

# LOCATION OF RESERVE DISTRICTS IN THE UNITED STATES

## LETTER

FROM THE

RESERVE BANK ORGANIZATION COMMITTEE

TRANSMITTING

THE BRIEFS AND ARGUMENTS PRESENTED  
TO THE ORGANIZATION COMMITTEE OF THE  
FEDERAL RESERVE BOARD RELATIVE TO  
THE LOCATION OF RESERVE DISTRICTS IN  
THE UNITED STATES



WASHINGTON  
GOVERNMENT PRINTING OFFICE

1914

PRESENTED BY MR. HITCHCOCK.

IN THE SENATE OF THE UNITED STATES,  
*May 28, 1914.*

*Ordered,* That the letter of the Reserve Bank Organization Committee submitted to the Senate on May 18, 1914, transmitting the briefs and arguments presented to the Organization Committee of the Federal Reserve Board relative to the location of reserve districts in the United States, together with such accompanying maps and diagrams as may be necessary, be printed as a Senate document.

Attest:

JAMES M. BAKER, *Secretary.*

## LETTER OF TRANSMITTAL.

RESERVE BANK ORGANIZATION COMMITTEE,  
*Washington, D. C., April 29, 1914.*

SIR: The Reserve Bank Organization Committee has the honor to acknowledge the receipt of a copy of the resolution of the Senate, dated April 14, which reads as follows:

*Resolved*, That the organization committee of the Federal Reserve Board be, and it is hereby, directed to send to the Senate copies of all briefs and written arguments made by each city applying to the organization committee for the location of a Federal reserve bank, together with the poll of the banks and the reasons relied upon by the organization committee in fixing the boundaries of the reserve districts and locating the reserve cities.

In compliance therewith there is transmitted herewith:

1. Copies of briefs, as shown by the list attached hereto, and written arguments presented to the committee by representatives of the various cities asking to be designated as Federal reserve cities.
2. An analysis of the poll of the votes cast by banks expressing the first, second, and third choices of the respective banks as to the location of the Federal reserve bank, classified to show the result of the vote taken by States, by cities applying, and according to districts as defined by the committee.
3. Copy of the decision of the committee defining the districts and designating the locations of the Federal reserve banks.
4. A copy of a statement of the committee dated April 10, 1914.

The resolution above referred to calls for only a part of the evidence before the committee, namely, briefs and written arguments filed by the various cities and the poll of the banks. In order that the full record may be available, or such parts of it as the Senate may desire, there is attached hereto an index of the testimony of the witnesses appearing before the committee at the hearings held, together with an index of exhibits and papers other than the regular briefs filed at the hearings or with the committee by various individuals, organizations, etc.

To expedite compliance with the Senate's request, wherever printed and typewritten briefs and arguments were filed in duplicate or triplicate with the committee one of the originals is transmitted. In many instances only single briefs or written arguments were filed by individuals or organizations on behalf of certain cities. These originals are not transmitted, but are described in schedule attached.

As it will involve some delay to make copies of all of such records, arguments, and briefs on file in the office of the committee, the descriptive index referred to is attached in order that any further information desired may be specifically called for, and such information will be promptly furnished upon request.

Respectfully,

W. G. McADOO,  
D. F. HOUSTON,  
JNO. SKELTON WILLIAMS,  
*Reserve Bank Organization Committee.*

The PRESIDENT OF THE SENATE.

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**BALTIMORE, MD.**

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## BALTIMORE, MD.

BALTIMORE, MD., *February 18, 1914.*

SIRS: At Baltimore's hearing before your committee on the afternoon of January 14, last, lack of time, as also knowledge of the nature of much of the information desired by the organization board, prevented such clear and detailed exposition of the matter at interest as was desirable. In the light of the stenographic reports of the proceedings of the board since the date named and in acceptance of the invitation extended to submit in writing any further facts and thoughts which might appear to bear an important relation to the subject, this statement and its attached exhibits are respectfully submitted.

In pressing our suit we have not urged nor shall we urge sentimental arguments nor have we made any appeal either to State pride or personal or sectional friendliness in seeking expression from banking or other correspondents. In each city the board has visited stress has been laid upon the fact that in giving effect to the law, reserve cities will be selected which in their use shall interfere as little as possible with the natural flow of trade and exchange as heretofore and as at present followed in the absence of artificial stimulation. It is for the reason that Baltimore in the judgment of its advocates most satisfactorily meets the requirements of the law in that it is so situated as to be permitted to minister to a large trade territory as its natural field of endeavor that we venture to rely entirely upon such facts and your reflections thereupon.

Following the Civil War it was to Baltimore that the southern seaboard States first turned for capital and credit to be used in building the foundation of that prosperity which has since been so fully realized. It is therefore but natural that Baltimore with its knowledge of the ambition and needs for the future of its southern friends in the further development of their great resources, should wish to continue the relationship so long established and in the larger measure which would be permitted in the event that a Federal reserve bank be there established. As the seat of such a bank the city would more naturally continue to invest its surplus, capital, and energy in directions in which it has been accustomed to employ it than would be the case should its clearances and business connections be forced into other and new channels. Under the new order of things there will

be released or available in Baltimore for investment larger sums of money than ever before at command, and as heretofore this capital will seek employment in development rather than speculative enterprises.

The movement of commerce east of the Rocky Mountains is generally toward the East. From the middle and far West, grain, hay, dairy products, coal, live stock, and manufactured goods seek the eastern seaboard not only for domestic distribution, but for export from an Atlantic port. From the eastern Southern States, exclusive of the movement of cotton and naval stores, the trend of commerce is northeast to Norfolk, Baltimore, Philadelphia, and New York for either further local distribution or transshipment. Lumber, fruit, truck, tobacco, and textile products in great volume follow such routing. Of this business from the South, West, and Northwest, Baltimore receives, distributes, and liquidates quite its full share, and naturally so, for the reason that the city in being closer actually and by rail to the West than any other Atlantic port also is the point of distribution of a great trade movement from the South. For like reasons, Baltimore distributes widely throughout its trade territory as aside from its export and its large domestic trade in miscellaneous products; the city is pre-eminent in the manufacture of fertilizer, clothing, canned goods, etc., a large share of all of which is sold in the South Atlantic States, to which general section also goes a generous share of the jobbing trade in dry goods, notions, millinery, and hardware.

The business of the city of Baltimore is not dominated by a comparatively small number of great houses, but is a community of relatively small workers, all contributing to the support and progress of approximately 700,000 people immediately dependent upon its trade and commerce. It is safe to assume, without supporting figures, that movements of exchange following the track of its related merchandise and final trade settlements, are far greater in volume and amount in a commercial and manufacturing city of 700,000 than in a community of one-half, one-third, or one-quarter its size. To force such clearances to be made through the smaller community would not only be unnatural, but would result in delay in the liquidation of the business of the community making the heaviest single contribution to the business of a designated region. In order, however, that the

organization board may have before it certain figures and facts upon which the within generalizations are based, we beg to attach hereto as part of these representations certain tables, data, and deductions therefrom, especially inviting attention to Exhibit No. 15.

*Exhibit No. 1.*—Copy of typical letter addressed by the Baltimore clearing house banks to their own southern correspondents only and not to other southern banks in the territory suggested as having large trade and exchange relations with Baltimore, a letter of like character having been addressed by many Baltimore merchants to their trade in the South.

*Exhibit No. 2.*—Pertinent extracts from banking correspondents in Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, etc., selected from large number of like letters, the originals of which are filed herewith.

While professed "State pride" impelled many banks to make first choice of their respective capital or metropolitan city, it has been gratifying to note the many exceptions made in favor of Baltimore, while for "second choice" Baltimore seems to be the prime favorite. This fact suggests the thought that, sentiment aside, Baltimore is really most generally in mind as the one to be designated as the seat of a reserve bank to serve the southern seaboard.

*Exhibit No. 3.*—Like extracts from letters from merchants located in the States named under Exhibit No. 2, as also like letters from merchants in other trade territory related to Baltimore. It possibly is proper to assume that expressions from merchants directly engaged in business with any given point are more valuable in showing the trend of actual trade than are letters from banks dealing in certain directions as the result of inducements offered tending to disturb the normal flow of exchange. Commercial banks in Baltimore pay 2 per cent interest on average bank balances where interest is paid at all, and the two or three banks paying a higher rate do not locally advertise the fact, but rather apologize for it. Where interest is paid, probably seven-eighths of it is figured at 2 per cent. Exchange is either absorbed or charged, as individual arrangements may warrant. In recognition of Baltimore's relation to the South, it is proper to say that through the banks of that city is cleared certainly \$1,000,000 daily in checks on southern banks, for account of the larger cities east, north, and west of Baltimore.

*Exhibit No. 4.*—Baltimore bank clearings, showing increase in 10-year period of 72 per cent, or, say, 7 per cent per annum. If bank clearings could reflect only mercantile and commercial settlements their significance would be greater. Under existing conditions, however, they mean little. National-bank deposits in 10 years increased 47.9 per cent.

*Exhibit No. 5.*—Comparative statement of 5-year-period resources and liabilities of Baltimore banking institutions. Increase of 5-year individual deposits, 24 per cent; increase of 5-year bank deposits, 22 per cent.

*Exhibit No. 6.*—Ratio of single-name paper to total loans in certain cities and States related to Baltimore.

*Exhibit No. 7.*—Banking and other out-of-town accounts maintained in Baltimore from States indicated.

*Exhibit No. 8.*—Lines of credit extended out-of-town banks by Baltimore banks in same territory.

*Exhibit No. 9.*—Article from Manufacturers' Record showing relations of the mutual savings banks of Baltimore to southern development.

*Exhibit No. 10.*—Imports and exports of port of Baltimore for 10-year period, indicating the importance of the city as a foreign-exchange center.

*Exhibit No. 11.*—Sundry miscellaneous facts of importance indicating the volume and character of the trade of the city.

*Exhibit No. 12.*—Table showing percentage of increase in values in Baltimore trade territory in 10 years and comparative summary.

It is respectfully suggested that these percentages place Baltimore in a most favorable light, and especially so when it is considered that an old city of long-established trade in percentage of development can not reasonably expect to continuously show as great an annual increase of wealth and trade as a smaller and younger community.

*Exhibit No. 13.*—Statement giving volume of certain of the larger items entering into the manufacturing output of the city, showing percentage of increase in 10 years.

*Exhibit No. 14.*—Copy of resolutions adopted by the Illinois Grain Dealers' Association (1,200 members). Like resolutions from Iowa Grain Dealers' Association (1,400 members) and from the Milwaukee Chamber of Commerce.

*Exhibit No. 15.*—Statement showing total sales in 1913 of certain manufacturers and jobbers and the percentage of their sales in the several States indicated.

In locating a regional reserve bank in Baltimore the purposes of the Federal reserve act would be more fully carried out than if located in a financial community of smaller size for the reason that the territory served by the regional reserve bank will look to the financial center, where the bank is located, not only to take care of its commercial paper but to finance all other enterprises looking to the material development of that particular region. Heretofore the greater portion of the country has been looking to New York, and to a large extent in vain, on account of the unfamiliarity of New York banks with securities offered. With this regional reserve bank located in Baltimore, which is a city of large bank resources and whose bankers are in sympathy with and have full knowledge of the needs and conditions of that territory, the purposes of the Federal reserve act will be carried out to its fullest extent. Baltimore, on account of its interest, knowledge, and sympathy with conditions, is much better able to encourage the growth and development of that territory by extending proper banking facilities than can a smaller city with limited resources or a larger city without knowledge of conditions in that territory.

#### CONCLUSION.

If, after considering the within representations in connection with the oral testimony offered in Washington on January 14, the board feels that it desires to have further facts or amplification of any thought herein or heretofore presented, upon notice to such effect the lack will be promptly supplied either by letter or in person, as desired.

Respectfully submitted on behalf of the financial, commercial, mercantile, and manufacturing interests of the city of Baltimore.

WALDO NEWCOMER,  
*Chairman.*  
ROBERT J. BEACHAM,  
*Secretary.*

The FEDERAL RESERVE ORGANIZATION BOARD,  
*Washington, D. C.*

## EXHIBIT NO. 1.

## TYPICAL LETTER.

FIRST NATIONAL BANK,  
Baltimore, Md., ———, 1914.

DEAR SIR: As you are probably aware, Baltimore is very desirous of having a regional reserve bank established in this city. We believe that its location here is a most logical one to serve the southeastern Atlantic coast section.

We write this letter to ask your opinion as to how you would view the location of such an institution here, and whether or not you could recommend to the organization committee such action on their part.

We will thank you to write us frankly on this subject, and if you would prefer some other city to ours will you kindly advise us to that effect, and whether or not we come as second or third choice. We would like very much to have your views on this subject.

Thanking you for the courtesy of a prompt reply,

Very truly, yours,

—————, *President.*

## EXHIBIT NO. 2.

## EXTRACTS FROM BANKERS' LETTERS.

*Virginia banks to banks in Baltimore.*

*Woodstock.*—It is our idea of the intention of the makers of the new law that reference should be had to the general course of business in laying out the district and locating the reserve bank therein. Fully nine-tenths of the outside business, commercial and banking, of this section is with or through Baltimore.

The above is the expression of the feeling of five banks in the small towns immediately adjoining Woodstock.

*Hallwood.*—Baltimore is the most logical point, the most fitting place for the next bank south of New York City.

*Berryville.*—Baltimore is the most fitting place for the next reserve bank south of New York. We are sorry that the banks in the South have not united in the fight for Baltimore.

*Parksley.*—We think you are entitled to it because the advantages of your city are too numerous and obvious to cite here.

*Accomac.*—Baltimore is my first choice.

*Norfolk.*—Beg to say that we are in sympathy with your desire to have a regional bank located in Baltimore.

*Abingdon.*—Baltimore is the central point for most of the Southern towns. Almost every bank in adjoining States has an account in Baltimore, and Baltimore bankers are in position to keep in touch with conditions in this territory.

*Montross.*—Richmond, our State capital, wants a reserve bank and we would not like to work against them, but as we are situated, Baltimore is our city.

*Newmarket.*—We believe that not only the best interests of this section of Virginia will be served by the selection of Baltimore, but also a large section of the South.

*Luray.*—We are heartily in favor of Reserve Bank Organization Committee naming Baltimore as the seat of one of the banks.

*Stanley.*—No other city within our reach can so well serve our wants and needs as Baltimore. From our talks with other bankers in the Valley of Virginia during the past five years I find that this is the general conclusion at which they have all arrived.

*Front Royal.*—We are heartily in sympathy with the movement to have a regional bank established at Baltimore.

*Alexandria.*—As a matter of State pride we have already agreed to use what influence we have in favor of Richmond, though we know our interest and preference favors Baltimore. You can certainly count on us in favor of Baltimore as second choice.

*West Virginia banks to banks in Baltimore.*

*Marlington.*—We find that Baltimore is better located and more capable of taking care of all of our interests than any other city south of New York.

*Martinsburg.*—It is safe to say, in addition to our general knowledge, that the major part of the business of our local houses is with your city. Our people have never thought of any other city than yours for one of these banks. Our local board of trade recently so expressed itself.

*Board of Trade, Martinsburg.*—It was the unanimous opinion that Baltimore is the logical location for a regional reserve bank for this section. Appropriate resolution to the effect now being drafted.

*Parkersburg.*—We prefer Baltimore to Philadelphia or any other city farther south. It would be of more benefit to this section than any other city on the Atlantic coast.

*Parsons.*—Baltimore decidedly our first choice; commercial center for most of the industries of this section; 60 per cent of our items come through our Baltimore correspondents.

*Romney.*—The merchants of a large and prosperous territory do most of their buying in Baltimore, and, in fact, we believe the great bulk of business from the fruit, stock, and other agricultural and lumber interests of this section of the country is done through Baltimore and Baltimore banks.

*Shepherdstown.*—Baltimore seems to be our commercial trade center. Beg to advise you that it seems to be the opinion of our people that Baltimore should be selected.

*Berkeley Springs.*—So far as accommodating this section of the country is concerned, Baltimore is certainly naturally the place. We have not thought of any other place than Baltimore. It is our first choice.

*Charles Town.*—As fully three-fourths of the business done in this vicinity is transacted through your city, I believe that this region is practically unanimous in the opinion that I have given. I regard Baltimore as one of the most important points in the country for one of these banks.

*Fairmont.*—Baltimore always has been the reserve center and sort of a clearing house for a large portion of Pennsylvania, the two Virginias, and the States lying farther south and has always served the interests of this territory in a satisfactory manner.

*Morgantown.*—While Pittsburgh might seem to be the logical, geographical city for this part of West Virginia, yet for the entire State Baltimore or Washington would be much more preferable than Pittsburgh.

*Fairmont.*—Baltimore is our first love. Cincinnati wired us.

*Grafton.*—Viewing conditions as we feel them, and we are right familiar with your section of the country and the country tributary to it, there is no location in the whole United States which would be better suited for a regional reserve bank than Baltimore.

*Lanes Bottom.*—We are much in favor of your city. Cincinnati being too far west and communications to that point being very difficult on account of railroad service.

*Moorfield.*—Baltimore is the fitting place, owing to the central location.

*Mullens.*—We heartily recommend Baltimore as first choice. Her size, central location, and the wonderful facilities she has with her banks for handling the business of the banks for the southern part of the United States.

*Petersburg.*—Baltimore is our first choice.

*Piedmont.*—Baltimore is our first choice.

*Rowelsburg.*—For several reasons we prefer Baltimore to any eastern city. Pittsburgh we have no use for.

*Alderson.*—Cheerfully and without reserve, indorse Baltimore because of her geographical location.

*Buckhannon.*—One reason why we prefer Pittsburgh rather than any other city is on account of the rate and interest which Pittsburgh banks pay on balances. Banks throughout this section all pay 4 per cent on time deposits, and naturally feel the necessity of

getting all they can out of their surplus funds. Baltimore would be our second choice; in fact, we would not feel at all disappointed if Baltimore was made reserve center for this section.

*Beverly.*—Think Baltimore would be the logical point. This part of West Virginia closely allied.

*Belington.*—Better mail service than any other applicant. We favor Baltimore as the seat of our district.

*Berkeley Springs.*—Larger part of our outside business goes through Baltimore. We much prefer it.

*Charles Town.*—We people through here look upon Baltimore as the city for the South, from New York to New Orleans. You have the largest trade, export and import, good facilities, rail and steamboat, and in fact we claim you and we hope that we will never have to be divorced from you in banking or business. But if some other city is selected, for the Lord's sake keep us with you.

*Charles Town.*—Believe I voice the sentiments of a large majority of the people of the Valley of Virginia when I say that we want one of these banks located in Baltimore.

*Davis.*—We have more business in Baltimore than in Pittsburgh, and between the two cities we very much prefer Baltimore.

*Shinnston.*—Very anxious to see reserve bank in Baltimore, as it is the central point and natural outlet for the business of this section of West Virginia.

*Shepherdstown.*—For many reasons we would like to see Baltimore designated.

*Winona.*—We truly hope that your city will be selected. We think that Baltimore is the proper place for our regional bank.

*North Carolina banks to banks in Baltimore.*

*Haw River.*—It would suit us much better to have this section served by such a bank in your city than either Washington, Richmond, or Atlanta. It would cause less disturbance, as Baltimore is the present clearing house for most of the North Carolina banks.

*Madison.*—Would like very much to see Baltimore get one of the regional reserve banks. We would rather Baltimore be chosen than Richmond, Va.

*Greensboro.*—If it were left to the majority of the business people of Greensboro, they would vote in favor of Baltimore. There is no city that can serve it better than Baltimore.

*Lexington.*—I must say that we find Baltimore a great deal more convenient than our other correspondents. We have never found it necessary to go outside of your city for any accommodations that we have needed, and it takes mail only 12 hours to reach us.

*Marshall.*—A great many banks in this section now carry their eastern accounts in Baltimore instead of New York City, for we find it more convenient to do business closer home, and bankers in your city seem to be in close touch with conditions in this section.

*Hendersonville.*—We prefer Baltimore to any town that is near us that is now seeking one of the banks. Richmond would be our second choice.

*Jacksonville.*—On account of the central location of Baltimore we have special preference that one of these banks be established in your city. Such location would be very advantageous to this part of the South.

*Charlotte.*—Sincerely trust you will secure regional bank in your city. I very much fear, however, that if there is a bank located in Atlanta that we will be assigned to that territory, which we would dislike very much, as more than 90 per cent of the items we handle are sent in the opposite direction from Atlanta.

*Columbus.*—In fact, in the eight years of our history we have never opened a New York account, for the reasons that we can secure more liberal accommodations and treatment in Baltimore, your banks evidently being in closer touch and sympathy with the interests of the south. By the establishment of a regional reserve bank in Baltimore it occurs to me that the opportunity of your bank for serving our section would be increased. Otherwise it is possible that your ability to serve us might be curtailed. This

fact, along with its central location and strategic position as a city of import and export for manufacturing and commerce, makes Baltimore eminently deserving of the location.

*Kenly.*—We have proven our faith by our actions, in that we are using Baltimore exclusively for our foreign business and Raleigh for local business.

*Hendersonville.*—I will state frankly that we would prefer Baltimore to Atlanta or Washington

*Ashboro.*—The banking relations, as well as most business relations of this section, in my opinion, move toward Baltimore and Richmond rather than toward Atlanta. From a sentimental standpoint we would likely say that we would prefer Atlanta, but from a business point of view, which, in my opinion, should govern in the matter, there are ten to one reasons why we would prefer Baltimore or Richmond to Atlanta.

*Ashville.*—We believe that the interests of the Southern States could be greatly advanced by the selection of Baltimore as a seat for a regional reserve bank, from its geographical position and its familiarity with the needs and conditions existing in the Southeastern States.

*Elk Park.*—We are heartily in favor of Baltimore being selected. Baltimore's location entitles it.

*South Carolina banks to banks in Baltimore.*

*St. Matthews.*—Baltimore is the most logical point to serve the southeastern and Atlantic coast section.

*Anderson.*—We are decidedly in favor of Baltimore. We can not conceive a more fitting place than Baltimore for the next regional bank south of New York.

*Hampton.*—We, of course, would not want in any way to do anything that would prejudice our having one of these regional banks located in our State, but other than this you have our permission to use our name as indorsing Baltimore for one of these banks.

*Union.*—I shall be delighted to see Baltimore made one of the reserve points. If it has to come farther south, I would like to see Richmond named.

*Charleston.*—Hope that the city of Baltimore will be designated for the location of one of the reserve banks. We are satisfied that when the time comes your city will show the reasons why the authorities should name Baltimore in its selection.

*McColl.*—We would be glad to see Baltimore selected and you may count upon our cooperation in this direction.

*Georgia banks to banks in Baltimore.*

*Dalton.*—We unhesitatingly indorse the city of Baltimore as our first choice for a regional bank for the next bank south of New York City.

*Griffin.*—We hope that Baltimore will be favored in this respect, for the location is well suited for southern territory and is the most desirable place for the next bank south of New York.

*Waycross.*—We believe its location is a most logical one to serve the southeastern and Atlantic coast section. We have connections in Baltimore, Philadelphia, and New York, and we very much prefer Baltimore as against Philadelphia, because it is a little closer and we have really been able to get better service than we have from other points.

*Washington.*—For both patriotic and selfish reasons, perhaps, we favor Atlanta for a regional reserve bank. From a strict business viewpoint we favor Baltimore as a seat for one of these banks, and we feel that she should have the next bank south of New York independently of any other city south.

*Carrollton.*—Carrollton clearing house has, of course, indorsed Atlanta, but so far as we are individually concerned, we are as much interested in seeing your city selected as Atlanta.

*Montezuma.*—We heartily indorse Baltimore.

*Bainbridge.*—I have watched for 23 years the commerce of the country, and it seems to me that the business would be better



served in the cities named. New York, next Baltimore, then Savannah and New Orleans.

*Valdosta.*—We favor Baltimore very strongly and will do all we can to favor your city.

*Macon.*—While, of course, we do not desire to oppose the establishing of such a bank within our own State, we know of no city in the entire South where we would rather deal than in Baltimore, as railroad schedules are convenient and as Georgia has a large volume of business with your great city.

*Augusta.*—We have expressed no preference for any city, and would be delighted should Baltimore be selected as a point for the establishing of one of said banks.

*Tignal.*—The service we have been getting from you in your city as our exclusive northern correspondent has been most profitable and satisfactory. We feel that she is entitled to the first one of these regional reserve banks south of New York.

*Winder.*—We unhesitatingly commend the selection of your city as a location for one of the new regional reserve banks.

*Florida banks to banks in Baltimore.*

*Tallahassee.*—Her central location, commanding the great business territory of the near-by States, it seems to us, entitles her to the first claim as the proper location of a regional bank next south of New York.

*Punta Gorda.*—Baltimore should have the next regional reserve bank south of New York.

*Zolfo.*—Being centrally located on the Atlantic coast, together with the fact that the banks of Baltimore for many years have so well served southern banks, all demand that Baltimore should have the next regional reserve bank south of New York.

*Wauchula.*—South Florida being a fruit and vegetable producing region, the output of which being shipped principally to the large cities of the East and Middle West, makes it very convenient for us to do business through Baltimore, which possesses such excellent collection facilities.

*Bradentown.*—We would prefer to have the bank located in Baltimore, as between Philadelphia and Washington.

*Bowling Green.*—Its excellent location, we feel, entitles its selection.

*West Palm Beach.*—We will take pleasure in supporting Baltimore for one of the regional reserve banks.

*Tampa.*—As the whole South are heavy users of Baltimore goods, we feel it very necessary that the regional bank be located in Baltimore, and that it would be a great benefit to the Southern States, as well as Baltimore, in their general trade and financial dealings with Baltimore.

*Alabama banks to banks in Baltimore.*

*Birmingham.*—The large population of Baltimore, its diversified industries, its importance as a port, and the further fact that it has been a reserve city, holding a large amount of the reserves of southern banks, would seem to indicate to us that your city is the most fitting place for the next bank south of New York.

*Mobile.*—We feel that Baltimore is the logical point to serve the Southeastern States.

*Anniston.*—Baltimore's location as the gateway of the South and its large commercial intercourse with the people of the South should move all our southern bankers to support her claims.

*Montgomery.*—We heartily advocate the location for one of the regional reserve banks.

*Anniston.*—I think that Baltimore would be the logical point for one of these institutions.

*Montgomery.*—We consider it an ideal location for one of the reserve banks.

*Gadsden.*—I think her importance as a commercial center and her importance with respect to population and her geographical location would make the selection a wise step.

*Sundry banks to banks in Baltimore.*

*Cleveland, Ohio.*—We are strongly in favor of Baltimore being designated for the location of a Federal reserve bank. There should certainly be three of these Federal banks located on the seaboard, and if Boston and New York should be designated, Baltimore is the most practical location for the third, especially so because it has been for 50 years, and is at the present time, the banking center and clearing house for the southern Atlantic States, which should be the strongest influence for recommending a locality if the interest of the public is to be first considered. Especially, as the most disturbing element connected with the changes to be made is the diverting of business from old and well-established channels of trade into new and untried connections: to whatever extent this condition is left undisturbed the law will be strengthened and the people's interests conserved.

*Chattanooga, Tenn.*—It is useless to enumerate the many advantages the town possesses for a southern bank. The trend of business in this section is naturally to that point.

*Milwaukee, Wis.*—We believe Baltimore's claim for one of the regional reserve banks is well taken and Baltimore the natural city for said bank. It is our earnest wish and desire that your city be selected.

*Delmar, Del.*—Our interests are largely with Baltimore, and we think that in view of its many southern connections it should have one of the regional banks.

*Lewes, Del.*—We have this day requested the organization committee to establish a regional bank in your city

EXHIBIT NO. 3.

EXTRACTS FROM MERCHANTS' LETTERS.

*Merchants in Virginia to merchants in Baltimore.*

*Weems.*—I prefer Baltimore to any eastern city. Baltimore is by far the cheapest commercial center in the United States.

*Tazewell.*—Believe Baltimore to be the best market for us or any merchant in the United States.

*Bristol, Va.-Tenn.*—Baltimore we also consider as being geographically so as to make an exceptionally convenient and desirable place for a regional bank. The train service in and out of Baltimore is such that any business transacted in either Baltimore or this territory one day can be transferred to the other territory by the time the banks open their doors the following morning. This we consider a very important factor in the location of a regional bank. We believe it will be to the interest of this entire section of the country to have a regional bank located at Baltimore.

*Morattico.*—The large volume of business done through Baltimore, not only in Maryland, Virginia, and other Middle Atlantic States, but in almost the entire South, should, in my judgment, entitle her to one of these banks.

*Hampton.*—The location at your city would be far preferable to any other near-by city, for the reason that nine-tenths of the purchases of this locality are made in Baltimore.

*Suffolk.*—We are strongly in favor of having a regional bank located in Baltimore. This section of Virginia, which supplies a good deal of raw material to Baltimore and vicinity, would be helped materially by the location of such a bank in your city.

*Winchester.*—It gives us great pleasure to say that we are ardent supporters of Baltimore for one of the regional banks. We feel that it is, by its geographical position as well as by all its commercial advantages, the logical outlet for the southern accommodation in the new order of banking from which we expect the greatest good that has ever come to the business and farming interests of this country.

*Norfolk.*—Norfolk Tidewater Credit Men's Association refused Richmond in favor of Baltimore.

*Kilmarnock.*—We would prefer Baltimore, as we consider that Baltimore is the only city for the southern markets.

*Kinsale.*—I write to ask you that you use your influence with the Baltimore Chamber of Commerce, urging them to do all in their power to have the bank located in your city.

*Port Conway.*—Baltimore is the place where we do most of our buying—is our logical place to do business on account of shipping facilities; hence it would be our first choice for such a bank, if we were interested in its location at all.

*Irvington.*—Naturally prefer Baltimore to any other city. We do most of our business through that city.

*Middletown.*—We in the Valley of Virginia very much desire to see Baltimore secure one of the regional banks. From a business standpoint there is no city that is more desirable.

*Norfolk.*—It would be a real benefit to this community to have a regional bank established in the city of Baltimore.

*Middletown.*—Baltimore is my first choice, as the advantages are very numerous; she can take care of the South to better advantage than any other city.

*Marshall.*—Baltimore is my first and only choice.

*Port Haywood.*—Baltimore is centrally located; easy of access north and south. Merchants in this section, almost without exception, deal in Baltimore.

*Contra.*—We prefer Baltimore as the location of a regional reserve bank.

*Pieds.*—In my opinion it would be the proper place to locate a regional bank in Baltimore.

*Hillsboro.*—There is every good reason why Baltimore should have a regional bank.

*Campbell.*—I think Baltimore is more convenient and more central.

*Callao.*—Baltimore is the best geographical point and is contiguous to a large territory.

*Barksley.*—I am fully convinced that on account of Baltimore's location and trade conditions there should be located one of the regional banks there.

*Kinsale.*—I am for Baltimore. Baltimore ought to have it.

*Rockingham.*—Baltimore is undoubtedly my preference.

*Accomac.*—Baltimore is my preference without a doubt.

*Peytes.*—Baltimore is the place for a regional bank from the fact that it will be convenient to all eastern Virginia.

*Nokesville.*—We, as well as all with whom I have talked, think that Baltimore is the most suitable place for a regional bank and will be of great benefit to the people of the South, especially to the farmers, merchants, and manufacturers. (Signed by eight people.)

*Woodstock.*—As a trading point, Baltimore is in a class to itself. Hope you will be successful.

*Susan.*—Baltimore is the most suitable place.

*Cheriton.*—I am most heartily in favor of a regional bank being located in Baltimore.

*Baynesville.*—My preference would sure be Baltimore for location of the bank.

*Red Hill.*—I would gladly say that Baltimore is my preference for a regional reserve bank.

*Newport News.*—It is my desire to see Baltimore, because I believe we get better goods, lower prices, and cheaper freight rates.

*Covington.*—Baltimore, in my opinion, is one of the most natural cities and best suited of the accommodations of this as well as other sections of the South.

*Staunton.*—There should be no question as regards making Baltimore one of the regional reserve cities. I hope there will be no disappointment to the southern business people.

*Stevens City.*—Baltimore is entitled to every advantage such an institution would bring to her.

*Deltaville.*—I am in favor of regional bank being in Baltimore.

*Wytheville.*—I feel sure that Baltimore, by reason of its geographical location and commercial relations with a large number

of other States, deserves worthy consideration when the location of a regional bank is considered.

*Riverton.*—It never occurred to us but what Baltimore would be selected as one of the locations for regional bank, without having to ask for it.

*Fishersville.*—I believe it to be the suitable place.

*Bena.*—With its excellent railroad facilities and steamship lines, which make quick and easy communication with its surrounding territory, I know of no city that is better suited for one.

*Gloucester Point.*—My preference is for Baltimore.

*Baynesville.*—Don't understand the object or principle of such a bank, but because of our business connections we much prefer Baltimore if said bank will be of any benefit to said city.

*Wardtown.*—Baltimore should have regional bank for the following reasons: Geographical location, population, large territory which your banks of Baltimore supply.

*Harrisonburg.*—Am heartily in favor of Baltimore getting one of the regional banks over New York or Philadelphia, or any other eastern city.

*Tappahannock.*—Hope Baltimore may be selected. This city has always been the natural source of our money supply.

*Bridgewater.*—From the geographical, commercial, and progressive standpoint, we think that Baltimore is justly entitled to the bank, it being the greatest trading point for the South and part of the Southwest, as well as some of the eastern sections. There isn't any city so convenient and so desirable for a great part of the country mentioned as Baltimore. Furthermore, we think a good strong bank in Baltimore would be a great help to all tributary banks.

*Newland.*—My preference is for Baltimore.

*Zocato.*—My preference is Baltimore.

*Warrenton.*—I can hardly conceive that Baltimore will be overlooked in placing the regional reserve banks.

*Hardings.*—Hope regional bank will be located in Baltimore. It will be a great thing for this section.

*Machipongo.*—I have had this matter under discussion with several of our leading citizens, and they heartily agree with me and say that there is every good reason why Baltimore should have a regional bank.

*Guilford.*—Baltimore is justly entitled to it and I hope that the committee will so consider it.

*Front Royal.*—It is our desire for Baltimore to be one of the regional reserve cities.

*McDowell.*—We Virginia merchants do lots of business in Baltimore, and I believe it will be of singular benefit to us and to our country.

*Newport News.*—We would certainly like to see Baltimore selected as regional reserve bank city under the new law.

*Orange.*—We would like very much to see one of the regional banks in your city.

*Shenandoah.*—Baltimore the ideal place, owing to its advantages geographically and financially.

*Winchester.*—It is our opinion that the interests and convenience of our section of the country would be best served by the location of one of the regional banks in your city.

*New Market.*—We believe that Baltimore can not only serve the best interests of this section of Virginia, but also large part of the South.

*Mossy Creek.*—It would best suit us to have Baltimore named as one of the regional reserve cities, as this is our principal market.

*Wardtown.*—I think Baltimore should have the preference.

*Wattsville.*—We sincerely hope that your city will be the selection for a regional reserve bank.

*Staunton.*—Baltimore is surely our preference in this section.

*Kilmarnock.*—We would prefer Baltimore, as we consider that Baltimore is the only city for the southern markets.

*Altavista.*—Baltimore is logically situated for a regional reserve bank, to give the best possible service to the southeastern Atlantic coast section.

*Onancock.*—Heartily in favor of the regional bank in Baltimore, because of its close proximity to the eastern shore mail and transportation facilities and close business relations already established.

*Blackwell.*—I recommend to the organization committee the city of Baltimore as the most suitable place for one of the Federal regional reserve banks.

*Bridgewater.*—On account of its location and as the largest and most representative commercial southern city, we think Baltimore should be naturally chosen. We believe this selection will be of great benefit to the business interests in this section of Virginia.

*Peola Mills.*—We think Baltimore is entitled to one of the regional reserve banks.

*Norfolk.*—Both on account of its geographical location and commercial interests Baltimore would, in our judgment, prove an ideal designation.

*Occoquan.*—I think Baltimore by all means should be designated.

*Pulaski.*—As Baltimore is the logical market for a great portion of the South, we believe that it will be to the interests of the southern merchants to make Baltimore one of the regional bank cities. We are aware of the efforts that other trade centers are making in behalf of themselves, and the arguments they advance make us doubly sure that Baltimore will benefit us the more.

*Kilmarnock.*—Baltimore would be our preference for the simple reason that it is more convenient to us.

*Warsaw.*—Baltimore is decidedly my preference for regional bank, as this section can not be served nearly so well by any other city.

*West Virginia merchants to merchants in Baltimore.*

*Buckhannon.*—Certainly hope it will be selected, as it is the center for all this section of West Virginia. I suppose 85 per cent of the goods that come to West Virginia come from Baltimore.

*Piedmont.*—We think that the proper place for one of the regional banks would be Baltimore City, as it would be the most central location for the States of Pennsylvania, Virginia, Maryland, West Virginia, Ohio, and Kentucky.

*Walkersville.*—Baltimore will be the most preferable of the locations of the regional bank south of New York.

*Huntington.*—I believe the sentiment is practically unanimous all through this section for a regional reserve bank to be placed in Baltimore.

*Bluefield.*—We do not hesitate to say that Baltimore is our preference for one of the regional reserve banks.

*Berkeley Springs.*—Baltimore is the logical point for a regional bank in our part of the country. If you want additional indorsements, I can get a good many business men of this place to write to you.

*Letart.*—All of our business men I have heard express an opinion prefer Baltimore, in which I heartily concur.

*Martinsburg.*—It is my wish that the bank be placed in your city, and it is the wish of every citizen in Martinsburg.

*Rock Cave.*—Baltimore for the convenience of Maryland, Virginia, West Virginia, and North and South Carolina.

*Elkins.*—It seems to me that Baltimore must have a reserve bank to accommodate a large portion of West Virginia, Pennsylvania, and the Southland.

*Haltown.*—Baltimore has long been and is still a very prominent distributing point for the East and Southeast, and we know of no city south of Pennsylvania which would seem to be a more logical point for such a bank. We earnestly hope that the selection will be made.

*Parsons.*—Would like to have the bank located at Baltimore. Most of the wholesale business of this section is done with Baltimore houses.

*Shenandoah Junction.*—Baltimore should have a regional bank because of its intimate business relation with the merchants, manufacturers, mining, and especially the agricultural sections of the Southern States and the Middle West.

*Rippon.*—It is certainly my choice of location as well as a great number of my business associates.

*Shepherdstown.*—We have always considered Baltimore the natural trade center of this section and we are heartily in favor of the plan.

*Charlestown.*—The sentiment of the large majority of the people of this valley says that we want one of these banks located in the city of Baltimore.

*Blaine.*—Baltimore will certainly be selected as one of the cities in the East for the new regional reserve bank, first, on account of its location; second, because of its great wholesale houses, whose salesmen compass the whole South; thirdly, it is rapidly coming to the front as a great shipping point for exporting coal and lumber, having great railroad facilities, as well as abundant water frontage.

*Keyser.*—Baltimore would be the logical place for the merchants and business men in general of the Virginias and Maryland, being in the wholesale business throughout this section of the country, our daily observations throughout the territory that we cover, verifies the assertion above made.

*Piedmont.*—For 100 miles hereabouts, we believe that seven-tenths of the commercial business is done in and out of Baltimore. We hope that you will be successful in getting one of these banks.

*Keyser.*—In our mind, Baltimore is more suited for this particular branch of the Government business than any other city in the East on account of its location. First, its very large dealings with the South and Southeast; second, its arms of commerce reach out more ways than any other city of its size in the United States; and third, it is in closer touch with more towns that will be benefited by this step taken by our Government than any other city in the East. We people in West Virginia are very much in favor of Baltimore being the place for one of the regional banks.

*Jacksonburg.*—In lieu of the fact that Baltimore has an extensive trade in this part of the Ohio Valley, I believe it would be to our advantage to have one of the regional banks in your city, that we could be more advantageously served by a regional bank in your city than we could be by one farther west.

*Elkins.*—It would be to our advantage to have a regional bank at Baltimore, as we can be served to better advantage there than at any other point.

*Denmar.*—We feel that it would be a great convenience and a great benefit to surrounding States, especially States south of Maryland.

*Thornton.*—Baltimore is my first choice; first, last, and all the time.

*Parkersburg.*—We are very much in favor of Baltimore as one of the points for this bank.

*Charles Town.*—Baltimore is the commercial center for a large area of the South, and without the banking facilities of Baltimore, this section will be severely handicapped.

*Grafton.*—Baltimore being a centrally located seaport of the East gives it the advantage over any other place. A market center as well as a financial center for a great surrounding territory.

*Bluefield.*—We hope it will be the wisdom of the administration to establish one of these banks at Baltimore.

*Keyser.*—By all means get one of these banks in Baltimore. We feel as though it would be a great benefit to us.

*Shepherdstown.*—Am heartily in favor of Baltimore. It is a great banking and commercial center for a large scope of country.

*Romney.*—I have spoken to several of our people and they are for Baltimore, and I am.

*Thomas.*—The banks of your city are looked upon in this section as being more conservative and safer than in some cities that might lay claim to this territory. You are more closely connected with the business interests of this section than any other city and have always been looked upon as our home city.

*Martinsburg.*—We see by the papers that the location of a regional reserve bank between Baltimore and Washington is being considered, and we write to ask you to do all you can with other commercial houses in Baltimore, whether they be merchants, manufacturers, bankers, brokers, or retailers to have the bank located in your city. Washington is not a commercial city and they know very little about the conditions obtaining in the general

line of business. Take all this section of West Virginia, and Washington is scarcely known as a trading center, and we have no doubt that this is so nearly all over the South Atlantic section.

*Dorman.*—Baltimore should be the place for it.

*Mill Creek.*—Baltimore is the place for regional bank.

*Sutton.*—Know of no city would rather see get it than your city.

*Burlington.*—We wish to state that we hope to see Baltimore selected as one of the regional-bank cities. It is the one city where we purchase our goods, and have done so for 40 years.

*Hendricks.*—Baltimore should have one of these banks, as it is a centrally located and great commercial city for a large scope of country.

*Shepherdstown.*—Have no hesitation in saying that Baltimore is the ideal location for this section. Connection with Baltimore by wire, rail, or express can be quickly made, and our long acquaintance with Baltimore bankers and merchants would more readily bring us help in time of financial stress.

*Keyser.*—As we do all our dealing in Baltimore, we think the regional bank should be there.

*Romney.*—Baltimore is our first choice.

*Morgantown.*—Will you kindly do all you can to secure a regional bank in your city. We are satisfied that it will be of great benefit to you and also help us.

*Cass (Pocahontas County).*—We believe that Baltimore should be selected as one of the regional reserve bank cities for the reason of its advantageous situation, whereby it commands a fine maritime and inland business.

*Edray.*—Our preference is largely and absolutely in favor of Baltimore, rather than any other city of money centers with which we have any commercial communication.

*Swiss.*—Baltimore, by its geographical location, we consider desirable, owing to the fast increasing commercial relations between the business men of this State and the firms of that city.

*Albright.*—Baltimore is entitled to one of the regional banks. We feel that Baltimore is peculiarly located to handle the business originating in all the inland States to which Baltimore railroads are tributary.

*Buckhannon.*—Lumber, logs, and forest products shipped to and through Baltimore run up into thousands of car loads every year. Baltimore is our shipping point for live stock, and our merchants buy large quantities of merchandise from Baltimore houses. I earnestly ask that we may be favored with the selection of Baltimore as the location for a regional bank.

*Piedmont.*—Baltimore is the only city reached by two railroads from this section. The greater part of our lumber and coal business is transacted at that point, and more especially when shipments are by water.

*Kingwood.*—I will venture the assertion that Baltimore transacts more business in one week than Atlanta does in the whole season.

*Bens Run.*—Baltimore should be one of the cities to be designated as the proper place for a regional bank, as she will always be one of the centers of radiation and of rapid access in times of stress. I really am not as yet satisfied with my understanding of the new currency law to really give a definite opinion as to where any of the banks should be, except from the best point of radiation.

*West Union.*—It is our desire to have one of these banks placed in Baltimore, and we are writing to see if you can not use your influence in locating one there.

*Cameron.*—We think your city is certainly a proper place for one of these banks. We think it will facilitate business through this section and would urge its location there.

*Grafton.*—By reason of the immense amount of traffic going out of West Virginia, most of which is handled in the East by the banks of Baltimore, and in view of the fact also that nearly all of the West Virginia Banks carry large accounts in Baltimore, it would seem that Baltimore would be the logical situation for one of the regional banks.

*Salem.*—We, being located in West Virginia, and doing considerable business with Baltimore, are of the opinion that the city of Baltimore would be the central point and ideal place for the operation of such bank.

*West Union.*—Baltimore is in direct communication with the larger part of West Virginia business, especially along mercantile lines; not only is this so in regard to this State, but it is largely so in regard to a vast amount of business throughout the South. Baltimore probably receives more than three-fourths of all cattle shipped out of this State. A large number of the banks carry balances with the Baltimore banks, it acting as a distributing point for the banking business for this State, items from both the East and the West.

*North Carolina merchants to merchants in Baltimore.*

*Mount Airy.*—We think it very important that Baltimore be selected as one of the regional bank cities, first, in behalf of its manufacturing enterprises; second, as Baltimore has the greatest commercial facilities of any southern city, and we think to be made a regional bank city will meet the approval of all merchants.

*Newbern.*—According to our views we do not see how the city of Baltimore could be left out, taking into consideration its importance to the South and its close business relation to all the Southern States.

*Wilson.*—I believe that at least two-thirds of the North Carolina merchants visit Baltimore to buy goods at least twice a year. I feel that it is the logical point.

*Goldston.*—Heartily indorse Baltimore. I voice the sentiment of all North Carolina. Geographical, banking, and commercial prestige demands this recognition.

*Manteo.*—As most of our business in this State and practically in the South is with Baltimore, it would be advantageous to us throughout the South.

*Wilmington.*—Baltimore is best located for serving the southeastern Atlantic coast section. The Federal reserve act proceeds on the distinct idea that a central reserve bank is undesirable, and to locate a reserve bank in Washington would not be in response to commercial demands. The very fact that a bank was located there would tend to develop the idea of a central institution and would perhaps cause it (Washington) to exercise an influence out of all proportion to its commercial importance.

*Hamilton.*—All eastern North Carolina is in much easier touch with Baltimore than Richmond, and we sincerely hope Baltimore may be selected.

*Durham.*—Baltimore is the logical location, certainly as far as the South is concerned.

*Charlotte.*—Baltimore is situated so that with the institution in question there we believe that it could be handled with a great deal of benefit to not only itself and territory immediately around Baltimore, but on account of the immense amount of business done in Baltimore with the merchants throughout the South.

*Morgantown.*—Baltimore would be a great advantage to the whole South; more so than any other city in the South.

*Hillsboro.*—I think North Carolina generally would favor your city. You have a situation and facilities to handle the States' business probably better than any other city.

*Burgaw.*—Heartily recommend Baltimore. One of the most progressive cities in the South, its manufacturing facilities, in my estimation, are not to be equaled south of New York City. As a market in which to buy dry goods, notions, shoes, and clothing, it is the best the writer has ever visited.

*Oriental.*—It is the very best and most convenient city for our section (North Carolina) to deal, having low freight rates, quick and direct service to and from this section.

*Murfreesboro.*—Baltimore is the place, because of its size, influence, and commercial relation extending over a larger territory than any other southern cities that I know of.

*Swan Quarter.*—Our bank had its annual meeting on the 7th and recommended Baltimore as the city.

*Trotville.*—I am writing to-day, asking you by all means to have Baltimore selected as one of the regional-bank cities; otherwise it will be a great inconvenience to us.

*Sunbury.*—Baltimore makes it much more convenient for us all.

*Greensboro.*—We believe in all probability only one of these regional banks will be located on the eastern seaboard between New York and New Orleans. If only one of these banks should be thus located, our preference is decidedly in favor of Baltimore, because of geographical location as well as extensive business relation. It is the logical location.

*Elm City.*—I believe it will prove of greater service to the South than if located in any other city.

*Lexington.*—My preference is Baltimore.

*Concord.*—On account of its location, midway between the interests of the North and South, it would be an injustice to the entire country to leave Baltimore without one of these banks.

*Wilmington.*—Have heard it spoken of by some of the bankers here as being in Atlanta. However, Baltimore is nearer, and of course a much better city.

*Harrellsville.*—Its location, size, and influence makes it an ideal city for the purpose.

*Parkton.*—It being a great city for the South as a jobbing town would prove to be of great value to the people in the entire South.

*Coneto.*—I would prefer that Baltimore be selected as one of the regional reserve cities.

*Wagran.*—It is one of our principal markets for buying and selling and we feel that greater benefit should be derived from a regional bank in that city than from some other.

*Aberdeen.*—Am thoroughly convinced that Baltimore should have one of the regional banks for two reasons—commercial point and geographical point. I believe it will help my business.

*Durham.*—We feel sure that it will be to our advantage as well as yours.

*High Point.*—Personally, we believe it will be especially to our advantage.

*Haw River.*—On account of Baltimore being the best market for the southern merchant, I prefer that Baltimore be selected.

*Salisbury.*—It will be a great advantage to the merchants of this section of the South.

*Wilmington.*—Our interests would be best served by the establishment of this bank in Baltimore and in your efforts to secure this you have our hearty support and cooperation.

*Durham.*—Very cheerfully give my indorsement. I believe that a bank in your city will be of untold advantage to this section of the country.

*Durham.*—We believe that it will be to the advantage of our whole State to have this bank in your thriving city.

*Asheville.*—It will be to our advantage to have such a bank located in Baltimore.

*Carthage.*—We know of no other city that is so easily reached from our State as Baltimore that is commercially large enough for one of these banks.

*Elkins.*—We prefer Baltimore being selected, as we buy most of our merchandise there.

*Randleman.*—We are very much in favor of Baltimore having a regional bank, because it is our market, and, in fact, is becoming the market for the entire South.

*Elizabeth City.*—In our opinion it will serve a greater number of people than any city in the East, with the exception of New York. You are located especially well for the Middle Atlantic States and Southern States; better than Atlanta, since you are veritably the gateway to the South. Baltimore is one of the largest jobbing centers in the country.

*Winston-Salem.*—It will be a great advantage to our section if Baltimore could land one of these regional banks.

*Raleigh.*—Baltimore is the ideal location for this bank, especially in view of the fact that it has a large southern trade. This bank would be in ready access to the South.

*Greensboro.*—Baltimore is entitled to this, and it will be greatly to our advantage, as well as to the advantage of all the South Atlantic States.

*Washington.*—The best location for the regional bank for this section of the country.

*Greensboro.*—As one of your southern customers, I take the liberty of entering an urgent request that you appeal in the strongest manner possible to the administration to give to the city of Baltimore one of the regional banks under the currency act. It will be of very great advantage to us.

*Winston-Salem.*—A few days ago we had a delegation here from Richmond soliciting our support to help them secure one of the regional banks, but our board of trade and our retail merchants' association both declined, and I candidly believe it would be very satisfactory to our business people here for Baltimore to have one of the regional banks and for Winston to be placed in that district.

*Elon College.*—We do not see how you are going to get along and do the business you are doing and ought to do without it, and serve your trade like it ought to be served. We hope you will keep after this matter until you have it clinched.

*Greensboro.*—In our opinion there is no southern city better qualified or more entitled to be selected for a regional reserve bank. If left to us we certainly would select Baltimore as our preference.

*Newbern.*—We believe that a regional bank in Baltimore would be in the best location to serve all the States along the Atlantic seaboard.

*Hertford.*—We are very much in favor of having a regional bank established in Baltimore, as we believe it will be of great assistance to the business interests of eastern North Carolina.

*Hertford.*—It is the natural location for one of these banks if they are to be the greatest benefit to this section of North Carolina.

*Statesville.*—We regard it as the most satisfactory location to which this part of the South is tributary.

*Apex.*—Baltimore being the purchasing center of the South, we think it very important that it be one of the regional bank cities.

*Lenoir.*—As Baltimore is the natural mercantile center for this section of the South, wish to impress upon you that the business people of Baltimore should do all in their power to secure one of the regional banks.

*Wilson.*—Baltimore is the ideal place for the southern merchants, and we earnestly hope to see one of the banks in your city.

*Newbern.*—As a business house we certainly hope that with the combined efforts of your good people you will be able to have one of these banks placed in Baltimore.

*Pactolus.*—Baltimore is the great mercantile center for the South, especially eastern North Carolina. Would be very glad to see Baltimore get the regional bank.

*Maxton.*—Since the passage of the bill we have looked upon Baltimore as the logical point to serve our section best.

*Lexington.*—We want to express our preference that Baltimore be selected as one of the regional bank cities.

*South Carolina merchants to merchants in Baltimore.*

*Brunson.*—The time tables of the railroad and other transportation organizations will show that Baltimore has rapid and convenient connection, not only with the agricultural States toward the Southeast, but with the numerous manufacturing and mining interests that lie near by and to the north of this great city, greater and more logical reasons than mere city pride why Baltimore should share in the distribution of the \$106,000,000 of working capital of the regional reserve bank system.

*Cheraw.*—Will prefer Baltimore to any of the other northern cities near by.

*Orangeburg.*—Hope that Baltimore will be made, without fail, one of the cities for regional bank, being so closely identified with the South and her business interests. The committee will be serving us well and wisely, I think, to make this selection.

*Georgetown.*—It is the utmost importance to have one of these banks established there, both on account of geographical location and large commercial relations in this part of the country, especially in South Carolina.

*Pelzer.*—It will be very much to the advantage of this section to have one of the regional banks in Baltimore. We buy practically all of our goods in your city, and it is the logical point of distribution for this section.

*Charleston.*—After due consideration, we are of the opinion that we, as we see it from our standpoint, would really prefer Baltimore, as a desirable point for a regional reserve bank, over any other city.

*Bennettsville.*—Would like very much to see your city selected. Would say there is more business done through Baltimore with the cotton States than any other southern city.

*Georgetown.*—Baltimore will be a practically logical point for a regional bank to serve the southeast Atlantic coast section.

*Anderson.*—While Atlanta is very near us, believe that our interests will be best served by the location of two of these banks, one in New York and one in Baltimore.

*Greenville.*—Indorse the movement to have a bank located in Baltimore. Would be of benefit to the greater portion of the South.

*Anderson.*—We believe it will be to the best interests of southern merchants to have one of these banks located in Baltimore, as that city is in close touch with conditions in our section and it will be very convenient for the transaction of business.

*Lancaster.*—I think the logical point for location of regional reserve bank is Baltimore.

*Charleston.*—We are heartily in favor of regional bank being located at Baltimore for divers reasons.

*McCull.*—We have already written the powers that be in reference to location of regional bank in Baltimore.

*Georgetown.*—We believe it to be the logical point for one of the southern regional reserve banks.

*Charleston.*—We would be very glad indeed to see Baltimore get a regional bank to serve the southeastern Atlantic coast section, as we believe it would be to our advantage here.

*Rhems.*—Baltimore would naturally be the best point for such an institution—that is to say, from our point of view, as we think the location of Baltimore is such that would serve our section of the country best.

*Latta.*—Believe it would be of great benefit to all commercial interests.

*Beaufort.*—We consider that it is more important for her to be so named, so far as we are concerned.

*Clio.*—Would be quite a convenience for us in our business transactions from Greensboro, N. C., as well as from this point.

*Timmons.*—Wish to express ourselves that Baltimore be selected as one of the regional reserve banking cities.

*Georgia merchants to merchants in Baltimore.*

*Elberton.*—Inasmuch as we buy most of our goods in Baltimore, we will be very glad, indeed, to see one of the regional banks established there.

*Gainesville.*—It looks to us as though Baltimore will be the logical location for one of the regional reserve banks.

*Elberton.*—We beg to say that it will be a great deal better for us if Baltimore was selected as a place for one of the regional reserve banks, as we do more volume of business, both with the banks and through the merchants, than with any other city in the United States.

*Thompson.*—There is a greater mutual understanding between Baltimore and the South than any other city in the country. We had rather see Baltimore have one of the reserve banks than any other city in the South.

*Bainbridge.*—I find her merchants to have the most liberal business policy of any city in the Union. If the Government will equip her with these banking facilities, they not only have Baltimore, but the entire South, Southwest, and Middle States.

*Perry.*—The situation of it gives the city a commanding position for business of both sections. We believe the committee will make no mistake in selecting Baltimore.

*Dublin.*—Baltimore is one of the best cities in the South from almost any viewpoint. We most heartily give our unqualified indorsement for Baltimore.

*Nashville.*—As one of many southern merchants, am deeply interested in your efforts to have Baltimore selected as one of the regional reserve bank cities.

*Cuthbert.*—I will be very much pleased to see Baltimore selected as one of the regional bank cities, and am sure every southern merchant would be, as Baltimore has always been the best market for us and always in sympathy with us in time of need.

*Waynesboro.*—We feel sure the South as a whole would like to see the above.

*Sandersville.*—Would you please use every effort in your power for Baltimore to be selected as one of the regional bank cities?

*Winder.*—We believe your claim will demand that the Government place one there.

*Fort Gaines.*—I certainly do think Baltimore will be an ideal city for one of the regional banks.

*Donaldsonville.*—I would like to see Baltimore get one of the regional banks, as I think it will serve southern people far better than Philadelphia.

*Thomasville.*—Consider Baltimore very logical point, and certainly think one of them should be established at that point.

*Barnesville.*—Your city, being so situated, being right on the border, being the gateway of the South and yet accommodating a great part of the East, should be, by all means, we believe, made the place of one of these banks.

*Atlanta.*—I believe that no better location exists in the neighboring States.

*Cairo.*—Think it would accommodate the South for one to be in that city.

*Macon.*—We write to assure you that this selection would meet with our heartiest approval and indorsement.

*Douglasville.*—Believe that commercial importance as well as convenience in location make it one of the very best cities for one of the new regional banks.

*Dawson.*—I think Baltimore should be one of these cities.

*Florida merchants to merchants in Baltimore.*

*Jacksonville.*—There has been some talk of having such a bank established here, but in the event that it has to be established in some other city we most gladly favor Baltimore. We believe the merchants of Jacksonville will favor your city in preference to Atlanta.

*Jacksonville.*—Take pleasure in saying that we recognize Baltimore as the most suitable location, for numerous reasons.

*Arcadia.*—We trust that you, as well as every other wholesale establishment in Baltimore, will use your every effort to have Baltimore selected as one of the regional bank cities. Its accessibility to one of the richest and most rapidly developing sections in the United States make it the one most logical city east of the Mississippi River.

*Bradentown.*—I have taken the matter up with some of the bankers here, and they are in favor of Baltimore in preference to Philadelphia.

*Gainesville.*—One of these banks located in your city would be of great benefit to the banking and commercial interests of this southeastern territory, and could serve it as well or better than any other city we have in mind.

*Tampa.*—We believe it to be to our interest and urge that you take such steps as will insure the location of a regional bank at the above place.

*St. James City.*—Most of our banking business is done through Baltimore, as well as a great deal of our commercial business. We take this opportunity of expressing our desire that Baltimore be made one of the regional bank cities.

*Palatka.*—Will be very much in favor of one in Baltimore. Do a great deal of buying there, and it will be a big help to me.

*Madison.*—We heartily indorse Baltimore as being the proper place for a regional bank, owing to its location.

*Jacksonville.*—Trust you will be fortunate enough to secure one. It will be a great benefit to this section, as well as to yours.

*Marianna.*—The establishment of one of the new regional banks at Baltimore will be of great benefit to people not only in that section, but the entire South.

*St. Petersburg.*—Baltimore is one of the most favored commercial centers of the South, and the establishment of said bank will prove a great benefit to the commercial interests of the South.

*Alabama merchants to merchants in Baltimore.*

*Montgomery.*—We note that there is some question as to Baltimore being named as the location of one of the regional reserve banks. We had concluded that from its location and importance there would be no question of its selection, as it occurs to us that it is the logical point, and that Baltimore would be the acceptable reserve bank city to serve the section including a good portion of the South.

*Greensboro.*—We consider your city the most propitious location for such an enterprise in the East, as far as our business and as we believe the business of the entire southeast of the Mississippi River is concerned.

*Birmingham.*—We are of the opinion that Baltimore would be a very suitable place for the situation of such a bank, being located as it is geographically, and especially would it be an admirable situation for such an institution for the merchants in the South.

*Oxford.*—As we of the South do largely our trading in your city, we think the establishing of one of the regional banks in Baltimore would make money easier for the merchants in that city, thereby enabling them to help the southern merchants.

*Fulton.*—It is the greatest desire of the Scotch Lumber Co. that one of the regional banks be located there.

*Littohatchie.*—As Baltimore is a great distributing point for the South, I trust you will use your influence in securing one of the regional banks.

*Tennessee merchants to merchants in Baltimore.*

*Greenville.*—We note that an effort is being made to have one of the regional reserve banks located in Baltimore. It occurs to the writer that this would be a very logical point for the same, and will conserve the interests of the country possibly better than any other for this entire section of the South.

*Chattanooga.*—It is useless to enumerate the many advantages the town possesses for southern banks. The trend of business in this section is naturally to that point.

*Memphis.*—However, we believe that your town can enter the contest on its merits as an industrial center, and secure the regional bank without reference to the sentimental aspect of the case.

*Memphis.*—Your city is our preference, and, in our opinion, your geographical position and large manufacturing interest gives Baltimore a claim with undebatable rights.

*Indiana merchants to merchants in Baltimore.*

*Evansville.*—I do not know of any city on the Atlantic coast that could better serve the people of the Southeast.

*Danville.*—We think that Baltimore is the most fitting place for a regional bank outside of New York. We are not in favor of the

great bank that the New York people are trying to put over. We don't think that the bank in New York should be any stronger than the other banks.

*Goodland.*—We prefer Baltimore to Philadelphia or any other city south of New York.

*Rosedale.*—Considering the location of the city and it being one of the greatest export grain markets in the United States, we see no reason why you should not have a regional reserve bank located in Baltimore.

*Tipton.*—Baltimore is centrally located, and we believe such action would be a great benefit to Western shippers.

*Goshen.*—Baltimore is a great export outlet, having a lower inland rate than either New York or Boston. It seems to us that one of the regional banks should locate in your city, and we would very much favor it.

*Ohio merchants to merchants in Baltimore.*

*Celina.*—Since you called our attention to the matter, we could think of no other city in the East whereby a mutual distribution of funds could be made for the purpose of financing the crop movements by the establishing of a regional reserve bank, as provided for under the new currency bill, than to have the same established at Baltimore. We are quite sure that our local territory could be served better by the regional bank being established at Baltimore than it could in any other eastern city.

*Cleveland.*—We are strongly in favor of Baltimore being designated as the location for a Federal reserve bank. There should certainly be three of these Federal banks located on the seaboard, and, if Boston and New York should be designated, Baltimore is the most practical location for the third, especially so because it has been for 50 years, and is at the present time, the banking center and clearing house for the southern Atlantic States.

*Cincinnati.*—Baltimore, in our opinion, is located right, and you surely ought to have it.

*Cedarville.*—On account of its large export business it has always been a reserve center for the West and South. Baltimore is the correct city south of New York.

*Illinois merchants to merchants in Baltimore.*

*Fillmore.*—It seems to us that Baltimore would be the most fitting place south of New York for a regional bank.

*Tuscola.*—I think it would be almost absolutely necessary that one of the regional reserve banks should be located there; when there is a large export business on grain, Baltimore needs all the resources possible to pay the western country for the grain as it arrives.

*Springfield.*—With reference to location of one of the regional reserve banks for the territory south of New York, it seems to us that Baltimore would be the ideal selection.

*Pekin.*—In view of the immense export business that is carried on at Baltimore, we think it would be an ideal location for one of the reserve banks, and will be of real benefit to the West in providing funds for the handling of export business.

*Ancona.*—We would be in favor of having one of the reserve banks in Baltimore.

*Chicago.*—Our large business through that port would make us greatly in favor of your city being selected, and we believe it is entitled to this privilege.

*Elliott.*—I think it is just the place for one and has been for a long time.

*Missouri merchants to merchants in Baltimore.*

*St. Louis.*—We think that you are so situated as to be of immense use to the country at large, having the connection that you enjoy with the South, Southwest and the West, and we can not but feel that our reasons are well grounded.

*St. Louis.*—Baltimore would be the logical seat for one of these banks. We think that her location, size, and her enormous interests entitle her to be selected.

*Iowa merchants to merchants in Baltimore.*

*Des Moines.*—It is central for the grain business and is about the right distance from New York. Iowa does a large shipping business in corn with Baltimore, and I would like to see the bank located there.

*Keokuk.*—Will say that we will be very glad to see Baltimore favored if there is a bank located at a seaport south of New York, and we feel sure that our banking institutions in Keokuk are very favorable to your city. We have more business in Baltimore than any other city on the Atlantic seaboard.

*Minnesota merchants to merchants in Baltimore.*

*Minneapolis.*—We believe that in the interests of the grain trade of the Northwest, that Baltimore would be a very acceptable location for a regional reserve bank.

*Wisconsin merchants to merchants in Baltimore.*

*Milwaukee.*—It is our earnest wish and desire that your city be selected.

*Merchants in Pennsylvania to merchants in Baltimore.*

*Pittsburgh.*—From a selfish standpoint we hope that you may be successful. When we say selfish, we do not mean it from a personal viewpoint, but in the interest of the lumber industry at large. Baltimore is the largest southern city on the eastern border, through which we clear on nearly all of our export shipments. In fact, we think it will be ideally located to serve the lumber industry from the Middle West and South, and we hope you will be successful in securing it.

*Dubois.*—We believe that your city is located just about right for one of these banks, and we will highly indorse any plan toward securing one of said banks to be located in your city. We feel sure that a regional bank in Baltimore will be a great benefit to us as well as the majority of the business interests throughout this section.

*Littlestown.*—It is centrally located between North and South and can be conveniently reached from all points with very little delay. We are decidedly of the opinion that Baltimore should be used in preference to any other large near-by city.

*York.*—We believe that Baltimore will be the most central point in the East to have one of the regional banks under the currency act. And we voice the sentiments of many others in this vicinity in asking the Treasury Department to place one of these banks in Baltimore.

*Lebanon.*—It would be a great advantage to us and sincerely trust that your city may be successful in securing the same, as we would like to have and enjoy the many advantages of same in Baltimore.

*York.*—We heartily indorse such suggestion and trust that the authorities will give your city the regional bank your citizens are requesting.

*Glen Rock.*—I am in favor of Baltimore to have one of the regional banks.

*Hanover.*—We most heartily indorse Baltimore City, believing it would be to the best interests of all business men.

*Hanover.*—We believe it will be of advantage to us to have a reserve bank in your city.

*Quarryville.*—We believe it will be of advantage to us to have a reserve bank in your city.

*Milton.*—I would prefer having Baltimore selected as one of the regional bank cities.

*Mahanoy City.*—I prefer Baltimore as the city for a regional bank.

*McKeesport.*—We heartily indorse the movement to induce the Treasury Department to locate one of the new regional banks in your city.

*Dunkard.*—Owing to the location and the fact that Baltimore is a business center, we are certainly in hopes that it may be selected as one of the regional-bank cities.

*Warfordsburg.*—I would prefer Baltimore to be selected, it being the center of trade on the Atlantic for the North and South.

#### EXHIBIT NO. 4.

Baltimore clearing house exchanges:	
1903.....	\$1, 169, 531, 519
1913.....	2, 011, 447, 000
Increase in clearings covering the 10-year period..	per cent.. 72
Increase in clearings for 1913 over 1912.....	do.... 7
Increase in deposits (national banks), 10-year period..	do.... 47.9

#### EXHIBIT NO. 5:

*Resources and liabilities of all banks in city of Baltimore, April, 1909, figures for any previous year being unavailable.*

##### RESOURCES.

Loans and discounts.....	\$78, 710, 000
Bonds, securities, etc.....	116, 360, 000
Banking-house furniture, fixtures, and real estate....	11, 980, 000
Due from banks and bankers.....	26, 420, 000
Checks and other cash items and exchanges for clearing house.....	3, 530, 000
Cash on hand.....	10, 180, 000
Other resources.....	710, 000
	<hr/>
	247, 890, 000

##### LIABILITIES.

Capital stock.....	\$23, 140, 000
Surplus.....	21, 090, 000
Undivided profits.....	4, 620, 000
Due to banks and bankers.....	28, 760, 000
Dividends unpaid.....	20, 000
Individual deposits.....	153, 930, 000
Postal savings and United States deposits.....	1, 340, 000
Notes and bills rediscounted and bills payable.....	920, 000
Other liabilities.....	14, 070, 000
	<hr/>
	247, 890, 000

*Resources and liabilities of 55 banks in the city of Baltimore on June 4, 1913.*

##### RESOURCES.

Loans and discounts.....	\$118, 912, 253.94
Overdrafts.....	45, 140.89
Bonds, securities, etc.....	125, 101, 001.19
Banking-house furniture, and fixtures.....	7, 916, 101.00
Other real estate owned.....	2, 196, 556.19
Due from banks and bankers.....	29, 262, 875.12
Checks and other cash items.....	477, 356.96
Exchanges for clearing house.....	3, 856, 639.92
Cash on hand.....	7, 924, 005.20
Other resources.....	1, 166, 686.54
	<hr/>
	296, 858, 616.95

##### LIABILITIES.

Capital stock.....	\$23, 490, 395.00
Surplus.....	24, 462, 074.71
Undivided profits.....	7, 100, 279.77
Due to banks and bankers.....	35, 022, 704.66
Dividends unpaid.....	11, 025.45
Individual deposits.....	190, 679, 440.72
Postal savings deposits.....	46, 759.24



United States deposits.....	\$1, 130, 752. 02
Notes and bills rediscounted.....	107, 000. 00
Bills payable.....	4, 263, 432. 30
Other liabilities.....	10, 544, 753. 08
	296, 858, 616. 95

Increase individual deposits June, 1913, over April, 1909, per cent.....	24
Increase bank deposits June, 1913, over April, 1909, per cent..	22

NOTE.—Includes 16 national, 10 State, 14 mutual savings, 3 stock savings, 12 loan and trust companies. Other liabilities include national bank circulation outstanding.

**EXHIBIT NO. 6.**

As suggestive of the character of business done by the national banks of Baltimore, the following table shows the ratio of single-name paper to total loans:

CITIES.	Per cent
Atlanta.....	26. 6
Richmond.....	29. 9
Pittsburgh.....	19. 7
Baltimore.....	35. 9

**STATES.**

Maryland (exclusive of Baltimore).....	16. 5
District of Columbia (including Washington).....	14. 5
Virginia (including Richmond).....	13. 5
West Virginia.....	12. 5
North Carolina.....	11. 1
South Carolina.....	18. 5
Georgia (including Atlanta).....	24. 7
Florida.....	30. 9

This paper includes two classes: On demand, paper with one or two individual or firm names; on time, single-name paper (one person or firm), without other security.

**EXHIBIT NO. 7.**

*Number of out-of-town bank accounts kept with Baltimore banks, by States.*

There are some duplications here, as where one bank will keep two or more Baltimore accounts, but the number is relatively small.

Maryland.....	346
District of Columbia.....	56
Virginia.....	329
West Virginia.....	263
North Carolina.....	223
South Carolina.....	148
Georgia.....	179
Florida.....	83
Alabama.....	57
Total.....	1, 684

*Number of out-of-town mercantile and other accounts kept with Baltimore banks, by States.*

Maryland.....	788
District of Columbia.....	23
Virginia.....	101
West Virginia.....	32
North Carolina.....	68
South Carolina.....	75
Georgia.....	43
Florida.....	9
Alabama.....	2
Total.....	1, 141

**EXHIBIT NO. 8.**

*Total lines of credit extended to out-of-town banks and other borrowers, by States.*

Maryland.....	\$4, 552, 682
District of Columbia.....	645, 150
Virginia.....	2, 743, 065
West Virginia.....	1, 136, 850
North Carolina.....	4, 370, 600
South Carolina.....	4, 238, 250
Georgia.....	2, 541, 325
Florida.....	1, 681, 000
Alabama.....	1, 838, 500
Total.....	23, 747, 422

**EXHIBIT NO. 9.**

[From the Manufacturers Record.]

A fair minimum estimate of the amount of Baltimore capital invested in the Southern States below the Potomac is \$200,000,000. Only the most detailed kind of a census that is hardly possible could obtain the basis for an authoritative statement of the total, which is usually associated in the public mind with the men of large fortune and the large banking and trust companies of the city which have led in this beneficial investment in the South.

There is, however, a great army of Baltimore capitalists directly interested in the South, whose investments there aggregating close upon \$70,000,000, average less than \$600 each. This army is composed of the depositors in the mutual savings banks of Baltimore. The extent of their investments is indicated in the figures as of December 31, 1913, of three of the largest institutions of the kind—the Savings Bank of Baltimore, the Eutaw Savings Bank, and the Central Savings Bank. These three banks had on December 31, \$67,854,920 of deposits, not including undivided surplus chargeable with accrued interest or interest that had been credited for the year, and these deposits, in 121,501 accounts, or an average of \$558 per account, constituted 72 per cent of all the mutual savings bank deposits in Maryland.

Of \$60,665,457 bonds, book value, in which the funds of these mutual institutions are invested, \$23,167,016, or more than 38 per cent, represent investments in 10 Southern States south of the Potomac and Ohio and east of the Mississippi, viz, Virginia, West Virginia, Kentucky, North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee, and Mississippi, directly or indirectly. The investments are divided as follows: Railroad bonds, \$16,382,211; municipal bonds, \$5,666,800; street railroad bonds, \$499,000; State bonds, \$458,255; county bonds, \$49,500; and miscellaneous, \$111,250.

It is thus seen that 121,501 comparatively small investors in Baltimore are immediately interested in the welfare and prosperity of 10 great Southern States, having an aggregate area of 436,614 square miles and an aggregate population of 18,776,059, using 1910 census figures, through the railroads operating in them which Baltimore money has helped to build, extend, or equip, and that the people of 35 cities having an aggregate population of more than 1,789,019 in nine of those States must have more than casual interest in Baltimore, which has thus helped to finance municipal improvements of various kinds and the development of their public utilities.

If all the Southern States, including Maryland, Missouri, and Oklahoma, should be included in this exhibit, the importance of these three mutual savings banks in Baltimore becomes greater. Their investments of the kind in Maryland, including some little in the District of Columbia, aggregate \$11,321,294, and directly and indirectly in Missouri, Arkansas, Oklahoma, Louisiana, and Texas, \$4,203,910, including State bonds and the securities of

Dallas, Galveston, Houston, San Antonio, and Waco, Tex.; New Orleans, La.; Oklahoma City, Okla., and St. Louis and Kansas City, Mo. Therefore bond investments in the whole South of Baltimoreans by way of these three mutual savings banks aggregate \$38,692,220, which is equal to 57 per cent of the total amount of deposits in the institutions.

**EXHIBIT NO. 10.**

*Imports and exports at the port of Baltimore.*

Calendar year.	Imports.	Exports.	Calendar year.	Imports.	Exports.
1904.....	\$18,761,963	\$84,099,727	1909.....	\$27,418,567	\$79,424,914
1905.....	25,226,618	103,550,042	1910.....	32,377,480	72,944,146
1906.....	35,364,145	107,609,144	1911.....	28,382,580	94,465,806
1907.....	36,184,322	99,322,342	1912.....	27,901,843	100,287,327
1908.....	23,722,054	81,874,087	1913.....	35,553,814	117,269,378

**EXHIBIT NO. 11.**

Baltimore stands first in the manufacture of straw hats, cotton duck, fertilizers, men's clothing, copper metal, and copper products, canning and preserving, oysters, and as a banana market.

As a jobbing center Baltimore ranks third among the cities in the United States. Its jobbing trade was approximately \$400,000,000 in 1911. These figures were compiled by the Baltimore & Ohio Railroad during an investigation covering about four weeks. They do not include retail houses or purchases, but sales only.

According to the best judgment obtainable, Baltimore's manufacturing and jobbing trade has increased 25 per cent in the last two years.

According to the Merchants and Manufacturers' Association, Baltimore employs between 8,000 and 9,000 traveling salesmen.

According to the Baltimore & Ohio Railroad, "The average annual tonnage of freight received and distributed at Baltimore by railroad and boat lines totaled 48,000,000 tons in 1912."

Baltimore has nearly \$14,000,000 worth of city-owned docks. It is the most economical port on the Atlantic coast. It is also nearer the West than any other Atlantic port.

The value of the fish and oyster products of the Chesapeake Bay, and adjacent waters is between \$35,000,000 and \$40,000,000 annually. Approximately 100 carloads of shucked oysters were shipped from Baltimore to points north and west in one day last November.

The full assessable basis for taxation in the city of Baltimore has grown from \$402,816,097 in 1901 to \$781,691,094 in 1914, an increase of \$378,874,997 in a little more than a decade.

**EXHIBIT NO. 12.**

The percentage of increase in values in Baltimore's trade territory covering a 10-year period is as follows:

State.	Farm property.	Crops.	Live stock.	Mines, quarries, and wells.	Lumber products.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
Maryland.....	38.8	45.4	56.2	13.9	54.6
District of Columbia.....	26.5	18.3	22.0		
Virginia.....	93.2	71.3	78.2	43.3	135.6
West Virginia.....	54.4	57.1	41.8	51.8	138.2
North Carolina.....	130.0	108.2	108.1	51.7	92.2
South Carolina.....	155.3	141.1	123.4		120.5
Georgia.....	154.2	162.4	128.4	5.0	38.1
Florida.....	165.5	167.8	84.4	202.8	80.2
Alabama.....	106.3	97.1	81.7	30.4	96.1
Average.....	104.6	111.0	87.9	44.6	92.5

**SUMMARY.**

Classes.	Value.		Increase.	
	1909	1899	Amount.	Per cent.
Farm property.....	\$3,258,160,001	\$1,592,733,544	\$1,665,426,457	104.6
Crops.....	877,270,784	415,834,077	461,436,707	111.0
Live stock.....	425,311,863	226,357,553	198,954,310	87.9
Mines, quarries, wells..	124,350,868	86,001,686	38,349,182	44.6
Lumber products.....	195,573,741	101,573,000	94,002,741	92.5

Total average increase, 101.4 per cent.

The value of all crops in the South Atlantic States in 1909 amounted to one-eighth of the value of all crops in the entire United States.

**MANUFACTURES.**

State.	1904		State.	1909	
	<i>Per cent.</i>	<i>Per cent.</i>		<i>Per cent.</i>	<i>Per cent.</i>
Maryland.....	15.3	29.7	North Carolina.....	67.1	52.0
District of Columbia.....			South Carolina.....	48.8	42.7
Virginia.....	11.8	37.7	Georgia.....	59.8	34.3
West Virginia.....	37.0	47.7	Florida.....	47.1	44.9
	47.8	63.5	Alabama.....	51.4	33.7

The percentages of increase in the value of manufactures covering two five-year periods was approximately 43 per cent each.

**EXHIBIT NO. 13.**

**MANUFACTURERS IN THE METROPOLITAN DISTRICT OF BALTIMORE.**

The metropolitan district, as defined by the census of 1910, includes the city of Baltimore and eight election districts in Anne Arundel and Baltimore Counties, immediately adjacent to the city proper. It is worthy of note that so closely connected is Baltimore with the entire district there are no incorporated places in any of the election districts.

In 1909 the Baltimore metropolitan district had 2,668 manufacturing establishments, which gave employment to an average of 94,954 persons during the year and paid out \$48,585,334 in salaries and wages.

Amount of capital employed.....	\$199,735,181
Cost of materials manufactured.....	165,085,541
Value added by manufacture.....	95,127,783
Total value of manufactured products.....	260,213,324

The value of products for those industries that can be shown separately and have a value of product amounting to \$2,000,000 or more in 1909 is given in the following table:

	1899	1909	Increase.
			<i>Per cent.</i>
Clothing.....	\$23,349,392	\$40,602,383	73.9
Men's.....	20,842,738	36,269,212	74.0
Women's.....	2,506,654	4,333,171	72.9
Copper, tin, and sheet-iron products.....	5,933,166	14,350,235	141.9
Slaughtering and meat packing.....	6,476,918	13,653,693	110.8
Foundry and machine shops.....		10,961,564	
Tobacco manufactures.....	9,581,893	10,288,867	7.4
Liquors.....	4,175,569	8,699,297	108.3
Malt.....	2,934,028	5,017,678	71.0
Distilled.....	1,241,541	3,681,619	196.5
Fertilizers.....	3,895,437	8,469,656	117.4
Printing and publishing.....	4,942,851	7,569,430	53.3
Book and job.....	2,037,037	3,491,225	71.4
Newspapers and periodicals.....	2,186,437	3,049,576	39.5
All other.....	719,377	1,038,629	44.4
Cars and general shop construction and repairs by steam railroad companies.....	3,529,959	7,364,880	108.6
Canning and preserving.....	10,791,369	6,526,225	39.5
Bread and other bakery products.....	3,669,376	5,970,981	61.5
Patent medicines and compounds.....	3,195,655	5,470,590	71.2
Lumber and timber products.....	3,426,781	5,230,404	52.6
Confectionery.....	1,923,939	5,011,253	160.5
Straw hats.....		2,347,330	
Furniture and refrigerators.....	2,690,610	2,197,239	18.3

<sup>1</sup> Decrease.

Total average increase in the manufactures of the metropolitan district of Baltimore covering the 10-year period, 76.3 per cent.  
Total average increase in agricultural and other industries of Baltimore's trade territory covering the 10-year period, 101.4 per cent.

Considering the phenomenal growth of all industries in the South Atlantic States, it may be seen that Baltimore's increase in commerce and manufactures has been remarkably responsive to it.

**EXHIBIT NO. 14.**

The following resolution was adopted by the Illinois Grain Dealers' Association at a meeting held in Decatur, Ill., on January 26, 1914:

Whereas it is of the utmost importance that drafts with attached documents of title shall be most expeditiously forwarded from point of origin and as promptly liquidated at point of destination; and

Whereas in following the usual course of trade great quantities of grain finds its way to the port of Baltimore; and

Whereas the new currency law provides for the establishment ultimately of a national clearing house which eventually will clear not only checks on member banks but other transit matters; and

Whereas it would be most unfortunate and obstructive to business as heretofore and at present handled to route such business other than directly to the point of destination of the merchandise against which drafts are drawn: Therefore be it

*Resolved*, That in the judgment of this organization it would be eminently wise and would the least disturb present business arrangements if a regional bank could be established in the city of Baltimore, with a view of eventually permitting such regional bank in its capacity as correspondent of interior regional banks to promptly clear transactions based upon large shipments of grain and other merchandise seeking the port of Baltimore for export or other distribution.

ILLINOIS GRAIN DEALERS' ASSOCIATION,  
LEE C. METCALF, *President*.  
S. W. ARMSTRONG, *Secretary*.

(Fourteen hundred members.)

A like resolution was passed by the Western Grain Dealers' Association, Des Moines, Iowa. (Twelve hundred members.)

A like resolution was passed by the Milwaukee Chamber of Commerce on January 27, 1914.

**EXHIBIT NO. 15.**

**MEMORANDUM OF JOBBING AND MERCANTILE DISTRIBUTION FROM BALTIMORE IN THE YEAR 1913.**

[Analysis of the distribution and estimate of its total value, based upon figures submitted and knowledge of their source in relation to those not reporting.]

In order to obtain facts from which approximately exact deductions could be drawn referring to the manufacturing and jobbing interests of Baltimore, 449 cards with accompanying letters were addressed to as many houses. No follow-up work was undertaken. Two hundred and seven were returned, and of these 132 gave total

sales with percentages as desired. Fifty-two cards reported total sales, but gave percentages in such form as to be either unintelligent or otherwise useless for the purpose of this exhibit. Thirteen cards gave percentages but no volume, while 10 cards were returned without any report.

From the 134 cards giving volume of distribution it appears that those filling out the cards in the year 1913 distributed business aggregating \$135,460,000.

In Baltimore there are just about 1,000 jobbing and wholesale houses, while from the figures of the census it is learned that there are in the metropolitan district of Baltimore something over 2,600 manufacturing establishments. An inspection of the list of 449 names to which cards were addressed indicates that many of the most substantial houses in the city failed to respond to requests for information. This fact, coupled with the knowledge that only about 8 per cent of the available material was canvassed, suggests that a distribution valued at between \$400,000,000 and \$500,000,000 would appear to be a most conservative estimate of the distributing power of Baltimore interests mentioned, and this sum obviously is settled for in due course in Baltimore.

It is well to bear in mind that in dealing only with the two interests mentioned and in drawing inferences therefrom, no regard has been had either for the great commission business in cereals, fruit and truck, etc., or to shipping and other large factors in the trade and commerce of the city.

Under the head of "Miscellaneous, \$20,513,000," is included everything not otherwise accounted for in the trade territory especially listed. Much of the business included under this caption was distributed in Pennsylvania, some in Ohio and the West, while a generous share of it was sent to the Southern States other than those indicated in detail.

An analysis follows from the returns of the 132 cards which gave the detail permitting it:

Distributed in—

District of Columbia.....	\$4,360,000
Virginia.....	18,873,000
West Virginia.....	7,693,000
North Carolina.....	13,614,000
South Carolina.....	6,963,000
Georgia.....	5,811,000
Florida.....	3,337,000
Alabama.....	2,688,000

63,339,000

(Or 56.75 per cent.)

Distributed in Maryland..... 27,814,000

(Or 24.90 per cent.)

Distributed miscellaneous..... 20,513,000

(Or 18.35 per cent.)

Total distribution 132 corporations, firms, manufacturers, and jobbers..... 111,666,000

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# CHATTANOOGA, TENN.

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## CHATTANOOGA, TENN.

Before Hon. William Gibbs McAdoo, Secretary of the Treasury; Hon. David F. Houston, Secretary of Agriculture, and Hon. John Skelton Williams, Comptroller of the Currency, composing the Federal Reserve Bank Organization Committee, in the matter of the location of a Federal reserve bank for the suggested district or territory embracing southern Ohio, Kentucky, Tennessee, western North Carolina, Georgia, Florida, Alabama, Mississippi, and that part of Louisiana lying east of the Mississippi River, or any district embracing the Central South.

*May it please the honorable committee:*

Every paragraph and provision of the Federal reserve act indicates a just purpose—a desire on the part of its framers to, as far as possible, give equal service and protection to all the people of the United States without special regard to any particular city, State or section.

Realizing that your committee is earnestly and diligently preparing to put this just, impartial, and patriotic spirit of the act into practical execution, we desire to suggest a reserve district to include the Central South, as above outlined and as graphically shown by the accompanying map.

### RESERVE DISTRICTS.

We assume that necessarily the first task of the committee, after these hearings are over, will be the determination of the geographical limits of the reserve districts, so as to best serve the people of the entire country, that the Federal reserve cities will then be respectively located so as to best serve the interests of the people of the respective districts.

We assume further, that in outlining the reserve districts the location and needs of the larger centers of population will have to be considered, but that, after the districts are once outlined, the particular city which will be designated as the reserve city for any particular district will necessarily be the particular city which is most speedily and conveniently accessible to that entire district.

As the regional reserve bank in any particular district will have the same amount of capital and the same deposits, in whatever city it may be located, it follows that the question of accessibility to its particular district will be the primary question in determining the location of each reserve city. This being so, we think it will appear that Chattanooga is the most logical and most convenient location for the reserve bank for the above-suggested district which would embrace southern Ohio, Kentucky, Tennessee, western North Carolina, Georgia, Florida, Alabama, Mississippi, and that part of Louisiana lying east of the

Mississippi River, or for any similar district embracing the Central South. And, when the needs of this section, in connection with the requirements of the entire country, are considered, we believe it will be found advisable and highly advantageous to fix the geographical limits of one district substantially as here indicated.

### EIGHT DISTRICTS.

Based on what seems to be the consensus of opinion of business men throughout the country, and upon the facts brought out at the various hearings which have been given by your committee, we assume that the country should at present be divided into eight reserve districts, which should be designated and outlined approximately as follows:

1. Reserve city: Boston. District: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and northern Connecticut.

2. Reserve city: New York. District: Southern Connecticut, New York, New Jersey, and northern Pennsylvania.

3. Reserve city: Baltimore, Washington, or Richmond. District: Southern Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia, middle and eastern North Carolina, and Middle and eastern South Carolina.

4. Reserve city: Chicago. District: Michigan, Wisconsin, Minnesota, northern Ohio, middle and northern Indiana, middle and northern Illinois, and Iowa.

5. Reserve city: Chattanooga. District: Southern Ohio, Kentucky, Tennessee, western North Carolina, Georgia, Florida, Alabama, Mississippi, and that part of Louisiana lying east of the Mississippi River.

6. Reserve city: St. Louis or Kansas City. District: Southern Indiana, southern Illinois, Missouri, Arkansas, all of Louisiana west of the Mississippi River, Texas, Oklahoma, and Kansas.

7. Reserve city: Denver. District: Nebraska, North Dakota, South Dakota, Montana, Colorado, New Mexico, Arizona, Utah, Wyoming, and Idaho.

8. Reserve city: San Francisco. District: California, Nevada, Oregon, Washington.

The national banking capital and surplus of said eight districts as above outlined and the capital of the reserve banks in the respective districts would be approximately as follows:

District.	Capital and surplus.	Reserve bank capital.
First.....	\$150,000,000	\$9,000,000
Second.....	521,490,000	31,289,400
Third.....	261,377,000	15,682,620
Fourth.....	283,482,000	17,008,920
Fifth.....	142,261,000	8,535,660
Sixth.....	208,658,000	12,519,480
Seventh.....	82,164,000	4,929,840
Eighth.....	118,373,000	7,102,380

We have given more particular study to the section of the country east of the Mississippi River, together with what seems to be the settled trend of opinion in that territory as to what would be the most practicable division of the same into Federal reserve districts, and we are convinced that an approximate division as above indicated will give the best possible results and will be eminently fair and just to all the people affected.

#### FIFTH DISTRICT.

The fifth district, if outlined as above indicated, would be ideal in location, size, population, and diversity of products, and would furnish a most admirable combination of practically all the elements conceded desirable in the formation of a reserve district.

It would harmonize with the other districts which seem to be necessary for the accommodation of the eastern, northern, and middle western sections of the country and would be of average size.

It would include the great manufacturing and trade centers and great grain and stock producing sections of southern Ohio and northern Kentucky, the great mining, manufacturing, and agricultural industries of southern Kentucky, eastern Tennessee, western North Carolina, north Georgia, and north Alabama, the great tobacco and stock raising sections of Kentucky and middle Tennessee, the vast cotton fields of Georgia, Alabama, Mississippi, and western Tennessee, the subtropical fruits and products of Florida and eastern Louisiana, and the great commercial and trade interests of New Orleans on the south as a balance to the like interests of Cincinnati at the northern end of the proposed district. And yet, with all this almost unlimited variety of products maturing at various seasons of the year and giving assurance that within such district there would be a steady and uniform demand on the reserve bank for money throughout the year, by locating such reserve bank at the best and most accessible railroad center in the central section of the district, every important and material part of the territory could be reached by mail deposited after the close of banking hours one day and received at its destination at or before the beginning of banking hours the next day. This will be shown more in detail on

the map of the said proposed fifth district and adjacent territory which will be presented with this brief.

#### CHATTANOOGA'S CLAIMS.

We respectfully submit that Chattanooga is the most convenient and desirable point for the location of a reserve bank for said suggested fifth district or any other reserve district, including the Central South for the following reasons:

#### I.

#### CHATTANOOGA AN ACTUAL AND NATURAL GATEWAY BETWEEN NORTH AND SOUTH AND EAST AND WEST.

Since the first settlement of the country, Chattanooga has been recognized as the natural and actual gateway between the North and the South and between the East and the West. Hence, at an early day the State of Georgia built her own (Western & Atlantic) railway from Atlanta to Chattanooga, and later the city of Cincinnati built its own line, the Cincinnati Southern, from Cincinnati to Chattanooga, the natural gateway of the South.

Hence, also, the fact that Chattanooga became the great strategic point, war center, and battle field in the great struggle between the North and South.

#### II.

Chattanooga has long been recognized as the principal railroad center of the Central South—the point where the principal lines of travel from east to west and from north to south cross each other.

Nine lines of railroad, namely, the Cincinnati Southern (Queen & Crescent), the Central of Georgia, the Alabama Great Southern, the Nashville, Chattanooga & St. Louis, the Western & Atlantic, the Tennessee, Alabama & Georgia, and the three divisions of the Southern Railway, known, respectively, as the "Main Line" (from Chattanooga to Washington), the "Memphis Division," and the "Georgia Division," all center at Chattanooga.

The interstate roads radiating to the southward and furnishing easy, speedy, and direct access to the entire territory embraced in the States of Georgia, Alabama, Florida, South Carolina, and Mississippi are the Alabama Great Southern (extending through Georgia, Alabama, and Mississippi to New Orleans), the Central of Georgia (extending from Chattanooga through Georgia to Savannah, with numerous branch lines extending to many points in Georgia, Alabama, and Florida), the Tennessee, Alabama & Georgia (extending into Alabama and touching other important lines), the Western & Atlantic (extending to Atlanta and making direct connection with through lines through south Georgia, Florida, and South Carolina), the Georgia Division of the Southern (extending south through Atlanta and Macon to Jacksonville and making direct and through connection with many other lines), and the Memphis Division of the Southern

(extending 312 miles from Chattanooga to Memphis, with branches and direct connections radiating to the south and west). To the east the main line of the Southern Railway extends through eastern Tennessee via Knoxville and Morristown, 242 miles to Bristol, and has radiating and connecting lines covering all of eastern Tennessee and extending northwardly into Kentucky and southwardly into North Carolina and South Carolina, Georgia, and Florida.

The Cincinnati Southern extends northwardly a little over 300 miles on a direct line via Lexington, through the heart of Kentucky, to Cincinnati, with connecting lines to all parts of Kentucky, Ohio, and Indiana.

The Nashville, Chattanooga & St. Louis extends westwardly and northwestwardly through the middle and the northwestern portion of Tennessee, with connecting and affiliated lines extending into Kentucky, Ohio, and southwestern Indiana, and branch lines into the eastern and mountain portions of middle Tennessee.

III.

BECAUSE OF ACCESSIBILITY.

Chattanooga is not only a railroad and transportation center as above shown, but is the railroad and transportation center most easily and speedily accessible to all the territory embraced in said district.

EXPRESS COMPANY HEADQUARTERS—CONVINCING PRACTICAL EVIDENCE OF CHATTANOOGA'S CENTRAL POSITION AND ACCESSIBILITY.

Lately the president of the Chamber of Commerce of Chattanooga asked Mr. Charles L. Loop, vice president of the Southern Express Co., to furnish the chamber a brief statement as to why the Southern Express Co. established its headquarters at Chattanooga. In a letter addressed to the president of the chamber of commerce Mr. Loop responded as follows:

In response to your request that I state under what circumstances the Southern Express Co. selected Chattanooga for its general headquarters:

Up to the year 1892 the Southern Express Co. maintained two headquarters, one in Augusta, Ga., and one in Memphis, Tenn.

The time came when we had to consolidate the headquarters and we had to consider the most available and desirable location.

Chattanooga was selected primarily because of its central location and its accessibility to all points reached by the Southern Express Co., including even places north of the Ohio River. (This company operates north of the Ohio River to St. Louis, Mo., and Columbus, Ohio, and east to Washington, D. C.)

We figure that being located in Chattanooga we receive our reports from agents on an average much earlier than we could in any other location. And, when necessary for our men to travel in any direction, the average ride to any point in the territory of this company could be reached in less average time from Chattanooga than probably any other point.

There were additional good reasons for the selection, but the central location and train facilities were the governing ones.

I send you one of our maps.

Very truly, yours,

CHAS. L. LOOP, *Vice President.*

ESTABLISHED BY INTERSTATE COMMERCE COMMISSION AS HEADQUARTERS FOR VALUATION OF COMMON CARRIERS—FURTHER CONVINCING PRACTICAL EVIDENCE.

After hearing the claims of Louisville, Nashville, Atlanta, Birmingham, and other cities and after thorough consideration the Interstate Commerce Commission, in October, 1913, by a unanimous vote selected Chattanooga as the headquarters for the valuation of common carriers, in the territory embracing the States of Ohio, Indiana, Kentucky, Tennessee, South Carolina, Florida, Georgia, Alabama, and Mississippi.

The officially announced ground for the selection of Chattanooga was the fact that Chattanooga, by reason of its location and its position, was the place most easily and speedily and economically accessible to the entire territory embraced in the said valuation district.

The same reasons which made Chattanooga the most desirable point for the headquarters of the Southern Express Co., and the most expedient and suitable location for the valuation headquarters as established by the Interstate Commerce Commission, make it now the most suitable and desirable location for the regional reserve bank for the suggested fifth reserve district or any other district embracing the Central South.

We submit herewith a map of the suggested fifth district and adjacent territory, with train schedules showing that communications by mail can pass either way between Chattanooga and practically every point of importance in the suggested district, or in the Central South, between the close of banking hours on one day and the beginning of banking hours the next day.

BUSINESS EQUATOR OF THE DISTRICT.

As nearly as possible, we have ascertained the relative value of annual farm products and manufactured products, north and south of Chattanooga, and the relative population, banking capital, deposits, etc., within said district on either side of an east and west line drawn through Chattanooga.

The result, which indicates substantially that Chattanooga is the business equator of the suggested fifth district, is substantially as follows:

	North of Chattanooga.	South of Chattanooga.
Value of all farm products.....	\$336,379,000	\$567,339,230
Value of manufactured products.....	882,971,000	524,270,000
National-bank capital.....	77,263,574	64,485,000
National-bank deposits.....	295,000,000	220,000,000
	1,591,613,574	1,376,094,230
Population north of Chattanooga.....	6,370,000	7,700,000
Population south of Chattanooga.....		

## IV.

CHATTANOOGA MORE ACCESSIBLE THAN ANY OTHER CITY OF THE CENTRAL SOUTH TO REGIONAL BANKS WHICH MAY BE LOCATED IN OTHER RESERVE DISTRICTS.

Situated at the extreme northern edge of the cotton-producing section, Chattanooga is not only the most accessible point from all parts of the central south as above shown, but it is the one point in the central south most accessible to the trade centers of the sections north and west of the suggested fifth district and north and west of the central south.

Should reserve banks for other districts be located at Chicago, St. Louis, Kansas City, Dallas, or any other cities of the great west and northwest, they could communicate more quickly and conveniently with Chattanooga than with any other city located anywhere near the center of the central south.

Currency wired for from St. Louis or Chicago could leave Chattanooga during banking hours one day and be delivered before banking hours the next morning.

## OTHER ADVANTAGES.

Not only is Chattanooga the chief railroad center of the central south and the most accessible point by rail or mail or wire within the same territory, but it is also otherwise in every way worthy of consideration as a proper point for the location of a regional reserve bank. It is on the Tennessee River, which, under the improvement plans already adopted and begun by the Government, is soon to be of great importance as a water transportation highway, being already a larger and longer river than the Ohio.

The healthful and invigorating climate of Chattanooga is known far and wide and is taken advantage of by many visitors, both in summer and winter. The office force of a reserve bank located here could be kept in a high state of physical comfort and efficiency throughout the year.

With her more than 300 factories, her extensive and rapidly growing commercial interests, her central location, her unequalled railroad and transportation facilities, her unsurpassed climate, her scenic beauty and historic interest, her adjacent Army post and national parks, her importance as the headquarters of the great express carrier of the South, and as the headquarters for the valuation of common carriers in the nine States extending from and including Ohio and Indiana on the north, and Florida, Alabama, South Carolina, and Mississippi on the south, with a progressive and efficient city government, and all the conveniences and attractions of a modern city of the best type, we believe that Chattanooga will be found the most convenient and advantageous location for the reserve bank which is to serve any reserve district which may include the greater portion of the Central South.

## CONCLUSION.

Without presenting other facts and details strongly tending to show the advantages of a reserve district outlined as above suggested and the superior claims of Chattanooga as a reserve city, we submit the foregoing suggestions in the hope that they may, in some measure, aid the committee in its important and difficult task and in the belief that when all the facts are fully considered and the needs and requirements of the entire country are taken into account it will be found advisable to locate a regional reserve bank in Chattanooga.

NEWELL SANDERS,

*Chairman of Joint Committee of Chattanooga Clearing House Association, Chattanooga Chamber of Commerce, Chattanooga Manufacturers' Association.*

J. P. HOSKINS,

*President of Chattanooga Clearing House Association.*

PAUL J. KRUESI,

*President Chattanooga Chamber of Commerce.*

M. E. TEMPLE,

*President Chattanooga Manufacturers' Association.*

FRANK A. NELSON,

*Manager Clearing House Association.*

JOHN H. CANTRELL,

*Secretary General Committee.*

*Suggested Federal reserve banks.*

District.	Capital and surplus of national banks.	Capital of Federal reserve banks.
First.....	\$150,000,000	\$9,000,000
Second.....	521,490,000	31,289,400
Third.....	261,377,000	15,620,682
Fourth.....	283,482,000	17,008,920
Fifth.....	142,261,000	8,535,660
Sixth.....	208,658,000	12,519,480
Seventh.....	82,164,000	4,929,840
Eighth.....	118,373,000	7,102,350

*State banks in district No. 5 above.*

Capital and surplus.....	\$150,000,000
Deposits.....	600,000,000

*Data concerning district No. 5 as suggested.*

Population.....	13,771,000
All farm property.....	\$3,590,501,343
All farm products.....	903,719,616
Cotton.....	300,080,775
Cotton seed.....	53,247,084
Tobacco.....	49,833,077
Corn.....	221,164,603
Hay.....	48,549,053
Wheat.....	26,722,651
Oats.....	18,715,015
Potatoes.....	10,564,902
Yams and sweet potatoes.....	15,127,554
Other vegetables.....	42,745,716
Cane sugar.....	24,091,861
Dairy products.....	47,796,988
Manufactured articles.....	1,407,241,000
Mines, quarries, wells, etc.....	69,234,531



Train and mail schedules in and out of Chattanooga to important points in suggested district.

Leave.		Arrive.	
Chattanooga	10.15 p. m.	Memphis	8.00 a. m.
Do	10.15 p. m.	Jackson, Tenn.	8.45 a. m.
Do	10.25 p. m.	Nashville	2.55 a. m.
Do	10.25 p. m.	Louisville	8.00 a. m.
Do	9.45 p. m.	Lexington	5.23 a. m.
Do	9.45 p. m.	Cincinnati	8.00 a. m.
Do	10.05 p. m.	Dayton, Ohio	10.10 a. m.
Do	10.05 p. m.	Columbus, Ohio	11.55 a. m.
Do	10.00 p. m.	Knoxville	1.25 a. m.
Do	10.00 p. m.	Bristol, Tenn.	9.15 a. m.
Do	10.00 p. m.	Asheville, N. C.	5.50 a. m.
Do	5.10 p. m.	Augusta	6.05 a. m.
Do	5.10 p. m.	Atlanta	9.55 p. m.
Do	6.25 p. m.	Brunswick	8.30 a. m.
Do	3.52 p. m.	Savannah	7.30 a. m.
Do	5.10 p. m.	Jacksonville	7.40 a. m.
Do	5.10 p. m.	Columbus, Ga.	9.55 a. m.
Do	6.20 p. m.	Birmingham	10.20 p. m.
Do	6.20 p. m.	Montgomery	7.00 a. m.
Do	6.05 p. m.	Mobile	7.30 a. m.
Do	6.20 p. m.	Jackson, Miss.	5.40 a. m.
Do	6.20 p. m.	Vicksburg	7.00 a. m.
Do	6.05 p. m.	New Orleans	9.10 a. m.

Train schedule to Chattanooga.

Leave.		Arrive.	
Memphis	8.00 p. m.	Chattanooga	5.05 a. m.
Jackson, Tenn.	6.05 p. m.	do	5.05 a. m.
Nashville	9.30 p. m.	do	2.44 a. m.
Louisville	9.35 p. m.	do	6.40 a. m.
Lexington	10.25 p. m.	do	6.10 a. m.
Cincinnati	8.00 p. m.	do	6.10 a. m.
Dayton, Ohio	5.53 p. m.	do	6.10 a. m.

Train schedule to Chattanooga—Continued.

Leave.		Arrive.	
Columbus, Ohio	4.00 p. m.	Chattanooga	6.10 a. m.
Knoxville	2.00 a. m.	do	6.00 a. m.
Bristol, Tenn.	3.30 p. m.	do	6.00 a. m.
Asheville, N. C.	9.30 p. m.	do	6.00 a. m.
Augusta	11.15 p. m.	do	11.55 a. m.
Atlanta	5.10 p. m.	do	9.35 p. m.
Brunswick	8.10 p. m.	do	10.55 a. m.
Savannah	8.00 p. m.	do	11.55 a. m.
Jacksonville	8.40 p. m.	do	10.55 a. m.
Columbus, Ga.	10.03 p. m.	do	11.55 a. m.
Birmingham	6.05 p. m.	do	9.55 p. m.
Montgomery	6.00 p. m.	do	5.05 a. m.
Mobile	8.15 p. m.	do	10.05 a. m.
Jackson, Miss.	10.45 p. m.	do	10.20 a. m.
Vicksburg	9.25 p. m.	do	10.20 a. m.
New Orleans	7.30 p. m.	do	10.05 a. m.

Chattanooga railroads.

Southern Railway—Atlanta and Southeastern Division, Memphis and Western Division, Knoxville and Eastern Division.

Cincinnati, New Orleans & Texas Pacific—to Cincinnati, Louisville, etc.

Alabama Great Southern—to Birmingham, New Orleans, etc.

Nashville, Chattanooga & St. Louis—to Nashville, St. Louis, Chicago, etc.

Western & Atlantic—to Atlanta.

Central of Georgia—Georgia coast and central and southern Alabama.

T. A. G.—Gadsden, etc.

Amount of freight charges collected by railroads in 1913 for shipments in and out of Chattanooga, \$5,614,000.

SUPPLEMENTAL BRIEF FOR COMMITTEE.

The facts developed at the committee hearings at Atlanta and Cincinnati tend strongly to confirm us in the belief that the geographical outlines of the eight reserve districts suggested in our original brief are logical and desirable; and in compliance with the request of the committee we submit herewith a map outlining said eight reserve districts as suggested in said original brief.

Considering the question from every standpoint required by the Federal reserve act, we are convinced that the Atlantic seaboard will have to be divided into three districts, with one reserve bank at Boston, one at New York, and a third (for the South Atlantic district) at Baltimore, Washington, or Richmond. Slight variations in the outline of this third district, especially as to the question of including southeastern Georgia and a part of Florida, would depend on the precise location of its reserve city.

Beginning again at the north, it will doubtless be found advisable to locate a reserve bank at Chicago for the lake and adjacent territory, leaving an ideal reserve district bounded on the north by the Chicago district, on the east by the South Atlantic district, and on the west by the Mississippi River, extending southwardly to the Gulf. We are convinced that this grouping of the States of Kentucky, Tennessee, Alabama, Georgia (excepting possibly the southeastern part), Mississippi, all or a part of Florida, western North Carolina, southern Ohio (with possibly south-

eastern Indiana), and that part of Louisiana east of the Mississippi River, is the logical one for the following reasons:

1. It would harmonize with the surrounding reserve districts which seem to be necessary for the proper accommodation of other sections.

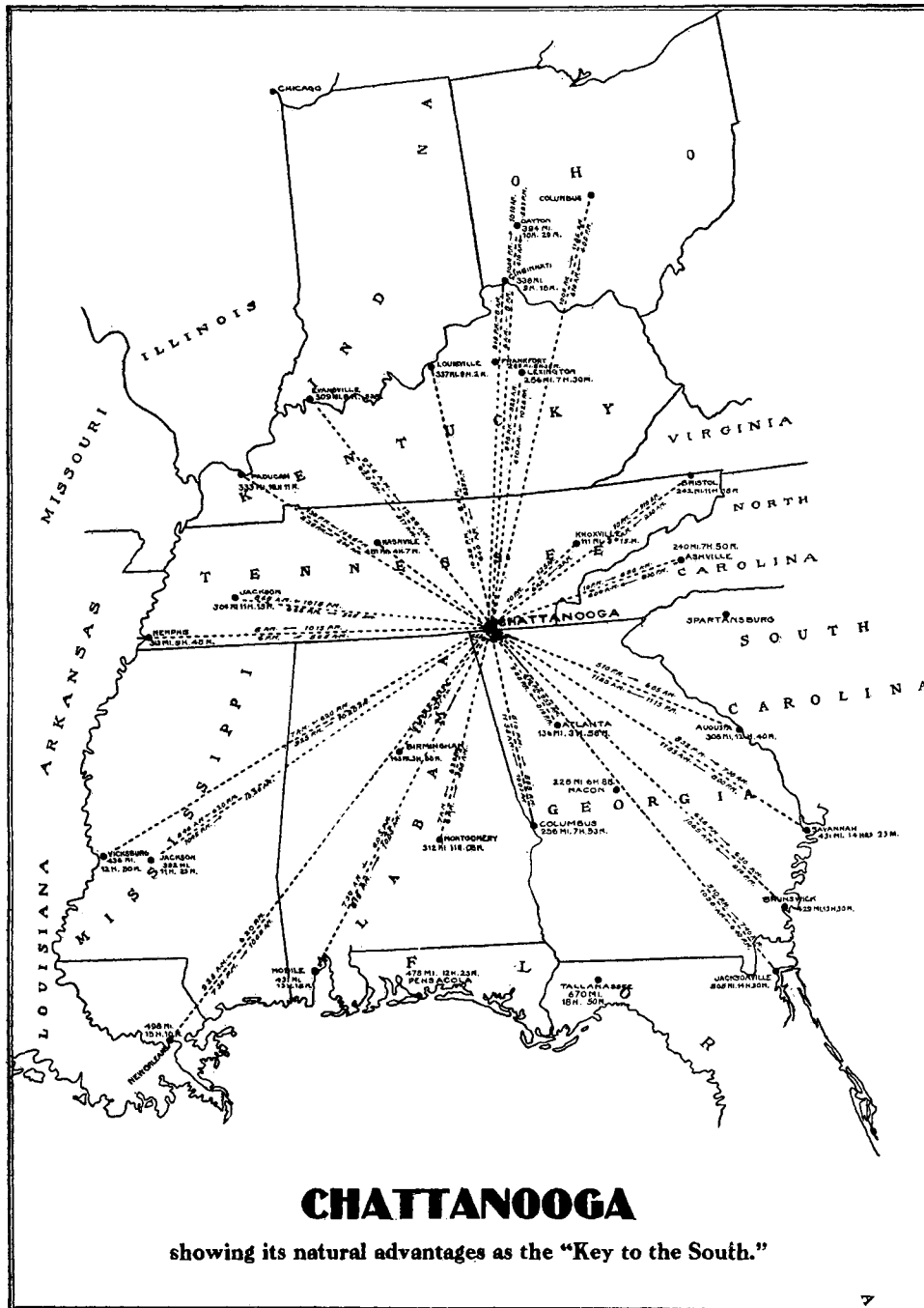
2. The Federal bank would be of reasonable dimensions—a minimum capital of \$8,535,000 and a minimum deposit of \$20,000,000 from the national banks situated within this territory. The State banks within this territory have a capital and surplus of approximately \$150,000,000 and deposits of \$600,000,000. It would, of course, receive in addition its proportionate share of the deposits of the United States Government.

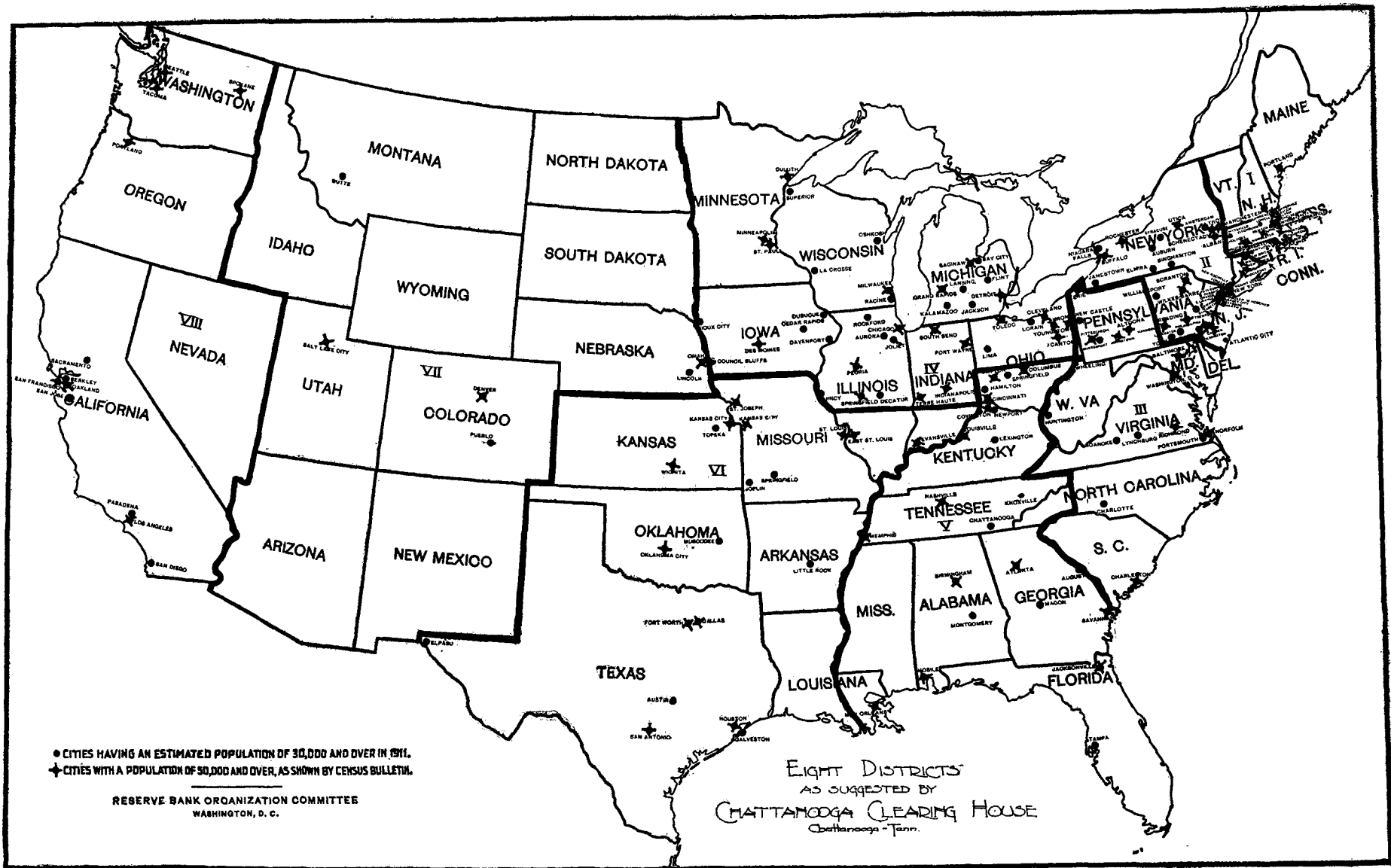
3. The bank would be self-supporting because the products of the territory are of such a variety that the various sections would call on the banks for loans at different seasons, the principal products being cotton, tobacco, sugar, citrus fruits, truck-garden products, corn, live stock, lumber, coal, iron and manufactures.

4. The bank would be profitable to its stockholders because there would be a constant demand for its loanable funds.

ATLANTA AND CINCINNATI HEARINGS.

We have read the transcript of the evidence adduced at the hearings both at Atlanta and at Cincinnati, besides attending the hearing at Atlanta.





CHATTANOOGA, TENNESSEE.

## DEVELOPMENTS AT ATLANTA HEARING.

The facts developed at Atlanta, taken as a whole, seemed to us to clearly indicate that the district suggested by that city is practically impossible, for four reasons:

1. It includes the Carolinas, the greatest part of whose territory would naturally and necessarily belong to a South Atlantic seaboard district—such a South Atlantic district including the greater part of the Carolinas, etc., and having its reserve city at Washington, Richmond, or Baltimore, seeming to us inevitable in any well-considered outline of reserve districts.

2. It (said Atlanta district) would be nominally dependent and would include little or no "fat to help fry the lean" at each annually recurring crop-moving period.

3. It leaves New Orleans and adjacent territory with no logical connection with any other logical district, and suggests the creation of another weak and wholly dependent southern or southwestern district.

4. It leaves a territory between the suggested Atlanta district and what would naturally be the Chicago district which would not logically belong to any other district and which could not properly be made a separate district.

As Chattanooga was Atlanta's unequivocal second choice, why not include Atlanta and Georgia in the logical and nominally independent district suggested by Chattanooga?

## DEVELOPMENT AT CINCINNATI HEARING.

While the district suggested by Cincinnati would be strong and in many respects desirable in itself, furnishing more than ample reserve for all its normal needs, it is objectionable:

1. Because it encroaches on what would naturally be the Chicago district on the north, it appearing at the hearing that Indianapolis and most of Indiana and northeastern Ohio would be more conveniently served from Chicago. In including West Virginia it encroaches on a district which would be best served from Washington, Baltimore, or Richmond.

2. The district suggested by Cincinnati scarcely reaches the northern limit of the cotton belt on the south, and leaves one or more districts to the southward which will be normally dependent during the crop-moving periods. If extended southwardly to Montgomery, as suggested by Nashville's representatives at Cincinnati, then a still weaker and more dependent district would be left along the Gulf coast.

As Atlanta, Birmingham, and Nashville have all admitted at the hearings that they can be well served from Chattanooga, and as the suggested Chattanooga district avoids all the difficulties and objections encountered in considering the districts suggested, respectively, by Atlanta and Cincinnati, it appears to us that the whole problem can be easily and happily solved by

a north and south district from middle Ohio to the Gulf (substantially as suggested by Chattanooga), with a central reserve bank at Chattanooga, one well-equipped branch bank at New Orleans on the extreme south, and another branch office at either Cincinnati or Louisville toward the northern end of the district.

This would give ideal service to the entire district and make the district normally self-supporting, and would permit the formation of other self-supporting districts for the surrounding territory which would harmonize with a rational and logical outline of districts for the entire United States.

If more than eight districts are to be formed, they should be taken from the strong districts suggested for New York, St. Louis, and Chicago. They should not be created by subdividing the agricultural territory of the South into weak and dependent districts.

## CHATTANOOGA THE MOST LOGICAL AND DESIRABLE POINT FOR RESERVE BANK.

Chattanooga is the most logical and desirable place for the location of a reserve bank for the suggested fifth district, because—

1. It is the point of importance nearest the center of the district, taking into account the population, banking capital and deposits, and the general business of the district. This point is fully elaborated and practically shown in our original brief.

2. It is within a night's run of all the principal points in the district, and mail sent out after banking hours from Chattanooga could reach the banks in all principal cities in the district by early banking hours on the following morning, and vice versa. This is clearly shown by the schedule of night trains from Chattanooga to and from all important points in the district appended to our original brief.

3. It is a railroad center and is on the direct line of travel between the principal cities of the district in the north, such as Columbus, Dayton, Cincinnati, and Louisville, to the principal cities of the south, as New Orleans, Mobile, Montgomery, Birmingham, Atlanta, and Jacksonville. It is likewise on the route from those on the west, as Memphis, Nashville, etc., to Atlanta, Savannah, and Augusta on the east. It is also thoroughly and speedily accessible to the great centers like Chicago, St. Louis, etc., where reserve banks for other districts may be located.

4. Chattanooga is one of the chief manufacturing centers of the south, with approximately 300 factories making over 500 different articles of commerce. The amount of freight charges collected by railroads in 1913 on shipments in and out of Chattanooga was \$5,614,000.

5. It is one of the great electrical centers of the Nation—110,000 horsepower having within the last two years been brought to its doors by power plants erected within that time on the Tennessee and Ocoee

Rivers. Approximately \$12,000,000 has been lately spent in the development of these two water-power plants.

6. It is a rapidly growing business center, as is evidenced by the growth of post-office receipts, as follows:

1894.....	\$66,123
1904.....	207,167
1913.....	488,521

The bank deposits, which are now \$18,500,000, have increased 400 per cent within the last 13 years.

While the population of Chattanooga by the Federal census of 1910 was only 44,604, a considerable part of the city since properly annexed was not then embraced in the corporate limits of the municipality.

The publisher of the 1914 city directory of Chattanooga and suburbs, Mr. G. M. Connelly, shows that the alphabetical directory for this year contains 42,634 names of individuals 17 years of age and over, and that using the usual multiple of 2 $\frac{2}{3}$  this would indicate a population of 102,321.

Chattanooga has 40 miles of paved streets, 80 miles of sewers, a most efficient and well-equipped police and fire department, a low rate of insurance, 64 miles of street railway, an excellent school system, a very complete public library, a fine system of public parks and recreation centers, etc. These matters are mentioned in this connection merely to give assurance that this growing city has all the safeguards, comforts, and conveniences which would have to be considered in locating a reserve bank.

We are prepared to give assurance that a suitable and centrally located banking house can and will be at once erected or supplied and equipped for the reserve bank should this city be designated as a reserve city.

CONCLUSION.

The more we consider the subject the more we are convinced that Chattanooga's railroad and transportation facilities, her natural location as a passageway between North and South, and between East and West, her superior accessibility to and from all parts of the suggested district, and her ideal location in the business and geographical center of the district, makes her a more convenient and desirable location for a reserve bank than any other city within said district.

As such bank will have the same capital, the same deposits, the same directors, and be used for the same reserve purposes in whatever city it may be located, it is clear to us that at last the question of accessibility will necessarily be controlling. Otherwise the primary purpose of the Federal reserve act will be practically defeated, and the manifest evils and ine-

qualities which it was intended to correct will to a large extent continue.

This being so, Chattanooga's claims and advantages would appear to be paramount. Its accessibility, with its location in the center of the mining, timber, and manufacturing zone which lies between the cotton fields on the south and the great grain, tobacco, and commercial and manufacturing areas in the north end of the suggested district is, as we think, an unanswerable argument in its favor.

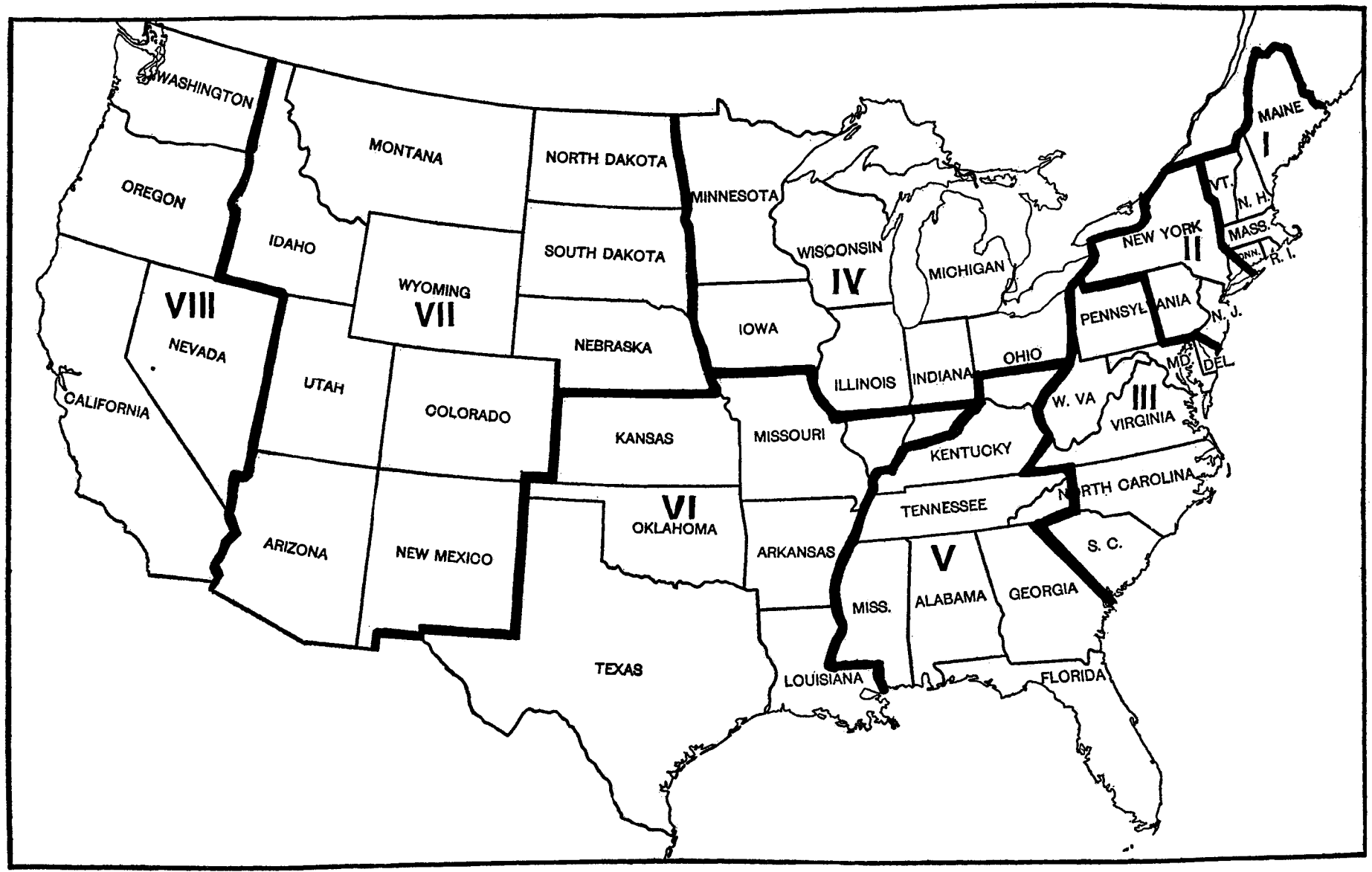
Respectfully submitted.

- NEWELL SANDERS,  
*Chairman General Committee.*
- J. P. HOSKINS,  
*President Clearing House Association.*
- P. J. KRUESI,  
*President Chamber of Commerce.*
- MORRIS TEMPLE,  
*President Chattanooga Manufacturers' Association.*
- FRANK A. NELSON,  
*Manager Clearing House Association.*
- JOHN H. CANTRELL,  
*Secretary General Committee.*

OUT OF TOWN ITEMS SENT.

State.	Account.	Per cent.
Tennessee.....	\$66,294	0.1771
Georgia.....	63,498	.1697
Alabama.....	36,077	.0964
Mississippi.....	6,688	.0178
Louisiana.....	2,791	.0074
Florida.....	5,429	.0145
North Carolina.....	6,168	.0165
South Carolina.....	6,562	.0175
Virginia.....	1,917	.0051
West Virginia.....	1,414	.0038
Kentucky.....	7,430	.0191
	204,268	.5449
New York.....	110,342	.2949
Massachusetts.....	1,094	.0029
New Hampshire.....	28	.00007
Connecticut.....	12	.00003
Delaware.....	15	.00004
Maine.....	14	.00004
Maryland.....	5,021	.0134
District of Columbia.....	17,879	.0478
Pennsylvania.....	4,433	.0118
New Jersey.....	18	.00005
Ohio.....	6,517	.0174
Illinois.....	8,707	.0232
Indiana.....	1,498	.0040
Wisconsin.....	134	.0003
Michigan.....	2,160	.0057
	224,872	.42163
Arkansas.....	380	.0010
Nebraska.....	703	.0018
Missouri.....	3,115	.0085
Texas.....	5,843	.0156
California.....	450	.0011
Utah.....	349	.0009
New Mexico.....	140	.0004
Arizona.....	44	.0001
Oklahoma.....	735	.0019
South Dakota.....	9	.00002
Iowa.....	36	.00009
Colorado.....	147	.0003
Idaho.....	5	.00001
Oregon.....	13	.00003
Wyoming.....	12	.00003
Kansas.....	5	.00001
	11,986	.03179
	374,126	.9983

EIGHT DISTRICTS AS SUGGESTED BY CHATTANOOGA CLEARING HOUSE.



LOCATION OF RESERVE DISTRICTS.

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# CINCINNATI, OHIO

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# CINCINNATI, OHIO.

## BRIEF.

[Prepared for the committee under the direction of FREDERICK C. HICKS, Professor of Economics and Commerce, University of Cincinnati.]

[Joint committee on regional bank: William S. Rowe, chairman; Clearing House—William S. Rowe, C. A. Hirsch, Caspar H. Rowe; Chamber of Commerce—Lazard Kahn, Edward L. Heinsheimer, T. J. Davis; Business Men's Club—Franklin Alter, Edward Seiter.]

### *The Federal Reserve Bank Organization Committee:*

GENTLEMEN: As representatives of the financial, commercial, and industrial interests of Cincinnati, we respectfully submit the following:

First. A regional bank district should be established consisting of the major portions of the five States of Ohio, Indiana, West Virginia, Kentucky, and Tennessee, together with such contiguous territory as your investigations may show should be included therein.

Second. The Federal reserve bank for this district should be located in the city of Cincinnati.

We believe that such action is in harmony with the provision of the Federal reserve act which prescribes "that the districts shall be apportioned with due regard to the convenience and customary course of business."

We believe also that a consideration of the facts herewith submitted will show that the proposed district, with Cincinnati as its regional bank city, meets fully the conditions set forth by the organization committee as the "primary factors in determining the boundaries of the proposed districts and the location of the Federal reserve banks."

These primary factors are:

First. Geographical convenience, which involves transportation facilities and rapid and easy communication with all parts of the district.

Second. Industrial and commercial development and needs of each section, which involves consideration of the general movement of commodities and of business transactions within the districts and the transfer of funds and exchanges of credits arising therefrom.

Third. The established custom and trend of business, as developed by the present system of bank reserves and checking accounts. In laying out the districts and establishing the headquarters for reserve banks, every effort will be made to promote business convenience and normal movements of trade and commerce.

### GENERAL SUMMARY.

(A detailed presentation of each of these facts will be found after this general summary.)

The propriety of establishing a district such as is here proposed is shown by the following facts:

1. *Relation of the proposed district to other districts.*—The district harmonizes with an efficient subdivision

of the country as a whole, whether the total number of districts finally decided upon is 8, 9, 10, 11, or 12.

