The Engineering Experiment Station was organized in 1909 as a part of the College of Engineering. The staff of the Station includes all members of the Faculty of the College of Engineering, together with Research Assistants supported by the Station Funds.

The Station is primarily an engineering research institution engaged in the investigation of fundamental engineering problems of general interest, in the improvement of engineering design, and in the development of new industrial processes.

The Station desires particularly to co-operate with industries of Missouri in the solution of such problems. For this purpose, there is available not only the special equipment belonging to the Station but all of the equipment and facilities of the College of Engineering not in immediate use for class instruction.

Inquiries regarding these matters should be addressed to

The Director,
Engineering Experiment Station
University of Missouri
Columbia, Missouri

THE UNIVERSITY OF MISSOURI BULLETIN
VOL. 60, NO. 29
ENGINEERING EXPERIMENT STATION SERIES 1959, NO. 43
Published by the University of Missouri at Publications Office, Columbia, Missouri. Entered as second-class matter, January 2, 1914, at post office at Columbia, Missouri, under Act of Congress of August 24, 1912. Issued four times monthly October through May, three times monthly June through September.
August 20, 1959
Proceedings of the MISSOURI COMMUNITY DEVELOPMENT CLINIC

October 14, 1958, Columbia, Missouri

sponsored by
MID-MISSOURI DEVELOPMENT COUNCIL

and
THE COLLEGE OF ENGINEERING
UNIVERSITY OF MISSOURI

J. Pitts Jarvis, Jr., Editor
Associate Director
Engineering Experiment Station
A PROGRAM FOR COMMUNITY BUILDERS

WELCOME ................................................. 3
C. L. Harper, President, Mid-Missouri Development Council, Sturgeon.

KEYNOTE ADDRESS ................................. 3
Huber O. Croft, Dean, College of Engineering, University of Missouri.

"WHAT OTHERS HAVE DONE" .............. 5
Moderator: Richard M. Kinne, Industrial Director, Division of Resources and Development, Jefferson City.
Panel: J. Randall Hardin, Manager, Chamber of Commerce, Kennett
Harold Thomas, Division of Resources and Development, Jefferson City
Dan Miles, Editor, Clinton Democrat, Clinton
James E. Pohrer, Industrial Representative, Desoto Chamber of Commerce, Desoto

Each of the panel members has a different success story to tell, for each represents a town with a different approach to the goal of community development. Yet, they have one thing in common—a working program with a record of achievement.

"WHO'S HELPING YOU?" ...................... 18
Moderator: John R. Thompson, Executive Vice President, Missouri State Chamber of Commerce, Jefferson City.
Panel: Dr. Robert Eastman, Chairman, Department of Industrial Engineering, University of Missouri.
Richard O'Brien, Division of Resources and Development, Jefferson City
Van Sutliff, Manager, Planned Progress Program, Union Electric Company, St. Louis

Panelists discuss the many services available to Missouri communities and existing programs which are helping to attract new industry, aid communities in their own development programs and develop a better climate for business and industry.

"GOLD MINE ON MAIN STREET" .......... 27
Motion picture produced by Industrial Development Magazine to show what it takes to make a community more attractive to industry looking for new locations.

DINNER SPEECH ................................. 28
"WHEN PEOPLE WORK TOGETHER"
W. H. Caldwell, Executive Vice President, Heart of America Development Council, Parsons, Kansas

EXHIBITS
Several organizations displayed exhibits of activities or services contributing to the development of Missouri and Missouri communities. Exhibitors included:
News-Tribune Company, Jefferson City
Missouri Division of Resources and Development
Union Electric Company
University of Missouri, Engineering Experiment Station
Small Business Administration, Kansas City
U. S. Department of Commerce, St. Louis
WELCOME
C. L. Harper, President, Mid-Missouri Development Council, Sturgeon
Mr. Harper gave the welcoming address and then introduced Dean Huber O. Croft whose speech follows:

THE KEYNOTE ADDRESS
Huber O. Croft, Dean, College of Engineering, University of Missouri

Mr. Chairman, Members of the Mid-Missouri Development Council and friends:

It is a pleasure to welcome you here to the University. President Ellis has asked me to express his regrets that he could not be here either for this meeting or the dinner tonight. He arrived in Columbia this morning about 1:30 from a trip—with a bad cold. He has to make more trips this week. He believes in what you gentlemen and all of the rest of us are trying to do, and, therefore, he is quite disappointed that he could not be with you.

We of the University welcome you to the campus, and we hope that you will not hesitate to let us know if there is anything we can do to make your stay more pleasant, or to show you some of the things around the University.

Some years ago I became interested in the industrial potential of the State of Missouri, and in studying this potential, I found that the center of population of the United States is someplace in southeastern Illinois. Then I tried to find out where the center of industry was. To the best of my knowledge, this information was not recorded. I then took it upon myself to take the census and labor reports and from them concluded that the center of industry from the "Value Added to Manufacture" was just about fifteen miles south of South Bend, Indiana. And, of course, we all know that both of these points of interest are moving west and south. Now, eventually, these centers will be in the State of Missouri or on the borders of the State of Missouri. It is obvious that the location of these centers are important from the cost of distribution of goods and manufactured articles. Therefore, Missouri will become the ideal location for manufacturing, jobbing and wholesaling. This is a natural trend and will occur in time, whether or not the citizens of this State encourage the movement. However, the movement can be encouraged and the methods of speeding this natural industrial evolution are to be discussed by the prominent speakers and various members of the panel on your program.

Three of the metropolitan areas of the State: St. Louis, Kansas City, and the Springfield-Joplin area have already begun to reflect this western movement of industry. However, the central part of the State believes that it would be wise to experience this healthy industrial growth. It is for that purpose that the Mid-Missouri Development Council was organized. As most of you know, the Mid-Missouri Development Council consists of some 72 communities in 18 counties within a radius of 50 miles of Ashland. I am told that there are representatives of some 26 towns registered, as of yesterday, with over 100 different individuals. This is a fine representative group and indicates that the Council intends to have an aggressive program.

Because the University is intensely interested in the economic future of the State, the administration of the University has had the foresight to contribute to the program of this Council through two agencies. One agency is interested in the industrial factors and the other is interested in the social and planning problems faced by a community.

The Engineering Experiment Station is interested in the development of our natural resources, new product development, research in Agricultural Engineering, Civil Engineering, Chemical Engineering, Industrial Engineering, Electrical Engineering, and Mechanical Engineering.

Many of you may not know that the University, likewise, has a coordinator for a community development program. Professor Quentin Schenk, coordinator of the Community Development Program, has a primary interest in the social and planning problems faced by a community.

We hope that individuals and communities will call upon the University for assistance in these fields.
In closing may we express our gratitude to the speakers, to the members of the panel, and to the many busy men who have assisted in this program from the Mid-Missouri Development Council. We hope that you have success in your deliberations, and we also hope that all of you will carry home with you at least one idea that you can put into effect in your own community. Again, we welcome you here. We hope that you have a very nice meeting. Thank you very much.

C. L. Harper:

Thank you, Dean Croft.

This meeting was not planned by the Mid-Missouri Development Council as a whole, but by one of its committees. I wish the gentlemen whose names I call would please stand: Joe Arndt of the A. B. Chance Company, Centralia; O. W. Raithel from the Exchange Bank, Jefferson City; James W. Neal, who will not be present, of the Moberly Electric Supply Company, Moberly; J. Pitts Jarvis, Jr., Associate Director of the Engineering Experiment Station at the University of Missouri; Wally Schramm, co-worker of Joe Arndt of the A. B. Chance Company; and Dr. Robert Eastman of the Department of Industrial Engineering at the University of Missouri. They are the gentlemen who have set up this program which I know will meet with your approval. In your envelopes, gentlemen, you will find a program, an identification badge to put on your lapels, and your dinner tickets.

In working with the Mid-Missouri Development Council I have met some of the finest men that it has been my opportunity to associate with. One of these men is Richard M. Kinne. He is Industrial Director of the Missouri Division of Resources and Development. He knows better than anyone else in the State the problems of Missouri, the things that we have, and the things that we need. When the gentlemen set up this program, most fittingly they decided to call in Richard with his vast fund of information and to bring along with him a group of men that know the problems of the State. I am now going to present to you Richard M. Kinne, Industrial Director of the Missouri Division of Resources and Development, and he will introduce his panel. Mr. Kinne—
"WHAT OTHERS HAVE DONE"

Moderator: Richard M. Kinne, Industrial Director, Division of Resources and Development, Jefferson City:

I wish there were more of my bosses here to hear that flowery introduction. We are happy to help with this program.

One reason why the small towns of Missouri should be especially interested in the economic development of their community is because of the fact that they cannot stand still. They have to go either forward or backward. Our towns in Missouri have been progressing; Seventy-seven per cent (77%) of the new industries in Missouri in the past five years have gone into "out-state" Missouri. I am speaking of the part of Missouri that is not in the metropolitan areas of either Kansas City or St. Louis.

We have invited a group of people to participate in this panel to tell you what they have done. I am not going to give long introductions, because I want you, the audience, to have plenty of time to ask questions. But first, I want the panelists in the order in which they are seated. I want to introduce Louis Canaday from Holden, Missouri.

M. L. Canaday, Holden:

Thank you, Mr. Kinne. I will have you know, sir, my town of seventeen hundred and sixty-five (1765) population is a city. However, it is a hundred years old this year, and it should be bigger than it is. In fact, at one time it was bigger than it is now. It was 3500 (thirty-five hundred) plus. But you know the old story. Because things dwindled and ran down the young people had no industry, no place to go to work. As soon as they graduated from high school, they took off "like ducks going South" for the metropolitan areas. They went, but it was good riddance. So we started over, and we have not arranged our discussion in any particular order, so we are going to take the panelists in the order in which they are seated. I want to introduce Louis Canaday from Holden, Missouri.

Our only claim to industry a few years ago was a little necktie factory. It employed from seventeen to thirty-five women. Although it helped these women to pay their light and water bills, it did very little to help the town's business. The bad part of that little industry that hired those seventeen to thirty-five women was that the businessmen had to go around every year and "pass the hat around" their businesses and collect $2,000 (two thousand dollars) in subsidy to give to the manufacturer who employed those women. This became pretty much of a drudge after a few years. No one wanted to be president of our Chamber of Commerce and obligate himself to raise $2,000.

The Chamber of Commerce was without funds with which to encourage industry. Not only that, but it did not have any knowledge of our town, or our country, or our own businesses. There was nothing to sell to industry. We didn't know enough about our community to sell it. We began to wake up to the fact that we had to get busy, or "go down the drain in one swoop". In August of 1955, we organized an Industrial Development Corporation at a mass meeting. We elected twelve of the best men we could find in the community who would be willing to participate. The type we wanted were men who would get out of bed in the middle of the night and answer the call of duty or who would pick up the phone and say, "Honey, come on down and watch the business for me. I am going with so-and-so. We are going to contact a prospect down in Arkansas or up in Kansas City".

We wanted men who were willing to drop their businesses instantly. And we had twelve such men in Holden. That is the reason I am here to tell you a remarkable story about Holden.

The first thing these twelve men did was to say, "End subsidy. We will have no more of it. If they (the necktie manufacturers) want to leave town, let them go." They went, but it was good riddance. So we started over, we had our self-respect back. We did not owe anyone anything. Now we could go out and get a business that did not want any subsidies.

First, we had to sell our people on the idea that we could do it. We got out a little information folder and passed it out to everyone in our county. It was entitled: "A Plan to Help Our Community while Helping Industry". It explains what an industry could do for business and for the community in general.

Then we had to go about finding out what we had to sell. We could not go up to an industry and say, "Will you buy what is in my sack? I am not sure what is in it, but would you buy it, please. We need help." They went, but it was good riddance. So we started over, we had our self-respect back. We did not owe anyone anything. Now we could go out and get a business that did not want any subsidies.

First, we had to sell our people on the idea that we could do it. We got out a little information folder and passed it out to everyone in our county. It was entitled: "A Plan to Help Our Community while Helping Industry". It explains what an industry could do for business and for the community in general.

