting Fort Worth	719	339	134	178	15	7	45	34	913	558
TOTAL SHIPMENTS	2,356	2,566	500	739	342	363	149	452	3,347	4,120

TEXAS CAR-LOT‡ SHIPMENTS OF LIVESTOCK JANUARY 1 TO MARCH 1

	Cattle		Calves		Hogs		Sheep		Total	
	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
Total Interstate Plus Fort Worth†	4,999	4,322	1,122	1,302	790	590	295	966	7,206	7,180
Total Intrastate Omitting Fort Worth	1,796	656	350	393	50	19	88	200	2,284	1,268
TOTAL SHIPMENTS	6,795	4,978	1,472	1,695	840	609	383	1,166	9,490	8,448

†Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.
‡Rail-Car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.
NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every livestock shipping point in the State. The data are compiled by the Bureau of Business Research.

COTTON BALANCE SHEET FOR THE UNITED STATES
AS OF MARCH 1

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to Mar. 1*	Final Ginnings Report March 20†	Total	Consumption to Mar. 1	Exports to Mar. 1	Total	Balance Mar. 1
1927–1928	3,762	226	12,789	16,777	4,201	5,122	9,323	7,454
1928–1929	2,536	246	14,373	17,155	4,042	6,190	10,232	6,923
1929–1930	2,313	215	14,919	17,447	3,809	5,293	9,102	8,345
1930–1931	4,530	41	14,243	18,814	2,900	4,904	7,804	11,010
1931–1932	6,369	56	16,918	23,343	3,081	5,925	9,006	14,337
1932–1933	9,682	75	12,727	22,484	3,253	5,597	8,850	13,634
1933–1934	8,176	83	12,660	20,919	3,402	5,548	8,950	11,969
1934–1935	7,746	64	9,469	17,279	3,153	3,255	6,408	10,871

The cotton year begins August 1. *In 500-pound bales. †Gin run bales, counting round bales as half bales.

