

Mr. ACKERMAN. Do you contemplate that in the next three months this loan will be repaid?

Mr. LEGGE. Not as quickly as that.

Mr. ACKERMAN. In six months?

Mr. LEGGE. No. There is \$4,000,000 in that, and that is a long-term loan on their facilities. The money is coming in, and they will cut it down very substantially.

TUESDAY, DECEMBER 16, 1930.

FAILURE TO ORGANIZE COOPERATIVE ASSOCIATIONS OF TOBACCO GROWERS
IN KENTUCKY

The CHAIRMAN. Mr. Byrns desires to ask some questions.

Mr. BYRNS. You have not been able to do anything for the tobacco growers down in Kentucky and Tennessee—and I am now referring to the dark tobacco region rather than to the Burley region; I do not know whether you have done anything in the Burley region or not?

Mr. STONE. Yes; we have done something in the Burley section.

Mr. BYRNS. I understand that the reason you have not been able to render any aid to the tobacco growers there is because of their failure or inability to organize cooperative associations.

Mr. STONE. We have three or four groups down there, Mr. Byrns, that are divided as to what they want. One group wants one plan and another group wants another plan. The thing I have been trying to do is to get them to join together on some central plan, but so far they have been unable to do that.

Mr. BYRNS. Mr. Stone, there is an idea on the part of some of the citizens down there, I will not say how many, but at least some of them have expressed the idea that possibly the Federal Farm Board should interest itself to the extent of really telling those growers what they should do, or, rather, dictating the contract, or something of that sort. Do you ever do that?

Mr. STONE. We have done that with that group, Mr. Byrns; we prepared a contract and sent it down there to them.

Mr. BYRNS. What was the result?

Mr. STONE. Just as I told you; there was a divided opinion about it.

Mr. BYRNS. So they never have even accepted the contract which you have drawn?

Mr. STONE. That is correct. Mr. Collins, who is in charge of the tobacco section of the Division of Cooperative Marketing, was sent down there, as well as several other people, with the idea of trying to get those men in the various groups together under a contract that would meet the situation as it is. In the Burley section we did prepare a contract which has been adopted. That section is prepared now to take care of the growers in the event that the price is not satisfactory. I think that possibility has had a tendency to increase the price.

Mr. BYRNS. My understanding of the attitude of the Farm Board—and I have talked to you particularly, and possibly you are the