



EQUIPMENT BEING PLACED AT NEW HOSIERY PLANT

Machinists Busily Engaged in Making Ready for Opening of Big Manufacturing Plant Early in the New Year

A group of machinists are busily engaged today in setting up the machinery in the new hosiery manufacturing plant of the Baker-Commack Co., Burlington, N. C., preparatory to the actual start of operations early in the year.

For a number of weeks small-scale hosiery manufacturing has been carried on in a small building on Main Street, where numbers of local women have been trained to form the nucleus of the operating force required for the big plant. No less than one hundred people will be employed when operations get under way, and the company expects no difficulty in getting the required help. Officials have indicated their great pleasure at the number of applications for work they have received, and the high quality of the workers now being employed.

The new building, which was provided by the Farmers Hardware & Supply Co., and Mr. D. L. Wilcox, was especially designed and constructed for the manufacturing of hosiery. It was recently completed by W. C. Greene, local building contractor, and is 54x100 feet, of cinder block construction, steam-heated, and with sprinkler system. All modern conveniences found in manufacturing plants are incorporated in the structure.

CHRISTMAS FIRE RAZES TWO HOMES

Mrs. Alice Cook Property Destroyed in Early Morning Fire Saturday

Two residences belonging to the estate of the late Mrs. Alice Cook, and located in East Boone, were completely destroyed by fire early Christmas morning, with a loss of several thousand dollars, which was partially covered by insurance.

The fire originated from a defective flue in the smaller of the two frame houses, situated on the same lot, and occupied by Mr. Isaiah Chadwick and family. The fire had made a head start in the attic before the occupants of the building discovered it. Firemen responded to the alarm immediately, but were delayed in reaching the conflagration by a sheet of ice covering the pavement. The fire immediately spread to the large structure, both buildings being destroyed.

Miss Mattie Barnes and the family of Mrs. Pearl Buchanan occupied the larger house. Practically all the belongings of the three families were lost.

CHRONOLOGY OF THE YEAR 1943

Today, as is its custom, The Democrat publishes a concise chronology of the important happenings of the year 1943.

This feature, which is found on page six, will be invaluable to those who like to bear in mind the dates of the history-making events of the year, and has always been highly regarded by readers of the local newspaper.

Mrs. George Cottrell Dies This Morning

Mrs. George Cottrell died this (Wednesday) morning in Watauga Hospital from a brief illness, it is learned at presstime. Mrs. Cottrell, who had been living with her husband near Lenoir, it is said, was on a holiday visit to her mother, Mrs. F. M. Maltba in Boone, when she became ill.

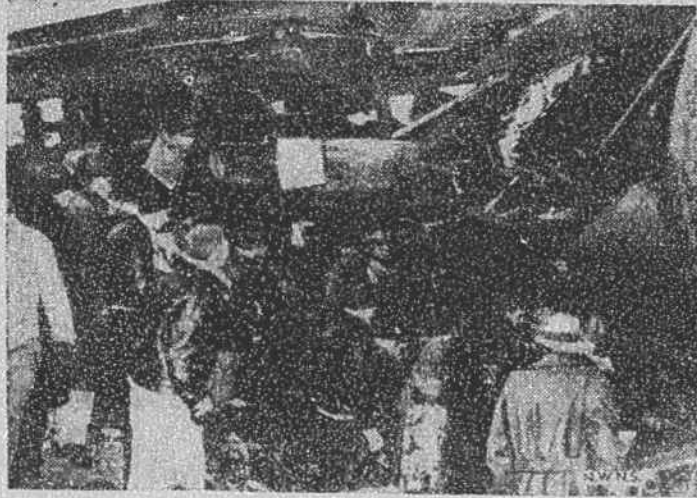
Funeral details had not been arranged as this is written, but will be published in the next edition of this newspaper.