2. *Banking.*—The five States constituting the proposed district have 3,560 banks, with a capital and surplus of \$391,094,000 and deposits of \$1,675,524,000.

Of these banks, 1,009 are national banks, with a capital and surplus of \$202,701,000 and deposits of \$761,971,000.

Of the State banks, 1,239 are eligible for membership in the Federal reserve bank system. Their capital and surplus is \$139,084,000 and deposits \$624,860,000.

3. *Credit demand and supply.*—The banks of the proposed district have about one-tenth of the total amount of bills payable and rediscounts of all the banks of the United States. The fluctuation in the borrowing of the banks of the district throughout the year amounts to only \$6,000,000 between the high and low points.

The proposed district combines loaning and borrowing sections in a manner that renders it self-sustaining. The northern portion as a rule possesses a surplus of loanable funds, while in many southern sections, the demand for credit is in excess of the local supply.

Moreover, judging from the replies received from about 1,500 banks throughout the district, to the inquiry, "In what months of the year is the demand heaviest from your local borrowers?" there is a demand for credit throughout the proposed district in all seasons of the year.

The comparatively slight fluctuations (about \$1,200,000) between the high and low points of the outstanding loans of country banks in Cincinnati is evidence that the interests of the district are so diversified that at the period of the year when one section is borrowing, another section is lending. This fact is further shown by the replies received to the inquiry above mentioned.

4. *Area and population.*—The proposed district contains 14.3 per cent of the total population of the United States, 11.8 per cent of the urban population, 16.5 per cent of the rural population, and 13.5 per cent of the cities and towns.



5. *Industries.*—It is a section of extensive and widely diversified industries—agriculture, mining, and manufacturing.

It contains 17.1 per cent of the farms of the United States, 13.2 per cent of the total value of farm property, 14.9 per cent of the mining capital of the United States, 13.1 per cent of the manufacturing establishments, and 12.5 per cent of the manufacturing capital, and produces 13.4 per cent of the total value of farm products, 15.1 per cent of the total value of mining products, and 12.5 per cent of the total value of manufacturing products.

It produces over one-eighth of the country's cattle, hogs, sheep, wool, tobacco, corn, wheat, eggs, fowls, and orchard fruits, and over one-eighth of the output of 19 of the 47 industries of the country which in 1910 reported a product of over \$100,000,000 each.

Some of the industries, such as those connected with farming, are of importance in practically all sections of the district, while others, such as mining and manufactures are more centralized, the location of the former (mining) being determined by the distribution of mineral resources, while the latter (manufactures) are found principally in the large cities and their immediate environment. Even the mining and manufacturing interests, however, are of large importance in each of the States mentioned.

Furthermore, the several sections of the five States present varying degrees of development, a fact which lends importance to the proposition to combine them into one regional bank district, thereby bringing into close relation the more highly developed areas and those less developed to the mutual advantage of both.

6. *Railroads.*—Through its railroads and rivers the district is well provided with facilities for transportation and communication. According to the Interstate Commerce Commission's report of 1911, the five States contained over 27,000 miles of railroad. This was 11.3 per cent of the total railroad mileage in the United States.

The committee presents Cincinnati as the logical place for the establishment of a regional bank for the following reasons:

1. *Location, resources, and trade.*—Geographically, Cincinnati lies nearest the center of the proposed district, midway between the most highly developed portions and those less developed, as a result of which it serves both by bringing them into relation with each other. It is situated near the center of population of the United States.

The population of the metropolitan district of Cincinnati, according to the last census, was 563,804.

The manufactures of this district in 1910 were represented by 2,827 establishments, 95,571 persons engaged, a capital of \$212,555,000, and a product valued at \$260,400,000, of which \$121,292,000 represented value added by manufacture. Thirty industries were

reported in 1910 with an output of over \$1,000,000 each.

The commerce of Cincinnati reaches every State in the country and all the leading foreign markets.

Intimate trade relations exist between the city and all portions of the proposed district. This fact is shown by the statistics of the distribution of the trade of a selected list of representative Cincinnati firms, and also by the package car shipments.

2. *Banking resources and relations.*—Cincinnati is the natural financial center of the proposed district.

Its banks have an honorable record for sound policy and efficient service, past and present, which has merited and received the confidence of the business and financial interests of the proposed district.

The city has 42 banks, with a capital and surplus of \$30,096,000 and deposits of \$138,190,000. Of these, 11 are national banks, with a capital and surplus of \$19,968,000 and deposits of \$60,391,000.

The city sustains correspondent relations with 877 banks in the district, situated in 225 counties, distributed throughout all sections of the 5 States.

It is the center of a section which possesses surplus funds that are available for the demands of other sections of the district.

The banks of Cincinnati serve other portions of the district in a large number of ways, both direct and indirect. The general character and extent of these services are shown:

(1) By shipments of currency, amounting in 1913 to \$39,105,000.

(2) By participating largely in financing the various business activities of the district, notably in connection with the production and sale of wheat, corn, cattle, hogs, sheep, wool, tobacco, blue-grass seed, coal, distilled liquors, iron, and paper and pulp.

(3) By the readiness and efficiency with which aid is extended in emergencies, notable examples of which are the panic of 1907 and the flood of 1913.

3. *Transportation and facilities.*—From Cincinnati as a center, railroads radiate in every direction, bringing the city into close relations with every part of this and contiguous districts: To the north and northeast, 5 lines; to the east and southeast, 4 lines; to the south and southeast, 2 lines; to the west and southwest, 4 lines; to the northwest, 4 lines.

Package cars to the number of 596 are sent out daily, reaching all portions of the district and also many points in neighboring States.

4. *Mails.*—The city has exceptional mail facilities. Frequent mails go daily between Cincinnati and all important cities of the district, and also between Cincinnati and the leading cities in the territory contiguous to the district.

The arrangements are such as to make possible communication between Cincinnati and all of the large cities of the district between the close of business hours

on one day and their opening on the following morning. The same is true of mail communication between Cincinnati and many important cities in adjoining districts.

5. *Distributing center.*—Cincinnati is an important distributing center both for its own products and for those of other sections.

Among the leading commodities for which the city serves as a center of distribution are coal and coke, pig iron, wheat, corn, tobacco, distilled liquors, live stock, lumber, fruits, and dry goods.

The movements of commodities into and out of Cincinnati are relatively constant throughout the year. Indeed, it is characteristic, both of the industries of the city itself and of its commerce, that the articles are of so varied a character as to render the business and financial conditions independent of the vicissitudes that may attend any one class of products.

6. *Federal administrative center.*—The superiority of Cincinnati as a center for serving the proposed district is shown by its selection as headquarters for the administration of Federal affairs.

Its post office serves (1) as a depository for postal funds in Ohio; (2) as the depository for money-order funds from southeastern Indiana, southern Ohio, and eastern Kentucky; and (3) as the headquarters for paying the rural mail carriers of Ohio.

It is also the headquarters for the administration of the fifth division of the Railway Mail Service, which includes the States of Ohio, Indiana, and Kentucky. District centers in this division are located at Cleveland, Indianapolis, and Louisville. Thirteen lines of this division radiate from Cincinnati, and besides these, 14 other important lines are operated from here.

Cincinnati is one of the nine subtreasury cities of the United States. Besides being a depository for the funds of the National Government, it serves a large area through (1) shipment of silver and minor coins; (2) the transfer of funds; and (3) the receipt of deposits for the 5 per cent redemption fund.

7. *Sentiment of district.*—The sentiment of the proposed district, so far as it has been ascertained, is in a marked degree favorable to the location of a regional bank in Cincinnati.

It is believed that the replies to the inquiries of the organization committee, received from the banks of the five States mentioned, when combined, will substantiate the opinion that Cincinnati occupies the leading place in their choice of a regional bank center.

#### THE DISTRICT.

##### RELATION OF THE PROPOSED DISTRICT TO OTHER DISTRICTS.

It is understood that the organization committee desires an expression of opinion as to the best division of the entire country into districts. Accordingly, a

map has been prepared suggesting the limits of districts, though the information at hand is not sufficient to warrant a final opinion as to the exact lines of division that should be established.

In submitting this tentative plan, the committee has kept in mind the following considerations:

First. In planning for the division of the country into districts, it is essential that each should be so arranged as to fit into the general scheme, and that the districts should be so arranged as best to meet the needs of all. In other words, to warrant the establishment of any proposed district, it does not suffice to show that by itself it fulfills the required conditions. Its establishment must harmonize with the fulfillment of these conditions by each of the other portions of the country.

Second. The districts should, if possible, be so organized that the available supply of credit will suffice to meet the demand therefor, and conversely that there will be an ample demand for the surplus funds seeking employment. To this end, portions of the country in which the supply of available funds is in excess of the demand therefor should be grouped with other sections where the demand for the credit is in excess of the local supply.

Third. In providing that the number of regional banks shall be not less than 8 nor more than 12, Congress said in effect that, subject to these limitations, the number to be established should be determined by the needs of the country. That is to say, it is not primarily a question of establishing as few reserve banks as possible, or as many as possible, but of providing such number as the interests of the country's business require.

Fourth. It is believed also, that it is in harmony with the spirit of the law that the financial resources of the country should be decentralized in so far as the centralization of such resources has hitherto been the result of arbitrary legislation and to the extent that it has worked injury.

A study of the population and business of the various sections of the United States will show, we believe, that a district should be established, consisting of the five States mentioned, whether the total number finally decided upon is eight, nine, ten, eleven, or twelve. The proposed district is situated at the center of the main industrial and commercial area of the United States and would therefore form the connecting bond between the others that may be organized.

The data submitted herewith is grouped by States because the available statistics are so given. It is not intended, however, to convey the idea that the district advocated should conform exactly to the boundaries of these States. Probably a portion of northwestern Indiana should be included in the Chicago district; a portion of eastern West Virginia

in an eastern district. Small portions of western Kentucky and Tennessee perhaps fall naturally in a district including St. Louis.

Attention is called especially to the fact that in the accompanying maps, that portion of the boundary line of the district which coincides with the northern boundary of Alabama is broken. This is intended to show the committee's opinion that since the loaning capacity somewhat exceeds the borrowing in the five States given as forming the main portions of the district, it is possible to include additional borrowing territory. Existing trade relations suggest the propriety of making such addition from some of the southern States, more particularly from Alabama.

The maps show suggested district with 8, 9, 10, 11, and 12 banks, respectively, together with the approximate amount of the capital of each bank in the several subdivisions.

**BANKING.**

*General statement.*—There are in the district 3,560 banks, of which 1,009 are national banks. Together, the banks have a capital and surplus of \$391,094,000 and deposits amounting to \$1,675,524,000. The national banks alone have a capital and surplus of \$202,701,000 and deposits of \$761,971,000. (See chart following.)

Banks.	Number.	Per cent of United States.	Capital and surplus.	Per cent of United States.	Deposits.	Per cent of United States.
National.....	1,009	13.6	\$202,701,000	11.7	\$761,971,000	9.5
Other.....	2,551	11.7	188,393,000	9.9	914,000,000	7.5
Total...	3,560	12.2	391,094,000	10.7	1,676,000,000	8.3

*Distribution.*—The distribution of these banks and of their capital and surplus and deposits throughout the district was as follows (see also table for Distribution by sections in each State).

*Distribution by sections in each State.*

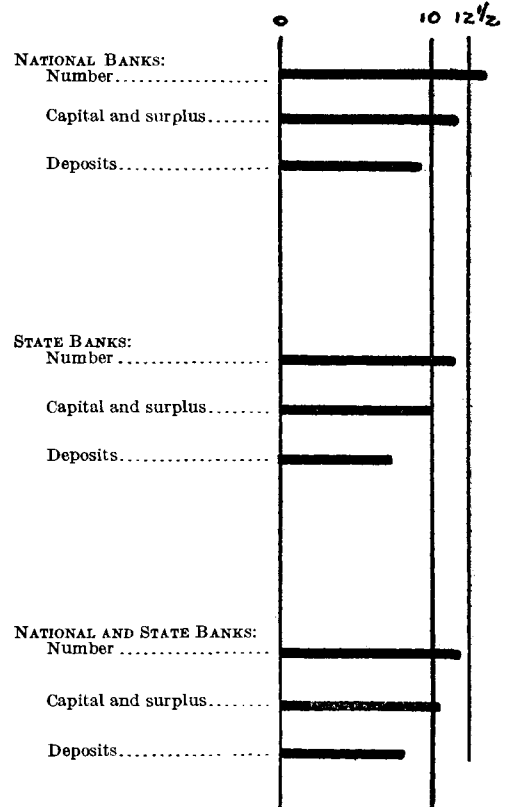
[000 omitted in capital and surplus and deposit columns.]

	National banks.			Other banks.			Total.		
	Number.	Capital and surplus.	Deposits.	Number.	Capital and surplus.	Deposits.	Number.	Capital and surplus.	Deposits.
United States.....	7,372	\$1,727,561	\$8,054,193	21,625	\$1,902,604	\$12,121,455	28,995	\$3,630,165	\$20,185,648
District.....	1,009	202,701	761,971	2,551	188,393	913,543	3,560	391,094	1,675,524
Per cent of United States.....	13.6	11.7	9.5	11.7	9.9	7.5	12.2	10.7	8.3
Ohio.....	382	103,549	375,336	754	80,683	499,863	1,136	184,232	875,199
Northwest.....	23	7,303	33,900	111	7,462	39,208	134	14,765	73,108
West-central.....	56	7,485	23,245	90	4,062	20,956	146	11,547	44,201
Southwest.....	76	29,298	102,232	92	12,204	75,300	168	41,502	177,532
South-central.....	28	3,650	12,755	50	2,124	11,442	78	5,774	24,200
Southeast.....	30	2,424	8,500	24	1,089	6,335	54	3,513	14,835
East-central.....	45	5,625	24,305	64	3,200	17,510	109	8,825	41,812
Northeast.....	55	24,193	123,446	133	38,256	267,310	188	62,449	390,756
North-central.....	31	3,908	20,508	90	5,844	33,942	121	9,752	54,305
Indiana.....	256	40,003	170,418	693	40,459	187,165	949	80,462	357,583
Northwest.....	40	4,150	19,570	126	6,037	32,020	168	10,197	51,590
West-central.....	43	6,420	22,333	107	5,416	26,920	158	11,836	48,623
Southwest.....	54	5,987	29,380	96	5,277	23,072	146	10,254	52,542
Northwest.....	21	4,009	22,515	141	7,079	38,268	162	11,088	60,052

District..	National banks.			All banks.		
	Number.	Capital and surplus.	Deposits.	Number.	Capital and surplus.	Deposits.
Ohio.....	382	104,000,000	375,000,000	1,160	184,000,000	875,000,000
Indiana.....	256	40,000,000	170,000,000	949	80,000,000	358,000,000
West Virginia.....	117	17,000,000	58,000,000	314	36,000,000	126,000,000
Kentucky.....	146	25,000,000	82,000,000	619	51,000,000	161,000,000
Tennessee.....	108	17,000,000	76,000,000	542	39,000,000	156,000,000
<b>Total.....</b>	<b>1,009</b>	<b>\$203,000,000</b>	<b>\$761,000,000</b>	<b>3,560</b>	<b>\$391,000,000</b>	<b>\$1,676,000,000</b>

**DISTRICT BANKING STATISTICS.**

PERCENTAGES OF TOTAL IN THE UNITED STATES.



Distribution by sections in each State—Continued.

	National banks.			Other banks.			Total.		
	Number.	Capital and surplus.	Deposits.	Number.	Capital and surplus.	Deposits.	Number.	Capital and surplus.	Deposits.
<b>Indiana—Continued.</b>									
East-central.....	66	\$15,810	\$64,725	147	\$14,733	\$55,688	219	\$30,805	\$120,709
Southeast.....	32	3,627	11,895	76	2,917	12,627	98	6,282	23,797
<b>West Virginia.....</b>	<b>117</b>	<b>16,968</b>	<b>57,505</b>	<b>197</b>	<b>19,426</b>	<b>68,664</b>	<b>314</b>	<b>36,394</b>	<b>126,169</b>
North.....	61	10,068	36,760	121	12,659	49,990	182	22,727	86,750
South.....	47	5,962	17,825	59	5,708	15,229	106	11,670	33,054
East.....	9	938	2,920	17	1,059	3,445	26	1,997	6,365
<b>Kentucky.....</b>	<b>146</b>	<b>25,382</b>	<b>82,277</b>	<b>473</b>	<b>25,326</b>	<b>78,594</b>	<b>619</b>	<b>50,708</b>	<b>160,881</b>
Southwest.....	10	1,591	3,505	38	1,436	4,315	48	3,027	7,820
West.....	16	1,933	5,095	87	3,736	12,515	103	5,669	17,610
North west-central.....	12	8,590	36,370	71	8,024	26,357	83	16,614	62,737
South west-central.....	13	822	3,245	36	1,161	3,475	49	1,983	6,720
North east-central.....	20	3,451	11,075	98	4,561	14,231	118	8,012	25,306
East-central.....	25	5,404	11,435	42	2,885	6,750	67	8,289	18,185
South east-central.....	9	723	1,605	28	724	2,029	37	1,447	3,634
Northeast.....	19	1,557	5,520	45	1,915	6,090	64	3,472	11,610
East.....	8	679	2,267	15	445	1,427	23	1,124	3,694
Southeast.....	14	632	2,160	13	439	1,405	27	1,071	3,565
<b>Tennessee.....</b>	<b>108</b>	<b>16,799</b>	<b>76,435</b>	<b>434</b>	<b>22,499</b>	<b>79,257</b>	<b>542</b>	<b>39,298</b>	<b>155,692</b>
Northwest.....	8	561	1,345	91	2,618	7,215	99	3,179	8,560
Southwest.....	9	2,150	10,455	87	9,793	39,180	96	11,943	49,635
North west-central.....	23	4,452	27,335	65	3,159	11,053	88	7,611	38,288
South west-central.....	14	1,327	3,495	44	1,066	2,950	58	2,393	6,445
North east-central.....	10	472	2,045	42	823	2,452	52	1,295	4,497
South east-central.....	17	3,845	16,110	47	2,586	7,737	64	6,431	23,847
Northeast.....	8	617	3,875	21	585	2,650	29	1,202	6,525
East.....	19	3,375	11,875	37	1,869	6,020	56	5,244	17,895

Eligible State banks.—Of the State banks in the district 1,239 are eligible for membership in the Federal reserve bank system. Their number, resources, and distribution among the States are shown in the following table:

District.....	Number.	Capital.	Surplus.	Deposits.
District.....	1,239	\$101,302,000	\$37,782,000	\$624,860,000
Ohio.....	348	40,991,000	20,729,000	336,995,000
Indiana.....	449	25,210,000	5,848,000	139,905,000
West Virginia.....	157	10,664,000	5,445,000	51,060,000
Kentucky.....	155	12,950,000	3,697,000	48,255,000
Tennessee.....	130	11,487,000	2,063,000	48,645,000

CREDIT DEMAND AND SUPPLY.

Bills payable and rediscount.—Under date of June 14, 1912, we find that the amount of bills payable and rediscounts of all the banks in the proposed district was one-tenth of the total of all the banks of the United States. This shows that the district has approximately its due proportion of borrowing banks.

The fluctuation in the borrowing of the banks of the district throughout the year amounts to only \$6,000,000 between the high and low points. The chart and table following show these fluctuations in detail. The figures given are taken from the report of the United States Comptroller of the Currency and the report of the State banking commissioners in the district, except in the case of Tennessee, which publishes no annual report.

Seasonal demand for credit.—There is a demand for credit throughout the proposed district in all seasons of the year. The importance of this factor in determining the organization of districts has led to an effort

to secure as wide information on this subject as is possible.

The following table shows the number and distribution of the towns and banks represented in the replies received to inquiries on this subject:

Banks and towns reporting seasonal demand for credit.

District.....	Banks.	Towns.
District.....	1,027	814
Ohio.....	324	260
Indiana.....	338	239
West Virginia.....	67	42
Kentucky.....	194	183
Tennessee.....	104	90

The information secured has been tabulated so as to show the relative demands (1) for the district as a whole; (2) for the States comprising the district; (3) for the several sections of the United States; and (4) for each of the counties therein. The facts given have been grouped to show this demand in each of the four seasons—spring, summer, fall, and winter—and also in each month of the year. (See the following tables.)

Aggregate bills payable and rediscount.

[000s omitted.]

	June 14, 1912.			Sept. 4, 1912.		
	National.	Other.	Total.	National.	Other.	Total.
United States.....	58,606	( <sup>1</sup> )	( <sup>1</sup> )	82,374	( <sup>1</sup> )	( <sup>1</sup> )
District.....	6,574	5,243	11,997	5,891	7,312	13,203
Ohio.....	4,421	688	5,109	2,737	1,028	3,765
Indiana.....	131	429	560	160	483	643
West Virginia.....	557	851	1,408	361	2,851	1,212
Kentucky.....	810	1,143	1,953	903	2,818	3,721
Tennessee.....	835	2,132	2,967	1,730	2,132	3,862

<sup>1</sup> Data not obtainable.

Aggregate bills payable and rediscount—Continued.

	Nov. 26, 1912.			Feb. 4, 1913.		
	National.	Other.	Total.	National.	Other.	Total.
United States.....	71,881	( <sup>1</sup> )	( <sup>1</sup> )	51,447	( <sup>1</sup> )	( <sup>1</sup> )
District.....	10,244	7,194	17,438	6,687	6,687	13,374
Ohio.....	4,846	<sup>2</sup> 1,028	5,874	1,777	<sup>2</sup> 1,028	2,805
Indiana.....	306	<sup>2</sup> 483	789	399	<sup>2</sup> 483	882
West Virginia.....	182	<sup>2</sup> 733	915	194	<sup>2</sup> 733	927
Kentucky.....	1,756	<sup>2</sup> 2,818	4,574	1,041	<sup>2</sup> 3,111	3,352
Tennessee.....	3,154	<sup>2</sup> 2,132	5,286	3,276	<sup>2</sup> 2,132	5,408

	June 4, 1913.			Aug. 9, 1913.		
	National.	Other.	Total.	National.	Other.	Total.
United States.....	72,906	( <sup>1</sup> )	( <sup>1</sup> )	109,106	( <sup>1</sup> )	( <sup>1</sup> )
District.....	5,815	5,774	11,589	7,612	5,417	13,029
Ohio.....	1,532	<sup>2</sup> 1,028	2,560	2,378	<sup>2</sup> 1,028	3,406
Indiana.....	369	<sup>2</sup> 696	1,065	656	<sup>2</sup> 339	995
West Virginia.....	235	<sup>2</sup> 733	968	289	<sup>2</sup> 733	1,022
Kentucky.....	1,200	<sup>2</sup> 1,185	2,385	1,485	<sup>2</sup> 1,185	2,670
Tennessee.....	2,479	<sup>2</sup> 2,132	4,611	2,804	<sup>2</sup> 2,132	4,936

	Oct. 21, 1913.		
	National.	Other.	Total.
United States.....	100,460	( <sup>1</sup> )	( <sup>1</sup> )
District.....	9,256	6,560	15,816
Ohio.....	3,412	1,628	5,040
Indiana.....	428	717	1,145
West Virginia.....	160	898	1,058
Kentucky.....	1,785	<sup>2</sup> 1,185	2,970
Tennessee.....	3,471	<sup>2</sup> 2,132	5,603

<sup>1</sup> Data not obtainable. <sup>2</sup> Data unavailable, last report repeated.

A study of the following table shows that the number of banks reporting a demand in the fall was the largest in the district and in each of the States.

The number reporting a spring demand, however, is but little less than that reporting a fall demand. The spring demand, so far as shown by the number of banks reporting it, was the second largest in all of the States except Kentucky and Tennessee.

Third in number and but little below that for spring are those banks reporting a demand in the winter. The demand for credit in the winter season occupies second place in Kentucky and Tennessee and third place in Ohio, Kentucky, and West Virginia.

The demand in summer, though reported by the smallest number of banks, was still considerable in extent in each of the several States.

Seasonal demand for credit.

	Banks.				Towns.			
	Spring.	Summer.	Fall.	Winter.	Spring.	Summer.	Fall.	Winter.
District.....	527	283	645	493	446	251	511	415
Ohio.....	178	89	189	142	159	80	157	127
Indiana.....	180	89	192	135	143	80	149	111
West Virginia.....	37	22	38	26	29	19	22	15
Kentucky.....	92	54	160	129	77	46	124	108
Tennessee.....	40	29	66	61	38	26	59	54

Demand for credit, by months.

District.....	BANKS.											
	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
Ohio.....	71	54	129	124	100	66	55	46	101	133	150	114
Indiana.....	71	85	136	127	116	72	52	49	107	132	148	86
West Virginia.....	15	9	27	33	25	13	15	16	28	31	30	21
Kentucky.....	60	52	81	59	51	26	28	37	107	130	133	95
Tennessee.....	43	32	34	26	23	17	20	25	44	55	57	47

District.....	TOWNS.											
	237	216	360	322	275	175	153	155	329	391	416	310
Ohio.....	64	50	121	112	91	59	52	42	93	116	128	103
Indiana.....	66	79	115	107	98	64	46	44	88	104	121	76
West Virginia.....	11	8	22	25	21	12	13	14	18	20	16	10
Kentucky.....	55	48	70	54	44	25	24	32	89	102	101	80
Tennessee.....	41	31	32	24	21	15	18	23	41	49	50	41

Seasonal demands for credit.

District.....	BANKS.											
	Spring.		Summer.		Fall.		Winter.					
	Num-ber.	Per cent.	Num-ber.	Per cent.	Num-ber.	Per cent.	Num-ber.	Per cent.				
District.....	527	27.0	283	14.5	645	33.1	493	25.4				
Ohio.....	178	29.9	89	14.9	189	31.4	142	23.8				
Northwest.....	23	30.3	9	11.8	25	32.9	19	25.0				
West-central.....	27	24.1	16	14.3	37	33.0	32	28.6				
Southwest.....	42	26.1	26	16.1	48	29.8	45	28.0				
North-central.....	5	62.5	0	0.0	2	25.0	1	12.5				
Central.....	28	32.5	12	14.0	26	30.2	20	23.3				
South-central.....	22	27.9	12	15.2	32	40.5	13	16.4				
Northeast.....	6	33.3	5	27.8	5	27.8	2	11.1				
East-central.....	19	54.3	4	11.4	8	22.9	4	11.4				
Southeast.....	6	26.1	5	21.7	6	26.1	6	26.1				
Indiana.....	180	30.2	89	14.9	192	32.2	135	22.7				
Northwest.....	0	0.0	0	0.0	0	0.0	0	0.0				
West-central.....	41	30.8	18	13.5	44	33.1	30	22.6				
Southwest.....	37	31.4	18	15.3	36	30.5	27	22.8				
Northeast.....	16	32.7	6	12.2	15	30.6	12	24.5				
East-central.....	59	32.1	36	19.6	51	27.7	38	20.6				
Southeast.....	27	24.1	11	9.8	46	41.1	28	25.0				
West Virginia.....	37	30.1	22	17.9	38	30.9	26	21.1				
North.....	25	49.0	7	13.7	11	21.6	8	15.7				
South.....	12	16.7	15	20.8	27	37.5	18	25.0				
East.....	0	0.0	0	0.0	0	0.0	0	0.0				
Kentucky.....	92	21.1	54	12.4	160	36.8	129	29.7				
Southwest.....	0	0.0	1	12.5	4	50.0	3	37.5				
West.....	5	9.3	5	9.2	25	46.3	19	35.2				
North west-central.....	11	32.3	4	11.8	9	26.5	10	29.4				
South west-central.....	2	5.1	2	5.1	19	48.8	16	41.0				
North east-central.....	39	31.5	15	12.0	39	31.5	31	25.0				
East-central.....	5	10.6	7	14.9	21	44.7	14	29.8				
South east-central.....	1	4.2	2	8.4	10	41.6	11	45.8				
Northeast.....	23	27.4	16	19.1	27	32.1	18	21.4				
East.....	2	20.0	0	0.0	4	40.0	4	40.0				
Southeast.....	4	36.4	2	18.2	2	18.2	3	27.2				
Tennessee.....	40	20.4	29	14.8	66	33.7	61	31.1				
Northwest.....	1	50.0	1	50.0	0	0.0	0	0.0				
Southwest.....	1	50.0	0	0.0	0	0.0	1	50.0				
North west-central.....	10	22.7	5	11.4	14	31.8	15	34.1				
South west-central.....	9	28.1	5	15.6	11	34.4	7	21.9				
North east-central.....	4	17.4	5	21.7	5	21.7	9	39.2				
South east-central.....	7	21.9	2	6.3	12	37.5	11	34.3				
East.....	4	9.7	7	17.1	16	39.0	14	34.2				
Northeast.....	4	20.0	4	20.0	8	40.0	4	20.0				

AREA AND POPULATION.

*Area.*—The five States mentioned, Ohio, Indiana, West Virginia,, Kentucky, and Tennessee, together have an area of 184,184 square miles.

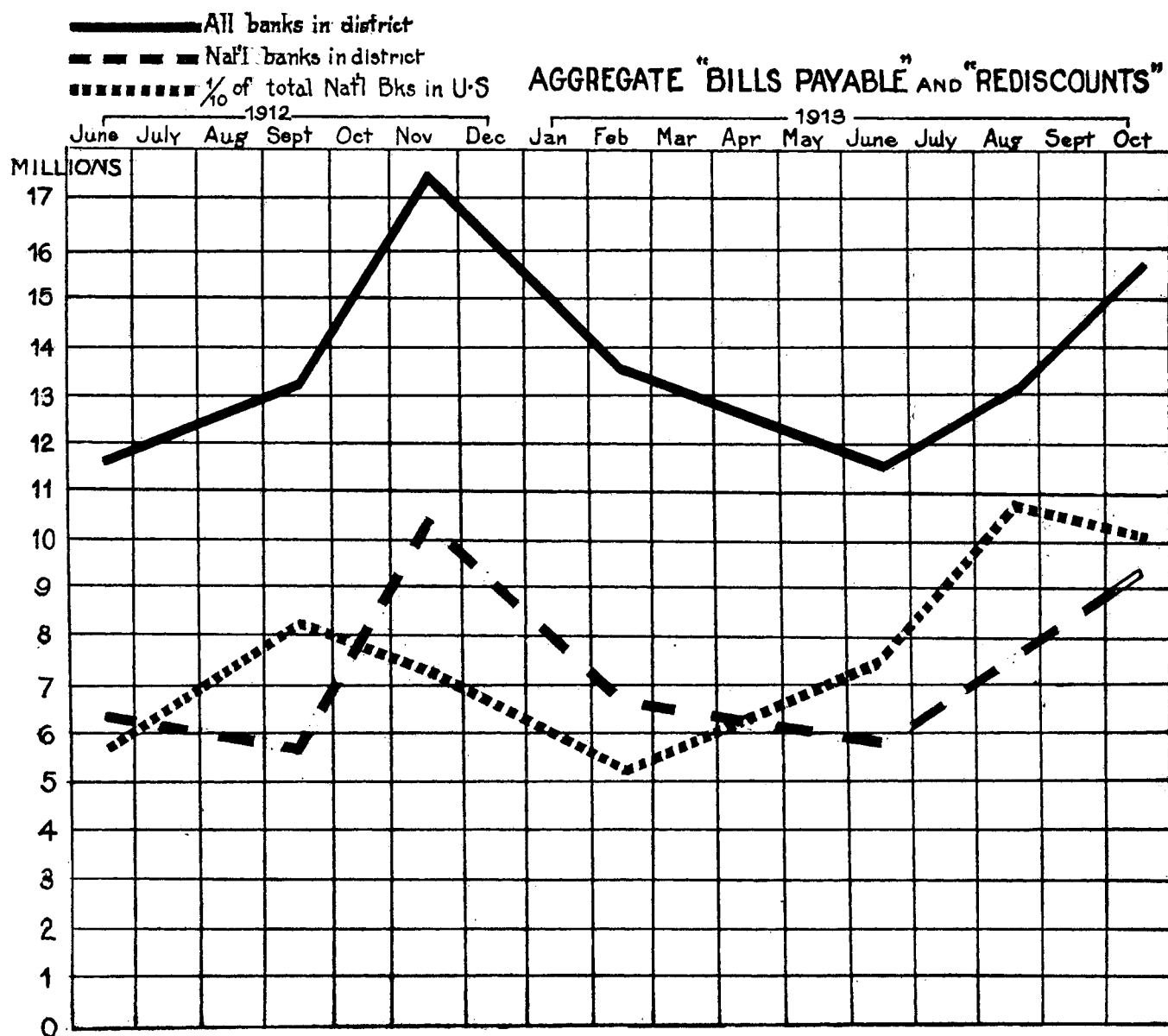
District.....	Square miles.
District.....	184,184
Ohio.....	41,040
Indiana.....	36,354
West Virginia.....	24,170
Kentucky.....	40,598
Tennessee.....	42,022

They comprise the principal portion of what is commonly known as the Ohio Valley. To the north of this section lies the Lake region; to the east, the Appalachian Mountain system; to the south, the Appalachian Mountain system and the Gulf region; to the west, the Mississippi Basin. Topographically, as well as in other respects, this area constitutes a natural unit.

*Population.*—The population of these five States, according to the last census, was 13,164,000, 14.3 per cent (somewhat more than one-eighth of the total) population of Continental United States, excluding Alaska. (See following chart.)

	Total population.	Per cent of United States.
United States.....	91,972,266	100.0
District.....	13,163,810	14.3
Ohio.....	4,767,121	.....
Indiana.....	2,700,876	.....
West Virginia.....	1,221,119	.....
Kentucky.....	2,289,905	.....
Tennessee.....	2,184,789	.....

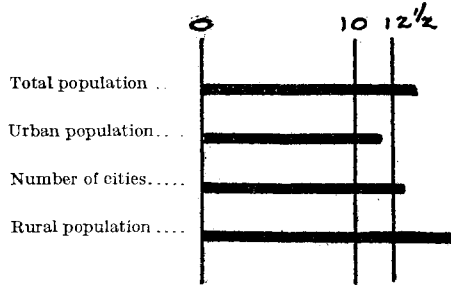
Reference to the map giving the distribution of population throughout the United States shows that approximately 90 per cent of the people are to be found east of the one hundredth meridian.



Of this densely settled area, the proposed district forms the central portion. Within it are to be found the center of population of the United States (more properly designated the center of gravity of population) and also the median point; that is, the point of intersection of a north and south line with an east and west line dividing the population into four equal parts. (See following map showing density of population by counties.)

**DISTRICT POPULATION STATISTICS.**

PERCENTAGES OF TOTAL IN THE UNITED STATES.



*Density of population.*—Taking the district as a whole the density of population was 72 per square mile (United States, 30.9), the several States varying from a minimum of 50.8 in West Virginia to 117 in Ohio.

	Per square mile.
United States.....	30.9
District....	72.1
Ohio.....	117.0
Indiana.....	74.9
West Virginia.....	50.8
Kentucky.....	57.0
Tennessee.....	52.4

*Urban population.*—Of the population of the district, 5,033,707 (38 per cent) live in cities and towns. This comprises 11.8 per cent of the total urban population of the United States.

	Population.	Per cent of total population.	Per cent of urban population of United States.
United States.....	42,623,383	46.3	100
District.....	5,033,707	38.2	11.8
Ohio.....	2,665,143	55.9	
Indiana.....	1,143,835	42.4	
West Virginia.....	228,242	18.7	
Kentucky.....	555,442	24.2	
Tennessee.....	441,045	20.2	

The cities and towns number 320, or 13.3 per cent of the total number in the United States. Their size varies from a minimum of 2,500 to over 500,000.

**CITIES AND TOWNS.**

	Total.	2,500 to 5,000	5,000 to 10,000	10,000 to 25,000	25,000 to 100,000	100,000 to 250,000	Above 250,000
United States.....	2,402	1,172	629	372	179	31	19
District.....	320	145	95	51	20	7	2
Ohio.....	138	56	45	23	9	3	2
Indiana.....	88	38	26	19	4	1	
West Virginia.....	25	13	6	4	2		
Kentucky.....	40	20	12	4	3	1	
Tennessee.....	29	18	6	1	2	2	

**AGRICULTURE, MINING, AND MANUFACTURES.**

Among the most important factors determining the financial needs of any people are their agricultural, mineral, and manufacturing resources. Detailed information concerning these classes of resources in the five States mentioned is given in order to emphasize their extent and diversification. (See Appendix for tables giving detailed statistics.)

**AGRICULTURE.**

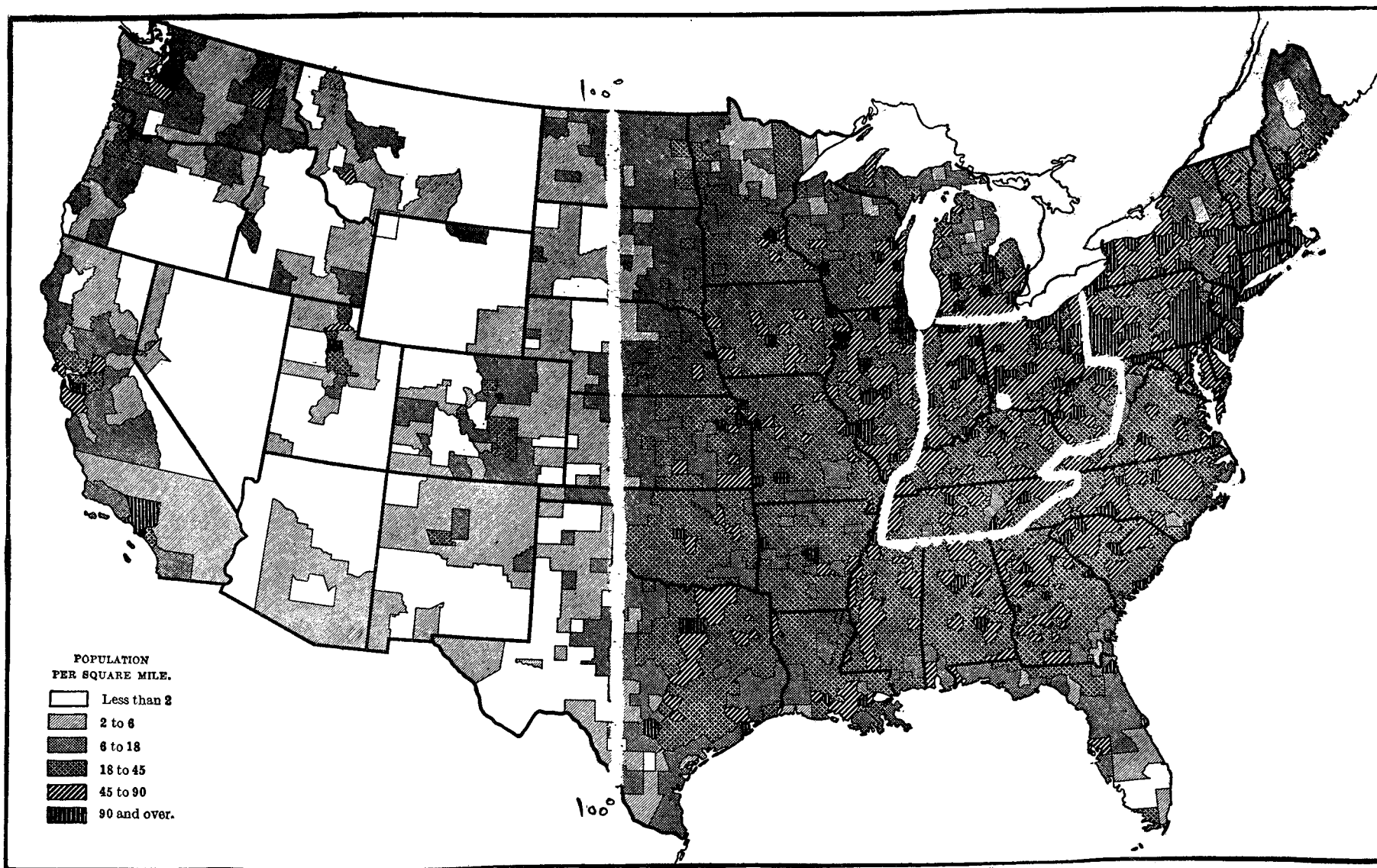
*Soils.*—Eight classes of soils are recognized in the survey undertaken by the United States with a view to enabling the farmers, investors, bankers, and railway officials to act intelligently in respect to the interests intrusted to them. Of these eight different kinds of soils all are found here, the predominant ones consisting of fertile loams.

Especially noteworthy in this connection is the "blue-grass" region of Kentucky, extending 100 miles from east to west and 125 miles from north to south, often called the "garden spot" of the country. Similar in general character is the central basin of Tennessee and the eastern valley of that State between the Blue Ridge Mountains and the Allegheny Mountain Plateau.

*General farm statistics.*—The main facts with respect to the agriculture of the proposed district are shown in the following condensed tables. It will be noted that in rural population, number of farms, improved land, and values of the various kinds of farm property this section contains approximately one-eighth of all in the United States.

	Number.	Per cent of United States.	District.	
			Per cent.	Cf. United States.
Rural population.....	8,127,000	16.5	61.8	53.7
Number of farms.....	1,088,000	17.1		
Acres in farms.....	97,660,000	11.1	83.6	46.2
Improved acres.....	66,923,000	13.9	68.5	54.4

POPULATION PER SQUARE MILE, BY COUNTIES: 1910.



CINCINNATI, OHIO.



(See following maps showing rural population per square mile and per cent of land area in farms.)

*Value of farm property.*

	Value.	Per cent of United States.
Farm property.....	\$5,412,884,000	13.2
Farm land.....	3,677,044,000	12.9
Farm buildings.....	952,651,000	15.0
Improvements and machinery.....	141,363,000	11.1
Live stock.....	642,720,000	13.0

*Average value per farm.*

United States.....	\$6,444
District.....	4,975
Ohio.....	6,994
Indiana.....	8,396
West Virginia.....	3,255
Kentucky.....	2,986
Tennessee.....	2,490

*Size of farms.*—Moreover, it is in the main a region of small farms, the average size being about 90 acres (U. S., 138), over 65 per cent (U. S., 58 per cent) being under 100 acres.

*Farm ownership.*—It is also a region in which the independent farmer predominates. Over 67 per cent of the total farms are operated directly by their owners (United States, 62.1 per cent).

	Per cent.
United States.....	62.1
District.....	67.1
Ohio.....	70.6
Indiana.....	68.9
West Virginia.....	78.6
Kentucky.....	67.2
Tennessee.....	58.6

*Value of farm products.*—At the time of the last census the total value of farm products in the five States which it is proposed to unite into a Federal reserve bank district was over \$1,500,000,000, representing 13.4 per cent of the value of the farm products of the entire United States.

	Value.	Per cent of United States.
United States.....	\$11,583,414,000	
District.....	1,548,425,000	13.4
Ohio.....	496,025,000	
Indiana.....	422,282,000	
West Virginia.....	95,462,000	
Kentucky.....	281,031,000	
Tennessee.....	253,625,000	

*Leading farm products.*—Within the district are to be found all of the leading farm products. In the case of most of them, as may be seen from the accompanying table, the district produces one-eighth or more of the total in the United States.

Articles.	Quantity.	Value.	Per cent of value, United States.
Live stock.....		\$642,720,000	13.0
Cattle.....number.....	5,816,000	153,035,000	10.2
Horses, mules, etc.....do.....	3,326,000	366,324,000	13.9
Hogs.....do.....	9,924,000	61,518,000	15.4
Sheep.....do.....	8,313,000	32,831,000	14.1
Dairy products.....		70,306,000	11.8
Wool.....pounds.....	35,066,000	10,562,000	16.1
Eggs.....dozen.....	287,159,000	53,571,000	17.5
Fowls.....number.....	88,705,000	36,664,000	18.1
Farm crops.....		734,602,000	13.4
Corn.....bushels.....	521,158,000	288,940,000	20.1
Wheat.....do.....	82,428,000	83,128,000	12.6
Oats.....do.....	117,052,000	46,646,000	11.2
Hay.....tons.....	10,004,000	97,657,000	11.9
Potatoes.....bushels.....	41,356,000	19,987,000	12.0
Other vegetables.....		38,715,000	17.9
Orchard fruits.....bushels.....	32,068,000	20,407,000	14.4
Tobacco.....pounds.....	591,585,000	68,598,000	65.8

(See following chart.)

These products are widely distributed throughout the district.

Numerous other crops, such as barley, rye, buckwheat, beans, peas, flaxseed, grass seed, sorghum cane, sugar beets, etc., are to be found here. Worthy of note in this connection, too, is the cotton crop. Although constituting a relatively small part of the total output of the United States, the cotton crop of Tennessee in 1909 was valued at nearly \$18,000,000.

MINING.

Among the most important enterprises of the district are the mining industries, especially those of coal, oil, and natural gas. According to the census of 1910 the capital invested in these industries in the district was over \$500,000,000, nearly 15 per cent of the total in the United States, while the value of product was over \$186,000,000, 15.1 per cent of the total in the country.

	District.	Per cent of United States.
Capital invested.....	\$501,164,000	14.9
Value of product.....	186,782,000	15.1

*Leading mineral products.*—The quantity produced and values of the leading mineral products, bituminous coal, natural gas, and petroleum, are shown in the following table (see chart):

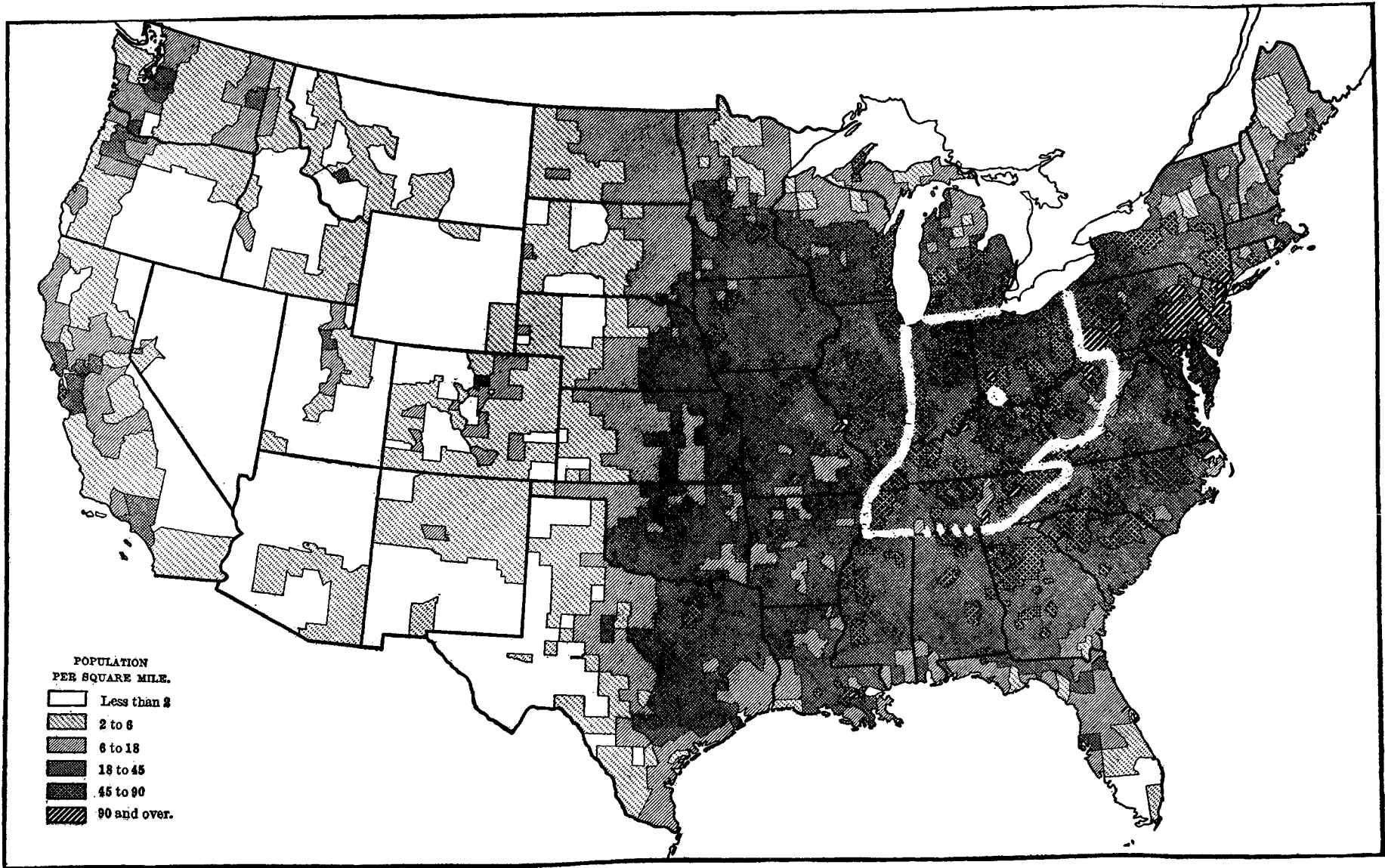
[In thousands, except cubic feet of natural gas in millions.]

	Quantity.	Value.	Per cent of United States.
Bituminous coal.....tons.....	124,933	\$121,635	27.0
Natural gas.....cubic feet.....	262,204	49,419	66.7
Petroleum.....barrels.....	20,779	23,805	17.8

In addition to these, the district produced 18.2 per cent of the total value of stone in the United States, 22.1 per cent of the value of sand and gravel, 13.2 per cent of the value of cement, 20.2 per cent of the value of lime, and 15.5 per cent of the value of clay.

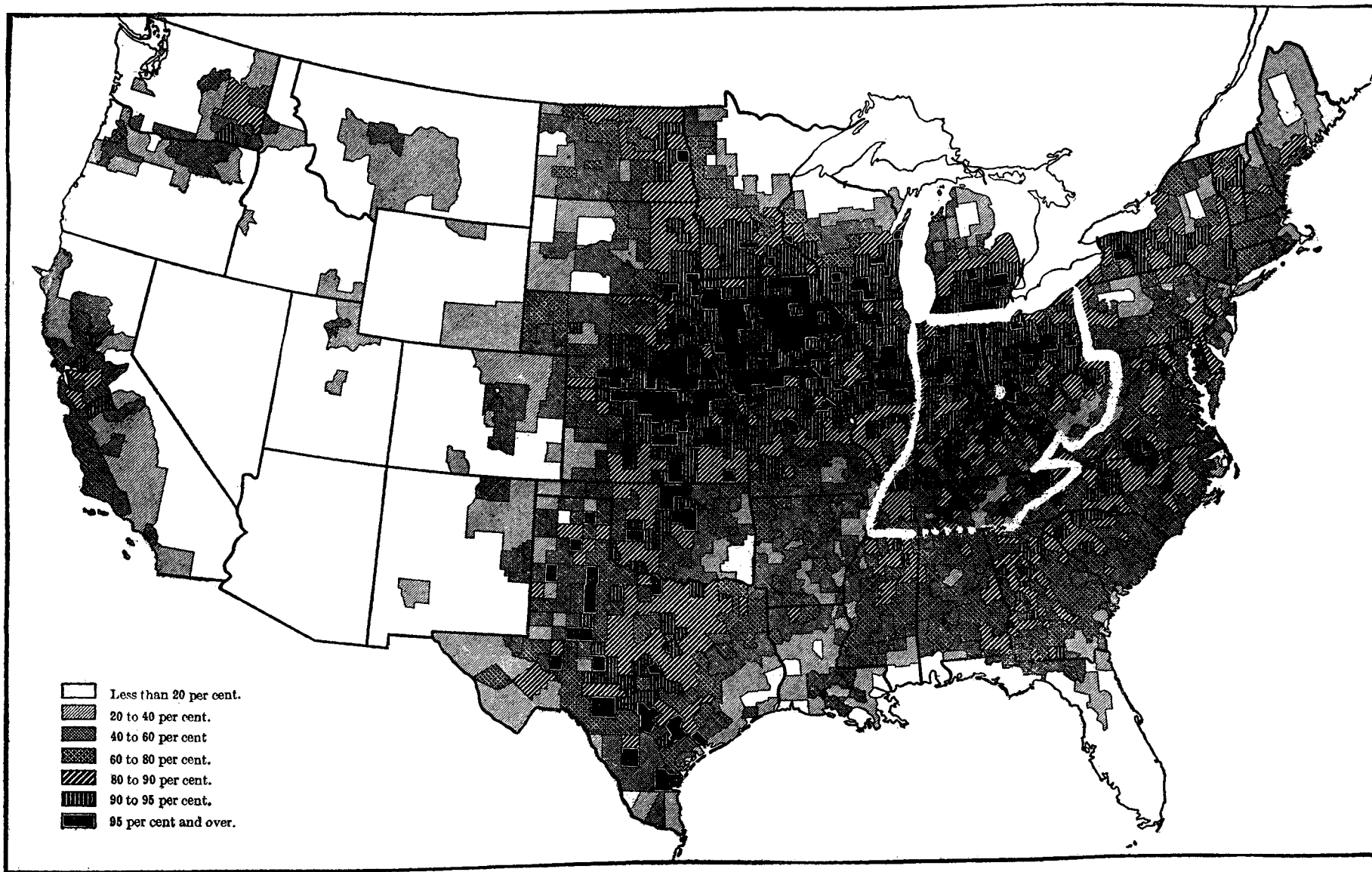
RURAL POPULATION PER SQUARE MILE, BY COUNTIES: 1910.

46458°—S. Doc. 485, 63-2—4



CINCINNATI, OHIO.

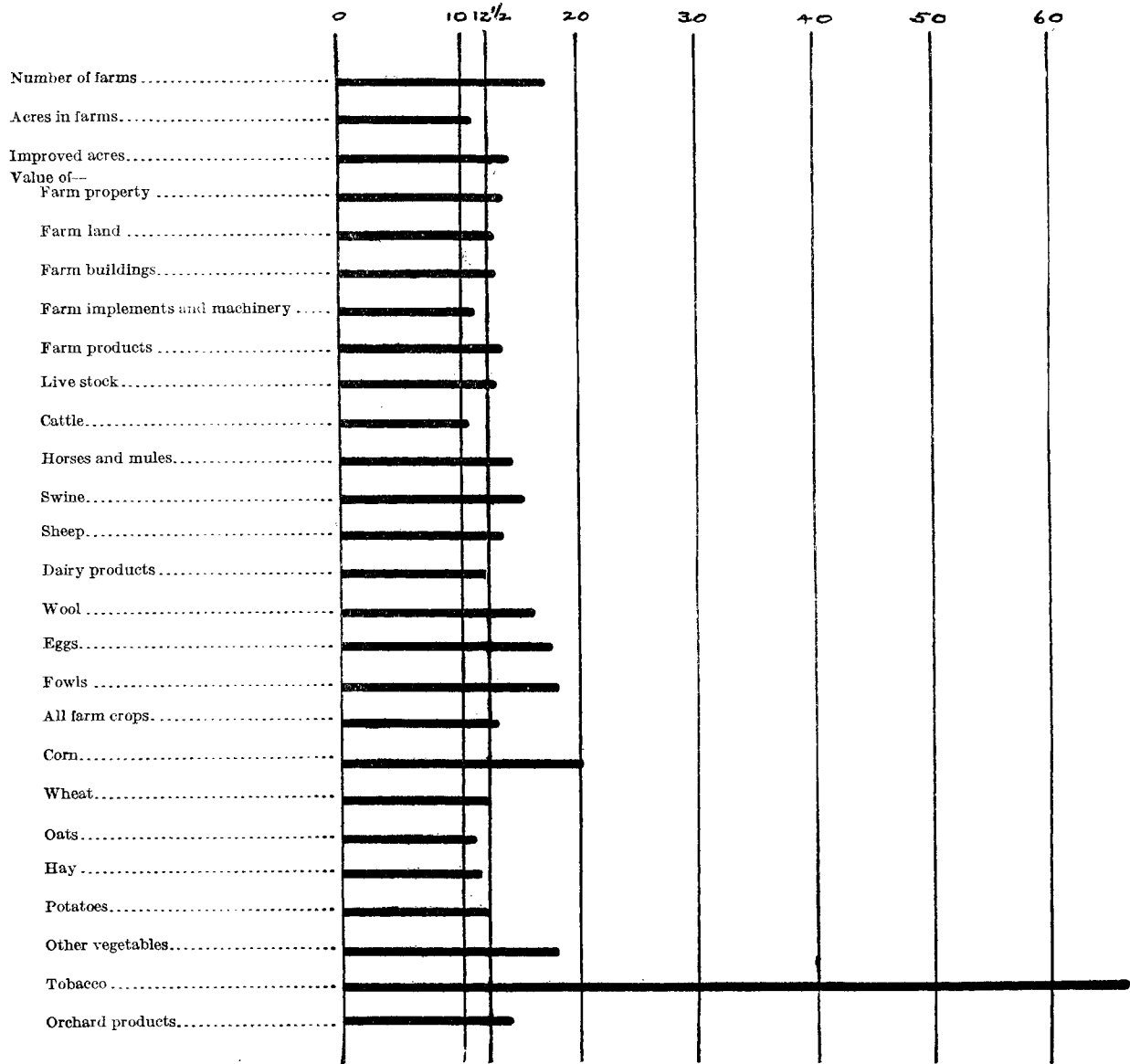
PER CENT LAND IN FARMS FORMED OF TOTAL LAND AREA, BY COUNTIES: 1910.



LOCATION OF RESERVE DISTRICTS.

**DISTRICT AGRICULTURAL STATISTICS.**

PERCENTAGES OF TOTAL IN THE UNITED STATES.



Coal: The coal area of the district amounted to 57,230 square miles, 18.4 per cent of the entire coal area of the United States. This constitutes nearly one-third (31.1 per cent) of the total land area of the district.

The probable magnitude of the future development of the coal industry here may be inferred from the fact that the available supply of coal in the district in 1911 was estimated to be 407,247,000,000 tons. (See Mineral Resources of the United States, 1911, pp. 30 et seq.)

Natural gas and oil: By far the most important natural gas and oil areas in the United States are to be found within this district. Two main fields for the production of these commodities appear in these States; one, the Appalachian, lies in West Virginia, southeastern Ohio, and western Kentucky; the other, the Lima-Indiana field, is found in northwestern Ohio and eastern Indiana. Of natural gas, the district produced in 1911 two-thirds (66.7 per cent) of the total output in the United States.

#### MANUFACTURES.

*General statistics.*—The manufactures within the district are likewise both extensive and varied. Of the 257 separate industries recognized by the census of 1910, 231 (90 per cent) are found in this district. In 70 of these the district supplied over one-eighth of the total product.

Forty-eight industries were reported in 1910 as having an output of over \$100,000,000 each. The district contributed to 47 of these and produced over one-eighth in 19 of them. Likewise, in number of establishments, persons engaged in industry, primary horsepower, capital, wages, value of product, and values added by manufacture the district is represented by one-eighth or more of all in the United States. (See chart.)

#### Summary of manufactures.

	District.	Per cent of United States.
Number of establishments.....	35,068	13.1
Persons engaged.....	979,462	12.8
Primary horsepower.....	2,906,529	15.5
Capital.....	\$2,301,076,000	12.5
Wages.....	\$430,101,000	12.6
Value of product.....	\$2,582,932,000	12.5
Value added by manufacture.....	\$1,115,682,000	13.1

Thirty-nine of the forty-eight leading industries referred to reported a product in this district of over \$10,000,000. The most important of these are the following:

#### Value of product of leading manufactures.

1. Iron and steel works and rolling mills.....	\$266,646,000
2. Foundry and machine shop.....	207,890,000
3. Flour and grist mills.....	147,765,000
4. Lumber and timber.....	138,328,000

5. Slaughtering and meat packing.....	\$110,482,000
6. Liquors, distilled.....	90,237,000
7. Iron and steel blast furnaces.....	88,352,000
8. Printing and publishing.....	71,362,000
9. Cars and general shop repairs by steam railroad companies.....	65,863,000
10. Automobiles, including bodies and parts.....	62,603,000
11. Rubber goods, n. e. s.....	58,224,000
12. Carriages and wagons, and materials.....	52,460,000
13. Tobacco manufactures.....	51,660,000
14. Men's clothing.....	43,780,000
15. Liquors, malt.....	42,909,000
16. Bread and bakery products.....	40,919,000
17. Furniture and refrigerators.....	40,660,000
18. Boots and shoes.....	36,958,000
19. Leather, tanned, etc.....	31,661,000
20. Copper, tin, and sheet iron.....	30,472,000
21. Agricultural implements.....	29,114,000
22. Electrical machinery, etc.....	26,724,000
23. Paper and wood pulp.....	24,819,000
24. Women's clothing.....	22,323,000

(See chart.)

#### DISTRIBUTION OF INDUSTRIES.

Some of the industries, such as those connected with farming, are of importance in practically all sections of the district, while others, such as mining and manufactures, are more centralized; the location of the former (mining) being determined by the distribution of mineral resources, while the latter (manufactures) are found principally in the large cities and their immediate environment. Even the mining and manufacturing interests, however, are of large importance in each of the States mentioned.

#### VARYING DEGREES OF DEVELOPMENT.

The several sections of the five States present varying degrees of development—a fact which lends importance to the proposition to combine them into one regional bank district, thereby bringing into close relation the more highly developed areas and those less developed, to the mutual advantage of both.

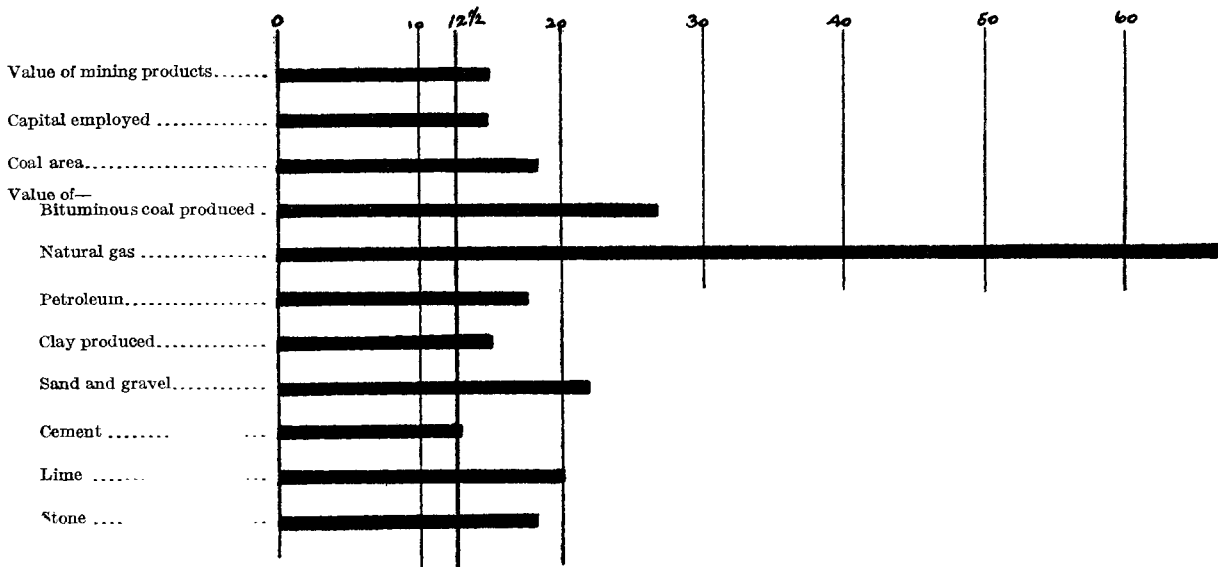
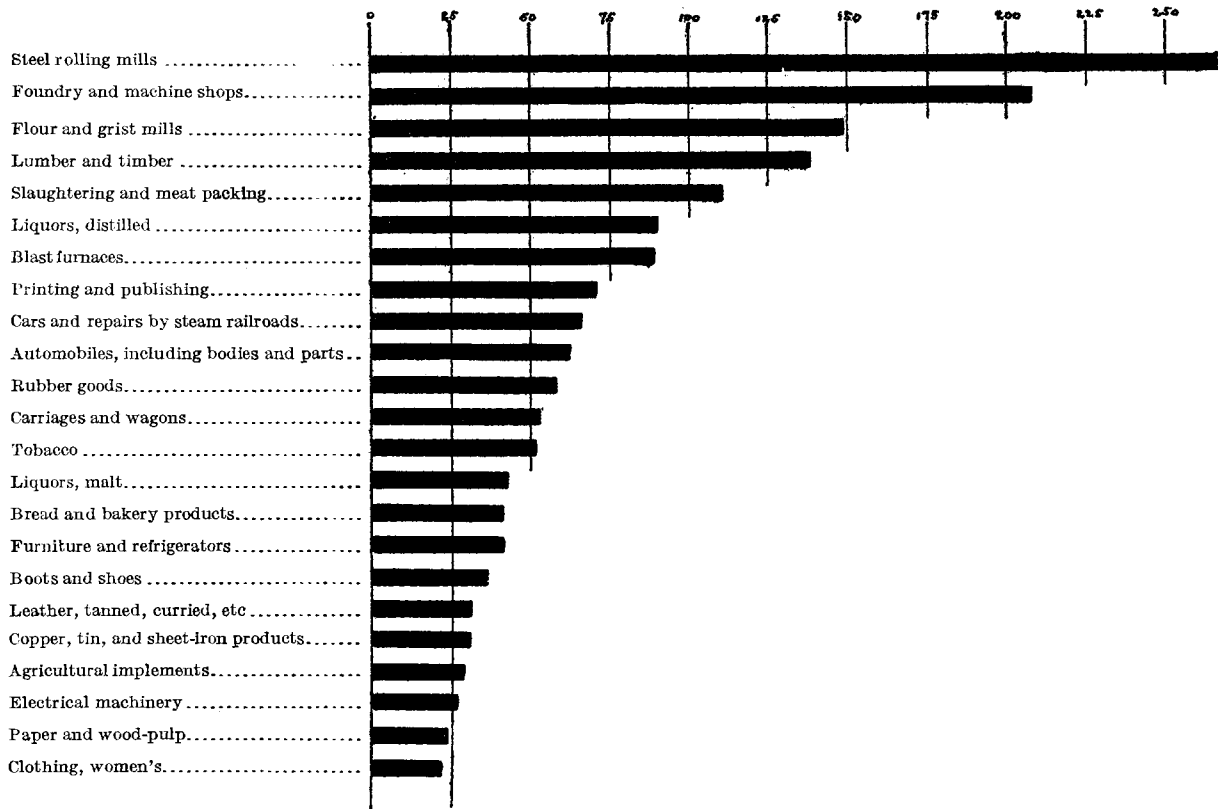
#### RAILROADS.

Through its railroads and rivers, the district is well provided with facilities for transportation and communication. According to the Interstate Commerce Commission's report of 1911, the five States contained over 27,000 miles of railroad. This was 11.3 per cent of the total railroad mileage in the United States.

	Miles.	Per cent of United States.	Miles per—	
			100 square miles.	10,000 inhabitants.
United States.....	244,180		8.2	26.1
District.....	27,638	11.3	15.0	21.0
Ohio.....	9,128		22.4	18.9
Indiana.....	7,447		20.7	27.4
West Virginia.....	3,575		14.9	28.7
Kentucky.....	3,607		9.0	15.7
Tennessee.....	3,881		9.3	17.6

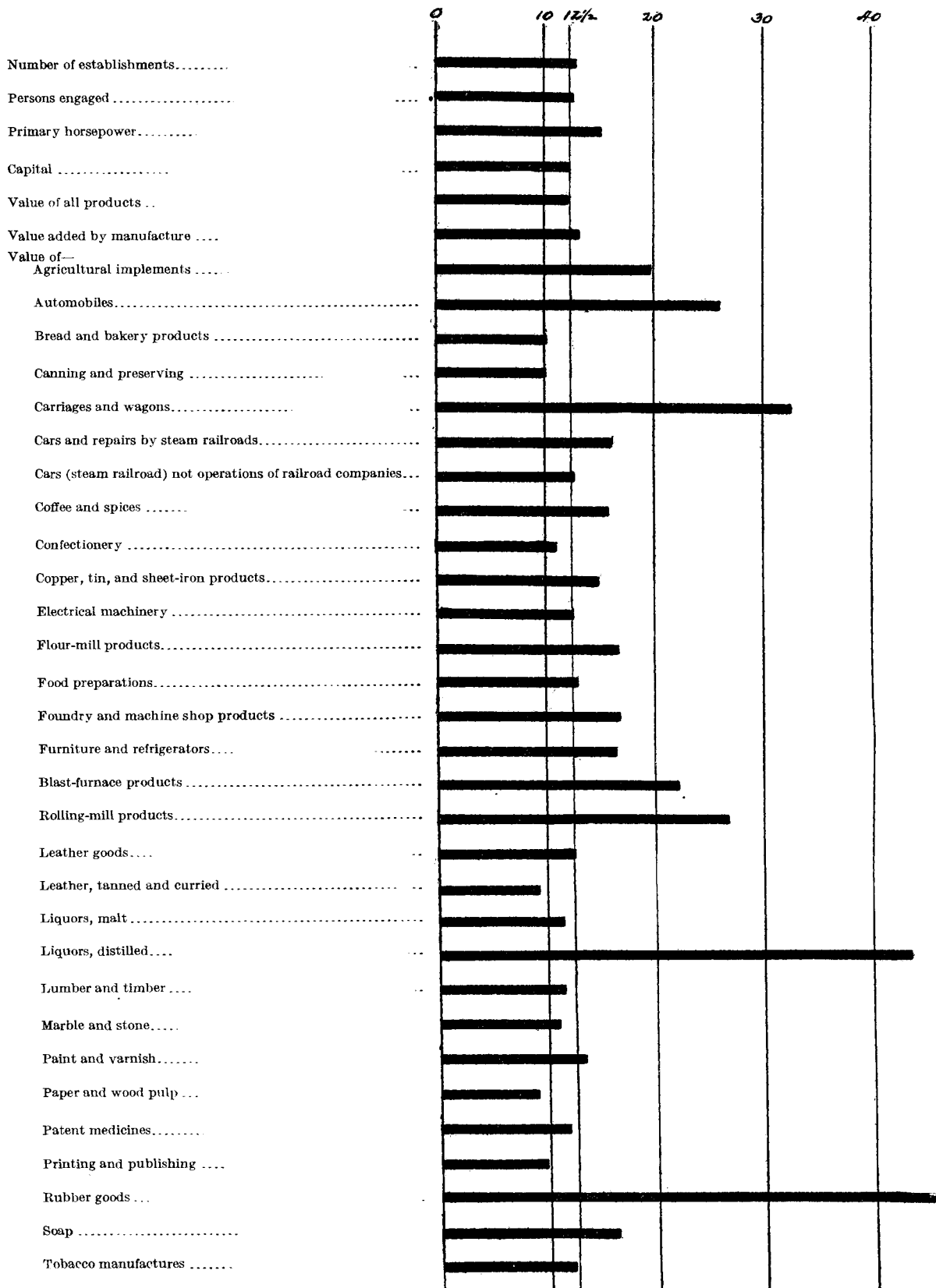
DISTRICT MANUFACTURING STATISTICS.

VALUE OF PRODUCTS IN MILLIONS OF DOLLARS.



**DISTRICT MANUFACTURING STATISTICS.**

PERCENTAGES OF THE TOTAL IN THE UNITED STATES.



The United States Government is now engaged in erecting a series of locks and dams in the Ohio River which, when completed, will insure a 9-foot stage of water the year around. Facilities for water transportation are afforded also by some of the more important tributaries of the Ohio River.

CINCINNATI.

*Location.*—Geographically, Cincinnati lies nearest the center of the proposed district, midway between the most highly developed portions and those less developed, thus enabling it to bring these sections into relation with each other. It is situated near the center of population of the United States.

*Population.*—Cincinnati as an urban center includes the following political units and their immediate environment, which taken together constitutes the metropolitan district of Cincinnati, as recognized by the United States census: Cincinnati, Ohio; Norwood, Ohio; St. Bernard, Ohio; Covington, Ky.; Newport, Ky.; Dayton, Ky.; Bellevue, Ky.

The population of this metropolitan district, according to the last census, was 563,804. The Ohio River, which separates the Ohio and Kentucky portions of this industrial city, is less than one-half mile wide and is crossed by five bridges. The street car lines from the Kentucky side, with few exceptions, run to the heart of Cincinnati, constituting practically a part of the city's traction system. Night and morning a large portion of the population from the Kentucky cities mentioned, as from the suburban portion of corporate Cincinnati, come to the city where their business affairs are transacted. From a business standpoint, the communities mentioned constitute one city.

*Industries.*—The manufactures of industrial Cincinnati, according to the last census, are represented by 2,827 establishments, 95,571 persons engaged; a capital of \$212,555,000, and a product valued at \$264,000,000, of which \$121,292,000 represented value added by manufacture. Thirty industries were reported in 1910 with an output of over \$1,000,000 each. (See table giving detailed statistics concerning these industries.)

*Trade relations.*—The commerce of Cincinnati reaches every State in this country and all the leading foreign markets. Intimate trade relations exist between the city and all portions of the proposed district, as is shown by the following statistics of the distribution of trade.

Information on this subject was furnished by 98 firms of various sizes, representing 38 different industries. Their total sales within the district for the year 1913 amounted to \$70,052,000. This was distributed among the five States of the proposed district as follows:

Ohio.....	\$36, 572, 000
Indiana.....	9, 776, 000

West Virginia.....	\$4, 727, 000
Kentucky.....	10, 422, 000
Tennessee.....	6, 555, 000

Sales amounting to \$9,512,000 were reported also in the States of Alabama, Georgia, and Mississippi.

Alabama.....	\$3, 405, 000
Georgia.....	4, 078, 000
Mississippi.....	2, 109, 000

Detailed information was secured showing the distribution by cities of \$27,564,000 of the sales in the district outside of Cincinnati. This distribution by sections, together with the population of each, will be found on page —. (See Appendix for tables showing this trade by cities grouped in sections.)

*Package car shipments.*—The general trend of trade between Cincinnati and the various parts of the district is shown by the distribution of package car shipments. The total volume of these shipments for the month of October, 1913, was 144,318,000 pounds. This was distributed among the States of the proposed district as follows:

Ohio.....	59, 018, 000
Indiana.....	23, 705, 000
West Virginia.....	10, 515, 000
Kentucky.....	34, 907, 000
Tennessee.....	16, 172, 000

The following table gives the distribution of these shipments by sections in each State. (See Appendix for tables showing these shipments by "Break-bulk" points grouped in sections.)

*Industries of the Cincinnati metropolitan district, 1909.*

[Capital and value expressed in thousands.]

	Number of establishments.	Persons engaged.	Capital.	Value of products.	Value added by manufacture.
All industries.....	2, 827	95, 571	\$212, 555	\$260, 399	\$121, 292
Foundry and machine-shop products.....	238	13, 716	29, 542	26, 186	15, 059
Slaughtering and meat packing.....	61	1, 400	4, 701	19, 922	2, 425
Men's clothing.....	301	8, 492	10, 421	17, 646	8, 936
Boots and shoes, etc.....	32	8, 702	7, 656	14, 998	6, 415
Printing and publishing.....	318	6, 806	13, 183	13, 998	9, 778
Liquors, malt.....	26	2, 371	17, 929	11, 016	8, 360
Liquors, distilled.....	4	300	2, 833	8, 744	6, 920
Carriages and wagons and materials.....	99	3, 370	6, 020	8, 157	3, 789
Lumber and timber products.....	80	2, 809	8, 398	7, 401	3, 055
Bread and other bakery products.....	264	2, 017	2, 865	5, 691	2, 296
Furniture and refrigerators.....	63	3, 059	4, 953	5, 646	3, 307
Tobacco manufactures.....	300	3, 462	3, 009	5, 496	3, 075
Leather, tanned, curried, and finished.....	13	1, 043	9, 503	5, 058	1, 381
Copper, tin, and sheet-iron products.....	65	1, 390	2, 652	4, 470	1, 500
Paint and varnish.....	24	636	4, 026	3, 879	1, 394
Clothing, women's.....	26	1, 541	1, 229	2, 912	1, 399
Stoves and furnaces, etc.....	15	1, 092	2, 150	2, 324	1, 311
Coffee and spice, roasting and grinding.....	8	356	1, 083	2, 110	514
Confectionery.....	22	922	970	2, 029	807
Cars and general shop construction and repairs by steam-railroad companies.....	7	1, 747	1, 651	1, 969	1, 171
Ink, printing.....	7	273	1, 545	1, 884	1, 090
Musical instruments and materials.....	7	760	1, 184	1, 752	672
Fertilizers.....	5	442	1, 551	1, 675	671
Flour-mill and gristmill products.....	11	124	570	1, 635	203
Leather goods.....	19	664	1, 500	1, 518	719
Safes and vaults.....	5	703	1, 156	1, 401	771
Patent medicines and compounds and druggists' preparations.....	55	542	1, 004	1, 293	776
Cooperage and wooden goods.....	20	697	1, 445	1, 232	466
Bags, paper.....	5	358	673	1, 088	358
Brass and bronze products.....	16	650	1, 319	1, 069	626
All other industries.....	711	19, 367	65, 820	76, 186	32, 036



(In order to avoid disclosure of individual operations, the figures for certain important establishments notable for the manufacture of soap are included under the head of "All other industries." The output of these soap factories is estimated from \$20,000,-000 annually upward.)

Trade distribution, by sections.

	Sales.	Popula- tion.
Ohio.....	\$11,989,000	4,767,000
Northwest.....	721,000	428,000
West-central.....	1,403,000	410,000
Southwest.....	3,005,000	851,000
North-central.....	510,000	374,000
Central.....	1,333,000	502,000
South-central.....	1,200,000	313,000
Northeast.....	3,045,000	1,303,000
East-central.....	451,000	382,000
Southeast.....	320,000	204,000
Indiana.....	5,336,000	2,701,000
Northwest.....	526,000	407,000
West-central.....	636,000	390,000
Southwest.....	511,000	462,000
Northeast.....	431,000	395,000
East central.....	2,275,000	759,000
Southeast.....	958,000	288,000
West Virginia.....	1,822,000	1,221,000
North.....	582,000	602,000
South.....	1,223,000	518,000
East.....	17,000	100,000
Kentucky.....	5,723,000	2,290,000
Southwest.....	160,000	152,000
West.....	380,000	305,000
North west-central.....	1,242,000	424,000
South west-central.....	102,000	188,000
North east-central.....	2,413,000	299,000
East-central.....	881,000	213,000
South east-central.....	11,000	159,000
Northeast.....	403,000	207,000
East.....	9,000	167,000
Southeast.....	122,000	191,000
Tennessee.....	2,693,000	2,185,000
Northwest.....	(1)	239,000
Southwest.....	906,000	410,000
North west-central.....	649,000	398,000
South west-central.....	55,000	188,000
North east-central.....	20,000	193,000
South east-central.....	465,000	241,000
East.....	423,000	333,000
Northeast.....	86,000	182,000

<sup>1</sup> Less than \$500.

Package car shipments, by sections, October, 1913.

	Pounds.		Pounds.
Ohio.....	59,018,302	Kentucky.....	34,907,035
Northwest.....	2,822,054	Southwest.....	178,100
West-central.....	6,865,012	West.....	275,521
Southwest.....	23,361,585	North west-central.....	7,090,087
North-central.....	1,997,827	South west-central.....	347,572
Central.....	8,066,408	North east-central.....	9,693,257
South-central.....	8,052,723	East-central.....	8,765,337
Northeast.....	6,350,013	South east-central.....	571,555
East-central.....	329,730	Northeast.....	5,553,226
Southeast.....	1,172,900	East.....	263,206
Indiana.....	23,704,796	Southeast.....	2,169,174
Northwest.....	696,847	Tennessee.....	16,172,201
West-central.....	1,293,464	Northwest.....	4,519,472
Southwest.....	2,607,177	Southwest.....	2,733,202
Northeast.....	2,170,046	North west-central.....	228,290
East-central.....	9,367,814	South east-central.....	3,989,629
Southeast.....	7,569,448	East.....	3,900,054
West Virginia.....	10,515,212	Northeast.....	801,554
North.....	2,834,192		
South.....	7,681,020		

**BANKING.**

*Resources.*—The city of Cincinnati, according to the 1913 bank directory, has 42 banks with a capital

and surplus of \$30,096,000 and deposits amounting to \$135,190,000. Of the 42 banks, 11 are national banks, with a capital and surplus of \$19,968,000 and deposits amounting to \$74,799,000. The following table shows the banking resources of the metropolitan district of Cincinnati and of the corporate city:

	Cincinnati.	Metropolitan district.
<b>National banks:</b>		
Number.....	11	26
Capital and surplus.....	\$19,968,000	\$22,725,000
Deposits.....	\$74,799,000	\$86,680,000
<b>Other banks:</b>		
Number.....	31	46
Capital and surplus.....	\$10,128,000	\$10,896,000
Deposits.....	\$60,391,000	\$64,793,000
<b>All banks:</b>		
Number.....	42	72
Capital and surplus.....	\$30,096,000	\$33,621,000
Deposits.....	\$135,190,000	\$151,473,000

*Principal correspondent relations.*—That Cincinnati is the logical place for the location of a reserve bank to serve the States of Ohio, Indiana, West Virginia, Kentucky, and Tennessee is shown by the correspondent relations existing in those States. The principal correspondent relations existing within the proposed district, as shown by a banking directory of 1913, was as follows:

	Number of banks.	Coun- ties repre- sented.		Number of banks.	Coun- ties repre- sented.
Cincinnati.....	877	225	Cleveland.....	444	76
In Ohio.....	338	60	In Ohio.....	437	72
In Indiana.....	173	51	In Indiana.....	7	6
In West Virginia.....	43	15			
In Kentucky.....	286	78	Nashville.....	274	74
In Tennessee.....	37	21			
Louisville.....	506	145	In Tennessee.....	254	62
In Kentucky.....	422	109	In Kentucky.....	20	12
In Indiana.....	47	16			
In Tennessee.....	37	20	Columbus.....	130	36
Indianapolis.....	480	83	In Ohio.....	130	36
In Indiana.....	480	83			

*A loaning center.*—The direct service to the banks in the district is shown by the rediscounts from month to month for the year 1913, taken from figures furnished by six national banks. These show that the borrowing was heaviest in October, November, and December, but there was a difference of only \$1,500,000, between the maximum and minimum at any time during the year.

In the comptroller's report for April, 1912, rediscounts are shown in Cincinnati for nearly \$2,000,000. About \$1,700,000 of this amount was for the Second National Bank, which at that time was being directed by the clearing house members. It was reorganized in August and placed in the hands of new officers with \$1,000,000 new capital.

The country banks in the district had outstanding in loans in Cincinnati an average of \$5,000,000 a month, during the year 1913, the amount of fluctuation being

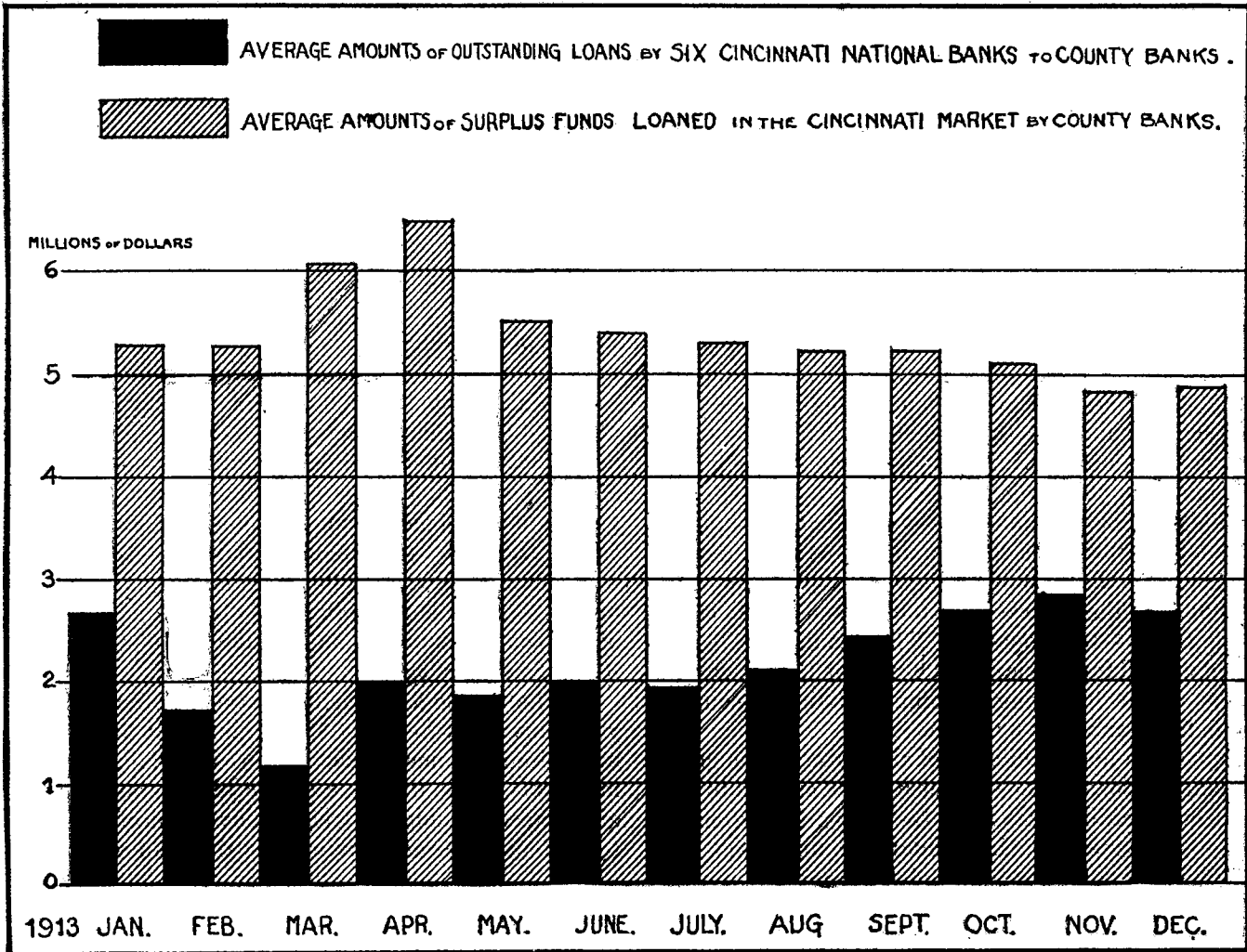
\$1,200,000 between the high and low points. This was in addition to such loans as were made here by country bankers independent of their Cincinnati national-bank correspondents.

That the community of which Cincinnati is a center belongs to the loaning sections of the proposed district is shown by the fact that the loans held for country banks in 1913, by six of the city's national banks, exceeded the loans owing by country banks, on the average by over \$3,000,000 per month. (See table and chart.)

*Shipments of currency.*—One element of importance in the service rendered by national banks is the shipment of currency to their correspondents.

The following table shows the extent of these shipments by the national banks of Cincinnati in 1913:

January.....	\$2,848,205	August.....	\$2,870,806
February.....	3,192,215	September.....	3,995,600
March.....	3,300,410	October.....	4,859,050
April.....	2,796,142	November.....	3,135,300
May.....	2,700,871	December.....	3,952,050
June.....	2,978,950		
July.....	2,475,850	Total.....	39,105,249



*Loans to and for country banks.*

Months.	To.	For.	Excess of for.
January.....	\$2,681,000	\$5,301,814	\$2,620,814
February.....	1,701,733	5,246,075	4,484,342
March.....	1,147,100	6,079,494	4,932,394
April.....	1,953,500	5,954,194	4,000,694
May.....	1,796,000	5,500,095	3,704,095
June.....	1,985,300	5,415,595	3,430,295
July.....	1,881,600	5,369,605	3,488,005
August.....	2,101,400	5,179,210	3,077,810
September.....	2,409,300	5,229,510	2,820,210
October.....	2,691,600	5,119,150	2,427,550
November.....	2,791,442	4,856,005	2,064,563
December.....	2,724,561	4,863,690	2,139,129
Total.....	25,924,536	64,114,437	39,189,901

Over \$34,826,000 of these shipments went to banks within the States of the proposed district, distributed as follows:

Ohio.....	\$14,865,125
Indiana.....	4,237,405
West Virginia.....	4,063,718
Kentucky.....	9,402,421
Tennessee.....	2,257,405

The remaining \$4,279,000 went to the following States: Alabama, Georgia, Florida, Virginia, North Carolina, New York, Illinois, and Missouri.

*Enterprises financed.*—Besides aiding the industries of the city itself, Cincinnati banks participate largely in financing the various business activities of the district.

Prominent among the enterprises to which Cincinnati banks render this service are those engaged in the production and sale of wheat, corn, cattle, hogs, sheep, wool, tobacco, blue-grass seed, coal, distilled liquors, iron, and paper and pulp.

Wheat and corn: Cincinnati is in the center of the winter wheat and corn raising sections of the districts. The crop rarely varies one week in coming on the market. The movement starts before the 10th of July and grows in volume for more than a month, gradually receding in August and September. If the crop is a good one, the country banks' balances in Cincinnati begin swelling. If it is a poor one, as it was in 1912, the balances decline, the banks rediscount, and Cincinnati helps to carry the load until the corn crop gives a surplus of funds.

The period of time which must elapse after the corn is cut in September varies greatly with the weather, as it requires dry air and high winds to dry out corn. If the marketing is delayed, this requires further accommodation on the part of the Cincinnati banks. Moreover, if the price of corn is not satisfactory to the farmer, he will insist that his country bank continue to carry his loans and that he be allowed to buy hogs and cattle for fattening.

This practically puts a further strain on the country banks, as the proceeds of the corn are not realized upon at once. In the case of hogs, more than 60 days are consumed in the process of fattening, and in the case of cattle from 4 to 6 months. This results in a corresponding call for service on the part of the Cincinnati banks, often involving accommodation to country banks for as much as 6 or 7 months.

Cattle and hogs: On most of the farms in the grass-growing sections of the district it is the custom to buy lean, big-framed cattle from the plains for fattening. These are grass fed throughout the summer. The capital for this is largely borrowed from local banks, which in turn rediscount in Cincinnati acceptable short-time bills receivable for such sums as they may require.

A similar financial service is rendered for those farmers who are engaged in hog raising.

At the Kentucky distilleries about 60,000 head of cattle are fed annually. The fattening process lasts from 4 to 6 months; the value of the cattle runs from \$3,000,000 to \$5,000,000; and the money for carrying them is supplied to the owners, either directly or indirectly, by Cincinnati banks.

Sheep and wool: The last census showed that there were in the district over 8,000,000 sheep, yielding over 35,000,000 pounds of wool. Nearly 4,000,000 of these

sheep were in Ohio, the wool crop in that State being over 21,000,000 pounds.

In the principal sheep-raising section, Cincinnati banks rediscount for the country banks and assist in financing this interest until such time as money is received from the sale of wool.

Tobacco: Five counties, all within less than 100 miles of Cincinnati, raise what is called cigar-leaf tobacco, and some 40 counties in central Kentucky raise white burley, as do also the counties in Tennessee near Nashville.

The Ohio tobacco is held from 12 to 15 months after it is grown before its distribution commences. The crop has usually a value of from \$3,000,000 to \$4,000,000. This financing is principally done in Cincinnati.

The Kentucky crop is much larger. To carry this crop until it is ready for the market, loans and rediscounts are made to various banks in the tobacco section. This business is divided mainly between Cincinnati, Louisville, and to some extent Lexington. The same service is rendered by Nashville for the Tennessee crop.

Blue-grass seed: Cincinnati carries annually large amounts of blue-grass seed, the bulk of which is raised in central Kentucky. The active distribution of this crop to the trade commences in February and March.

Coal: Cincinnati is one of the great soft-coal markets of the country. With the development of West Virginia and the rapid opening of mines in eastern Kentucky, the various companies are constantly opening new offices in Cincinnati for distribution. The volume of this business is increasing rapidly. The production of soft coal in eastern Kentucky is now five times what it was five years ago.

The Louisville & Nashville Railroad in the last three years has spent between \$30,000,000 and \$40,000,000 in reaching the new fields. Before doing so, an agreement was made with one of the big operators which guaranteed a minimum freight movement of 1,000,000 tons of coal annually as soon as the road was ready. The actual shipments from this section have already reached more than twice that amount.

The Chesapeake & Ohio is extending its lines into the Kentucky coal fields, as is also the Baltimore & Ohio. The Carolina, Clinchfield & Ohio Railroad is coming through the last remaining gap in the mountains from Virginia, and is connecting up with the Chesapeake & Ohio to reach Cincinnati. The Norfolk & Western has also just built into the eastern Kentucky coal fields from West Virginia.

The city directory for 1914 shows a list of 82 wholesale coal dealers in Cincinnati. Their operations run into large figures. Heavy shipments of coal go to the United States Steel Corporation at Gary, Ind. Many tons go also to Chicago, Toledo, and Cleveland, a part

for consumption in those centers, and a part for distribution northward by the Great Lakes.

Large amounts of credits are used in this distribution, the financing being done by Cincinnati banks.

**Distilled liquors:** In the Kentucky distilleries, many of which are largely owned in Cincinnati, large amounts of whisky are produced and carried through loans made by Cincinnati banks.

**Iron:** Cincinnati has the head offices of some seven or eight of the largest firms and corporations in the country engaged in the distribution and sale of pig iron and coke. The various companies have offices also in most of the other large cities. Their financing is done where they can get the cheapest money; Cincinnati furnishes a large part of it.

**Paper and pulp:** There are a large number of paper mills strung along from Cincinnati up the Miami Valley for some 60 miles. These collectively have a large capacity. At Hamilton, Ohio, about 15 miles from the Cincinnati limits, is the largest paper mill under one roof in the country. It derives its raw materials from Canton, N. C., the plant there being one of the largest freight producers on the line of the Southern Railway.

Nearly all of these mills are owned and financed in Cincinnati.

**Panic of 1907.**—That the banks of Cincinnati appreciate their responsibilities and are both able and ready to meet them is shown by their prompt action in connection with the panic of 1907 and the floods of 1913.

Though suffering in common with other communities in the fall of 1907, the Cincinnati national banks shipped over \$16,780,000 during the months of August, September, October, November, and December, the following table showing the States to which this aid was rendered and the amount sent to each.

**Floods of 1913.**—The banks of Cincinnati were prompt in meeting the emergency caused by the floods of 1913. Large sums of gold, silver dollars, and paper currency were taken by automobiles to many of the cities as soon as the water went down, loans being made in some cases before the bankers could open their vaults.

Cincinnati had one railroad by which Dayton could be reached, and although it was operated under martial law and very much overtaxed in furnishing food and supplies, it was of great assistance in getting currency there after the first few days. Banks in Columbus, Piqua, Zanesville, and many other places were reached when they were almost entirely cut off from the outside world. Banks in Huntington, W. Va., and Ashland, Ky., had several feet of water in their vaults, and were in frequent communication with Cincinnati to find out if aid could be given if needed. The bankers of both cities were assured that help would be provided if called for.

*Shipment of cash, August–December, 1907.*

	August.	September.	October.	November.	December.	Total.
District.....	\$3,125,000	\$3,000,000	\$4,309,000	\$3,860,000	\$1,504,000	\$15,798,000
Ohio.....	1,154,000	1,308,000	1,763,000	1,317,000	654,000	6,196,000
Indiana.....	1,054,000	709,000	989,000	886,000	324,000	3,962,000
West Virginia.....	255,000	221,000	417,000	261,000	67,000	1,221,000
Kentucky.....	475,000	562,000	787,000	1,248,000	403,000	3,475,000
Tennessee.....	187,000	200,000	353,000	148,000	56,000	944,000
Other States:						
Louisiana.....				10,000		10,000
Mississippi.....	3,000	13,000	3,000		39,000	58,000
Alabama.....	86,000	35,000	58,000	6,000	16,000	201,000
Georgia.....		80,000	10,000	18,000	15,000	123,000
North Carolina.....		20,000	100,000			120,000
Virginia.....	15,000	15,000	31,000	26,000	16,000	103,000
New York.....			100,000	20,000		120,000
Illinois.....	41,000	41,000	46,000	30,000	60,000	218,000
Colorado.....				20,000	10,000	30,000
Grand total.	3,270,000	3,204,000	4,657,000	3,990,000	1,660,000	16,781,000

#### RAILROADS AND WATERWAYS.

**Lines.**—From Cincinnati as a center, railroads radiate in every direction. The principal routes and lines are:

To the North and Northeast: Cleveland, Cincinnati, Chicago & St. Louis; Cincinnati Northern; Cincinnati, Hamilton & Dayton; Pennsylvania; Erie.

To the East and Southeast: Pennsylvania; Cleveland, Cincinnati, Chicago & St. Louis; Chesapeake & Ohio; Norfolk & Western.

To the South and Southeast: Louisville & Nashville; Cincinnati, New Orleans & Texas Pacific.

To the West and Southwest: Baltimore & Ohio; Pennsylvania; Cleveland, Cincinnati, Chicago & St. Louis; Louisville & Nashville.

To the Northwest: Pennsylvania; Cleveland, Cincinnati, Chicago & St. Louis; Cincinnati, Hamilton & Dayton; Chesapeake & Ohio of Indiana.

**River.**—When the present improvements are completed, a permanent 9-foot stage in the Ohio will afford an inexpensive transportation route, east and west, through the center of the proposed district, connecting with the navigable streams of the Mississippi Valley. It is expected that when the Panama Canal is completed Cincinnati will have a direct water communication with seaport towns.

**Package-car service.**—Especially indicative of the importance of the railroads of Cincinnati as distributing agencies is their package-car service.

An average of 596 package cars leave Cincinnati daily. Some idea of the excellent facilities afforded by this service may be obtained from the following list of railroads providing such cars and the States in which "break-bulk" points are situated. It will be observed that package-car lines radiate in every direction from Cincinnati. (A complete list of lines and "break-bulk" points is given in the Appendix.)

Louisville & Nashville: Kentucky, Tennessee, Louisiana, Alabama, Georgia, Florida, Virginia, Arkansas.

Cincinnati, New Orleans & Texas Pacific: Kentucky, Tennessee, Alabama, Louisiana, Texas, Georgia, Florida, South Carolina, North Carolina, California.

Cleveland, Cincinnati, Chicago & St. Louis: Ohio, Indiana, Minnesota, Michigan, New York, Missouri.

Baltimore & Ohio: Ohio, Indiana, West Virginia, Illinois, Pennsylvania, New York, New Jersey, Maryland, Kentucky, Tennessee, Missouri, Texas.

Pennsylvania: Ohio, Indiana, Illinois, Michigan, Pennsylvania, New York.

MAILS.

*Facilities.*—Of special significance in this connection are the exceptional mail facilities in Cincinnati. Frequent mails pass between Cincinnati and all portions of the district. The arrangements are such as to make possible communication between Cincinnati and all of the large cities of the district between the close of business hours on one day and their opening on the following morning. The same is true of mail communication between Cincinnati and many important cities in contiguous districts.

The following tables give (1) the number of daily mails between Cincinnati and 30 leading cities, together with the shortest time of mail service to and from those cities; and (2) a detailed statement of the schedule time of departure and arrival of each of the mails mentioned, together with the length of time required for each trip.

(See Appendix for tables giving hours of departure and of arrival of all mails to and from Cincinnati and other cities, and length of time required for each trip.)

*Mails between Cincinnati and other cities.*

	No.	Shortest time.
Cincinnati to Toledo.....	4	H. m. 5 48
Toledo to Cincinnati.....	4	5 50
Cincinnati to Cleveland.....	7	6 10
Cleveland to Cincinnati.....	6	7 0
Cincinnati to Columbus.....	9	2 50
Columbus to Cincinnati.....	9	3 10
Cincinnati to Dayton.....	10	1 16
Dayton to Cincinnati.....	10	1 35
Cincinnati to Wheeling, W. Va.....	5	8 10
Wheeling to Cincinnati.....	5	7 50
Cincinnati to Parkersburg.....	4	5 30
Parkersburg to Cincinnati.....	4	5 27
Cincinnati to Charleston, W. Va.....	3	5 40
Charleston to Cincinnati.....	3	5 55
Cincinnati to Huntington.....	3	4 20
Huntington to Cincinnati.....	3	4 30
Cincinnati to Louisville.....	7	3 27
Louisville to Cincinnati.....	7	3 20
Cincinnati to Lexington.....	8	2 25
Lexington to Cincinnati.....	6	2 33
Cincinnati to Knoxville.....	2	8 24
Knoxville to Cincinnati.....	3	8 50
Cincinnati to Chattanooga.....	5	9 55
Chattanooga to Cincinnati.....	7	10 5
Cincinnati to Nashville.....	4	8 15
Nashville to Cincinnati.....	3	8 35
Cincinnati to Indianapolis.....	9	2 35
Indianapolis to Cincinnati.....	7	2 35
Cincinnati to Evansville.....	5	8 35
Evansville to Cincinnati.....	5	7 30
Cincinnati to Terre Haute.....	7	4 35
Terre Haute to Cincinnati.....	7	4 30
Cincinnati to Fort Wayne.....	8	5 30
Fort Wayne to Cincinnati.....	6	5 40
Cincinnati to Detroit.....	4	7 55
Detroit to Cincinnati.....	4	7 49

*Mails between Cincinnati and other cities—Continued.*

	No.	Shortest time.
Cincinnati to Grand Rapids.....	6	H. m. 10 40
Grand Rapids to Cincinnati.....	2	10 20
Cincinnati to Buffalo.....	7	11 55
Buffalo to Cincinnati.....	5	10 20
Cincinnati to Pittsburgh.....	6	7 55
Pittsburgh to Cincinnati.....	6	7 48
Cincinnati to Atlanta.....	4	13 50
Atlanta to Cincinnati.....	5	13 38
Cincinnati to Birmingham.....	5	14 15
Birmingham to Cincinnati.....	6	14 15
Cincinnati to Memphis.....	5	14 15
Memphis to Cincinnati.....	3	14 40
Cincinnati to St. Louis.....	7	8 15
St. Louis to Cincinnati.....	6	8 15
Cincinnati to Springfield.....	5	10 55
Springfield to Cincinnati.....	3	11 10
Cincinnati to Peoria, Ill.....	6	10 10
Peoria to Cincinnati.....	3	9 20
Cincinnati to Chicago.....	9	7 55
Chicago to Cincinnati.....	8	8 5
Cincinnati to New York.....	6	18 28
New York to Cincinnati.....	7	17 50
Cincinnati to Washington.....	6	17 0
Washington to Cincinnati.....	7	17 35

DISTRIBUTING CENTER.

Cincinnati is an important distributing center for a large number of commodities. The receipts and shipments of the 113 articles included in the monthly report of the chamber of commerce (see table in Appendix), when combined on the principle of the index number, show the following relative movements for the months in 1913:

Month.	Receipts.	Shipments.	Month.	Receipts.	Shipments.
January.....	213	195	July.....	197	170
February.....	204	215	August.....	172	233
March.....	208	132	September.....	202	174
April.....	148	132	October.....	268	237
May.....	200	185	November.....	231	217
June.....	191	191	December.....	264	297

In so far as this is a reliable basis for judging of the character of the distribution of commodities through this market, it appears that the movements into and out of Cincinnati are relatively constant throughout the year. Indeed, it is characteristic, both of the industries of the city itself and of its commerce, that the articles are of so varied a character as to render the business and financial conditions independent of the vicissitudes that may attend any one class of products.

While some of the commodities, such as fruits and grains, are more or less seasonal, others, such as coal and coke, groceries and manufactured articles in general, have a comparatively constant movement. Moreover, of the seasonal commodities there appears to be such a diversity in the seasonal movements that exceptional activity or quietness in one line is supplemented by an opposite condition in another.

*Commodities.*—Among the leading commodities for which Cincinnati serves as a center of distribution are coal, pig iron, tobacco, distilled liquors, grain, fruits, live stock, lumber, dry goods.

**Coal:** Concerning the distribution of coal, the following information is supplied by the officials of the Cincinnati Coal Exchange:

*Tonnage and value.*—The following figures are compiled from statistics of the chamber of commerce covering receipts and shipments by rail and river, including anthracite; but this product being of such small volume we have included it with the bituminous coal by rail in both receipts and shipments. We have struck an average of \$2 per net ton for the value which is based upon the cost of coal f. o. b. mines plus the freight rates:

	Net tons.	Average value.	Total.
RECEIPTS.			
By rail.....	6,224,521	\$2.00	\$12,339,042
By river.....	1,935,994	2.00	3,871,988
Total.....	8,160,515		16,321,030
SHIPMENTS.			
By rail.....	4,341,462	2.00	8,684,924
By river.....	357,313	2.00	714,626
Total.....	4,698,775	2.00	9,399,550

In the accompanying map the green lines show the sources of supply and the red lines the markets served. (See chart.)

A great deal of smithing coal and coke from the West Virginia fields goes through Cincinnati as far west as the Pacific coast and the western smelters, as well as into the Northwest and into Canada. In addition to the rail shipments to these points, a great amount of coal is handled through Cincinnati and shipped by Lakes Huron, Michigan, and Superior, the bulk of which goes to Duluth and Superior and is reshipped from the docks into the interior. There is a growing trade going by lake to Fort William and Port Arthur to supply Winnipeg and the territory beyond.

In addition to the markets above mentioned, there is a great number of mining companies operating in West Virginia, which are owned, controlled, and financed in Cincinnati and which ship direct from the mines east, north, and south, including exporting and coastwise and New England tidewater business, the financing and selling of which is done in Cincinnati. The value of such coal is approximately \$9,000,000.

**Pig iron:** A representative of one of the leading pig-iron firms of Cincinnati states that "Three-fourths of the iron made in Alabama is distributed from Cincinnati, together with all the iron made in Tennessee and Kentucky. Cincinnati also distributes heavy tonnage of northern iron and all made in the Ironton district."

Cincinnati's market is distinctively the Middle West. Pig-iron houses sell to every State in the Union.

**Tobacco:** Another important commodity for which Cincinnati serves as a leading distributing center is tobacco. The district is one of the principal tobacco producing sections of the country and much of this product is financed in Cincinnati. In addition to this, Cincinnati firms handle large quantities of tobacco secured from Pennsylvania, Connecticut, Wisconsin, Virginia, and foreign countries. The sales of tobacco through the Cincinnati market are made throughout the East, the South, and the middle Western States. An effort has been made to show on the

accompanying map the general character of the source of supply and the market reached through Cincinnati.

**Distilled liquors:** Cincinnati is the leading distributing center in the United States for the sale of distilled liquors. Ninety-eight distillers and wholesale dealers have offices in Cincinnati, with a combined capital of over \$21,000,000. They distribute for 27 distillers located as follows: Kentucky, 18; Ohio, 4; Pennsylvania, 4; New York, 1.

The estimated amount of sales made in the Cincinnati markets is \$25,000,000 a year. The markets are to be found in every State in the Union.

**Grain:** Official representatives from the grain interests of Cincinnati give the total value of grain received in Cincinnati for the year 1913 at \$16,000,000, the shipments at \$10,500,000.

The principal States contributing to this supply are Indiana, Illinois, Minnesota, Ohio, Wisconsin, and Iowa. Besides these, grain was received from 16 States.

The principal markets for the shipment of grain are Ohio, West Virginia, Virginia, Kentucky, Alabama, Tennessee, Georgia, Florida, North Carolina, South Carolina, and Maryland. In addition, five other States and Cuba purchased grain in this market.

**Fruits:** Cincinnati is also an important center for the distribution of fruits. One railroad alone in 1913 brought to Cincinnati from the South 4,946 carloads of fruits and vegetables to be forwarded to points beyond.

**Live stock:** The value of live stock received at Cincinnati in 1913 is estimated at over \$39,000,000, the shipments at \$16,700,000.

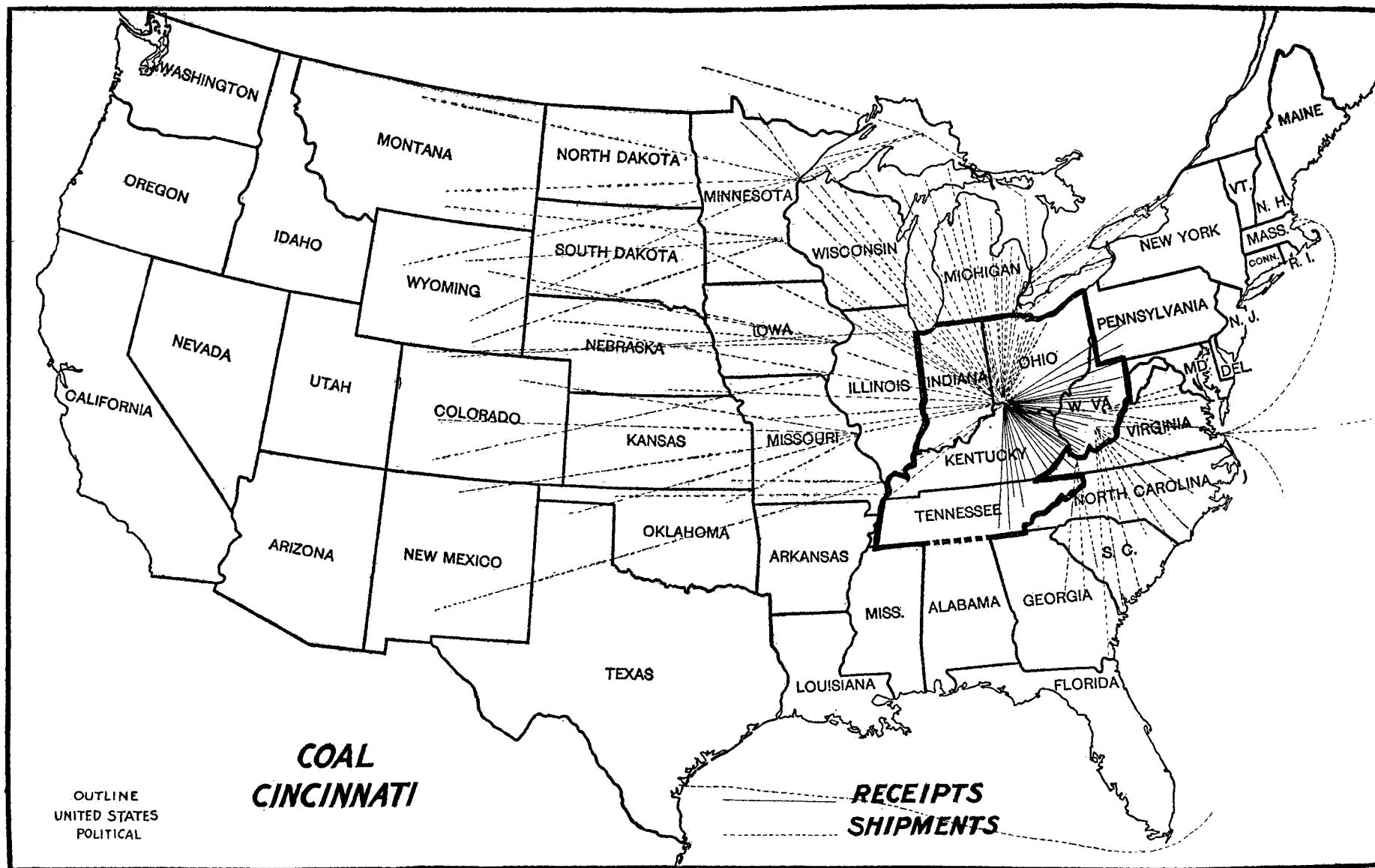
#### FEDERAL ADMINISTRATIVE CENTER.

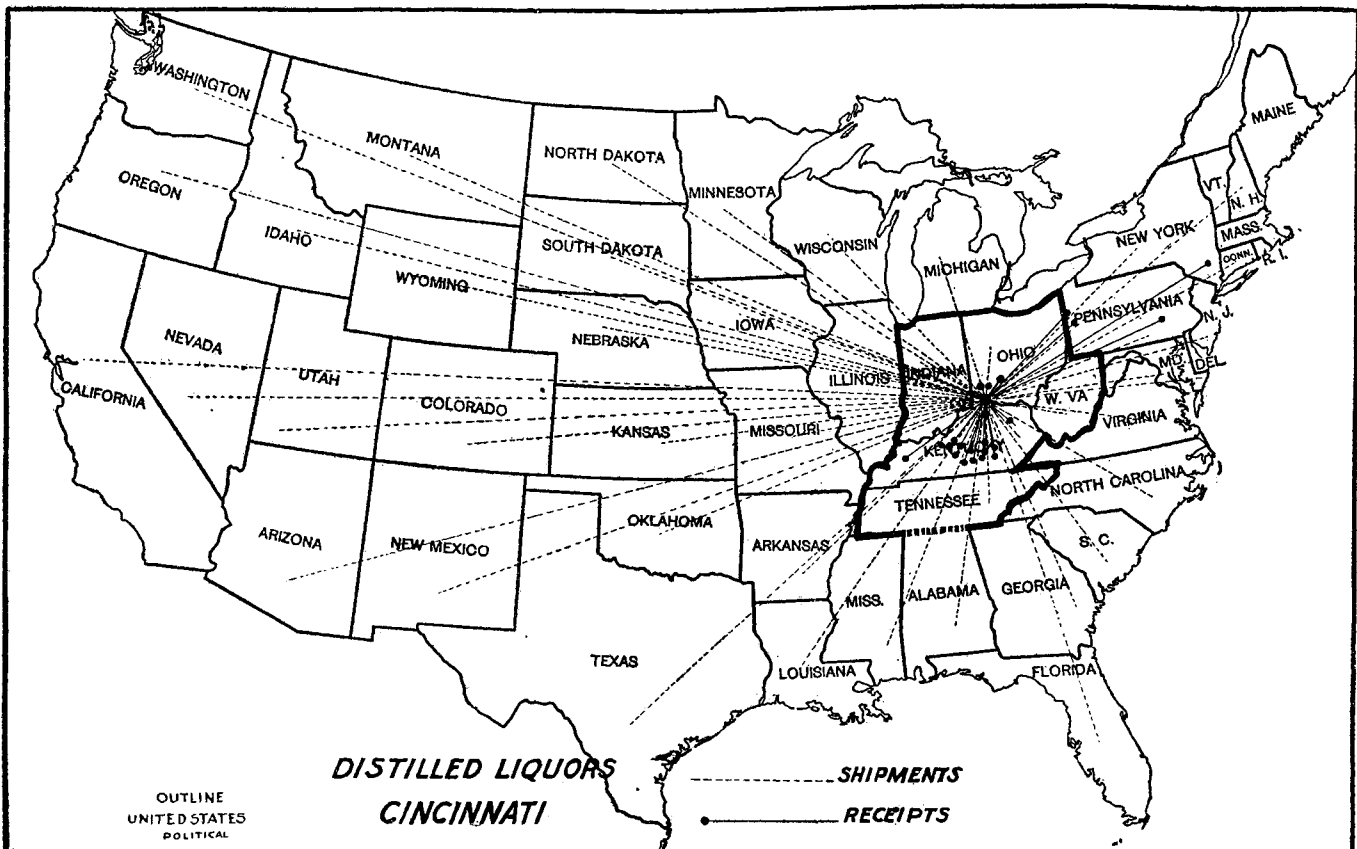
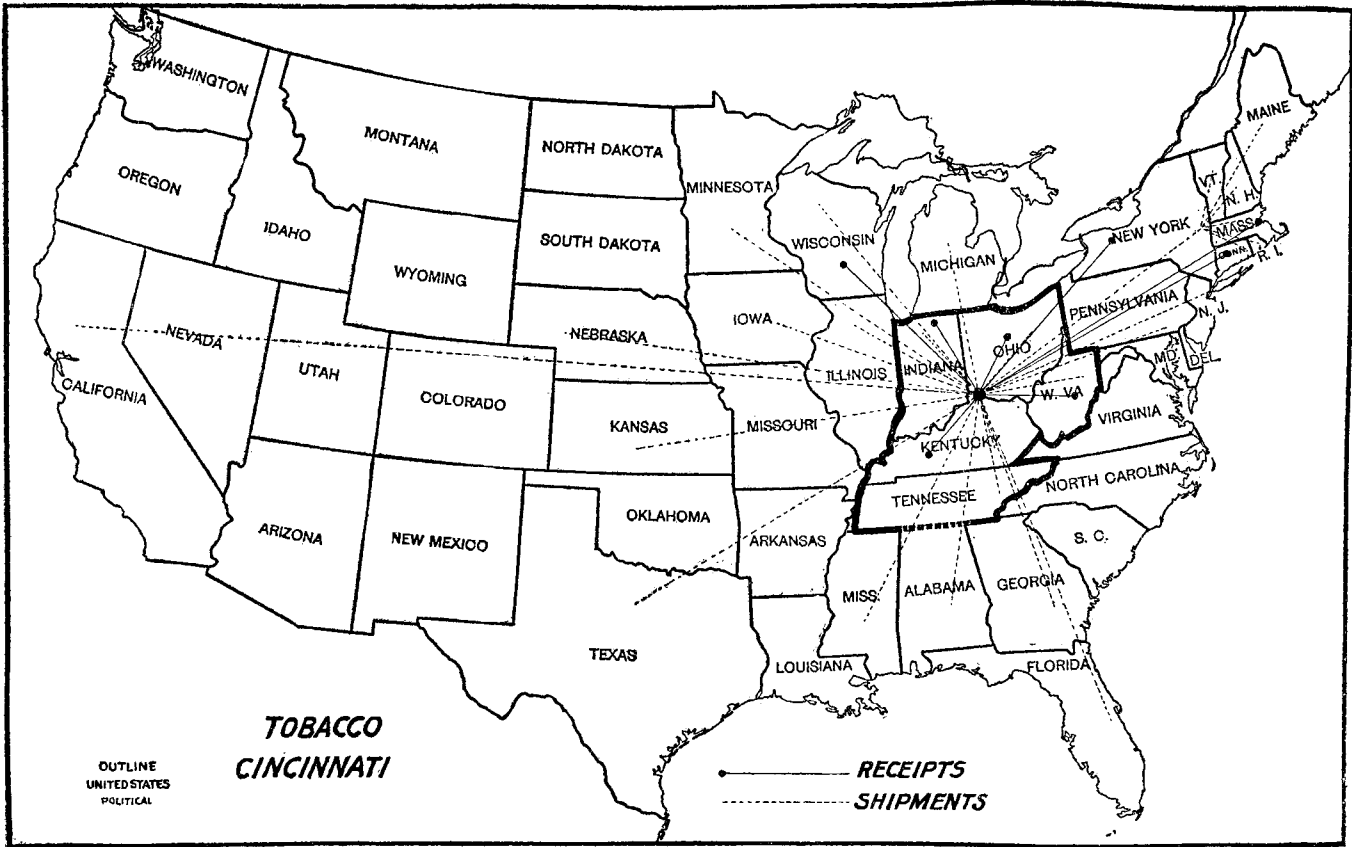
That Cincinnati is the proper place for the location of one of the regional banks is further shown by the fact that it is now and has been for many years an important Federal administrative center. It is the headquarters of the postal operations of a large territory, the headquarters of the fifth division of the Railway Mail Service, and one of the nine subtreasury cities.

**Post office.**—Receipts: The receipts of the Cincinnati post office for the calendar year ending December 31, 1913, were \$2,873,000.

**Postal employees:** Postal employees are paid at this office to the number of 4,011, as follows: Post-office employees, 940; inspectors, 35; railway postal clerks, 504; rural carriers, 2,532.

**Rural carriers.**—Postal funds: In each State a center is selected from which to pay the rural mail carriers of that State and to serve as a depository for the postal funds. In Ohio, Cincinnati performs these functions. As the depository for postal funds for the entire State, there were issued for the fiscal year







ending June 30, 1913, 9,866 certificates of deposit to other postmasters for a total of \$5,116,722.

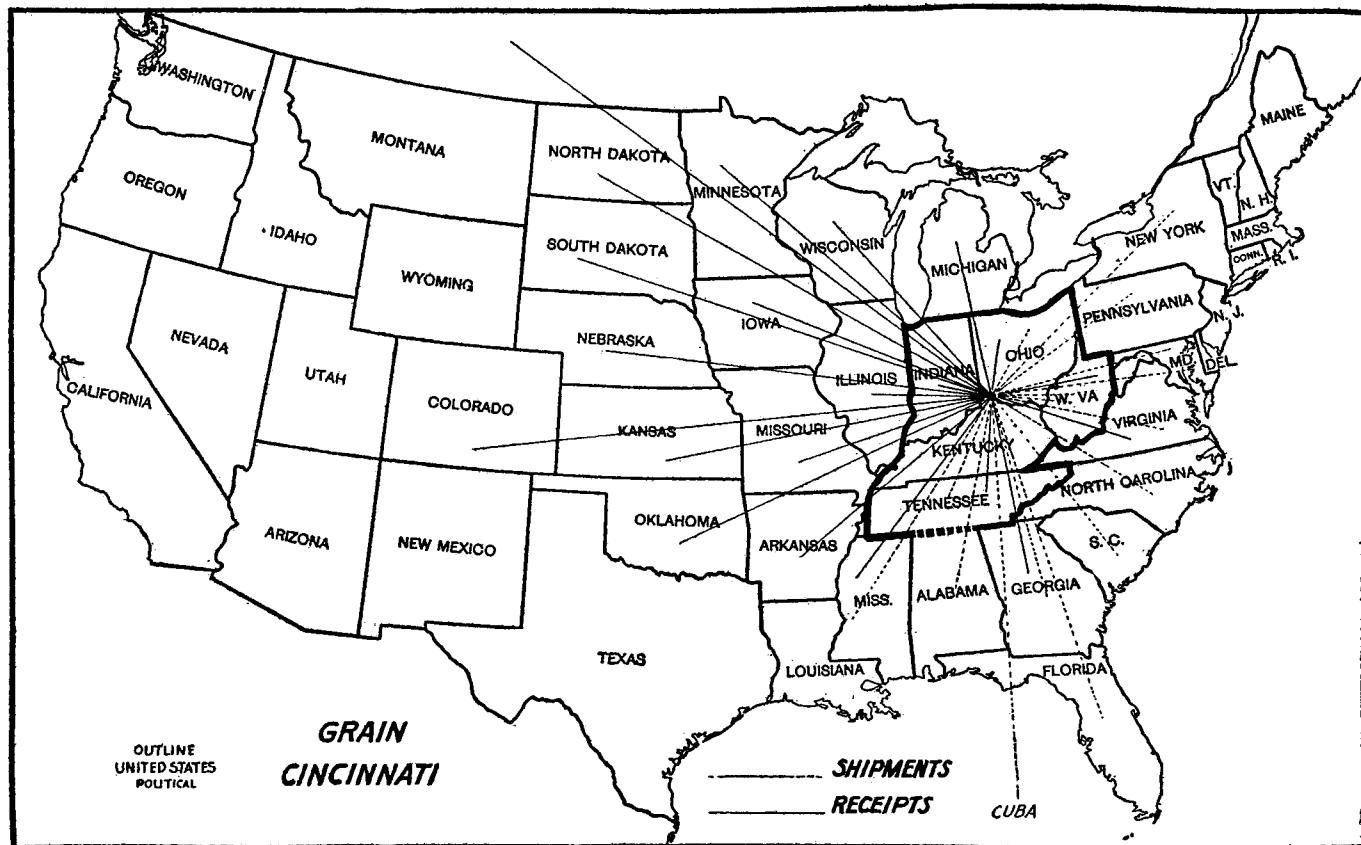
Money-order funds: Cincinnati serves also as the depository for money-order funds for southeastern Indiana, southern Ohio, and eastern Kentucky. Of such funds there were received during the fiscal year ending June 30, 1913, \$4,594,410.

*Railway Mail Service.*—Headquarters: Cincinnati is the headquarters for the administration of the fifth division of the Railway Mail Service, which includes the States of Ohio, Indiana, and Kentucky. District centers in this division are located at Cleveland, Indianapolis, and Louisville.

Routes: This division administers the following routes:

Lines centering in Cincinnati: To Pittsburgh, Pa.; Grafton, W. Va.; Hinton, W. Va.; Knoxville, Tenn.; Chattanooga, Tenn.; Nashville, Tenn.; Chicago, Ill. (over four different lines); Jackson, Mich.; Detroit, Mich.; Cleveland, Ohio.

Other large lines directed from Cincinnati headquarters: From Detroit, Mich., and Toledo, Ohio, to St. Louis, Mo.; Cleveland, Ohio, to St. Louis, Mo.; Sandusky, Ohio, to Peoria, Ill.; Indianapolis, Ind., to Peoria, Ill.; Indianapolis, Ind., to Springfield, Ill.; Benton Harbor, Mich., to Louisville, Ky.; Louisville, Ky., to Evansville, Ind., and St. Louis, Mo.; Louisville, Ky., to Fulton, Ky.; Louisville, Ky., to Norton, Va.; Toledo, Ohio, to Gauley Bridge, W. Va.; Wheeling, W. Va., to Chicago, Ill.; Columbus, Ohio, to Chicago,



Ill.; Cleveland, Ohio, to Pittsburgh, Pa.; Salamanca, N. Y., to Chicago, Ill.

*Subtreasury.*—One of the most striking evidences of the ability of Cincinnati to serve efficiently the proposed district is afforded by the location here of one of the nine United States subtreasuries.

Receipts: Notwithstanding the changes in financial policy, which have tended to the multiplication of depositories for United States funds, the receipts of the Cincinnati subtreasury for the fiscal year ending June 30, 1913, were \$106,739,000. This amount consists of internal revenue, customs duties, and post office receipts from Ohio, Indiana, Kentucky, West Virginia, and Tennessee.

Services: Among the most important of the services rendered by the subtreasury are those connected with

the shipment of silver and minor coins, the transfer of funds, and the 5 per cent redemption fund.

Coin receipts and shipments: During the fiscal year 1912-13 the Cincinnati subtreasury received and shipped silver and minor coins as follows:

Month.	Receipts.	Shipments.	Total.
July.....	\$434,310	\$425,865	\$859,975
August.....	394,640	425,660	820,300
September.....	228,110	499,135	727,245
October.....	252,051	450,110	702,161
November.....	280,410	300,020	580,430
December.....	359,195	374,210	733,505
January.....	607,210	142,730	749,940
February.....	490,975	169,115	660,090
March.....	307,694	259,960	567,654
April.....	265,020	271,075	536,095
May.....	352,019	343,185	695,204
June.....	377,138	264,135	641,273
Total.....	4,349,652	3,924,220	9,273,872

These were distributed among the five States of the proposed district as follows:

District.....	Receipts.	Shipments.	Total.
Ohio.....	3,327,248	1,910,100	5,237,348
Indiana.....	131,479	954,530	1,086,009
West Virginia.....	204,870	105,570	310,440
Kentucky.....	352,450	662,020	1,014,470
Tennessee.....	170,200	265,250	435,450

*Coin receipts at subtreasury.*

Month.	Ohio.	Indiana.	West Virginia.	Kentucky.	Tennessee.	Other.	Total.
July.....	\$317,510	\$23,300	\$26,100	\$56,400	\$1,000	\$10,000	\$434,310
August.....	301,200	13,840	15,000	52,600	12,000	.....	394,640
September.....	180,260	10,150	2,500	35,200	.....	.....	288,110
October.....	225,101	4,450	11,600	14,300	600	.....	252,051
November.....	224,925	14,240	26,045	15,200	.....	.....	290,410
December.....	290,695	.....	29,000	31,500	8,000	.....	359,195
January.....	469,550	37,460	21,000	43,200	12,000	24,000	607,210
February.....	318,700	12,150	17,025	22,500	58,600	62,030	491,005
March.....	256,600	144	11,000	21,450	17,000	1,500	307,694
April.....	183,075	13,645	21,600	29,500	.....	17,200	265,020
May.....	261,394	2,900	15,000	16,100	15,000	41,625	352,019
June.....	298,238	3,200	9,000	14,500	46,000	6,200	377,138
Total.....	3,327,248	131,479	204,870	352,450	170,200	162,555	4,348,802

*Shipments of coin from the Cincinnati subtreasury.*

Month.	Ohio.	Indiana.	West Virginia.	Kentucky.	Tennessee.	Other.	Total.
July.....	\$273,435	\$55,895	\$9,700	\$53,635	\$2,900	\$100	\$425,665
August.....	180,515	134,750	11,070	69,875	28,350	1,100	425,660
September.....	220,315	141,000	12,350	81,340	39,930	4,200	499,135
October.....	170,060	84,180	10,150	81,370	98,000	6,350	450,110
November.....	172,110	52,360	7,550	48,900	12,500	6,600	300,020
December.....	187,660	80,345	7,630	76,365	17,910	4,400	374,310
January.....	88,925	18,740	2,850	32,155	30	.....	142,730
February.....	70,051	42,900	6,950	43,120	4,030	2,100	169,115
March.....	122,770	51,105	10,050	48,335	26,400	1,300	259,960
April.....	129,195	65,860	7,400	47,820	20,300	500	271,075
May.....	143,750	108,410	6,250	73,475	10,300	1,000	345,185
June.....	151,550	88,985	13,600	5,600	4,600	.....	264,135
Total.....	1,910,100	954,530	105,570	662,020	265,250	26,750	3,924,220

Shipments were also made to points in Alabama, Georgia, Virginia, and Pennsylvania, and received from points in Georgia.

Transfer of funds: Funds were transferred to the subtreasury in 1912-13 as follows:

July.....	\$213,570,409
August.....	171,329,282
September.....	164,189,430
October.....	132,999,430
November.....	91,024,420
December.....	150,832,076
January.....	120,688,713
February.....	90,290,996
March.....	78,066,822
April.....	144,135,855
May.....	154,419,822
June.....	144,501,459
Total.....	1,656,048,635

The principal points from which these transfers were made are: Ohio—Cincinnati, Columbus, Cleveland; Indiana—Terre Haute, Lawrenceburg, Indian-

apolis, Vincennes; West Virginia—Charleston; Kentucky—Louisville, Lawrenceburg, Covington, Carrollton, Owensboro, Frankfort, Maysville, Danville; Tennessee—Harriman, Nashville. Over \$627,000 were transferred from Richmond, Va.

