

Coal Mine Mechanized

At Cost of \$200,000

Clarksville—Preparatory work designed to make the Earl H. Johnson "Sunshine" mine, seven miles southwest of Clarksville, the most modern in this part of the country, is going forward under the supervision of Johnson and the Binkley Mining Company. Approximately \$200,000 will be spent in digging a 406-foot slope, building tramways and conveyors for coal and otherwise mechanizing the mine.

Excavation has already begun on the first 140 feet of the slope which is being dug out with a steam shovel. The remainder will be underground. When the work is completed, the coal will be transported on sloping tramways all the way to the top of the tippie. Belts, tramways, large storage bins and much other machinery and equipment are to be installed.

F. M. Schull of Terre Haute, Ind., supervisor of the Binkley Company's mines in Indiana, is in Clarksville as consulting engineer. John Merck, chief mechanical engineer for the Joy Manufacturing Company of Franklin, Pa., arrived in Little Rock Wednesday by plane and was inspecting the mine Thursday preparatory to supervising the installation of machinery, all of which is made by his company.

Men formerly employed at the mine will be re-employed, the management stated, these men being taught to operate the new machinery and no new workers will be brought in.

The work has attracted a great deal of interest and comment among coal men and residents of this territory and is regarded as a highly ambitious and forward step for the county.

How long it will take to complete the work could not be estimated Thursday because of the size of the job.

National Coal Commission Rents Office in Fort Smith.

Gazette 7-2-37

Washington, July 1 (P).—The National Bituminous Coal Commission announced today leases had been signed for 23 field statistical bureaus, including one in the Fort Smith (Ark.) Central National bank building.

Classifications Approved for 135 9-14-Coal Producers. -37 Southwest-Times Recor

Fort Smith, Ark., Sept. 13 (P).—S. A. Bramlette, executive secretary of the Producers Board of the National Bituminous Coal Commission's Fourteenth district, announced today the board had approved classifications for approximately 135 producers in the district.

Bramlette said the board adopted with "some slight changes" classifications drafted yesterday by a special committee. The board will meet here September 18 to consider any protests or requests for reclassification, he said.

The committee which drew up the classifications yesterday was named today to work out proposed minimum prices for the district on a weighted average cost of \$3.87 a ton. The proposed prices will be submitted to the national commission for consideration at a hearing September 28 in Washington, Bramlette said.

The Fourteenth district includes the state of Arkansas and three counties in Oklahoma—Le Flore, Haskell and Sequoyah.

When it was all over the coal samples remained where they had been with labels untouched. And on the floor above there still is a picture labeled "Arkansas State Capitol," which does not look at all like the building in which it hangs.

New Commission to Be At Fort Smith Oct. 4-37

Ready to rush into the states, even before the NEC has had a chance to remove its baggage, is the latest federal agency that shows signs of taking on behemoth stature overnight—the National Bituminous Coal Commission.

It makes its official debut in Arkansas October 4 at Fort Smith, Ark. A battery of its experts will meet Arkansas coal operators there for another federal vs. state tussle over the definitions of intrastate and interstate.

Judging from the handouts of the press section of the commission, the Arkansas operators face a first-class fight to prove that their transactions can escape the mailed fist of the bituminous coal code.

The handouts said that the object of the hearing is to determine what coal, "if any," produced in Arkansas does not directly affect interstate commerce.

That "if any" phrase gives a pretty fair idea of how the commission regards any transaction in coal.

Under the Guffey-Vinson act, the commission has power to enforce the code provisions on any transactions in coal in intrastate commerce where evidence is produced that such transactions cause "any unjust discrimination" against interstate commerce in coal.

The Arkansas action was based on an application from the Sunshine Anthracite Coal Co. of Clarksville for exemption from the coal code. However, any producer of coal, whether bituminous, sub-bituminous, anthracite or lignite, may appear at the meeting and submit evidence, the commission announced.

State's Coal Production Biggest Since 1931.

Gazette 11-4-37

Arkansas's coal production for the year ending June 30, 1937, totaled 1,271,622 tons, the highest since 1931, when 1,350,000 tons were extracted, J. W. Fitzjarrell of Fort Smith, state mine inspector, said in his annual report to Governor Bailey yesterday.

Thirteen men lost their lives in mine accidents, an average of one death for each 97,201 tons produced. This compared with only eight deaths during the year ending June 30, 1936, when 1,250,064 tons were produced.

Mr. Fitzjarrell said 99 coal mines should be listed as active producers but that only 62 had filed production reports. They employed 4,505 men, making approximately 20,000 Arkansans directly dependent upon the industry for a living. The mines were in operation an average of 130 days during the year.

Sebastian county, which in normal times produced 1,000,000 tons a year, led the state last year with 572,348 tons and 22 mines in operation. Logan county, with 16 mines produced 447,938 tons; Franklin county, with seven mines produced 171,925 tons, and Johnson county-largest producer of Arkansas anthracite, a strictly domestic coal, with 11 mines produced 183,921 tons.

The Arkansas coal field is about 90 miles long, extending from Fort Smith to Russellville, and varies from 50 to six miles in width.

Johnson County To Be Given Markers.

Gazette 11-10-37

Robert E. Wait, secretary of the Arkansas Bankers Association, will present three historical markers to Johnson county on behalf of the Arkansas Centennial Commission as a part of the American Legion Armistice Day celebration at Clarksville tomorrow. Mr. Wait is treasurer of the commission.

John W. Sallis, Johnson county Centennial chairman, has arranged the dedication ceremony which will start at 1:30 p. m.

The marker inscriptions read: "Johnson County—First County Seat—The county government of Johnson county, named for Judge Benjamin Johnson, was organized in 1833 at the home of Elijah N. Alston, near Spadra, where it remained until 1836, when it was moved to Clarksville."

"Johnson County—First Anthracite Coal—The first anthracite coal was mined near here on the land of E. B. Alston by a Mr. Walker in 1840. Samples of coal were taken to Little Rock and examined by William E. Woodruff, who pronounced it superior to that found in Pennsylvania. Mr. Walker went East to get men who were skilled in mining. In 1841 \$150,000 worth of coal was ready for shipment by boat."

"Johnson County—Home of Augustus H. Ward. First Deaf Mute School—On this site, now occupied by the College of the Ozarks, stood the home of Augustus Ward in which was held Arkansas's first school for the deaf, taught by J. W. Woodward, a deaf mute, in 1851."

The markers are three of the 155 being erected by the Centennial Commission to commemorate historical sites, characters and events.

Arkansas Coal Prices Established

Gazette 12-10-37

Washington, Dec. 9 (P).—The Coal Commission published prices today for District 14, composed of all coal-producing counties in Arkansas, and Haskell, Le Flore and Sequoyah counties in Oklahoma.

The prices will be effective December 27. The commission said prices for industrial fuels generally were higher in order to bring them into line with the cost of production. It said prices for household sizes were lower than proposed by producers.

The Arkansas-Oklahoma producers were allowed to charge 25 cents a ton extra for all coal hand-loaded into box cars, a provision the commission held not necessary in district for which prices previously had been announced.

The order affects 135 mines in the two states.

The commission said the more important size classifications of coal show the following price ranges, depending upon the grade of coal; all f. o. b. transportation facilities at mine:

Domestic lump, best grade, \$4.75 to \$3.50, lowest grade.

Grate \$4.70, best grade, to \$3.60, lowest grade.

Egg, \$4.95, best grade, to \$3.60, lowest grade.

Run-of-mine coal is listed at \$3.90 to \$2.70.

Smaller sizes and industrial slack range in price from \$5.25 for the best grade of No. 4 nut to \$1.05 for the lowest grade slack in small sizes.

Smithing coal in carload lots will be sold for \$5 a ton and \$6.50 a ton if sacked.

Federal Coal Shipment Hearing Opens at Fort Smith.

Gazette 12-17-37

Fort Smith, Ark., Dec. 16 (P).—Dr. H. W. Blalock of Little Rock, state utilities commissioner, testified tonight at the Federal Coal Commission hearing on relation of intrastate shipments to interstate transactions and a price regulation policy.

Blalock, former University of Arkansas economics professor, offered technical testimony on economic phases of regulation.

Today's testimony, given by eight witnesses, centered on unregulated small mine production. Competition from such mines, known as truck and wagon mines, because rail facilities are not used in shipping, caused "a 90 per cent decline in the last 10 years" in his shipments to northwest Arkansas, Alvin D. Clark said. Clark, a Fort Smith operator of Oklahoma mines and representative of the District 14 Bituminous Coal Producers Board declared he did not see how the industry could continue on an even keel "with one half regulated and the other not."

E. M. Green, a Johnson county operator, and H. W. Collier, Clarksville, asked for regulation of intrastate prices. Both said that without minimum price regulation in the state, efforts at interstate regulation were futile.

Chairman Heber Denman of the District B Producers Board testified that state coal movements bore a definite relation to those of interstate and said coal moved by truck should be regulated if that moved by rail was regulated.

Other witnesses included: State Mine Inspector J. W. Fitzjarrell, R. A. Young, Fort Smith operator; Dr. F. G. Tyson, Washington, D. C., and Charles R. Kimball, Kansas City Coal Corporation sales manager.

The hearing, with Judge D. C. McCurtain of Poteau, Okla., in charge, will end tomorrow.

Pennsylvania Hard Coal First Discovered in 1762

Harrisburg, Pa. (UP).—Pennsylvania's internal affairs department, tracing the history of anthracite's discovery in the state in reply to a request, established the fact that hard coal was found near the site of the present city of Wilkes-Barre.

"First authentic date... is 1762, when Parshall Terry and a company of Connecticut pioneers found coal at the mouth of Mill creek, on the banks of the Susquehanna river near Wilkes-Barre.

"In 1769 Obadiah Core, a blacksmith, first used anthracite for fuel in his forge."

The department reported, incidentally, that 20,770,916,000 tons of anthracite coal lay in the beds of Pennsylvania when first discovered. Since 1762, nearly 4,500,000,000 tons have been mined.

Company at Magazine To Start Mining Coal

Magazine—A coal company has been organized here and has mineral rights which the company expects to begin working shortly. Members of the company are Orville Griffith, Bill Beason and F. L. McConnell.

The lease to be mined is on the H. Dacus place, and the promoters say there is a coal vein 27 inches thick and only 50 feet beneath the surface. They hope to be producing coal within the next 30 days.

\$200,000 To Be Spent On Coal Mine

Gazette 7-18-37

Clarksville, July 17.—Preparatory work toward making the Earl Johnson Sunshine mine the most modern in this part of the state is going forward under the supervision of Johnson and the Binkley Mining Company. Approximately \$200,000 will be spent in digging a 406-foot slope, building tramways and conveyors for coal and otherwise mechanizing the mine.

Excavation has already begun on the first 140 feet of the slope, which is being dug out with a shovel. The remainder will be underground from a point northwest of the mine. The excavation reached shale this afternoon.

When the work is completed the coal will be transported on tramways in a sloping fashion all the way to the top of the tippie. Belts, tramways, large storage bins and much other machinery and equipment is to be installed.

F. M. Schull of Terre Haute, Ind., who is supervisor of the Binkley company's mines in Indiana, is here as consulting engineer for the work. John Merck, chief mechanical engineer for the Joy Manufacturing Company of Franklin, Pa., arrived in Little Rock by plane to inspect the mine preparatory to supervising the installation of the machinery, all of which is made by his company.

The rumors that outside labor will be brought in to operate the new mine are absolutely false, Mr. Johnson and Mr. Schull said.

"Our own men will be retained at the mine and will be taught to operate the machinery. No new workers will be brought in whatever," they said.

The work has attracted a great deal of interest and comment among coal men and other residents of this territory and is regarded as a highly ambitious and forward step for the county.

How long it will take to complete the work could not be estimated because of the immense size of the job, but work is going forward as rapidly as possible.

Strip Mine Near Ozark Yields 200 Tons Daily

Ozark—The Philpott Valley Coal Company, recently organized here, is now operating a strip pit on the land of Hoyt Lee, six miles northeast of here. A steam shovel is being used and the daily output is approximately 200 tons.

The coal is being trucked here and shipped to different points. Coal in this field is said to be of extra good quality, some saying that it is superior to coal produced in either the Spadra or Denning fields.

New Coal Mine Being Worked

Special to the Gazette. 1-30-38

Charleston, Jan. 29.—The Philpott Valley Coal Company has begun operation of a strip mine on the Hoyt Lee farm. By using a steam shovel the approximate tonnage will be around 200 tons daily; according to Garl and Nichols. The coal will be brought to a shipping point at Ozark by trucks from the mine.

The Philpott Valley is operated by Burt Stubblefield of Charleston and Bill Jones and others of Ozark. Mr. Stubblefield is familiar with every detail of coal industry. He was with the Charleston Coal Company many years, and with W. E. B. Coal Company before going with the Charleston company.

The shovel and other equipment was moved to Philpott Valley from Ozark.

New Clarksville Coal

Democrat 2-9-38

Clarksville—One of the largest and newest industries in Johnson county, the new Binkley Sunshine Anthracite Coal Company mine, established another record Monday when it broke a daily hoisting record of 406 tons of coal. Ground was broken for the sinking of this mine only six months ago, and now about 80 county residents are drawing a total of \$10,000 a month in wages at the mine.

By next month the mine will have developed enough to produce 1,000 tons per day, which will mean a 50 per cent increase in payroll, according to F. M. Schull, vice president and general manager.

Mechanized to a high degree, coal coming out of the pit is not touched by hands from the time it leaves the working place in the mine until it is delivered to the tippie. Coal is loaded on a series of chain conveyors. This brings it to the tippie where it

Coal Mine Near Clarksville Set New Daily Record.

Special to the Gazette. 2-27-38

Clarksville, Feb. 26.—The new Binkley Sunshine Anthracite Coal Company mine, located about seven miles west of here, hoisted 450 tons of coal Thursday, surpassing its own hoisting record of 406 tons set earlier this month, F. M. Schull, vice president and general manager reported.

Believed Drill Crews Seeking Coal Veins

St. Joe — Belief that there are large deposits of coal under certain sections of Searcy county is being revived again by drilling operations which the Missouri & Arkansas railroad has started about two miles north of Leslie, on what is known as the Stephenson farm.

Black marble and large quantities of phosphate rock have been located in this section, and it is believed that deeper drilling will locate veins of good coal.

Several outcroppings of coal have been mined with pick and shovel and in a small way on Gaither mountain, a few miles west of Harrison, and in the Richland valley, west of St. Joe. At present the M. & A. drilling rigs have gone down more than 50 feet.

Arkansas Coal Put Under Federal Act

Washington — The National Bituminous Coal Commission, in an order issued Saturday, ruled that bituminous coal mined in Arkansas is in direct competition with coal in interstate commerce, and that after April 12 all bituminous coal sold, delivered or offered for sale, in the state shall be subject to regulations of the bituminous coal act.

No ruling has been made yet on "Arkansas anthracite" as to whether it should be classed as bituminous or anthracite.

At hearings in Fort Smith last December, according to the commission, it was brought out that there is an "extensive movement" of coal by trucks in Arkansas, that competition is "keen and prices have been disorganized in the competition" and that the practice has been to reduce prices "to the point of dumping."

Bailey Favors Canal Project

Democrat 4-8-38

Governor Bailey at the conclusion of an open meeting at the capitol yesterday afternoon told a delegation of 50 citizens from Franklin, Johnson and Sebastian counties that he is impressed with the economic advantages of a proposed federal-state project in those counties whereby canals would be constructed to remove the water hazard in several coal mines in that section and permit them to be re-opened.

He advised the delegation, headed by Senator Armil Taylor of Clarksville, Rep. Robert L. Kendrick of Altus and George Mikel of Fort Smith, secretary of District 21, United Mine Workers of America, to form improvement districts to obtain rights-of-way and to petition the WPA for federal assistance.

The project would include construction of a four and one-half mile canal in eastern Franklin and western Johnson counties that would move the water which now prevents operation of the mines.

The proposed canal would drain the surplus water from Ashy and Grassy lakes and Horsehead creek or the Arkansas river. The work would cost approximately \$75,000 and when completed would afford employment to probably 1,000 miners as the mines were re-opened.

Coal Field Drainage

Democrat 4-17-38

Ozark—A project is being discussed here which if put into operation will drain a large acreage of land in Franklin and Johnson counties and will enable a large quantity of coal to be mined which will otherwise not be obtained. A total of \$210 has been raised to defray the expenses of a survey which will determine the cost of the project.

If the survey is made and the project created which will be under WPA auspices a drainage canal will be dug for a distance of approximately eight miles from the coal area south of Altus and Denning and empty into Horsehead creek, near Hartman. This would drain a number of mines which have been overflowed for some time and provide employment for approximately 750 miners for an estimated period of 35 years.

Canal Is Proposed To Reclaim Mines

Democrat 5-7-38

Altus—A preliminary survey of the proposed WPA canal project in the lowlands south of Alix is in its final stage, and complete plans will be drawn up and submitted to the Works Progress Administration for approval in a few days. The canal is planned to extend eastward from a point near Alix about eight miles into Johnson county, emptying into Horsehead creek near Hartman.

Besides reclaiming scores of acres of fertile farm land and draining two large lakes south of Coal Hill, the canal will afford an opportunity for coal mining interests to pump out two or three abandoned coal mines at Alix and will preclude possibility of future flooding. It is said there is sufficient unmined coal in flooded mines in the Alix area to provide operations for 30 or more years.

E. S. Turner of Altus, Franklin county surveyor, is supervising the survey.

COLLECTION OF PENALTY TAX ON COAL WITHHELD

Three Judges Grant Injunction.

Gazette 6-4-38

A three-judge federal court issued a temporary injunction here yesterday restraining Homer M. Adkins, internal revenue collector, from collecting a penalty excise tax levied against the Sunshine Anthracite Coal Company of Clarksville for failure to join the code prescribed in the 1937 bituminous coal act. The decision was unanimous.

The tax amounts to 19 1-2 per cent of the sale price of coal sold by the company from its mines in Johnson county. The injunction will remain in effect pending litigation in the suit attacking constitutionality of the act or until further orders of the court.

Arguments revolved around the question of whether coal produced in the company's mines was bituminous or anthracite and whether the company should pay the tax pending final outcome of the suit.

Hearing on Merits May Be Delayed.

Following announcement of the decision, United States District Attorney Fred A. Isgrig asked the court to hear the case on its merits within 20 days.

"If the case is left standing," he said, "it will bring litigation all over the country and throw the industry into a chaotic condition."

Judge Joseph W. Woodrugh of the Eighth Circuit Court of Appeals, one of the presiding jurists, replied he would be unable to hear the case within 20 days but that he would refer the matter to the senior judge of the circuit on his return to Omaha, Neb. United States District Judges Heartsill Ragon of Fort Smith and Thomas C. Trimble sat with Judge Woodrugh in the case.

Their decision directed the company to continue to pay an excise tax of one cent per ton of 2,000 pounds levied under the act. Both sides agreed that the

OF YOURSELF FOOD

A rose by any other name would smell as sweet.

A chunk of semianthracite coal by any other name would look as black, would burn as briskly, but why should any other name be applied to it? That's what a visitor at the state geologist's office yesterday wanted to know.

For quite a spell there have been exhibits of Arkansas products in the rotunda of the capitol, first floor. There are many geological specimens. There are several lumps of coal, labeled "semibituminous."

Yesterday's visitor, who identified himself as operator of coal mines in the Spadra field, near Clarksville, where the samples on exhibit ostensibly originated, protested vigorously that the coal is semibituminous, but instead is semianthracite.

The mine operator exhibited several official documents as proof of his assertion that the coal in the capitol is mislabeled. He was disappointed, to put it mildly, because state employees had put Arkansas coal samples up for the world to see and then had labeled them incorrectly.

State Geologist George C. Branner is away on his vacation, and there was nobody present to deny the visitor's contentions.

additional 19 1-2 per cent tax was a penalty against nonmembers of the code prescribed by Congress in its efforts to regulate the coal industry.

Classification of Coal Debated by Lawyers.

Henry Adamson of Terre Haute, Ind., lawyer for the Sunshine company, contended in his arguments that the coal company should be exempted from provisions of the coal act since coal produced in its mines was anthracite.

In support of his contentions he introduced as a witness George C. Branner, state geologist, who testified as to methods used by the American Society for Testing Materials and the United States Geological Society, to differentiate between anthracite and bituminous coals.

Mr. Adamson said that three samples of coal taken from three different entrances at the Sunshine mines all fitted in the anthracite class.

Milton Carr Ferguson, special assistant to general counsel of the Bituminous Coal Commission, who assisted the district attorney in defending the case for the government held that the coal was semi-bituminous.

Judge Ragon interjected that in all his experience in western Arkansas's coal fields he never had heard the word semi-bituminous.

Mr. Ferguson replied that the word "semi-bituminous" was a word set out in the coal act by Congress.

"What Congress was trying to do," he said, "was to attempt to regulate prices on interstate shipments of coal to save an industry that was going to pieces."

He called the court's attention to the fact that the National Bituminous Coal Commission now has under consideration the question of classification of coal produced in the Sunshine mines. A federal examiner held a hearing on the matter at Fort Smith October 4, 1937. In a report of his findings January 21, 1938 he classed the coal as bituminous. The decision was appealed to the commission for review.

Heber Denman of Fort Smith, mining engineer and coal operator and chairman of the District 14 board of the National Bituminous Coal Commission set up by the act, testified that he considered the Sunshine company's product a "low volatile bituminous coal."

Coal Producers' Board Demands Enforcement.

The Bituminous Coal Producers' Board for District No. 14 filed an intervention in the case on behalf of the government.

"If the act is not enforced," the board said in its petition, "all code members will suffer irreparable damage. Code members are of the opinion that if the plaintiff be exempted from the operations of the act price structures within the district will be demoralized."

Privilege Tax Contest Taken Under Advisement.

The court took under advisement following brief arguments a suit by A. M. Smith, doing business as the Fox Studios of St. Paul, Minn., attacking constitutionality of Act 186 of the 1935 state legislature levying an annual tax against itinerant non-resident photographers.

The studio charged it was engaged in interstate commerce and was not subject to regulation by state or county. It recited that its representatives were arrested and fined in Jonesboro late in 1935 for failure to pay the tax.

Assistant Attorney General John P. Streeper represented the state in the case. Both sides submitted briefs for study by the judges.

Spadra Field Coal Held Bituminous

9-2-38

Washington, Sept. 1 (AP).—The Bituminous Coal Commission declared today all coal produced in the Spadra field in Arkansas was bituminous and subject to provisions of the Bituminous Coal Act.

The field is in Washington, Crawford, Sebastian, Scott, Madison, Franklin, Logan, Johnson, Pope, Yell and Conway counties.

The commission also declared production of the Sunshine Anthracite Company, the Diamond Anthracite Coal Company and the D. A. McKinney Coal Company, all of Clarksville, Ark., was bituminous and subject to the act.

Penalty for Violators.

The act requires that coal producers subscribe to a code of fair competition for their industry. Their failure to do so would entail a penalty tax of 19 1-2 per cent on their sales. It requires also that they pay a tax of one cent per

ton.

The producers propose to the commission minimum F. O. B. at the mine prices for coal mined in their area, which become effective upon approval by the commission. One of the purposes of the act is to end cutthroat competition by fixing minimum prices.

The coal commission has maintained that the act will not generally affect the prices paid by the average domestic consumer although it may affect the larger purchasers of bituminous coal, such as manufacturers and municipalities.

Price Accord Near On Arkansas Coal

12-20-38

Washington, Dec. 19 (AP).—Arkansas and Oklahoma producers virtually agreed today on their recommendations for minimum bituminous coal prices. Representatives of District 14, including all of Arkansas and Haskell, Le Flore and Sequoyah counties in Oklahoma, worked on the tentative schedule in meeting with delegates from boards for the Rocky Mountain and Pacific Coast states.

Producers of District 14 compete with those of the Far West principally in the Kansas, Nebraska and North Dakota market.

The conferees seek adjustment of mine prices so that "fair competitive opportunities will be preserved."

District 14's representatives, G. S. Minnier of Paris, Ark., and George Reeves of Hackett, Ark., said when the proposals were completed mine price schedules would be filed with the Bituminous Coal Commission and copies would be sent to producers. Final hearing will be held before the schedules may become effective.

Commission officials said District 14 has yet to reach agreements with other competing districts in Illinois, western Kentucky, Texas, Missouri, Kansas and parts of Oklahoma.

Spadra Coal Field Having Record Month

Gazette 10-22-39

Special to the Gazette.

Clarksville, Oct. 21.—With 400 cars of coal shipped from the Spadra field near here during the first 15 days of October, the month's yield is expected to exceed considerably the total of 519 carloads shipped during October, 1938. Mike Gordon, Missouri Pacific agent at Spadra, said he expected shipments will reach 800 carloads this month.

The production for the first half-month totaled about 18,000 tons, figured on a basis of 45 tons to the car. So extensive has been the operations that an extra switch engine and crew have been placed at work in the Spadra and Alix mines.

Prevailing warm weather and a plentitude of box cars, which many Northern buyers request be used in delivery of their coal, indicate a steady increase in shipments throughout the remainder of the year. The boxcars protect the coal from pilferage and cold weather, and by having a minimum of 20 tons, enable the smaller purchasers to buy in carloads.

The 1,000-ton daily production at the Sunshine Anthracite Coal Company mine last week was believed to be a record for the Arkansas-Oklahoma area, Frank M. Schull, manager, said.

To Act Soon On Arkansas Anthracite

Gazette 11-9-39

Washington, Nov. 8 (AP).—The Bituminous Coal Division announced today it would establish minimum prices for so-called Arkansas "anthracite."

Howard W. Gray, director, said the division decided on this action as a result of the Supreme Court's refusal to review a decision upholding the division's ruling that Arkansas anthracite was not anthracite, but bituminous.

The Bituminous Coal Producers' Board for District 14 has proposed minimum prices for Arkansas anthracite

and these have been considered at final hearings on minimum prices now in progress in Washington.

The Sunshine Anthracite Coal Company of Clarksville, Ark., had sought exemption from minimum prices and marketing regulations on the ground its coal was anthracite and not subject to the bituminous coal act.

The National Bituminous Coal Commission, predecessor of the Interior Department's Bituminous Coal Division, declared after a public hearing that Arkansas anthracite was bituminous without the meaning of the coal act, and denied the company's application.

The company appealed to the Eighth Circuit Court, which upheld the commission June 19. The company then sought a review by the Supreme Court.

Further Test For Cleburne Coal Planned

12-17-39

Special to the Gazette.

Harrison, Dec. 16.—Drilling with power machinery will be started soon by the Central States Life Insurance Company on large tracts owned by the company in Cleburne county, northeast of Heber Springs, to test extent of coal deposits in that vicinity. L. A. Watkins, executive vice president of the Missouri and Arkansas railway, said here.

Railroad officials have encouraged prospecting to determine if richer veins can be found deeper. During the past week workers for the road have been sinking a shaft, but the insurance company now is undertaking the tests on its own lands.

Extensive investigations in the

area were made recently by Mr. Watkins and John Speer, Missouri and Arkansas railroad geologist, and several veins of coal of the finest grade were uncovered. The vein ranged from the surface to 14 feet underground. Laboratory analysis showed the samples of the ore to be excellent, and officials plan to make a thorough investigation, hoping to find a larger vein of coal.

Mr. Watkins has been working on the project for nearly a year, trying to interest the insurance company in prospecting for larger veins of coal on the privately owned land.