Union Services at Blowing Rock Planned

A schedule of Union church services has been arranged by the ministers of Blowing Rock, the first of which will be held Sunday, Jan. 2, at the Community Club library, with evening prayer and sermon by Rev. W. C. Leach.

A schedule of future services will be published in The Democrat when arranged.

Collision Which Killed 72



Wreck of the Atlantic Coast Line's two streamlined trains which killed 72 and injured approximately 100 near Lumberton, N. C. Workers using torches are shown attempting to reach trapped victims. Cars of one train were derailed and a few minutes later the second train crashed into the derailed coaches.

ARTHUR JOHNSON DIES ON CHRISTMAS

Well Known Cove Creek Citizen Succumbs to Long Illness; Rites Monday

Arthur S. Johnson, aged 58 years, resident of the Cove Creek section, and formerly engaged in the automobile business in Boone, died at the home last Saturday. Mr. Johnson was stricken with a heart ailment about three years ago, since which time he had been under the care of his physician, and spent several months in the Baptist Hospital. For the last few months he had been improved, however, and was able to visit with friends in his home community and in Boone. He had appeared worse for only a short time before his death.

Funeral services were conducted from the Cove Creek Baptist Church Monday afternoon, the pastor, Rev. James L. Sherwood, being in charge, and interment was in the nearby cemetery, Reins-Sturdivant Funeral Home taking care of the arrangements.

Mr. Johnson was born in Watauga County, a son of the late Joseph Johnson and Mrs. Nancy Johnson. He was married to Martha McBride in 1904, one son surviving, Pvt. Joseph Hal Johnson, who is now in Sicily. When ill health forced his retirement, Mr. Johnson was engaged in the automobile business in Boone. Early in life he joined the Cove Creek Baptist Church, and was noted for his wit, his cheerful, friendly and willingness to aid those in distress. He will be greatly missed in his community and county.

P.-T. A. Holds Interesting Meeting

The local Parent-Teacher Association met on Monday, Dec. 20, in the high school auditorium with a large number of parents and teachers present.

The meeting was called to order by the president, Mrs. F. E. Warman, who introduced the other officers of the organization: Mr. Herbert Wey and Mr. John Howell, vice-presidents; Mrs. A. E. South, secretary, and Mrs. Wiley Smith, treasurer.

The committees appointed to serve the remainder of this school year are as follows: Program, Mr. Wey, Mr. Howell, Miss Madison and Miss Penny; student aid, Mrs. H. Eggers, Miss G. Clay, Mr. Howell and Mrs. Hugh Daniel; publicity, Miss J. Bell. The high school boys' and girls' glee clubs, the grammar grade choirs under the direction of Mr. J. E. Roberts, presented a program of Christmas songs.

This is the first of several meetings which will be held during the school year. Several interesting programs have been planned for these meetings and it is hoped that even more parents will attend.

County Library to Have New Quarters

The Watauga County Public Library is to be moved to the building next door to the Qualls Furniture store, it is stated by Mrs. H. F. Ingle, the librarian.

It is expected that the library will be open in its new quarters by next Saturday.

TRIPLETS DOING WELL

The triplets, a son and two daughters, born recently to Mr. and Mrs. Earl Lyons, are doing splendidly, it is learned. Their names are: Jimmie Jones, Janice Katie, and Jeanette Ersa Lyons.

CHRISTMAS IS QUIET EVENT HERE

Merriment of Former Years Largely Missing As Wataugans Observe Yuletide.

Christmas passed off in the town and county much like the average Sunday, and the carefree merriment of peace-time years was absent to a large extent as families gathered by their own firesides for the festive occasion.

Peace officers report a minimum of law violations for the week-end, only ten persons having been incarcerated, on charges of misdemeanors.

Inclement weather, coupled with considerable illness throughout this section, contributed to the safe and sane observance of Christmas. Large numbers of families had cases of influenza, and measles has been plentiful among the children for the past several weeks.

Business men of the town observed Monday as a holiday, winding out three days of rest from their labors, but Tuesday morning returned to their establishments, to begin their inventories and get everything in readiness for the New Year.

