

FARM CREDIT ADMINISTRATION PLAN EXPLAINED BY FERGUSON

Wilkes Farmers Served By Association With Headquarters In City

By T. W. FERGUSON

The 1934 crop season will mean the beginning of a better system of credit for many farmers who are preparing to finance the year's farming by means of short term loans through the production credit associations which are being organized under the Farm Credit Administration throughout the state.

Under the Farm Credit Administration the land banks will continue to make long-term real estate mortgage loans; but the administration is also providing a long needed system of short-term production credit for farmers—loans to be used for producing crops and livestock and repaid at the end of the season. This is an entirely new service for farmers; and it is designed to be permanent.

Farmers in this locality will be served by the Wilkesboro Production Credit Association which was chartered on Jan. 5th, 1934, to serve producers in Wilkes, Washington and Yadkin counties. About four or five counties is the average size of an association. There is no fixed number of counties standard for all associations, but each must include enough territory to give a volume of business sufficient to secure efficient organization and low cost of operation. The Wilkesboro Association was organized through the cooperation of representative farmers of the counties included, with the assistance of the Columbia Production Corporation. There is one of these corporations in each of the 12 land bank districts in the country. The local association will obtain loanable funds from the Intermediate Credit Bank of Columbia, which will lend money on, or discount, well secured notes of farmers. All of these institutions are a part of the Farm Credit Administration.

A production credit association does not lend government money. The funds that will be loaned are obtained by the Intermediate Credit Banks which sell short term bonds, or debentures, to the investing public. In other words the money is being borrowed to be loaned to eligible farmers to enable them to produce a season's crops. The association is not a charity institution; but a business credit institution for business-minded farmers. The purpose is to make loans that farmers can afford to use for a season's operations, and which will be repaid at the end of the season. It is a pay as you go plan for agriculture.

Loans needed to buy work stock, fertilizers, seed, machinery, and equipment, for purposes of dairy or poultry farming, or for other expenses incurred for general agricultural purposes, may be obtained from a production credit association as conveniently as from any carefully managed bank.

Most of the loans will run from 3 to 12 months, depending on the length of time required for growing and marketing the crop or livestock which the loan is made to produce. Loans for crop rotation production will usually mature in less than a year, although loans such as those on dairy and breeding cattle may run longer—up to eighteen months.

Applications for these short-term loans are handled in this territory by T. W. Ferguson, secretary-treasurer, whose office is in the Bank of North Wilkesboro Building, Phone 286, North Wilkesboro, N. C.

Applications will be acted upon quickly when they give a clear financial statement of the applicant's farming condition, listing all assets and liabilities, and estimating net worth. The applicant should name specifically the farming assets offered as security for the loan, and give a plan, or budget, showing how he is going to use the loan applied for and how he is going to repay it.

Primary security for production loans consists of livestock, farming equipment, growing crops, or other personal property most appropriate to secure the loan adequately and make up a chattel mortgage. It is not intended that loans shall be secured primarily by mortgages on real estate. Where this type of security is taken it will be regarded as additional collateral.

The minimum loan is \$50.00 and no loan may exceed 20 percent of the authorized capital of the association. The amount of the loan should correspond with the actual need for credit. Perhaps more farmers have become heavily involved in debt because of the lack of it. Loans from production credit associations will only be made as needed; and proper precautions will be taken to prevent over extension of credit.

It so that farms will not have to pay unnecessary indebtedness with resulting interest.

After a farmer's application is received, his financial statement is checked and the property offered as security for the loan personally inspected by a loan inspector of the association. The minimum charge for inspection is \$2.00. Regulations about inspection charges and collection may be changed as required by the production credit corporation. Usually no charge for inspection will be made if the loan is not granted.

If the report of the inspector is satisfactory and the loan is approved by the loan committee of the association, the farmers note is endorsed in the name of the association, and sent, along with his credit statement and chattel mortgage, to the intermediate credit bank of Columbia. If the bank approves the credit statement and the security, it makes funds available to the association, and the association sends a check to the borrower immediately.

Each association is capitalized according to the credit needs of the territory it will serve. Most of the capital stock is purchased by the production credit corporation of Columbia and this enables the association to begin making loans immediately. Funds derived from the sale of stock to the corporation are used by the local association to purchase high grade collateral, chiefly Government bonds, which are placed with the intermediate credit bank to establish a line of credit, that is, to get the bank to discount, or lend money on, the notes of farmers which the association has endorsed. Ordinarily the bank will discount well secured farmers' notes up to five times an association's capital. In this way an association may get all the credit it needs.