Five per cent redemption fund: The subtreasury received the following deposits from banks in Ohio, Indiana, West Virginia, Kentucky, and Tennessee for the 5 per cent redemption fund:

July.....	\$971,147	February.....	\$1,086,538
August.....	732,948	March.....	349,270
September.....	545,410	April.....	275,650
October.....	706,975	May.....	308,000
November.....	572,167	June.....	178,748
December.....	999,344		
January.....	889,939	Total.....	7,616,136

In addition, deposits to the fund amounting to \$1,874,000 were received from banks in the following 14 States: Illinois, Louisiana, Mississippi, Alabama, Georgia, Florida, Virginia, Maryland, New Jersey, Pennsylvania, New York, Connecticut, Massachusetts, and Maine.

The amounts received from this fund from the several States in the proposed district and the number of cities and towns whose banks made deposits were:

District.....	Amounts.	Cities and towns.
Ohio.....	\$7,616,136	216
Indiana.....	3,477,860	92
West Virginia.....	1,103,841	50
Kentucky.....	490,073	13
Tennessee.....	1,626,267	48
	919,095	13

*Five per cent redemption fund.*

Month.	Ohio.	Indiana.	West Virginia.	Kentucky.	Tennessee.	Total.
July.....	\$407,452	\$190,560	\$61,937	\$197,550	\$113,548	\$971,147
August.....	345,317	100,560	47,550	155,421	84,100	732,948
September.....	234,350	75,150	28,100	137,710	70,100	545,410
October.....	296,180	134,750	36,050	182,595	57,400	706,975
November.....	259,827	74,580	36,500	120,010	31,250	572,167
December.....	443,446	193,585	57,240	185,223	119,850	999,344
January.....	491,998	114,228	80,650	137,513	65,550	889,939
February.....	570,490	106,130	93,446	137,125	119,347	1,086,538
March.....	153,700	62,250	12,400	66,520	47,400	349,270
April.....	122,750	24,700	14,500	74,150	39,550	275,650
May.....	132,850	9,950	5,750	104,900	54,550	308,000
June.....	18,500	10,398	15,950	67,550	66,350	178,748
Total.....	3,746,860	1,103,841	490,073	1,626,267	919,095	7,616,136

SENTIMENT FOR CINCINNATI.

The committee planned to ascertain the sentiment of the banks of the proposed district as to their preference in the selection of a regional bank city and began to do so. The attempt was abandoned, however, upon learning that the organization committee was securing such data.

The sentiment of the proposed district, so far as it has been ascertained, is in a marked degree favorable to the location of a regional bank in Cincinnati.

It is believed that the replies to the inquiries of the organization committee submitted by the banks of the five States mentioned, when combined, will substantiate the opinion that Cincinnati occupies the leading place in their choice of a regional bank center.

APPENDIX.

INDUSTRIAL STATISTICS.

AGRICULTURAL.

[Expressed in thousands.]

	Total population.	Rural population.	Per cent.	Number of farms.	Acres in farms.	Per cent of land in farms.
United States.....	91,972	49,348	53.7	6,361	878,798	46.2
District.....	13,161	8,127	61.8	1,088	97,660	83.6
Per cent of United States.....	14.3	16.5	.....	17.1	11.1	.....
Ohio.....	4,767	2,101	44.1	272	24,105	92.5
Indiana.....	2,700	1,557	57.6	215	21,299	92.3
West Virginia.....	1,221	992	81.3	96	10,026	65.2
Kentucky.....	2,289	1,734	75.7	259	22,189	86.3
Tennessee.....	2,184	1,743	79.8	246	20,041	75.1

	Acres improved.	Per cent improved.	Value of farm property.	Value of farm land.
United States.....	478,451	54.4	\$40,991,449	\$28,475,674
District.....	66,923	68.5	5,412,884	3,677,044
Per cent of United States.....	13.9	.....	13.2	12.9
Ohio.....	19,227	79.8	1,902,694	1,285,894
Indiana.....	16,931	79.5	1,809,135	1,328,196
West Virginia.....	5,521	55.1	314,738	207,075
Kentucky.....	14,354	64.7	773,797	484,464
Tennessee.....	10,890	54.3	612,520	371,415

	Value of farm buildings.	Value of farm improvements and machinery.	Value of live stock.	Average acres per farm.	Average value of all farm property per farm.
United States.....	\$6,325,451	\$1,265,149	\$4,925,173	138.1	\$6,444
District.....	952,651	141,363	642,720	89.9	4,975
Per cent of United States.....	15.0	11.1	13.0	.....	.....
Ohio.....	368,257	51,210	197,332	88.6	6,994
Indiana.....	266,979	40,999	173,860	98.8	8,396
West Virginia.....	57,315	7,011	43,336	103.7	3,255
Kentucky.....	150,994	20,851	117,486	85.6	2,986
Tennessee.....	109,106	21,292	110,706	81.5	2,490

	Owners.	Per cent of operators.	Cattle.		Horses, mules, etc.	
			Number.	Value.	Number.	Value.
United States.....	3,948	62.1	61,803	\$1,499,523	24,148	\$2,622,180
District.....	731	67.1	5,816	153,035	3,326	366,324
Per cent of United States.....	18.5	.....	9.4	10.2	13.8	13.9
Ohio.....	192	70.6	1,837	51,403	933	101,748
Indiana.....	148	68.9	1,363	39,110	897	97,087
West Virginia.....	75	78.6	620	15,860	191	19,948
Kentucky.....	170	67.2	1,000	25,971	672	72,046
Tennessee.....	144	58.6	996	20,691	633	75,495

	Swine.		Sheep.		Value of dairy products.
	Number.	Value.	Number.	Value.	
United States.....	58,185	\$399,338	52,447	\$232,841	\$596,413
District.....	9,924	61,518	8,313	32,831	70,306
Per cent of United States.....	17.0	15.4	15.8	14.1	11.8
Ohio.....	3,105	19,412	3,909	14,941	30,869
Indiana.....	3,613	23,739	1,336	5,908	16,666
West Virginia.....	328	2,087	910	3,400	5,090
Kentucky.....	1,491	8,951	1,363	5,573	9,056
Tennessee.....	1,387	7,329	795	3,009	8,715

INDUSTRIAL STATISTICS—Continued.

AGRICULTURAL—Continued.

	Wool.		Eggs.		Fowls.	
	Pounds.	Value.	Dozen.	Value.	Number.	Value.
United States.....	289,419	\$65,472	1,591,311	\$306,698	488,468	\$202,506
District.....	35,066	10,562	287,159	53,571	88,705	36,664
Per cent of United States.....	12.1	16.1	18.0	17.5	18.2	18.1
Ohio.....	21,685	6,749	100,889	19,749	23,433	10,988
Indiana.....	5,360	1,535	80,755	15,287	23,067	10,726
West Virginia.....	2,719	840	19,159	3,672	5,543	2,239
Kentucky.....	3,448	974	44,313	7,605	19,247	6,937
Tennessee.....	1,854	466	42,043	7,258	17,415	5,774

	Value of all farm crops.	Corn.		Wheat.	
		Bushels.	Value.	Bushels.	Value.
United States.....	\$5,487,161	2,552,189	\$1,438,554	683,379	\$657,657
District.....	734,602	521,158	288,940	82,428	83,128
Per cent of United States.....	13.4	20.4	20.1	12.0	12.6
Ohio.....	230,338	157,513	82,327	30,663	31,113
Indiana.....	204,210	195,496	98,438	33,935	33,593
West Virginia.....	40,375	17,119	11,907	2,575	2,697
Kentucky.....	138,973	83,348	50,449	8,739	8,812
Tennessee.....	120,706	67,682	45,819	6,516	6,913

	Oats.		Hay.		Potatoes.	
	Bushels.	Value.	Tons.	Value.	Bushels.	Value.
United States.....	1,007,142	\$414,697	97,453	\$824,005	389,195	\$166,424
District.....	117,052	46,646	10,004	97,657	41,356	19,987
Per cent of United States.....	11.6	11.2	10.3	11.9	10.6	12.0
Ohio.....	57,591	23,212	4,521	42,357	20,332	9,378
Indiana.....	50,607	18,928	2,880	24,883	8,905	3,816
West Virginia.....	1,728	812	639	7,493	4,077	2,279
Kentucky.....	2,406	1,216	957	10,306	5,120	2,724
Tennessee.....	4,720	2,378	1,007	12,618	2,922	1,790

	Value of other vegetables.	Tobacco.		Orchard fruits.	
		Pounds.	Value.	Bushels.	Value.
United States.....	\$216,257	1,055,764	\$104,303	216,084	\$140,867
District.....	38,715	591,585	68,598	32,068	20,407
Per cent of United States.....	17.9	56.0	65.8	14.8	14.4
Ohio.....	11,394	88,603	8,999	6,711	5,692
Indiana.....	7,498	21,387	2,145	4,714	3,709
West Virginia.....	4,520	14,356	1,923	4,710	3,040
Kentucky.....	8,287	398,482	39,869	9,448	4,507
Tennessee.....	7,016	68,757	5,662	6,485	3,459

MINING.

[Expressed in thousands, except cubic feet of natural gas in millions.]

	Capital.	Total products.	Bituminous coal.	
			Tons.	Value.
United States.....	\$3,380,525	\$1,238,410	405,757	\$451,177
District.....	501,164	186,782	124,933	121,635
Per cent of United States.....	14.9	15.1	30.8	27.0
Ohio.....	161,325	63,767	30,760	31,810
Indiana.....	59,765	21,934	14,201	15,327
West Virginia.....	219,467	76,288	59,832	53,671
Kentucky.....	26,787	12,100	13,707	13,617
Tennessee.....	33,820	12,693	6,433	7,210

	Natural gas.		Petroleum.	
	Cubic feet.	Value.	Barrels.	Value.
United States.....	508,364	\$74,128	220,449	\$134,045
District.....	262,204	49,419	20,779	23,805
Per cent of United States.....	50.1	66.7	9.4	17.8
Ohio.....	49,450	9,367	8,817	9,480
Indiana.....	4,365	1,192	1,695	1,229
West Virginia.....	207,113	28,452	9,795	12,767
Kentucky.....	1,275	408	472	329
Tennessee.....	1	.....	.....	.....

INDUSTRIAL STATISTICS—Continued.

MANUFACTURES.

	Estab-lish-ments.	Persons engaged.	Wage earners.	Primary horse-power.	Capital (thou-sands).
United States.....	268,491	7,678,578	6,615,046	18,675,376	\$18,428,270
District.....	35,068	979,462	837,051	2,906,529	2,301,076
Per cent of United States	13.1	12.8	12.7	15.5	12.5
Ohio.....	15,138	523,004	446,934	1,583,155	1,300,733
Indiana.....	7,969	218,263	186,984	633,377	508,717
West Virginia.....	2,586	71,463	63,893	217,496	150,923
Kentucky.....	4,766	79,060	65,400	230,224	172,779
Tennessee.....	4,609	87,672	73,840	242,277	167,924

	Wages (thou-sands).	Materials (thou-sands).	Value of products (thou-sands).	Increase in value of prod-ucts, 1904 to 1909.	Value added by manufac-tures (thou-sands).
United States.....	\$3,427,038	\$12,142,791	\$20,672,052	Per cent. 39.7	\$8,529,261
District.....	430,101	1,467,250	2,582,932	47.5	1,115,682
Per cent of United States	12.6	12.0	12.5	.....	13.1
Ohio.....	245,450	824,202	1,437,936	49.7	613,734
Indiana.....	95,511	334,375	579,075	47.0	244,700
West Virginia.....	33,000	92,878	161,950	63.5	69,072
Kentucky.....	27,888	111,779	223,754	40.1	111,975
Tennessee.....	28,252	104,016	180,217	30.6	76,201

VALUE OF PRODUCTS.

[Expressed in thousands.]

	Agricul-tural imple-ments.	Automo-biles.	Bread.	Canning.	Car-riages, etc.	Cars, etc. (steam railroad com-pa-nies).
United States.....	\$146,329	\$249,202	\$396,865	\$157,101	\$159,893	\$405,601
District.....	29,114	62,603	40,916	16,086	52,460	65,863
Per cent of United States.	19.9	25.1	10.3	10.2	32.8	16.2
Ohio.....	14,440	38,839	23,007	4,660	21,949	28,690
Indiana.....	13,670	33,764	10,209	8,758	21,655	17,128
West Virginia.....	.....	.....	1,470	605	675	6,733
Kentucky.....	.....	.....	3,338	1,857	5,141	6,535
Tennessee.....	1,004	.....	2,892	206	3,040	6,777

	Cars, steam railroad (not under operation of railroad com-pa-nies).	Coffee and spice, roasting and grind-ing.	Confec-tionery.	Copper tin, and sheet-iron prod-ucts.	Electrical ma-chinery, etc.	Flour mill and grist mill prod-ucts.
United States.....	\$123,730	\$110,533	\$134,796	\$199,824	\$221,309	\$883,584
District.....	15,949	17,632	14,886	30,472	26,724	147,765
Per cent of United States.	12.9	16.0	11.0	15.2	12.7	16.7
Ohio.....	6,451	11,224	7,307	19,086	18,777	48,093
Indiana.....	9,498	1,846	2,558	5,763	7,718	40,541
West Virginia.....	.....	113	244	2,151	.....	7,696
Kentucky.....	.....	3,003	2,257	2,243	229	22,365
Tennessee.....	.....	1,444	2,520	1,229	.....	29,070

	Food pre-pa-rations.	Foundry and machine shop products.	Furni-ture and refriger-ators.	Iron and steel furnaces.	Iron and steel, blast works and rolling mills.	Leather goods.
United States.....	\$125,331	\$1,228,475	\$239,887	\$391,429	\$985,723	\$104,719
District.....	16,423	207,890	40,660	88,352	266,646	13,329
Per ct. of United States.	13.1	16.9	16.9	22.5	27.0	12.7
Ohio.....	10,837	145,837	16,259	83,699	197,780	4,939
Indiana.....	795	39,844	18,456	.....	38,652	3,406
West Virginia.....	.....	3,392	965	.....	22,435	472
Kentucky.....	1,445	9,627	1,671	.....	7,779	2,373
Tennessee.....	3,346	9,190	3,309	4,653	.....	2,139

INDUSTRIAL STATISTICS—Continued.

VALUE OF PRODUCTS—Continued.

	Leather tanned, curried, etc.	Liquors, malt.	Liquors, dis-tilled.	Lumber and timber products.	Marble and stone work.	Paint and varnish.
United States.....	\$327,874	\$374,730	\$204,699	\$1,156,129	\$113,093	\$124,889
District.....	31,661	42,909	90,237	138,328	12,493	17,084
Per ct. of United States.	9.6	11.4	44.0	11.9	11.0	13.7
Ohio.....	10,128	25,332	12,011	34,597	3,847	13,617
Indiana.....	2,311	8,313	31,610	23,135	5,756	1,108
West Virginia.....	12,451	2,271	.....	28,758	365	.....
Kentucky.....	4,241	4,949	44,360	21,381	1,060	1,962
Tennessee.....	2,530	2,044	2,256	30,457	1,465	397

	Paper and wood pulp.	Patent medicine and com-pounds and drug pre-pa-rations.	Print-ing and pub-lishing.	Rubber goods not else-where specified.	Soap.	Tobacco.
United States.....	\$267,657	\$141,942	\$737,876	\$128,436	\$111,358	\$416,695
District.....	24,819	17,133	71,632	58,224	18,112	51,660
Per cent of United States.	9.2	12.0	9.7	45.3	16.2	12.4
Ohio.....	16,965	5,859	41,657	53,811	17,077	28,907
Indiana.....	5,202	4,344	31,610	14,356	4,313	4,155
West Virginia.....	2,652	1,292	1,992	.....	.....	.....
Kentucky.....	.....	2,123	6,454	.....	.....	18,598
Tennessee.....	.....	3,515	7,173	.....	222	.....

PACKAGE CAR ROUTES AND "BREAK-BULK" POINTS.

PENNSYLVANIA RAILROAD.

[Average number daily, 70.]

East End.

Piers 4 and 5, N. R., New York.	Xenia, Ohio.
Pier 28, N. R., New York.	Pendleton Shops, Ohio.
Waverly Transfer, N. Y.	Carrell Station.
Philadelphia, Pa.	Rendcomb Junction, Ohio.
Wilkes-Barre, Pa.	Hamilton, Ohio.
Buffalo, N. Y.	Eaton, Ohio.
Pittsburgh Transfer, Pa.	Richmond, Ind.
Newark, Ohio.	Anderson, Ind.
Cleveland, Ohio.	Elwood, Ind.
Akron, Ohio.	Kokomo, Ind.
Pittsburgh, Pa.	Logansport, Ind.
Columbus Transfer.	Chicago, Ill.
Zanesville, Ohio.	Indianapolis, Ind.
Lancaster, Ohio.	Terre Haute, Ind.
Washington C. H., Ohio.	East St. Louis, Ill.
Hicks, Ohio.	Fort Wayne, Ind.
Dayton, Ohio.	Grand Rapids, Mich.
Springfield, Ohio.	

Smith Street Station.

Piers 4 and 5, N. R., New York.	Pendleton Shops, Ohio.
Pier 28, N. R., New York.	Carrell Station.
Philadelphia, Pa.	Rendcomb Junction, Ohio.
Buffalo, N. Y.	Hamilton, Ohio.
Pittsburgh Transfer, Pa.	Eaton, Ohio.
Newark, Ohio.	Richmond, Ind.
Cleveland, Ohio.	Anderson, Ind.
Akron, Ohio.	Elwood, Ind.
Pittsburgh, Pa.	Komomo, Ind.
Columbus Transfer, Ohio.	Logansport, Ind.
Zanesville, Ohio.	Chicago, Ill.
Lancaster, Ohio.	Indianapolis, Ind.
Washington C. H., Ohio.	Terre Haute, Ind.
Hicks, Ohio.	East St. Louis, Ill.
Dayton, Ohio.	Fort Wayne, Ind.
Springfield, Ohio.	Grand Rapids, Mich.
Xenia, Ohio.	

## BIG FOUR ROUTE.

[Daily package cars from Cincinnati. Average number daily, 100.]

*Central Avenue.*

Elmwood Place, Ohio.	Lawrenceburg to Aurora, Ind.
Lockland, Ohio.	Sunman, Ind.
Carthage to Lockland.	Batesville, Ind.
Sharon to Cold Springs.	Greensburg, Ind., and Mich.
Middletown, Ohio.	Div. So.
Miamsburg, Ohio.	Sandusky, Ind., to Anderson.
Franklin, Ohio.	Marion, Ind., to Elkhart.
Dayton, Ohio.	Elkhart, Ind. (all points north of
Springfield, Ohio.	Goshen).
Springfield Transfer, Ohio.	Ewington to Columbus, Ind.
Bellefontaine, Ohio.	Adams to Prescott and F. F. &
Toledo, Ohio.	M. Branch.
Junction Yards, Mich. (via To-	Shelbyville, Ind.
ledo M. C.)	Indianapolis, Ind.
Detroit, Mich.	Lafayette, Ind.
Columbus, Ohio (points be-	C. & N. W., Wood Street, Chi-
tween Columbus and Dela-	cago.
ware).	Chicago, Ill.
Cleveland, Ohio.	C. M. & St. P., Galewood Sta-
Galion, Ohio.	tion, Chicago.
L. S. & M. S. Pier House, Cleve-	Fordham Transfer, Ill.
land.	Danville, Ill., and points to
Buffalo, N. Y.	Gillum.
L. V. Ry. Transfer, E. Buffalo,	Bloomington, Ill., and points to
N. Y.	Pekin.
Rochester, N. Y., and territory.	Peoria, Ill.
East Buffalo, N. Y. (via L. S. &	Peoria, C. B. & Q. House.
M. S. to Syracuse).	Minneapolis, Minn. (via Peoria
Utica, N. Y., and North.	and Iowa Cent.)
Syracuse, N. Y. (via Lake	St. Paul, Minn. (G. & N. Ry. &
Shore).	N. P. points).
West Albany Transfer, N. Y.	Kansas City, Mo. (via Peoria and
St. Johns Park, N. Y. (deliver-	Iowa Cent.).
ies below Fourteenth Street,	Terre Haute, Ind., and stations
N. Y.)	to Vermillion.
Rotterdam Junction, N. Y..	East St. Louis, Ill.
Whitewater Park to Hagerstown.	St. Louis, Mo. (Mo. Pac., Sev-
Harrison, Ohio.	enth Street House).
Brookville, Ind.	S. S. W. House.

*Brighton Station.*

Middletown, Ohio, and points to	Toledo, Ohio, and beyond.
W. Carrollton.	Detroit, Mich., and beyond.
Dayton, Ohio, and points to west	Greensburg, Ind. (Chic. Div. to
end.	Fairland).
Springfield Transfer, Ohio.	Mich. Div. No. (Vernon to Ben-
Cleveland, Ohio.	ton Harbor).
Erie, Pa., and beyond (includ-	F. F. M. Branch and C. H. & G.
ing Buffalo).	Branch.
East Buffalo, N. Y., and points	Indianapolis, Ind.
east.	Chicago, Ill.
West Albany Transfer, N. Y.	Chicago (C. & N. W., Wood
East St. Louis.	Street Station).

*Wood Street Station.*

Cleveland, Ohio.	Delhi to Greensburg.
Springfield, Ohio.	Ewington to Columbus, Ind.
Buffalo, N. Y.	Sandusky to Benton Harbor.
East Buffalo, N. Y.	Indianapolis, Ind.
Harrison to Hagerstown.	East St. Louis, Ill.
Connersville, Ind.	Peoria, Ill.
Lawrenceburg to Aurora.	Chicago, Ill.

*Front Street, Cincinnati.*

Springfield, Ohio.	Connersville, Ind.
Cleveland, Ohio.	Lawrenceburg to Aurora, Ind.
Buffalo, N. Y.	Chicago, Ill.
East Buffalo, N. Y.	Indianapolis, Ind.
Harrison to Hagerstown.	Sandusky, Ind., to Benton Har-
	bor.

## BALTIMORE &amp; OHIO SOUTHWESTERN RAILROAD.

[Daily package cars from Cincinnati. Average number daily, 120.]

Aurora, Ind.	New Albany, Ind.
Akron, Ohio.	New Albany, Ind. (Sou. Ry.
Athens, Ohio.	Depot).
Baltimore, Md. (Camden Sta-	Newark, Ohio.
tion).	New Orleans, La. (I. C.).
Benwood, W. Va. (Fairmount,	New York, N. Y. (pier).
W. Va., way).	North Vernon, Ind. (Watson
Blanchester, Ohio.	way).
Brownstown, Ind. (Washington	Norwood, Ohio.
way).	Olney, Ill.
Brunswick, Md.	Osgood, Ind.
Chicago, Ill. (Monon Route).	Odin, Ill.
Chicago Junction, Ohio.	Paducah, Ky. (I. C. R. R.).
Chillicothe, Ohio.	Parkersburg, W. Va.
Clarksburg, W. Va.	Philadelphia, Pa.
Columbus, Ohio.	Pittsburg, Pa.
Connellsville, Pa.	Portsmouth, Ohio.
Cumminsville (E. Norwood	Rutherford Transfer (Pa. C.
way).	S. D.).
Dennison, Tex. (M. K. & T.	St. Louis, Mo. (I. M. Depot).
solid).	St. Louis, Mo. (R. I. Depot).
Dillsboro, Ind.	Sedamsville-Fleming, Ind., way.
Dundas, Ohio, and Hocking Val-	Seymour, Ind.
ley Pgh.	Springfield, Ill.
East St. Louis, Ill.	Thrifton, Ohio.
Evansville, Ind. (E. & T. H.).	Vincennes, Ind.
Flora, Ill. (East St. Louis way).	Vincennes, Ind. (for E. & T. H.).
Greenfield, Ohio.	Washington, Ind.
Hamden, Ohio (Portsmouth,	Washington C. H., Ohio.
Ohio, way).	Wheeling, W. Va.
Kansas City, Mo. (Mo. Pac.).	Wilmington, Ohio.
Lawrenceburg, Ind.	Zanesville, Ohio.
Louisville, Ky.	Jackson, Tenn.
Louisville, Ky. (I. C. Depot).	Charleston, W. Va.
Loveland, Ohio.	Grafton, W. Va.
Madisonville, Ohio.	Jackson, Ohio.
Marietta, Ohio.	Oakley-Blanchester way.
Martinsville-Musselman way.	Wellston, Ohio.
Memphis, Tenn. (I. C. R. R.).	Westboro-Hillsboro way.
Memphis Junction (I. C. R. R.).	Bridgeport, Ill.
Midland City, Ohio (Columbus	Milan, Ind.
way).	Seymour C. T. H. & S. E.
Mitchell, Ind.	Wheatland-Clay City way.

*Baltimore & Ohio (Brighton Station).*

Brunswick, Md.	Louisville, Ky. (I. C. Depot).
Chicago, Ill.	New York, N. Y.
Chicago Junction, Ohio.	Parkersburg, W. Va.
Chillicothe, Ohio.	Pittsburg, Pa.
Columbus, Ohio.	Rutherford, N. J.
Cumminsville way.	Seymour way.
East St. Louis, Ill.	Mo. Pac. House, St. Louis, Mo.
Flora, Ill.	Louisville, Ky.

## CINCINNATI, HAMILTON &amp; DAYTON RAILROAD CO.

[Daily package cars from Cincinnati. Average number daily, 60.]

Buffalo, N. Y.	Indianapolis, Ind. (West Street House).
Carthage, Ohio.	Ivorydale, Ohio.
Chicago, Ill.	Liberty, Ind.
C., H. & I., Indianapolis way.	Lima, Ohio.
College Corner, Ohio.	Lima north way.
Connersville, Ohio.	Lockland, Ohio.
Dayton, Ohio.	Miamisburg and way.
Dayton north way.	Middletown, Ohio.
Decatur, Ill.	Oxford, Ohio.
Delphos (div.).	Piqua, Ohio.
Detroit, Mich. (via Shore Line, P. M., M. C., Junction Yards for M. C., and Ottawa Yards for P. M.).	Rushville, Ind.
East Buffalo, N. Y. (D., L. & W. Depot).	Sidney, Ohio.
Elmwood Place, Ohio.	Toledo, Ohio.
Fort Wayne, Ind.	Troy, Ohio.
Glendale, Ohio.	Wellston, Ohio (div. way).
Hamilton, Ohio.	Winton Place, Ohio.
Hartwell, Ohio (Stockton Station, Jones way).	Forest Hill, Ohio.
Indianapolis, Ind.	Chicago (B. & O.).
	Louisville (B. & O.).
	Seymour (B. & O.).
	East St. Louis (B. & O.).

*Brighton Station.*

Hamilton, Ohio.	Buffalo Junction, N. Y. (via N. Y., C. & St. L.).
Dayton, Ohio.	Detroit, Mich. (via M. C.).
Toledo, Ohio.	Marion Transfer, Ohio (via Erie).
Indianapolis, Ind.	
Chicago, Ill. (via C., I. & L.).	
Columbus Transfer (via P., C., C. & St. L.).	

## CHESAPEAKE &amp; OHIO RAILROAD CO.

[Daily package cars from Cincinnati. Average number daily, 46.]

Newport News, Va., for eastern cities.	Points on the Virginia Ry. Staunton, Va., and east.
Norfolk, Va., proper, and beyond.	Talcott to Low Moor.
Richmond, Va., proper, and Carolina points (C. L. Depot).	Handley to Sand Stone.
Lynchburg, Va., proper, and Carolina points.	Guyandot to Pt. Creek Junction.
Clifton Forge, Va., and east.	Piney Creek Branch, W. Va.
Charlottesville, Va., and east.	Guyandot Valley Dist., W. Va.
Ronceverte, W. Va., proper, and points on Greenbrier Division.	Savage Branch to Theelka.
Hinton, W. Va.	Painstville to Elkhorn City.
Charleston, W. Va.	Straight Creek to Ewington.
Huntington, W. Va.	Lloyd to Russell.
Catlettsburg, Ky.	Springdale to Garrison.
Ashland, Ky.	Bellevue to Brashear, Ky.
Mount Sterling, Ky.	Greenup and Riverton, Ky.
South Portsmouth, Ky., proper, and Portsmouth, Ohio.	Manchester and Vanceburg, Ky.
Maysville, Ky.	Loup Creek Branch.
Augusta, Ky.	White Oak Branch.
Brooksville, Ky., points via Wellsburg.	Thurmond, W. Va.
	Montgomery, W. Va., proper.
	Cabin Creek Branches.
	St. Albans, W. Va., proper.
	Coal River, Ky.
	Newport, Ky.
	Covington, Ky.

## CINCINNATI, NEW ORLEANS &amp; TEXAS PACIFIC RAILROAD.

[Daily package cars from Cincinnati. Average number daily, 64.]

Algiers Transfer, La.	Augusta, Ga.
New Orleans, La.	Charlotte, N. C.
Los Angeles, Cal.	Spartanburg, S. C.
Houston, Tex.	Nashville, Tenn.
Lima, Ohio.	Kentucky, third district.
Vicksburg, Miss.	Kentucky, second district.
Hattiesburg, Miss.	Lexington, Ky.
Shreveport, La.	Somerset, Ky.
Mobile, Ala.	Dayton, Tenn.
Birmingham, Ala.	Rockwood, Tenn.
Selma, Ala.	Harriman, Tenn.
Chattanooga, Tenn.	Dry Ridge, Ky.
Central of Georgia House.	Erlanger, Ky.
W. & A. House.	Williamstown, Ky.
T. A. & G. House.	Sadieville to Greendale.
Sou. Ry. Transfer.	Midway to Lawrenceburg.
Rome, Ga.	Georgetown, Ky.
Atlanta, Ga.	Burnside, Ky.
Inman Yards Transfer, Ga.	Crittendon, Ky.
Macon, Ga.	Mason to Corinth.
Jacksonville, Fla.	F. & C.
Montgomery, Ala.	Ludlow, Ky.
Bristol, Tenn.	Moreland, Ky.
Knoxville, Tenn.	McKinney, Ky.
Spencer Transfer, Ga.	Nicholasville, Ky.
Columbia, S. C.	Danville, Ky.
Asheville, N. C.	Kentucky, fourth district.
Savannah, Ga.	

## LOUISVILLE &amp; NASHVILLE RAILROAD CO.

[Daily package cars from Cincinnati. Average number daily, 107.]

*East End Freight Depot.*

Atlanta, Ga.	Lebanon Branch (Smiths Switch to Lebanon and Greensburg Branch).
Birmingham, Ala.	Livingston, Ky.
Birmingham, Ala., for S. & M. Ala. Div.	Mobile, Ala.
Bristol, Tenn.	Memphis, Tenn.
Chattanooga, Tenn.	Montgomery, Ala.
Carrollton, Ky.	Macon, Ala.
Cincinnati (Div.)	Mobile, Ala. (New Orleans & Mobile Div.).
Cumberland Valley Division.	Montgomery, Ala. (Mobile & Montgomery Div.).
Frankfort, Ky.	Paris, Tenn.
Guthrie, Ky.	Main stem, First Division (South Louisville to Bowling Green).
Jacksonville, Fla.	Main stem, Second Division (Scottsville and Hartsville Branches).
Johnson City, Tenn., for C. C. & O. points.	Nashville, Tenn.
Juntal, Ga.	Nashville, Tenn., and beyond.
Knoxville, Tenn.	Nashville, Tenn., for N. C. & St. L. points.
Knoxville, Tenn., and South.	New Orleans, La.
Little Rock, Ark.	Roanoke, Va.
Louisville, Ky.	Savannah, Ga.
Ninth and Broadway.	Pensacola, Fla.
Water Street.	
For beyond.	
L. H. & St. L. depot.	
Shelby Branch, Bloomfield Branch.	
Lexington, Ky.	
Lexington Branch.	

*West End Freight Depot.*

Atlanta, Ga.	Louisville, Ky.
Birmingham, Ala.	Water Street.
Birmingham, Ala. (S. & M. Ala. Div.).	L. H. & St. L. House. Ninth and Broadway.
Chattanooga, Tenn.	Lexington, Ky.
Berry, Ky.	Macon, Ga.
Butler, Ky.	Memphis, Tenn.
Carlisle, Ky.	Memphis, Tenn. (Clarksville to Springdale).
Cythiana, Ky.	Montgomery, Ala.
Cumberland Valley Division (Grays to Excelsior, Middleboro to Norton).	Montgomery, Ala., Transfer.
Corbine, Ky.	Mobile, Ala.
Elizabeth, Ky.	Mobile, Ala. (New Orleans & Mobile Div.).
Falmouth, Ky.	Nashville, Tenn.
Jacksonville, Fla.	Nashville, Tenn., Transfer.
Jellico, Tenn.	Nashville, Tenn. (N. C. & St. L. House).
Johnson, Ky.	New Orleans, La.
Knoxville, Tenn.	Paris, Ky.
Knoxville, Tenn. A. & B. Air Line Ry. Woodbine to Willoughby.	Richmond, Ky. Richmond, Ky. (L. & A. points).
Kentucky Division. Maysville Branch.	Roanoka, Va.
Richmond Branch.	Savannah, Ga.
Bedford to Lily.	Winchester, Ky.
Decoursey to Talbot.	L. & E. Ry. Winchester and West. Mistletoe to Jackson. Haddix to McRoberts.
Louisville, Ky.	

**ERIE RAILROAD.**

[Daily package cars from Cincinnati. Average number daily, 9.]

Salamanca, N. Y.	Mansfield, Ohio.
Bergen Transfer.	Marion Transfer, Ohio.
New York proper.	Urbana, Ohio.
Youngstown, Ohio.	Binghamton, N. Y.
Akron, Ohio.	

**NORFOLK & WESTERN RAILROAD.**

[Daily package cars from Cincinnati. Average daily, number 23.]

New York.	Portsmouth, Ohio.
Bluefield, W. Va.	Hillsboro, Ohio.
Lynchburg, Va.	Sardinia, Ohio.
Roanoke, Va.	Williamson.
Ironton, Ohio.	

**CHESAPEAKE & OHIO OF INDIANA.**

[Daily package cars from Cincinnati. Average number daily, 9.]

Marion, Ind.	Richmond, Ind.
Muncie, Ind.	Chicago, Ill.
Peru, Ind.	C., M. & St. P. (Gatewood).

**CINCINNATI NORTHERN RAILWAY.**

[Daily package cars from Cincinnati.]

*Central Avenue.*

Lewisburg to Ohio City, Ohio.	Greenville, Ohio.
Van Wert to Lynnetts, Ind.	Jackson, Mich.
Carlisle to W. Alexandria, Ohio.	

**C. L. & N. R. R.**

[Daily package cars from Cincinnati. Average number daily, 6.]

Middletown.	Dayton.
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**CINCINNATI'S DISTRICT TRADE RELATIONS.**

**OHIO.**

[Expressed in thousands.]

Cities.	Amount.	Cities.	Amount.
Northwest—total.....	\$721	Central—Continued.	
Bradner.....	7	Delaware.....	\$39
Findlay.....	48	Lancaster.....	102
North Baltimore.....	3	London.....	6
Toledo.....	663	Marion.....	75
West-central—total.....	1,403	Marysville.....	2
Bellefontaine.....	70	Mount Vernon.....	34
Celina.....	2	Newark.....	139
Kenton.....	6	South-central—total.....	1,200
Lima.....	401	Chillicothe.....	166
Piqua.....	161	Circleville.....	10
Sidney.....	3	Hillsboro.....	18
Springfield.....	558	Ironton.....	325
Troy.....	72	Jackson.....	28
Urbana.....	76	Leesburg.....	2
Van Wert.....	54	Manchester.....	3
Southwest—total.....	3,005	Peebles.....	10
Batavia.....	1	Portsmouth.....	384
Dayton.....	1,915	Proctorville.....	3
Eaton.....	10	Sugar Tree Ridge.....	1
Feesburg.....	1	Washington Court-house.....	135
Felicity.....	1	Wellston.....	114
Georgetown.....	20	Winchester.....	2
Germantown.....	1	Northeast—total.....	3,045
Hamilton.....	550	Akron.....	281
Loveland.....	2	Alliance.....	51
Martinsville.....	5	Ashtabula.....	31
Miamisburg.....	1	Canton.....	153
Middletown.....	278	Cleveland.....	1,975
Oxford.....	2	East Liverpool.....	23
Reading.....	4	Lisbon.....	1
Ripley.....	1	Massillon.....	205
Silverton.....	4	Warren.....	87
Williamsburg.....	4	Youngstown.....	288
Wilmingon.....	83	East-central—total.....	451
Xenia.....	125	Barnesville.....	5
North-central—total.....	510	Bellaire.....	60
Ashland.....	12	Cambridge.....	112
Bucyrus.....	45	Coshocton.....	109
Elyria.....	81	Steubenville.....	85
Fostoria.....	32	Zanesville.....	86
Lorain.....	32	Southeast—total.....	320
Mansfield.....	123	Athens.....	73
Oakharbor.....	6	Caldwell.....	(1)
Sandusky.....	77	Gallipolis.....	78
Tiffin.....	42	Marietta.....	169
Central—total.....	1,333		
Bremen.....	1		
Columbus.....	936		

**INDIANA.**

Northwest—total.....	\$526	Northeast—total—Contd. <sup>1</sup>	
East Chicago.....	37	Goshen.....	\$16
Gary.....	56	Huntington.....	53
Hammond.....	4	Peru.....	36
Indiana Harbor.....	25	Wabash.....	34
Laporte.....	31	East-central—total.....	2,275
Logansport.....	88	Anderson.....	128
Michigan City.....	76	Connersville.....	124
Mishawaka.....	7	Elwood.....	128
South Bend.....	43	Indianapolis.....	975
Whiting.....	160	Kokomo.....	122
West-central—total.....	636	Marion.....	129
Attica.....	14	Muncie.....	199
Brazil.....	46	Newcastle.....	70
Cayuga.....	2	Portland.....	1
Centerpoint.....	1	Richmond.....	216
Crawfordsville.....	65	Shelbyville.....	107
Frankfort.....	20	Union City.....	53
Lafayette.....	76	Winchester.....	25
Pine Village.....	1	Southeast—total.....	958
Poland.....	1	Aurora.....	137
Terre Haute.....	410	Austin.....	8
Southwest—total.....	511	Columbus.....	77
Bloomington.....	65	Crothersville.....	2
Evansville.....	243	Greensburg.....	9
Grand View.....	20	Jeffersonville.....	145
Rockport.....	10	Lawrenceburg.....	14
Tell City.....	5	Madison.....	31
Vincennes.....	81	New Albany.....	519
Washington.....	88	North Vernon.....	11
Northeast—total.....	431	Seymour.....	13
Elkhart.....	46	Vevay.....	2
Fort Wayne.....	245	Wilmington.....	1

**WEST VIRGINIA.**

North—total.....	\$582	South—total.....	\$1,23
Clarksburg.....	145	Beury.....	1
Elkins.....	19	Bluefield.....	73
Fairmont.....	95	Charleston.....	441
Grafton.....	23	Huntington.....	557
Morgantown.....	45	Montgomery.....	(1)
Moundsville.....	40	St. Albans.....	13
New Martinsville.....	10	Welch.....	10
Parkersburg.....	78	Williamson.....	128
Point Pleasant.....	22	East—total.....	17
Wheeling.....	106	Martinsburg.....	17

<sup>1</sup> Less than \$500.

CINCINNATI'S DISTRICT TRADE RELATIONS—Continued.

DISTRIBUTION OF PACKAGE-CAR SHIPMENTS—Continued.

KENTUCKY.

Cities.	Amount.	Cities.	Amount.
Southwest—total.....	\$160	East, central—total.....	\$881
Paducah.....	160	Danville.....	4
West—total.....	380	Lebanon.....	18
Henderson.....	116	Lexington.....	523
Hopkinsville.....	89	Harrodsburg.....	5
Madisonville.....	3	Richmond.....	167
Owensboro.....	171	Winchester.....	164
Princeton.....	2	Southeast, central—total.....	11
Northwest, central—total.....	1,141	Somerset.....	11
Elizabethtown.....	13	Northeast—total.....	403
Louisville.....	1,229	Ashland.....	205
Southwest, central—total.....	102	Augusta.....	7
Bowling Green.....	102	Carlisle.....	5
Northeast, central—total.....	2,413	Catlettsburg.....	12
Carrollton.....	1	Maysville.....	175
Covington.....	793	East—total.....	9
Cynthiana.....	39	Pikeville.....	6
Dry Ridge.....	2	Prestonburg.....	3
Frankfort.....	442	Southeast—total.....	122
Newport.....	1,043	Middlesboro.....	122
Paris.....	88		

TENNESSEE.

Northwest—total.....	(1)	North east-central—total.....	20
Union City.....	(1)	Cookeville.....	20
Southwest—total.....	996	South east-central—total.....	465
Jackson.....	17	Chattanooga.....	429
Memphis.....	978	Cleveland.....	26
North west-central—total.....	649	Winchester.....	10
Clarksville.....	65	East—total.....	423
Franklin.....	3	Knoxville.....	409
Lafollette.....	20	Lenoir City.....	13
Lebanon.....	3	Marysville.....	(1)
Murfreesboro.....	71	Northeast—total.....	86
Nashville.....	488	Bristol.....	61
South west-central—total.....	55	Johnson City.....	25
Columbia.....	55		

<sup>1</sup> Less than \$500.

DISTRIBUTION OF PACKAGE-CAR SHIPMENTS.

OHIO.

Total package cars for October, 1913..... 4,328  
Total pounds shipped October, 1913..... 59,018,302

[Expressed in thousands.]

Cities.	Pounds.	Cities.	Pounds.
Northwest—total.....	2,822	Southwest—total.....	23,362
Alvordton.....	229	Addyston and beyond.....	839
Findlay.....	161	Blanchester.....	271
Toledo.....	2,432	Carthage and beyond.....	1,706
North-central—total.....	1,998	Clare and beyond.....	644
Berwick.....	31	Dayton.....	5,436
Chicago Junction.....	838	Georgetown.....	532
Galion.....	348	Germantown.....	240
Mansfield.....	312	Hamilton.....	3,693
Sandusky.....	399	Harrison.....	1,572
Shelby.....	70	Ivorydale and north.....	1,876
Northeast—total.....	6,350	Lockland and beyond.....	1,158
Akron.....	777	Loveland.....	657
Cleveland and connections.....	5,044	Midland.....	395
Youngstown.....	529	Miamisburg.....	284
West-central—total.....	6,865	Middletown.....	1,789
Bellefontaine.....	698	Norwood and beyond.....	676
Celina.....	228	Oakley.....	32
Greeneville.....	238	Sardinia.....	1,116
Lima.....	839	Shandon.....	142
Piqua.....	343	West Carrollton.....	40
Springfield.....	3,128	Xenia.....	1,284
Sidney.....	246	South-central—total.....	8,053
Troy.....	250	Chillicothe.....	1,483
Urbana.....	224	Dundas.....	482
Van Wert.....	663	Greenfield.....	657
Central—total.....	8,066	Hillsboro.....	708
Columbus.....	6,657	Ironton.....	320
Franklin.....	307	Portsmouth.....	2,517
Marion.....	895	Washington Courthouse.....	1,526
Newark.....	207	Winchester.....	1,359
East-central—total.....	330	Southeast—total.....	1,173
Valley Junction.....	25	Athens.....	443
Zanesville.....	305	Grosvenor.....	426
		Marietta.....	304

INDIANA.

Total package cars for October, 1913..... 1,927  
Total pounds shipped, October, 1913..... 23,704,796

Cities.	Pounds.	Cities.	Pound
Northwest—total.....	697	East-central—Contd.....	
Logansport.....	697	Rushville.....	74
Northeast—total.....	2,170	Shelbyville.....	290
Elkhart.....	482	Southwest—total.....	2,607
Fort Wayne.....	657	Evansville.....	757
Leesburg.....	136	Montgomery.....	238
Mitchell.....	546	Vincennes.....	946
Peru.....	349	Washington.....	666
West-central—total.....	1,293	Southeast—total.....	7,569
Crawfordsville.....	21	Batesville.....	927
La Fayette.....	618	Brookville.....	590
Terre Haute.....	655	Dillsboro and Milan.....	356
East-central—total.....	9,368	Greensburg and beyond.....	1,578
Anderson.....	319	Lawrenceburg and Aurora.....	1,591
Connorsville.....	883	North Vernon.....	1,068
Indianapolis.....	3,882	New Albany.....	385
Liberty.....	349	Seymour.....	745
Marion.....	234	Springfield.....	229
Muncie.....	950		
Richmond.....	2,382		

WEST VIRGINIA.

Total package cars for October, 1913..... 617  
Total pounds shipped, October, 1913..... 10,515,212

North—total.....	2,834	South—Continued.....	
Clarksburg.....	524	Deep Water.....	234
Grafton.....	299	Hinton.....	618
Parkersburg.....	1,330	Huntington.....	2,654
Wheeling.....	682	Quinnemont.....	380
South—total.....	7,681	Ronceverte.....	597
Bluefield.....	650	Thurmond.....	479
Charleston.....	2,070		

KENTUCKY.

Total package cars for October, 1913..... 2,504  
Total pounds shipped October, 1913..... 34,907,035

Southwest—total.....	178	East-central—total—Contd.....	
Paducah.....	178	Moberly.....	240
West—total.....	275	Nicholasville.....	186
Guthrie.....	275	Richmond.....	874
North west-central—total.....	7,090	Winchester.....	889
Louisville and beyond.....	6,731	South east-central—total.....	572
La Grange.....	141	Burnside.....	252
Elizabethtown.....	218	Stanford.....	320
South west-central—total.....	348	Northeast—total.....	5,553
Bowling Green.....	348	Ashland.....	934
North east-central—total.....	9,693	Augusta.....	459
Carrollton.....	228	Carlisle.....	374
Covington (east).....	841	Catlettsburg.....	1,418
Covington (south).....	701	Greenup.....	281
Cynthiana.....	792	Maysville.....	1,050
De Coursey.....	473	Mount Sterling.....	366
Frankfort.....	369	Vanceburg.....	343
Falmouth.....	503	Wellsburg.....	329
Georgetown.....	620	East—total.....	263
Ludlow (south).....	2,047	Jackson.....	263
Myall.....	391	Southeast—total.....	2,169
Newport (south).....	1,263	Corbin.....	1,256
Paris.....	1,466	Middlesborough.....	298
East-central—total.....	8,765	Mistletoe.....	241
Danville.....	2,323	Pineville.....	192
Lebanon.....	156	Woodbine.....	181
Lexington.....	4,097		

TENNESSEE.

Total package cars for October, 1913..... 924  
Total pounds shipped October, 1913..... 23,386,201

Northwest—total.....	4,519	East—total.....	3,900
Nashville and connections.....	4,135	Harriman.....	744
Paris.....	384	Jellico.....	147
Southwest—total.....	2,733	Knoxville.....	3,002
Jackson.....	138	Northeast—total.....	802
Memphis.....	2,595	Bristol.....	629
North west-central—total.....	228	Johnson City.....	173
Clarksville.....	228		
South east-central—total.....	3,990		
Chattanooga and connections.....	3,990		





MAILS—Continued.

Mails between Cincinnati and other cities—Continued.

Table with 4 columns: Destination, Departure, Arrival, Time. Destinations include Terre Haute, Fort Wayne, Grand Rapids, Buffalo, Pittsburgh, Atlanta, Birmingham, Memphis, and St. Louis.

MAILS—Continued.

Mails between Cincinnati and other cities—Continued.

Table with 4 columns: Destination, Departure, Arrival, Time. Destinations include Springfield, Peoria, Chicago, New York, Washington, and back to Cincinnati.

ARTICLES INCLUDED IN MONTHLY REPORT OF THE CHAMBER OF COMMERCE.

Cereals, grain, and farm products: Barley, corn, oats, rye, wheat, bran, flour, malt, malt sprouts, hay, cotton (bales), cotton seed, straw, hops, clover seed, timothy seed, other seeds, hemp, broom corn. Coal and coke: Bituminous and anthracite coal, coke. Fruits, vegetables produce, dairy products: Apples, bananas, dried fruits, green fruits, lemons, oranges, butter, butterine, eggs, potatoes, vegetables, onions, watermelons, poultry, fish, flaxseed. Groceries: Beans, candles, coffee, cheese, molasses, sugar, rice, salt, soap, sorghum, starch. Live stock and products: Cattle, hogs, sheep, horses, fresh meats, salt beef, D. S. meats (loose), D. S. meats (boxes), bacon, hams, lard, pork, hides, leather, tallow, wool. Manufactured articles: Agricultural implements, automobiles (pieces), boots and shoes, cooperage, furniture, glassware, machinery, vehicles (in cars), staves, crossties, other manufactures (pieces). Metals, building materials, oils: Lime, cement, plaster, brick, lumber, nails, oil, rosin, stone, iron pipe, scrap iron, iron and steel, pig iron, pig lead, white lead, petroleum, stearine, turpentine. Wines and liquors, tobacco: Alcohol, ale, beer, and porter, whisky, wines and liquors (barrels), wines and liquors (100 pound packages), leaf tobacco (hogsheads), leaf tobacco (cases), manufactured tobacco. Miscellaneous: Asphalt, feathers, fertilizers, grease, paper, dried grains, phosphate rock, tankage, soda ash, merchandise, bark.

## IN THE MATTER OF A FEDERAL RESERVE BANK FOR THE OHIO VALLEY.

*The reserve bank organization committee:*

GENTLEMEN: The undersigned begs leave to submit the following memorandum argument in favor of the establishment of a Federal banking district which shall include within its boundaries the Ohio Valley.

Your committee is directed under the Federal reserve act to divide the continental United States, excluding Alaska, into not less than 8 nor more than 12 districts, in each of which districts there shall be organized one Federal reserve bank. The act also prescribes "that the districts shall be apportioned with due regard to the convenience and customary course of business, and shall not necessarily be coterminous with any State or States." Without being obliged necessarily to follow State lines, the only limitation imposed upon your committee as to the boundaries of regional districts is that such districts shall be apportioned with due regard to the convenience of business and to the customary course of business.

We assume that suggestions along the line of determining the boundaries of the regional districts, based on the convenience of business and the customary course of business, will not be unwelcome.

It will clear the situation somewhat to know what is meant by "business," as used in the reserve act, before attempting to ascertain the meaning of the terms "convenience" and "customary course of business."

By the term "business," as used in the Federal reserve act, we assume no definition can be thought of that would be too broad or comprehensive. If we have read the act aright, the word "business" is practically synonymous with "commerce" and means interchange of goods, merchandise, or property of any kind; trade, traffic, more especially trade on a large scale; transportation of merchandise between different parts of the country.

The movement of the wheat and corn crop of the Northwest to tidewater; the marketing of the cotton crop of the South; the distribution of the product of the looms of the East; the delivery to the consumer of the output of the anthracite fields of the Middle States; the handling of the bituminous coal product, the iron, the lumber, and agricultural products of the Ohio Valley; the transportation of live stock from the grazing States to its market, suggest some phases of business that are to be taken into account by your committee in dividing the continental United States into regional bank districts.

Under the new dispensation in banking, each regional bank is to be the financial center of its particular district, and is to provide quick relief for financial distress in that locality. The regional banks as a whole are to be employed in financing extensive commercial enterprises of a legitimate character within their respective districts.

On the theory that the districts created by your committee may be readjusted and new districts created, not exceeding 12 in all, by the Federal Reserve Board, we venture to suggest the following division of the United States into eight regional districts:

1. The State of New York and the New England States to compose the district to be known as the New York and New England district.

2. The States of Pennsylvania, New Jersey, Delaware, Maryland, Virginia, and the District of Columbia to compose the district to be known as the Middle Atlantic district.

3. The States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, and Louisiana to compose the district to be known as the South Atlantic and Gulf district.

4. The States of Ohio, Indiana, Kentucky, West Virginia, and Tennessee to compose the district to be known as the Ohio Valley district.

5. The States of Illinois, Iowa, Michigan, Wisconsin, and Minnesota to compose the district to be known as the Great Lakes district.

6. The States of Missouri, Arkansas, Texas, Oklahoma, Kansas, and Nebraska to compose the district to be known as the lower Mississippi Valley district.

7. The States of North Dakota, South Dakota, Colorado, Wyoming, Montana, Idaho, and Washington to compose the district to be known as the Great Northern district; and,

8. The States of Oregon, California, Nevada, Utah, Arizona, and New Mexico to compose the district to be known as the Pacific coast district.

The greatest commercial development of the United States has always been for the most part between the thirty-seventh and forty-third parallels, a strip reaching from Norfolk to Rochester on the east coast and from San Francisco into southern Oregon on the west.

Of the 27 cities in the United States with a population of over 200,000 at the last census, 21 are within that 400-mile strip, viz, Boston, Providence, New York City, Jersey City, Newark, Philadelphia, Baltimore, Pittsburgh, Buffalo, Rochester, Cleveland, Detroit, Milwaukee, Indianapolis, Louisville, Cincinnati, Chicago, St. Louis, Kansas City, Denver, and San Francisco, while outside of this strip are only 2 cities to the south of it, Los Angeles and New Orleans, and 4 cities to the north of it, Minneapolis, St. Paul, Portland, and Seattle.

More striking still do we find the industrial development within the strip mentioned, when population is considered. The population of the large cities outside of this industrial belt is but one and one-half millions, while that of the 22 large cities within it is fifteen and one-half millions.

If the regional districts can be so bounded as that as many of them as possible can share in that 6° strip of territory north and south, which stretches from one ocean to the other, such a division of territory, it would seem, would conform to the direction in the reserve act to apportion the districts with due regard to the "customary course of business."

No banking system can be thoroughly efficient without the aid of a railway mail service that is tuned up to the highest point of efficiency. Every east and west trunk line of railroad, except the Northern Pacific and the Great Northern, penetrates this 6-league belt at some point or other, as it crosses the continental United States. Through and across this strip of 400 miles in width, passes nearly every navigable river in the United States. It is washed by the waters of four of the Great Lakes and receives the traffic from the fifth. The wonderful harbors of Boston, New York, Philadelphia, and Baltimore on the east, and of San Francisco on the west, attest that the development of the business of this country has, for the major part, been between east and west lines, less than 400 miles apart, from the Atlantic to the Pacific.

Under the present national banking system, the three central reserve cities, New York, Chicago, and St. Louis, and over two-thirds of the 46 other reserve cities, are to be found within this belt of commercial supremacy above referred to.

In the bounding of the eight regional districts, as hereinbefore outlined, no effort was made to divide the country into districts that were equal either in area or in the aggregate of bank capital and surplus. The language used in the Federal reserve act does not seem to contemplate a division of the country along any such lines. In the natural order of things there will be some regional districts in which the banking resources will be enormous, others in which they will be not so large. In the division which we have laid before your committee the aim has been, without creating new and strange business alliances, to allow certain sections of our country to set up for themselves, as it were, under this new banking arrangement.

Trade develops along transportation lines, rail as well as water. For instance, the commerce of what we have chosen to designate the New York and New England district is fed by the Great Lakes and the St. Lawrence on the north, by the Erie Canal, the New York Central, and the New York, New Haven & Hartford Railroads, and on the east and south by hundreds of miles of ocean front. To group the States of New York and the New England States in one great regional district for banking purposes certainly would do no violence to the language of the act, requiring divisions of territory made "with due regard to the convenience and customary course of business."

Coming now to the Middle States district, composed of Pennsylvania, Delaware, New Jersey, Maryland, Virginia, and the District of Columbia, we find it with a bit of lake commerce and the inland traffic carried on those arteries of steel, the Lackawanna, Reading, Pennsylvania, and Baltimore & Ohio Railroads, supplemented by the wonderful harbors at Philadelphia and Baltimore, ample to float the bottoms of all nations. This territory suggests naturally another great regional banking district, where gigantic commercial transactions must needs have in times of financial stress the required relief which the regional bank is expected to afford.

Passing south of the thirty-seventh parallel, we come to the third district, which we have chosen to call the South Atlantic and Gulf district, and composed of North and South Carolina, Florida, Georgia, Alabama, Mississippi, and Louisiana. This district, essentially a southern one, has the Southern Railway, the Flagler Lines, the Western & Atlantic, Alabama & Great Southern, and the Louisville & Nashville Railroads for inland carriers, and an ocean and gulf frontage from Currituck Sound to Sabine Pass, besides having the tonnage that is delivered through the Mississippi River and its tributaries. This district would probably receive through the Mississippi route a greater tonnage originating in other districts than will come from its neighbors in any other district in the United States. While not requiring banking facilities of the same magnitude as the North Atlantic districts, the South Atlantic and Gulf district has possibilities possessed by perhaps no other district in the United States, and it is safe to predict that it will be one of the great districts of the country. Pig iron is produced the year round, and if not sold promptly becomes the banker's best collateral. Thus arises a steady flow of commercial paper to be handled by the regional bank in the furnace district.

Passing for the moment the district we have designated as the Ohio Valley district, our next division of territory is that made up of the States of Illinois, Iowa, Michigan, Wisconsin, and Minnesota, which we have styled the Great Lakes district. Aside from the enormous traffic of all kinds, including iron ore and grain, originating within this district, all the east-bound tonnage that originates in the Northwest will, at some stage of the journey, before reaching destination, pay tribute to the banks in this regional district. All the railroads of the West and Northwest converge within its boundaries. A district bisected by the Mississippi as far as Cairo, and bounded on the north and east by Lakes Michigan, Superior, and Huron, the business of this section is not troubled with questions of transportation. The convenience and customary course of business in this region for the last 50 years finds expression in the magnificent

cities of Chicago, Detroit, Milwaukee, St. Paul, Minneapolis, and Duluth.

The sixth of our subdivisions embraces the States of Missouri, Kansas, Nebraska, Arkansas, Oklahoma, and Texas, and is called the lower Mississippi Valley district. If but eight districts are to be created at first, necessarily those west of the Mississippi River will be of large area and the banking centers widely separated. Until such time as the Federal Reserve Board shall see fit to increase the number, it may approve of the establishment of branch banks within these districts. The district we have outlined is, to be sure, an empire in itself as to territory, but not equal to several of the other districts in the demands that will be made upon the banks within its borders. It, more than any other district, can be classed as an agricultural and grazing section, though the oil and mineral products help materially to swell the aggregate of business done in the district. With a Gulf frontage of over 500 miles, and three States, Missouri, Kansas, and Nebraska, within the favored belt of greatest commercial activity, this territory could all of it be well served by a regional bank and possibly two branches.

Subdivision 7 embraces North and South Dakota, Colorado, Wyoming, Montana, Idaho, and Washington, to be known as the Great Northern district. Somewhere in the division of the continental United States the Rockies will have to be crossed, and in order that every district in the country shall have its water frontage, either lake or ocean, we have added the State of Washington to the mineral States of Colorado, Wyoming, and Idaho and the grain and fruit growing States of the Dakotas and Montana. The distances are so great and the business centers so widely separated that this section, like the lower Mississippi Valley district, can possibly best be served with a regional bank and two or more branches. This district has the State of Colorado and the southern part of Wyoming in the district embraced between the thirty-seventh and forty-third parallels.

We have grouped Oregon, California, Nevada, Utah, Arizona, and New Mexico in one district, to be known as the Pacific Coast district. We assume that the natural trend of business in Utah and Nevada is westward rather than eastward, and that this is likewise true of Arizona and the most of New Mexico. This territory suggests one regional bank and two or more branches.

#### **BRIEF SUBMITTED BY CHARLES A. HINSCH, PRESIDENT OF THE CINCINNATI CLEARING HOUSE.**

At a meeting of the Cincinnati Clearing House Association, held Tuesday, December 23, 1913, the representatives of the eight national banks unanimously resolved to recommend to their respective institutions to accept the terms and provisions of the Federal reserve act.

Returning now to the territory composed of the States of Ohio, Indiana, West Virginia, Kentucky, and Tennessee, we suggest to your committee that these States be created into a regional banking district, to be known as the Ohio Valley district. It touches two of the Great Lakes and thus gets its water frontage, with docks at Toledo, Cleveland, and Conneaut. It has more miles of navigable water on the Ohio, Muskingum, the two Kanawhas, Big Sandy, Kentucky, Cumberland, and Tennessee Rivers than any other district in the United States. Its natural resources, timber, marble, phosphates, coal, iron, oil, and gas are in transit every day in the year. Its manufactures are sold in every market in the world, its harvesters in Argentina and Russia, its mining machinery in the diamond fields of South Africa. Its agricultural products are unsurpassed in quality by any grown on the continent.

The Federal Government is committed to complete the improvement of the Ohio River and for its subsequent maintenance in a high state of efficiency from Pittsburgh to Cairo. No district of equal area can be created in the United States with better railroad facilities than is supplied to the Ohio Valley district by the Vanderbilt lines, Baltimore & Ohio Southwestern, Pennsylvania, Chesapeake & Ohio, Queen & Crescent, Southern, and Louisville & Nashville Railroads. Business for common carriers means business for banks. With four east-and-west lines and three practically north-and-south lines of railroad it would be hard to conceive of a region better supplied with carriers for the prompt dispatch of business, and dispatch in these days is equivalent to convenience of business.

This central area of our country, with all but the State of Tennessee between the thirty-seventh and forty-third parallels, west of the Appalachians and east of the Mississippi, occupying half the space between the Lakes and the Gulf, with a homogeneous population enlightened and progressive, with unusual natural resources, combined with enormous manufacturing wealth, and no foot of its territory over 12 hours' ride from the center of a circle that shall include the States of Ohio, Indiana, West Virginia, Kentucky, and Tennessee, would seem to suggest an ideal district within which to locate a Federal reserve bank.

Respectfully submitted.

THOMAS H. KELLEY.

CINCINNATI, *February 16, 1914.*

Believing Cincinnati to be a logical location for a Federal reserve bank, a committee of three was appointed, with full power to act, to present the claims of our city.

The first consideration of our committee was the selection of a district which would, as nearly as pos-

sible, be in harmony with the provision of the act, "That the district shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States."

As the result of our deliberations, we have outlined a district, pursuant to the expressed wishes of your honorable committee, consisting of the following States: Ohio, Indiana, West Virginia, Kentucky, and Tennessee.

As this district, without question, will be more than self-sustaining, the district could with safety be enlarged by the addition of one or more so-called cotton States, or parts thereof. This district comprises:

	Per cent.
184,640 square miles.....	5
13,161,000 population.....	13
1,009 national banks.....	14
2,551 State banks.....	13
\$384,365,000 combined capital and surplus.....	10
\$1,716,234,000 combined deposits.....	8

(See Exhibits A, B, and C.)

The following facts were potent factors in the selection of the district:

First. A Federal reserve bank composed of only the national banks in the district would be possible, having a capital of \$11,758,000; deposits of \$42,536,000; issue of Federal reserve notes, \$29,395,000; loans of \$57,044,000. This does not include additional United States deposits authorized by the Federal reserve act. Including the State banks of the district, a bank would be possible having a capital of \$23,062,000; deposits of \$88,213,000; issue of Federal reserve notes, \$57,657,000; loans of \$115,000,000. In our calculations we have not eliminated the State banks ineligible on account of not having sufficient capital.

Second. This section would, without question, be self-sustaining, incident to the evenly distributed demand for credit, during the several seasons of the year.

Third. It would be a well-balanced district, on account of the diversity of agricultural products, wheat, corn, oats, tobacco, hemp, with possibly some cotton and naval stores. Its production of raw materials, coal, iron, wood, etc., encourage a wide and varied production of manufactured products.

We respectfully recommend and request your honorable committee to locate a Federal reserve bank in Cincinnati, for the following reasons:

First. Twenty railroads radiate from Cincinnati, north, south, east, and west, rendering it possible to reach Cincinnati by rail from any city in the district, within a maximum of, say, 10 hours. Mail or currency can be sent to or from Cincinnati in one night's run.

Cincinnati has the distinction of having constructed the Cincinnati Southern Railway, extending from Cincinnati to Chattanooga, a distance of 338 miles. This property is still owned by the city, and leased to

the Cincinnati, New Orleans & Texas Pacific Railway, and is the most valuable asset of our city.

Our excellent telegraph and telephone service facilitates the speedy shipment of currency, transfer of funds, and credits.

Second. Cincinnati is the nearest large city to the center of population, the population of the metropolitan district of Cincinnati being nearly 600,000. Twenty million people reside within a radius of 300 miles.

Third. Cincinnati is neither a northern nor a southern city; is located near the border of three great States—Ohio, Indiana, and Kentucky.

Fourth. In the establishment of the subtreasury in Cincinnati the Government recognized the geographical and strategical relation of the city to the density of population, and the industrial and agricultural activity of the district.

Fifth. Cincinnati is a reserve city and the commercial center of the district selected by our committee, and banks located in substantially every county in the district maintain business relations with this city, many of whom have expressed in writing a preference for the location of a Federal reserve bank in Cincinnati, stating that the natural trend of their business is toward this city; the detailed responses will be submitted in the general brief.

The knowledge of the needs and credits of the district, predicated upon the close personal contact of the banks of Cincinnati with their correspondents throughout the territory, would be available and of great value to the Federal reserve bank.

Cincinnati is normally an easy money market, and it is seldom that any of the banks in this city show either a bills-payable account or bills rediscounted. The banks of this city have given a good account of of themselves during the several financial crises which have swept the country, and the disposition, ability, and courage shown by Cincinnati banks in extending aid to their correspondents in times of financial stress account to a large extent for their loyalty to this city and of their desire for a continuation of the relations which have existed in the past.

The banks of Cincinnati shipped \$15,754,000 currency to their correspondents in Ohio, Indiana, West Virginia, Kentucky, and Tennessee from August to December, inclusive, in the year 1907, most of which was shipped during the months of October and November, the extreme period of the currency panic. This does not include currency delivered direct to the representatives of our correspondents. (See Exhibit D.)

On January 13, 1914, the national banks of Cincinnati had deposits from other banks of \$31,501,412, due largely to banks located in this district.

These deposits are the result of years of personal effort and close attention to the interests of their

patrons, and not due to the extension of abnormal terms in an effort to attract balances from their legitimate channels.

Sixth. The combined resources of the national banks of Cincinnati are the largest of any city in the proposed district.

They had on January 13, 1914, capital, surplus, and profits of \$23,164,000, and deposits of \$75,900,000.

The national and State banks combined had capital, surplus, and profits of \$34,922,000, and deposits of \$135,314,000. (See Exhibit E.)

The clearing-house banks of Cincinnati were recently allotted \$1,500,000 crop-moving money by the honorable Secretary of the Treasury. As we did not need it we waived our rights to same, thus rendering the funds available to other sections.

This is a further evidence of the stability of this district.

The shipment of currency by the banks of Cincinnati to their correspondents in the proposed district during the year 1913 amounted to \$45,000,000, and during the same period loans to correspondents were extended at reasonable rates, in harmony with the balances maintained.

In the exchange operations between the large money centers, exchange rates in this city are not subject to violent fluctuations, and exchange is furnished to correspondents practically at par at all seasons of the year.

Seventh. The bank clearings of Cincinnati are the largest in the district, the total for the year being \$119,433,000. (See Exhibit G.)

Eighth. With the completion by the Government of the series of locks and dams now under construction in the Ohio River Cincinnati will enjoy a 9-foot stage of water the year round, from Pittsburgh to the Gulf of Mexico, thus insuring the lowest possible transportation rates for all of the Ohio Valley. (See Exhibit H.)

Ninth. The internal-revenue collections of this district amounted last year to \$10,102,646.

Tenth. The post office of Cincinnati is one of the most important in the country, our receipts having increased from \$1,241,000 in 1900 to \$2,715,000 in 1913.

Under the provisions of the Vreeland-Aldrich bill the clearing house banks of Cincinnati formed the National Currency Association of Cincinnati, embracing 11 counties in Ohio, 5 counties in Kentucky, and 3 counties in Indiana; a total membership of 37 banks, the largest membership in the country under the act, with combined capital and surplus of \$26,634,000.

We have every confidence in our ability to prove our case, and trust that when all the facts and evidence are presented to you your verdict will be favorable to us for the establishment of a Federal reserve bank in Cincinnati.

## EXHIBIT A.

	National banks.	State banks.
Ohio.....	382	754
Indiana.....	256	693
Kentucky.....	146	473
Tennessee.....	108	434
West Virginia.....	117	197
Total.....	1,000	2,551

## EXHIBIT B.

	Square miles.	Population.
Ohio.....	41,080	4,767,000
Indiana.....	36,350	2,700,000
West Virginia.....	24,780	1,221,000
Kentucky.....	40,400	2,289,000
Tennessee.....	42,050	2,184,000
Total.....	184,640	13,161,000

## EXHIBIT C.

## NATIONAL BANKS.

[National-bank figures as of call of the Comptroller for Oct. 21, 1913.]

	Number.	Capital and surplus.	Deposits.
United States.....	7,509	\$1,785,704,000	\$8,344,781,000
District.....	1,006	195,972,000	800,691,000
Ohio.....	380	93,918,000	407,386,000
Indiana.....	256	40,827,000	171,676,000
West Virginia.....	116	16,593,000	64,486,000
Kentucky.....	145	25,867,000	78,849,000
Tennessee.....	109	18,769,000	78,294,000

## STATE BANKS.

	Number.	Capital and surplus.	Deposits.
United States.....	21,625	\$1,902,604,000	\$12,121,455,000
District.....	2,551	188,393,000	913,543,000
Ohio.....	754	80,883,000	499,863,000
Indiana.....	693	40,459,000	187,165,000
West Virginia.....	197	19,426,000	68,664,000
Kentucky.....	473	25,326,000	78,594,000
Tennessee.....	434	22,499,000	79,267,000

## TOTALS.

	Number.	Capital and surplus.	Deposits.
United States.....	29,134	\$3,688,308,000	\$20,466,236,000
District.....	3,557	384,365,000	1,714,234,000
Ohio.....	1,134	174,599,000	907,249,000
Indiana.....	949	81,286,000	358,841,000
West Virginia.....	313	36,019,000	133,150,000
Kentucky.....	618	51,193,000	157,443,000
Tennessee.....	543	41,268,000	157,551,000

## BASED ON NATIONAL BANKS—REGIONAL BANK.

Capital.....	\$11,758,000
Deposits <sup>1</sup> .....	42,536,049
Loans <sup>2</sup> .....	54,294,049
Notes <sup>3</sup> .....	29,395,000

<sup>1</sup> Does not include United States deposit authorized by Federal reserve act.  
<sup>2</sup> Represents 65 per cent of deposits, and amount of possible note issue.  
<sup>3</sup> Predicated on capital only, being paid in gold, and based on 40 per cent gold reserve.

## EXHIBIT D.

1907.

West Virginia:	
August.....	\$255,000
September.....	221,000
October.....	417,000
November.....	261,000
December.....	67,000
	<u>\$1,221,000</u>

Indiana:	
August.....	\$1,054,000
September.....	709,000
October.....	989,000
November.....	886,000
December.....	324,000
	<hr/>
Kentucky:	\$3,962,000
August.....	475,000
September.....	562,000
October.....	787,000
November.....	1,248,000
December.....	403,000
	<hr/>
Ohio:	3,475,000
August.....	1,154,000
September.....	1,308,000
October.....	1,763,000
November.....	1,217,000
December.....	654,000
	<hr/>
	6,096,000
	14,754,000
Tennessee....	1,000,000
	<hr/>
	15,754,000

## EXHIBIT E.

JANUARY 13, 1914.

	Capital.	Surplus and undivided profits.	Deposits.
National banks.....	\$13,900,000	\$9,264,093	\$75,900,559
Clearing-house banks.....	17,275,000	14,818,446	117,864,490
Clearing house and nonmembers.....	18,986,800	15,936,041	135,314,517

## EXHIBIT G.

Cincinnati.....	\$119,433,000	Memphis.....	\$51,026,000
Cleveland.....	109,125,000	Chattanooga.....	11,223,000
Indianapolis.....	36,675,000	Nashville.....	36,861,000
Columbus.....	28,988,000	Knoxville.....	7,733,000
Toledo.....	26,353,000	Lexington.....	4,237,000
Louisville.....	69,622,000		

### MEMORANDUM FILED BY GEORGE F. DIETERLE, PRESIDENT OF THE CINCINNATI CHAMBER OF COMMERCE AND MERCHANTS' EXCHANGE.

#### A.—THE NATURAL TREND OF COMMERCE IS THROUGH THE OHIO VALLEY.

Scientists have drawn a logical map of what preceded the advent of man in these parts. I submit Exhibit No. 1, a map of preglacial period (Howe's Historical Collection of Ohio, vol. 1, p. 741), showing that an ice dam at Cincinnati had created a wide lake, extending eastwardly for 400 miles, covering the lowlands of the Ohio Valley. It varied in width as the lake pushed its area up the valleys of the Licking, Big Sandy, the Kanawha, the Allegheny and Monongahela, the Muskingum, Sciota, and the two Miamis, and White Water Rivers, containing, as it were, twice the area now occupied by Lake Erie. The waters receded, leaving fertile valleys; vegetation flourished, and forests were almost impenetrable.

The mound builder came, selecting this valley for this abode, because nature was bountiful; and traces of his early habitation are still manifest in the Serpent Mound (just southeast of Hillsboro, Ohio), Fort Ancient (just north of Morrow, Ohio), and minor mounds within Cincinnati. The more savage and warlike tribe of Indians drove these peaceful dwellers from their selected abode, and in due course the white pioneer sought his way along these same lines of least resistance.

The banks of the Ohio made an easy trail; log rafting an easy method of navigation, and God's country on both sides of the beautiful river offered the necessities of life. And it seems only natural that following these primitive steps, the establishing of trading posts along the line of the river should be the next step. Fort Pitt, Fort Hamer, Limestone, Losantiville (Cincinnati), Louisville, and Old Vincennes mark the path and progress of civilization and commerce.

Rafting was followed by barge transportation, and as early as 1816 the steamer *New Orleans* was built at Pittsburgh, only nine years after Fulton completed the *Clermont* on the Hudson.

Steamboating opened for Cincinnati a quick rise in population, commerce, and importance. It became the source of supply to the lower Mississippi, and many a house in Cincinnati to-day owes its importance to the quarterly and half-yearly trips of the boats laden with boots and shoes, clothing for men and dress goods for women, manufactured tobacco and flour, furniture, and whisky, which they sent to southern markets. These boats came back laden with sugar, cotton, molasses, rice, southern fruit, and tobacco.

The westward trend of population likewise seems to have followed the lines of least resistance pursued by the savage and the pioneer, and cheap transportation offered by river navigation.

A map is here furnished (marked "Exhibit B"), showing the moving westward of the center of population with each decennial census. (Abstract of the Thirteenth Census population as taken 1910, p. 31.)

Cincinnati is located 39° 4' north latitude. For 120 years the center of population of the United States has moved along the thirty-ninth degree of latitude, with a few minutes on one side or the other of said thirty-ninth degree meridian.

- 1790.—Forty miles east of Baltimore.
- 1800.—Twenty-five miles west of Baltimore.
- 1810.—Fifty miles northwest of Washington.
- 1820.—One hundred miles west of Washington.
- 1830. One hundred and forty miles west of Washington.
- 1840. Twenty-five miles south of Clarkesburg.
- 1850. Twenty-five miles southeast of Parkersburg.
- 1860. Twenty-five miles south of Chillicothe.
- 1870. One hundred miles east of Cincinnati.
- 1880. At Cincinnati.
- 1890. Fifty miles west of Cincinnati.
- 1900. At Columbus, Ind.
- 1910. Forty miles east of Bloomington.



Calling your attention to the close adhesion with which the center of population follows the thirty-ninth degree of latitude. Assuming from this that a zone created by using as a center a city located in the line along which this center of population has traversed these many years, you can use any radius which your committee thinks proper, and not fail to get and serve a greater number of people within that zone than if the same radius was applied to any point away from the line traversed by the center of population in its westward course.

In this same map you will find marked the center of manufactures, as given in the 1900 decennial census. (The center of manufacture for the 1910 census has not yet been published.) It seems natural that the location of factories will influence and have a direct bearing upon density of population. The predominance of agriculture in the South, while manufacturing predominates the North, pulls the center of population along a more southern path. Both centers, however, are within the advantages offered geographically by Cincinnati.

An analysis of the 1910 census shows a population living within different radiuses of Cincinnati to be:

Within 100 miles.....	2, 793, 187
Within 200 miles.....	8, 678, 526
Within 300 miles.....	20, 880, 946
Within 400 miles.....	30, 901, 518
Within 500 miles.....	42, 939, 812
Within 600 miles.....	62, 415, 102

It will be seen that more than 20 per cent of the population of the United States is within 300 miles of Cincinnati, and nearly three-fourths of the people of the country live within 600 miles.

The canalizing of the Ohio River, at a total expense estimated to be approximately \$63,000,000; the United States Government is building locks and dams which within 10 years assure a 9-foot stage of water from Pittsburgh to Cairo. This will rehabilitate water navigation and the Ohio Valley will again come into the position it occupied prior to the coming of rail transportation. As a feeder to the Panama Canal the commerce of the Ohio Valley will be increased manifold. And should your committee select Cincinnati as the center of the zone to be covered by a regional bank, you will be placing within that zone the Ohio Valley and the natural course of commerce, the center of population, and the center of manufacturing. You will, in fact, be serving the farmer at his plow in our State and the South; the mechanic at the forge and at his bench; the miner of coal in Ohio, West Virginia, and Kentucky; and the greatest number of people of diversified occupation you can find within any zone you may seek to create.

#### B.—CONFIDENCE OF THE PEOPLE IN CINCINNATI BANKS.

Banking is so closely connected with trading and commerce, that, in the case of Cincinnati, banking

almost preceded the opportunities of trade. The first bank west of the Allegheny was founded in 1803. The charter of the Miami Export Co. explained its purpose to be "to try to develop facilities for shipping goods" and "to do a conventional banking business."

In 1814 Cincinnati had three banks to "facilitate the shipping of goods." And in 1914 Cincinnati has 8 national banks and 30 State banks and trust companies, with bank capital, \$19,673,400; bank deposits, \$130,168,021; bank resources, \$184,243,857; bank clearings, 1900, \$795,503,000; 1912, \$1,369,215,000. Post-office receipts, 1900, \$1,291,088; 1912, \$2,621-186.90.

Each and all still "facilitating the shipping of goods," aiding the farmer, the miner, the manufacturer, to bring his products to sale, and enabling all of them to pay millions of dollars in operating expenses, including an average weekly pay roll of \$1,000,000.

Cincinnati has stood the test of the financial stringencies which have come over the land, and Cincinnati passed through the panics of 1873, 1893, and 1907 without any dire effects. Conservative banking, combined with the cordial cooperation of the banks with each other through the excellent clearing-house association of Cincinnati, has enabled Cincinnati to weather the storms which some other cities, less favorably situated, have found more difficult to overcome.

No pay roll in this city has been defaulted, and our people have the utmost confidence in Cincinnati's financial institutions.

The population of Cincinnati is largely foreign or of foreign parentage. We particularly are proud of the great number of Germans in our midst. They have added to Cincinnati not only artistic temperament and mechanical skill, but have instilled into Cincinnati the spirit of economy and thrift. Savings deposited in building associations and savings banks has made Cincinnati a city of homes, owned by those who live therein. We are rated conservative. While Cincinnati has had a natural increase, it has never had a boom. The diversified occupation of its people has made it less susceptible to depressions; and the confidence, good will, and desire to do business with our banks finds reciprocal relations with banks located far and wide.

Cincinnati is a reserve city under the national-bank act. It has a Subtreasury of the United States. It is the main collection office of a United States internal-revenue district. It is the seat of district and appellate United States courts. And to all of which a regional bank would occupy Government and reciprocal relations.

#### C.—RECIPROCAL RELATIONS WITH THE SOUTH.

The early exchange of products with the South built up reciprocal relations, with so many tender ties that no city in the North was so severely touched and

so sorely tried by the events of the late fifties, and by the war itself, like Cincinnati. The known hospitable nature of the southerner would preclude the thought that business is business and all dollars, without sentiment. The direct visit of our business men to these southern markets and homes established many warm friendships—friendships that even war could not turn into hatred. A decade of hesitation and separation made the desire for a reunion and continuance of old ties all the more wished for. As Cincinnati's commerce moved by the river it was confined to the Southwest, principally reaching Cairo, Memphis, Vicksburg, Natchez, and New Orleans. To reach the central-south and the southeast was a wish that reached a crystallized form when, in 1836, Cincinnati business men resolved to build a railroad directly south from Cincinnati, and backed the thought up by a subscription list, pledging \$1,000,000 to the project. That night every house in Cincinnati illuminated its windows with many candle lights in jubilation over the new benefits so fondly hoped for. Later in that same year a strong delegation from Cincinnati attended the "Great Southwestern Railroad Convention" at Knoxville, presided over by Gov. Hayne, of South Carolina. The convention was attended by representatives from nearly all Southern States. The enthusiasm was great, and it did look as if a railroad from Cincinnati to Charleston would be built without loss of time. The financial crash of 1837, however, stopped all plans. Ten years of exploitation followed. Local capital had built the Little Miami Railroad (now owned by the Pennsylvania) to the east and the Cincinnati, Hamilton & Dayton Railroad to the north. Ten years of political unrest followed, and then the war. The necessities of a railroad to make Cincinnati the gateway to the South were still as apparent as in 1836. The constitution of Ohio, adopted in 1851, prohibited any municipality to give a bonus for the building of a railroad. However, E. A. Ferguson, a rising, determined young lawyer, advanced the thought that Cincinnati build and own the railroad and forced this thought into an enactment of the Ohio Legislature, which was confirmed by city council and accepted by the people of Cincinnati in a referendum vote submitted on the 20th of June, 1869. The road was built, taking 10 years in construction. It cost a little over \$23,000,000, and is 336 miles long—reaching directly south from Cincinnati to Chattanooga. It is under lease to the Cincinnati, New Orleans & Texas Pacific Railroad and part of its grand system; reaching the cream of the South and bringing to Cincinnati not only the advantage of trade to and with the South, but fostering the ties of friendship between us and the South, for which our forefathers so fondly prayed in 1836.

In the renewal of lease, which runs for 60 years from 1901, the city is receiving now an annual rental of over \$1,000,000, an excellent return on the capital invested, which in itself has been like bread cast upon the water, to be returned after many days. This monetary consideration, however, is small when compared to the real benefit that Cincinnati has in the close trade ties with the new South and its progressive people.

When in 1880 the Cincinnati Southern Railway was ready for traffic, the business men of Cincinnati invited the merchants of Kentucky, Tennessee, Alabama, Virginia, North and South Carolina, Georgia, Florida, Louisiana, and Mississippi to join with them in the dedicatory exercises as Cincinnati's guests. A banquet in Music Hall was part of the program, and 3,000 men sat down and broke bread. The banquet was to go down into history as one of the memorable events in the history of Cincinnati; not because this feast excelled in food, drink, or oratory, but because of an unexpected incident, which followed when the band struck up Dixie, and every mother's son of the South got up and yelled. The tune changed into the Star Spangled Banner, and it has always been conceded that the mentioned sons of the South cheered louder and longer than their northern hosts. With this reference it must not be overlooked that the "bloody shirt" was still being waved in political campaigns for political purposes. Yet to-day we glory in the fact that Confederate and Union veterans attend each other's reunions, and decorate the graves of each other's heroes.

Your honorable committee, we claim the friendship of the South, and believe that Cincinnati is logically in a position to take care of the business of such part of the South that your committee will put into the zone which you will create, having Cincinnati as its center.

We claim for Cincinnati that we are the most northern city of the South and we are the most southern city of the North, and occupy the indisputable geographical position of being nearest to the national trend of commerce through the Ohio Valley. Cincinnati is on the direct line of march of the United States, over which the center of population has pushed westward for more than a hundred years.

#### CINCINNATI AS A MANUFACTURING CENTER OF MANY DIVERSIFIED INDUSTRIES.

The transition from merchandising in agricultural products into a big manufacturing center was a gradual evolution, made possible by the marvelous growth and expanding needs of our country.

Cincinnati is located within easy reach of the good and cheap coal of four States—Ohio, Pennsylvania,

West Virginia, and Kentucky. Pine wood to its north, hard wood to its south, limestone at its own door, it needed only mechanical skilled labor to put these natural advantages to work. From its very beginning, Cincinnati counted among its citizens men of unlimited civic devotion, personal skill, and commercial daring. Martin Baum did not hesitate to send to Bavaria for chemists, and the first Nicholas Longworth only exercised keen business foresight when he brought vintners from the Rhine to cultivate the Catawba grape on our hillsides.

Cincinnati benefited by the first influx of foreign emigration in 1836, and these dwellers in Cincinnati brought to Cincinnati the second influx in 1848, when the flower of Germany lost in its struggle for liberty, and they sought in this country the liberty for which they fought and lost in their own.

The rapid strides of Cincinnati in manufacture, the sciences, music, and art were made possible because of the new spirit which came to Cincinnati through these people.

The large number of substantial kinds of manufacturing and the absence of great predominance of any one such kind is shown in the following table. The first column of figures represents the percentage which the total value of the products of the largest single kind of manufacturing is to the total manufactured products of the metropolitan center of Cincinnati (1910 census). The second column shows the percentage which the three largest kinds together is of the total of all manufactured products. The third column shows the percentage of the six largest kinds. The fourth column shows the number of kinds of manufacturing according to the United States census, the value of whose products is at least one-half of 1 per cent of the total value of manufactured products:

	Largest.	Three largest.	Six largest.	Number of kinds one-half of 1 per cent and larger.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	
Cincinnati.....	10.0	24.5	39.8	27
Cleveland.....	13.6	34.7	48.7	23
St. Louis.....	19.0	32.6	43.5	27
Detroit.....	22.1	33.7	47.3	22
Minneapolis and St. Paul.....	32.2	45.7	59.0	21
Pittsburgh.....	40.9	64.8	73.7	13

From this it will be observed that while the largest kind of industry in Cincinnati manufactures only 10 per cent of the total value of its products, in Cleveland, St. Louis, Detroit, Minneapolis, and St. Paul, and Pittsburgh, the single largest kind of industry represents from 13.6 per cent to 40.9 per cent of the total products of manufactures in these cities. This also shows a greater predominance of a single kind of industry in all of these cities than in Cincinnati.

The percentage of the three largest kinds in Cincinnati is 24.5 per cent, while in other cities it ranges from 32.6 per cent to 64.8 per cent.

For the six largest industries Cincinnati's figures are 39.8 per cent, while with the other cities it runs from 43.5 per cent to 73.7 per cent.

In Cincinnati we have 27 kinds of industry, the products of each of which is at least one-half of 1 per cent of the total products of manufacture, while with other cities large industry is concentrated among a few kinds, as shown in the fourth column of the above table.

Attached is a schedule showing the value of the products of the 27 industries in Cincinnati of one-half of 1 per cent or more of the total:

Total—all industries.....	\$260,399,619
Foundry and machine shop products.....	26,186,468
Slaughtering and meat products.....	19,922,614
Clothing, men's, including shirts.....	17,646,324
Boots and shoes, including cut stock and findings....	14,998,672
Printing and publishing.....	13,998,611
Liquors, malt.....	11,016,171
Liquors, distilled.....	8,744,761
Carriages, wagons, and materials.....	8,157,665
Lumber and timber products.....	7,401,558
Bread and other bakery products.....	5,691,232
Furniture and refrigerators.....	5,646,030
Tobacco manufacture.....	5,496,839
Leather, tanned, curried and finished.....	5,058,920
Copper, tin and sheet iron products.....	4,470,093
Paint and varnish.....	3,879,810
Clothing, women's.....	2,912,862
Stoves and furnaces.....	2,324,950
Coffee and spice, washing and grinding.....	2,110,024
Confectionery.....	2,029,075
Cars and general shop construction and repairs by steam railroad companies.....	1,969,014
Ink, printing.....	1,884,894
Musical instruments.....	1,752,617
Fertilizers.....	1,675,679
Flour-mill and gristmill products.....	1,635,493
Leather goods.....	1,518,778
Safes and vaults.....	1,401,157
Patent medicines, drugs, and preparations.....	1,293,009

#### FORCEFUL FACTS ABOUT CINCINNATI.

Center of market, being within 24 hours of 76,000,000 people.

The largest center of hardwood lumber in the world.

Only city in the United States owning a steam railroad.

Leads the world in the manufacture and quality of machine tools.

Leads the world in the manufacture of woodworking machinery.

Produces more soap than any other city in the United States.

Has the largest and most complete bottle factory in the world.

Leads the world in the manufacture of prisons and ornamental iron.

Has the largest office-furniture factory in the world.

Center of the largest soft-coal producing fields in the world.

Has the largest tannery under one roof in the world.

Has the largest trunk factory in the United States.

Ranks first also in the manufacture of acids, book-cases, field musical instruments, playing cards, printing inks, laundry machinery.

Has a greater variety of factories than any other city in the country.

Ranks third in the manufacture of "tailor to the trade" clothing.

Greatest lithographing center in the United States.

First compressed yeast factory in the United States, which factory to-day distributes 90 per cent of all the compressed yeast made in this country.

Ranks second in the production of women's cloaks and men's caps.

Leading market in the country for medium-priced clothing.

Leads in the export of special pianos built in special designs for tropical and other countries.

Center of the greatest carriage district in the country.

Largest distributing center for whisky in the world.

Leads in the production of cigar boxes.

Is a leading shoe-manufacturing center.

Ranks third in the manufacture of electrical machinery.

Makes more playing cards than any other city in the world.

Has the largest leather supply house and the largest harness factory.

Has the second largest factory in the world for the manufacture of baseballs and baseball supplies.

The variety of substantial manufacturing groups represented here; the variety of kinds of trade; the

conservatism of the population; the soundness and conservatism of the banks; and the absence of the mushroom growth of the city all make Cincinnati one of the last places to feel hard times, or to have its financial affairs seriously affected by failure or disaster of one kind of crop or of one line of industry.

#### CONCLUSION.

The Cincinnati Chamber of Commerce respectfully asks that your committee consider the facts represented by the several captions of this memorandum, viz:

A. The trend of commerce is through the Ohio Valley.

B. The confidence of the people in Cincinnati banks.

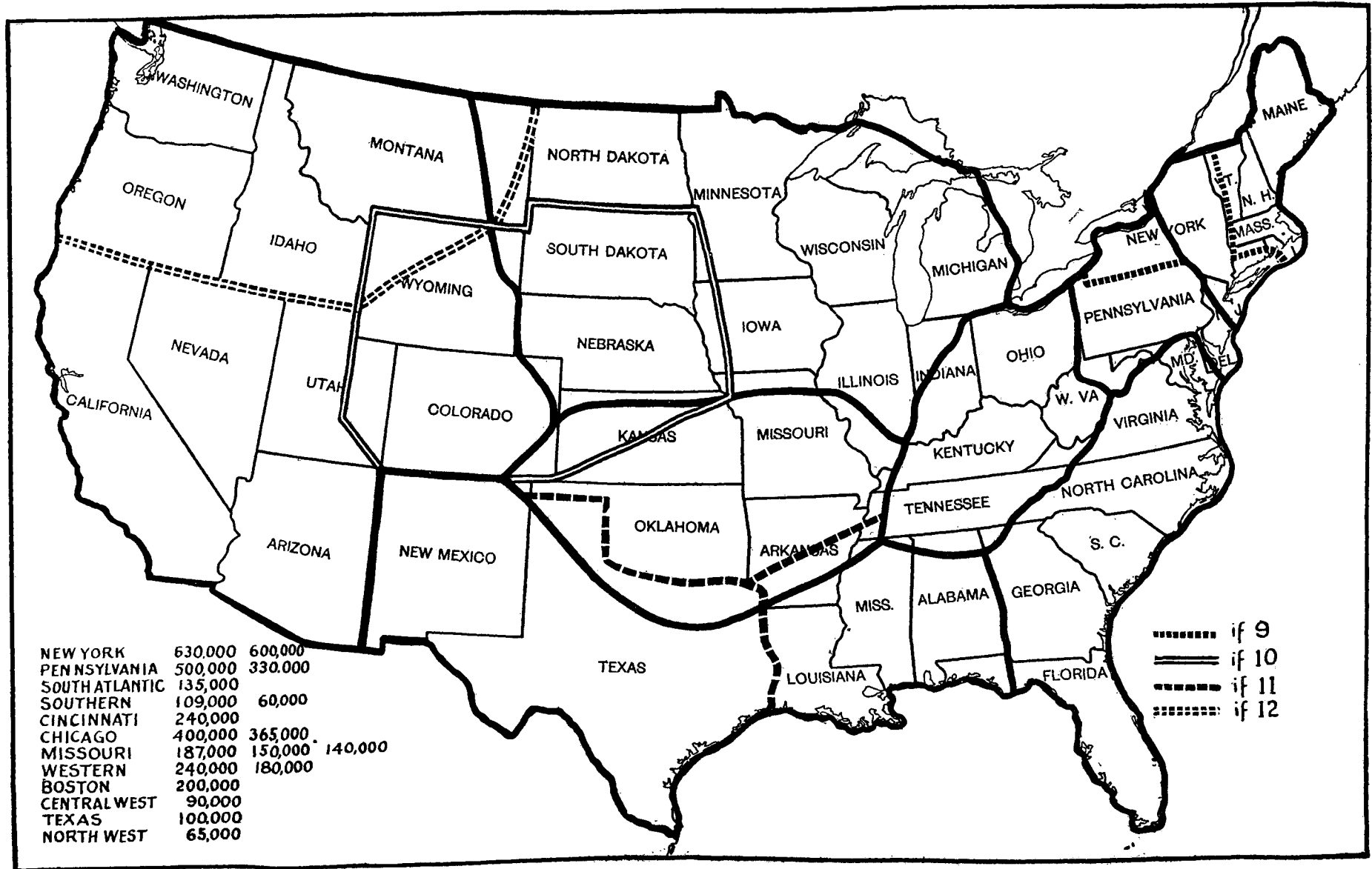
C. Our reciprocal relations with the South.

D. Cincinnati as a manufacturing center of many diversified industries.

It had been our intention of presenting these in pyramid form, each caption to be a block of granite, all completing the structure. We had intended to rest this pyramid upon a solid foundation, made up of their careful consideration by your committee, cemented, as it were, by your feeling of good will.

We will eliminate the picture we had so beautifully drawn, and close by offering to you our prayers that whatever your conclusion be that you will disappoint but few and satisfy many. We hope that the 600,000 people making up metropolitan Cincinnati, and their millions of friends—south, north, east, and west—may be among the many whom your honorable committee will please.

CINCINNATI, OHIO.



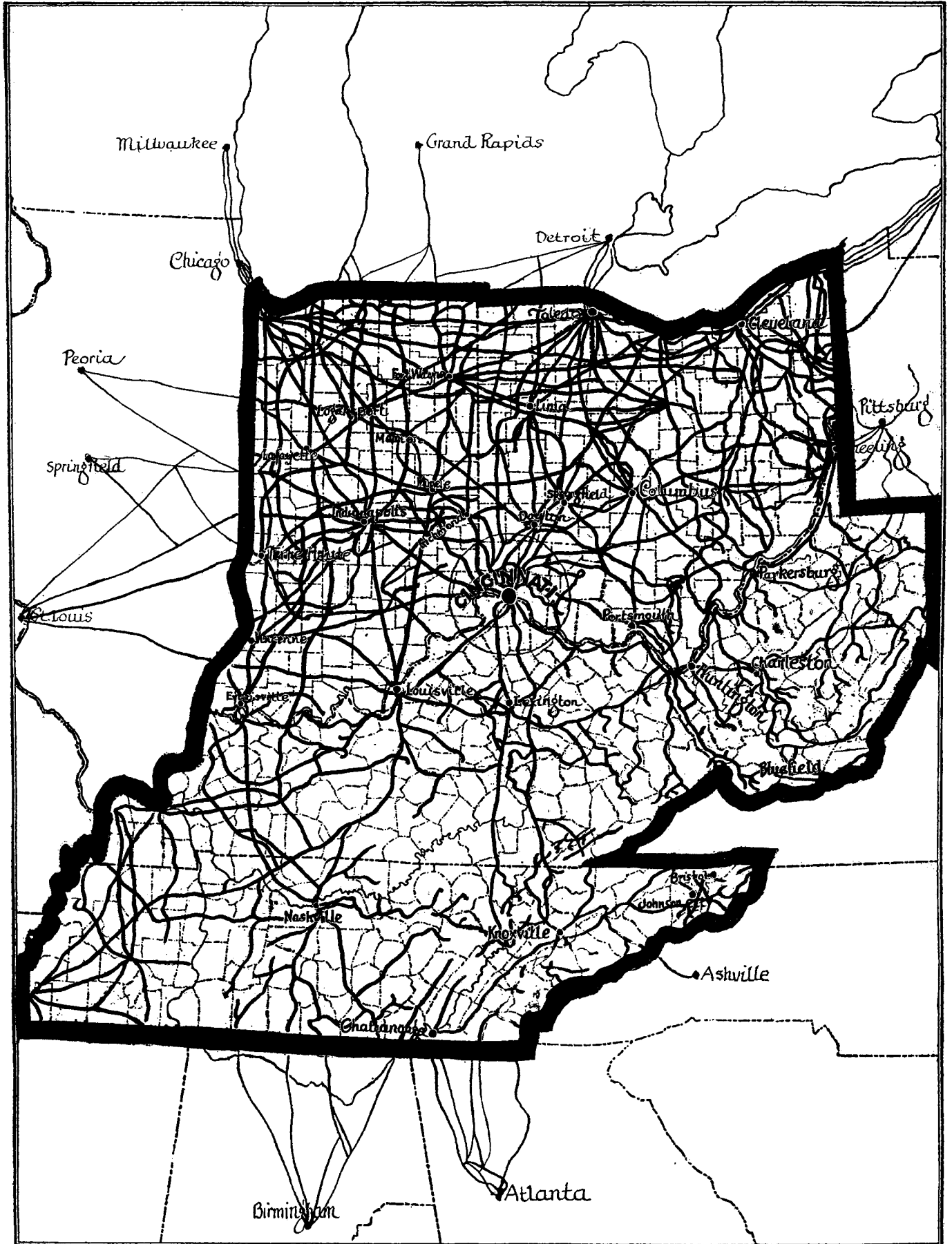
LOCATION OF RESERVE DISTRICTS.

CINCINNATI, OHIO.

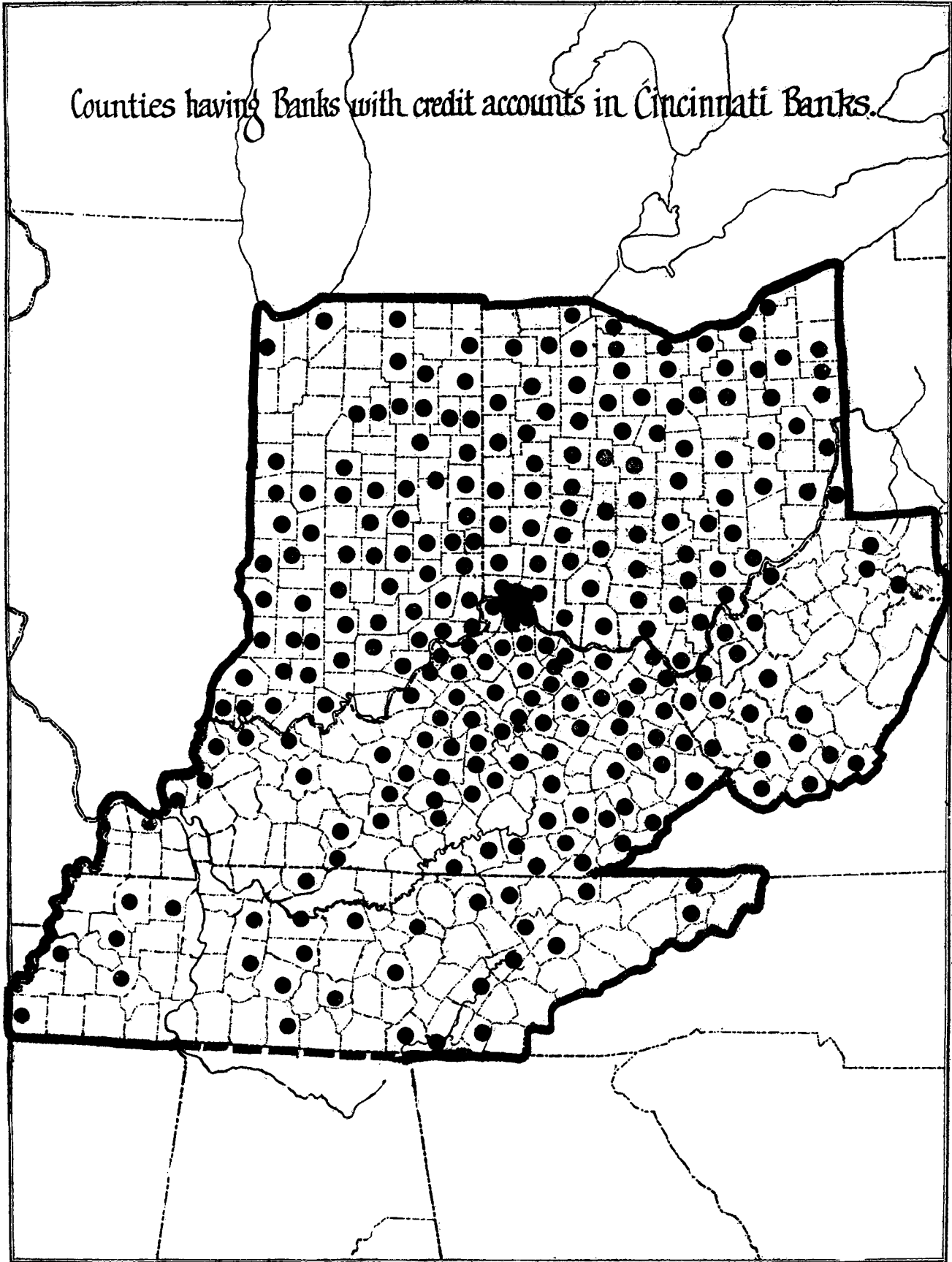


BANK DIRECTORY, 1913. BANKING. 3.

CINCINNATI, OHIO.

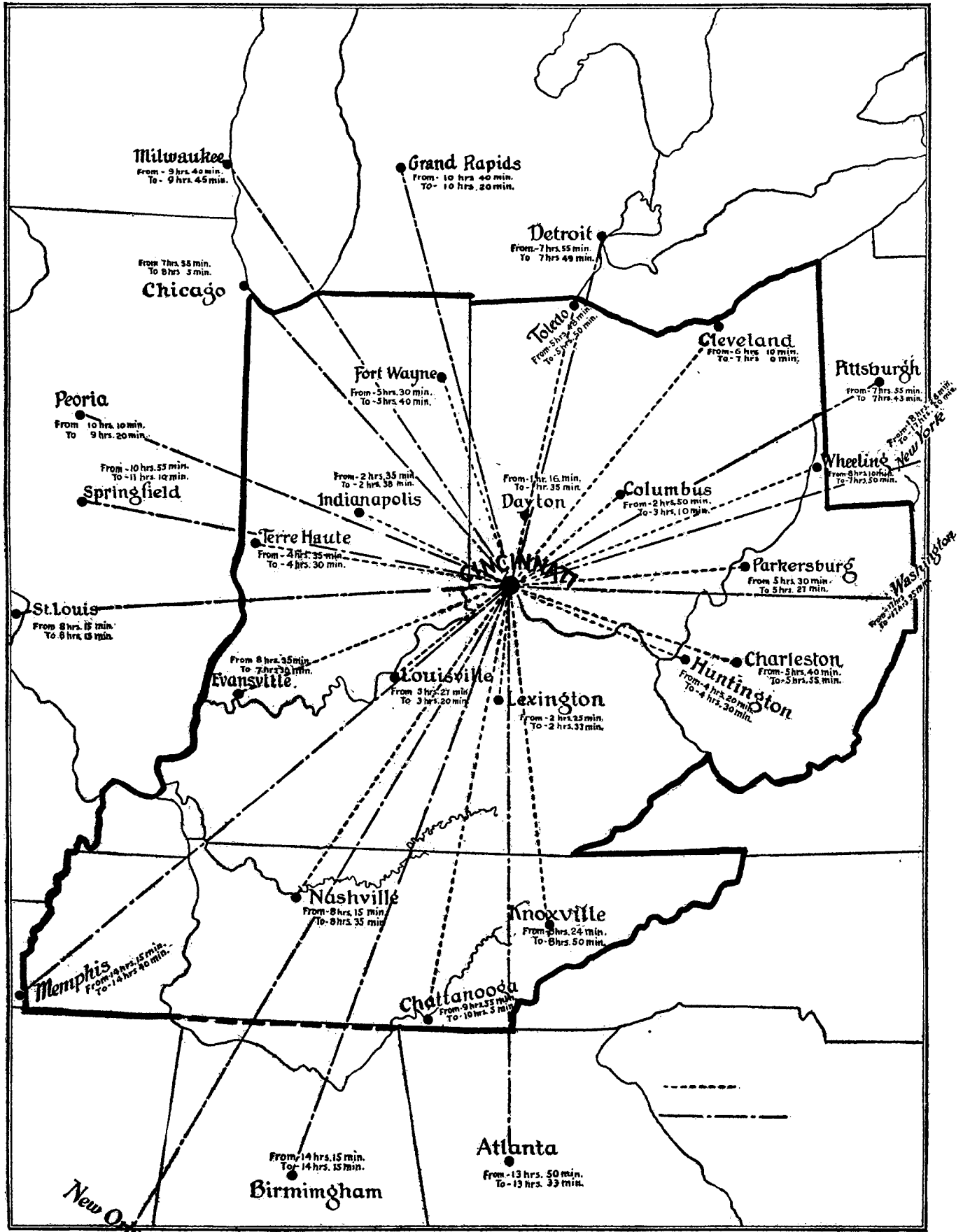


RAILROADS. 19.



CINCINNATI BANK ACCOUNTS. 23.





MAILS FROM AND TO CINCINNATI.

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CLEVELAND, OHIO.

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## CLEVELAND, OHIO

### BRIEF.

#### *The Reserve Bank Organization Committee:*

We suggest the division of the United States into 11 Federal reserve districts, approximately as outlined on the map which we submit for your consideration.

We believe that the purposes of the Federal reserve act can not be well served with a smaller number of districts. Any attempt to limit the number further we think would necessitate either overwhelming banks in the great financial centers or districts covering too large areas throughout the rest of the country.

We have outlined each of the districts with regard to "the convenience and customary course of business," attempting also to have each as self-contained as possible with respect to borrowing needs and lending power, and to divide the resources of the country equitably if not equally. The smallest banks of the 11 we suggest will serve districts that are certain to grow in financial strength. We have suggested the location of the bank in each district in a city which seems to us to be now or potentially the trade center, readily accessible, and with adequate commercial and financial strength; and we believe these qualifications are best indicated, not merely by present size and position, but also, and perhaps more reliably, by the rate and character of recent growth.

The districts we suggest are each described on a schedule which we have designated as "Exhibit A," the headquarters being as follows: District 1, Boston; district 2, New York; district 3, Philadelphia; district 4, Richmond; district 5, Cleveland; district 6, Atlanta; district 7, Chicago; district 8, St. Louis; district 9, Dallas; district 10, Minneapolis; district 11, San Francisco.

In district No. 5 we have included the entire State of Ohio, 9 counties in western New York, including Buffalo and Rochester, 25 counties in western Pennsylvania, including Pittsburgh and Johnstown, the 4 counties constituting the "Panhandle" of West Virginia, including Wheeling, and 19 counties of southeastern Michigan, including Detroit, Lansing, and Bay City. Within this district are national banks having a total capital and surplus of \$230,360,000 which would be members of a Federal district bank with a capital of \$13,800,000. The deposits of these banks aggregate \$1,042,000,000. The State banks in

the district have capital and surplus aggregating \$251,300,000 and deposits of \$1,336,000,000. The population of the district, according to the census of 1910, was 10,287,292.

We believe it is obvious that a district in the North between New York and Chicago is absolutely necessary to limit the tremendous banking power acquired by those two centers of finance under our old law, as well as to enable each of those centers to serve its own community best. The district reserve banks in New York and Chicago will necessarily be greater than any others, even when such a midway district is established. We believe it essential, however, to attach to other centers as much territory as can reasonably be separated from the New York district, and some of the territory which under the old conditions has centered its banking in Chicago.

Fortunately, between these two great centers there lies a natural district, which we believe is as cohesive in its industries, commerce, exchanges, and financial problems as can be found anywhere in the world in a like area. This is the great iron and steel producing territory centering in northern Ohio, a district which has such manufacturing advantages in varied lines, added to great mineral and agricultural resources, that it has developed a remarkable diversity of industries and commerce, loosely allied, not discordant, yet offering a distribution of financial requirements which approaches the ideal.

This district has become so great in manufacturing that its agricultural resources are often forgotten. Census figures show, for example, that Ohio ranks fifth among the States in number of farms, sixth in value of farm property, sixth in production of corn, fifth in tons of hay produced, sixth in value of potatoes grown, third in production of wool, sixth in pounds of butter produced, sixth in gallons of milk, third in dozens of eggs; and the list might be extended. But the meeting of bituminous coal and iron ore in this district has made it preeminent in most forms of iron and steel production, the great barometer of business; Ohio is fourth in production of bituminous coal, and second in production of pig iron. This region or district has, moreover, such advantages for the distribution as well as production of so many articles of manufacture, not only those using iron and steel as their chief materials,

that it has taken on chief importance as an industrial district. The census shows in this district nine manufacturing cities of more than 100,000 population, as follows (in order of rank): Cleveland, Pittsburgh, Detroit, Buffalo, Cincinnati, Rochester, Columbus, Toledo, and Dayton. These cities alone produce annually manufactures valued at more than \$1,500,000,000. The census lists of leading classes of products in these cities show a remarkable diversity. Among the classes showing the greatest value of products in each city are foundry and machine-shop products, primary iron and steel, automobiles and automobile parts, packing-house products, soap, men's and women's clothing, boots and shoes, printing and publishing, petroleum refining, flour and grist mill products, bakery products, coffee and spice roasting and grinding, tobacco manufactures, malt and spirituous liquors, brass and bronze products.

We believe it is demonstrable that the seasonal demands for loans in the commerce and industries of this district are as evenly distributed throughout the year as would be possible in any district that could be outlined anywhere. Even were the district limited to iron and steel manufactures, the demand would be distributed by the very fact that the processes are all carried on within its borders, from unloading of iron ore to assembling the most highly finished products. For example, the season of the year when Cleveland has the least demands for loans on its industries, particularly its ore, pig iron, and primary steel, is the very season when Detroit has its greatest demands for financing its automobile products. We might multiply instances, but we believe the probability that the district is likely to be always self-reliant is indicated sufficiently by a table and accompanying chart which we have prepared and marked "Table A" and "Chart I," showing percentages of reserves in each of the reserve cities in this district at the date of each comptroller's call for a period of three years.

With all the diversity of industry, commerce, and agriculture in this district, there is nevertheless a certain relation even between the most diverse. In Cleveland, for example, our women's wear manufacturers not only employ other producing members of the families of our machinists, but some of our largest foundries are owned by textile goods manufacturers, and other interrelations make for understanding of each other's problems and mutual helpfulness. We believe that the bankers of all the district we have outlined would have sympathetic understanding, if not absolute knowledge, of the financial problems of all the manufacturers, miners, farmers, and merchants of the district. Now, this would not be true if the district were to include much of the tobacco and cotton territory south of the Ohio River, where the agricultural, commercial, and industrial conditions are utterly divergent from those of Ohio. We think there

would be a lack of mutuality, which would be likely to affect the southern territory unfavorably, because of the preponderance of northern problems and requirements and the probable majority of northern stockholders and directors.

The location of the bank to serve this district will doubtless lie between Cleveland and Cincinnati, because the other large cities within the district are so near its eastern and western boundaries. However, Pittsburgh has also claimed to be able to serve Ohio. Your choice lies possibly between these three. You will, of course, select the city which can, in your judgment, best serve the district. It is our purpose in this presentation to assist you in forming a correct judgment; we shall try to avoid mere local pride, and present only the facts and figures that have convinced us, as we think they must convince you, that the business interests of this district would be best served by locating the headquarters bank at Cleveland.

We are frank enough to say that no city in this district can substantiate the claim, as Chicago can, for instance, that the great bulk of the trade of the proposed district centers there. So if you establish a district with Ohio as its great nucleus you will doubtless place the bank in the city that best meets the following requirements:

- (1) Satisfactory communication throughout the district.
- (2) Proximity to center of traffic and exchanges of the district.
- (3) Financial, commercial, industrial, and civic strength in itself.
- (4) Satisfactory relations with the entire district.

We shall confine our evidence to a comparative showing for the three cities under each of these four heads. The few essential facts and figures have been compiled with great care, accuracy being sought at whatever cost; and we believe they are absolutely reliable.

1. *Communication.*—It is probable that the communication throughout the district from any one of the three cities would be satisfactory to serve the purpose of the bank. It is certainly true that a letter mailed from Rochester, Johnstown, Cincinnati, or Saginaw, cities in the remotest parts of the district, at the close of banking hours on one day would reach Cleveland in time to receive attention at the beginning of banking hours on the next day, and this would even be true of most, if not all, communities of eastern Kentucky and eastern Tennessee, if the district should extend so far south. It is worthy of note, furthermore, that a letter mailed at the close of banking hours at any one of seven of the other district reserve cities indicated on our map would reach Cleveland in time to receive attention during the following morning.

Moreover, we believe it can be shown that Cleveland can be reached more quickly by most of the people in the district than either of the other cities. The de-

batable territory, so to speak, is all within the State of Ohio. It is obvious that Pittsburgh can be reached by Pennsylvania towns more quickly than can Cleveland or Cincinnati; it is obvious that Cincinnati could be reached by towns in Kentucky more quickly than Cleveland, if Kentucky were included in the district; it is obvious that Cleveland can be reached by the Michigan and New York points more quickly than either of the other cities. But Ohio lies between the 3 cities. Of the 37 cities of Ohio containing a population of 10,000 or more in 1910 (taken as indicating density of population) 17, with a total population of 1,130,000, can reach Cleveland most quickly; 14 cities, with a population of 902,000, can reach Cincinnati most quickly; and 6, with a population of 105,000, can reach Pittsburgh most quickly. Fifteen of these cities, with a population of 1,064,000, are a longer journey from Pittsburgh than from either Cincinnati or Cleveland; 17, with a population of 427,000, are farthest from Cincinnati; while only 4, with a population of 78,000, are farthest from Cleveland. To make the point clearer by a system of scoring, if 100 points are allowed for the quickest communication and 50 for the second quickest, the score is, Cleveland, 2,350; Cincinnati, 1,550; and Pittsburgh, 1,350.

2. *Location with respect to center of traffic and exchanges.*—There are 88 counties in Ohio. The population of the 44 counties north of a line drawn approximately through the center of the State is 2,547,721; of the 44 southern counties, 2,219,400. Density of traffic, which means density of exchanges, can be indicated fairly by railroad facilities for handling the traffic. There are 40 main-line tracks in service on the railroads traversing the northern part of Ohio and 23 main-line tracks for the railroads traversing the southern part. In the north half of the State 10 railroads have 2 or more main-line tracks; in the south half, only 3 have as many as 2 main-line tracks. The total double-track mileage in Ohio, as shown by the most recent map of the Ohio Public-Service Commission, is 2,107 miles. Of this double-track mileage, more than 1,468 miles, or nearly 70 per cent, lies in the northern 44 counties; not quite 639 miles, or a little over 30 per cent, is in the south half of the State.

With respect to the railroad situation of Cleveland in this part of the State, it is only necessary to say that every eastern trunk line of the United States enters Cleveland, and that the city is on the principal travel highway between New York and Chicago. Moreover, and equally important, Cleveland is on the most direct line from the iron ore of the Northern States to the bituminous-coal deposits of this district. Practically all of the shipping carrying the iron-ore trade of the Lakes (amounting to 50,000,000 tons last year) is directed from Cleveland, and about 80 per cent of the

great fleets of vessels engaged in the ore and coal trade are managed at Cleveland. You doubtless have in mind the fact that the tonnage through the Detroit River to and from Lake Erie ports is greater than the total port tonnage of New York, London, and Liverpool combined. Furthermore, the value of this tonnage, as estimated by the United States Government engineer at Detroit, was more than \$800,000,000 in 1910, a far greater sum than the total reported by the census for the value of both the agricultural and manufactured products of the States of Kentucky and Tennessee combined. This indicates the unreliability of the argument that Cleveland is a less desirable center for this district because it has the lake to the north. The lake is a far more valuable source of business and exchanges than most equal areas of land. The Great Lakes furnish the cheapest freight haul in the world, so that the iron ore, coal, and limestone for the production of pig iron can be assembled on the south shore of Lake Erie more cheaply than in any other of the great furnace districts in the North. We note also that nearly all the cities you have been considering as locations for district banks are situated not in the geographic centers of their districts, but at the points where lines of communication center, which happen to be, in most cases, at or near one edge of each district; and especially when any district has any frontage on navigable water, the trade of the district is likely to seek a port city.

3. *Financial, commercial, industrial, and civic strength.*—Cleveland is the largest city between the Atlantic seaboard and Chicago, and its population is exceeded by only three cities of the seaboard—New York, Philadelphia, and Boston—and two cities of the interior, Chicago and St. Louis. The United States census of manufactures for 1909 shows that the value of the manufactured product of Cleveland is exceeded only by that of four cities, New York, Chicago, Philadelphia, and St. Louis. Cleveland's rapid growth to this position is due largely to its strategic location and transportation facilities, which have been the chief of its manufacturing advantages. These natural and economic advantages, aided by individual enterprise and the application of intelligent public spirit in cooperative effort, have produced the phenomenal but steady and substantial advance of Cleveland among the cities of the country. In 1850 Cleveland was forty-third in population rank; to-day it is the sixth city.

As indicating the volume of trade now centering in Cleveland, we give below a table of a few of the leading commodities handled by Cleveland business houses, with the approximate volume of annual business conducted through Cleveland banks in each line, as estimated from reports furnished by a large number of leading business houses, or from most recent

census reports. The financial needs of all of these lines are distributed over a large part of the year.

Iron ore.....	\$64,000,000
Bituminous coal.....	56,000,000
Petroleum and its products, etc.....	33,500,000
Lumber.....	13,500,000
Stone.....	13,000,000
Grain and hay.....	19,000,000
Live stock and packing-house products.....	40,000,000
Primary iron and steel products.....	36,000,000
Foundry and machine-shop products.....	48,000,000
Automobiles and automobile parts and accessories (manufactured) <sup>1</sup> .....	43,000,000
Men's and women's wearing apparel (factory product).....	32,000,000

We believe that the selection of normal trade centers for the districts you establish can be made almost unerringly by a study of the rate and character of growth of the chief cities in each district. The present size, trade importance, and financial condition of the cities considered are of course most important factors; but you are planning for the future as well as the present, and growth is, we believe, a clearer index of probable strength than present size, if the two factors do not coincide. We believe, therefore, that we can best aid you in selecting the headquarters for this district by showing the history of recent growth in Cleveland, Pittsburgh, and Cincinnati.

Before considering the figures of financial growth, you should be advised that since the enactment of the national banking law Cleveland is unique among these three cities in having reported not one single failure of a national bank; no depositor in any national bank in Cleveland has lost one penny.

In order to limit as severely as possible the figures which we feel must be brought to your attention, we have confined our evidence of relative growth to a very few index items. These are not chosen for the reason that they favor Cleveland; we believe that all the recorded data would indicate equally well the indisputable fact of Cleveland's advance; but we believe the following items will be sufficient for reliable comparison. For each item we give the percentages of increase for the most recent 10-year periods for which authoritative data are available, as follows:

	Period.	Cleveland.	Cincinnati.	Pittsburgh.
Population.....	1900-1910	46.9	11.8	18.2
Post-office receipts.....	1904-1913	116.4	61.3	107.5
Value of manufactures.....	1899-1909	95.1	37.3	11.1
Clearing-house exchanges.....	1904-1913	57.8	16.1	23.9
Deposits, all banks.....	1904-1913	66.1	37.5	36.2

Tables B, C, D, E, and F, and Charts II, III, IV, V, and VI, which we offer in evidence, show clearly the annual growth of the three cities as indicated by these items.

Civic conditions may seem to be a minor point in your consideration of a purely economic problem, but

<sup>1</sup> Part of this total is probably included in the value of "Foundry and machine-shop products."

we believe they have a very distinct bearing. Cleveland has a deserved reputation for freedom from "graft" in its municipal affairs; but that is a negative virtue, and is perhaps only a minor evidence of the alert progressive spirit which is constantly manifested by the great body of our citizens and their leaders in many ways. For example, Cleveland enjoys the lowest death rate among the large cities of the country, due in part to climatic conditions, but also in large part to intelligent municipal sanitation. Cleveland was the first American city actually to begin putting into effect a great plan for grouping its public buildings in a "civic center." Cleveland's experiments in charities and correction are attracting worldwide attention and serving as models for other communities; the famous Cooley Farm Colony, the Cleveland Federation for Charity and Philanthropy, and the new "Cleveland Foundation" are examples. In Cleveland has been evolved the unique street-railway franchise (which may be credited largely to the work of the late Mayor Tom L. Johnson and the late United States Judge Robert W. Taylor) the essential features of which are the control of service by the city, the kind of service the people's representatives require at a rate of fare which will pay its cost plus 6 per cent upon an arbitrated valuation; and the consequent satisfaction of the people because a problem is solved which in other cities is a constant source of disturbance of both business and banking conditions. The citizenship of Cleveland expresses itself not only at the polls, but also through civic and commercial organizations, in which effective voluntary service for the improvement of living and working conditions in Cleveland is rendered most freely by a very large number of able men.

These facts we cite as reasons for the growth of Cleveland in the past, and as evidence of its healthy condition and probable continued growth; so that in the future, still more than at present, Cleveland is likely to be the undisputed trade center of this district.

4. *Relations with district.*—It is natural that in a district like this the smaller communities and rural territory would all prefer to be attached to the nearest large city with which trade relations are closest; and it is natural, too, that none of the three cities under consideration should name either of the others even as a second choice, because there has been a friendly but intense rivalry between these cities. Since Cleveland continues to outgrow the other two, we believe that it should not be subordinated to either. Yet Pittsburgh and Cincinnati can not be expected to yield ungrudging precedence to their successful rival for preeminence in the Middle West.

But the business men of all this district enjoy friendly, profitable, and even cordial relations with each other, and we are certain that there would be no real disturbance, much less violence, done to existing

trade conditions in Pittsburgh, Cincinnati, Buffalo, Detroit, or Rochester, or any other locality within the district, through the establishment of a bank at Cleveland. Six hundred and twenty-four national and 600 State banks within the district now carry accounts with Cleveland national banks, besides 279 national and 121 State banks beyond the district. About 500 banks in the district have designated Cleveland banks as reserve agents. Cleveland has 45 per cent of the total of all "bank deposits" in all Ohio banks. We have heard directly from 233 banks in northern and central Ohio who name Cleveland as their first choice for the location of the district bank, as well as 20 banks in southern Ohio, 4 in southeastern Michigan, 5 in western Pennsylvania, 2 in New York, and even 7 in Indiana; and we are certain that many other banks in surrounding States and in southern Ohio would find Cleveland perfectly acceptable, if not their first choice. To show that our city has the active good will of business men in its immediate trade territory, we shall submit to you copies of resolutions from commercial and trade organizations in 33 Ohio cities and towns, resolutions formally adopted by clearing house associations in some of the cities, and editorials that have appeared in several Ohio newspapers outside of Cleveland.

We submit these facts and considerations with the conviction that they establish clearly the desirability of such a district as we have outlined, with Ohio as its center, and with its reserve bank at Cleveland.

Respectfully submitted.

J. J. SULLIVAN,  
*Chairman, Clearing House Committee;*  
 NEWTON D. BAKER,  
*Mayor of Cleveland;*  
 WARREN S. HAYDEN,  
*President, Cleveland Chamber of Commerce;*  
 ELBERT H. BAKER,  
*President, Plain Dealer Publishing Co.;*  
 F. H. GOFF,  
*President, Cleveland Trust Co.;*  
*Executive Committee.*

Representing committees appointed by the Cleveland Clearing House Association, Cleveland Chamber of Commerce, Cleveland Builders Exchange, Cleveland Association of Credit Men, Cleveland Real Estate Board, Cleveland Advertising Club, Industrial Association of Cleveland, Cleveland Rotary Club, Lakewood Chamber of Commerce.

FEBRUARY 17, 1914.

EXHIBIT A.

SCHEDULE OF FEDERAL RESERVE DISTRICTS.

[Figures are chiefly from the report of the Comptroller of the Currency for 1913, supplemented by latest reports of State banking departments of some States.]

*District No. 1.*—All of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island; three counties of eastern Connecticut (Windham, Tolland, New London); the northeastern part of New York, going west as far as the western boundaries of Wayne, On-

tario, and Steuben Counties, and southeast as far as the southern boundaries of Delaware, Green, and Columbia Counties.

Capital of reserve bank at Boston.....	\$12,100,000
Capital and surplus, national banks.....	202,150,000
Deposits, national banks.....	811,500,000
Capital and surplus, all other banks.....	215,000,000
Deposits, all other banks.....	2,500,000,000

*District No. 2.*—Thirteen counties of New York, including and surrounding Greater New York, going north as far as the northern boundaries of Dutchess, Ulster, and Sullivan Counties; the 5 western counties of Connecticut not included in district No. 1; the 11 northern counties of New Jersey, as far south as the southern boundaries of Middlesex, Somerset, and Hunterdon Counties.

Capital of reserve bank at New York.....	\$19,400,000
Capital and surplus, national banks.....	323,600,000
Deposits, national banks.....	1,700,000,000
Capital and surplus, all other banks.....	400,000,000
Deposits, all other banks.....	3,100,000,000

*District No. 3.*—Forty-two eastern counties of Pennsylvania, as far west as the eastern boundaries of Potter, Cameron, Clearfield, Cambria, and Somerset Counties; all of Delaware; and the 10 southern counties of New Jersey not included in district No. 2.

Capital of reserve bank at Philadelphia.....	\$10,300,000
Capital and surplus, national banks.....	171,550,000
Deposits, national banks.....	693,100,000
Capital and surplus, all other banks.....	170,000,000
Deposits, all other banks.....	635,000,000

*District No. 4.*—All of Virginia, Maryland, District of Columbia, North and South Carolina, and all of West Virginia except the 4 counties of the "Panhandle."

Capital of reserve bank at Richmond.....	\$6,400,000
Capital and surplus, national banks.....	106,400,000
Deposits, national banks.....	395,000,000
Capital and surplus, all other banks.....	115,000,000
Deposits, all other banks.....	450,000,000

*District No. 5.*—All of Ohio; the 25 western counties of Pennsylvania not included in district No. 3; the 9 counties of western New York not included in district No. 1; the 4 counties of the "Panhandle" of West Virginia (Brook, Hancock, Marshall and Ohio); 19 counties of southeastern Michigan, as far as the western boundaries of Hillsdale, Jackson, Ingham, Shiawassee, Saginaw and Bay Counties.

Capital of reserve bank at Cleveland.....	\$13,800,000
Capital and surplus, national banks.....	230,360,000
Deposits, national banks.....	1,042,000,000
Capital and surplus, all other banks.....	251,300,000
Deposits, all other banks.....	1,336,000,000

*District No. 6.*—All of Kentucky, Tennessee, Georgia, Florida, Alabama and Mississippi.

Capital of reserve bank at Atlanta.....	\$6,050,000
Capital and surplus, national banks.....	100,800,000
Deposits, national banks.....	312,000,000
Capital and surplus, all other banks.....	125,000,000
Deposits all other banks.....	360,000,000

*District No. 7.*—All of Illinois, Iowa, Indiana, and Wisconsin, and the 65 counties of Michigan not included in district No. 5.

Capital of reserve bank at Chicago.....	\$14,000,000
Capital and surplus, national banks.....	233,290,000
Deposits, national banks.....	1,279,400,000
Capital and surplus, all other banks.....	260,000,000
Deposits, all other banks.....	1,600,000,000

*District No. 8.*—All of Missouri, Arkansas, Louisiana, Kansas, Nebraska and Colorado.

Capital of reserve bank at St. Louis.....	\$8,080,000
Capital and surplus, national banks.....	134,700,000
Deposits, national banks.....	695,700,000
Capital and surplus, all other banks.....	173,000,000
Deposits, all other banks.....	710,000,000

District No. 9.—All of Texas, Oklahoma, and New Mexico.

Capital of reserve bank at Dallas.....	\$5,900,000
Capital and surplus national banks.....	97,900,000
Deposits national banks.....	336,000,000
Capital and surplus all other banks.....	45,000,000
Deposits all other banks.....	140,000,000

District No. 10.—All of Minnesota, North Dakota, South Dakota, Montana, Wyoming, Idaho, and Washington.

Capital of reserve bank at Minneapolis.....	\$5,300,000
Capital and surplus national banks.....	87,700,000
Deposits national banks.....	505,200,000
Capital and surplus all other banks.....	80,000,000
Deposits all other banks.....	415,000,000

District No. 11.—All of California, Oregon, Nevada, Utah, and Arizona.

Capital of reserve bank at San Francisco.....	\$6,500,000
Capital and surplus national banks.....	108,200,000
Deposits national banks.....	460,700,000
Capital and surplus all other banks.....	110,000,000
Deposits all other banks.....	725,000,000

TABLE A.—Reserve percentages of the 5 reserve cities in district 5, averages of the 5 cities, and averages of all reserve cities in the United States, at dates of comptroller's calls, 1911-1913, inclusive.

Date.	Cleveland.	Cincinnati.	Columbus.	Detroit.	Pittsburgh.	Average.	All reserve cities.
1911.							
Jan. 7...	26.60	32.37	22.93	22.97	25.65	26.10	27.11
Mar. 7...	29.65	30.97	27.10	28.94	27.21	28.77	28.49
June 7...	32.82	28.17	26.19	30.67	26.86	28.94	28.37
Sept. 1...	29.66	25.19	25.49	28.69	25.31	26.87	26.97
Dec. 5...	26.57	27.82	25.86	27.73	26.37	26.87	26.41
1912.							
Feb. 20...	31.51	29.92	27.58	25.74	27.96	28.54	28.00
Apr. 18...	26.44	29.85	25.45	27.30	26.28	27.06	27.30
June 14...	29.35	30.41	24.54	29.06	25.18	27.71	27.21
Sept. 4...	29.86	27.45	25.56	25.61	27.67	27.23	26.18
Nov. 26...	26.54	25.65	23.83	22.62	24.05	24.54	25.32
1913.							
Feb. 4...	30.86	30.59	28.33	25.14	29.54	28.89	26.96
Apr. 4...	26.14	30.05	25.44	24.84	24.87	26.27	25.61
June 4...	27.35	26.86	25.45	28.33	23.98	26.39	26.33
Aug. 9...	28.43	28.45	24.54	29.39	25.91	27.34	26.52
Oct. 21...	29.73	26.73	25.26	25.72	26.09	26.71	25.72

TABLE B.—Population.

