

Business

Allies Have No Single Plan
For Ruling Occupied Reich

By ROGER BUDROW

GERMANY, LIKE ANCIENT GAUL, IS DIVIDED into three parts now. It's really four, if you count the sliver which France will rule. But in the main it will be the policies of Russia, United States and Great Britain which will determine Germany's immediate fate.

It's surprising, after Yalta, that the allies do not have a unified scheme for the Reich, but it is so. Each is to go its own way.

The United States apparently will follow what is known as the Morgenthau plan, developed by the secretary of the treasury and approved by President Roosevelt. With a few modifications, this is "hard" peace is being put into effect, having been sent as a directive by President Truman to Gen. Eisenhower.

The plan denudes Germany, that part occupied by the U. S., of its heavy (war-making) industries, including synthetic rubber, chemicals, aircraft and machine tools.

Exports and imports will be completely controlled. Reparations will extract all income above a subsistence livelihood for the Germans. Textbooks will be destroyed and new ones kept devoid of Nazi ideas. Production is to be kept to a fixed level, with any increases, through bumper crop weather or technological efficiency, going to speed reparation payments.

Major Gen. Lucius Clay reportedly will be Gen. Eisenhower's chief assistant handling civilian affairs. And if Gen. Eisenhower should be brought back to Washington as army chief of staff, presuming Gen. Marshall becomes top commander in the Pacific, Gen. Clay might remain as top American in Germany.

Each zone is different. The Russian zone is Germany's "breadbasket"; while England has much of the factory area, and America has the rest of the country.

Unless the three co-operate, the occupation will be very difficult. There are all kinds of worries already. Will Russia keep all extra German-grown food for her own hungry citizens, and let the U. S. and Britain feed their German areas by bringing in food? Will France, should she take the Ruhr, keep the hard coal mined there, crippling the rest of Germany?

Occupying Germany will be a good test of allied unity in peace-time.

POSTAGE STAMPS are booming. Collectors, investors and speculators have pushed prices to record highs.

Stamp collectors are a serious, polyglot bunch who talk a language of perforations, watermarks, se-tenant and precancels and who chase a wanted specimen with a fanatical gleam in their eye, re-ports Investors Reader.

But philately is big business, with U. S. sales running into hundreds of millions a year. Although only half the collection has been sold, that of Col. E. H. R. Green (son of Hetty Green of Wall Street fame) has brought \$1,100,000. The French government realized more than \$7 million when it sold the confiscated Ferra collection in 1921-25.

There are more than 700 stamp stores and shops in New York City alone. The postoffice says there are 10 million collectors in this country; its philatelic agency has sold some \$18 million worth since 1921.

Although prices already are high, the future is good, stampmen say, because the global war has spot-lit unknown places and because big collections in Berlin, London, Stalingrad, Tokyo and other cities have been destroyed.

ODDS AND ENDS: Battery and paint-makers are glad to hear that the first shipment of a 20,000-ton purchase of lead from Canada and Australia is on the way. . . . The frost late last week took a good many tomato plants in Indiana, and damaged strawberries and other fruits further, the Indianapolis Weather Bureau's crop bulletin reports. . . . The freeze has been so inflated that high prices the French want for wine, brandy and perfumes keep many buyers away. . . . In a test it was found that 94% of the 1,070 owners of television sets know that Gilete Safety Razor Co. sponsors twice-weekly boxing bouts over NBC. That's a far better percentage than an ordinary radio program sponsor can get, but then Gillette has so little television competition. . . . There are now 3699 firms flying the army navy "E."

BLOCK'S WIN TOP AD CLUB AWARD

The Wm. H. Block Co. won top honors in the Indianapolis Advertising club's ad-of-the-month competition for April with a color newspaper advertisement. The ad also won a certificate in newspaper-color classification.

L. S. Ayres & Co. received a certificate for an entry in newspaper black and white competition, and Keeling & Co. was awarded a certificate in the smaller-than-half-page-space newspaper division.

Indianapolis Railways won in the radio program classification. Kingan & Co. in the outdoor poster, card and display field.