Holiday buying was heavy, the strictly Christmas merchandise having been almost completely disposed of, with accompanying heavy sales of staple merchandise. Business men are highly pleased with the heavy volume of holiday sales.

Christmas Party For Needy Kiddies A Successful Event

The annual Christmas party for the needy children of the town and county, given at the Appalachian Theatre last Sunday, under the sponsorship of the theatre management, Lions Club, Woman's organization, Watauga Democrat and others, was a most enjoyable and successful event. An entertaining program was arranged for the hour, a toy, bags of fruit, etc., were given those attending, and many children, including some of the colored residents, participated in the happy Christmas program.

The attendance was not as large this year, due to so much illness in the county at this time, but those who came were well rewarded both in gifts and entertainment. The names of other needy children were available, and their part of the gifts were being mailed and sent to them the first of the week. So all in all, the party was a splendid success.

U. S. Subs Sink Dozen Jap Ships

Washington, Dec. 28—Raiding Japanese supply lines over which the enemy is trying to supply bases in the South Pacific, American submarines have blasted a destroyer and 11 other vessels to bring to 536 the number of enemy craft sunk, probably sunk or damaged by the undersea arm of the navy.

This largest sinking report in recent months gave emphasis to a recent statement by Secretary Knox that the submarines on their lonely patrols through the Far Pacific are doing "an excellent job."

LESPEDEZA

Plans are being made to distribute lespedeza seed to growers now so that they will be assured of an ample seed supply next spring, reports H. L. Meacham, State College extension marketing specialist.

TOBACCO SALES TO BE RESUMED HERE ON MONDAY

Sales of Weed During the Pre-Holiday Season 1,620,000 Lbs. For More Than Three Fourth of a Million Dollars

Post-holiday auction sales of tobacco will be resumed on the floors of the Mountain Burley Warehouses here next Monday, with prospects that considerably more than half a million more pounds will be disposed of before the end of the season, indications being that there will be no let-up in the strong prices prevailing before the holidays.

A survey of the burley belt indicates that in some sections, scarcely more than half of the tobacco has been disposed of, and Mr. Coleman, the warehouseman, predicts record sales for the last part of the season, bringing the total sold to no less than two and a quarter million pounds.

Before Christmas 1,620,000 pounds of burley were auctioned for \$761,400.00, to considerably outstrip the sales of 1942, when about one and a half million pounds were sold during the comparable period.

The houses have been open this week for the receipt of tobacco, and despite bad weather a considerable volume of burley is being placed on the floors with the prospect that the first sale of the year next Monday will find a capacity volume.

Those Receiving Christmas Seals Urged To Remit

Mrs. J. E. Holshouser, chairman of the organization for the sale of the tuberculosis Christmas seals in the county, insists that all those who received the health stickers through the mails, and who have not made remittance, to do so at once. Just as soon as the final returns are in, a detailed report of the results of the campaign will be published.

Sales of seals in the Boone district for the past two weeks have yielded an additional \$86.00, it is disclosed.

Mrs. Lawrence Hagaman Dies Here On Friday

Mrs. Bettie Mae Trivette Hagaman, aged 32, resident of the Beech Creek section, died in Watauga Hospital last Friday from an illness with pneumonia and complications.

Funeral services were conducted Sunday from the Zion Hill Baptist Church by Rev. W. C. Payne. Interment was in the neighborhood cemetery, Reins-Sturdivant Funeral Home taking care of the arrangements.

Mrs. Hagaman is survived by the husband, Rev. Lawrence Hagaman, and six children: Kermine, Bennie, Janice, Jessie Lee, Paul and Floy Hagaman.

Army Extends Control To All Major Railroads

Washington, Dec. 28—Hope that the railroads can be turned back to private operation soon was expressed by President Roosevelt today as the army, on his orders, extended its control to all major carriers and prepared to use troops to run trains if necessary.