Then we had to go about finding out what we had to sell. We could not go up to an industry and say, "Will you buy what is in my sack? I am not sure what is in it, but would you buy it, please. We need help." We had to find out what we had. We discovered we had plenty. Everyone here (in the audience) has something in his town that will attract industry. We did not know all that we did have. We could not say we have all kinds of unemployed people. No one would have believed us if we had told them that, so we went out to find out how many unemployed people we had. Everyone in our part of the county received an employment questionnaire. When these were returned, we found 250 (two hundred and fifty) people wanted jobs. We knew exactly how many carpenters, how many plumbers, how many machinists, how many seamstresses, how many bulldozer operators, etc. We had a catalog of every unemployed person in our part of the county. Now we could say, "Industry what do you need? We have them and know how many we have."
Then we went out to sell stock. We incorporated for $100,000 (one hundred thousand dollars) and sold $40,000 (forty thousand dollars) worth of stock. It was “blue sky”. But they (the stockholders) believed in it. All of a sudden the town believed in these twelve men, and felt the corporation could get this job done. With $40,000 cash in hand we felt like we were ready to do business. The first thing we did was to buy fifteen acres of land inside the city limits. There was not a house on it and no one knew it was there. Though it had been there since the land grant, it had never been developed. This land belonged to one party for eighty years. We bought the land before anyone could find out what we were doing so there would be no land speculation. That is something you (the audience) need to be thinking about. If you are going to buy land, buy it without any publicity. Today we would have to pay three times the price that we had to pay for that piece of land.

When we got a prospect and then another and another, we followed them all up; but they were not worth anything. They wanted us to pay their rent, furnish them a free building, pay their lights and pay their taxes. They did not want to do anything except move in, and even wanted us to help them do that. We turned them down because we had experienced that old business of subsidy.

We finally got one firm to come down to remake parts for tractors. This firm said they needed about 7,000 feet. We had it. We knew every inch of buildings and holdings we had and how many square feet we could put together in one. Since just a small building was needed, the firm moved in. They did not ask for a dime. When they had hired fifteen, twenty and then thirty-five men the firm had to get more room. Gentlemen, when we got finished with that company, we had seven buildings full of workers. Some of the buildings we had to help rent, and some we had to help buy. In one instance we had to construct a new building for International Harvester so that it could lease its former place and move in. We spent $30,000 of our $40,000 on this beautiful new building for International Harvester, and International Harvester became the biggest in Missouri, right in that building.

We took over a hatchery building, the bottom part of a Masonic building and an American Legion building. Soon we did not have an empty building. We were renting barns so that industry could move in. Then about six months ago a firm said it must have more room, or it would leave town.

So with our equity on our International Harvester building we went to Small Business Administration (SBA) and borrowed $65,000 on a direct loan. Today we have one of the prettiest new buildings you ever saw. It is 242 feet long and 100 feet wide. There is not a post in the middle. It is all low and clear-spanned. The firm is moving in this week. I read this editorial in last week’s local paper:

"Holden is certainly riding a high tide of prosperity at this time, and the outlook is bright for continued good times. A check-up at our local industries found Dunhill Shirt Company employing 102 workers; Rockledge & Company, Clift & Company, 64; Beaumont Manufacturing Company, 55", The exact amount of this pay roll has not been divulged to us, but an estimate was over $10,000 a week. "It is possible Dunhill will add several workers in the next few weeks; Cumford Equipment Company will also add a few more employees when their new warehouse is completed. Stahl Specialty Company with 70 employees has a weekly pay roll that makes Holden’s weekly pay roll $15,000 a week". This amount is not bad when you consider that a few years ago the industrial pay roll was less than $4,000 (four thousand dollars) a month. The need for homes is still great, but at the present rate of building it should lessen by next year.

We started out with one industry alone. Now we have three. We started with making parts for tractors. Now we manufacture post hole diggers, land levelers, tractor umbrellas, buggy tops for boats, tractors, crop spray rigs, crop dryers, wheat drills, aluminum castings and Dunhill shirts.

MR. KINNE:

Now we have a little evidence that towns can do something. I always did not like admitting errors, but not too long ago a small-town citizen called and said, “We are from a little town of about 600. Can we get an industry?” I said that it is too difficult for small towns of that size to attract industry and that it would be better for them to build something locally. I do not know if my advice made him angry, but the next thing I knew the town had raised $275,000 to finance the cost of building on a lease program. The last thing I heard was that the town had a second firm interested and that they were trying to work with them too. The town was not willing to give the firm a thing.

It can be done if you try. I just returned this morning from a meeting of the Southern Industrial Development Council in Raleigh, North Carolina. At lunch yesterday one gentleman from Alabama was talking about a town of 80 that had a garment factory that hired 367 people.

Now, the second gentleman I want to introduce is Dan Miles, Editor of the Clinton Democrat, Clinton, Missouri.

DAN MILES, Editor, Clinton Democrat, Clinton:

Clinton had a 1950 population of 6,100. Its Industrial Development Corporation was organized in 1952 as a for-profit organization. Its aim was to obtain industry or to help existing industry in Clinton and Henry County. Three years of seemingly fruitless letter writing, phone calling and personal visits to prospects slipped by. We followed every lead we could find. Then one day in
1955, the Kansas City Power and Light Company (KC P&L) announced that it was constructing a $125,000,000 (one hundred and twenty-five million dollar) steam-electric plant in Henry County coal fields. The aim was to save cost of transporting coal to the city. It is cheaper to send electricity by wire. This plant would take twelve years to build, would employ 300 to 500 men during construction, and would require around 100 permanent personnel to operate it. The plant would give the coal mining industry a "shot in the arm." This was rabbit foot number one.

It was as much news to the Industrial Development Corporation as it was to the general citizens of Clinton. It seemed to put meaning into the arguments of those who scoffed at the Industrial Development Corporation. They said the Industrial Development Corporation could not accomplish anything. If an industry was going to move in, it would anyway. Although this claim seemed borne out by the KCP&L move, it could not have been farther from the truth; for an important part of the Clinton Industrial Development Corporation has been public education. Both of Clinton's newspapers have supported the corporation to the fullest. My paper, the Daily Democrat, has published summaries of conferences such as this one, in serial form, day in and day out. The aim, of course, is to inform the public what it takes to get an industry into a town. We published success stories from Holden and from other towns. There are a very few we have missed. We did not publish these stories to "needle" the corporation. It was just to show that things are happening and can happen to Clinton, too. The Missouri Division of Resources and Development, of course, sends out summaries of these meetings and also success stories. We have also editorialized.

In the years since 1952, we feel we have changed the thinking of Clinton from a negative to a positive, for industry. Pride in the community has increased, and efforts have succeeded in making up some of the deficiencies all towns have, if they are hoping to obtain industry. Clinton was better prepared, after three years of seemingly no progress by our corporation, to receive this wonderful wind-fall from KCP&L. But that is another story.

Let us turn back to the main work of the Industrial Development Corporation, obtaining industry. We wrote more letters, made more phone calls, followed more leads, made more trips to prospects and made inquiries of industries, just as all of you gentlemen have. We finally hit "pay dirt" August 2, 1957. Mayfair Manufacturing Company, sportswear manufacturers, announced it was opening a Clinton company which would manufacture exclusively for Mayfair. The pay roll would be $250,000 annually, and it would employ 150 persons. I think it is interesting sometimes to find out just why a concern does choose a town, and that is what I am trying to explain in this talk.

Jack Fox, president, and Jack Siegel, vice president of the textile firm, explained the procedure. They wanted to open another plant, but they wanted the plant close enough to Kansas City, so shipping distances would not be too great between the two plants. They wanted the right building, and they wanted a supply of labor, both in quantity and quality. They made a map of the area within 50 and 100-mile circles of Kansas City. In three or four months they visited thirty to forty towns. Prior to the visits they sent out letters, or feelers, to these towns. Here is a rabbit foot number two.

Clinton was the only town of the thirty to forty which did not answer the letter. We do not know yet what happened. This was a point, and when they did come to town to inquire finally, our president of the Industrial Development Corporation, Wally Harris, had to practically "get down on his knees" and explain the fact. But, as you can see, things happened. Siegel and Fox both said some of the towns practically offered "the moon," and I understand they were correct. But Clinton was chosen because of a trained labor supply, power and machine operators and primarily the building. And that is where another rabbit's foot came in.

The day they were in Clinton it was raining. It seemed that because of the depressing day the several buildings we showed them just did not look right. When they were just about ready to leave another member of the Industrial Development Corporation just happened to drop by the office where they were talking to the president. This member said, "Say, how about this building over here?" It was a building which had formerly housed a garment company. Our president had not thought of that building, because it was occupied by a retail concern, but he knew it was on a year-by-year lease and that the concern had indicated it would like to put up its own building anyway. So they went to look at this building. The two men looked at it and said, "This is it." That was precisely what they were looking for, and within two minutes they would have been leaving the town unsatisfied.

Clinton, like Holden, tries to avoid the "hand-out." In fact, that is one of the strong rules of our organization. We want industry and will do anything we can to help, but we do not want to give grants. Our sole grant on this was helping to re-wire the building. It came to less than a thousand dollars.

Before the "flush of success" even dimmed on this, the Industrial Development Corporation scored again. This was less than a year ago, in April, 1958. It obtained a division from a California manufacturer. This company, a metal products firm, is a threading specialist. It manufactures studs, screws, nuts, bolts, taps and dies. I think in this room are some people who made a trip to California to see these various companies. Anyway, this one came here. Again it was a building that did the trick.

The Industrial Development Corporation had many inquiries over those four to five barren years about a
building which was formerly occupied by a packing plant, but we had never been able to get the lease owner and the person who wanted the building together. So finally we bought the building. That summer in 1957, Hugh J. Zimmerman of the A. W. Zimmerman Company, industrial property specialists in Kansas City, phoned our Industrial Development Corporation about the building. He was shown the plant. He took photos of it and measurements, and showed these to Ernest Romine, president of the Horp〠 & Rompine Company in Oakland, California. Mr. Romine toured the building in October. He was really interested and did not want a "free ride." We finally reached an agreement after negotiations which were primarily over difficulties about the lease. This building is on leased land belonging to the railroad. The only hitch was going through channels. It took several months. Mr. Romine agreed to a monthly rental of $170 with a ten-year lease and two five-year options to renew. This would pay the cost of the building and allow the corporation a "nest-egg" for additional buildings or additional land. We also have fourteen acres of land on which we can build, if we wish.

The metal product company's location in Clinton was a case similar to KCP&L's. The company had been buying steel in Ohio, shipping it to California, then back to the oil fields of Texas and Oklahoma in its finished form. The Clinton plant eliminates much hauling.

Rabbit's foot number three in this case was that Clinton did not know until the lease was signed whether it or Marshall would get the plant. We still do not know why we got it.

In summary, although it sounds like luck played a large part in this, and it did, we also by the time one or two years had gone by did have the information which people wanted when they came to look at Clinton. Mr. Siegel, for example, said he appreciated the fact that he was not given a grand-tour or a scenic-tour of the town. Since he was a busy man he wanted to see industrial buildings, get facts on employment and so on. He got this information from us; or we knew where to get it for him. Your local state employment office, for example, is invaluable to a community. That is one of the things our corporation did, by the way, was to get our employment office back. It had been taken away during one of the early economy drives or for some other reason. We got it back. If we had not had it, we would not have obtained this branch from Mayfair. That is the Clinton story.

Mr. Kinne:

Thank you, Dan. Now I want you to hear a different kind of program or a different kind of story. They have not had any success yet. They have had some difficulties, but they have developed a program that probably will bring some results. To bring you this I want to introduce James E. Pohrer, industrial representative for the DeSoto Chamber of Commerce.

James E. Pohrer, Industrial Representative, DeSoto Chamber of Commerce, DeSoto:

Thank you, Dick.

First of all, I want to say it is a real pleasure to be back here again at Missouri University. My last time here was 1952.

When I was in DeSoto, I was told about this conference. I thought it sounded like a "good deal" to come back and spend my working day sitting down listening to someone else talk and taking a few notes. I find it a real pleasure to be here and to tell you DeSoto's story.

This is how I happened to be in this story. I graduated from St. Louis University in June. I received my master's degree in economic geography, and my major was industrial development. Just as I was graduating, an opening in Desoto, Missouri, came along. This is briefly how it happened:

DeSoto, Missouri, is 101 years old. It has a population of 5,000 and until April of 1958, DeSoto was getting along fine as far as small communities are concerned. The International Shoe Company there employed 400 people; Missouri-Pacific Rail Car Shops employed from 500 to 600 people; Cleveland Wire Spring employed around 100 people; and there were various other small industries. Also, I might mention, because of the closeness of the Pittsburgh Plate Glass Company in Crystal City, many DeSoto people also work there. DeSoto was riding along fine. In fact, in 1953, it won the Look Magazine All-American City Award.