Mr. Speer and insurance company officials spent the past week in the area watching results of the drilling and study formations disclosed.

Much Zinc Mining Under Way.

Much activity is in evidence in the Ponca mining district of Newton county, with about 12 properties being operated and much free ore being taken from the mines. Zinc ore is being trucked to the M. & A. ore docks at Harrison for shipment, while some of the free lead ore is being trucked direct to Joplin, Mo. The Brewer, Baker, Primrose and Bert McCarthy mines are removing large amounts of ore and trucking it to Harrison.

Machinery for the concentrating mill at the Canton Mine near Marble Falls is being installed. Completion of the buildings is expected soon. A hundred tons of ore daily is expected

State's Coal Classed As Bituminous

1-9-40

A three-judge federal court held in an order filed in the court clerk's office yesterday, that the coal produced by the Sunshine Anthracite Coal Company of Clarksville in its western Arkansas mines was bituminous under the meaning of the 1937 federal Bituminous Coal Act.

The ruling came in an order denying the company's motion to strike that part of the government's answer to the suit challenging constitutionality of the coal act that contends the National Bituminous Coal Commission already has ruled bituminous coal is produced in the company's mines.

Robert E. Sher, Washington, special assistant to the United States attorney general, contended at a hearing before the three-judge court here last month that the kind of coal produced by the Sunshine company was no longer an issue since the Eighth Circuit Court of Appeals had upheld the right of the Coal Commission to classify the product of the mine operator.

Henry Adamson, Terre Haute, Ind., lawyer for the coal company, con-

ceded the decision of the appellate court had no bearing on the case before the three-judge court because the company did not subscribe to the national coal code.

Further Litigation Permissible.

The three-judge court said in denying the motion:

"Our ruling on the motion is made with full recognition of the right of the plaintiff to litigate the issues as to the validity or application of the statutory provisions concerning the tax or the rights which the plaintiff as a non-code member producer of bituminous coal may have in regard to the same."

The tax referred to in the order is a penalty excise tax of 19 1-2 per cent of the sale price of coal sold by companies which did not accept the federal coal act.

The three judges still have under consideration the question of constitutionality of the coal act. The three-judge court is composed of Federal Judges Trimble and Lemley and Judge Joseph W. Woodrough of the Eighth Circuit Court of Appeals.

Spadra Coal Field Sets Record.

2-3-40

Special to the Gazette.

Clarksville, Feb. 3.—A total of 938 cars of coal was shipped from the Spadra field during January, Mike Gordon, Missouri Pacific agent at Spadra, announced. He said that this set a new 10-year record and passed by far the total shipments for many corresponding period. The Sunshine Anthracite Coal Company mine led in the individual mine shipments with 571 cars, he said. A total of 450 cars was shipped from the Alix field, with the clearing done through Spadra yards.

Bituminous Coal Act Case Argued

2-16-40 Gazette

A three-judge federal court took under advisement late yesterday a case which will test for the first time constitutionality of the 1937 bituminous coal act, one of the few major pieces of New Deal legislation remaining to be passed on by the courts.

Robert E. Sher, special assistant to the United States attorney general, said the government hoped to get a United States Supreme Court ruling on the case before the close of the present court term in May. An appeal will be taken directly to the Supreme Court regardless of the three-judge court decision.

The 1937 act, latest of the government's efforts to regulate the coal industry, attempts to control production and sale of bituminous coal through the National Bituminous Coal Commission set up in the act. The act attempts to force compliance by promulgating a code which producers must join or pay a penalty excise tax of 19 1-2 per cent of the sale price of coal sold.

Act's Constitutionality Questioned. Henry Adamson of Terre Haute, Ind., lawyer for the Sunshine Anthracite Coal Company of Clarksville, which brought the suit, argued before the court that the act was unconstitutional:

1. Because it delegates to the coal commission legislative and judicial powers which belong to Congress and the courts.
2. Because construction of the taxing section of the act is uncertain and ambiguous and fails to state clearly upon whom the excise tax of 19 1-2 per cent is imposed.
3. Because classification of coal producers into code and non-code members is "arbitrary, capricious and discriminatory."

Case Declared Already Decided.

Replying, Mr. Sher and Harold Leventhal, attorney for the Bituminous Coal Division of the Department of the Interior, said all substantial questions as to the constitutionality of the act had been settled by the Supreme Court in recent rulings.

Mr. Sher said the only substantial question involved in the Sunshine case—whether coal produced in the company's mines in the Spadra fields of Johnson county was bituminous or anthracite—had been settled by the United States Supreme Court in a case originating at Fort Smith. He said the coal industry had become demoralized and that Congress had attempted to revitalize it.

Mr. Sher asked the court to lift an injunction restraining Homer M.

Adkins, internal revenue collector, from collecting the 19 1-2 per cent excise tax against the Sunshine company. He argued that the injunction, plus the fact that the company is not subscribing to the code, would give the company a decided advantage

over other western Arkansas coal producers.

Only One Witness Heard.

George A. Merchant, River Forest, Ill., secretary and treasurer of the Sunshine company with offices in Chicago, was the only witness.

He testified that his company had a net operating loss of \$3,599.39 in 1939 and that the company properties would bring only about \$25,000 or \$30,000 at sale although fixed assets were listed at \$502,878.38.

Mr. Merchant conceded that he also is secretary and treasurer of the Binkley Coal Company of Chicago which was the exclusive sales agency for the Sunshine company. He said the Binkley company had advanced \$243,000 to the Sunshine company for operating capital and development purposes, and that some of the expenses charged to the Sunshine company were paid to the Binkley company.

The witness for the Sunshine company said the Sunshine mines produced and sold 104,739.1 tons of coal in 1939. He added that this production was "substantially larger" than the 1937 and 1938 production.

Presiding were Federal Judges Trimble and Lemley and Judge Joseph W. Woodrough of the Eighth Circuit Court of Appeals.

Price Fixing Of Coal Held To Be Legal

2-17-40 Gazette

Constitutionality of the 1937 federal bituminous coal act authorizing the Federal Bituminous Coal Commission to fix prices and establish marketing provisions for coal was upheld by a three-judge federal court in a unanimous decision here yesterday.

Overruling contentions of the Sunshine Anthracite Coal Company of Clarksville, plaintiff in the case, that the act was unconstitutional, the court said in its conclusions of law:

1. The regulatory provisions are a valid exercise of the power of Congress to regulate interstate commerce and intrastate commerce directly affecting interstate commerce.
2. The establishment of prices for bituminous coal sold in interstate commerce or intrastate commerce directly affecting interstate commerce is reasonable and is related to a proper congressional purpose and does not violate the Fifth Amendment to the constitution.
3. The standards of the act are sufficiently definite and the act contains no invalid delegation of legislative authority.
4. Whether or not the taxing provisions of the act could be otherwise sustained, since the regulatory provisions of the act are valid, the taxing provisions of the act are likewise valid as affecting the valid regulatory purpose of the act.
5. The exemption from the 19 1-2 per cent excise tax imposed of producers who subscribe to the bituminous coal code and are subject to the regulatory provisions of the act, does not constitute an arbitrary classification contravening the Fifth Amendment.

Appeal To Be Taken.

Clearing the way for an early ruling on this first test of validity of the measure by the United States Supreme Court, the tribunal gave the Sunshine company 30 days in which to perfect its appeal.

Robert E. Sher, special assistant to the United States attorney general, said that if the appeal was perfected in 30 days he believed they could get a Supreme Court ruling before close of the present court term. Under court rules, appeals from three-judge court rulings may be taken directly to the Supreme Court without the necessity of routing them through the Circuit Court of Appeals.

Mr. Sher said the Bituminous Coal Commission was desirous of obtaining an early decision since it was almost ready to prescribe prices and marketing provisions for sale of coal.

Tax Claim Held Void.

The three-judge court continued in effect for 30 days a temporary injunction against collection of a penalty excise tax of 19 1-2 per cent of the sale price of coal sold by the Sunshine company, saying that if the company perfects its

appeal in that time the temporary order would remain in force until the higher court renders its decision.

The court dismissed the company's petition for a permanent injunction against collection of the penalty excise tax but held in doing so that the government's tax claim against the company up to December 4, 1939 was void. Federal Judge Trimble, a member of the court, said this portion of the decision would save the Sunshine company about \$80,000 in back taxes.

In a memorandum to the final order, the three-judge court said it had voided tax claims against the company up to December 4 because the company had acted in "good faith" in litigating the case.

Sitting with Judge Trimble in the case were Federal Judge Lemley and Circuit Judge Joseph W. Woodrough of Omaha, Neb.

RULING IN COAL ACT TEST HERE TERMED 'VITAL'

2-20-40 Gazette

Tax 'Puts Teeth' In Price Law.

Washington, Feb. 19 (AP).—Howard A. Gray, director of the bituminous coal division of the Interior Department, said today that the decision of a three-judge statutory court at Little Rock, Ark., upholding constitutionality of the 19 1-2 per cent tax levied by the act was of vital importance to

enforcement of minimum prices and marketing regulations the division will establish this spring. Gray said the 19 1-2 per cent tax on producers who did not participate in the coal act plan for stabilizing markets "puts teeth into the law."

"The decision of the court at Little Rock," Gray said, "in the Sunshine Anthracite Coal Company case fully upholds constitutionality of every important phase of the coal act."

The director said the division is making plans "to deal with producers" who might violate minimum prices and marketing rules and regulations which will be established.

The Sunshine Anthracite Coal Company of Clarksville, Ark., sought to restrain collection of the tax by the Internal Revenue Bureau on grounds its coal was not bituminous and therefore was exempt from regulations.

Ban on Smoke Would Benefit Arkansas Coal

3-10-40 Gazette

A proposed ordinance before the St. Louis City Council would, if enacted, open a rich new market for the product of western Arkansas and eastern Oklahoma coal fields. It would prohibit the use of smoke-making coal; the anthracite and semi-anthracite coal mined in the Arkansas and Oklahoma fields is smokeless, according to Raymond R. Tucker, St. Louis smoke commissioner.

Introduction of the "smokeless" ordinance was accelerated by the St. Louis Chamber of Commerce. It became alarmed this winter when press associations circulated photographs throughout the nation showing daylight scenes in St. Louis which gave the appearance of a London wartime black-out.

A beneficiary of the proposed ordinance would be the Arkansas-Oklahoma Smokeless Coals, Inc., of Fort Smith. With its introduction last week, a representative committee of the Fort Smith Chamber of Commerce and officials of the coal association conferred with Mr. Tucker in St. Louis. He said the Arkansas product would meet specifications of smokeless coal since its volatility was less than 20 per cent.

A number of native Arkansians in St. Louis are aiding in turning the expected great volume of semi-anthracite business to the Arkansas company. Harry H. Edwards, formerly a resident of Little Rock, has organized an informal committee of

former Arkansans "in the interest of providing a market for another Arkansas resource." He said assistance had been given by John T. Hicks, former Searcy and Little Rock lawyer, and William H. Reaves, formerly of Little Rock.

"We have made good progress and now can look forward hopefully to landing the expected business for Arkansas," Mr. Edwards wrote the Gazette. His interest was motivated by two causes, he said—"a desire to remove the dark smoky atmosphere from St. Louis, and at the same time aid my old home state."

Deep Test For Coal Begun In Cleburne

Gazette 3-17-40

Special to the Gazette.

Harrison, March 16. — Drilling started this week to sound the deeper formations, and determine whether there are coal deposits of commercial value or whether the shallow veins of the excellent quality of soft coal already uncovered near the surface are the only coal deposits in Cleburne county. L. A. Watkins, president of the Missouri and Arkansas Railway, announced.

A survey of the mineral resources along the territory served by the railroad with a view to further development to increase the volume of freight shipments originating on the system has been in progress for several months by Mr. Watkins and geologists.

Drilling operations in Cleburne county are under the supervision of the Manda Industrial Corporation, formed about three years ago by officials of the railroad. The name "Manda" is derived from the abbreviation of the name of the railroad, Missouri and Arkansas.

High grade coal already has been found in surface veins and the first drill holes will go down on land leased by the railroad about four miles southeast of Heber Springs. The surface veins, however, were not thick enough to furnish large shipments to the railroad. Drill machinery will be moved north of Heber Springs after the territory east and south of Heber Springs has been tested, Mr. Watkins said.

Loading docks and sidings will be constructed along the line of the railroad near the mines to expedite the handling and shipping of the coal if coal mines are developed from the deep drilling explorations. Markets already have been promised in Memphis, Little Rock and Arkansas towns along the railroad territory in Arkansas.

Operations were postponed during the recent subzero weather although drilling machinery has been on the ground for several weeks. Investigations are being continued by the railroad's geologists with a view to utilizing limestone, marble and mineral deposits in its territory.

Zinc Shipments For Year 'Average.'

Shipments of zinc ore from Harrison by the Manda Industrial Corporation were average for the past year. Two car loads of ore were bought and shipped during March by the company and two additional carloads will be shipped next week. The ore is trucked to Harrison from mines within a 25-mile radius of Harrison, and the ore is bought mostly from small miners who would not be able to produce a car load alone within a reasonable time.

Pipe Lines May Tap Coal Fields

GAZETTE 3-31-40

Cleveland, O., March 30 (P).—America's 100,000 miles of pipe line have taken away much of the railroads' oil-hauling business. Now they may tap the coal fields, which provide a third of rail tonnage.

Standard Oil Company of Ohio holds a patent on the coal-through-pipes idea and the inventor, Dr. Robert E. Burk, 39, says "There is no evident reason why this should not be an economic success." "There is nothing in the way unless it is some non-technical factor," says the Western Reserve University chemistry professor. "Nothing is known now that would prevent it from succeeding."

Dr. Burk, a consultant for Standard of Ohio, was working with powdered

coal about five years ago when he got to thinking how rivers carry soil. That gave him the idea of grinding coal into particles and suspending it in water with the aid of any of several undisclosed chemicals—as soap suspends dirt in water. Then it can be piped to strategic cities, and removed from water "in a matter of minutes" through another process.

How much water is necessary to move a ton of coal? Chemists think the coal content may be as much as 50 per cent.

"The saving on this process will increase with the distance, because the cost of the chemicals, processing, and the amount of water are fixed," Dr. Burk says. "We believe it will work on any kind of coal, and can use standard coal-grinding apparatus to prepare the fuel for its trip through pipe lines."

"It's a lot cheaper to build pipe lines than railroads per mile, and there are many deposits, not accessible now to railroads, which could be worked."

Pipe lines have decreased the gasoline-oil traffic on railroads, a third of which are in reorganization. For instance, 8.79 per cent of Missouri Pacific's tonnage in 1925 came from crude petroleum. Twelve years later, such shipments represented 1.07 per cent. Annual tons declined from 3,548,519 to 351,983.

Standard of Ohio has given no indication of what it intends to do with its patent. While the company has said nothing of its plans, coal men feel it will be several years, at least, before it enters the field—if it does.

Chemists say if present oil reserves become depleted and the price of crude rises accordingly, companies will extract their gasoline from coal. That is one reason for Standard's interest. Another is that the company already is in the pipe line business.

Arkansas Coal Firm's Suit Latest Threat

GAZETTE 3-31-40

Washington, March 30 (P).—The shadow of a court test again has been thrown across actions of the Bituminous Coal Division as it prepares to place in effect minimum prices for sale of soft coal at the mines.

Latest of the many court contests by opponents of the price-fixing plan reached the Supreme Court on appeal by the Sunshine Anthracite Company, Clarksville, Ark. The company won a review of a three-judge court's ruling that the Guffey act was constitutional.

Ordinarily, if the court's docket were not unusually heavy, a date for arguments on a review would be set some time within two or three weeks after agreement to rule on a lower court's decision. A period of study of the arguments would consume several more weeks. But the court will clear up all pending reviews before adjournment of its term, expected about the last of May.

The Supreme Court's action granting the review came at the same time the Coal Division took one of its final steps in the years-old job of fixing prices—announcement of proposed prices for the Far Western and Rocky Mountain fields.

Twice before, just as the prices appeared about to go into effect, the act has been carried into the courts. Both times rulings were such that the long task was invalidated.

This time attaches of the division were optimistic—"We've complied with every previous ruling and done everything we can to make our actions stand," said one.

Early Work Cancelled.

It was three years ago that the first court ruling cancelled work done on fixing prices under the act adopted to stabilize the industry. Then the Supreme Court held that wage-hour provisions of the original Guffey act—that of 1935—constituted an invalid regulation of working time and compensation.

The court did not pass upon the validity of the price-fixing provisions, but held that since the wage-hour provisions were invalid the remainder of the act was inoperative.

A new act with revised features to meet the court's objections was adopted in 1937. Again the job of determining prices for coal in thousands of classifications and to thousands of destinations was started. Prices were ordered effective in December, 1937.

Two months later opponents obtained court orders halting effectiveness of the prices upon contentions insufficient hearings were held on the price-fixing data.

Another Start.

The division—then a seven-member commission subsequently abolished by presidential order—didn't wait for a final order of the courts. It revoked its prices and started all over again in March, 1938, holding hearings in a manner it hoped would meet court objections.

Again came a long court contest, this time on the legality of making public cost data for information of lawyers during hearings on prices. The case moved through various courts, and finally reached the Supreme Court, which ruled in January, 1939, that the commission was right in holding the information could be made public.

Work again was started without court contests intervening. In July, came the presidential reorganization order abolishing the commission and transferring its duties to the Department of the Interior.

Howard A. Gray took over as head of the Coal Division, saying his desires were to get the job finished and prices into effect at the earliest possible date.

Legality Questioned.

The Sunshine Company had gone into federal courts to question constitutionality of the act. It argued that the coal it produced should be classified as anthracite or hard coal, and as such was not subject to regulation. The division ruled it was bituminous.

The company argued the Guffey act violated states rights, and that it should not be required to pay a 19 1/2 per cent excise tax on its product imposed under provisions of the act applicable to producers not subscribing to the regulatory code.

Before a special three-judge court in the District of Columbia, the company's arguments were overruled. The court held provisions for establishing minimum prices were within congressional power.

Action Planned.

While awaiting for the Supreme Court's ruling, the division planned to move ahead. Director Gray has said prices for the Eastern fields—biggest producers in the nation—would be announced shortly.

With announcement of prices, hearings on objections then would be held before Gray. He would submit recommended prices to Secretary Ickes, who would proclaim them effective.

Interspersed with the court contests and the bitter arguments before Coal Division examiners by opponents of the Guffey act, were attacks on Congress and in the industry.

A Committee for Amendment of the Coal Act was formed shortly after the new act became effective. It sought to get rid of tax phases of the act—one cent a ton for subscribers and 19 1/2 per cent for nonsubscribers.

Appropriation Halved.

Representative Allen (Dem. Pa.) was a principal opponent before Congress. Under his leadership opponents in the House chopped the division's appropriation for the next fiscal year almost 50 per cent.

Allen argued that granting the full appropriation would be "throwing good money after bad," asserting the agency had spent \$10,000,000 in its long efforts to establish prices.

Opposition came from many congressmen who replied by pointing out that the prices were almost ready. They urged that the division be given a chance to put prices into effect and determine whether price-regulation could stabilize the \$3,500,000,000 industry.

With it all there has been the question of permanency of the act—it expires in April, 1941.

Secretary Ickes has referred to that expiration date, and answering inquiries about whether re-enactment would be proposed, has replied, "We want to see whether it is workable."

Would Sell Arkansas Coal In St. Louis

Gazette 4-13-40

Fort Smith, Ark., April 12 (P).—J. L. Swofford, president of Arkansas-Oklahoma Smokeless Coals, Inc., said tonight the proposed use of Arkansas-Oklahoma coal for smoke elimination purposes at St. Louis would result in a possible increase in coal production in this area of 150 per cent.

The St. Louis Municipal Smoke Elimination Committee is considering a proposal by representatives of the Arkansas-Oklahoma mining industry to provide the city with 500,000 to 1,500,000 tons of smokeless coal next winter.

Mr. Swofford said that the St. Louis market depends largely on the Interstate Commerce Commission's action

in the Frisco railroad's application for permission to reduce rates on trainload lots of coal.

The new market would mean 250 days' work for the coal industry in this territory and an increase in employees of approximately 25 per cent, Mr. Swofford said. He said that the industry in this area had only one good month last winter—January.

Mr. Swofford said representatives of Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency representing mines producing about 80 per cent of coal in this area, started negotiations with the St. Louis City Council last December.

Low Prices Offered.

The Arkansas mines have proposed to deliver coal in St. Louis at a price that would permit retailing the coal at about \$5.50 provided the I. C. C. allows the railroad to put the proposed new low rate in effect.

Arkansas fuel more than meets requirements of St. Louis' new anti-smoke ordinance and the proposed price is below that of the better grades of southern Illinois soft coal.

Arkansas anthracite has been sold in St. Louis, but currently its price of \$8 to \$10 a ton puts it in the luxury class. The Frisco has proposed a freight rate of \$2 a ton on the coal when shipped from Fort Smith in trainloads. The rate until recently was \$3.05 a ton, and now is \$2.75.

Producers have submitted a price of \$2 a ton at Fort Smith for lump coal. This would make the cost \$4 a ton at the storage yards in St. Louis, permitting an allowance of \$1.50 a ton to cover dealer's handling costs and profit.

Minimum Soft Coal Prices Fixed

4-14-40 Gazette

Washington, April 13 (P).—Examiners for the Bituminous Coal Division recommended today minimum soft coal prices which would add 11 cents a ton to the income of mine owners and increase the nation's annual coal bill by \$44,000,000.

They will become effective at a date to be fixed by Howard A. Gray, director, after an opportunity is given for filing of objections and subject to approval by Secretary Ickes.

The examiners proposed an average minimum mine price of \$2.072 a ton at the mine. This, they said, would be about 11 cents a ton more than mine owners received in 1937 when their net income averaged \$1.964 a ton. That is the most recent year for which cost data is available and was the beginning of the examiner's work authorized under the bituminous coal act.

Prices—there are figures for various grades of coal in different fields—range from a low of 10 cents a ton for an inferior grade of coal dust produced in the Midwest to \$4.80 a ton for fine grade "domestic" lump coal at mines with high production costs.

Fred Kirgis, head of the Coal Consumers' Council created by the Guffey coal act, testified that the proposed prices would increase the national soft coal bill by \$44,000,000. The industry sells about 400,000,000 tons a year.

Arkansas Price.

The proposed minimum sale price per ton in price areas, with the division's estimate of production cost per ton included:

Area.	Avg. Price.	Avg. Price.
No. 4, Arkansas and part of Oklahoma	\$3.650	\$3.608
No. 5, Missouri, Kansas, Texas, and part of Oklahoma	\$2.047	\$2.039

Arkansas Coal Purchase To Be Protested

Gazette 4-14-40

Harrisburg, Ill., April 13 (P).—A movement to protest St. Louis' plan to purchase Arkansas anthracite developed today in Saline county, one of the centers of the Illinois soft coal industry.

Earl Combs, president of the Eldorado Chamber of Commerce, announced a meeting with the Harrisburg chamber be held Monday to discuss opposition to the proposal to provide St. Louis with 500,000 or more tons of Arkansas coal next month.

Combs said he would suggest a

meeting of representatives of all southern Illinois civic bodies to draft protest and possibly to consider retaliation if the St. Louis plan goes through.

St. Louis has been using about 1,000,000 tons of Illinois soft coal annually. Under the city's new anti-smoke ordinance, unless processed, this coal in the future may be used only in heating plants equipped with

mechanical feeding devices to burn it without smoke.

Freight Rates For Arkansas Coal Oked

4-16-40 Gazette

St. Louis, Mo., April 16 (P).—The Southwestern Freight Bureau approved today the Frisco railroad's proposed rate of \$2 a ton on Arkansas-Oklahoma anthracite shipped from Fort Smith to St. Louis. The approval was another step in a plan to provide St. Louis annually with 500,000 to 1,500,000 tons of the coal, which has a volatile (smoke-producing) content of 15 to 20 per cent, well within the 23 per cent limits set by the city's new anti-smoke ordinance.

The Freight Bureau represents 17 railroads operating in the Southwestern area. Its approval gives the Frisco authority to publish the tariff, but a spokesman for the bureau said the matter first would be submitted to the Illinois Freight Association and the Western Trunk Lines Committee, a usual practice.

If formal protests are filed, the Interstate Commerce Commission could suspend the new rate pending hearings. Otherwise it probably will be effective within 60 days.

The special rate of \$2 a ton is to apply to trainload shipments of 2,000 tons or more, consigned to one shipper. The present rate is \$2.75 a ton.

Missouri Pacific To Use Arkansas Coal.

To comply with the city's new anti-smoke ordinance, the Missouri Pacific railroad announced it had started using Arkansas semi-anthracite coal in its eleven coal-burning switch engines here. Outbound trains, the railroad said, would also use Arkansas coal within the city, and then would switch to Illinois soft coal.

The change of fuels will add at least \$36,500 to the coal bill annually, railroad officials said. The Missouri Pacific estimated it would use 120 tons of the Arkansas fuel daily.

Sale of Arkansas Coal To Be Discussed in St. Louis.

GAZETTE 4-26-40

St. Louis, Mo., April 25 (P).—Adjustments which St. Louis' new smoke ordinance will require coal dealers to make will be discussed at a meeting here tomorrow with representatives of Arkansas semi-anthracite coal producers.

Dealers have expressed doubt they can handle the Arkansas smokeless fuel for \$5.90 a ton as proposed by Mayor Dickmann's Smoke Elimination Committee. The conference was called to discuss this phase of the program. The Arkansas delegation will be questioned about the sizes and quantity of the available product, continuity of supply and residual supplies that could be used in emergencies.

Recent moves toward obtaining large supplies of Arkansas smokeless coal caused a storm of protests from southern Illinois soft coal interests. Several communities have launched "boycott campaigns" against the city.

St. Louis to Try Arkansas Coal For Size.

GAZETTE 5-14-40

St. Louis, May 13 (P).—St. Louis has ordered about 50 tons of Arkansas smokeless semi-anthracite coal for use at the city workhouse power plant, one of the few city-owned plants not equipped with stokers. The new anti-smoke ordinance requires the use of smokeless fuel or mechanical devices for smokeless operation.

The first city order for the Arkansas coal in the nature of an experiment to determine the proper size for use, is for what is known as 6 by 10 inches at \$2 a ton at the mine. The city will get a \$2-a-ton freight rate.

Coal Washing Plant Planned At Paris.

5-27-40

Special to the Gazette.

Paris, May 26.—A group of 12 Paris coal operators has arranged for a coal washing plant to be installed here to wash and prepare coal brought from the mines in the Paris field. Leaders said this plant will modernize the field in preparing coal for new markets which are opening in the North.

I.C.C. Accepts New Rates On Arkansas Coal

GAZETTE 5-15-40

Washington, May 14 (P).—The Interstate Commerce Commission authorized the St. Louis-San Francisco railway today to establish a reduced rate of \$2.75 a ton on coal shipments from Arkansas-Oklahoma mines to St. Louis. The present rate is \$3.05. Arkansas-Oklahoma Coals, Inc., said the principal purpose in publishing reduced rates was to enable consumers in the St. Louis area to "obtain, immediately, a smokeless coal meeting the requirements of an ordinance adopted for the protection of the health of the citizens of that city."

