Torrance Population 8200

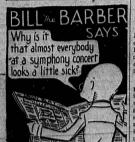
SIXTEENTH YEAR-No. 5

TORRANCE, CALIF., THURSDAY, JAN. 30, 1930

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L GIANT TA OVER COLUM

Hospital-Dies Three Days



THRIWN Who Has Prettiest Yard in Torrance?-Garden Club Announces Garden Contest

Garden Club Plans Elaborate **Exhibit at Encinitas Show**

Little Betty and Edward Have Their Own Houses

Columbia Sale

Commented on by David Lawrence in Saturday
Evening Post

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The writer of the article Positive Company Comp

THE BUSINESS TIDE

By DAVID LAWRENCE

be said to unite the East and the West—a merger which has as its basic reason what might be termed the economic geography of the United States. Not often, it might be added, does capital flow clear across the continent from New York to San Francisco to make a fifty-million-dollar investment. Such was the recent consolidation of the Columbia Steel Corporation.

How was the deal negotiated? What was its moving purpose, and who carried on this large transaction for the two companies? I asked these and other questions of Herbert Fleishacker, San Francisco banker, who three years ago planted the seed of the idea in the mind of George F. Baker, Jr.

who three years ago planted the seed of the idea in the mind of George F. Baker, Jr.

"I went to see Mr. Baker," said Mr. Fleishacker, "because I knew him to be one of the largest and most influential stockholders in United States Steel, and I felt instinctively that we had sometling which we could hardly develop ourselves. We had invested a good deal of money in the steel industry on the Pacific Coast. We knew that ultimately hundreds of millions of dollars would have to be put into our industry and that sooner or later one of the large Eastern companies would have to become interested in order to develop operations on the Coast. It is not generally realized that, owing to the large demand for cans for the packing of fruits, salmon and vegetables, the Pacific Coast is the largest consumer of tin plate in the world. There is no coking coal in California but plenty of it in Utah and Colorado. We had two large furnaces, one at Torrance, outside of Los Angeles, and another at Pittsburg, California, and we have been putting out a full line of steel products with the exceptional of structural steel. You know it was one of the dreams of the late E. H. Harriman that a large steel industry might be built up on the Pacific Coast, and that is why the Southern Pacific Railroad to this day has large independent holdings of iron ore in California and Lower California.

"Now that United States Steel has acquired our

"Now that United States Steel has acquired our company we expect that the demand for tin plate alone will probably mean trebling or quadrupling the plants, so that it is not unlikely that within the next five years we shall have at least a hundred-million-dollar investment on the Pacific Coast in steel alone.

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"When I first saw Mr. Baker, three years ago, he promised to look into it. He brought me in contact with the officers of the Steel Corporation. We met several times, but never until a few months ago were we ready to get down to brass tacks.

"We discussed it in the early summer of last year and argued back and forth about the price at which the stock would be exchanged. Most business deals, I suppose, are serious affairs with a good deal of contention on both sides. While we realized, of course, the importance of the transaction, I must say that both sides kept good-natured and good-humored throughout.

"I remember, for instance, on the day when we were trying to agree on price, Myron C. Taylor, chairman of the finance committee of the United States Steel Corporation, and James A. Farrell, president, and I had been discussing a particular price per share. Mr. Taylor happened to mention a price that I thought was rather low. All of a sudden there was a deafening roar outside of the building which caused us all to look up. Mr. Farrell said, 'What was that?' And I remarked that it was the protest of the multitude against the low price. Whereupoid Mr. Taylor, quick as a flash, retorted that he was quite sure it was applause. We went to the window and saw the Bremen being welcomed on her trip up the bay after a record-breaking voyage to America.

"That day we settled on an option to the Steel Corporation, which had to be exercised within four months. I must say that I have never seen a more thor-

woyage to America.

"That day we settled on an option to the Steel Corporation, which had to be exercised within four months. I must say that I have never seen a more thorough job of checking than during those four months. Some of these big deals might seem quite commonplace nowadays but there is nothing casual about the way they are investigated before the final contract is made. "Under the terms of the option, the United States Steel Corporation had four months, in effect, to make up its mind whether the investment was as represented. Not only did Mr. Taylor and Mr. Farrell come to the Coast themselves, but they brought with them Comptroller Filbert and the presidents of all but one of their eighteen principal subsidiary companies, and that executive happened to be ill at the time. It was a long, (Continued on Page 2)

Awarded Trophy in Annual Contest

The Torrance high school citrus-indging team walked away with the handsome silver trophy in the first amond. Pitheas Bandie, high school contests held at Wilming.

AGGIE TEAMS CIVIC BODIES U OHS BIG FUTURE BOOMS

Council and Chamber Directors Discuss Plans for Development of Torrance— Harmony and Co-operation Rule Meeting

Constuctive plans for the devel-opment of Torrance were discussed at a joint illiner meeting of the city council and the directors of the Torrance Chamber of Com-

NEW DERRICK GOES UP ON MAIN STREET

HAWKINS CO. STORE GROUP HAS BANQUET

New Policy of Buying Direct from Manufacturer Exfrom Manufacturer Explained by I. H. Hawkins

tary, Resigns to Join the

TRANSFER JANUARY

Steel Headquarters in Rus

SAN FRANCISCO, Jan. 30

SAN FRANCISCO, Jan. 36

— Transfer of all assets of the Columbia Steel Corporation will pass to the United States Steel Corporation at the close of business on January 31, and the various plants of the Columbia will begin operating as units of the giant steel corporation on February 1.

The sale of the Columbia to the U. S. Steel was authorized at a meeting of the stockholders on January 28 at San Francisco, on the terms previously agreed upon; ie, 11% shares of Columbia for each share of U. S. Steel. Scrip will be issued for fractional shares. The stock distribution is scheduled to be completed by March 1.

General offices of the Columbia have already been moved to those of the U. S. Steel in the Russ bullding. San Francisco. No announcements of changes in personnel have been made, except the resignation of Louis Sloss, secretary of the Columbia, who is leaving to join the Crocker interests.

Efforts to learn details of the contemplated expansions under the U. S. Steel regime have been futile, but it is generally accepted among steel leaders that the entry of the corporation to the Pacific Coast will bring big expansions in the Torrance as

P. E. Orchestra **Meets for Practice**