Year.	Cleveland.		Cincinnati.		Pittsburgh.	
	Population.	Rank.	Population.	Rank.	Population.	Rank.
1910.....	560,663	6	364,463	13	533,905	8
1900.....	381,768	7	325,902	10	321,616	11
1890.....	261,353	10	296,908	9	235,617	13
1880.....	160,146	12	255,139	8	156,389	13
1870.....	92,829	15	216,239	8	86,076	16
1860.....	43,417	21	161,044	7	49,221	17
1850.....	17,034	43	115,435	6	46,601	13

TABLE C.—Postal receipts for the years 1904 to 1913, inclusive.

Year.	Cleveland.	Cincinnati.	Pittsburgh.
1904.....	\$1,420,498.00	\$1,781,367.81	\$1,511,653.48
1905.....	1,565,305.65	1,947,211.02	1,622,343.16
1906.....	1,753,588.58	2,083,078.40	1,835,960.01
1907.....	1,943,895.96	2,179,672.94	2,046,951.72
1908.....	1,952,902.11	2,171,128.72	2,017,427.64
1909.....	2,057,907.53	2,298,581.71	2,134,086.78
1910.....	2,300,006.86	2,458,395.53	2,411,111.78
1911.....	2,521,555.67	2,541,586.24	2,634,097.55
1912.....	2,696,530.34	2,621,186.90	2,922,842.55
1913.....	3,073,638.38	2,873,070.66	3,136,125.09

TABLE D.—Manufactures statistics.

[From United States census, 1910.]

Year.	Capital invested.			Value of products.		
	Cleveland.	Cincinnati.	Pittsburgh.	Cleveland.	Cincinnati.	Pittsburgh.
1899.....	\$101,243,000	\$103,467,000	\$211,774,000	\$139,356,000	\$141,678,000	\$218,198,000
1904.....	156,321,000	130,272,000	260,765,000	171,924,000	166,059,000	211,259,000
1909.....	227,397,000	150,254,000	283,139,000	271,961,000	194,516,000	243,454,000

TABLE E.—Annual exchanges of the clearing houses of Cleveland, Cincinnati, and Pittsburgh for a period of 10 years, each ending September 30.

[From reports of the Comptroller of the Currency.]

Year.	Cleveland.	Cincinnati.	Pittsburgh.
1903.....	\$804,850,901	\$1,153,865,500	\$2,381,454,231
1904.....	700,078,208	1,196,854,400	1,997,603,459
1905.....	754,739,346	1,192,662,600	2,431,366,780
1906.....	812,973,376	1,291,921,250	2,630,996,408
1907.....	914,658,049	1,399,770,100	2,761,441,799
1908.....	766,518,416	1,202,794,250	2,190,479,976
1909.....	825,246,000	1,326,713,000	2,223,335,000
1910.....	992,803,000	1,277,997,000	2,604,069,000
1911.....	1,001,569,000	1,276,279,000	2,539,143,000
1912.....	1,101,007,000	1,347,123,000	2,687,970,000
1913.....	1,271,232,000	1,329,668,000	2,951,861,000

TABLE F.—Deposits in all banks.

CLEVELAND.

Year.	National.	State.	Total.
1904.....	\$54,997,000	\$139,892,000	\$194,889,000
1905.....	56,954,000	162,936,000	219,890,000
1906.....	60,283,000	172,627,000	232,910,000
1907.....	58,252,000	173,556,000	231,808,000
1908.....	62,900,000	160,900,000	228,420,000
1909.....	67,386,000	180,277,000	247,663,000
1910.....	69,628,000	187,732,000	257,360,000
1911.....	72,974,000	205,854,000	278,828,000
1912.....	78,660,000	214,164,000	292,824,000
1913.....	84,894,000	229,876,000	314,770,000

CINCINNATI.

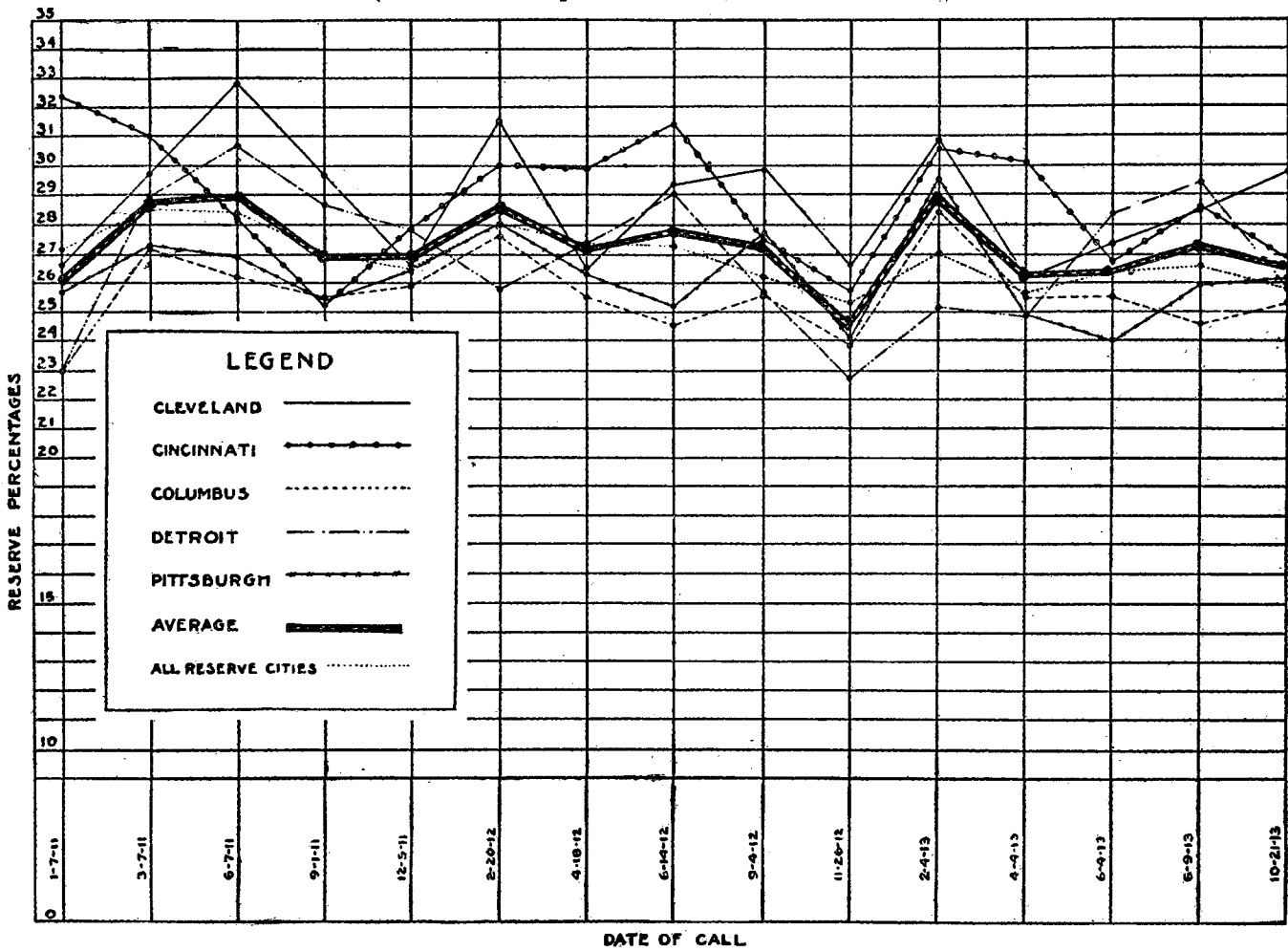
Year.	National.	State.	Total.
1904.....	\$81,701,000	\$32,639,000	\$94,390,000
1905.....	62,400,000	38,410,000	100,810,000
1906.....	63,439,000	42,632,000	106,071,000
1907.....	61,518,000	47,333,000	108,851,000
1908.....	63,673,000	45,331,000	114,004,000
1909.....	65,616,000	48,438,000	117,054,000
1910.....	71,750,000	54,720,000	126,470,000
1911.....	72,173,000	59,535,000	131,708,000
1912.....	68,921,000	58,108,000	127,029,000
1913.....	69,743,000	59,920,000	129,663,000

PITTSBURGH.

Year.	National.	State.	Total.
1904.....	\$143,204,000	\$157,627,000	\$300,831,000
1905.....	162,667,000	157,599,000	320,266,000
1906.....	170,190,000	169,464,000	339,654,000
1907.....	163,851,000	172,936,000	336,787,000
1908.....	169,907,000	165,579,000	335,486,000
1909.....	185,759,000	177,685,000	363,444,000
1910.....	188,827,000	179,955,000	368,782,000
1911.....	201,135,000	191,756,000	392,891,000
1912.....	210,693,000	202,810,000	413,503,000
1913.....	189,831,000	219,851,000	409,682,000



**CHART I**  
 Reserve percentages of the five reserve cities in "District 5", averages of the five cities,  
 and averages of all reserve cities in the United States,  
 (at dates of Comptroller's Calls, 1911-1913 inclusive)



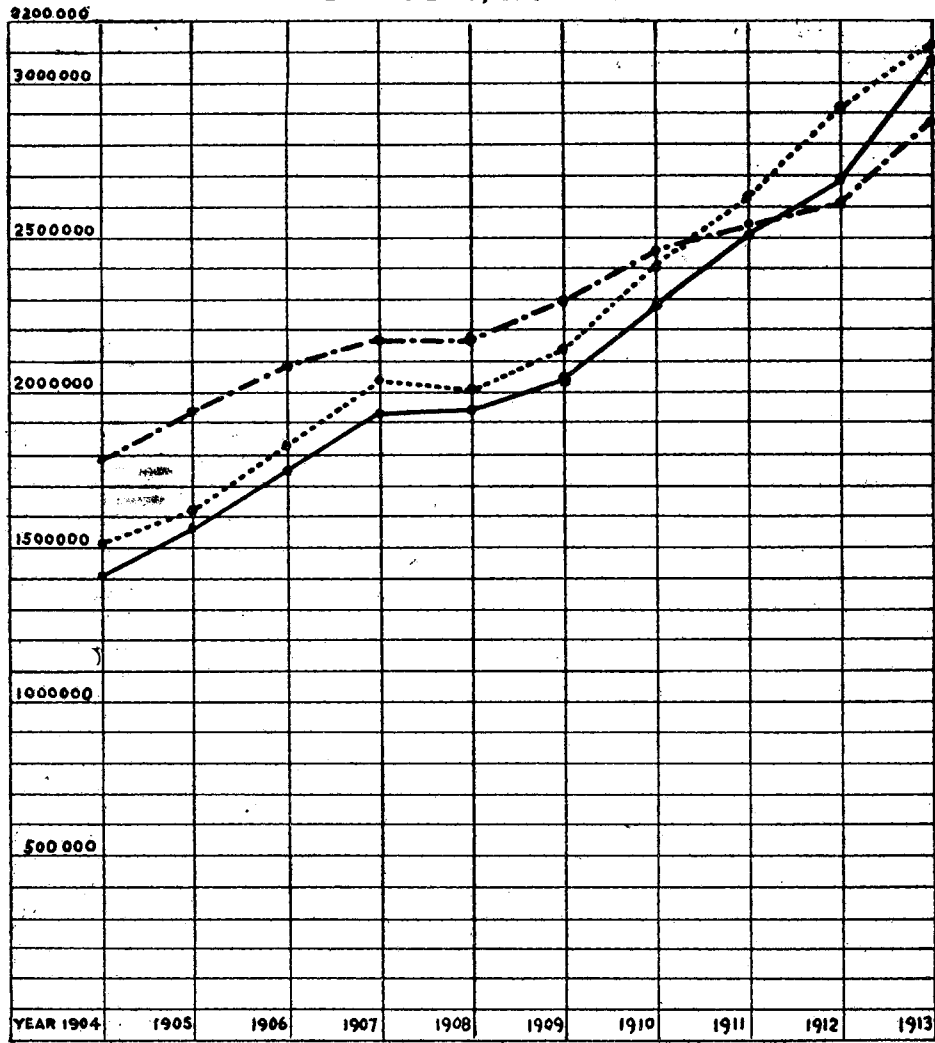
**CHART II**  
**Population**

YEAR	RANK	1850	1860	1870	1880	1890	1900	1910
	1							
	2							
	3							
	4							
	5							
	6	115435						360883
	7		161044				381768	
	8			216239	255139			533905
	9					296908		
	10					261353	525902	
	11						321616	
	12				160146			
	13	46601			156389	238617		364463
	14							
	15			92829				
	16			86076				
	17		49221					
	18							
	19							
	20							
	21		43417					
	22							
	23							
	24							
	43	17034						

**LEGEND**

CLEVELAND	CINCINNATI	PITTSBURGH
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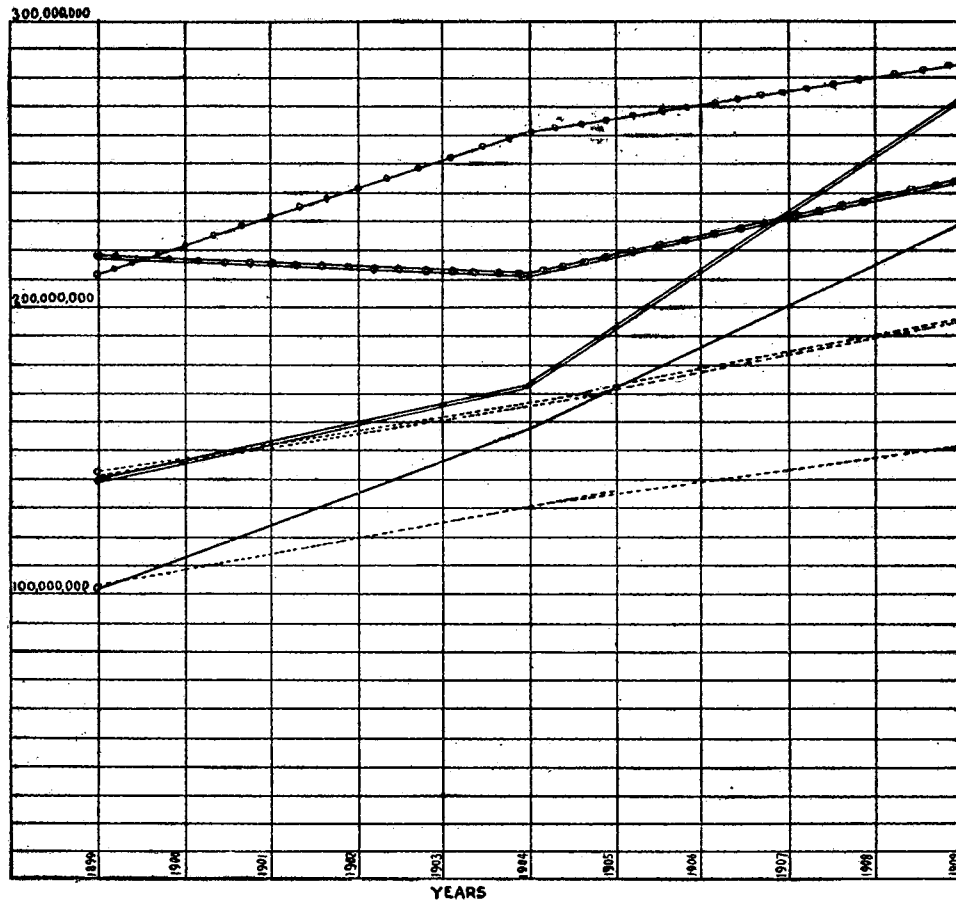
**CHART III**  
**Postal Receipts for Offices Named Below for the Years**  
**1904 to 1913, Inclusive**



**LEGEND**

- CLEVELAND      \_\_\_\_\_
- CINCINNATI     \_\_\_\_\_
- PITTSBURGH    \_\_\_\_\_

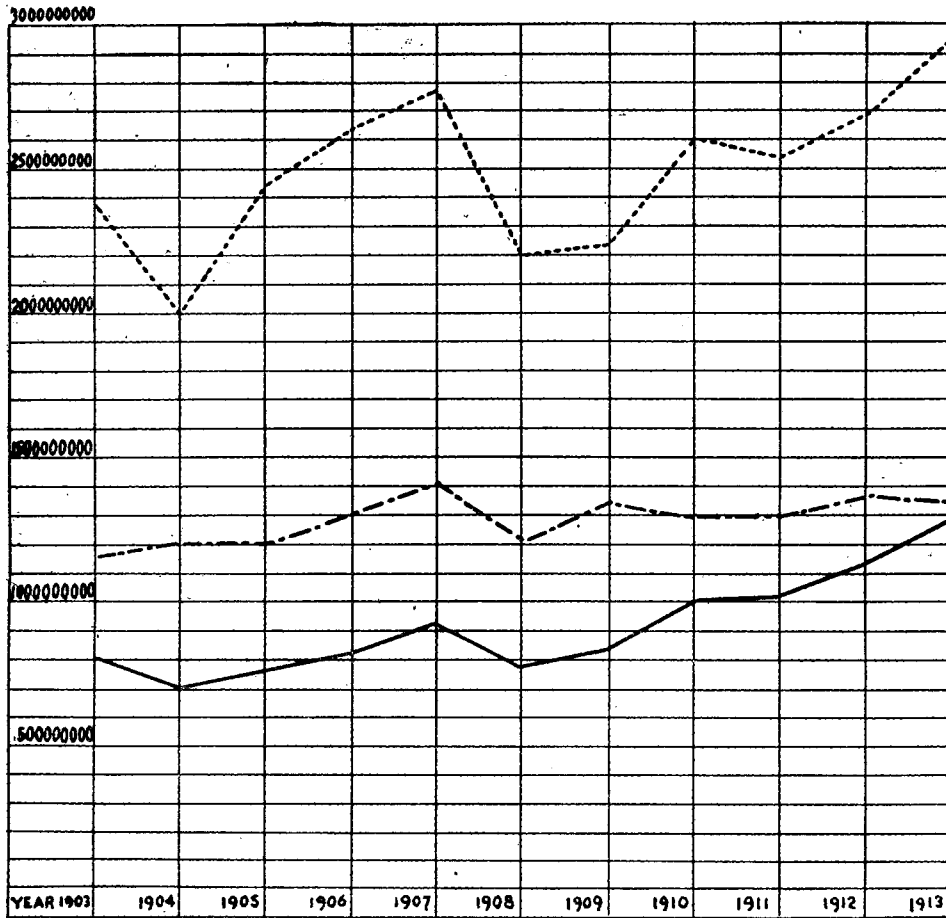
CHART IV  
Manufactures Statistics  
From U. S. Census 1910



**LEGEND**

<b>CLEVELAND</b>	CAPITAL INVESTED	————
	VALUE OF PRODUCTS	=====
<b>CINCINNATI</b>	CAPITAL INVESTED	- - - - -
	VALUE OF PRODUCTS	- - - - -
<b>PITTSBURGH</b>	CAPITAL INVESTED	•••••
	VALUE OF PRODUCTS	•••••

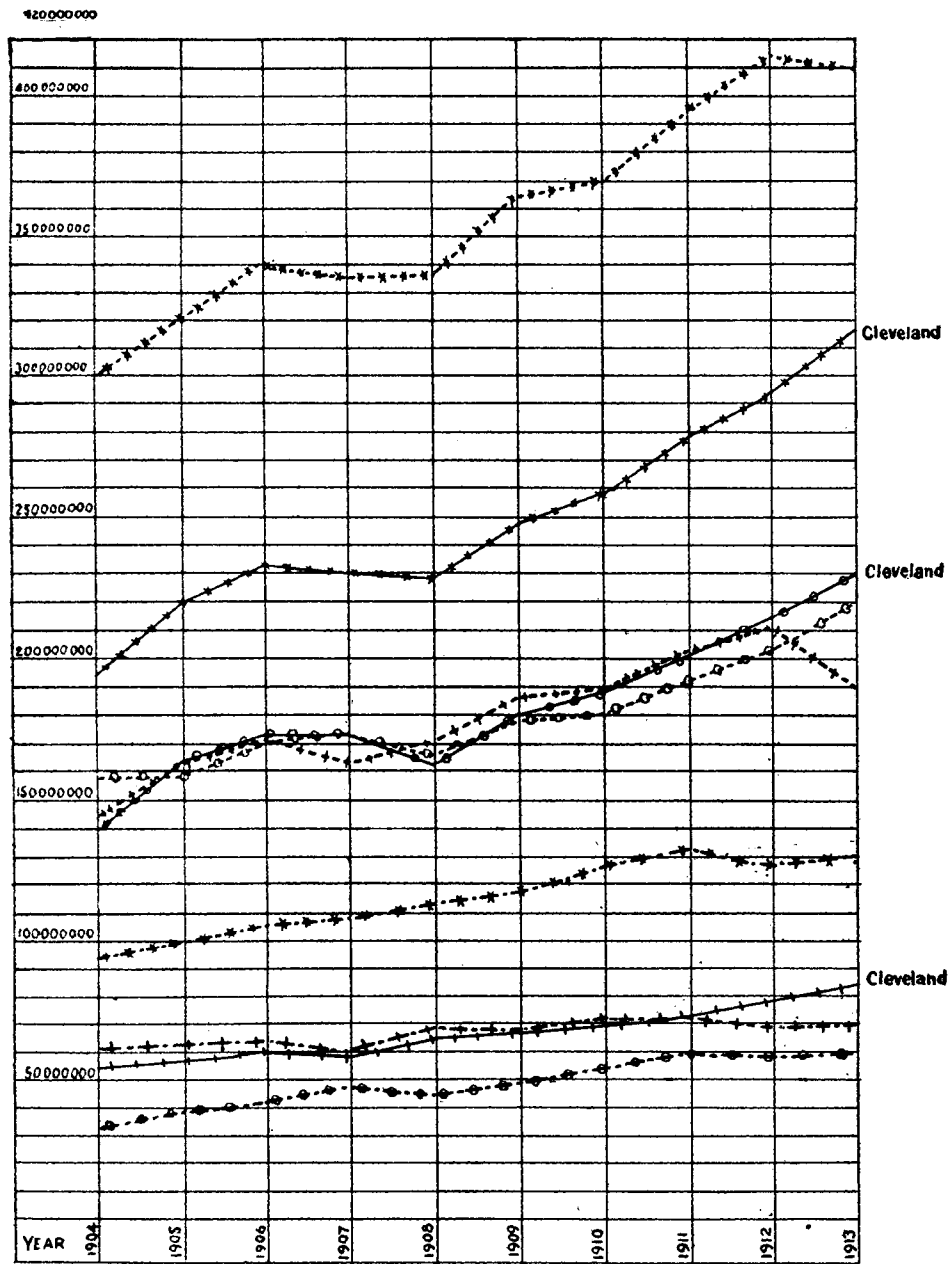
**CHART V**  
**Annual Exchanges of the Clearing Houses of**  
**Cleveland, Cincinnati and Pittsburgh**  
**For Period of Ten Years Each Ending September 30th**  
**(From Reports of the Comptroller of the Currency)**



**LEGEND**

- CLEVELAND ———
- CINCINNATI - - - - -
- PITTSBURGH ·····

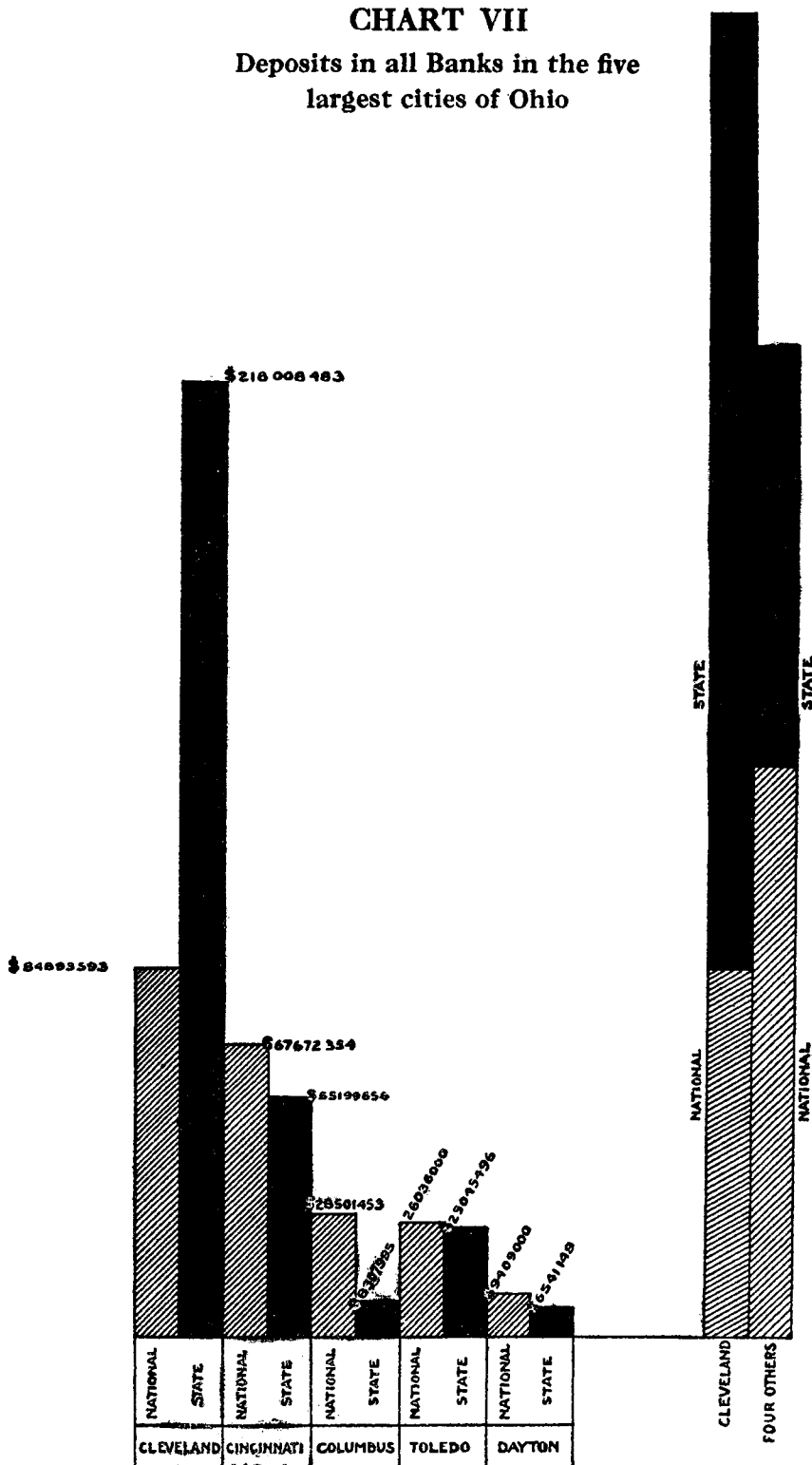
**CHART VI**  
**Deposits in all Banks—Cleveland, Cincinnati and Pittsburgh**



**LEGEND**

- CLEVELAND ——— NATIONAL ———
- CINCINNATI - - - - - STATE - o o o o o
- PITTSBURGH - - - - - TOTAL - x x x x x

**CHART VII**  
**Deposits in all Banks in the five**  
**largest cities of Ohio**



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DALLAS, TEX.

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# DALLAS, TEX.

## TEXAS AND THE SOUTHWEST—BOOK OF FACTS.

TO THE RESERVE BANK ORGANIZATION COMMITTEE:

*Gentlemen.*—We are pleased to present you herewith facts in regard to Dallas and the great Southwest, indicating the need for a Federal reserve bank here.

Our argument is particularly developed for the city of Dallas, the largest city west of the Mississippi River and south of the Missouri, with unexcelled railroad facilities and mail service; the telegraph, telephone, and express development ranking with the seven largest cities in the United States. We present for your distinguished consideration a city now the acknowledged market of the Southwest, the distributing and financial center of this most progressive and rapidly developing section of the United States.

The territory tributary to this city and to be most logically served from Dallas is all of Texas, all of Oklahoma, all of New Mexico, that part of Louisiana (86%) west of the Mississippi River, and that part of Arkansas (45%) south and west of the Arkansas River; a territory that will provide ample capital and deposits in a Federal reserve bank established here; care for the needs of the territory, accomplish the ends sought in the Federal reserve act, and make possible the solution of the financial problems of this section.

We present our argument in the sincere desire to cooperate for the success of the law wherever regional banks may be placed. We respectfully request consideration and are pleased to have this opportunity of presenting our views.

Respectfully, yours,

DALLAS CHAMBER OF COMMERCE

By C. W. HOBSON, *President.*

DALLAS CLEARING HOUSE ASSOCIATION,

By R. H. STEWART, *President.*

DALLAS COTTON EXCHANGE,

By S. W. KING, Jr., *President.*

### THE GEOGRAPHY OF THE TERRITORY.

The United States Census department has always classified Texas, Oklahoma, Arkansas, and Louisiana as the west-south-central geographic division. This is one of the nine subdivisions made on account of the correlation of its industries, the homogeneity of its people, the interdependence of its institutions. Set off

by natural boundaries, it slopes from the mountains of New Mexico eastward 1,152 miles to the Mississippi. From Brownsville, on the Rio Grande, 871 miles north to the Kansas line.

Its white population is 22 per cent greater than Mississippi, Alabama, Georgia, Florida, and South Carolina combined.

The United States Government reports of 1910 showing its total wealth to be 37 per cent greater than the combined wealth of these five old and developed States. Showing diversity of production, and if a balanced territory is desired, note that total annual production in the territory is \$1,759,138,149, divided as follows:

Annual production.		Demand for money.
Factory.....	\$685,506,000	Uniform.
Cotton.....	381,132,000	Four months.
Live stock.....	205,224,132	Uniform.
Corn.....	175,899,000	Consumed on farm.
Minerals.....	73,501,000	Uniform.
Miscellaneous crops (wheat, oats, hay, vegetables, fruits, etc.).....	237,886,017	Each balancing the other, making uniform demand.

### CONDENSED FACTS ABOUT THE TERRITORY.

17.4 per cent of the area of the United States (517,584 square miles).

8.3 per cent of the population of the United States (7,668,436).

12.6 per cent of the national banks of the United States (943).

10.2 per cent of the State banks of the United States (1,816).

13.9 per cent of the annual farm production of the United States (\$1,000,128,597); 12 crops only.

41.8 per cent of the annual cotton production of the United States (\$381,132,400).

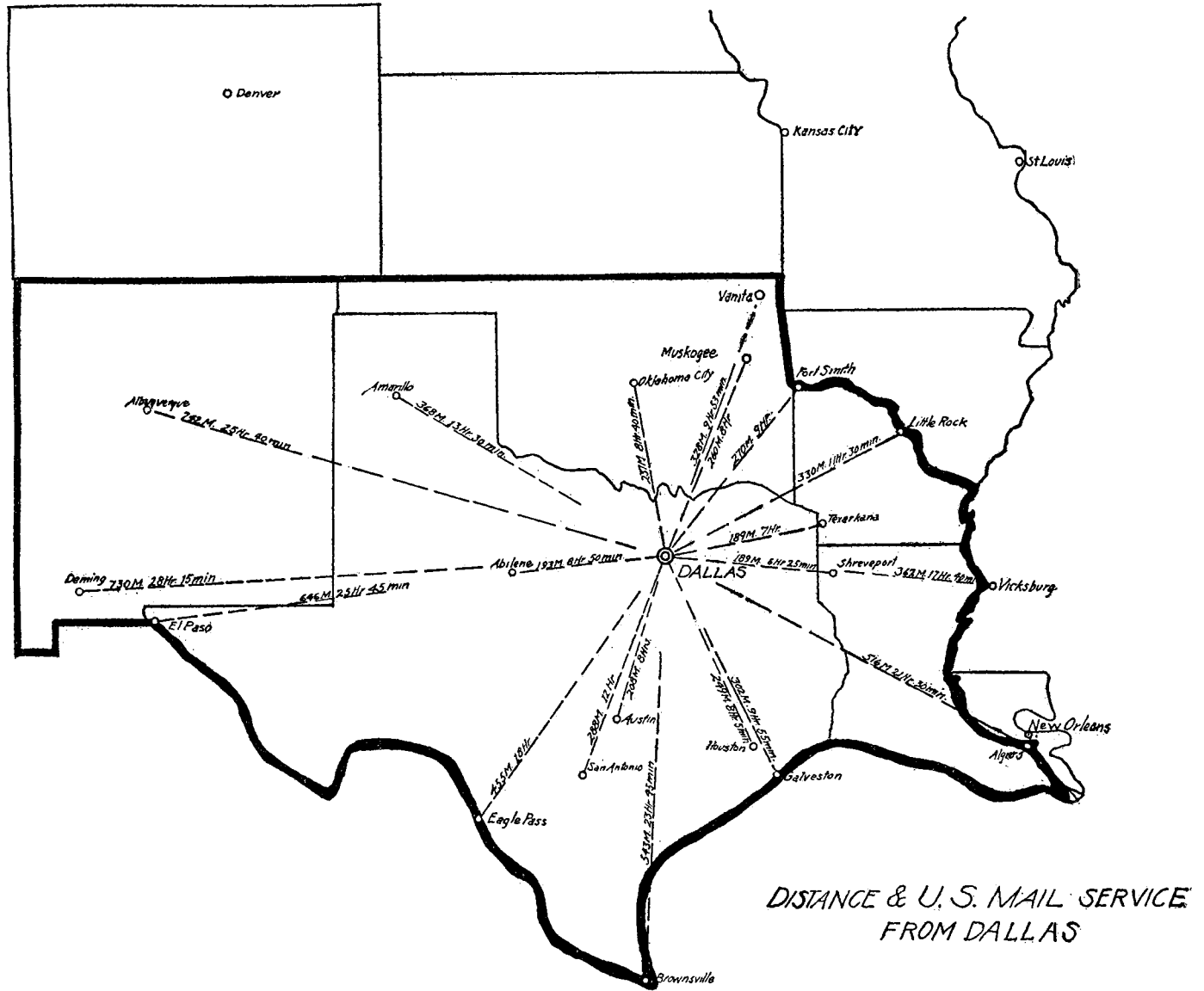
44.5 per cent of the annual cottonseed production of the United States (\$54,785,550).

9.7 per cent of the annual live stock production of the United States (\$205,224,132).

48.8 per cent of the annual cotton exports of the United States (\$253,020,000); 4,217,000 bales.

12.6 per cent of the annual total exports of the United States (\$218,146,097); Galveston only.

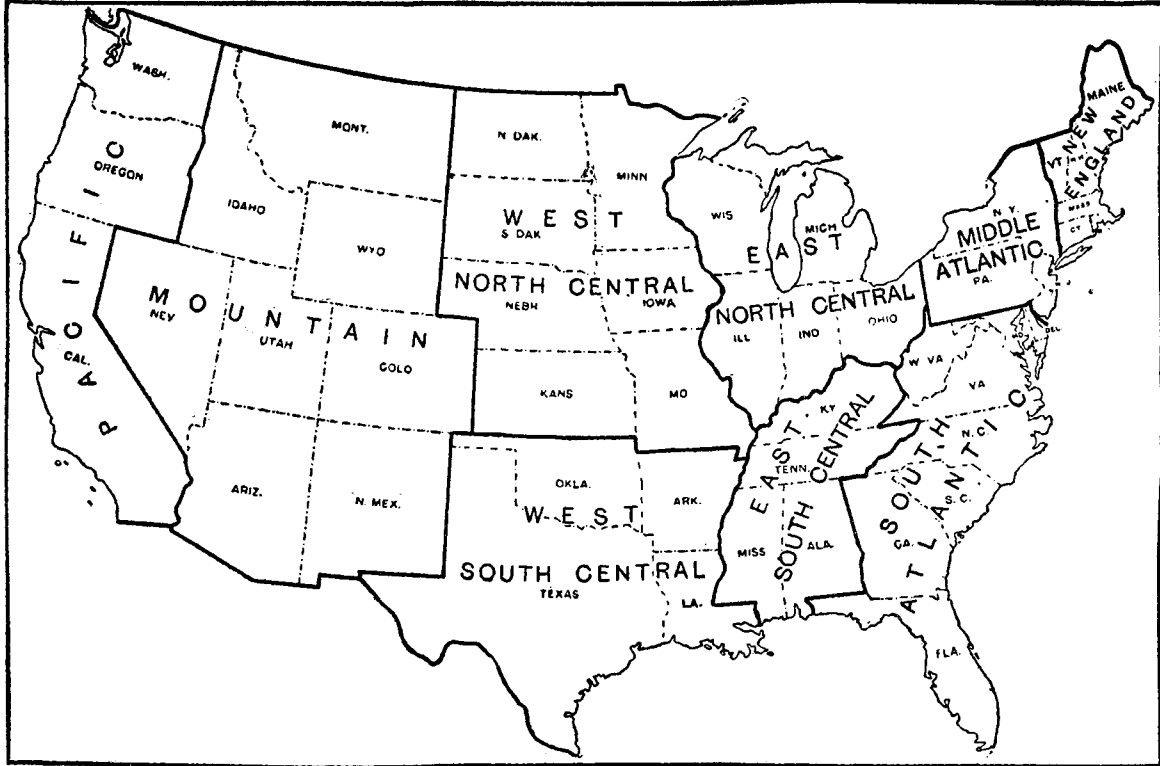
Banking capital and surplus—National, \$108,400,-635.13; State, \$69,673,845.61; total, \$178,074,480.74.



- Natural Boundaries.
- South and West - - Mexico and the Gulf.
- South and East - - Mississippi River.
- North and East - - Arkansas River.
- North - - - - State Line of Oklahoma and New Mexico.

This district is set apart and designated by the Railroads and approved by the Interstate Commerce Commission as the Southwestern Traffic Committee Territory.

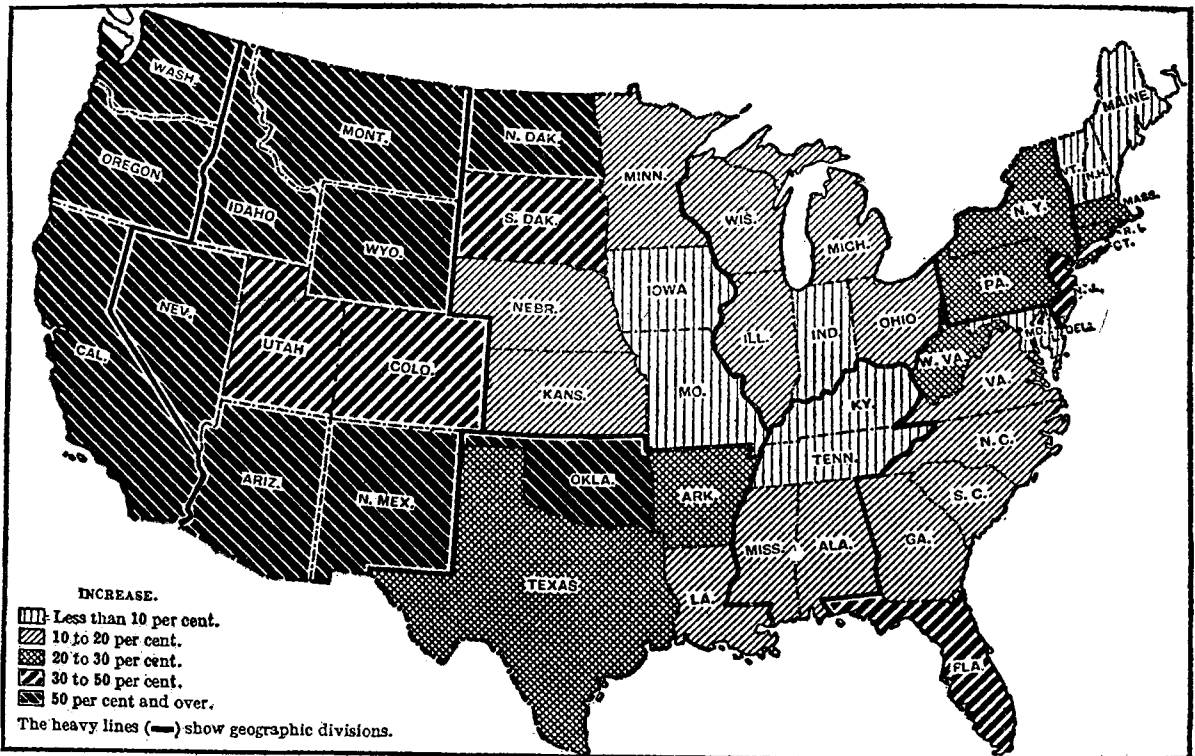
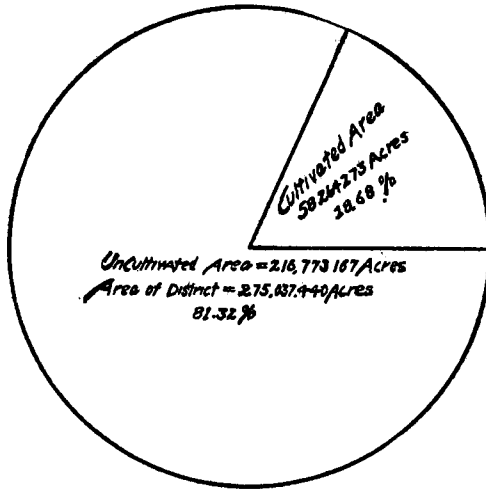
PHOTOGRAPHIC COPY OF UNITED STATES CENSUS MAP SHOWING GEOGRAPHIC DIVISIONS.

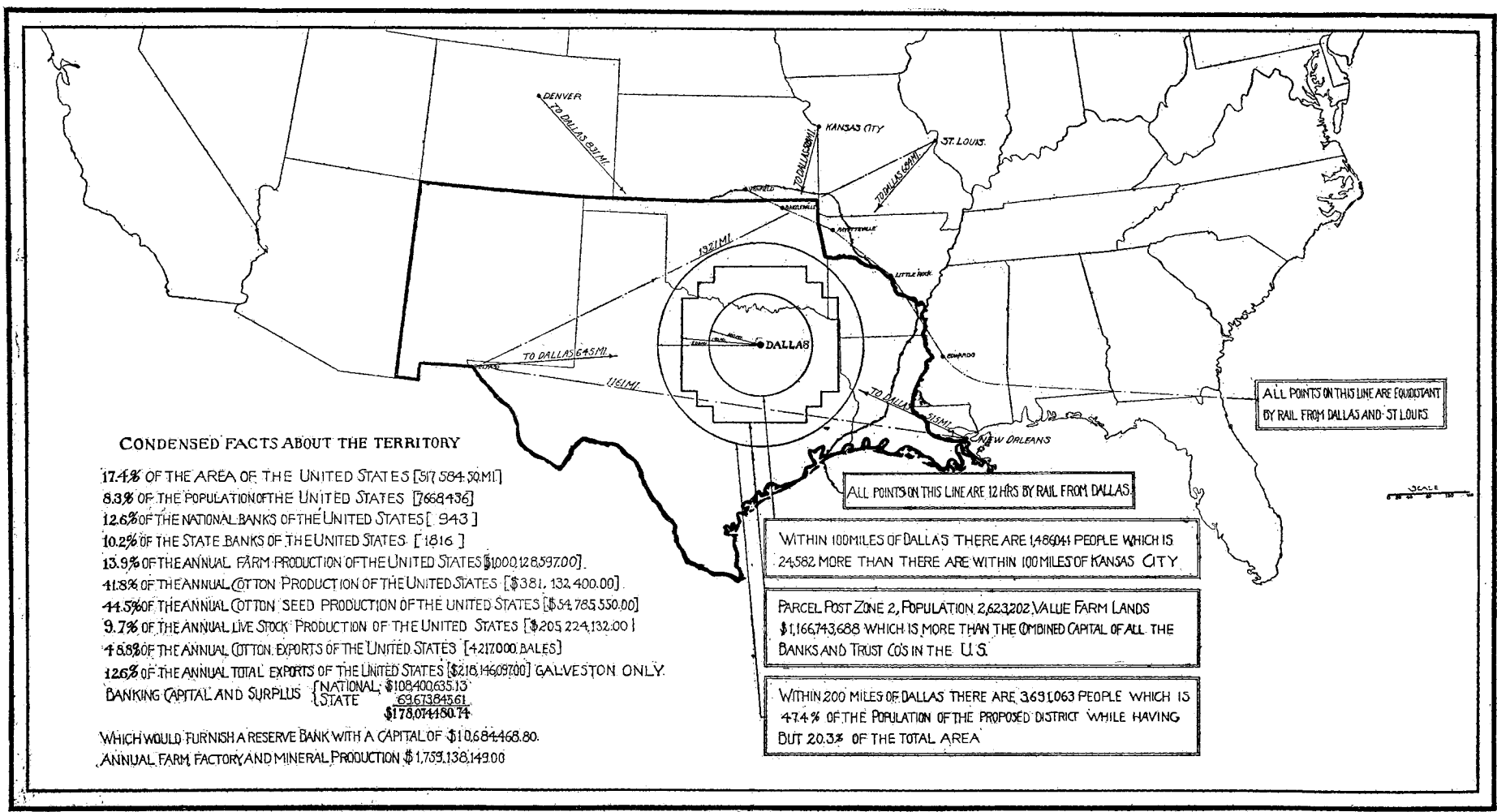


PERCENTAGE OF THE WHOLE UNITED STATES IN THE PROPOSED SOUTHWESTERN DISTRICT.



LOCATION OF RESERVE DISTRICTS.





**CONDENSED FACTS ABOUT THE TERRITORY**

17.4% OF THE AREA OF THE UNITED STATES [517,584.90 MI]  
 8.3% OF THE POPULATION OF THE UNITED STATES [7,668,436]  
 12.6% OF THE NATIONAL BANKS OF THE UNITED STATES [ 943 ]  
 10.2% OF THE STATE BANKS OF THE UNITED STATES [ 1816 ]  
 13.9% OF THE ANNUAL FARM PRODUCTION OF THE UNITED STATES [ \$1000,128,597.00 ]  
 41.8% OF THE ANNUAL COTTON PRODUCTION OF THE UNITED STATES [ \$381,132,400.00 ]  
 44.5% OF THE ANNUAL COTTON SEED PRODUCTION OF THE UNITED STATES [ \$54,785,550.00 ]  
 9.7% OF THE ANNUAL LIVE STOCK PRODUCTION OF THE UNITED STATES [ \$205,224,132.00 ]  
 48.8% OF THE ANNUAL COTTON EXPORTS OF THE UNITED STATES [ 4,217,000 BALES ]  
 12.6% OF THE ANNUAL TOTAL EXPORTS OF THE UNITED STATES [ \$218,146,097.00 ] GALVESTON ONLY.  
 BANKING CAPITAL AND SURPLUS { NATIONAL; \$108,400,635.13  
 STATE 69,673,845.61  
 \$178,074,480.74  
 WHICH WOULD FURNISH A RESERVE BANK WITH A CAPITAL OF \$1,068,4468.80.  
 ANNUAL FARM FACTORY AND MINERAL PRODUCTION \$ 1,739,138,149.00

WITHIN 100 MILES OF DALLAS THERE ARE 1,486,041 PEOPLE WHICH IS 24,582 MORE THAN THERE ARE WITHIN 100 MILES OF KANSAS CITY.

PARCEL POST ZONE 2, POPULATION 2,623,202, VALUE FARM LANDS \$1,166,743,688 WHICH IS MORE THAN THE COMBINED CAPITAL OF ALL THE BANKS AND TRUST CO'S IN THE U.S.

WITHIN 200 MILES OF DALLAS THERE ARE 3,691,063 PEOPLE WHICH IS 47.4% OF THE POPULATION OF THE PROPOSED DISTRICT WHILE HAVING BUT 20.3% OF THE TOTAL AREA

Which would furnish a reserve bank with a capital of \$10,684,468.80.

Annual farm, factory, and mineral production, \$1,759,138,149.

THE GROWTH OF THE TERRITORY.

Population 1900 to 1910.....Increased 39 per cent.  
 Acres in cultivation 1900 to 1910.....Increased 46.5 per cent.  
 Production of farm crops 1900 to 1910.....Increased 88.9 per cent.  
 Number of banks 1900 to 1914.....Increased 454 per cent.  
 Capital and surplus of banks 1900 to 1914.. Increased 510 per cent.

On this 18.6 per cent of arable land under cultivation is now produced 13.9 per cent of the entire crop production of the United States. This territory is increasing its production at the rate of \$88,900,000 per year.

DALLAS'S FACILITIES IN REACHING THE TERRITORY.

Nine trunk-line railroads radiating in 27 different directions with 91 daily passenger trains: Chicago, Rock Island & Gulf Railway; Gulf, Colorado & Santa Fe Railway; St. Louis, San Francisco & Texas Railway; Houston & Texas Central Railroad; Missouri, Kansas & Texas Railway of Texas; St. Louis, Southwestern Railway of Texas; Texas & New Orleans Railroad; Trinity & Brazos Valley Railway; Texas & Pacific Railway.

Five electric interurban railroads radiating in seven different directions with 156 daily trains, handling 4,000,000 passengers annually: Northern Texas Traction Co., Southern Traction Co., Texas Traction Co., Eastern Traction Co., Dallas-Corsicana Traction Co.

Dallas has headquarters and general offices for the Southwest of the Western Union, Postal, and Mackey Telegraph Cos., with 262 circuits, handling 18,497,300 telegrams per year. Dallas ranks sixth in the United States in total volume of business.

Dallas has headquarters and general offices for the Southwest of the Southwest Telephone (Bell) Co., with 159 toll circuits, originating 554,000 long-distance calls per year, increasing at the rate of 50,000 calls per year; 2,924 toll stations operated from Dallas as headquarters; 643 towns served from Dallas on 50-cent rate, 169 on 25-cent rate. Fifteen and nine-tenths per cent of all the telephones in Texas are in Dallas.

Dallas has the largest telephone development per capita of any city in the United States.

All express companies operating in the territory have headquarters at Dallas.

Only six cities in the United States have a larger volume of express business than Dallas.

Dallas has more express business per capita than any city in the United States.

Dallas has 176 mail receipts and 137 mail dispatches daily.

Dallas has 111 daily exchanges of mail pouches direct with towns in Texas. Dallas has 65 daily mail

dispatches to railway post offices. Dallas has 80 daily receipts of pouches direct to Dallas from other Texas cities. Dallas has 57 mail receipts daily from railway post office lines, exclusive of the 80 direct receipts from Texas. In reaching territory outside of Texas, Dallas has 57 receipts of mail and 65 dispatches of mail daily.

While Dallas is the fifty-fourth city in size, its postal receipts are thirty-third in volume, and as much as any two cities in the territory combined.

ABSTRACT OF REPORTS OF NATIONAL BANKS IN STATES NAMED.

[Covering items indicated, as made to the comptroller, Oct. 21, 1913. Maximum borrowing period of district.]

Territory.	No.	Capital.	Surplus.	Individual deposits.	Rediscounts, bills payable.
Texas.....	486	\$34,024,000.00	\$17,881,429.06	\$129,329,373.36	\$12,007,954.70
Reserve cities.....	33	16,475,000.00	7,992,500.00	73,737,105.77	4,080,223.06
Oklahoma.....	315	12,185,000.00	3,274,006.67	59,745,818.30	1,903,422.00
Reserve cities.....	11	2,200,000.00	662,000.00	12,417,025.13	425,000.00
New Mexico.....	40	2,215,000.00	996,900.00	14,383,713.82	332,000.00
Louisiana (west of Mississippi River).....	26	3,020,000.00	2,351,365.83	13,711,068.97	3,183,835.89
Arkansas (south of Arkansas River).....	32	2,671,320.00	1,083,971.70	9,374,828.94	1,368,002.91
Country banks.....	899	54,115,320.00	25,587,673.26	226,544,803.39	18,795,215.57
Reserve cities.....	44	18,675,000.00	8,654,500.00	86,154,130.90	4,505,223.06
Total.....	943	72,790,320.00	34,242,173.26	312,698,934.29	23,300,438.63

OPERATION OF FEDERAL RESERVE BANK.

[National banks alone.]

(1) Combined capital and surplus of national banks, \$107,032,493, at 6 per cent yields capital of reserve bank.....	\$6,421,949
(2) Reserve of country banks on \$226,544,803 individual deposits at 8 per cent yields deposits.....	\$18,123,520
(3) Reserve of reserve city banks on \$86,154,130 individual deposits at 10 per cent yields deposits.....	8,615,413
(4) Total deposits of reserve bank.....	26,738,933
(5) Less reserve at 35 per cent of deposits.....	9,358,627
	17,380,306
(6) Total loanable funds of reserve bank.....	23,802,255
(7) Maximum of bills payable and rediscounts.....	23,300,438
(8) Deduct 3 per cent of \$226,544,803, country-bank deposits.....	\$6,796,344
(9) Deduct 10 per cent of \$86,154,130, reserve-city bank deposits.....	8,615,413
	15,411,757
	7,888,681
Excess.....	15,913,574

The deductions of items (8) and (9) are warranted by provisions of bill which reduce reserves to be held by country banks from 15 per cent to 12 per cent, and by reserve-city banks from 25 per cent to 15 per cent, thereby increasing the loaning power of the banks and correspondingly reducing their need of borrowing.

No account is taken above for possible Government deposits, nor of voluntary or forced rediscounting between Federal reserve banks.

Allowance should also be made for the pyramided loans included in the total shown above of \$23,300,438 of bills payable and rediscounts.

STATEMENT OF DALLAS BANKS.

Combined statements of the 5 national and 5 State banks at close of business Jan. 13, 1914.

RESOURCES.		LIABILITIES.	
Loans.....	\$25,236,325.97	Capital.....	\$5,000,000.00
United States bonds.....	3,031,000.00	Surplus and profits.....	3,827,413.38
Other bonds.....	1,624,230.68	Circulation.....	2,775,500.00
Banking house.....	1,128,583.96	Deposits.....	31,899,635.14
Available cash.....	12,482,407.91		
Total.....	43,502,548.52	Total.....	43,502,548.52

*Banking service rendered to their correspondents by the 10 Dallas banks during 1913.*

Handled through their transit departments items on other banks within the Dallas district amounting to.....	\$499,589,236
Handled items on all points outside the Dallas district amounting to.....	105,331,063
	\$604,920,299
Remitted on receipt to eastern banks, country checks sent us for collection in this district.....	111,595,076
Received from their correspondent banks and others shipments of currency and coin amounting to.....	\$11,600,193
Shipped out to their correspondents in connection with crop movement, etc., currency and coin amounting to..	20,936,313
	32,536,506
Total shipments, in and out, of currency and coin.....	
Loaned to banks and bankers throughout the year an aggregate of....	14,092,937

LIST OF BANKING TOWNS IN TEXAS CARRYING BALANCES IN DALLAS.

Abbott.	Brandon.	Coppell.	Frankston.
Abilene.	Branham.	Copperas Cove.	Fredricksburg.
Addison.	Brashear.	Corpus Christi.	Frisco.
Alba.	Brazos.	Corrigan.	Frost.
Albany.	Bremond.	Corsicana.	Fulbright.
Aledo.	Brenham.	Coupland.	Flatonia.
Allen.	Bridgeport.	Covington.	Gail.
Alma.	Britton.	Crandall.	Gainesville.
Alto.	Bronte.	Crawford.	Galveston.
Altoga.	Brookston.	Cresson.	Garland.
Alvarado.	Brownsville.	Crockett.	Gary.
Alvord.	Brownwood.	Cross Plains.	Garza.
Amarillo.	Bryan.	Crowell.	Gatesville.
Anderson.	Bluffdale.	Cuero.	Georgetown.
Anna.	Bivins.	Cumby.	Gilmer.
Annona.	Bristol.	Cushing.	Gladewater.
Anson.	Buckholts.	Daingerfield.	Glen Rose.
Appleby.	Buffalo.	Dalhart.	Golden.
Arlington.	Bullard.	Dallas.	Goldthwaite.
Arp.	Burkburnett.	Dawson.	Gonzales.
Ashland.	Burnet.	Decatur.	Goodlett.
Asherton.	Burleson.	De Kalb.	Gordonville.
Athens.	Burton.	De Leon.	Gorman.
Atlanta.	Bynum.	Del Rio.	Graham.
Avalon.	Caddo Mills.	Denison.	Granbury.
Avinger.	Caldwell.	Denton.	Grand Prairie.
Aubrey.	Calvert.	Deport.	Grand Saline.
Austin.	Cameron.	Detroit.	Grandview.
Alexander.	Campbell.	Dialville.	Granger.
Bagwell.	Canadian.	Dodd City.	Grapeland.
Baird.	Canton.	Dorchester.	Grapevine.
Ballinger.	Canyon.	Dublin.	Greenville.
Balmorhea.	Carbon.	Duncanville.	Greenwood.
Banks.	Carmine.	Eagle Lake.	Groesbeck.
Bardwell.	Carrollton.	Eagle Pass.	Groveton.
Barksdale.	Carthage.	Eastland.	Gunter.
Barry.	Cason.	Ector.	Gustine.
Barstow.	Cedar Hill.	Edgewood.	Garden City.
Bartlett.	Celeste.	Edna.	Grand Falls.
Bastrop.	Celina.	El Campo.	Hagerman.
Bay City.	Center.	Eldorado.	Hallettsville.
Beaumont.	Centerville.	Electra.	Hamilton.
Beckville.	Chandler.	Elgin.	Hamlin.
Beeville.	Chico.	Elkhart.	Handley.
Bellevue.	Childress.	Elmo.	Hansford.
Bells.	Chillicothe.	El Paso.	Harleton.
Bellville.	Chilton.	Elysian Fields.	Harper.
Belton.	Cisco.	Emory.	Hasse.
Ben Wheeler.	Clarendon.	Emhouse.	Hawkins.
Big Sandy.	Clarksville.	Ennis.	Hawley.
Big Springs.	Cleburne.	Eustace.	Hedley.
Blooming Grove.	Clifton.	East Bernard.	Hearne.
Blossom.	Clyde.	Fairfield.	Heath.
Blum.	Coahoma.	Farmers Branch.	Hebron.
Blumburg.	Coleman.	Farmersville.	Hemphill.
Boerne.	Collinsville.	Fate.	Hempstead.
Bogota.	Colmesneil.	Ferris.	Henderson.
Bonham.	Colorado.	Flint.	Henrietta.
Bonita.	Comanche.	Floyd.	Hereford.
Bowie.	Commerce.	Floydada.	Hico.
Boyce.	Como.	Forreston.	Hillsboro.
Boyd.	Cootidge.	Forney.	Holland.
Bradshaw.	Cooper.	Fort Worth.	Honey Grove.
Brady.	Copeville.	Franklin.	Hooks.

Houston.	Markham.	Pickton.	Smithville.
Howe.	Marlin.	Pilot Point.	Snyder.
Howland.	Marquez.	Pine Hill.	Southmayde.
Hubbard.	Marshall.	Pittsburg.	Spur.
Hughes Springs.	Mart.	Plainview.	Stamford.
Huntsville.	Matador.	Plains.	Stanton.
Hutchins.	Maud.	Plano.	Stephenville.
Hutto.	Maxwell.	Point.	Streetman.
Indian Gap.	Maypearl.	Poolville.	Sulphur Springs.
Irene.	Melissa.	Ponta.	Sulphur Bluff.
Irving.	Memphis.	Port Arthur.	Sunset.
Italy.	Mercury.	Pottsboro.	Sweetwater.
Itasca.	Meridian.	Powell.	Sylvester.
Jacksboro.	Merit.	Prairie Hill.	Sugarland.
Jacksonville.	Merkel.	Princeton.	Swan.
Jefferson.	Mertens.	Pritchett.	Taft.
Jermyn.	Mesquite.	Proctor.	Talco.
Jewett.	Mexia.	Putnam.	Tatum.
Josephine.	Midland.	Purdon.	Taylor.
Justin.	Midlothian.	Quanah.	Teague.
Kaufman.	Milano.	Queen City.	Temple.
Kemp.	Millsap.	Quitman.	Terrell.
Kerens.	Miles.	Quitman.	Texarkana.
Kilgore.	Milford.	Rails.	Texas City.
Killeen.	Mineola.	Ranger.	Thornton.
Kingsville.	Mineral Wells.	Ravenna.	Timpson.
Kirbyville.	Mingus.	Reagan.	Tomball.
Kirkland.	Moody.	Red Oak.	Tom Bean.
Kirvin.	Mount Calm.	Red Rock.	Trent.
Kleburg.	Mount Pleasant.	Redwater.	Trenton.
Klondike.	Mount Selman.	Rhinehart.	Troupe.
Kopperl.	Mount Vernon.	Rhonesboro.	Troy.
Kosse.	Muenster.	Rico.	Trumbull.
Kress.	Mullin.	Richardson.	Tulia.
Krum.	Murchison.	Richard.	Turkey.
Kountze.	Murphy.	Rio Vista.	Tyler.
Ladonia.	Myra.	Rising Star.	Uvalde.
Laredo.	Nacogdoches.	Roanoke.	Valley Mills.
La Grange.	Naples.	Roby.	Van Alstyne.
Lamesa.	Navasota.	Rochester.	Van Horne.
Lampasas.	Nevada.	Rockdale.	Venus.
Lancaster.	Newark.	Rockwall.	Vernon.
Larue.	New Boston.	Rogers.	Victoria.
Lavon.	New Braunfels.	Roscoe.	Waco.
Leesburg.	New Castle.	Rosebud.	Walnut Springs.
Leonard.	Newsome.	Rosewood.	Waxahachie.
Leander.	Nocona.	Rotan.	Weatherford.
Leroy.	Normange.	Rowlett.	Weimer.
Lewisville.	North Zulch.	Roxton.	Wellington.
Lindale.	Novico.	Royse.	Wells.
Linden.	Newton.	Rule.	West.
Lipan.	New Hope.	Rusk.	Westminster.
Livingston.	Oakwoods.	Renner.	Wharton.
Llano.	Odell.	Sacul.	Wheeler.
Lockhart.	Odessa.	Sadler.	Whitney.
Lockney.	Oglesby.	St. Jo.	Whitehouse.
Lometa.	Oklunion.	Salttillo.	Whitesboro.
Lone Oak.	Oleny.	San Angelo.	Whitewright.
Long Branch.	Omaha.	San Antonio.	Whitt.
Longview.	Orange.	Sandia.	Wichita Falls.
Lorraine.	Osceola.	Sanger.	Wills Point.
Lorena.	Overton.	San Juan.	Wilmer.
Lott.	Olton.	San Marcos.	Winchester.
Lovelady.	Pecan Gap.	San Saba.	Windom.
Lufkin.	Paducah.	Santa Anna.	Winfield.
Luling.	Paint Rock.	Savoy.	Winnboro.
Lyons.	Palacios.	Schertz.	Winona.
McGregor.	Palestine.	Schulenburg.	Winters.
McKinney.	Palmer.	Seurry.	Wolfe City.
McLean.	Paradise.	Seagoville.	Wortham.
Mabank.	Paris.	Sealy.	Wylie.
Madisonville.	Park Spring.	Seguin.	Woodville.
Malakoff.	Pattonville.	Seminole.	Woodson.
Malone.	Pearsonville.	Seymour.	Yantis.
Mansfield.	Pecos.	Sherman.	Yoakum.
Marble Falls.	Penelope.	Shiner.	Yorktown.
Marfa.	Petty.	Sinton.	

Five hundred and sixty-six banks, carrying 1,654 accounts, with average balance of \$10,756,000.

DALLAS COMMERCIAL STATISTICS.

SHOWING THAT ESTABLISHED TREND OF TRADE CENTERS AT DALLAS.

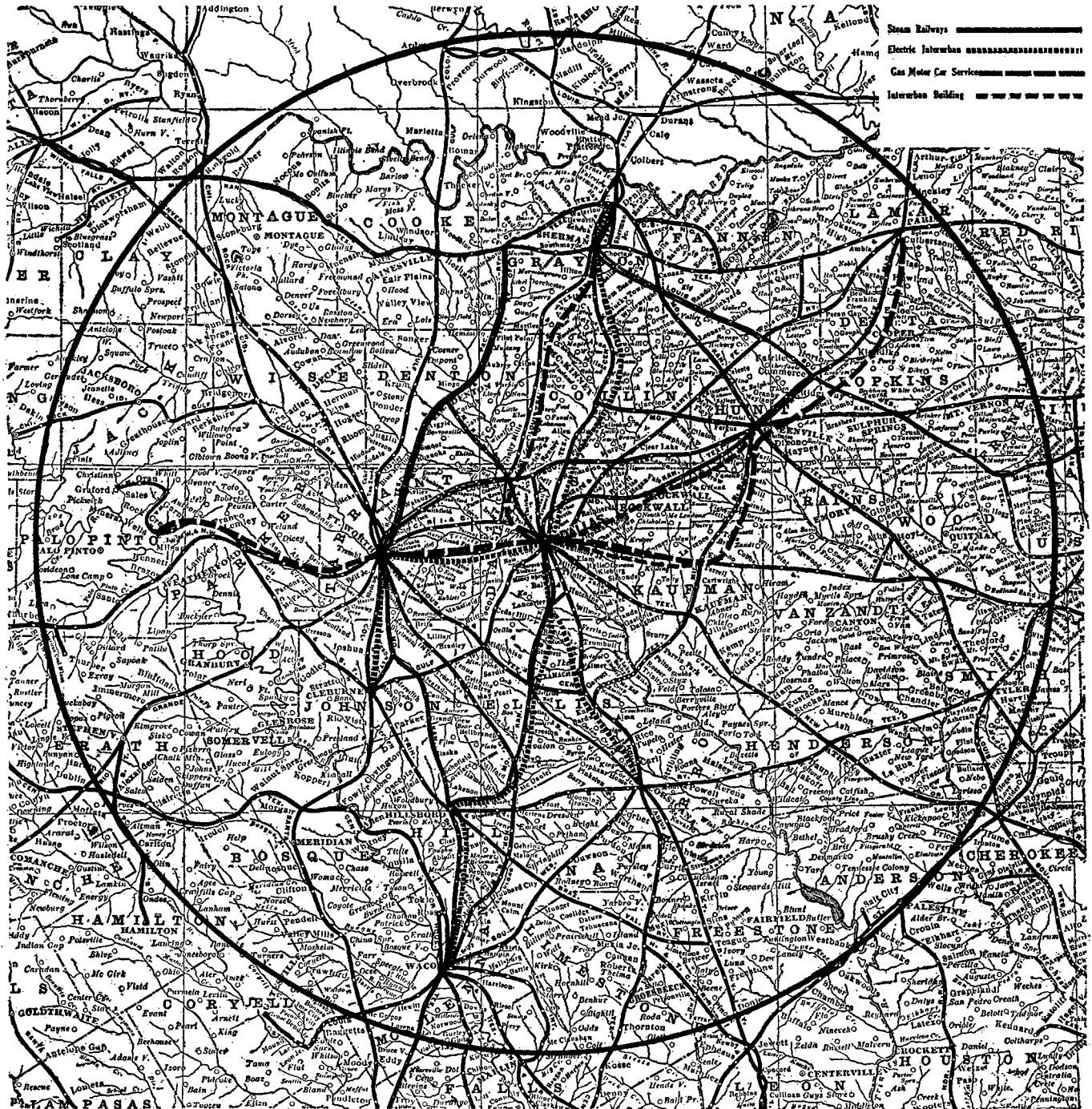
Dallas leads the world in the manufacture of cotton-gin machinery, in the manufacture of harness and

This Circle of 100 Miles Radius, of which Dallas is the centre, encloses 10.8% of the area of Texas,

Yet within this 10.8% of the area of the State there is:

- 25.4% (3,797 Miles) of the Railroad Mileage of the State.
- 29.5% (\$747,666,866) of the assessed valuation of the State.
- 33.1% (1,399,081) of the population of the State.
- 34.6% (144,583) of the farms of the State valued at \$605,645,-575 on which are raised:
- 43.4% of the cotton of Texas (2,223,622 Bales) and
- 37.9% (\$251,217,647) of the total farm production of Texas.

46 of the 249 counties of Texas and 8 of the 77 counties of Oklahoma, having 1,320 Cities, Towns and Villages with 16,669 rated business houses and a population of 1,486,041.





saddlery, in the distribution of agricultural implements second only to Kansas City.

Dallas leads every city in the Southwest in population (131,278), in wholesale business (\$211,458,000), in number of wholesale houses (318), in factory output (\$42,595,000), in number of factories (393), in freight business (602 carloads per day), in postal receipts (\$1,002,023), in new building permits (\$8,439,540).

Dallas sells more goods in the territory than either St. Louis or Kansas City, and particularly surpasses them and has the largest volume in these lines: Automobiles, cement, drugs and groceries, dry goods, electrical supplies, harness, hats and caps, machinery, millinery, paper, petroleum products, paints and oils, saddlery, vehicles.

NOTE.—St. Louis surpasses Dallas in volume of business in the territory in two lines only, viz, boots and shoes, and hardware.

One hundred and forty-one firms of national importance and operating all over the United States have their general offices and warehouses at Dallas, for the Southwest.

Signed statements from the Dallas jobbers show that they sell to 28,280 merchants in Oklahoma, 3,151 merchants in New Mexico, 5,698 merchants in Arkansas, and 7,222 merchants in Louisiana.

NOTE.—These statements necessarily overlap to some extent.

Of the 2,448 rated business houses in Dallas two only operate as branches of St. Louis. One only operates as branch of New Orleans.

Total cotton area whole South, 892,072 square miles. Total cotton area in the proposed territory within 12 hours' ride from Dallas, 437,794 square miles.

Dallas Cotton Exchange has 73 members with buyers in every portion of cotton territory in proposed district; bought last year 1,459,000 bales and paid out \$92,097,000.

Two hundred and seventy-six cottonseed-oil mills are within 150 miles of Dallas, producing one-third of the total cottonseed oil of the United States. Three of the largest mills are at Dallas.

#### DALLAS COMMERCIAL STATISTICS.

Butler Bros. have five distributing houses, Chicago, New York, Minneapolis, St. Louis, and Dallas; spent \$1,600,000 in building; occupy 475,000 square feet in one building. It is not a branch of St. Louis, and the Dallas house handles all southwestern business.

Ford Motor Car Co. are now building at Dallas one of their few assembling plants, to cost \$400,000, employing 600 men, to handle business of southwest.

Sears, Roebuck & Co. have their largest distributing house at Dallas; investment, \$4,000,000; 1,200,000 square feet of floor space, employing 1,300 people, distributing merchandise only.

Twenty-six wholesale agricultural implement houses at Dallas do a business of \$35,000,000 annually.

Thirty-two wholesale automobile concerns in Dallas sold \$18,164,972 during 1913.

One hundred and forty-one concerns have headquarters at Dallas and operate southwestern business and branches from Dallas.

#### Firms of national importance at Dallas.

A. P. W. Paper Co.	Pathfinder Motor Car Co.
Allis Chalmers Mfg. Co.	Patterson, Sargent Paint Co.
American LaFrance Fire Engine Co.	Peavey Rubber Co.
American Multigraph Sales Co.	Pierce Fordyce Oil Assn.
American Soda Fountain Co.	Philips Boyd Pub. Co.
American Steel & Wire Co.	Pittsburg Water Heater Co.
American Tire & Rubber Co.	Prest-O-Lite Co.
American Type Founders Co.	Queen City Printing Ink Co.
American Well Works.	Remington Typewriter Co.
Art. Metal Construction Co.	Rumley Products Co.
Art Wall Paper Mills.	Sears, Roebuck & Co.
Atkins, Mentzer & Co.	Sharpless Separator Co.
B. F. Avery & Sons Plow Co.	Sherwin Williams Paint Co.
Avery Company of Texas.	Sigler-McNamera Co. (Acme Silver Co.).
Barnhart Brothers & Spindler.	Silver Burdett & Co.
Samuel Bingham's Sons Mfg. Co.	Southern Hardware & Woodstock Co.
The Bolte Mfg. Co.	Southern Products Company (Mitsui & Co.).
S. F. Bowser & Co.	Rock Island Plow Co.
Brown Cracker & Candy Co. (Loose Wiles Biscuit Co.).	Southwest General Electric Co. (General Electric Co.).
Brown Mfg. Co.	Southwestern Paper Co. (J. W. Butler Paper Co.).
Brunswick-Balke-Collender Co.	A. G. Spalding & Bro.
Buick Auto Co.	Standard-Tilton Milling Co.
August A. Busch & Co.	Studebaker Brothers Co.
Butler Brothers.	Texas Bitulithic Co.
Philip Carey Co.	Texas Glass & Paint Co. (Pittsburg Plate Glass Co.).
J. I. Case Plow Works.	Texas Harvester Co. (International Harvester Co.).
J. I. Case Threshing Machine Co.	Texas Machinery & Supply Co. (Fairbanks-Morse & Co.).
Cocoa Cola Co.	Texas Moline Plow Co. (Moline Plow Co.).
Columbia Graphophone Co.	Texas Ohio Cultivator Co. (Ohio Cultivator Co.).
Consolidated Film & Supply Co.	A. J. Tower & Co.
Continental Gin Co.	Underwood Typewriter Co.
Crane Co.	United Cork Co.
Crown Cork & Seal Co.	United Shirt & Collar Co.
John Deere Plow Co.	United States Chemical Co.
Diamond Rubber Co.	United States Tire Co.
Detroit Electric & Motor Car Co.	Western Coal & Mining Co.
Edwards Mfg. Co.	Western Electric Co.
Electric Appliance Co.	Westinghouse Electric & Mfg. Co.
Elliot Fisher Co.	A. H. Wilkins Co. (American Book Co.).
Emerson Brantingham Implement Co.	L. Wolf Mfg. Co.
Federal Plate Glass Co.	Western Union Telegraph Co.
Firestone Tire & Rubber Co.	Postal Telegraph Co.
Fisk Tire Co.	Mackey Telegraph Co.
Ford Motor Co.	Bell Telephone Co.
General Fire Extinguisher Co.	Stone & Webster Corporation.
Gilsonite Construction Co.	Pittsburg Testing Laboratory.
Goodyear Tire & Rubber Co.	Robert W. Hunt & Co.
Gratton & Knight Mfg. Co.	Republic Steel Co.
C. H. Gray Rubber Co.	American Sheet & Tin Plate Co.
Hart & Crouse.	Chicago Bridge & Iron Works.
Hesse Envelope Co.	National Tube Co.
W. C. Hixson & Co.	Graham Paper Co.
Ginn & Co.	Aetna Powder Co.
Hudson Motor Car Co.	National Cash Register Co.
Geo. P. Ide & Co.	West Disinfecting Co.
Imperial Motor Car Co.	L. C. Smith & Bro.
International Text Book Co.	Burroughs Adding Machine Co.
B. F. Johnson Publishing Co.	United Motor Co.
Lincoln Paint & Color Co. (Acme White Lead & Color Co.).	B. F. Goodrich Co.
Liquid Carbonic Co.	Cole Motor Car Co.
A. E. Little & Co.	The Half Co.
W. R. Madison Publishing Co.	Franklin Motor Car Co.
Magnolia Petroleum Co.	Packard Motor Car Co.
Master Builders Co.	White Motor Car Co.
Michigan Motor Car Co.	Automatic Sprinkler Co.
Michelin Tire Co.	General Film Co.
Monarch Telephone Mfg. Co.	McBeth Evans Glass Co.
H. K. Mulford Co.	Advance Thresher Co.
The Murray Co.	
New Home Sewing Machine Co.	
Oliver Chilled Plow Works.	
Overland Automobile Co.	
Parlin & Orendorf Implement Co.	

DALLAS COMMERCIAL STATISTICS—GENERAL AND COMPARATIVE.

It will be conceded that all of Texas is nearer Dallas than any other location under consideration. The map attached will show that all of the territory claimed in Oklahoma, Arkansas, and Louisiana is within 15 hours by rail from Dallas. That every portion of the territory can be reached from Dallas in less time than from St. Louis. With the exception of a small portion of northern Oklahoma, north of the Canadian River, it can be reached from Dallas by rail in shorter time than from Kansas City. The only portion of the territory that can be reached from Denver in a shorter time than from Dallas is the northern half of New Mexico and a small portion of the Panhandle of Texas. Less than 5 per cent of the population in the territory exclusive of Texas can be reached more quickly from Kansas City or St. Louis than from Dallas. Eight hundred and ninety-three of the 943 national banks are nearer Dallas than they are Kansas City, St. Louis, Denver, or New Orleans. One thousand seven hundred and sixty-one of the 1,816 State banks are nearer Dallas than any other of the cities mentioned.

City.	Growth in population.	Increase in factory employees.		Increase in value of factory products.	
	1900-1910	1899-1904	1904-1909	1899-1904	1904-1909
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
Dallas.....	116	21.2	41.7	64.7	72.5
New Orleans.....	18	7.9	-3.6	41.7	-1.2
St. Louis.....	19	5.6	27.6	38	22.9
Kansas City, Mo.....	51.7	13.8	32.6	50.8	53.8
Memphis.....	28.1	11.3	7.5	40.8	50.9
Denver.....	59.4	13.8	24.7	-3.3	40.6

Two thousand two hundred traveling men live at Dallas and make it headquarters for the Southwest.

Dallas has 52 magazines and periodicals, and, next to Nashville, is the largest publication center in the whole South.

Commercial rating of the 2,284 business firms of Dallas total \$115,343,500, an average of over \$50,000 each.

REASONS FOR LOCATING REGIONAL RESERVE BANK IN TEXAS TERRITORY.

*The Reserve Bank Organization Committee,  
Washington, D. C.*

GENTLEMEN: This "book of reasons" is a supplement to the Dallas Book of Facts submitted at your meeting in Austin, Tex. Its aim is to point out the significance of some of the facts submitted at that hearing by the Texas cities and to present reasons supported by those facts why Texas is entitled as of right to have a regional bank.

DALLAS—COMPARATIVE AND ILLUSTRATIVE.

Three million six hundred and ninety-one thousand and sixty-three people live within 200 miles of Dallas, which is 47.4 per cent of the entire population of the proposed district, although it includes but 20.3 per cent of the area of the district.

Two million six hundred and twenty-three thousand two hundred and two live in parcel-post zone 2—this zone of 150 miles radius from Dallas.

Farm values in zone 2 for 1909 are around \$1,166,743,688, which is a greater amount than the capital and surplus of all banks, trust and loan companies in the United States combined, of same year.

The annual farm production in zone 2 is greater than the combined factory wages of St. Louis, Cleveland, Detroit, Pittsburgh, Boston, Buffalo, San Francisco, and Providence.

One hundred and sixty Dallas concerns are rated at over \$1,000,000.

It is interesting to note that the loans and discounts of Texas banks alone are greater than those of Alabama, Mississippi, Arkansas, Louisiana, and Florida combined.

Kansas City claims prestige on account of Sears, Roebuck & Co. locating there. The Kansas City house of Sears, Roebuck & Co. is a warehouse only, occupying 200,000 square feet of floor space, shipping on order from Chicago. The Dallas house of Sears, Roebuck & Co. has six times the amount of floor space, originates and ships from Dallas all business for Texas, Oklahoma, Arkansas, New Mexico, and Louisiana.

One hundred-mile radius circles around Dallas, St. Louis, and Kansas City, excluding the populations of the central cities, gives:

	Population, 1910.	Per cent of increase, 1900-1910.
Dallas.....	1,279,160	13.0
Kansas City.....	1,254,578	-8.3
St. Louis.....	1,387,441	12.5

Including the populations of the central cities, gains in population were: Dallas, 18 per cent; St. Louis, 14.8 per cent; Kansas City, 1.4 per cent. Total Dallas population, 1,486,041, being 40.3 per square mile, compared with 20.7 for Kansas and 47.9 for Missouri.

THE NUMBER OF BANKS TO BE FORMED.

The fact that the minimum number of banks was fixed at eight was a victory for the decentralization idea. The winning argument was based as much upon political as economic conceptions. The soundness of the economic theory is debatable, but the correctness of the political theory is incontrovertible.

At all events, the facts that at least eight banks are mandatory, that a margin for discretionary increase up to 50 per cent is provided, and that regionality is an essential feature of the law, show clearly that Congress intended (subject to the limitations in the law itself) to put a bank in each region where there is business enough and funds enough to support it, and where to refuse it would leave districts so large as to be contrary to the regionality theory, or productive of such discontent and friction as to impair the success of the system.

These considerations justify at least 10 banks, located as follows: Massachusetts, New York, Pennsylvania, Georgia, Ohio, Illinois, Missouri, Texas, Minnesota, and California. If 2 of this group be eliminated so as arbitrarily to reduce the number to 8, those eliminated should be Ohio, which can so readily be attached in fractions, or as an entirety, to its surrounding districts, and Minnesota, which belongs logically to Chicago.

The circumstances requiring the above grouping are that in each of these areas existing financial and commercial connections are found which would be less disturbed by such grouping than to any other relationship, and at the same time districts neither too large nor too small would be created.

In each of these areas there happens to be a city which is already its financial and commercial center. Given a certain district the selection of a certain city is inevitable. The district itself has already pointed it out by currents of trade which flow into it. The cities referred to are Boston, New York, Philadelphia, Atlanta, Cleveland, Chicago, St. Louis, Dallas, Minneapolis, and San Francisco.

To locate the minimum number of banks now with an eye to the future increase is unwise, because such a process involves a further disturbance in the future. It is like breaking a leg twice in the same place. It is to be hoped that the country will be so districted now that the only changes needed in the future will be along the borders of logical and regionally located districts. In such a border zone lines must of necessity be somewhat arbitrary, and it may be found necessary at times to readjust them.

#### BRANCH BANKS.

An illogical contention has been made in some cities that the number of regional banks should be low and the number of branches correspondingly high. The assumption is made that a branch bank will have all of the functions and usefulness of a regional bank. It is urged that a branch bank at a particular point will be just as useful to the subdivision of the district which is related to the branch bank as the regional bank would be.

As stated, such a contention is illogical:

1. If correct, there should be one central bank at New York or Washington and all other banks should

be branches. If a branch bank is as good for Dallas or Philadelphia as a regional bank, why is it not as good for New York, Chicago, or San Francisco?

2. It arbitrarily builds up remote cities at the expense of the localities which produce wealth and which should be permitted to keep it and use it for their own development.

3. Business of member banks with branches will be more subject to delays, uninformed consideration and administrative red tape than business done with the regional bank itself.

4. It stirs up a spirit of ill will to the system itself by forcing support to the governmental project along unnatural lines.

It is inconceivable that a branch bank should have all the powers of a regional bank itself. No system providing for branch banks has ever been so organized. If each branch and also the regional bank had coequal control over the common funds, the common policy, the common operations, and the common credit, the end would be easy to imagine. It is indispensable that the parent bank shall have control over all of these operations and this of necessity requires a duplication of time and attention to every important project.

5. Regional independence which, in spite of the old banking system, has struggled so long and hard for expression and is at last finding it, will be lost permanently or indefinitely notwithstanding the Democratic theory of government that localities should be locally governed and encouraged to develop locally self reliance and independence.

To tie Texas to Kansas City, St. Louis, or New Orleans, no one of which now draws the fourth part of her foreign trade, to strip her of financial and in time commercial independence, would be an economic as well as a political crime, and Texas sees clearly that such a result will inevitably follow such action.

The greatest difficulty of administration in the new system is going to be the supervision and control by the parent bank of its branches. The surest method of minimizing this danger is to have as many regional banks as the country needs and as few branches as possible.

#### WHY SHOULD TEXAS HAVE A REGIONAL BANK.

1. It is a region in every sense, express and implied, in which that word is used under the law. Including the relatively small territory outside of Texas, which has for its convenience been put with Texas and which can with most advantage to it be best served from a Texas bank, the region contains or produces approximately:

One-sixth of the area of the United States (such area is large enough for a district, while if added to the other territory claimed by St. Louis, the enlarged district would embrace approximately one-third of the total area of the United States).

One-twelfth of the population of the United States (the increase during the last decade being 39 per cent).

One-eighth of the national banks of the United States.

One-tenth of the State banks of the United States (the number of total banks increased in the last 14 years 454 per cent).

One-seventh of the total farm production of the United States (\$1,000,128,597).

Two-fifths of cotton production of the United States, (\$381,132,400).

Four-ninths of total cotton-seed production of the United States (\$54,785,550).

One-tenth of live-stock production (\$205,224,132).

One-half of cotton exports (\$253,020,000).

One-eighth of the total exports of the United States.

With the exception of some territory in the extreme western and southern portions of the district and a small area in southwestern Louisiana, every point in the district is within 12 hours' mail service of Dallas, and those remote portions of the territory are within closer mail service to Texas cities than any other city which has been under consideration as a location for a regional bank.

2. It would capitalize a bank more than 50 per cent above the law's requirements (\$6,421,949) even if no State bank came in, and with the deposits of reserves which the law requires, its resources would enable it to meet all legitimate demands in ordinary times.

For 8 months in every year a regional bank in this district would have money to loan; for 12 months in an ordinary year it could take care of its own member banks and have money left. During the exceptional year (1913) just past it could at the peak of its advances to member banks have financed itself. If, however, under extraordinary stress it should need to rediscount the receivables of member banks to a small extent with other regional banks, or to issue emergency currency, it would simply be making use of these features of elasticity which have been advertised as among the chief excellencies of the new banking law.

If the Texas regional bank should be a lender bank 8 months out of every year and 12 months out of an ordinary year, why should it not every 4 months during an occasional extraordinary year be a borrower or note-issuing bank?

Its condition would not be bettered by being put with Kansas City, St. Louis, or New Orleans, for it appears from a study of the bank reports of October 21, 1913, of the territory that is included in the St. Louis claims, that taking banks as a whole over that area all individual deposits were at low ebb and banks in both St. Louis and Kansas City were borrowing

money just as the banks in the Texas district were doing.

The unassailable fact is—St. Louis and Kansas City will not dispute it—that when Texas needs money to move its crops its banks can not borrow money in any considerable quantities in either St. Louis or Kansas City, and must go to Chicago or to the Atlantic seaboard. Balances are kept in St. Louis now, not in order to secure loans there in time of need nor because trade sets that way, but in order to secure exchange facilities and provide means for making collections at par.

The rediscounts and bills payable in the district Texas has defined were \$23,000,000 at the peak of the heaviest demand of 1913. How much duplication or pyramiding was in this sum it is not easy to say, but, as shown in the Dallas Book of Facts, more than three-fifths of the amount could have been absorbed by the reduction in the percentages of reserve which are provided for under the new law. The national banks in the territory would have had \$15,000,000 more of loanable funds at that time if the present law had then been in force, leaving only \$8,000,000 to be taken care of by the regional bank. Its available funds for that purpose would have been far in excess of these demands.

If the new law is simply going to provide new machinery (perhaps more complex than the old) for doing what is already being well done under the existing banking system, its importance and efficiency has been vastly exaggerated. We do not believe it is so limited in function. We think it was intended to provide elasticity and a means for equalizing seasonal inequalities, to relieve strain where strain has been great under the old system. It is, however, going to be a handicap instead of an advantage if its effect will be normally to restrict Texas banks or banks in any other single district to their regional bank and affect their open market connections. If it is going to be thought a crime, or even bad banking, for one regional bank to use the surplus funds of another at one season, and to render the same service to another bank at another season, the law will prove to be absurdly inadequate.

Moreover, why should it be thought inevitable that the member banks will deal only with the regional bank when wanting to borrow money? No one doubts that banks which now have resources beyond their local needs will continue to lend that money to other banks to meet reasonable requirements. If the new law is to create in the Government a monopoly of the business of loaning money to national banks to meet their reasonable requirements, it has not been so advertised. Member banks will, of course, maintain their legal reserve with the regional banks, but they will deposit as in the past surplus funds with other banks, receiving interest on daily balances and having constant transactions in the borrowing and loaning of money as heretofore

3. The virility of the Southwest, if encouraged and furnished an opportunity for independent exercise, will do a constructive work in that rapidly growing section which will benefit the entire Nation. If repressed its work will be smaller, less vital, and less profitable to the Nation.

The attitude of Texas on the matter of its being made an appendage of St. Louis or any of the other cities named may be called a sentimental one, but such a criticism does not meet our contention. The geographical outlines of Texas, her political history, the surpassing loyalty of her citizens and their abounding patriotism, her astounding development and eventual destiny and place in the national life have built up a reliant independence that will be peculiarly offended if, after it has supported its claims as strongly as it has, it should be bound in a subordinate relationship to another community having less banking capital, less commercial resources, less present and future prospects than it has.

So-called sentiment has played a great part in the material as well as in the moral aspects of our civilization; it launched the Crusades; it organized the Reformation; it colonized America; it fought the Revolution; it made Texas a Republic and afterwards brought it into the Union; it is to-day making it the most unique State in the Union, and one whose probable future staggers the imagination.

4. Texas is not tributary to any of the three cities named, but is self-sufficient and independent of them. We might lay New Orleans out of the case, for there is no flow of business of moment to it. Kansas City before the day of the development of the implement business in Dallas and the grain and packing business in Fort Worth had some business with Texas. This is now negligible. The business connections of 20 and even 10 years ago with St. Louis are no longer in existence. In its stead there is a business in certain lines, like shoes, beer, and hardware. The Texas cities have become markets for the Texas retailer and consumer. The wholesaler in Texas buys from the same factories the St. Louis wholesalers buy from and in some lines in much larger quantities. The banking connection is small and would be less but for the artificial requirements of the old banking law, which gave St. Louis an unnatural advantage over Texas cities, against which unnatural advantage we now so earnestly protest. Freight into Texas comes by the Gulf seaboard and can reach as far north as middle Oklahoma on local reshipments on a competitive basis with St. Louis. Dallas alone has a wholesale business with the proposed district of \$211,000,000, to say nothing of the enormous aggregate done by other Texas cities. Dallas business alone during the last three years has grown at the rate of nearly 20 per cent annually.

It is not surprising that St. Louis is asking this committee to allow it to retain its artificial advantage over Texas, but it will be supremely disappointing to Texas if this committee heeds the request. The claim of St. Louis to an important and vital relationship with the welfare of the Southwest will not stand the acid test.

5. The distance to Texas from a regional bank located in either of the cities named would greatly diminish the value of the system to Texas. We need pay no attention to New Orleans or Kansas City in this connection, but will confine ourselves to St. Louis; that city is 24 hours distant from the average north Texas points, 36 hours distant from the average south Texas points, and 48 hours distant from the extreme western and southern Texas points. A banker in Houston would need (allowing one business day in St. Louis) four nights and three days to go to a regional bank in St. Louis to discuss a matter of business with it, in case the need for discussion arises, as might readily be the case upon his rediscount offerings. His expenses would be at least \$75; he would travel over 2,000 miles. His case would not be an extreme one. He is 250 miles nearer St. Louis than a Brownsville banker will be, and about the same distance many other important Texas points are. He would travel more than a banker going from St. Louis to Boston or from New York to Jacksonville or from Chicago to Dallas.

Such remoteness would inevitably result in ignorance on the part of the directors of the regional bank of local conditions. In consequence credits would not be so intelligently considered and delays and friction would certainly result. Even if Texas had a director on the board of the regional bank, he would be but one man against many.

#### TERRITORY IN TEXAS DISTRICT.

1. All of Texas is demanding that a bank be placed in Texas except that at El Paso. This desire is subordinated to a wish that El Paso be kept with New Mexico and Arizona; that is, with its trade territory, in no matter what district that territory be placed. In any case, El Paso wants a branch bank, and with that arrangement New Mexico and Arizona are content. With a branch bank at El Paso New Mexico and Arizona can be as well served as their remote situation and scattered inhabitancy will permit under the terms of the law. In the absence of a bank at Denver, a branch bank at El Paso would be more logically added to the regional bank in Texas than elsewhere, and should Denver be hereafter given a bank, the El Paso branch could be bodily transferred to that bank without any other disturbance and without impairing the ability of the remaining Texas district to capitalize and support a bank. Texas trade relations

with the Pecos Valley in New Mexico are respectable. El Paso only, among Texas cities, however, has close relations with the remainder of New Mexico, and her relationship to New Mexico and Arizona justify the inclusion of that territory in the El Paso branch. It is to be noted, however, that Texas did not include Arizona in her proposed district and that it can dispense if necessary with El Paso and New Mexico.

2. The physical situation of New Mexico has been explained; if it and Arizona want to go into the branch bank district of El Paso and that city can fairly serve them, they appear to be quite content to become part of any district to which El Paso may be attached. No violence, therefore, will be done, either to their wishes or their trade connections, by including them in the Texas district.

3. If a regional bank were put in New Orleans, the portion of Louisiana which Texas claims would prefer to go into the New Orleans district. Without a regional bank in New Orleans and with one at Dallas, certainly all of north Louisiana and perhaps more of its area would prefer the Texas bank over the Atlanta or St. Louis bank. It already trades largely in Texas; that trade is increasing and has proved that Texas points could serve that portion of the district.

4. Under established conditions southwestern Arkansas sells its cotton, its vegetables, its fruit, largely in Texas. Perhaps more of its general business is done in St. Louis; it would doubtless prefer St. Louis. However, it is closer to Texas than to St. Louis; it could be better served from Texas; no violence to its business would be done by putting this southwestern area with the Texas district.

5. Southern Oklahoma is identified with Texas in every way. Texas people settled it up; Texas buys its cotton; her cattle grazes its ranges; Texas buys its stock, its gas, its oil, and its lumber. Northern Oklahoma is divided, a part preferring Kansas City, a part preferring St. Louis. Texas is closer to it, however, in every way, and can serve it better than any other State.

No doubt there are many people in Louisiana, southwestern Arkansas and Oklahoma who would prefer not to be put in the district with Texas cities. There are many, however, who favor the Texas district. Some violence must be done, for manifestly this committee can not please those holding such opposing views. The nearest possible reconciliation—if the endeavor is to be made to please everybody—would be to put southern Oklahoma with the Texas district and northern Oklahoma with the St. Louis district, assuming, of course, that no bank is to be put at Kansas City.

It is certainly true that less violence will be done the wishes of the communities mentioned by such an alignment than would be done to all of Texas if the St. Louis plan is followed by this committee. Texas does

not want to be made a part of the St. Louis district. If it is made a part of that district it will be done over its protest and against its will. If St. Louis can seriously propose to take Texas by force, although Texas is larger, richer, more prosperous, has more banking capital, produces more, Texas ought not to be criticized for asking that its territory include areas whose inhabitants are divided in opinion.

Necessarily as the boundaries of districts are neared debatable territory is reached; differences of opinion in such territory are inevitable. Texas can, however, stand alone in her application for a regional bank; strip off all the outside territory and Texas can still stand for itself and show its title to a bank.

#### THE ARGUMENT OF FUTURE GROWTH.

When a district can abundantly qualify now, its probable future should be considered by this committee as reason for or against giving it a bank. With a population increase in the last census decade of 39 per cent, a cultivated area increase of 46.5 per cent, production of farm crops increase of 88.9 per cent, and in the last 14 years an increase in the number of banks of 454 per cent and an increase in their capital and surplus of 510 per cent, there exists no justification for ignoring this feature of her appeal to this committee.

#### POLITICAL CONSIDERATIONS.

The matter of locating regional banks is not primarily, nor even principally, a political question. Every governmental faculty, however, has a political element and every governmental agency a political phase. No system of banking will long succeed which does violence to the wishes of a great fraction of the people of this country. Such political considerations as affect this feature of the problem are therefore of an entirely proper character for consideration by this committee. They enter into the consideration of the bill itself. The diverse contentions of people of varying opinions strengthen it in some respects, weaken it in others, but are allowed of necessity to affect the situation, because in this country the people make the laws under which they live.

It is rarely possible to attain the ideal in any legislation that attracts during its consideration foes as well as friends. The reason for this is that legislators must take into consideration the wishes of their constituents.

The currency bill when under consideration attracted to its support those who believed that the present administration would locate the banks regionally. In other words, those who thought that the old order was passing and that in its place was coming a new order. Those communities, already barricaded behind the money furnished by the rest of the country, wanted no such bill. These other communities who for 50 years had suffered under a law which forced

them to furnish to remote cities the first fruits of their increase were for it, because in it they hoped to find relief. Texas has been to the fore in this movement for the new freedom. It enlisted early and enlisted for the war; it asks no undue consideration in this matter on that account. It does not so cheaply state its reasons for adherence to the great cause. It does feel, however, that these things give it standing to protest against a new injustice being done to it. It claims the benefit of any doubt. It does not want to deprive St. Louis of a bank. One ought to be put in St. Louis, but Texas claims the same independence for itself. After 50 years of tribute she asks for freedom; she can stand alone. She can make her banks succeed. There can be no such thing as a lame bank under this system if the law is applied according to its intent. The rediscounting power, the note issuing

power, the confidence the people will have in the new system will standardize all the units. Texas claims her commercial independence as of right and makes the claim to an administration peculiarly pledged to a governmental policy of liberation.

DALLAS CLEARING HOUSE ASSOCIATION,  
 DALLAS CHAMBER OF COMMERCE,  
 DALLAS COTTON EXCHANGE,  
 By JOHN W. WRIGHT, *Banker, Chairman.*  
 J. HOWARD ARDREY, *Banker,*  
 M. H. WOLFE, *Cotton Broker,*  
 EDGAR L. FLIPPEN, *Manufacturer,*  
 LOUIS LIPSITZ, *Wholesaler,*  
 A. M. MATSON, *Wholesaler,*  
 RHODES S. BAKER, *Attorney,*  
*Special Committee.*

**MISCELLANEOUS LETTERS AND CONTRACTS RELATING TO DALLAS, TEX.**

**EXHIBIT A.**—Letter from the secretary of the Interstate Cottonseed Crushers' Association, headquarters at Dallas, Tex., giving list of mills in the cotton producing States that are members of the Interstate Association.

**B.**—Brokers' contracts covering sales of goods manufactured at Dallas—

- To buyers at—
  - Seattle, Wash.
  - San Francisco and Los Angeles, Cal.
  - Milwaukee, Wis.
  - St. Paul, Minn.
  - Vancouver, British Columbia.
  - Chicago, Ill.
  - Kansas City, Mo.
  - Joplin, Mo.
  - New Orleans, La.
  - Nogales, Ariz.
- To jobbers at El Paso, Tex., for distribution in New Mexico.
- To Copenhagen, Denmark.
- To Liverpool and Manchester, England.
- To Progreso, Mexico.

**C.**—Recent sale to one of the Texas wholesale grocery houses, which gives a good idea of the large volume of business in Texas.

**EXHIBIT A.**

COTTONSEED-OIL MILLS, MEMBERS OF THE INTERSTATE COTTONSEED CRUSHERS' ASSOCIATION, HEADQUARTERS OF WHICH ARE IN DALLAS, TEX.

THE INTERSTATE COTTONSEED CRUSHERS' ASSOCIATION,  
 Dallas, Tex., February 6, 1914.

Mr. E. L. FLIPPEN, Dallas, Tex.

DEAR SIR: There are 285 cottonseed-oil mills members of this association, the headquarters of which are in this city, and which I give below according to States:

Alabama.....	24	North Carolina.....	18
Arkansas.....	21	Oklahoma.....	23
Arizona.....	1	South Carolina.....	18
Florida.....	1	Tennessee.....	15
Georgia.....	34	Texas.....	67
Kentucky.....	1	Virginia.....	2
Louisiana.....	21	Bombay, India.....	1
Mississippi.....	35		
Missouri.....	3	Total.....	285

Including these, there are over 800 cottonseed-oil mills in the South engaged in crushing cottonseed, everyone of which uses the rules and regulations promulgated and issued by the Interstate Cottonseed Crushers' Association in the conduct of their business.

Very truly, yours,

ROBERT GIBSON,  
*Secretary and Treasurer.*

**EXHIBIT B.**

- One carload refined cottonseed oil for Seattle, Wash.
- Five carloads of refined cottonseed oil for Chicago, Ill.
- One carload refined cottonseed oil for San Francisco, Cal.
- Five carloads refined cottonseed oil for New Orleans, La.
- Five carloads refined cottonseed oil for Los Angeles, Cal.
- Three carloads refined cottonseed oil for Kansas City, Mo.
- One hundred and fifty barrels of refined cottonseed oil for Copenhagen, Denmark.
- One carload of refined cottonseed oil for Joplin, Mo.

UNION STOCK YARDS,  
 Chicago, October 3, 1913.

ARMSTRONG PACKING Co, Dallas, Tex.

GENTLEMEN: Referring to the exchange of telegrams of the 2d, we confirm purchase from you for account of Swift & Co., Los Angeles, Cal., of one buyers' tank car (160 barrels) deodorized choice neutral winter pressed salad oil at 60 cents per gallon c. a. f. Los Angeles, shipment first half October or sooner if possible.

You will please make shipment of the above to Swift & Co., Los Angeles, and invoice and draw direct on them for same. When ready to make shipment, please call on Swift & Co., Fort Worth, for tank car, which we have instructed that they deliver to you promptly upon request.

We will appreciate you making shipment at the earliest possible moment. Please send us sample of the oil you intend shipping as soon as possible, addressing to this department, and advise us when and how sent that lookout may be kept for it.

Yours, respectfully,

SWIFT & Co.

**EXHIBIT B.**

- Seventeen thousand six hundred boxes of soap for El Paso, Tex.
- Sixteen hundred boxes of soap for Nogales, Ariz.
- Fifteen hundred barrels of cottonseed soap stock for Milwaukee, Wis.
- Thirty-six thousand pounds of cottonseed soap stock for St. Paul, Minn.
- Forty thousand pounds of cottonseed soap stock for Vancouver, British Columbia.

MILWAUKEE, WIS., *October 28, 1913.*

ARMSTRONG PACKING CO.,

*Dallas, Tex.*

In reply to your telegram October 27 and letter of October 25, we herewith confirm our order by telegraph:

"Book order 1,000 barrels soap stock; quality as before; \$2.25 f. o. b. Dallas, over next year."

O'NEIL OIL & PAINT CO.,  
Per GEO. F. O'NEIL, *President.*

EL PASO, TEX., 2/4/14.

A. P. Co.,

*Dallas.*

Ship as quickly as possible, Dick Co., Nogales, two cars, eight hundred boxes each, rose two dollars delivered.

VAN C. WILSON Co.

DALLAS, TEX., *December 16, 1913.*

We have this day sold to M. Ainsa & Son, El Paso, 2,000 boxes of laundry soap, terms and conditions the same as contract dated April 10, 1913, for 14,000 boxes, except that the price on the B. & B. soap on the contract for these additional 2,000 boxes will be \$2.20 per box instead of \$2.10, as in the original contract of April 10, 1913. The price on other brands of soap will remain the same as in the original contract. It is understood that this subsidiary contract will run concurrently with the one made April 10, 1913, and that the time limit on these additional boxes will be the same as in the original contract, viz, December 31st, 1914.

ARMSTRONG PACKING CO.  
TONGUE.

Accepted:

M. AINSA &amp; SONS (INC.).

We certify that the foregoing is a true and correct copy of original contract.

ARMSTRONG PACKING CO.  
FRED G. TONGUE.

STATE OF TEXAS,

*County of El Paso, ss:*

This agreement, made this 10th day of April, 1913, between M. Ainsa & Sons, of El Paso, Tex., party of the first part, and Van C. Wilson, representing the Armstrong Packing Company, a Texas corporation having its principal office in Dallas, Tex., party of the second part:

Witnesseth, That the party of the first part hereby buys from the party of the second part, and the party of the second part hereby sells to the party of the first part fourteen thousand (14,000) cases of soap, consisting of B&B, regular style, at two dollars ten cents (\$2.10) per box; twelve-ounce "Star" at two dollars eighty cents (\$2.80) per box; White Rose, one dollar seventy cents (\$1.70) per box; A. P. C., at two dollars twenty cents (\$2.20) per box—all c. a. f. El Paso. Terms sixty days, or 2 per cent cash ten days.

This contract shall run for a period of eighteen months, ending December 31st, 1914, and shall begin July 1st, 1913.

The party of first part agrees that shipments are to be made as follows:

July, 1913, five hundred boxes of B&B (unless specifications are changed in ample time to permit shipment) to be shipped on the 10th and 20th. The same shipment for August, September, and October. Five hundred boxes to be shipped on the fifteenth of November, December (1913), January, February, March, and April, 1914. Five hundred boxes, each, May 10th, 20th, June 10th and 20th, July 10th and 20th, August 10th and 20th, September 10th and 20th, October 10th and 20th. A shipment of five hundred cases (500) shall be made November 15th and December 15th, 1914.

It is further agreed by the party of the second part that on completion of contract, provided same is carried out according to terms of same, the party of the second part will rebate party of the first part five cents per box on B&B only. The party of the first part agrees that in consideration that he has exclusive sale of B&B for El Paso and El Paso County, and that he will not handle any other yellow soap during the life of this contract.

This contract is made subject to strikes, accidents, car supply, or other causes beyond control.

M. AINSA & SONS,  
ARMSTRONG PACKING CO.

We certify the foregoing to be a true and correct copy of original contract.

ARMSTRONG PACKING CO.,  
FRED G. INGELL.

EXHIBIT B.

Three carloads of refined cottonseed oil and two carloads of cottonseed-oil lard for Progreso, Mexico.

EXHIBIT B.

Eight hundred barrels of cottonseed soap stock for Liverpool.  
Thirty-five hundred barrels of cottonseed soap stock for Manchester.

Five hundred boxes of cottonseed-oil lard for Manchester.

GALVESTON, TEXAS, *Nov. 4th, 1913.*Messrs. ARMSTRONG PACKING CO., *Dallas.*

DEAR SIR: We hereby beg to confirm your engagement of room for 500 bbls. hard soap stock, per month, from Galveston to Manchester, January to July, inclusive, 1914, at 20c. per 100 lbs., you paying wharfage, per S. S. Larrinaga Line or other A1 steamer, to be delivered alongside the vessel or at her loading berth to suit steamer.

It is understood and agreed that this contract is made subject to the rules of the Galveston Maritime Association, printed on the back and made a part hereof, and on the express understanding that it is subject to all the clauses and conditions contained in the ocean bill of lading used by the vessel, which bill of lading is made a part of this contract, and copy of which will be furnished on application. Steamer has the option of calling at other port or ports, in any order, to load and (or) discharge coal and (or) cargo.

FOWLER & McVITIE,  
*Ship Agents.*

June-July parcels are subject to our having sailings.

EXHIBIT C.

DALLAS, TEX., *January 30, 1914.*STARR-MAYFIELD Co., *Tyler, Tex.*

GENTLEMEN: Confirming phone conversation with your Mr. Caldwell to-day, we have sold you 40 cars of Bird Brand lard, to be shipped to Tyler and your other Texas branch houses by August 1. It is understood that a minimum car consists of 24,000 pounds, making the total amount contracted for 960,000 pounds.

The above sale has nothing to do with the 10 cars of Bird Brand lard sold you for February shipment, on which we have specifications and shipping instructions for 2 carloads.

Yours, truly,

ARMSTRONG PACKING CO.

MARCH 4, 1914.

SIR: On behalf of the Secretary of the Treasury, I beg to acknowledge the receipt of your letter of February 26, inclosing an affidavit from the secretary of the Dallas Cotton Exchange with reference to



the claims of Dallas as a cotton market and to advise that the same has been filed in order that it may be considered by the committee when it is determining the question of the location of Federal reserve banks to be established.

Respectfully,

\_\_\_\_\_  
Secretary Reserve Bank Organization Committee.

Mr. M. H. WOLFE, Dallas, Tex.

DALLAS, TEX., February 26, 1914.

Mr. McADOO,

Secretary of the Treasury, Washington, D. C.

DEAR SIR: At the regional bank hearing at Austin you will perhaps recall that it became my duty to offer the statements concerning matters pertaining to cotton in the district we had laid out.

We notice from the press reports that at the New Orleans hearing some Memphis (Tenn.) man questioned the correctness of my figures. When the matter was called to the attention of the Dallas Cotton Exchange a meeting of the members of the exchange was held, at which meeting my figures were confirmed and the secretary of the cotton exchange was instructed to make affidavit thereto and forward to you, which has been done.

I trust you will let this serve to straighten out the matter, and with thanks for your consideration in the premises, I beg to remain,  
Yours very truly,

M. H. WOLFE.

[From the Dallas Morning News.]

**COTTON FIGURES CORRECT—SECRETARY OF EXCHANGE AUTHORIZED TO MAKE AFFIDAVIT TO DATA FURNISHED BANK COMMITTEE.**

The claims of Dallas as a cotton center having been disputed at the New Orleans hearing of the regional bank organization committee recently, the Dallas Cotton Exchange, at a meeting yesterday, adopted a resolution instructing the secretary of the exchange to make affidavit to the effect that he had furnished the disputed figures to M. H. Wolfe, who presented them at the regional bank hearing at Austin, and that they were correct, as shown by the records of the Dallas Cotton Exchange.

Mr. Wolfe testified at the Austin hearing at the request of the local committee of bankers and business men, and in his testimony he declared that Dallas cotton buyers during 1913 bought 1,459,000 bales of cotton. At the New Orleans hearing press reports showed that witnesses there attempted to discredit that statement.

The resolution was adopted, as follows:

"Resolved, That the secretary make affidavit to the effect that he furnished M. H. Wolfe, a member of this exchange, with the figures showing the amount of cotton handled by our members, out of last season's crop, and that same is true, as shown by the records of this exchange.

"N. W. NOLLEY, Secretary."

M. H. Wolfe has furnished the following cotton statistics:

Cotton area of all the South, 892,072 square miles.

Cotton area in 12 hours' ride of Dallas, 437,794 square miles, or 49 per cent.

Total cotton produced in South last year, 14,101,000 bales.

Cotton produced in 12 hours' ride of Dallas, 6,857,000 bales, or 48½ per cent.

Texas produced last year 4,902,000 bales.

Oklahoma produced last year 1,057,000 bales.

Arkansas produced south of the Arkansas River 505,000 bales.

Louisiana produced 393,000 bales.

Dallas cotton buyers bought last year 1,459,000 bales.

Dallas cotton buyers have salaried men covering all sections of Texas, Oklahoma, Arkansas, and Louisiana, and paid out for cotton last year approximately \$92,000,000, and approximately \$80,000,000 of this cotton was financed directly or indirectly by the Dallas banks.

[From the Baptist Standard, February 26, 1914.]

**COTTON AND RELIGION.**

Because the cotton business offers temptation to gamble, we are not to conclude that such business is inconsistent with Christian ideals. We have many buyers of cotton who do not deal in futures, but follow the lines of legitimate trade.

One of the greatest cotton buyers in the South is Deacon M. H. Wolfe, of this city. We were interested recently in seeing in the Cotton Trade Journal, published in Savannah, Ga., an appreciation of our beloved brother. We quote in part:

"Some time ago Mr. Wolfe entered a leading cotton exchange out West. He was approached by somebody who proposed to tell him how to make a large amount of money overnight.

"'Will you do it?' asked the party.

"'No,' replied Wolfe.

"'What,' exclaimed the man, 'you would not do what I suggest if a large amount is certain to be made over night?'

"'No,' again replied Mr. Wolfe. 'I do not speculate.'

"M. H. Wolfe, is quiet, calm, collected, and calculating. He is young in appearance. There is no pretension about him. He is just a plain, solid American, with the sparkle of keenness about the eye when business is broached, but without any of the proverbial wrinkles of wisdom. There is no stiffness nor formality about him. He sits in his outer office on the top floor of the Dallas Cotton Exchange Building, apparently ready to see anybody who has business with him. He makes no pretense of possessing qualities superior to others in the cotton business. He is simply buying and selling as a cotton merchant. He is a puzzle to westerners and Europeans, because he pays highest prices, sells at lowest prices, ships satisfactorily, and makes money. It is said that in some markets merchants request Wolfe's cotton.

"As strange as it may seem to cotton men, Mr. Wolfe draws the line on all alcoholic beverages, and on all occasions, no difference who is present, nor what it may mean to him to decline to drink. He absolutely refuses to drink alcohol with any man as one of the means of soliciting business. Yet, he is liberal in his views, and not in the least denies to others what he in turn denies to himself. He is among the leading men of Dallas, being interested in banks and other enterprises of that prosperous city, but his methods are characteristic of the man who knows what he is about and goes quietly in pursuit of his affairs.

"There is no hypocrisy about M. H. Wolfe. The exact conduct he follows in Dallas he adheres to elsewhere. People who know him know this. He employs none of the occasional bluffs some cotton men regard as assets. When Wolfe wants cotton he goes after it. His tactics are not to pace an exchange with a hungry look, but to hustle out and pay the price."

We knew all of this about Brother Wolfe, but it is good to read this testimony from his business associates. Every Christian business man should so live that his associates, even those who are not Christians, will express their confidence in his Christian profession and integrity of character.

MARCH 4, 1914.

SIR: On behalf of the Secretary of the Treasury I beg to acknowledge the receipt of your letter of February 28, inclosing an affidavit from the secretary of the Dallas Cotton Exchange with reference to the claims of Dallas as a cotton market and to advise that the same has been filed in order that it may be considered by the committee when it is determining the question of the locations of Federal reserve banks to be established.

Respectfully,

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Secretary Reserve Bank Organization Committee.

Mr. J. R. BABCOCK,

Secretary Dallas Chamber of Commerce,

Dallas, Tex.

DALLAS, TEX., February 28, 1914.

Mr. WILLIAM G. McADOO,

*Secretary of the Treasury, Washington, D. C.*

DEAR SIR: We understand that in the hearing at Memphis the fact was set forth there that the claims of Dallas as a cotton market were not accurate.

I beg to inclose you herewith affidavit from the Secretary of the Dallas Cotton Exchange, in due form, testifying to the fact that the records of this exchange show that 1,459,000 bales of cotton were handled here during the last year and that the facts as testified to by Mr. H. M. Wolfe, of our committee, at Austin, are correct.

Yours, very truly,

J. R. BABCOCK,  
*Secretary Dallas Chamber of Commerce.*

DALLAS COTTON EXCHANGE,  
*Dallas, Tex., February 25, 1914.*

Personally appeared before me, a notary public, N. W. Nolley, secretary Dallas Cotton Exchange, who, being duly sworn, says that he collected the data from the various members of the exchange and that the total amount of cotton handled last season by the Dallas shippers as furnished Mr. M. H. Wolfe, in making up his statement at the regional bank hearing, was approximately 1,459,000 bales, as shown by the records of this exchange.

N. W. NOLLEY, *Secretary.*

Sworn and subscribed to before me this 25th day of February, 1914.

[SEAL.]

A. S. BARNETT,  
*Notary Public, Dallas County, Tex.*

Whereas the provisions of the Federal reserve act require that the country be divided into not less than 8 nor more than 12 districts, within each of which a Federal reserve bank shall be located; and

Whereas the agricultural, commercial, and financial importance, both present and prospective, of Texas and the contiguous States in the Southwest make it necessary under the system to be established that one of the Federal reserve banks be located within this section to serve properly the vast interests therein and promote the development of the wonderful resources thereof; and

Whereas at this annual meeting, on February 5, 1914, the members of the fifth district of the Texas Bankers' Association desire to record their views with respect to the location of the Federal reserve bank to serve the district, within which there are located 405 State and national banks, having a capital and surplus of \$36,392,000, the same being 30 per cent in number and 31 per cent of the capital and surplus of all the banks in Texas: Therefore, be it

*Resolved* (1), That we hereby ratify and indorse as the logical and geographical designation of the district to be created within which to locate the Federal reserve bank, the following: All of Texas; all of Oklahoma; all of New Mexico; all that part of Arkansas south of the Arkansas River; all that part of Louisiana west of the Mississippi River.

(2) That the city within this district best qualified as the location of the Federal reserve bank to serve the same by reason of its geographical location, commercial importance, and unexcelled facilities is the city of Dallas.

(3) That the chairman of this district be, and he is hereby, directed to appear before the Reserve Bank Organization Committee at its hearing, at Austin on February 9 and 10, and present thereto a copy of this resolution and give such further testimony in support thereof as may be necessary.

Whereas the organization committee is confronted with the problem of dividing the United States, under the Federal reserve act, into not less than 8 nor more than 12 districts, and to locate in each district a Federal reserve bank; and

Whereas the United States Census Department has always classified Texas, Oklahoma, Arkansas, and Louisiana as the West South-central geographic division; and

Whereas Dallas is the logical and geographical center of this territory; and

Whereas this is practically the same territory that Dallas is asking for to be tributary to a regional bank at Dallas; and

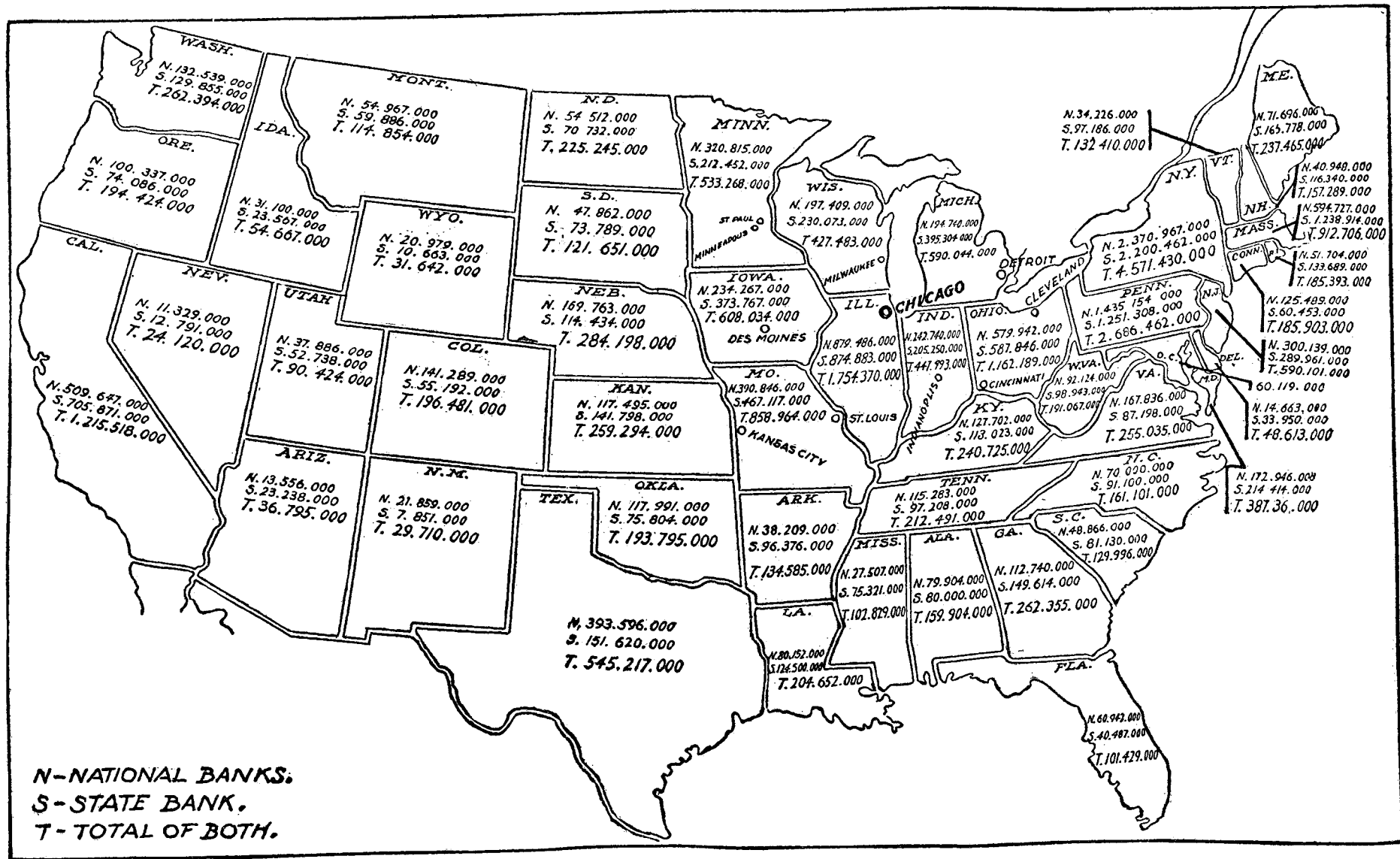
Whereas the diversified interests of this territory are such as to make it a balanced district and the demand for money uniform during 12 months in the year; and

Whereas if annexed to any other territory it would redound to the benefit of said other territory and to the detriment of the Dallas territory: Therefore be it

*Resolved, by the undersigned manufacturers of the city of Dallas,* That to conserve, foster, and expand the agricultural, financial, commercial, and manufacturing interests of this rapidly growing section of the United States, one of the Federal reserve banks provided for under the Federal reserve act should be located at Dallas.

Respectfully submitted.

ARMSTRONG REFINING CO.,  
By E. L. FLIPPEN, *President.*  
ARMSTRONG PACKING COMPANY,  
By E. L. FLIPPEN, *President.*  
BROWN CRACKER & CANDY CO.,  
By SMITH & LAMAR, *Agents.*  
(And 27 other firms.)



DALLAS, TEXAS.

Total resources as shown by Comptroller's call of national banks on October 31, 1913.

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DENVER, COLO.

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## DENVER, COLO.

### BRIEFS OF THE DENVER CHAMBER OF COMMERCE AND THE DENVER CLEARING HOUSE ASSOCIATION.

FEBRUARY 9, 1914.

#### *The Reserve Bank Organization Committee.*

GENTLEMEN: The regional bank committee of the Denver Chamber of Commerce and of the Denver Clearing House Association beg leave to present to your committee the following brief summary of Denver's claim for a Federal reserve bank.

We assume that in response to an almost unanimous expression of public opinion your committee will decide to divide the continental United States into the minimum number of eight districts.

We also assume that, while the exact boundaries of these eight districts are as yet undetermined by you, that the claims of at least six cities, to be known as "Federal reserve cities," have been fairly well established, to wit, Boston, New York, Chicago, St. Louis, New Orleans, and a city within the triangle formed by a line drawn from Atlanta to Philadelphia, thence to Cincinnati, and thence to Atlanta.

This gives six Federal reserve banks out of eight to less than one-third of the territory of the United States, and leaves but two Federal reserve banks to serve more than two-thirds of the territory of the United States. Unquestionably one of these two remaining Federal reserve banks will be located on the Pacific coast, presumably at San Francisco. This leaves but one Federal reserve bank to be located in a city that can best serve the vast territory lying between the Chicago, St. Louis, and New Orleans districts on the east and the San Francisco district on the west. What city will best serve this vast territory?

Before answering this question it is necessary to determine, "with due regard to the convenience and customary course of business," how far the Chicago, St. Louis, and New Orleans districts can extend westward, and how far the San Francisco district can extend eastward in order to see what territory is left in between.

We believe that a line drawn through Nebraska, Kansas, and Texas close to the one hundredth meridian should be the western boundary of the Chicago, St. Louis, and New Orleans districts, for close to such a line there is a broad belt of country where the density of population is the lightest, and where the kind of crops and methods of farming change, where the cus-

tomary course of business changes, where, with the change of time from "central time" to "mountain time," the people seem to gradually change their sympathies, and those to the east of this belt naturally turn to the East for their sympathetic and business ties, while those to the west of this belt just as naturally return to the West as an outlet for their products and as the source of their supply.

Certainly St. Paul-Minneapolis, 411 miles and 10½ hours time from Chicago and Omaha, 491 miles and 12½ hours time from Chicago, are geographically clearly within the Chicago district, and so far as "the convenience and customary course of business" are concerned, they should unquestionably be included in the Chicago district.

Certainly Kansas City, 283 miles and 8½ hours time from St. Louis and only 454 miles and 12 hours time from Chicago, is geographically and commercially in the St. Louis district and could be included in the Chicago district.

Both Fort Worth and Dallas, Tex., are within 500 miles of New Orleans, and well connected with that city by quick transportation lines.

These cities of St. Paul-Minneapolis, Omaha, Kansas City, Dallas, and Fort Worth, and the territory tributary to them, can be well and quickly served by Federal reserve banks in Chicago, St. Louis, and New Orleans, "with due regard to the convenience and customary course of business," and none of these cities should be excluded from its proper district in order that it may secure the remaining Federal reserve bank, and thereby deprive this vast and distinctive Rocky Mountain region of a Federal reserve bank, and force it to do business with a Federal reserve bank from 600 to 1,500 miles away, and necessarily out of touch with, and not responsive to, the peculiar and distinctive needs of this vast Rocky Mountain region.

We believe that a line drawn close to the eastern boundary of Washington, Oregon, Nevada, and the western one-third of Arizona, should be the eastern boundary of the San Francisco district, for close to such a line nature herself has divided the regions by a mountain range in the north and a broad expanse of desert in the south, and close to such a line the customary course of business and of sympathy changes

and the density of population is the lightest. To extend the San Francisco district farther east would disturb the "convenience and customary course of business" and do violence to the wishes and sympathies of the people of the Rocky Mountain States. These boundaries of the Chicago, St. Louis, and New Orleans districts to the east of us, and of the San Francisco district to the west of us, leaves the Rocky Mountain States of Idaho, Montana, Utah, Wyoming, Colorado, New Mexico, and the eastern two-thirds of Arizona, and also the portion of Texas, Kansas, and Nebraska west of the one hundredth meridian, and the Deadwood portion of South Dakota, in a district of its own about 700 miles east and west by about 1,200 miles north and south and near the geographical center of this vast region is the city of Denver, which we hope your committee will select as the home of the eighth Federal reserve bank to be known as the "Federal Reserve Bank of Denver."

We are now ready to answer our previous question as to what city will best serve this vast Rocky Mountain region by answering Denver.

We imagine that your committee will find its chief difficulty in dividing the country into districts "with due regard to the convenience and customary course of business," as required by the Federal reserve act, but having made the division, your committee will have very little trouble in selecting the Federal reserve cities for each district. We say this because we feel that so far as selecting a Federal reserve city for this Rocky Mountain district is concerned, there are but two factors that control the selection. The first factor requires the selection of a city with adequate railroad, telephone, and telegraph lines, that is nearest the geographical center of this district, and the second factor requires the selection of a city in this district that has the greatest volume of business transactions with the largest portion of the district. So far as this district is concerned, there is no need of determining the relative importance of these two factors, for there is one city, and only one city, in this district that meets the requirements of both factors, and that city is Denver.

There is no other city of any size in this suggested territory that is as near the geographical center of the district as Denver. This is a physical fact that can not be disputed.

Denver not only has adequate, but it admittedly has the best railroad, telephone, and telegraph connections of any city in this district.

#### RAILROADS.

Denver is the greatest railway terminal between the Missouri River and the Pacific coast, served by 12 railroads, with 148 passenger trains in and out each day that reach every part of this suggested district, except the most remote, in 24 hours, and 85 per cent

of the total population of the district can be reached within 15 hours. All of these trains start from Denver, and consequently are not belated, and this gives Denver a great advantage as a distributing center.

(See statement and exhibits of Richard H. Malone, p. 2248 of stenographer's minutes of hearing in Denver.)

#### TELEGRAPH.

Denver is the administrative center as well as the fiscal agency for all moneys of the Mountain division of the Western Union Telegraph Co., which includes Montana, Wyoming, Idaho, Utah, Colorado, New Mexico, Kansas, and Nebraska, and was selected as the most convenient center among these eight States after careful study of the situation.

(See statement of William J. Lloyd, p. 2332 of stenographer's minutes.)

#### TELEPHONE.

Denver is the headquarters and fiscal agency of the Mountain States Telephone & Telegraph Co. that employs a force of more than 6,000 and covers over 600,000 square miles of territory and reaches all of the principal cities in the States of Idaho, Montana, Utah, Wyoming, Colorado, New Mexico, and the Pan Handle of Texas.

(Statement of W. P. Allen, p. 2335, stenographer's minutes.)

#### MISCELLANEOUS.

Denver, because of its geographical center and transportation and communication advantages, has been chosen as the consular headquarters for this district of 12 great foreign powers (statement of Gordon Jones, p. 2176 of stenographer's minutes); and presumably for the same and other reasons the United States Government established and maintains in Denver the most modern mint in the United States, that purchases, coins, distributes, and stores more gold than any other United States mint (statement of Gordon Jones, p. 2174 of stenographer's minutes).

Denver has the greatest volume of business transactions with the largest portion of the suggested district of any city in the district.

#### BANKING.

The banks in the suggested district carried in the six Denver clearing house banks an average aggregate balance of \$16,780,000. The volume of cash collections sent by Denver clearing-house banks in 1913 to other banks in this district was \$287,620,000. The out-of-town cash business handled in 1913 by the Denver clearing-house banks for their customer banks in this district was \$239,550,000. The Denver clearing-house banks handled in 1913, \$16,000,000 in shipments of currency, gold and silver for customer banks in this district. The average deposits in all Denver

banks for 1913 was \$75,000,000. Denver banks seldom borrow, and frequently discount outside paper. The National banks in the suggested district would yield approximately \$3,400,000 of the required \$4,000,000 of capital for a regional bank for this district, and the State banks desire to, and will join as soon as State laws are amended and individuals, if permitted will subscribe for the balance of the required capital stock.

The reserves of Denver banks are carried mainly in Chicago, New York, and St. Louis. Denver's second choice for a Federal reserve bank would be Chicago. A branch bank would not serve the needs of this district, and a Federal reserve bank in Denver would do much to develop this district with its varied and distinctive industries.

(Statement of George B. Berger, p. 2177 of stenographer's minutes.)

#### INVESTMENT BONDS.

Denver is the bond center of the territory from the Missouri River to the Pacific coast. The bond dealers of Denver sold and purchased in 1912, and also in 1913, an average of \$82,484,462 per year of investment bonds at market value. These sales and purchases are financed in Denver.

(Statement of Alexis C. Foster, p. 2210 of stenographer's minutes.)