Protests against the \$2.75 rate were filed by the Illinois Coal Traffic Bureau, Fifth and Ninth Districts Coal Traffic Bureau, Kentucky Coal Agency, Inc., the Central Illinois District Coal Traffic Bureau, and the Coal Trade Association of Louisiana. The

protestants contended the reduced rate, if allowed to go into effect, "will disrupt and destroy" the existing structure on coal from not only all mines in Arkansas, Oklahoma, Kansas and Missouri, but also from all mines east of the Mississippi river located in Alabama, Illinois, Indiana, Kentucky, Virginia, West Virginia, Pennsylvania, Tennessee and Ohio, to a widespread destination territory in Missouri, Arkansas, and probably in Illinois, "with a consequent disastrous effect upon the revenues of the railroads serving such lines and such destination territories."

New Rate on Arkansas Coal Shipment Filed.

5-24-40

Washington, May 23 (P).—The St. Louis, San Francisco railway proposed today to establish a trainload rate of \$2 a ton on coal from mines on its lines in Arkansas and Oklahoma to St. Louis. The Frisco proposed the \$2 rate for shipments of 2,000 tons from one shipper to one consignee in a tariff filed with the Interstate Commerce Commission. Unless suspended the rate will become effective June 24.

The present single car rate from the same origins to St. Louis is \$2.75 a ton. The trainload shipments would be assembled at Fort Smith, Ark.

Options Taken in Lignite Field Of Dallas County.

GAZETTE 5-30-40

The New York Color and Chemical Company has taken options on 60 acres of a lignite field two miles south of Manning, Dallas county, Dr. George C. Branner, state geologist, said yesterday. Lignite, a variety of coal, is used in the manufacture of ochre pigment, and the company formerly obtained its supply from Germany.

Dr. Branner said the company would ship several cars of the lignite to its Eastern plants for tests. Surveys have shown three types of the coal in the south Arkansas fields, one of which will meet requirements of the company, he said.

O. F. Suggs, district supervisor of the WPA state mineral survey, aided in negotiations to sell the options. The survey conducted many drilling tests in Dallas county and beds averaging two to eight feet in thickness have been discovered, Dr. Branner said. He said the Camden field, chartered several years ago by the state Geological Survey, contains an estimated 75,000,000 tons of lignite.

Freight Rate Increase Opposed

GAZETTE 6-20-40

After additional witnesses for the Associated Motor Carriers of Arkansas, Inc., testified in behalf of a proposed 10 per cent rate increase for less than carload intrastate hauls, P. G. Anderson, traffic manager of the Lion Oil Company, El Dorado, testified at an Arkansas Corporation Commission hearing yesterday that "rates are unreasonably high now."

"Increased rates in most instances reduce the revenue," Mr. Anderson testified. He proposed a truck rate lower than the existing rate on shipments of petroleum products. As for the motor carriers' proposed increase Mr. Anderson said, "If they want it, let them go out of business."

A. L. Reed of Dallas, Tex., lawyer for the truckers who was cross-examining Mr. Anderson, retorted that

the carriers themselves will decide "whether they want to go out of business."

Railroads May Ask Raise.

After Mr. Anderson testified that railroads, in his opinion, offered the "cheapest" transportation, Mr. Reed's questioning brought out the indication that railroads also would apply for a rate increase if the motor carriers were granted a raise. "I'll be here opposing them just like I am opposing you," Mr. Anderson said.

Lawyers for major railroads in the state have not cross-examined the motor carriers' witnesses at the hearing, which opened Monday and may close today. The Arkansas Traffic League, shippers, and chambers of commerce oppose a rate increase.

Cite Higher Operating Costs.

A. E. O'Hara of Lepanto, traffic manager of the Bryant Truck Lines of Arkansas, Inc., testified the raising of intrastate rates to a level with the interstate would increase revenue and offset rising operation costs. J. A. Donham of Texarkana, owner of the Donham Truck Lines, testified concerning increases in labor costs and taxes in recent months. Gordon McNulty of Pine Bluff, manager of the Southeast Arkansas Freight Lines, said, "If the increase is granted it probably will result in a slight decrease in tonnage hauled, but will cause an increase in revenue." H. P. Carson of El Dorado, traffic manager for the Black Motor Lines, also testified.

Coal Boom Due

At Fort Smith

DEMOCRAT 6-23-40

Fort Smith—Approximately 4,000 miners in the Fort Smith section probably will go to work within the next week or 10 days, Ed Hogan, assistant to the director of the Arkansas-Oklahoma Smokeless Coals, Inc., said Saturday.

This is expected to be the result of the action of the Interstate Commerce Commission in authorizing the St. Louis-San Francisco railway to establish a rate of two dollars a ton on trainload shipments of coal to St. Louis. Ever since the organization of the Arkansas Smokeless Coals, Inc., two years ago, directors have been striving for two-dollar freight rates, Hogan said. The corporation represents 58 mines in this territory.

Representatives of the mines met Saturday afternoon at the Goldman hotel in Fort Smith to discuss the news.

The freight rate will mean that 500,000 tons of coal annually will be marketed from the local mining fields, with receipts estimated at two million dollars, Hogan said.

First news of the favorable action of the commission reached Fort Smith in a message to R. A. Young, prominent coal operator.

Thursday Young was informed of other action by the Commerce Commission allowing a rate of \$2.05 for Arkansas-Oklahoma coal shipments to Gulf ports. The rate previously had been from \$3.22 to \$4.65 plus \$2.53 tipple charge. The new rate will mean a share in the South American coal trade, which has been the goal of coal men in this district for a number of years.

"Our market prospects in South America will depend on two factors," Hogan said, "the number of ship bottoms we can obtain and our South American credit and commerce relations."

Boom for Arkansas-Oklahoma Coal Industry Predicted.

GAZETTE 6-23-40

Fort Smith, Ark., June 22 (P).—A speed-up in the Arkansas-Oklahoma coal industry was predicted by coal operators today after they were advised of the Interstate Commerce Commission's action in authorizing the Frisco railroad to establish a rate of \$2 a ton on train-load shipments of coal from this area to St. Louis.

Ed Hogan, a spokesman for Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency representing 58 mines in the Arkansas-Oklahoma area, said the rate reduction meant that approximately 4,000 coal miners in the territory probably would go to work in the next week or 10 days.

Mr. Hogan said the new freight rate would result in "a general sharpening of the market demands as far as local coal is concerned." He expressed belief that the "opening" of the St. Louis market would result in increased demand in other sections for Arkansas-Oklahoma coal.

Coal mines in the Fort Smith area last year produced approximately 1,500,000 tons of coal—a return, roughly, of \$6,000,000. Hogan estimated that production during the coming season should be at least 2,000,000 tons—an \$8,000,000 industry.

Low Freight Rate Will Aid Arkansas Miners.

GAZETTE 6-23-40

The Interstate Commerce Commission's approval of a \$2 per ton rate on trainload coal shipments to St. Louis, Mo., from Arkansas and Oklahoma mines will result in the employment of many additional miners in western Arkansas, Tom E. Wood, rate chief of the Arkansas Corporation Commission, said yesterday. Coal operators estimated the movement from Arkansas will increase hundreds of thousands of tons a year.

The I. C. C. refused to set aside a rate schedule published by the St. Louis-San Francisco Railway Company, which will become effective tomorrow. The state Corporation Commission, supporting the \$2 rate, had filed a brief with I. C. C., contending the lower rate was in the interest of public health and not subject to attack as a rate question.

A new smoke elimination ordinance at St. Louis classifies Arkansas smokeless coal as acceptable fuel. Arkansas-Oklahoma Smokeless Coals, Inc., new marketing agency with headquarters at Fort Smith, has been awaiting the outcome of the "Frisco" application before opening a vast new market in smoke-darkened St. Louis, which largely has been using southern Illinois coal. Twenty-two Eastern railroads as well as Illinois operators and miners had protested the reduced rate. The rate has been \$2.75 a ton, following a reduction from \$3.05.

\$2 Freight

Rate on Coal Approved

GAZETTE 6-23-40

Washington, June 22 (P).—The Interstate Commerce Commission authorized today the St. Louis-San Francisco railway to establish a rate of \$2 a ton on train-load shipments of coal to St. Louis from mines in Arkansas and Oklahoma. The rate will apply on shipments of 2,000 tons or more.

The shipments will be assembled at Fort Smith, Ark.

Eastern railroads and Illinois mining interests, particularly southern Illinois, were among those petitioning the I. C. C. to suspend the tariff. The city of St. Louis and the St. Louis Chamber of Commerce were among the proponents of the reduced rate.

The \$2 rate will go into effect Monday. It is the first time that a trainload rate has been established on coal.

Eastern railroads contended the reduced rate was "designed solely to appease pressure groups in St. Louis which have sponsored a policy to secure high-grade smokeless coal at low cost without regard to transportation service or other factors ordinarily considered in the making of reasonable and non-discriminatory freight rates."

The Frisco contended that it proposed the low rate "in view of the extreme emergency confronting the city of St. Louis in connection with a prompt and proper enforcement" of its anti-smoke ordinance.

The single car rate to St. Louis from the Arkansas and Oklahoma mines is \$2.75 a ton. This recently was reduced from \$3.10.

State to Seek

Lower Freight Rates on Coal

DEMOCRAT 6-27-40
Hopes to Establish \$2 Tariff on All Railroads.

The Arkansas Corporation Commission was to confer today on possible action by that agency in the reported refusal of the Missouri Pacific and Midland Valley railroads to accept a new low rate on trainload shipments of Arkansas coal to St. Louis.

The Interstate Commerce Commission Saturday authorized the Frisco railroad to inaugurate the new rate. Officials of a marketing agency of coal operators charged the two other railroads with "refusing to co-operate."

Judge M. L. Turnbow, member of the Corporation Commission, indicated the state agency might go be-

fore the ICC with a request that the rates be made general. The commission was engaged in a hearing on a truck line application this morning, but Judge Turnbow said a conference with the other two commissioners probably would be held during the day to discuss the new coal rate situation.

"There may not be anything we can do," he said, "but if there is, we want to act." The commission previously had expressed approval of the new rate, which would aid Arkansas coal operators in competing for the St. Louis market.

State Agency Will Support \$2 Rate on Coal.

GAZETTE 6-28-40

If shippers ask the Interstate Commerce Commission to require the Missouri Pacific Lines and the Midland Valley railroad to co-operate in a \$2 per ton rate on coal shipments from western Arkansas to St. Louis, Mo., the Arkansas Corporation Commission will support such a petition, Chairman John H. Page said yesterday. The state commission, he continued, would participate in the I. C. C.'s hearing on the shipping interests' request.

The St. Louis-San Francisco railroad was authorized to establish the \$2 rate, a reduction from \$2.75, last Saturday. The rate, which became effective Monday, was endorsed by the state commission.

More than 50 mine operators, shareholders of Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency, asserted at Fort Smith that the Missouri Pacific and Midland Valley had not co-operated, and said the two lines' refusal to meet the Frisco's rate "undoubtedly will cost this section millions of dollars," inasmuch as many large mines are not served by the Frisco.

Smokeless coal of the Arkansas-Oklahoma border region is specified as acceptable fuel in a St. Louis smoke elimination ordinance. A St. Louis market for the Arkansas-Oklahoma mines virtually would double the number of work days for miners, operators said.

Lower Coal

Rate May Be Enforced

GAZETTE 6-29-40

Whether the Arkansas Corporation Commission has authority to petition the Interstate Commerce Commission to require the Missouri Pacific Lines and the Midland Valley railroad to participate in a rate of \$2 per ton on coal shipped to St. Louis, Mo., from western Arkansas will be decided at a commission meeting this morning, Chairman John H. Page said yesterday.

As a result of the two refusals to participate, "benefits to Arkansas labor and industry from the train-load rate may be reduced 50 per cent or more," Governor Bailey said in a letter to the Corporation Commission.

"An increase of 500,000 tons, making a total of 2,000,000 tons from mines in the Fort Smith area during the coming season would increase the revenue to the industry \$2,000,000, to a total of \$8,000,000," the letter continued.

"Much of this increase would accrue to workers in the form of wages. Hundreds of families would be assured of steady income. Movements of the increased tonnage will mean additional employment not only for mine workers but for railroad workers as well in this territory."

The governor complimented the Corporation Commission for its reply to a petition of Eastern railroads and Illinois, Kentucky and Indiana coal interests which sought a suspension of the \$2 rate. "Representatives of the coal industry have informed me," he said, "that they regard your efforts as having contributed substantially to the arguments which prevailed upon the Interstate Commerce Commission to permit the rate published by the St. Louis-San Francisco Railway Company to become effective June 24."

Conference Called Friday On \$2 Coal Rate.

DEMOCRAT 6-30-40

A negotiated agreement of a reduced freight rate of \$2 per ton for coal shipped from western Arkansas to St. Louis, Mo., will be sought by the Arkansas Corporation Commission, Chairman John H. Page said yesterday. Instead of immediately urging the Interstate Commerce Commission to require the Missouri Pacific Lines and the Midland Valley railroad to participate in the rate, the state commission has called a conference for 9 a. m. Friday to which traffic representatives of those two carriers, the St. Louis-San Francisco railroad, which published the \$2 rate, and the Kansas City Southern railroad will be invited. Coal operators also will attend.

"We're going to see whether there can be an agreement whereby difficulties will be overcome without going to the I. C. C.," the chairman explained.

The Corporation Commission, which supported the Frisco rate when it was pending before the I. C. C., is willing to endorse a shippers' petition for Missouri Pacific and Midland Valley co-operation, Mr. Page previously said. Filing a petition of its own also was considered.

Coal operators claim the two railroads' refusal to participate in the new rate, which became effective last Monday, has blocked the Arkansas smokeless coal industry's chances to establish a valuable market in St. Louis.

T. E. Wood, Corporation Commission rate chief, said if the Missouri Pacific did not elect to participate in the \$2 rate obtained by the Frisco, the commission would ask the railroad to establish its own \$2 rate. The Missouri Pacific and Frisco are the only two lines involved which haul directly to St. Louis.

Conference On Coal Rates Is Set for Friday

DEMOCRAT 7-1-40

Arkansas coal operators and officials of four railroad lines will meet in the offices of Arkansas Corporation Commission Friday for the purpose of discussing participation in the new \$2-per-ton rate on coal shipments from the state. The meeting will start at 9 a. m.

Railroads to be represented at the meeting include the Missouri Pacific Lines, the Midland Valley Railroad Company, the Kansas City Southern, and the St. Louis-San Francisco Railway Company.

The new rate was published by the Frisco Lines for car lot shipments of coal from Fort Smith to fields to Missouri. Participation of all railroads in the program is now sought, T. E. Wood, chief of rates and transportation of the Corporation Commission, said.

OPTION TAKEN ON LIGNITE BED NEAR MANNING

Advocate, Fordyce 5-30-40

The New York Color and Chemical Company has taken options on 60 acres of a lignite field two miles south of Manning, Dallas county, Dr. George C. Branner, state geologist, announced at his office Wednesday. Lignite, a variety of coal, is used in the manufacture of other pigment, and the company formerly obtained its supply from Germany.

Dr. Branner said the company would ship several cars of lignite to its Eastern plants for tests. Surveys have shown three types of coal in the south Arkansas fields, one of which will meet requirements of the company, he said.

O. F. Suggs, district supervisor of the WPA state mineral survey, aided in negotiations to sell the options. The survey conducted many drilling tests in Dallas county and beds averaging two to eight feet in thickness have been discovered, Dr. Branner said. He said the Camden field, chartered several years ago by the state Geological Survey, contains an estimated 75,000,000 tons of lignite.

Lignite Deposits May Boom Town

Democrat 7-28-40

Fordyce—As a result of the government mineral survey, being conducted over the state, the little town of Manning in the western part of Dallas county, may become a mining center.

A large deposit of lignite was discovered several months ago and samples were sent to the American Dye Wood Company of Belleville, N. J. Later a car of the mineral was sent for experimental purposes. The lignite met the requirements of the manufacturer with the result that an additional three carloads were ordered this week by the New Jersey company. A crew of 40 men are at work on this mine, which, according to the survey, shows it to be one of the largest fields of lignite yet discovered in this country.

Mo. Pac. Defends

Rejection of Rate

Democrat 7-3-40

Fort Smith (P).—Asserting use of a new low rate on coal shipments from Arkansas fields to St. Louis would "involve widespread disruption of the coal rate structure and seriously reduce the railroad's revenues," the officials of the Missouri Pacific railroad indicated to coal operators here the carrier would not accept the new tariff.

The Interstate Commerce Commission recently authorized the Frisco railroad to establish the new rate of \$2 a ton for trainload shipments but operators in the Arkansas-Oklahoma coal area said failure of the Missouri Pacific to accept the rate also would cost them "millions of dollars."

The new "rate cannot be confined to one district without creating a condition of discrimination," spokesmen for the Missouri Pacific said at a conference with the coal operators.

"Since the trainload rate was established," the railroad spokesman continued, "the Missouri Pacific has received requests from several other coal districts in the Middle West and consuming areas which use these coals to establish similar rates related to the Arkansas trainload rate. To meet these demands and other demands that would follow involve a widespread disruption of the coal rate structure and seriously reduce the railroad's revenues."

Rail officials attending the conference were C. Macnay, assistant to the vice president and general manager; L. A. Sackbauer, coal traffic manager, both of St. Louis; George C. Stohman, general freight and passenger agent, Little Rock, and Harry W. Haines, Fort Smith division freight and passenger agent.

Freight Rates

On Coal Cause

Of Controversy

Democrat 7-3-40

Corporation Commission Official Critical of Mo. Pac. Policy.

The decision of the Missouri Pacific railroad not to participate in a new \$2 per ton rate on coal shipments from the western Arkansas fields to Missouri, published by the Frisco Lines, was received with "much surprise" today by T. E. Wood, chief of rates and transportation of the Arkansas Corporation Commission.

Mr. Wood pointed out that Missouri Pacific rates on coal shipments from other fields produced less revenue.

In a formal statement commenting on the Missouri Pacific stand that the new rate would cause "discrimination," Mr. Wood challenged the railroad to find "some other reason more plausible."

The new rate established by the Frisco was recently authorized by the Interstate Commerce Commission and coal operators of the western Arkansas field and officials of all railroads operating out of the district are to meet with the Corporation Commission Friday in efforts to establish the rate generally.

Missouri Pacific officials announced their decision not to participate in the rate after a long conference with coal operators at Fort Smith yesterday. The operators said the Missouri Pacific's failure to accept the rate would "cost the Arkansas-Oklahoma area millions of dollars."

Surprised at Action.

In expressing his surprise over the railroad's decision Mr. Wood commented "it ill becomes officials of the Missouri Pacific to take a position of this nature."

He pointed out that the Missouri Pacific's published rate on coal shipments from the western Arkansas field to St. Louis, based on the Frisco mileage, would pay 4.35 mills per ton mile revenue and 22.6 per car mile revenue.

Based on the mileage by the Missouri Pacific route the ton-mile revenue would be four mills and the car mile revenue 20 cents.

Other lower coal rates published by the Missouri Pacific were listed by Mr. Woods as:

- From Greenwood, Ark., to New Orleans \$2.05 a ton, or 3.17 mills per ton-mile revenue and 15.50 cents in car-mile revenue.

From Spadra, Mo., to New Orleans \$2.05 a ton, or 3.55 mills per ton-mile revenue and 17.76 cents per car-mile revenue.

Mr. Wood added the Missouri Pacific "also participates in a tariff carrying a rate from Tulsa, Okla., to Galveston, Tex., a distance of 675 miles, the rate \$2.05 a ton. The ton-mile revenue in mills is 3.30 and the car-mile revenue is 15.27 cents.

Conference Scheduled.

"It also participates in a tariff carrying a rate from McAllister

Okla., to Galveston, the rate being \$2.05. The ton-mile revenue in mills is 2.85 and the car-mile revenue is 14.24 cents.

"The Missouri Pacific railroad officials will have to find some other reason more plausible than fear of discrimination if it continues to refuse to participate in the Fort Smith-St. Louis rate," the rate expert charged.

He added it is "hoped that all difficulties will be worked out between the commission and traffic officials at the conference Friday, and that the railroad men will on further consideration decide to participate in a rate."

The conference Friday will open in the Corporation Commission office at 10 o'clock.

Mo. Pac. Sympathetic.
G. C. Stohman, general freight

and passenger agent for the Missouri Pacific, in Fort Smith today issued a statement declaring that adoption of the rate would "involve a widespread disruption of the coal rate structure and seriously reduce the railroad's revenue."

His statement:

"The question of establishment of a trainload rate on coal from the Arkansas-Oklahoma coal fields involves a complex and far-reaching problem for the Missouri Pacific lines. The management of the railroad is sympathetic with the purposes of the coal operators and the state to find new markets for their coal, not alone because Missouri Pacific has large investments in expensive physical properties serving this district, but they recognize the possible value of new outlets for the products of the welfare of the coal industry, its employees and the interest of the state.

"The trainload rate could not be confined to one district when other areas producing coal also are served by the same railroad without creating a condition of discrimination. Since the trainload rate was established the Missouri Pacific has received requests from several other coal districts in the middle west and consuming areas which use those coals, to establish similar rates, related to the Arkansas trainload rate. To meet these demands, and other demands that would follow, would involve a widespread disruption of the coal rate structure and seriously reduce the railroad's revenue. The Missouri Pacific has published a rate of \$2.75 per ton from Arkansas mines to St. Louis for a per car unit, which is a reduction of 30 cents per ton. This rate is a more flexible opportunity for Arkansas coal to reach the St. Louis market as under that rate it is not necessary to accumulate and market the coal in trainload quantities. The tariff for the trainload rate requires the accumulation of 2,000 tons to move on one day from one shipper to one receiver and each car in the train must have not less than 50 tons of coal. On the \$2 per ton trainload basis, when normal terminal and switching charges are added, the cost of placing the coal in the district in St. Louis, where the majority of the dealers' yards are located, ranges from \$2.45 to \$2.75 per ton, so that there is not a large difference between the newly published carload rate and the trainload rate."

M. P. Won't

Adopt New

Coal Rate

Gazette 7-3-40

Fort Smith, Ark., July 2 (P).—Missouri Pacific officials today indicated the railroad would not conform to a new rate of \$2 per ton recently established by the Frisco railroad on trainload shipments of coal from this area to St. Louis.

The Interstate Commerce Commission recently authorized the Frisco to establish the new rate, and coal operators said later that failure of the Missouri Pacific to accept the new rate would cost the Arkansas-Oklahoma area "millions of dollars."

The lower "trainload coal rate cannot be confined to one district without creating a condition of discrimination," Missouri Pacific officials said today after a long conference with coal operators here.

Railroad officials said they were "sympathetic with the purposes of the coal operators" but added:

"Since the (new) trainload rate was established, the Missouri Pacific has received requests from several other coal districts in the Middle West and consuming areas which use these coals to establish similar rates related to the Arkansas trainload rate. To meet these demands and other demands that would follow involve a widespread disruption of the coal rate structure and seriously reduce the railroad's revenue."

Missouri Pacific officials who attended the conference included C. C.

MacNay, assistant to the vice president and general manager; L. A. Sackbauer, coal traffic manager, both of St. Louis; George C. Stohlman, general freight and passenger agent, Little Rock, and Harry W. Haines, Fort Smith division freight and passenger agent.

Officials Of Mo. P. Confer On Coal Rate

Gazette 7-7-40

St. Louis, Mo., July 6 (P).—Officials of the Missouri Pacific railroad conferred today, without reaching any conclusion, on the question of lowering freight rates on the shipment of coal from Western Arkansas to St. Louis.

It was announced the discussion would be resumed Monday and a statement may be issued in Little Rock Tuesday by George Stohlman, Missouri Pacific freight and passenger agent there. Stohlman is here participating in the conference with the railroad's management.

Western Arkansas coal operators and business men have asked the Missouri Pacific to set a freight rate of \$2 a ton on train-load shipments of coal and to reduce its present rate of \$2.75 on carload shipments to \$2.55.

Mo. P. Heads Will Decide Coal Rate

Gazette 7-6-40

Representatives of the Missouri-Pacific Lines agreed yesterday to place before the management at St. Louis Mo., today for final decision the question of participation in a \$2 per ton rate on trainload shipments of coal from western Arkansas to St. Louis.

At a conference with the Arkansas Corporation Commission, western Arkansas coal operators, and business men, the railroad officials also agreed to place before the management a "compromise" proposal that the carrier reduce its present rate of \$2.75 per ton on carload shipments to \$2.55.

George C. Stohlman, Missouri Pacific Lines freight and passenger agent here and L. A. Sackbauer of St. Louis, coal traffic manager, said that adoption of the proposed rate would be followed by charges of discrimination from southern Illinois coal operators. "Our entire rate structure would be jeopardized," they said.

The Interstate Commerce Commission authorized the Frisco Lines on June 24 to put into effect the \$2 rate on shipments from western Arkansas to St. Louis. The Missouri Pacific Lines and the Midland Valley railroad, serving western Arkansas, have made no move toward participation.

Coal Interests Oppose \$2.75 Rate by Mo. P.

The Missouri Pacific as of July 3, made effective a rate of \$2.75 per ton and in a supplementary petition filed with the I. C. C. agreed to absorb switching charges at this rate. Officials said this absorption would make the tariff equitable with the \$2 trainload rate of the Frisco Lines.

Approximately 50 operators, business men, and Chamber of Commerce officials from Fort Smith, Paris, Russellville, Greenwood, Hackett, and other cities insisted there would be a small movement of coal to St. Louis at the \$2.75 rate.

Mr. Sackbauer said southern Illinois operators had served notice they will demand the comparable reduction if the Arkansas rate is reduced further. He said coal that could compete with the Arkansas product at St. Louis for residential use, was from West Virginia and the freight rate on it was \$3.37 a ton. Difference between the \$2.75 rate with switching charges absorbed and the \$2 rate of the Frisco Lines is slight, he said.

W. A. Carpenter of Muskogee, Okla., representing the Midland Valley railroad, said his company did not plan to participate in the \$2 rate but was co-operating on the \$2.75 basis.

H. B. Smith of Kansas City Mo., representing the Kansas City Southern, said his line moved little coal out of western Arkansas. He did not say whether his company would co-operate with the proposed \$2 rate.

George Reeves, coal operator at Hackett, and D. K. Rodgers, operator at Fort Smith said the \$2 rate was vital to the life of the Arkansas coal industry.

Compromise Rate of \$2.55 Would Include Switching.

G. S. Minnier, Paris operator, offered the compromise proposal of a \$2.55 rate with switching charges absorbed. Mr. Sackbauer contended the proposal would mean a net rate of \$1.70 and the \$2 rate would be more advantageous to the railroads.

Among those who attended the conference were:

Chism Reed, Col. Henry Stroupe, Wallace Friddle, R. G. Johnson, T. O. Spicer, Art C. Johns, H. E. Arnold, W. L. Cravens, B. B. Ihle, R. M. Thompson, J. G. Houser, J. S. Dandridge, B. Shoemaker, John Guion, Lewis C. Sadler, Byron Shirley, Claude Lowden, Vel V. Wiggins, George Colville Jr., Luke Arnett, and Wyley Elliott, all of Paris.

Homer J. Connerly, Scott D. Hamilton, W. G. Harder, Degen Boyd, C. C. Davis, B. H. Bedwell, R. J. Rodgers, Robert Boyd, O. E. Henning, P. R. Stewart, J. W. Fitzgerald, F. S. Lacey, E. H. Noel, and J. L. Stafford and R. A. Young, all of Fort Smith.

