

# MORE HELP IS HIRED, RAW MATERIAL COSTS INCREASE, SO PRICES GO ROCKETING

Furniture Is Good Example of Why Buyer Must Pay More Now Than He Did

Three Months Ago.

This is the second of a series on the rising cost of living, as revealed by a comprehensive survey of city stores.

BY NORMAN E. ISAACS

Times Staff Writer

For three years Mr. and Mrs. Young America have been living with the "in-laws."

Things haven't been so good and Mr. Young America has worked only off and on during those three years.

Often, he and the young wife have talked of going into a little house of their own—wishes, hopes, a prayer.

Just the other day the foreman called up. He said he had a job for Mr. Young America.

"I think it's going to be a steady job," he said, "and while the money isn't much, it's something. We've raised everybody to the minimum under President Roosevelt's blanket code, while the company talks with other companies about our own code. There's a chance for advancement, and, after all, it's a job. Jobs have been awfully scarce."

## GOES BACK TO WORK

Mr. Young America has gone back to work. The national industrial recovery act has put him there. He and his wife don't realize it, but they're depending on the national recovery act, something else again, to keep Mr. Young America's job for him.

They're talking about getting a little house and going into housekeeping. It's not a wish, a hope, a prayer any more. There's something tangible behind it all.

The young Americans are determined to get their furniture.

"Why," he says, "we can buy it now, and pay it off—maybe, and maybe, too, they'll hold it for us until Christmas, huh?"

So off they go to the furniture store.

## GONE UP, GOING UP

"Here's a nice dining room suite," the furniture salesman tells them. "The price went up several weeks ago. It will go up more in a few more weeks. Honestly, the time to buy is right now."

Mr. and Mrs. Young America may, or may not, believe the salesman, but he's telling the truth, sure.

"You see," he explains, "we've signed the NRA pledge and we're living up to it. We've been cut to forty hours a week on our same pay and the boss has hired two more salesmen. They've had to raise two of the girls back there to the furniture code scale and expenses have gone up."

"Then, too, the wholesaler and the manufacturer have raised the prices. They've had to. With the blanket code in effect, the furniture makers have had to raise the wage scales, and raw material costs have gone way up. This bedroom suite over here used to sell for \$50. Now we have to get \$60. Next month it may be \$70."

## TELLS SAME STORY

The owner of the furniture store tells you the same story.

"Look here," he says, "here's our records. Here's a mattress, just a cheap cotton mattress. On June 15 we were paying \$2.70 for that mattress. Now, look, on Aug. 1 it cost us \$4.20. That is an increase of more than 50 per cent."

"It's that way all through the furniture industry. Manufacturers tell me that their raw material costs have gone up and, with the blanket codes working, it has boosted prices way up."

"The prices are going higher, too. The increase in that cotton mattress perhaps can be laid to the cotton code, which was the first to go in. But here's a better mattress. On June 15, we were paying \$5.80 for it. Today it costs us \$7.55."

## CONDITIONS ARE DIFFERENT

"The furniture business isn't like a department store trade. Our merchandise isn't replenished so easily. A man buys a hat and it may last him six months or a year and then he must purchase a new one. When a person buys furniture, he sometimes keeps it ten years, or longer. And so, our markup, or what you would call profit, is larger."

"The percentage is higher. It would shock you, but it's really reasonable. But we're talking about prices. You see the combination of events which forces prices up."

"Here's a letter from an eastern manufacturer, with whom we do a good deal of business. Read it."

## HERE'S WHAT IT SAYS:

"Gentlemen: We write you on Aug. 4 in connection with increase of prices which we must have on your order No. — to take care of increased labor costs under the President's recovery act."

## LETTER MAY CANCEL ORDER

"In laying out these advances we absorbed a considerable portion of these costs ourselves, giving you the benefit of the portion of the order which had been manufactured prior to acceptance of the code."

"In view of the conditions at this time we can not hold this matter open indefinitely. Unless we have your definite acceptance of these increased prices in our hands before Aug. 18, we must of necessity consider your order automatically canceled."

"We are sure that you realize that this acceptance is wholly to your advantage and that your failure to accept will necessitate your going out into the market and purchasing this merchandise at greatly advanced prices."

## HELP TO BUSINESS

The retail owner shrugged his shoulders.

"That's one of the things we are up against. Some manufacturers won't even accept an order. It's great, though. Business is a whole lot better. People seem to be willing to buy even at higher prices."

"Why don't you go out and talk to the rug man across the street? Maybe he'll give you something about his business. Rugs are going up even more than furniture."

NEXT—The Rug Man's Side.