In May of this year International Shoe Company announced it was closing its operation in DeSoto. The International Shoe Company had been in DeSoto fifty years, and at that time it was employing almost 400 people. You can imagine what that did to the town. Though I may sound a bit bitter, I feel that DeSoto, Missouri, made the same mistake as the Braves made this year. After DeSoto won the Look All-American City Award, when it had International Shoe Company, Mo.-Pac, and Cleveland Wire Spring, the citizens were content to sit back and take it easy. They formed an industrial corporation in 1955, and had their Chamber of Commerce, but the town of DeSoto, Missouri, forgot one important factor; that is, no matter what community it is, or what size population it is, there are two full-time jobs:

The first job is to keep what the community has by public support, by having open-house and by good labor relations.

The second job is to go after new industries.

After DeSoto had these three stable industries and had won the Look All-American City Award, the citizens were content to sit back and forget these two main jobs. When International Shoe Company closed its operations
in May of 1958, I was just getting out of school. The St. Louis Chamber of Commerce mentioned that DeSoto was looking for someone to do an industrial survey for them. This survey would take approximately six weeks. I planned to start June 1st and to finish by mid-July. I began my survey by taking down the factors concerning market, materials, power facilities, labor supply, transportation and capital. In other words, just as one of our speakers said, you have to present to industry what you have. While I was making up the survey, prospects began to appear. In fact, as of yesterday, there are twenty-three prospects for the DeSoto area. The largest one would employ 550 people; the smallest would employ 50. Amazingly enough, the reason this has happened is because now DeSoto, its Chamber of Commerce, its Industrial Development Corporation and the people of the town all are beginning to back the ideas of keeping what it has, and going after new industry.

What I might point out in concluding my general talk on DeSoto is to stress industrial surveys. Many communities have industrial surveys that are out-dated. I learned this valuable lesson: it is fine to talk about your community as a "stream of gold," a community where people live better and play better and enjoy life more, but when you go to industry, you have to present solid facts of what you have. In other words, how can industry make money in your town. That is what industry is interested in. I first did a general survey and then a strictly industrial survey. You can get much help and save yourself much time and effort by making strictly an industrial survey. Union Electric in St. Louis has been of much help to me, especially its Industrial Development Department. Gene Johansen and Henry Hack, his assistant, have both given me much information and advice. Today, Van Sutliff is here. He has the Planned Progress Department at Union Electric. He gave me so much material that I thought I was carrying out half of Union Electric with me. I might also mention that Mo.-Pac, its Industrial Development Department which Jack Taylor heads, has been a tremendous help. Then my final source of information was the St. Louis Chamber of Commerce itself. With that information I was able to make up a strictly industrial fact survey. With such an industrial fact survey you can then say: "Industry, here is what we have. If you are interested in our lakes, our parks, and our playgrounds, etc., we will get that for you, but here is what we have as far as strictly an industrial picture is concerned. Here is how you can make money in DeSoto." That, to me has been our big lesson so far.

The second point to remember is the word "diversity." In other words, have quite a few industries instead of relying on just one main one.

We in DeSoto were subject to the weaknesses and fluctuations of a single industry. That will never happen to us again. Now we are going to be diversified. We would rather have a dozen different small industries than one big one. In that way a single failure or shift will not be able to cripple us again. It will give our people a wider choice of careers. When we come out of this, we will be better off than we were before.

In closing, I would again like to remind you that every community should remember it has two full-time jobs: first, to keep that industry it has; and, second, to work to bring in new industry. Remember the word "diversity." Do not rely on one single industry. If it closes shop or if there is a recession, your town will not be hurt. Be diversified as in this statement: "We would rather have twelve smaller industries than one large industry."

Not only have Union Electric, Mo.-Pac, and the St. Louis Chamber of Commerce been of help to me, but the booklet put out by Mr. Kinne and Mr. Idol called "Steps in Industrial Development" has been helpful. It is one of the best in the field of industrial development that I have read. If you would really like to get a good fundamental idea of industrial development from the layman's point of view, I would advise you to read "Steps in Industrial Development."

Thank you.

Question and Answer Period Following "What Others Have Done"

Panel

Mr. Kinne:

You have heard three people discuss their communities and their programs. We want you, the audience, to ask them questions. You may do it in any manner. You may write them with the supply of pads and pencils in your envelopes. The committee will then pick them up and bring them up here. You may aim your questions at any of the speakers. You may raise your hand if you wish, and ask that we call on you. But we would rather have them written first. We have quite a period here for questions. We hope that the questions will bring up discussion in the audience as well, because we can learn from your experiences as well as you can learn from ours. Someone might ask a few oral questions until we get the written questions.

Dean Croft:

I wonder if Mr. Pohrer would feel free to explain why International Shoe left from his community. I am vitally interested.

Mr. Pohrer:

Dean Croft, I will be glad to do that.

Another lesson we learned was that industry today is interested in a one-story operation. The International Shoe building which is now forty years old is a three-story operation. By having that three-story operation in DeSoto, International Shoe was losing twenty-five cents per pair of shoes. That was the number one reason. The
second reason is that the idea of automation, of one large, centralized plant, such as when a plant becomes obsolete, is the trend today. If any of you are from Memphis, you will remember when Ford Motor closed its plant there. Today the idea is to close the plant and to open a new one where automation can take over and where there can be completely modern one-story operation. I would say as far as International Shoe was concerned, the main reason was the three-story operation. A one-story operation was wanted. The DeSoto plant was obsolete and the firm saw it was losing money.

DEAN CROFT:
Did they own the building they operated in?

MR. POHRER:
Actually the town built it for International Shoe on a lease-backed basis, and then after a certain period of years the company did take it over. The company owns it right now. In fact, I have five prospects for the shoe building. It is in excellent condition. We are going to try to take one industry, such as the one that I am working with that would employ 150 people. It just needs 15,000 square feet. We feel that if we put the manufacturing on the first floor, the industry can use the other two floors for storage which will be needed. Is there another question?

DEAN CROFT:
Is there any chance of selling International a one-story operation in Desoto?

MR. POHRER:
That is a good question! That is what we are trying to do now.

MR. KINNE:
In making efforts to get some diversification in industry, would any of these gentlemen care to comment on being selective in terms of the kinds or types of industry the community would like to have? We know that certain ones, shall we say, are subject to chronic illnesses with respect to unemployment and that sort of thing.

MR. POHRER:
You do run across industries, like our first speaker said, that will sap the town; believe me they will. They will take a building; they will take taxes; they will pay your labor supply "next to nothing." That, to me, is one thing you have to be especially careful of. You know we are eager to get industry. That is for sure. But you have to be careful of the industry you select. I think the best way to do that is to look at their background. First, we usually get a Dun and Bradstreet report on them and, second, find out about their past operation. In other words, we find out what kind of people they are. How did they treat the workers? How did they react to the town they were in? Although you want industry, you have to make sure what you get is first of all, stable, and, second of all, will not sap your town of its labor supply or refuse to cooperate with the town.

MR. MILES:
I think I can add a little bit to your reply and maybe the other members of the panel can, too. You should be selective only if you know why you are being selective. You must know what kind of industry your town will best qualify for. For instance, if you have a surplus of female labor, and you know they can be easily trained, then you should probably aim for the electronics or garment industry or something that will use those women. If you have plenty of jobs for women but few for men, then you have to aim at the construction, at heavy industry that primarily utilizes men. If you are in an area close to St. Louis or some of the other major cities, you should aim at industries that will supply those larger cities with some of their component parts. Do either of you want to add anything?

MR. CANADAY:
We must recognize new products that will probably go on for many years from now, rather than take something that we know is on its way out. We know, for instance, in Holden that men are always going to be wearing shirts and the chances are they will get a lot of them at J. C. Penney's. Any time you buy a shirt at J. C. Penney's it came from Holden. There are 170 women working down there. Farm products will always be with us. That is the reason the Cumford Equipment Company with its winter fronts for tractors, the Rockledge Company with its parts for tractors, post hole diggers and crop dryers are going to be the thing. We are watching the up-to-date things instead of the things manufactured in the old factories that are becoming obsolete.

MR. KINNE:
I want to mention one thing just in case it is not mentioned in the panel following us. We have stressed here the importance of working with your existing industries. Probably our division is guilty of not stressing this fact enough. Our community is also guilty. We think about the glamour of bringing in new industry. But we should remember that it is cheaper to keep what you have and, add to it. You should spend more time in paying attention to your existing manufacturers and helping them. That is where the University of Missouri, Engineering College, is going to be able to give us much assistance, as well as the federal government agencies that are represented here. Help existing industries first. Be sure they are satisfied, because they are the best evidence of a good, sound industrial community.

Now we have a few questions here. I will address this first one to all of the panel: "Would you say that industrial development should be entirely separate from
were selling from six to eight thousand dollars are now selling for ten to twelve thousand dollars simply because of our Industrial Development Corporation. But we did tell our people: "This is not a money-making proposition, nor do we intend for you to lose one dime. We intend to keep this on a strictly business-like basis. Eventually we intend to have every dime of your money back plus industry."

Now our new building is bringing us in $909.25 a month; our International Harvester building is bringing us in $305 a month. There is $1200 a month that we have coming into our Industrial Development Corporation in the little town of Holden. The big building is on an amortization basis. In ten years it will have paid for itself and will become the property of the industry. However, the industry is paying us $185 a month over-and-above the amortization program which gives us a potential of $700 a month. We will retire these stock certificates in about ten years. We will have our industry and we will still have the building. Certainly if the industry leaves, it will not take the building with it. We intend that this shall eventually pay our stockholders 3½ to 4% interest on their investments. Does that answer the question?

Mr. Miles:

Holden has been much more ambitious than Clinton. It has been more successful, anyway. When we organized in 1952 we got about 82 persons to buy $100 shares. You can see that is nothing like the $40,000 Holden has. However, it has been ample so far. We have wondered, though, what would happen if we did need more. It is a specter in the background, even though the organization has been successful. I imagine this has happened in practically every town here. In fact, some years ago a town plunged in stock, buildings, and so on for industries. That is what happened in Clinton, and it is still referred to. That is the reason we have gone on a small scale in this thing. I do not know what will happen if we ever need a big amount.

Mr. Pohrer:

I might mention that four of our prospects are in the final stages right now. In fact, we expect a decision from all four of them by this weekend. Friday and Saturday of this week we have permission from International Shoe Company to use all three floors of its building for a carnival to be put on by the community. Each floor is devoted to a certain thing. The purpose of the carnival is to raise money for the Industrial Development Corporation and for the industrial expansion program.

Like the other panel members mentioned, we sold shares at $10 a share as one way to raise money in addition to the carnival.

Mr. Kinne:

This is a new idea in Missouri that has not been
tried yet. Now, Mr. Canaday, here is a question aimed at you: "Was it difficult to get the SBA loan?"

MR. CANADAY:

It is not too difficult to get a SBA loan, if you have everything that is required. Unfortunately, we did not. In other words, we were asking for a loan of $65,000 with which to erect a building that would house industry. At about that time there was a little unemployment scare going on in the United States. Uncle Sam loosened up his money somewhat. In other words, interest went from 6% down to 5%, etc.

We were able to put up our new building and our fifteen acres of land and were not being "bailed out of trouble." The first thing SBA wanted to know was: "Are you in trouble financially? Do you want Uncle Sam to bail you out of the hole?" No, we were not. We owned our property; it was clear. We had $2,000 in the bank and we owned our fifteen acres. It had a brand new one-year old building on it, some 13,000 feet of floor space. We wanted to put that up as collateral for a $65,000 loan. After three months of negotiation we got the $65,000.

Now, it would have been simpler had we had local bank participation. I do not know if there are any bankers in this crowd, but I am going to direct this to you. If you are not willing to go on a participation loan with SBA, you are not being fair to your community.

We had to go directly to SBA. When you go without local bank participation, that means you go to central headquarters in Washington, D. C. Our building is now paid for, and all contracts and obligations are taken care of.

The loan requires processing through approximately twelve departments of the Small Business Administration. You first go through and make your formal application for a loan. If that application, after it goes through two or three legal departments, comes back, you fill out about fourteen forms. These forms are not too difficult if you have some legal aid. Then you take these forms and turn them back to SBA. They then go to their legal department and in about three weeks are sent to Washington, D. C. We were then told by SBA: "Well, we look with favor upon this group if you can prove that none of you want to put up the money yourselves." We called the members of the board and sent back an affidavit stating that "none of these men want to lend us $65,000." The next question was: "If they are not willing to loan it to you, why should we?"