M. L. Pitcock, Frank Beutelschis, Frank Forther of Bokoshe, Okla., Isaac Lewis of Greenwood.

O. P. Rainey, general agent of the Frisco Lines here; C. McManis, of St. Louis, assistant to the vice president and general manager, Missouri Pacific Lines; Henry Donham of Little Rock, lawyer for the Missouri Pacific Lines; and A. P. Rudowski of Dardanelle, Dardanelle and Russellville railroad.

Trainload Of Coal Prepared For St. Louis

Gazette 7-10-40

Fort Smith, Ark., July 9 (P).—Two thousand tons of coal ordered by a St. Louis coal company (Brinkley), the first trainload of coal ever dispatched to one consignee from this area, will leave Fort Smith Friday.

Chamber of Commerce officials said that as a result of the order 500 miners were at work in the Arkansas-Oklahoma coal fields and approximately 2,500 persons, families of the miners, were benefited directly.

Celebration Planned.

Plans were outlined today for a celebration here Friday morning in connection with what was described at a Chamber of Commerce committee meeting as the "rebirth of the west Arkansas and east Oklahoma coal industry." The celebration will include a parade on Garrison avenue here.

The 40 cars of "smokeless coal" will be transported by the Frisco railroad, which recently established a rate of \$2 per ton on trainload shipments of coal from Fort Smith to St. Louis.

A local agent of the St. Louis Coal Company announced today the placing of a second order for 2,000 tons of Arkansas-Oklahoma coal and said that another order for a trainload of 2,000 tons probably would be placed in a few days.

Western Arkansas Will Ship More Trainloads.

Gazette 7-10-40

T. E. Wood, rate chief of the Arkansas Corporation Commission, said yesterday a trainload of western Arkansas "smokeless coal" which will leave Fort Smith tomorrow en route to St. Louis will be followed soon by several others.

"We have been advised that several additional trainloads have been booked for the St. Louis area," he said.

Mr. Wood added that he expected the Missouri Pacific Lines to announce

\$2 Per Ton Rate on Coal Requested

GAZETTE 7-12-40

Fort Smith, Ark., July 11 (P).—The Fort Smith Chamber of Commerce adopted a resolution today urging other railroads serving this area to adopt a \$2 per ton rate on trainload shipments of coal from Fort Smith to St. Louis, established recently by the Frisco railroad.

"Failure of the Missouri Pacific, the Kansas City Southern and the Mid-

land Valley railroads to take such action will be regarded as an unfriendly act toward the interests of Fort Smith and its surrounding territory," the resolution said.

Celebrate Today.

Factory whistles will blow here at 10 a. m. tomorrow, signalling the start of a celebration in connection with what was described at a Chamber of Commerce meeting as the "rebirth of the coal industry in east Oklahoma and west Arkansas."

A trainload of coal, 40 cars carrying 2,000 tons, the first trainload of coal ever to be sent from this region to an individual consignee, will leave here tomorrow. The order was placed by the Binkley Coal Company of St. Louis.

Orders totaling 22,000 tons from St. Louis customers already have been placed with mines in the Arkansas-Oklahoma area since the new freight rate was established.

Arkansas Coal Finds Welcome In Mound City

Democrat 7-13-40

First Trainload of Smokeless Fuel Reaches St. Louis.

St. Louis (AP).—Smoke-suffering St. Louis today greeted with pomp and ceremony the first trainload of smokeless Arkansas coal on the heels of the Missouri Pacific railroad's decision not to slash its fuel freight rates to \$2 per ton.

The 2,200 tons of incoming coal, shipped over Frisco Lines, got a hero's welcome from city officials because it was another mile-post in their long battle to rid the metropolis of excessive smoke.

The Frisco last month lowered its rates to \$2 per ton on trainload shipments from Western Arkansas mines to St. Louis, but the Missouri Pacific made a final refusal last night because such a reduction would upset its rate structure and tumble revenues.

"We could not confine such adjustments to Arkansas," L. W. Baldwin, Missouri Pacific executive, announced, "because of necessity, under the discrimination clause of the Interstate Commerce Act, of relating them to other producing and consuming areas."

"This would seriously impair our net revenues... impair our ability to continue our large purchases and pay rolls and to carry out maintenance and improvement programs already planned and further seriously affect our capital structure."

Baldwin's statement was in answer to the Fort Smith Chamber of Commerce's warning that refusal to follow suit of the Frisco railroad would be considered an "unfriendly act."

Previously, the Missouri Pacific had set a rate of \$2.75 per ton, and declared it would be unable to further reduce shipping costs from Arkansas because Illinois coal operators had warned they would "demand the same relative reduction in their rate."

Commenting on the Missouri Pacific rate of \$2.75, Baldwin stated: "... With the reduced measure of the carload rate we have been able to effect without disrupting the whole rate structure, the St. Louis market can take a sizeable new volume of your coal with material benefit to Arkansas and St. Louis."

No Further Action.

Tom E. Wood, chief of rates and transportation of the Arkansas Corporation Commission, today announced his group would take no further initiative in seeking to obtain approval of the Missouri Pacific railroad to participate in the \$2 a ton flat rate on coal shipments from the Fort Smith field to the St. Louis market.

Officials of the Missouri Pacific and other railroads operating out of the Fort Smith field, coal operators and western Arkansas and eastern Oklahoma men have held repeated conferences with the corporation commission seeking to iron out the problem.

With the announcement yesterday that the Missouri Pacific had finally decided not to participate in the rate, as published by the Frisco Lines, Mr. Wood said the commission had exhausted its efforts to bring about a settlement agreeable to all.

The commission has no authority in the matter and was merely serving as a conciliatory group.

\$2-A-TON COAL RATE REJECTED BY MO. PACIFIC

Gazette 7-13-40

Baldwin Says I.C.C. Rule Prohibits.

St. Louis, Mo., July 12 (P).—L. W. Baldwin, chief executive officer of the Missouri Pacific, told the Fort Smith (Ark.) Chamber of Commerce tonight that in considering a rate reduction on coal shipments "we could not confine such adjustments to Arkansas because of necessity, under the discrimination clause of the interstate commerce act, of relating them to other producing and consuming areas."

The Fort Smith Chamber of Commerce, in a resolution, declared failure of the Missouri Pacific, the Kansas City Southern and the Midland Valley railroads to co-operate in a \$2-per-ton trainload rate on coal between Fort Smith and St. Louis established by the Frisco Lines would be regarded as an "unfriendly act."

Baldwin said in a communication to the Chamber of Commerce:

"In our consideration, we have approached the subject with the idea of finding a way to meet your wishes, as the Missouri Pacific has so vital a relationship in the many aspects affecting Arkansas and its industry as well as the all-appealing desire to be helpful to St. Louis in overcoming anything that in any way adversely affects it."

"From a careful, sympathetic personal study of the problem we are of the opinion that with the especial adaptability of Arkansas coal to the requirements of the St. Louis smoke ordinance and the reduced measure of the carload rate we have been able to effect without disrupting the whole rate structure, the St. Louis market can take a sizeable new volume of your coal with material benefit to Arkansas and St. Louis."

"The Arkansas Corporation Commission last Friday gave our officers a courteous informal opportunity to explain the complexities of the rate problem and the adverse effect the establishment of so-called trainload rate and/or any further reduction in carload rates would have on the rate structure and our revenues."

Revenues Would Be 'Seriously Impaired.'

"This would seriously impair our net revenues and in the end, I fear, impair our ability to continue our large purchases and pay rolls and to carry out maintenance and improvement programs already planned and further seriously affect our capital structure. We sincerely believe that all interests, including Fort Smith and the state of Arkansas, as a whole would be best served by avoiding this result. I know you have at heart, as I do, the whole economy and this organization assures you of our purpose to continue to do whatever we can to advance the welfare and development of Fort Smith and your state. In many ways in the past we have tried to be helpful to the Arkansas coal industry, and I assure you of our great desire to be always helpful in every way that is consistent."

Negotiations for New Rate to Continue.

James L. Ford Jr., chairman of the St. Louis Smoke Committee, said negotiations with the three railroads to seek establishment of the \$2-per-ton rate have "virtually collapsed." He said negotiations would be continued, but there was little hope of success.

John R. Mills, assistant to the vice president of the Kansas City Southern in charge of traffic, said in Kansas City "the matter still is under consideration. We haven't found an answer yet."

A spokesman for the Midland Valley said his road did not plan to participate in the rate.

First Load of Coal To Arrive Today.

The first trainload of Arkansas smokeless coal left Fort Smith today for St. Louis over the Frisco lines.

Gov. Carl E. Bailey of Arkansas telegraphed Mr. Ford congratulations on St. Louis' smoke elimination program.

The trainload of coal is scheduled to arrive tomorrow noon. A ceremony will be held in the railroad yards, with speeches by Mayor Bernard F. Dickman, Smoke Commissioner Raymond R. Tucker and Mr. Ford. There are 2,200 tons of coal on the train of 40 cars, consigned to the Binkley Coal Company.

Rate Agency Informed Of Missouri Pacific Decision.

The Arkansas Corporation Commission was advised yesterday that the Missouri Pacific Lines will not participate in a \$2-per-ton trainload rate on coal shipments from western Arkansas to St. Louis. Chairman John H. Page of the commission announced the decision after a conference with officials of the railroad.

"We were told that President Baldwin had studied the entire economic situation as well as the rates proposed," Mr. Page said. "We were informed that the railroad had reached a definite conclusion that it could not consistently install a trainload rate of \$2 a ton or reduce its \$2.75 per ton carload rate to \$2.55 from mines on its lines to St. Louis."

"The Missouri Pacific and the Midland Valley indicated they were sympathetic toward the problems of the western Arkansas coal area, but that they could not participate in the \$2 rate established by the Frisco Lines."

"They also took the position that they will, beginning July 23, absorb all switching charges in the \$2.75 carload rate and that this concession will reduce the actual charge to \$2.05."

Railroads Will Attack Coal Rate

Gazette 7-14

T. E. Wood, rate chief of the Arkansas Corporation Commission, said yesterday he has been advised that Eastern railroads are preparing to attack before the Interstate Commerce Commission a \$2-per-ton trainload rate on coal hauled by the Frisco Lines from western Arkansas to St. Louis.

He said railroad traffic representatives had informed him the Eastern roads will oppose the rate on the ground that it discriminates against shipments from the West Virginia fields, which also produce "smokeless" coal.

Mr. Wood said the rate from West Virginia to St. Louis is \$3.07 a ton. The former Frisco rate from western Arkansas to St. Louis was \$3.05. These rates were based on carload shipments. Neither had a trainload rate until the Frisco obtained authority of the I. C. C. June 24 to place such a tariff in effect.

The I. C. C. stipulated in its Frisco order that the rate would be subject to attack. Mr. Wood said the Corporation Commission will defend any attempt to invalidate the new rate.

Effect of Switching Charges Explained.

George C. Stohlman, general freight and passenger agent for the Missouri-Pacific Lines here, explained the Frisco rate was on train load shipments of not less than 2,000 tons of which each car must carry at least 50 tons. He said that to come under the \$2 rate the coal must be shipped by one shipper, on one day, on one bill of lading and to one receiver. He explained that the coal is sent to one of the various Frisco coal yards in St. Louis after it arrives at the break-up yards. A charge of 15 cents per ton is placed upon the coal at this point. If the coal is to go to yards on other railroad lines additional charges accrue. Mr. Stohlman said that these additional charges averaged about 55 cents per ton.

The Missouri-Pacific rate of \$2.75 with switching charges absorbed, he said, is actually only a few cents higher than the Frisco rate. The Missouri-Pacific rate is on single car units of any amount. He said that the single car unit hauling permitted small shipments and reduced the degradation of the coal in unloading. The coal may be shipped in any convenient car, he said, in any amount, less or more than 50 tons.

Mr. Stohlman explained that although the best grade Arkansas coal will sell for \$8.50 to \$9 a ton and the best grade Illinois coal will sell for \$6 or \$7, consumers will find it cheaper to buy the Arkansas variety since five tons of it will produce the same heat as eight tons of Illinois coal.

Operators Hit Back At Missouri Pacific Gazette 7-14-40

Fort Smith, Ark., July 13 (P).—Coal operators represented by Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency, adopted a resolution today requesting all important towns on the Missouri Pacific Railroad Lines in Arkansas to pass anti-smoke ordinances similar to the one recently passed by the city of St. Louis.

The coal operators, who held an all-day meeting here today, said the reason in the request was to prevent locomotives of the railroad from "smoking up" the towns with coal from Illinois, which they said the railroad used.

Missouri Pacific officials announced yesterday the railroad would not participate in a \$2 per ton rate on trainload shipments of coal from Fort Smith to St. Louis, established by the Frisco railroad.

Harvey C. Couch, chairman of the Board of Directors of the Kansas City Southern railroad, in a telegram read at the meeting, said K. C. S. officials had reached no definite conclusion as to whether the railroad would participate in the rate.

Orders totaling 22,000 tons have been placed with Arkansas-Oklahoma mines by St. Louis customers since the Frisco established the trainload rate.

Coal Shippers Seek Revenge Operators Would Have Towns Bar Smoking Mo. Pac. Engines.

Fort Smith—All important towns on the Missouri Pacific railroad lines in Arkansas will be asked to pass a smoke ordinance similar to that adopted at St. Louis, Mo., according to announcement of western Arkansas and eastern Oklahoma coal operators Saturday, following an all-day conference of the operators, represented by the Arkansas-Oklahoma Smokeless Coals, Inc. The conference was held at the Goldman hotel, where a resolution to make the request was adopted.

According to the explanation of the resolution, the request is to be made "to prevent Missouri Pacific locomotives from 'smoking up' the towns with fuel from the Illinois fields, which operators said is burned in the engines."

The Missouri Pacific announced Friday it would not participate in a \$2-per-ton trainload rate on coal shipments from western Arkansas to St. Louis. The Frisco railroad's \$2 per ton rate on trainload shipments went into effect June 24, with permission of the Interstate Commerce Commission. The first 2,000 tons of the 22,000 ordered for St. Louis left Fort Smith Friday over the Frisco lines.

Seek Meeting With Couch.

The Kansas City Southern railroad has not reached a definite conclusion on the \$2 rate, according to a telegram from Harvey Couch, chairman of the road's board of directors, which was read at Saturday's conference. The telegram was sent from Cumberland, Md. The operators have asked the Kansas City Southern for an early meeting with Couch and other officials of the line.

More Arkansas Coal Due in St. Louis Today.

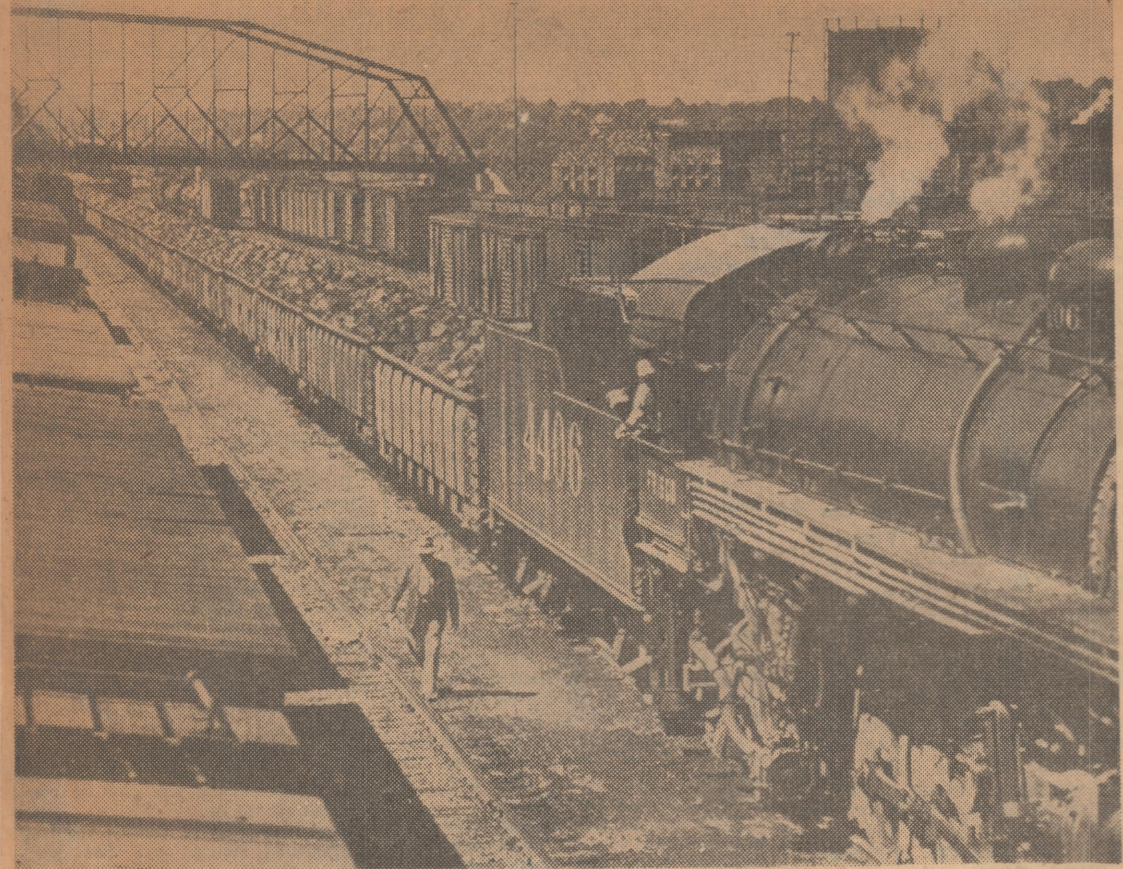
Gazette 7-17-40

St. Louis, July 16 (P).—James L. Ford Jr., chairman of the city's Smoke Elimination Committee, said today shipments of Arkansas coal into St. Louis would be almost daily affairs as soon as Arkansas mines are in full production. Ford said that although Arkansas mines reopened only last week, one of two trainloads of coal recently ordered by local retail dealers would be delivered tomorrow.

The City Ice and Fuel Company reported it expects a minimum of 40-car trainload of about 2,000 tons from Fort Smith, Ark., within 10 days.

ST. LOUIS WELCOMES ARKANSAS PRODUCT

Gazette 7-14-40



WIREPHOTO (P)

St. Louis, July 13 (P).—Smoke-suffering St. Louis today greeted with pomp and ceremony the first trainload of smokeless Arkansas coal on the heels of the Missouri Pacific Lines decision not to reduce its fuel freight rates to \$2 per ton. The 2,200 tons of incoming coal, shipped over Frisco Lines, got a hero's welcome from city officials because it was another

milepost in their long battle to rid the metropolis of excessive smoke. The Frisco last month lowered its rates to \$2-per-ton on trainload shipments from western Arkansas mines to St. Louis but the Missouri Pacific made a final refusal last night because such a reduction would upset its rate structure and tumble revenues.

The string of 40 cars arrived at 9:35 a. m. after a 410-mile run from Fort Smith. To mark the occasion three members of the Municipal Smoke Committee, city and railroad officials were present. There were no speeches, but the train was carefully posed for photographs just as in an important personage's arrival.

160 Cars Of Arkansas Coal To St. Louis

Gazette 7-19-40

Fort Smith, Ark., July 18 (P). — A "sample" of Arkansas - Oklahoma smokeless coal—four complete trainloads carrying a total of 8,000 tons—is being assembled for shipment to St. Louis. The trainloads will be made up of 40 cars each, 160 cars altogether.

Ed Hogan, assistant to the president of Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency, said a trainload of coal from each of four fields in this area will be shipped to the Missouri city "so that the people of St. Louis may have an opportunity to see the quality of coal produced in the entire field."

"To advertise this coal," Hogan said, "Arkansas-Oklahoma Smokeless Coals, Inc., will absorb 25 cents a ton of the price of the coal from each mine concerned." The coal, which will be shipped to sub agents at St. Louis, will be moved under the \$2.75 per ton freight rate on coal.

The agency has been active in a movement to obtain the St. Louis market for coal from this area which started recently when the Frisco railroad established a trainload rate of \$2 per cen on coal shipments from Fort Smith to St. Louis. Other railroads serving the area have not as yet accepted the trainload rate.

St. Louis Dealers Sell 45,462 Tons of Smokeless Coal.

Gazette 7-26-40

St. Louis, Mo., July 25 (P).—The 27 retail coal dealers who are members of the St. Louis Coal Exchange sold 45,462 tons of smokeless fuel between June 1 and July 16, the exchange reported to Smoke Commissioner Raymond R. Tucker. The exchange said as of July 16 the dealers had in storage 36,470 tons of smokeless fuel and had an additional 135,253 tons on order, making a total of 217,185 tons sold, in storage, or on order. Of this total, more than half was West Virginia smokeless coal.

Tucker, pointing out he had estimated that about 1,500,000 tons of smokeless fuel would be required in the city next winter, said that if St. Louisians bought now and gave dealers an opportunity to move their stock, there would be no necessity for the city to use its revolving emergency fund for purchase of smokeless coal.

Minimum Prices For Arkansas Coal Set.

Gazette 8-2-40

Washington, Aug. 1 (P).—Minimum prices fixed by the Bituminous Coal Division for sale of soft coal at the mines ranged from \$2.20 to \$4 a ton for fuel sold at Alabama mines for shipment to New Orleans, Birmingham, Jackson, Miss., and Mobile, Ala., areas.

The prices were fixed in an attempt to stabilize the soft coal industry and prevent price-cutting by producers. They are subject to appeals to Secretary Ickes before becoming effective September 3.

Prices listed included: Arkansas to Little Rock and Fort Smith—Lump coal, \$4.80; nut coal, \$3.90; one and one-quarter slack, 95 cents.

Minimum Coal Prices At Mine Fixed

Gazette 8-3-40

Washington, Aug. 2 (P).—Minimum prices fixed by the Bituminous Coal Division for sale of soft coal at the mines ranges from 95 cents to \$4.80 a ton for fuel sold for shipment to Little Rock and Fort Smith, Ark., consuming areas.

The prices—"at the mine"—were set in an attempt to stabilize the soft coal industry and prevent price-cutting by producers. They still are subject to appeals to Secretary Ickes before becoming effective September 3.

The low price of 95 cents for coal sold for shipment to Little Rock and Fort Smith was fixed for one and one-quarter-inch slack produced in Arkansas mines of District 14. The high, \$4.80, was for lump coal from the same mines.

A third price listed by the coal division as typical, was \$3.90 a ton for Arkansas nut coal sold for shipment to Little Rock and Fort Smith.

Typical prices on coals from the Arkansas field sold for delivery to other consuming areas, included: To Kansas City area—"Smokeless" lump, \$4.80; nut size, \$3.90. To Omaha, (Neb.) area—"Smokeless" lump, \$4.80; "smokeless," nut size, \$3.90.

SOUTHERN ILLINOIS MINING TOWNS TO BOYCOTT ST. LOUIS

Gazette 8-11-40

St. Louis, Aug. 10 (P).—In a drastic effort to hold the soft coal market here, a half dozen southern Illinois mining communities today began a long-threatened boycott of St. Louis merchandise in protest against the city's new smoke prevention program.

Warning that "we mean business," leaders of the movement asserted the boycott would spread over the entire southern Illinois coal belt unless the St. Louis smoke elimination ordinance is repealed. The ordinance—based on recommendations for ridding the city of the smoke nuisance in three years—requires universal use of smokeless fuel or mechanical equipment that can burn raw, coal without smoke. This means unprocessed Illinois soft coal may be burned legally in the city only with stokers or other mechanical equipment.

The measure was passed several months ago over the bitter protest of coal interests across the Mississippi river. They contended it would ruin scores of small operators not equipped for processing the high-volatile Illinois product.

C. G. Stiehl of Belleville, Ill., president of a coal operators' association representing 80 mine owners employing 6,000 men, said the boycott would center on wholesale foodstuffs, clothing and newspapers. But he declared the townspeople "will also cease shopping" in St. Louis for other merchandise. Many southern Illinois merchants buy almost exclusively from St. Louis wholesalers and jobbers.

Population of the six towns involved in the initial boycott move, all within a 50-mile radius of St. Louis, is about 10,000. But Stiehl said it might spread to the more heavily populated centers before the fall heating season gets under way.

"These mining towns," Stiehl declared, "have been organized 100 per cent by the Coal Operators' Association in the boycott drive, with miners, merchants and civic organizations all co-operating."

The year-old squabble, however, has made Arkansas coal operators happy. A shift to Arkansas coal to furnish part of St. Louis' fuel supply under the new smoke requirements was made feasible by the Frisco railroad's reduction of its freight rate to \$2 a ton on train-

One Grade Of Arkansas Coal Rejected

Gazette 8-9-40

St. Louis, Mo., Aug. 8 (P).—Having tested several car loads of special low-price grade of Arkansas smokeless coal known as 6 by 0, the city indicated today that grade of fuel has not met its requirements. Supply Commissioner Victor P. Roach advertised for bids for a better type of Arkansas coal, 6 by 2-1/3 inches, and for West Virginia smokeless fuel. The city wants 2,300 tons of Arkansas coal for use in hand-fired heating equipment at city institutions.

The new smoke elimination ordinance requires use of smokeless fuel or stokers.

K. C. S. Declines to Grant Coal Trainload Rate.

Kansas City, Mo., Aug. 8 (P).—Officials of the Kansas City Southern railroad told Arkansas and Oklahoma coal field operators today the road could not afford to grant a special trainload rate of traffic to St. Louis as provided by the St. Louis-San Francisco railway. The Kansas City Southern connects at Neosho, Mo., with the Frisco route to St. Louis.

Among those attending a conference here were William Deramus, executive vice president of the Kansas City Southern, and R. H. Young and George Reeves, Fort Smith, Ark., coal operators.

western Arkansas, T. E. Wood, rate chief for the Arkansas Corporation Commission, said yesterday. Enactment of a similar ordinance in St. Louis created a market there that will consume several hundred cars annually, he said.

Mayor Chandler of Memphis said Thursday the city will adopt an ordinance this fall designed to partially eliminate the heavy "ceiling" of winter smoke caused by coal-burning furnaces.

The Arkansas fields would be the nearest point from which Memphis could secure smokeless coal, Mr. Wood said.

Railroad Rates Cited.

None of the railroads operating between western Arkansas and Memphis offers train-load rates, which were put into effect by the Frisco railroad to permit Arkansas coal to be sold in St. Louis as cheaply as coal produced in Illinois. However, rates would be lower than those in effect to Memphis from West Virginia fields, the only other source of smokeless coal, he said.

The Rock Island railway charges \$2.94 a ton for coal shipments from the Fort Smith area to West Memphis and \$2.46 a ton for slack coal. It charges \$2.58 a ton for coal moving from the Clarksville area and \$2.22 for slack.

Missouri Pacific Lines charged \$3.07 per ton for shipments from the Fort Smith area and \$2.70 for slack.

The Frisco inaugurated a rate of \$2 per ton on trainload shipments to St. Louis.

Mayor Chandler Says New Market May Result.

Memphis, Tenn., Aug. 16 (P).—Mayor Walter Chandler said tonight that adoption of a proposed anti-smoke ordinance here probably would open another market for Arkansas coals.

"In all probability, the proposed ordinance would offer another market for Arkansas smokeless coal provided experience proves it is really a smokeless fuel," Chandler said.

"One phase of the study we are undertaking is whether there is any smokeless fuel except gas. We are not interested in eliminating coal as a fuel, but only in eliminating excessive smoke and soot."

Independence County Coal, Clay Mined

Gazette 7-7-40

Special to the Gazette.