#### FIRE INSURANCE.

The recognized fire insurance centers of the West are Chicago, Denver, and San Francisco. Denver is the logical point in this district for the handling of the insurance business, collection of premiums, the adjusting and payment of losses, and all money transactions concerning the same are handled by Denver banks.

(Statement of J. Frank Edmonds, p. 2215 of stenographer's minutes.)

#### COAL, COKE, MARBLE, AND CEMENT.

In 1912 Colorado produced 10,977,824 tons of coal and coke, having a mine value of \$16,345,336. This production was 38 per cent of all coal produced in the United States west of the one hundredth meridian. Twenty per cent of this was distributed to the railroads, 30 per cent to the State of Colorado, and the remaining 50 per cent was distributed to other States in this district. Companies and individuals doing 95 per cent of this business have their headquarters in Denver, and the business is financed in Denver.

The States of Colorado, Montana, New Mexico, Utah, and Wyoming are the coal-producing States of the West, and in 1912 they produced 27,974,416 tons of coal and coke, having a mine value of \$43,635,121. This production constituted 89 per cent of all the coal and coke produced in the United States west of the

one hundredth meridian; the remaining 11 per cent was produced in the Pacific Coast States and Alaska.

The United States Geological Survey estimates that 46 per cent of the coal reserves of the United States are in the States of Colorado, New Mexico, Utah, Wyoming, and Montana.

The Colorado Fuel & Iron Co.'s plant at Pueblo, Colo., is the largest steel plant west of the Missouri River, and supplies all the rails for railroad building and renewals west of the Missouri River, and its annual production and distribution of rails and steel products is very large.

The Colorado and Wyoming oil fields are extensive, and their operations are financed in Denver and Colorado. The supply of oil, especially in the Salt Creek region of Wyoming, is so large that the United States Government is now engaged in litigation with the idea of preserving and utilizing some of these fields for naval purposes.

The Colorado-Yule Marble Co., in Gunnison County, Colo., has an inexhaustible supply of the best marble in the United States, and is now supplying marble to all sections of the United States, and it is financed in Denver.

The Colorado Portland Cement Co. produces and distributes through this entire region a very large portion of the cement used in this district, and it is financed in Denver.

(Statement of John C. Osgood, p. 2218 of stenographer's minutes.)

#### LIVE STOCK.

The live-stock industry is one peculiar to the West, and is of great magnitude and of vast importance to all sections of the United States. It is built up and maintained by conditions, customs, and financial aid peculiar to itself. In the district of which Denver is the center the movement of cattle is largely from south to north. The young cattle are bred in Mexico, in the Pan Handle of Texas, and in New Mexico, and are moved north through Colorado to Wyoming, Montana, and Idaho for feeding purposes, and thence to Puget Sound, or to Denver and eastward for market purposes. This movement of cattle is largely directed and financed from Denver. The value of cattle received in Denver in 1913 was \$28,000,000. After July 1 next Butte and Helena, Mont., will be nearer to Denver by rail by some 235 miles than to St. Paul and Minneapolis.

(Statement of A. E. De Ricqlès, p. 2225 of stenographer's minutes.)

#### SUGAR.

There are 17 modern beet-sugar factories in Colorado, and 15 other beet-sugar factories in adjoining States. Each of the factories in Colorado represent an investment of over \$1,000,000. During 1913, 166,000 acres were devoted to sugar-beet culture in

Colorado, and 1,841,000 tons of beets were harvested. For the raw product the farmers were paid \$10,390,000. The sugar manufactured in Colorado during the season just closed was 230,000 tons, worth \$17,500,000. Aside from the sugar, there are important by-products used for stock-feeding purposes in this State. Denver is the headquarters of these sugar companies and the distributing point for the production.

(Statement of Walter A. Dixon, p. 2234 of stenographer's minutes.)

#### MINING.

The States of the proposed Denver district are distinctively the mining States of the Union. This territory produced in 1912 \$250,061,000 in gold, silver, copper, zinc, and lead. The control of most of these operations, and the incident smelter operations, is in Denver and financed largely in Denver.

(Statement of Thomas B. Burbridge, p. 2242 of stenographer's minutes.)

#### MISCELLANEOUS.

In addition to the foregoing industries Denver is the jobbing center for the larger portion of the region claimed for the Denver district.

The wholesale boot, shoe, and rubber business amounts to about \$3,000,000 per year.

The wholesale drug business amounts to about \$2,000,000 per year.

The wholesale grocery business amounts to about \$20,000,000 per year.

The wholesale hardware business amounts to about \$1,500,000 per year.

Denver's trade relations are greater with Chicago than with Omaha or Kansas City.

(Statement of John W. Morey, p. 2319 of stenographer's minutes.)

The fruit business of Colorado, western Nebraska and Kansas, southern Idaho and southern Utah, New Mexico and the Panhandle of Texas is nearly all cleared through Denver, and annually amounts to \$23,500,000 and because the goods are perishable the shipments must be financed at home and in this district.

Denver is also the favorite diversion point for shipments of California fruit to eastern points, and this diversion also requires the use of large sums of money, and this is supplied by Denver banks. The shipment of all Rocky Mountain fruits from Denver is to all parts of the United States.

(Statement of W. D. Tidwell, p. 2325 of stenographer's minutes.)

The shipments of alfalfa, hay, potatoes, and melons from Colorado to all portions of the country is very large, and in the fall of the year taxes the car capacity of all of our railroads. These shipments are all financed by local banks.

The grain business in the proposed Denver district aggregates more than \$30,000,000 a year, and the grain elevators in Colorado, Utah, and Idaho are owned almost exclusively by Denver men. The grain from these States is shipped to Denver to be milled, and the grain of western Nebraska and Kansas is also sold through Denver.

Denver is preeminently the logical location for a Federal reserve bank, because a subtreasury of the United States and the United States mint are located here. The mint will afford immediate accommodations of the best and safest kind for such a bank. Under the Federal reserve act the Federal reserve notes, when prepared, must be deposited in the Treasury, subtreasury, or mint of the United States nearest the place of business of each Federal reserve bank, and under this act these Federal reserve notes are redeemable in gold or lawful money at any Federal reserve bank. Under the act the reserves and the note issues and balances with the United States Treasury and Federal reserve banks are on a gold basis, and this requires the physical transportation of gold at various times. This physical transportation of gold can in many instances be obviated, and many of the provisions of the Federal reserve act can be executed with greater ease and success if a Federal reserve bank is located in Denver in close touch with the subtreasury and United States mint.

From the foregoing it appears that Denver is nearer the center of the proposed district than any other large city; that it has better railroad, telegraph, and telephone connections with the entire district and with other sections of the country than any other city of the district; and that its present business transactions with all parts of the district, as well as with other sections of the country, are greater than that of any other city of the district, and Denver should, therefore, be named as the Federal reserve bank of the proposed district.

We recognize that a Federal reserve bank of Denver would commence business with a relatively small capital, but we believe that its capital will be as large in proportion to the demands upon it as the capital of any other Federal reserve bank will be to the demands upon it. The fact that the Federal reserve bank of Denver will start with about \$4,000,000 capital can not be urged against the establishment of this proposed district, for Congress could and would have made the minimum capital for a Federal reserve bank more had it wished to deprive this district of a bank.

We feel that when Congress rejected the proposed Aldrich plan for one strong central bank with branch banks throughout the country, and when it rejected the Hitchcock plan of four strong banks, it had a reason for so doing, and we believe that its reason for



rejecting these plans and adopting the present plan of from 8 to 12 Federal reserve banks was that Congress thought that each commercial district of the country, new as well as old, should have a bank of its own close at hand in time of need and around which its financial strength could develop until each district could be semi-independent of every other district, and so that the artificial centralization of capital in large centers would be stopped.

The purposes of the Federal reserve act can not be accomplished unless all sections of the country are brought as close to a Federal reserve bank as possible, for each bank is to pass upon the local commercial paper offered for rediscount, and to issue Federal reserve notes when local conditions warrant it, and this requires familiarity with local paper and knowledge of local conditions and emphasizes the importance of a reserve bank, not indeed for each particular city, but for each commercial section of the country. This is especially true of this sparsely settled section of the country, relatively isolated from the populous portion of the country by time and distance, with industries and needs peculiar to itself, and not generally understood by other sections of the country.

We can not feel that a branch bank in Denver can serve as a substitute for a Federal reserve bank, because a branch bank can not act without authority from its home bank, it does not keep any reserves, it can not give immediate aid in times of need, and Congress itself has rejected the idea that a branch bank system is desirable.

If any section of the country can be served by branch banks it should be the sections where there are many large cities close together and all within a few hundred miles and a few hours' time from the Federal reserve bank, as in the cases of St. Paul-Minneapolis, Omaha, and Kansas City; and if any section of the country needs a Federal reserve bank rather than branch banks more than another, it is this Rocky Mountain district, isolated as it is from the East and from the West, forgotten and left to itself in times of flood, strike, and money stringency.

It is inevitable that the trend of money, but not necessarily of business, must be disturbed to some degree by the establishment of these eight or more districts, and of the Federal reserve cities within them, but this disturbance will not be any greater than is necessary nor than Congress intended, in order to build up a number of financial centers, semi-independent of each other, where reserves are kept and where the bookkeeping and clearances of the district are transacted, and from which aid can be given in times of need.

We should like to see St. Paul-Minneapolis, Omaha, Kansas City, Fort Worth, and Dallas made Federal reserve cities, if there were enough Federal reserve banks to supply all; but as there are not enough for all who

desire one, those will suffer least from the deprivation, those who are closest to aid from other sources in time of need, those who are rightly by geographical proximity and commercial ties in districts having larger cities that may be selected as Federal reserve cities, should be the ones to surrender any fancied prestige to be gained in order that the Rocky Mountain States, comprising more than one-fourth of the area of the United States, remote from all aid in times of need, may have a Federal reserve bank in its largest and its most centrally located city of Denver, and in order that the intention of Congress to financially serve all sections of this country, new and old alike, may be effectuated.

Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then, and in that event, various individuals, individually and not for one another, have subscribed for and agreed to take at par the amount of stock in said Federal reserve bank of Denver, aggregating \$1,568,700, or so much thereof as your committee may allot to each of said subscribers respectively, under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee, or fixed by said Federal reserve act, which original subscriptions are now in the possession of the Denver clearing-house banks subject to the direction of your honorable committee, and certified copies of these subscriptions accompany this brief. These subscriptions were secured within three days, and when the above amount was reached no further effort to increase the amount was made. We feel that this voluntary subscription on the part of the people of this city and district is the strongest evidence of this district's need of a Federal reserve bank, and of the belief of the subscribers that the "Federal reserve bank of Denver" will be a success.

By the committee.

GORDON JONES,  
*Chairman.*

(Committee: Gordon Jones, A. V. Hunter, George B. Berger, Joseph A. Thatcher, T. A. Cosgriff, W. T. Ravenscroft, Frank N. Bancroft, Richard H. Malone, Fred P. Johnson, Carl A. Johnson, Morrison Shafroth, Charles S. Haughwout.)

DENVER, COLO., *February 12, 1914.*

I, Gordon Jones, chairman of the joint committee of the Denver Chamber of Commerce and Denver Clearing House Association on

regional reserve bank location, hereby certify the following to be a true and correct copy of subscription lists now in possession of the various banks, members of the Denver Clearing House Association, and a certified copy of each of said lists is now in my possession.

GORDON JONES,  
Chairman Joint Committee Denver Chamber of Commerce  
and Denver Clearing House Association on  
Regional Reserve Bank Location.

DENVER, COLO., February 7, 1914.

The Reserve Bank Organization Committee, Washington, D. C.

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized, under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver, be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then and in that event we, the undersigned, individually, and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively, under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
Gordon Jones	Care of United States Natl Bank	\$25,000.00
A. C. Foster	Care of United States Natl Bank	25,000.00
Arthur H. Bosworth	Care of Equitable Building	25,000.00
James H. Causey	Care of Causey, Foster & Co	25,000.00
William D. Downs	Care of The Gano-Downs Co	25,000.00
William E. Sweet	Care of William E. Sweet & Co	25,000.00
Lawrence R. Miller	32 Grant	2,000.00
Anton Kramer	734 Gilpin St.	1,000.00
Fred C. Miller	25 Downing	1,000.00
M. D. Dougherty	1447 Pearl St.	2,500.00
DeWitt C. Webber	1746 Curtis St.	20,000.00
R. D. Thompson	719 Symes Bl	10,000.00
S. V. Este	17th & Champa	1,000.00
S. A. Savageau	1532 16th	1,000.00
Jacob Savageau	1532 16th	1,000.00
George W. Gano	Care of Gano-Downs Co	25,000.00
Ella M. Patrick (by F. L. Patrick)	Idaho Springs, Colo	1,000.00
T. A. Gilbert	1475 Humboldt	1,500.00
Mrs. H. C. Dickson	1656 Franklin	200.00
Robt. Hamilton	626 Equitable Bldg	2,000.00
Geo. E. Dudley	532-33d St., Denver	1,000.00
Nathaniel G. Walker	3203 Wolt St.	1,000.00
John S. Gibbins	345 Ry. Exg Bldg	600.00
J. A. Grout	1311 So. University St.	1,000.00
H. E. Sims	2134 W. 29th Ave	1,000.00
Percy Robinson	624 A. C. Foster Bldg (2 shs)	200.00
Coloman Jones	1023 Broadway	1,000.00
Mrs. Coloman Jones	1023 Broadway	500.00
G. L. Hames	623 E. 5th Ave.	1,000.00
Mrs. Clementine J. Dunn	373 Marlon	500.00
Edward Lewin	1717 California St.	1,000.00
Wm. L. Weed	2128 Marion St.	2,000.00
Mr. J. H. Gilmore	1009 W. 14th Ave.	1,000.00
Wm. E. Hess	Care of Mtn. S. T. & T. Co.	5,000.00
Mrs. O. B. Miller	1430 Logan	500.00
R. H. Williams	2810 Larimer St.	500.00
Mrs. Mary K. Stiteler	1732 Arapahoe St.	500.00
Carle H. Smith	2366 Ivahoe St.	1,000.00
Edward Palmer Callup	729 17th St.	1,000.00
Edna D. Kalmus	757 Williams St.	5,000.00
F. D. Drassek	1247 Downing	1,000.00
W. R. Hildebrand	3459 W. 29th Ave.	1,000.00
Henry T. Rogers	624 Foster Bldg	5,000.00
Grace A. Kuhl	1532 16th St.	500.00
Leona O. Scott	Denver Post	500.00
Mrs. Carrie L. Adams	1211 Clayton	300.00
F. P. Adams	1211 Clayton	300.00
K. D. Whitley	700 17th St.	200.00
Mrs. Eugenie B. Whitley	700 17th St.	500.00
E. H. Pettigrew	1862 Welton St.	10,000.00
L. B. Thomas	1335 E. 24th	2,000.00
H. Leverage	1483 Galapag.	300.00
Oscar Wetzler	519 16th St.	1,000.00
Allan W. Cook	522 E. & C. Bldg.	200.00
Jessie E. Taylor	1650 Market	500.00
Geo. Reether	1260 Eliot	2,000.00
R. J. Baker	744 Lafayette St.	500.00

Name.	Address.	Amount.
John Black	2239 Glenarm Place	\$500.00
Hulda Flynn	1255 So. Logan	500.00
Geo. W. Redington	2301 Lawrence St.	500.00
A. L. Trout (by A. C. Foster)	Walsenburg, Colo.	1,000.00
Geo. D. Kimball	314 McPhee Bldg	500.00
J. F. Allinder	1038 Emerson	200.00
Morton Fleming	901 Clarkson	1,000.00
Leonard Bernstein	1419 E. 16th	3,000.00
E. Clifton Monahan	3137 Gilpin St.	200.00
Henry W. McElravy	509 Symes Bldg.	100.00
Agnes Lawrence	217 E. Maple Ave.	100.00
Pierpont Fuller	624 Foster Bldg.	1,000.00
John C. Skinner	111 West 4th Ave.	1,000.00
Frank Lawrence (by W. B. Morrison)	1534 Market St.	400.00
F. W. Middleswarth (by W. B. Morrison)	1534 Market St.	100.00
R. I. Steele (by John C. Murray)	1535 Downing St.	2,000.00
John C. Murray	1535 Downing St.	2,000.00
John C. Merrick	1642 Ogden St.	2,000.00
Chas. E. Young	4105 Perry	10,000.00
W. B. Neighbor	358 Downing	400.00
George Griffin	1017 8th St.	500.00
Pearl E. Morgan (per C. G.)	1340 California St.	500.00
H. B. McCrary (by Morrison Shafroth, atty.)	1545 Vine St.	5,000.00
Meyer Friedman	1563 Lafayette St.	2,500.00
Jessie E. Lewin	1500 N. 7th Ave.	500.00
Morris Berth	1375 High St.	10,000.00
H. G. Koch	Minturn, Colo.	500.00
C. M. Bauserman	1542 Market St.	5,000.00
E. M. Leonard	1542 Market St.	5,000.00
Blanche Steinhauer	1055 Clarkson St.	300.00
Bertha Steinhauer	1065 Clarkson St.	500.00
H. B. Humphries	915 Broadway	500.00
R. C. McReynolds	1641 Cook St.	1,000.00
W. H. Zook	3637 West 23d Ave.	500.00
H. B. Alden	1904 Logan St.	500.00
Gilbert W. Smith	636 17th St.	1,000.00
Edna R. Kilbourne	903 North 14th Ave.	1,000.00
Wm. Barth		20,000.00
Fred W. Bailey	Metropole Hotel	5,000.00
Geo. W. Vibert	604 Continental Bldg.	5,000.00
A. H. Stevens	208 Ideal Bldg	2,000.00
H. W. Price	U. S. Natl. Bank	300.00
J. H. Wickersham	729 17th St.	300.00
L. B. Dunning	2931 Humboldt	10,000.00
Eugene C. Wilson	2829 Valjejo St.	3,000.00
Barnabas Gamble	3745 Elati St.	1,300.00
Charles W. Houtz	967 Lafayette St.	5,000.00
R. J. Pye (by R. A. Savageau)	Leadville	100.00
Mrs. Joseph H. Bentley (by R. A. Savageau)	Leadville	300.00
Andrew J. Clooney (by R. A. Savageau)	Leadville	1,700.00
Cora D. Houtz	967 Lafayette St.	2,000.00
John Selberg	1052 Gas & Electric Bldg.	100.00
C. N. Brock	1052 Gas & Electric Bldg.	100.00
Miss Laura Wallace	1009 West 14th Ave.	500.00
R. S. Russell	Loveland, Colo.	500.00
Frank Hawrin (by A. C. Foster)	Trinidad, Colo	2,500.00
Gertrude Gibson	2515 East 2nd Ave.	2,000.00
Eli C. Koutz	55 Archer Pl	2,000.00
L. S. Cofield	Paonia, Colo	1,000.00
S. E. Bassett	1125 Broadway	500.00
Mrs. Fred C. Miller	25 Downing St.	1,000.00
B. A. Ruedy	1532 16th	500.00
E. C. Bennett	1566 Emerson	5,000.00
A. A. Cunningham (by A. C. Foster)	450 South Broadway	5,000.00
W. H. Lane (by A. C. Foster)	3051 Curtis St.	1,000.00
Lucy S. Clark (by A. C. Foster)	Canon City, Colo	400.00
Agnes C. Regan	520 Washington	700.00
Margaret F. Garrity	1863 Vine St.	5,000.00
J. C. Stumm (by J. G. Price)	Idaho Springs, Colo.	500.00
Scott Lord	Cheyenne, Wyo. (L. Feb. 9)	300.00
Charles D. Hoyt	717, First National Bank	3,000.00
Clyde C. Dawson	717, First Nat Bank	3,000.00
John A. Davis	338 South Penn.	1,000.00
Georgia H. Hoyt	1308 Broadway	500.00
Mary I. Pollok	110 North 13th Ave.	500.00
L. R. Mulford	Edgewater, Colo.	3,000.00
Wm. G. Pledet	Trinidad, Colo.	5,000.00
Geo. J. Kindel (wire, Feb. 10, 1914)	1452 Champs St.	1,000.00
Emma Hanson	Alamosa, Col.	10,000.00
George A. H. Fraser	624 Foster Bldg.	1,000.00
C. W. Erdlea (Feb. '10)	Salida, Colo.	5,000.00
Wm. McMakin	2760 North 32d Ave.	2,500.00
Jennie E. McMakin	2760 North 32d Ave.	500.00
Mrs. H. Wiesel	955 South Penn.	200.00
J. M. Wiesel	955 South Penn.	100.00
C. W. Erdlen (w., Feb. 11)	Salida, Colo.	1,000.00
J. H. Crabtree	339 Century Bldg.	1,000.00
Geo. P. Davidson	2119 South Ogden St.	2,000.00
F. M. Carlisle (by A. C. F.)	2713 Lafayette St.	500.00

I, James Ringold, cashier of the United States National Bank of Denver (Denver, Colo.), hereby certify that the above is a true and correct copy of a subscription list on file with said United States National Bank, the original of which is held subject to the direction of the Reserve Bank Organization Committee.

JAS. RINGOLD, Cashier.

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee, Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then and in that event we, the undersigned, individually and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us, respectively, under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
Homer C. Cones	2025 Larimer St.	\$25,000.00
E. A. Peters	1625 Wazee St.	10,000.00
Robert W. Speer	300 Humboldt St.	25,000.00
J. A. Thatcher	1560 Sherman St.	25,000.00
Geo. B. Lott	1617 Steele St.	10,000.00
J. D. Gilchrist	1405 Downing St.	1,000.00
Mrs. J. N. Osborne	1769 Logan St.	10,000.00
Wm. Sullivan	601 East 16th Ave.	5,000.00
Dr. J. C. Hamline	411 Jacobson Block	10,000.00
Nathan Gregg	509 First Natl. Bank Bldg.	12,500.00
Chas. B. Whitehead	509 First Natl. Bank Bldg.	12,500.00
Harriett C. Whitehead	1373 Franklin St.	5,000.00
Horace W. Bennett	Wohurst, Colo.	25,000.00
Frank M. Downer	1325 Humboldt	25,000.00
Geo. O. Wolf	509 First Natl. Bank Bldg.	10,000.00
Joseph W. Phillips	2255 Fairfax St.	5,000.00
Sigmund Strauss	929 17th St.	1,000.00
Gillman M. Buck	1211 Lincoln St.	300.00
Chester S. Morey	Sugar Building	25,000.00
James A. Conkle	1746 Franklin St.	2,000.00
Celyce B. Conkle	1746 Franklin St.	500.00
F. H. Reinhold	Montrose, Colo.	1,000.00
M. G. Swart	1216 Foster Bldg.	1,000.00
Dennis Sullivan	204 West Colfax Ave.	25,000.00
John W. Hudston (guardian)	1614 Steele St.	25,000.00
Henry L. Doherty	Gas & Electric Bldg.	25,000.00
Frank W. Frueauff	Gas & Electric Bldg.	25,000.00
Wm. T. Parks	1255 Steele St.	1,000.00
Minnie M. Parks	1255 Steele St.	800.00
W. H. Murphy	2112 E. 17th Ave.	4,000.00
W. S. Iliff	925 Foster Bldg.	25,000.00
John McGrath	1650 Market St.	1,200.00
Elsa S. Tinthoff	966 Washington St.	4,000.00
Clara C. Kuhn	966 Washington St.	1,000.00
L. J. Weldon	509 California Bldg.	1,000.00
Harry C. James	685 Emerson St.	10,000.00
William B. Lloyd	2207 So. Cherokee St.	2,000.00
Herbert Addison	925 Foster Bldg.	1,000.00
M. C. Moyers	925 Foster Bldg.	1,000.00
American Live Stock & Loan Co.	Stock Yards	10,000.00
Dolce Cressmayer	628 Sherman St.	500.00
Geo. M. King	1941 S. 23d Ave.	500.00
W. W. Stewart	Interstate Trust Co.	1,000.00
C. K. Boettcher	Gas & Electric Bldg.	25,000.00
Charles Boettcher	508 Ideal Building	25,000.00
Otto Sauer	906 Grant St.	3,000.00
Annie E. Jones	49 South Lincoln St.	200.00
Gaston O'Connell	1527 Race St.	1,000.00
George Tritch	975 Pearl St.	10,000.00
Grace A. Ladd	2734 Curtis St.	2,500.00
Isabel N. Evans	1427 Franklin St.	6,000.00
Godfrey Schirmer	1350 Franklin St.	20,000.00

I hereby certify that the above is a true and correct copy of the subscription list in possession of the Denver National Bank.

J. C. MITCHELL, *President.*

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee, Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then, and in that

event, we, the undersigned, individually and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively, under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Amount.	Name.	Amount.
T. A. Cosgriff	\$25,000.00	Minnie K. Gladwin	\$1,000.00
J. C. Burger	25,000.00	Rodney J. Bardwell	5,000.00
W. H. Kistler	10,000.00	L. F. Spratlen	5,000.00
Patrick A. Coyle	600.00	R. C. Parvin	5,000.00
J. B. Cosgriff	10,000.00	A. T. Young	1,000.00
W. W. Hill	1,000.00	S. D. Nicholson	15,000.00
C. B. Lyman	1,000.00		

I hereby certify that the above is a correct copy of original list of subscribers now in my hands to regional bank stock made at The Hamilton National Bank, and that the subscribers thereto are personally known to me and are responsible and financially able to carry out the provisions of said subscription.

THE HAMILTON NATIONAL BANK,  
By J. C. BURGER, *Cashier.*

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee, Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then and in that event we, the undersigned, individually, and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
H. F. Higgen	1612 Wynkoop St.	\$500.00
John O'Brien	3509 Alcott St.	1,000.00
William H. Hessey	District Court	2,000.00
Vass L. Chuovovich	1234 Grant St.	25,000.00
Thomas B. Patterson	415 17th St.	25,000.00
R. C. Campbell	do	25,000.00
I. Berlin	1301 High St.	5,000.00
Mrs. N. M. Bostwick	361 Marion St.	1,500.00
Amelia A. McIntyre	523 N. Mexico	500.00
Mrs. Naomi F. Heath	432 Pearl St.	500.00
Charles F. Morrissey	802 Boston Bldg.	1,000.00
W. N. Goetzman	1733 Lincoln St.	2,000.00
Mrs. Alice Vaughn	2828 Race St.	3,000.00
Carl Tiedeman	Brighton, Colo.	200.00
Clara L. Hunter	351 Braadway	10,000.00
A. S. Livingston	do	500.00
George C. Gilchrist	743 C. & E. Bldg.	1,000.00
Carl W. Nordquist	803 Boston Bldg.	100.00
Millie Mitchell	1115 E. 13th Ave.	600.00
Eva Nicholls	1620 Washington	1,000.00
Clarence F. Cramer	2345 Grove St.	200.00
Mac V. Cox	2828 Race St.	1,000.00
Franklin A. Bell	1839 York (c/o F. J. Alexander)	500.00
Roy E. Zann	1646 Franklin	200.00
David Flessner	1723 Ogden St.	5,000.00
Mrs. Annie Jackson	2829 Vine St.	3,000.00
Wm. A. Woodworth	1710 Colo. Blvd.	1,000.00
May	818 N. & C.	5,000.00
Richard F. Ryan	106 W. Ellsworth	1,000.00
C. L. Antrim	4523 E. 18th Ave.	1,000.00
R. N. Richards	135 N. 11th St., Salina, Kans. (sales agent, C. F. & I., Denver)	200.00
Meyer Harrison	1457 Vine	2,000.00
Chas. Hatfield	1300 Madison	1,000.00
N. C. Abernethy	1821 Lafayette	1,000.00
Charles J. Johnson	2525 Race St.	100.00
John A. Marron	4952 Raleigh	200.00

Name.	Address.	Amount.
Richard H. Waite.....	1555 Franklin.....	\$300.00
Mary Hunter Newlove, M. D.....	2835 High St.....	1,000.00
William F. Harrington.....	Midland office, Leadville, Colo.....	4,000.00
R. E. Abbott.....	1708 Gaylord St.....	200.00
Wm. A. Schrammer.....	Y. M. C. A.....	100.00
C. W. Beil.....	401 Barclay Block.....	10,000.00
D. N. Waldman.....	1510 Broadway.....	1,000.00
The German American Trust Co.....		40,000.00
Miss Etta B. Malone.....	301 Marion St.....	5,000.00
Mrs. May C. Malone.....	do.....	15,000.00
R. H. Malone.....	do.....	10,000.00
T. N. Callahan.....	Longmont, Colo.....	5,000.00
H. J. Van Wetering.....	Buena Vista, Colo.....	1,000.00
H. Butler.....	do.....	500.00
J. N. Boyd.....	Guardian Trust Co.....	15,000.00
Richard Lobert.....	Denver, Colo.....	1,000.00
E. C. Pyle.....	Opal, Wyo.....	4,500.00
Miss Clarisse Laurent.....	69 Grant St.....	500.00
Miss La Trille Ross.....	Cripple Creek, Colo.....	100.00
E. W. Johnson.....	Sunshine, Colo.....	4,000.00
L. D. Sweet.....	Equitable Building.....	2,500.00
Ben E. Woodward.....	E. & C.....	3,000.00

I hereby certify that the above is a true and correct copy of the subscription list in possession of Richard H. Malone.

RICHARD H. MALONE.

I, James Ringold, cashier of the United States National Bank of Denver (Denver, Colo.), hereby certify that the original of the above list has been deposited in the United States National Bank by Richard H. Malone, and is now in possession of said bank.

THE UNITED STATES NATIONAL BANK OF DENVER,  
By JAS. RINGOLD, *Cashier*.

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee,*  
*Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized, under the Federal reserve act approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then and in that event we, the undersigned, individually and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
Moses T. Boggs.....	300 15th St.....	\$1,000.00
John N. Shafer.....	2008 Humboldt.....	1,500.00
W. T. Ravenscroft.....	640 17th St.....	5,000.00
C. A. Burkhardt.....	640 17th St.....	5,000.00
Jessie T. Moss.....	1343 So. University.....	200.00
William McHenry.....	P. O. inspector in charge.....	2,000.00
Cornelius C. Worrall.....	1756 Grant.....	5,000.00
J. H. Salzer.....	2347 Champa St.....	600.00
A. J. Bromfield.....	Jacobson Bldg.....	5,000.00
Lawrence B. Bromfield.....	Jacobson Bldg.....	2,500.00
Edwin M. Bosworth.....	California Bldg.....	5,000.00
Thomas F. Fitch.....	26 P. O. Bldg., Denver.....	600.00
Austin H. Wilber.....	423 E. 1st Ave.....	500.00
W. B. Lowry.....	946 Corona St.....	6,000.00
Chas. R. Borst.....	1900 Emerson.....	1,000.00
Lucy H. Ayers.....	654 Race.....	100.00
H. W. Graham.....	2651 W. 34th Ave.....	500.00
R. A. Parsons, C. R. B.....	2643 Lafayette.....	1,000.00

I, John Mignolet, cashier of the Federal National Bank of Denver, Colo., hereby certify that the above is a true and correct copy of an original subscription list on file in this bank subject to the order of the Reserve Bank Organization Committee, Washington, D. C.

[SEAL.]

J. MIGNOLET, *Cashier*.

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee,*

*Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized, under the Federal reserve act approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of the said Federal reserve bank of Denver to public subscription, then and in that event we, the undersigned, individually, and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively, under such conditions and regulations as to payment and stock liability, or otherwise, as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
Samuel Isaacson.....	1229 St. Paul Street.....	\$2,500.00
I. W. Wickler.....	1656 Lawrence Street.....	100.00
Samuel Amter.....	1608 Steel Street.....	2,500.00
Abraham Smidt.....	2504 Williams Street.....	3,000.00
Alvin Buerger.....	3456 Decatur Street.....	400.00
Eliza L. Sprague.....	2807 East Colfax Ave.....	500.00
George Channing.....	3339 Franklin Street.....	500.00
W. H. Freese.....	Edgewater, Colorado.....	2,000.00
N. E. Boggs.....	4329 Tennyson Street.....	1,000.00
A. B. Rich.....	806 Railroad Bldg.....	1,000.00
Andrew Soderstrom.....	4474 Cherokee Street.....	2,000.00
L. L. Moe.....	Morrison, Colo.....	1,000.00
R. H. Maxwell.....	210 Mint Block.....	2,500.00
S. B. Turner.....	1535 19th Street.....	2,500.00
Edw. P. Saunders.....	2329 Franklin Street.....	1,500.00
S. A. Snyder.....	Room No. 1, 415 17th Street.....	1,500.00
Elmer F. Schlueter.....	3826 Umatilla Street.....	1,000.00
Albion D. White.....	1133 Corona Street.....	1,000.00
Gwendolen G. Macey.....	620 Ogden Street.....	5,000.00
Nathan W. Shapiro.....	1555 Larimer Street.....	1,000.00
Joseph Stetwell.....	1228 15th Street.....	1,000.00
Mary Ada Ryan.....	2324 Ogden Street.....	200.00
W. H. Mitchell.....	730 West Mississippi Street.....	200.00
W. H. Wolfersberger.....	2316 Gilpin Street.....	200.00
Maria R. Rundle.....	1059 9th Street.....	200.00
Mary Mee.....	R. F. D. No. 3, Stock Yards Station.....	2,000.00
H. H. Young.....	2241 Ash Street.....	500.00
Emma Hottel.....	Ft. Collins, Colo.....	2,500.00
Mary E. Bean.....	Ft. Collins, Colo.....	10,000.00
B. F. Hottel.....	Ft. Collins, Colo.....	25,000.00
		74,300.00

STATE OF COLORADO,

*City and county of Denver, ss:*

I, K. H. Woodward, assistant cashier of the Colorado National Bank, of Denver, Colo., do hereby state that the above and foregoing subscription list is a true and correct copy of an original subscription list, now in the possession of the Colorado National Bank, to be held subject to the direction of the Federal Reserve Bank Organization Committee.

K. H. WOODWARD, *Assistant Cashier*.

Subscribed and sworn to before me this 11th day of February, 1914.

[SEAL.]

JULIUS H. KOLB, *Notary Public*.

My commission expires December 5, 1914.

DENVER, COLO., February 7, 1914.

*The Reserve Bank Organization Committee, Washington, D. C.*

GENTLEMEN: Should your committee designate Denver as one of the cities in which a Federal reserve bank is to be organized, under the Federal reserve act, approved December 23, 1913, and should the subscriptions by banks to the stock of said Federal reserve bank of Denver be, in the judgment of your committee, insufficient to provide the amount of capital required therefor, and your committee shall offer any amount of the stock of said Federal reserve bank of Denver to public subscription, then and in that event we, the

undersigned, individually, and not one for another, hereby subscribe for and agree to take at par the amount of stock in said Federal reserve bank of Denver set opposite our respective names, or so much thereof as your committee may allot to us respectively, under such conditions and regulations as to payment and stock liability or otherwise as may be prescribed by your committee or fixed by said Federal reserve act.

Name.	Address.	Amount.
E. L. Shoffer.....	535 So. Wash.....	\$100.00
T. J. Radcliff.....	1010 E. 13th Ave.....	1,000.00
T. A. Smith.....	1460 S. Lincoln St.....	500.00
Thomas F. Eagan.....	315 Quincy Building.....	1,000.00
G. G. Gilchrist.....	748 Gas & Elec. Bldg.....	1,000.00
Wm. G. Maitland.....	874 Clarkson St.....	500.00
David Rubenstorn.....	1200 Larimer St.....	1,000.00
James T. Smith.....	1720 Welton St.....	1,000.00
Jennie E. Land.....	1732 Pearl St.....	500.00
S. J. Thomas.....	1636 Champa St.....	5,000.00
J. S. Phillips.....	1039 29th St.....	1,000.00
C. P. Truber.....	Golden.....	1,000.00
W. I. Leary.....	Creede.....	1,000.00
F. H. Bostwick.....	611 Ideal Bldg.....	5,000.00
J. H. Jones.....	Longmont.....	25,000.00
Geo. E. Hannan.....	1210 Broadway.....	1,000.00
Wm. R. Leonard.....	Hibernia Bank.....	10,000.00
Wm. J. McDowell.....	Joslin D. G. Co.....	200.00
W. P. Peabody.....	451 Acoma Street.....	300.00
F. R. Lindsley.....	602 Boston Bldg.....	200.00
R. F. Munger.....	620 Boston Bldg.....	300.00
C. D. Webb.....	Boulder, Colo.....	4,000.00
Frank Eastman.....	Boulder, Colo.....	2,500.00
L. J. Moulton.....	Boulder, Colo.....	2,500.00
Ralph L. Taylor.....	546 Gas & Elec. Bldg.....	500.00
O. C. Watson.....	546 Gas & Elec. Bldg.....	500.00
H. O. Snyder.....	546 Gas & Elec. Bldg.....	1,000.00
Harvey A. Pierce.....	546 Gas & Elec. Bldg.....	500.00

Name.	Address.	Amount.
William W. Cafky.....	546 Gas & Elec. Bldg.....	\$300.00
John R. Hargreaves.....	1301 West Alameda.....	2,000.00
James O. Beasley.....	1066 Navajo St.....	100.00
Mrs. Mary A. Lendholm.....	1647 Emerson St.....	3,000.00
Miss Julia A. Loftus.....	1647 Emerson St.....	200.00
William G. Haldane.....	School of Mines, Golden.....	1,000.00
Paul E. Darrow.....	Greeley.....	5,000.00
Calvin Fleming.....	101 Broadway.....	10,000.00
Chas. J. Sisk.....	La Junta.....	500.00
J. K. Kincaid.....	La Veta.....	2,000.00
J. K. Mullen.....	896 Penna St.....	10,000.00
Geo. F. Gish.....	2080 Dexter St.....	500.00
Wm. R. Rathvon.....	1756 Grant St.....	1,000.00
V. S. Nelson.....	2043 Champa St.....	200.00
D. H. McCulloch.....	Creede.....	1,000.00
Dr. W. C. Birkenmayer.....	1434 Glenarm.....	2,000.00
C. S. Sperry.....	Boulder.....	500.00
Victor Christensen.....	Littleton.....	5,000.00
Mrs. Laura Kennedy.....	Rifle, Colo.....	1,000.00
Lucy A. Kennedy.....	1642 Pearl St.....	100.00
Rose M. Kennedy.....	1642 Pearl St.....	100.00
G. B. Fishel.....	1530 Lawrence St.....	2,000.00
Mary Dullmain.....	Fort Logan.....	500.00
G. H. Mollen.....	Mack Block.....	1,000.00
S. B. Wilcox.....	U. S. Mint.....	700.00
W. E. Damon.....	3416 Colfax B.....	3,000.00
Jno. W. Hartman.....	2841 California.....	500.00
C. T. Catchpole.....	1654 Broadway.....	1,500.00
W. Haywood Mitchell.....	1631 Champa St.....	1,000.00
J. F. Vonderembre.....	368 So. Grant St.....	5,000.00

I, C. S. Haughwout, cashier of the First National Bank of Denver, do hereby certify that the above is a true and correct copy of a subscription list on file with the said bank, the original of which is held subject to the direction of the Reserve Bank Organization Committee.  
[SEAL.] C. S. HAUGHWOUT.

**THE GEOGRAPHICAL CONVENIENCE, WHICH INVOLVES TRANSPORTATION FACILITIES AND RAPID AND EASY COMMUNICATION WITH ALL PARTS OF THE DISTRICT.**

[By RICHARD H. MALONE.]

No more favorable nor more accessible location for a regional bank in the Rocky Mountain country can be presented than that of the city of Denver, for the following reasons:

**DENVER A GEOGRAPHICAL CENTER.**

Within a radius of approximately 500 miles of Denver, embracing an area of 804,360 square miles, are included the intermountain States of Colorado, Utah, New Mexico, Wyoming, and portions of Arizona, Montana, South Dakota, Nebraska, Kansas, Oklahoma, and the Panhandle of Texas and part of Idaho.

*Distances (in air lines) between Denver and other cities showing Denver to be the geographical center of such area of 804,360 square miles.*

Miles.	Miles.
Denver to Cheyenne, Wyo.....	100
Denver to Deadwood, S. Dak.....	324
Denver to Pierre, S. Dak.....	598
Denver to Aberdeen, S. Dak.....	506
Denver to Sioux City, Iowa.....	465
Denver to Omaha, Nebr.....	460
Denver to Lincoln, Nebr.....	415
Denver to Leavenworth, Kans.....	506
Denver to Topeka, Kans.....	465
Denver to Wichita, Kans.....	402
Denver to Guthrie, Okla.....	448
Denver to Oklahoma City, Okla.....	465
Denver to Wichita Falls, Tex.....	498
Denver to Amarillo, N. Mex.....	324
Denver to El Paso, Tex.....	506
Denver to Santa Fe, N. Mex.....	265
Denver to Albuquerque, N. Mex.....	307
Denver to Silver City, N. Mex.....	468
Denver to Gallup, N. Mex.....	332
Denver to Holbrook, Ariz.....	406
Denver to Caliente, Nev.....	490
Denver to Ely, Nev.....	498
Denver to Cobre, Nev.....	481
Denver to Salt Lake City, Utah.....	357
Denver to Ogden, Utah.....	365
Denver to Pocatello, Idaho.....	631
Denver to Idaho Falls, Idaho.....	440
Denver to Billings, Mont.....	460
Denver to Laramie, Wyo.....	112

*Railroad running time.*

Between—	San Francisco.		Denver.	
	Time.	Nearer by—	Time.	Nearer by—
	<i>H. m.</i>	<i>H. m.</i>	<i>H. m.</i>	<i>H. m.</i>
Ogden, Utah.....	23 50	.....	18 0	5 50
Salt Lake City, Utah.....	23 45	.....	19 5	5 40
El Paso, Tex.....	39 30	.....	30 10	9 20
Boise, Idaho.....	40 35	.....	27 35	13 0
Helena, Mont.....	47 30	.....	37 25	10 5
	Los Angeles.		Denver.	
Salt Lake City, Utah.....	24 0	.....	19 5	4 55
Ogden, Utah.....	24 55	.....	18 0	6 55
El Paso, Tex.....	23 2	7 8	30 10	.....
	Chicago.		Denver.	
Omaha, Nebr.....	13 30	.....	13 29	1
Deadwood, S. Dak.....	37 0	.....	17 40	19 20
Salt Lake City, Utah.....	39 25	.....	19 5	20 20
Billings, Mont.....	43 45	.....	24 25	19 20
El Paso, Tex.....	45 3	.....	30 10	14 53
Oklahoma City, Okla.....	23 47	.....	22 5	1 42
Lincoln, Nebr.....	15 15	.....	12 0	3 15
Leavenworth, Kans.....	15 15	5 5	20 20	.....
Kansas City, Mo.....	13 10	6 25	19 35	.....
Topeka, Kans.....	14 29	1 56	16 25	.....
Wichita, Kans.....	19 55	.....	16 39	3 16
	St. Louis.		Denver.	
Kansas City, Mo.....	7 15	12 20	19 35	.....
Omaha, Nebr.....	14 14	.....	13 29	4 5
Lincoln, Nebr.....	16 4	.....	12 0	4 4
Topeka, Kans.....	10 0	6 25	16 25	.....
Wichita, Kans.....	16 0	3 39	16 39	.....
Oklahoma City, Okla.....	19 0	3 5	22 5	.....
El Paso, Tex.....	45 53	.....	30 10	15 43
Amarillo, Tex.....	35 0	.....	17 0	18 0
Deadwood, S. Dak.....	30 45	.....	17 40	13 5
Salt Lake City, Utah.....	47 14	.....	19 5	28 9

Railroad running time—Continued.

Between—	San Francisco.		Denver.	
	Time.	Nearer by—	Time.	Nearer by—
	H. m.	H. m.	H. m.	H. m.
	Kansas City.		Denver.	
Omaha, Nebr. ....	6 35	6 54	13 29	0
Deadwood, S. Dak. ....	26 40		17 40	9 0
Billings, Mont. ....	33 15		24 23	8 50
Idaho Falls, Idaho. ....	53 40		26 15	27 25
Ogden, Utah. ....	36 45		18 0	18 45
Salt Lake City, Utah. ....	37 40		19 5	18 35
Ely, Nev. ....	53 20		27 25	25 55
Amarillo, Tex. ....	23 50		17 0	6 50
Santa Fe, N. Mex. ....	30 25		18 40	11 44
Albuquerque, N. Mex. ....	32 30		19 5	13 25
El Paso, Tex. ....	27 5	3 5	30 10	
Oklahoma City, Okla. ....	15 24	6 41	22 5	
	St. Paul—Minneapolis.		Denver.	
Billings, Mont. ....	23 45	40	24 25	
Idaho Falls, Idaho. ....	44 5		26 15	17 50
Salt Lake City, Utah. ....	45 45		19 5	26 40
Ely, Nev. ....	54 20		27 25	26 55
El Paso, Tex. ....	52 20		30 10	22 10
Oklahoma City, Okla. ....	35 35		22 5	13 30
Kansas City, Mo. ....	20 35		19 35	50
Omaha, Nebr. ....	13 0	29	13 29	
Deadwood, S. Dak. ....	30 5		17 40	12 25

DENVER A RAILROAD, ETC., CENTER.

No other city in the intermountain country has railroad facilities comparable with those of Denver. The great systems of Atchison, Topeka and Santa Fe; Chicago, Burlington & Quincy; Chicago, Rock Island & Pacific; Colorado & Southern; Denver & Rio Grande; Missouri Pacific; and Union Pacific have main lines terminating in Denver. The local Colorado lines, such as Colorado Midland; Denver & Salt Lake; and Denver, Laramie & Northwestern, also enter the city and maintain headquarters here.

In other words, Denver has five prairie lines from the East and three transcontinental lines to the West, the number of passenger trains in and out of Denver being 148 per day, including through and locals, reaching the entire territory of the intermountain country which a regional bank should cover and serve.

Railroad lines radiate from Denver in every direction to all the principal cities within the territory described and there is hardly a hamlet from which Denver can not be reached by person, mail, or express within 24 hours (the most remote 36 hours) and quite 85 per cent of the total population is within 15 hours.

With the mountain barrier to the west of it, Denver has become a great interior railroad terminus. Railroads end in Denver just as they do in San Francisco, New York, and Chicago, and radiate from that point in practically all directions.

Even the great trunk lines which go to the north and south of it have been compelled because of the strategic position to build branches to Denver, which have themselves developed into trunk lines.

Denver's transportation facilities are, therefore, quite as good as those of Chicago, St. Louis, and San Francisco, and because Denver is a terminal point

they are in one respect more important than those of Omaha, Kansas City, and Salt Lake and other large competing points.

People do not have to change cars to come to Denver, nor is it necessary to transship freight from one line to another to reach Denver.

The completion this year of the Burlington Railroad connections in Wyoming, in a through route, via Denver, from Seattle to Galveston, will increasingly make Denver the natural center of trade for all Wyoming. Through connections, via Denver, are now made from Los Angeles to St. Paul and Minneapolis, from the Pacific coast to the Missouri River, with through trains already from San Francisco to Kansas City.

The Mountain States Telephone & Telegraph Co., with headquarters in Denver, covers practically the entire territory within the 500 miles radius and conversation can be carried on with all localities. All express companies have headquarters in Denver.

Denver is served by 12 railroads, is the best served city in this respect between the Pacific coast and the Missouri River, and the telegraph and telephone service is equal to that of any city in the United States, reaching throughout the entire western territory.

The Pullman Co. also have headquarters in Denver.

DENVER GEOGRAPHICALLY A NATURAL FINANCIAL CENTER.

Denver geographically is the natural financial center of its tributary country, as the following shows:

City.	Miles from Denver.	Population.	Bank clearings.
Denver. ....		213,000	\$481,000,000
Minneapolis. ....	904	301,000	1,300,000,000
Chicago. ....	1,034	2,165,000	16,000,000,000
Omaha. ....	523	124,000	
St. Louis. ....	1,013	657,000	4,000,000,000
Kansas City. ....	667	248,000	2,800,000,000
New Orleans. ....	1,342	239,000	978,000,000
Galveston. ....	1,160	36,000	
Houston. ....	1,107	78,000	
Dallas. ....	835	92,000	
Port Worth. ....	801	73,000	
Los Angeles. ....	1,121	319,000	1,200,000,000
Salt Lake City. ....	742	92,000	
San Francisco. ....	1,377	416,000	2,500,000,000
Portland. ....	1,300	207,000	
Seattle. ....	1,570	237,000	658,000,000

In the area lying between the Missouri River and the Pacific coast, and between the Canadian line and the Gulf, Denver and Salt Lake City are the largest and most prominent centrally located cities, and as between these two, Denver has the advantage in population and in volume of business and bank clearings, as well as being favorably located on north and south and east and west trunk-line railroads.

From Seattle to New Orleans, from San Francisco to Kansas City, from Los Angeles to Minneapolis, from the Canadian line to the Mexican border Denver has the central location and is the city most prominent

in commerce and finance and with the largest population, and is surrounded on all sides by a partially developed country of most wonderful resources, which are being rapidly developed.

From a geographical standpoint and in conjunction with transportation facilities Denver is more advantageously situated and able to furnish immediate and rapid service for the transportation of currency and securities through the vast territory before mentioned than would be any other city in the same section for the reason that practically every express and mail train leaving the city of Denver leaves this point as its terminal. In other words, trains leaving Denver are not delayed by being on trunk lines, and starting from the western coast or the Central States, which fact insures that all express and mail (carrying money) could with reasonable assurance at all times be expected to leave at the hour set for trains to move.

The location of one of the regional banks in the city of Denver will be of especial transportation economy to such regional bank owing to the fact that the United States mint is located in Denver and would be available, under proper working arrangements for the Government, and avoid the expense occasioned by the shipping of gold and currency from other mints or subtreasuries.

Again, the cost for the express or mailing of currency and securities in either direction to the banks of this intermountain territory would be considerably less and result in an actual economy or saving of transportation, time, and expense to the member banks, if their reserve bank was located at a central point like Denver, and of greatest benefit to the largest number.

If a regional bank were located in Kansas City, the express rate per \$1,000 in gold to Salt Lake City would be \$—, while from Denver it would be approximately one-half that rate. The same difference of expense would apply, pro rata, according to the rates for currency and securities. The same argument would hold good as against Omaha or Dallas, Tex.

The Denver Mint can ship money in less time to the Pacific coast than it can be shipped from any point farther west. If money was wanted in Omaha at the hour of bank closing, a wire to Denver would get the money to Omaha as soon as it could be got if they wired to Chicago.

#### DENVER A MINING AND SMELTING CENTER.

Outside of Kansas, Nebraska, Oklahoma, and the Panhandle of Texas, the 804,360 square miles of which Denver is the geographical railroad and financial center is a large mineral producer, and Colorado smelters treat a considerable portion of the ore originating therein.

Denver is already the headquarters for mining, smelting oil, and mining machinery companies oper-

ating throughout such territory, also alfalfa and milling products.

A regional bank in Denver could better serve these large interests than if located at any other point.

#### DENVER A LIVE-STOCK CENTER.

The live-stock interests in the vast area before mentioned are very extensive, representing one of the largest industries west of the Missouri River.

Denver is practically the only marketing point between the Pacific coast and the Missouri River and centrally located to best serve this great industry.

Government statistics show an alarming decrease in the supply of beef cattle since 1907. No one condition will have a greater tendency to stimulate the cattle-raising industry in the country tributary to Denver, the principal cattle-growing territory in the West, than the establishment of a regional bank in Denver, lowering the interest rates. From 8 to 12 per cent interest on live-stock loans is not unusual in some parts of this district, and even at these rates loans are usually made only for a period of six months and may or may not be renewed. The general policy of the live-stock commission houses, through whom the loans are largely made, is to call the loans on their maturity, thereby practically forcing the cattle market and securing additional commissions.

#### DENVER AN AGRICULTURAL CENTER.

The agricultural interests of the 804,360 square miles of which Denver is the geographical center are already enormous but capable of great extension with improved financial accommodation through the location of a regional bank in Denver.

A few instances may be mentioned as follows:

The Colorado potato crop, under normal conditions, is about 6,000 cars; the wool crop from 2,000,000 to 3,000,000 pounds; the fruit crop of western Colorado alone reaches thousands of cars annually.

The full benefit of this fruit crop is not realized by the growers by reason of lack of local proper facilities for storing same and for lack of local factories for utilizing the fallen and undersized fruit, with reasonable financial assistance these defects could be remedied and the industry greatly stimulated.

New Mexico has large wool crop and live-stock interests and produces some fruit.

Arizona is developing the fruit industry, including such tropical fruit as dates.

Idaho is increasing her agricultural production.

Utah with her wool, fruit, and farming interests needs financial accommodation and could get it readily from a regional bank in Denver.

Montana produces large grain crops, also wool, and already has close banking connections with Denver.

Wyoming has live stock and wool interests and some agriculture.

There is more undeveloped territory in the seven States of Arizona, Colorado, Idaho, Montana, New Mexico, Utah, and Wyoming than anywhere else susceptible to development by being financed on sane and safe lines.

Financial assistance is practically necessary in the fall in moving the crops, and the \$1,000,000 furnished by the United States Treasury to national banks in Denver and tributary country in October, 1913, was very timely and very helpful.

A regional bank in Denver would render it unnecessary for member banks to carry 45 per cent or over of reserves, which would enable them to better assist the agricultural, etc., interests.

#### DENVER A COLLECTING AND DISTRIBUTING POINT.

Denver as a geographical and railroad center as aforesaid is the gateway through which there passes annually an enormous tonnage of agricultural and horticultural products, coal, coke, live stock, lumber, manufactured goods, etc., the movement of crops in the fall being already enormous and needing help financially.

Denver is the best location for a regional bank to develop these varied interests.

A few instances of shipments through Denver are as follows:

Denver is a very important city in the movement of stock cattle for feeding purposes from Texas to Colorado and points north and west, and necessarily requires a large amount of money for handling same.

The movement of grain and vegetables from Utah and Idaho into Texas, Oklahoma, and Kansas is very heavy. One Denver concern shipped five straight trainloads of potatoes from Idaho and Utah through Denver into Texas and the south in the month of January, 1913, and about the same in February, and there is a continual movement of potatoes through Denver.

Almost every bank in Utah and Idaho has connections with the Denver banks.

All the big flour mills in Colorado are continually moving wheat from Utah and Idaho, milling it in transit, mostly in Denver, and forwarding the product into the southeastern States clear down to the Atlantic Ocean.

The books of one group of companies so shipping agricultural products through Denver show an aggre-

gate business for 1913 of about \$22,000,000, the funds required to properly handle such business being obtained mostly from Denver banks, and Denver firms financed all these transactions.

One Colorado manufacturing concern (outside Denver), selling goods in 21 States west of the Mississippi River, says that Denver would be the best and the most convenient geographically for a regional bank for the territory they supply with their goods.

They further say that with the volume of business they are now doing the banking facilities in Denver are not sufficient for them, as they can not secure enough money for their needs from any one bank, and they are forced to go east to make a part, at least, of their financial arrangements.

It is usual for men who grow rich in agricultural, live stock, mining, manufacturing, etc., industries in the country tributary to Denver to move to and become permanent residents of Denver.

In summing up, Denver has the geographical position; Denver has the railroad facilities; Colorado has the largest volume of banking capital. Our State laws will be changed so that the State banks can come in. Our widows, orphans, retired business men, and the public generally will subscribe for all the stock you will let them take. A number of my friends have asked me to ask for the privilege of subscribing. I hope you will give the poor people a chance to subscribe.

It is to the interest of this whole United States that this undeveloped country should be helped and assisted. The banks of this district understand the local needs and the value of the local securities better than any one east or west of us would understand the securities of this district.

The people of the entire United States need the development of this western agricultural and live-stock country so as to help reduce the cost of living throughout the United States, and this regional bank would be a great benefit in reducing the interest rates and giving a larger line of credit to settlers, farmers, stockmen, and manufacturers.

I firmly believe it is the desire and intention of you gentlemen and the administration to help develop and expand our undeveloped interests, thereby reducing the cost of living to the entire population of the United States.

Respectfully submitted.

R. H. MALONE.

#### MISCELLANEOUS LETTERS AND STATISTICS.

BEATRICE CREAMERY Co.,  
Denver, January 24, 1914.

Hon. WM. G. McADOO,  
Hon. DAVID F. HOUSTON,

Organization Committee of Federal Reserve Bank, Denver, Colo.

HONORABLE SIR: It is my desire to call to your attention the fact that the Beatrice Creamery Co. of Denver do an annual busi-

ness of a little over \$2,000,000 on butter and eggs. At least 70 per cent of the cream used for manufacturing our butter, and at least 75 per cent of the eggs we gather for rehandling and sale, are collected and shipped to us from Kansas and Nebraska, as while the dairy industry in Colorado is showing a wonderful increase and will continue to do so, we have to draw the majority of our supplies of raw material from Kansas and Nebraska.



There is at least 7,000,000 pounds of butter manufactured in Denver annually, at an approximate value of \$1,500,000. There is at least 1,000,000 pounds of butter, at a value of \$250,000, brought into Denver annually from Nebraska and sold here.

There is at least \$500,000 worth of business in butter and eggs stored in transit in Denver with the ultimate destination of San Francisco and Salt Lake points.

All told there is at least 250,000 cases of eggs handled annually in Denver, worth at least \$1,500,000, of which 80 per cent is brought in from Kansas and Nebraska. Twenty-five per cent of this product is stored in Denver in transit with ultimate destination of Utah, Idaho, Montana, and Pacific coast points.

We feel very strongly that for our business, and also for the dairy industry of the several surrounding States, Denver is undoubtedly the logical point for the Federal reserve bank.

Respectfully, yours,

BEATRICE CREAMERY Co.,  
A. T. McCLINTOCK, *Manager.*

DENVER, *January 26, 1914.*

DEAR SIR: In order that you may arrive at the importance of the value of the alfalfa and other hay crops of Colorado, I give you below a brief history of the production and monetary value of the alfalfa and other hay produced in this State up to and including the last crop of 1913.

Only 14 years ago the total farm products of all kinds for Colorado amounted to only \$16,000,000, of which total sum the income at that time from alfalfa and other hay did not exceed 500,000 tons of a money value of approximately \$4,800,000; whereas according to the report of the United States Department of Agriculture the total farm and dairy products of Colorado for the year 1913 had reached the sum of \$89,933,146. Of this total production from our Colorado farms during last year the production of alfalfa and other hay amounted to 1,824,000 tons, having a value to the producers of \$18,240,000. Thus it will be observed the increase in the production of alfalfa and other hay in Colorado in the past 14 years has been 1,324,000 tons, and an increase in a monetary sense of \$13,440,000.

By referring to the attached report of the United States Department of Agriculture, it will be noted that the money value of alfalfa and other kinds of hay harvested in Colorado during the season of 1913 was \$18,240,000, and that the return from the beet-sugar crop, the next largest agricultural product in Colorado, for the same year amounted to only \$10,390,000; in other words, the money value of our hay crop last year exceeded our important beet industry by the sum of \$7,850,000. In fact, the production of hay in Colorado has for some time, and during the last year in particular, far exceeded in value the total production of coal in this State for any year, and also practically equaled this State's production of gold for 1913, it being well known that the value of all coal mined in Colorado last year amounted to only \$11,016,948, while the value of the gold produced in Colorado last year amounted to the sum of \$18,394,590.

It is also a fact that the alfalfa harvested last year in Colorado was raised on an area of land only equal to about three counties in Iowa; consequently, with the vast area of land susceptible to the cultivation of alfalfa in Colorado, the alfalfa crop in this State can be expected to continue to increase in the future at a rate equal to what it has done in the past few years. This is especially so now that Colorado alfalfa has been widely advertised and exploited as the best of all feeds by ourselves and others throughout the South, East, and Middle States, and a heavy demand has been created for it, and at prices which will always insure the producer a good return for his labor and investment. Ten years ago alfalfa hay was comparatively an unknown article of feed in the South, East, and Middle States, and its sale was at that time a very difficult problem; whereas to-day the demand for

alfalfa exceeds the supply, and a like condition will exist for years to come, because it is a crop which can only be successfully produced in our western irrigated States while the demand for it exists in every State in the Union.

Denver, on account of its geographical location, its superior railroad and banking facilities, has for some time been the market for the alfalfa produced in Colorado, Wyoming, Idaho, Montana, and a part of Kansas, Nebraska, and New Mexico, and this city as a central market for this product will continue to expand and come more into its own within a short while now, for Denver has been assured a stopping-in-transit arrangement at this point on hay by the railroad companies, a privilege long required at this point but never properly agitated with the railroads until recently.

Under this stopping-in-transit arrangement, which will be good for several months, a farmer located at Greeley, Colo., Cheyenne, Wyo., Twin Falls, Idaho, or Billings, Mont., will be able to ship his hay to Denver and hold same here for a period of several months and later be able to reship it to Texas, Oklahoma, Kansas, and other States on the through rate from original point of origin to the final destination, plus a nominal charge for stopping cars here. This will readily create of Denver a large central hay market, also a concentration point, and it will ultimately induce many of the large southern and eastern buyers of alfalfa to establish branch houses and maintain large warehouses here.

This stopping in transit at Denver will apply on hay originating in Wyoming, Idaho, and other nearby Western States, and with this increase in the business in this commodity much capital will necessarily be required for the handling of the business in this market in the future, and it occurs to us there will always be moving to this market after the above arrangement has become effective a large volume of hay for storage and for the borrowing of money, since it is well known that the facilities for storing baled hay on any of the farms in Colorado, Wyoming, and Idaho are totally inadequate, while also the rate of interest for the financing of this business at points of production is often more than the traffic can bear.

To sum up, hay is about the most valuable asset possessed by the State of Colorado, the live-stock industry and our manufactories alone excepted, and it is also an industry which if properly fostered will shortly return riches for our State.

Respectfully submitted.

ALLIANCE ALFALFA HAY Co.  
GEO. LOPEZ, *President.*

*Statement of production and value of Colorado crops for 1913 and 1912, as given by the United States Department of Agriculture.*

Crop.	Production.		Value to farmers.	
	1913	1912	1913	1912
Corn.....bushels..	6,300,000	8,736,000	\$4,599,000	\$4,368,000
Wheat.....do.....	9,680,000	10,968,000	7,551,000	8,006,000
Oats.....do.....	10,675,000	12,412,000	4,697,000	4,717,000
Barley.....do.....	3,250,000	2,964,000	1,820,000	1,482,000
Rye.....do.....	340,000	488,000	204,000	268,000
Flaxseed.....do.....	50,000	96,000	58,000	120,000
Potatoes.....do.....	9,200,000	8,075,000	5,980,000	3,311,000
Hay.....tons.....	1,824,000	1,905,000	18,240,000	16,574,000
Sugar beets.....do.....	1,841,000	1,642,000	10,390,000	9,785,000
Wool.....pounds..	11,637,900	8,040,000	1,396,548	1,485,792
Pasture.....do.....			5,165,500	5,065,500
Dairy products.....do.....			7,680,000	6,594,920
Fruits and melons.....do.....			5,297,188	4,423,147
Eggs and poultry.....do.....			4,309,718	3,990,480
Honey.....do.....			217,000	248,616
Emmer, speltz, buckwheat, etc.....do.....			331,453	430,458
Alfalfa seed.....do.....			201,960	168,301
Dry beans and peas.....do.....			578,952	614,847
Vegetables for canning, etc.....do.....			11,215,827	9,045,022
Total.....do.....			89,933,146	80,698,083

Increase, 1913, \$9,235,063.  
Hay crop for 1913 worth \$18,240,000.

DENVER, COLO., *January 31, 1914.*

Denver is the center of a milling and grain business which aggregates \$30,000,000 annually. Its sphere of influence extends east through Kansas and Nebraska to a line about 50 miles east of the one-hundredth meridian. Practically all the wheat grown along the line of the Santa Fe as far east as Offerle, Kans., is milled in the Arkansas Valley in Colorado and in Dodge City, Kans., and the product sold throughout Arizona and New Mexico, and the money for moving this crop is furnished from Denver. The same is true of wheat grown along the Kansas division of the Union Pacific to a point about as far east as Ellsworth. About 80 per cent of the product of the wheat grown in that territory is shipped to Colorado, Utah, Nevada, Idaho, and California.

Nebraska grain which is handled in Colorado consists chiefly of corn, of which there is about 4,500 cars annually shipped into this State.

The wheat which is milled in Denver and northern Colorado is gathered first from local sources—that is, Colorado—then from Utah, Idaho, and Wyoming. The wheat industry in the latter State is in its infancy, and it is only within the past two years that Denver mills have purchased any appreciable amount of wheat there. But Utah and Idaho have been sources of supply for Colorado millers for many years, and as wheat production in those States has increased, Denver capital has provided facilities for handling it. There is hardly a grain elevator in Utah or Idaho which is not owned wholly or in part by Denver capital, and practically all of the money which is required to move the surplus grain crops of those States is provided from Denver. There is an exception to be noted, and that is the grain grown in the northern part, or what is known as the “peninsula,” in Idaho.

The majority of the wheat produced in Colorado, Utah, and Idaho is soft white varieties grown under irrigation, and Denver is the acknowledged center of the milling industry which is devoted to grinding wheat of this character. This flour, manufactured by Denver and northern Colorado mills, aside from that which is sold in local markets, is shipped to Texas, Arkansas, Louisiana, Tennessee, Georgia, Alabama, Florida, and to a few stations in Virginia. A small amount of flour has been shipped by the Colorado mills to the West Indies. No other large market in the United States is prepared to grind and properly mill the type of wheat which Colorado mills are handling, and for that reason this is a distinctively white-wheat market, and with the development of the wheat-growing industry throughout the intermountain district the importance of Denver in this line of industry will constantly increase and Denver will continue the natural center for providing funds to move the wheat and grain crops of the intermountain region.

Years ago it was necessary for Denver millers and grain dealers to go East for large sums of money which were needed in the fall of the year to move these crops, but in recent years, with larger banking facilities in Denver and Colorado, most of the money for this purpose has been obtained at home.

H. E. JOHNSON,  
*Assistant General Manager,*  
*Colorado Milling & Elevator Co.*

*Estimated number of bank accounts and aggregate balances (average four months) received by Denver clearing-house banks from National and State banks in territory claimed.*

State.	National.		State.	
	Aggregate balances.	Number of bank accounts.	Aggregate balances.	Number of bank accounts.
Colorado.....	\$7,900,000	283	\$4,700,000	229
Utah.....	850,000	16	510,000	8
New Mexico.....	410,000	16	110,000	5
Wyoming.....	800,000	18	250,000	6
Nebraska (26 counties).....	115,000	12	17,000	3
Kansas (24 counties).....	67,000	9	23,000	1
Texas (82 counties).....	270,000	6	60,000	3
Oklahoma (3 counties).....	0	0	0	0
Arizona.....	50,000	5	46,000	8
Idaho.....	95,000	9	5,000	1
Montana.....	225,000	8	62,000	4
South Dakota (8 counties).....	15,000	2	0	0
Total.....	10,797,000	384	5,783,000	268

The figures given below are approximate. They have been taken from the best available sources, but there are a number of discrepancies over report submitted at hearing in Denver on January 26, 1914, due to differences in directories used, and in some cases to differences in reports of State bank commissioners as of October 21, 1913, and January 13, 1914.

*Number, capital, and surplus of State banks which could qualify as to capital requirement, and those which are not eligible owing to insufficient capital.*

State.	Eligible.		Noneligible.	
	Capital and surplus.	Number of State banks.	Capital and surplus.	Number of State banks.
Colorado.....	\$7,800,000	86	\$1,800,000	126
Utah.....	9,000,000	74	400,000	18
New Mexico.....	1,700,000	28	400,000	20
Wyoming.....	1,900,000	29	700,000	43
Nebraska (26 counties).....	1,100,000	25	1,100,000	67
Kansas (24 counties).....	700,000	19	1,000,000	50
Texas (82 counties).....	5,000,000	59	1,100,000	67
Oklahoma (3 counties).....	87,000	3	89,000	8
Arizona.....	5,200,000	29	400,000	16
Idaho.....	3,700,000	61	1,200,000	75
Montana.....	9,600,000	106	2,000,000	91
South Dakota (8 counties).....	600,000	12	400,000	28
Total.....	46,387,000	531	10,589,000	609

ELIGIBILITY AS REGARDS STATE LAWS, AS ADVISED BY OUR CORRESPONDENTS AND THE BANKING DEPARTMENTS OF VARIOUS STATES.

- Colorado: Unable to join at present.
- Utah: No law to prevent joining.
- New Mexico: Difference of opinion.
- Wyoming: Unable to join at present.
- Nebraska: Unable to join at present.
- Kansas: Attorney general says can join.
- Texas: No law to prevent joining.
- Oklahoma: Difference of opinion.
- Arizona: No law to prevent joining.
- Idaho: Unable to join at present.
- Montana: Unable to join at present.
- South Dakota: Unable to join at present.

CONCERNING THE MOVEMENT OF SILVER-LEAD ORES FROM NORTHERN IDAHO TO THE REDUCTION PLANTS LOCATED IN COLORADO.

While it seems that northern Idaho and western Montana are remote from Denver, it is true that the metal-smelting plants in Colorado are supplied with wet—that is, silver-lead—ores from that territory, and they are the principal buyers.

The following statement shows the tonnage worked in Colorado plants and the metals recovered.

This represents a large initial money transaction at Denver, and shows clearly that the handling of the business from this territory would be best served by a reserve bank located here.

IDAHO SILVER-LEAD ORES.

	1912			1913		
	Ore.	Silver.	Lead.	Ore.	Silver.	Lead.
To Colorado department:						
American Smelting & Refining Co.....	Tons. 66,427	Ounces. 1,816,849.64	Pounds. 68,074,189	Tons. 63,152	Ounces. 2,114,089.80	Pounds. 63,498,111
Ohio & Colorado Smelting Co.....	21,090	450,164.00	16,874,943	18,890	359,157.00	15,109,158

T. B. BURBRIDGE.

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EL PASO, TEX.

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## EL PASO, TEX.

El Paso is the natural center of a territory 500,000 square miles in extent, comprising most of Arizona and New Mexico and that portion of Texas lying west of the Pecos River and the northern States of Chihuahua and Sonora in Mexico. Within this circle, or wheel, of which El Paso is the hub, this city has no competitor, either commercially or financially. This territory, which constitutes a great empire in itself, is united to us with a network of railroads, giving quick and ready communication in all directions. By intimate personal acquaintance and numerous kindred interests and by almost daily affiliation the people of this district are closely united to this city. El Paso, as financial headquarters, claims a peculiarly close and intimate relationship with the banks and bankers located in this district, which we term our natural trade territory.

Within this district and including El Paso there are located 183 banks, 65 being national and 118 State, with a combined capital and surplus of over \$15,000,000 and combined deposits of over \$70,000,000. In New Mexico, out of a total of 40 national banks 20, or 50 per cent, carry accounts in El Paso. Based on the capital invested, this percentage is increased to 72 per cent, while based on the deposits the percentage increases to 83 per cent. In other words, out of a total of \$17,000,000 deposits shown by the national banks of New Mexico those carrying accounts in El Paso show total deposits of over \$14,000,000. The 20 national banks in New Mexico which do not carry accounts in El Paso represent only 17 per cent on the basis of deposits, and much of the business representing this 17 per cent comes to El Paso indirectly through those banks which carry accounts here.

The percentages shown from Arizona are even more significant. Out of the total number of national banks in Arizona 85 per cent carry accounts in El Paso, the only two exceptions being the Yuma National and the Tempe National, whose combined deposits are under \$500,000. Based on the invested capital of national banks in Arizona, 93 per cent bank in El Paso, and based on the total amount of deposits 95 per cent is connected with El Paso by active accounts.

Referring to that portion of west Texas claimed by El Paso, the percentage is 100, as every bank within the district shown on our map has one or more accounts in this city.

I do not wish to take up your time with too many statistics and will therefore file an exhibit showing in detail the exact degree to which the banks of Arizona, New Mexico, and west Texas favor El Paso with their business, these figures showing percentage based on the number of banks, total capital and total deposits, and covering both national and State banks. I do, however, beg to call your attention to the very interesting facts developed by the recapitulation of these figures.

There are 173 national and State banks in our district, exclusive of El Paso. These banking institutions carry 134 accounts on the books of El Paso banks. The total invested capital of all the banks of this district, exclusive of El Paso, is \$12,279,000. The total capital of those banks, both national and State, which carry accounts in El Paso, is \$8,570,000, or 66 per cent. The total deposits of all banks in this district, exclusive of El Paso, is \$57,000,000, while the deposits of those banks carrying accounts in El Paso is \$43,900,000, or 77 per cent of the total. Every large and prominent bank in the district carries an account here, and of those constituting the 23 per cent not doing business here directly, the great majority have connections through which their items are routed into El Paso. A great many banks in this district absolutely regard El Paso as banking headquarters. When they need outside accommodation to take care of the demands of their customers, they come to El Paso for it. They carry their principal reserves here, and such balances as the requirements of their business make it necessary for them to carry in New York and other eastern centers they maintain by drafts on their El Paso accounts. The banks of this district, both national and State, nominally carry in El Paso over \$4,000,000 in deposits, or a reserve larger than they would be required to carry in the regional reserve bank if all were members.

I wish to call your special attention to the fact that, as El Paso is not a reserve city the national banks of this district which carry El Paso accounts, representing over 80 per cent of the total, based both on deposits and capital invested, can not take credit for El Paso balances in reckoning their reserve. It is therefore apparent and significant that they have found their El Paso connections sufficiently attractive to warrant carrying balances here in spite of the fact that such balances do not count as reserve.

I do not believe it is necessary for me to argue that El Paso banks have shown sufficient strength and liberality to take care of the requirements of their banking customers and extend proper accommodation to them at all times, as the extent to which the banking business of this district has been centered here, as shown by the above figures, is the best possible evidence to this effect.

In this district, which we call El Paso's natural trade territory, many of the banks are located in mining towns where large numbers of men are employed and heavy pay rolls must be met. In meeting these demands, the banks of El Paso have made total shipments of currency of over \$5,000,000 during the past year to the banks in our district. This figure covers, strictly, shipments to our customers for their use.

By figures taken from our books with great care and covering an average month's business we find that the yearly volume of outgoing items between El Paso and her territory totals \$39,000,000, while the yearly volume of items coming into El Paso from correspondents in this district reaches a total of \$110,000,000. The testimony at Denver showed that her total volume of incoming items was \$249,000,000.

In presenting the above facts and figures I have not attempted to take into account the immense volume of banking business from Mexico, which is directed to El Paso under normal conditions. The northern portion of Mexico is one of the richest and most resourceful sections of this continent, and wonderful development of the vast resources there will follow close upon the settlement of Mexico's present troubles. In estimating the importance and influence of El Paso as a banking center, we ask you not to lose sight of the great volume of business with Mexico, which must pass through El Paso, a considerable portion of which, involving commercial, mining, and cattle operations, is actually centered here.

The Federal reserve act provides that "the districts shall be apportioned with due regard to the convenience and customary course of business." In most respectfully petitioning your committee to respect El Paso's relationship with her natural trade territory by locating this city and this territory in the same regional district served by a branch bank in El Paso, we feel that we are asking only that we be permitted to retain that business which is naturally and rightfully ours. By so doing you will make it possible for El Paso to continue to enjoy the commercial and financial supremacy in this district, which is united to us by geographical conditions, by railroad development, by the intimate ties of personal acquaintance, and by the existing status of our commercial, industrial, and financial life.

JAMES G. McNARY.

#### EXCHANGE.

Of the 110 banking points in Arizona, New Mexico, and west Texas, 46 points, or 41.6 per cent of the total, par for El Paso everything drawn on their territory, regardless of indorsement. Fifty-two of them, or 47½ per cent, charge exchange at the rate of one-fourth of 1 per cent on all items circulating outside of Arizona, New Mexico, and El Paso (El Paso being considered a "local" indorsement by all banks in Arizona and New Mexico, as well as Texas). The remaining 12 banking points, or 10.9 per cent of the total, charge exchange at the average rate of one-fourth of 1 per cent on everything drawn on their locality, without regard to the items' indorsements, local or foreign. El Paso can now handle at par 89.1 per cent of all the points in this district where items have not circulated outside, whereas any other Texas point could only handle 58.4 per cent with the same exchange agreements under which El Paso now operates, which of course they would not have or could not get.

It is therefore readily seen that El Paso is in an unusually favorable position for collecting all items on this district at the least possible cost, owing to its being "an outside of the State" indorsement in Texas, and being so considered by all banks in Arizona and New Mexico.

Total capital of national banks in El Paso's territory..	\$5,120,000
Total surplus and profits of national banks in El Paso's territory.....	3,373,373
Total deposits of national banks in El Paso's territory..	41,901,500
Total capital of both State and national banks in El Paso's territory.....	9,046,000
Total surplus and profits of all banks in El Paso's territory.....	6,322,125
Total deposits of all banks in El Paso's territory.....	72,979,600

El Paso banks have made shipments of cash to banks in this district during the past year of \$5,321,000.

El Paso banks have within the past year collected transit items drawn on points in this district to the amount of \$39,685,000.

El Paso banks have received from banks in this district during the past year cash remittances amounting to \$110,709,000.

#### CONSOLIDATED STATEMENTS.

##### EL PASO BANKS.

[As compiled from published statements on call of Jan. 13, 1914.]

##### RESOURCES.

Loans and discounts.....	\$10,966,508.01
Overdrafts.....	17,353.22
United States bonds and premium.....	1,480,500.00
Bonds and securities.....	666,504.17
Banking houses, furniture and fixtures.....	345,185.04
Other real estate.....	183,637.66
Due from approved reserve agents.....	\$2,860,687.44
Due from other banks.....	1,629,984.16
Exchange for clearing house and cash items.....	436,858.47
Cash in vault.....	1,583,826.66
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Redemption funds.....	6,511,356.73
Guaranty funds.....	62,750.00
Expense.....	43,512.80
	<hr/>
	20,281,980.76

##### LIABILITIES.

Capital.....	2,405,000.00
Surplus.....	490,500.00
Undivided profits.....	97,499.56
National-bank notes outstanding.....	1,235,650.00
Deposits banks.....	\$3,527,418.72
Individual deposits.....	12,224,625.49
United States and postal savings deposits.....	205,286.99
	<hr/>
Other liabilities.....	15,957,331.20
	<hr/>
	96,000.00
	<hr/>
	20,281,980.76

Total capital, surplus, and profits of national banks, and both State and national banks, in El Paso's trade territory; also percentage on basis of invested capital of those carrying El Paso accounts.

NATIONAL BANKS.

State.	Total capital, surplus, and profits.	Capital, surplus, and profits of banks carrying accounts in El Paso.	Percentage of banks carrying El Paso accounts.
Arizona.....	\$2,161,000	\$2,023,000	93
New Mexico.....	3,480,400	2,507,100	95
West Texas.....	1,069,000	1,069,000	100
Total.....	6,710,400	5,599,100	83

STATE AND NATIONAL BANKS.

State.	Total capital, surplus, and profits.	Capital, surplus, and profits of banks carrying accounts in El Paso.	Percentage of banks carrying El Paso accounts.
Arizona.....	\$5,390,500	\$3,719,900	68
New Mexico.....	5,420,800	3,383,000	62
West Texas.....	1,468,500	1,468,500	100
Total.....	12,279,800	8,571,400	66

Total deposits of national banks, and both State and national banks (El Paso banks not included), in El Paso's trade territory; also the percentage calculated on this basis of El Paso correspondents.

NATIONAL BANKS.

State.	Total deposits.	Total deposits of banks carrying accounts in El Paso.	Percentage of deposits having direct banking connections in this city.
Arizona.....	\$10,219,000	\$9,789,000	95
New Mexico.....	17,394,000	14,520,000	83
West Texas.....	3,675,000	3,675,000	100
Total.....	31,288,000	27,984,000	89

STATE AND NATIONAL BANKS.

State.	Total deposits.	Total deposits of banks carrying accounts in El Paso.	Percentage of deposits having direct banking connections in this city.
Arizona.....	\$28,953,275	\$21,915,275	75
New Mexico.....	23,351,000	17,272,000	73
West Texas.....	4,809,000	4,809,000	100
Total.....	57,113,275	43,996,275	77

Capital, surplus, and profits, and deposits of national banks in Arizona that carry accounts in El Paso.

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

City.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Clifton.....	First National.....	2	\$30,000	\$20,000	\$400,000
Douglas.....	do.....	1	100,000	25,000	844,000
Globe.....	do.....	1	100,000	50,000	779,000
Nogales.....	do.....	1	50,000	55,000	500,000
Phoenix.....	National Bank of.....	1	200,000	185,000	1,300,000
Do.....	Phoenix National.....	1	150,000	200,000	2,206,000
Prescott.....	Prescott National.....	1	100,000	215,000	1,231,000
Tombstone.....	First National.....	1	25,000	22,000	200,000
Tucson.....	Arizona National.....	1	100,000	28,000	505,000
Do.....	Consolidated National.....	2	100,000	150,000	1,500,000
Yuma.....	First National.....	1	100,000	18,000	324,000
Total.....		14	1,055,000	968,000	9,789,000

Capital, surplus, and profits, and deposits of State banks in Arizona that carry accounts in El Paso.

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

City.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Bisbee.....	Bank of Bisbee.....	1	\$50,000	\$177,000	\$1,590,000
Do.....	Citizens Banking and Trust	1	50,000	5,000	150,000
Do.....	Miners & Merchants.....	4	50,000	95,000	1,350,000
Bowie.....	Bank of Bowie.....	1	10,000		10,000
Buckeye.....	Buckeye Valley Bank.....	1	25,000	2,000	62,000
Clifton.....	Gila Valley Banking & Trust. <sup>1</sup>	1			
Douglas.....	Arizona Banking & Trust.	1	30,000	8,500	110,000
Do.....	Bank of Douglas.....	4	50,000	75,000	1,080,275
Duncan.....	Bank of Duncan.....	1	15,000	10,000	100,000
Globe.....	Gila Valley Banking & Trust. <sup>1</sup>	3			
Do.....	Old Dominion Co.....	1	22,000	100,000	375,000
Hayden.....	Gila Valley Banking & Trust. <sup>1</sup>	1			
Lowell.....	Bank of Lowell.....	1	15,000	500	110,000
Miami.....	Bank of Miami.....	1	10,000	3,000	200,000
Do.....	Gila Valley Banking & Trust. <sup>1</sup>	1			
Morenci.....	do.....	1	100,000	97,000	2,208,000
Do.....	State Bank of Morenci.....	1	30,000	900	115,000
Nogales.....	Santa Cruz Valley <sup>2</sup> .....	1	50,000		
Phoenix.....	Valley Bank of.....	1	150,000	145,000	2,800,000
Ray.....	Gila Banking & Trust <sup>1</sup> .....	1			
Safford.....	Bank of Safford.....	1	33,000	17,000	260,000
Do.....	Gila Valley Banking & Trust. <sup>1</sup>	1			
Thatcher.....	Citizens Bank.....	1	12,000	3,000	71,000
Tucson.....	Merchants Banking & Trust.	2	50,000	19,000	298,000
Do.....	Southern Arizona Banking & Trust.	3	75,000	63,000	891,000
Willcox.....	Sulphur Springs Valley Bank.	1	10,000	1,000	50,000
Do.....	Willcox Banking & Trust.	1	25,000	13,000	296,000
Winkelman.....	Gila Valley Banking & Trust. <sup>1</sup>	1			
Total.....		39	862,000	834,900	12,126,275

<sup>1</sup> Branch bank.

<sup>2</sup> New.

Capital, surplus and profits, and deposits of national banks in New Mexico that carry accounts in El Paso.

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

City.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Alamogordo.....	First National.....	1	\$25,000	\$5,500	\$202,000
Albuquerque.....	do.....	1	300,000	132,000	4,301,000
Do.....	State National.....	4	100,000	49,000	1,403,000
Carlsbad.....	National Bank of.....	1	30,000	25,000	230,000
Deming.....	Deming National.....	3	25,000	25,000	200,000
Gallup.....	First National.....	1	25,000	7,000	145,000
Las Cruces.....	do.....	2	25,000	15,000	117,000
Las Vegas.....	do.....	2	100,000	40,000	800,000
Do.....	San Miguel National.....	2	100,000	75,000	1,100,000
Lordsburg.....	First National.....	1	25,000	10,000	150,000
Magdalena.....	do.....	1	50,000	3,100	151,000
Raton.....	do.....	1	100,000	50,000	1,000,000
Roswell.....	do.....	2	100,000	125,000	1,059,000
Do.....	American National.....	1	50,000	31,000	250,000
Do.....	Citizens National.....	1	100,000	150,000	700,000
Santa Fe.....	First National.....	2	150,000	102,000	907,000
Santa Rosa.....	do.....	1	50,000	7,500	200,000
Silver City.....	American National.....	3	50,000	46,000	410,000
Do.....	Silver City National.....	3	50,000	94,000	795,000
Tucumcari.....	First National.....	2	50,000	10,000	400,000
Total.....		35	1,505,000	1,002,100	14,520,000

*Capital, surplus and profits, and deposits of State banks in New Mexico that carry accounts in El Paso.*

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

City.	Bank.	Number	Capital.	Surplus and profits.	Deposits.
Alamogordo..	Alamo State .....	1	\$15,000	\$2,200	\$125,000
Albuquerque	Citizens Bank .....	1	50,000		130,000
Do.....	First Trust & Savings.....	1	250,000	50,000	437,000
Carrizozo.....	Exchange Bank .....	3	50,000	21,000	301,000
Columbus.....	Columbus State Bank .....	1	15,000		22,000
Dawson.....	Bank of Dawson .....	1	30,000	7,000	248,000
Deming.....	Bank of Deming .....	2	30,000	20,000	325,000
Do.....	First State Bank .....	1	30,000	200	55,000
Hillsboro.....	Sierra County Bank .....	2	30,000	6,000	178,000
Las Cruces.....	Bowman Banking & Trust.....	2	100,000	11,000	371,000
Do.....	First State Bank .....	1	30,000	3,500	285,000
San Antonio.....	New Mexico State Bank.....	1	30,000		50,000
Silver City.....	Peoples Savings Bank.....	1	50,000		
Socorro.....	Socorro State Bank.....	3	30,000	15,000	225,000
Total.....		21	740,000	135,900	2,752,000

*Capital, surplus and profits, and deposits of national banks in Texas that carry accounts in El Paso.*

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

City.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Alpine.....	First National .....	2	\$75,000	\$30,000	\$185,000
Del Rio.....	Del Rio National.....	2	100,000	30,000	250,000
Do.....	First National.....	2	75,000	160,000	1,516,000

*Capital, surplus and profits, and deposits of national banks in Texas that carry accounts in El Paso—Continued.*

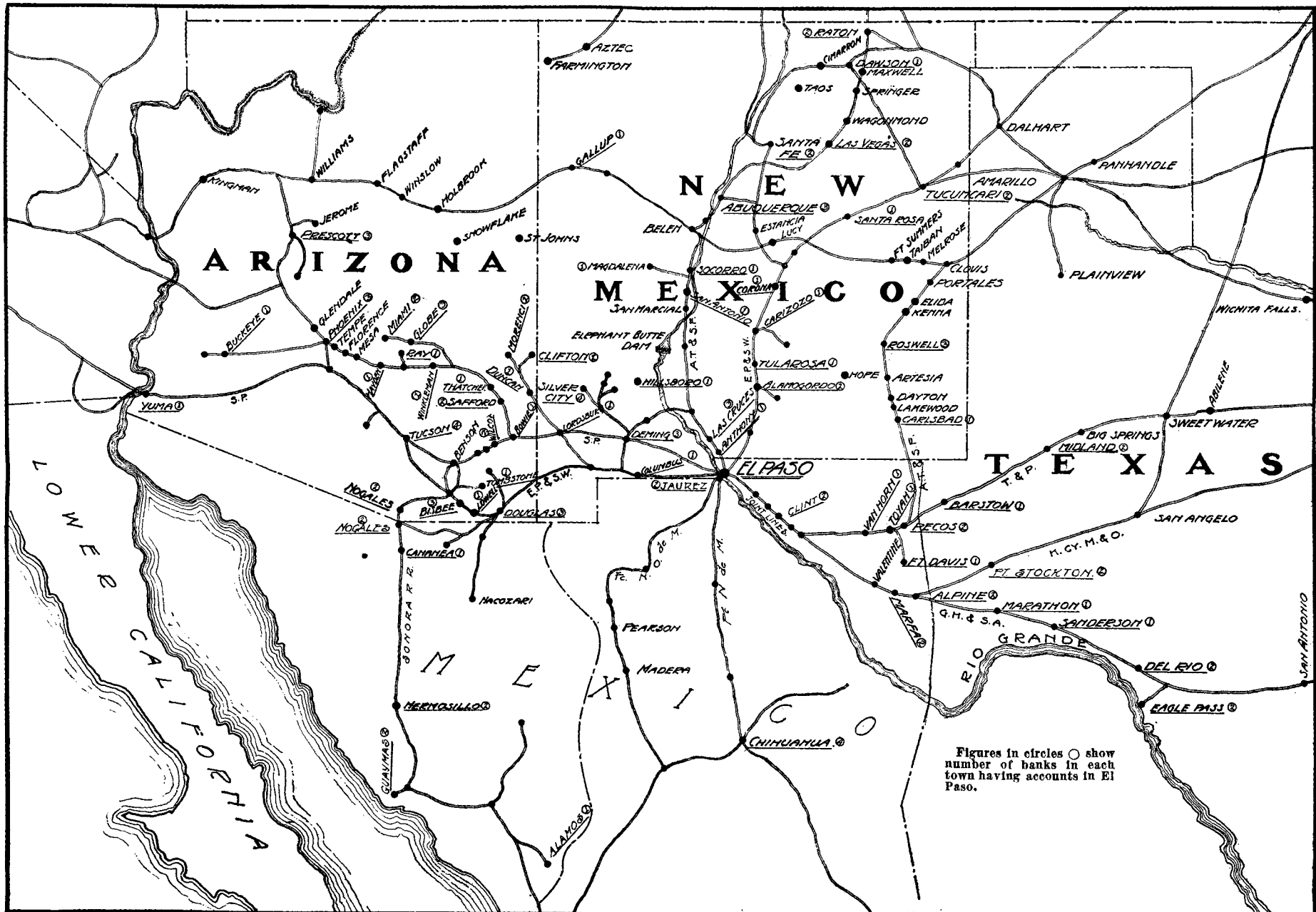
City.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Eagle Pass.....	Border National.....	2	\$100,000	\$70,000	\$800,000
Fort Stockton.....	First National.....	1	25,000	4,000	57,000
Marfa.....	Marfa National.....	2	70,000	30,000	350,000
Midland.....	First National.....	1	100,000	100,000	325,000
Pecos.....	do.....	1	50,000	50,000	192,000
Total.....		13	595,000	474,000	3,675,000

*Capital, surplus and profits, and deposits of State banks in Texas that carry accounts in El Paso.*

[Figures in number column indicate number of banking connections maintained by the bank in El Paso.]

Name.	Bank.	Number.	Capital.	Surplus and profits.	Deposits.
Alpine.....	Alpine State Bank.....	1	\$25,000	\$17,000	\$155,000
Barstow.....	Citizens State Bank.....	1	20,000	2,000	67,000
Clint.....	First State Bank <sup>1</sup> .....	1	10,000		
Marathon.....	Marathon State Bank.....	1	15,000	7,000	80,000
Marfa.....	Marfa State Bank.....	1	50,000	7,000	160,000
Pecos.....	Pecos Valley Bank.....	1	110,000	62,000	430,000
Sanderson.....	Sanderson State Bank.....	1	25,000	12,000	102,000
Van Horn.....	Van Horn State Bank.....	4	30,000	7,500	140,000
Total.....		11	285,000	114,500	1,134,000

<sup>1</sup> New.



EL PASO, TEXAS.



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# FORT WORTH, TEX.

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## FORT WORTH, TEX.

FORT WORTH, TEX., *January 20, 1914.*

The SECRETARY OF THE TREASURY,  
The SECRETARY OF AGRICULTURE, and  
The COMPTROLLER OF THE CURRENCY,

*Washington, D. C.*

GENTLEMEN: Fort Worth, Tex., makes this, its formal application to have one of the regional banks provided for by the Federal reserve act located at this city.

Following are reasons, briefly stated, why, in our judgment, said regional bank should be located at Fort Worth. Your careful and favorable consideration is respectfully solicited, and if further information is desired it will be furnished, if possible, upon suggestion from you.

Respectfully,

WM. HONNIG,  
*President Chamber of Commerce.*  
H. C. EDSINGTON,  
*President Fort Worth Clearing House.*  
R. F. MILAM,  
*Mayor of Fort Worth.*

### SUGGESTED DISTRICT.

The States of Texas, Oklahoma, and New Mexico comprise a compact contiguous territory, whose trade relations with Fort Worth are close and intimate and the facilities for the transacting of business adequate to the demand.

The area of Texas is 265,780 square miles.

The area of Oklahoma is 70,057 square miles.

The area of New Mexico is 122,580 square miles.

The total area of this proposed district is 458,417 square miles.

These States are larger by 15,287 square miles than the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Maryland, Ohio, Virginia, Delaware, Indiana, Illinois, and Michigan combined.

Larger by 30,043 square miles than all the States bordering on the Atlantic and Gulf of Mexico from Maryland to and including Louisiana.

Larger by 5,712 square miles than all the States between the Hudson and Mississippi Rivers north of the Ohio River, with Virginia, Maryland, and Kentucky south of the Ohio included.

While area is not the only factor to be considered in the location of a regional reserve bank, it will be admitted that so large a territory so favorably situated, with such a volume of business, is entitled to the highest consideration, and if found consistent with the plan of organization adopted, should have the benefit of the facilities afforded by the location of one of these banks.

### POPULATION.

The population in the suggested district is approximately 6,000,000. In no part of the country is the population increasing as rapidly as in this section. In a few years it will equal, if it does not surpass, that of any other "region" that may be formed by your committee.

The population of Texas as shown by the Thirteenth Census was 3,896,542.

Forty-two and eight-tenths per cent of the population of Texas is within a radius of 110 miles of Fort Worth, and an examination of the map appended hereto will demonstrate the fact that this section is better served with railway facilities than any other section in the Southwest.

### RAILWAY AND MAIL FACILITIES.

*Railway facilities.*—Geographical convenience must be admitted and the map submitted herewith will demonstrate the fact that transportation facilities and rapid and easy communication with all parts of the district is ample and satisfactory.

Thirteen trunk lines of railway converge at Fort Worth and radiate in 17 directions across the State and adjoining States to the commercial marts of the country.

No city in the South or West, if indeed, in the entire country, is better provided with facilities for rapid and easy communication than Fort Worth.

There are three lines to Denver: The Fort Worth & Denver, the Santa Fe, and the Rock Island.

There are four lines to Kansas City: The Santa Fe, Rock Island, Missouri, Kansas & Texas, and the "Frisco."

There are five lines to St. Louis: The Missouri, Kansas & Texas, "Cotton Belt," Texas & Pacific with its connection with the Iron Mountain and the two lines of the "Frisco," one east by the way of Dallas, Paris, and Fort Smith, Ark., and one north by way of Denison, Tulsa, Okla., and Springfield, Mo.

There are five lines south to Houston and Galveston: The Missouri, Kansas & Texas, Santa Fe, Houston & Texas Central, International & Great Northern, and Trinity & Brazos Valley.

There are two lines to the Mexican border on the southwest through San Antonio and one to El Paso.

New Mexico is served by three lines: The Santa Fe with a tridaily service; the Fort Worth & Denver with its connections at Amarillo; the Texas & Pacific with its connections at Pecos City with the Pecos Valley & Northern and at El Paso with the Santa Fe. These several roads reach all the principal points in New Mexico.

It will be observed that the north and south lines from Fort Worth with their connections cover the entire State of Oklahoma, leaving nothing to be desired in the way of "rapid and easy communication."

*Mail service.*—One of the most important factors in the "rapid and easy" transaction of business is the prompt and reliable transmission of the mails.

Fort Worth was selected by the Post Office Department for the headquarters of the eleventh division of the Railway Mail Service by reason of its unexcelled railway facilities. There are 110 mail trains in and out of Fort Worth every 24 hours. These facilities are unequalled in the Southwest, and it would be difficult to estimate the advantage to business of these conditions.

#### FREIGHT MOVEMENT.

There is no more reliable indication of the volume of business done at a given point than in the movement of freight cars. Your attention is directed to the movement of freight cars through the several yards of the railroads which converge at this point, for the year 1913, which includes loaded cars only and amounts to 955,905 cars. It is confidently asserted that no other city in the Southwest, irrespective of population, can make a showing equal to this.

#### INDUSTRIAL AND COMMERCIAL DEVELOPMENT.

*Live stock.*—The industrial and commercial development and needs of this section is best shown by the volume of business transacted, the amount of capital required, and the quantity and kind of commodities included in the daily transactions.

The products of Oklahoma, New Mexico, and Texas are chiefly agricultural and cattle. Cotton and grain are the principal agricultural products of this district and require vast sums of money to handle.

Fort Worth is the second cattle market in the United States. The packing houses and stock yards are the most modern in design and equipment in the country. By reason of its accessibility Fort Worth has been made the headquarters of the cattle raisers' association, which embraces in its membership the stock raisers of Texas, Oklahoma, New Mexico, the Republic of Mex-

ico, and large numbers of the State of Kansas, and is the largest organization of its kind in the world.

During the year 1913 there were received at Fort Worth:

	Number.	Value.
Cattle.....	965,525	\$43,447,525
Calves.....	219,629	4,392,450
Hogs.....	403,761	6,056,415
Sheep.....	327,527	1,637,635
Horses and mules.....	57,724	8,508,000
Total.....	1,973,166	64,042,745

There were 16,500 cars of refrigerated meats shipped from Fort Worth during the year of the value of \$50,000,000.

Thus we have an aggregate of over \$114,000,000 required for this single industry.

*Live stock.*—The proviso in section 13 of the Federal reserve act which authorizes reserve banks to discount notes, drafts, and bills drawn for agricultural purposes or based on live stock, and having a maturity of six months, is an indication that the framers of the act had in mind the encouragement of these two industries. At no point in the country can this service be more acceptably rendered than at Fort Worth, in so far as it applies to live stock. This being the second largest industry in Texas and Fort Worth being the acknowledged center for the transaction of every line of business connected with the raising and marketing of live stock makes it the logical place for the location of a reserve bank.

*Cotton.*—Approximately one-third of the cotton of the country is grown in this district.

The official statistics of the year 1913 are not available at this time, but the yield in Texas will be nearly, if not quite, 4,000,000 bales.

The yield for the year 1912 was 4,880,200 bales, of which about 51 per cent, or 2,482,215 bales, was raised within a radius of 110 miles of Fort Worth and in counties that lie west of this city.

Practically all of the cotton raised in Oklahoma comes to this market where it is purchased by the cotton firms, of which there are 15, that do business here. Fully 1,000,000 bales will be bought and paid for by the Fort Worth cotton dealers this year. One firm has loaded and sent out from the port of Galveston two full cargoes for the Orient during the month of December, 1913.

This business requires fully \$50,000,000 per annum to transact.

There are 15 cotton mills in Texas with a capital of \$2,229,000. They operate 112,404 spindles. Eleven of these mills, with 89,304 spindles, are within a radius of 110 miles of Fort Worth.

There was crushed in the United States in the year 1912 6,104,000 tons of cotton seed of the value of \$128,390,000. Of this Texas supplied 2,171,000 tons,

or more than one-third of the whole of the value of \$39,690,000.

*Grain.*—Fort Worth is the acknowledged grain center of the Southwest. It is the headquarters of the Texas Grain Dealers' Association, which has in its membership many of the leading dealers of Oklahoma.

There are 18 grain elevators in the city with a capacity of 2,555,000 bushels.

During the year 1913 there were 29,108 cars of grain received in Fort Worth, of which 7,525 were purchased by the Fort Worth dealers.

As each car of grain represents a value of about \$1,000 it will be seen that it requires about \$30,000,000 to transact this business.

*Petroleum.*—The oil from the fields in northwest Texas and Central Oklahoma is brought to Fort Worth by pipe lines, where it is converted by the refineries here into the merchantable article and shipped throughout the Southwest and to the Gulf States east of the Mississippi.

It is contended by those in the business that this industry is practically in its infancy and that the output will be very largely increased as the territory is developed.

Eleven thousand barrels of crude oil is received at this place daily. As the average value is \$1 per barrel, this industry uses \$3,300,000 per annum for the purchase of the crude oil alone. About \$4 per barrel is added to the value by refining, making a total of \$16,500,000 per annum for this industry.

#### BANKS AND TRUST COMPANIES.

*Financial.*—There are 519 national banks in Texas with an aggregate capital and surplus of \$86,089,990. The deposits in these banks amount to \$259,635,000.

There are 924 State banks and trust companies with an aggregate capital of \$52,564,325, and deposits amounting to \$110,555,000.

There are 40 national banks in New Mexico with an aggregate capital and surplus of \$3,509,000, and deposits amounting to \$17,543,000.

There are 48 State banks and trust companies with an aggregate capital and surplus of \$2,023,000, and deposits of \$5,569,000.

There are 415 national banks in Oklahoma with an aggregate capital and surplus of \$15,430,500. The deposits amount to \$77,565,875.

There are 518 State banks and trust companies with an aggregate capital and surplus of \$10,261,300. Their deposits amount to \$46,138,125.

The established custom and trend of business as shown by the present system of bank reserves and checking accounts, as far as can be ascertained by careful inquiry, is for the interior banks in small towns in the territory to the north, northwest and west of Fort Worth to keep their reserves in Fort

Worth, and to keep only small deposits for checking accounts in the central reserve cities. This has proven more convenient and expeditious for the transaction of ordinary daily business of these banks. If found necessary to draw for larger sums than they have on deposit in the central reserve cities their correspondents in Fort Worth are asked to remit to cover.

*Bank clearings.*—Indubitable evidence of the volume of business transacted at a given point is found in the bank clearings. For the year 1913 the bank clearings of the Fort Worth banks amounted to the sum of \$418,619,827.91. This is an increase of 65 per cent over the year 1908, showing the rapid increase of business in this city.

An examination of the reports of bank clearings, as published weekly in the financial journals of the country, will disclose the fact that the "clearings" in Fort Worth exceeds that of many cities having two and three times the population of this city. Different cities have different methods of "clearings." Fort Worth includes in its bank clearings only the bills that are actually exchanged between the banks over the clearing-house counter each day.

#### INDUSTRIAL DEVELOPMENT.

The industrial development of Fort Worth has not been rapid, but it has been steady and substantial. All of the industries located in this city have been prosperous and progressive.

The commissioner of labor for the State of Texas says:

Fort Worth has a larger pay roll, a larger average wage, a larger number of laboring men and less trouble with labor than any other city of the State.

The two packing houses and stockyards is the largest single industry in the city. They employ about 5,000 people.

Fort Worth is the largest manufacturer of furniture in the South.

Fort Worth has the only steel rolling mill in the Southwest.

Fort Worth has 2 oil refineries; 3 cottonseed-oil mills; 2 harness and saddle factories; 3 overall and jumper factories; 2 bank, office, and store fixture factories; 11 silo factories; 1 wagon factory (largest in the South); 1 wire-fence factory; 2 flouring mills (capacity 2,500 barrels daily); 2 candy factories; 1 cracker factory; 5 cigar factories; 2 trunk factories; 1 brewery (largest in the South); 2 structural-iron factories; 3 iron and brass works; 3 broom factories; 5 metal tank and cistern factories; 1 pottery and earthenware factory; 6 ice factories; 2 macaroni factories; 2 well-boring machine factories; 2 flavoring-extract factories; 2 chemical and disinfectant factories.

There is a large number of small concerns that employ only a few men each, but which in the aggregate add materially to the industrial output of the city.

*Commercial.*—The commercial activity of Fort Worth is clearly indicated by the volume of bank clearings and the movement of freight cars. It will not be necessary to epitomize the sources from which this business is derived. But it may not be amiss to direct the attention of the committee to one or two salient points which are the most potent factors in the business of the city.

Fort Worth is the largest distributor of groceries in the Southwest. One of the wholesale grocery houses in this city is the second largest in the United States. A Chicago house is the only one that leads in the volume of business transacted in this line.

There are 2 wholesale drug houses, 2 hardware houses, 1 wholesale dry-goods house, 5 wholesale liquor dealers (one of which is the largest in the Southwest). Machinery and agricultural implement houses are well represented.

The volume of business transacted in this city which requires large sums of money to conduct is such as to justify the location of a Federal reserve bank here.

At no point in the Southwest will a larger number of people or a larger volume of business be served than at Fort Worth.

Your attention is directed to the rapid growth of the city. The census of the year 1900 gave Fort Worth a population of 26,668. The census of 1910 a population of 73,312, an increase of 174.7 per cent. The city is growing with as much rapidity as during the last decade.

#### SUPPLEMENTAL PETITION OF THE FORT WORTH CHAMBER OF COMMERCE.

At the hearing before this honorable body at Austin, Tex., on Monday, February 9, 1914, the advisability of locating a reserve bank in Texas prompted several questions on the part of the locating board which were not answered at the time by the representatives of the city of Fort Worth, and, after careful consideration, the following is offered as a reply to such questions to supply the information requested.

Moreover, certain questions were asked regarding the city of Fort Worth which could not be answered at the time, and this honorable body then requested that such facts (also certain documents) be furnished to go into the records, that all might be considered before the decision of the board was made and the location of the several Federal reserve banks decided.

##### THE LOCATION OF A FEDERAL RESERVE BANK IN TEXAS.

We believe it is safe to assume that a district comprising Texas, Oklahoma, New Mexico, and probably some little adjacent territory as outlined by the Texas committee of bankers has every claim for the location of a Federal reserve bank unless it be a fact that such a bank would not be self-sustaining under normal conditions. It is unquestionably the intention of the law that each district shall be as nearly self-sustaining as possible, and this feature properly appears to be the primary consideration of the organization committee.

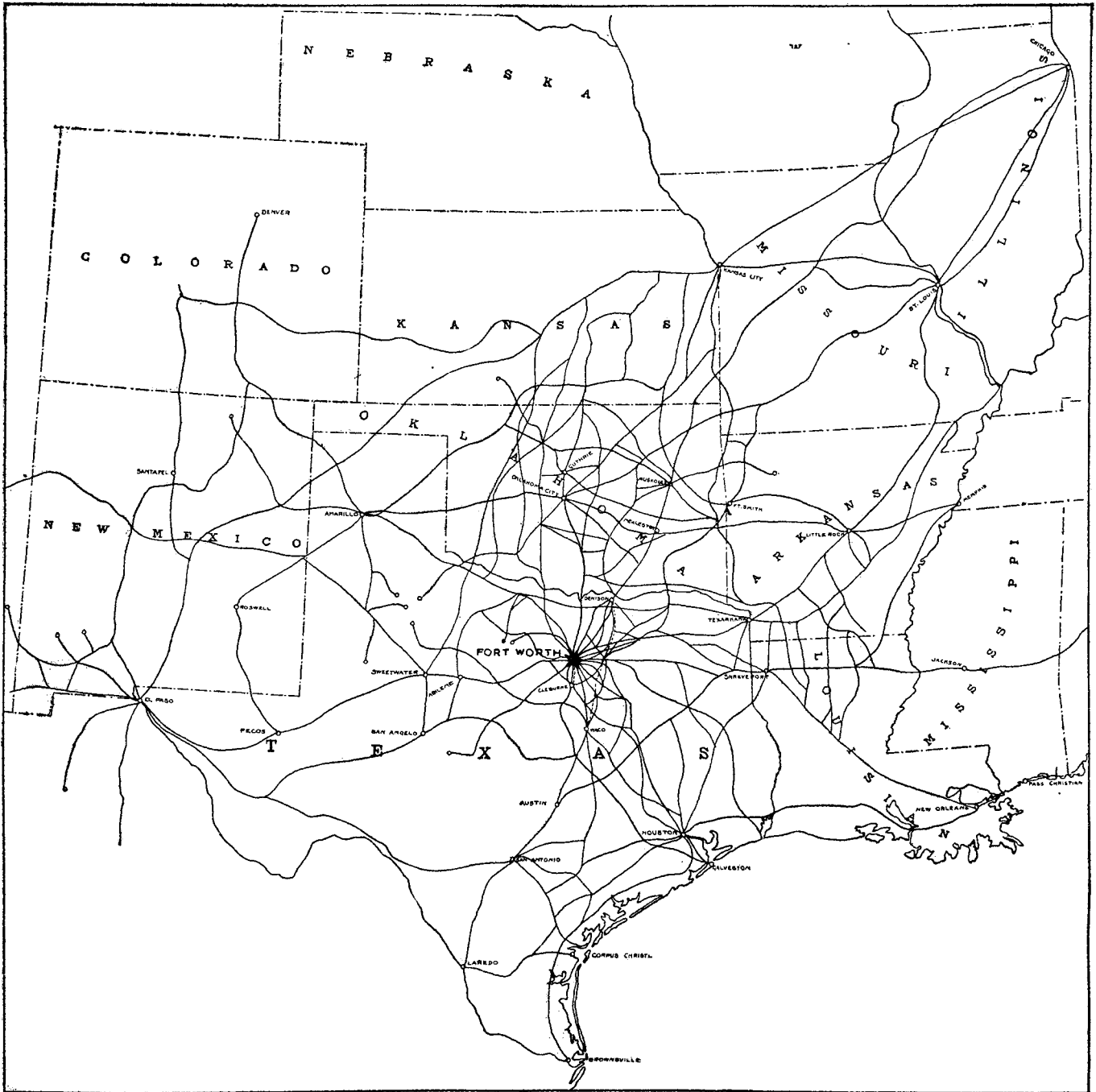
Naturally, then, the question of first importance is, Will a bank located in the district contemplated above be able, under normal conditions, to handle the needs and demand of the member banks in its territory? Without the least hesitation we answer that it will. It has been shown that such a district will afford not only the required capitalization but would have as well a comfortable excess; its deposits created

by the actual legal reserves of national-bank members alone will exceed by several million dollars the total rediscounts or borrowed money of those same national banks considered at the period of their highest borrowing during the fall of last year, a season of nation-wide unusual conditions. Such a bank could not, of course, at any time provide for all of the commercial needs of this section, neither, for that matter, could a bank located in St. Louis or Kansas City comprising at the same time all of the territory proposed in connection with them.

Furthermore, as we understand it, it is not contemplated that the establishment of these reserve banks will in any great measure cause a discontinuance of present established connections, but, on the contrary, it is reasonable to presume that business interests generally will continue to sell their paper to lenders throughout the entire country; banks and financial institutions in other sections will not have lost their willingness to buy our cattle, land, and every other kind of paper.

It is not to be denied that this is a borrowing section; in fact, every growing, developing district invariably is, but it must not be overlooked that the financial growth of this section has more than kept pace with the general commercial, industrial, and agricultural progress. It is an indisputable fact, to which the bankers of Texas will practically unanimously agree, that they find less difficulty each succeeding year in financing their customers and connections.

No better evidence of this statement can be found than in the fact that the financing of our great cotton crop annually has ceased to be the nightmare it formerly was to Texas bankers. We have learned to do business on good paper and the amount of actual money used in our transactions diminishes daily. During the year of 1912 the immense cotton crop



which sold at unusually high prices was handled with greater ease than ever before in our history, and it is a fact worthy of consideration in this connection that during what is generally our most stringent season, namely, the early fall, when the actual movement of cotton is greatest and the strain most severe, a large number of Texas banks began buying commercial paper. We venture the assertion that during that season Texas banks bought more commercial or outside paper than ever before, showing in an unmistakable manner that our own local finances and connections were such that we could handle our vast products and industries under normal conditions. During the fall of 1913 money was tight throughout the entire country and naturally we were affected materially by adverse general conditions; however, the magnitude of our burdens consisted almost entirely in the holding of cotton for months after it had been gathered, baled, and ready for shipment. Had our cotton crop been marketed as it was ready for market, or sold in the manner it is generally disposed of, Texas would have had few troubles financially.

It must be borne also in mind that through a bank centrally, or in other words, conveniently located for this section of great production, it is not only possible but reasonably probable that a system will be worked out under which we can handle to greater advantage and with more dispatch the exchange and funds arising from the marketing of our various products, thus reducing the enormous amount of funds required in the transit financing of the great volume of business transactions. We wish also to call attention to the fact that should it become necessary at any time to issue currency against the needs of this region, our actual products of the soil will furnish the best assets possible in this entire country for the proper and actual securing of the same.

#### TRANSIT FINANCING OF CROPS AND FOOD PRODUCTS.

Of the products of the soil of the Southwest a goodly portion move through or are handled in the city of Fort Worth, the live stock, the grain, and the cotton being representative of a large part of the production.

In the original Fort Worth brief statistics and figures are submitted showing the volume of this traffic. Practically all the grain and cotton is handled by the method of draft on the consignees attached to the railroad company's original bill of lading. This draft is passed by the bank of original point to its nearest correspondent, and in numerous cases passes through from three to five banks before it finally arrives at its destination. This requires several days at best and, in effect, takes out of circulation for commercial purposes a large amount of funds at a time when badly needed and, further, burdens the commerce with an unnecessary interest account, which is a strong factor

in the cost of moving the crops and the commerce of the country.

In numerous cases the commodities themselves moving by freight service arrive at destination far in advance of the bill of lading and draft referred to above. Under present business conditions it requires from 6 to 10 days for the banks to get returns on the draft given for money advances for the purchase and payment of cotton and grain, and from 3 to 6 days to get returns on the drafts given for the purchase and payment of live stock.

If there were a reserve bank at Fort Worth, this money could be turned every 24 to 36 hours, thus requiring a much smaller volume of money to conduct the business of these three great ready-money products of the farms and ranches of Texas and the Southwest.

#### THE QUESTION OF LOANS.

It has been shown heretofore that Fort Worth distributes and finances the greater part of the live stock products of the Southwest, including imports from Mexico; the greater part of the grain products, including a considerable volume of Argentine imports of corn; the largest part of the fruits and vegetables from other States, and approximately as much cotton as any city of Texas.

Therefore Fort Worth is preeminent among the cities of the Southwest in vital relation to its primary wealth, and it must be remembered that rural products constitute at least 75 per cent of the resources of this region.

These facts are the more important and impressive in view of the commanding duty and avowed purpose of the Government to facilitate the marketing and financing of rural products.

The provisions of the new banking act offer the only accommodation to producers that may be expected for a considerable period, since proposed legislation to establish rural banking can not be realized in the near future and at best will be only a hopeful experiment.

The Department of Agriculture wisely contemplates in its tentative plans for the better marketing of farm products a system of smaller, rather than larger, units, and the service to be rendered to agriculture by the new banking system should conform in some degree to this contemplation. In other words, the bank regions should be constructed and the reserve banks located with some regard to marketing needs. This accommodation should be offered to producers, even though it might require the arrangement of regions not completely self-sustaining; and, after all, the several reserve banks are to be so correlated under the general board that loans by one reserve bank to another will be easily provided and, in fact, will be freely offered for the same reasons of self-interest that

now induce banks in nonproducing sections to make seasonable loans to banks in producing sections.

The South and West, under any conceivable circumstances, in the near future must continue to borrow more or less from the East during the short period of crop movement, and must likewise lend to the East during the longer period of crop consumption. The new banking system will not affect this business relation except in providing the means of protection for the South and West from concentrated power in private banks and from arbitrary rates in times of general distress.

#### INDORSEMENTS.

During the hearing of this board at Austin, when certain indorsements were submitted for the consideration of this board, a request was made by Mr. Secretary McAdoo that copies of the requests for such indorsements be filed into the record, and likewise the original indorsements themselves be filed wherever possible.

The letter, as per Exhibit I, attached hereto, was sent to several thousand feeders and breeders of live stock in the States of Oklahoma, New Mexico, Arizona, Louisiana, and Texas, together with the return postal card marked "Exhibit II," with the result that 2,501 indorsements were received.

Following this a wire was sent to the members of the executive committee of the Cattle Raisers' Association of Texas, copy of which is attached hereto, marked "Exhibit III." Replies from a majority of this body strongly indorse the city of Fort Worth for a Federal reserve bank.

Mr. Marion Sansom, before this board on Monday, February 9, at Austin, read and filed into the records telegrams to this effect from the following members of the executive committee of the Cattle Raisers' Association of Texas: Jack D. Jackson, Alpine, Tex.; Ike

T. Pryor, San Antonio, Tex.; James Callon, Menard, Tex.; A. B. Robertson, Slayton, Tex.; N. H. Condor, Sanderson, Tex.; R. H. Kleburg, Kingsville; R. J. Cook, Beeville; T. B. Jones, Del Rio, Tex.; J. M. Dobie, Cotulla, Tex.; A. M. James, Dalhart, Tex.; W. W. Bogel, Marfa, Tex.; H. L. Mangum, Uvalde, Tex. And attached hereto, marked "Exhibit IV," will be found telegrams received later from W. R. Shriners, San Antonio, Tex.; H. C. Harding, Lubbock, Tex.; John Landergrin, Amarillo, Tex.

In the statements of Mr. W. H. Fuqua, of Amarillo, before this board he was asked to file into the record a list of the banking houses he is connected with. (For the indorsements of such banks see Exhibit V, attached hereto, with letter from Mr. Fuqua, being the indorsement of 39 banks in Texas, New Mexico, and Oklahoma.)

Likewise, when it was generally learned from press reports that this honorable board was interested in the question of indorsements and that same would have consideration in the selection of the location of this bank, telegrams were voluntarily sent by the following interests indorsing the city of Fort Worth: Amarillo National Bank, Amarillo, Tex.; Harding Commission Co., Amarillo, Tex.; Noble Bros. Wholesale Grocery, Amarillo, Tex.; Landergrin Bros., Amarillo, Tex.; Coggins National Bank, Brownwood, Tex.; J. H. Akers, Greenville, Tex.; Dr. C. L. Gregory, Greenville, Tex.; W. R. Chancellor, El Paso, Tex.; Commercial Club of Stamford, Stamford, Tex.; First National Bank, Stamford, Tex.; Yates Drug Co., Stamford, Tex.; Stamford Oil & Refining Co., Stamford, Tex.; White Hardware Co., Stamford, Tex.; A. S. Moore & Co., Greenville, Tex.; Commercial National Bank, Greenville, Tex.

Original telegrams are attached, marked "Exhibit VI."



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# HOUSTON, TEX.

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# HOUSTON, TEX.

Hon. WILLIAM G. McADOO,  
*Secretary of the Treasury.*  
Hon. D. F. HOUSTON,  
*Secretary of Agriculture.*  
Hon. JOHN SKELTON WILLIAMS,  
*Comptroller of the Currency.*

AUSTIN, TEX., *February 9, 10, 1914.*

HONORABLE SIRs: In presenting the claims of Houston as a location for a headquarters bank, under the Federal reserve act, and fixing the boundary lines of a regional district to be served by such a bank, the local committee, acting jointly for the Houston Chamber of Commerce and the Houston Clearing House Association, has been guided solely by its conception of the kind of information desired by you as disclosed by your announcement in Washington of the primary factors for solving your problem.

The contents of this document are arranged under the three topics, with appropriate subheadings, about which concrete statistical data have been compiled and particularly exhibited by means of several maps. Further, undertaking to be informed by and to take advantage of previous hearings by your honorable committee, we have refrained from the publication of memorials, resolutions, and arguments, and purpose hereby to introduce only verifiable data, which we are desirous of elaborating to any degree and extent requested by you.

Respectfully submitted.

OSCAR WELLS, *Chairman.*  
LYNN P. TALLEY,  
N. E. MEADOR,  
E. A. PEDEN,  
W. C. HOGG,  
*Committee.*

## OUTLINE.

I. Geographical convenience, involving transportation facilities and easy and rapid communication with all parts of a proposed district.

II. Industrial and commercial development and needs, involving the general movement of commodities and business transactions within a proposed district and the transfer of funds and exchanges of credit that result.

III. Established customs and trend of business as now developed by the existing system of bank reserves and checking accounts.

## I.

### LIST OF RAILWAYS.

Houston & Texas Central Railroad.  
Galveston, Harrisburg & San Antonio Railway.  
Texas & New Orleans Railroad.  
Beaumont, Sour Lake & Western Railway.  
Houston East & West Texas Railway.  
International & Great Northern Railway.  
International & Great Northern Railway (Fort Worth division).  
Trinity & Brazos Valley Railway.  
San Antonio & Aransas Pass Railway.  
Galveston, Harrisburg & San Antonio Railway (Victoria division).  
Gulf, Colorado & Santa Fe Railway.  
Missouri, Kansas & Texas Railway.  
International & Great Northern Railway (Columbia division).  
St. Louis, Brownsville & Mexico Railway.  
Galveston, Houston & Henderson Railway.  
Galveston-Houston Electric Railway.

Total mileage of above roads.....	7,764.26
Out of total mileage in Texas.....	15,283.59
Mail trains daily in and out of Houston.....	79
Passenger trains daily in and out of Houston.....	106

### WATER TRANSPORTATION FACILITIES.

Houston Ship Channel, utilizing Buffalo Bayou from the Gulf of Mexico to Houston Turning Basin, is in process of completion under contract specifying an average depth of 25 feet and an average width of 100 feet at the base. This work is being done by the United States Government and the Houston navigation district.

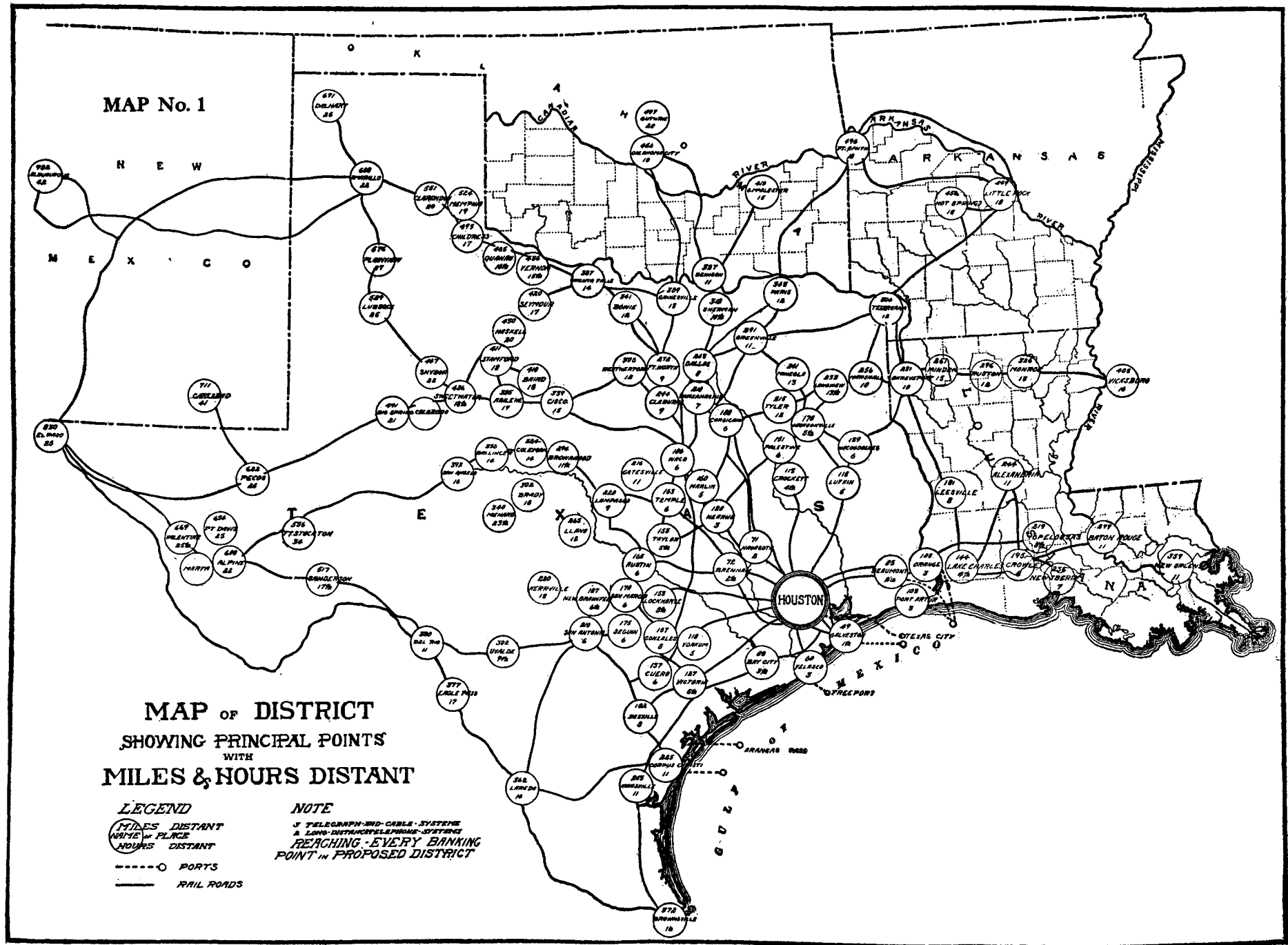
Houston, as a shipping point, is 500 miles nearer the granaries of the West than the Atlantic and Pacific ports and 300 miles nearer than New Orleans.

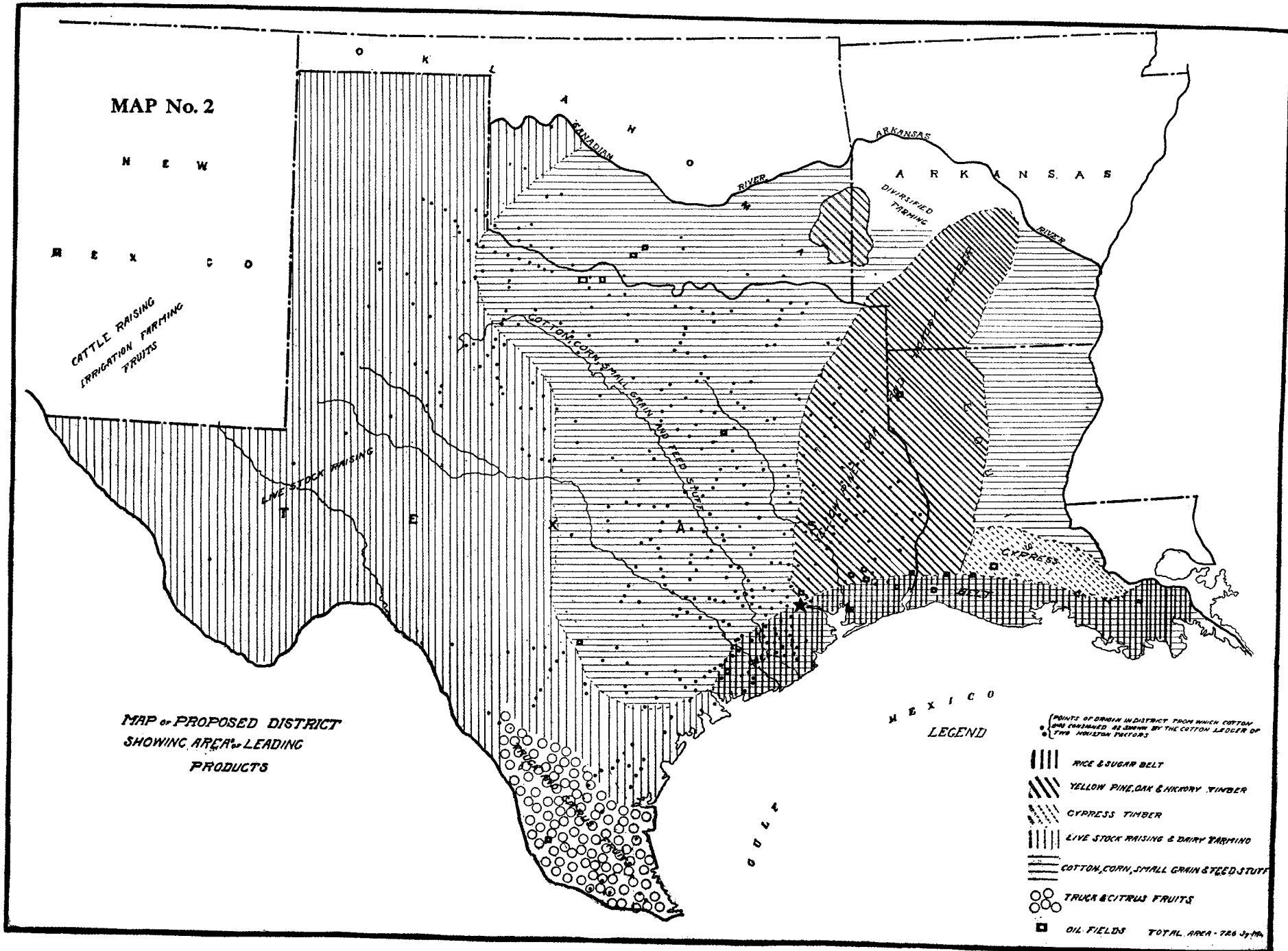
The Intercoastal Canal is completed from Galveston Bay to Corpus Christi.

In the proposed district tributary to Houston are the following ports: Aransas Pass, Corpus Christi, Freeport, Galveston, Texas City, Point Bolivar, Port Arthur, Beaumont, Orange, and Morgan City.

### TELEGRAPH AND TELEPHONE.

The Western Union, Postal, and Mackay telegraph systems and the Bell and Independent telephone sys-





HOUSTON, TEXAS.

tems, with expeditious long-distance service, connect Houston with every banking point in the entire district.

#### MISCELLANEOUS DATA CONCERNING DISTRICT.

Square miles, 475,934; population, 6,674,183; railroad mileage, 22,403; assessed valuation of wealth, \$3,510,000,000.

#### PRODUCTION.

*Cotton.*—Bales, 7,123,000; value, \$410,682,000; gross bales handled through Houston, 3,324,000; net bales handled through Houston, 1,301,750.

The Houston Cotton Exchange, with 47 member firms, is devoted to the marketing of the cotton crop of this district.

Houston factors handled 223,679 bales in 1912-13. This business is peculiar to Houston and Galveston and represents cotton consigned upon advances from all parts of the district, as shown on map, later sold in the local market upon a commission basis.