It was then asked: "If your bankers will not go 25% on a participating loan, will they go 10%?" Our bankers answered: "Well, yes, but we do not want anything to do with it. It is kind of a special favor, but we do not want to process the loan. We do not want any of the paper work. We do not want to collect the rent." We then decided to go direct again, and we finally obtained the loan. Now all we have to do is prove that every bill is paid before they send us our last $5,000; but we have $61,000 in hand.

I might also say that had we had local bank participation, we could have gotten the money from the Kansas City office. It would not have had to go to Washington, D. C., if our bank participation had been at least 10 to 25%. Now that 25% is guaranteed by the government "call" money can be obtained any time within three days after the banker decides he no longer wants any part of the SBA loan. He can go to Kansas City and get his money. There is a lot of information on this in the back corner and I advise you to read it thoroughly.

MR. KINNE:

I might mention too that the Missouri Bankers Association is studying the question of long-term industrial financing. I hope it comes up with a good solution to this problem. Of course, we are trying to prompt them all we can.

Now here is a question that I know Harold Kniebusch of the Wabash Railroad will enjoy. It is going to be aimed at the panel, rather than at him, because I know his answer. "Should industrial sites have railroad facilities?" Does anyone care to discuss that question?

MR. PÖHRER:

As far as the question is concerned, I thing it can be answered fairly simply by the industry for which you are bringing in these railroad facilities. "Do you need it?" If the industry does not, forget about it. That is how we have been working. What industry really wants today is not only a one-story operation but a location, if possible, outside of the immediate congested areas. They want to have plenty of parking facilities and plenty of additional room for future expansion.

Again, in answer to that question, I would say that it all depends on the industry. Some industries just need highway facilities. When they need both, you have to have both. Since we in DeSoto do not have our best sites along the Mo-Pac railroad, we try to interest firms that need just highways rather than railroads.

MR. KINNE:

Thank you. I think we might be able to answer that question also by asking you, the audience, what you think about it. How many communities here have some type of manufacturing plant that is not on a railroad? Raise your hands. (About 30 hands showed) I think that will answer the question. There are some types of industry that are not interested. However, I think we can follow up by saying that if a community is planning industrial property, it should not go into the expense unless a railroad is available. However, it is a little different if there is not a railroad in town.

MR. KNIEBUSCH:

May I elaborate just a little on that?
Let us face the fact; you do have many industries today that have no need for rail service. Yet your larger industries, those that would probably bring more employment to your town, are your rail industries. Therefore, the ideal industrial site is one that has a highway on one side and a railroad in the rear. Yes, the smart town prepares for industry by having both highways and railroads in suitable locations. Then they can choose where to put each type of industry.

**MR. KINNE:**

Thank you, Mr. Kniebusch.

Here is an interesting question I had not thought of before. I have not heard it discussed in a group. "What percent of the annual pay roll of an industry should the Industrial Development Corporation invest in a plant?" Does the audience or the panel have an answer? Have any of you attempted to use that as a basis of your investment? "What percent of the annual pay roll should the Industrial Development Corporation invest in a plant?" Does anyone on the panel want to answer that question?

**MR. CANADAY:**

It all depends on whether it is an annual investment or an initial investment. In the estimation of the board of directors in Holden, if it is an initial investment, nothing should be invested from that standpoint. Some of the contacts we made wanted a percentage of their pay roll, up to 4%, to be invested by us in their plant. They even wanted us to take our $40,000, and buy stock in their corporation, and then let them do their own local planning. We frowned on the idea, because the $40,000 worth of stock would have hardly given us any vote in the operation of the plant. We turned several companies down.

Holden still clings to the fact that it is giving industry nothing but good will and cooperation. Holden concentrated on arranging for buildings, getting them out from under certain leases, buying them, taking options on them for industry, etc. But they give no financial subsidies of any kind. We explain to industrialists that we expect them to pay city and local taxes, school taxes, and county taxes, because without this we cannot have a picture except in a very few cases. It is not necessarily the best way to do it.

Here is a good question. I am glad it is aimed at Mr. Miles, because if it were not, I would probably have asked him anyway. I think some of the other newspapermen might be interested in this, also. "Mr. Miles, if you know a prospect is interested in your town, how do you keep this out of your newspaper so other towns will not find out?"

**MR. MILES:**

We have two competing newspapers in town. On matters of city government and so on we have everything wide open. It is like the Kansas Governor's "open door". We literally report anything and everything. But there is one place we draw an iron curtain or whatever you might want to call it. Although we keep up with what is going on, we never release it until the moment the lease is signed and everything is ready to go.

**MR. KINNE:**

I might mention that that question came up in the Raleigh meeting. The Memphis delegation announced that every time they took a team trip, such as the division sponsors in other states, the local newspaper always sent a representative. They wanted to know what he reported if they were going out to call on an industry. The answer was this: He reports only generalities when he sends a dispatch back to his newspaper. His report is only about the total findings of the day. For instance, what kind of questions did all of the industries ask; what were they looking for? They used just generalities to enthuse the people back home or to remind them of local money tied up in something the town-people cannot get out of. You may get unhappy feelings among your local people under such conditions. You should say: "Now these people are coming here, and we are going to help build this building, but they are going to pay us back for it eventually." Then you will sell stock, and your community will be happy.

**MR. CANADAY:**

I would like to add that we have just finished voting bonds for a disposal plant in Holden and for school bonds. This did not in any way affect industry. We found the industrialists liked it just as well as we did.

**MR. KINNE:**

Thank you, Mr. Lewis.

**MR. CANADAY:**

Thank you, Mr. Lewis.

**MR. MILES:**

Thank you, Mr. Kniebusch.
something. The people felt very pleased that their newspaper people did go along on the tours. I do not know whether the news representative helped them call on prospects, but I am quite sure he could do it.

Here is a question that is aimed at Mr. Canaday. "Mr. Canaday mentioned that the industry owns the building after it is amortized. He said that the industry cannot take it, if the industry leaves. Can the industry sell it now, or does it have title to it now?"

MR. CANADAY:

The industry has no title whatever in the land. It has a ten-year lease with an option of renewal for another ten years. Now this building, you remember, cost us $65,000. During the ten years of the lease the industrialists will have paid us $905 per month; so that at the end of the ten years, if they exercise that option, they may renew the lease, or they may buy that building tomorrow by paying the unpaid balance of the government loan. I understand that we will pay $650 a month into the government every month out of that $905 to retire the loan. We may even pay more on it, if we get a little money on hand and retire the debt a little sooner. The firm may buy that building at any time, the land that it rests upon, or the unpaid balance against the property plus any amount that we have also paid on the loan. When I said the firm could not take the building with it, I meant it could not leave town for ten years under the terms of the lease. If it did leave at the end of the ten years, the building will still be there. I doubt if the industry would move the building. Anyway that is what I intended to imply. Do I make myself clear?

The industrialists will own the building at the end of ten years, but then they will have to turn around and buy the land upon which it rests. The firm does not own the land. As of now, it has nothing but a lease upon the building.

MR. KINNE:

Thank you. I have often wondered if, in a group like this, the moderator ever had some questions he did not ask. I now have such a question. I am not going to ask it, but I do want to give a reply. The question mentions branch banking, and I want to say that I think this is too controversial for us to get into, particularly, since our division has not taken a stand on it. I am afraid we would be here all day and probably still not get anything done.

Another question is "Is it necessary to have a community survey, and did Holden have one?"

MR. CANADAY:

We found that it is necessary to have a community survey. We tried, as I said today, to sell our town to several prospects, and actually we were "whistling in the dark" because we did not know what we were trying to sell. We went back and had a community survey that went right down to the exact content of the water's hardness, the exact amount of water we could pump a day, the maximum amount of electricity that Mr. Lewis' company could provide and the maximum amount of natural gas that came into our community. Soil tests were also taken on various sites around town. We had to know the labor pool, not only for our community, but for a distance of thirty miles. We came up with the answers. We had twelve months of hard work on something which we knew nothing about, but we learned as we went along. It is necessary to make a community survey.

MR. KINNE:

This is a sore spot in the activities of the Division of Resources and Development. When we get an inquiry from a company, we try to ask as many communities as possible to provide us with the information requested. When we get a letter from a community saying: "We have all that this company asks for. Let us know who it is, so we can call on it," we send that letter on, but we also send all the complete surveys. You can guess which one is going to get the response. Whenever we do send you a name or whenever you get one from any source, have the information available. Do not wait six months to get it, because industrialists do not want to wait that long. It is a very important idea to have a community survey. At least know the important things about your community.

Mr. Rose, a question has been asked about the Marquand story. You are familiar with it. Will you give us a few highlights on it? Mr. Rose is one of our industrial agents.

MR. ROSE, Industrial Agent, Division of Resources and Development, Jefferson City:

I cannot tell you the exact story, but maybe I can sum it up and come close enough so that no one will really know whether I told the facts accurately or not. Marquand started with Pete and Wilber Schetley and a group of, I think, about a dozen men. They were in a community of 365 according to the 1950 census. Marquand is not on a railroad, a state highway or a federal highway. I think a little county highway running along the edge of town is the only way of getting out or into the town. With no federal highway or railroad, it looked like Marquand was doomed to extinction. But the citizens in Marquand got together and decided that there ought to be a way to get the job done. Since there was apparently nothing, in the way of industry, in their town, the community would have to go and talk with industrialists and convince them that the citizens of Marquand were in the town for a reason. If there is something in Marquand that is attractive to the people; perhaps, there will be something to attract certain industries.

Earl ______, I cannot remember his last name. Anyway, he and Pete Schetley decided that on their days off
They would go to St. Louis and talk with industry. So they would spend all day in St. Louis and come back at night on their days off. The other days they would go in and work at their regular jobs. Letters were sent out from Marquand explaining that the community was vitally interested in getting industry. The two men decided that maybe St. Louis was not the only town they could try. In some cases they took their own time, automobile, and money and went to Kansas City which is quite a distance from Marquand. It is 100 miles south of St. Louis, approximately. They worked St. Louis, talked with industrialists there, and went back and visited them several times. The two men decided that if there were someone in St. Louis interested in moving his plant out because it was being squeezed in St. Louis, they wanted to see if they could not get him to come to Marquand.

There was a handle factory in Marquand which was employing a number of people. The industry, however, was on the decline because it was among those becoming obsolete. People are not using so many handles now because chain saws are available. Carpenters have decided metal handles on hammers are much nicer to get along with than those made by the industry in Marquand which is on the decline.

The two men managed by their own hard work, on their own days off, and at their own expense to talk to enough industries that they finally brought in a couple to Marquand. One of these, I believe, puts coating on stencils. The two industries which these men got through their own private hard work were major enough so that the total number of employment was over one hundred. I think in the three industries the employment is around a 110 total. One hundred and ten people employed in a community is not necessarily a large number, but you have to remember that Marquand has a population, I think, of only 365. If you compute that there is one man, his wife, and two children on the average; then for a population of 400 there are only 100 men available anyway. So you can see by getting in a 100 employed, Marquand has increased its work force more than the actual population seems to indicate is available. According to this conclusion they have done a tremendous job. I know Mr. Schetley could have told you this if he had been able to make it here. In fact, he worked so hard that the people who came in with the one industry decided that: “here is the hardest working man in town; we will hire him as our manager.” He is managing one of the industries which came in, although that was not his intent at the beginning of his explorations. You can see that here is a case where the hard work paid off. In this case not only was the community paid off, but also the man who did the hard work. The other of the two men was a contractor who built one of the buildings at his cost and with no profit for himself. He also got all the materials at cost, so that the buildings which were put up were put up at the expense of, in some cases, less than half of what the building would have ordinarily cost the industrialist who moved in.

Mr. Kinne:

Thank you, Mr. Rose.

Now this question that we have is a difficult one to answer. This question pre-supposes that the community has done everything possible to make itself a better place in which to live. It has adequate sewage; is planning for the future; has a school system that is a little better than average; has good paved roads or a program for paving roads and has a wide awake up-to-date government aware of the problems of the community, the area and industry. You can ask this question, if you have already lived up to those statements. The question is “What are the mechanics of some of the methods you used to locate prospects?” We will ask these gentlemen on the panel to answer, and then I might make a few remarks too. How do you locate prospects?

Mr. Miles:

We locate them in any way possible. Some of the salesmen from different companies will make remarks to store owners indicating that company might be thinking about expanding and this is always followed up. When Kansas City had a number of firms being dislocated by one of the expressways we visited practically all of them. Any time we hear of any lead we try to follow it up.

Mr. Canaday:

When Ottawa, Kansas, was flooded we found a firm there which had 500,000 feet of building under water. As you can probably guess, we went down there and told them that Holden was the highest spot in Johnson County. They came and looked at Holden, but replied that it would not happen again. It almost did last year. Now the firm is in Holden.