Bradford, July 6.—John Blair and Vernon Bruce of Batesville are developing a vein of coal at Union Hill, between Bradford and Oil Trough. They have also run into a eight-foot vein of fine ceramic clay that overlies the coal. The coal is of the same semi-anthracite type found in the western part of the state. It has been tested thoroughly and comes up to standard in burning tests.

They took a lease on the ground they are operating several months ago, and sunk a 20-foot shaft to the coal vein. The vein was only six inches thick where they first struck it, but in a 12-foot drift from the shaft it has reached a thickness of 18 inches, and they expect it to develop into at least a 30-inch vein.

They haven't determined the ceramic value of the clay but sent samples this week of the mineral survey in Little Rock, and the Camark Pottery at Camden, to have burning tests made.

Paris Coal Field Shipments In July Triple 1939 Total.

Gazette 8-11-40

Special to the Gazette.

Paris, Aug. 10.—Coal shipments last month from the Paris field showed a large increase over shipments for the same period last year, indicating that the newly opened St. Louis market for smokeless coal is stimulating business in the Paris field. A total of 511 cars of coal was shipped last month, while in July, 1939, only 177 cars were shipped. Operators and railroad officials predict that August will also see a near record movement of coal from this sector.

New Market For Arkansas Coal Possible

Gazette 8-17-40

Proposed adoption in Memphis of an anti-smoke ordinance similar to the one recently adopted in St. Louis, might offer another large market for smokeless coal mined in

SOUTHERN ILLINOIS MINING TOWNS TO BOYCOTT ST. LOUIS

Gazette 8-11-40

St. Louis, Aug. 10 (P).—In a drastic effort to hold the soft coal market here, a half dozen southern Illinois mining communities today began a long-threatened boycott of St. Louis merchandise in protest against the city's new smoke prevention program.

Warning that "we mean business," leaders of the movement asserted the boycott would spread over the entire southern Illinois coal belt unless the St. Louis smoke elimination ordinance is repealed. The ordinance—based on recommendations for ridding the city of the smoke nuisance in three years—requires universal use of smokeless fuel or mechanical equipment that can burn raw coal without smoke. This means unprocessed Illinois soft coal may be burned legally in the city only with stokers or other mechanical equipment.

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"These mining towns," Stiehl declared, "have been organized 100 per cent by the Coal Operators' Association in the boycott drive, with miners, merchants and civic organizations all co-operating."

The year-old squabble, however, has made Arkansas coal operators happy. A shift to Arkansas coal to furnish part of St. Louis' fuel supply under the new smoke requirements was made feasible by the Frisco railroad's reduction of its freight rate to \$2 a ton on trainload shipments. Other lines declined to offer corresponding rates.

Thousands of tons of Arkansas fuel have been shipped here in recent weeks. A 54-car trainload arrived today.

Coal Firm's Assets Will Be Sold For Taxes.

Gazette 8-27-40

Russellville, Ark., Aug. 26 (P).—Hearing on a petition filed before Chancellor J. B. Ward asking for appointment of a receiver to operate the Sunshine Anthracite Coal Company, largest producer in the Spadra Field, was postponed today until Wednesday.

The mine, confronted with a government tax lien for \$98,208.14 for non-payment of code taxes under the Guffey coal act, was closed down recently.

The receivership petition was filed by Mr. and Mrs. E. H. Johnson, who claim ownership of 49 per cent of the stock in the company. They asserted that the mine could be operated profitably under a receiver, and an effort made to pay or compromise the government tax claim. The petition said the Binkley Coal Company of Chicago owned 51 per cent of the stock in the mine.

The government's tax lien represents unpaid taxes against collection of which the Sunshine company carried the nation's first coal code test suit to the United States Supreme Court. The company lost. The courts ruled that the act was constitutional and that the Sunshine was subject to its provisions.

Coal Mine Receivership Suit Deferred Until Tomorrow.

Gazette 8-27-40
Assets of the Sunshine Anthracite Coal Company of Clarksville have been seized by the government for non-payment of taxes under the Guffey Coal Act. The Federal Internal Revenue Department claims the company owes \$113,698.26 under the penalty excise tax of 19 1-2 per cent of the sale price of coal sold by a non-member of the Bituminous Coal Code.

Assets of the company were seized under an order of the Western Arkansas District Federal Court. They will be sold at public auction to satisfy the government's tax claim.

Sale of 1,191 tons of coal and a truck will be held at the company's mines in the Spadra Field near Clarksville at 2 p. m. September 3. Other assets of the company seized by the government include all coal on hand at the mines, 16 carloads of coal in transit, machinery and equipment, 70 acres of land owned by the company in Johnson county and a lease between the company and the Ozark Coal Company on other lands in Johnson county.

The Sunshine Anthracite Coal Company contested the validity of the Guffey Coal Act in long litigation in U. S. courts. A three-judge federal court sitting in Little Rock in February upheld the constitutionality of the act and the 19 1-2 per cent penalty section. Subsequently, the Circuit Court of Appeals and the U. S. Supreme Court upheld the three-judge court.

Cravens Asks Inquiry Into 'Boycott' Plan

Gazette 8-27-40

Washington, Aug. 26 (AP).—Representative Cravens (Dem., Ark.) said today he had asked Attorney General Jackson to investigate reports a number of southern Illinois cities were contemplating a "boycott" of St. Louis business because of the adoption of an anti-smoke ordinance which prevented use of some Illinois coals.

"I asked an investigation to determine whether such a boycott would be in violation of federal statutes," Cravens said. "The enactment of the ordinance has excluded from the St. Louis market some of the coal of southern Illinois with the result that the coal fields of Arkansas have been able to expand their production to supply the new, available market."

Coal Company at Clarksville Adjudicated Bankrupt.

Gazette 9-5-40
Fort Smith, Ark., Sept. 4 (AP).—Federal Judge Ragon adjudicated the Sunshine Anthracite Coal Company of Clarksville as a bankrupt today after both creditors' and debtors' petitions for such action had been filed yesterday.

The creditors' petition was filed first by a large group of laborers. The debtors' petition was filed by officers of the mining company a few hours later. Today the debtor filed an answer to the creditors' petition, admitting insolvency.

Arkansas Minerals for the Use Of Industry.

Gazette 6-1-40
When State Geologist George C. Branner says the mineral survey conducted by his office and the WPA is beginning to bear fruit he can point to the case of a New York dye and color company which has leased 80 acres of lignite-bearing land in Dallas county. This concern had to find a new source of material for making ochre pigment when the Allied blockade cut off the supplies it had been obtaining from Germany. The mineral survey had made many drilling tests for lignite in Dallas county, and its district supervisor aided in the negotiations of the dye company to obtain material of suitable type. Dr. Branner expects the development of this tract to give Arkansas "a brand-new industry."

In Pike county the United States Gypsum Company has begun development of gypsum deposits located by the survey. In the same part of the state the war situation has contributed to intensify mining and treating of the cinnabar deposits discovered a few years ago. Quicksilver for munitions is in urgent demand

while at the same time war has upset many former sources of supply. The mineral survey has established the locations in Arkansas of a variety of important commercial and industrial minerals and ores. It has long been understood in a general way that this state possessed exceptional mineral resources. But over the last 30 years, more than 80 per cent of the value of mineral production has been confined to fuel minerals—coal, oil and natural gas, and a single non-fuel mineral, bauxite, has represented a large part of the remainder.

This seems an especially propitious time for launching the state-wide organization of public agencies and business interest to promote Arkansas's mineral development, for which plans have been announced by Dr. Branner and Secretary W. C. McClure of the Camden Chamber of Commerce. The mineral survey is furnishing an up-to-date inventory of mineral resources. And it may well become a part of the national defense program to develop domestic sources of vital minerals and metals.

Operators In Plan to Beat Freight Rate

Coal Men Ready To Erect Plant, Lay Tracks to Frisco.

Democrat 9-23-40
Fort Smith — George Reeves, Hackett, Ark., president of the Excelsior Coal Company of Hackett and of Arkansas-Oklahoma Smokeless Coals, Incorporated, in Fort Smith Saturday announced that four coal mine operators at Excelsior, Ark., on the Midland Valley railroad, plan to erect a central preparation plant at Hackett, to connect with the Frisco, trucking coal to this plant.

The plant, which will cost \$34,000, will be in operation within three weeks, Reeves said, and will be receiving 2,500 tons of coal daily from four mines.

"We are determined to get into St. Louis on the \$2 train load rate for coal," Reeves declared, "and we believe that the Excelsior coal mine operators have solved the coal rate problem."

The \$2 trainload rate on Arkansas and Oklahoma coal to St. Louis over the Frisco railway was announced several months ago, and it was believed would create a market hitherto untouched for coal from this section because of previous prohibitive freight rates which prevented this coal competing with coal from certain other sections.

Failed to Meet Rate.

The Midland Valley, Missouri Pacific and Kansas City Southern railroads refused to accept this rate after a series of conferences between representatives of these lines and coal operators of this section. These railroads instead posted a \$2.75 per ton rate on individual car shipments of coal into St. Louis. Comparatively few of the coal mines in this section are on the Frisco railroad.

St. Louis earlier in the year adopted an anti-smoke ordinance and wished to buy Arkansas-Oklahoma smokeless coal, but could not buy at the freight rates quoted by the Midland Valley, Kansas City Southern and Missouri Pacific.

Added Safety For Arkansas Mines Urged

Gazette 10-18-40

Washington, Oct. 17 (AP). — The Bureau of Mines urged today the need for federal administration of mine-safety regulations in a report on the cause of an explosion which killed 10 men in the No. 2 mine of the Bates Coal Corporation at Bates, Scott county, Arkansas, on August 27.

"There are no safety organizations maintained at the mine or any of the coal mines in Arkansas or Oklahoma," the bureau said, adding that "first aid or mine safety train-

ing has not been conducted at this mine for several years" and that "no fire fighting equipment is maintained."

Gas Caused Explosion.

"The immediate cause of the explosion," the bureau said, "was the formation of an inflammable mixture at the face of the second entry caused by the exposing of a gas feeder by a cutting machine which was ignited by an electric arc caused by shutting off the electric current from the machine, or by the flame of a match."

The bureau made the following recommendations: This mine should immediately change to electric permissible blasting.

Only permissible cutting machines should be used. Smoking materials, matches or open flame of any nature should not be allowed in the mine.

Water hydrants and hose should be so located on the surface and with such a supply of water that in case of a fire in the tippie or other surface structure it could be fought easily and readily. First-aid and mine-rescue training should be conducted at this mine immediately.

Two Suggestions of Federal Mines Bureau Adopted.

Gazette 10-18-40
Fort Smith, Ark., Oct. 17 (AP).—Commenting on the Federal Bureau of Mines' report on the Bates mine explosion August 27, State Mine Inspector J. W. Fitzjarrell said tonight that two of the bureau's recommendations already had been placed in effect. These were:

The mine immediately should change to electric permissible blasting.

Smoking materials, matches or open flame of any nature should not be allowed in the mine.

He said that electric permissible blasting now was used at the mine and that regulations prohibiting smoking materials from the mine had been issued.

Although asserting that a majority of mine operators in the state lived up to Arkansas mining laws, Mr. Fitzjarrell said, "There is no first aid station at any mine in Arkansas and there never has been."

Democrat 10-18-40 Coal Washing Plant Nearing Completion

Fort Smith (AP).—A \$40,000 coal "washing and processing" plant is nearing completion at Paris, Ark., to receive the slack output of 10 mines in the area, local coal men revealed today. A co-operative undertaking of operators in the field, the plant will have a capacity of 50,000 tons a year and will solve a "big problem" in the Paris field, coal men said. Because of the small veins in the Paris field, mine output has included a large proportion of dirt.

Governor Says Regulations at Mines Needed

Democrat 10-18-40
Arkansas is "almost without effective laws and regulations" governing coal mining operations, Governor Bailey said today in commenting on a U. S. Bureau of Mines report criticizing conditions in Arkansas coal mines.

The report was made on the Bates Coal Corporation mine where an explosion killed 10 miners on August 27.

The chief executive said he had not seen the full report but "would like to examine it." He agreed that conditions in the west Arkansas coal mining area are deplorable. "Coal mining is a most dangerous occupation," he observed, "and there are no teeth in our present mining laws."

He pointed out that there is one man, the state mine inspector, responsible for examining all mines in the area, and cited the state coal mining laws to show that he is severely handicapped.

Mine operators, under the law, the governor said, can restrict the inspector's visits to the mines to "reasonable times" and can go into court to halt any action started by the inspector. That official has authority to act where he finds unsafe conditions, but he must give the operator two days' notice and then the operator may apply to the chancery court for a restraining order.

The governor recalled to reporters that an effort was made in the 1937 legislature to require coal mine operators to post a surety bond with county clerks, but that the effort failed, and in 1939 a loose law requiring the posting of bonds for wages with the chancery clerk was enacted.

A situation contributing to present conditions, he said, was a stale-

mate on the state board of mine examiners where two labor representatives and two operators were deadlocked. That condition, he believed, was corrected with the appointment of a new board last year, with the fifth member who is chosen by the other four members, selected before the appointments were made.

The explosion on which the Federal Bureau of Mines made its report occurred at Bates, Scott county. In its report the bureau urged the need for federal administration of mine safety regulations.

Governor Says Coal Mining Most Dangerous Industry.

Gazette 10-19-40
Inadequate safety laws have made coal mining "the most dangerous industry in the state," Governor Bailey said yesterday. He said the industry was "almost entirely lacking in effective laws and regulations."

He made the assertion in commenting on a report by the United States Bureau of Mines urging added safety regulations in Arkansas.

Mr. Bailey said efforts to secure passage of laws to improve mine safety and to facilitate efforts of miners to obtain compensation in the event of injuries had been defeated. He said bills introduced in 1937 and 1939 would have required operators to file surety bonds with county clerks containing conditions of liability. He said present laws provides for only one mine inspector and he said he doubts if the inspector has authority to close an unsafe mine.

Arkansas-Oklahoma Shipments Of Coal Increase.

Gazette 10-31-40
Fort Smith, Ark., Oct. 30 (AP).—September coal shipments through Arkansas-Oklahoma Smokeless Coals, Inc., local marketing agency, totaled 150,434 tons, an increase over the 144,576-ton figure for September, 1939.

Totals for July and August also were above last year's figure. The three-month total for this year is 360,745 tons compared to 288,448 a year ago. Mines selling through the agency represent 70 per cent of the total output of the Arkansas-Oklahoma mining area.

Mine Inspector Reports 33 Deaths

Democrat 11-2-40
Thirty-three men have been killed in western Arkansas mining accidents since January 1, 1939, State Mine Inspector J. W. Fitzjarrell, Fort Smith, reported to State Labor Commissioner Ed I. McKinley today. Ten of this number died in the explosion at the Bates Mining Company mine at Bates, Scott county, last August 27.

Arkansas Bunker Coal Shipped

Gazette 11-23-40

Fort Smith, Ark., Nov. 22 (AP).—L. A. Blevans, division manager of the Southern Coal Company, announced today 10 carloads of Bunker coal, probably the first of its type from mines in this section, were shipped this week to the loading docks at Houston, Tex.

Blevans said the shipment was consigned to a British vessel docked at Houston. Because of war regulations, he could not disclose whether the ship was a war or merchant vessel.

Bunker coal—called nut-mixed of two and a half inches in diameter—sometimes is difficult to dispose of, but war conditions are causing increasing demand for that type.

Limited Market For Coke in Arkansas.

Gazette 12-10-40
If tests prove coke can be produced from Arkansas coal, a limited market already exists for the product, E. Smith Reed, industrial engineer for the Arkansas Agricultural and Industrial Commission, said yesterday. The United States Bureau of Mines is experimenting with samples of Arkansas coal to determine if it can be reduced to coke.

Mr. Reed said the Athletic Mining and Smelting Company of Fort Smith could use four cars of coke from Arkansas plants weekly. The company has purchased coke, needed in its zinc smelting operation, from Birmingham. Because of increased demands, the Birmingham company has been forced to limit the smelter to one car a week.

Dr. George C. Branner, state geologist, said the Bureau of Mines had not reported on results of the tests.

Smelters Expanded.

The smelting company recently expanded its plant at a cost of \$100,000, increasing production 25 per cent. The company buys ore from the tri-state area of Kansas, Missouri and Arkansas and recently began importing ore from Mexico.

Arkansas Coal Prices To Be Discussed

Gazette 12-12-40

Washington, Dec. 11 (AP).—The Bituminous Coal Division announced today it would hold a conference to discuss minimum mine prices for certain bituminous coals products in Arkansas, at Fort Smith, Ark., beginning tomorrow morning.

Officials said the conference would discuss petitions filed by producers for revisions in coal code prices; establishment of prices for truck and rail mines not previously classified under the coal act; modification of the established prices for certain trucked coals, including substantial increases especially on coal produced in the Philpot field and establishment of prices for washed coal.

The conference will be attended by representatives of producers, consumers and others.

Arkansas Coal to Be Given To Needy of St. Louis.

Gazette 12-12-40
Fort Smith, Ark., Dec. 11 (AP).—One thousand tons of Arkansas smokeless coal will be donated by coal operators, miners and the Frisco railroad to the needy in St. Louis as a Christmas present.

The cost of the coal delivered in St. Louis will be \$7,500, R. K. Rodgers, president of the Fort Smith Chamber of Commerce, estimated here today. The coal will be divided into 40,000 baskets and distributed among the poor.

St. Louis is enforcing an anti-smoke ordinance and only Arkansas-Oklahoma coals and West Virginia coal, now entering St. Louis, is smokeless.

'Distress' Soft Coal Vanishes From U. S. Market.

Gazette 12-19-40
Washington, Dec. 18 (AP).—Secretary Ices said today that "distressed" soft coal had disappeared almost entirely from the market under federal regulation of soft coal prices at the mines. During November, he said, only 225,591 tons were sold on commercial markets at distressed prices. Soft coal production that month totaled 40,300,000 tons.

The secretary said this had been accomplished by permitting owners of large amounts of coal in grades and sizes not immediately in demand to substitute these coals, usually a more expensive product, in filling orders for a less plentiful but lower priced grade.

COMPENSATION UNIT REVOKES MINERS PERMIT

Insurance Plan Undecided.

Gazette 12-22-40

The Arkansas-Oklahoma Coal Operators Association's temporary permit to act as self-insurer for 46 member companies under terms of the new workmen's compensation act has been revoked by the state Workmen's Compensation Commission.

Chairman Dave Peel of the commission said the revocation was ordered when the association's plan to organize its own company to write insurance policies for member companies fell through.

R. A. Young of Fort Smith, association president, appeared be-

fore the commission when the act became effective December 5 and obtained a 60-day permit to act as self-insurer for members. His request was approved by R. L. Grant, lawyer for the United Mine Workers of America, a C. I. O. union of which a majority of western Arkansas miners are members.

Mr. Young said the association planned to form a reciprocal or stock company to write its own policies. He explained that 60 days would be required to set up the proposed organization. The association posted a \$10,000 bond covering the liability of all 46 companies during this period. The workmen's compensation act provides that each employer of five or more men who desires to become a self-insurer must post a \$10,000 bond or equivalent collateral.

One Death Reported For Benefit Payments.

An employee of the Mack Coal Company near Paris, a member of the association, was fatally injured on the same day the new act became effective. He was Frank Hill, 30, mechanic in a mine three miles west of Paris. He was struck by two runaway pit cars.

Mr. Peel said the death was reported to the commission in accordance with provisions of the act. He said he understood that compensation benefits were being paid to Hill's estate, but added the commission had not been informed of the amount.

"Unless a claim is filed at our office we assume that compensation is being paid," the chairman explained.

Mr. Peel said the 46 coal companies could obtain compensation insurance through a licensed insurance company or apply for authority to act as individual self-insurers. He said none of the companies had applied to the commission for the latter authority.

The association, through Mr. Young, charged in its original application for the 60-day permit that the insurance companies' rate of \$8 per \$100 pay roll was excessive and would amount to 20 cents a ton of coal mined.

Mr. Young said the operators might be forced to close their mines if required to pay the insurance rate approved by the state Insurance Department. He said the mines involved have a gross income of \$3,500,000 a year and a pay roll of \$2,500,000.

Employers Required To Assure Compensation.

The new law requires employers to secure the payment of compensation by:

1. Insuring and keeping insured the payment of such compensation with any stock company, mutual company or reciprocal exchange authorized to do business in Arkansas.
2. Or furnishing satisfactory proof to the commission of financial ability to pay such compensation and "receiving an authorization from the commission to pay such compensation directly."

The commission adopted a resolution requiring all self-insurers under No. 2, without exception, to post \$10,000 minimum bonds or equal security.

The statute provides a fine of not more than \$500 or imprisonment of not more than one year, or both, for failure of any employer of five or more persons to secure the payment of compensation through one of the two approved methods.

Reports of Injuries Show Big Increase.

Riddick Riffel, secretary of the commission, said reports of injuries are increasing. Most of them concern minor injuries which required medical attention and a day or two of lost time.

All payments of compensation must be approved by the commission but Mr. Riffel said compensation is not delayed because the insurance company starts payment on the 14th day after the injury, regardless of whether the rate has received the approval of the commission.

"Should adjustments be necessary, payments can be changed later," he said.

"One of the purposes of the act is to get the compensation started when the injured employee needs the money, and reports show that in several cases compensation has been started but because some of the records have not reached our office, final approval has not been granted on this."

Self-Insurance Plan of Mine Group Fails

Coal Operators Unable to Qualify

Under Law
Gazette 12-22-40

An order granting members of the Arkansas-Oklahoma Coal Operators' Association of Fort Smith authority to operate as self-insurers under the workmen's compensation law for 60 days, has been revoked by the Workmen's Compensation Commission at the suggestion of the association, Riddick Riffel, commission secretary, announced yesterday.

Granted on December 3, the order enabled operators in the Arkansas coal industry to meet and attempt organization of some sort of reciprocal company to write the insurance for the miners, Mr. Riffel said. When the operators met, they decided no reciprocal could be organized.

The coal operators now must either secure coverage from some insurance company, or apply for self-insurance individually, Mr. Riffel said.

Injuries Numerous.

Reports of injuries are arriving from all over the state, he said, adding, however, that no additional compensable cases have been approved. Most of the reported cases are of minor injuries, which require medical attention and the loss of one or two working days.

Mr. Riffel defined a compensable injury as one in which the employee loses more than seven working days and is paid compensation by either the insurance carrier or the employer.

"All payments of compensation must be approved by this office," he stated, "but some days following the injury are consumed in investigating the case, reporting it to the commission and getting the approval."

Compensation, he said, is not delayed because the insurance company is required by law to start the payment on the fourteenth day after the injury, whether approval has been given by the commission or not. If any adjustments are necessary, they may be made later, he said.

Mr. Riffel described "one of the purposes of this act" as being to "get compensation started when the injured employee needs the money."

Possibilities of Coal To Be Determined.

Gazette 12-22-40

Washington, Dec. 21 (AP).—The Defense Commission announced today it had approved the making of a detailed analysis of coal from the Missouri-Kansas-Oklahoma-Arkansas mine area to determine whether it is suitable for manufacture of ammonia and smokeless powder.

Officials said the analysis would begin as soon as possible. Neither the time nor the mines where the tests will begin have been selected. War Department representatives will follow the tests, from the mines to the laboratory.

Spadra Miners Will

Continue Strike
Democrat 12-22-40

Clarkville—Members of the United Mine Workers of America local at the Harding Coal Company mine at Spadra, five miles west of here, voted Saturday to continue a strike called a week ago until a disagreement between the mine and one of the workers had been ironed out, Claude Freeman, local secretary, said.

He said the disagreement arose over re-employing a worker who had been laid off. He said the strike had been called a week ago by the district secretary of the union at Fort Smith.

St. Louis Party

At Hackett

Dedication

Gazette 1-5-41

Fort Smith, Ark., Jan. 4 (AP).—With a crowd which included 14 St. Louis (Mo.) civic leaders looking on, Miss Jane Reeves, University of Arkansas co-ed, broke a bottle of Arkansas wine over the entrance to the new \$50,000 Excelsior Preparation Plant, Inc., at Hackett today dedicating tipples and equipment of the new plant.

Miss Reeves is the daughter of George Reeves, operator of the Ex-

CHRIS'MUS GIF' FROM ARKANSAS

Gazette 12-25-40



WIREPHOTO (AP)

St. Louis, Dec. 24.—Smokeless coal donated by operators and miners of the Arkansas-Oklahoma Smokeless Fuels, Inc., is delivered to one of the 5,000 needy St. Louis families certified by a social agency to receive it. Note sign "Peace, please," on wall of building.

Excelsior Smokeless Coal Corporation. Excelsior joined with several other coal companies in the Fort Smith-Hackett region furnishing smokeless coal to St. Louis consumers in financing construction of the plant.

The plant was built to enable coal operators to take advantage of the Frisco railroad's \$2 per ton trainload rate on coal between the region and St. Louis. Operators whose mines are not on the Frisco truck their coal to the plant where it is processed for shipment.

Russell Coulter, general traffic manager of the Frisco, accepting the tippie in behalf of St. Louis, described it as "another step in solution of the St. Louis smoke problem."

Arriving in Fort Smith this morning, members of the St. Louis party donned miners' caps and accompanied a party of Fort Smith civic leaders to Hackett. They stood on a platform on top of the tippie during the dedicatory ceremony.

Scott D. Hamilton of the Fort Smith Chamber of Commerce served as master of ceremonies and introduced the St. Louis visitors. The Chamber of Commerce entertained the St. Louis group at a luncheon.

Throng Views

Coal Plant's

Dedication

Democrat 1-5-41

Ft. Smith—Stressing its importance and commending Ft. Smith business interests in co-operating with St. Louis in making Arkansas-Oklahoma smokeless coal available for St. Louis, Russell Coulter, traffic manager for the Frisco railroad, accepted the loading tippie of the Excelsior Preparation Plant, Inc., at Hackett City, about 15 miles from Ft. Smith.

The \$50,000 loading tippie was dedicated at a ceremony Saturday afternoon. Coulter headed 14 St. Louis business men and railroad officials who came for the ceremonies, which took place on a platform built on the tippie. Two large bombs were exploded as a signal.

Miss Jane Reeves, daughter of George Reeves, coal operator, broke a bottle of western Arkansas wine against the structure. Several hundred persons were present for the dedicatory program.

Scott D. Hamilton, secretary-manager of the Ft. Smith, Chamber of Commerce, was master of ceremonies and introduced members of the St. Louis delegation and the four coal mining firms co-operating in erecting the tippie and who are George Reeves, Excelsior Smokeless Coal Corporation; Ike Lewis, Quality Coal Company; E. H. Noel, Noel Coal Company.

Climaxing the program, the tippie machinery was started and several freight cars were loaded.

Coal from the mines of the four operators, located on the Midland Valley railroad at Excelsior, will send coal to the preparation plant. Four 12-ton trucks will be used to transport the coal to the plant from the mines.

ST. LOUIS FREE OF SMOKE PALL AFTER 100-YEARS BLIGHT

Gazette 1-7-40

St. Louis, Mo., Jan. 6 (AP).—Smoke—a problem that has haunted St. Louis more than a century—is being chased away by strict enforcement of a new law which attacks the evil at the furnace door.

Receiving its first test this winter, the rigid elimination ordinance virtually has purged the air of the "smog" that produced daytime "blackouts," cost an estimated \$19,000,000 annually and inspired the nickname "Soot Louis." The law is simple. It requires use of smokeless fuel or mechanical firing devices which can burn soft coal without blacking the air.