There are no available statistics showing the number of bales exported, but it is conservatively estimated that 85 per cent of the net volume handled by Houston cotton firms is exported, valued at \$66,389,220, against which foreign exchange is drawn and sold from Houston through local and eastern brokers.

*Cottonseed products.*—Crushed for manufacturing purposes, 1,933,623 tons; value, \$46,406,952; used for feeding, fertilizing, and planting, 1,627,277 tons; value, \$43,939,179; value of manufactured products, \$62,942,313; exported, \$17,982,694; consumed in territory reaching Arizona on the west, Kansas on the north, Porto Rico on the south, and the Atlantic seaboard on the east, \$44,959,619.

The six Houston oil mills purchase and crush 7 per cent of the seed of this district used for manufacturing purposes and turn out a greater volume of manufactured products than any point in the South, the value of which is \$15,500,000, including the oil refined.

*Certain farm products.*—Corn, wheat, oats, hay, and other feed crops were produced in 1912, valued at \$188,743,000.

*Live stock.*—The cattle, horses, mules, swine, sheep, and goats in this district are valued at \$477,938,000.

*Lumber.*—Estimated stumpage, 150,000,000,000 feet; value, \$750,000,000; output 1913, 6,313,000,000 feet; value, \$88,382,000.

A great part of this is handled by 48 lumber companies in Houston, employing a total capitalization of \$21,835,000.

*Petroleum.*—It is estimated that 13 oil fields located in Texas produced, in 1913, 15,500,000 barrels of crude petroleum, valued at \$15,800,000, and 8 oil fields in Louisiana produced, in 1913, 14,000,000 barrels of crude petroleum, valued at \$14,000,000; total production for district, 29,500,000 barrels (or 81,000 barrels daily) valued at \$29,800,000.

During 1913 it is estimated that the Gulf ports received from Mexico 8,500,000 barrels of crude petroleum, valued at \$6,500,000.

This proposed district contains 14 oil refineries, representing an investment of \$13,000,000, exclusive of pipe lines and stocks of oil, and manufacturing refined products of a gross value of \$84,000,000, at least 40 per cent of which is exported via Port Arthur.

In Houston there are 28 incorporated oil companies, capitalized at \$88,526,000, producing and marketing the greater part of this output.

*Rice.*—In 1913, 772,800 acres of rice land in this district produced 6,149,000 bags, valued at \$23,000,000. This is 90 per cent of the crop of the United States, of which 3.8 per cent goes to foreign markets, 21 per cent to Porto Rico, and 75.2 per cent is consumed at home.

*Sugar.*—In 1913, 359,350 acres were devoted to sugar raising in this district, producing sugars valued at \$15,000,000.

*Truck.*—It is estimated that in 1913, farms in this district produced truck and potatoes, for marketing purposes, valued at \$25,000,000.

#### EXPORTS AND IMPORTS.

The Federal reserve act seemingly contemplates the expansion of foreign exchange dealings by providing a wider market for such transactions and permits the purchase of foreign bills of exchange and bank acceptances, involving exports and imports; therefore, the location of a Federal reserve bank at Houston would fulfill this banking function of the district favorably, because there are so many ports adjacent.

The volume of exports and imports are as follows: Galveston, including Texas City and Point Bolivar, \$289,278,496; Port Arthur, \$27,538,586.

Work is being done now by the Government in the development of new ports along the Gulf coast, as Aransas Pass, Corpus Christi, Freeport, Beaumont, and Orange.

The Houston Ship Channel will give Houston easy access to the intercoastal canal and adjacent ports for the development of coastwise trade.

As an evidence of the service of the ship channel, the value of traffic on that waterway, during 1913, totaled \$35,930,800.

#### MISCELLANEOUS DATA CONCERNING HOUSTON.

*Population of Houston.*—Census of 1890, 27,557; census of 1900, 44,633; census of 1910, 78,800.

By charter amendment last year certain suburbs were included within the present city limits.

The city directory estimates the population for 1913 at 129,570, based on actual count of names (and number in each family) published in the city directory.

As of January 13, 1914, Houston's banking capital was \$13,716,000; banking resources, \$62,711,000.

As of June 4, 1913, the national banks of Houston compared to those of other cities in Texas:

City.	Loans and discounts.	Lawful money reserve.	Individual deposits.
Houston.....	\$26,558,128	\$2,249,381	\$23,961,558
Dallas.....	20,810,446	2,274,892	20,605,291
Fort Worth.....	14,750,672	1,286,698	12,027,117
San Antonio.....	10,236,131	1,267,292	10,343,009

Houston's wholesale and jobbing trade in 1913.....	\$113,376,000
Houston's retail trade in 1913.....	56,856,000
Houston's manufactured products in 1912.....	51,350,000
Houston's postal receipts in 1910.....	400,800
Houston's postal receipts in 1913.....	552,011
Houston's assessed valuation of property in 1913.....	110,000,000

HOUSTON FREIGHT RATES.

Houston freight rates compared with competitive cities, showing why Houston is the logical and actual wholesale and manufacturing center in the Southwest.

[Classes 1, 2, 3, and 4 are less than car lots; 5, A, B, C, D, and E are car lots.]

	Classes—									
	1	2	3	4	5	A	B	C	D	E
New York to Houston.....	92	73	60	51	40	45	40	33	32	32
New York to Dallas and Fort Worth.....	172	145	120	109	84	91	80	67	55	49
New York to Waco.....	159	135	116	105	78	84	76	63	53	48
New York to Austin.....	153	129	111	100	75	81	73	61	52	48
New York to San Antonio.....	164	139	119	108	80	86	78	65	54	49
Seaboard territory to Houston.....	107	85	70	60	48	52	48	41	40	40
Seaboard territory to Dallas, Fort Worth, Waco, and San Antonio.....	172	145	120	109	84	91	80	67	55	49
Seaboard territory to Austin.....	168	141	120	109	83	89	80	67	55	49
Pittsburgh to Houston.....	141	116	94	76						
Pittsburgh to Dallas, Fort Worth, Waco, Austin, and San Antonio.....	197	170	136	119						
Buffalo to Houston.....	135	110	92	74						
Buffalo to Dallas, Fort Worth, Waco, Austin, and San Antonio.....	197	170	136	119						

III.

State.	Number of banks in district.	Capital.	Surplus.	Deposits.
<b>NATIONAL BANKS.</b>				
Texas.....	519	\$50,499,000	\$25,873,929	\$252,574,323
Oklahoma.....	137	6,691,710		21,394,000
Arkansas.....	25	5,651,700		19,917,000
New Mexico.....	40	2,215,000	996,900	16,309,250
Louisiana.....	25	5,146,365		17,836,130
Total.....	746	70,203,775	26,870,829	328,030,703
<b>STATE BANKS.</b>				
Texas.....	857	33,383,500	10,425,000	100,234,000
Oklahoma.....	220	4,107,250		14,861,000
Louisiana.....	177	18,913,400		27,966,800
Arkansas.....	160	9,131,000		26,368,000
New Mexico.....	49	1,582,130	451,482	5,616,262
Total.....	1,463	67,117,280	10,876,482	175,046,062

REGIONAL BANK—PROPOSED DISTRICT.

From national banks alone:	
Capital.....	\$5,824,476
Deposits, based on required percentage from member banks.....	17,562,803
From national banks alone, including entire State of Louisiana:	
Capital.....	6,331,776

From national banks alone, including entire State of Louisiana—Continued.

Deposits, based on required percentage from member banks.....	\$19,436,377
From national banks and 20 per cent of State banks:	
Capital.....	6,760,401
Deposits, based on required percentage from member banks.....	19,313,267

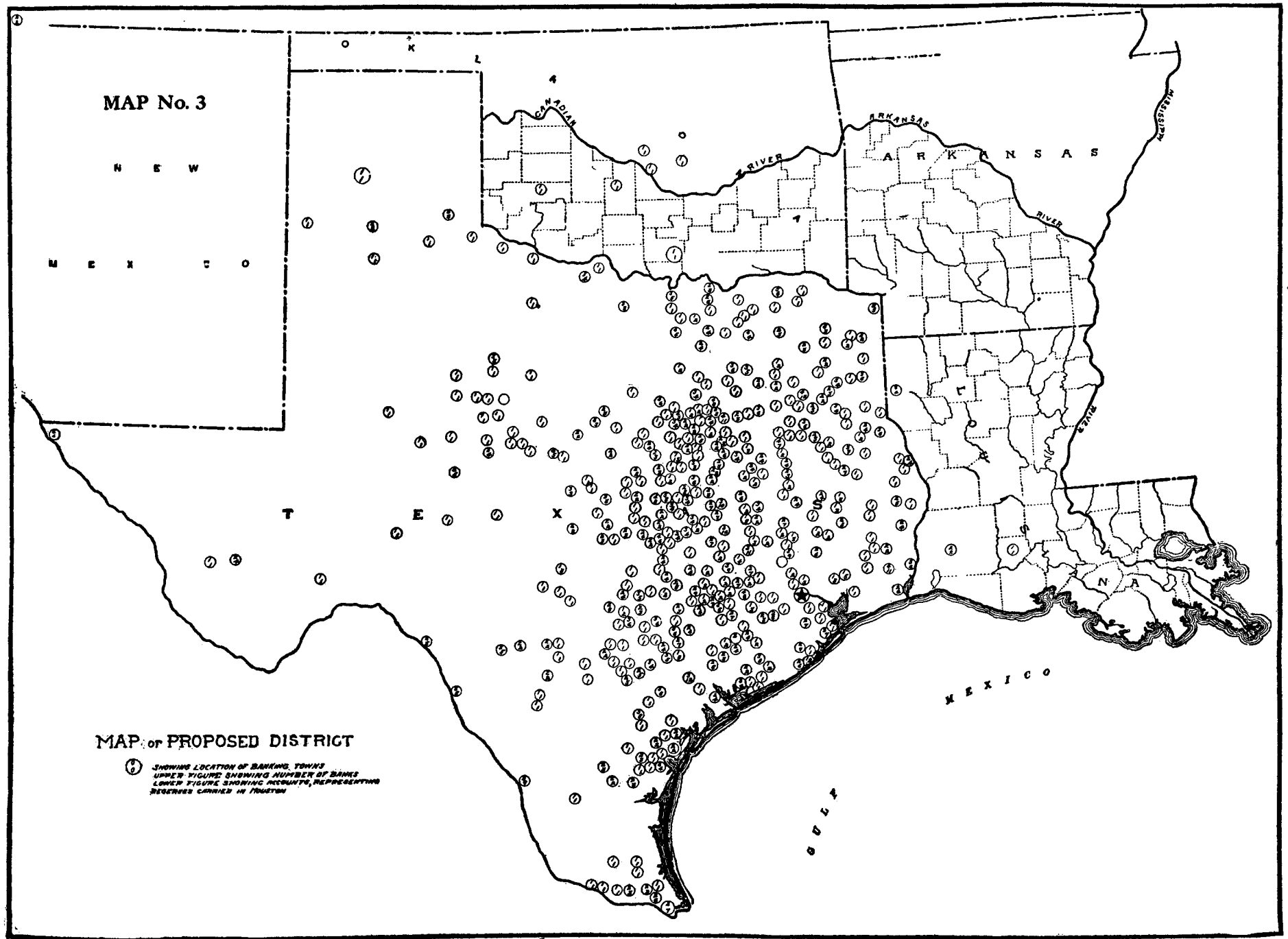
CONSOLIDATED STATEMENT SIX NATIONAL BANKS OF HOUSTON, JANUARY 13, 1914.

COMBINED ASSETS.	
Loans and discounts.....	\$24,182,021.89
Overdrafts.....	439,684.49
United States bonds to secure circulation.....	4,700,000.00
Premium on United States bonds.....	7,513.48
Bonds, securities, etc.....	1,131,532.33
United States bonds to secure United States deposits.....	160,000.00
Other bonds to secure postal savings deposits.....	75,000.00
Banking houses, furniture and fixtures.....	2,524,100.12
Other real estate.....	604,225.00
Due from banks not reserve agents.....	5,228,390.46
Due from approved reserve agents.....	5,191,796.37
Due from United States Treasury 5 per cent.....	221,150.00
Due from United States Treasurer.....	44,850.00
National-bank notes, etc.....	4,868,848.27
Bills of exchange.....	1,743,197.95
<b>Total.....</b>	<b>51,122,310.36</b>

COMBINED LIABILITIES.	
Capital stock.....	5,300,000.00
Surplus.....	1,825,000.00
Undivided profits.....	730,119.34
Circulation.....	4,681,600.00
Due to banks.....	11,113,617.25
Individual deposits.....	21,252,959.67
Certificates of deposit.....	2,886,767.93
Certified checks.....	31,816.52
Cashiers' checks.....	1,101,383.95
United States deposits.....	119,926.45
United States deposits, postal savings department.....	45,536.46
United States deposits, United States disbursing officers.....	28,034.09
Dividends unpaid.....	3,725.66
Reserved for taxes.....	41,396.25
Bonds borrowed.....	365,000.00
Other liabilities.....	36,288.88
Bills payable.....	1,200,000.00
Bills rediscounted.....	359,137.91
<b>Total.....</b>	<b>51,122,310.36</b>

COMBINED FIGURES FROM NATIONAL BANKS OF HOUSTON, 1913.

	Average daily—				Per-centage bank loans to total loans.	Average daily loans on cotton.
	Bank deposits.	Individual deposits.	Total deposits.	Loans to banks.		
January.....	\$17,337,595	\$23,704,724	\$41,042,319	\$2,346,755	8	\$5,977,876
February.....	15,814,646	23,341,363	39,156,009	3,063,768	12	5,111,835
March.....	15,160,661	24,440,947	39,601,608	3,838,432	15	4,095,384
April.....	14,056,835	24,118,312	38,175,147	4,885,906	19	3,450,206
May.....	12,891,875	25,240,164	38,132,039	5,445,043	20	2,883,288
June.....	10,238,589	23,896,595	34,135,184	6,185,510	25	1,894,536
July.....	9,168,505	23,008,020	32,176,525	7,635,433	30	937,052
August.....	9,202,802	23,018,136	32,220,938	7,679,473	32	787,993
September.....	13,583,965	22,922,085	36,506,050	6,808,096	27	2,681,298
October.....	14,312,630	23,208,492	37,521,122	5,719,572	21	4,472,450
November.....	13,010,774	23,528,555	36,539,329	5,265,606	20	4,509,072
December.....	12,441,959	24,451,123	36,893,082	5,391,034	21	3,617,356
Daily average for year.....	13,101,737	23,739,876	36,841,613	5,355,376	20	3,368,195



COMBINED FIGURES FROM NATIONAL BANKS OF HOUSTON,  
1913—Continued.

	Average daily total loans.	Currency shipments.		Total re- mittances for corre- spondents to central reserve cities.	Total transit items.
		Inbound.	Out- bound.		
January.....	\$28,368,297	\$253,716	\$490,030	\$7,074,050	\$56,395,219
February.....	25,946,616	380,565	697,925	6,341,650	49,654,329
March.....	26,401,350	634,292	1,001,085	7,490,814	49,333,319
April.....	26,213,080	634,292	1,079,210	7,253,063	56,495,222
May.....	26,707,622	570,862	919,555	8,257,850	56,595,220
June.....	24,719,852	507,433	807,360	6,504,550	42,471,516
July.....	25,066,658	507,433	840,875	7,008,600	42,782,427
August.....	24,987,197	3,171,458	4,841,465	7,596,445	56,295,224
September.....	25,901,536	2,790,883	4,551,355	9,490,250	70,619,026
October.....	27,627,294	1,585,729	2,559,525	13,535,450	84,742,831
November.....	26,909,108	761,130	1,265,255	12,288,202	77,680,928
December.....	25,886,551	888,042	995,689	8,120,925	63,125,001
Daily average and total for year....	26,227,929	12,685,835	20,049,329	100,961,849	706,190,262

JANUARY 30, 1914.

*Chairman Houston Committee Regional Bank Matter,  
Houston, Tex.:*

This is to certify that the total clearings as reported to the clearing house by the members composing the association for the year 1913 were as follows:

January.....	\$37,890,336	August.....	\$36,239,707
February.....	39,735,897	September.....	48,935,743
March.....	49,527,018	October.....	49,864,334
April.....	35,863,674	November.....	45,115,291
May.....	39,137,386	December.....	41,862,958
June.....	30,127,485		
July.....	32,582,477	Total.....	486,882,306

These figures were reported in accordance with the methods adopted by the American Bankers' Association.

Yours, very truly,

H. B. FINCH, *Manager.*



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# KANSAS CITY, MO.

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## KANSAS CITY, MO.

### TESTIMONY INTRODUCED BY BANKS AND TRUST COMPANIES OF GREATER KANSAS CITY.

KANSAS CITY, Mo., *January 23, 1914.*

*The Reserve Bank Organization Committee:*

GENTLEMEN: We believe it is the purpose of your honorable body, as well as the intent of the Federal reserve act, that the Federal reserve banks, provided for under said act, shall be established at points where they will best serve the contiguous territory.

Kansas City with her splendid railroad facilities and excellent mail service, has become the natural market, financial and distributing center of the richest and most rapidly developing agricultural and mineral district of America.

A large number of the national banks, State banks, and trust companies throughout this great territory have signified their intention of becoming members of a Federal reserve bank at the earliest possible date, and have expressed their desire to help in every way to make the plan a success. On behalf of these institutions, and the banks and trust companies of Greater Kansas City (Kansas City, Mo., and Kansas City, Kans.), we respectfully submit, for your earnest consideration, the application of this city for the location of one of the Federal reserve banks. We believe a Federal reserve bank located here could serve more advantageously than if located in any other city; the district including the States of Kansas, Nebraska, New Mexico and Oklahoma, the western part of the State of Missouri, a small part of the States of Arkansas and Iowa, the northern part of the State of Texas, and that part of the State of Colorado east of the Rockies. We are submitting herewith data which proves Kansas City's supremacy in this territory, and which we hope will enable your honorable body to place its stamp of approval upon this application.

The Federal reserve bank of Kansas City, with the district as above outlined, would be a commanding institution, with ample capital and deposits to protect and properly care for the legitimate business needs of this district.

If any further information is desired, we will be glad to furnish it at your command.

Wishing your honorable committee success in the important work of organizing this great system of Federal reserve banks, and assuring you of our most hearty support at all times, we are,

Sincerely yours,

THE ASSOCIATED BANKS  
OF GREATER KANSAS CITY.

#### GREATER KANSAS CITY'S NATURAL BANKING TERRITORY.

Greater Kansas City's natural banking territory includes the States of Kansas, Nebraska, New Mexico, and Oklahoma; that part of Colorado east of the Rockies including the following counties: Adams, Arapahoe, Baca, Bent, Boulder, Cheyenne, Clear Creek, Crowley, Custer, Douglas, Elbert, El Paso, Fremont, Gilpin, Huerfano, Jefferson, Kiowa, Kit Carson, Larimer, Las Animas, Lincoln, Logan, Morgan, Otero, Park, Phillips, Prowers, Pueblo, Sedgwick, Teller, Washington, Weld, and Yuma; that part of western Arkansas including the counties of Benton, Boone, Carroll, Crawford, Franklin, Howard, Little River, Madison, Miller, Scott, Sebastian, Sevier, Polk, and Washington; that part of Iowa including the counties of Adair, Adams, Audubon, Cass, Clarke, Decatur, Fremont, Guthrie, Harrison, Mills, Montgomery, Page, Pottawatomie, Ringgold, Shelby, Taylor and Union; that part of Missouri including the counties of Andrew, Atchison, Barry, Barton, Bates, Buchanan, Caldwell, Carroll, Cass, Cedar, Chariton, Christian, Clay, Clinton, Dade, Daviess, DeKalb, Gentry, Greene, Grundy, Harrison, Henry, Holt, Howard, Jackson, Jasper, Johnson, Lafayette, Lawrence, Linn, Livingston, McDonald, Mercer, Newton, Nodaway, Platte, Putnam, Ray, St. Clair, Saline, Stone, Sullivan, Taney, Vernon, and Worth; and that part of the State of Texas including Andrews, Archer, Armstrong, Bailey, Baylor, Borden, Bowie, Briscoe, Callahan, Carson, Cass, Castro, Childress, Clay, Cochran, Collin, Collingsworth, Cooke, Cottle, Crane, Crosby, Culbertson, Dallam, Dallas, Dawson, Deaf Smith, Delta, Denton, Dickens, Donley, Eastland, Ector, Ellis, El Paso, Erath, Fannin, Fisher, Floyd, Foard, Franklin, Gaines, Garza, Gray, Grayson, Hale, Hall, Hansford, Harde- man, Hartley, Haskell, Hemphill, Hockley, Hood, Hop- kins, Howard, Hunt, Hutchinson, Jack, Johnson, Jones, Kaufman, Kent, King, Knox, Lamar, Lamb, Lipscomb, Loving, Lubbock, Lynn, Martin, Midland, Mitchell, Montague, Moore, Morris, Motley, Nolan, Ochiltree, Oldham, Palo Pinto, Parker, Parmer, Potter, Rains, Randall, Red River, Reeves, Roberts, Rockwell, Scurry, Shackelford, Sherman, Somervell, Stephens, Stonewall, Swisher, Tarrant, Taylor, Terry, Throck- morton, Titus, Van Zandt, Ward, Wichita, Wilbarger, Wheeler, Winkler, Wise, Wood, Yakumo, and Young.

*The Reserve Bank Organization Committee.*

GENTLEMEN: When this data and map outlining our territory were prepared we had in mind that the city of Omaha, Nebr., would be in the district with Greater Kansas City, and for that reason, and as a secondary proposition, the northern part of the State of Nebraska and the 17 counties in the southwestern part of Iowa were included with Greater Kansas City; but in event Omaha is for some reason placed in another district, then Greater Kansas City would have no claim to the 17 counties in southwestern Iowa and would be entitled to practically only that part of the State of Nebraska which lies south of the Platte River (indicated by a red line on the map) and which includes the following counties: Adams, Buffalo, Butler, Cass, Chase, Clay, Dundy, Dawson, Fillmore, Franklin, Frontier, Furnas, Gage, Gasper, Harlan, Hayes, Hamilton, Hitchcock, Jefferson, Johnson, Kearney, Hall, Lancaster, Lincoln, Nemaha, Nuckalls, Otoe, Perkins, Phelps, Polk, Pawnee, Richardson, Red Willow, Salina, Seward, Thayer, Saunders, Webster, and York.

With Omaha included in a district other than with Greater Kansas City our figures heading "Pertinent facts" would be changed to show the Federal bank of Kansas City, if only national banks become members, an institution with a capital of \$8,126,643 and possible deposits of, exclusive of Government funds, \$33,667,801, and should the eligible State banks also join the plan we would have a bank with a capital of \$12,487,763 and with possible deposits, exclusive of Government funds, of \$46,586,217. Other figures are to be revised accordingly.

Respectfully,

ASSOCIATED BANKS AND TRUST COMPANIES OF GREATER KANSAS CITY.

By JEROME THRALLS.

KANSAS CITY, MO., January 23, 1914.

*Bank accounts carried with banks and trust companies of greater Kansas City.*

From banks of—	Number from national banks.	Number from State banks and trust companies.
Arkansas (14 counties).....	17	25
Colorado (33 counties).....	54	35
Iowa (17 counties).....	4	2
Kansas.....	583	1,479
Missouri (45 counties).....	167	606
Nebraska.....	78	51
New Mexico.....	35	21
Oklahoma.....	433	591
Texas (112 counties).....	137	106
Total.....	1,558	2,916
From national banks.....	1,558	
From State banks and trust companies.....		2,916
Total.....		4,474
Miscellaneous bank accounts not in above States.....		604
Grand total.....		5,078

**PERTINENT FACTS.**

Our territory (as shown by map) has located within its boundaries 1,344 national banks, which in num-

ber are 17.9 per cent of all the national banks in the United States.

There are 3,858 State banks and trust companies in this territory, and of these institutions 997 have capital equal to or greater than that required of national banks in their respective communities and are in position to immediately become members of a Federal reserve bank.

The total number of banks and trust companies in this territory, 5,202, is more than 20 per cent of all the banks and trust companies in the United States.

These institutions have a combined capital and surplus of \$293,448,264, with deposits of \$1,185,817,623.

The 1,344 national banks have capital, \$97,172,500; surplus, \$58,448,704, and deposits, \$641,584,459. The 997 State banks and trust companies, now eligible for admission to membership, have capital, \$51,833,675; surplus, \$22,267,510; and deposits, \$249,661,856.

Should only the national banks become members, they would furnish to the Federal reserve bank, on a 6 per cent subscription basis, a capital of \$9,337,272, and should the 997 eligible State banks and trust companies become members, they would furnish additional capital, \$4,446,071, making the total maximum capital available \$13,783,343. The possible deposits of the Federal reserve bank so established, exclusive of such funds as the Government might place with it, are \$53,474,778.

*Brief summary of banks of our natural banking territory.*

	Number.	Capital.	Surplus.	Deposits.
National banks.....	1,344	\$97,172,500	\$58,448,704	\$641,584,459
Eligible State banks and trust companies.....	997	51,833,675	22,267,510	249,661,856
Other State banks and trust companies.....	2,341	149,006,175	80,716,214	891,246,315
Total.....	5,202	191,325,380	102,122,884	1,185,817,623

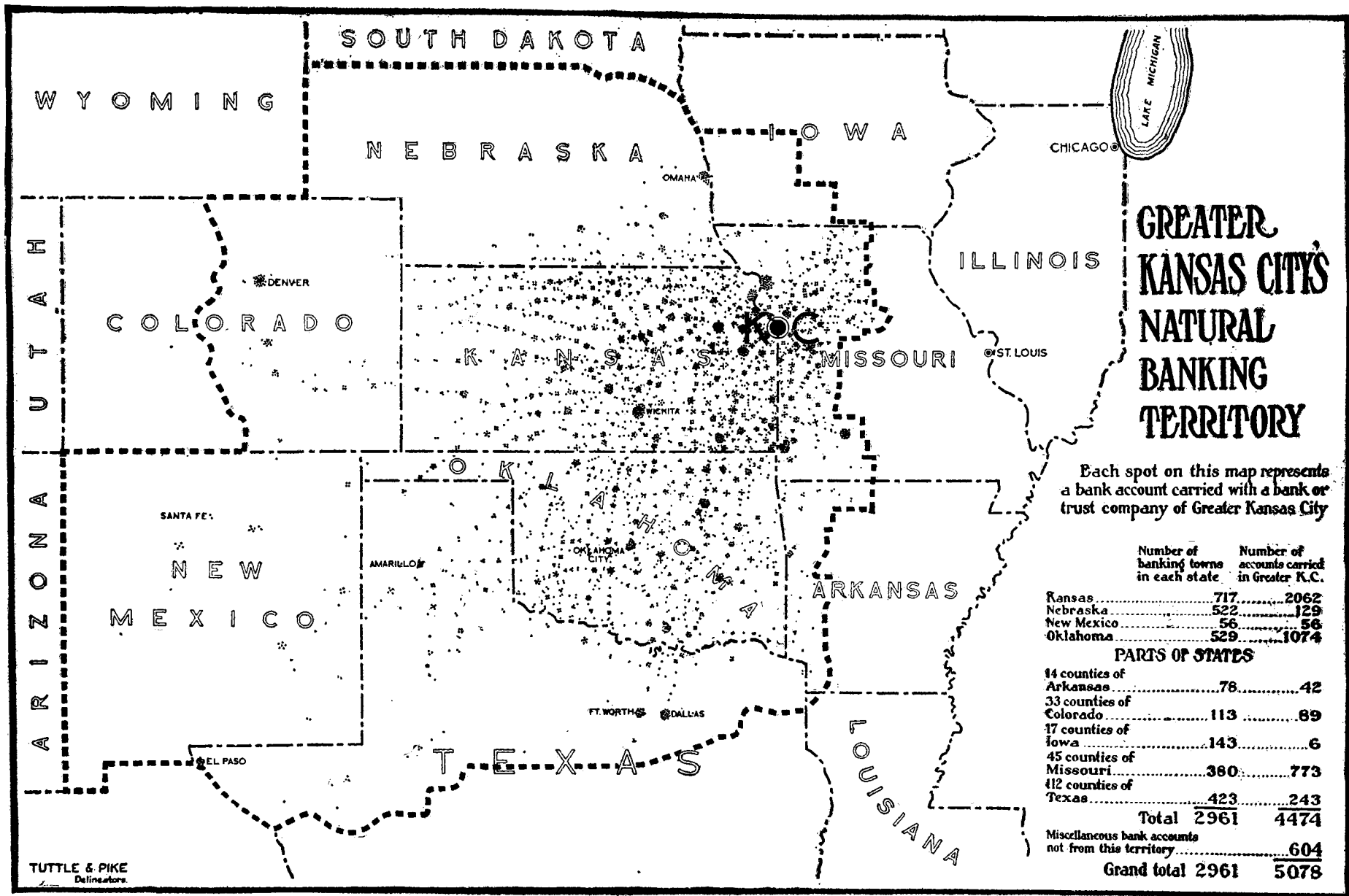
*Statement of important items of banks and trust companies in our natural banking territory.*

**KANSAS.**

	Number.	Capital.	Surplus.	Deposits.
National banks.....	213	\$12,312,500	\$6,151,068	\$70,176,775
Eligible State banks and trust companies.....	181	7,680,000	3,777,300	40,341,000
Other State banks and trust companies.....	752	11,315,300	3,940,626	77,829,478
Total.....	1,146	31,307,800	13,868,994	188,347,253

**NEBRASKA.**

	Number.	Capital.	Surplus.	Deposits.
National banks.....	241	\$16,270,000	\$8,353,080	\$94,583,918
Eligible State banks and trust companies.....	228	8,756,500	2,992,700	43,950,000
Other State banks and trust companies.....	511	7,256,500	5,693,220	82,140,082
Total.....	980	32,283,000	17,039,000	220,674,000



KANSAS CITY, MISSOURI.

(Thirty-nine counties south of and adjacent to Platte River would come to Kansas City should Omaha be included in some other district.)

Statement of important items of banks and trust companies in our natural banking territory—Continued.

	Number.	Capital.	Surplus.	Deposits.
National banks.....	100	\$5,641,000	\$3,402,440	\$35,178,990
Eligible State banks and trust companies.....	115	3,938,500	1,381,840	31,115,350
Other State banks and trust companies.....	306	4,465,200	1,476,650	30,386,630
	521	14,044,700	6,260,930	96,680,970

NEW MEXICO.

	Number.	Capital.	Surplus.	Deposits.
National banks.....	40	\$2,215,000	\$996,900	\$14,383,713
Eligible State banks and trust companies.....	22	1,137,000	245,000	3,795,000
Other State banks and trust companies.....	28	559,000	394,100	4,939,287
	90	3,911,000	1,636,000	23,118,000

OKLAHOMA.

	Number.	Capital.	Surplus.	Deposits.
National banks.....	326	\$14,385,000	\$3,936,006	\$72,162,843
Eligible State banks and trust companies.....	68	2,267,000	437,000	9,143,000
Other State banks and trust companies.....	607	6,961,000	3,122,994	42,398,157
	1,001	23,613,000	7,496,000	123,704,000

ARKANSAS (WEST 14 COUNTIES).

	Number.	Capital.	Surplus.	Deposits.
National banks.....	23	\$2,195,000	\$1,729,000	\$12,404,000
Eligible State banks and trust companies.....	43	3,080,375	1,146,100	7,560,000
Other State banks and trust companies.....	67	886,735	282,900	3,046,000
	133	6,162,110	3,158,000	23,010,000

COLORADO (EAST 33 COUNTIES).

	Number.	Capital.	Surplus.	Deposits.
National banks.....	86	\$8,920,000	\$9,496,010	\$93,690,920
Eligible State banks and trust companies.....	37	3,386,800	1,814,300	25,021,800
Other State banks and trust companies.....	92	2,036,100	732,660	11,062,950
	215	14,342,900	12,042,970	129,775,670

IOWA (SOUTHWEST 17 COUNTIES).

	Number.	Capital.	Surplus.	Deposits.
National banks.....	59	\$3,030,000	\$1,566,500	\$21,049,500
Eligible State banks and trust companies.....	89	3,469,000	1,419,000	21,520,286
Other State banks and trust companies.....	101	1,229,500	472,000	8,217,248
	249	7,728,500	3,457,500	50,787,034

MISSOURI (WEST 45 COUNTIES).

	Number.	Capital.	Surplus.	Deposits.
National banks.....	88	\$13,585,000	\$8,872,060	\$140,220,000
Eligible State banks and trust companies.....	177	12,436,500	7,639,000	67,782,200
Other State banks and trust companies.....	438	7,323,650	5,022,600	48,760,636
	703	33,345,150	21,533,660	256,762,836

TEXAS (NORTH 112 COUNTIES).

	Number.	Capital.	Surplus.	Deposits.
National banks.....	268	\$24,260,000	\$17,348,080	\$122,912,790
Eligible State banks and trust companies.....	152	9,620,500	2,797,110	30,548,570
Other State banks and trust companies.....	265	4,751,420	1,745,570	16,177,470
	685	38,631,920	21,890,760	169,638,830

Statement of important items of banks and trust companies in the natural banking territory—Continued.

GRAND SUMMARY.

	Number.	Capital.	Surplus.	Deposits.
Kansas.....	1,146	\$31,307,800	\$13,868,994	\$188,347,253
Nebraska.....	980	32,283,000	17,039,000	220,674,000
New Mexico.....	90	3,911,000	1,636,000	23,118,000
Oklahoma.....	1,001	23,613,000	7,496,000	123,704,000
	3,217	91,114,800	40,039,994	555,843,253
Arkansas.....	133	6,162,110	3,158,000	23,010,000
Colorado.....	215	14,342,900	12,042,970	129,775,670
Iowa.....	249	7,728,500	3,457,500	50,787,034
Missouri.....	703	33,345,150	21,533,660	256,762,836
Texas.....	685	38,631,920	21,890,760	169,638,830
	5,202	191,325,380	102,122,884	1,185,817,623
National banks.....	1,344	97,172,500	58,448,704	641,584,459
Eligible State banks.....	997	51,833,675	22,267,510	249,661,856
Other State banks.....	2,861	42,319,205	21,406,670	294,571,308
	5,202	191,325,380	102,122,884	1,185,817,623

STATEMENT OF BANKS OF GREATER KANSAS CITY.

Following are the principal items of the combined statements of the clearing-house banks of greater Kansas City as shown at the close of business, October 21, 1913, and January 5, 1914:

	Oct. 21, 1913.	Jan. 5, 1914.
Capital and fixed surplus.....	\$17,585,700	\$17,621,400
Undivided profits.....	3,909,962	3,973,986
Deposits.....	137,425,486	133,819,404
Deposits, country banks.....		51,336,806
Deposits, reserve city banks.....		17,372,043
Reserve, gross.....	152,860,376	150,247,523
Loans to country banks.....		26,999,478
Loans and discounts.....	97,444,151	95,493,931
Resources.....	163,959,521	160,951,772

<sup>1</sup> 38.4 per cent.

<sup>2</sup> 37.5 per cent.

Increase in capital in 7 years.....	per cent..	295
Increase in deposits in 7 years.....	do.....	56

The same items of the combined statements of all banks of greater Kansas City (49 in number) are:

	Oct. 21, 1913.	Jan. 5, 1914.
Capital and fixed surplus.....	\$19,088,150	\$19,149,450
Undivided profits.....	4,082,307	4,086,433
Deposits.....	143,259,254	141,032,708
Gross reserve.....	154,680,587	152,296,554
Loans and discounts.....	103,482,173	101,864,399
Resources.....	172,060,153	169,855,387

<sup>1</sup> 38.1 per cent.

<sup>2</sup> 37.08 per cent.

KANSAS CITY'S BANK CLEARINGS SINCE 1875 IN 5-YEAR PERIODS.

Clearings for two days at the present time frequently exceed the clearings for the entire year of 1875.

1875.....	\$20,407,967	1900.....	\$775,264,813
1880.....	50,730,000	1905.....	1,197,905,558
1885.....	223,389,419	1910.....	2,634,557,738
1890.....	492,207,771	1913.....	2,850,362,611
1895.....	520,870,447		

Kansas City divided honors with Pittsburgh, ranking sixth part of the year and seventh the remainder.

Our clearings represent only the sum total of items brought to the clearing house for exchanges, and our settlements are made in cash.

Cincinnati's clearings 1913 were.....	\$1,317,000,000
Cleveland's clearings 1913 were.....	1,276,000,000
Denver.....	476,000,000
Detroit.....	1,331,000,000
Los Angeles.....	1,210,000,000
Louisville.....	716,000,000
Minneapolis.....	1,312,000,000
New Orleans.....	981,000,000
Omaha.....	909,000,000
San Francisco.....	2,624,000,000
St. Louis.....	4,137,000,000
St. Paul.....	531,000,000

SOME COMPARATIVE INCREASES.

	Per cent.
Since 1906 Kansas City showed increase.....	113
Since 1906 St. Louis showed increase.....	30
Since 1906 Chicago showed increase.....	50
Since 1906 Minneapolis showed increase.....	36
Since 1906 Pittsburgh showed increase.....	11
Since 1906 San Francisco showed increase.....	36
Since 1906 Boston showed loss.....	1
Since 1906 New York showed loss.....	9

Kansas City's clearings increased during 10 years, 1903 to 1913, 165 per cent.

TOTAL BANK TRANSACTIONS OF CLEARING-HOUSE BANKS OF KANSAS CITY.

A certified statement is filed with our clearing house each Thursday by every clearing-house bank showing the exact amount of the debits to the several accounts for the week ending Thursday.

The grand aggregate of these figures for the year 1913—in other words, the total amount of business transacted by the clearing-house banks of Kansas City during the year 1913—is \$5,424,001,992.

Average number of items handled daily, 265,509.

Our country collection department puts the banks of Kansas City in direct touch with 3,300 country banks, thereby averting circuitous routing and rendering prompt service.

Amount of items handled through country clearing house for the fiscal year, \$107,522,900.

Greater Kansas City ranks first in proximity to the nation's meat supply. In number of miles of parked boulevards. In sale of agricultural implements. In sale of yellow pine lumber. In tributary trade territory. In agricultural territory. In Pullman business. As a mule market. As a hay market.

Ranks second in grain receipts (primary). In meat packing. In live stock. In railroads.

Ranks third in poultry and egg business. In telegraphic business. In lumber business. In flour output.

Sixth and seventh in bank clearings; seventh in postal receipts, and tenth in factory output.

This city, considered as one industrial and commercial unit with the same telephone systems, the same

street car system, the same freight and passenger terminals, had, according to the directory of 1913 (Gate City Directory Co.) a population of 512,741.

We have within a radius of 125 miles (5 hours' ride) a population of 2,344,369, and within a radius of 250 miles (10 hours' ride) a population of 8,271,050.

We have within our local jobbing and manufacturing territory, which is practically the same as our natural banking territory, a population of 12,770,601.

The last census showed the growth of this territory in 10 years, 25.13 per cent.

Greater Kansas City's growth during same period was 51 per cent.

RAILROADS.

We have 16 trunk lines: Atchison, Topeka & Santa Fe; Chicago, Burlington & Quincy; Chicago & Alton; Chicago Great Western; Chicago, Milwaukee & St. Paul; Chicago, Rock Island & Pacific; Kansas City Southern; Kansas City, Mexico & Orient; Missouri Pacific; Missouri, Kansas & Texas; Missouri, Oklahoma & Gulf; Quincy, Omaha & Kansas City; St. Louis & San Francisco; St. Joseph & Grand Island; Union Pacific; Wabash.

In addition to these trunk lines we have 32 separate subordinate lines which provide unsurpassed distributing facilities.

These railroads bring in and send out of Kansas City daily 260 passenger trains.

They handle an average of 2,000 cars of freight in and out of Kansas City daily.

Our freight terminals, which are being enlarged and reconstructed, furnish the most complete and efficient plan in the world for freight handling.

Our new Union Station and passenger terminals, now under construction, are the largest west of New York.

More pieces of baggage are handled at the Kansas City Union Depot each year than at any other station in the world.

MAIL SERVICE FROM KANSAS CITY.

*Number of dispatches daily.*

North.....	21
East.....	18
South.....	15
West.....	24
Northeast.....	13
Northwest.....	6
Southeast.....	11
Southwest.....	18
Total.....	126

Montgomery Ward & Co. and Sears, Roebuck & Co., two of the largest mail-order houses in the world, selected Kansas City as the proper place in which to locate the largest mail-order houses west of the Mississippi River. Their reasons for selecting Kansas City were that this city offers better railroad and mail facilities than does any other city in the entire west and southwestern territory.

Dispatches are as follows:

[Time given is time trains leave.]

North.	East.	South.	West.	North-east.	North-west.	South-east.	South-west.
<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>	<i>a. m.</i>
7.35	6.00	2.00	1.45	7.30	2.00	8.30	2.20
8.00	8.00	9.00	8.05	8.00	7.25	9.10	7.55
8.10	8.15		9.10	8.15	10.30	11.00	8.50
9.00	9.00		9.30	8.30			9.30
9.45	9.55		9.40 (2)	9.05			10.00
9.50			10.05	10.00			10.40
11.35			10.40				
			11.20				
<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>	<i>p. m.</i>
1.00	1.15	2.00	1.00	6.00 (4)	4.00	1.00	12.05
1.10	4.30 (2)	5.30 (7)	2.35	6.20	4.05	5.35	2.20
4.30	6.00 (2)	9.35	4.10	9.00	7.30	6.15 (4)	8.25
6.35	6.28 (2)	10.45 (2)	4.15	10.30		11.30 (2)	8.35
7.30	9.00 (2)	11.30	6.00 (2)				9.15 (2)
9.00	10.00	11.55	6.10 (2)				9.35
9.30			9.35 (3)				9.50
10.40 (4)			10.00				10.00
11.10 (2)			10.05 (2)				11.00 (2)
12.00	10.30		10.15				11.15
	11.30 (2)		10.25				

Kansas City is the largest winter-wheat market in the world.

Kansas City grain exporters export more hard winter wheat than all other exporters in the United States combined.

Kansas City is one of the most important markets for grass and field seeds in the United States.

Kansas City receives grain and seeds from the following States: Kansas, Missouri, Nebraska, Oklahoma, Iowa, Colorado, Minnesota, South Dakota, Idaho, Utah, Wyoming, Texas.

The amount of grain received and officially inspected in Kansas City for the last 10 years is as follows:

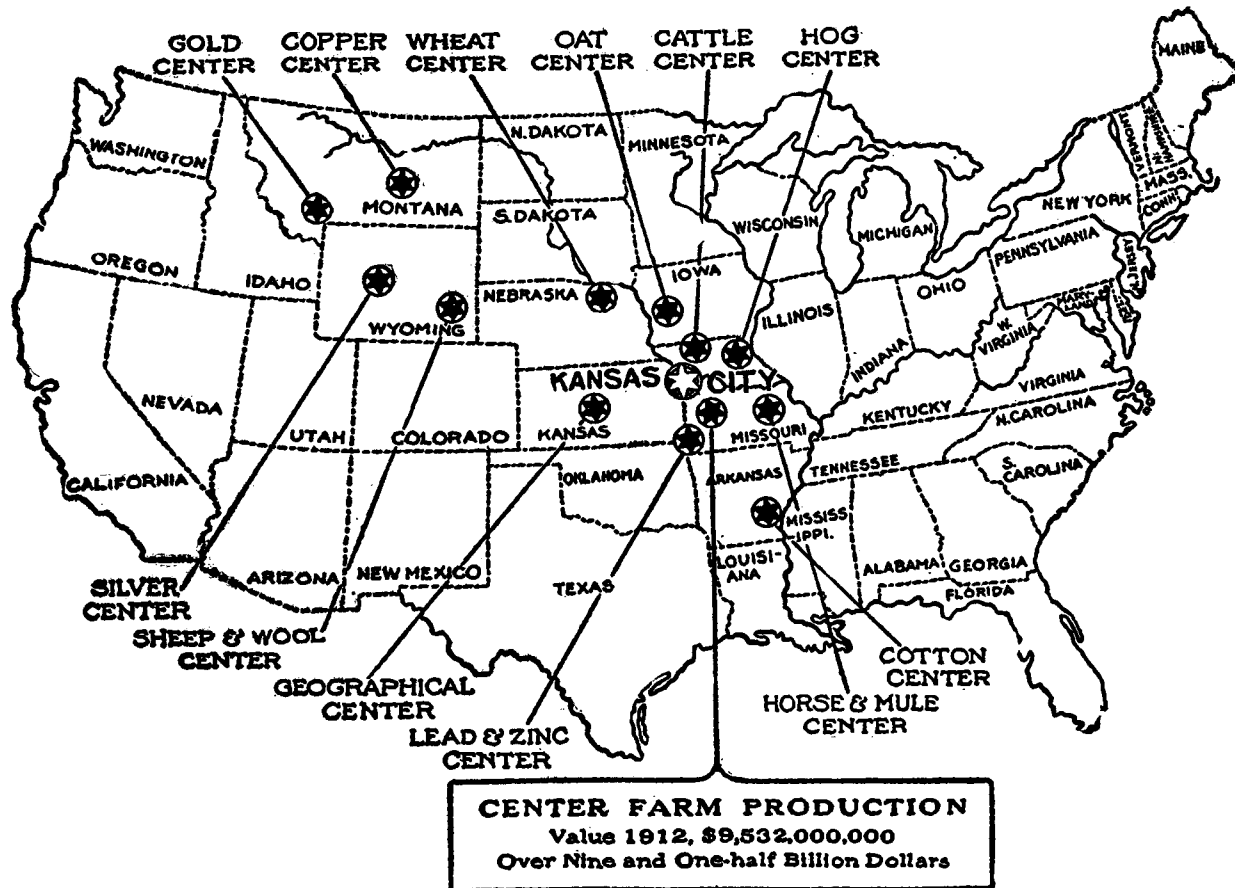
Year.	Wheat.	Corn.	Kafir corn.	Oats.	Rye.	Barley.
	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>
1904....	39,159,900	14,187,600	(1)	4,675,200	247,200	581,000
1905....	40,038,000	21,508,000	(1)	6,874,500	323,000	856,000
1906....	37,423,000	15,882,000	(1)	6,463,500	212,000	503,000
1907....	36,617,700	16,024,800	(1)	8,629,500	161,700	404,800
1908....	40,131,300	8,643,400	(1)	5,613,000	218,900	544,500
1909....	35,354,000	11,547,150	(1)	6,349,500	121,000	421,300
1910....	43,527,700	17,619,400	(1)	5,451,500	79,200	394,200
1911....	25,701,600	16,934,400	1,346,428	6,230,500	84,700	392,000
1912....	43,719,600	19,522,500	2,733,500	6,682,700	147,400	186,200
1913....	33,870,000	21,928,750	1,973,000	10,174,500	458,700	364,000

SUMMARY.

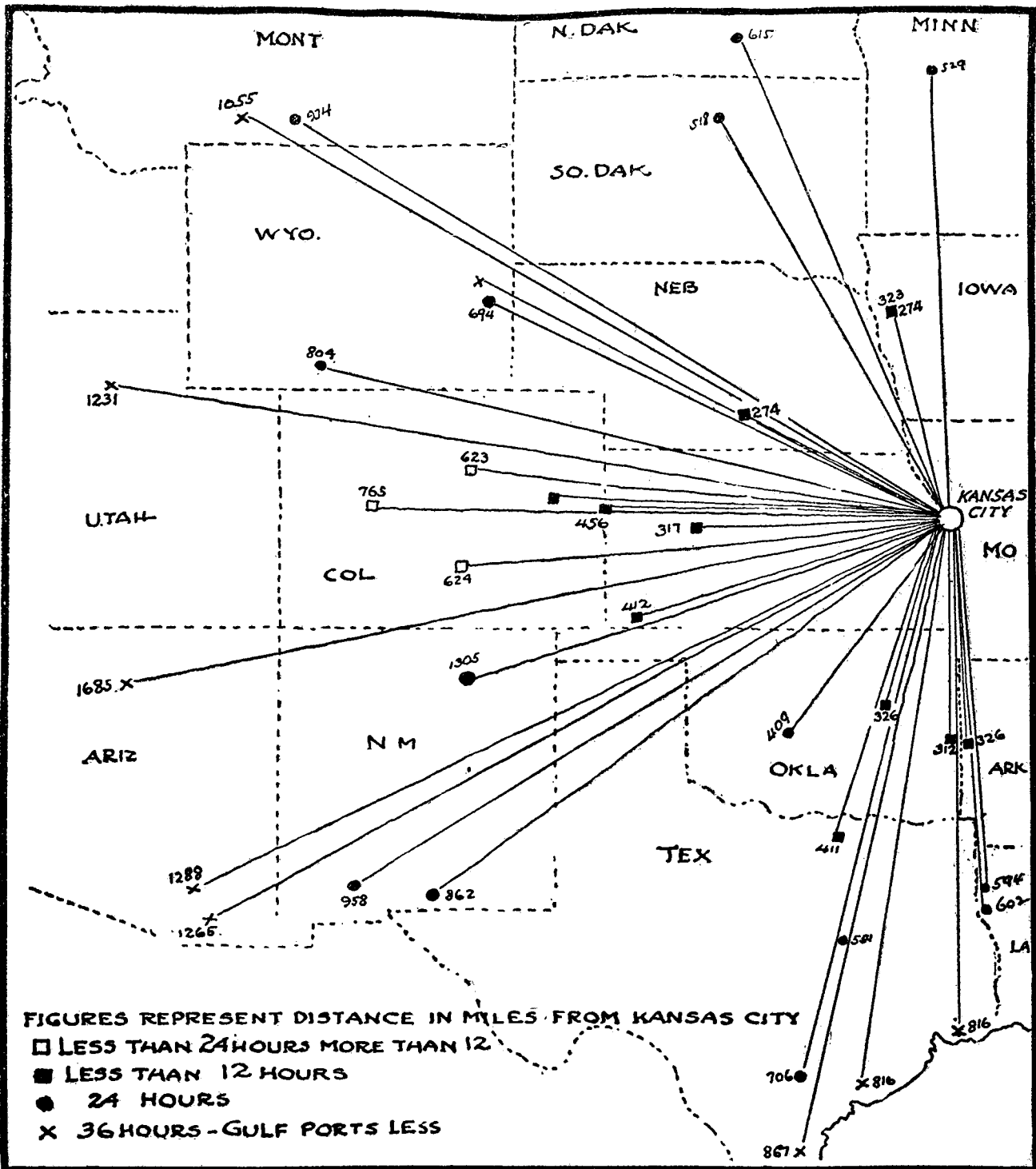
Year.	Bushels.	Year.	Bushels.
1904.....	58,850,900	1909.....	53,804,050
1905.....	69,599,500	1910.....	67,072,000
1906.....	60,483,500	1911.....	50,689,628
1907.....	61,838,500	1912.....	72,991,900
1908.....	55,151,100	1913.....	68,768,950

1 No record.

KANSAS CITY'S RELATIVE LOCATION TO CENTERS OF PRODUCTION.



This map shows Kansas City's mail service. We have 126 dispatches of mail daily—west, 24; south, 15; north, 21; east, 18; southwest, 18; southeast, 11; northeast, 13; northwest, 6.



Kansas City has 16 trunk-line railroads and 32 subsidiary, which bring in and take out 260 passenger trains and 2,000 cars of freight daily.

(The seeming discrepancies in mileage between points in the same states as indicated on this map are due to round-about connections to reach them.)



In addition to the grain received and inspected in Kansas City it must be borne in mind that the above figures do not take into consideration or show the large amount of grain bought by Kansas City grain merchants which is not stopped at Kansas City or inspected at Kansas City and, consequently, is not shown in the above table. It is conservatively estimated that between 30,000,000 and 35,000,000 bushels of grain are bought by Kansas City grain merchants and paid for through Kansas City banks, which grain moves direct from the point of shipment, either for export, to the milling trade, to other grain merchants for distribution, or to the consumer direct.

Adding the grain bought and inspected at Kansas City to the grain bought and paid for by Kansas City grain merchants, but not stopped at Kansas City, we have fully 100,000,000 bushels of grain paid for by Kansas City grain merchants through Kansas City banks.

Kansas City has grain elevator capacity for over 14,000,000 bushels of grain, and the latest figures attainable show the following to be the grain in store in the grain markets of the United States January 4, 1914:

	Bushels.
Chicago.....	24,829,000
Minneapolis.....	22,386,000
Duluth.....	12,595,000
Kansas City.....	9,903,000
Omaha.....	4,239,000
St. Louis.....	3,866,000

Kansas City is the largest export point for winter hard wheat in the United States, and more than 80 per cent of the grain exported from the Gulf ports of the United States is handled and financed by Kansas City grain exporters. In addition to this, large quantities of Kansas and Nebraska hard wheat, corn, and oats are shipped to the eastern seaboard by Kansas City grain merchants.

There is also owned and managed by the Kansas City grain merchants a large number of country elevators buying grain direct from the farmers in Oklahoma, Kansas, Nebraska, and Missouri.

#### GRASS AND FIELD SEEDS.

The average tonnage of yearly receipts of grass and field seeds at Kansas City is 65,000,000 pounds, and the value is \$1,250,000, making it one of the largest distributing points for field seeds in the United States.

#### HAY.

Kansas City is the largest market and distributing point for hay in the world.

Is the largest primary alfalfa market.

Is the logical gateway from a railroad and geographical standpoint for the movement of the alfalfa produced in the seven greatest alfalfa-growing States, namely, Colorado, Idaho, Kansas, Nebraska, Montana, Oklahoma, and Wyoming.

Has facilities for properly inspecting and handling 700 cars of hay and alfalfa per day.

#### Hay receipts for four years.

Year.	Cars.	Tons.	Value.
1910.....	30,373	364,476	\$2,551,332
1911.....	33,770	472,780	3,309,460
1912.....	36,180	506,520	3,545,640
1913.....	32,353	452,942	3,170,594

#### HORSES AND MULES.

Greater Kansas City ranks first as a mule market. Total number of horses and mules received during year 1913, 82,110; 1912, 73,445; conservative value of those marketed in 1913, \$13,750,000. Received from the following States:

State.	1913	1912	State.	1913	1912
Arizona.....	91	91	Nevada.....	150	34
Arkansas.....	259	308	New Jersey.....	1	1
California.....	35	35	New Mexico.....	167	171
Colorado.....	2,217	2,108	Ohio.....	9	9
Idaho.....	161	43	Oklahoma.....	4,719	4,323
Illinois.....	382	259	Oregon.....	178	16
Iowa.....	694	899	South Dakota.....	83	84
Kansas.....	49,812	44,452	Tennessee.....	2	51
Kentucky.....	18	1	Texas.....	443	589
Louisiana.....	5	1	Utah.....	85	286
Minnesota.....	55	46	Wisconsin.....	165	7
Missouri.....	13,842	12,419	Wyoming.....	165	254
Montana.....	544	83			
Nebraska.....	7,993	6,921	Total.....	82,110	73,445

#### LIVE STOCK INDUSTRY.

Greater Kansas City ranks second. Total number cars of live stock received in year 1913, 137,000; value live stock marketed, \$224,000,000; number cattle received, 2,318,885; number hogs received, 3,067,785; number sheep received, 2,094,748.

This stock came from 29 different States and from the Republic of Mexico.

Kansas City is the greatest stocker and feeder market in the world.

During the year 1913 cattle were shipped as follows:

To Illinois points.....	144,000
To Iowa points.....	202,000
To Kansas points.....	190,000
To Missouri points.....	282,000
To other States north and east.....	71,000
To other States south and west.....	25,000
Total.....	914,000
Conservative value.....	\$50,000,000

Total number of beef cattle remaining in our tributary territory, 11,000,000, being about 30 per cent of what is in the United States.

*Cattle receipts by States at the Kansas City, Mo., stockyards.*

From—	1913	1912	From—	1913	1912
Arizona.....	4,635	2,934	Montana.....	75	999
Arkansas.....	28,950	35,311	Nebraska.....	59,136	56,722
Colorado.....	73,988	73,491	New Mexico.....	47,103	31,282
Florida.....	2,999	.....	New York.....	25	.....
Georgia.....	146	.....	Oklahoma.....	280,313	279,539
Idaho.....	.....	243	Oregon.....	.....	1,397
Illinois.....	1,637	5,471	South Dakota.....	26	51
Indiana.....	159	23	Tennessee.....	479	157
Iowa.....	6,206	18,102	Texas.....	239,768	213,705
Kansas.....	1,201,578	1,058,578	Utah.....	2,104	1,210
Kentucky.....	.....	16	Wisconsin.....	795	328
Louisiana.....	3,581	4,245	Wyoming.....	331	1,374
Minnesota.....	219	1,452	Mexico.....	53	.....
Mississippi.....	37	.....	Total.....	2,318,885	2,147,224
Missouri.....	364,532	360,594			

*Hog receipts, by States, at the Kansas City, Mo., stockyards.*

From—	1913	1912	From—	1913	1912
Arizona.....	.....	.....	Oklahoma.....	52,892	41,588
Arkansas.....	13,545	14,217	South Dakota.....	915	1,311
Colorado.....	1,267	4,250	Texas.....	1,889	868
Iowa.....	22,831	27,498	Total.....	2,567,785	2,523,331
Kansas.....	1,536,528	1,359,853	Received at private yards.....	500,000	400,000
Louisiana.....	182	119	Grand total.....	3,067,785	2,923,331
Missouri.....	800,484	842,396			
Nebraska.....	137,067	230,988			
New Mexico.....	185	243			

*Sheep receipts, by States, at the Kansas City, Mo., stockyards.*

From—	1913	1912	From—	1913	1912
Arizona.....	87,951	90,467	Nevada.....	5,570	2,542
Arkansas.....	9,522	4,579	New Mexico.....	149,844	134,565
California.....	1,984	2,571	Oklahoma.....	20,515	34,559
Colorado.....	688,374	569,542	Oregon.....	.....	3,130
Idaho.....	4,427	8,889	South Dakota.....	.....	352
Illinois.....	2,470	468	Texas.....	187,424	206,809
Iowa.....	8,218	3,484	Utah.....	210,983	197,254
Kansas.....	361,840	462,271	Wyoming.....	15,967	28,320
Louisiana.....	1,117	.....	Nebraska.....	56,207	36,066
Minnesota.....	266	.....	Total.....	2,094,748	2,133,978
Missouri.....	275,191	318,217			
Montana.....	6,878	29,883			

MANUFACTURING AND MILLING.

*Manufacturing.*—Total number of factories in Greater Kansas City (1913), 1,200; number of people employed in these factories, 40,000; number of people supported by these factories, 100,000; capital invested in these factories, \$100,000,000; value of products of these factories (1913), \$250,000,000; gain in number of factories in 10 years, 51.2 per cent; gain in average number of wage earners, 40 per cent; gain in capital invested, 107.4 per cent; gain in value of production, 102.5 per cent.

*Flour mills.*—The output of the Kansas and Kansas City flour mills for 1913 was 12,890,183 barrels, having a value of \$58,005,585.

MEAT PACKING.

Greater Kansas City ranks second.

The following is the record of the number of animals killed during the year 1913: Cattle and calves, 1,240,862; hogs, 2,795,597; sheep, 1,600,993.

The sales of the products of our packing houses for 1913 aggregated \$178,000,000.

LUMBER AND OIL.

During year 1913 the yellow pine manufacturers of Kansas City produced 1,003,200,000 feet of yellow pine lumber, of a value of over \$25,000,000.

The Prairie Oil & Gas Co. and other pipe lines carried from oil fields within 10 hours' ride of Kansas City 50,900,000 barrels of oil, having a market value of more than \$50,000,000, which shows an increase over 1912 of 35.7 per cent.

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# LOUISVILLE, KY.

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## LOUISVILLE, KY.

### ARGUMENTS IN BEHALF OF LOUISVILLE AS A FEDERAL RESERVE CITY.

#### *The Reserve Bank Organization Committee:*

The President, the Senate, and Congress are to be congratulated upon the enactment of a bill containing so many admirable features, and whatever differences of opinion may have existed during the discussion of the bill, and especially as originally presented, the country as a whole looks forward with confidence to the practical and satisfactory operation of the Federal reserve act.

In a discussion of this matter it shall not be our purpose to criticise any arguments, nor to comment upon the laudable aspirations of other cities. The claim of Louisville is based on its merits for financial and commercial usefulness, and the large and varied interests represented within the territorial region. It shall be our sole purpose to inform this committee why Louisville so peculiarly meets all of the requirements of a Federal reserve city.

The law provides that the Reserve Bank Organization Committee shall designate not less than 8 nor more than 12 cities, to be known as Federal reserve cities.

The law further provides that the districts shall be apportioned with due regard to the convenience and customary course of business, and shall not necessarily be coterminous with any State or States.

It is our understanding, therefore, that the essential elements which are to be met by us in the presentation of our case are as follows:

- (a) Geographical convenience.
- (b) The industrial development of the section.
- (c) The established trend of business.
- (d) The extent to which each section is able, independently, to finance the needs of its own region.

Taken up in order, we submit a map, marked "Exhibit No. 1," outlining clearly the region to be embraced, and which, for the purpose of convenience, will be designated region No. 3. In this region is embraced southern Indiana (comprising Bartholomew, Brown, Crawford, Clay, Clark, Daviess, Decatur, Dearborn, Dubois, Fayette, Franklin, Floyd, Green, Gibson, Harrison, Jackson, Jefferson, Jennings, Johnson, Knox, Lawrence, Morgan, Monroe, Martin, Owen, Ohio, Orange, Perry, Pike, Posey, Rush, Ripley, Shelby, Spencer, Sullivan, Scott, Switzerland, Union, Vigo, Vanderburg, Washington, and Warrick

Counties); the entire States of Kentucky, Tennessee, Alabama, Georgia, Florida, and northern Mississippi, comprising the following counties: Alcorn, Attala, Benton, Bolivar, Coahoma, Calhoun, Carroll, Chickasaw, Clay, Choctaw, De Soto, Grenada, Holmes, Itawamba, Lee, Lafayette, Leflore, Lowndes, Marshall, Montgomery, Monroe, Noxubee, Oktibbeha, Prentiss, Panola, Pontotoc, Quitman, Sunflower, Tate, Tunica, Tippah, Tishomingo, Tallahatchie, Union, Webster, Washington, Winston, and Yalobusha.

Louisville is located within this territorial region, within easy access to all points embraced within its confines. Based on commerce, as regulated by the mails, 18 hours' communication meets the necessities of the case substantially as well as 10 or 12 hours; that is to say, if the checks, notes, bills, and other paper can be mailed at 4 or 5 o'clock in the afternoon and be received by a correspondent bank at 8 or 9 o'clock the following morning, it meets the requirements practically as well as though the same items were received on the evening of the same day on which mailed.

Louisville is within 3 or 4 hours of all of the cities and towns of southern Indiana. It is within less than 12 hours by mail of all of the principal points within the State of Kentucky. It is within 9 hours of Knoxville and eastern Tennessee. It is within 12 hours of Chattanooga. It is within 5 hours of Nashville and 12 hours of Memphis.

With regard to the State of Mississippi, it is within 15 hours' communication.

With reference to Alabama, it is within 11 hours of the principal city of Alabama, namely, Birmingham. It is within 14 hours of Montgomery.

With regard to Atlanta, it is within 16 hours.

Necessarily, Florida being a peninsular State, is not within easy communication by mail of any of the States. For business purposes, it is as near the city of Louisville, Richmond, Washington, and Baltimore as it is to New Orleans or New York.

The cities of Florida are at least a night's mail from Atlanta, the nearest point.

Therefore it is clear from the standpoint of convenience that Louisville is within easy access by mail, for all practical purposes, of all the territory embraced within region No. 3.

Louisville is also most favorably situated with regard to a number of cities, some of which of necessity must be chosen as Federal reserve cities under the act.

Should it be necessary to communicate promptly with other Federal reserve cities, it can be done with a number of them by a night's mail.

Chicago is less than 10 hours' distant from Louisville.

St. Louis is less than 8 hours by mail from Louisville.

Pittsburgh is within 12 hours, and likewise Cleveland.

Hence it follows that Louisville, as a matter of convenience, is most conveniently located both with regard to prompt communication with all the points in region No. 3, and likewise with a number of cities, some of which of necessity must be chosen as Federal reserve cities.

#### INDUSTRIAL DEVELOPMENT OF THE SECTION.

The second point to which we shall address our attention is that heretofore mentioned under the head of (b), to wit, "The industrial development of the section."

And this may properly be divided into two subdivisions:

First, the industrial development of Louisville. From the published report of the Treasury Department, under the heading of internal-revenue collections for the fiscal year ending June 30, 1913, it appears that Peoria collected \$34,000,000; Terre Haute (approximately), \$20,000,000; Louisville (approximately), \$19,000,000; Cincinnati (approximately), \$17,000,000.

It further appears from this report that the total internal-revenue receipts from the State of Kentucky for the year 1913 amounted to the enormous sum of \$35,000,000.

From the published report of the Louisville Board of Trade it appears that the stock of whisky in bond on June 30, 1913, was as follows: In the United States (approximately), 275,000,000 gallons; in the State of Kentucky (approximately), 163,000,000 gallons.

From a report submitted by W. G. Dunnington & Co., which is considered authoritative, it appears that the total estimated production of tobacco grown in the United States in 1913 was of the approximate value of \$122,000,000.

The same report indicates that the amount financed, directly and indirectly, through Louisville is valued at \$39,000,000, or 32 per cent of the value of the entire crop of the United States, and in value one-eighth of the crop of the entire world.

The board of trade annual report shows a large amount of other classes of merchandise made in or shipped from Louisville.

In the matter of grain, the receipts were for the past year \$17,000,000.

In the matter of live stock the number of cattle, hogs, etc., was 1,400,000, of a value of approximately \$22,000,000.

The census report of 1910 further discloses the fact that the manufactured products of the city of Louisville for the year 1913 amounted to \$101,000,000.

Louisville has a large and varied number of factories. It has the largest farm-wagon factory in the world. It has one of the four largest plow factories in the world, the output of which is largely sold in the South, and especially within region No. 3.

Louisville also has large and important grain elevators.

It has a large and important hardware and dry goods trade, the bulk of which is distributed through the South.

It has industries, or rather it has factories, amounting to approximately 1,000 in number.

Its wholesale trade is also large and extensive, and Louisville for years has been known as a large distributing point for all classes of goods used within the South and Southwest.

Turning your attention to the geological map of Kentucky, it appears that Louisville occupies a most unusual position. Bounded on the west by a large and important coal region, covering approximately 80 miles square. To the east of our city, and within easy access of it, are large and valuable coal fields, which coal fields extend not only through the State of Kentucky, but also to the State of Tennessee, being generally known as the Jellico coal fields. Within these eastern coal regions are now located the second largest coking ovens within the United States.

This brief enumeration will give the committee some general idea of the vast and important industries directly within the limits of the city of Louisville or tributary to it. In a large measure these enterprises are financed in Louisville. We do not undertake to say, nor is it a fact, that all of the credit or funds necessary for this vast volume of trade are financed by Louisville banks. It must be remembered, however, that a large and important amount of financing is done by privately invested capital which does not appear under the heading of notes and bills discounted or any other tabulation.

It is also true that some of the important industries, such as whisky and tobacco, are financed in a measure in New York or Chicago, and this to a certain extent, when done through foreign banks, may be due to the fact that rates of discount are lower or more favorable.

#### WHISKY TRADE.

The annual production of straight whisky in Kentucky is approximately 45,000,000 gallons, or about 900,000 barrels. This has been slightly excessive, and the 1913-14 crop is being curtailed.

The annual withdrawals from bond will average 35,000,000 gallons, the internal-revenue tax collected being at the rate of \$1.10 per gallon. There are now in bond in the State of Kentucky, in round numbers, 163,000,000 gallons, on which the Government will derive the above tax. The amount in bond is more or less fixed, as withdrawals are replaced by new whisky. The market value of the whisky in bond, exclusive of the tax, is about \$80,000,000.

Banks lend on warehouse receipts for new-crop whisky \$10 per barrel, hence the initial loan on each crop is approximately \$9,000,000. As the average date of withdrawals from bonded warehouses is three and one-half years, \$31,000,000 is tied up before the whisky moves. Much of this whisky is marketed on long terms and notes are given at sale, and these are substituted for the initial loans, hence a loan of \$10 a barrel on whisky becomes a piece of commercial paper with warehouse receipts attached at \$20 a barrel instead of \$10. Much of this secured commercial paper discounted by distillers properly belongs where it originates, but on account of lack of knowledge concerning the trade in general, and particularly the integrity of Kentucky warehouse receipts, it is financed in Kentucky.

The manufacture of 900,000 whisky barrels for the Kentucky crop centers in Louisville and is an important industry, amounting in volume to over \$3,000,000.

The rapid growth of the "bottled in bond" branch of the whisky business has made Louisville a large box-manufacturing center, as well as an enormous distributor of bottles and other incidental supplies.

The whisky trade is a peculiar one and the banks of Louisville are thoroughly acquainted with its individual needs. They must understand the value of the particular brands, some of which are quite valuable, others of practically no value. They must also understand the nature of the cooperage which contains the whisky. They must know the nature and the value of whisky warehouse receipts, which are used but little in other communities, and in truth are not generally understood, and yet to those fully understanding them are considered as of the highest grade of security.

The committee should bear in mind that each year a certain amount of whisky is forced out of bond and that the requirements for paying the tax do not have to be met in any one year for the vast amount of whisky mentioned.

TOBACCO TRADE.

With regard to the tobacco trade, it is, as stated, a large and most important one. Government buyers from almost every nation in the world are located in Louisville and buy upon the tobacco breaks. England has its representative, France has its representative, Germany has its representative, Italy has its representative, and so on through the list. Temporarily, a

portion of the money to buy the tobacco preparatory to shipment must be furnished in Louisville. Louisville is also called upon to provide, to a considerable degree, funds to care for the growing crop.

LEAF TOBACCO.

Tobacco brings in more money to the acre than any other crop, and one-third of the entire production of the United States and one-eighth of the world's crop comes from Kentucky.

Every pound represents cash to be gathered from all parts of the world, and the exportation of leaf tobacco is an important factor in creating our foreign-trade balance, going as it does away from the beaten paths, creating personal and trade relations which lead into the introduction of other of our products, both raw and manufactured.

The following is the 1913 production:

CHEWING, SMOKING, SNUFF, AND EXPORT TYPES.

	Acreage yield (acres).	Pounds per acre.	Production.	Price per pound Dec. 1, 1913.	Total farm value on basis of Dec. 1 price.
Burley district.....	232,600	760	<i>Pounds.</i> 176,776,000	<i>Cents.</i> 12.3	\$21,743,000
Dark district of Kentucky and Tennessee: Paducah district.....	75,000	780	58,500,000	7.7	4,504,000
Henderson or Stemming district.....	55,000	800	44,000,000	7.3	3,212,000
Upper Green River district.....	23,400	720	16,848,000	7.0	1,179,000
Upper Cumberland district.....	15,000	760	11,400,000	7.3	832,000
Clarksville and Hopkinsville district.....	115,000	700	80,500,000	9.0	7,245,000
Total.....	516,000	.....	388,024,000	.....	38,715,000

Kentucky's export of leaf tobacco is as follows:

Burley (10 per cent of crop).....	\$2,174,300
Paducah district (80 per cent of crop).....	3,603,200
Henderson or Stemming district (85 per cent of crop).....	2,730,200
Upper Green River district (30 per cent of crop).....	353,700
Upper Cumberland district (35 per cent of crop).....	291,200
Clarksville and Hopkinsville district (85 per cent of crop).....	6,158,250

Tobacco is different from other crops in that it does not go to market in the fall along with cotton, corn, etc. The season begins in December and extends through March, depending largely on weather conditions. As can be at once seen, it, like whisky, can be moved after the pinch in the cotton sections is over, and surplus funds from tobacco sales can find employment in the South during the planting and growing season.

The large and valuable burley crop is consumed by manufacturers like the American Tobacco Co., Liggett & Meyers Tobacco Co., and others, whose financing is done in New York, Chicago, and St. Louis. Hence, the burley crop, worth alone nearly twenty-five millions, is paid for almost entirely by outside funds, to which, when we add the cash drawn from Canada

and European countries for our dark crop, creates a large fund which can properly be used in the cotton States.

The extent of the manufacturing end of the tobacco business in Louisville and vicinity can be shown by the internal-revenue collections. For the last fiscal year the total amount collected was \$3,134,184, 80 per cent of which was paid in to the Louisville collector, and the money value of the manufactured tobacco is about \$15,000,000 per annum.

Thus it is clear to you, we take it, that at least these two classes of trade are peculiar to our particular section of the country. In addition to this, the agricultural region contiguous to Louisville is a large, productive, and profitable one.

DEVELOPMENT OF TRADE IN REGION NO. 3.

Turning our attention to the second subdivision, to wit, the extent of Louisville's trade with the territory embraced in region No. 3, we would state frankly that actual figures are not obtainable, for the reason that few firms are willing to give out the actual extent of their sales or purchases, also there is no law making such statistics available. Hence any statement made by any city to your committee regarding its trade with certain territory must be an estimate only.

In order to get as accurate an estimate as possible, an inquiry was addressed to about 110 of the manufacturers and wholesalers of Louisville, asking the amount of their sales in the territory embraced in region No. 3. From replies received from 76 firms, their actual annual sales in this territory amount to \$62,000,000.

In view of the fact that Louisville has over 1,000 factories and several hundred wholesale houses—among the latter being the second largest wholesale hardware company in the United States—and applying the same percentage of annual sales to the 1,000 as indicated by the 76 firms from whom replies were received, the total would be approximately \$800,000,000. This sum, however, is so large that it is not fair to use it as a basis, and 40 per cent or 50 per cent of the amount would probably be a far more accurate basis of the value of the annual sales made by Louisville in the territory named.

This we believe to be a fair estimate of the sales made by Louisville to that territory. And these figures do not take into consideration the large amount of commodities, such as cattle, cotton, and other agricultural products purchased by Louisville from that territory.

The percentages of Louisville's trade with this territory was as follows:

	Per cent.		Per cent.
Kentucky.....	40	Mississippi.....	8
Tennessee.....	15	Georgia.....	8
Alabama.....	10	Florida.....	6
Indiana.....	13		

FINANCIAL IMPORTANCE.

Let us now consider the financial strength and importance of Louisville in relation to the cities and towns embraced within the proposed region No. 3.

It is a well-established fact that Louisville and its bankers are cautious, conservative, and yet farsighted. In times of panic or distress the financial situation in Louisville has ever been strong, self-sufficient, and courageous. These banks, the neighboring banks, and the community at large are in harmony, based on mutual confidence and respect. During many a panic Louisville has been noted for the strength of its position. The United States, more than 80 years ago, established one of its branch banks within our limits, and to-day its successor stands upon the same plot of ground—full of years, of courage, and with a wonderful history for financial strength and value to the community. Our other banks are of the same type of integrity and influence for good and for usefulness.

COMPARATIVE STATEMENTS.

By referring to a plat, which we may term "Exhibit No. 3," it appears that the population of Louisville is 40 per cent greater than that of any other city within the region mentioned. Its population is 250,000, to which may properly be added the adjacent towns of New Albany and Jeffersonville, making the population of Louisville and suburban towns approximately 300,000.

In point of population, the city of next importance within the region is Atlanta, with a population of 155,000, or 50 per cent less. The next is Birmingham, with a population of 132,000. The next is Memphis, with a population of 131,000, and so on down the list as indicated by the exhibit.

In 1913 the clearings in the same cities were approximately as follows: In Louisville \$715,000,000, excluding out-of-town checks; Atlanta, \$725,000,000, from which should be deducted, according to their own statement, \$127,000,000 for out-of-town checks, leaving a clearing for Atlanta of \$598,000,000; Memphis, \$421,000,000; other cities as indicated upon the map.

With reference to the capital and surplus, Louisville banks have a capital of approximately \$10,000,000, and a surplus of approximately \$6,000,000. Atlanta has a capital of approximately \$8,000,000 and a surplus of \$6,000,000. Memphis has a capital of approximately \$6,000,000, and a surplus of \$3,000,000. So, again, it appears that Louisville is first in the matter of capital and surplus.

The exhibit further discloses the fact that the amount of average deposits in Louisville during the year 1913 amounted to approximately \$52,000,000; Atlanta, \$32,000,000; and the other States as indicated on the plat. Thus, again, it is clear that Louisville is first in financial strength in the matter of deposits. So that taking into consideration the popu-

lation, the clearings, the capital and surplus and deposits—four points of vital importance—Louisville stands preeminent.

For the information of the committee, we wish to call attention to the fact that the schedule mentioned, from which we have taken the foregoing facts, includes the capital, surplus and deposits of all national, State banks, and trust companies in the cities mentioned.

As indicating Louisville's ability to provide for the necessary funds of region No. 3, as outlined, we refer you to plat marked "Exhibit No. 4." From this exhibit it appears that the total amount of funds available for investment (in which are included the average Federal bank deposits for this region, less the required reserve of 35 per cent) is approximately \$16,000,000. In this statement we have excluded the large amount of Government deposits annually deposited in Louisville banks.

It further appears that the average amount of rediscounted and bills payable were \$15,500,000, making an average surplus for this region of \$1,800,000.

As indicated by the exhibit, these averages were compiled from the five reports of the national banks to the comptroller during the year 1913, and, therefore, for our purpose, are considered the most available data.

#### OTHER SECTIONS.

Now let us compare a tabulation of another section, omitting the State of Kentucky and southern Indiana and substituting North and South Carolina. The result then appears to be that the total amount of funds available for investment, on the average, are \$13,000,000, that the average amount of funds needed for rediscount and bills payable are approximately \$22,000,000, making an average deficit for this region of \$9,000,000, or a favorable difference of \$10,000,000 between region No. 3 and what may be termed the southeastern region, from which the conclusion is irresistible that Kentucky and southern Indiana add tremendously to the ability of this section to take care of the needs of the entire region No. 3.

It further discloses the fact that a portion of the region is largely of the class of borrowers, and that one portion of the region No. 3 has the ability to provide not only for its own needs but to furnish the surplus funds necessary for other parts of the same region.

We submit, marked "Exhibit No. 5," the detailed reports submitted to the comptroller, from which we have taken the condensed report just mentioned.

The foregoing statements, when considered in detail, indicate as clearly as we are able to ascertain from past experience the extent to which each section has been able or unable to finance its own requirements.

#### LOUISVILLE, THE CHOICE OF THIS REGION.

To ascertain as far as practicable the preferences of banks located within proposed region No. 3, let-

ters were addressed by the Louisville clearing house to 5,329 banks, our purpose being to ascertain as nearly as possible their first, second, and third choices for a Federal reserve city. A copy of the letter and a tabulation of the replies we have attached as Exhibit No. 6. The report discloses the fact that the individual preferences extend from New York, Chicago, and other cities to the Gulf and are not restricted to any particular region; and yet the report clearly indicates that, after local or State pride has been eliminated, Louisville leads in point of first, second, and third preference by a tremendous majority.

#### LOUISVILLE'S POSITION AMONG THE EIGHT RESERVE CITIES.

By referring to the map filed as Exhibit No. 1, it appears that of the eight reserve cities thereupon indicated, Louisville is fifth in ability to furnish the necessary material for a Federal reserve bank.

In considering the peculiar situation of Louisville, it must be borne in mind that there are no two great and important commodities demanding the furnishing of funds at the same period of time. This situation is rather an unusual one, in that the needs of a particular industry are to be provided for at a different time from the needs of other important industries. So that the funds are steadily employed and there is no tremendous demand upon the resources of Louisville at a given time, as compared with any other southern city.

#### DECENTRALIZATION OF BANKING FACILITIES.

Our statements with regard to region No. 3 and the location of Louisville as a Federal reserve city have been made upon the assumption that the committee wished to consider primarily eight Federal reserve regions.

In our opinion, the theory upon which the bill was drafted was, doubtless, to decentralize rather than centralize our banking facilities, and in that spirit we should approach the consideration of the question.

Twelve banks, equally as well located and well balanced as eight banks, will be more in accord with the spirit of the law, and as useful and far more convenient.

We believe that the theory upon which the bill was drafted, the subsequent debates upon it, and its final enactment, and considering the convenience and customary trend of trade, that the business of the country will require the maximum number by the establishment of 12 regional banks.

With that in view, we have thought it proper to attach an additional map, marked "Exhibit No. 8" by an inspection of which it appears that Florida and Georgia are placed in another section, namely, South Atlantic region. This change will not weaken, but rather strengthen, our position of prominence, stability, and financial capacity to provide for the demands of the region.



By an examination of this exhibit it appears that the territory is self-contained, self-sustaining, convenient, and most admirably adapted to the territory to be served.

The capital for such a reserve bank is readily available from the 478 national banks of this region, providing without assistance a capital of \$4,710,000. To this should be added \$11,280,000 of deposits, making a total of \$15,990,000. From this total is to be deducted the regional reserve of 35 per cent, leaving available for investment purposes \$12,140,000.

The best obtainable data indicates that the funds needed at the time of greatest demand approximate \$9,125,000, thereby leaving a surplus reserve of \$3,015,000 at the "peak of the load."

Thus it appears that this is an ideal district, providing as it does for all classes of business at all times of the year, that the merchandise is to be provided for and crops to be financed at different seasons of the year, that the heavy drafts upon funds come in rotation, not all at once, and finally that the section as indicated is independent, has ample resources, but not a large overplus, that it is convenient geographically and commercially, and as it stands meets any requirements of the Federal reserve act.

#### ADDITIONAL MAPS.

For your information we attach an additional exhibit, marked "No. 9," comprising all sections mentioned in Exhibit No. 8, and the additional State of Ohio—the result of which is to add to the resources of the section.

Should this Exhibit No. 9 be adopted, the location of Louisville, if for no greater reason than convenience, makes it preeminently the site for a regional bank.

For your further consideration we attach Exhibit No. 10, embracing the same territory as Exhibit No. 9, with the addition of the western half of Georgia.

This section likewise indicates its ability to care for the needs of the region, and Louisville is again the center of importance.

If it is desired to embrace a larger territory than outlined in Exhibit No. 10, we suggest the territory as indicated by Exhibit No. 11, which embraces the entire States of Georgia and Florida.

In the discussion of this question our estimates have been made with regard to the capital and surplus of the Federal reserve banks and the deposits which they will contain, based upon data obtained solely from national banks, and they do not in any way include State banks or trust companies.

We attach to this brief a number of exhibits giving, as far as we have been able to obtain, the information upon the subjects mentioned by the committee.

#### CONCLUSION.

We have not seriously considered Louisville being attached to some other reserve city. To attach it to

Atlanta would be to attach the greater to the lesser, the independent to the dependent, to reverse the natural order of things, to violate precedent, and therefore it is not seriously to be considered.

With regard to St. Louis, its relationship in business and its bank associations have largely been toward the West, and especially the Southwest, and a comparatively small volume with the State of Kentucky.

With regard to Chicago, the trade conditions and the bank connections are more intimate, for the reason that in this section of the country the trend of trade is north and south, but we have considered that Chicago lies within a different territory from that in which Louisville will probably be placed.

With reference to Cincinnati, she is north of the Ohio River and in a very large degree in a different section of the country. Its communication with Louisville is not intimate nor is its trade close, nor have been its commercial transactions or its banking associations, and we have considered that in the natural course of events it would be placed in the same territory as Cleveland or Pittsburgh.

The lines which we have drawn to limit the reserve region must necessarily be artificial lines and should therefore be considered from an elastic standpoint, but the natural barriers or boundaries are so pronounced, with regard to this particular section, that we can not refrain from calling attention to them. On the south is the Gulf of Mexico, on the west, for the greater portion of the region, is the Mississippi River; on the north, for the greater portion of the region, the Ohio River forms the boundary line, and on the east the mountain range.

The territory was formed as if by nature, and in this territory, from the earliest trade reports to the present time, the course of trade has been north to south and south to north, and from the very nature of the situation will always continue so to be.

For almost a hundred years the course of trade between Louisville and the South has been continuous and uninterrupted. The people of these communities are related by ties of blood, marriage, and friendship, as well as by long intercourse through dealings in commerce. From the early days before the building of railroads, when all trade was conducted either by rivers or by vehicles, the trade intercourse between the communities of the section mentioned has been large, intimate, and uninterrupted.

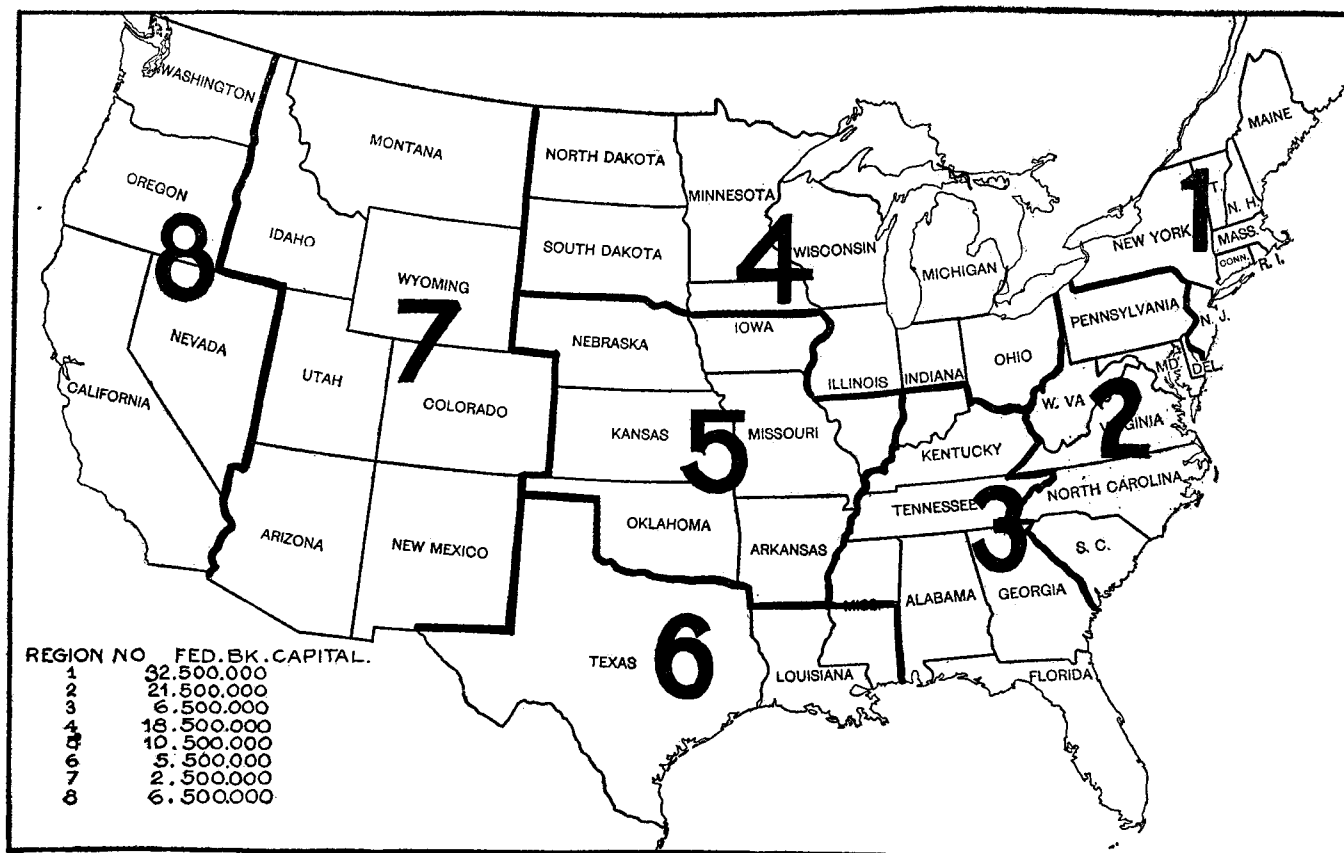
Louisville is justly entitled to be designated as a Federal reserve city. Its geographical situation is such that it is within easy access of the greater portion of the territory embraced within the lines indicated. It is first in population, it is preeminent in trade conditions, it is in the front rank in banking capital and in clearings. It has the unusual and most important element of being able to take care of its own needs. It is not of the class of dependents, but in the class that affords a surplus when the occasion demands.

In this discussion we recognize the force of the statement made by John Perrin, of the currency commission of the American Bankers' Association, in which he said:

The determination of one district is measurably dependent upon the determination of others, but the vast credit requirements of the South, which focus at a single season, more widely varying than in any other section, suggest that the Southern States should be included in three districts, extending far enough north to assure in each the proper balancing in banking resources.

We have journeyed more than 800 miles to present the facts establishing the importance as well as the ability of Louisville in meeting all the requirements under the act of a Federal reserve city. Our earnestness and confidence is shared by many able men—bankers of Indiana, Kentucky, and Tennessee—who have met with you to personally express their views.

In this discussion it has been our purpose to view the situation broadly and not from a provincial view, and we confidently believe that in selecting



Louisville as a location for one of the regional banks you will best serve the cause of sound banking and of a flexible currency.

Respectfully submitted.

OLLIE M. JAMES,  
SWAGAR SHERLEY,  
RICHARD W. KNOTT,  
JOHN W. BARR, jr.

EXHIBIT No. 3.

Population, 1913 clearings, bank capital, surplus, and deposits of the principal cities in proposed region No. 3.

[Includes capital, surplus, and deposits of all national, State, and private banks.]

City.	Popula- tion.	1913 clearings.	Capital.	Surplus.	Deposits.
Louisville.....	250,000	\$715,731,886	\$9,779,600	\$5,991,358	\$52,403,997
Lexington.....	35,099	45,701,000	2,050,000	1,213,000	8,115,000
Nashville.....	110,000	366,657,389	4,100,000	2,425,000	29,000,000
Memphis.....	131,000	421,987,372	5,837,253	3,233,736	42,241,104
Knoxville.....	36,346	87,812,515	2,585,000	622,000	11,795,000

EXHIBIT No. 3—Continued.

Population, 1913 clearings, bank capital, surplus and deposits of the principal cities in proposed region No. 3—Continued.

City.	Popula- tion.	1913 clearings.	Capital.	Surplus.	Deposits.
Chattanooga.....	\$44,604	\$128,745,000	\$3,031,000	\$1,284,000	\$18,550,000
Birmingham.....	132,685	173,857,773	3,792,320	3,484,500	27,805,250
Mobile.....	51,521	73,833,513	1,200,000	2,045,000	13,325,000
Atlanta.....	155,000	598,000,000	3,225,000	7,168,000	32,150,000
Savannah.....	65,064	280,538,332	4,811,530	3,837,000	25,645,000
Augusta.....	41,040	108,160,149	2,330,000	2,383,000	17,015,000
Macon.....	40,665	190,303,000	1,875,000	1,155,000	8,225,000
Jacksonville.....	57,699	174,971,596	3,350,000	2,238,000	21,370,000
Evansville.....	69,674	123,075,479	1,862,000	925,000	19,710,000

Population of region by States.

Kentucky.....	2,300,000
Southern Indiana.....	1,300,000
Tennessee.....	2,200,000
Northern Mississippi.....	900,000
Alabama.....	2,200,000
Georgia.....	2,600,000
Florida.....	750,000
Total.....	12,250,000

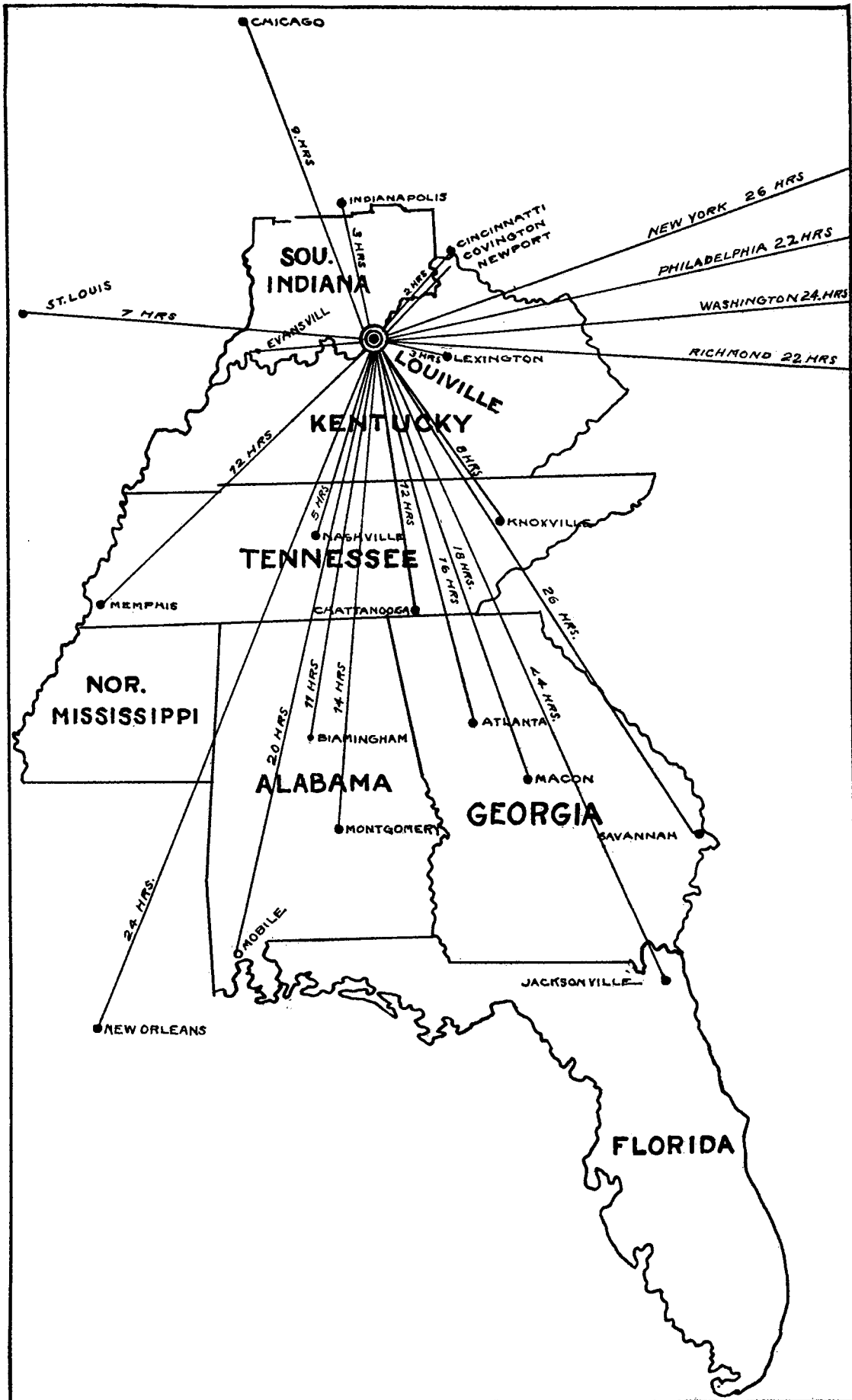


EXHIBIT No. 4.

Estimated amount of Federal reserve bank capital furnished by the national banks of each of the States in proposed region No. 3; also total Federal reserve bank deposits from each of these States, based on average deposits for the year 1913; and average amount of rediscounts and bills payable for each State.

	Capital and surplus.	Average deposits, 1913.	Federal bank capital.	Average Federal bank deposits.	Average rediscounts and bills payable.
Tennessee	\$17,714,700	\$75,034,000	\$1,063,000	\$3,189,000	\$2,718,000
Georgia	23,392,300	55,523,000	1,403,000	2,360,000	6,973,000
Alabama	15,254,500	43,896,000	915,000	1,865,000	2,407,000
Florida	10,176,200	41,906,000	611,000	1,781,000	1,628,000
Kentucky	25,010,700	81,945,000	1,501,000	3,483,000	1,215,000
Southern Indiana	15,497,500	85,438,000	930,000	3,631,000	2,277,000
Northern Mississippi	1,527,100	7,750,000	92,000	329,000	316,000
Total	108,573,000	391,492,000	6,515,000	16,638,000	15,504,000

The average deposits and rediscounts for southern Indiana and northern Mississippi were estimated in each case at one-half the total for the State, which is probably a little more than these districts will show.

Average Federal bank deposits of this region	\$16,638,000
Less required reserve of 35 per cent.	5,823,000
Plus Federal bank capital	6,515,000
Average funds available for investment	17,328,000
Average amount of rediscount and bills payable	15,504,000
Making an average surplus reserve for this region of	1,824,000

The averages in the above tables were compiled from the five reports made by the national banks to the Comptroller of the Currency during the year 1913.

EXHIBIT No. 4A.

Same information as Exhibit 4, for the States of Tennessee, Georgia, Alabama, Florida, North Carolina, and South Carolina.

	Capital and surplus.	Average deposits, 1913.	Federal bank capital.	Average Federal bank deposits.	Average rediscounts and bills payable.
Tennessee	\$17,714,700	\$75,034,000	\$1,063,000	\$3,189,000	\$2,718,000
Georgia	23,392,300	55,523,000	1,003,000	2,360,000	6,973,000
Alabama	15,254,500	43,896,000	915,000	1,865,000	2,407,000
Florida	10,176,200	41,906,000	611,000	1,781,000	1,628,000
North Carolina	11,233,800	40,880,000	674,000	1,737,000	4,179,000
South Carolina	7,903,200	24,763,000	474,000	1,052,000	4,057,000
Total	85,674,700	282,002,000	5,140,000	11,984,000	21,962,000

Federal reserve bank deposits of these States (average)	\$11,984,000
Less required reserve of 35 per cent.	4,194,000
Plus Federal bank capital	5,140,000
Average funds available for investment	12,930,000
Average amount of rediscount and bills payable	21,962,000
Making an average deficit for these States of	9,032,000

EXHIBIT No. 5.

Total deposits of the national banks of proposed region No. 3, comprising the States of Kentucky, Tennessee, Alabama, Georgia, and Florida, and southern Indiana and northern Mississippi, as shown by reports to the Comptroller of the Currency on the five calls of 1913.

	Feb. 4.	Apr. 4.	June 4.	Aug. 9.	Oct. 21.
Kentucky	\$83,535,000	\$86,253,000	\$81,409,000	\$79,653,000	\$78,875,000
Tennessee	78,300,000	74,779,000	75,221,000	72,689,000	78,981,000
Alabama	45,386,000	43,768,000	41,531,000	38,475,000	50,318,000
Georgia	55,801,000	54,826,000	52,413,000	47,923,000	66,665,000
Florida	41,115,000	44,467,000	44,132,000	40,182,000	39,632,000
Southern Indiana	84,170,000	84,310,000	87,943,000	86,668,000	84,097,000
Northern Mississippi	7,952,000	7,728,000	7,557,000	7,200,000	8,314,000
Total	391,459,000	396,131,000	390,206,000	372,790,000	406,882,000

EXHIBIT No. 5—Continued.

Total deposits of the national banks of proposed region No. 3, comprising the States of Kentucky, Tennessee, Alabama, Georgia, and Florida, etc.—Continued.

REDISCOUNTS AND BILLS PAYABLE OF SAME REGION ON SAME DATES.

	Feb. 4.	Apr. 4.	June 4.	Aug. 9.	Oct. 21.
Kentucky	\$1,040,000	\$666,000	\$1,100,000	\$1,485,000	\$1,785,000
Tennessee	3,276,000	2,387,000	2,479,000	2,604,000	3,846,000
Alabama	959,000	1,535,000	2,443,000	4,173,000	2,925,000
Georgia	5,916,000	4,851,000	7,465,000	10,810,000	5,823,000
Florida	1,999,000	1,182,000	1,037,000	1,298,000	2,626,000
Southern Indiana	200,000	199,000	184,000	328,000	324,000
Northern Mississippi	307,000	142,000	236,000	240,000	753,000
Total	13,696,000	10,982,000	14,944,000	20,938,000	18,082,000

Total deposits of the national banks of the States of Tennessee, Alabama, Georgia, Florida, North Carolina, and South Carolina, as shown by reports to the Comptroller of the Currency on the five calls of 1913.

	Feb. 4.	Apr. 4.	June 4.	Aug. 9.	Oct. 21.
Tennessee	\$73,500,000	\$74,779,000	\$75,221,000	\$72,689,000	\$78,981,000
Alabama	45,386,000	43,768,000	41,531,000	38,475,000	50,318,000
Georgia	55,801,000	54,826,000	52,413,000	47,923,000	66,665,000
Florida	41,115,000	44,467,000	44,132,000	40,182,000	39,632,000
North Carolina	42,429,000	40,866,000	38,651,000	36,526,000	45,928,000
South Carolina	24,836,000	24,323,000	23,165,000	21,469,000	30,021,000
Total	283,067,000	283,029,000	275,113,000	257,264,000	311,545,000

REDISCOUNTS AND BILLS PAYABLE OF SAME REGION ON SAME DATES.

	Feb. 4.	Apr. 4.	June 4.	Aug. 9.	Oct. 21.
Tennessee	\$3,276,000	\$2,387,000	\$2,479,000	\$2,604,000	\$3,846,000
Alabama	959,000	1,535,000	2,443,000	4,173,000	2,925,000
Georgia	5,916,000	4,851,000	7,465,000	10,810,000	5,823,000
Florida	1,999,000	1,182,000	1,037,000	1,298,000	2,626,000
North Carolina	2,848,000	3,651,000	4,930,000	5,947,000	3,519,000
South Carolina	2,575,000	3,642,000	4,813,000	5,693,000	3,560,000
Total	17,573,000	17,248,000	23,167,000	30,525,000	22,299,000

EXHIBIT No. 5A.

Conditions as they would have been in proposed region No. 3, on each of the five calls of the comptroller in 1913, if a Federal reserve bank had been serving this region.

[Based on national banks only.]

FEBRUARY 4, 1913.

Three-fourths demand deposits	\$293,594,000—5 per cent.	\$14,680,000
One-fourth time deposits	97,865,000—2 per cent.	1,957,000
Federal bank deposits		\$16,637,000
Less required reserve of 35 per cent.		5,883,000
Amount of deposits available for loans		10,754,000
Plus Federal bank capital		6,514,000
Total available funds		17,268,000
Funds needed, per rediscount and bills payable, this date		13,696,000
Surplus reserve		3,572,000

APRIL 4, 1913.

Three-fourths demand deposits	\$297,088,000—5 per cent.	\$14,854,000
One-fourth time deposits	99,043,000—2 per cent.	1,981,000
Federal bank deposits		16,835,000
Less required reserve of 35 per cent.		5,892,000
Amount of deposits available for loans		10,943,000
Plus Federal bank capital		6,514,000
Total available funds		17,457,000
Funds needed, per rediscount and bills payable, this date		10,962,000
Surplus reserve		6,495,000

EXHIBIT No. 5A—Continued.

Conditions as they would have been in proposed region No. 3, on each of the five calls of the Comptroller in 1913, etc.—Continued.

JUNE 4, 1913.

Three-fourths demand deposits. \$292,654,000—5 per cent..	\$14,633,000
One-fourth time deposits.....	1,951,000
Federal bank deposits .....	\$16,584,000
Less required reserve of 35 per cent.....	5,802,000
Amount of deposits available for loans.....	10,782,000
Plus Federal bank capital.....	6,514,000
Total available funds.....	17,296,000
Funds needed, per rediscount and bills payable, this date.....	14,944,000
Surplus.....	2,352,000

AUGUST 9, 1913.

Three-fourths demand deposits. \$279,593,000—5 per cent..	\$13,980,000
One-fourth time deposits.....	1,864,000
Federal bank deposits.....	15,844,000
Less required reserve of 35 per cent.....	5,545,000
Amount of deposits available for loans.....	10,299,000
Plus Federal bank capital.....	6,514,000
Total available funds.....	16,813,000
Funds needed, per rediscount and bills payable, this date.....	20,938,000
Deficit.....	4,125,000

OCTOBER 21, 1913.

Three-fourths demand deposits. \$305,162,000—5 per cent..	\$15,258,000
One-fourth time deposits.....	2,034,000
Federal bank deposits .....	17,292,000
Less required reserve of 35 per cent.....	6,052,000
Amount of deposits available for loans.....	11,240,000
Plus Federal bank capital.....	6,514,000
Total available funds.....	17,754,000
Funds needed, per rediscount and bills payable, this date.....	18,082,000
Deficit.....	328,000

EXHIBIT No. 5B.

Same as Exhibit No. 5A, for the region comprising the States of Tennessee, Alabama, Georgia, Florida, North Carolina, and South Carolina.

FEBRUARY 4, 1913.

Three-fourths demand deposits. \$212,300,000—5 per cent..	\$10,615,000
One-fourth time deposits.....	1,415,000
Federal bank deposits .....	\$12,030,000
Less required reserve of 35 per cent.....	4,210,000
Amount of deposits available for loans.....	7,820,000
Plus Federal bank capital.....	5,140,000
Total available funds.....	12,960,000
Funds needed, per rediscount and bills payable, this date.....	17,573,000
Deficit.....	4,613,000

APRIL 4, 1913.

Three-fourths demand deposits. \$212,272,000—5 per cent..	\$10,614,000
One-fourth time deposits.....	1,415,000
Federal bank deposits .....	12,029,000
Less required reserve of 35 per cent.....	4,210,000
Amount of deposits available for loans.....	7,819,000
Plus Federal bank capital.....	5,140,000
Total available funds.....	12,959,000
Funds needed, per rediscount and bills payable, this date.....	17,248,000
Deficit.....	4,289,000

JUNE 4, 1913.

Three-fourths demand deposits. \$206,335,000—5 per cent..	\$10,317,000
One-fourth time deposits.....	1,376,000
Federal bank deposits .....	11,693,000
Less required reserve of 35 per cent.....	4,093,000
Amount of deposits available for loans.....	7,600,000
Plus Federal bank capital.....	5,140,000
Total available funds.....	12,740,000
Funds needed, per rediscount and bills payable, this date.....	23,167,000
Deficit.....	10,427,000

EXHIBIT No. 5B—Continued.

Same as Exhibit No. 5A, for the region comprising the States of Tennessee, Alabama, Georgia, Florida, North Carolina, and South Carolina—Continued.

AUGUST 9, 1913.

Three-fourths demand deposits. \$192,948,000—5 per cent..	\$9,647,000
One-fourth time deposits.....	1,286,000
Federal bank deposits .....	\$10,933,000
Less required reserve of 35 per cent.....	3,827,000
Amount of deposits available for loans.....	7,106,000
Plus Federal bank capital.....	5,140,000
Total available funds.....	12,246,000
Funds needed, per rediscount and bills payable, this date.....	30,525,000
Deficit.....	18,279,000

OCTOBER 21, 1913.

Three-fourths demand deposits. \$233,659,000—5 per cent..	\$11,683,000
One-fourth time deposits.....	1,558,000
Federal bank deposits .....	13,241,000
Less required reserve of 35 per cent.....	4,634,000
Amount of deposits available for loans.....	8,607,000
Plus Federal bank capital.....	5,140,000
Total available funds.....	13,747,000
Funds needed, per rediscount and bills payable, this date.....	22,299,000
Deficit.....	8,552,000

EXHIBIT No. 6.

Copy of a letter sent to 5,329 banks requesting first, second, and third choice for location of a regional bank.

LOUISVILLE CLEARING HOUSE,  
Louisville, January 12, 1914.

GENTLEMEN: Louisville wants a regional reserve bank. Outside of our desire, it is to the interest of the Government and the people to have one here, and we are inclosing you herewith a few reasons why Louisville should be selected.

Will you not indicate below your preference in the matter, returning this sheet in the inclosed stamped envelope? Your prompt action will assist the organization committee in determining boundaries, as well as help us in our endeavor.

If you have not already done so, we will greatly appreciate it if you will send a telegram to Hon. Wm. G. McAdoo, Secretary of the Treasury, Washington, D. C., stating your preference for Louisville.

Yours, truly,

LOUISVILLE CLEARING HOUSE ASSOCIATION.  
OSCAR FENLEY, *Chairman*.  
H. C. RODES,  
JNO. H. LEATHERS,  
F. M. GETTYS,  
*Committee*.

First choice for the location of regional bank to serve us.....  
Second choice for the location of a regional bank to serve us.....  
Third choice for the location of a regional bank to serve us.....  
(Signed here) .....

Please sign and return in inclosed envelope at once.

Replies received from 5,329 letters mailed to banks in Indiana, Ohio, Kentucky, Tennessee, Alabama, Georgia, Florida, and Mississippi, requesting first, second, and third choice for location of a regional bank.

	First.	Second.	Third.	Total.
Louisville.....	444	238	384	1,066
Cincinnati.....	261	165	118	544
Cleveland.....	133	68	29	230
Atlanta.....	130	63	43	236
Chicago.....	109	60	57	226
Richmond, Va.....	2	6	23	31

EXHIBIT No. 6--Continued.

Replies received from 5,329 letters mailed to banks in Indiana, Ohio, Kentucky, etc.—Continued.

	First.	Second.	Third.	Total.
Indianapolis.....	85	61	23	169
Nashville.....	87	50	14	151
Memphis.....	63	27	16	106
Savannah.....	33	46	11	90
Birmingham.....	50	15	6	71
Columbus, Ohio.....	22	14	9	45
New Orleans.....	38	10	12	60
Pittsburg.....	15	31	26	72
Jacksonville.....	12	1	1	14
Chattanooga.....	12	6	1	19
Washington.....	1	2	3	6
Baltimore.....	4	4	8	12
Montgomery.....	6	3	9	15
Evansville.....	2	5	1	8
St. Louis.....	5	62	55	122
New York.....	1	2	3	6
Detroit.....	1	1	1	3
Mobile.....	1	1	1	3
Knoxville.....	1	1	4	6
Total.....	1,511	937	845	3,293

SUMMARY.

	Number letters sent.	Number replies received.
Kentucky.....	626	393
Tennessee.....	575	156
Alabama.....	392	77
Georgia.....	890	141
Mississippi.....	394	73
Florida.....	266	25
Indiana.....	963	319
Ohio.....	1,223	327
Total.....	5,329	1,511

Per cent of replies received, 28.

Replies received from 5,329 letters, tabulated by States.

KENTUCKY.

Number of letters sent..... 626  
 Number of replies received (63 per cent)..... 398

	First.	Second.	Third.	Total.
Louisville.....	356	41	1	397
Cincinnati.....	42	24	25	91
Nashville.....	24	7	31	62
Chicago.....	5	28	33	66
St. Louis.....	30	30	60	120
Memphis.....	1	6	7	14
Lexington.....	1	2	3	6
Baltimore.....	1	1	2	4
Evansville.....	1	1	2	4
Paducah.....	1	1	1	3
Owensboro.....	1	1	1	3
Atlanta.....	1	3	4	8
Knoxville.....	1	1	1	3
Columbus, Ohio.....	1	1	1	3
New Orleans.....	1	1	1	3
Washington.....	2	2	2	6
Cleveland.....	2	2	2	6
Indianapolis.....	2	2	2	6
Total.....	398	131	112	641

INDIANA.

Number of letters sent..... 963  
 Number of replies received (33 per cent)..... 319

	First.	Second.	Third.	Total.
Louisville.....	60	72	96	228
Cincinnati.....	61	62	43	166
Indianapolis.....	85	61	19	165
Chicago.....	109	55	28	192
Evansville.....	2	2	4	8
Detroit.....	1	1	1	3
Richmond, Va.....	1	1	1	3
St. Louis.....	9	9	18	36
Pittsburgh.....	1	1	2	4
Cleveland.....	4	2	6	12
Washington.....	1	1	1	3
Toledo.....	1	1	1	3
Baltimore.....	1	1	1	3
New York.....	1	1	1	3
Fort Wayne.....	1	1	1	3
Logansport.....	1	1	1	3
Total.....	319	268	202	789

Replies received from 5,329 letters, tabulated by States—Continued.

GEORGIA.

Number of letters sent..... 890  
 Number of replies received (15 per cent)..... 141

	First.	Second.	Third.	Total.
Atlanta.....	111	17	1	129
Savannah.....	27	38	3	68
Louisville.....	1	17	27	45
Chattanooga.....	1	1	1	3
Nashville.....	1	1	1	3
Richmond.....	1	4	17	22
Macon.....	1	1	1	3
Cincinnati.....	1	1	1	3
New Orleans.....	1	2	3	6
Baltimore.....	1	2	3	6
Birmingham.....	1	2	2	5
Columbus, Ga.....	1	1	1	3
Jacksonville.....	1	1	1	3
Memphis.....	1	1	1	3
St. Louis.....	1	1	1	3
Total.....	141	81	62	284

TENNESSEE.

Number of letters sent..... 575  
 Number of replies received (27 per cent)..... 156

	Number letters sent.	Number replies received.		
Louisville.....	20	55	44	119
Nashville.....	87	23	5	115
Memphis.....	29	10	8	47
Chattanooga.....	11	6	17	34
Cincinnati.....	5	6	15	26
Atlanta.....	2	4	24	30
St. Louis.....	1	10	8	19
Baltimore.....	1	1	1	3
Birmingham.....	1	1	1	3
Richmond.....	1	1	1	3
Knoxville.....	1	1	3	5
New Orleans.....	1	1	1	3
Total.....	156	118	111	385

FLORIDA.

Number of letters sent..... 266  
 Number of replies received (9 per cent)..... 25

	Number letters sent.	Number replies received.		
Jacksonville.....	12	1	13	
Atlanta.....	7	12	2	21
Savannah.....	4	6	7	17
Tampa.....	1	1	1	3
Louisville.....	1	2	3	6
Richmond.....	1	1	5	7
Nashville.....	1	1	1	3
Baltimore.....	1	2	2	5
Charleston.....	1	1	1	3
Total.....	25	23	20	68

MISSISSIPPI.

Number of letters sent..... 394  
 Number of replies received (19 per cent)..... 73

	Number letters sent.	Number replies received.		
Memphis.....	34	13	1	48
New Orleans.....	33	2	2	37
St. Louis.....	4	13	7	24
Louisville.....	2	11	7	20
Birmingham.....	1	3	1	5
Mobile.....	1	1	1	3
Forest.....	1	1	1	3
Nashville.....	1	1	1	3
Atlanta.....	1	3	3	7
Cincinnati.....	1	1	1	3
Chicago.....	1	1	1	3
Jackson.....	1	1	1	3
Total.....	73	45	25	143

ALABAMA.

Number of letters sent..... 392  
 Number of replies received (19 per cent)..... 77

	Number letters sent.	Number replies received.		
Birmingham.....	50	11	2	63
Louisville.....	4	10	28	42
Atlanta.....	10	29	10	49
Montgomery.....	6	3	9	18
New Orleans.....	5	5	5	15
Savannah.....	2	2	1	5
Memphis.....	3	3	3	9
Nashville.....	1	1	1	3
Mobile.....	1	1	1	3
Total.....	77	64	43	184

Replies received from 5,329 letters, tabulated by States—Continued.

OHIO.

Number of letters sent..... 1,223  
 Number of replies received (26 per cent)..... 327

	First.	Second.	Third.	Total.
Louisville.....		30	79	109
Cleveland.....	133	64	25	222
Cincinnati.....	153	72	34	259
Pittsburgh.....	15	30	25	70
Indianapolis.....			2	2
New York.....	1		1	2
Columbus.....	22	14	8	44
Toledo.....	3	5		8
Buffalo.....		1		1
Evansville.....		1		1
Total.....	327	217	174	

EXHIBIT No. 12.

Increase in Louisville industries from the census of 1900 to the census of 1910.

[From Thirteenth United States Census.]

Census.	Number of establishments.	Salaried employees.	Wage earners.	Capital.	Salaries.
1909.....	903	4,705	27,023	\$79,437,000	\$5,533,000
1899.....	860	2,491	23,062	44,016,000	2,595,000

Census.	Wages.	Cost of materials.	Value of products.	Value added by manufacture.
1909.....	\$12,460,000	\$54,128,000	\$101,284,000	\$47,156,000
1899.....	8,436,000	34,876,000	66,110,000	31,234,000

EXHIBIT No. 13.

Amounts due to banks in following States, from all Louisville banks, Feb. 16, 1914.

States.	Number of bank accounts.	Amounts.
Indiana.....	146	\$1,646,401.83
Kentucky.....	899	9,241,451.71
Tennessee.....	127	1,342,821.57
Alabama.....	35	102,670.09
Georgia.....	27	57,998.20
Mississippi.....	6	20,366.55
Florida.....	15	83,234.99
Total.....	1,255	12,494,944.94

Rediscounts of Louisville banks Oct. 21, 1913..... 0  
 Indirect rediscounts, Oct. 21, 1913..... \$1,068,649.86  
 Loaned to whisky firms by Louisville banks Feb. 16, 1914..... 2,531,117.72

EXHIBIT No. 14.

Capital and surplus, deposits, and rediscounts and bills payable of all banks other than national, on June 14, 1912.

	Capital and surplus.	All deposits.	Rediscounts and bills payable.
Kentucky.....	\$26,113,656	\$77,007,754	\$2,373,475
Tennessee.....	19,776,106	67,237,241	2,154,461
Alabama.....	16,462,822	47,876,341	2,252,829
Georgia.....	34,213,906	78,979,617	14,614,964
Mississippi.....	16,042,650	51,746,596	3,724,234
Florida.....	10,949,641	30,151,299	868,558
Indiana (southern half).....	19,486,875	100,529,000	358,500
Ohio.....	68,900,225	474,870,022	2,029,400

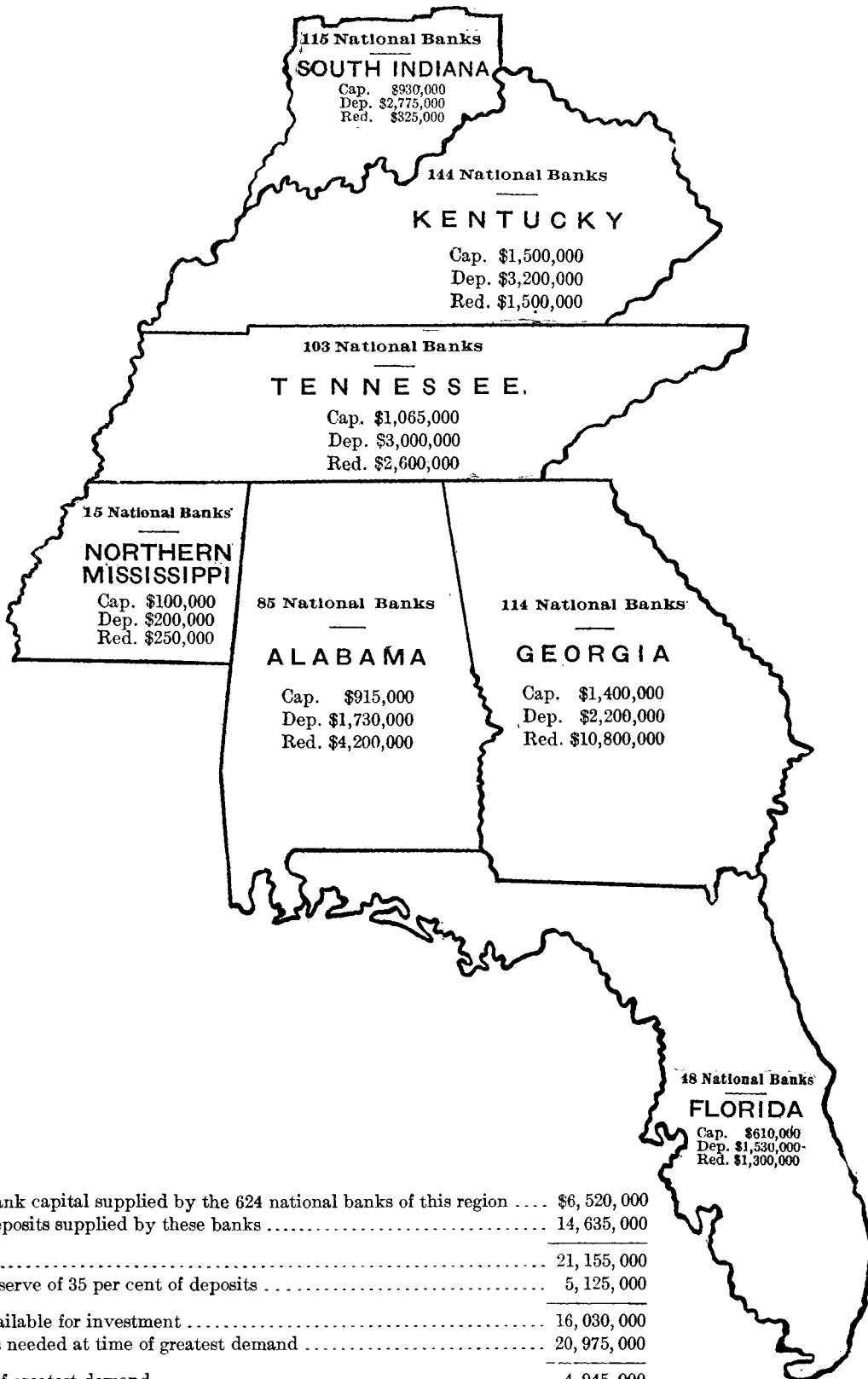
EXHIBIT NO. 7.

Legend:

Cap.: Federal bank capital supplied by each State (national banks only).

Dep.: Estimated amount of deposits supplied by the national banks of each State.

Red.: Total of funds borrowed, under present system, by the national banks of each State, taken at the period when the total for the whole region is greatest.



Total Federal bank capital supplied by the 624 national banks of this region	.....	\$6, 520, 000
Federal bank deposits supplied by these banks	.....	14, 635, 000
Total	.....	21, 155, 000
Less required reserve of 35 per cent of deposits	.....	5, 125, 000
Funds available for investment	.....	16, 030, 000
Estimated funds needed at time of greatest demand	.....	20, 975, 000
Deficit at time of greatest demand	.....	4, 945, 000



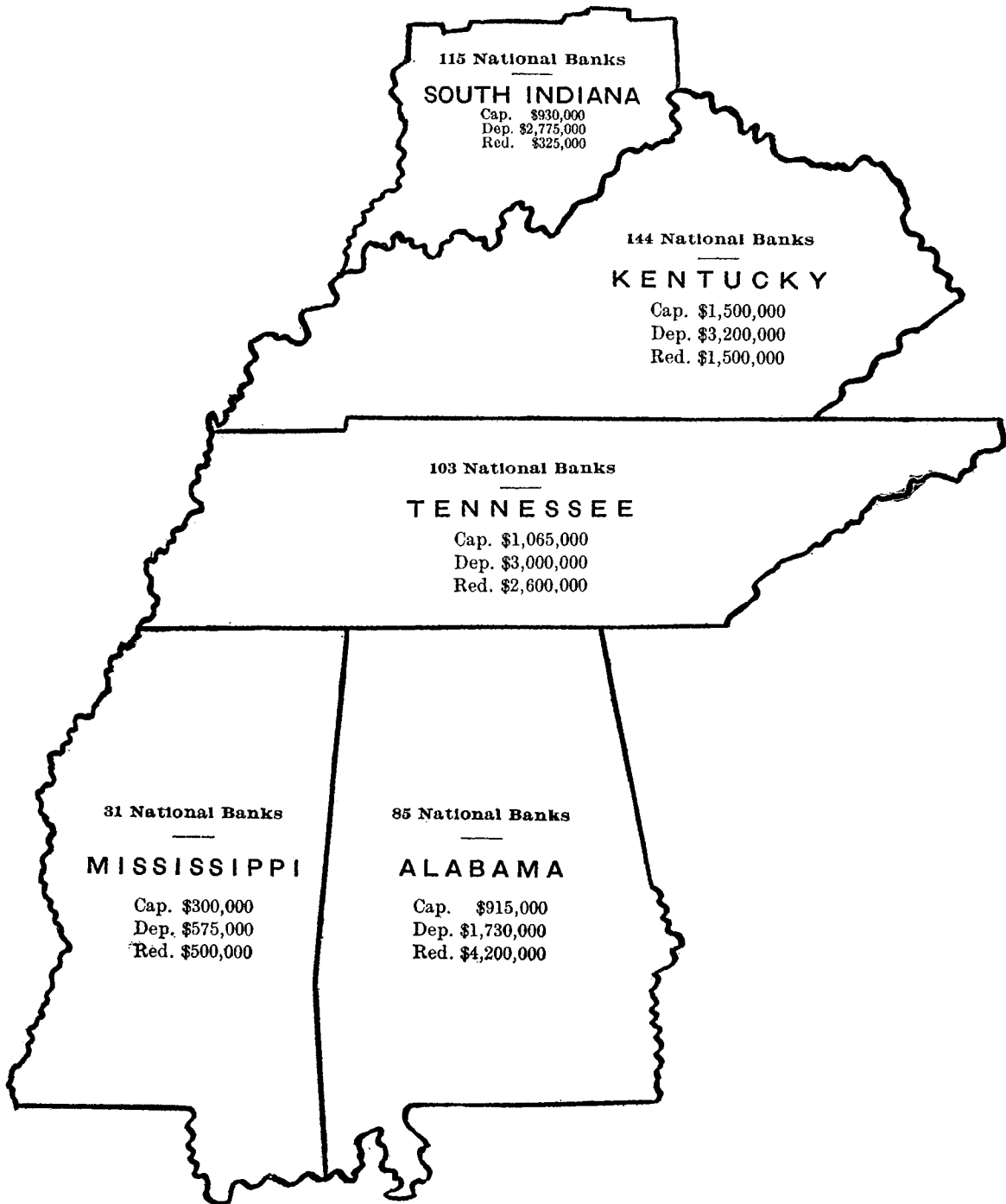
EXHIBIT NO. 8.

Legend:

Cap.: Federal bank capital supplied by each State (national banks only).

Dep.: Estimated amount of deposits supplied by the national banks of each State.

Red.: Total of funds borrowed, under present system, by the national banks of each State, taken at a time when the total for the whole region is greatest.



Total federal bank capital supplied by the 478 national banks of this region.....	\$4,710,000
Federal bank deposits supplied by these banks.....	11,280,000
<b>Total</b> .....	<b>15,990,000</b>
Less required reserve of 35 per cent of deposits.....	3,850,000
<b>Funds available for investment</b> .....	<b>12,140,000</b>
Estimated funds needed at time of greatest demand.....	9,125,000
<b>Surplus reserve</b> .....	<b>3,015,000</b>

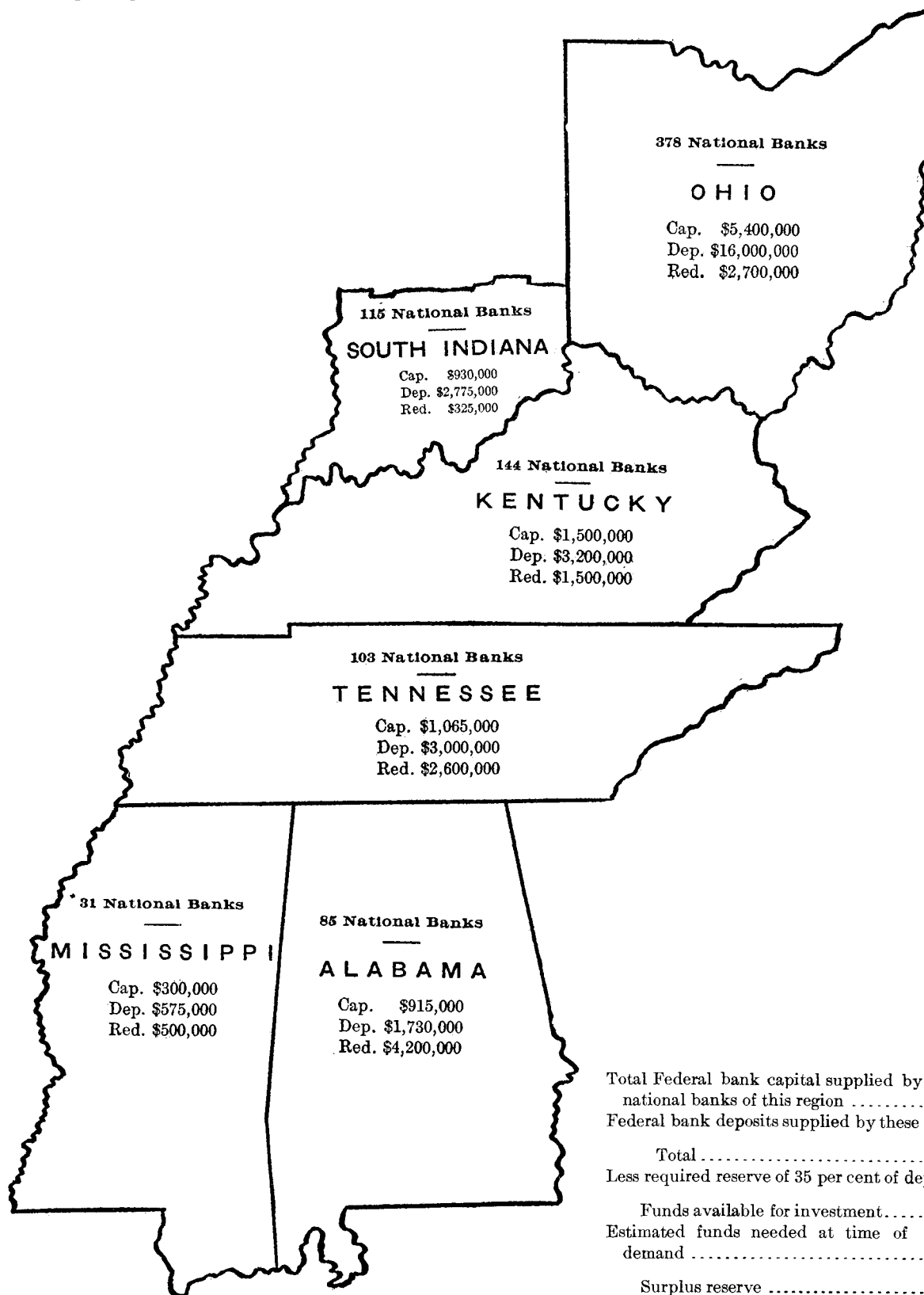
EXHIBIT NO. 9.

Legend:

Cap.: Federal bank capital supplied by the national banks of each State.

Dep.: Estimated amount of deposits supplied by the national banks of each State.

