

# Business In Atlantic States

Statistician's Investigation Shows Small Increase Over a Year Ago

By ROGER W. BABSON  
Copyright, 1924, by The Advance

Babson Park, Fla., Feb. 8.—New York shows a gain of 6 per cent, New Jersey 8 per cent, Maryland 3 per cent, Pennsylvania a loss of 3 per cent, Virginia a loss of 5 per cent and West Virginia no change as compared with a year ago.

Conditions in the Middle Atlantic states as a whole are fairly good. At the moment, Pennsylvania is slightly weak showing similar recessions to those which appeared in New York several months ago.

The downward drift in these two states is due largely to the fact that a large part of the value of their products are manufactures. In Pennsylvania, for example, manufacturers represent 83 per cent of production. Though New York has shown a tendency toward improvement, the percentage of gain of general business over the corresponding period a year ago is relatively slight.

Here we have a distinctively industrial state, the value of manufacturers constituting about 93 per cent of the total value of products of New York. Moreover, of this total 59 per cent is concentrated in New York City. This extreme concentration is an unfortunate situation for all interests concerned. Furthermore, with the wonderful Mohawk Valley, with water power at the North and coal mines toward the South there is no excuse for such a crowded manufacturing situation in New York City. Shipping, commerce, and the jobbing interests must concentrate at the port. There is no good reason why factories should not spread out into more rural sections where living conditions are better, power is plentiful, and costs are lower.

Twelve months ago business was improving rapidly in the Middle Atlantic States and slowly in the rest of the country. At the moment we find exactly the opposite conditions. The Middle Atlantic District is slowing down, while several of the other regions are picking up. Admitting that the situation may be only temporary, it is interesting to note its significance. For a while, at least, other regions have taken the lead and this certainly suggests watchfulness. It is a trend which has sometimes preceded a recession. It is especially interesting to notice that this tendency toward recession in the Middle Atlantic group was foreshadowed a long while ago by a decline in New York City business. The logical result of this dip in New York City was a reaction in surrounding territories. The latest movement in New York City business show occasional upward swings, but they are not as yet sufficiently pronounced to indicate whether any important turn has been reached.

**Some Localities Hold Up Well**  
When the entire region is examined, it is still possible to find many localities which are holding up fairly well. For example, business opportunities should still be found in Elmira, N. Y., Rochester, N. Y., Passaic, N. J., Hagerstown, Md., and Wilmington, Delaware.

Active efforts are being made to secure improvement for the Port of Oswego, together with deepening of the Hudson River route, so that the capital district around Albany may become more of an inland port. Activities of this character may mean local sales opportunities and may help to offset quiet conditions in general business. Government economists who have been advocating pushing public work as an offset to dull business, may feel that a suitable occasion will appear this spring. That projects of a fundamental character are being given close thought by the Government, was suggested by certain points in the President's message. You may recall that he mentioned the opening of our inter-coastal waterways, the development of power and navigation projects, the importance of highways, and other really essential undertakings. In this particular group of states there are many places where such work of a fundamental nature is really desirable.

Sales of wholesale houses are holding up fairly well compared with the corresponding period a year ago. This is noticeable in the case of hardware in the New York district and groceries in the Richmond district, to cite a specific example.

On the other hand, we should not overlook the soft coal fields as the possible scenes of industrial difficulties this spring. Though the latest tendencies have been somewhat more favorable from a sales standpoint, the labor outlook is rather important.

I have been asked why New York during recent months, and Pennsylvania at present, are not making so good a showing as many other

PHONE 152  
Albamarle  
Pharmacy  
THEY HAVE IT

parts of the country.

The main reason is that New York and Pennsylvania are so largely industrial, as indicated by the statistics which I have already quoted. Experience shows that the industrial areas of the Northeast are quick on the trigger. When business dips down (either a minor or a major movement) this is the first territory to slip. Therefore, in a period like the present, the manufacturing centers are working cautiously. This is especially important in view of increasing European competition. For the time being, at least, many of these industrial localities can suffer further curtailment and still have an advantage over the farming, live stock and mining sections. There is a difference, however, in manufacturing centers. Generally manufacturing can be divided into two groups. Consumption goods (such as boots and shoes) and basic materials such as lumber). Statistics show that consumption goods in general tend to reach a high point or a low point from three to six months in advance of the corresponding swing in the manufacture of basic materials. For example, a peak in the manufacture of consumption goods occurred in October 1919. A peak in the manufacture of basic materials did not occur until three months later, in January, 1920. A point in the manufacture of consumption goods occurred in January, 1921. A low point in the