St. Louis' smoky cousin cities have been watching the experiment and, as its success seems assured, have asked for the formula. Inquiries have come from Nashville, Omaha, Columbus, Cincinnati, Fort Wayne, Des Moines, Knoxville, Cedar Rapids, Pittsburgh, Memphis, Chattanooga, Kansas City, Detroit, New York, Boston, Miami, Richmond, Louisville and Madison, Wis.

Near the end of December the smoke abatement program got its most flattering compliment. A scheduled study of the possible cancer-inducing properties of soot was abandoned here by the National Cancer Institute. There just wasn't enough "black snow" in the air.

Annual Smoke Bill Estimated at \$19,000,000.

St. Louisans were amazed themselves. Many looked upon smoke like the weather: A factor beyond regulation. Smoke so thick as to "render it necessary to use candles at mid-day" had been recorded by a newspaper here in 1823. By 1864, the blight was recognized by physicians as a health problem.

In 1926, St. Louis' annual smoke bill, exclusive of the cost of medical treatment for irritated noses and throats, had mounted to \$19,000,000. This figure, estimated by the Citizens' Smoke Abatement League, included nearly \$5,000,000 preventable loss because of imperfect combustion of coal; \$2,432,000 excessive laundry and dry cleaning bills and \$1,300,000 extra cost of artificial lighting.

Famous 'Black Tuesday' Brings Reaction.

The tightening grip of smoke reached a high point in the fall of 1939, when the city averaged one thick pall every three days. On the last Tuesday of November that year, St. Louis was shrouded by the worst smoke blanket in its his-

tory. Workers coming into the city from the suburbs, where the sun shone brightly, found the downtown district dark as a moonless night. Bright electric signs could not be seen a half block away. Headlights on automobiles crawled through the gloom. Trains were delayed getting into Union station.

Newspapers dubbed that day "Black Tuesday," and editorial writers clamored for a new anti-smoke ordinance—17 abatement laws had failed—with teeth in it. Within two weeks, Mayor Bernard F. Dickmann appointed a committee of seven to diagnose the disease and recommend a cure. Heating experts were heard. Many experiments were made. All proposed solutions were considered.

Probably most important, the committee weighed the economics of an abatement law: The cost to the consumer, particularly the low-income group which buys much of its fuel in baskets, and the effect on some of the city's best customers—towns in the great southern Illinois bituminous coal fields.

Opposition to New Ordinance Soon Fades.

Late in February, 1940, the committee recommended an ordinance requiring that consumers of high volatile (smoke-producing) coal employ stokers to burn it smokelessly, and that all others burn smokeless fuel. The committee said the plan, if properly enforced, was "practically foolproof" because it would eliminate smoke by preventing it at the source.

These principles were written into an ordinance, and the fight for passage began. Producers of high volatile Illinois coal threatened a boycott of the city's products if the ordinance was passed. Railroads wanted nothing so drastic. Nevertheless, the Board of Aldermen passed the ordinance last April 8 by a 28-to-1 vote. Subsequently there was a bandwagon rush of support.

The big Terminal Railroad Association bought 10 Diesel engines to switch trains through St. Louis. Other railroads took similar steps. The threatened boycott by some Illinois coal mining towns died in the bud.

Use of Arkansas Coal Brings Cleaner Atmosphere.

For low volatile coal, fuel dealers turned to the Arkansas-Oklahoma and West Virginia fields. Increased use of stokers—sales jumped 227 per cent—provided a continued

market for Illinois soft coal, however, and experiments are going on to process this fuel and make it smokeless.

Efficacy of the law was proved dramatically on the first anniversary of "Black Tuesday," a day with comparable weather conditions and with rain and fog conducive to a smoke pall. Yet there was virtually no smoke.

Moreover, clear air and more sunshine have not been the only benefits. White-collar workers now are able to live up to their name. Curtains stay clean longer. Housewives hang their washing outside without fear of soot. Airlines no longer cancel flights because of smoky "zero ceiling."

The only discord has been over the higher price of smokeless fuel, but Smoke Commissioner Raymond R. Tucker asserts consumers get more heat value per dollar. In addition, the city succeeded in lowering costs of fuel sold to poor families. The price now is 25 cents for 60 pounds cash-and-carry, 30 cents delivered.

Miners and Operators Prepare To Fight Competition.

Gazette 1-9-41

Muskogee, Okla., Jan. 8 (AP).—Coal miners and operators of three states formed today the legal groundwork of a legislative fight to protect the coal industry from future competition.

Today's deliberations ended a three-day conference of the United Mine Workers of America, District 21, comprising Oklahoma, Arkansas and Missouri.

Look to Coal And Peaches For Good '41

Gave Johnson County One of Its Best Years in 1940.

Democrat 1-12-41

Clarkville—Clarksville and Johnson county look to coal and peaches for continued prosperity in 1941.

Those two products—coming from the depths of the earth and the slopes of the Ozark mountains—are credited with bringing his area in 1940 one of the best business years in its history, and there is every indication that they will lead the way through a prosperous 1941.

The end of the year found every mine, except one, in the "Arkansas anthracite" Spadra coal field working at least six days a week. The one exception, which is the largest producer in the field, is involved in the aftermath of a challenge of the bituminous coal act which it carried to the United States Supreme Court.

Despite the fact that this 1,000-ton-a-day producer was inactive during most of the year, the field's total shipment for 1940 was approximately 3,800 cars, as compared with 3,900 cars for 1939.

In the Philpot soft coal field in the northwestern part of the county, an entirely different field from that at Spadra, an expansion of modern methods of mining was just getting started at the end of the year.

Philpot Field Modernizes.

The Philpot field until recently has been very much the "little brother" of the county's coal industry. Located miles from any railroad and in the first foothills of the Ozarks, the field has used ways of getting the coal out of the ground that appear almost primitive in comparison with the modern operations in the Spadra field.

Improved roads, which have attracted a steady stream of trucks in the past year from Missouri, Kansas, Oklahoma and Iowa and occasionally other states, are changing the picture. The old methods of mining could not produce enough coal to meet the demand. As a result, the first tractor-operated strip pits were opened late in the year, and several operators are talking now of plans to bring coal-cutting machines into the field.

Coal is a prime requisite of any industrial expansion. With the nation, girding itself for defense, apparently headed toward an unparalleled high in industrial activity, the coal people of Johnson county—who include the hundreds of workers necessary to get the coal out of the ground, the merchants who sell them their food and clothing, and the men who operate the mines—find it hard to see how they can "miss," not only in 1941, but for at least the next five years.

Mining 100 Years Old.

Coal and peaches are not new in the county. The coal industry was 100 years old in 1940, for it was late in 1840 that E. B. Alston took the first coal from his mine at Spadra Bluff and sent it down the Arkansas river to Little Rock. And the first Elberta peach trees were set out at Ludwig in 1893.

Gazette 1-13-41 Clean Air for St. Louis and Business For Arkansas.

The holiday season brought many letters of thanks to Mayor Dickmann for a "smokeless Christmas" in St. Louis, whose people are finding in the success of the smoke elimination program the same general gratification that was manifest in Little Rock when Alum Fork water replaced the Arkansas river supply. But Arkansas was in on that smokeless Christmas too, as the source of part of the fuel that has wrought so great a change in the atmosphere of St. Louis.

In certain mines in western Arkansas and eastern Oklahoma, miners who have not had a long spell of unbroken employment for 12 years or even longer expect 10 months of work in 1941, as compared with their previous runs of three to five months a year.

The Frisco's \$2 trainload rate to St. Louis was limited by the Interstate Commerce Commission to coal hauled from loading points on the railroad's own lines. At first this restriction meant that only three big mines were eligible for the \$2 rate (which compares with a \$2.75 carload rate charged by all other roads serving the semi-anthracite territory.) Since the first of the year, however, the installation of a \$50,000 loading tippie at Hackett, Ark., has opened the St. Louis market for four additional mines which are close enough to move their coal to the tippie by truck.

From the Oklahoma portion of the field alone coal is now moving out in trainload shipments at the rate of 25,000 tons a month. Throughout the area, the mines enjoying the \$2 rate are doing capacity business, and the miners who have jobs in them are making more money than they have for years past. The mine communities, and the whole area, are benefiting from the increased buying power. The Frisco railroad, too, is getting a harvest of business which means more employment for train crews and other employees.

There are large cities besides St. Louis within comparatively short distances of the Arkansas-Oklahoma fields which constitute potential markets for the smokeless semi-anthracite that is said to have no rival this side of West Virginia. It may reasonably be hoped that the sales of this coal to the Missouri metropolis may be only the beginning of a mining revival and expansion that will open still larger markets and bring about increased employment and community benefits involving many more mines.

Paris Field Coal Passes Rigid Tests

1-17-41

Special to the Gazette.

Paris, Jan. 16.—Five Paris coal operators, owners of 11 mines in the Paris field, and joint constructors of the Paris coal washery, have been notified that coal processed by them has passed rigid tests of St. Louis coal dealers, assuring a steady market in the now "smokeless city."

Ten cars of coal handled at the washery here, built at a cost of \$50,000, have been marketed in St. Louis and approximately five cars have been sold elsewhere.

Experiments at St. Louis proved that this coal, formerly too dirty for the Missouri city's market, is now of the highly desirable type.

The coal, classified as the washed stoker type, now is being sold in St. Louis at \$2.25 a ton f. o. b. the mines. This is 25 to 35 cents higher than the price of coal of similar size from other states. This price is the same as quoted for Omaha and Kansas City.

Continuation of Coal Act to Be Sought, Ickes Says.

Gazette 1-24-41

Washington, Jan. 23 (AP).—Secretary Ickes said today the last remaining law suit threatening the Bituminous Coal Act soon would be withdrawn and Senator Guffey (Dem., Pa.) would introduce a resolution to continue the legislation. The act controls soft coal prices and sales at the mine in 30 states.

Compensation Policies Canceled

Gazette 1-24-41

Fort Smith, Ark., Jan. 24 (AP).—The Times Record said today that 22 coal operators in Western Arkansas have been notified that workmen's compensation policies held by them have been canceled, effective February 10, by the Bituminous Casualty Company of Rock Island, Ill., the only company writing compensation insurance for coal mines in the field.

The Times Record said the Workmen's Compensation Commission in Little Rock has been notified that the company is withdrawing from the field. Cancellation of the policies by the company followed the organization of the Arkansas Coal Producers Association Inc., recently authorized by the Compensation Commission to underwrite bonds of its 17 members to operate as self-insurers, the paper said.

Insurance Commissioner J. H. Graves said at his home at Judsonia last night that his office had received no notice of cancellations of workmen's compensation insurance for western Arkansas coal operators.

The insurance commissioner's office would be the first state agency to be notified. It would notify the Workmen's Compensation Commission.

Riddick Riffel, secretary of the Workmen's Compensation Commission, said the commission was not aware of any cancellation of the policies.

Compensation Exemption To Be Sought

Gazette 1-29-41

Fort Smith, Ark., Jan. 28 (AP).—The Fort Smith Times Record today quoted "informed sources" as saying exemption from workmen's compensation insurance requirements will be sought for coal operators in western Arkansas and that a bill providing for such exemption was being prepared in Little Rock for introduction in the legislature.

The paper reported last week that workmen's compensation insurance policies of 22 operators in the western Arkansas fields had been canceled, effective February 10, by the Bituminous Casualty Company, Rock Island, Ill., only firm writing compensation insurance for mines in this field. Cancellations followed organization of the Arkansas Coal Producers Association, incorporated to underwrite bonds of its members to operate as self-insurers.

There has been "considerable agitation" among many coal operators concerning the workmen's compensation insurance requirements, a Fort Smith resident interested in the coal business said here last night. The company he represents is not connected with the preparation of the bill mentioned, he said. Many of the 22 operators whose policies will be cancelled by the Bituminous Casualty Company February 10 have small mines, it was said.

Company Operating Coal Mine At Bates Dissolves.

Gazette 1-29-41

A dissolution notice saying the Bates Coal Corporation is "losing money" was filed at Secretary of State C. G. Hall's office yesterday by the company, which operates a mine at Bates, Scott county, where 10 men were accidentally killed last year.

A fatal mine explosion occurred a short time before voters approved the Workmen's Compensation Act at the November 5 election. Under the act, which did not become effective until December 5, beneficiaries of the victims could have received a maximum of \$7,000 each.

Arthur Rains and Ben Bedwell were principal incorporators of the firm.

The McClendon Health Springs Corporation of Hot Springs filed a dissolution notice.

New Freight Rate Boon To Coal Industry

Special to the Gazette.

2-2-41

Paris, Feb. 1. — A "prosperity preview" concerning a new market for western Arkansas coal operators—Memphis, Tenn.—seems to be in the offing for the next "mine-run" as a result of a freight rate reduction recently order by the Missouri Pacific railroad, and of incessant clamoring in the Tennessee city's papers for an "anti-smoke" ordinance for Memphis similar to the one now in effect in St. Louis, Mo. The latter now uses large quantities of western Arkansas coal in their successful effort to rid themselves of the smoke problem.

New Rates For Any Quantity.

New freight rates quoted by the Missouri Pacific railroad, to be placed in effect Wednesday, are for coal shipped in any amount, and are as follows: \$2.70 a ton for lump coal and \$2.46 a ton for slack. Present rates are \$3.07 for lump and \$2.70 for slack. These present rates apply to coal mined in the Excelsior-Hartford, Bonanza and Clarksville-Paris fields.

The present rates of \$2 a ton, put into effect recently by the Frisco lines, applies only to shipments totaling as much as 2,000 tons minimum, and the Memphis demand thus far has not been for orders of this amount often.

Memphis newspapers have begun an attack on the smoke situation in their city with cartoons, news stories, and editorials that bitterly condemned further inaction concerning the "nasty nuisance." They pointed out that St. Louis, now buying only smokeless coal, with a large percentage of it coming from Arkansas fields, practically had eliminated all smoke damage from that city, probably the worst in the country before its "anti-smoke" ordinance was placed in operation. Memphis, the papers said, now is using the smoky grade of coal mined in southern Illinois, Alabama and Kentucky.

Paris operators, commenting on the freight reduction and the agitation for a cleaner Memphis, reported: "The reduction alone should help us to get more of the Memphis business, as previously the high cost of shipping across the Mississippi river has always had our operations checkmated."

Memphis Seen as Big Market.

The Memphis market, they said, if successfully developed, will mean one almost as important to them as the new St. Louis business. The reason, they explained, was that many more producing mines were located on the Missouri Pacific line than on the Frisco, whose \$2 a ton rate into St. Louis never has been met by other railroads. The new Missouri Pacific rates will be directed specifically to those mines in the Excelsior, Hartford, Clarksville, Charleston, Midland, Alix, Ozark, Bonanza and Paris fields.

"So far," explained one Paris operator, "only a few mines from this section, those on the Frisco railroad, have really received any great degree of benefit by the development of the new St. Louis market. But now, with the Missouri Pacific reduction, a Memphis market would be available to nearly all of our mines in this part of the state."

Miners See No Direct Good in New Rates

Democrat 2-10-41

Clarksville—Lower freight rates for coal now in effect on the Missouri Pacific railway, which serves the Clarksville-Spadra coal mining area, will probably reflect no benefit for mine operators of the area until July, it is believed here.

Winter months are off-season for Spadra mines which have been able

A Venerable Industry Is Reborn

Democrat 2-16-41

Western Arkansas' great coal industry is throbbing with new life these days. All because St. Louis wanted smokeless chimneys!

Coal production in 1940 in the western Arkansas-eastern Oklahoma field, which extends over 12 counties, hit 1,500,000 tons, valued at \$5,300,000—a gain of 350,000 tons over 1939 and a great part of the increased tonnage rolled north to turn the wheels of St. Louis industry.

And the surface has barely been scratched in opening new markets for Arkansas coal, say the coal men who have plans well under way to sell Arkansas coal in more places and in bigger quantities.

Memphis, where a campaign for an anti-smoke ordinance similar to St. Louis' is under way, and Cincinnati are two places figured to buy Arkansas coal in the not-too-distant future.

Back of this revival of one of the state's oldest industries was the demand for smokeless fuel in St. Louis. Everyone in the Missouri city was pretty well fed up by late 1939 with the soot-covered situation there. Citizens demanded something be done. They demanded city authorities act to rid St. Louis of smoke. Mayor Bernard Dickmann appointed a Smoke Commission which, unlike previous commissions, this one did something.

St. Louis Did It.

The politicians shook their heads—the mayor was going to pass a law changing the living and working habits of 800,000 people. No, it couldn't be done. But the mayor and his Smoke Commission went ahead and did it anyway.

As for the Smoke Committee, "We were too ignorant to know it couldn't be done," explains James L. Ford Jr., vice president of the first National Bank of St. Louis who headed the successful fight. St. Louis was no novice at this problem of battling the smoke. Smoke has been a problem there a hundred years or more. In 1923 newspapers reported smoke occurring which so discolored rain "as to stain like ink."

The smoke got so bad airliners had to pass up St. Louis—couldn't find the airport. St. Louis leaders decided there was just one way to get a smokeless city—stop the smoke at its source, in the fuel.

Street cars, buses and cars used

Clear Skies in St. Louis Mean Prosperity in Arkansas Mines

to creep through a blanket of smoke area have refused to meet the Frisco at noon on an average day in St. Louis. Now they no longer need burn lights in the daytime. The waste due to smoke was estimated at \$19,147,000 a year. St. Louis' anti-smoke program is paying for itself.

The Smoke Commission made some scientific tests and found the soft coal St. Louis industry was using at that time had a volatile content (smoke) of 50 to 60 per cent. The commission promptly recommended the city adopt an ordinance limiting the smoke content to 23 per cent. It was done.

Supply From Arkansas.

But the fight wasn't over. The alarmists started in about then, declaring there would be a coal famine in St. Louis and the poor would "rise up." Illinois soft coal miners threatened to boycott the big city.

The several years of work of the Natural Resource Committee of the Ft. Smith Chamber of Commerce, in telling the people of St. Louis about the quality smokeless coal of this region, began to bear fruit. Western Arkansas entered the St. Louis coal picture. The St. Louisians realized there was an excellent smokeless fuel source around Ft. Smith, and from then on Arkansas organizations and coal operators never permitted St. Louis to forget the fact. Hard coal of the Arkansas-Oklahoma area had a smoke content of 19 per cent and ranked with the best produced anywhere in the country.

A hitch in the problem was high freight rates. Arkansas operators couldn't ship to the Northern cities and compete against other regions—not and pay the freight rates demanded by the railroads at that time.

Then the Frisco came forward with an idea that solved the problem—or a big part of it. The Frisco put into effect a special \$2 a ton rate on coal moving in 2,000-ton trainloads from the Arkansas-Oklahoma smokeless fields to St. Louis. Since the rate went into effect the mines on the Frisco have been operating steadily—something that never happened to them before.

Other railroads serving the coal

rate. They still are charging \$2.75 per ton for coal in car-load quantities. That 75 cents a ton makes a lot of difference. The mines on the other railroads get some of the St. Louis business but not much.

Miners Reap Benefits.

The answer to this was a new \$50,000 loading tippie on the Frisco at Hackett, Ark. The purpose of that tippie is to open the St. Louis market to the mines which are close enough to the tippie to move their coal there by truck. From there it is shipped to St. Louis over the Frisco. Coal operators whose properties are near Hackett joined in the construction of the tippie.

The whole plan is working out fine. The Frisco is harvesting a record volume of business from its new rate. Miners are working more and making more than they ever dreamed of. The communities in which these mines are located, and the whole area, are benefitting from the increased buying power.

An estimated 150,000 tons of coal was shipped to St. Louis in the comparatively brief period the market there was available in 1940. Had freight rates been more favorable the shipment undoubtedly would have been much higher.

The value of coal produced in 1940 in the Arkansas-Oklahoma area was estimated at \$1,000,000 more than during 1939.

The St. Louis market in the brief time it was available in 1940 meant \$500,000 in new revenue to Arkansas-Oklahoma mines. And a big part of this went to miners as wages. Coal operators claim about 80 per cent of their expenses represent wages of miners. Miner's pay averages about \$5 a day.

The St. Louis volume will grow steadily in 1941, operators believe.

"We are just getting started in St. Louis," one operator declared, "the coming year should see Arkansas coal moving up there in a record volume."

Reduced freight rates on western

Arkansas coal, effective February 5, and a clamor in Memphis for an anti-smoke ordinance, may bring still more prosperity to the state's miners and operators.

Others Follow Suit.

Memphis, if landed, would be virtually a new market for Arkansas coal. The present rate on lump coal from mines in the Clarksville-Paris, Excelsior-Hartford and Bonanza fields, is \$3.07 per ton to Memphis. The Missouri Pacific proposes to cut the rate to \$2.70 a ton on lump, and to \$2.46 on slack—a saving of 37 and 25 cents a ton, respectively, from the Arkansas field to Memphis. The Kansas City Southern has announced it will put into effect a \$2.70 a ton lump and \$2.46 a ton slack rate effective March 5 from west Arkansas to Memphis. The Frisco has a similar rate on coal shipments from west Arkansas to Memphis.

Coal men are happy—pointing out that the high cost of getting their product over the Mississippi has been a barrier which they haven't been able to jump in the past. The Memphis market, if developed, will probably be as important to Arkansas coal mines as the St. Louis market.

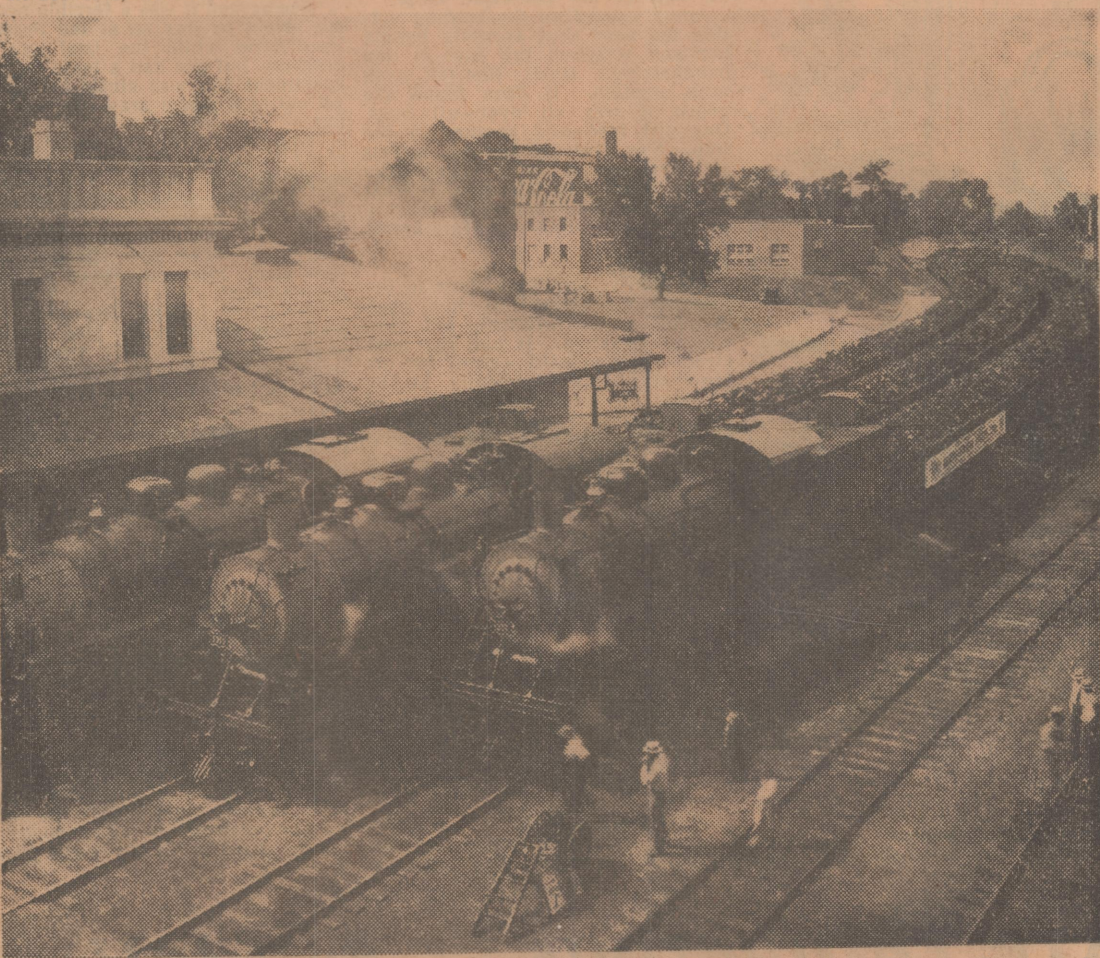
E. W. Hogan, general manager of the Arkansas-Oklahoma Smokeless Coals, Inc., marketing agency for mines of the region, claims western Arkansas and eastern Oklahoma has "the finest semi-anthracite coal in the country. The nearest thing like it is West Virginia coal. But ours is superior. We should be able to give St. Louis better delivery than West Virginia can for we're 400 miles closer to the market. If the railroads will just co-operate, it'll mean \$2,000,000 more a year in revenue to them from this area alone."

Coal mining has been an Arkansas industry for more than a hundred years, but millions of tons lie unmined in the sprawling Arkansas field. In fact, it is said the present rate of production could continue another hundred years without exhausting Arkansas' coal deposits.

Important Industry.

Coal's place in the economic picture of west Arkansas is shown in government figures. The industry is the biggest single factor in Ft. Smith area trade, these figures show, its pay rolls being larger than that of any other one industry. Some 5,000 miners are employed.

The workable coal mining area is estimated at between 300 and 350 square miles and includes the counties of Sebastian, Crawford, Scott, Franklin, Logan, Yell, Johnson and Pope, Sequoyah and LeFlore counties, Oklahoma, just over the line, are considered a part of the Ft. Smith field.



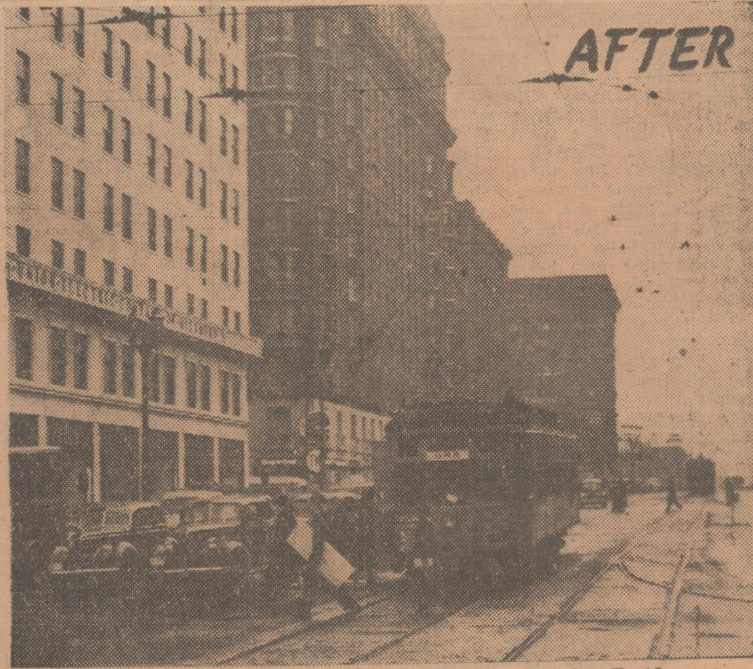
Three trainloads of Arkansas smokeless coal start to St. Louis as the smoke elimination program gets under way.

to serve their local markets by operations through the summer. Only an unprecedented heavy demand could effect movements of local coal until then, despite the favorable new rates.