Red.: Total of funds borrowed, under present system, by the national banks of each State, taken at the time when the total for the whole region is greatest.



Total Federal bank capital supplied by the 856 national banks of this region .....	\$10,110,000
Federal bank deposits supplied by these banks..	27,280,000
Total .....	37,390,000
Less required reserve of 35 per cent of deposits..	9,550,000
Funds available for investment.....	27,840,000
Estimated funds needed at time of greatest demand .....	11,825,000
Surplus reserve .....	16,015,000

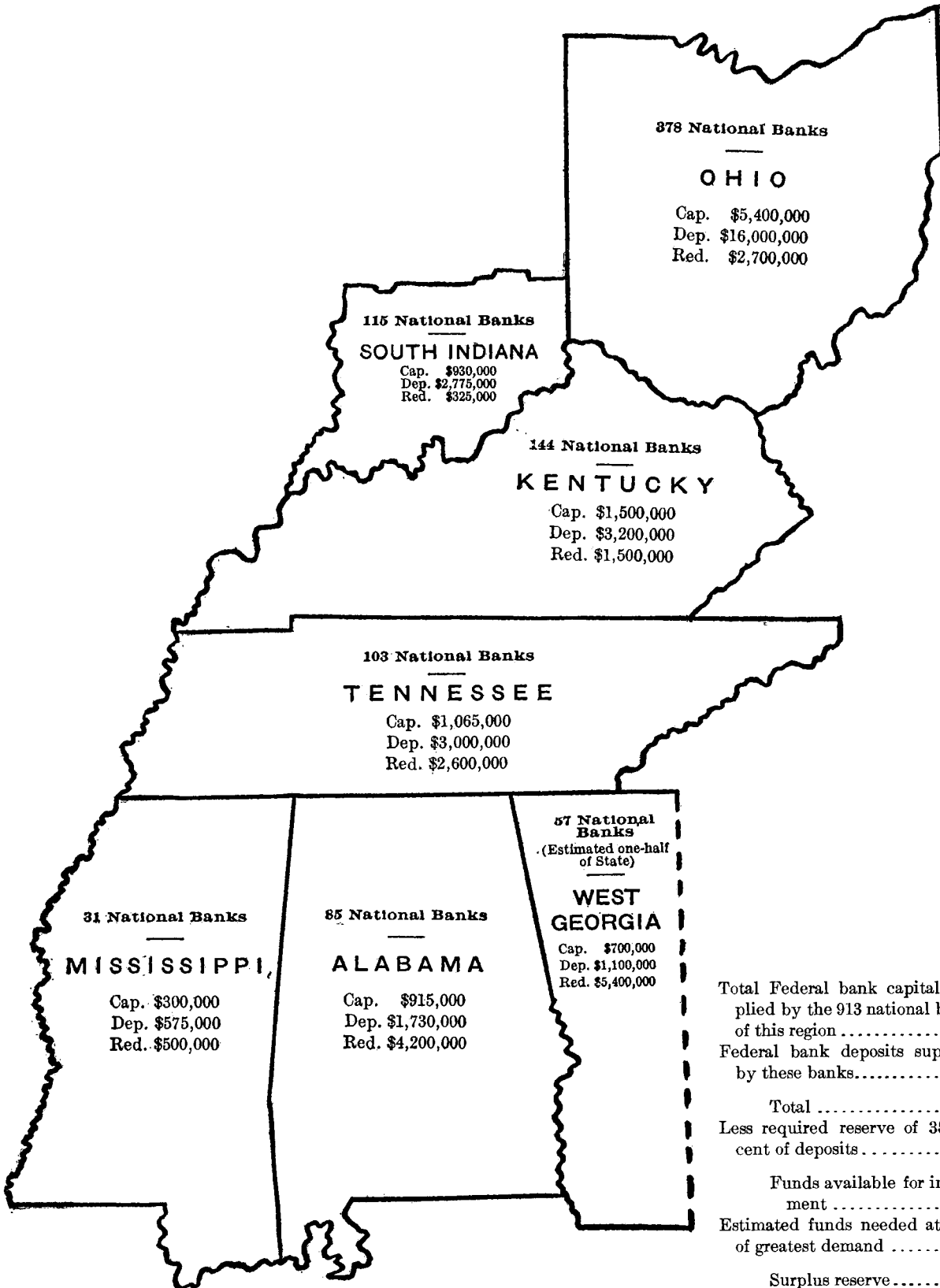
EXHIBIT NO. 10.

Legend:

Cap.: Federal bank capital supplied by the national banks of each State.

Dep.: Estimated amount of deposits supplied by the national banks of each State.

Red.: Total of funds borrowed, under present system, by the national banks of each State, taken at the time when the total for the whole region is greatest.



Total Federal bank capital supplied by the 913 national banks of this region .....	\$10,810,000
Federal bank deposits supplied by these banks.....	28,380,000
Total .....	39,190,000
Less required reserve of 35 per cent of deposits .....	9,930,000
Funds available for investment .....	29,260,000
Estimated funds needed at time of greatest demand .....	17,225,000
Surplus reserve .....	12,035,000

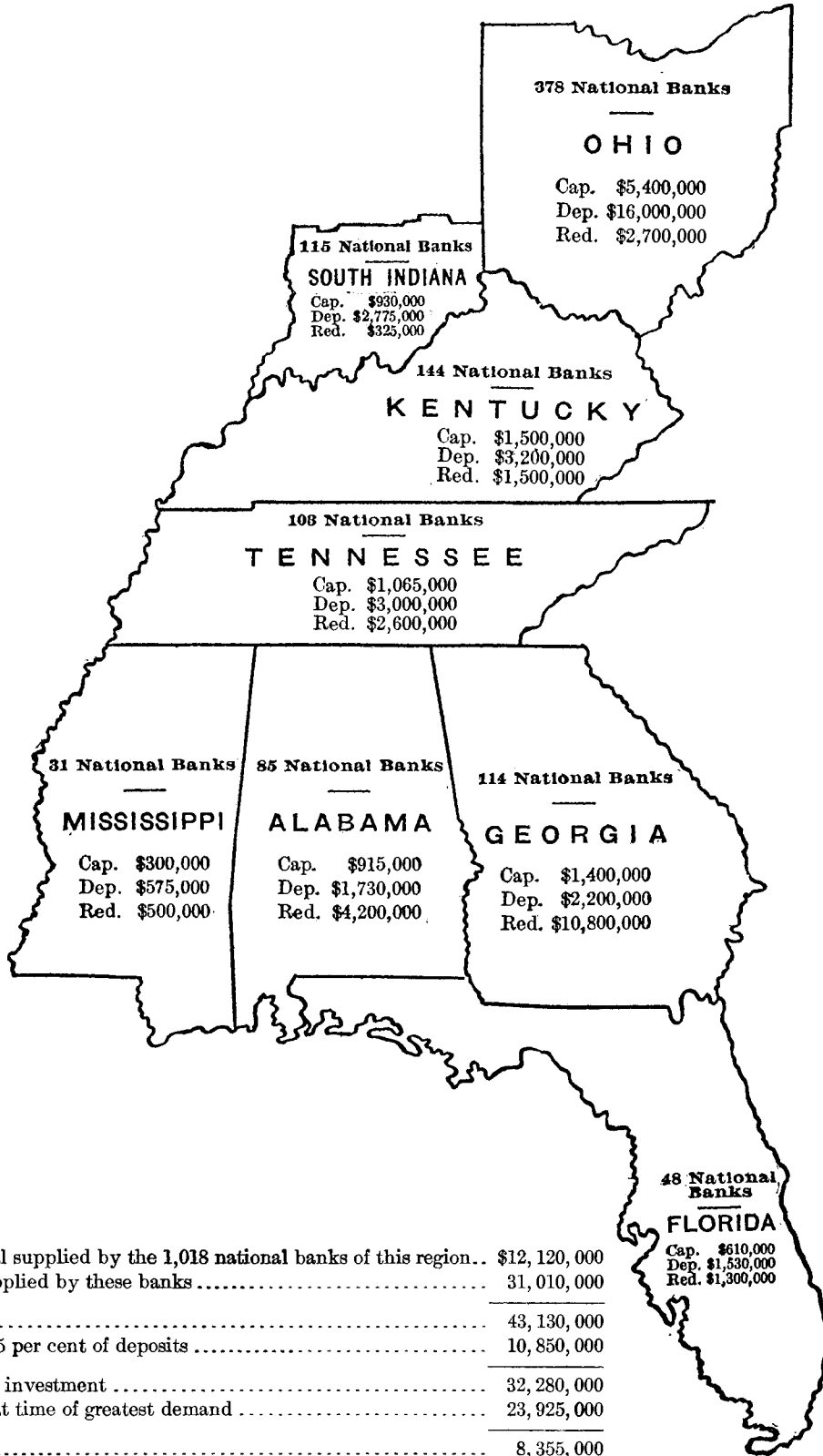
EXHIBIT NO. 11.

Legend:

Cap.: Federal bank capital supplied by the national banks of each State.

Dep.: Estimated amount of deposits supplied by the national banks of each State.

Red.: Total of funds borrowed, under present system, by the national banks of each State, at the time when the total for the whole region is greatest.



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MEMPHIS, TENN.

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# MEMPHIS, TENN.

## BRIEF FILED BY BANKING COMMITTEE OF MEMPHIS.

### GEOGRAPHY.

This map is drawn to scale and is geographically correct. It includes in the proposed Memphis region, as indicated by heavy black lines, part of the State of Kentucky, part of Missouri, Oklahoma as far west as the one hundredth parallel, Texas as far west as the one hundredth parallel, and the States of Arkansas, Louisiana, Mississippi, Tennessee, and Alabama.

Memphis is the most accessible city in this territory from its various points.

Memphis, because of its 17 lines of railways, reaching in every direction, is in easy access to every point within the proposed region.

The mail service between Memphis and all points with a few exceptions, in this region, has a run of 12 hours and less, and the few exceptions less than an average of 24 hours.

The mail service and the train service in and out of Memphis are better than those of any other city in this region.

A circle drawn with Memphis as a center, with a radius of 300 miles, includes part of 13 States. This is not true of any other city applying for a regional reserve bank.

In addition to its train service, Memphis has an open river service the entire year.

Memphis is the great gateway between the South east of the river and southwest of the river.

Memphis is within easy distance from the city of Washington (30 hours).

Geographically, Memphis is the center of the South.

### BANKING CAPITAL.

The banking capital and surplus of the national banks within this section are \$174,370,000.

The banking capital and surplus of the State banks within this region are \$188,235,000, or a total of \$362,605,000.

If the national banks alone enter the reserve system, they would give a capital of \$10,462,200. If the State banks entered the system, it would give a combined capital for the regional bank of \$21,756,000.

It will be seen that there is ample banking capital in this region to establish a strong regional bank.

### DEPOSITS.

The aggregate deposits of the national banks in the proposed region are \$564,752,000 and of the

State banks \$551,493,000, or a total deposit of \$1,116,245,000.

### COTTON.

Within this region and within five hours of Memphis is the center of the cotton-producing area in this country, as well as the lumber-producing area of the South.

Cotton is the great stabilizer of international exchange.

Cotton is the supreme factor in bringing balances of trade from Europe in favor of the United States. It has brought back and it does bring back into the United States the gold that goes abroad in trade and that is spent abroad by travelers.

Memphis is the heart of the cotton region of the South, both geographically and commercially.

Memphis is the largest cotton market in the world, excepting Liverpool.

Memphis is becoming more and more entrenched as the leading cotton market, because a system of warehouses, compression, and freight terminals has been constructed that enables the handling of cotton in Memphis at a smaller expense to the farmer than in any other city.

The supremacy of Memphis as a cotton market is further shown by the fact that buyers from continental Europe, from England, and representatives of Japanese houses are permanently located in Memphis, and that the great cotton manufacturing countries maintain offices in Memphis.

Memphis will become a still greater cotton market, because the alluvial territory tributary to Memphis, where the finer grades are grown, is only one-sixth open.

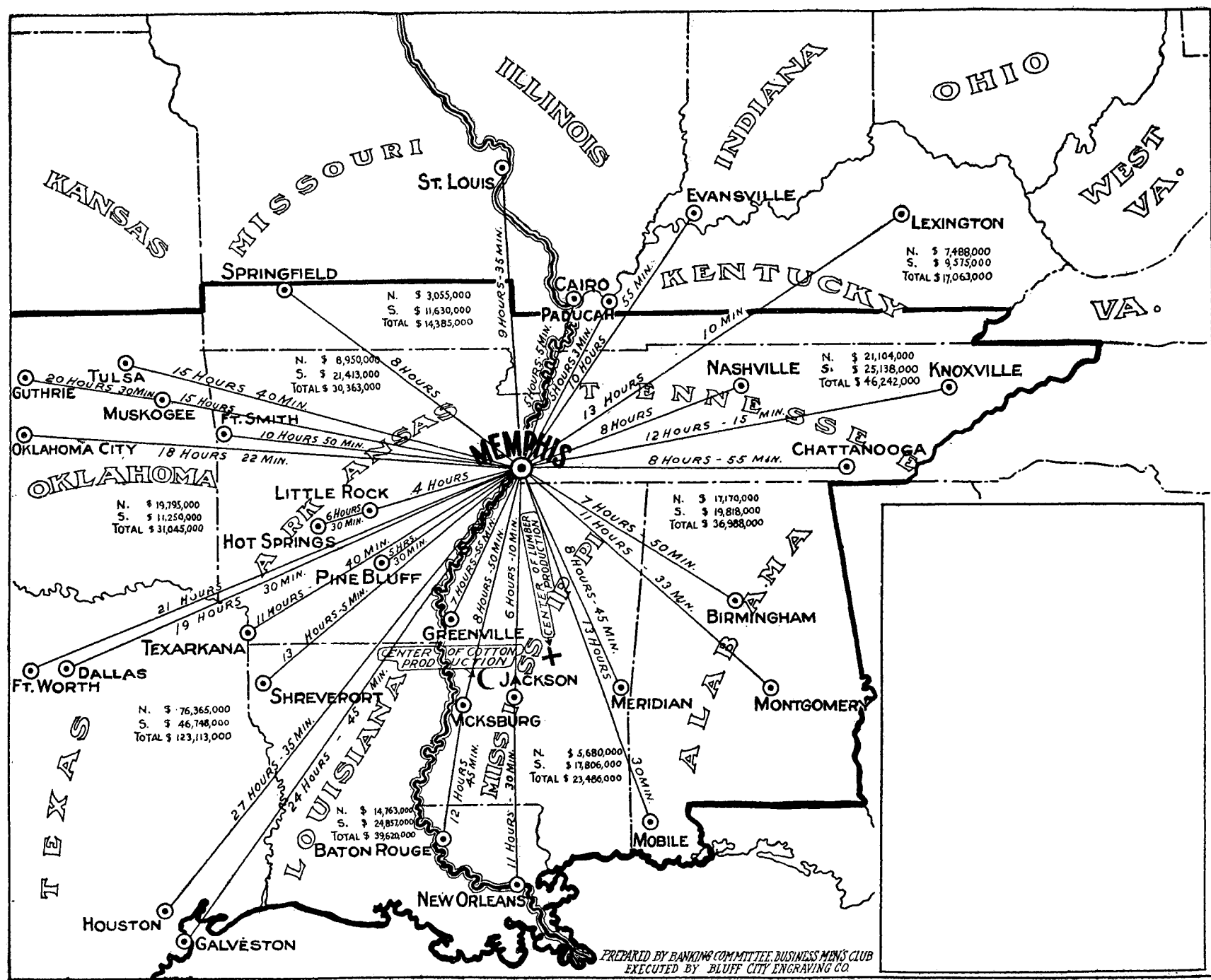
The cotton grown in this alluvial territory because of its superiority in length and strength of staple commands a premium over the cotton grown elsewhere and is more valuable in dollars and cents than the number of bales based upon an average price would indicate.

This alluvial cotton more nearly than any other approximates the sea-island cotton of the Carolina coast.

Half of the American crop of cotton is grown in the proposed Memphis regional bank district.

### *Exchange.*

The city of Memphis alone originates annually \$56,000,000 of foreign and \$38,000,000 of domestic exchange based on cotton exclusively.



PREPARED BY BANKING COMMITTEE BUSINESS MEN'S CLUB  
 EXECUTED BY BLUFF CITY ENGRAVING CO.

These amounts represent merely the exchange that originates in Memphis and do not include the exchange originating in the territory contiguous to it.

#### LUMBER.

Memphis is the largest hardwood lumber market in the world.

In the proposed territory the largest supply of lumber in the United States is located.

The value of the lumber business done in Memphis alone is approximately \$20,000,000 a year, from which is originated \$6,000,000 foreign exchange and \$14,000,000 domestic exchange.

It will be seen, therefore, that by the operation of the three industries, of which Memphis is the undisputed leading market place, there is originated from cotton, from cottonseed products, and from lumber, foreign exchange in the amount of \$62,000,000 and domestic exchange in the amount of \$72,000,000, or a total of foreign and domestic exchange of \$134,000,000 annually. This does not include exchange originated in the territory adjacent to Memphis.

#### COTTON FINANCE.

Memphis, being the logical city for a regional bank, located in the cotton-growing States, and, as has been shown, there being ample banking capital in the proposed region, the success of the bank seems assured, and its utility and efficiency indicated in no uncertain way. The development of this section since the bankrupted conditions that followed the Civil War is the history of all of the South. What has been accomplished under an unscientific and inadequate monetary system but presages the possibilities of this section under the operation of the Federal reserve act.

Success in the operation of the Federal reserve banks in the larger and patriotic sense will be attained by taking the resources and strength resulting from reserve mobilization and note-issuing power, to the producing world and rendering it possible in that sense for the growers of cotton—our "royal crop"—to obtain help practically at first hand.

The South, with its own means, is unable to grow the crop; it is undoubtedly true that the South can not finance it in the autumn without assistance. The necessity of shipping actual cash to the South and the expense involved in the operation of obtaining credit in the centers, as well as the cost of currency shipments, is well known. An average annually of \$20,000,000 of currency is shipped in and out of Memphis. It is impossible to give these figures for the region proposed. We submit upon the figures of Memphis alone the requirements of the whole region in respect to necessary credit and currency shipment will run into very large figures.

With the location of a regional bank in Memphis this unnecessary tribute and expense would be saved to a territory producing about 6,000,000 bales of cotton. That region in which Memphis is the logical center would be served best from Memphis, because of its superior transportation and mail service. Time in transit and accessibility considered, Memphis is the ideal location—the very "hub." The consequent stringency and the suffering in the fall by other lines of business due to the paramount necessities of the cotton business will soon be at an end, for Federal reserve notes will come into existence just in proportion to the need of them when cotton is moving. Instead of a big crop movement creating a money stringency it will bring about a corresponding supply of Federal-reserve notes. Instead of a production of vast new wealth from the soil causing a stoppage of credit, it will, as it should, enlarge and bring attendant prosperity.

Advantage in the Memphis location is to be considered again when the system is perfected and the handling of exchanges for all the member banks is in vogue. Whether at par or subject to a small charge, there will be a great saving of time and expense by having the bank for the region proposed at Memphis—the logical center.

Foreign bills originating in the region proposed aggregating many millions, will be reduced to credit at this logical center—Memphis—and made instantly available without the intervention of any broker or eastern banker. This saving will be immense to the producers in the region as proposed and the ideal for that conversion is at Memphis.

#### COTTON SEED.

In the proposed region cottonseed products are produced which in value are about one-fourth of the cotton fiber.

Memphis itself is the largest manufacturer of cottonseed products in the world.

There originated in Memphis alone \$20,000,000 exchange based on cottonseed products.

#### JOBGING AND DISTRIBUTING.

As a jobbing and distributing center Memphis has business relations and sells goods in all parts of the proposed region. As the southern distributing depot of the great agricultural implement manufacturers—the International Harvester Co. and the United States Steel Corporation—the trend of trade all through this section is irresistibly and increasingly toward Memphis. It is no exaggeration to say that as a jobbing center it is the leading city in this region—the natural market place.



Memphis men were pioneers in the great fruit-growing region of Arkansas and in the development of the southern tier of counties of Missouri, and Memphis financed in a very large measure these industries, and this city still maintains its business relations there.

With cotton, with lumber, with cottonseed products, and with the fruit and minerals and rice of Arkansas, the rice and sugar of Louisiana, the iron and coal of Alabama, the live stock and phosphates and tobacco of middle Tennessee and the lower tier of counties of Kentucky there is embraced in the Memphis region a self-sufficiency, a rotation of liquidation, which can not

fail to make a regional bank located in Memphis not only helpful, not only an important part in the whole general scheme of regional banks, but one which will yield to its member banks a dividend on their investment.

Finally, there is nothing of the "boom-town spirit" in the movement which has for its object the location of the bank in Memphis. It is believed that the whole South will be served better from Memphis than from any other city, but the committees from the Memphis Clearing House Association and from the Business Men's Club are actuated by a broad consideration of the general public good.

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# MINNEAPOLIS, MINN.

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# MINNEAPOLIS, MINN.

## FINANCIAL CENTER AND GATEWAY OF THE NORTHWEST.

Compiled by Prof. R. H. HESS, Ph. D., Madison, Wis., under the direction of the Minneapolis Civic and Commerce Association, assisted by Minneapolis Clearing House Association, Minneapolis Retailers' Association, Minneapolis Produce Exchange, and Chamber of Commerce.

### FOREWORD.

Minneapolis presents herewith the statistical facts that tell the story of the rapid growth of the country and of the city. It offers herewith the reasons why the Northwest should have a Federal reserve bank and why Minneapolis is the logical place for its location.

Minneapolis represents the Northwest, the most prosperous and rapidly growing part of the United States. The city and the vast country over which its financial influence extends, are vitally interested in the new currency law.

The financial legislation known as the Federal reserve act, Minneapolis business men believe, and business men of the Northwest as a whole agree, will work out successfully and beneficially, if in the regional alignment at organization time proper consideration be given to great fundamental economic factors that are existent. The agricultural, commercial, and financial tendencies will shape conditions of the near future should also be considered.

The growth of the Northwest and the ever-increasing financial necessities, find presentation herein. Billions of dollars are recorded in the annual turnover.

For the consideration of the organization committee this representation sets forth elsewhere in full detail the facts concerning Minneapolis as the financial center of the Northwest, the grain-trade center, the manufacturing center, the distributing center, the milling center, and the freight-traffic center.

### WHAT MINNEAPOLIS PRESENTS.

Minneapolis finances the major portion of the crop movement from the farms of Minnesota, North and South Dakota and Montana. It is the greatest wholesale market. The lumber trade is financed and managed from Minneapolis. It is the world's greatest milling city. Its predominant position was gained by and is based upon agriculture. Considered by itself, in relation to the Northwest, or in re-

lation to St. Paul, it presents these facts and comparisons:

Minneapolis bank clearings, 1913.....	\$1,312,000,000
St. Paul bank clearings, 1913.....	\$530,000,000
Minneapolis bank deposits, not including savings banks.....	\$101,000,000
St. Paul bank deposits, not including savings banks.....	\$51,000,000
Minneapolis daily average loaded freight cars received.....	1,159
St. Paul daily average loaded freight cars received..	787
Minneapolis daily average freight cars shipped.....	1,101
St. Paul daily average freight cars shipped.....	519
Minneapolis total loaded carlot in and out traffic, 1913.....	763,519
St. Paul total loaded carlot in and out traffic, 1913..	410,848
Minneapolis average daily shipments of merchandise..... pounds..	3,400,940
St. Paul average daily shipments of merchandise pounds..	1,841,390
Capital and surplus in all national banks in Minneapolis in 1913.....	\$13,710,000
Capital and surplus in all national banks in St. Paul in 1913.....	\$9,600,000
The net banking power of Minneapolis is 70 per cent greater than that of St. Paul.	
Minneapolis bank clearings in 1913 exceeded those in Spokane, Denver and Seattle combined.	
Individual deposits in Minneapolis national banks in 1913.....	\$45,000,000
Increase in individual deposits in Minneapolis national banks since 1900..... per cent..	350
Individual deposits in St. Paul national banks, 1913.....	\$35,000,000
Increase in individual deposits in St. Paul national banks since 1900..... per cent..	200
Balances of Minneapolis national banks in 1913.....	\$35,000,000
Balances of St. Paul national banks in 1913.....	\$17,000,000
Minneapolis has increased bank balances since 1900 by..... per cent..	500
St. Paul has increased bank balances since 1900 by..... per cent..	200
Accounts carried by outside banks in Minneapolis banks.....	3,327
Farm output of Minnesota, North and South Dakota and Montana advanced nearly 400 per cent in 1890-1900.	
Farm output of the United States as a whole advanced 184 per cent in 1890-1900.	

Merchandise cars, forwarded and received, 1913, Minneapolis.....	\$225,021
Merchandise cars, forwarded and received, 1913, St. Paul.....	156,197

Minneapolis-Duluth market in 1913 received 62 per cent of all grain received in Minneapolis, Duluth, Kansas City, St. Louis, and Omaha.

#### THE NORTHWEST AND THE NEW CURRENCY SYSTEM.

(Minneapolis and its relation to the rich and rapidly growing territory whose agricultural, commercial, and industrial activities the city finances.)

The plea for the location of a Federal reserve bank in the Northwest is based on the clause in section 2 of the Federal reserve act, which states:

*Provided*, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States.

The business men of the Northwest are grateful for consideration accorded by the organization committee to just claims to recognition as an agricultural, commercial, manufacturing, and banking district in putting into effect a piece of legislation which is confidently believed by the great majority of the people to be the most important and beneficent, from an economic standpoint, of any that has been passed in a half, at least, if not a whole, century.

In that vast new and growing territory extending from Minneapolis, St. Paul, and Duluth westward to Puget Sound, amounting in area to over one-fifth of the United States and consisting of about one-sixth of the arable lands of the United States, with a variety and extent of natural resources not exceeded, if equaled, by any other territory of like size on this continent, there is a general and universal desire and even eagerness on the part of all national and most State banks and trust companies to enter the system provided by this new currency bill. No section of the entire country will give this bill a more cordial welcome or a heartier support.

In speaking of the Northwest, reference is made particularly to the States of Minnesota, North and South Dakota, Montana, and Washington, comprising an area of 447,070 square miles. This is nearly three times the area of New York, Pennsylvania, and all of the New England States combined, which is 160,850 square miles.

#### THE RAILROADS AND THE BANKS.

Through this entire district, running east and west, are four great trunk lines centering into Minneapolis and St. Paul. These lines are the Minneapolis, St. Paul & Sault Ste. Marie, Great Northern, Northern Pacific, and Chicago, Milwaukee & St. Paul. With all of the traffic, freight, passenger, mail and express, passing over these lines from the west to the east, trains on these roads enter Minneapolis from a half hour to three-quarters of an hour sooner

than St. Paul, and depart westward from a half hour to three-quarters of an hour later. This district is served by railroads whose mileage has grown from 19,706 miles in 1900 to 29,642 miles at the end of June 30, 1911, with terminals at Minneapolis and St. Paul.

Minneapolis and St. Paul constitute a center with a population, according to the census figures of 1910, of 516,152 people, of which 301,408 lived in Minneapolis. Minneapolis gained in population from 1900 to 1910, 47 per cent, and St. Paul gained, during the same period, 31 per cent. At the same rate of increase at the next Federal census in 1920 the population of Minneapolis will be 450,000, while that of St. Paul will be 280,000.

This commercial, marketing, and banking center represents essentially an agricultural people, and the value of total farm products from these States from 1870 to 1910 is shown by the following table:

*Value of farm products by decades, with the percentage of increase in the last 10-year period.*

[Totals include the return from dairy products and live stock.]

	Per cent of increase in last decade.	1910	1900
Minnesota.....	68	\$270,000,000	\$161,217,000
North Dakota.....	211	200,000,000	64,252,000
South Dakota.....	162	173,000,000	66,082,000
Montana.....	112	60,500,000	28,616,000
Washington.....	191	101,300,000	34,827,000
Total.....	126	\$04,800,000	\$54,994,000

	1890	1880	1870
Minnesota.....	\$71,238,000	\$49,468,000	\$27,440,000
North Dakota.....	21,264,000	5,648,000	400,000
South Dakota.....	22,047,000		
Montana.....	6,273,000	2,024,000	1,378,000
Washington.....	13,674,000	4,212,000	2,000,000
Total.....	\$134,496,000	\$61,352,000	\$31,216,000

#### THE RAPIDLY GROWING NORTHWEST.

Minnesota, North and South Dakota, according to the reports of the Agricultural Department of the United States, had from 27 to 35 per cent of their tillable soil under cultivation in 1909. They are credited by the same authority with having 146,000,000 acres capable of cultivation, as against 311,000,000 acres actually cultivated in the entire United States in 1909. Judging from the tremendous increase in the production of these States during the last 30 years, it is hardly possible to overestimate the probable production during the next 10 or 20 years.

The population of these States in 1890 was 2,350,022, while the 1910 census gives the same States a population of 4,654,695, or a gain of nearly 100 per cent.

The increase in business, agricultural products, and banking capital and deposits is many times greater than the increase in population, as will be shown by the following figures:

In 1898 the total deposits of the 216 banks in Minnesota were \$59,370,000; in South Dakota the deposits of the 190 banks were \$9,713,000; total deposits of the 111 banks in North Dakota were \$9,109,000, or a total for the three States of \$78,192,000, while in 1913 the deposits of the 1,046 banks of Minnesota were \$379,013,000; deposits of the 625 banks in South Dakota were \$90,535,000, and of the 751 banks in North Dakota, \$90,321,000, or a total of \$559,869,000.

It is not possible to take any similar area in the United States and show any increase even approximating this.

#### STATE BANKS AND THE NEW LAW.

Of the 2,978 banks in the five States comprising the district under consideration, Minnesota, North and South Dakota, Montana, and Washington, with a combined capital of \$109,944,000 and surplus of \$61,711,000, with deposits of \$858,660,000 and loans to customers of \$765,220,000, 652 are national banks and the remaining 2,326 are State or private banking institutions. In round numbers, \$80,000,000 of the capital and surplus of the total of \$170,000,000 is held by national banks and the balance, \$90,000,000, by State banks.

The only possible inducement that could be offered these 2,326 State banks to join the Federal reserve system is the convenience and usefulness of such a bank to them, and that convenience and usefulness lies in making it possible for them to use the system along the lines of present established relations.

In a map presented herewith is shown the distances between the Twin Cities and the various supply centers for the Northwest, also the distance between Chicago and these centers. It is important to note the fact that currency can reach the eastern border of Montana within one day from Minneapolis, while from Chicago the time required is two days. This means much to the local bank as well as to the local grain buyer.

Less than a quarter of a century, and, as to a large part of this territory, less than a decade, measures the period of its greatest growth and development. Its past performance and its present prosperity and condition are but an earnest of what it will do in the future.

While this representation covers particularly the agricultural products of this territory, it is important to consider that Minnesota is the greatest iron-producing State in the Union, and Montana likewise takes the lead in copper production, and this is clearly shown by the data and charts herewith.

#### WESTERN CANADA AND THE FUTURE.

Enhancing the importance of this district is the fact that within the last few days the local parliaments of the Provinces of Manitoba, Saskatchewan,

and Alberta have unanimously passed resolutions to be forwarded to the Dominion Parliament at Ottawa in favor of removing the Canadian tariff on wheat, and the present premier of Manitoba, who strenuously opposed reciprocity, and also one of the conservative members of the present cabinet, have come out strongly in favor of such removal. It is confidently predicted in Canada that it is only a question of a short time when this tariff will be removed, and when it is removed Minneapolis will be the cash market for a large amount of the wheat to be grown in those Provinces. Thousands of citizens of the United States are now making their homes in Canada. Their desire is to trade with the States, and the business of the two countries would be greatly facilitated by the location of a Federal reserve bank at Minneapolis, the natural gateway to all western Canada.

In addition to being the greatest primary grain market in the world, Minneapolis is the leading distributing center of agricultural implements to this entire northwestern country.

In diversity, variety, and volume of production from the soil, the forests, and the mines no other district of similar area in the United States can begin to equal it.

#### THE NORTHWEST IS OPTIMISTIC.

Even during the natural and temporary business lull of a presidential year, and of the one immediately following a change of Federal administration, this entire territory, with only negligible exceptions, and Minneapolis its natural metropolis, were prosperous to an unprecedented degree. With the passage of the recent tariff bill, fraught with an almost certain increase in our trade intercourse with the Canadian Northwest, which is beyond the fair estimate of the most farsighted and even visionary, supplemented by the beneficial provisions of the currency bill, its people of the Northwest and Minneapolis business men believe, of the whole country, are entering upon a period of safe and sane development and prosperity, such as we have never before experienced. Happily, the doleful forebodings of impending business disaster, which in the near past have been emanating from certain quarters, have largely passed away, and optimistic predictions as to an immediate awakening in all lines of business are now being generally made. These predictions are in line with the best judgment of the business men and bankers in this great district.

#### SIZE OF FARMS HAS BEARING ON RESERVE BANK PROBLEM.

Northwest section requires extraordinary agencies for gathering, storing, marketing, and financing of agricultural products—Unique credit system developed.

The prevailing size of farms, taken in connection with the nature of agricultural industries and con-

ditions of farm tenure, may be indicative of certain commercial activities and associated banking operations of regional significance.

Minnesota, the Dakotas, and Montana are States of large farm units. These farms are mainly engaged in specialized production and contribute strongly to the national food supply and to the export trade. For these reasons this section requires extraordinary agencies for the gathering, exchange, storage, and distribution of such products, and for the financing of great values involved. In certain instances the elaboration of crude products has come to constitute large manufacturing industries, particularly the milling of grains, flax, and forest products.

These industrial activities and commercial transactions are largely seasonal, and involve relatively short periods of time and likewise a short-time financial and trade turnover, thus constituting the most substantial basis of bank credit as recognized by accepted banking theory and modern laws in all commercial nations.

#### GRAIN FINANCING SYSTEM DEVELOPED.

The banks, grain houses, and millers of Minneapolis, have of necessity developed a system of handling and financing grain which is not only unique and indigenous to this district, but is remarkably similar—almost identical in principle—to the European discount system, an adaptation of which is apparently contemplated by the new currency law.

A study of farm credits reveals noteworthy facts concerning agricultural finances in the country tributary to the Minneapolis money market, namely, the relatively high and seasonal demand for bank accommodations as compared with the South and West, and a comparative absence of tenancy in contrast with equally productive areas in other regions. In other words, the lands of Minnesota, the Dakotas, and Montana are cultivated and managed by their owners; and, in view of the fact that they produce a magnificent surplus of values each year, it logically follows that the prevalent farm credit is a relatively short-time obligation associated with the improvement and equipment of farms and the financing of crops. Such securities do not lie within the category of the usual farm mortgage in static communities, or on the margin of settlement where the farm debt carries the first costs of acquisition and development.

It has been demonstrated that Minnesota mortgages are of such nature as to time, purpose, and amount, as to place them in the highest class of real-estate securities—indeed, to a degree, analogous to “commercial paper.”<sup>1</sup>

<sup>1</sup> Report on conditions in Minnesota with regard to agricultural credit, by committee appointed by Gov. A. O. Eberhart, Dec. 9, 1913.

#### PAYMENTS HAVE SIGNIFICANCE.

The significance of expenditures for farm labor in the Northern States becomes apparent when such payments are considered in connection with the relatively sparse population, small number and large size of farms, and the relatively extreme seasonal nature of farming activities in this part of the United States.

The seasonal demand for labor in the wheat fields of Kansas is well known. It is a matter of fact that the harvest demand for labor in Minnesota and the Dakotas surpasses that of any other food-producing section of equal area and importance in the world.

The seeding and harvesting of wheat in the North is not coordinated, as in States farther south and east, with the sequential operations of general farming and the contiguous processes of cultivation, harvesting and feeding characteristic of the corn country. Furthermore, the share tenant system and stable labor supply of the southern country reduces to a minimum the need of banking accommodation in aid of harvest operations.

The seasonal demand for wage payments is a unique factor of considerable importance in the necessary funding operations of the banks of the Northwest. This demand arises out of the necessity for a relatively large number of farm laborers, for relatively short periods of employment, and at a relatively high cash wage.

The fact that such expenditures are almost immediately reflected in commercial products, commanding a world market and stable and certain values, is especially significant.

#### FARM EMPLOYMENT FIGURES FROM CENSUS.

Census reports upon farm employment for 1909, including approximately 60 per cent of all farms, for Minnesota, the Dakotas, and Montana as compared with Kansas, Nebraska, and Iowa are as follows:

	Total farm wages.	Average wages per farm.
Minnesota, Dakotas, and Montana .....	\$69,800,000	\$343
Kansas, Nebraska, and Iowa .....	59,000,000	224
Excess of northern section over southern section .....	<sup>1</sup> 10,800,000	<sup>2</sup> 119

<sup>1</sup> 18 per cent.

<sup>2</sup> 54 per cent.

#### MINNEAPOLIS FINANCES THE AGRICULTURAL NORTHWEST.

Grain drafts aggregating \$217,909,000 were paid by Minneapolis banks last year.—Clearings totaled \$1,312,000,000.—Currency shipments amounted to \$34,358,000.

If the organization committee shall designate the territory embracing Minnesota, North and South Dakota, Montana, and Washington as a Federal reserve district, it will be charged with the further

duty, second only in importance, of designating within such territory a Federal reserve city. Section 2 of the act requires "that the Federal reserve districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States." The real purpose and spirit of this requirement, with respect to the reserve districts, is peculiarly applicable in designating the reserve cities. It is especially the convenience of the people within the district and the usual and customary course of business therein which must necessarily be controlling in the selection of a reserve city. Merely geographical, educational, social, sentimental, governmental, or political reasons should have little if any weight in the selection of such a city.

By the census of 1910 Minneapolis had a population of 301,408, while St. Paul was given 214,744. This lead in population of Minneapolis over St. Paul of 86,664 in 1910 (and now in all probability considerably greater) tells but a small part of the real story. The constantly increasing prestige and precedence of Minneapolis over St. Paul as the commercial, manufacturing, and banking center of the Northwest is so marked and indisputably proven by the facts and figures of official records as to leave no room for doubt or discussion.

St. Paul had the advantage of being the older city and the capital of the State, which, in the days of small things, gave it an artificial lead over Minneapolis, but commencing with 1880 a decade of real rivalry and competition set in, at the end of which Minneapolis was well in the lead of St. Paul in practically all the lines of activity in which these cities were engaged, and every year since has but emphasized and increased this lead. Comparisons are said to be odious, but if this be true, circumstances sometimes make them necessary.

**MINNEAPOLIS THE LOGICAL PLACE.**

That city should be selected which, by reason of its location, the extent and variety of its business, the volume of its banking capital and surplus, its resources in available deposits, as well as its size and commercial and general importance, is most intimately connected with, and most closely touches, the various activities of the whole district.

We wish to show the supremacy of Minneapolis as the location for a reserve bank as compared with St. Paul.

First, in reference to its banking capital and surplus at the present time:

	Minneapolis.	St. Paul.
1. Banking capital and surplus at present time:		
Capital.....	\$10,680,000	\$6,750,000
Surplus.....	9,723,000	5,241,000
	20,403,000	11,991,000
2. Deposits.....	112,244,000	58,403,000
3. Bank clearings for 1913.....	1,312,412,257	530,515,562

This makes total clearings for the year 1913 for the two cities of \$1,842,927,819, of which Minneapolis had 72 per cent and St. Paul 28 per cent.

Just in what degree the beginning of the crop movement annually affects Minneapolis may be seen in a chart presented herewith, which shows that weekly clearings rose from \$17,776,000 in August, 1913, to \$37,616,000 in October, 1913, and in St. Paul from \$9,790,000 in August to \$12,588,000 in October. Comparisons for a period of years show that these changes always occur at crop moving time, and that Minneapolis always carries the load of providing money or credit for the Northwest.

In this connection it is an interesting and significant fact that the lowest weekly clearings of Minneapolis exceeded by about \$4,000,000 the highest weekly clearings of St. Paul for the year 1913.

Minneapolis banks handled in 1913 \$217,909,000 worth of grain drafts, and shipped out for the purchase of grain in currency \$34,358,000, of which \$20,782,000 was shipped during the months of August, September, October, and November.

There are 2,978 banks in Minnesota, North Dakota, South Dakota, Montana, and Washington, and the number of country bank accounts carried in the Minneapolis banks all told during December, 1913, was 3,329.

The total of out-of-town checks handled by the banks of Minneapolis during 1913 was \$1,328,274,000.

The process of growth in national-bank capital and surplus of the two cities from 1872 to the present time is strikingly illustrated by the following figures:

Year.	Minneapolis.			St. Paul.		
	Capital.	Surplus.	Total.	Capital.	Surplus.	Total.
1872.....	\$542,000	\$41,585	\$583,585	\$1,077,900	\$249,021	\$1,326,921
1880.....	1,250,000	105,588	1,355,588	2,200,000	505,000	2,705,000
1890.....	4,500,000	602,000	5,102,000	5,200,000	1,290,000	6,490,000
1900.....	4,000,000	697,000	4,697,000	3,800,000	667,000	4,467,000

**FINANCIAL STRENGTH OF NORTHWEST.**

As showing the banking resources of the States of Minnesota, North Dakota, South Dakota, Montana and Washington, the following figures are significant:

	State and national banks.	
	Capital.	Surplus.
Minnesota.....	\$45,426,000	\$30,315,000
North Dakota.....	14,015,000	6,585,000
South Dakota.....	12,644,000	5,470,000
Montana.....	13,591,000	7,262,000
Washington.....	24,268,000	12,079,000
Total.....	109,944,000	61,711,000

Total deposits of the banks of the States above enumerated, \$858,666,000, with loans of \$765,220,000.

Minneapolis has long financed the Northwest crop movement. Its ownership of grain elevators, line lumber yards, branch houses of produce firms, and its

interests in numerous country banks have made banking records that afford immediate access to the credit situation in the Northwest.

The intimate acquaintance of the Minneapolis bankers with the bankers of the entire Northwest and their personal knowledge of the territory in which they are operating would be quite indispensable to the proper management of a Federal reserve bank in this territory.

#### THE STRATEGIC SITUATION.

The strategic position of Minneapolis as a location for a Federal reserve bank as against the claim of St. Paul can be shown in no better manner than by stating that in North Dakota only one town can reach St. Paul without first passing through Minneapolis. No cities or towns in Montana or Washington can reach St. Paul without first passing through Minneapolis. This is true also of three-fourths of Minnesota and more than one-half of South Dakota.

Minneapolis especially represents and is the natural center for all agricultural, commercial, and banking interests of this entire district. It is the peculiar merit of this bill which has so generally commended it to the intelligence and conscience of the American people that it is to be the especial handmaid of the legitimate industries of the whole country, be they agricultural, commercial, or manufacturing. Those speculative activities which are, and always have been, essentially parasitical are, with rare wisdom, not fostered by this bill and are only recognized by it to be expressly excluded from any of the benefits of its provisions.

The Federal reserve districts and the Federal reserve cities which your committee will designate will, in all human probability, remain unchanged for 5, 10, 15 or perhaps 25 years. The important and far-reaching effect of your work in these respects can not well be exaggerated. You are charged with the duty of meeting not merely the necessities of the present but also of providing for the probable requirements of the future. The designation of this territory as a Federal reserve district and of Minneapolis as the reserve city will best serve the interests of that portion of the country and fully meet the requirements of the currency bill.

#### GRAIN CROPS OF THE NORTHWEST FLOW TO MINNEAPOLIS.

(City is distributing center of agricultural yields of Minnesota, North Dakota, South Dakota, and Montana, and of all products manufactured therefrom.)

Minneapolis is the market through which, primarily, the great bulk of the agricultural products of Minnesota, North and South Dakota, and Montana finds distribution. An important part of the grain and agricultural products of northern Iowa and Nebraska is also distributed through this market center. While

a certain portion of the grain from North Dakota and northern Minnesota is marketed at Duluth, nearly all this grain is received and handled at Duluth by branch offices of Minneapolis grain firms, and nearly all the financing of the crops of Minnesota, North and South Dakota, and Montana is arranged for in Minneapolis.

Attention is directed, first, to the character and value of the products of the farms of these four States, the extraordinary growth in total quantity produced, and the value thereof during the past 13 years. It will be shown later that the increase in quantity and value of farm products throughout the Northwest is vastly greater than the proportional increase in the Southwest.

Production and value at the farm of wheat, corn, oats, barley, rye, flaxseed, buckwheat, potatoes, and hay are given in Grain Exhibit A, hereto attached, showing the yield and the value for Minnesota, North and South Dakota, and Montana separately; also the total production and value of these four States. These are shown, also, for the crop of 1900, 1903, 1906, 1909, 1912, and 1913. All estimates of production and farm values are taken as of December 1 each year and are from the tables compiled by the United States Department of Agriculture.

The total production of grain and potatoes in the crop of 1900 for these four States was nearly 242,000,000 bushels, total value being estimated at \$97,690,000.

Contrast this with the production in the crop of 1912 of over 928,000,000 bushels of grain and potatoes, with an estimated value of \$421,745,000.

The crop of 1913 in the Northwest was less than that of 1912, and yet the total production of grain and potatoes in these four States alone equaled nearly 759,000,000 bushels, with an estimated value, December 1, 1913, of \$407,413,000. Adding to this the production of 4,618,000 tons of hay, with an estimated value of \$33,677,000, gives a total farm value of the 1913 crop of grain, including hay and potatoes, of \$441,090,000.

Receipts of grain and flaxseed at Minneapolis and Duluth, by crop years, with average price per year and values for 1900, 1903, 1906, 1909, 1912, and 1913, are shown in Grain Exhibit B.

Attention is called to the fact that receipts at Minneapolis and Duluth combined for the year 1900 totaled more than 150,000,000 bushels, and that of the crop of 1912 nearly 337,000,000 bushels were received by both Minneapolis and Duluth combined, of which about 207,000,000 bushels were received by Minneapolis and 130,000,000 bushels by Duluth.

Estimated value of the receipts at Minneapolis was over \$193,000,000 for the crop of 1912 and \$135,742,160 for Duluth, making the total value of the grain and flaxseed received at these two markets during the crop year of 1912, \$328,783,180.



Minneapolis is a very important shipping center, and on Grain Exhibit C shipments of grain and flaxseed from Minneapolis, by crop years, with the average price per year and value, are set forth for the crop years of 1900, 1903, 1906, 1909, 1912, and part of 1913. Total value of the grain and flaxseed shipped from Minneapolis in 1900 was slightly over \$16,000,000, while shipments from Minneapolis in the crop of 1912 reached \$77,745,000. This shows the enormous growth of Minneapolis as a shipping and distributing center during the past 12 years.

#### THE FARMERS AND COUNTRY ELEVATORS.

It is a well-known fact that the farmers and producers of the Northwest desire to market the bulk of their crop during the months of September, October, November, and December following the harvest, and the quantity of farm products thrown upon the market during the crop-moving period is therefore vastly in excess of the requirements of consumers. This necessitates the carrying of the surplus until demand is reached, and it is to the banks of Minneapolis that those engaged in carrying this grain look for the funds necessary for this work.

The enormous strain which this situation places upon the resources of the banks of Minneapolis is clearly shown by Grain Exhibits D, E, and F.

Grain Exhibit D shows the stocks of grain and flaxseed (and values) in store in terminal elevators at Minneapolis on various dates from August 31, 1913, to January 1, 1914, showing an increase in value from August 31, when the amount was \$8,853,700, to \$21,673,500 on January 1, 1914, an increase of about \$13,000,000 in the value of the stocks in store in Minneapolis in four months. This increase was less, in fact, during September, October, November, and December, 1913, than is usually the case for corresponding months of previous years, owing to the fact that an unusually large quantity of grain was carried over during the midsummer months, the fact being that in the majority of years the terminal stocks are very low during the midsummer months and at the beginning of the crop movement in the fall.

Grain Exhibit E shows the same features regarding grain and flaxseed in store in terminal elevators at Duluth during the same period, the total value of grain and flaxseed in store at the terminal elevators on August 31, 1913, being \$5,485,690 and on January 1, 1914, \$13,042,490.

In other words, on August 31, 1913, in the terminal elevators in both Minneapolis and Duluth there was in store grain and flaxseed to the value of \$14,339,390, and in four months from that date this amount had been increased to \$34,715,990, an increase of over \$20,000,000.

In Grain Exhibit F is set forth a statement showing the total number of country grain elevators in the

four States tributary to Minneapolis to be 5,239, with a total capacity of about 104,780,000 bushels. The total quantity of grain in store in these country elevators, as per the statement in the Northwestern Miller (in Jan. 7, 1914, issue, p. 26), is from 25,000,000 to 27,000,000 bushels. This represents a value of about \$18,200,000.

Taking the stocks of grain and flaxseed on hand in the Minneapolis terminal elevators, Duluth terminal elevators, and country elevators on January 1, 1914, the total amounts to nearly \$53,000,000 in value, and practically all of the money necessary to carry this grain is arranged for at Minneapolis.

Country elevators are, as a rule, almost entirely empty on August 31 of each year, and if to the increase in value of grain in store in terminal elevators at Minneapolis and Duluth from August 31, 1913, to January 1, 1914 (which, as stated before, is over \$20,000,000), be added the value of country elevator stocks on hand January 1, 1914, it makes an increase of about \$38,500,000, nearly all of which must be arranged for by the Minneapolis banks during these four months.

#### EXPERIENCE IN THE 1907 PANIC.

One of the main purposes of a Federal reserve bank is to relieve periods of extraordinary strain. In this connection attention should be called to the practice of the farmers and grain producers of storing grain in country elevators in enormous quantities, taking storage receipts therefor, which storage receipts are later surrendered and the grain sold.

Storage receipts outstanding in farmers' hands during the height of the crop movement of the crop of 1912 were estimated to represent a total value of \$8,000,000. In case of a panic or other abnormal condition all of these storage tickets are likely to be presented and surrendered and demand made upon the elevator companies for their value. This actually happened during the fall of 1907, and elevator companies, being unable to secure funds from the Minneapolis banks, were entirely unable to purchase the grain represented by the storage receipts. It is a condition such as this that a reserve bank is designed to care for.

#### THE GREAT MILLING INDUSTRY.

Minneapolis is well known to be the largest flour manufacturing center in the world. Grain Exhibit G sets forth that there were manufactured and shipped by the Minneapolis mills during the calendar year 1913, 17,673,725 barrels of flour, with a total value of \$68,043,841. Of this amount 1,764,805 barrels were exported, having a value of \$6,794,499.

Some 51 country mills are located in the territory immediately tributary to Minneapolis, with a total daily capacity of 40,865 barrels. The output of these country mills was 62 per cent of their capacity in 1913, making the total daily output of these country mills

about 25,000 barrels and the yearly output 7,500,000 barrels, with a total value of \$28,875,000.

In other words, the Minneapolis flour mills and the country mills in the territory tributary to Minneapolis manufactured 25,173,725 barrels of flour during 1913, with a total value of \$96,918,841. Practically all of this enormous flour manufacturing business is financed by banks in Minneapolis and the smaller banks of the Northwest.

LINSEED OIL AND MILL BY-PRODUCTS.

Minneapolis is also the largest linseed-oil manufacturing center in the world. Grain Exhibit H shows that during the calendar year 1913, 216,222,794 pounds of linseed oil were manufactured, with a total value of \$14,414,853. The oil cake manufactured at the same time equaled 432,445,590 pounds, with a value of \$6,486,684, making a total value of the products of the linseed oil manufactured of \$20,901,537. About 75 per cent of this oil cake was exported.

The manufacture of ground screenings in Minneapolis is a growing industry, and the 1913 output was valued at about \$500,000.

Stock foods manufactured in Minneapolis during 1913 represent \$1,000,000 in value, and the stock foods manufactured outside of Minneapolis, but financed in Minneapolis, represent \$800,000 in value.

Grain Exhibit I sets forth the importance of the malting and ground feed industries in Minneapolis, showing the total value of malt manufactured at Minneapolis during 1913 to have been \$3,500,000, and of ground feed, \$1,500,000.

The manufacturing processes directly connected with the grain and flaxseed receipts at Minneapolis alone represent a grand total of \$95,445,378 of output, the financial arrangements for all of these enterprises being arranged for at Minneapolis.

These in order are made up as follows:

Flour manufacturing.....	\$68, 043, 841
Linseed oil and oil cake.....	20, 901, 537
Ground screenings.....	500, 000
Stock foods.....	1, 000, 000
Ground feed.....	1, 500, 000
Malt.....	3, 500, 000
Total.....	95, 445, 378

THE NEW TARIFF AND WESTERN CANADA.

In Grain Exhibit J is set forth the production of grain and flax in the three northwestern Canadian Provinces of Manitoba, Saskatchewan, and Alberta, according to the Dominion census for the crop of 1913, the total being 472,109,000 bushels in the crop of 1913.

The production of grain in western Canada is increasing yearly at a rapid rate. During 1913 about 1,750,000 bushels of grain and flaxseed were received at Minneapolis from western Canada and the duty paid, the value being about \$1,000,000.

Duluth received since August 1, 1913, about 6,330,000 bushels of grain and flaxseed in bond and otherwise, with an estimated value of over \$4,000,000. If the duty on Canadian grain entering the United States is removed, possibly one-fifth of the grain shipped to Fort William will be shipped to Minneapolis and Duluth. Receipts at Fort William for the year 1913 would exceed 200,000,000 bushels. If one-fifth of this amount should be diverted, on account of the removal of the tariff, to Minneapolis and Duluth, it would represent a total of about 40,000,000 bushels, with a value of \$30,000,000, which would be added to the value of the grain necessarily financed by the banks at these market places.

NORTHWEST COMPARED WITH SOUTHWEST.

In considering the question of the location of a Federal reserve bank at Minneapolis the importance and value of the agricultural products of the Northwest should be compared with similar data regarding the Southwest, tributary to Kansas City and St. Louis and Omaha.

Grain Exhibit K sets forth the United States Government crop reports, showing the production and farm value of the crops of Missouri, Kansas, Nebraska, Oklahoma, and Colorado, and the totals for the same crops, with reference to Minneapolis. The United States Department of Agriculture estimates of production and values are used as in the tables for the Northwest, the values being based on December of each calendar year.

These five States are tributary to the grain markets of St. Louis, Kansas City, and Omaha.

In Grain Exhibit K your attention is called to the fact that the total farm value of the products of these five States for the crop of 1900 was \$356,000,000, and for 1913 \$565,591,000; while the value of the products of the four Northwestern States for 1913 is \$441,090,000, compared with \$97,690,000. This shows that the Northwestern States are increasing at a vastly greater rate in agricultural importance than is the case with the Southwestern States.

Grain Exhibit L sets forth the receipts of grain at St. Louis, Kansas City, and Omaha, the three leading grain markets of the Southwest, at 201,940,111 bushels, while receipts of grain at Minneapolis alone for the same crop year reached 206,812,670 bushels. In other words, Minneapolis alone received more grain and flaxseed than all of the three Southwestern markets combined.

TERMINAL GRAIN STORAGE.

Grain Exhibit M sets forth the terminal elevator stocks at Minneapolis and Duluth, as contrasted with the Southwestern terminals. On April 2, 1913, there was in store in the terminal elevators at Minneapolis alone 24,426,000 bushels of grain and flaxseed, and on

the same date there was in store at Duluth 26,102,000 bushels, a total of 50,528,000 bushels in both markets. The grand total on these dates for the three Southwestern markets was 19,261,000 bushels. In other words, Minneapolis alone, or Duluth alone, had in store in their terminal elevators a very much larger quantity of grain than the total amount in store in the terminal elevators at St. Louis, Kansas City, and Omaha combined, taking the greatest amount in store on any day in the year for each of these three markets.

Minneapolis has 50 terminal elevators with storage capacity of 38,550,000 bushels. Duluth and Superior combined have 34 elevators with a storage capacity of 32,275,000 bushels. Together, Minneapolis and Duluth-Superior have a joint terminal capacity of over 70,000,000 bushels.

Terminal elevator capacity at St. Louis is 10,000,000 bushels; Kansas City, 11,235,000 bushels; Omaha, 6,575,000 bushels. In other words, the terminal elevator capacity of the three Southwestern grain markets combined is only 27,830,000, as compared with the terminal capacity of 38,550,000 bushels at Minneapolis alone.

The flour milling capacity at Minneapolis is 77,160 barrels daily. The milling capacity of the flour mills at St. Louis, Kansas City, and Omaha, combined, is 26,100 barrels daily, or about one-third of the capacity at Minneapolis alone.

Grain Exhibit N sets forth the elevator and milling capacity of all the grain markets of any importance in the United States and Canada.

One small flour mill of 500 barrels capacity is located at St. Paul. A few country flour mills are financed from St. Paul. Two very small elevators, with a capacity of about 40,000 bushels, are located at St. Paul, these elevators being of the size of the ordinary elevator located at a country station.

St. Paul distributes more hay than Minneapolis, the receipts of hay at Minneapolis amounting to 37,870 tons, with a value of about \$378,700, St. Paul receipts being 209,950 tons, with a value of \$2,099,500. This one agricultural item, however, is relatively unimportant as compared with the agricultural data generally. Grain receipts at St. Paul for the year ending August 31, 1913, amounted to 114 cars inspected at St. Paul. About 600 cars were forwarded from Minneapolis to St. Paul during this period.

#### MINNEAPOLIS AND THE "MIDWAY."

A switching yard, called the Minnesota transfer, is located in the "Midway," strictly speaking within the city limits of St. Paul, but immediately adjacent to the eastern boundary of Minneapolis, and is included within the Minneapolis switching district. The linseed-oil industries and the terminal elevator located at the Minnesota transfer are operated from

Minneapolis, and the offices of the linseed oil companies and the elevator company, whose properties are located at Minnesota transfer, are with one exception located in Minneapolis, and all of the financial arrangements connected with their operation are made at Minneapolis. Finally the enormous total capacity of the agricultural products of the Northwest, taken into consideration with the commercial importance of the Northwest along many other lines, unquestionably entitles the Northwest to one of the reserve banks. The financial supremacy of Minneapolis over St. Paul, Duluth, or any other city in the Northwest, is beyond question, and this is true in many lines, but in none other is this preeminence more striking than in the distribution of the agricultural products of the Northwest.

The enormous quantity and value of grain which must be "carried" by the banks of the Northwest from the marketing period to the time of consumption, and the exceedingly great value of the output of flour mills, linseed-oil mills, and other manufacturing industries connected with the movement of the agricultural product, all indicate Minneapolis as the city entitled from every standpoint to the location of a reserve bank, for the reason that it is through this market place that the grain of the Northwest naturally flows. The grain distributed through the grain market of Duluth must all be credited to Minneapolis, since the banks of Minneapolis are expected to furnish the funds necessary for the distribution of grain through that market place.

#### GRAIN EXHIBIT A.

##### Government crop figures.

Kind of grain.	Minnesota.		North Dakota.	
	Production.	Value Dec. 1.	Production.	Value Dec. 1.
<i>Crop of 1900.</i>				
	<i>Bushels.</i>		<i>Bushels.</i>	
Wheat.....	51,509,000	\$32,451,000	13,176,000	\$7,643,000
Corn.....	31,795,000	9,221,000	381,000	161,000
Oats.....	41,908,000	10,068,000	6,300,000	2,016,000
Barley.....	7,276,000	2,765,000	1,999,000	700,000
Rye.....	1,037,000	436,000	84,000	35,000
Potatoes.....	8,637,000	2,591,000	1,537,000	754,000
Buckwheat.....	144,000	82,000		
Total.....	142,306,000	57,604,000	23,477,000	11,309,000
Hay..... tons	1,424,000	9,893,000	248,000	1,398,000
Total value.....		67,497,000		12,707,000
<i>Crop of 1903.</i>				
Wheat.....	70,653,000	48,751,000	55,241,000	34,802,000
Corn.....	40,727,000	15,477,000	2,168,000	911,000
Oats.....	68,889,000	20,643,000	21,845,000	6,772,000
Barley.....	27,784,000	10,280,000	12,469,000	4,489,000
Rye.....	1,750,000	788,000	367,000	158,000
Flaxseed.....	6,014,000	4,992,000	13,246,000	10,729,000
Potatoes.....	8,961,000	5,467,000	2,033,000	976,000
Buckwheat.....	75,000	40,000	17,000	9,000
Total.....	224,774,000	106,438,000	107,386,000	58,846,000
Hay..... tons	1,580,000	10,443,000	178,000	816,000
Total value.....		116,881,000		59,662,000
<i>Crop of 1906.</i>				
Wheat.....	55,802,000	36,272,000	77,896,000	49,075,000
Corn.....	50,150,000	17,051,000	4,170,000	1,627,000
Oats.....	72,912,000	19,444,000	40,170,000	10,932,000
Barley.....	31,592,000	11,037,000	15,816,000	5,220,000
Rye.....	1,708,000	854,000	434,000	204,000

## GRAIN EXHIBIT A—Continued.

Government crop figures—Continued.

Kind of grain.	Minnesota.		North Dakota.	
	Production.	Value Dec. 1.	Production.	Value Dec. 1.
<i>Crop of 1906—Contd.</i>				
Flaxseed	<i>Bushels.</i> 4,742,000	\$4,884,000	<i>Bushels.</i> 14,511,000	\$14,802,000
Potatoes	12,124,000	4,486,000	2,467,000	1,135,000
Buckwheat	64,000	35,000		
Total	228,194,000	94,083,000	155,780,000	82,995,000
Hay . . . . . tons	1,460,000	8,027,000	258,000	1,158,000
Total value		102,110,000		84,153,000
<i>Crop of 1909.</i>				
Wheat	94,080,000	90,317,000	90,762,000	83,501,000
Corn	58,812,000	28,818,000	6,045,000	3,325,000
Oats	90,288,000	31,601,000	49,600,000	16,368,000
Barley	31,600,000	14,852,000	20,727,000	8,913,000
Rye	2,280,000	1,368,000	1,478,000	272,000
Flaxseed	4,500,000	6,750,000	14,229,000	22,340,000
Potatoes	18,400,000	6,440,000	4,400,000	1,980,000
Buckwheat	76,000	54,000		
Total	300,036,000	180,200,000	186,241,000	136,699,000
Hay . . . . . tons	1,622,000	9,732,000	266,000	1,330,000
Total value		189,932,000		138,029,000
<i>Crop of 1912.</i>				
Wheat	67,038,000	48,938,000	143,820,000	99,236,000
Corn	78,177,000	28,925,000	8,758,000	3,766,000
Flaxseed	4,121,000	4,945,000	12,086,000	13,778,000
Barley	42,018,000	17,227,000	35,162,000	12,307,000
Oats	122,932,000	31,162,000	95,220,000	20,948,000
Rye	6,026,000	3,013,000	864,000	406,000
Potatoes	33,075,000	9,261,000	6,656,000	1,864,000
Buckwheat	126,000	82,000		
Total	353,513,000	143,553,000	302,566,000	152,305,000
Hay . . . . . tons	2,541,000	16,262,000	510,000	2,805,000
Total value		159,815,000		155,110,000
<i>Crop of 1913.</i>				
Wheat	67,280,000	51,776,000	78,855,000	57,564,000
Corn	96,000,000	50,880,000	10,800,000	5,616,000
Oats	112,644,000	36,046,000	57,825,000	17,348,000
Barley	34,800,000	16,704,000	25,500,000	10,200,000
Rye	5,700,000	2,736,000	1,800,000	810,000
Flaxseed	3,150,000	3,874,000	7,200,000	8,712,000
Potatoes	30,250,000	15,730,000	5,100,000	2,836,000
Buckwheat	99,000	63,000		
Total	359,923,000	177,809,000	187,080,000	103,086,000
Hay . . . . . tons	2,490,000	16,434,000	388,000	2,250,000
Total value		194,178,000		105,356,000

## GRAIN EXHIBIT A—Continued.

Government crop figures—Continued.

Kind of grain.	South Dakota.		Montana.	
	Production.	Value Dec. 1.	Production.	Value Dec. 1.
<i>Crop of 1906—Contd.</i>				
Rye	<i>Bushels.</i> 622,000	\$280,000	<i>Bushels.</i> 42,000	\$28,000
Flaxseed	3,980,000	3,980,000	299,000	299,000
Potatoes	3,543,000	1,240,000	2,144,000	1,308,000
Total	182,234,000	68,244,000	14,852,000	7,813,000
Hay . . . . . tons	333,000	1,495,000	692,000	6,156,000
Total value		69,739,000		13,969,000
<i>Crop of 1909.</i>				
Wheat	47,588,000	42,829,000	10,764,000	9,364,000
Corn	65,270,000	32,635,000	175,000	150,000
Oats	43,500,000	14,790,000	15,390,000	6,464,000
Barley	19,910,000	8,960,000	1,900,000	1,197,000
Rye	578,000	341,000	58,000	44,000
Flaxseed	5,640,000	8,516,000	120,000	192,000
Potatoes	4,000,000	2,520,000	4,500,000	2,285,000
Total	186,486,000	110,591,000	32,907,000	19,706,000
Hay . . . . . tons	804,000	4,100,000	995,000	9,950,000
Total value		114,691,000		29,656,000
<i>Crop of 1912.</i>				
Wheat	52,185,000	36,008,000	19,346,000	12,381,000
Corn	76,347,000	28,248,000	612,000	428,000
Flaxseed	5,323,000	6,015,000	5,520,000	6,182,000
Barley	23,062,000	9,686,000	1,424,000	755,000
Oats	52,062,000	13,098,000	22,848,000	7,997,000
Rye	312,000	162,000	235,000	141,000
Potatoes	6,510,000	2,344,000	6,105,000	2,442,000
Total	216,509,000	95,561,000	56,090,000	30,326,000
Hay . . . . . tons	672,000	4,099,000	1,215,000	10,093,000
Total value		99,660,000		40,419,000
<i>Crop of 1913.</i>				
Wheat	33,175,000	24,383,000	20,673,000	19,346,000
Corn	67,320,000	37,699,000	882,000	679,000
Oats	42,135,000	14,326,000	21,750,000	6,960,000
Barley	16,765,000	7,712,000	1,860,000	893,000
Rye	660,000	312,000	210,000	116,000
Flaxseed	3,060,000	3,672,000	3,600,000	4,140,000
Potatoes	4,680,000	2,948,000	5,040,000	3,377,000
Total	167,795,000	91,052,000	44,015,000	35,511,000
Hay . . . . . tons	552,000	3,588,000	1,188,000	11,405,000
Total value		94,640,000		46,916,000

## Summary.

Kind of grain.	Production.		Value.	
	<i>Bushels.</i>			
<i>Crop of 1900.</i>				
Wheat	86,765,000		\$52,959,000	
Corn	64,619,000		18,799,000	
Oats	63,431,000		16,190,000	
Barley	11,021,000		4,041,000	
Rye	1,149,000		482,000	
Potatoes	14,846,000		5,137,000	
Buckwheat	144,000		82,000	
Total	241,975,000		97,690,000	
Hay . . . . . tons		3,796,000		24,584,000
Total value				122,274,000
<i>Crop of 1903.</i>				
Wheat	175,932,000		114,688,000	
Corn	84,606,000		31,012,000	
Oats	125,535,000		37,960,000	
Barley	51,643,000		18,712,000	
Rye	2,869,000		1,258,000	
Flaxseed	23,343,000		18,953,000	
Potatoes	16,153,000		9,002,000	
Buckwheat	92,000		49,000	
Total	480,173,000		231,634,000	
Hay . . . . . tons		2,734,000		18,694,000
Total value				250,328,000
<i>Crop of 1906.</i>				
Wheat	178,952,000		113,051,000	
Corn	117,227,000		36,955,000	
Oats	167,410,000		45,720,000	
Barley	70,791,000		23,874,000	
Rye	2,806,000		1,366,000	

**GRAIN EXHIBIT A—Continued.**  
Government crop figures—Continued.

Kind of grain.	Summary.	
	Production.	Value.
<i>Crop of 1906—Continued.</i>		
Flaxseed	<i>Bushels.</i> 23,532,000	\$23,985,000
Potatoes	20,278,000	8,169,000
Buckwheat	64,000	35,000
Total	581,060,000	253,135,000
Hay .....	2,743,000 tons.	16,836,000
<b>Total value</b> .....		<b>269,971,000</b>
<i>Crop of 1909.</i>		
Wheat	243,194,000	226,011,000
Corn	130,302,000	64,928,000
Oats	198,778,000	69,223,000
Barley	74,137,000	33,922,000
Rye	3,394,000	2,025,000
Flaxseed	24,489,000	37,798,000
Potatoes	31,300,000	13,235,000
Buckwheat	76,000	54,000
Total	705,670,000	446,996,000
Hay .....	3,687,000 tons.	25,112,000
<b>Total value</b> .....		<b>472,308,000</b>
<i>Crop of 1912.</i>		
Wheat	282,389,000	196,563,000
Corn	162,894,000	61,367,000
Flaxseed	27,050,000	30,920,000
Barley	101,666,000	39,975,000
Oats	293,062,000	73,205,000
Rye	7,437,000	3,722,000
Potatoes	52,346,000	15,911,000
Buckwheat	126,000	82,000
Total	928,678,000	421,745,000
Hay .....	4,939,000 tons.	33,259,000
<b>Total value</b> .....		<b>455,004,000</b>
<i>Crop of 1913.</i>		
Wheat	199,983,000	153,069,000
Corn	175,002,000	94,874,000
Oats	234,354,000	74,680,000
Barley	78,925,000	35,509,000
Rye	8,370,000	3,974,000
Flaxseed	17,010,000	20,398,000
Potatoes	45,070,000	24,891,000
Buckwheat	99,000	63,000
Total	758,813,000	407,458,000
Hay .....	4,618,000 tons.	33,677,000
<b>Total value</b> .....		<b>441,090,000</b>

**GRAIN EXHIBIT B.**

Receipts at Minneapolis by crop years, with average price per year and values.

Year.	Wheat.			Corn.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900	81,961,600	\$0.70	\$57,373,120	9,266,270	\$0.35	\$3,243,195
1903	85,139,130	.79	67,259,913	3,912,090	.45	1,760,440
1906	92,643,730	.77	71,435,672	5,297,930	.42	2,225,131
1909	101,566,660	1.14	115,785,992	7,021,170	.63	4,423,320
1912	125,498,420	1.00	125,498,420	6,127,220	.64	3,921,421
1913 (4 months)	54,210,140	.83	44,995,000	4,172,850	.62	2,588,000

Year.	Oats.			Barley.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900	12,909,710	\$0.24	\$3,098,330	5,248,940	\$0.40	\$2,099,576
1903	25,057,710	.34	8,510,621	12,249,040	.46	5,634,378
1906	20,374,750	.30	6,112,425	11,690,010	.42	4,909,804
1909	17,610,030	.44	7,748,413	22,555,170	.58	13,081,999
1912	21,063,960	.41	8,636,224	35,810,150	.76	27,215,714
1913 (4 months)	12,388,790	.36	3,460,000	18,433,770	.55	10,139,000

**GRAIN EXHIBIT B—Continued.**

Receipts at Minneapolis by crop years, with average price per year and values—Continued.

Year.	Rye.			Flaxseed.			Total values.
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.	
1900	814,520	\$0.50	\$407,260	7,180,060	\$1.59	\$11,416,296	\$77,637,777
1903	1,786,430	.49	875,351	8,216,970	1.05	8,627,819	92,677,522
1906	1,911,730	.57	1,089,686	10,162,240	1.13	11,483,332	97,256,050
1909	2,442,450	.74	1,807,413	9,251,180	1.63	15,079,424	157,926,581
1912	5,948,720	.74	4,402,793	12,363,200	1.89	23,366,448	193,041,020
1913 (4 mos.)	3,115,640	.54	1,683,000	5,078,450	1.40	7,110,000	69,975,000

**GRAIN EXHIBIT C.**

Minneapolis shipments by crop years, with average price per year and values.

Year.	Wheat.			Corn.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900	10,096,970	\$0.72	\$7,269,818	1,812,250	\$0.37	\$670,533
1903	17,153,160	.81	13,894,060	757,020	.47	355,800
1906	20,828,130	.79	16,454,062	3,450,150	.44	1,518,066
1909	22,093,800	1.16	25,628,808	5,041,300	.65	3,276,845
1912	33,266,350	1.02	33,931,677	4,125,820	.66	2,723,041
1913 (part of)	11,141,060	.85	9,469,901	3,160,010	.64	2,022,406

Year.	Oats.			Barley.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900	4,064,710	\$0.26	\$1,056,825	3,672,810	\$0.42	\$1,542,580
1903	13,572,220	.36	4,885,999	8,727,850	.48	4,189,368
1906	19,097,370	.32	6,111,158	10,661,310	.44	4,690,976
1909	15,181,400	.46	6,983,444	20,556,790	.60	12,334,074
1912	16,081,450	.43	6,915,024	33,297,570	.78	25,972,115
1913 (part of)	10,050,370	.38	4,161,160	14,823,530	.57	8,449,412

Year.	Rye.			Flaxseed.			Total values.
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.	
1900	533,260	\$0.52	\$277,295	3,295,260	\$1.61	\$5,303,759	\$16,120,810
1903	1,115,860	.51	569,088	3,347,600	1.07	3,581,932	27,476,247
1906	1,710,110	.59	1,008,965	5,196,640	1.15	5,976,136	35,759,363
1909	1,460,260	.76	1,089,798	2,090,050	1.65	3,448,583	52,761,552
1912	4,089,340	.76	3,107,898	2,687,910	1.91	5,095,708	77,745,453
1913 (part of)	2,142,060	.56	1,199,554	576,310	1.42	818,360	26,120,783

**PERCENTAGE CROP MARKETED AT MINNEAPOLIS.**

Year.	Crop.	Minneapolis receipts.	Percentage.	
1900	Bushels.	241,975,000	117,381,100	0.485
1903	Bushels.	480,094,000	136,361,310	.284
1906	Bushels.	581,060,000	142,080,390	.244
1909	Bushels.	705,670,000	160,446,660	.227
1912	Bushels.	928,298,000	206,812,670	.222

Receipts at Duluth by crop years, with average price per year and values.

Year.	Wheat.			Corn.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900	19,434,000	\$0.70	\$13,603,800	6,489,000	\$0.35	\$2,271,150
1903	29,063,000	.79	22,959,770	12,000	.45	5,400
1906	52,827,000	.77	40,676,790	129,000	.42	54,180
1909	58,294,000	1.14	66,455,160	920,000	.63	579,600
1912	86,084,000	1.00	86,084,000	446,867	.64	286,000
1913 (part of)	52,198,000	.83	43,324,340	73,000	.62	45,260

GRAIN EXHIBIT C—Continued.

Receipts at Duluth by crop years, with average price per year and values—Continued.

Year.	Oats.			Barley.		
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.
1900.....	1,637,000	\$.24	\$392,880	2,452,000	\$.40	\$980,800
1903.....	4,940,000	.34	1,679,600	6,754,000	.46	3,106,840
1906.....	4,608,000	.30	1,382,400	10,450,000	.42	4,389,000
1909.....	8,167,000	.44	3,593,480	12,757,000	.58	7,399,060
1912.....	9,340,000	.41	3,829,400	14,600,000	.76	11,096,000
1913 (part of)...	4,349,000	.36	1,565,640	9,363,000	.55	5,149,650

Year.	Rye.			Flaxseed.			Total values.
	Bushels.	Average price.	Value.	Bushels.	Average price.	Value.	
1900.....	759,000	\$.50	\$379,500	6,237,000	\$.59	9,916,830	\$27,544,960
1903.....	932,000	.49	456,680	18,785,000	1.05	19,724,050	47,932,540
1906.....	654,000	.57	372,780	20,952,000	1.13	23,675,760	70,550,910
1909.....	738,000	.74	546,120	9,826,000	1.63	16,016,390	94,589,800
1912.....	2,339,000	.74	1,730,860	17,310,000	1.89	32,715,900	135,742,160
1913 (part of)...	953,000	.54	514,620	7,539,000	1.40	10,554,600	61,154,110

PERCENTAGE CROP MARKETED AT MINNEAPOLIS AND DULUTH.

Year.	Crop.	Duluth.		Minneapolis.		Total both markets.	Percentage.	
		Receipts.	Percentage.	Receipts.	Percentage.			
		Bushels.	Bushels.	Bushels.	Bushels.	Bushels.		
1900.....		227,129,000	37,008,000	0.163	117,381,100	0.515	150,389,100	0.678
1903.....		463,941,000	60,486,000	.130	136,361,310	.298	196,847,310	.428
1906.....		584,907,000	89,620,000	.159	142,080,390	.254	231,700,390	.413
1909.....		674,370,000	89,702,000	.133	160,446,660	.238	250,148,660	.373
1912.....		875,952,000	130,120,000	.149	206,812,670	.236	336,932,670	.385
1913.....		713,743,000	74,475,000	.104				

GRAIN EXHIBIT D.

Minneapolis stocks, by months.

Date.	Wheat.		Corn.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	7,014,978	\$5,962,700	16,826	\$11,800
Oct. 4, 1913.....	10,834,386	9,209,200	37,617	24,800
Nov. 1, 1913.....	14,456,972	11,999,300	18,140	11,200
Dec. 1, 1913.....	16,151,795	13,406,000	21,388	13,300
Jan. 1, 1914.....	19,050,337	15,811,800	178,813	100,200

Date.	Oats.		Barley.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	1,777,606	\$665,500	129,953	\$80,800
Oct. 4, 1913.....	3,124,089	1,124,700	768,055	483,900
Nov. 1, 1913.....	3,355,890	1,174,600	1,155,489	670,200
Dec. 1, 1913.....	3,452,082	1,208,200	1,224,244	673,300
Jan. 1, 1914.....	3,157,267	1,041,900	1,215,311	668,500

Date.	Oats.		Barley.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	1,700,000	646,000	1,300,000	806,000
Oct. 1, 1913.....	3,100,000	1,116,700	700,000	441,000
Nov. 1, 1913.....	3,300,000	1,155,000	1,100,000	638,000
Dec. 1, 1913.....	3,400,000	1,190,000	1,200,000	660,000
Jan. 1, 1914.....	3,100,000	1,023,000	1,200,000	660,000

GRAIN EXHIBIT D—Continued.

Minneapolis stocks, by months—Continued.

Date.	Rye.		Flax.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	128,757	\$78,500	36,643	\$53,500
Oct. 4, 1913.....	374,072	213,200	68,574	96,700
Nov. 1, 1913.....	586,084	316,500	115,917	163,400
Dec. 1, 1913.....	752,573	398,900	238,773	429,500
Jan. 1, 1914.....	748,120	396,500	210,021	304,530

RECAPITULATION.				
Aug. 31, 1913.....				\$8,853,700
Oct. 1, 1913.....				13,618,900
Nov. 1, 1913.....				17,219,600
Dec. 1, 1913.....				19,181,600
Jan. 1, 1914.....				21,673,500

GRAIN EXHIBIT E.

Duluth stocks, by months.

Date.	Wheat.		Corn.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	3,083,000	\$2,520,550		
Oct. 1, 1913.....	9,391,000	7,794,530		
Nov. 1, 1913.....	11,548,000	9,584,640		
Dec. 1, 1913.....	10,440,000	8,665,200		
Jan. 1, 1914.....	12,260,000	10,298,400		

Date.	Oats.		Barley.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	420,000	\$168,000	812,000	\$503,440
Oct. 4, 1913.....	1,786,000	669,750	2,065,000	1,280,300
Nov. 1, 1913.....	1,323,000	467,930	1,805,000	1,206,750
Dec. 1, 1913.....	1,093,000	400,310	936,000	524,160
Jan. 1, 1914.....	1,214,000	341,600	911,000	510,160

Date.	Rye.		Flax.	
	Bushels.	Value.	Bushels.	Value.
Aug. 31, 1913.....	85,000	\$52,700	1,535,000	\$2,241,000
Oct. 4, 1913.....	331,000	186,360	861,000	1,231,000
Nov. 1, 1913.....	368,000	198,720	1,646,000	2,239,000
Dec. 1, 1913.....	312,000	162,240	2,668,000	3,721,722
Jan. 1, 1914.....	332,000	170,980	1,169,000	1,721,350

RECAPITULATION AT DULUTH.

Aug. 31, 1913.....	\$5,485,690
Oct. 4, 1913.....	11,161,940
Nov. 1, 1913.....	13,696,020
Dec. 1, 1913.....	13,473,632
Jan. 1, 1914.....	13,042,490

RECAPITULATION OF TERMINALS MINNEAPOLIS AND DULUTH.

Aug. 31, 1913.....	\$14,339,390
Oct. 4, 1913.....	24,780,840
Nov. 1, 1913.....	30,915,620
Dec. 1, 1913.....	32,655,232
Jan. 1, 1914.....	34,715,990

RECAPITULATION MINNEAPOLIS AND DULUTH TERMINAL STOCKS AND COUNTRY ELEVATOR STOCKS.

Jan. 1, 1914:	
Minneapolis terminals.....	\$21,673,500
Duluth terminals.....	13,042,490
Country elevator stocks.....	18,200,000
	52,915,990

GRAIN EXHIBIT F.

Capacity of country elevators, by States.

Stock in country elevators.

State.	Elevators.	Capacity.
		<i>Bushels.</i>
Minnesota.....	1,536	30,720,000
North Dakota.....	1,883	37,660,000
South Dakota.....	1,160	23,200,000
Montana.....	660	13,200,000
Total.....	5,239	104,780,000

[As per statement in Northwestern Miller, issue of Jan. 7, 1914, p. 26.]

Stock..... bushels..	25,000,000 to 27,000,000
Value.....	\$18,200,000

GRAIN EXHIBIT G.

Value of flour output of Minneapolis.

Year.	Barrels.	Average price per barrel.	Value.
1900.....	15,082,725	\$3.08	\$46,454,793
1903.....	15,582,785	3.50	54,539,747
1906.....	13,825,795	3.46	46,837,250
1909.....	14,867,245	4.93	73,295,517
1912.....	17,031,935	4.46	75,960,230
1913.....	17,673,725	3.85	68,043,841
EXPORTS.			
1900.....	4,702,485	3.08	14,483,653
1903.....	3,081,115	3.50	10,783,903
1906.....	2,425,035	3.46	8,390,621
1909.....	1,645,970	4.93	8,114,632
1912.....	1,132,640	4.46	6,051,574
1913.....	1,764,805	3.85	6,794,499

Fifty-one country mills with daily capacity of 40,865 barrels. These country mills average 62 per cent active in 1913, making daily output 25,000 barrels.

Yearly output—7,500,000 barrels, at \$3.85 average price per barrel—\$28,875,000.

Total output Minneapolis mills and country mills tributary to Minneapolis—25,173,725 barrels, at \$3.85 average price per barrel—\$96,918,841.

GRAIN EXHIBIT H.

(1913.)

Linseed oil, 216,222,794 pounds, at 6.666 cents per pound.....	\$14,414,853
Oil cake, 432,445,590 pounds, at 1.5 cents per pound.....	6,486,684
	20,901,537

About 75 per cent exported.

Ground screenings:	
Capacity per day.....	tons.. 134
Value of output.....	\$500,000
Stock foods:	
Value of output.....	\$1,000,000
Outside plants financed.....	800,000

GRAIN EXHIBIT I.

Malting capacity of Minneapolis.....	bushels.. 4,500,000
Value.....	\$3,500,000
Ground-feed mills, capacity.....	tons.. 800,000
Value of product.....	\$1,500,000

GRAIN EXHIBIT J.

Canadian crops.

Estimate of Dominion Census three Northwest Provinces, 1913 crop:	
Wheat.....	bushels.. 189,116,000
Oats.....	239,595,000
Barley.....	27,904,000
Rye.....	686,000
Flax.....	14,808,000
Total.....	472,109,000

Receipts at Fort William and Port Arthur, crop year ending Aug. 31, 1913:

Wheat.....	bushels.. 107,230,690
Oats.....	34,523,460
Barley.....	9,857,206
Flax.....	18,051,139
Total.....	169,664,495

On basis of 20 per cent Fort William and Port Arthur receipts:

Wheat, 21,440,140 bushels.....	\$18,229,219
Oats, 6,904,690 bushels.....	2,623,782
Barley, 1,971,840 bushels.....	1,123,948
Flax, 3,610,230 bushels.....	5,126,526
Total.....	27,103,475

Canadian receipts at Duluth from Aug. 1, 1913, to Jan. 3, 1914:

Wheat, 2,580,000 bushels, at \$0.87.....	\$2,244,600
Oats, 2,845,000 bushels, at \$0.40.....	1,138,000
Barley, 694,000 bushels, at \$0.59.....	409,460
Flaxseed, 250,000 bushels, at \$1.44.....	360,000
Total.....	4,152,060

Canadian receipts at Minneapolis for calendar year 1913:

Wheat, 78,080 bushels, at \$0.85.....	\$66,368
Oats, 1,314,000 bushels, at \$0.38.....	499,320
Barley, 58,050 bushels, at \$0.51.....	30,088
Flaxseed, 277,290 bushels, at \$1.42.....	393,752
Total.....	989,528

GRAIN EXHIBIT K.

Government crop reports, southwest tributary to Kansas City, St. Louis, and Omaha.

Kind of grain.	Missouri.		Kansas.	
	Production.	Value Dec. 1.	Production.	Value Dec. 1.
<i>Crop year 1900.</i>				
	<i>Bushels.</i>		<i>Bushels.</i>	
Wheat.....	18,847,000	\$11,874,000	82,489,000	\$45,369,000
Corn.....	180,711,000	57,828,000	163,871,000	52,439,000
Oats.....	24,606,000	5,680,000	43,064,000	9,905,000
Barley.....	15,000	7,000	4,187,000	1,382,000
Rye.....	135,000	69,000	1,923,000	827,000
Flax.....				
Potatoes.....	10,107,000	3,538,000	7,247,000	3,479,000
Buckwheat.....	32,000	22,000		
Total.....	234,543,000	79,018,000	302,781,000	113,401,000
Hay.....	2,769,000 tons.	19,238,000	4,032,000	18,344,000
Total values.....		98,256,000		131,745,000
<i>Crop year 1903.</i>				
Wheat.....	22,195,000	15,759,000	87,250,000	51,478,000
Corn.....	202,840,000	68,966,000	171,687,000	61,808,000
Oats.....	17,402,000	5,569,000	26,012,000	7,804,000
Barley.....	34,000	18,000	4,388,000	1,492,000
Rye.....	280,000	154,000	1,341,000	590,000
Flax.....	347,000	291,000	891,000	704,000
Potatoes.....	5,741,000	4,363,000	4,185,000	3,557,000
Buckwheat.....	34,000	26,000	36,000	28,000
Total.....	248,873,000	95,146,000	295,700,000	127,461,000
Hay.....	4,764,000 tons.	31,699,000	2,866,000	13,782,000
Total values.....		126,845,000		141,243,000
<i>Crop year 1906.</i>				
Wheat.....	31,735,000	21,263,000	81,831,000	80,440,000
Corn.....	228,523,000	86,839,000	195,075,000	62,424,000
Oats.....	14,686,000	4,847,000	24,780,000	7,682,000
Barley.....	40,000	20,000	8,437,000	2,785,000
Rye.....	285,000	171,000	1,027,000	514,000
Flax.....	263,000	244,000	533,000	470,000
Potatoes.....	7,160,000	4,081,000	6,715,000	4,701,000
Buckwheat.....	28,000	20,000	23,000	17,000
Total.....	282,720,000	117,485,000	318,421,000	159,033,000
Hay.....	2,129,000 tons.	21,282,000	2,207,000	13,794,000
Total values.....		138,767,000		172,827,000
<i>Crop year 1909.</i>				
Wheat.....	28,562,000	29,990,000	87,203,000	83,715,000
Corn.....	213,840,000	126,166,000	154,282,000	83,225,000
Oats.....	18,690,000	8,011,000	27,185,000	11,690,000
Barley.....	50,000	34,000	4,890,000	2,576,000
Rye.....	225,000	184,000	508,000	426,000
Flax.....	202,000	232,000	385,000	424,000
Potatoes.....	7,480,000	5,012,000	7,189,000	5,679,000
Buckwheat.....	42,000	37,000	14,000	14,000
Total.....	269,031,000	169,666,000	281,629,000	187,806,000
Hay.....	3,719,000 tons.	30,868,000	2,652,000	15,912,000
Total values.....		200,534,000		203,718,000
<i>Crop year 1912.</i>				
Wheat.....	23,750,000	21,375,000	92,290,000	68,295,000
Corn.....	243,904,000	112,196,000	174,225,000	69,690,000
Oats.....	37,125,000	12,994,000	55,040,000	19,264,000
Barley.....	149,000	98,000	4,136,000	1,654,000
Rye.....	222,000	178,000	477,000	324,000

GRAIN EXHIBIT K—Continued.

Government crop reports, southwest tributary to Kansas City, St. Louis, and Omaha—Continued.

Table with columns for Missouri and Kansas, showing Production and Value Dec. 1 for various grains (Wheat, Corn, Oats, etc.) for Crop years 1912-1913.

Table with columns for Nebraska and Oklahoma, showing Production and Value Dec. 1 for various grains (Wheat, Corn, Oats, etc.) for Crop years 1900-1909.

GRAIN EXHIBIT K—Continued.

Government crop reports, southwest tributary to Kansas City, St. Louis, and Omaha—Continued.

Table with columns for Nebraska and Oklahoma, showing Production and Value Dec. 1 for various grains (Wheat, Corn, Oats, etc.) for Crop year 1912.

Table with columns for Colorado and Total, showing Production and Value Dec. 1 for various grains (Wheat, Corn, Oats, etc.) for Crop years 1900-1909.



GRAIN EXHIBIT K—Continued.

Government crop reports, southwest tributary to Kansas City, St. Louis, and Omaha—Continued.

Kind of grain.	Colorado.		Total.	
	Production.	Value Dec. 1.	Production.	Value Dec. 1.
<b>Crop year 1912.</b>				
	<i>Bushels.</i>		<i>Bushels.</i>	
Wheat.....	10,968,000	\$8,006,000	202,156,000	\$150,733,000
Corn.....	8,736,000	4,368,000	711,359,000	295,592,000
Oats.....	12,412,000	4,717,000	183,581,000	61,616,000
Barley.....	2,964,000	1,482,000	9,895,000	4,358,000
Rye.....	488,000	268,000	2,115,000	1,305,000
Flax.....	96,000	120,000	496,000	625,000
Potatoes.....			64,000	56,000
Buckwheat.....	8,075,000	3,311,000	32,975,000	19,439,000
Total.....	43,739,000	22,272,000	1,142,641,000	533,724,000
Hay..... tons.	1,905,000	16,574,000	8,081,000	73,771,000
Total values.....	38,846,000		607,495,000	
<b>Crop year 1913.</b>				
Wheat.....	9,680,000	7,551,000	216,074,000	168,121,000
Corn.....	6,300,000	4,599,000	325,186,000	230,194,000
Oats.....	10,675,000	4,697,000	149,660,000	63,067,000
Barley.....	3,250,000	1,820,000	7,127,000	3,867,000
Rye.....	340,000	204,000	2,998,000	1,941,000
Flax.....	50,000	58,000	454,000	523,000
Potatoes.....			52,000	43,000
Buckwheat.....	9,200,000	5,980,000	22,934,000	18,075,000
Total.....	39,945,000	24,909,000	724,485,000	485,831,000
Hay..... tons.	1,824,000	18,240,000	19,181,000	79,760,000
Total values.....	43,149,000		565,591,000	

GRAIN EXHIBIT L.  
Southwest receipts.

	1900	1903	1906	1909	1912
<b>ST. LOUIS.</b>					
	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>
Wheat.....	23,211,240	24,293,990	21,607,370	22,661,830	30,540,370
Corn.....	23,748,360	18,743,270	37,385,670	24,398,370	25,979,030
Oats.....	11,900,640	17,714,330	28,431,200	20,651,690	21,529,690
Barley.....	1,926,750	3,108,000	2,623,000	2,130,090	1,760,250
Rye.....	543,460	1,023,310	499,830	289,590	186,270
Total.....	61,330,450	64,882,900	90,547,070	70,131,570	79,996,610
Per cent.....	0.007	0.068	0.078	0.069	0.071
<b>KANSAS CITY.</b>					
Wheat.....	24,018,400	39,159,900	36,617,700	43,527,700	43,719,600
Corn.....	16,092,800	14,187,600	16,024,800	17,619,400	19,522,500
Oats.....	8,358,000	4,675,200	8,629,500	5,451,500	6,682,700
Barley.....	33,000	581,000	404,800	394,200	186,200
Rye.....	376,800	247,200	161,700	79,200	147,400
Total.....	48,869,000	58,850,900	61,838,500	67,072,000	70,238,400
Per cent.....	0.058	0.062	0.054	0.068	0.063
<b>OMAHA.</b>					
Wheat.....		3,587,500	9,981,600	9,544,800	16,868,800
Corn.....		8,834,740	18,493,200	23,475,000	20,536,800
Oats.....		3,517,250	13,644,800	9,972,000	12,903,000
Barley.....		178,800	38,000	693,000	1,192,000
Rye.....		316,000	140,000	195,700	183,700
Total.....		16,433,290	42,597,600	43,880,500	51,685,100
Per cent.....		0.019	0.038	0.044	0.048

GRAIN EXHIBIT M.

High-point terminal stocks—Contrasting Minneapolis and Duluth with southwestern terminals.

Point.	Date.	Wheat.	Corn.	Oats.	Rye.
Minneapolis.....	Apr. 2, 1913	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>
		21,668,000	64,000	1,308,000	286,000
		18,156,000	44,000	807,000	158,000
Duluth.....	do.....				
Total.....		39,824,000	108,000	2,115,000	444,000
<b>Southwest terminals.<sup>1</sup></b>					
Kansas City.....	Aug. 30, 1913	8,881,000	118,000	746,000	.....
Omaha.....	Sept. 13, 1913	2,020,000	514,000	2,243,000	20,000
St. Louis.....	Jan. 11, 1913	3,345,000	150,000	179,000	25,000
Total.....		14,246,000	782,000	3,168,000	45,000

<sup>1</sup> Statement made by taking highest point in each market, whether the same date or not.

GRAIN EXHIBIT M—Continued.

High-point terminal stocks—Contrasting Minneapolis and Duluth with southwestern terminals—Continued.

Point.	Barley.	Flax.	Total.
	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>
Minneapolis.....	675,000	425,000	24,426,000
Duluth.....	1,537,000	5,400,000	26,102,000
Total.....	2,212,000	5,825,000	50,528,000
<b>South terminals.</b>			
Kansas City.....			9,745,000
Omaha.....	17,000		4,814,000
St. Louis.....	3,000		4,702,000
Total.....	20,000		19,261,000

Terminal elevator capacity and milling capacity.

Points.	Elevators.		Mills.	
	Number.	Capacity.	Number.	Daily capacity.
		<i>Bushels.</i>		<i>Barrels.</i>
Minneapolis.....	50	38,550,000	24	77,160
Duluth and Superior.....	24	32,275,000	3	7,000
St. Louis.....	36	10,020,000	4	7,500
Kansas City.....	38	11,235,000	8	14,600
Omaha.....	12	6,575,000	2	4,000

<sup>1</sup> Does not include mill capacity.    <sup>2</sup> Includes mill capacity.

COMPARISONS.

Minneapolis terminals.....	bushels.....	38,550,000
Southwest terminals.....	do.....	27,830,000

GRAIN EXHIBIT N.

Elevator and milling capacity in various cities.

Cities.	Flour mills.		Elevators.	
	Num-ber.	Barrels.	Number.	Capacity.
		<i>Daily capacity.</i>		<i>Bushels.</i>
Minneapolis.....	24	77,160	50	38,550,000
Chicago.....	2	12,000	65	45,360,000
Duluth-Superior.....	3	7,000	24	32,275,000
Buffalo.....	7	20,300	22	18,900,000
New York.....	1	11,000	16	13,005,000
St. Louis.....	4	7,500	36	10,020,000
Kansas City.....	8	14,600	38	11,235,000
Baltimore.....	6	5,550,000	6	5,550,000
Philadelphia.....	2	1,950	5	3,450,000
Milwaukee.....	2	3,800	4	1,500,000
Boston.....	3	2,500,000	3	2,500,000
New Orleans.....	6	4,700,000	6	4,700,000
Newport News.....	2	2,750,000	2	2,750,000
Montreal.....	4	12,500	5	5,750,000
Detroit.....	2	1,800	8	3,515,000
Winnipeg.....	2	8,000	13	2,825,000
Cincinnati.....	8	1,500	5	1,200,000
Fort William and Port Arthur.....			15	25,700,000
Galveston.....	1	1,400	5	4,000,000
Cleveland.....	1	1,500	10	1,912,000
Toledo.....	5	8,000	8	5,000,000
Peoria.....	2	400	3	2,250,000
Omaha.....	2	4,000	12	6,575,000
Kenora and Keewatin, Ontario.....	2	12,250	4	1,740,000

Includes mill elevators.

GRAIN EXHIBIT O.

ST. PAUL.

One flour mill, 500 barrels capacity.  
 Five flour mills (country) financed.  
 Two elevators, 40,000 bushels capacity.  
 Hay receipts, 209,950 tons, at \$10—\$2,099,500.  
 Grain receipts, year ending August 31, 1913: 114 cars inspected; 600 cars forwarded from Minneapolis (estimated).

### TRAFFIC OF THE NORTHWEST CENTERS IN MINNEAPOLIS.

Railroads comprising nine systems and representing 48,591 miles of trackage in operation bring 8,065 communities into connection with Northwest's largest city.

Minneapolis, believing that its position as the traffic center of the Northwest, gives great weight to its argument for the location of the proposed Federal reserve bank, submits the record of its traffic business for the past six years and invites analysis in support of its contention.

Twenty-one States are traversed by Minneapolis railroads, representing 48,591 miles of rail actually in operation, and bringing 8,065 cities, towns, and villages into direct connection with Minneapolis. In the last six years a total of 7,205 miles of rail has been added to the Minneapolis system, and the mileage added in 1913 was 502. Nine railroad systems are tributary to this field, comprising 24 lines serving Minneapolis. The mileage in the proposed Northwest Federal reserve district is 35,846.

The following statements are presented as significant of the traffic activities of Minneapolis:

*Statement No. 1.*—This is a monthly comparison of all traffic, expressed in car units, received and forwarded at Minneapolis during the years 1908 to 1913, inclusive. It includes only traffic destined to or forwarded from Minneapolis proper.

Inbound traffic:	
1908.....	cars.. 281,375
1913.....	do.... 362,740
Increase during 6-year period.....	do.... 81,365
Percentage of increase.....	29
Outbound traffic:	
1908.....	cars.. 269,845
1913.....	do.... 344,654
Increase during 6-year period.....	do.... 74,809
Percentage of increase.....	28
Percentage of increase all cars in United States, 1911 over 1908.....	14
Percentage of increase all tonnage in United States, 1911 over 1908.....	11

The last report of railway statistics published by the Interstate Commerce Commission is for the year ending June 30, 1911. It states these facts:

Total loaded car-miles on all railroads in the United States.....	12,859,386,385
Average haul.....	miles.. 254.1
Total number of carloads handled by all roads in the year ending June 30, 1911.....	50,607,581
Cars received at Minneapolis during same period..	311,315
Cars forwarded from Minneapolis during same period.....	286,950
Total cars received and forwarded.....	598,265
Percentage of total cars handled by all roads in United States.....	1.18

*Statement No. 2.*—This is a monthly comparison of all less-than-carload traffic, expressed in pounds, received and forwarded at Minneapolis during the years 1908 to 1913, inclusive.

Inbound shipments:	
1908.....	pounds.. 416,660,066
1913.....	do.... 482,485,923
Increase during 6-year period.....	do.... 65,825,857
Percentage of increase.....	16
Outbound shipments:	
1908.....	pounds.. 810,893,278
1913.....	do.... 1,092,663,991
Increase during 6-year period.....	do.... 281,770,713
Percentage of increase.....	35
Percentage of increase in entire United States in 1911 over 1908.....	13

A reliable index of the importance of Minneapolis as a manufacturing center is the excess shown in outbound shipments over inbound shipments and the measure of industrial growth is expressed by the increase in the excess outbound shipments for 1913 over 1908.

Excess of outbound shipments:	
1908.....	pounds.. 394,233,212
1913.....	do.... 610,178,068
Increase in excess outbound shipments.....	do.... 215,944,856
Percentage of increase.....	55

The Interstate Commerce Commission's report of railway statistics for year ending June 30, 1911, shows:

Total less-than-carload traffic of all roads in the United States.....	tons.. 36,519,321
Total received at Minneapolis during the same period.....	tons.. 240,802
Total forwarded from Minneapolis during the same period.....	tons.. 441,489
Total received and forwarded.....	do.... 682,291
Percentage of total tonnage handled by all roads in the United States.....	1.87

*Statement No. 3.*—This is an analysis of statement No. 1, showing distribution of inbound and outbound traffic by commodities, in 1913:

Grain received at Minneapolis in cars.....	154,208
Grain forwarded from Minneapolis in cars.....	71,673
Grain milled at Minneapolis.....	82,735
Coal received at Minneapolis (40 tons per car).....	32,905
Coal forwarded from Minneapolis (40 tons per car).....	229
Coal consumed by Minneapolis industries.....	32,676
Total cars received (statement No. 1).....	362,740
Cars of raw material used by Minneapolis manufacturing industries.....	115,411
Total cars received for local consumption or distribution..	247,329
Total cars forwarded (statement No. 1).....	344,654
Excess forwarded over received.....	97,325
Percentage of excess.....	39

The Interstate Commerce Commission's report for the year ending June 30, 1911, shows that the total tonnage of grain and grain products handled by all roads in the United States was 56,181,741 tons; that the total tonnage of grain and grain products received and forwarded at Minneapolis during the year 1911 was 7,846,473 tons; that the percentage of total tonnage of grain and grain products handled by all roads in the United States was 14; that the flour forwarded from Minneapolis in 1908 totaled 14,062,655 barrels; that the flour forwarded from Minneapolis in 1913

totaled 18,254,260 barrels. The percentage of increase during 6-year period was 30.

A comparison of the traffic business of Minneapolis and St. Paul for the year 1913 shows the following facts, as gathered from the reports of the traffic departments of the railroads carrying the business: Loaded freight cars forwarded and received by Minneapolis proper, 763,519; loaded freight cars forwarded and received by St. Paul proper, 410,848.

#### MINNESOTA TRANSFER FIGURES IN BUSINESS OF MINNEAPOLIS.

(This city entitled to credit for much of commodity traffic passing through Minnesota transfer now included in St. Paul figures.)

Properly to measure traffic activities in Minneapolis and St. Paul one must understand conditions obtaining at Minnesota transfer. This is a railroad trackage within the corporate limits of St. Paul, but much of the traffic in and out of the transfer rightly is to be credited to Minneapolis.

To illustrate, a terminal elevator of 900,000 bushels capacity and two linseed-oil mills of a joint capacity of 192,500 barrels of oil and 60,000 tons of oil cake located at Minnesota transfer are financed through Minneapolis banks; and the elevator and one of the linseed-oil companies are operated from offices in Minneapolis.

On the other hand, a large quantity of commodities routed from the east or south to points west of Minnesota in transit passes through the transfer and gets credited in the St. Paul traffic total.

In the St. Paul commerce statement for the year ending October 31, 1913, all roads in and out of St. Paul are said to have received 4,934 cars of grain and seeds and to have forwarded 1,089 cars. First, the item of receipts will stand looking into. The Minnesota Transfer Co. keeps count only of those receipts of grain and seeds that come direct from country points. Cars forwarded from Minneapolis are not in its report. The company's records show that for the 12 months ending October 31, 1913, there were received at Minnesota transfer a total of 233 cars. Yet the St. Paul commerce statement gives 4,934 cars. The capacity of the two linseed-oil mills at Minnesota transfer is about 2,037 cars of flax per year. This leaves 2,664 cars of grain and seed to be accounted for.

#### STATE FIGURES CORROBORATE.

Inspection figures for St. Paul as shown by the records of the State railroad and warehouse commission for the year ending August 31, 1913, show 114 cars (the number would be approximately the same for the year ending Oct. 31, 1913), which would leave 2,550 cars unaccounted for.

Minneapolis, St. Paul, and Duluth have been designated by the State railroad and warehouse commission as being what are known as terminal points,

under the statute governing the inspection of grain. Under this statute, all grain received at the terminal markets must be inspected by State grain inspectors. Then, if there were only 114 cars inspected by the State grain inspection department, there were only 114 cars received direct from country points at terminal of St. Paul, and the rest of this grain received at St. Paul must have been reconsigned from Minneapolis; and the financing of consigned from Minneapolis; and the financing not only of the balance of 2,550 cars, but also of the industries at Minnesota transfer, and also of the 233 cars which were received from the country by industries located at Minnesota transfer, must have all been done by industries or business firms located at Minneapolis.

#### ON GRAIN AND SEED FORWARDED.

This statement also shows 1,089 cars of grain forwarded. The record received from the Minnesota Transfer Co. shows that during this same year there were forwarded from the Minnesota transfer a total of 588 cars of grain. These cars of grain were practically all loaded out and forwarded from two elevators, whose offices are in Minneapolis, and whose business is all financed from Minneapolis.

This leaves 501 cars of grain and seed unaccounted for, and this undoubtedly is grain billed from St. Paul to South St. Paul; that is, down to the South St. Paul stockyards, and is counted as a shipment from St. Paul.

The application of Minnesota transfer conditions to lumber and farm implement traffic is referred to the articles on these industries elsewhere in this brief.

#### INDUSTRIAL GROWTH OF MINNEAPOLIS SIGNIFICANT.

City has kept pace with tremendous development of the whole Northwest—Foremost in field—Five-year advance in permits for manufacturing buildings and their values.

Industrially the growth of the Minneapolis-St. Paul district as a great primary manufacturing center has been proportionate to and coincident with the development of the whole Northwest. The raw material of the farms, forests, and mines have here been converted into finished products. Demand for building material, farm implements, and machinery in the territory immediately tributary to this district has been greater than that of any other section of the country comparable with it.

TABLE A.—Increase in value, Minnesota, North Dakota, South Dakota, and Montana, 1900-1910.

Number of farms.....	334, 355
Buildings.....	\$287, 004, 021
Per farm.....	\$858
Increase.....per cent..	163. 1
Implements.....	\$80, 518, 061
Per farm.....	\$241
Increase.....per cent..	134. 1
Total.....	\$367, 522, 037
Per farm.....	\$1, 009
Increase.....per cent..	155. 7

Demand for all other articles of manufacture required by a rapidly growing district, such as furniture, clothing, machine shop and foundry products, and food preparations has been on a scale equal to the demand for building material and farm machinery. Facilities for manufacture being at hand, this demand resulted in the establishment of a great manufacturing center. Table B following, compiled by the Census Bureau, shows the 13 leading metropolitan industrial districts, in which the Minneapolis-St. Paul district ranks twelfth in value of products.

TABLE B.—Manufactures, population, and area for 13 selected metropolitan districts, 1910 census.

	Popula- tion.	Area in acres.	Number of establi- shments.
New York.....	6,474,568	616,928	31,782
Chicago.....	2,446,921	409,087	10,202
Philadelphia.....	1,972,342	437,733	9,568
Pittsburgh.....	1,044,743	405,880	2,369
Boston.....	1,520,470	335,905	5,389
St. Louis.....	828,733	197,993	2,951
Cleveland.....	613,270	103,174	2,230
Buffalo.....	488,661	132,413	1,964
Detroit.....	500,982	95,554	2,104
Cincinnati.....	563,804	111,772	2,827
Baltimore.....	658,715	184,660	2,668
Minneapolis-St. Paul.....	526,256	94,539	1,844
San Francisco-Oakland.....	686,873	289,381	2,539

	Total number persons engaged.	Capital.	Value of products.
New York.....	948,706	\$2,117,433,000	\$2,970,143,000
Chicago.....	393,859	1,144,003,000	1,408,780,000
Philadelphia.....	358,218	863,969,000	911,014,000
Pittsburgh.....	163,258	642,527,000	578,815,000
Boston.....	214,641	444,558,000	564,055,000
St. Louis.....	126,453	356,356,000	430,170,000
Cleveland.....	103,709	236,911,000	281,992,000
Buffalo.....	75,086	280,053,000	279,852,000
Detroit.....	101,482	210,402,000	268,900,000
Cincinnati.....	95,571	212,556,000	260,400,000
Baltimore.....	94,954	199,735,000	260,213,000
Minneapolis-St. Paul.....	59,920	160,623,000	244,340,000
San Francisco-Oakland.....	53,177	187,701,000	199,593,000

From the Census Bureau reports are taken the percentages of growth during the 10-year period covered by the United States census in the number of establishments, capital, and value of products which are shown by Table C. Table C shows that the Minneapolis-St. Paul district ranks second among the 13 metropolitan districts in percentage of increase in number of establishments, fifth in percentage of increase in capital, and fourth in percentage of increase in value of products.

TABLE C.

	1890-1909		
	Number of estab- lish- ments.	Capital.	Value of products.
New York.....	35.8	72.6	83.9
Chicago.....	27.3	97.6	62.5
Philadelphia.....	14.1	64.6	51.3
Pittsburgh.....	36.7	58.8	37.1
Boston.....	7.7	66.9	59.4
St. Louis.....	6.3	106.9	79.5
Cleveland.....	58.0	126.1	98.6
Buffalo.....	19.8	158.1	137.9
Detroit <sup>1</sup> .....			
Cincinnati.....	7.8	69.3	52.9
Baltimore.....	12.9	61.2	45.4
Minneapolis-St. Paul.....	37.7	100.8	80.6
San Francisco-Oakland.....	24.5	134.7	65.9

<sup>1</sup> Details not shown in census.

<sup>2</sup> Decrease.

THE TWIN CITY INDUSTRIAL DISTRICT.

The Minneapolis-St. Paul metropolitan industrial district, as considered by the United States Census Bureau, embraces 94,539 acres, of which 32,069 acres represent the area of Minneapolis, 33,390 acres the area of St. Paul, and 29,080 acres the outside territory. Included in the Minneapolis-St. Paul district, in addition to the cities of Minneapolis and St. Paul, are the villages of Edina and St. Louis Park, in Hennepin County, and the cities of South St. Paul and West St. Paul, in Dakota County. For some reason the Census Bureau has not included Hopkins, sometimes known as West Minneapolis, which lies within the limits defining a metropolitan district, viz, "within 10 miles of the city limits." It should have been included in the Minneapolis-St. Paul district. Hopkins has several important industries owned and operated by Minneapolis capital, which are essentially Minneapolis industries. Table D is a summary by the United States Census Bureau of the statistics of manufacturing industries in this metropolitan district.

TABLE D.—Statistics of manufacturing industries.

	The district.	Minneapolis.	St. Paul.	District exclusive of Minne- apolis and St. Paul.
Population.....	526,256	301,408	214,744	10,104
Number of establishments.....	1,844	1,102	719	23
Persons engaged in manu- facture.....	59,920	33,923	23,530	2,467
Proprietors and firm members.....	1,674	1,012	649	13
Salaried employees.....	9,978	5,949	3,542	487
Wage earners (average number).....	48,268	26,962	19,339	1,967
Primary horsepower.....	119,219	89,247	20,294	3,768
Capital.....	\$160,628,205	\$90,382,225	\$60,466,777	\$9,779,233
Expenses.....	\$225,488,583	\$153,760,750	\$52,772,885	\$18,954,948
Services.....	\$38,596,508	\$21,915,335	\$14,999,780	\$1,681,393
Salaries.....	\$10,871,301	\$5,277,221	\$4,048,175	\$546,405
Wages.....	\$27,724,707	\$15,638,114	\$10,951,605	\$1,134,988
Materials.....	\$166,823,348	\$119,993,135	\$30,299,634	\$16,530,579
Miscellaneous.....	\$20,068,727	\$11,852,280	\$7,473,471	\$742,976
Value of products.....	\$244,339,598	\$165,404,680	\$58,990,025	\$19,944,893
Value added by manufac- ture.....	\$77,516,250	\$45,411,545	\$28,690,391	\$3,414,314

Table E shows the percentage for Minneapolis and St. Paul as compared with the total metropolitan district. The preponderating excess of Minneapolis over St. Paul in the important items of population, number of establishments, wage earners, horsepower, and value of products is significant.

TABLE E.

	Minne- apolis.	St. Paul.
Population.....	57.3	40.8
Number of establishments.....	59.8	39.0
Persons engaged in manufactures.....	56.6	39.3
Proprietors and firm members.....	60.5	38.8
Salaried employees.....	59.6	35.5
Wage earners (average number).....	55.9	40.1
Primary horsepower.....	74.9	22.0
Capital.....	56.3	37.6
Expenses.....	68.2	23.4
Services.....	56.8	38.9
Salaries.....	57.7	37.2
Wages.....	56.4	39.5
Materials.....	71.9	18.2
Miscellaneous.....	59.1	37.2
Value of products.....	67.7	24.1
Value added by manufacture.....	58.6	37.0

Table F exhibits in percentage the relation of Minneapolis to St. Paul in the manufacturing statistics presented in the foregoing Table D.

TABLE F.—Per cent Minneapolis exceeds St. Paul.

Population.....	40.4
Number of establishments.....	53.2
Persons engaged in manufacture.....	44.2
Primary horsepower.....	40.5
Capital.....	49.5
Value of products.....	180.4
Value added by manufacture.....	58.3

DIVERSITY OF MINNEAPOLIS INDUSTRIES.

The abstract of the Thirteenth Census of the United States for 1910, on page 528, presents a comparative summary for the 25 principal industrial cities, which ranks Minneapolis fourteenth in value of products. St. Paul is not included among the 25 principal cities. Page 446 presents a summary for the 50 principal manufacturing cities. In this summary Minneapolis ranks again fourteenth, with a value of products amounting to \$165,405,000, and St. Paul ranks forty-first, with a value of products amounting to \$58,990,000.

For a number of years Minneapolis industries consisted largely of the manufacture of flour and lumber. While the former has shown a steady growth, the latter has materially decreased, due to the dwindling forests. While the manufacture of flour is still the most important industry, the diversity of Minneapolis industries in the past 10 years has been most marked. Table G shows the percentage of increase in the capital invested in 15 important industries of Minneapolis covered by the period from 1899 to 1909, as shown by the last Federal census.

TABLE G.—Fifteen important industries of Minneapolis—Percentage of increase in capital invested for 10-year period covered by last United States Census.

	Per cent.
Copper, tin and sheet-metal products.....	402
Patent medicines and compounds.....	396
Electrical machinery apparatus and supplies.....	383
Food products: Bakery products, bread, butter, cheese, condensed milk, confectionery.....	367
Building material industry: Marble, brick, tile, stone, and artificial stone.....	289
Clothing, fur goods, hats and caps, etc.....	229
Foundry and machine-shop products.....	200
Carriages, wagons, and materials.....	153
Leather goods.....	172
Printing, publishing, and engraving.....	89
Cars and general shop construction, repairs by steam railroad companies.....	77
Cooperage and wooden goods.....	76
Furniture and refrigerators.....	70
Flour and grist mill products.....	39
Lumber and timber products.....	8

MINNEAPOLIS COMPARED WITH ST. PAUL.

That the relative growth of Minneapolis and St. Paul since the United States Census of 1909 has been

maintained is shown by Table H, which gives the number of building permits and their values for mill, factories, manufacturing buildings, and foundries erected in Minneapolis and St. Paul for each year from 1909 to 1913. These statistics were compiled from the official figures in the building inspector's office in each city.

TABLE H.

Year.	Minneapolis.		St. Paul.	
	Number.	Cost.	Number.	Cost.
1910.....	79	\$1,188,430	52	\$495,820
1911.....	55	1,273,025	35	317,800
1912.....	52	702,730	24	224,650
1913.....	47	1,304,215	24	938,300
Total.....	233	4,468,400	135	1,976,570

Total, 4 years, Minneapolis and St. Paul, \$6,444,975.  
 Minneapolis proportion..... per cent.. 69.32  
 St. Paul proportion..... do.... 30.68

The value of the building permits for some of the more important mill and factory buildings erected in Minneapolis since 1909 are classified as shown in Table I.

TABLE I.

Brewing.....	\$114,500
Railroad shops.....	679,000
Milling and malting.....	288,600
Furniture.....	74,000
Sheet metal.....	22,000
Candy and crackers.....	297,000
Knit goods.....	250,000
Linseed oil.....	50,000
Wagons.....	55,000
Wheelbarrows.....	40,000
Foundry and machine shop.....	174,000
Show cases and store fixtures.....	19,000
Paper mill.....	15,000
Creamery.....	80,000
Sash and doors.....	59,500
Light and power plants.....	615,000
Gasoline cars.....	200,000
Electrical machinery and apparatus.....	165,000
Automobiles.....	400,000
Total.....	3,597,600

To exhibit the comparative importance industrially of Minneapolis and St. Paul among cities in their class, the following table has been compiled from the Thirteenth United States Census. The 19 cities selected, ranging in population from 150,000 to 400,000, are fairly indicative of the class in which Minneapolis and St. Paul belong, 5 having a greater population than Minneapolis and 5 a less population than St. Paul. In value of product, the basis used by the Census Bureau in ranking cities industrially, Minneapolis ranks third among these cities and St. Paul twelfth. In value of product per capita Minneapolis ranks second and St. Paul tenth.



In 1880 Minneapolis, with a population of 46,887, ranked thirty-seventh, and St. Paul, with a population of 41,473, ranked forty-fourth among all the cities in the United States. The census of 1910 shows Minneapolis as ranking eighteenth, with a population of 301,408, and St. Paul, with a population of 214,744, ranked twenty-sixth among all cities.

Table O, compiled from the official records in Hennepin and Ramsey Counties, indicates the relative importance of Minneapolis and St. Paul as a center for conducting industrial and commercial operations. This table exhibits the number of new incorporations and capital stock formed during the past three years which have their principal place of business in each city.

TABLE O.

	Minneapolis.		St. Paul.	
	Number of new incorporations.	Capital stock.	Number of new incorporations.	Capital stock.
1911.....	476	\$60,804,200	156	\$13,323,000
1912.....	478	74,325,600	138	18,492,000
1913.....	424	54,314,000	107	15,716,550
Total.....	1,378	189,443,800	401	47,531,550

#### MINNEAPOLIS IS THE JOBBING CENTER OF THE NORTHWEST.

Traffic records prove Minnesota metropolis easily leads in wholesale merchandising—Forwarded and received total of 225,021 cars in 1913 to St. Paul's 156,197.

Minneapolis, always preeminent in manufacturing, is also the greatest jobbing center in the Northwest. As the wholesale business is the chief activity of St. Paul, many have assumed that this business exceeded in volume that of Minneapolis, but the contrary is the case.

In R. G. Dun & Co.'s reference book for January, 1914, there are, eliminating manufacturers' agents, brokers, and real estate dealers, 6,025 names for Minneapolis and 3,918 for St. Paul. For purposes of comparison, let these names be divided into four classes—manufacturers, jobbers, retailers, and miscellaneous. Under the head of manufacturers group all names that actually produce merchandise, from cigars to thrashing machines. Under jobbers, group all that sell to others than actual consumers. Under retailers, group all that sell to actual consumers. Then the fourth class will comprise all names in such lines as hotels, contractors of all kinds, warehouses, billiard rooms, etc.

#### SHOWING OF CLASSIFICATION.

This classification will show that there are 1,004 manufacturers in Minneapolis and 396 in St. Paul; 1,129 jobbers in Minneapolis and 402 in St. Paul; 3,389 in the retail business in Minneapolis and 2,798 in St. Paul; and under the head of miscellaneous 503 in Minneapolis and 322 in St. Paul.

If a line be drawn from the Sault Ste. Marie Canal to Los Angeles, all the towns north of that line will be found to be nearer Minneapolis and St. Paul than Chicago. This would indicate the territory that is tributary to Minneapolis and St. Paul, and should be one of the considerations in determining where the reserve banks should be located.

In all the territory included in this immense tract jobbers of Minneapolis and St. Paul are doing business. As this country is developing rapidly, the jobbing business will keep pace. These facts point the natural place for the location of a reserve bank to best serve this territory.

#### WHAT RAILROAD FIGURES SHOW.

Considering the large amount of agricultural implementation business and the business of lumber and lumber products for which Minneapolis has always been noted, it will be conceded that carload shipments by wholesalers from Minneapolis are very much larger than from St. Paul.

The number of cars of merchandise only forwarded from Minneapolis in 1913 was 160,000. The total number forwarded and received in the year was 225,021. The number of cars of merchandise only forwarded from St. Paul last year was 85,000, while the total number of cars forwarded and received was 156,197. These figures prove conclusively the supremacy of Minneapolis over St. Paul in the jobbing field. The figures are taken from reports furnished by the traffic departments of the various railroads concerned.

#### LUMBER INDUSTRY CENTRALIZED IN MINNEAPOLIS MARKET.

Producing annually 1,500,000,000 feet of pine, fir, and larch—25 mills doing all their banking in Minneapolis—Pacific coast and Spokane mills financed—Minneapolis has 54 line yard firms, operating 1,294 yards.

Lumber manufacture was one of the first industries of Minneapolis, and the city's prestige has steadily grown, and is greater now than ever. Instead of half a dozen mills in Minneapolis cutting logs and producing large quantities of lumber annually, the character of the Minneapolis market has changed. There are to-day several hundred firms located in Minneapolis and engaged in the various branches of the lumber trade. The city not only figures predominantly in the Northwest lumber distributing trade, but it is the center to which the industry as it spreads throughout the Northwest looks for its financing.

Material for the woodworking industries that are located here comes from a wide territory. Oak and yellow pine come from the south; spruce and pine from the west; birch from Wisconsin; pine from Minnesota; mahogany, circassian walnut, and other important woods from all parts of the world. The sash

and door and interior finishing industry of Minneapolis makes an important part of the city's manufacturing exhibit, elsewhere set forth in detail.

In considering the lumber trade, the employment of labor in the industry or its allied lines and the intimate manner in which, through the retail trade, the business touches the agricultural communities, the contrast with St. Paul is striking.

Ninety per cent of the retail lumber dealers of Wisconsin, Iowa, Minnesota, North and South Dakota, and Montana are members of the Retail Lumber Dealers' Association, the headquarters of which are in Minneapolis. St. Paul has none. The insurance feature that is so important is handled entirely from Minneapolis, and Minneapolis is headquarters of the mutual company in which retail yards insure.

The St. Paul traffic statement shows receipts of 18,768 cars of lumber, with shipments of 9,354 cars. The last wholesale lumber firm moved from St. Paul to Minneapolis about three years ago. The St. Paul lumber statement is made up from business originating outside.

The standing of the two cities in this relation is shown in this comparison:

	In Minneapolis.	In St. Paul.
Concerns doing their banking.....	25	1
Large manufacturers in the United States maintaining sales offices.....	All.	None.
Line yard companies with headquarters.....	54	3
Retail yards owned and financed.....	1,294	50
Post, pole, and cedar companies financed.....	8	None.

A great deal of the lumber is cut at points in northwestern Montana, Idaho, and Washington, and in being brought in over the Northern Pacific Railway and Great Northern Railway, is billed through to points east of Minneapolis and St. Paul, and naturally would be billed via the Minnesota transfer for switching to the eastern line. For instance, a car of lumber billed from Eureka, Mont., on the Great Northern Railway, to Aurora, Ill., would be billed in care of the Chicago, Burlington & Quincy Railway at Minnesota transfer. St. Paul's traffic statement counts as receipts the lumber received on through billing at Minnesota transfer. To this St. Paul is not entitled, as practically all this business is done by lumber companies whose offices are in Minneapolis.

**IMPLEMENT TRADE OF MINNEAPOLIS IS \$40,000,000.**

(Factories, 27; wholesalers, 40; factory agencies, 14; annual shipments of farm implements, machinery, wagons, vehicles, and binding twine, 298,360 tons, or 24,861 carloads.)

Minneapolis is predominant in the business of supplying the Northwest with its needs in agricultural implements and machinery, and this tonnage, together with wagons, vehicles, and binding twine sold by Minneapolis wholesalers and manufacturers, on the basis

of 12-ton car lots, which is considered by traffic authorities a fair average for weight, made a total in 1913 of 298,360 tons or 24,861 carloads.

The annual sales of the Minneapolis firms engaged in the business amounts to \$40,000,000. This is a conservative statement and, if anything, is an underestimate.

Minneapolis is so generally recognized as the essential point from which the Northwest trade field must be carried on that there are 81 firms in the business here. All the country that lies north and west and a considerable portion in an area all the Northwest is covered by the trade. The business enters into the industrial activities of the city through the 27 factories that are located here. These are the plants:

- |                              |                                   |
|------------------------------|-----------------------------------|
| American Grain Separator Co. | Minneapolis Steel & Machinery Co. |
| Bull Tractor Co.             | Minneapolis Threshing Machine Co. |
| Cleland Manufacturing Co.    | Minnesota Rubber Co.              |
| Diamond Iron Works.          | Monitor Drill Co.                 |
| Dodson Fisher, Brockmann Co. | Ney Manufacturing Co.             |
| Glide Road Machinery Co.     | Nott, W. S., Co.                  |
| Howell, R. R., & Co.         | Owens, J. L., Co.                 |
| Imperial Machinery Co.       | Puffer-Hubbard Manufacturing Co.  |
| Keller Manufacturing Co.     | Russell Grader Manufacturing Co.  |
| Kinnard-Haines Co.           | Strite Governor Pulley Co.        |
| Lenhart Wagon Co.            | Townsley Manufacturing Co.,       |
| Loye Saddlery Co.            | Twin City Separator Co.           |
| Martin Manufacturing Co.     | Emerson-Brantingham Co., Big Four |
| Minneapolis Separator Co.    | Tractor.                          |

There are 40 wholesalers located in Minneapolis. These are distributing houses for machinery and implements manufactured in the Mississippi Valley factories and elsewhere. Through these firms Minneapolis is brought into touch with the agricultural country in intimate degree. These are the firms located in Minneapolis that are engaged in the wholesale trade:

- |                                    |   |
|------------------------------------|---|
| Acme Harvesting Machine Co.        | International Harvester Co. of America.     |
| Appleton Manufacturing Co.         | La Crosse Implement Co.                     |
| Aultman & Taylor Machinery Co.     | Lindsay Bros.                               |
| Avery Co.                          | Minneapolis Iron Store Co.                  |
| Bratrud Co., The.                  | Minnesota Moline Plow Co.                   |
| Butler Manufacturing Co.           | Nichols & Shepard Co.                       |
| Case, J. I., Threshing Machine Co. | Northern Rock Island Plow Co.               |
| Case, J. I., Plow Works.           | Northwestern Wind Engine Co.                |
| Challenge Co.                      | Parlin & Orendorff Plow Co. of Minneapolis. |
| Clark, Geo. A., & Son.             | Planter Rubber Co.                          |
| Crane Co.                          | Port Huron Machinery Co.                    |
| Dean, A. J., Co.                   | Power Equipment Co.                         |
| Deere & Webber Co.                 | Rosenthal Corn Husker Co.                   |
| Downes, P. J., Co.                 | Rumely, M., Co.,                            |
| Emerson-Brantingham Implement Co.  | Studebaker Bros. Co. of Minnesota.          |
| Fairbanks, Morse & Co.             | Waterbury Implement & Storage Co.           |
| Hart-Parr Co.                      | Williams Hardware Co.                       |
| Herschel-Roth Manufacturing Co.    | Wood Bros. Thresher Co.                     |
| Huber Manufacturing Co.            | Wagner-Langemo Co.                          |
| Huber Bros. Manufacturing Co.      |   |
| Hudson & Thurber Co.               |   |

The third division of the business is made up of factories located elsewhere that maintain selling offices and carry transfer stocks here. They are:

- |                                    |                          |
|------------------------------------|--------------------------|
| Clapperton, J. H.                  | Madison Plow Co.         |
| Dodge Manufacturing Co.            | Manson-Campbell Co.      |
| Fuller & Johnson Manufacturing Co. | Maytag Co., The.         |
| Hayes Pump & Planter Co.           | Sharples Separator Co.   |
| Hooven & Allison Co.               | Stoughton Wagon Co.      |
| Iowa Dairy Supply Co.              | Thomas Manufacturing Co. |
| Janesville Manufacturing Co.       | Wisconsin Carriage Co.   |



There are no comparisons to be made with St. Paul in this connection. No business of this nature in volume sufficient to warrant any consideration is done in St. Paul. Minneapolis is the farm machinery and implement center.

There is a feature about the business that is like that in the lumber trade, in that there is a quantity of agricultural machinery and implement shipments that annually goes forward from factories located eastward or southward to points in North Dakota, South Dakota, Montana, or the farther West, that in transit passes through the Minnesota transfer, located between Minneapolis and St. Paul, but within the corporate limits of St. Paul, that appears in the figures that show the annual traffic of that city.

Practically all the agricultural implement business of the entire Northwest is financed from Minneapolis, except in the case where shipments are made from eastern factories direct.

**MINNEAPOLIS'S FRUIT AND PRODUCE TRADE IS EXTENSIVE.**

(Trade volume in the city itself passed \$35,000,000 in 1913—Total in field served from Ontario to Montana runs into huge figures—Branch houses in 28 places.)

In the territory from eastern Ontario to Montana and south to northern Iowa and Nebraska, Minneapolis' wholesale fruit and produce firms have established and are maintaining 33 branch or associate houses in 28 cities, doing a volume of business that amounts annually to many millions. This business is financed almost entirely through Minneapolis and it recognizes Minneapolis as its center of operation. It reaches out beyond the district commonly known as the Northwest and includes portions of northern Michigan and southern Ontario in its scope.

These branch or associate houses are located in the following cities, a figure after a name indicating the number of houses in that city, when more than one:

Aberdeen, S. Dak.	Lincoln, Nebr.	Rochester, Minn.
Albert Lea, Minn.	Minot, N. Dak.	St. Paul, Minn. (3).
Brainerd, Minn.	Mason City, Iowa.	Sault Ste. Marie, Ontario.
Bismarck, N. Dak.	Moberly, Mo.	Superior, Wis.
Bemidji, Minn.	Mankato, Minn. (2).	Sault Ste. Marie, Mich.
Duluth, Minn. (3).	Marshalltown, Iowa.	St. Cloud, Minn.
Des Moines, Iowa.	Miles City, Mont.	Virginia, Minn.
Fort William, Ontario.	Oelwein, Iowa.	Watertown, S. Dak.
Fergus Falls, Minn.	Port Arthur, Ontario.	
Fort Dodge, Iowa.	Pipestone, Minn.	