MARCH EMPLOYMENT AND PAYROLLS IN TEXAS CLASSIFIED BY CITIES AND EMPLOYMENT GROUPS

	No. of Establishments	Workers Mar. 1935	Workers Feb. 1935	Workers Mar. 1934	Percentage Change from Feb. 1935	Percentage Change from Mar. 1934	Average Weekly Wage per Worker Mar. 1935	Average Weekly Wage per Worker Feb. 1935	Average Weekly Wage per Worker Mar. 1934
Abilene	21	1,204	1,161	1,162	+ 3.7	+ 3.6			
Amarillo	29	790	778	745	+ 1.5	+ 6.0			
Austin	36	894	887	830	+ 0.8	+ 7.7			
Beaumont	113	2,794	2,783	2,628	+ 0.4	+ 6.3			
Dallas	237	13,318	13,837	13,037	− 3.8	+ 2.2			
Denison	8	402	422	397	− 4.7	+ 1.3			
El Paso	65	2,170	2,081	2,222	+ 4.3	− 2.4			
Fort Worth	97	3,528	3,534	3,391	− 0.2	+ 4.0			
Galveston	19	755	767	760	− 1.6	− 0.7			
Houston	183	12,391	12,490	12,814	− 0.8	− 3.3			
Laredo	9	191	183	166	+ 4.4	+15.1			
Port Arthur	14	7,175	7,370	7,533	− 2.7	− 4.8			
San Angelo	27	278	272	263	+ 2.2	+ 5.7			
San Antonio	161	5,800	5,722	5,817	+ 1.4	− 0.3			
Sherman	19	714	739	821	− 3.4	−13.0			
Waco	39	1,268	1,215	1,240	+ 4.4	+ 2.3			
Wichita Falls	39	928	928	917	0.0	+ 1.2			
Miscellaneous	462	14,371	14,160	15,238	+ 1.5	− 5.7			
STATE	1,578	68,971	69,329	69,981	− 0.5	− 1.4			
Bakeries	17	977	1,011	970	− 3.4	+ 0.7	$17.25	$17.19	$17.36
Brick, Tile, Terra Cotta	10	232	200	312	+16.0	−25.7	8.46	7.11	8.03
Cement Plants	6	345	400	344	−13.8	+ 0.3	18.01	18.98	15.31
Commercial Printing	25	466	462	477	+ 0.9	− 2.3	23.57	24.48	22.27
Confectioneries	8	267	262	291	+ 1.9	− 8.3	10.20	9.59	10.11
Cotton Compresses	6	640	814	710	−21.4	− 9.9	15.90	13.25	12.14
Cotton Oil Mills	11	294	423	389	−30.5	−24.4	12.52	12.27	12.46
Cotton Textile Mills	7	1,194	1,085	1,627	+10.0	−26.6	10.37	10.27	11.83
Crude Petroleum Producing	12	6,721	6,615	6,740	+ 1.6	− 0.3	33.64	35.06	32.49
Electric Railway Car Shops	8	157	157	149	0.0	+ 5.4	22.95	24.04	21.50
Electric Railway Maintenance and Operation	6	1,287	1,263	1,242	+ 1.9	+ 3.6	23.17	24.26	22.94
Flour Mills	7	410	412	371	− 0.5	+ 0.5	18.55	18.78	18.23
Foundries, Machine Shops	24	1,435	1,426	1,365	+ 0.6	+ 5.1	21.35	21.25	20.19
Hotels	33	3,038	3,003	2,779	+ 1.2	+ 9.3	13.13	12.55	12.56
Ice Cream Factories	11	361	337	387	+ 7.1	− 6.7	20.35	20.20	21.60
Ice Factories	53	771	766	775	+ 0.7	− 0.5	21.23	22.14	18.44
Laundries, Dry Cleaning	32	1,214	1,129	1,134	+ 7.5	+ 7.1	13.90	12.74	13.30
Meat Packing, Slaughtering	6	1,597	1,694	1,406	− 5.7	+13.6	21.83	20.54	19.98
Men's Clothing Manufacturing	11	1,593	1,495	1,982	+ 6.6	−19.6	12.14	11.12	8.12
Millwork	15	407	370	329	+10.0	+23.7	18.50	18.65	14.33
Newspaper Publishing	14	1,491	1,507	1,632	− 1.1	− 8.6	28.66	28.35	27.35
Paper Box Manufacturing	5	234	214	184	+ 9.3	+27.2	16.05	16.07	16.51
Petroleum Refining	24	9,943	10,202	10,707	− 2.5	− 7.1	26.94	26.90	25.06
Power and Light Companies	408	8,301	8,419	8,495	− 1.4	− 2.3	27.98	27.86	26.14
Quarrying	19	641	633	1,206	+ 1.3	−46.9	21.02	21.21	19.36
Railroad Car Shops	15	1,465	1,404	1,488	+ 4.3	− 1.6	26.85	25.84	25.92
Retail Stores	381	8,975	8,788	8,865	+ 2.1	+ 1.2	17.48	17.77	16.50
Saw Mills	15	2,189	2,120	2,571	+ 3.3	−14.9	12.37	13.26	10.82
Structural Iron Works	10	522	507	577	+ 3.0	− 9.5	20.12	19.29	15.49
Wholesale Stores	168	4,067	3,982	3,861	+ 2.1	+ 5.3	23.82	23.71	23.23
Women's Clothing Manufacturing	9	434	419	584	+ 3.6	−25.7	13.18	12.94	12.52
Miscellaneous	202	7,303	7,810	6,032	− 6.5	+21.1	22.23	22.10	23.10
STATE	1,578	68,971	69,329	69,981	− 0.5	− 1.4	$22.68	$22.75	$21.39
TOTAL WEEKLY PAYROLL*		$1,564	$1,577	$1,497	− 0.8	+ 4.5			

*000 omitted.