It is felt also that the weight of a possible new Memphis market would not become evident until summer, whether or not the Tennessee city enacts a new anti-smoke ordinance to open the way for the use of Arkansas anthracite coal.



Montage view of an Arkansas industry that has had a needed shot in the arm.



These "before and after" pictures graphically illustrate what has been accomplished in St. Louis. Both were made at the same corner, at the same time of day, and under similar weather conditions.

New Coal Firm to Hire 150 Men

Special to the Gazette: 2-23-41
Paris, Feb. 22.—The Watson-Excelsior Coal Company, formed by

J. W. Watson and his three sons, J. W. Jr., Robert and Thomas, all of Paris, who filed articles of incorporation last week, have acquired a new mine in the Hackett field and have announced plans for assembling the largest coal producing plant seen in Sebastian county in several years.

The Watsons, operators of mines in the Paris field since its origin, said that the mine, located on the Frisco line, will employ more than 150 men while in full operation and will produce about 700 tons of

coal daily. The mine, they said, will have the advantage of the cheaper freight rates into St. Louis by being on the Frisco Line, and it is for this market that they intend to produce their coal.

One of the advantages resulting from the new mine, observers said, is that it will tend to increase greatly the supply of coal reaching the Missouri market from western Arkansas fields and thus will produce stiffer competition for the Eastern states, who so far, have produced the most coal for this market because of their easier accessibility to the market.

K. & S. Coal Company Ships 73 Cars in February.

Special to the Gazette: 3-9-41
Paris, March 8.—The K. & S. Coal Company of Scranton, experiencing one of its best years in history, shipped 73 cars of coal from its mine during February, making a total of 598 cars shipped during the regular mine "run," which began in April of last year.

MINE CLOSING PROTESTED.

Representative Herbert E. Strickland of Altus accompanied a Franklin county delegation which called on Governor Adkins yesterday to protest closing of the Quality Coal Company's mine at Alix. After a telephone conversation with state Mine Inspector Joe W. Fitzjarrell of Fort Smith, Governor Adkins sent a message asking the federal Bureau of Mines to make an inspection to determine whether the mine could be reopened. Mr. Fitzjarrell closed the mine as unsafe several weeks ago. The mine, at which Mr. Strickland formerly was employed, is said to extend beneath the Arkansas river to a point below an opposite bank.

Federal Inspectors to Visit Franklin County Mine.

Gazette 3-13-41
The federal Bureau of Mines will send two inspectors to the Quality Coal Company's mine at Alix, Franklin county, to determine whether it could be safely reopened, Governor Adkins was informed yesterday.

The governor requested a federal inspection after a Franklin county delegation protested the closing at a conference Tuesday. State Mine Inspector Joe W. Fitzjarrell of Fort Smith ordered the mine closed several weeks ago. Mr. Fitzjarrell was consulted before the request was made.

Federal Mine Inspection Bill Passes House

Gazette 3-14-41

Washington, March 13 (P).—Annual federal inspection of all coal mines was approved by the House today without a vote in opposition. The bill, endorsed by the United Mine Workers, had been before Congress more than a year.

The measure, by Representative Flannery (Dem., Pa.) goes to the Senate, which approved a similar inspection bill in January of 1940 and sent it to the House where it died in committee.

An annual inspection by the Bureau of Mines, and such additional inspections as were deemed necessary by the secretary of the interior,

of Franklin county citizens protested the mine's closing, ordered by state Mine Inspector J. W. Fitzjarrell of Fort Smith several weeks ago. The inspection will determine whether it would be safe to reopen the mine, which tunnels beneath the Arkansas river.

Hearing of Arkansas Coal Agency April 3.

Gazette 3-19-41
Washington, March 18 (P).—Application by Arkansas-Oklahoma Smokeless Coals, Inc., regional marketing agency, for provisional approval of agency contracts covering the sale of coal in market Area 40 which embraces St. Louis and nearby areas in Missouri and Illinois, was set by the Bituminous Coal Division today for hearing in Washington on April 3.

Some Miners Will Continue To Work

Gazette 3-19-41

New York, March 18 (P).—Fear of a nation-wide work stoppage in the soft coal industry dimmed today when the C. I. O. United Mine Workers agreed to permit 120,000 miners outside the Appalachian area to continue work after the present Appalachian wage contract expires April 1.

This permission did not involve the 330,000 miners in the eight-state Appalachian area for which union-operator negotiators are attempting to draw a new contract. But a spokesman for the miners said he believed Appalachian operators would concede enough to permit Appalachian miners to continue work also.

The transappalachian miners were permitted to continue work only if operators in the 16-state area agreed to make retroactive to April 1 any wage increases or improvement in conditions that might result from the Appalachian contract or individual contracts in the outside area.

The permission stipulated all contracts signed by district union officers with outlying operators on this basis contain a clause providing the union could cancel the contract by giving seven days notice.

Arkansas Affected.

Outlying coal areas produce 120,000,000 tons of soft coal annually while the Appalachian area produces 330,000,000 ton., or 70 per cent of the entire bituminous output in this country.

The union said railroads, utilities, and manufacturing companies in the areas outlying the Appalachian had requested the union to permit miners to continue work inasmuch as coal storage facilities in those areas were insufficient to prepare for a possible stoppage.

Outlying districts affected Indiana and Illinois, the largest producers, and Washington, Iowa, Kansas, Missouri, Colorado, Utah, New Mexico, Alabama, Arkansas, Oklahoma, Texas, Wyoming, western Kentucky and Montana.

The Appalachian area, the contract for which is normally the basis for the outlying areas, include Michigan, Ohio, Pennsylvania, Maryland, West Virginia, Virginia, eastern Kentucky and Tennessee.

No Decisions.

A union spokesman said the negotiators had "only hit the fringes" of the union's demands. The miners principally seek a \$1-a-day wage increase, paid vacation, and 200 guaranteed work days a year.

Clark County Lignite Field Being Surveyed.

Special to the Gazette: 3-23-41
Gurdon, March 22.—The Arkansas Geological Department, under the direction of Louis E. Crutchfield, district supervisor of Little Rock, began a survey in Clark county this week to locate and measure lignite (a variety of coal), deposits, which are in demand. Lignite in Clark county is equal in quality to that from abroad.

The federal government is supervising the work. C. C. Walker, foreman of the mineral survey in Clark county, is conducting the tests.

Extension of Soft Coal Act Approved.

Gazette 3-25-41
Washington, March 24 (P).—The House Ways and Means Committee approved today a bill to extend the life of the Guffey coal act for two years and establish a Consumers Council independent of any other

governmental agency. The existing coal act expires April 25. The Guffey act permits the government through the Bituminous Coal Commission to regulate the coal industry by establishing minimum prices and marketing districts.

Work in Coal Fields To Be Suspended

Gazette 3-30-41

Fort Smith, Ark., March 29 (P).—Operations in most of the Arkansas-Oklahoma coal fields will be suspended at midnight Monday pending negotiation for a new labor agreement, the joint board of the Arkansas-Oklahoma Coal Operators Association and District 21 of the United Mine Workers announced tonight.

A scheduled wage conference between representatives of the miners and operators here today was postponed. Pete Stewart, Fort Smith, commissioner for the coal operators, and David Fowler, Muskogee, District 21 president, conferred at Muskogee this afternoon.

The joint board issued the following statement, signed by Mr. Stewart and Mr. Fowler.

"As per instructions from the junior wage conference, we advise that at the expiration of our agreement midnight, March 31, the joint conference will continue negotiating a new agreement and a suspension is agreed upon until such agreement has been consummated.

"It is further agreed that a sufficient number of employees will be permitted on April 1 to withdraw all machinery from dangerous points and that sufficient crews will be permitted to work to pump water and to timber in case of emergency."

The operators association represents coal operators who produce 95 per cent of the coal marketed from Oklahoma and Arkansas, while the United Mine Workers of America claims a membership of 8,000 in the two states.

Wage Dispute To Close State Mines

Democrat 3-30-41

Ft. Smith.—Officials of the Arkansas Oklahoma Coal Operators Association and representatives of District 21, United Mine Workers of America, announced yesterday that work would be suspended in all affected mines upon the expiration of present contracts at midnight Monday.

This announcement was made, after a wage scale conference between association officials and U. M. W. A. representatives, scheduled here yesterday, was postponed following a conference Friday at Muskogee, Okla. The announcement was made by P. R. Stewart, Ft. Smith, commissioner for the operators association and Dave Fowler, Muskogee, president of District 21 U. M. W. A.

The conference Friday, at which future contract negotiations were discussed, was between Stewart and Fowler. Work at the mines will be suspended until details of a new contract have been agreed on, officials said. The present contract has been in effect two years.

The operators association represents coal operators who produce 95 per cent of the coal marketed in Arkansas and Oklahoma. The U. M. W. A. has a membership of approximately 8,000 in the two states.

Emergency Crews Provided.
In the announcement concerning the suspension of work it was stated that it had been agreed that a sufficient number of employees will be permitted on April 1 to withdraw all machinery from dangerous points, and that sufficient crews will be permitted to work to pump water and to timber in case of emergency.

In the event any coal operator desires work for the protection of his mine, the commissioner will assign investigators to ascertain the facts and if an emergency exists, the commissioners will grant his request.

It was pointed out that although the suspension will affect most mines in the two state area, the present season run now is practically over.

Miners in District 21 are seeking

the same terms as are miners in the Appalachian area, who are negotiating now at New York City. These terms include a \$1 a day increase on a seven hour a day work basis and a guarantee of 200 working days a year. Contracts in District 21 are signed separately, but usually follow the same pattern as that in the Appalachian group.

Report Says Closure Of Mine Justified.

Gazette 4-23-41
State Mine Inspector Joe W. Fitzjarrell of Fort Smith was "fully justified" in attempting to close the Quality Coal Company's No. 1 mine, 2 1-2 miles west of Altus, where a "very serious flood hazard" existed, two inspectors of the United States Bureau of Mines reported yesterday.

Governor Adkins received the report from R. R. Sayers, bureau director, after having requested the inspection. A Franklin county delegation protested the closing early last month.

The report, signed by C. A. Herbert of Vincennes, Ind., supervising engineer, disclosed that:

Conditions at No. 1 mine and the adjoining mine of the R. H. Smith Coal Company were "almost identical" to those at a mine near Braidwood, Ill., where 69 men were drowned in 1883. The mines extend beneath the bed of the Arkansas river.

A "severe break" occurred in the roof of the Smith mine on March 3, the date on which officers of the miners' local union wrote to Governor Adkins that No. 1 was "perfectly safe." They complained the company was unable to get workmen's compensation insurance because of Mr. Fitzjarrell's closing order.

The state mining law, he said, is not clear regarding the state inspector's authority and legal procedure to close mines. Mr. Fitzjarrell had tried in Circuit Court "without success" since August, 1939, when No. 1 first went under the river. It was operated after he posted condemnation notices.

J. B. Hynal of McAlester, Okla., made the inspection with Mr. Herbert. They were assisted by Mr. Fitzjarrell and R. E. Welch, engineer and member of the state Mining Board.

The Coal Wage Fight and The South's Freight Rates.

With the question of wage equality for Northern and Southern soft coal miners is tied up the question of freight rate equality between Northern and Southern shippers of products of all kinds.

Resumption of soft coal mining has been delayed because Southern mine operators have refused to give up the wage differential of 40 cents a day which they have enjoyed over their Northern competitors. Southern spokesmen contend that discriminatory freight rates place them under an arbitrary handicap, and that the difference in freight costs must be equalized by a difference in wage costs if they are to compete on an even basis. When this aspect of the coal controversy was brought up at a White House press conference last week, President Roosevelt said that he hoped to see the freight differential operating against the South abolished.

In the matter of wage scales generally, the trend of recent years has been toward rejecting regional differentials favoring the South. The lower Southern wages provided for eight years ago in most of the NIRA codes vanished when the Wages and Hours act was passed in 1938. That measure explicitly forbids the setting of different wage standards "solely on a regional basis."

But if lower wage standards are to be denied the South's industries on a regional basis, it certainly seems only just that freight rate advantages extended to Northern industries on a regional basis should likewise be taken away. The fight over Southern coal mine wages may benefit the South in its freight rate battle.

Coal Miners Wage Conference To Open Tomorrow.

Gazette 5-4-41
Fort Smith, Ark., May 3 (P).—Preliminary conferences between representatives of the United Mine Workers of America (C. I. O.), District 21, and the Arkansas-Oklahoma Coal Operators Association for a new wage contract in the Arkansas-Oklahoma field will open here

at 2 p. m. Monday.

The mines have been closed since the national coal shutdown a month ago. The work stoppage in this area was agreed to by miners and operators when contract negotiations failed.

P. R. ("Pete") Stewart, commissioner for the association, was not in Fort Smith tonight and could not be reached for a statement.

Coal Miners Demand Higher Wages

Gazette 5-6-41

Fort Smith, Ark., May 5 (P).—C. I. O. coal miners of Arkansas and Oklahoma presented to the Arkansas-Oklahoma Coal Operators Association today a demand for a \$1 a day wage increase in the basic scale, with larger increases for higher brackets.

David Fowler, president of District 21, United Mine Workers of America, announced the demand following a conference between committees representing the miners and the coal operators.

R. A. Young, Fort Smith coal operator, said a conference of coal operators of the two states probably will be held here Wednesday to consider the miners' demands. Mines in this area have been closed by agreement between operators and miners since the national coal mining stoppage a month ago.

The present average basic day rate in the Arkansas-Oklahoma fields, Mr. Fowler said, is \$5.49, and the union is seeking to raise this to \$6.49. He said the present machine or mechanical loader's pay was \$5.71 a day, and the union wanted this increased to \$7.11.

There are approximately 8,000 union miners in the two states. The coal operators association represents 95 per cent of the coal mines

Cancellation of Mine Lease Appealed to High Court.

Gazette 5-6-41
The Rains Coal Corporation of Midland asked the Arkansas Supreme Court yesterday to set aside a Sebastian Chancery Court decree cancelling its three-year lease agreement with the Southern Coal Company, Inc., of Memphis to mine the Southern company's properties in Sebastian county.

The Southern company charged the Rains corporation had violated the agreement by abandoning operation of the properties February 1, 1940.

Other Appeals.
The Missouri Pacific Lines appealed from a Crawford Circuit Court judgment awarding \$1,133 damages to H. Rouw Company of Van Buren after strawberry shipments out of the state were said to have been damaged because of improper refrigeration.

The Livingston Grocery Company of Blytheville appealed from a Mississippi Circuit Court judgment awarding \$7,735 damages to J. S. Baker for alleged personal injuries he received in a traffic accident at Blytheville in January, 1938.

Arkansas Coal Case Hearing Date Changed

Gazette 5-18-41
Washington, May 17 (P).—Revision of its hearing calendar was announced today by the Bituminous Coal Division, with this change:

Arkansas-Oklahoma Smokeless Coals, Inc., regional marketing agency, Fort Smith, Ark., hearing on agency's petition for provisional approval of agency contracts covering sale of coal in Market Area 40 which includes St. Louis and nearby Missouri territory, changed from May 27 to June 4 in Washington.

Possibilities Seen in Lignite On Crowley's Ridge.

Gazette 5-29-41
Lignite, valuable as a fuel and in rubber and paint manufacture, is offering good development prospects for Crowley's Ridge landowners, after having been mined extensively in south Arkansas many years ago.

Arkansas has an abundance of lignite, Dr. George C. Branner, state geologist, said yesterday. Its development has been retarded because it cannot successfully compete with natural gas and bituminous coal. A St. Louis firm is reported to be interested in buying lignite in carload lots from eastern Arkansas.

Dark Hollow, near North Little Rock, was believed to have lignite deposits. It finally was decided that the substance was peat.

Fires formerly burned through

lignite deposits beneath the present Dixie Bauxite Company properties at Sweet Home.

Lignite mines in the Camden area have been closed about 25 years.

Coal Mine Near Ozark Due For Production by August 1.

Special to the Gazette. 6-1-41
Ozark, May 31. — The Quality Coal Company, directed by Isaac Lewis of Greenwood, is sinking a 57-foot shaft on the T. M. Davidson farm, southeast of here, to reach a vein which varies from 18 to 24 inches. Three shifts of men are working, and the coal will be ready for mining not later than August 1, officials said.

Coal Mines May Reopen In Few Days

Gazette 6-11-41

Muskogee, Okla., July 10 (P).—Dave Fowler, president of District 21 of the United Mine Workers of America (C. I. O.) said today that a contract with coal operators in Arkansas and Oklahoma would not be ready for at least several days.

"We are practically agreed on all major points, but have not agreed on the language of the final contract," Fowler said after a closed meeting here with the subcommittee of the Arkansas-Oklahoma Coal Operators Association.

It was reported that the new contract would be similar to the temporary contract signed six weeks ago which provided broadly for pay increases averaging \$1 daily. It will be for two years to succeed the old two-year contract which expired April 1.

Fowler said all mines in the two-state area which normally would be functioning would continue to operate under the terms of the temporary contract pending signature of the two-year contract.

Operators of Two States Get Shafts in Readiness.

Gazette 6-11-41
Fort Smith, Ark., July 10 (P).—Coal operators in Arkansas and Oklahoma are "tuning up" their mines preparatory to the resumption of operations.

Signing of the contract will touch off one of the most promising coal running seasons in the two states in a decade.

P. R. Stewart, commissioner for the operators, and David Fowler, Muskogee, president of the U. M. W. A. in District 21, informed mine operators that they might "prepare mines for the running season" at the conclusion of the conference yesterday.

The Bonanza Coal Company of Bonanza, Sebastian county, filed incorporation articles, listing 15 shares of capital stock of \$100 par value each. Incorporators were H. W. Young, Fort Smith, I. Scales, Fort Smith, and C. Vervack, Greenwood. **See 7-2-41**

Agreement In Offing, Mine, To Open Soon

Democrat 7-10-41
Fort Smith (P).—Coal operators in Arkansas and Oklahoma today were busy "tuning up" their mines preparatory to resumption of operations.

A contract between coal operators and the United Mine Workers of America is expected to be signed "at any time."

Signing of the contract will touch off one of the most promising coal running seasons in the two states in a decade.

The sub-scale committee of the Arkansas-Oklahoma Coal Operators' Association and union representatives were together again in conference at Muskogee, Okla., today after progress was made in a similar conference at a hotel here yesterday afternoon.

P. R. Stewart, commissioner for the operators, and David Fowler, Muskogee, president of the UMWA, District 21, informed mine operators that they might "prepare mines for the running season" at the conclusion of the conference yesterday.

Stewart said that word was passed on to the operators that they might get their mines in running shape "in the belief that an agreement will be reached within a few days, possibly at the Muskogee conference."

The contract to be signed will be for a two-year term. The old two-year contract expired April 1.

Coal Miners Back to Work Tomorrow

Gazette 7-16-41

Fort Smith, Ark., July 15 (P).—P. R. Stewart, commissioner for the Arkansas-Oklahoma Coal Operators Association, announced today that the association and officials of District 21 of the United Mine Workers (C. I. O.) had ratified a new two-year contract and that mines of the region would begin operations Thursday.

Operators met here and union officials at Muskogee, Okla., to ratify the new contract which will return to work approximately 9,000 miners, idle since the old contract expired April 21. Mr. Stewart said a joint statement would be issued tomorrow. Terms of the new contract have not been announced.

Approximately 100 coal operators from the two states attended the session here. Some 9,000 miners are affected.

New Contract to Be Signed At Muskogee Today.

Muskogee, Okla., July 15 (P).—Coal miners and operators of the Oklahoma-Arkansas district approved unanimously today a working contract and arranged to sign it at a ceremony here at 11 a. m. tomorrow.

The contract, between the United Mine Workers Union (C. I. O.) and the mine operators, was worked out by scale committees representing both groups. The operators association voted approval at a meeting in Fort Smith, and the miners approved it here.

The new contract calls for an increase of \$1 a day for day workers, 75 cents a day for boys doing boys' work, and \$1.40 a day for work on conveyor lines.

It provides also an increase of 11 cents a ton for loaders after machines, 12 cents increase on pick mining, and 15 per cent increase on yardage and dead work.

The miners also will receive two weeks vacation with pay.

Power Plant in Coal Fields Under Consideration.

Gazette 7-17-41
Construction of a medium sized steam-operated power plant in the western Arkansas coal fields to supply power for coal mining operations is being considered by Arkansas business interests, state-house sources said yesterday. Plans call for the selling of surplus power to the Oklahoma Gas and Electric Company and the Southwestern Gas and Electric Company. These two concerns now supply most of the power for western Arkansas.

A 50,000 kilowatt plant fired by pulverized coal would cost \$5,236,000. A. P. Learned, engineer for the Kansas City (Mo.) engineering firm of Black & Veatch, estimated for the state Utilities Commission. Power could be generated at less than four mills per kilowatt hour, he said. A point on Mulberry creek has been mentioned as a logical site.

Coal Price Revisions To Be Studied at Fort Smith.

Gazette 7-30-41

Fort Smith, Ark., July 29 (P).—Price revisions on certain types and classifications of coal and reclassification of some of the coal as to size, requested by various operators of Eastern Oklahoma and Western Arkansas, will be studied in a series of hearings to be conducted by the Bituminous Coal Division here tomorrow morning.

Representatives of the Legal Department of the Bituminous Coal Division will be in charge of the hearings. Testimony taken will be passed on by the Bituminous Coal Division at Washington. No decisions will be made here.

Hearing Opened on Petition For Higher Coal Rate.

Gazette 8-2-41
Fort Smith, Ark., Aug. 1 (P).—D. C. McCurtain of Washington, examiner for the Bituminous Coal Commission, opened hearings here today on the petition of five Excelsior field mines for establishment of a uniform \$4.25 per ton basic rate for their product. The rate would be f. o. b. at the mines. Present average rate is approximately \$3.61. The hearing will continue through tomorrow. Testimony and examiner's recommendations

will be submitted to the commission.

Petitioners are the Excelsior Thin Vein Coal Company, Watson-Excelsior Coal Company, Boyd-Sicard Coal Company, Peerless-Excelsior Coal Company and the Harper-Thornton Coal Company.

Supervision of Coal Price Fixing Sought.

Gazette 8-5-41

Washington, Aug. 2 (P).—Luther Harr, head of the Consumers' Counsel Office, filed today with the Bituminous Coal Division, a petition "to bring under strict supervision of price-fixing activities" of 14 soft coal marketing agencies, which control 30 per cent of the commercial soft coal tonnage.

Harr said further steps may be taken to exhaust every legal procedure for protecting bituminous coal consumers against unreasonable price increases.

Harr last week filed a petition seeking establishment of maximum prices for soft coal producers generally, regardless whether they are members of marketing agencies.

Marketing agencies are voluntary organizations of producers formed to promote coals of their territories and to boost sales. Today's petition named the following agencies:

Appalachian Coals, Inc., the largest soft coal producers' marketing agency, operating in West Virginia, Virginia, Kentucky and Tennessee; Smokeless Coal Corporation, operating in West Virginia and Virginia; Alabama Coals, Inc.; Middle States Fuels, Inc., of northern Illinois; Fairmonth Coals, Inc., northern West Virginia; Arkansas-Oklahoma Smokeless Coals, Inc.; Southwest Coal Company, operating in Kansas, Missouri and Oklahoma; Southern Illinois Coals, Inc.; Kentucky Coal Agency, Inc.; Western Pennsylvania Coal Corporation; Upper Buchanan Smokeless Coals, Inc., of Virginia; Belleville Fuels, Inc., Illinois; Brazil Block Fuels, Inc., Indiana, and Indiana Coals Corporation.

Coal Companies Seek Reduced Power Rate

Democrat 8-3-41
Reduction of electric rates of the Southwestern Gas and Electric Company was sought by nine Sebastian County coal companies in a complaint filed with the State Department of Public Utilities yesterday.

The companies claimed that power was purchased for resale to them from the Public Service Company of Oklahoma, described as an affiliate of Southwestern.

The protesting companies were the Boyd-Sicard Co., Peerless Coal Co., Harper-Thornton Coal Co., Boyd-Excelsior Operating Co., Quality-Excelsior Coal Co., E. H. Noel Coal Co., Excelsior-Thin Vein Coal Co., R. A. Young and Son Coal Co., Ft. Smith-Bonanza Coal Co., and Steegle and Co., Inc.

NEW FIRM TO MAKE DYE FROM SOUTH ARKANSAS LIGNITE

Special to the Gazette. 8-24-41

El Dorado, Aug. 23.—By October 1, south Arkansas will have a new industry in operation, with the beginning of production of van dyke dye, a basic dye, by the Arkansas Dye and Chemical Company, Inc., incorporated this week by four Union county men and a Czech-Slovakian dye chemist.

The incorporators and directors are Frank Anthony, Union county lumber and oil man, president; A. J. Zuckerberg, former operator of a dye plant in Sudetenland, Czechoslovakia, vice president; Herbert M. Gregory, former traffic counsel of the El Dorado Chamber of Commerce, secretary, and E. E. Paxton, El Dorado business man, treasurer. Garland Anthony, brother of Frank Anthony, is the fifth member of the firm. The firm was incorporated at \$12,500, with all stock paid in.

Construction of a 50 by 150 foot concrete and steel building will be started Monday on a four-acre tract eight miles north of El Dorado on Highway 167.

The factory will work 24 men five days a week on continuous eight-hour shifts.

The chemist, Mr. Zuckerberg, who will superintend operations, was forced to leave Czechoslovakia when the Germans occupied Sudetenland. His family had operated dye plants in that area for several generations.

To Make Dye From Lignite.
The dye will be manufactured

from lignite, which will be obtained from a 3,000-acre tract in Ouachita county, recently leased by the company. Officials said that the tract contained a large enough supply to last many years.

The lignite will be trucked to the factory by company-operated vehicles and sent to marketing centers by the Black Transfer Lines of El Dorado.

Officials said that much of the lignite was available in outcroppings and that its mining would be relatively simple for several years.

The type of dye to be manufactured here is used to color paper and many types of furniture.

Dye Plant Planned For El Dorado

Democrat 8-24-41
El Dorado—Announcement has been made of the establishment of a new industry in the El Dorado area financed by a group of El Dorado citizens.

The new company is the Arkansas Dye and Chemical Company, Inc., and the production of van dyke brown dye, a basic dye, is scheduled to begin about October 1.

Incorporation papers were filed with the secretary of state's office this week with Frank Anthony, lumber mill operator and oil man of El Dorado and Calton, heading the company with three other El Dorado men and an expert dye chemist formerly of Czechoslovakia.

Anthony is president of the company with the following other officers: A. J. Zuckerberg, Czechoslovakia, vice president; Herbert M. Gregory, secretary; E. E. Paxton, treasurer. Garland Anthony also is associated with the firm which has a capital stock of \$2,500 with all of the stock paid in.

The plant will be located on the Calton highway about eight miles northeast of El Dorado. Construction of the steel and concrete plant, 50 by 150 feet, is scheduled to begin Monday on a four-acre tract.

Zuckerberg, member of a family which operated a dye factory in the Sudetenland of Czechoslovakia for many generations, will be in active charge of the operations. The factory will have a pay roll of 24 men with eight shifts will be employed five days a week.