## SIGNS CONTRACT

Otto Kruger, New York stage star, has been signed to a long-term contract by Metro-Goldwyn-Mayer. Kruger played in "The Royal Family," "Treasure of the Wells," "Private Lives" and "Counselor-at-Law." His first role for M-G-M has not yet been decided upon.

## WANT TO GO TO JAIL, BUT GET PENAL FARM

Two Get False Advertising Terms; Sheaffer Denies Pleas.

Two men, convicted of soliciting false advertising, today were sentenced to ninety days on the state penal farm, despite their pleas to Municipal Judge William H. Sheaffer that they be permitted to serve the time at the county jail.

George C. Youngman, 46, of 3811 East Washington street, and Frank Rogers, 67, living in the Great Eastern hotel, entered pleas of not guilty to the charge.

They were alleged to have obtained money for advertising in a union paper, but Edward White, receiver of the paper, testified that none of the funds has been turned over to the charge.

In answer to their pleas to serve the time in jail, Sheaffer told the duo he believed the sentence on the state farm "will do you good."

## TROPICAL GALE PERILS LIFE ON ATLANTIC COAST

Coast Guard Stations Are Massing Strength for Storm Rescue.

By United Press

NEW YORK, Aug. 22.—Coast guard stations along the Atlantic seaboard massed all available craft today to save lives and shipping endangered by a tropical gale sweeping up from Bermuda.

Storm warnings were up from Cape Hatteras to Boston. A seventy-mile gale was forecast. Rain, low visibility and moderate seas menaced smaller boats.

Atlantic City, N. J., felt the early

strength of the storm, with a forty-mile wind lashing the coast in that vicinity. Rainfall reached 27 inches for the twenty-four hour period. Samuel Dietrich, meteorologist, warned that the wind would increase this morning.

An off-shore wind was reported at Rockaway Point, N. Y., at dawn, with heavy rain. The coast guard station there doubted if the full fury of the storm would reach so far north.

The destroyer Hunt headed the coast guard patrol off the Jersey coast. Other craft remained closer in-shore as they patrolled a wide area sailed by small fishing boats and cabin cruisers.

Giant combers hammered the shore throughout the night.

At South Beach, N. J., several houses were undermined and were in danger of toppling into the ocean.

The gale sweeping in from Bermuda today came on the heels of a dry northeast which took toll of at least eight lives, wrecked scores of small boats and periled hundreds of others.

## ARMS QUESTION GETS ATTENTION OF ROOSEVELT

President to Discuss U. S. Navy Proposal With Ambassador.

BY FREDERICK A. STORM

United Press Staff Correspondent

HYDE PARK, N. Y., Aug. 22.—President Roosevelt today turned his attention to the complex disarmament question as he awaited new Washington developments in his recovery program.

Problems likely to be encountered when the disarmament conference reconvenes at Geneva in October, were to be discussed thoroughly with Norman H. Davis, the

administration's roving ambassador, who soon will return to guide American policies.

While the conversations between Roosevelt and Davis were expected to be largely a continuation of those launched last week at the White House, observers believed the President would clearly define the American course, particularly in regard to increased naval construction.

## Mass Meeting

for all Beauty Operators.

### Washington Hotel

16th Floor

Friday, Aug. 25—

8:30 P. M.

Every Beautician Urged to Be Present.

Irma O. Robertson, Pres.

Because this bus system is the world's largest with forest coaches, lower fares possible with first class service. Liberal stop-over and return privileges.

### CHICAGO & WORLD'S FAIR

One Way... \$3.75 Round Trip... \$5.75

Sample One-Way Rates

St. Louis... \$5.00 New York... \$13.75

Cincinnati... \$5.00 Cleveland... \$7.00

Portland... \$5.00 Denver... \$12.50

Toledo... \$5.00 Buffalo... \$11.00

Louisville... \$5.00 Los Angeles... \$18.00

Detroit... \$6.00 Pittsburgh... \$10.00

Chicago... \$12.00 Omaha... \$12.00

Des Moines... \$12.00 St. Paul... \$12.00

Lincoln... \$12.00 Kansas City... \$12.00

Memphis... \$12.00 Atlanta... \$12.00

Baltimore... \$12.00 Philadelphia... \$12.00

Washington... \$12.00 New Orleans... \$12.00

Mobile... \$12.00 New York... \$12.00

Charleston... \$12.00 Boston... \$12.00

Portland, Me... \$12.00 Portland, Ore... \$12.00

Seattle... \$12.00 San Francisco... \$12.00

Honolulu... \$12.00 San Jose... \$12.00

San Diego... \$12.00 San Antonio... \$12.00

El Paso... \$12.00 Tucson... \$12.00

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