The authorized capital stock of the Wilkesboro Production Credit Association is \$65,000.00. The Production Credit corporation owns about three fourths of the capital stock of an association. The farmers who borrow from it own most of the remaining portion, each borrower being required to own 5 per cent of the amount of his loan in voting stock in the association.

A farmer who gets a loan from the association does not have to advance any money to pay for his stock, as the purchase price may be included in the loan, one \$5.00 share being purchased as each \$100.00 of the loan money is advanced. The stock carries no double liability in any possible impairment of capital of the association and extends only to his own stock holding, amounting to \$5.00 for every \$100.00 or fraction thereof borrowed.

The stock purchased by the corporation is non voting, but preferred as assets in case the organization is liquidated. The voting stock is owned only by the borrowing farmers, each having only one vote in the association no matter what amount borrowed or stock owned.

Officers and a local committee of each association are selected by the temporary board of directors which was elected by the charter members when the association was organized. At the first annual meeting of the voting stock holders, that is, the farmer borrowers, a board of directors will be elected, confirming or replacing the temporary board. Thus each borrower has an equal chance of voting his opinion as to the management of the association.

At present loans from a production credit association carry an interest rate of 6 per cent, charged on annual basis, that is, only for the actual time the loan is outstanding. A loan for six months, for instance will carry an interest charge of about \$3 on a hundred. The interest is not collected until the loan is due.

The interest rate charged the individual borrower may not exceed by more than three percent the rate at which the association gets money from the intermediate credit bank. At present the interest or discount rate charged the association by the intermediate credit bank is three percent—these charges make up the six percent interest rate paid by the farmer.

The interest spread of 3 percent between the rate paid by the association and that paid by the borrower goes to the association to meet operating expenses and build up a guaranty fund or surplus, needed by any carefully managed business institution.

Actually the Farm Credit Administration is establishing at Wilkesboro as at other centers of farming sections, a farmers' short-term credit business. Each borrower has part ownership in the business. His liability for loans of the organization is only five percent of the amount he borrows. The management of the business is being entrusted to

National Program Is Discussed By Leader Of Lions

John Barclay Speaks To Local Club On Trend Of Federal Policies

NEW MEMBER RECEIVED Club Adopts Resolution Favoring Court-Room In Post Office Here

The purpose of the national program is not primarily to get the country out of the depression, but looks to the relief of social and economic ills in the future, Rev. John Barclay, of Wilson, president of the 81st district of Lions club, declared in an address to the North Wilkesboro Lions Thursday evening at Hotel Wilkes.

The motive back of the President's program was the theme of Mr. Barclay's message. The program looks to a redistribution of the burden of taxation and a more equitable distribution of the fruits of labor and industry, the speaker said.

One of the chief aims of the present national program is to help all people, rather than a special few, Mr. Barclay told the Lions.

This was Mr. Barclay's first visit to the North Wilkesboro club since he became president of the district organization.

Lions passed a resolution asking Congressman Walter Lambeth to use his influence to have a courtroom built in the new postoffice building soon to be erected here.

A committee, composed of W. J. Bason, H. V. Wagoner and B. T. Henderson, was appointed to confer with other civic organizations relative to a community house project now under consideration.

A delightful feature of the program was the vocal numbers rendered by Rev. and Mrs. Eugene Olive.

Lion Jule Deans was the recipient of two gifts at the meeting. The club gift was presented by Ivey Moore and W. H. Clark, manager of the J. C. Penney company store here, also presented a gift. The occasion was the first attendance of Lion Dean at a meeting since the birth of his daughter.

W. N. Wood, assistant county agent, was received into the club as a new member.

The program was in charge of Attorney E. T. Henderson.

Contributions Must Be Signed

The Journal-Patriot continues to receive some excellent contributions which are consigned to the waste basket because they are anonymous. The name of the writer will not be published with any news article, but it is absolutely necessary that it be signed.

No matter how interesting the story or news letter, it will not be accepted for publication unless the name is sent along. All who have anything for publication are requested to keep this in mind.

GREENS SENTENCED TO DIE IN CHAIR FOR BANK KILLING

stand that the quartet tried to rob the bank. He said Stevenoff shot Barnes while he opened fire upon Little when the latter made a movement as if to draw a pistol.

After the robbery, the Greens escaped and were not captured until a few days ago, when they were apprehended at Morristown, Tenn. They returned to the state without resisting extradition.

The elder Green, in his testimony, apparently sought to invoke leniency for his son, Lester, he declared, was unarmed when they went to the bank, his task being to collect the money.