Just as the editor said, all you need is a hint. Mr. Lewis will you stand up? I want these gentlemen to see you. Here is a man who is like an anvil. You can beat on any of his ears and he just keeps ringing. It doesn’t seem to make any difference, day or night he is ready to go. He and I have gone many places together, as have other members of our board. We followed every lead. We came across two “dandies”, but we did not get them. One wanted us to pay rent and a certain percent of its pay roll. We did not know how much his pay roll would be. We “missed the boat”. He is hiring a 100 people and he is not in our town. We just did not guess correctly about him. The other was a good firm, and as far as I know, has not been located yet. It wanted us to buy stock in the firm, but we did not want to do this. We prefer to spend our own money on our own buildings. Then we will be the “boss” of them and know what we are doing. Do not miss a lead. Some little fellow over in the filling station may hear something. For instance, one...
fellow came to my house one night about ten o'clock. He said there was a man eating at the restaurant, and he was talking about moving his firm. I got out of bed and went down there and caught him before he left. His firm came back three times, but finally decided it needed one of the major highways. Our town is at a disadvantage because we are not on a major highway. Remember, do not pass up an opportunity. Get out of bed and work.

Mr. Kinne:

We might relate first the experience of a town in south Missouri named West Plains which is getting a truck line company out of St. Louis. West Plains is getting this firm because of the occurrence of an incident similar to the over-heard conversation in the Holden restaurant. While passing through West Plains, the president was overheard talking about his firm.

If your town has a manufacturer, wholesaler or even a retailer who buys from another state or from a large city, have these people write letters to their major suppliers; particularly, if they buy a lot of goods in a year's time. They should write, for example: "Missouri or this town has been good to me. I am making money. Why do you not come down and visit us? Will you have us arrange an appointment with you or with the Division of Resources and Development or with our own people? We will be happy to visit with you." These manufacturers, wholesalers and retailers are good people to have in contact. Let them know if you want them to write letters. It may do some good. I happen to know of an industry that came into Missouri not long ago, but first went to look over a city in a neighboring state because its biggest customer lived in that city. That customer had insisted that the firm look at his city. The industrialist did not find what he wanted and came back to Missouri; thank goodness. But I was a little worried. All of the bankers represented here have correspondent banks in other cities. We started calling on many of the larger banks when we go out calling in other states. We are getting good interest. Have your banker write to his correspondent bankers and let them know that you are interested, and that your town is also. Ask the bankers to "pass the word" or to let you know if any of their customers might be seeking a branch location. Do not say moving. The act down in Ottawa reminds me of an incident that happened after a hurricane in the New England states.

The governors of two or three states in the South took their crews and went up to New England after the disaster. The southern governors started talking to the manufacturers. Actually, the governors would have been much better off if they had stayed out because this made the manufacturers, the state development agency and the local people so angry that these governors were taking advantage of the situation that the New England manufacturers would not have gone down South for anything.

But you still can follow up with your bankers and with your retailers who are purchasers of these supplies. Ask them; make a survey. We have two new industries in Missouri just because we made a study, and some of the people helped us on the possibilities of a paper box manufacturer. We may get a third industry as a result of that. Find out what is purchased out of state, and then see if you have a big enough market to interest somebody. Contact your railroad men; let them know you are interested. Contact people like Union Electric, Missouri Power and Light or Missouri Public Service Company or other utilities that are serving you. Also contact your near-by large Chamber of Commerce because sometimes it has people who come to them who do not want to come to the towns, but want to come to some place within the vicinity of the large city. Stay in touch with us. Maybe we will be lucky and find you just what you want or just what wants you. We like to know the communities that are interested and work with them. I know I speak for all of the industrial development agencies in the state when I say that we like to have our people visiting your towns.

Here is the last question I am going to aim at the panel: "What do you think about the united effort, rather than each community for itself?" We have to remember this meeting is primarily a training program for the Mid-Missouri Development Council members. Do you want to answer it?

Mr. Miles:

I thought for some time that although our program has been successful, it is rapidly becoming obsolete just as these three-story factories we were talking about. I feel that just from reading these stories of what other states, towns and so on are doing that the days of the single operation are almost numbered. I have been very much interested in your Mid-Missouri Development Council for that reason. We are trying and have been trying for some time to work into a Kansas City area development and have not had much success so far. But it is almost certain that when you offer at the first occasion of opportunity, additional buildings, employment and natural resources you have a much better chance to succeed on the area level.

Mr. Canaday:

Although I am not going to send to any of you gentlemen prospects that we happen to get in Holden until we are through with them, I might add some to Mr. Miles' words. I mentioned one industry that went to Odessa. We sent them to Odessa. This industry's proposition appealed to the men over there. They are good friends and neighbors of Holden. I am sorry the panel member (Mr. Pohrer) who has twenty-three prospects has departed. I was going to ask him if he does not have
any left over. But certainly DeSoto is over-run with industries. Some of them will go to neighboring communities. If we had a "big enough noise", a unified effort, we could interest people of the metropolitan areas all the way to New York City. If all of us are shouting at the same time, we are going to get industrialists to come to this part of the country. If they do not light in my town, they may light in yours, and that is what we want. The more prosperity we have in our united effort, the better we all are going to be.

Mr. Kinne:

I might mention that Shreveport, Louisiana, has a program. They have an industrial manager in the Chamber of Commerce staff. He actively takes at least one member from a surrounding town with him when he makes industrial calls out of the state. By doing this he lets the neighboring town know that Shreveport is not selfish and that it does want to work with them. Shreveport is also trying to educate the local people in the problem of industrial development. I know that some of you have accompanied us on some of our caravans. It is an education in itself to know what questions the manufacturers want to know. We in the division believe that joint effort is the only solution. We have tried to encourage this organization by working with it and pushing it along as much as possible. We are helping Atchison County get started on a similar program. In the area immediately south of St. Louis and Desoto there is about a six-county area which is organizing, and hopes to, in fact, has started to sell memberships to provide a staff. We have a similar group down in southeast Missouri. I believe joint effort is the solution.

Now, gentlemen, I am sure I speak for the panel also when I say that we have enjoyed the questions. We will be glad to answer any further questions during the coffee break which has been arranged. We will meet back here promptly at four-thirty.
PART II "WHO’S HELPING YOU?"

MR. HARPER:

The Missouri State Chamber of Commerce, as well as the Division of Resources and Development, is vitally interested in the welfare of Missouri. I, as president of the Mid-Missouri Development Council, would like to add that I think the Mid-Missouri Development Council could extend from border to border, north and south of the State of Missouri, if necessary. However, if there are other communities that you are to organize, I am sure that if we have anything that you need, we will be glad to help you. Because of his vast knowledge, Mr. Arndt is going to be a marvelous help to us. He and Mr. Schramm have done a lot of work for this meeting that we are having today. I think it would be appropriate if you give them a hand. Mr. Jarvis, I am sure, has worked about as hard as anyone. Between the three of them they are really giving us ideas, something to “put our teeth in.”

Without any further statement, Mr. Thompson, I will turn the floor to you and ask you to introduce your panel.

MR. THOMPSON, Executive Vice-President, Missouri State Chamber of Commerce, Jefferson City:

I am always aware at a meeting of this kind of the possibilities of misinterpretation of what is said. I am sure that each of you has heard exactly the same thing, but I am also sure that you will all go home with a different idea than your neighbor has in mind. Let me give you an example of misinterpretation. It was during World War II when railroads were crowded that a general and his aide found it necessary to travel from one place to another by rail. If you traveled at all during that period, you would have found that the railroad trains were very crowded. The only place they could find in the coach was at the end of the car where they had to sit face-to-face with an elderly woman and a young lady who was obviously her grand-daughter. They took the only two seats that were together. It was not long until they pulled out of the station, and the train picked up speed and the noise that accompanies it. As the train went through a tunnel the lights faded. They had not much more than gotten into the darkness until they all heard someone being loudly kissed and immediately following someone else being loudly slapped. The grand-daughter thought: “Well, that fresh young lieutenant, the aide to the general, is a pretty fresh sort of thing. He tried to kiss me, missed me, and kissed grandmother instead, and she slapped him, God bless her.” The grandmother thought this: The young lieutenant is a fresh young thing, but showed rare judgment in trying to kiss my granddaughter; but, thank goodness, my granddaughter is a properly brought up young lady, and she slapped the young man in the face.”

The general thought: “Well that young lieutenant aide of mine shows rare, good judgment. That young lady across the way is a beautiful thing. I do not blame him for trying to kiss her, but I wish she had hit the lieutenant instead of me.” And the lieutenant thought: “How much fun it was to very loudly kiss the back of my own hand and soundly wallop the general.” A misinterpretation certainly happened there. Let us hope that we will have no misinterpretations, but we could. What we have heard up to now would lead, I think, a newcomer, and most of you are not newcomers to this group, to the belief that industrial development is entirely a “bootstraps operation.” To a large degree this is true. But to amplify that, are three men here to talk to you about who is giving you help. They perform a significant operation. The first man on the program is the professor and chairman of the Industrial Engineering Department from the College of Engineering at the University of Missouri, Mr. Eastman.

DR. EASTMAN, Chairman, Department of Industrial Engineering, University of Missouri:

Thank you, Mr. Thompson, and gentlemen:

The University of Missouri, as you probably know, is a great educational institution. Its history goes back over a 100 years. During this time it has built up a tradition of good scholarship and sound education. But times change, as the previous panel members have brought out. In addition to being a fine educational institution, the University of Missouri is now expanding into other forms of service. Today, it is not enough just to teach young people of the State. We must provide services in terms of taking education “out to the people” where appropriate. Also, we are making technical and personnel resources available for special projects and other work. As part of this expansion of service, the University sometime ago set up the Engineering Experiment Station. Dean Croft is the present director and Professor Jarvis, who has done so much fine work for this group, is the associate director. This organization’s mission is to provide services in the engineering line to the State of Missouri. It serves departments of the State government, the industries of the State, and the people of the State. In addition, in common with other similar organizations of this type, we are called upon to do research for the federal government.

Just how do we operate? Suppose one of you has a question or problem that falls in the engineering category. You can write to the Engineering Experiment Station outlining your problem, stating what information you need. In most cases we can, with a quick inquiry or letter, answer your question. In other cases, it may be outside the scope of our activities. Then we refer you to other people, on campus and off, who can provide you the necessary help and service. Suppose that the project or the question involves extensive work that will require more than a minimum amount of faculty and employee time. In this case, we stand ready to set up work projects.
We prepare a proposal, submit it to the sponsor, and, if the sponsor agrees, we can then proceed with the work. Unfortunately, we do not have the resources at the present time to do extensive work without compensation. We certainly wish we had more. Some of our past work has concerned special types of batteries, electronic work, quite a bit in highway work, concrete, and in reinforcement of concrete structures. At the present, we have some research assistants working on a survey of industries which would be suitable for Missouri. We hope to be able to convince prospects in these industries that Missouri is a good place to expand and locate. Also there is an Agricultural Engineering Department in the College of Agriculture. It has done quite a bit of work on farm buildings and other types of work of interest to the agricultural community. I would also like to elaborate a little further on the College of Agriculture. The University has an excellent College of Agriculture, and has been providing and is ready to provide information and some services to communities and to farmers in connection with agriculture. This includes such things as processing and marketing farm products. There is also a very fine School of Forestry which is well informed on the manufacture and processing of forest products. Another group I would like to mention is the Community Development Group headed by Professor Quentin F. Schenk. This group is prepared to help with surveys of the entire community in terms of housing, roads, facilities, sewers and all those things which go into making a fine community. This, of course, is far more extensive than the industrial development work. These groups cannot do the whole job, but they certainly can help with advice and counsel. Another group on campus I should mention is the Department of Adult Education and Extension which offers correspondence courses, conferences, short courses, film services and other educational services which can be handled away from the campus. In addition, we have a number of individuals from various departments on the campus who are experts in many fields. These gentlemen are sometimes available on an individual basis for special work. If you have any question or problem, perhaps we can, through Engineering Experiment Station, route them to the proper individuals, and bring them to your attention.

In addition to services on campus, many of our engineers are familiar with other services throughout the State, such as private consulting organizations, manufacturers and State departments. There are many, many sources of help and information. Sometimes we can give you help in finding the source of information you want.

