"It mig't be observed that this is a safe course for publishers to pursue for the further reason that paper manufacturers cannot now turn their machines off newsprint as they have threatened to do. The markets for other grades of paper are decidedly soft, and many of these mills are running only 60% capacity. It is true many claim they are deliberately reducing production to maintain prices firm in a soft market, but in spite of this prices have softened substantially and this grade of paper is difficult to sell. The International Paper Company, during the summer months, produced two hundred to three hundred tons a day more newsprint than their now normal production, which is about 1,300 tons a day. They have retained for a year past Chas. F. Duncan, formerly with the Marathon Paper Mills and the Minnesota & Ontario Power Company, associated with Dan. J. Albertson, engineer of Kalamazoo, Michigan, for the particular business of examining all their mills and turning as many machines as possible off newsprint and on specialties and other grades.

"In spite of this systematic and scientific attempt to divert their tonnage, and in spite of the fact that a year ago they were running sixty-two machines on newsprint and have now only fifty-two, they are making more newsprint paper because the machines now running are their most modern machines, having a capacity for larger production than the older ones being taken off. This shows, in the face of such attempt to divert machines off newsprint, how little has been accomplished and how improbable it is that further machines can be switched in this way, under the existing markets.

"For this reason, publishers need · · be afraid, if they have to depend for their next year's supply on the open market, that so much paper will be diverted that it will create a scarcity. Since the announcement of the recommendation of the Paper Committee, urgin· publishers to adopt the policy of only making contracts at a satisfacto price and under satisfactory contract conditions, we have had reports n a large number of publishers, who, by insisting on this position, ha now been able to obtain contracts under prices and conditions endorsed by the Committee and certainly on a much better basis than if they had allowed themselves to be coerced into a panicky frame of mind, as was the case last year. To some extent, at least, it is now a seller's market."

Bulletin No. 3779, issued Nov. 22, 1917, again urged strenuously that publishers refrain from making contracts, and declared that market conditions presaged lower prices. In the words of the Committee:

"The Paper Committee, after further very careful investigation and consultation on the paper situation, again particularly **urges all publishers to refrain for the present from making contracts for next year.**

"The advice offered in our previous bulletins has been substantiated by developments, and we believe each individual publisher's interests will be best served by refraining, until further notice, from making any contract for next year.