The plant will manufacture dye from lignite located on a 3,000 acre tract recently leased by the company in Ouachita County. The supply of lignite is sufficient to last for many years, according to officials of the company. There are understood to be other deposits in Union County from which more can be obtained.

The lignite will be trucked to the plant and contract already has been let to the Brack Transfer Company of El Dorado to take the finished product to more than 25 shipping points in the nation.

Production Started at New Coal Mine Near Ozark.

Special to the Gazette. 9-7-41
Ozark, Sept. 6.—The first four cars of graded coal from the new Lewis mine, three miles south of here, were shipped from the loading station here over the Missouri Pacific yesterday. A special tiddle has been built for the loading. Production of the mine will reach six cars a day in about 30 days, mine officials estimate. An established market has been obtained in Missouri, Nebraska and Iowa. About 100 men will be employed in the mine, on the T. M. Davidson farm.

Defendant Winner In Coal Mine Suit

Democrat 9-24-41
Ozark—A verdict in favor of the defendant was rendered by a Circuit Court jury here in the suit of Jim Lewis against R. H. Smith for \$29,760. The suit was based on alleged infringement on mining properties in the Denning coal field. Both Lewis and Smith are mine operators.

Mine Inspections May Start in December.

Gazette 10-2-41

Washington, Oct. 1 (P).—The Bureau of Mines said today it hoped coal mine inspections and investigations, under the new mine inspection act, would get under way early in December.

Actual operation of the inspection program has been delayed, a spokesman said, by the long processes of selecting inspector personnel through Civil Service examinations. The bureau plans to hire 107 inspectors, five electrical engineers and five explosives engineers.

A recommendation already has

gone to the Civil Service Commission for employment of 50 men who already have passed the required inspector examinations. After the men are hired they must take six weeks' special training at the bureau's Pittsburgh experiment station, after which they will be sent to various headquarters in the field. Field headquarters being established include Birmingham, Ala., and McAlester, Okla.

Survey Will Be Made of Coal Reserve.

Gazette 11-14-41
Dr. George C. Branner, state geologist, announced yesterday that John Evans, Little Rock coal dealer for 32 years, will begin a survey of coal deposits today to determine the reserve available for use in steam-generating power plants at the mouths of Arkansas mines.

Results of the survey will be transmitted to H. K. Thatcher, director of the Washington office of the state Agricultural and Industrial Commission, as the basis of a plan to utilize coal in supplementing the state's power supply for industry.

R. A. Young Enters Machinery Business.

Gazette 12-9-41
Camp Chaffee's cantonment and maneuver area includes the principal mining territory of the R. A. Young & Son Coal Company, officials of which have entered the machinery business. R. A. Young Sr., Fort Smith, said here yesterday.

Mr. Young, a major producer, owned 478 acres and leased an additional 1,100 acres taken in by the government, he said. His company retains mines at Bonanza, Sebastian county, and Bates, Scott county.

C. E. Higgins, who formerly operated the C. E. Higgins Coal Company, has become Little Rock manager for R. A. Young & Son, machinery and equipment dealers, with offices at 634 Pyramid building. Horace W. Young of Fort Smith, son of R. A. Young Sr., is company manager. The Young interests operate the Camp Chaffee Transit Company, which runs buses between Fort Smith and the camp.

Army Asks Bids On Arkansas Coal.

Gazette 1-2-42
The Chicago quartermaster's office of the army has called for bids on 3,000 tons of Arkansas bituminous coal, to be delivered at Jefferson Barracks, Mo., the Little Rock branch of the Office of Production Management announced yesterday. Bids must be submitted by January 9. Included in the bids is another lot of 12,000 tons of coal to be delivered to points in Missouri, Kansas, and Indiana.

The army has also called for bids on 60 to 70 carloads of boneless beef. OPM officials said about 22,000 pounds would go to Camp Robinson and a total of 30 carloads would be delivered to camps in Arkansas and adjoining states.

Information on bidding may be obtained from the Chicago quartermaster or from OPM office in the Rector building.

R. K. Rodgers Heads Coal Producers

Gazette 1-7-42

Fort Smith, Jan. 6 (P).—R. K. Rodgers, Fort Smith, was re-elected president of the Arkansas Coal Producers Association this afternoon. George Reeves, Paris, was elected vice president.

B. E. Reed, Paris, was elected secretary-treasurer. Guy Johnson, George Meinmier, Afton L. Mitchell and B. T. Wood, all of Paris, and Isaac Lewis, Greenwood, were elected to the Board of Directors.

Higher Coal Rate Will Be Opposed.

Gazette 1-4-42
An effort by Class I railroads to increase freight rates 10 per cent will not be protested by the Arkansas Corporation Commission but a proposed inequality in rates on coal will be vigorously opposed, Rate Chief T. E. Wood announced yesterday.

Mr. Wood will attend a hearing on the railroads' application for almost blanket increases before the Interstate Commerce Commission at St. Louis tomorrow. The carriers based their request on higher wages being paid under the rail-

road labor act. They asked a 10 per cent increase in all rates except those on coal and iron ore.

"It is estimated that the proposed increase will adequately take care of the increased wages and operating costs," Mr. Wood said. "The hearing will be a co-operative one in that three commissioners selected by the National Association of Railroad and Utilities Commissioners will sit with members of the I. C. C.

Uniform Rates Sought.
"The Arkansas Corporation Commission is now antagonistic to any increases that the record will prove to be justified by reason of additional operating expenses, but will take the position that increases should be uniform as to all territories."

"In the matter of coal, for instance, the petitioners asked for an increase of five cents per net ton, or six cents per gross ton, in Eastern and Southern territories. But in Western territory, which includes Arkansas, it is proposed to increase the rate 10 cents per net ton when the rate is more than \$1 per net ton. Probably 90 per cent of the coal moved in the Southwest takes a rate of more than \$1."

Would Limit Higher Freight Rate on Coal.

Gazette 1-15-42
St. Louis, Mo., Jan. 14 (P).—Any increase in freight rates on coal that may be authorized by the I. C. C. should be only temporary, preferably with a definite expiration date, in the opinion of Karl D. Loos, spokesman for the National Coal Association.

Loos was one of the final witnesses before the commission as it wound up an eight-day hearing on the request of the nation's railroads and water carriers for a general 10 per cent increase in freight and passenger rates. He said any new tariff should be treated only as an emergency measure. If no expiration date is fixed, he said, the commission should retain the power to alter or suspend the rates at any time. His line of argument was followed by numerous other coal and coke representatives.

POWER CAN BE MADE CHEAPLY AT COAL MINES

Low Cost Reserve Available.

Gazette 1-18-42

Sufficient reserves of low-cost mine-run and slack coal are available in the western Arkansas coal fields to warrant construction of two huge steam generated electric power plants, state Geologist George C. Branner said last night. A survey of the area, Dr. Branner said in a report prepared at the direction of Governor Adkins, showed 125,000 kilowatt capacity plants could be established at Fort Smith and near Clarksville on the Arkansas river.

"The conclusion *** that power can be generated by these plants at a remarkably low rate seems to be justified from the data presented," Dr. Branner said in a letter to Mr. Adkins.

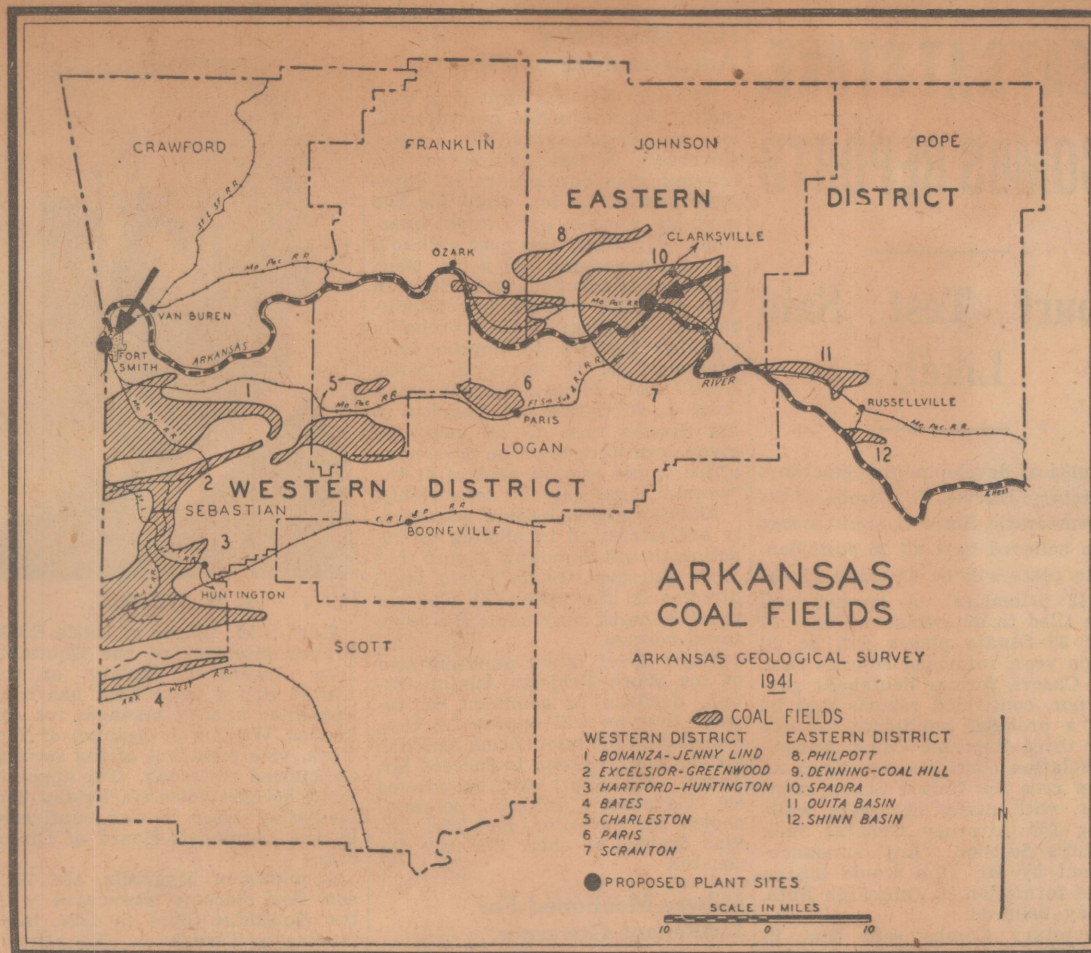
The survey was made by John F. Evans and public officials, mine operators, utility executives and private citizens co-operated in the three-month study.

The western Arkansas area was divided into two districts — one around Fort Smith and one around Clarksville. Fields in the western district are Bonanza-Jenny Lind, Excelsior - Greenwood - Hartford-Huntington, Bates, Charleston, Paris and Scranton. Fields in the eastern district are Denning-Coal Hill, Philpott, Spadra and Ouita and Shinn Basins.

Both Districts Have Cheap Coal Available.

The report said mines in both districts could "furnish at a reasonable price either lump, mine-run or slack coal in the order of several million tons per year for the supply of a steam-electric power plant." Considering supplies and price differentials, emphasis was laid on slack coal in the western district and mine-run in the eastern.

POTENTIAL SOURCES OF POWER



In the western district, the report said, "it is assumed that 428,000 tons (of slack) are annually available at an average price, f. o. b. mines, of \$1.25 per ton." In the eastern district, it said 400,000 tons a year of mine-run coal could be made available for a power plant at an average price of \$2 to \$2.25 a ton. Of both districts, the estimated annual available tonnage was described as "much lower than the tonnage which could be produced provided the necessity existed for greater production."

Cost Would Be Under Industrial Average.

The Federal Power Commission was quoted as saying an average of 1.17 pounds of coal were required in 1940 to generate one kilowatt hour of electrical energy in 11 coal-burning public utility plants. Dr. Branner estimated that fuel cost per kwh in the western district would range from .85 to 1.02 mills and in the eastern district from 1.29 to 1.46 mills.

Indirect Benefits To Be Realized.

The survey pointed out indirect benefits to western Arkansas would result from such a development.

"If a profitable market were provided for the slack coal of the western district," it said, "it appears to be the consensus of the Arkansas operators that the price of domestic sizes eventually can be reduced because of an added income from this source. This would doubtless in time lead to a substantial expansion in demand for all sized grades ***. The creation of a firm slack coal market should eventually put into production the thicker vein (now largely undeveloped)."

Arkansas Coal Available For Cheap Power

Democrat 1-18-42
Branner Submits Detailed Report To Governor Adkins.

There is an adequate supply of coal in the two western Arkansas fields to provide a source of cheap fuel for two steam generating electric plants which could produce power at a "remarkably low rate," George C. Branner, state geologist, said in a report to Governor Adkins yesterday.

Dr. Branner, in the exhaustive survey of prices, production and reserves, declared that coal could be delivered to the plant sites at prices ranging from \$1.25 to \$2.50 a ton. The lower coal price would give the two plants a fuel cost of 85 mills per kilowatt hour in the generation of power, the report said. Sites recommended for the

plants were Ft. Smith and Clarksville, both located on the Arkansas river and in the heart of the coal producing area. An 85 mill per kwh fuel cost would enable power to be generated at a cost of less than five mills, one power expert said last night. While this would be higher than the cost of power generated with natural gas as the fuel it would still give a "cheap source of power," this expert said.

Figures Based on Large Plant.

Costs were figured on a 125,000 kilowatt capacity for each of the plants, with a 60 per cent load factor.

Mr. Branner's report said that in the Western District, which is that part of the state's coal field south of the Arkansas river and comprising deposits in Sebastian, Logan and Scott counties and part of Franklin, 428,000 tons of slack coal would be available at an average price, f. o. b. mines of \$1.25 per ton.

In the Eastern District, which takes in deposits north of the river and includes Johnson and Pope counties and part of Franklin, 400,000 tons of mine-run coal would be available to one of the plants at an average price of from \$2 to \$2.25 a ton.

If a steam-electric plant was centrally located "with respect to slack coal production" in the Western District "available water and rail facilities, it appears that Ft. Smith is the logical point," the report declared.

"All of the coal fields of the Western District have rail connections to Ft. Smith," the survey said, pointing out that five railroads, the Missouri Pacific, St. Louis San Francisco, Midland Valley, Kansas City Southern and Chicago, Rock Island and Pacific serve the area.

Freight Rates a Factor.
Rail rates to Ft. Smith on the short hauls of about 10 to 20 miles would be about 20 to 25 cents a ton, making the delivered price of the coal to the plant \$1.45 to \$1.50 a ton for slack. For the longer haul, the rate would be from 35 to 50 cents a ton.

Ample water supply also would be available at Ft. Smith, the report said, pointing out that minimum requirements for a 125,000 steam kw plant was about 200 cubic feet per second.

Although this figure is only slightly below the recorded minimum flow of the Arkansas river at Ft. Smith, it is anticipated that dams on the Neosho river in Oklahoma will in the future prevent the minimum flow from falling below 2,000 cubic feet per second.

The plant at Clarksville could be supplied with coal from the Denning-Coal Hill, Philpott, Spadra, Ouita and Shinn basins, and possibly the Scranton field, all within a radius of 15 miles, the report said, adding that freight rates on short hauls of from five to 15 miles would be from 20 to 25 cents a ton.

"The water requirements would be the same as a plant for Ft. Smith," the report added, noting that Clarksville also is on the Arkansas.

Fuel Costs Analyzed.
For the Western District plant, the report said the fuel cost would be:

Average cost of coal per ton	Total fuel cost per year	Fuel per kwh
\$1.45	\$620,600	.85 mills
1.50	642,000	.88 mills
1.55	663,000	.91 mills
1.60	684,000	.93 mills
1.65	706,200	.97 mills
1.70	727,000	.99 mills
1.75	749,000	1.02 mills

For the Eastern District, costs would be:

Average cost of coal per ton	Total fuel cost per year	Fuel per kwh
\$2.20	\$880,000	1.29 mills
2.30	920,000	1.35 mills
2.40	960,000	1.40 mills
2.50	1,000,000	1.46 mills

Slack coal, which would be used altogether in the Ft. Smith plant, is available in appreciable quantities in the Western District. Slack is coal which is too small for domestic trade.

Present Market Limited.

"In the Western District an undetermined quantity of slack is dumped every year, and that sold is disposed of at distress prices," the report said. "When sold it is used for steam generation. The demand for this slack is frequently subject to considerable fluctuation. It is usually a good quality of steam coal, having a B.T.U. content of 13,000 to 13,500, a fixed carbon of from 70 to 75 per cent and an ash content varying from 7 to 12 per cent."

Production of slack coal in the Eastern District is negligible.

However, there is a plentiful supply of mine-run coal, which is a grade higher than slack in price and "is not now marketed in Arkansas as there is no demand for ungraded coal."

It would be available "at a reasonable profit above its cost up to the capacities of the mines which is in the order of several million tons a year."

There has long been talk of using Arkansas coal, along with gas from South Arkansas fields, for the production of power to complement the present production from hydro-dams and present steam generating plants. **802,634,780-Ton Reserve.**

In the two districts, the report estimated mineable reserves of coal at 802,634,780 tons.

Last year, production in the two areas totaled 1,459,260 tons. Seventy-five per cent of the production was in the Western District.

"If a profitable market were provided for the slack coal of the Western District, it appears to be the consensus of the Arkansas operators that the price of domestic coal eventually can be reduced because of an added income from this source," the report said.

In conclusion, it added that the "creation of a firm slack coal market" probably would result in the opening of new veins. In Sebastian County alone, it said, unworked veins contain more than half the reserves.

Coal Distributors In Arkansas Questioned.

Gazette 2-27-42
Washington, Feb. 26 (P).—More than 400 individuals and companies have been ordered to explain to the Bituminous Coal Division by re-April 1 why they should continue to be registered as distributors of

coal. The division said they had failed to respond to an order of June 13, 1941, requiring all registered distributors to report details of their purchases and sales for the eight months period beginning October 1, 1940.

Registered distributors under division regulations must actively and continuously engage in the purchase and resale of coal in not less than cargo or railroad car lots.

The order that they submit their arguments for continued registration directed that failure to do so would be considered admission of ineligibility and that revocation of permits might be ordered.

Among those named in the order were: Mills Coal and Mining Company, (J. M. Mills) Fort Smith, Ark.; Paris Fuel Company, Paris, Ark.

Coal Order Attacked By Ozark Company.

Gazette 5-24-42
Cincinnati, May 23 (P).—The Ozark Coal Company of Cincinnati asked the Circuit Court of Appeals today to set aside a bituminous coal division order fixing the selling price of coal mined on its 5,000 acres of coal land in Johnson county, Arkansas. The order resulted from an examiner's hearing at Fort Smith, Ark., in April, 1941.

Malvern Company to Produce Stain for War Use.

Gazette 11-9-43
Special to the Gazette. Malvern, Nov. 8. — Ammunition cases and other wooden containers in which supplies for the armed forces are packed and shipped to war fronts will be stained with a product manufactured by the American Dyewood Company of Malvern. The company, co-operating with the Ordnance Department, will produce a stain to camouflage wooden containers and to provide permanent protection from weather, mold and termites. Lignite, a component of the stain, is obtained from Arkansas mines.

Gazette 1-10-43
Texas Iron and Oklahoma Coal.

The war's demand for steel and the use of Oklahoma coal have brought active development of the great deposits of high-grade iron ore that East Texas has always possessed.

In the summer of 1942 the War Production Board, seeking insurance against a possible pigiron and steel shortage during the war, approved the opening of iron mines and private construction of a 1,200-ton blast furnace and a battery of 78 by-product coke ovens at Daingerfield and a 700-ton furnace at Houston. At the same time the McAlester Fuel Company was commissioned to develop and operate three Oklahoma mines to take care of the coking coal needs of the Texas furnaces. Not all coal is suitable for coking, but we are told that as far back as 1914 the McAlester company worked out a method for making blast furnace coke by mixing high and low volatile coal types. It took the wartime development of iron ore mining and smelting in Texas, however, to create a substantial market for this new product—some million tons a year.

While these installations are intended primarily to serve war needs, there is said to be reasonable expectation they will be able to continue operation to supply growing markets in the Middle West and Southwest.

With blast furnaces and coke ovens operating continuously unbroken employment would be assured for the men who dig the coking coal. It is estimated that at wages of \$7 a day, workers in these mines will be able to earn from \$1,800 to \$2,400 a year, which is far above the annual earnings in mines producing for seasonal markets.

In general characteristics, Arkansas coals are said to be similar to the Oklahoma coals which have given Oklahoma a new industry and a new yearly pay roll of approximately \$1,500,000.

Ickes to Rule On Transfer Of Miners

Gazette 2-19-44

Fort Smith, Ark., Feb. 18 (AP).—War Manpower Commission officials, after hearing protests against recruiting of Arkansas-Oklahoma coal miners for service in Western mines, announced tonight that the question of permitting transfer of miners from this area would be submitted to Fuel Administrator Ickes.

"It seems that you need the men here," said Area War Manpower Director Floyd Sharp of Little Rock. "However, Mr. Ickes will decide."

R. K. Rogers, secretary of the Arkansas-Oklahoma Coal Operators Association, said several mines in this region would have to close unless recruiting of miners here was halted. He said this region was producing the same amount of coal now with year-round operations as it formerly turned out in 118 days a year because of loss of miners to the armed services and better-paying war jobs.

Union President Protests.

Dave Fowler, Muskogee, Okla., president of United Mine Workers District 21, also protested recruiting of miners. He said the management of the Union Pacific Coal Company of Wyoming was attempting to obtain work releases for Oklahoma and Arkansas miners for transfer to the Wyoming field on promises of higher wages.

Charles L. Wilson, Kansas City, regional WMC representative, said the only thing WMC was interested in was whether Arkansas-Oklahoma miners could produce as much coal in this region as they could if they were employed in Western fields.

Mr. Fowler said operators and union representatives will protest against wildcat coal mining groups who have recently moved into this area.

Possible Shortage Of Coal for Arkansas

Gazette 5-23-44

Kansas City, May 22 (AP).—Stockpiling of coal by domestic consumers this summer and self-imposed conservation next winter will be necessary to avert a shortage in the Missouri-Kansas-Oklahoma and Arkansas region, Dr. C. J. Potter, deputy federal solid fuels administrator, said today.

"Added industrial needs will necessitate moving coal from this region to the Eastern states during 1944," Dr. Potter said. "If added consumer demand for coal now is made, mine production will be stimulated in this area and will help build up the stockpile needed to carry through the winter months when the demand for fuel is greater than production."

No restrictions, however, will be placed on the Midwestern area west of the Mississippi until there isn't enough coal to go around, he said. If a shortage occurs, domestic consumers will be asked to reduce consumption 10 per cent.

Bituminous coal production in the United States was about 600 million tons in 1943, Dr. Potter said, and the need for 1944 consumption is 630 million tons. "With a reserve of only 51 million tons on hand—less than 30 days supply—we are almost certain to run into difficulty. The best we can hope for is 610 million tons production."

Coal Mining Resumed In Arkansas

Gazette 11-10-44

Fort Smith, Ark., Nov. 9 (AP).—Arrival of official notice of the new coal contract agreement brought resumption of operations in scattered sections of the Arkansas-Oklahoma field today and an announcement that large-scale operations would start up again by the week-end.

William Lewis, operator of the Peerless Coal Company at Greenwood, said following a meeting here of 50 operators from this area, that cutting crews would return to the big Peerless pits Thursday night and that full operations would be under way there Friday. Other operators declined comment.

No announcement was made by officials of the Arkansas-Oklahoma Coal Operators Association, who declared last week the mines would be in recess until Fuel Administrator Ickes answered their demand for a coal price increase.

Ickes notified the operators individually by telegram today of the new agreement but made no reference to the proposed increase in the ceiling price of coal.

More than 100 miners resumed work today in the Hartford area and there were indications early resumption of work was planned in other areas.

About 5,000 miners have been out in Arkansas and Oklahoma since October 30.

Old Mine, Near Alix, Yields 150 Tons Daily

Ozark—The New Alix Coal Company, organized about a year ago, and operating the Soupbone mine, is now turning out some 150 tons of coal daily. This mine is just east of Alix and years ago operated, but became "drowned out" and for several years was not producing.

STAIN FROM STATE'S LIGNITE FIRST USED BY OUACHITA INDIANS

Arkansas Gazette

11-14-43

The Ouachita Indians used it for coloring their pottery and making war paints but they did not know their soft, grainy dye would be used to stain ammunition boxes and camouflage wooden containers for shipment to all parts of the world in the second World war. There is no doubt the Indians had a name for it, but it certainly wasn't called lignite.

Webster's dictionary says: "Lignite is a fossil wood, wood-coal, or brown coal, a combustible substance mineralized to a certain degree, but retaining distinctly its woody texture. It holds a station intermediate between peat and coal."

The American Dyewood Company, one of the first firms to produce dyes in the United States, has been credited with producing the special ammunition box stain from Arkansas lignite. It provides permanent protection from the weather, mildew, mold and termites.

Lignite mining is one of the newest industries at Malvern. It is mined three miles southwest of the city for war purposes. It usually is found in and near clay and bauxite deposits. Arkansas has a great deposit yet untouched.

Arkansas lignite was first used for color production by the American Dyewood Company in its Belleville (N. J.) plant. The first shipment, mined at Manning, near Malvern, was sent to Belleville in February, 1940, where it was processed successfully. In its refined stage the material looks like small black grains of sugar or salt, from which a brown stain is evolved.

Principal use of the material in the past has been as a coloring for paper. Procedure for staining or camouflaging ammunition boxes was worked out recently in conjunction with the Army Ordnance Department and this new stain is being processed at American Dyewood's new modern plant at Malvern.

O. F. Suggs, assistant manager, discovered the deposits near Malvern while making lignite surveys for the state Geological Department. Studying his report, American Dyewood became interested and employed him to help develop the deposit.

Prior to his employment with ADC, Mr. Suggs lived in Little Rock 30 years. He was employed for 15 years by the Special Service Department of the Missouri Pacific Lines and then as an insurance adjuster.

Plant to Develop Walls From Sugar Cane Mud.

The Malvern plant is built on a site formerly occupied by the McCormick Lumber Company. Besides buildings for housing machinery and raw material, the project also has a well equipped laboratory, where L. A. Korte, resident manager, directs experiments. Mr. Korte was chief chemist in the ADC Paper Department for seven years. He is a graduate of Syracuse University.

He is spending much of his time working out kinks in extracting valuable waxes from sugar cane mud. A carload of the mud (refuse from sugar manufacture) has been

received by the Malvern plant from Louisiana to be converted into waxes. It will be used in the waterproofing of paper and textiles, manufacture of printing inks and for war uses in chemical industries.

The company's Research Department has developed the process for extracting these valuable waxes from sugar cane mud—formerly considered worthless—in collaboration with the Department of Agriculture experiment station at Houma, La. Preparations are going forward to manufacture these waxes at the Malvern plant as soon as it can be placed on a factory production basis, shipping raw material to an outside plant and then back to the factory.

The ADC, founded in Greenwich Village in 1798, has factories in all sections of the United States. Its main plant at Chester, Pa., is the largest dyewood extract plant in America. The Belleville (N. J.) plant manufactures synthetic dyes. Products of the firm are used by the textile, paper, leather, dry color and printing ink industries.

Heading the company are R. R. MacKinney, president, and E. W. Picker, vice president, who maintain offices at New York city. Raymond L. Drew is director of research laboratories, maintained at all factories.