Under North Carolina law, a recommendation to mercy has no binding influence. Its only weight is the possible influence it would have upon the governor, who could extend clemency.

Testimony Is Damaging

The father, short of pleading guilty to the crime of murder in the first degree, which North Carolina's laws will not permit him to do, took every other known step toward the gaping arms of the electric chair.

He admitted planning with the other participants in the robbery, Mike Stefanoff and his son-in-law, R. E. Black, both of whom are now under sentence of death; he admitted looking over the bank on the day before and mapping out a path to make a getaway; he admitted going to the bank with the three men armed with three pistols and two shotguns with the intention of "getting the money."

He confessed that he shot Solon Little, the bank attendant, who recovered from his serious wound, because he thought he was going to shoot the boy, Lester. He says that Stefanoff promised him there would be no shooting in the bank but that despite this promise Stefanoff was the first man to open fire. He is the one whom B. G. Green contends did all the shooting save the one shot which he himself fired at Little. His son's job was to get the money, the father testified.

Law Says All Guilty

The law of North Carolina as defined by Judge Warlick holds that if a group plan together to commit a robbery and that if while the robbery is being committed a person is killed those who planned and perpetrated the robbery are all guilty of murder in the first degree.

Not only did Green confess to going to the bank to shoot if necessary but he told the jury that he wished he had killed two more.

"If I had known 10 minutes after the robbery what I know now I would have shot Mike and Black both for persuading us into it," he said.

MISS DOUGHTON GETS SHOCK ON ELEVATOR

Washington, Feb. 22—Miss Reba Doughton, daughter of Representative Robert L. Doughton, suffered a slight shock to her nerves when an elevator in the new house of office building dropped several stories and came to a stop with the operation of automatic control devices.

Miss Doughton was assisted to the office of her father and quickly recovered. She was one of a quartet of passengers riding in the elevator when it got out of control of its operator and started downward with sickening speed, skidding to a stop at the bottom.

It is related that the sensation accompanying the downward flight of an elevator out of control is something not soon to be forgotten.

It is much the same as riding in an automobile and skidding on the ice, with the helpless feeling of being unable to do anything beyond sitting tight and hoping for the best.

The stopping of the car caused a shaking up of the passengers, who quickly recovered. The elevators are the last word in mechanical equipment, and it is understood that the authorities were at a loss to understand what occasioned the accident.

WILKESBORO BAPTIST LADIES WIN PRIZE

Ladies of Wilkesboro Baptist church won the \$15.00 cash prize offered by Rhodes-Day Furniture company for the highest score in decorating the living room of the model home at the local store during the furniture show which came to an end Saturday. The score was 92.5.

Just behind them were the North Wilkesboro Presbyterian church ladies with a score of 92.1. They won the \$7.50 prize. Wilkesboro Methodist church ladies won third prize of \$2.50 with a score of 91.6.

The contest was very close, all of the church organizations having shown great proficiency in decorating the living room.

Rhodes-Day Furniture company was host to numerous friends and customers Saturday evening. Coffee and cake were served for refreshments. Coffee was furnished by the A. & P. Store here and cakes were furnished by the Sunshine Biscuit company.

Practically every tobacco grower in Harnett county, who signed the reduction agreement last fall, is signing the contract now being offered and many who did not sign the agreement will sign the contract, says the farm agent.

Dealers in Fisk Tires Are Feted

C. D. Coffey & Sons Give Banquet in City, Fisk Representatives Here

A delightful banquet for present and prospective Fisk tire dealers was given in the private dining room of the Princess cafe Thursday evening by C. D. Coffey & Sons, wholesale distributors of Fisk products in western North Carolina.

Thirty-two service station operators from different sections of the county were guests of the local firm.

C. D. Coffey & Sons have secured the distributing agency for all Fisk products in the western portion of the state and the meeting Thursday evening was in the form of an announcement of this fact.

Addresses were made by H. V. DeWitt, of Charlotte, zone manager of the Fisk Tire & Rubber company, and George Doak, also of Charlotte, field representative in this territory.

A display of Fisk tires attracted considerable attention.

Many of the service station operators told of the complete satisfaction given by Fisk tires and expressed themselves as pleased to be able to handle them again.

W. A. SYDNOR IS TAKEN BY DEATH AT HOME IN CITY

est in church affairs until his last illness. He had been unable to attend church regularly during the last four years.

He was married to Miss Mary Palmer in 1893 in Florida and to this union were born two children, both of whom preceded him to the grave several years ago. Surviving him are his wife, two brothers, E. B. and Stanley Sydnor, of Richmond, Va.; three sisters, Mrs. J. E. Spainhour, of this city; Mrs. J. W. White, of Wilkesboro, and Mrs. R. B. Laffitte, of Lloyd, Fla.

