

Ecusta President—

(Continued from page 1)

acres in this State and in the South, in general.

We are interested in the promotion of seed flax acreage in the South and are now studying the possibilities. We hope, in the not too far distant future, to develop the possibilities of seeing grown right in our close vicinity some of the needs of our paper mill. However, you must be patient.

The quantities involved are really very substantial. During the past year, we have consumed in our mill the production of about 250,000 acres of flax straw, and, with the addition to our new mill practically completed, our requirements in the future will be substantially larger.

Now, let me tell you something about flax:

The type flax which we are using is so-called "seed flax". It has been cultivated in the past for the purpose of obtaining flaxseed only, which is used by seed crushers all over the country, who turn it into linseed oil which is being used particularly in the paint industry, the printing ink industry, and for many other industrial purposes; especially at the present time, it is much needed for defense purposes, primarily by the Navy.

The stalk on which the seed grows has gone to waste in the past. It contains the fibre. The fibre is what we are using for paper making.

After the straw has been de-seeded by standard methods, we buy from the farmer the resulting straw stalks, which, in Minnesota and California, we bring to central stations, where, by mechanical means, we separate the flax from the wooden portion of the stalk. This is an expensive installation, and the erection of such a mill is only justified when we have in a radius of 15 to 20 miles many thousands of acres at our disposal.

This is one of the reasons why we have selected Minnesota and California. These States are familiar with the crop, have produced it for many years, and now have large and concentrated acreage well adaptable for our needs. I might mention that last year Minnesota alone had over one and a half million acres in flax.

These areas are also familiar with large scale power farming and can produce crops very cheaply. Their income is derived from the small net returns from large acreage, rather than from large net returns from a few acres.

As stated before, these were the main reasons why we obtain our supply of flax so far away from here.

As to the possibility of flax becoming a crop for this section, we are not yet in a position to state when this can take place. We are working diligently on this problem now, as we are anxious to add an agricultural benefit to those which we have already brought to this vicinity; but the smallness of the acreage in this particular section is the reason why we could not apply our present methods of preparing the straw to this vicinity.

As an illustration, we have a contract with one farmer in the San Joaquin Valley in California this year for the product of 8,000 acres of flax, which he is cultivating himself. It is not unusual to make contracts with farmers who cultivate 2,000 acres—200 to 500 acres is a small enterprise. You can well see that this concentration of acreage tends towards economy of operation when the straw is processed and carried to the railroad station.

We are, however, giving considerable thought to bringing this crop to the South.

As I told you before, in California and Minnesota we bring the harvested flax straw to our central station.

We now have in operation a new mechanical development of our own—a portable flax machine—which produces fibre from the straw directly in the field. These machines are be-

ing tested as to their capacity and cost of production in California at this very moment, and the result of this operation will have great influence on our decision to bring the crop to this section.

We do not want to recommend a crop to our farming friends in this vicinity, unless we can assure them of a profitable operation. We hope that with this portable equipment, we can use the product of isolated flax acreages.

It is our hope that, contrary to what we are doing in California and Minnesota, namely, to bring the flax straw to the mill, with the use of our portable equipment, to bring the mill to the fields. If this can be worked out satisfactorily, as stated before, we hope to materialize on our ambition to bring this crop to this section.

I am telling you this plan of ours so that you will realize that Ecusta is interested in your farming problems and that we are attempting to help you fight some of your battles.

We are just about to put into operation a special department, in charge of competent men with prior experience, who will work out in detail flax fibre which can be grown in this section. I take the opportunity to mention this here—it might be a little premature—that we have other crops on our program which we are now developing which might be more easily grown in this section than flax itself.

I also know you would like to hear from me why we actually located our mill in Pisgah Forest. The reason is that we found here the pure air and the desirable and sufficient water for our purpose. These two matters play an important part in our manufacturing processes.

We also were very much attracted by the people of Transylvania County, especially those whom we expected to employ. With the greatest of pride and satisfaction, I make the statement that our anticipation regarding the help here has fully materialized, and we have found here amongst our

employees loyal friends who have made a success of their ways be so, and I would best to make this possible.

You also might be interested to know something about what is being done with paper and the importance it plays in the economy of our country.

Cigarettes are being produced by the Treasury Department in the United States, Intelleneue Division, at the rate of \$3.25 per thousand. We consume nearly 200 billion cigarettes annually in this country—which means two billion and a million—and the tobacco companies pay the treasury of the United States the stupendous sum of 600,000,000 annually. This is practically over \$3,000,000,000 in cash every working year.

As you know, cigarettes are produced in France, prior to the arrival of the Paper Corporation, which was imported from France.

We were fortunate to finish our mill in time to supply the large cigarette manufacturers with their requirements, and they helped to keep all of our pipes filled with your smokes, and last, but not least, to see that the income of the Treasury Department has not been interfered with.

This new American material, which uses American material, has contributed to the continuation of our country.

I again want to tell you how happy I am to have had the opportunity to talk to you and want you to know that the ambition of our organization is to let YOU grow our fibres and are going to turn it into paper.

I again thank you for the invitation to meet with you and I am looking forward to the time when I can attend your meetings and know you and every one of your friends and neighbors.

All Star Game---August 13---8:

M Rec... capa... hand... P. M... will... weel... quir... new... W... list... find... shel... sugg... Am...