Certificates were given Keeling & Co. in magazine classification, radio spot competition, and Eli Lilly & Co. in direct mail competition.

Judges were a Philadelphia committee headed by Richard S. Daley, Curtis Publishing Co.

U. S. STATEMENT

WASHINGTON, May 11 (U. P.)—Government expenses and receipts for the current fiscal year through May 9 compare with a year ago as follows:

Year Ended May 9, 1945

Expenditures \$ 84,261,371,702

Receipts 79,526,619,539

Deficit 14,734,752,163

Net Deficit 45,880,125,814

Net Surplus 43,516,866,010

Net Debt 10,363,896,528

Pub. Debt 9,973,374,392

Net Debt 187,372,318,594

Gold Reserve 20,582,250,039

Debt 3,437,600

Debts \$14,895,000

INDIANAPOLIS CLEARING HOUSE

Curtis Publishing Co.

Debt \$14,895,000

THE INDIANAPOLIS TIMES

BIG TAX REFUND TO AID INDUSTRY

But No Relief in Sight for Individuals.

By RAYMOND LAHR

United Press Staff Correspondent

WASHINGTON, May 11.—The joint congressional committee on post-war taxation today proposed a set of tax concessions, including a speed-up of scheduled refunds totaling approximately \$5,540,000,000, to help industry meet its reconversion problems.

It also recommended a more liberal excess profits tax exemption which would save business an estimated \$160,000,000 in 1947 on its 1946 taxes.

But there was still no relief in sight for the individual income taxpayer nor was business given any hope for early reductions in the existing wartime rates.

Chairman Robert L. Doughton (D, N. C.) who is also chairman of the house ways and means committee, said legislation based on the report probably would be introduced soon and hearings begun before the house committee.

Rep. Harold Knutson of Minnesota, ranking Republican member of the ways and means committee and a member of the joint committee, said it had been "generally agreed that until the war with Japan is over there can't be any general tax reduction."

10% Credit Suggested

The joint committee made one recommendation which in effect will mean a 10 per cent cut in the 95 per cent excess profits tax paid by corporations. It proposed that the 10 per cent post-war credit on those payments may be taken currently on tax liabilities for 1944 and later years.

It also recommended that the 10 per cent post-war refunds on taxes already paid be made available after next Jan. 1 instead of over a period of years following the war as the law now provides. Those refunds were worth \$779,536,379 as of May 1.

Another recommendation called for raising the exemption for excess profits taxes from \$10,000 to \$25,000. That proposal would benefit small firms particularly.

The committee also suggested a speed-up of refunds resulting from carrybacks of net operating losses and of unused excess profits credits and of refunds resulting from recomputation of deductions for amortizing emergency facilities.

"The proposed changes would improve the cash position of business during the period of reconversion to peacetime production," the committee said. "Only the increase in the specific exemption would reduce ultimate tax liabilities."

Meetings

Chemists

"Fundamental Principles of Polarography" will be the subject of C. O. Gossch, Fisher Scientific Co., when he speaks at the luncheon meeting of the Indiana section of the American Chemical Society, Tuesday, May 15, at the Warren hotel.

Scientech

L. E. Grasso, district manager of the Dictaphone Corp., will give a demonstration talk on "Dictaphones at War," at the noon meeting of the Scientech club in the Claypool hotel Monday.

LOCAL ISSUES

Nominal quotations furnished by Indianapolis securities dealers:

STOCKS Bid Asked

Agents Fin Corp 7 1/2 8

Agents Fin Corp pf 10 1/2 10

Ashrave Col com 16 1/2 17 1/2

Belt R Stk Yds com 38 41

Bobbs-Merrill com 2 1/2 2 1/2

Bobbs-Merrill 4 1/2% pfid 65

Central Corp 23 25

Circle Theater com 10 1/2 11

Comwell Loan 5% pfid 105 108

Delta Elec com 10 1/2 13 1/2

Dickens Corp 4 1/2 5 1/2

Ft Wayne & Jackson RR pfid 89 92

Hoek Drug Co com 17 1/2 19 1/2

Ind. & Mich Ws 7% pfid 109 112

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