A most impressive funeral service was conducted from North Wilkesboro Methodist church yesterday morning at 11 o'clock, being in charge of Dr. W. A. Jenkins, pastor, and Rev. C. W. Robinson, Presbyterian minister. The floral offering was beautiful and profuse. Interment was made in the Presbyterian cemetery.

Active pallbearers were: W. J. Bason, Julius C. Hubbard, Jack Spainhour, Lincoln Spainhour, Billy Spainhour, Eugene Spainhour, Roy Spainhour and Dr. F. C. Hubbard.

Flowerbearers were: Mesdames W. J. Bason, E. F. Spainhour, W. R. Spainhour, Julius C. Hubbard, J. C. Smoot, Cora Sebastian, Leona Pardue, O. C. Holcomb, Lee Hemphill, Eugene Trivette, W. F. Jones, T. G. Perry, J. C. Reins, C. E. Jenkins, C. D. Coffey, Sr., Rosa Reaves, F. C. Hubbard and Misses Toby Turner, Norma Stevenson, Ruby Pearson, Mary Finley, Mamie Witherspoon and Hattie McNeill.

John F. Mastin Is Claimed By Death

Well Known Citizen Of Roaring River, Route 2; Was 59 Years Of Age

John F. Mastin, a well known citizen of Roaring River, Route 2, died Sunday morning at 8 o'clock. Paralysis was the cause of death.

Mr. Mastin was 59 years of age.

Surviving him are his wife and the following children: Mrs. Ida Pardue, Hubbard, Frank, Clay and Alene Mastin. One sister, Mrs. A. C. Sales, and one brother, James Mastin, also survive.

Mayor Held Up

Morganton, Feb. 23.—Mayor Earl Butler, of Valdese, was held up and robbed in his own backwoods shortly before midnight last night, and two masked highwaymen who flashed a pistol in his face escaped with a wallet which contained \$12. It is believed the men escaped under cover of darkness.

Baseball Mourns Death of McGraw

World Figure Passes At Rochelle, N. Y., After Three Weeks' Illness

John J. McGraw, one of the best known figures in baseball and for 80 years or more manager of the New York Giants, died at New Rochelle, N. Y. Sunday after an illness of three weeks.

One of baseball's most colorful characters, McGraw's death was a shock to the world of sports.

During his 30 years as manager, he piloted the Giants to 10 National League pennants and three world championships. He turned the reins over to Bill Terry in 1932 and last year was president again mount the ladder to fame by winning the league pennant and bowling over the highly-favored Washington Senators to take the world championship.

A careful comparison of prices and values will help us to get your trade.—The Goodwill Store

The new party chairman has long been recognized as one of the most active Democratic workers. He has been chairman of the Wilkesboro precinct committee for the past two years and before moving to Wilkesboro, he was chairman of the local committee for several years.

The committee also went on record as endorsing the candidacy of J. A. Rousseau, of this city, for the Democratic nomination for judge. This endorsement, however, came after several township committeemen had withdrawn from the meetings.


A motion was made by T. G. Johnson, of Walnut Grove township, to postpone the meeting out of respect to Floyd C. Forester, state committeeman, in whose home tragedy entered Friday, and due to the fact that he was mentioned as a candidate for the place of chairman. This motion failed as present organization following the meeting, Mr. Brookshire made the following statement:

"I am deeply grateful to members of the executive committee for the honor they have conferred upon me and, as chairman of the organization, I pledge myself to serve the Democrats of Wilkes county to the very best of my ability. I shall strive to promote the best interests of the entire party and not the interests of a special few or any faction.

"If all of us will pull together, I sincerely believe that we can wage a successful campaign this fall. I shall always endeavor to keep harmony within the ranks of the party.

"Whatever differences we may have individually, we should always interest ourselves primarily in the welfare of the entire organization. And I want to state that I shall always stand ready to be of whatever service I may to any member of the party."

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Member M. R. A.
GENUINE BAYER ASPIRIN DOES NOT HARM THE HEART

APPRECIATION

We take this method of thanking our customers for their patience during the time that they were forced to be without power and lights.

Everything within our power was done to give service in the quickest possible time and our men worked steadily in repairing the damage and checking the lines so that our customers would suffer the least inconvenience.

It is our desire to give our customers as near 100 per cent service as is humanly possible.

Southern Public Utilities Company

"ELECTRICITY—THE SERVANT IN THE HOME"

NORTH WILKESBORO, N. C.