The President on Monday had ordered government seizure of the railroads, threatened with a strike by three unions, scheduled for December 30.

The chief executive directed the secretary of war to take over the carriers at 7 a. m. Monday. He acted through an executive order signed an hour before.

Doolittle to Command Air Forces in Britain

Washington, Dec. 28—Maj. Gen. James H. Doolittle, whose strategic air force slammed a gate across the enemy's supply routes and smashed his bases behind him to make Tunisia a trap for Nazi armies, is taking over direction of American air forces in Britain as the time for cross-channel invasion approaches.

The assignment was announced by President Roosevelt today along with other major shifts in the high command, including assignment of Lieut. Gen. Jacob L. Devers, former American commander in the European theatre, as commander of American forces in the Mediterranean area and deputy to Sir Henry M. Wilson, over-all commander there.

Babson's Forecast on War and Elections of Year Are Most Startling Since 1929

Noted Economist and Statistician in Long Range Forecast of Trend of War, and Domestic Situation as Regards Business and Politics; Physical Volume Retail Sales to Be Down 10 Per Cent; Other Observations and Forecasts

By ROGER W. BABSON

Babson Park, Mass., Dec. 30—Most firms are booked to capacity. If any more business were offered they would not be able to handle it for many months. This is roughly my forecast for 1944. The Babson-Chart Index of the physical volume of business for the final quarter of 1943 averaged 141 compared with 150.7 for the same period of 1942. The all-time high was reached in December, 1942, when my index stood at 155.6. It is not possible that this record can be exceeded in 1944.

Commodity Prices

War developments will influence commodity prices during 1944. The collapse of Germany could result in a sharp, though temporary, reaction in leading wholesale indexes. If the going in Italy or elsewhere should prove unexpectedly hard—indicating a long war—prices should firm. Cattle and hogs may bring lower average prices. Soybeans and corn prices face the test of large marketings. They will do well to hold. Increased imports of coffee, cocoa and sugar will hold down their prices.

Continued heavy demand is indicated for most industrial commodities. To what extent efforts to roll back food prices to September 15, 1942, levels will succeed is problematical. Mounting over-all shortages, unprecedented demand and the necessity for maximum output will tend to maintain strong upward pressure on most prices. Advancing party prices, storage, insurance and black markets further tend to keep prices high. Subsidies will be granted certain producers during 1944.

Inventories

Businessmen should watch the government's policy of disposing of its huge inventories of consumer merchandise. With supplies at a much higher level than in World War I, retailers, wholesalers and manufacturers should insist there be no dumping on domestic markets. This could smash prices. Flooding the export markets could make it difficult to sell goods abroad at a fair profit. I hope a substantial portion of our surplus will be given to the peoples of Continental Europe and China.

Sales Prospects

I forecast that retail dollar sales will average 5 per cent to 10 per cent higher in 1944 than in 1943. Sales volume of consumer goods will again start to climb as smaller companies get the okay on postwar merchandise. I expect some decline from 1943 in the physical volume of retail sales due to scarcity of goods and less employment. Substitute merchandise has sold well but manufacturers and wholesalers are now wary of it. As good war news increases, consumers will wait for postwar merchandise rather than buy synthetic war made goods. Merchants should keep a workable inventory. Do not overstock.

The following ten states are tops for 1944: New York, Pennsylvania, Ohio, Indiana, Illinois, Missouri, Texas, California, Oregon and Washington. Of smaller volume states, I like Georgia, Minnesota, Florida, Nebraska, Utah and Arizona. Florida may see a real boom. Outstanding sales cities are scarcer. A year ago it was simple to spot cities with expected gains of 40 to 50 per cent. Now more cities will show gains of only 5 to 10 per cent in 1944 over a year ago. Here is the pick of the lot: Detroit, Mich.; Jackson, Mich.; Knoxville, Tenn.; Phoenix, Ariz.; Portland, Ore.; San Diego, Calif.; Savannah, Ga.; Springfield, Mass.; Topeka and Wichita, Kansas. It will make a difference in 1944 business whether Germany cracks in the early or latter part of the year. When this happens Washington will begin at once to cancel war orders, especially on the Atlantic seaboard. The army will accept no more recruits, may begin orderly demobilization. Navy men may be in for two or three years more. Army demobilization may start around election time in 1944. This should help retail trade.