manufacture of basic materials did not occur until six months later, in July, 1921. From a territorial standpoint, the operation of this tendency is extremely important. The manufacture of consumption goods is broadly located in the industrial centers of the Northeast. Hence, these regions are early to advance and likewise early to decline, as the business curve swings up and down in its minor or major movements. On the other hand the manufacture of basic materials is broadly located in the South and Far West. Hence, these regions are late to advance and likewise late to decline. These regions are said to 'lag.' The further development of manufacture in the South and Far West will eventually modify this 'lag,' but at present it is an important factor in forecasting.

In summarizing the situation in this section, there are three rather interesting points.

1. There will be but few wage advances during 1924 in New York, Pennsylvania, Delaware, New Jersey, Maryland and the Virginias. Wage advances, of course, are a direct and powerful stimulus to local business. In fact, some directors of sales regard them as one of the most important guides to a locality's buying power, especially if their merchandise is of a kind that appeals particularly to the industrial wage workers. During 1924 it will probably be difficult to find many localities where wages are being advanced. At best, they are likely to remain at about on a level and in many places moderate reductions will probably be witnessed

Among the localities in which wage increases of various amounts have recently come to attention, there can be listed Steelton, Pa., Wilkes-Barre, Pa., Carbondale, Pa., Baltimore, Md., Morgantown, W. Va., Fairmont, W. Va., Binghamton, N. Y., Syracuse, N. Y., and Buffalo, N. Y.

2. Any legislation resulting in a reduction of Federal Taxes should be beneficial to these North Atlantic states which pay—or rather collect—about one-half the total taxes of the Government. Reduction of taxes would be a boom to practically every type of locality. The point which many overlook is the di-

(Continued On Page Seven)

LET YOUR  
NEXT  
SUIT

be a "HARRIS" Suit,  
the clothes of no complaint.

D. Walter Harris  
The City Tailor and  
Clothier

Capital Stock \$250,000

Member Federal Reserve

HERTFORD COLUMBIA ELIZABETH CITY

Dr. A. L. Pendleton, Pres. Geo. R. Little, Cashier.  
Gurney P. Hood, Vice-Pres. R. C. Abbott, Vice-Pres.

CAROLINA BANKING & TRUST COMPANY

FRECKLES AND HIS FRIENDS It's No Fun Being a Carpet BY BLOSSER



## New High School Auditorium

February 13th and 14th  
WOMAN'S CLUB PRESENTS THE

# Minstrel Revue

(50) FIFTY LOCAL TALENT ARTISTS—

—(4) FOUR PROFESSIONAL ARTISTS

# SPECIAL

SCENERY  
COSTUMES  
ORCHESTRA  
ELECTRICAL EFFECTS

Produced by PAULL & ARNOLD COMPANY

**Insist On Hecker's CREAM Rolled Oats**  
and you will be sure to have the very finest oatmeal that can be made. Cooks quickly. Easy to prepare.

PACKED 1 LB. 4 OZ. NET  
The HECKER CEREAL COMPANY  
DISTRIBUTORS  
NEW YORK, N. Y.

GREAT REDUCTIONS

—in—

Watches, Diamonds  
and Jewelry

ALL THIS WEEK AT

H. C. BRIGHT CO.

Largest Jewelers in Eastern North Carolina

AFTER THIS WEEK

THE

Auction Store

Will Be Located on Poindexter Street, in the  
Building Now Occupied by W. S. White & Co.

A Partial List of Building  
Material and Other  
Stock We Carry

ROOFING OF ALL KINDS—

SHEET ROCK PLASTER BOARD

Just received a new car.

TIRES, TUBES and TIRE ACCESSORIES,  
PAINTS, VARNISHES and STAINS.

No job too big to give you a contract on.  
Yours for service. Let us figure with you.

E. J. Cohoon & Co.

Main and Water Streets.

PHONE 535

THE BEST PLACE TO BUY  
FURNITURE

Both in Quality and Price  
Let Us Save You Money

Quinn Furniture Co.

Famo and Lebanon Belle Flour  
are absolutely flours of quality sold by the leading grocers.

—Distributed By—

A. F. TOXEY & COMPANY

Water Street.