In conclusion, the University is primarily an educational institution. However, it does stand ready to provide services to the limited extent that its resources permit, to the people and industries of the State on specific problems where it can help. If any of you gentlemen have any questions on particular items, now or later, we will be glad to answer them and to help you to the best of our ability. Thank you.

MR. THOMPSON:

Thank you, Professor Eastman.

Next on the program is a man who has done much to spark a major point made by one of the previous speakers. I believe it was Mr. Canaday from Holden who said some of the best things the towns-people of Holden did was to gain their own self-respect. That is a tremendously important characteristic, I think. The man you are about to hear is the man who has spark plugged a program in the area served by his company and affiliated companies. I refer to Union Electric Company, Missouri Power and Light and Missouri Edison in sparking a Planned Progress Program. He is going to tell you about it because again it is a success story multiplied many times over. Mr. Van Sutliff.

MR. VAN SUTLIFF, Manager, Planned Progress Program, Union Electric Company, St. Louis:

Thank you, John.

Gentlemen of the Mid-Missouri Development Council:

Many of you, I know, have noticed our display in back of the room and many of you asked questions about it. Some of you who have not seen it yet, we hope will have an opportunity to examine it before you leave. We prepared that display to prove one thing: Missouri communities are getting something done. This display, we believe, certainly is an answer to anyone who says that the smaller communities in Missouri are dead. They are not dead; they are getting a lot done as this display will point out.

For the past two years the Planned Progress Program has been in operation. These communities have been preparing annual reports on the progress they have made. We could not begin to list all of the things these communities have done and have reported. But we have picked out just a few samples to put on those cards back here. And, we think certainly, the communities have done a wonderful job. We hope to make good use of this display in proving this point. We have already scheduled seventeen more showings for the rest of this year, and if we do not wear it out, we will certainly have more displays next year.

Many of you, I know, are familiar with the Planned Progress Program because I see many of you here today who have been active in it. Some of you, perhaps, are not familiar with it. I think right now it would be sufficient just to say that Planned Progress is a community development program in operation of communities which have less than a 7500 population and are in the service area indicated on the map that are served by the three electric utilities. Many of you, I know, in driving through this part of the State have noticed the signs at the approaches to the towns. We call the signs you have seen the Planned Progress signs. They are about two by three feet.
and have a red and white area on them. They indicate the name of the town. They also have written on them: "This is a 1958 Planned Progress Town," "What do they mean?" many people ask who do not live in the area of these signs. Well, I think they mean simply this—in these towns you will find there are people who are interested in the progress of their communities. If you will stop in these towns, you will find that most of them are getting something done.

This does not mean they have organized to change everything around, upset everything and start anew. It is not that at all. It is not like the story I heard the other day of the little boy down at Cape Canaveral. It seems that this small lad living down there where they are launching all those rockets had lived through quite a few countdowns and seen quite a few of those rockets launched. His dad in talking about him said this: "The boy is not old enough or big enough yet to count from one to ten, but he certainly knows how to count from ten to one." Without turning everything around and upside-down, Planned Progress is something to assist and to help the things that are going on in the communities at the present time.

I mentioned that these towns were organized in the interest of improving their communities. Here is the way I think you will find, if you ask them, that they have gone about it to be successful. They, first of all, had to evaluate their present situation. Small communities today are, you might say, highly competitive in some respects, but they certainly have quite a struggle in survival and growth. They try to evaluate just where they stand today, and try to decide what these communities need to grow and to improve.

They want to put first things first. What do we need now? What do we need first? What do we need next? What are our long-range needs? They usually make out a program of work for the year. In this program are included various clubs, groups and organizations in local city government. They also delegate what each might do to help contribute to the overall growth of the community for that particular year. They try to stimulate cooperation between the different organizations. The Planned Progress councilmen in most of these towns are representatives of the various clubs, groups and organizations in local city government and others that are interested in progress. They try to make out programs that will work so that the things that each club, each group, each city government organization and others do would improve the next year and would stick together in their overall pattern. This is a very good business-like way of getting the most done with what they have to work with and getting the most out of everything that is done each year. Each group or club takes part in an overall plan to improve the community.

Another function of the council, besides planning, is to keep the program in operation. It meets throughout the year to keep things active and to make changes in their plans when needed. Sometimes these Planned Progress Councils, particularly in the smaller communities, carry out projects themselves. Quite a few of them do. And there may be certain projects that need to be done that could be handled best by the council as a whole rather than by some of the individual groups that are taking part.

Someone might ask, "What does a community need to do this?—or to get a good job done in Planned Progress?" I think first of all, that community needs good leadership. This leadership must have stability to see the overall problem, where a community stands and where it is going, and what needs to be done. It takes leadership with a certain amount of imagination to look to the future. We have to see what is coming in this rapidly changing age that we have now. Certainly, we would not be launching any rockets to the moon or things of that nature, if a little imagination had not entered into it in the past. People that create the rockets have a little imagination and can see the whole picture and tie things together, such as the economic needs of the community with the resources, social needs, recreational needs, educational needs and many others.

Communities need people with a good wholesome attitude who are willing to work together. Unfortunately, many times when we talk to towns about Planned Progress we in the beginning might say: "Well, people just never did work together in this town. I do not know what is the matter. Planned Progress can work anywhere else, but it just cannot happen here." I do not believe that is true all together, but it may be true in some instances, in some towns. But the attitude of people can be changed by the leaders of the community. How? They can be changed by getting an understanding from part of the people. Why do we need to do these things? Just where do we stand today? Why do we not need to do these things to improve? Get the people to accept them. When things are well explained, people will accept the new ideas and help with them, and if we can give these various jobs out, many people in the community will take responsibility and do their share. We will then certainly get a lot done.

For a lot of these smaller communities in Missouri their problem of growth and facing the future is very largely a fight with obsolescence. They can no longer be satisfied with the old things. They must change and accept the new. For example, many types of obsolescence in communities, I think, is physical obsolescence. The structures in many communities get a little old and worn out and deteriorated looking. The maintenance is not too good on them. Although we may do a little patching as we go along, many times these old structures have to be removed to make way for some of the new things, if the community is going ahead to be attractive to the people who live there. A lot of our towns, smaller towns,
are laid out according to initial plans in days when we were riding horses and buggies or the model-T Ford. The layout sometimes that was made in those days is not acceptable today with the kind of traffic we have. Something must be done, or the town will become obsolete. The people find they have not taken care of those things which need to be done now. They need to take care of transportation, parking problems, safety problems and things of that nature.

Many communities are facing obsolescence along the educational and cultural lines also. But many communities are doing much to improve their schools. Do the schools in your communities offer the best possible education to the young people? How do they compare with other areas? Things need to be done to improve these schools, their structures and their program.

What are some of the by-products of obsolescence from letting a community run-down? Well, of course, one thing is a loss of population. People just do not live there anymore or desire to live there in small numbers. You begin to lose industry and your industrial prospects. You lose your young people, because when these youngsters finish high school a year or so later they are gone. They move to other places that are more attractive to them. Things need to be done to prevent this obsolescence from causing your young people to leave.

Obsolescence in many instances brings more obsolescence. When things start downhill they just continue so things must be done not only in industry, but many other things must be brought up along with it to improve the community as a place to live. I certainly want to congratulate you people here today in forming your Mid-Missouri Development Council and in your efforts. Your taking part and being here at a meeting such as this one expresses your leadership. We certainly wish you the best of success. We hope that you will call upon us to help you at any opportunity that we can. In industry is certainly sorely needed in the area; the future of the area depends upon it. When you have Planned Progress groups in your communities, in your towns or some of the towns surrounding your community, we hope that you will seek the cooperation of these various organizations.

The end product which I am sure that the Planned Progress Councils have in mind is the same thing that your citizens are looking for—growth and improvement of your community. The Planned Progress Council is wanted in most communities. It tries to take in consideration the many things that need to be brought together to improve the community. As time goes on and industry moves in, your community must continue to improve. Otherwise, there is the possibility of your industry becoming dissatisfied with various things. You could possibly lose your industry. I have heard the expression very often: "Let us zone our community for industry." But I do not think we really zone our community for industry. We actually zone for the people in the community. We zone not only for industry, but for the businesses, the residents, the schools and the parks. So I think the idea of looking at the thing as a whole is certainly good. And when your community, your Planned Progress Council, or councils, in the surrounding towns have been successful and have a good plan, it is certainly something that should be of assistance to you in your looking for additional industry. You will have something to show industrialists. As has been brought out before in this meeting, you do not just show an industrial prospect a cow pasture or something, but actually have a plan for growth and the future for the whole community to show him. We think certainly it is sound progress to show an overall plan for community growth and betterment.

Now, I have just a word or two about the aids that we might have for a community through our Planned Progress Program. We have a small group that works with us full-time which will try to help you. If you call on us for assistance in these towns, in the 7500 population category, that we serve we will help you in organizing in any way that we can. We have a number of activities during the year including a work shop which we hope will be beneficial to the leaders in your community. We offer a special part of Planned Progress to the high schools to help give these young people, who are studying community problems, community growth and so forth a little more interest in what they are doing; and we hope, help them get more out of it. We have awards and programs each year which we hope will provide a stimulus to the towns.

On one of the tables back there we have a few brochures that tell a little bit more about the program. You may take them home.

Thank you very much. It was a pleasure talking to you.

Mr. Thompson:

One of the first points that Dean Croft made was the need for citizens back home to recognize the necessity for industrial development for the community in order to have the right kind of atmosphere and the right kind of planning program in which new industry might flourish. I can think of no better means by which that characteristic can be developed than through the Planned Progress Program that you have just heard described. Though it does come first, I am afraid too much emphasis is placed on industrial development.

Next on the program is another representative from the Division of Resources and Development. It is not Mr. Idol as your program indicates. He sent one of his very able assistants, Mr. O'Brien.

Mr. Richard O'Brien, Research Analyst, Division of Resources and Development, Jefferson City.
I am a research analyst—that is another term for "egg-head."

Whether you realize it or not, within twenty-five years or at the end of twenty-five years, in 1993, we come to the three hundredth anniversary of the first legislation concerning a planning program in the United States. In 1693, almost a hundred years before the revolution, the broad arrow industries from "bloody" England stated that all the oaks and timbers in what is now the New England states which had the broad arrow mark on the tree bark were to be preserved from cutting, except by royal decree. The woods in them would be used for the royal dining room. This was a way of planning resources.

Planning and promotion, of course, have come a long way since then. The idea got off to a very slow and a very early start through the conservation movements, the granger movements of the later 1900's. The conservation movement was within Mr. Teddy Roosevelt's time up through the state planning board movement of Mr. Franklin Delano Roosevelt, and finally, the federal support for the state planning boards was drawn into the state promotion and grant agencies which we have today.

Our agency was started in 1943. Its purpose is to promote the general economic welfare of present and future Missouri citizens. Because of the various interests of the people who created our Division we are spread out rather thinly, but there is a purpose behind this.

First, let me give you a run-down of the various sections within the Division of Resources and Development to which you might come to seek aid concerning various problems. We are the only state promotion planning agency which has a museum and an archive section under its jurisdiction. Were any of you interested as to who was the tallest woman in the State or how large a shoe she had? You probably have all seen the display that answers that question. If you are interested in anything of historical nature the museum officials will be glad to assist you. We have an aviation section which helps the communities, gives them advice on Federal Civil Aeronautic Administration regulations concerning the building of airstrips, airports, and also helps plan the change when a community wants its airport to change from a private to a municipal airport. We have a water section which, of course, deals with your water programs. We also have a tourist section and are very fortunate in having Mr. Morris to run it. We have an information section which tells the story of Missouri to other states, and also keeps what is happening in Missouri in front of Missourians through press releases to the state metropolitan and daily newspapers. Finally, is the industrial section which consists of the industrial director, two industrial representatives, a few secretaries to take care of odds and ends and a research staff consisting of three or four people. The industrial director and his two representatives spend a good deal of their time in keeping Missouri in front of industrialists in other states. This, of course, involves quite a bit of travel and it also involves quite a bit of fact-gathering.