Industries Differ

Expansion of airplane factories has been practically completed. Automotive industry during 1944 will

THUMBNAILED OUTLOOK FOR 1944

1. General: Year 1944 should be divided into two parts: (a) From January 1 to date of Germany's collapse; and (b) from said date to December 31st.
2. Production Babsonchart Index will average around 130, about 12 per cent below 1943.
3. Commodities: Strength in various commodities should be followed by renewed weakness.
4. Sales: Retail sales dollar volume will average higher for entire year, but physical volume will be down 10 per cent.
5. Labor: Pressure for higher wage rates will continue throughout the year with more labor troubles and more wage increases than in 1943.
6. Stocks: If the market is low when Germany cracks it will then go up; but if then high, it will go down.
7. Bonds: Good and medium-grade bonds will hold close to present levels throughout the year.

gradually reconvert to normal. New car stockpile low. Look for relief only on trucks. The chemical industry has enjoyed great expansion. This may continue. Leaders in new drugs should prosper. Heavy chemicals may not show any gain over 1943 volume. Building about the same level for total new building as in 1943. Relaxing restrictions on private construction will come in near future. Gains in 1944 will show in this category when compared with 1943. An optimistic on postwar home building.

The shoe and clothing industries are beset by price ceilings and increased costs. These will continue through 1944. Woolen industry will remain very active. Rayon will continue at capacity output. Cotton textiles will be fairly active—nearly equal last year's level. With Germany out, consumer demand for these goods should quickly replace war orders. Dairy products will be scarce because of feed problems. Slaughter houses should do a big volume. Cereal products will do well. Canned goods will feel effects of sharply higher costs and lower output. Bituminous coal depends upon labor union policy, but I expect output to be at least 10 per cent better in 1944 than in 1943.

Air transport will gain in equipment and efficiency. Manpower is far from solved. The trend of industry is up for both air passengers and freight. Railroads will continue to suffer from equipment shortages. War peak of traffic is passed. Railroad needs are so acute that higher priorities for equipment will be forced. After the war, railroads will have a terrible slump. With much less to haul, they will face, as never before, competition from coastwise shipping, river transportation, new pipe lines, airplanes and trucks. Eastern roads will slump as soon as Germany collapses.

Electronics and television should boom. Heavy electrical equipment orders may decline slightly in 1944. Kilowatt output may be 10 per cent better in 1944 than in 1943. Lumber volume will continue to be reduced. Backlog of machine tool orders is declining sharply. Subcontracts may help. Nonferrous metals are held down by acute manpower shortages. Paper and pulp will be affected by the cut in newsprint. Paperboard output in 1944 should equal 1943. Refinery petroleum output in 1944 will run 10 per cent above 1943. Higher prices for crude probable. All-time peaks in steel output scheduled for 1944. Shipbuilding may not show further gains, but launchings will.

Outlook for Labor

Crux is whether sufficient skilled and unskilled workers can be channeled into critical war industries. It is estimated that 2,000,000 workers must be added to essential plants in the next few months. However, over 2,000,000 men and women reach age 18 every 12 months. Therefore, the labor situation may begin to ease. There will be many disputes but most upsets will be of short duration and small scope. Labor leaders must threaten strikes for publicity and to hold jobs. The cost-of-living situation will dictate the rise and fall of strikes. If rolling back prices is successful, pressure for higher wages will be considerably reduced. After Germany cracks, there will be no scarcity of labor. Labor's honeymoon is approaching. (CONTINUED ON PAGE FOUR)