We have, as you can see, a multi-facet organization which is spread thin and which does not have a lot of personnel to undertake any one particular project, such as a large project of a community type or perhaps a community might believe it has the ideal situation for a particular type of plant. We do not have the people to accomplish this sort of thing. With the personnel we have on hand we try to give you advice concerning your community and industrial development program in the way of personal conferences. Also we try to help in the way of our publications or brochures. "Steps in Industrial Development" is one. One of the latest publications was called "Missouri Fact-Finder". We also issue a monthly news letter which I think all of you should receive because it keeps you well-informed about what is currently happening in Missouri on the industrial field. It consists of success stories as to who had done what and how he did it, of new developments in industrial development and of industry coming into the State. If you are not on the mailing list, I would appreciate it if you would come up and let me have your name and address and what town you represent in order that you may receive this. We of the research staff will be glad to assist you on working out your economic survey. My personal feeling, which I believe is shared by all the people at the Division of Resources and Development, is that the greatest lack in industrial development in the communities right now is the lack of pertinent information of the economic survey type. In our "Steps in Industrial Development" we have devoted a couple of chapters to the economic survey. These chapters give you a way of making this community survey and also the reference sources to which you can go to find out a great deal of information. We have tried to line up this economic survey into different environments. We have examined quite a few Chamber of Commerce publications from other states and found out that many citizens like to present their town starting off with their civic environment, and then get into their production environments, their educational environments, cultural environments and then finally wind it up with their resource environments. In other words, they tell what minerals, agriculture, timber, etc. are around town. If you will make an economic survey according to the outline we give you and then put that together with perhaps a few pictures of your town, you will really have some sort of a community brochure. We are not trying to say that you should not have outside help on this. I know of many towns that are going to research agencies and having their surveys made for various reasons. Perhaps, the most important of these reasons is that the towns-people feel an outside person can give a more objective survey, and it will appeal more to industry. But there are many communities that cannot afford this type
of survey. Also, even the information that is found, if it is clear enough, will cut down the total cost of the survey. Perhaps a town does not have the ability, the personnel or the technical know-how for making a sample survey of labor potential. But, for the most part, the type of survey that we have outlined in "Your Steps in Industrial Development" will do a great deal to help you get a look at your town and to see just where it stands economically. We have been rather unfortunate in the Division because we do not have a survey on every individual town in Missouri that is interested in industrial development. We should make a survey at least every three years so that it is up-to-date. When we do land industrial prospects we have to rely on the leading town citizens whom we generally contact. Let us say, that perhaps there are three of them. Two may be on vacation, and the other one may be ill just at the time we must bring a prospect to the town. You know, as well as I do, that an industrial lead is often a matter of time—a matter of timing in putting the right energy on it and getting the answers "right fast," because you are in competition with some pretty high-powered people. We would like to stress the help that we can give you in this particular matter as well as with the other matters that I mentioned before, and the help that you can give us at the same time helping yourself.

I also want to say that there are many other state agencies in Missouri, especially in Jefferson City. It might be a matter of contacting the right person and finding out the right information. Whenever you want information, please feel free to call on us, and we will help you all we can. For instance, you may want to know what your labor potential is for a particular industry in your area. You might have a prospect who has sent you a questionnaire on economic requirements concerning the labor potential for, let us say, a metal industry or a metal assembly industry. The labor potential of that type of industry based upon what their wage scale is going to be and so forth, the skills which they require and many other minor requirements is not the same as say a garment-type of industry or a foundry-type of industry. So if you want to get down the labor potentials for any particular industry, the Division of Employment Security is going to help you in that particular matter. Such a thing like that may save you a day or maybe a frustrated week. We will be very glad to help you in obtaining information from other state agencies. One of the reasons we were founded was to coordinate state agencies in the promotion of economic welfare.

Now the final thing that I want to impress upon you is that you are living today, in 1958, a few days after they tried to send something to the moon, and this matter of industrial development is becoming a highly competitive and technical field. To do well in it you have to "keep up on your toes." You cannot come along with yesterday's notions. Please be open-minded about this. You must realize that all of us that are over thirty, or forty or fifty are in a dangerous age because it is easy for us to think that things are the same as when we were ten, or fifteen or twenty years old. They are not. Most of us are reading things in the newspaper today that we would not have even dreamed about or talked about as little as fifteen or twenty years ago. About 77% of the medicines that you get from your doctor were not even in existence twenty years ago. It used to be that a farmer who was farming fifty or a hundred years behind the times was looked upon as quite a character, but he was able to make it some way or another. This cannot be done anymore. We have to stay abreast of the times. I realize that much of what we talked about today has been on the basis of community cooperation, but community competition is keen. You found out earlier today what they are doing in DeSoto, and people such as those, are what you are up against. You will find this out from a man that is going to speak this evening. He works out in Kansas, and has been there since January 1st. He told me here today that he has made calls on a 150 prospects. As soon as he gets a nibble, he is right there. He also represents the type of people you are up against. But it can be solved, and it can be done. "Where there is a will", I mean a real will, "there is always a way." The man who just wishes to give up cigarettes does not want the stomach ache, and doesn't want bad nerves and everything else that goes with it, does not really want to give up cigarettes. He is just wishfully thinking. If he wants to give up cigarettes, he wants all the means necessary to giving them up. He wants to lose his stomach ache, the nervousness and the trouble of going to sleep. If you "will" community development, you will want the meetings. You will want the sometimes looking ahead like you are going 100 miles an hour and then sometimes wondering if you are not 10 miles behind where you were a year ago. You will want the time out that you will need to read a few of the books and brochures in the field. And you will want, I suppose—you might even call it the "cancer". It is that kind of a disease which reminds me of two little kids who were having their first sortie and were smoking cigarettes. They turned pretty green about the whole thing. One of them looked at the other and said, "Let us face it, we have cancer." Well, if you have the "cancer" of this community development, you have to want that, too.

Thank you very much.

Question and Answer Period Following "Who's Helping You?"

MR. THOMPSON:

Thank you very much. We come now to that portion of the program which is yours. May I suggest that you perform as you did in the previous session. Please write your questions, hold them up and we will gather them.
You have just heard a comment on the keenness of community competition. I can tell you that state competition is equally as cutting. The little better business environment we have now for our State is a result of keeping the good pile we have now, plus the improvement of it which is a matter of State legislation. We worked a lot in that field because successful State legislation and the success of an improved business climate in Missouri pressured the very foundation of community development programs. Let me give you an example: When your industrial prospect comes to you, he is interested in knowing what his tax bill is going to be not only in your community, but in the State as well. If it compares favorably with other states in which he can operate just as easily, he will look favorably upon our State of Missouri. Fortunately, we have a pretty fair tax climate at this time, but it has been made evidently clear to you if you have read the newspaper at all for the last six months that tax increases are on the way. I do not think there is any question about it. The problem is to be sure that when the taxes are levied, they are not levied in such a fashion as to penalize business and industry in order to raise the money which we must have for the State, and, thereby, discourage business and industry from coming within our borders, an area that we spend some time looking after. We have had one of the problems mentioned here today—financing industry. We lose some financing by virtue of the fact that the State of Missouri lacks the laws which permit insurance companies to invest in present industrial property. The companies can invest in new industrial property that has never been occupied before, but they cannot invest insurance company funds in existing industrial property. Letting insurance companies invest in industrial property will not answer all the problems, but it will bring some additional industrial development financing to Missouri when and if that is changed. What can you do about it? You can communicate with your own legislator because this situation is a result of legislation that is passed in Jefferson City and determines the business climate of Missouri. I think you will find that insurance companies are interested in that sort of thing.

Labor relations is another point in a better business climate. I think some of you know that there are areas in Missouri where labor relations are not excellent. Those things, unfortunately, make headlines in the New York Times and Wall Street Journal. Those papers are read by the people who decide where to locate plants. Our problem is not to suppress the news, but to correct the situation through legislation which makes that news. How can the Missouri State Chamber of Commerce help? We cannot help without your assistance and your interest in building and maintaining a good business climate within the borders of this State. I do not know whether you have read the newspapers, but Michigan at the present time has seen an exodus of industry from that state because of the unfavorable tax climate. Our job is to prevent a similar tax climate from getting into our laws here in Missouri.

Let us get to the questions. This is kind of a personal question, and I am not sure you have the answer, Mr. Van Sutliff, but I will give you the opportunity to say you do not. "How much does Union Electric spend each year on Planned Progress and other industrial developments?"

Mr. Van Sutliff:

I do not think I have a direct answer for that question, but I will say a word or two about how we handle Planned Progress through Union Electric, Missouri Power and Light and Missouri Edison. The basic cost of the program is divided among the three companies. By doing this we can all operate on a larger basis and offer much more economically than we could otherwise. I mentioned a few minutes ago that we did have certain employees who spend full-time with the program. This is actually a very small number compared to all the employees we have in all three companies—less than one out of a hundred. Most of our work and effort on our part of the Planned Progress is put in there by the man who already worked for our company. Now I think that you will find, if you talk to the employees of our three companies, that all of them are aware of the needs for community betterment and growth. They are aware of it, not only for the community itself, but on their own personal basis as they live in these communities. I did not mention earlier that certainly our district managers of our companies spend a lot of time, their own time, going out in the evening and meeting with the various communities and working with them on their programs. We have two of them here today—Mr. Ferguson from Jefferson City, who is district manager there, and Mr. Paul Eckerman from Mexico. These men are here because they are interested in community development and growth. Actually I do not have a figure with me as to what the program costs, but we do it as economically as we possibly can. We have cut the costs way down because our employees certainly work with it.

Mr. Thompson:

The next question is for you, too, but first, I would like to add that it would be difficult to measure the cost of such a program in terms of time spent by these electric utility officials. How can you measure that? You cannot. How can you measure the cost of this meeting here in terms of what you would be earning if you were back on your job at home? You cannot do it. You simply cannot.

Now, for the question: "Mr. Sutliff, do you feel that an industrial and economic survey is a good project for a Planned Progress Program?"
MR. VAN SUTLIFF:

My answer is very definitely, "Yes." The Planned Progress organization could certainly help you. It depends on the individual community and individual organization on what it is doing. Actually the type of surveys that were mentioned is somewhat specialized, but certainly I think the Planned Progress organization can handle it.

MR. THOMPSON:

Here is a question for Mr. Eastman: "Does Missouri University make actual surveys? In other words, do you send groups out into the field to make surveys?"

DR. EASTMAN:

Right now we have a proposal in the hands of the Mid-Missouri Development Council to get together information for a complete survey of the area. Again we run into the cost factor. In order to keep the cost within reasonable bounds, we will have to call upon the communities for certain information. However, we will have graduate students who will work on this project. As a matter of fact, the students who took up the questions earlier for the first session will be the students who will work on this survey when it gets under way. They are both keenly interested in production problems of manufacturing industries. They have already been working on industrial survey projects for Missouri industries.

MR. THOMPSON:

Here is a question for the highway department. Unless there is a representative here, I think it would be only a matter of opinion. The question is: "What effect does relocating a main highway from the center to the edge of town have on a community population of approximately 2,000?" Do you want to take care of that question?

MR. O'BRIEN:

The only inside information I have is that my Dad happens to be head of the Federal Bureau of Public Roads here in the State of Missouri.

The effect of a relocation of a highway on industry is generally good. Now again was that industry or retail business? Let us say that you have a road going from A to B, and this road also carries traffic to market X. The Highway Department in the Federal Bureau of Roads is interested in getting traffic from A to B. Is it adequate to get the people from A to B and also to get them to market? However, as towns grow, cars spread out, chrome gets thicker, and young people drive more, it often happens that going from A to B is no longer adequate. So to alleviate this situation the people going to market X take the road, and the highway swings around the town. Now the question is—is this highway adequate to get to market X? If the condition is so congested that even the taking off of traffic is not adequate, it will hurt the town a little. If the relocation is completely outside the corporate limits, your better businesses, or more progressive businesses or perhaps even the businesses that go broke first will relocate out from this by-pass. If it is adequate and the parking situation is adequate, the business will stay in town. Otherwise, they will go out on the by-pass. If the by-pass is within the corporate limits, this is well and good. The University of Washington has just compiled studies on this particular problem of 42 different cities throughout the United States, including the City of Rolla. The answer is almost universally that this helps a town, its community, and its market much more than it hinders them.

MR. THOMPSON:

The last question I have, unless there are more, says: "Is the fact that we do not have the right to work laws in Missouri holding us back?"

I think for the development of huge industries the answer is, "No". In the development of medium-sized and small industries the answer is, "Yes". Let me give you an example: We have several men on our board of directors in the Missouri State Chamber of Commerce from Springfield. They have been very active in the industrial development of Springfield. They told me less than two months ago that of the last seven prospects who were real prospects that looked with favor on Springfield, two of them located outside of Missouri. After they had located, one in Iowa and one in Arkansas, they were asked: "Why did you go there when you might just as well have landed in Springfield?" The answer was because those states had the right to work laws. But that will not be the same answer of every industry that looks at your community and locates some place else. I think that it is a handicap. I think the fact that we do not have a right to work law is a violation of individual human freedom. A study of human freedom from the point of human freedom, I think, would be well worth your time.

Now is there a question that might come voluntarily from the floor?

MR. KINNE:

May I make a comment?

MR. THOMPSON:

Yes, sir.

MR. KINNE:

In our Industrial Development Council we have not been asked but two or three times about the right to work law in Missouri. We have only been asked if we have one. However, I have been talking to some other industrial development people in the State of Missouri, and they said that it has become a bigger question to the people they had talked to than they had previously thought. So it may be becoming more important. I do not know. I also find in talking to other people that it is being asked more and more.
MR. THOMPSON:

I noticed that people who have those right to work laws use them as a sales argument when they approach an industry.

Are there any other questions?

MR. KNIEBUSCH:

Even though Mr. O'Brien did cover the question on the highway in Missouri well, I would like to add another facet to that highway program. This new highway program gives all communities an opportunity to create sites at the fringe of towns. That was a point that was developed by our annual industrial committee which met with the Bureau of Public Relations in Washington to foster that type of program.

You have all seen these highways with parallel railroads where the right of ways are continuous. You get away from that when you are on the fringes of town. It is a definite asset to help bring industry into town to have your land that is available for industry between a railroad and a highway. The relocation program will help you do it.

MR. THOMPSON:

What you are saying is that when your town is "threatened" into a relocation of a highway which has normally gone down the middle of town, that you look upon it as a challenge for industrial development by relocation of it at the edge of town, rather than down the center of it. Is that right? I think that is a good approach to it.

In closing, I would like to make one other point here that Mr. Pohrer made—that each of you here is motivated, I am sure, by the welfare of your community to come here to learn. I speak as a former local chamber of commerce manager for a period of twenty years when I say that it is very difficult for us to sit in our home towns and project ourselves into the seat of the man who is looking for a place to land. I think we need to project ourselves to his position and know that he is looking for a place to land that is satisfactory for his company to operate at a profit. If he can make a better profit in your community, he will be more interested in your community, and therefore, it becomes incumbent upon you as a representative of your community to place yourself in the prospect's seat. Say: "Would I come to this community? Could I make more money here?" And when you answer that, you have your prospect half-sold.

I turn the program back to the president.

Thank you.

MR. HARPER:

There are some people in the audience that need to be recognized: Mr. James Stevens, assistant to the President in Charge of Industrial Development of the Missouri Public Service Company, Kansas City, Missouri. Will you stand, sir, and take a bow? We also have with us Mr. Warren Fuqua, a member of the Missouri Division of Resources and Development Commission. Stand up, Warren. I see Dr. Ruthford H. Westveld of the Forestry Department of the University of Missouri. Stand up, Dr. Westveld. There is a forestry meeting at Jesse Hall Saturday. Anyone interested should contact Dr. Westveld, and you will attend one of the nicest meetings you have had the experience of attending.

Is there anyone else that needs to be recognized in the group?

MR. THOMPSON:

While you are asking that, let me call your attention to the three men that I am proud to introduce. They are on our board of directors of the Missouri State Chamber of Commerce: Mr. Charles Gillespie, President of Missouri Power and Light, Jefferson City; Mr. F. Gano Chance, President of the A. B. Chance Company from Centralia; and the man whom you introduced from Columbia, Mr. Warren Fuqua who is on our board and on our executive committee.

FLOOR:

You did not mention Mr. H. C. Kniebusch from the Wabash Railroad from St. Louis who is here today. I think he should be introduced.
MR. HARPER:

Now, then, if Mr. Harold Thomas, the industrial representative of the Missouri Division of Resources and Development will introduce the industrial film that you are going to see:

"Gold Mine on Main Street"
(16 mm., color sound film)

An industrial film produced by Industrial Sound Films, Inc. It is a 16-millimeter film in sound and full color. It is a 26 minute film.

This film, prepared under the guidance of the editorial staff of Industrial Development Magazine, is intended to awaken communities that are asleep and to inspire all communities to greater effort in the support of an expanded industrial development program on the community level. Describing the factors influencing industry in plant site selection, the movie stresses community development and getting organized to seek new industry.

This film does not intend to promote any community, state or area.

By following procedures described in the film, communities will waste less money and get more results in promoting new industry for themselves. This film has been cleared for television.

Copies of this film may be obtained on a loan basis from the following:

1. Mr. James W. Stephens, Executive Assistant
   Missouri Public Service Company
   Kansas City 33, Missouri

2. Division of Resources and Development
   Jefferson Building
   Jefferson City, Missouri

3. Mr. J. E. Johanson
   Manager, Industrial Development
   Union Electric Company
   St. Louis, Missouri
AFTER DINNER ADDRESS

"When People Work Together"

W. H. CALDWELL, Executive Vice President, Heart of America Development Council, Parsons, Kansas:

Mr. Caldwell's speech was not recorded following the dinner held for the Mid-Missouri Development Council. However, the following extracts from his speech were made available from an article appearing Wednesday, Oct. 15, 1958, in the Columbia (Mo.) Tribune:

"The Mid-Missouri Development Council will need more money than it now is getting, if it is to support a 'unified, hard-hitting program' of industrial development for the Central Missouri area."

Mr. Caldwell then went on to say "the Midwest is the new frontier of industrial development following rapid industrial expansion in the earlier frontier, the South."

"You cannot have a loosely-jointed organization," he said. "You must have a tight organization, and your income here is not even cigarette money compared to money you need to operate."

Mr. Caldwell said, "Industrial development and community development are projects to be accomplished on the local level by town governments and by individual citizens."

"There was a time when a plant looking for a place to locate would look at the transportation and resources offered to it," he said. "Then a site had to be near a railroad or a trolley line so that employees could get to and from work. Now, with modern highways and cars, utilities going all over, a plant can locate where it pleases. Transportation does not mean as much any more."

"We do not bring industry into our communities," he said, "We just supply them with the information so
they can make up their minds where to locate."

According to Caldwell, "Industry looks first for materials, manpower, and markets in its search for new locations."

"Then they look for the intangibles: services, good city government, an aggressive civic spirit, good appearance, a good educational system and recreational facilities, churches, and shopping centers. They also look at things like the per capita contributions to the United Fund."

"Planning is another vital factor," he said. "Industry likes to see a town or city looking to things like streets, subdivision development, and sewer lines. This is a job for all of us; the best planning in the United States is being done by local people, not by planning consultants."

"Planning is just the good common sense to look where you are going before you start running to get there."

Commenting on the council's income of $5 yearly dues from each community and one mill per person according to 1950 census figures, Mr. Caldwell said, "More money will be needed for research, planning for action to win new industry, and contacting the prospects."

"A commission such as this ought to have some money," he said, "something to work with. Most development corporations in the country are underpaid."

Caldwell pointed out, "Industrial development does not necessarily mean bringing new plants into an area, but can also mean expanding plants already there."

He said, "One hundred new workers added to a plant's pay roll can mean the support of nearly 300 persons and the addition to the community of 174 households, 107 autos, four retail establishments, and $590,000 in salaries according to U. S. Chamber of Commerce figures."

---

EXECUTIVE COMMITTEE

Mid-Missouri Development Council

C. L. Harper, President
J. M. Allton, Vice-Pres.
Travis John, Sec'y-Treas.
F. Joe De Long
Francis Knollmeyer
Walter Hoecker
Arthur J. Morgan

Sturgeon, Missouri
1103 E. Broadway,
Columbia, Mo.
Vienna, Missouri
De Longs Inc., Dix. Road,
Jefferson City, Missouri
Linn, Missouri
Marshall, Missouri
415 South Lamine,
Sedalia, Mo.

Training Program Committee

J. M. Arndt, Chairman
O. W. Raithel, Jr.
James W. Neal
J. Pitts Jarvis, Jr.
Wallace Schramm
Robert Eastman

A. B. Chance Co.,
Centralia, Mo.
Exchange National Bank,
Jefferson City, Mo.
Moberly Electric Supply Co.,
Moberly, Mo.
Engineering Experiment
Station, Univ. of Mo.,
Columbia, Mo.
A. B. Chance Co.,
Centralia, Mo.
Department of Industrial
Engineering, Univ. of Mo.,
Columbia, Mo.
PUBLICATIONS OF THE ENGINEERING BULLETIN SERIES

Copies of the complete list of publications may be secured from the Director of the Engineering Experiment Station, University of Missouri.

Bulletin
No.
* 1. Acetylene for Lighting Country Homes, by J. D. Bowles (1910)
* 2. Water Supply for Country Homes, by K. A. McVey (1910)
* 3. Sanitation and Sewage Disposal for Country Homes, by W. C. Davidson (1910)
* 4. The Heating Value and Proximate Analysis of Missouri Coals, by C. W. Marx and Paul Schweitzer (1911)
* 5. Friction and Lubrication Testing Apparatus, by Allan E. Flowers (1911)
* 6. Test of Road Materials of Missouri, by W. S. Williams and Warren Roberts (1911)
* 7. The Use of Metal Conductors to Protect Buildings from Lightning, by E. W. Kellogg (1912)
* 8. Firing Test on Missouri Coal, by H. N. Sharp (1912)
*10. Economics of Rural Distribution of Electric Power, by L. E. Hildebrand (1913)
*11. Comparative Test of Cylinder Oils, by M. P. Weinbach (1913)
*12. Artesian Waters of Missouri, by A. W. McCoy (1913)
*13. Friction Test of Lubricating Greases and Oils, by A. L. Westcott (1913)
*15. A Preliminary Study Relating to the Water Resources of Missouri, by T. J. Rodhouse (1914)
*16. The Economics of Electric Cooking, by P. W. Gumaer (1915)
*17. Earth Roads and the Oiling of Earth Roads, by H. A. LaRue (1916)
*19. Geology of Missouri, by E. B. Branson (1919)
*20. Energy Necessary to Shear Steel of High Temperature, by Guy D. Newton (1920)
*21. Water Supply and Sewage Disposal for Country Homes, by E. J. McCaustland (1920)
*22. Study Relating to the Water Resources of Missouri, by T. J. Rodhouse (1920)
*23. Experiments on the Extraction and Recovery of Radium from American Carnotite Ores, by H. H. Barker and Herman Schlundt (1926)
*24. The Grading of Earth Roads, by H. A. LaRue (1923)
*25. Experiments on Sunflower Seed Oil, by H. E. French and R. O. Humphrey (1926)
*26. Directory of Alumni and Former Students, College of Engineering (1926)
*27. Tests on Lubricating Oils, by Dr. Mary V. Dover (1928)
*28. Reinforced Brickwork, by Mason Vaugh (1928)
*30. Flood Flow on Missouri Streams, by Horace W. Wood, Jr. (1942)
*31. Cross-Connection Survey in Calhoun County, Michigan, by E. L. Stockton (1942)
*32. Cross-Connection Survey in Calhoun County, Michigan, by E. L. Stockton (1942) (Revised)
*33. Supplemental Irrigation for Missouri and Regions of Similar Rainfall, by Harry Rubey (1945)
*34. A New Transit Method for Realigning Railway Curves and Spirals, by Harry Rubey (1946)
*35. Influence Lines for Horizontally Curved Fixed-end Beams of Circular-arc Plan, by Robert B. B. Moorman and Manford B. Tate (1947)
38. The Effect of High Temperature Steam on a Nickel-Chromium-Iron Alloy, by Paul Ogden and Ralph Scorah (1952)
39. Air and Water Pollution Conference (1955)
40. Selected Papers from the Air and Water Pollution Conference (1956)
42. Selected Papers from the Air and Water Pollution Conference (1957)
43. Proceedings of the Missouri Community Development Clinic, by J. Pitts Jarvis, Jr. (1958)

*Out of Print.
The University of Missouri
SCHOOLS AND COLLEGES

College of Arts and Science
School of Social Work
Division of Agricultural Sciences
College of Agriculture
School of Veterinary Medicine
School of Forestry
School of Business and Public Administration
College of Education
College of Engineering
Engineering Experiment Station
Graduate School
School of Journalism
School of Law
School of Medicine
School of Nursing
Local Identifier Jarvis1959

Capture information

Date captured 2018 January
Scanner manufacturer Ricoh
Scanner model MP C4503
Scanning software
Optical resolution 600 dpi
Color settings Grayscale, 8 bit; Color 24 bit
File types Tiff

Source information

Format Book
Content type Text
Notes Digitized duplicate copy not retained in collection.

Derivatives - Access copy

Compression LZW
Editing software Adobe Photoshop
Resolution 600 dpi
Color Grayscale, 8 bit; Color, 24 bit
File types Tiffs converted to pdf