**VOLUME OF BUSINESS IN MINNEAPOLIS.**

In Minneapolis itself the volume of business in the wholesale produce and fruit line in 1913 is estimated to have passed \$35,000,000. Figures obtained from records of 48 houses gave a total of \$31,224,060.19 for the year's business. To this it is fair to add \$5,000,000 as an estimate from houses from which figures could not be obtained in time for this computation. This estimated total of \$36,224,060.19 does not cover the poultry, butter, egg, and cheese business done by the meat packers; it does not cover car-lot shipments of the

Minneapolis Gardeners' Association, which were in excess of 4,000 cars last year.

Minneapolis has a regular storage capacity for fruit and produce of 1,281 cars. This is to be increased this spring by 500 cars by construction now under way. It carried last year in storage a total of 3,021 cars. The 1913 distribution was as follows: Butter, 30,311 packages or 2,234,217 pounds, having a cost value of \$558,554.25; eggs, 136,581 cases, of a cost value of \$779,511.70; poultry, 313,213 pounds, of a cost value of \$46,981.95; cheese, 29,754 packages or 1,811,685 pounds, of a cost value of \$36,232.70; apples, 61,257 barrels, 87,696 boxes; meats, 456,102 pounds.

**POTATO BUSINESS FROM 126 STATIONS.**

Regular car-lot dealers in potatoes shipped out 15,288 cars last year, totaling 7,308,400 bushels, and in excess of 300 cars of onions and cabbages. In the following 126 places, buying stations and warehouses are maintained by one or more dealers, with banking accounts in local banks of a \$200 minimum. Many of the more prominent stations are covered by three to five houses.

Anoka, Minn.	Foreston, Minn.	Park Rapids, Minn.
Albertville, Minn.	Foley, Minn.	Pine River, Minn.
Amberst, Wis.	Felton, Minn.	Poskin Lake, Wis.
Aldrich, Minn.	Forada, Minn.	Pillager, Minn.
Amberg, Wis.	Frederic, Wis.	Perham, Minn.
Athelstine, Minn.	Granby, Minn.	Rush City, Minn.
Askov, Minn.	Glyndon, Minn.	Rock Creek, Minn.
Bethel, Minn.	Grantsburg, Wis.	Rogers, Minn.
Braham, Minn.	Glenwood City, Minn.	Rosemount, Minn.
Barnesville, Minn.	Grasston, Minn.	Rices, Minn.
Becker, Minn.	Harris, Minn.	Royalton, Minn.
Brickton, Minn.	Henrietta, Minn.	Rice Lake, Wis.
Browerville, Minn.	Hawley, Minn.	Sauk Center, Minn.
Brainerd, Minn.	Hammel, N. Dak.	Shafer, Minn.
Bloomer, Wis.	Hugo, Minn.	St. Cloud, Minn.
Boyceville, Wis.	Isanti, Minn.	Sebekka, Minn.
Big Lake, Minn.	Junction City, Wis.	Staples, Minn.
Barnham, Minn.	Little Falls, Minn.	Stevens Point, Wis.
Cambridge, Minn.	Lyle, Minn.	Shell Lake, Wis.
Clear Lake, Minn.	Luck, Wis.	Scandia, Minn.
Chisago City, Minn.	Long Prairie, Minn.	St. Charles, Minn.
Clarissa, Minn.	Long Siding, Minn.	Stillwater, Minn.
Custer, Wis.	Linstrom, Minn.	Sauk Rapids, Minn.
Colfax, Wis.	Lake Elmo, Minn.	Stacy, Minn.
Crivitz, Wis.	Lovells, Minn.	Trego, Wis.
Clayton, Wis.	Marinette, Wis.	Turtle Lake, Wis.
Canton, Wis.	Monong, Wis.	Ulen, Minn.
Cedar, Minn.	Markville, Minn.	Verndale, Minn.
Detroit, Minn.	Milnor, N. Dak.	Vyoming, Minn.
Dale, Wis.	Milaca, Minn.	Wolverton, Minn.
Dancy, Wis.	North Branch, Minn.	Withrow, Minn.
Dayton, Minn.	Nielsville, Minn.	Wadena, Minn.
Deer Creek, Minn.	New Auburn, Wis.	Willow River, Minn.
Elk River, Minn.	New Brighton, Minn.	Webster, Wis.
Eagle Bend, Minn.	Osseo, Minn.	Wausaukee, Wis.
Elk Mound, Wis.	Ogilvie, Minn.	Weyerhauser, Wis.
Ellis Junction, Wis.	Pelican Rapids, Minn.	Wheeler, Wis.
Enfield, Minn.	Pequot, Minn.	Wilson, Minn.
Earl, Wis.	Pound, Wis.	Wonewoc, Wis.
Forest Lake, Minn.	Princeton, Minn.	Zimmerman, Minn.

**IMPROVEMENTS KEEP PACE WITH GROWTH IN POPULATION.**

(Expenditures in 1913 for permanent city work were \$3,500,000—Net bonded indebtedness is only 6.8 per cent of 10 per cent limit of assessment valuation prescribed by law—Comparison with St. Paul.)

To keep pace with the growth of Minneapolis in population, industrially and commercially, large ex-

penditures have been necessary in the past few years to provide for permanent city improvements, such as bridges, pavement, sewer, water, sidewalks, etc. The expenditure up to 1913 has been \$48,000,000 on corporate property, and during the year 1913 practically \$3,500,000 was spent on permanent improvements. The following table shows corporate property and value in 1900 and 1912:

*Corporate property (cost).*

	1900	1912
School sites and buildings.....	\$2,940,100	\$6,584,400
Parks and parkways.....	4,587,300	6,895,900
Public library.....	351,600	491,800
Bridges.....	1,447,500	2,159,200
Waterworks.....	4,370,800	8,359,400
Sewer system.....	4,491,600	8,362,600
Curb and gutters.....	721,900	1,405,800
Paving.....	1,761,800	5,756,000
All other.....	2,574,400	7,977,500
Total.....	23,247,000	47,992,600

Notwithstanding such heavy expenditures, the net bonded indebtedness of the city amounts to only 6.8 per cent of the 10 per cent limit of assessed valuation allowed by law. With \$4,000,000 in the sinking fund and the accretions thereto from the annual levy of one mill for this fund, all bonds will be provided for at maturity.

THREE YEARS' IMPROVEMENTS COMPARED.

Actual work on permanent improvements during the years 1910, 1911, and 1912, in Minneapolis compared with St. Paul is exhibited in the following table:

	St. Paul.	Minneapolis.		St. Paul.	Minneapolis.
Assessed valuation:			Sewer connections made in—		
1910.....	\$114,184,375	\$197,036,479	1910.....	1,816	2,508
1911.....	125,281,180	198,910,208	1911.....	1,723	2,418
1912.....	126,286,238	213,398,439	1912.....	1,735	2,530
Paving (miles at close of—			Water connections made in—		
1910.....	48	70	1910.....	1,832	3,613
1911.....	49	80	1911.....	1,657	3,039
1912.....	46	88	1912.....	1,573	3,099
Sewers (miles at close of—			Street lights maintained during 1912:		
1910.....	292	276	Electric arc lamps.....	1,150	2,307
1911.....	305	299	Orna-		
1912.....	318	323	mental cluster posts.....	321	926
Water mains (miles) at close of—			Gas lamps.....	4,604	7,007
1910.....	342	430	Gasoline ..	1,287	212
1911.....	350	468	Total.....	7,362	10,452
1912.....	364	493			
Sidewalks (miles) at close of—					
1910.....	533	755			
1911.....	549	759			
1912.....	564	788			
Street-car railway tracks (miles):					
1910.....	143	145			
1911.....	144	152			
1912.....	146	178			

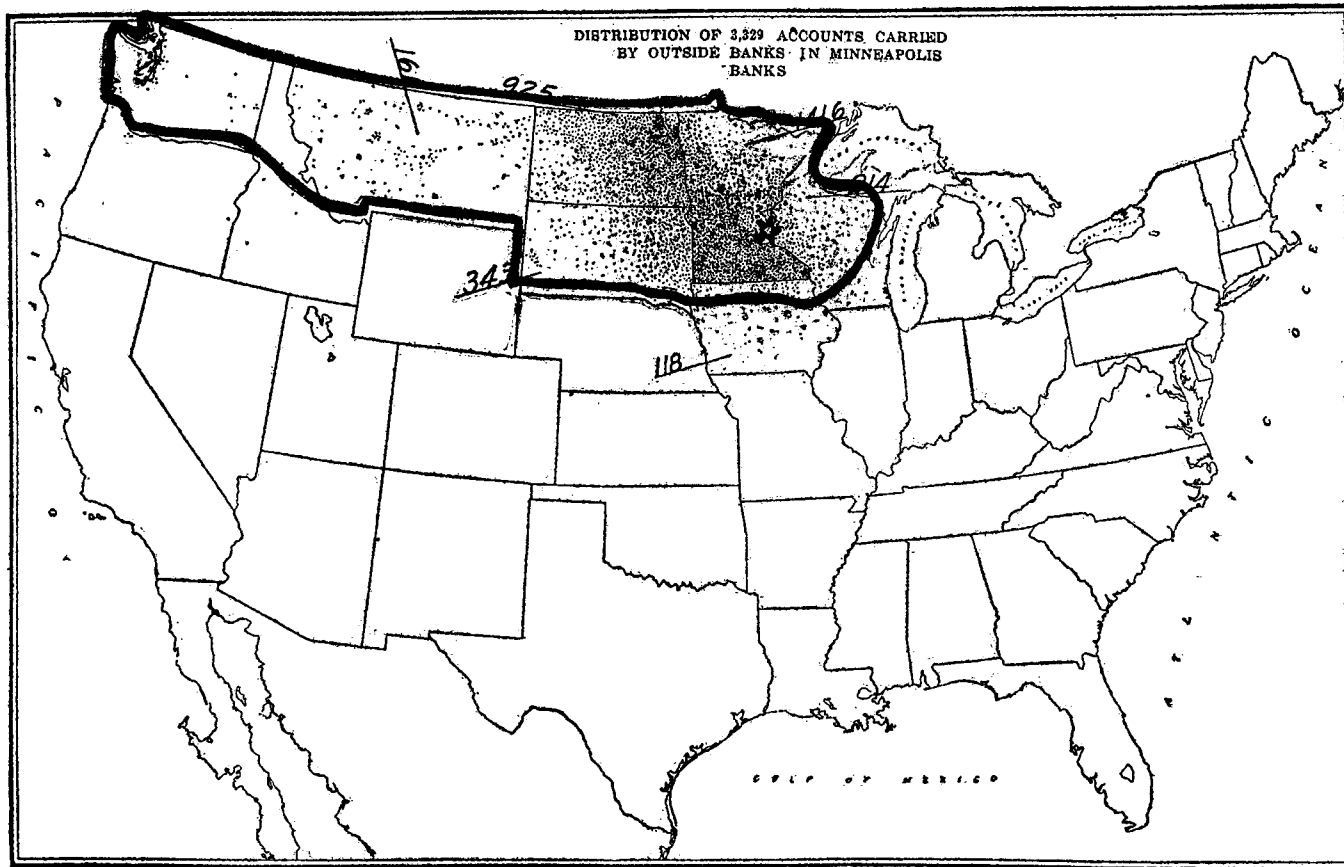
TABLE 1.—Composite and comparative statement of capital and surplus, national banks of Minneapolis and St. Paul, 1872-1913.

[From annual reports of Comptroller of United States Currency, showing conditions of national banks as of time of last call for each year.]

MINNEAPOLIS.			
Year.	Capital.	Surplus.	Total.
1872.....	\$542,000	\$41,585	\$583,585
1873.....	550,000	49,037	599,037
1874.....	650,000	98,956	748,956
1875.....	750,000	111,426	861,426
1876.....	850,000	125,182	975,182
1877.....	950,000	92,967	1,042,967
1878.....	1,250,000	100,446	1,350,446
1879.....	1,250,000	112,000	1,362,000
1880.....	1,250,000	105,588	1,355,588
1881.....	1,100,000	71,588	1,171,588
1882.....	1,600,000	115,000	1,715,000
1883.....	1,850,000	172,500	2,022,500
1884.....	3,197,700	240,000	3,437,700
1885.....	3,100,000	265,000	3,365,000
1886.....	3,500,000	280,100	3,780,100
1887.....	3,700,000	356,500	4,056,500
1888.....	4,250,000	496,000	4,746,000
1889.....	4,500,000	524,000	5,024,000
1890.....	4,500,000	602,000	5,102,000
1891.....	4,840,000	600,000	5,440,000
1892.....	4,931,000	639,000	5,570,000
1893.....	5,400,000	674,000	6,074,000
1894.....	5,700,000	369,000	6,069,000
1895.....	5,200,000	399,500	5,599,500
1896.....	5,200,000	461,000	5,661,000
1897.....	4,500,000	491,000	4,991,000
1898.....	4,500,000	512,000	5,012,000
1899.....	4,000,000	569,500	4,569,500
1900.....	4,000,000	697,000	4,697,000
1901.....	3,250,000	695,000	3,945,000
1902.....	3,250,000	805,000	4,055,000
1903.....	4,450,000	1,670,000	6,120,000
1904.....	4,450,000	2,251,190	6,701,190
1905.....	4,700,000	2,552,083	7,252,083
1906.....	4,700,000	2,952,083	7,652,083
1907.....	5,700,000	4,352,083	10,052,083
1908.....	5,700,000	5,352,083	11,052,083
1909.....	5,650,000	5,235,143	10,885,143
1910.....	6,900,000	5,594,361	12,494,361
1911.....	6,800,000	5,835,000	12,635,000
1912.....	6,800,000	5,860,000	12,660,000
1913.....	7,500,000	6,210,000	13,710,000

ST. PAUL.			
Year.	Capital.	Surplus.	Total.
1872.....	\$1,077,900	\$249,021	\$1,326,921
1873.....	1,800,000	306,069	2,106,069
1874.....	1,800,000	333,000	2,133,000
1875.....	1,800,000	366,000	2,166,000
1876.....	1,700,000	368,000	2,068,000
1877.....	1,700,000	344,000	2,044,000
1878.....	1,700,000	349,500	2,049,500
1879.....	1,700,000	355,000	2,055,000
1880.....	2,200,000	505,000	2,705,000
1881.....	2,200,000	575,000	2,775,000
1882.....	2,200,000	635,000	2,835,000
1883.....	4,700,000	805,000	5,505,000
1884.....	5,200,000	1,010,000	6,210,000
1885.....	5,200,000	1,010,000	6,210,000
1886.....	5,700,000	1,128,000	6,828,000
1887.....	5,700,000	1,161,000	6,861,000
1888.....	5,200,000	1,208,500	6,408,500
1889.....	5,200,000	1,247,000	6,447,000
1890.....	5,200,000	1,290,000	6,490,000
1891.....	4,800,000	1,283,000	6,083,000
1892.....	4,800,000	1,298,000	6,098,000
1893.....	2,800,000	1,103,000	3,903,000
1894.....	3,800,000	1,205,000	5,005,000
1895.....	3,800,000	1,055,000	4,855,000
1896.....	3,800,000	1,055,000	4,855,000
1897.....	3,800,000	855,000	4,655,000
1898.....	3,800,000	657,000	4,457,000
1899.....	3,800,000	561,000	4,361,000
1900.....	3,800,000	667,000	4,467,000
1901.....	3,800,000	783,000	4,583,000
1902.....	3,800,000	820,000	4,620,000
1903.....	4,000,000	1,036,000	5,036,000
1904.....	4,000,000	1,205,000	5,205,000
1905.....	4,200,000	1,205,000	5,405,000
1906.....	4,450,000	1,445,000	5,895,000
1907.....	4,100,000	2,265,000	6,365,000
1908.....	4,100,000	2,600,000	6,700,000
1909.....	4,100,000	2,740,000	6,840,000
1910.....	4,100,000	3,120,000	7,220,000
1911.....	4,100,000	3,390,000	7,490,000
1912.....	4,100,000	3,500,000	7,600,000
1913.....	5,900,000	3,700,000	9,600,000

Chart I

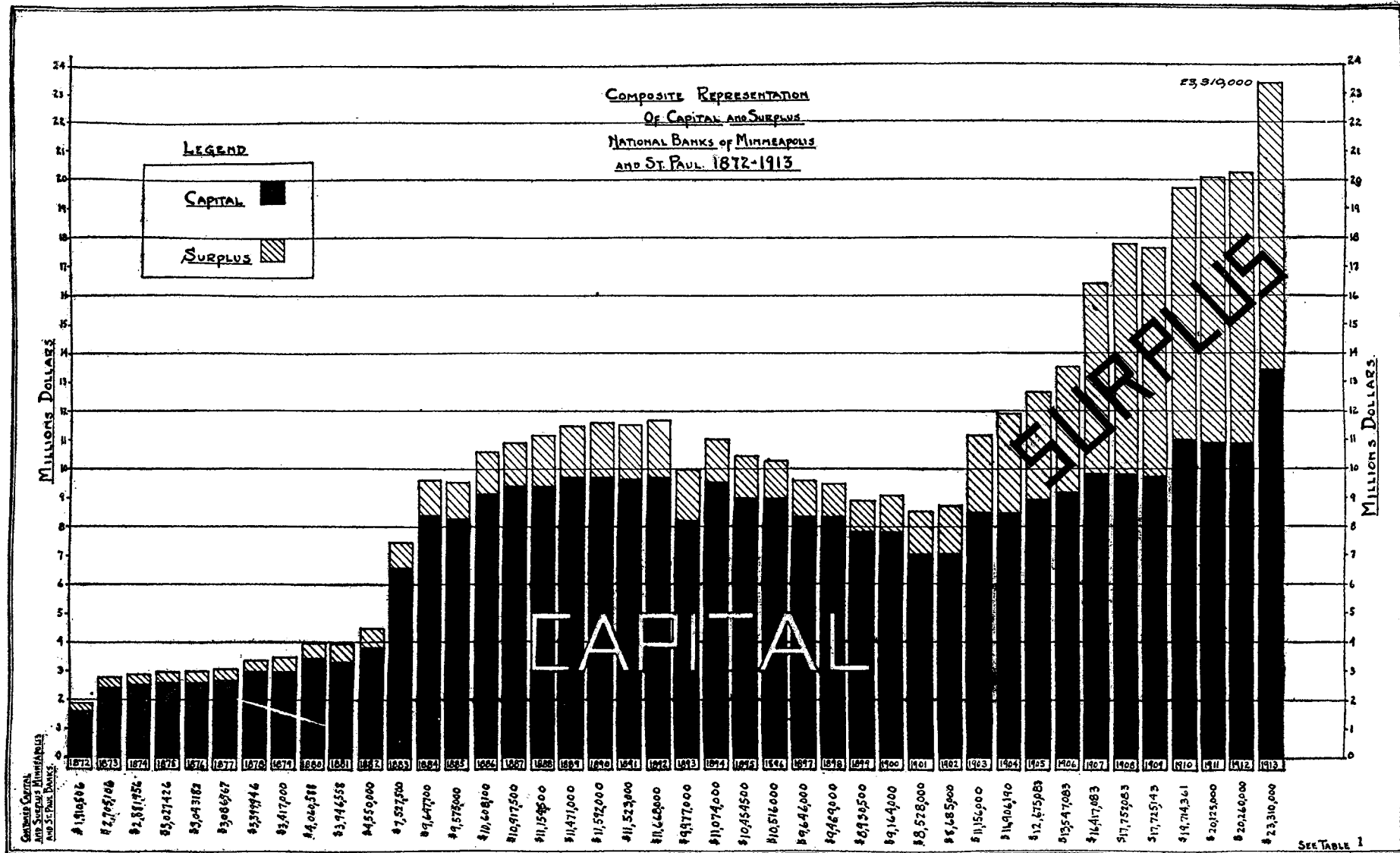


Geographical representation of interbanking relations of Minneapolis and outside points.

Chart I shows by a map—distribution of dots, the geographical location of 3,329 northwestern banks carrying reserve and exchange accounts with the banks of Minneapolis.

The location of these associated banks clearly indicates the sphere of financial influence of Minneapolis; namely, Minnesota, North Dakota, South Dakota, Montana, Washington, and parts of Wisconsin, Iowa, and Idaho.

The books of Minneapolis banks as of January 15, 1914, showed 1,416 balances carried on account of Minnesota correspondents, 925 balances on account of North Dakota banks, 343 South Dakota accounts, 161 Montana accounts, 214 Wisconsin accounts, 118 Iowa accounts, 32 Washington accounts, and 120 accounts in other States.



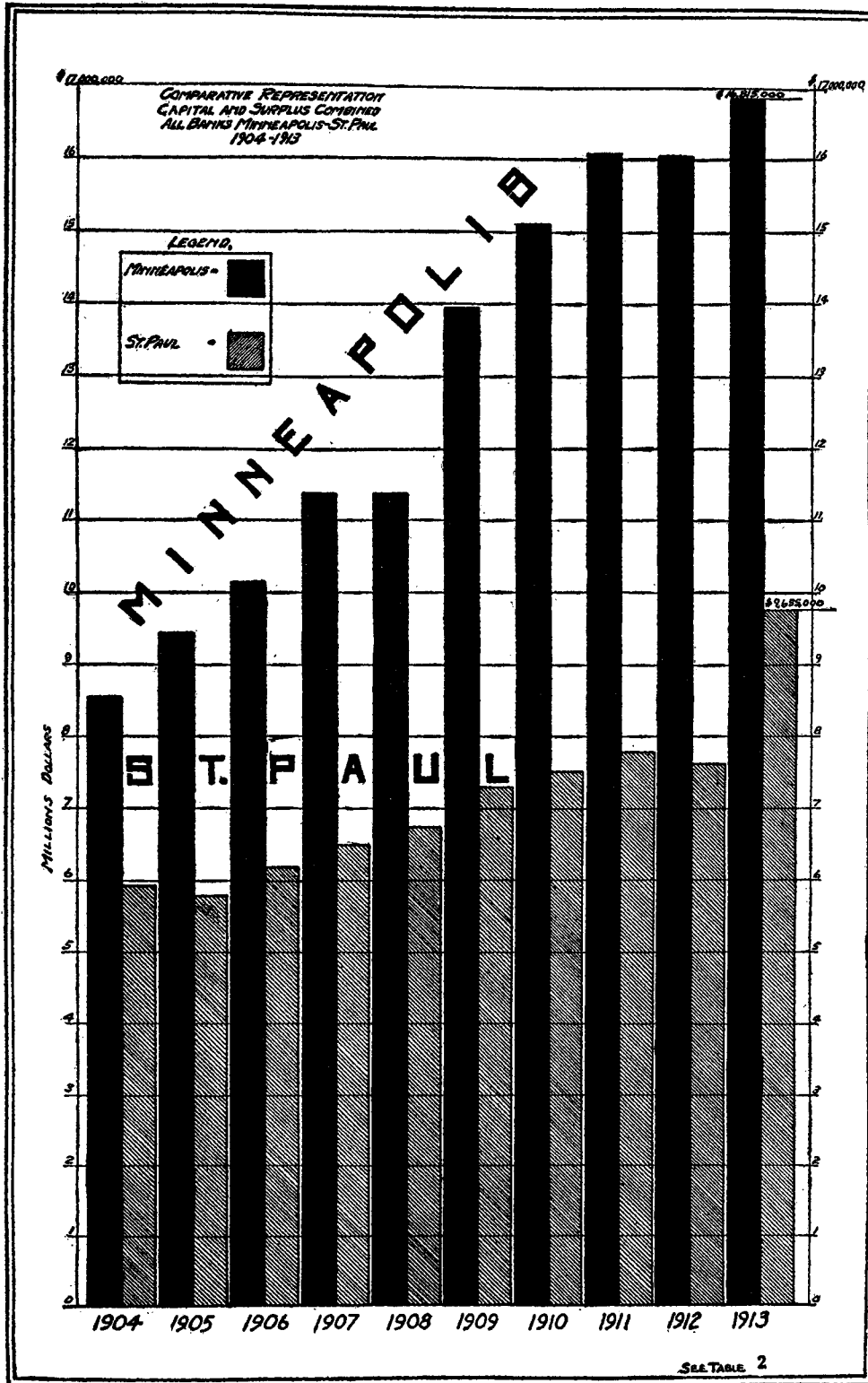
Development of banking power of Minneapolis and St. Paul as indicated by growth of capital and surplus of national banks, 1872-1913.

Chart II represents the development of banking power as indicated by the combined capital and surplus of the national banks of Minneapolis and St. Paul.

Attention is especially directed to the volume and rapidity of surplus accumulations during recent years. Since 1902 a relatively steady growth at a remarkable rate is apparent. The increase for 11 years is over 15 per cent.

Chart II

Chart III



Banking power of Minneapolis and St. Paul contrasted. Growth of capital and surplus, 1904 to 1913.

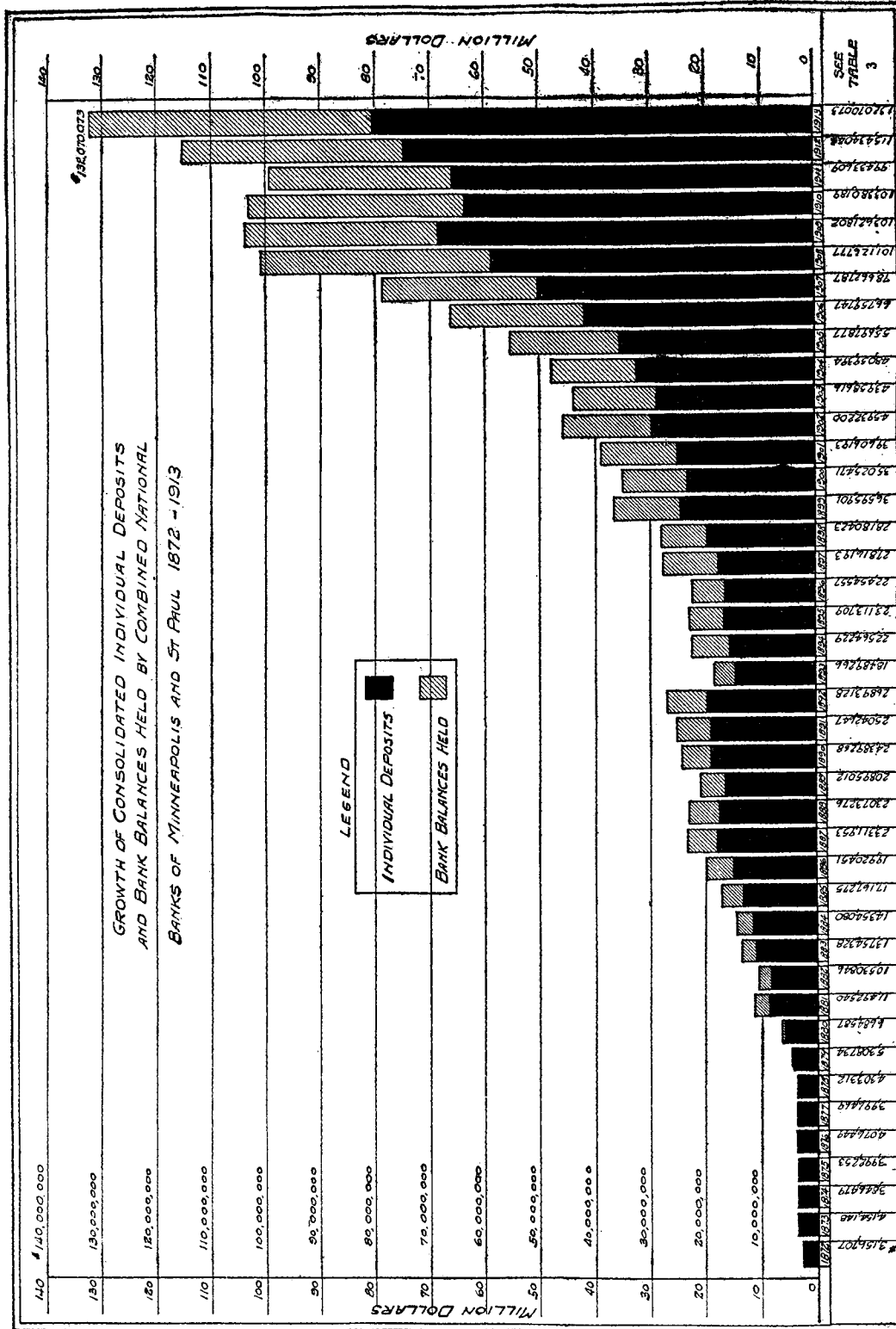
Chart III represents the surpassing growth of Minneapolis over St. Paul in banking power as indicated by the accumulation of bank capital and surplus.

Since 1904 all banks of St. Paul have increased their capital and surplus from about \$6,000,000 to \$9,655,000, or 60 per cent.

Minneapolis banks entered the period with \$8,500,000 of primary funds, which has since grown to \$16,800,000—an increase for 10 years of about 100 per cent.

This amount represents a net banking power 70 per cent greater than that of St. Paul, and a rate of growth for the decade 67 per cent greater than that of St. Paul.

Chart IV



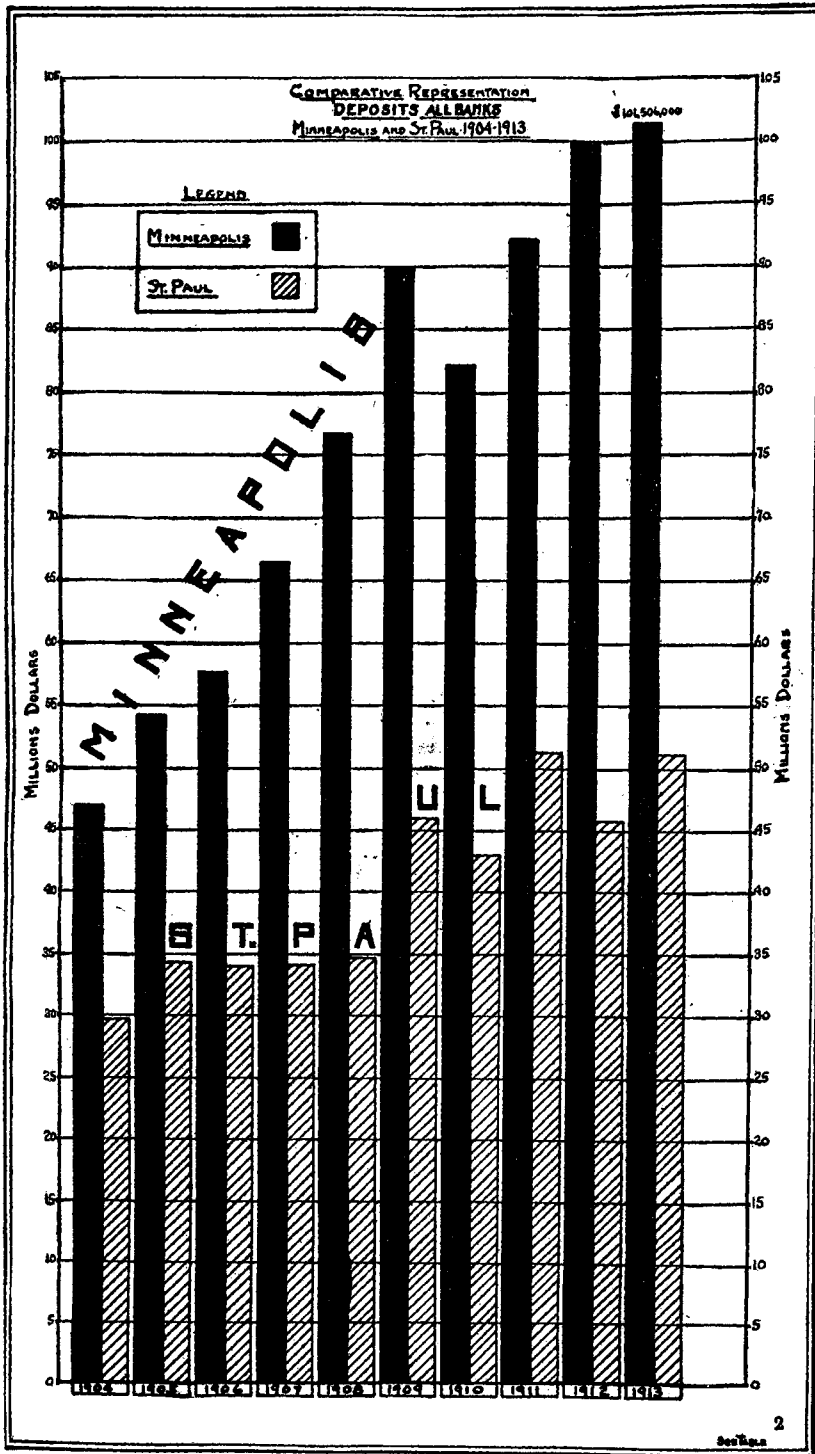
Growth of banking activities of Minneapolis and St. Paul, as indicated by individual deposits and bank balances in national banks, 1872-1913.

Chart IV graphically represents the development of banking activities as indicated by the growth of individual deposits and balances held as exchange accounts for outside banks by combined national banks of Minneapolis and St. Paul.

A mere beginning in 1872 of \$3,000,000 individual deposits was gradually augmented to \$35,000,000 in 1900, of which nearly \$12,000,000 was balance carried on account of associated country banks.

From 1900 to the present time, a remarkable growth of banking activities is evidenced. Individual deposits have increased from \$23,000,000 to nearly \$80,000,000, an advance of 25 per cent. Bank balances have grown from \$12,000,000 in 1900 to \$52,000,000 in 1913, an advance of 335 per cent. This growth of individual deposits and bank balances in national banks consequently amounts to nearly \$100,000,000, a growth of about 300 per cent in 13 years.

Chart V



**Relative banking activities of Minneapolis and St. Paul as indicated by amount and growth of total deposits in all banks, 1904-1913.**

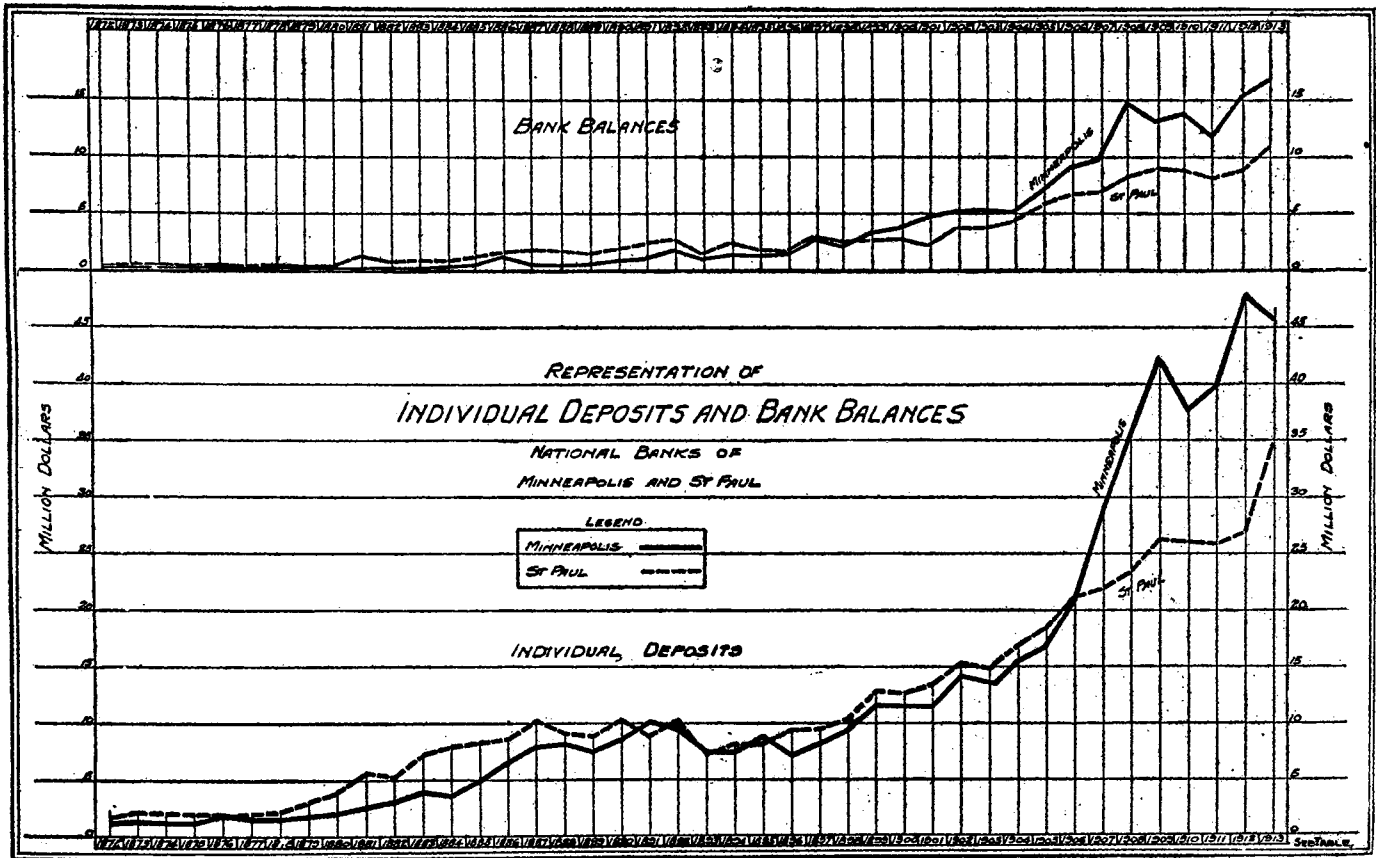
Chart V, representing total bank deposits of Minneapolis and St. Paul, respectively, indicates the relative volume and growth of banking activities in the two cities from 1904 to 1913.

During the ten-year period, St. Paul deposits increased from about \$30,000,000 to \$52,000,000 (73 per cent).

Minneapolis beginning the period with \$48,000,000 (57 per cent) excess over St. Paul, now holds \$101,500,000 deposits. This shows an increase for the period of 112 per cent, or a rate of growth 54 per cent faster than that of St. Paul.

Upon this basis the relative status of Minneapolis banks to that of St. Paul banks is as 196 to 100.

Chart VI



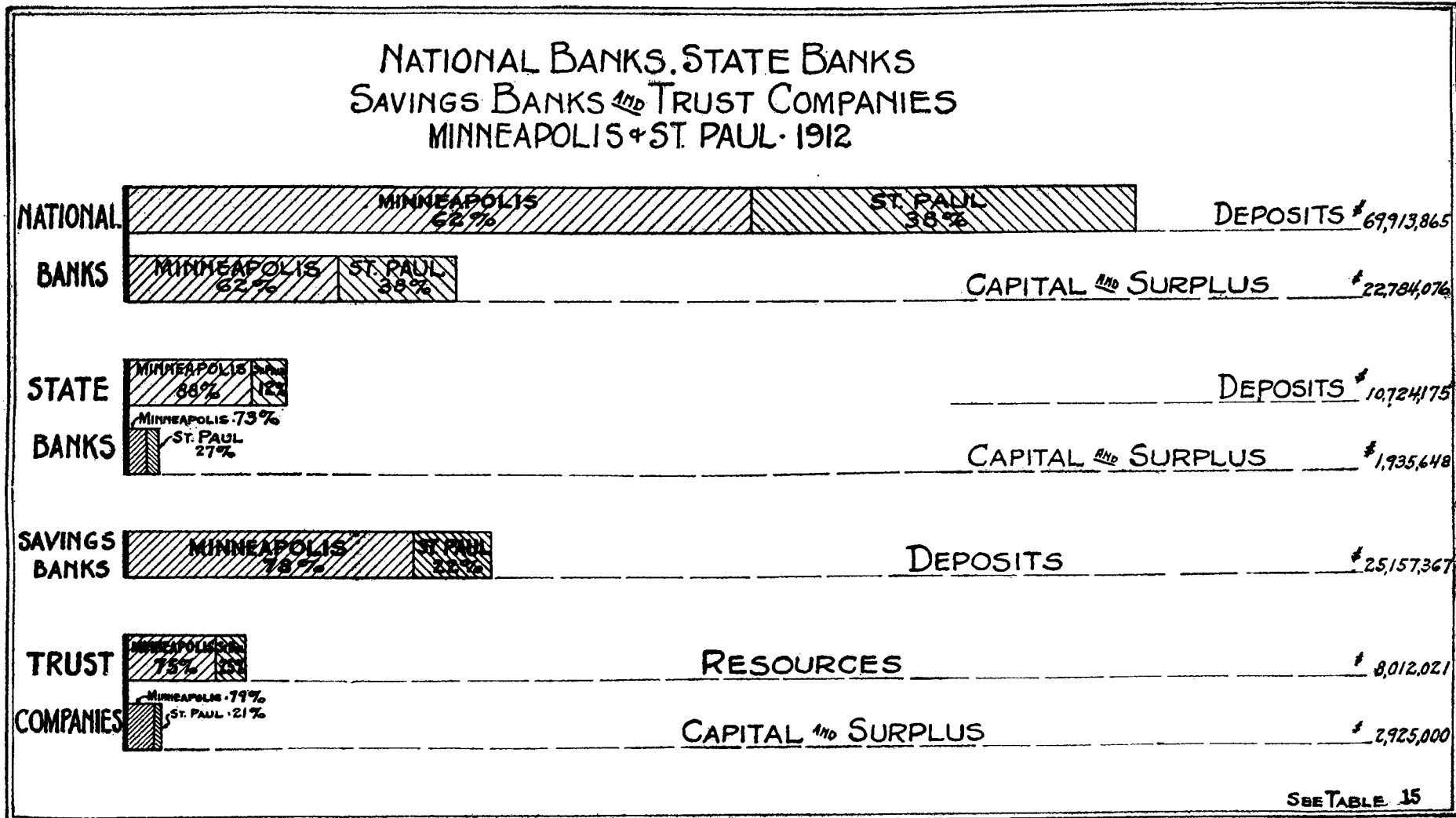
Historical representation of development of banking activities, national banks, Minneapolis and St. Paul.

Chart VI represents by historical curves the growth of individual deposits in national banks, and of bank balances carried for outside banks by the national banks of Minneapolis and St. Paul, respectively, during the 43 years, ending 1913.

The financial superiority of St. Paul over Minneapolis during the early part of the period is evidenced both in the matter of individual deposits and bank balances prior to 1890. At that time the banking connections of Minneapolis became so extensive as to cause balances of outside banks carried in that city to exceed those handled in St. Paul.

The individual deposits of Minneapolis outgrew those of St. Paul in 1906, and since that time have increased by \$45,000,000, while the increase for St. Paul banks is somewhat less than \$35,000,000.





MINNEAPOLIS, MINNESOTA.

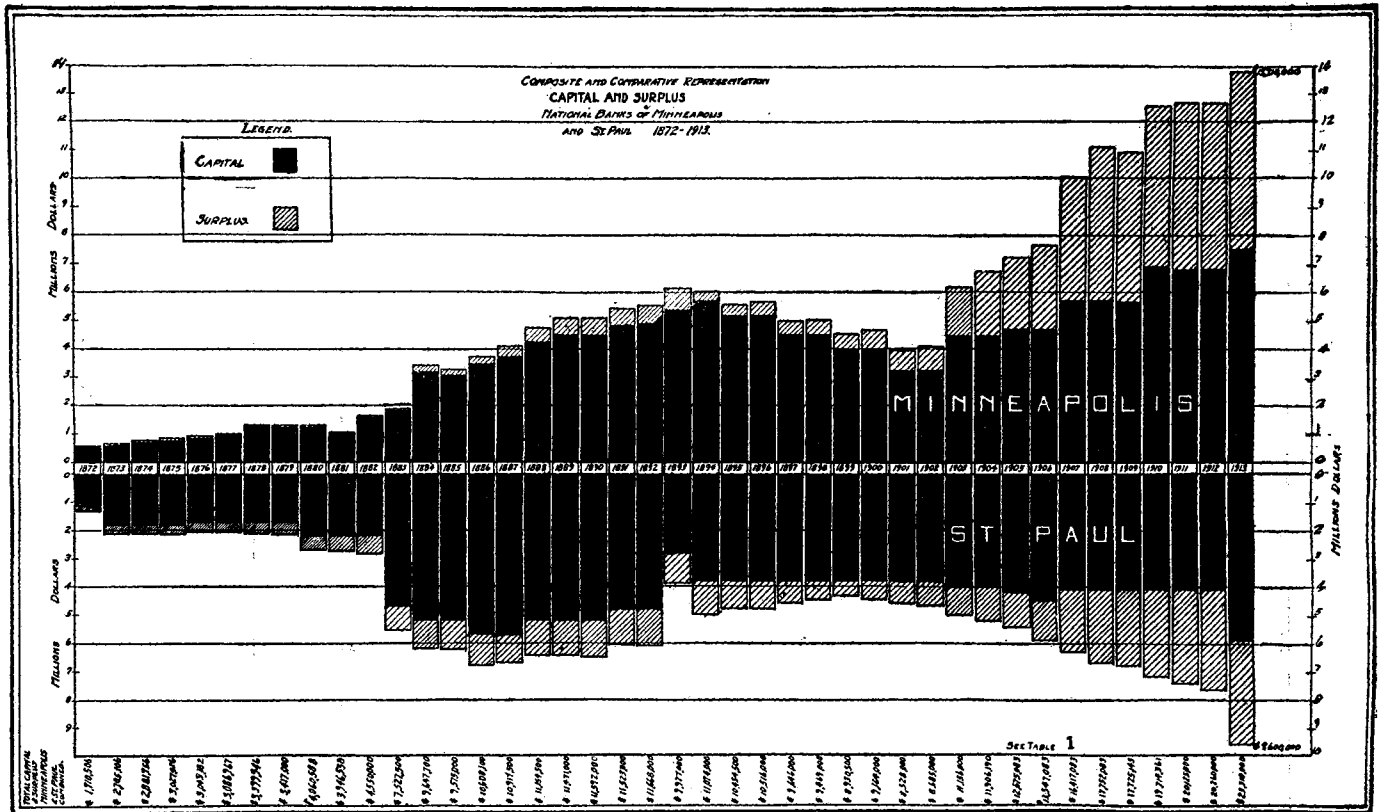
Chart VII

Composite representation of financial strength of banking institutions of Minneapolis and St. Paul.

Chart VII presents in graphic form the totals of significant items in a combined financial statement of all Minneapolis banking institutions, as of latest available record. Also the percentage proportion of each total which is attributed to the banking houses of respective cities.

If the resulting percentages be combined and arranged, thus forming index numbers indicative of financial strength and activity, the result is Minneapolis 74½, St. Paul 25½.

Chart VIII



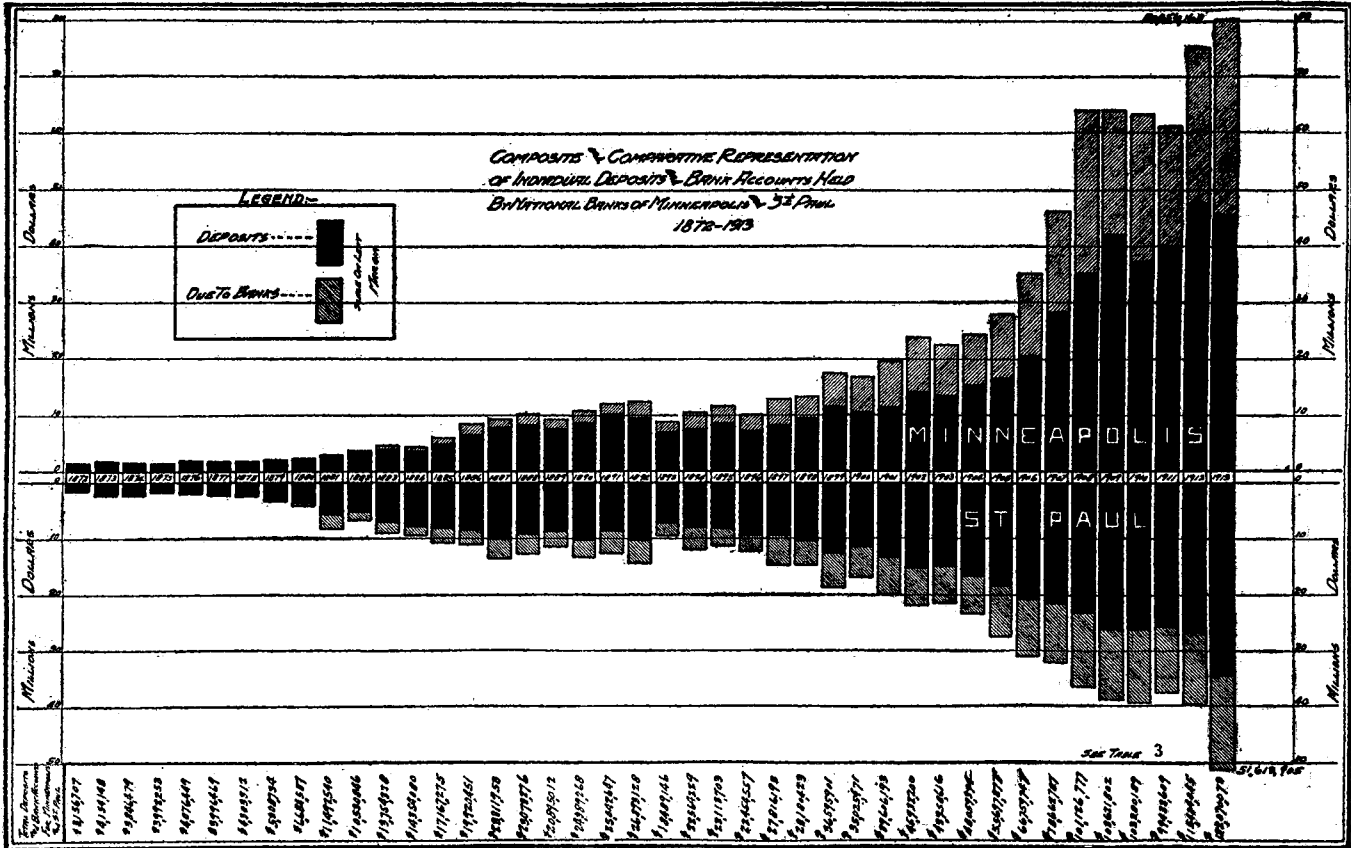
Composite and comparative development of Minneapolis and St. Paul as indicated by growth of capital and surplus of national banks, 1872-1913.

Chart VIII compares and summarizes the accumulation of capital and surplus by the national banks of Minneapolis and St. Paul for 42 years ending 1913.

The development of banking power during this period is especially significant in two respects, namely, the change in relative importance as between St. Paul and Minneapolis since 1892, and the rapid rate of accumulation in the years following 1902.

A net increase of over 160 per cent is shown for the last 11 years, of which 104 per cent—about \$9,000,000—is properly accredited to Minneapolis. In other words, in 11 years the national banks of Minneapolis have added to their capital and surplus an amount almost equal to the present total capital and surplus of the national banks of St. Paul.

Chart IX



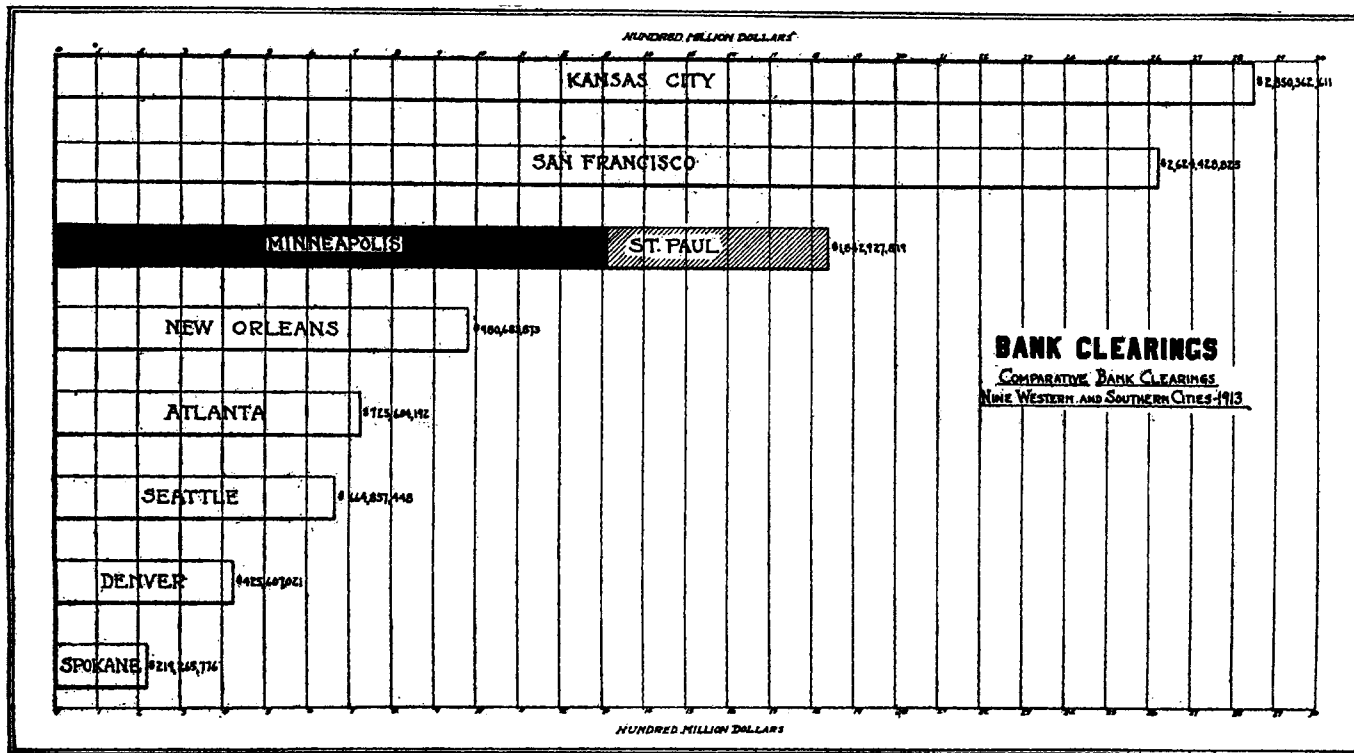
Composite and comparative developments of banking activities of Minneapolis and St. Paul, as indicated by growth of individual deposits and bank balances held by national banks, 1872-1913.

Chart IX compares and summarizes individual deposits and bank balances held by national banks of Minneapolis and St. Paul, by years from 1872 to 1913.

The financial activities of St. Paul in earlier years are evidenced by a preponderance of deposits and balances indicated below the index line until 1899 is reached. In that year, an extension of Minneapolis banking activities is indicated by a volume of bank balances exceeding that of St. Paul, and in 1907 individual deposits in Minneapolis national banks exceeded those of St. Paul by \$5,000,000. Since that time, although a healthy development is evidenced for St. Paul, the relative growth of Minneapolis is noteworthy.

For the year just closed, individual deposits and bank balances of Minneapolis national banks stand at \$45,000,000 and \$35,000,000, respectively, as compared with \$35,000,000 and \$17,000,000 for St. Paul. Expressed in percentage growth since 1900, when the two cities were practically equal as to combined deposits of individual banks, Minneapolis increased by almost 400 per cent and St. Paul by a little more than 200 per cent. Minneapolis has increased in individual deposits by nearly 350 per cent, St. Paul by 200 per cent. Minneapolis has increased bank balances by 500 per cent, St. Paul by 200 per cent. This last item is significant as a criterion of the outside banking relations of the two cities, and is especially indicative of the importance of Minneapolis as a banking center.

Chart X



See Table 4.

Comparative representation of financial and commercial activities of nine western and southern cities indicated by bank clearings for 1913.

Chart X affords a comparative representation of the bank clearings of nine foremost Western and Southern cities: Kansas City, San Francisco, Minneapolis, St. Paul, New Orleans, Atlanta, Denver, and Spokane.

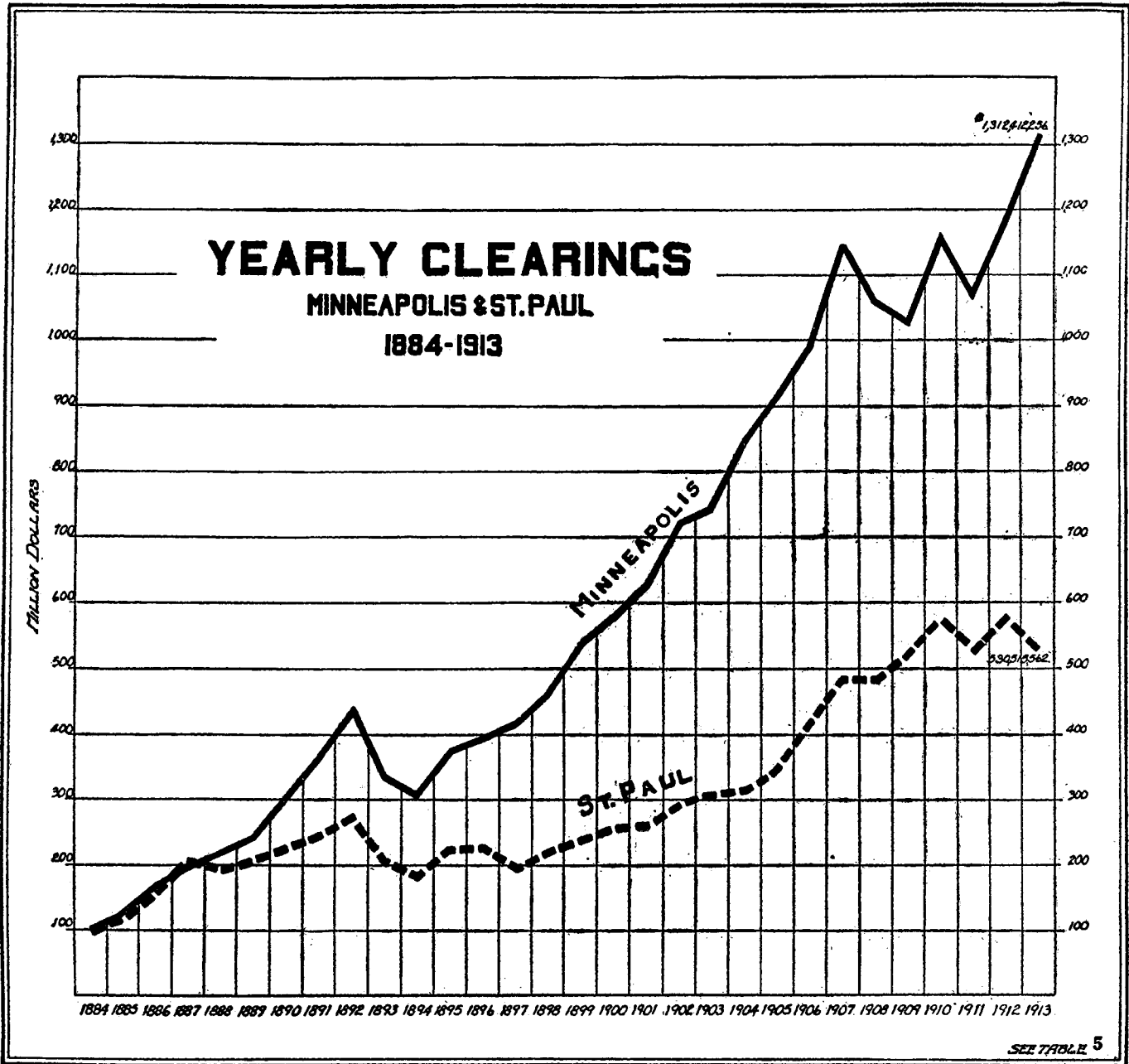
Bank clearings may be taken as the most significant criterion of the volume of commercial and financial activities in any community.

As among the nine cities named, Kansas City appears to occupy first place in volume of clearings. However, the contrast of Kansas City with other members of the group is not as significant as might first appear, because of the fact that country collections are included in Kansas City clearings, while they are not so included in the clearings of other cities.

The relative importance of Minneapolis and St. Paul as a financial and commercial center, as compared with other members of the group, is obvious. Minneapolis alone occupies third place among the nine cities. The combined clearings of Minneapolis and St. Paul is slightly less than the total of Spokane, Denver, Seattle, and Atlanta for the same period; Minneapolis exceeds Spokane, Denver, and Seattle combined.

In so far as geographical financial importance is concerned, Minneapolis and St. Paul constitute one financial center. It is significant, however, that as between the two cities the clearings of Minneapolis amount to two and a half times those of St. Paul.

Chart XI



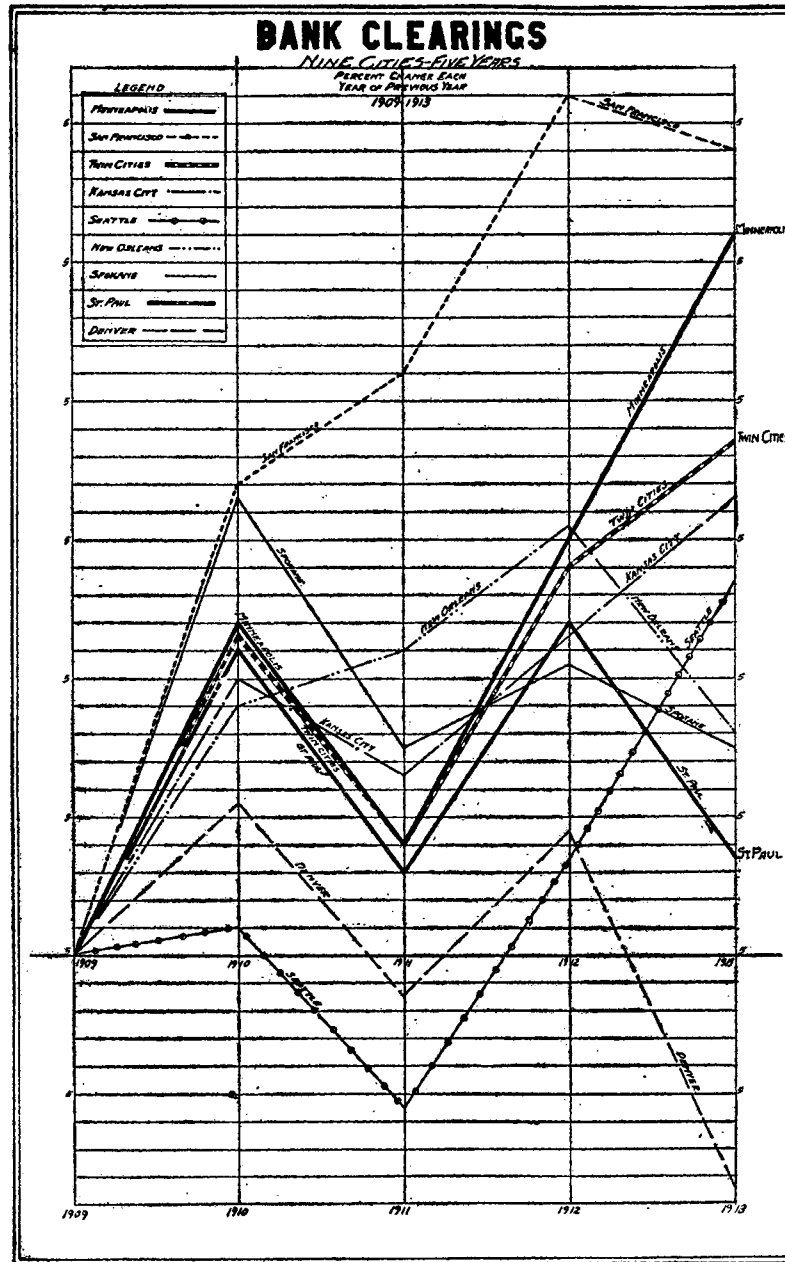
The course of bank clearings by years: Minneapolis and St. Paul, 1884 to 1913.

Chart XI represents the relative development of financial and commercial activities in the cities of Minneapolis and St. Paul as indicated by the curves of respective bank clearings during the period of 30 years, each beginning in 1884 with annual clearings amounting to about \$100,000,000.

The growth of bank clearings has advanced to \$530,500,000 for St. Paul and to \$1,312,500,000 for Minneapolis, making a total of \$1,843,000,000.

While it is to be observed that the bank clearings of St. Paul have grown steadily throughout the period, it is noteworthy that the financial activities of Minneapolis, as indicated by the curve of clearings, has advanced much more rapidly since 1894 and, during the last three years the increase has approximated 26 per cent, while St. Paul has practically remained at a standstill.

Chart XII



See Table 12

Comparison of financial activities of nine western and southern cities as indicated by annual course of bank clearings during last five years. The course of clearings for each year is shown in its percentage relation to the previous year.

Chart XII contrasts the annual movement of bank clearings for five years in each of the nine important cities of the South and West: Minneapolis, San Francisco, Kansas City, Seattle, New Orleans, Spokane, St. Paul and Denver, and Minneapolis and St. Paul combined.

Bank clearings may properly be accepted as a significant criterion of current business activities and especially of banking operations. It should be observed, also, that in the cities here shown bank clearings are not inflated by speculative stock market transactions as in certain eastern cities.

Excepting San Francisco, Minneapolis makes by far the best showing of the group, and Minneapolis and St. Paul averaged together excel all individual cities throughout the period, excepting San Francisco and Minneapolis.

The apparent superiority of San Francisco is traceable to the prosperity of that city, probably due to reconstruction activities continuing during the year 1911, when all other localities, save New Orleans, experienced a severe depression in business. A significant feature of the San Francisco curve resides in the 10 per cent decline for the year 1913.

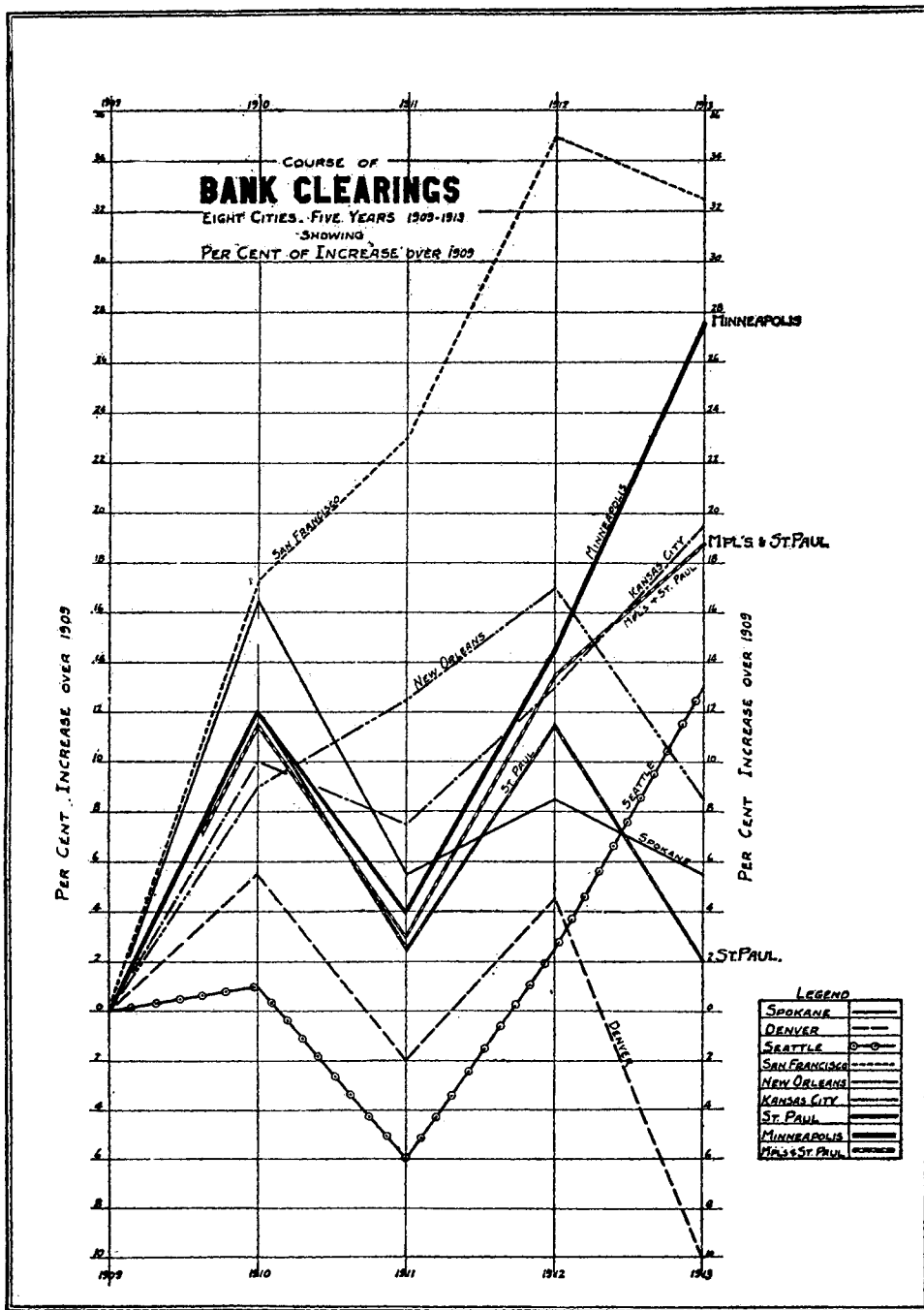
During this last year, only three of the nine cities sustained their own rate of advance evidenced in 1912, viz.: Minneapolis, Kansas City, and Seattle, having respective growths of 11 per cent, 5 per cent, and 10 per cent. However, the relative decline of St. Paul is more than compensated for by the advance of Minneapolis, the combined showing being an advance of 4½ per cent.

Incidentally, the tendency, otherwise apparent, of financial activities of the Northwest is centralized in Minneapolis rather than in St. Paul, is here shown.

The relatively negative showing of Denver as to growth of financial activities, revealed by bank clearings, affords striking comparison with all other centers.

Because of the fact that country collections are included in Kansas City clearings and are not so included in the clearings of other cities, the relative showing of Kansas City is properly subject to a measure of discount.

Chart XIII



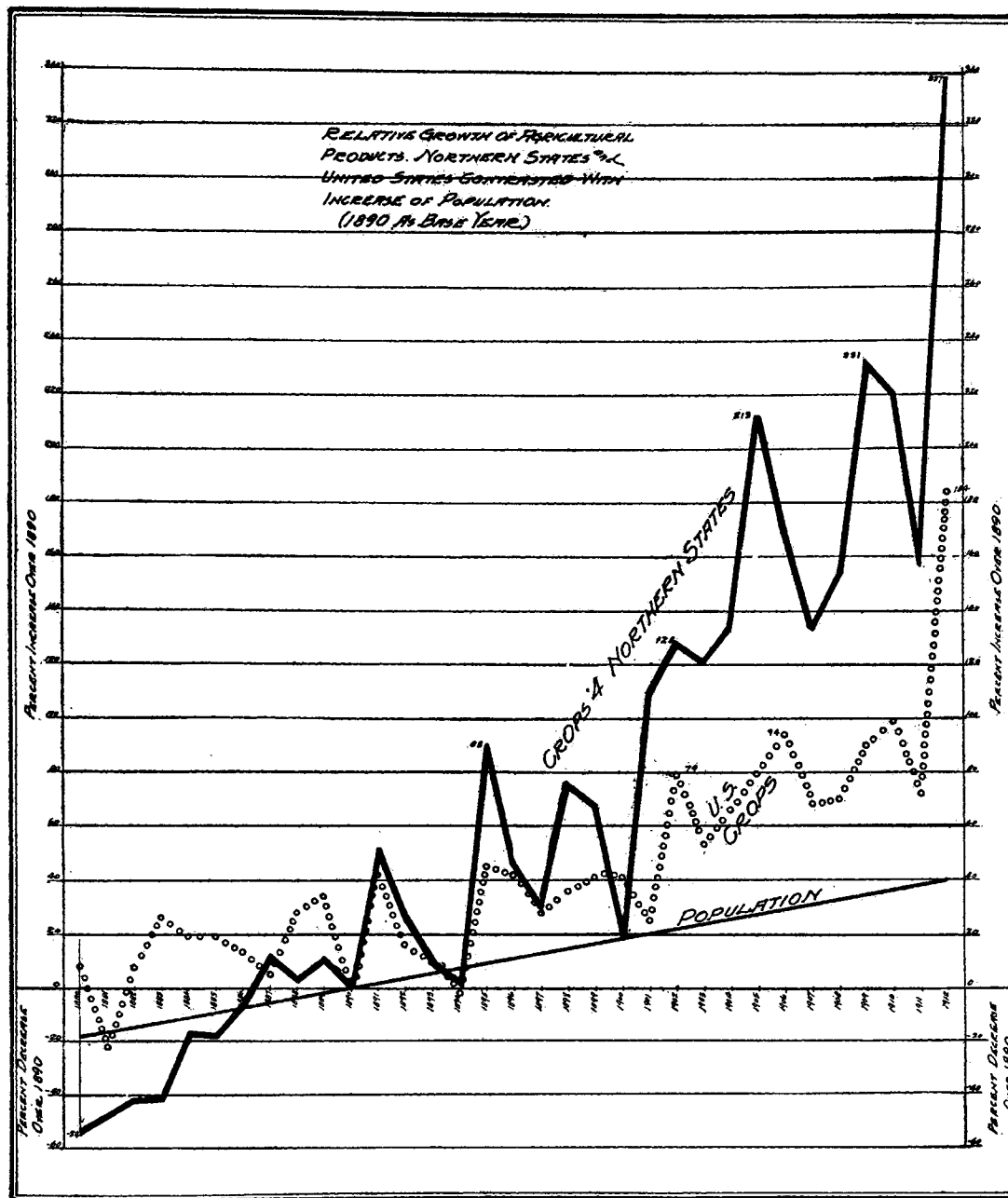
See Table 13

Relative bank clearings of nine leading western and southern cities. Five years by index numbers.

Chart XIII supplements and "checks" the accuracy of Chart XII in representing the course of business activities centering in the more important cities of the south and west, excepting St. Louis. St. Louis is excepted from the group because of influences affecting clearings arising from the financial relations of St. Louis as a central reserve city, and not necessarily significant of natural and indigenous commercial attributes. In this chart the movement for each year is expressed in percentage terms of their respective clearings for 1909.

The favorable position of Minneapolis and San Francisco, as shown by Chart XII, is here substantiated, and the superior acceleration of Minneapolis clearings in comparison with each member of the group for the last two years is apparent.

Chart XXI



See Tables 7 and 8

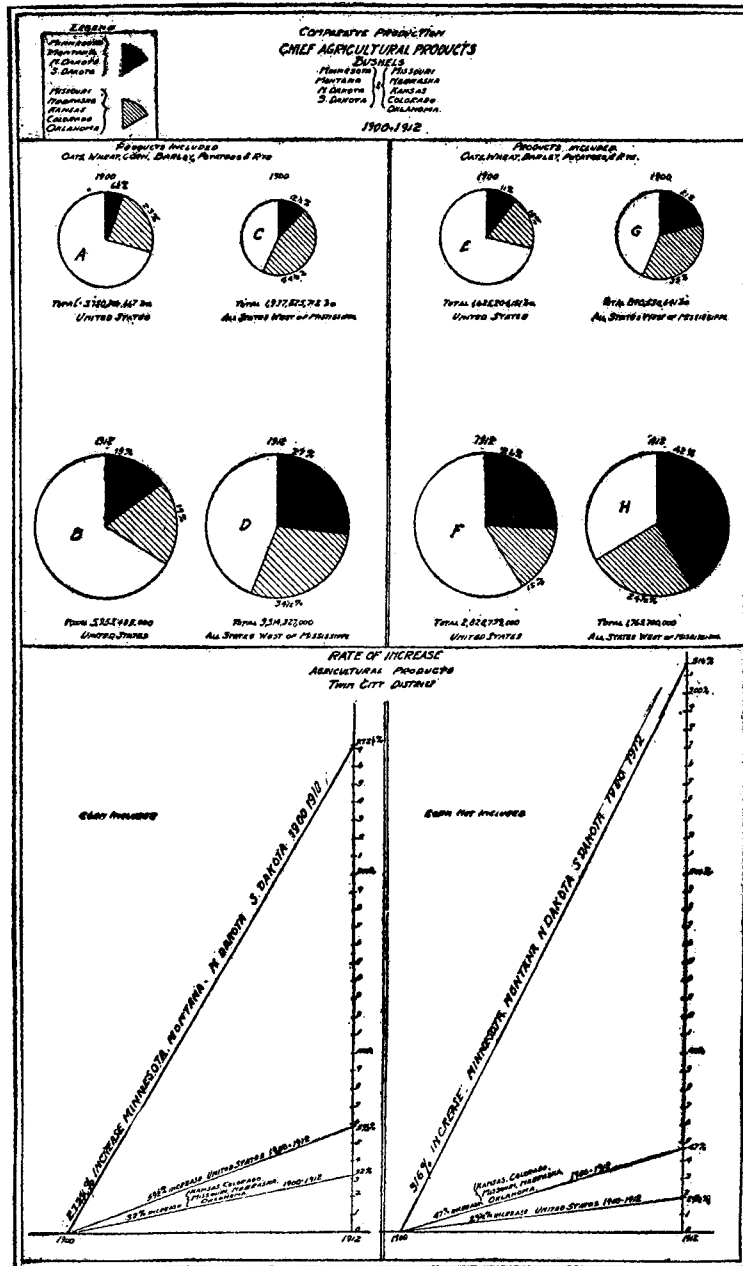
**Relative advance of agricultural production in Minnesota, North Dakota, South Dakota, and Montana, compared with agricultural production in the United States, and with growth of population, during a period of thirty-three years.**

Chart XXI graphically contrasts the increase in the volume of farm crops of the States of Minnesota, North Dakota, South Dakota, and Montana, with the contemporary production of like crops in the United States considered as a whole, and with the growth of population dependent upon the food resources of the country.

Taking 1890 as the base year, it is observed that the index of population has increased, since 1880, by sixty points, approximately 60 per cent. During the same period farm crops advanced, disregarding annual fluctuations, by about 80 per cent, while the farm output of the four states above mentioned advanced from -54 to 337, almost 400 per cent.

This showing is particularly significant as a criterion of the growing importance of the Northwest as a surplus-food producing area and, taken in connection with the development of storage, milling, and commercial facilities in Minneapolis, becomes equally significant of the importance of that city as a national financial center.





See Table 6

Receipts of all grains, northern and southern markets compared.

Chart XXII contrasts the development of main lines of agricultural production in four States, Minnesota, North Dakota, South Dakota, and Montana, tributary to Minneapolis markets with combined contemporary production of five States, Missouri, Nebraska, Kansas, Colorado, and Oklahoma, tributary to Omaha, Kansas City, and St. Louis.

Circle A shows by black and crossed-hatched segments the relative importance of the northern and southern groups of States, respectively, for 1900.

It is observed that the showing of the North against the South is as 6½ per cent is to 23 per cent of the total United States crop.

Circle B shows a marked change in relative importance of North and South for 1912, the respective shares in the national product being 15 per cent and 19 per cent. The absolute crop increases are shown by the larger areas represented in circle B.

If the comparison be made in terms of the total of principal agricultural products west of the Mississippi River, the showing of the North against the South is as 12½ per cent to 44½ per cent for 1900, indicated in circle C; and, for 1912, 27 per cent for the North as against 24½ per cent for the South.

If, now, attention be directed to the representation of respective rates of increase sustained by the northern and southern States and by the entire United States, as shown in the lower left-hand section of the chart, it appears that the crop of 1912 exceeded that of 1900 by 59½ per cent for the United States, 32 per cent for the Southern States and 272½ per cent for the Northern States.

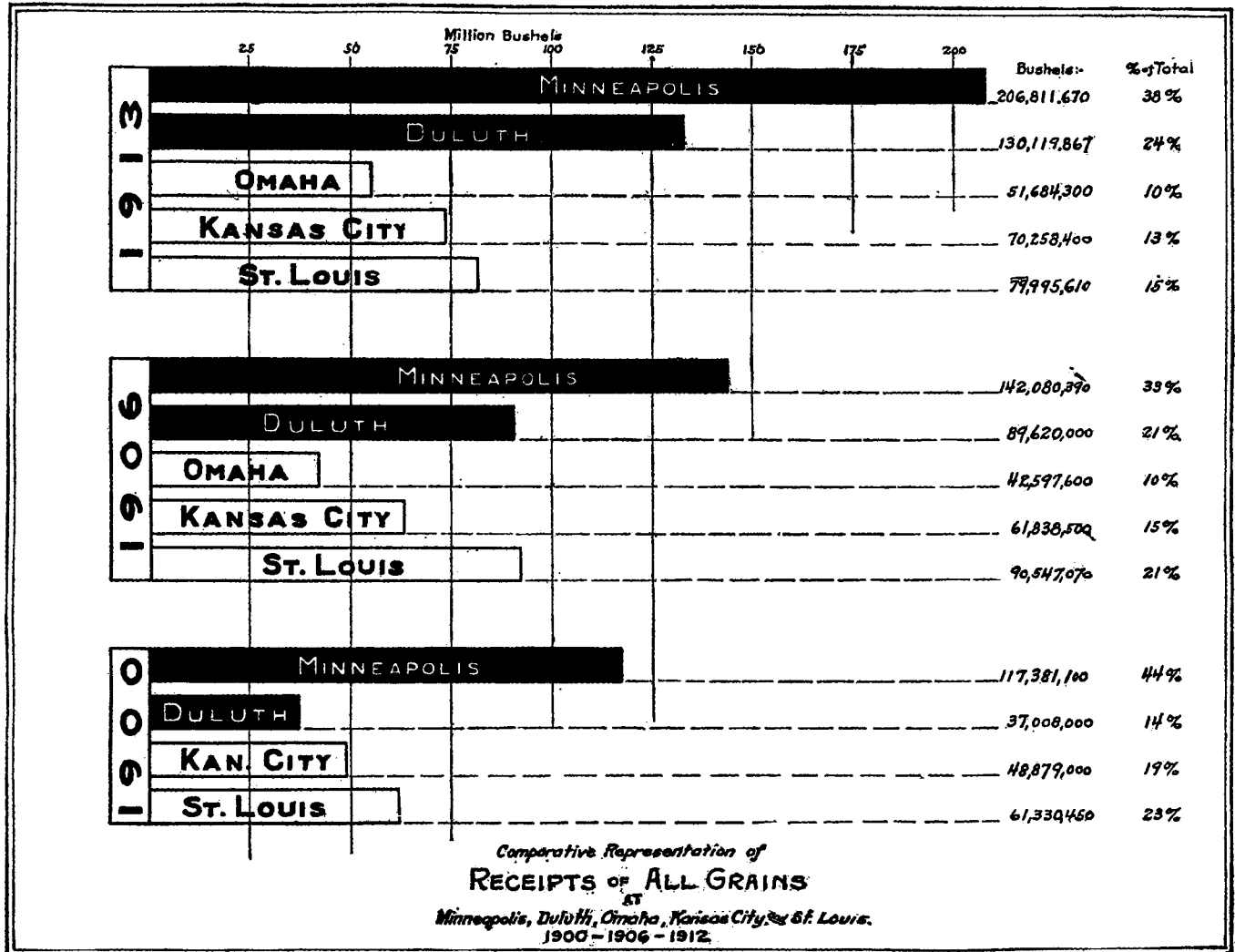
If again, consideration be given to the relative volume of principal farm crops, excluding corn; the above mentioned Northern states produced 11 per cent of the United States total in 1900, as against 26 per cent for the South, and, in 1912, four northern States produced 26 per cent of the total crop as against 15 per cent grown by the five states lying to the south.

Of the crop west of the Mississippi, again excluding corn, the northern States produced in 1900 21 per cent as against 35 per cent for the Southern group, and, in 1912, 42 per cent as contrasted with 24½ per cent.

Excluding corn, the relative increase in farm output for the entire United States, 1912 over 1900, was 29½ per cent; for the South, 47 per cent; and for Minnesota, the Dakotas, and Montana combined, 316 per cent.

In matters of financial moment there are three reasons why corn should be given less weight in the relative consideration of crop values than may properly be assigned to other grains; namely, the fact of large amounts being fed on the farms, the relatively simple marketing process requiring less capital and credit, and the fact that corn moves slowly, being usually financed on six months' paper instead of short paper, as are other crops.

Chart XXIII



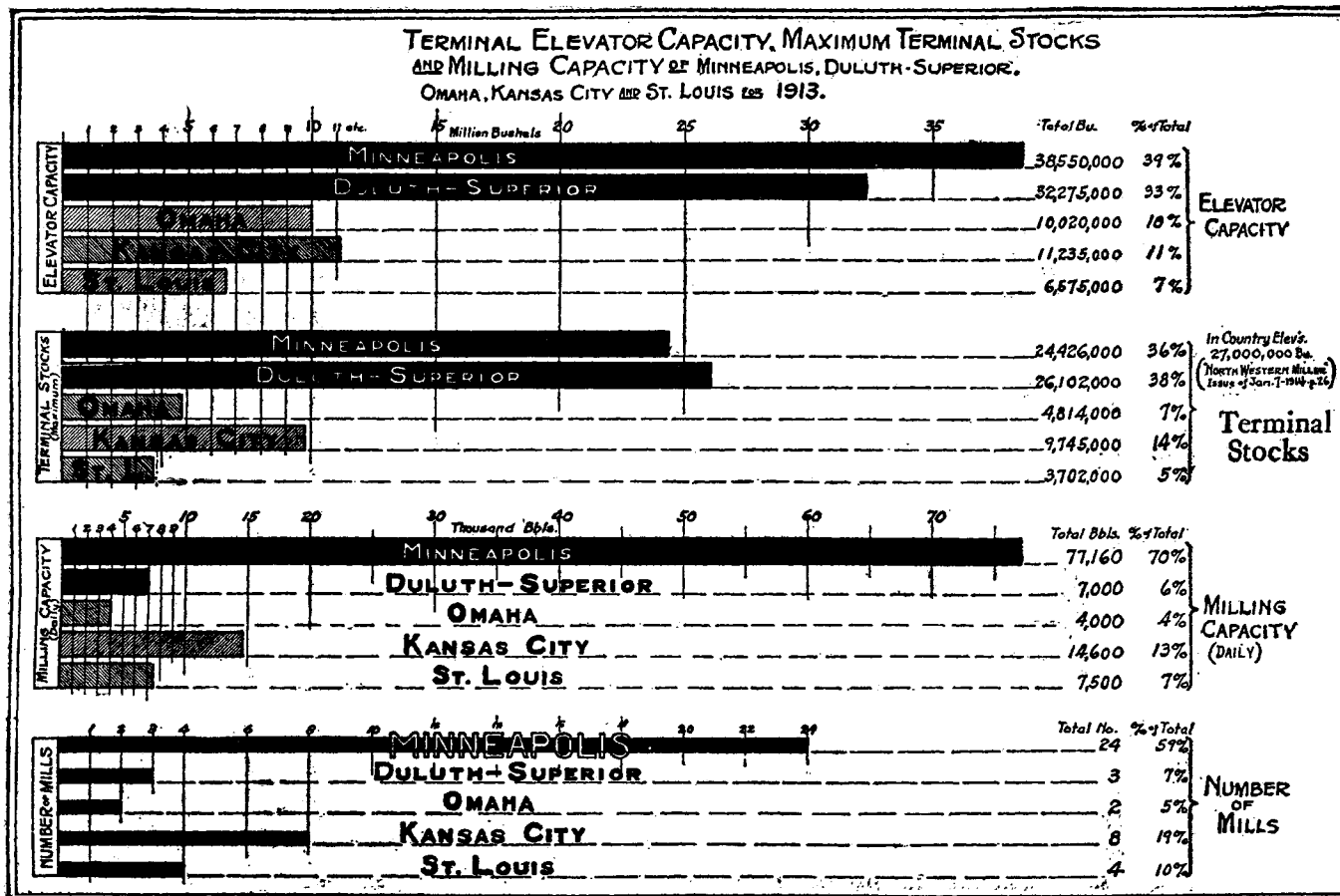
See Grain Exhibits I. and B

Receipts of grains at five important grain markets, 1900-1906-1912.

Chart XXII illustrates the relative importance of the grain trade of the Minneapolis district contrasted with that of the entire area tributary to Omaha, Kansas City, and St. Louis. It should be understood also that in the grain trade, Duluth and Minneapolis constitute a market unit; the Duluth transactions being of the nature of branch business, both as to credit arrangements and actual proprietorship, of Minneapolis.

That the actual grain handled in the Minnesota markets constituted 58 per cent of the total in 1900, 54 per cent in 1906, and 62 per cent in 1902 is significant. St. Paul is not a grain market.

Chart XXIV



Magnitude of Minnesota grain and milling activities contrasted with Omaha, Kansas City, and St. Louis.

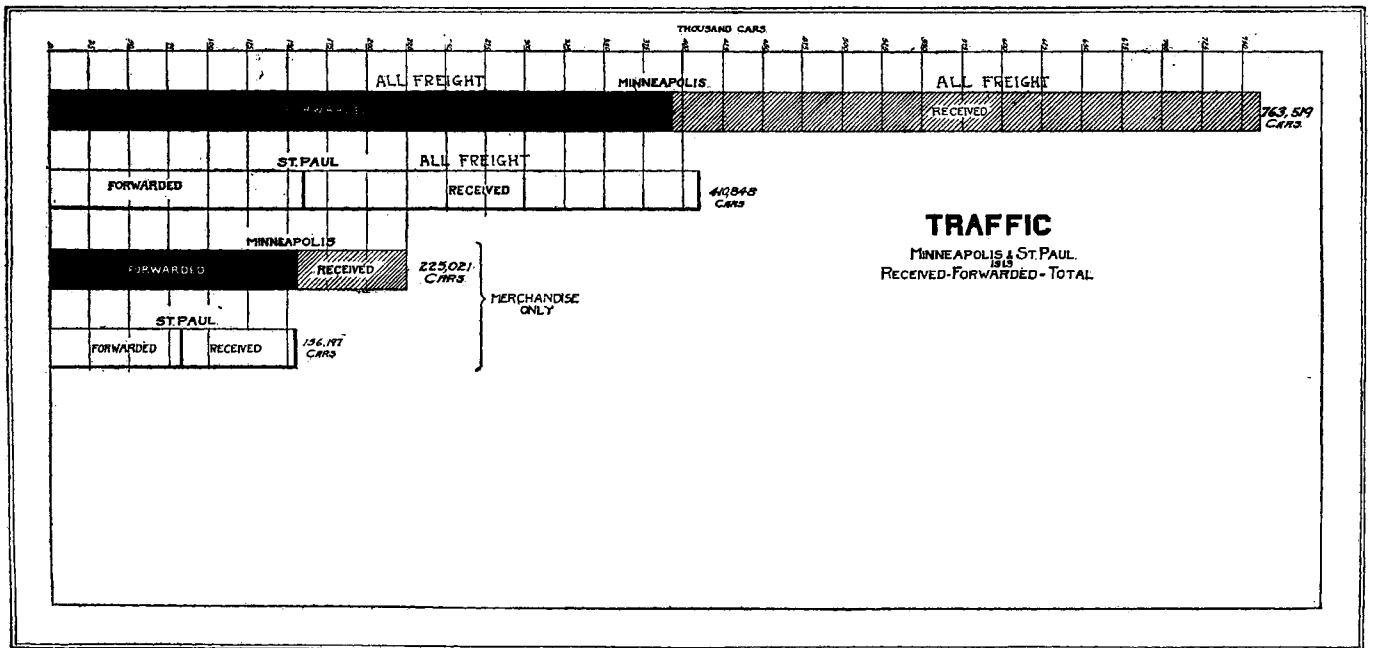
Chart XXIV graphically contrasts Minnesota elevator and milling activities with those of Omaha, Kansas City, and St. Louis. Obviously the day of rivalry among these, the largest cereal centers of the world, has passed.

At the present time the elevator capacity of Minneapolis and the Lake Superior terminals is over 150 per cent greater than the combined carrying power of Omaha, Kansas City, and St. Louis.

During the last year (1913) the actual maximum burden of grain carried in terminal storage in Minnesota and financed in Minneapolis was 180 per cent more than the combined amounts for Omaha, Kansas City, and St. Louis. And an amount of grain was carried by country elevators in Minnesota and the Dakotas over half as great as the contents of the terminal bins—constituting a total of over 75,000,000 bushels.

The milling capacity of Minneapolis and the lake port is 235 per cent greater than the combined capacity of Omaha, Kansas City, and St. Louis; and the country mills of Minnesota have a combined capacity as great as that of Minneapolis.

Chart XXV

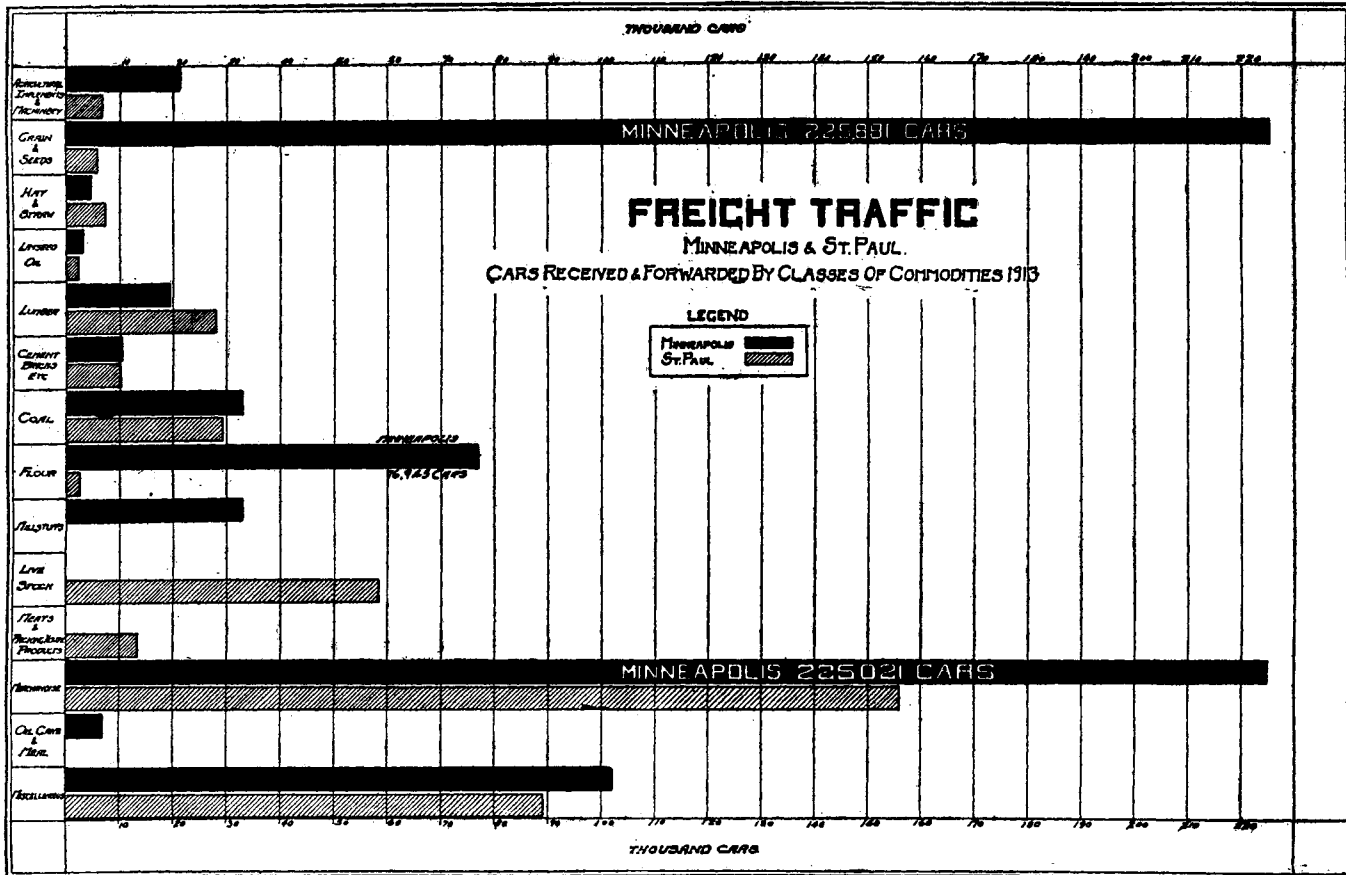


Freight traffic of Minneapolis and St. Paul compared, 1913.

The chief significance of Chart XXV pertains to the relative importance of Minneapolis and St. Paul as shipping points. The total of all receipts and shipments, reduced to carload equivalents, over all roads touching Minneapolis, amounting for the year ending December, 31, 1913, to 763,519 cars as contrasted with 410,848 cars "in" and "out" of St. Paul, including Minnesota Transfer, for the year ending October 31, 1913. (St. Paul figures for November and December, 1913, not available.)

The lower part of the chart, representing merchandise only, shows 225,021 cars "in" and "out" for Minneapolis, two-thirds of which is forwarded merchandise. This amount contrasted with 156,197 cars, equally divided as between "in" and "out" merchandise, for St. Paul is probably significant of superior jobbing activities in Minneapolis.

Chart XXVI



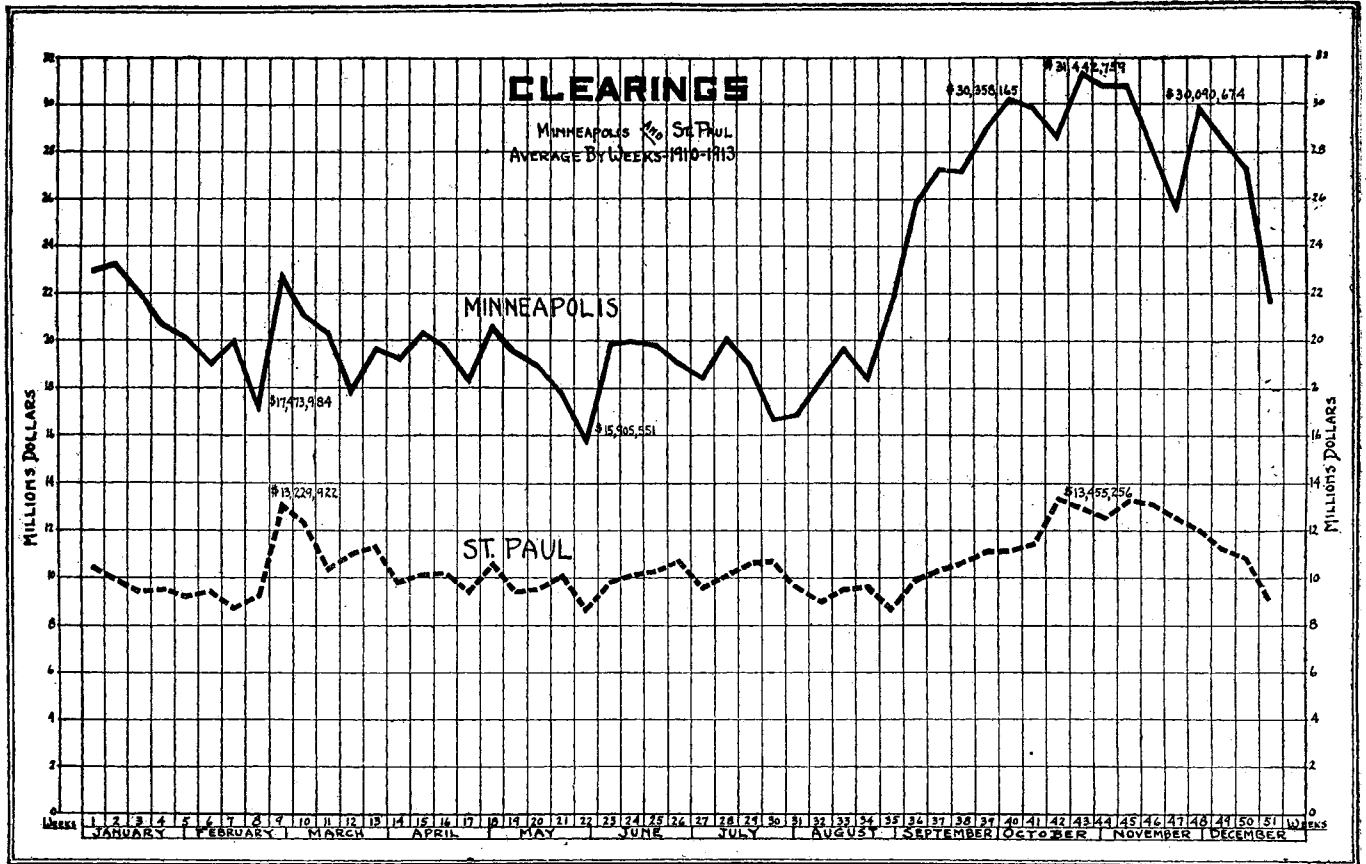
See Table 17

**Classified freight traffic of Minneapolis and St. Paul.**

Chart XXVI supplements Chart XXV by a subdivision of traffic by cities into 14 classes, showing the superiority of Minneapolis over St. Paul in the following 10 classes: Agricultural implements and machinery, grain and seeds, linseed oil, cement and brick, coal, flour, millstuffs, merchandise, oil-cake and meal, and miscellaneous. St. Paul excels in the handling of hay, lumber, live stock, and meats.

(Data compiled from official weekly reports of all roads entering Minneapolis and St. Paul for Minneapolis Civic and Commerce Association.)

Chart XXVIII



Seasonal fluctuation in financial activities, Minneapolis and St. Paul.

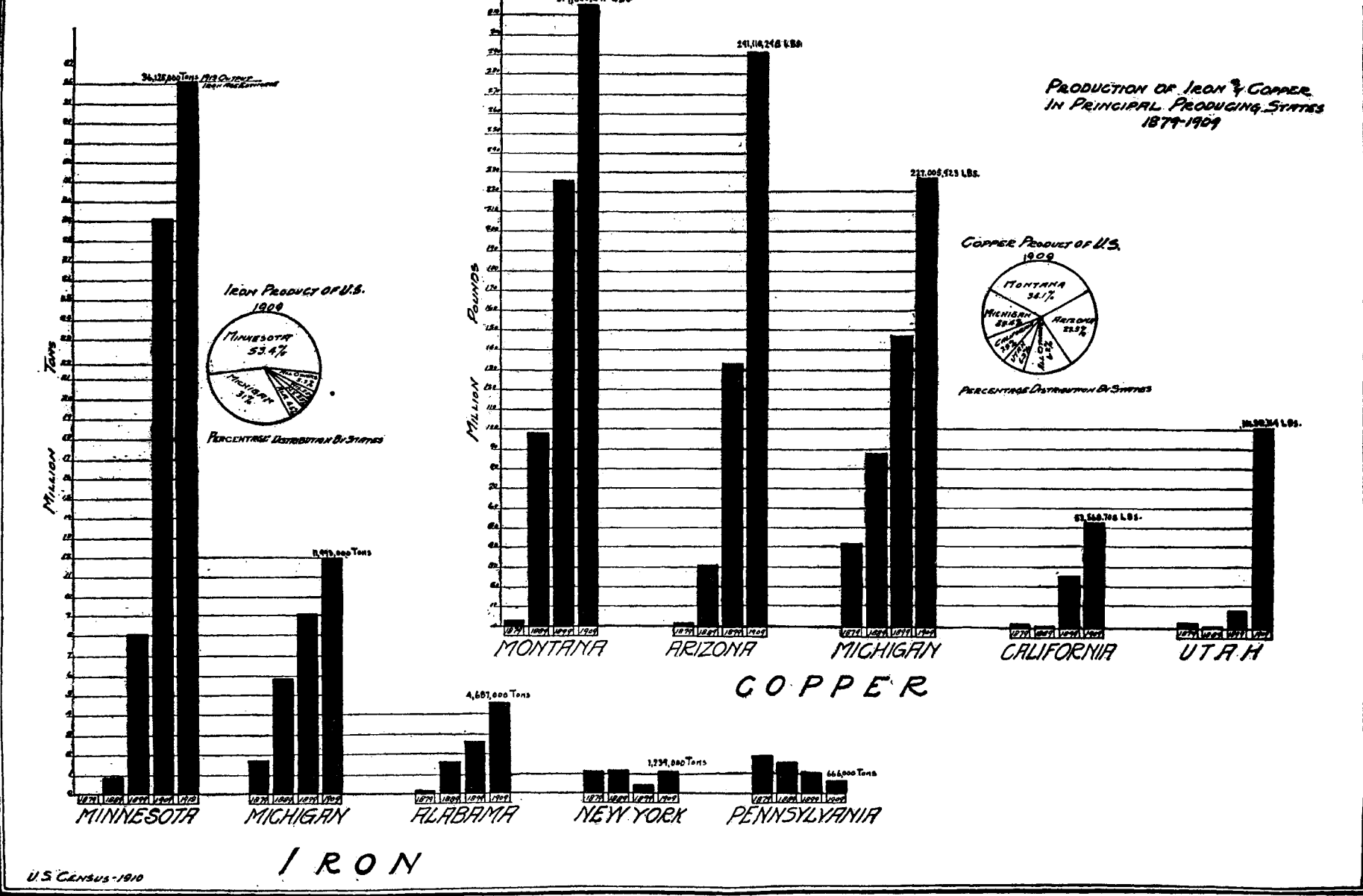
Chart XXVIII is constructed upon the record of weekly clearings for a period of four years ending December 31, 1913. By averaging the figures for respectively consecutive weeks for the four years, the average seasonal fluctuations by weeks are calculated. The resulting averages are plotted, this deriving a "normal" or average year, for both Minneapolis and St. Paul.

The course of clearings for Minneapolis shows low points in February and May (eighth and twenty-second weeks), and reaches a maximum in October (forty-third week). The extreme average variation is from about \$16,000,000 weekly clearings to over \$31,400,000—a variation of 96 per cent in five months. For six weeks of this period the average advance is 85 per cent, and one two weeks' period, in late August and early September, shows an advance of 45 per cent, amounting to \$8,000,000. A minor peak in clearings appears in the last week in February.

This fluctuation in average clearings does not measure the extreme variations which may and do occur in the course of business. They do indicate the variations which, upon the basis of four years' experience, may reasonably be anticipated under normal conditions.

The suddenness and extent of variations experienced in Minneapolis has no counterpart in St. Paul. The maximum variation in weekly averages at no time amounts to as much as \$5,000,000; the same maximum average is reached in both autumn and spring and the minimum of \$9,000,000 appears four times during the year.

This variable career of banking activities in Minneapolis as contrasted with the relatively even tenor of St. Paul business is doubtless due to the closer association of Minneapolis banking with the seasonal phenomena of agricultural production.



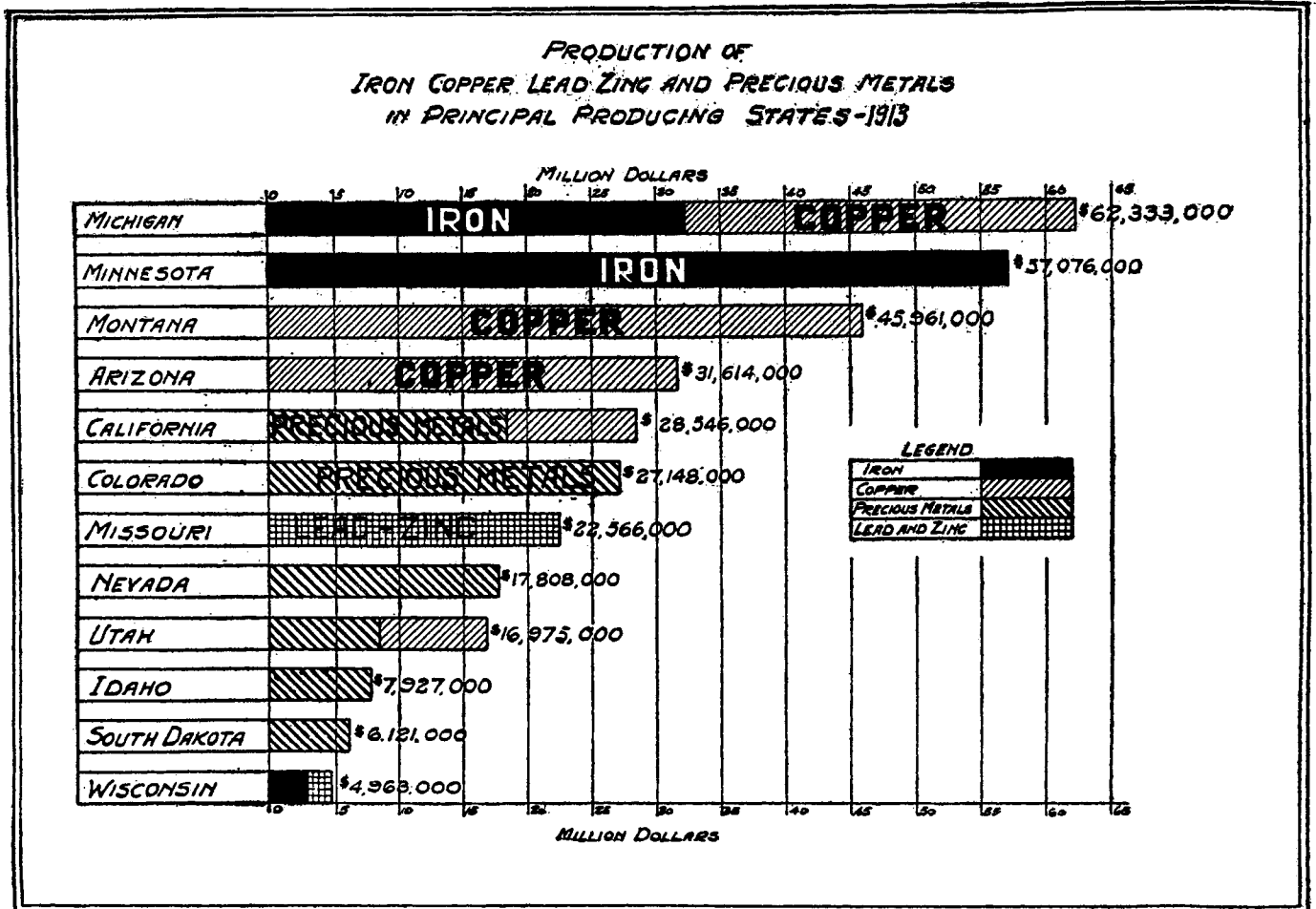
Minnesota and Montana.

Chart XXIX represents the relative importance of the two northern cities in the production of iron ore and copper. It is noteworthy that the ore production in Minnesota for 1909 was over 60 per cent greater than the total for the three States next in importance, and constituted 54.4 per cent of the total ore production of the United States. The output for 1913 is 12 1/2 per cent greater than that of 1909.

The 315,000,000 pounds of copper produced by Montana in 1909 exceeds that of the nearest competitor by 25,000,000 pounds, and represents 34.1 per cent of the copper production of the United States.

The rapid growth of iron and copper production in Minnesota and Montana since 1879 as contrasted with the contemporary output of other States is especially significant, not only as to the present mineral importance of these States, but as a forecast of future mining activities and mineral values to be handled and financed in the Northwest.

Chart XXX

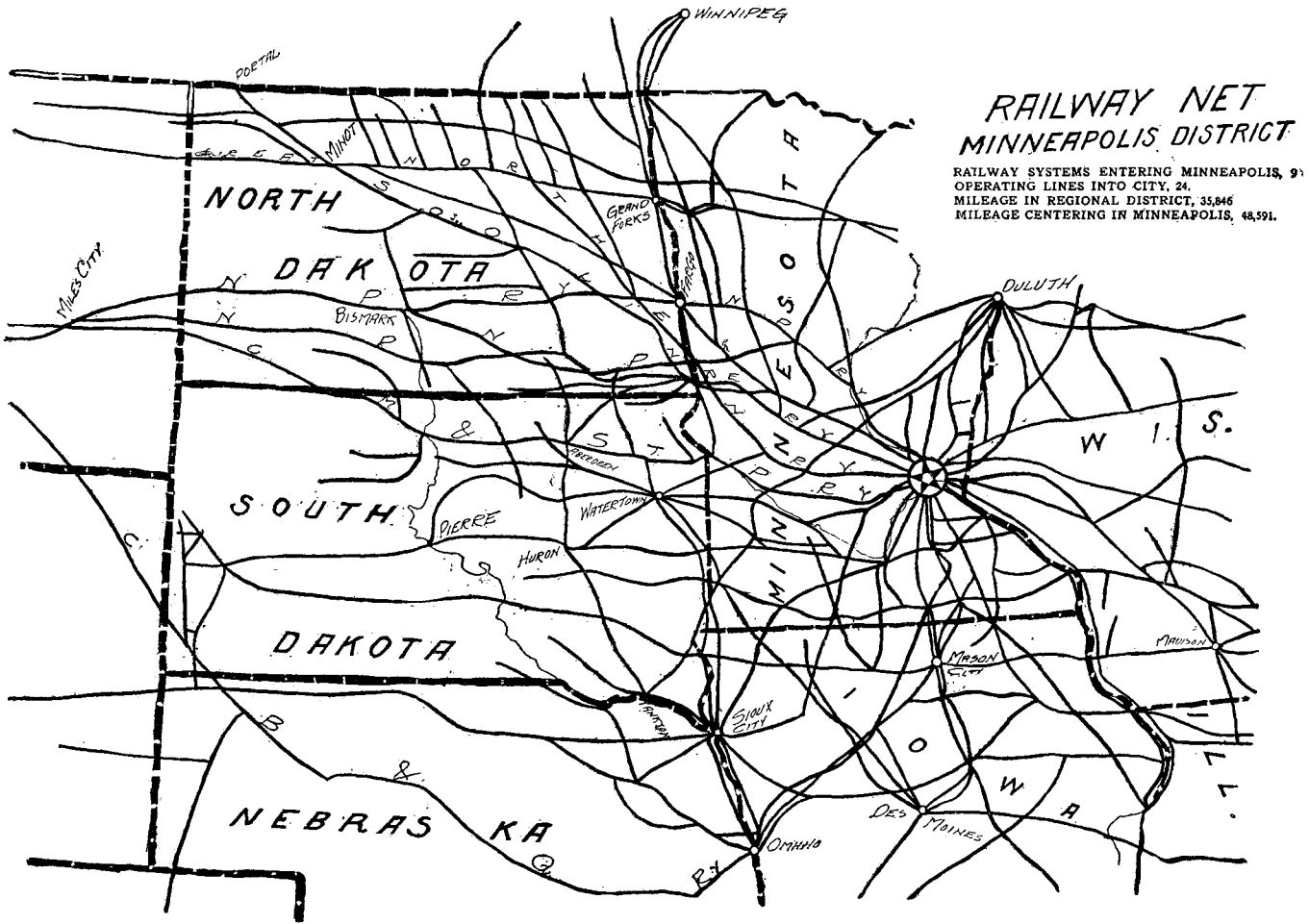


Relative mineral production of Minnesota and Montana.

Chart XXX represents the relative position of Minnesota and Montana in the production of mineral values. Minnesota alone, in the \$57,000,000 of ore values exceeds the value of metal products in any other State, except Michigan. The copper output of Montana places that State third in the list of all metal producing States. The mineral values produced in 1913 by Minnesota, Montana, South Dakota, Wisconsin, and Idaho (States lying within the proposed Northwestern reserve bank district), exceed the combined mineral values produced by California, Colorado, Missouri, Nevada, and Utah.



Chart XXXI



The Northern Railway net.

Chart XXXI. The Minnesota district is not lacking in mechanical facilities of trade; the growth of the railway net within its boundaries has been rapid and continuous, and the location of railway lines is such as to constitute Minneapolis the natural focus of transportation activities to the Northwest.

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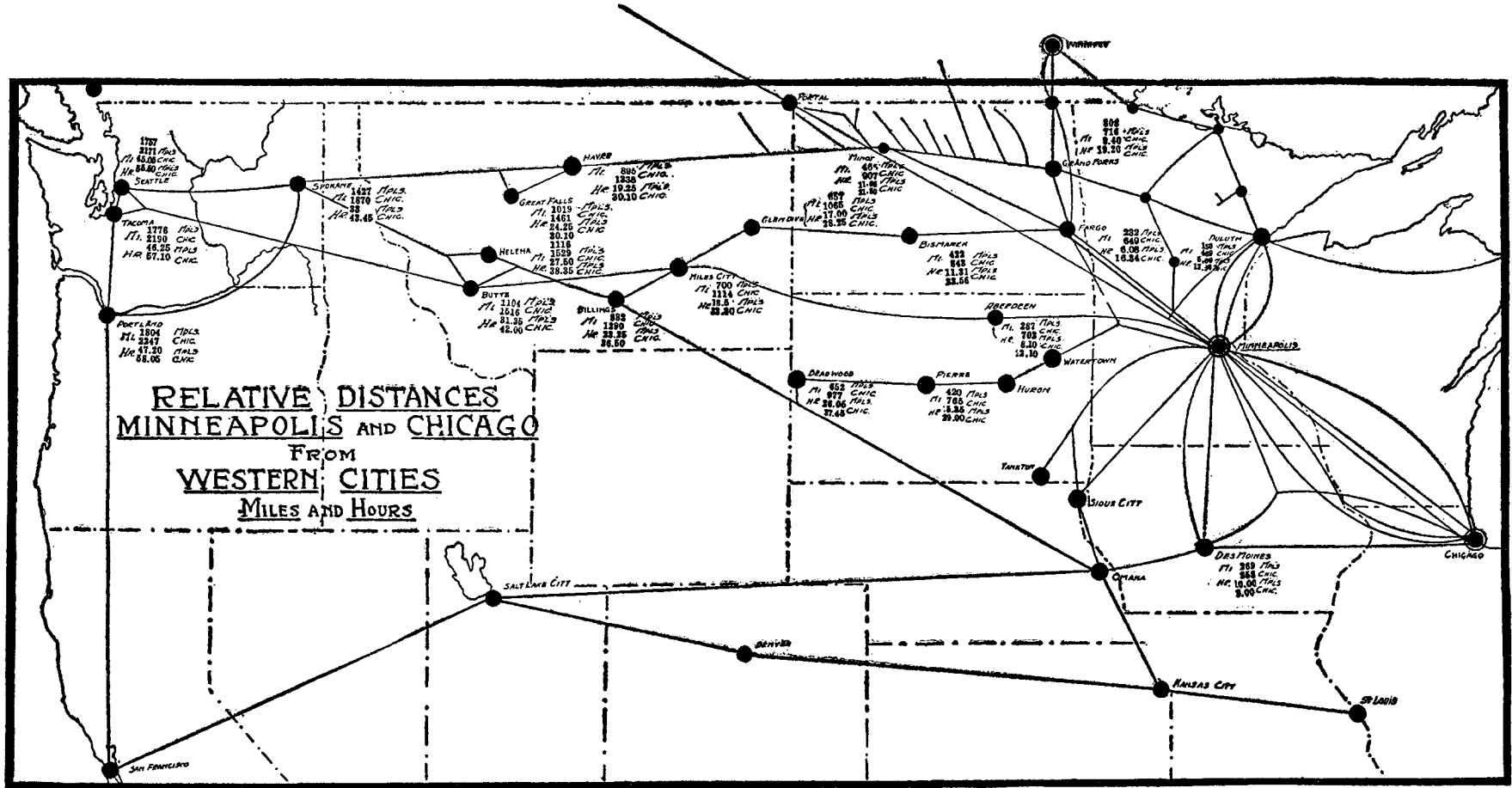


Chart XXXII

Comparative transportation facilities, Minneapolis and Chicago.

Chart XXXII graphically represents certain strategic advantages of Minneapolis in matters of transportation and communication as contrasted with Chicago. The direct lines of railway leading from Minneapolis to the Pacific Coast and the Rocky Mountain cities, and to Canadian points, when considered in connection with the movement of traffic originating to the north and west, and the financial operations associated therewith, makes the matter of time and distance a significant factor in the location of banking facilities.

Chart XXXVI

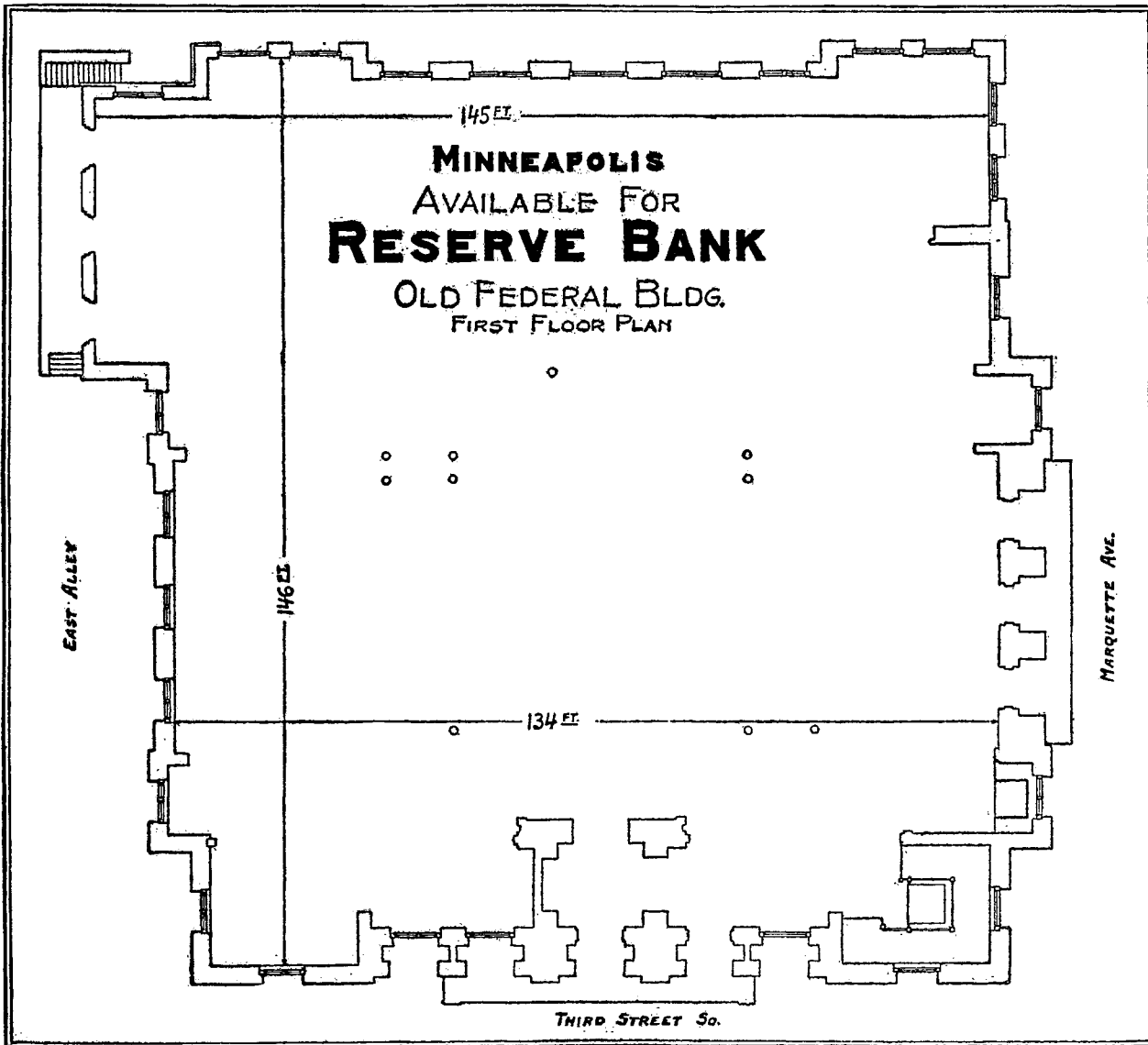
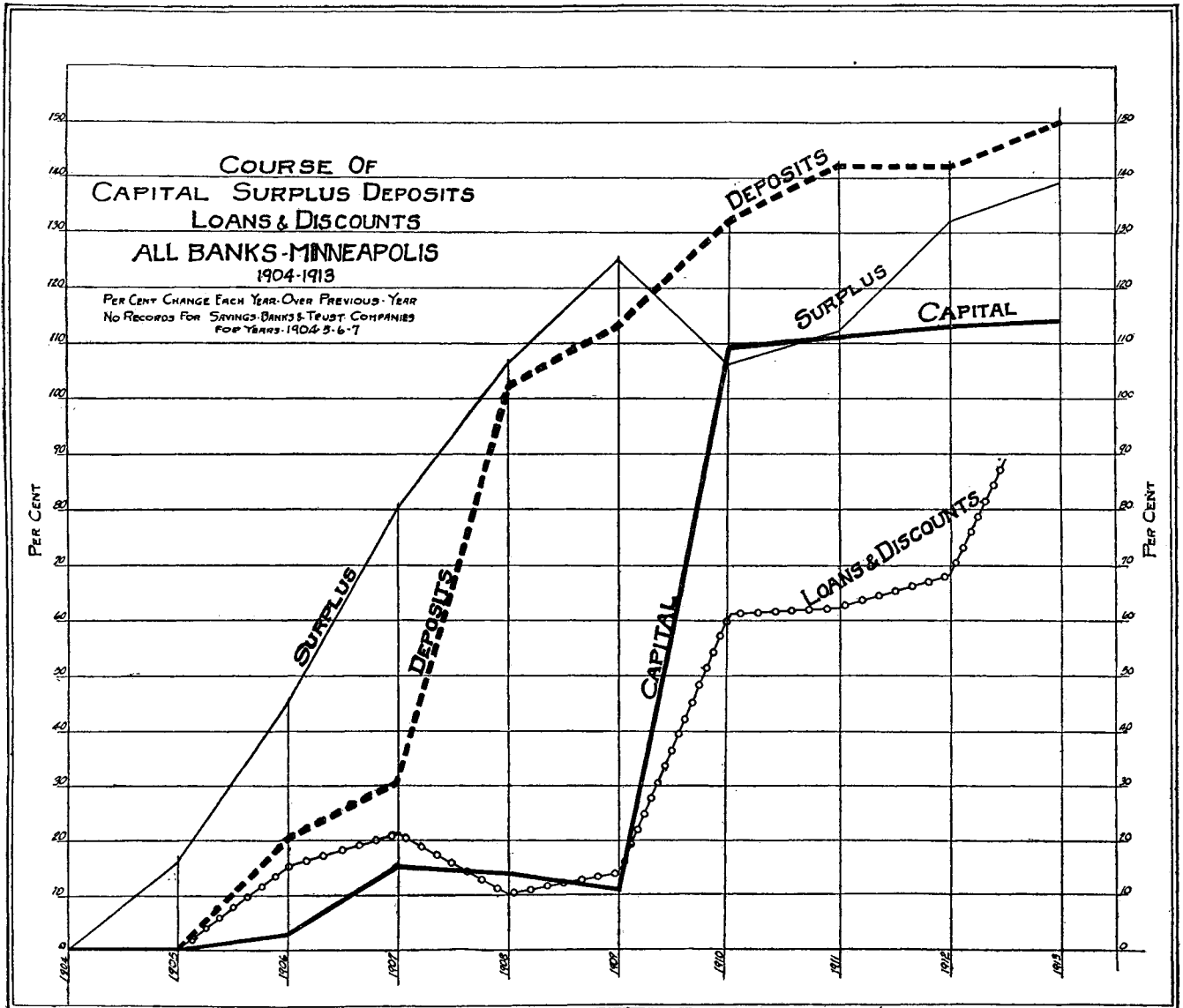


Chart XXXVII



Development of banking in Minneapolis, 1904-1913.







TABLE 12.—Bank clearings of Minneapolis and St. Paul for each week from 1910 to 1913, and average weekly clearings for the 4-year period.

Table with 6 columns: Week, City, 1913, 1912, 1911, 1910, Average. Lists weekly clearing data for Minneapolis and St. Paul from 1910 to 1913, including average weekly clearings.

TABLE 13.—Bank clearings, nine cities, 1909-1913. PERCENTAGE RELATIONS.

Table with 6 columns: City, 1909, 1910, 1911, and two columns for percentage increase over previous years for 1909-1911 and 1912-1913. Lists data for Spokane, Denver, Seattle, San Francisco, New Orleans, Kansas City, St. Paul, Minneapolis, and Twin Cities.

TABLE 14.—Comparative statement of capital, surplus, undivided profits, banking capital, gross deposits, loans and discounts, all banks, Minneapolis and St. Paul, 1904-1913.

Table with 7 columns: Year, Capital, Surplus, Undivided profits, Banking capital, Gross deposits, Loans and discounts. Compares financial metrics for Minneapolis and St. Paul from 1904 to 1913.

1 Including Stock Yards National Bank, South St. Paul.

TABLE 15.—Twin City banks, 1912.

[Figures for national banks taken from the report of the Comptroller of Currency, 1912; those for State and savings banks and trust companies taken from third annual report, department of banking, Minnesota, 1912.]

Table with 4 columns: National banks, State banks, Savings banks, Trust companies, and three columns for Capital and surplus, Deposits, Resources. Shows financial data for Twin City banks in 1912.





TABLE 18.—Value of various crops—Minnesota, Montana, North and South Dakota—Continued.

OATS—Continued.

	1909	1910	1911	1912
Minnesota.....	\$32,864	\$27,341	\$26,886	\$31,965
Montana.....	5,798	6,817	8,466	7,997
North Dakota.....	21,743	5,607	21,004	20,948
South Dakota.....	14,812	10,695	4,900	13,098
Total.....	75,217	50,460	61,256	74,005
United States.....	405,120	408,388	414,663	452,469

CORN.

	1900	1901	1902	1903	1904
Minnesota.....	\$9,220	\$16,109	\$13,531	\$15,476	\$15,051
Montana.....	14	70	59	57	59
North Dakota.....	160	699	722	910	766
South Dakota.....	9,401	13,429	12,223	14,566	15,788
Total.....	18,795	30,307	26,535	31,009	31,664
United States.....	751,220	921,556	1,017,017	952,869	1,087,461

	1905	1906	1907	1908
Minnesota.....	\$16,169	\$17,051	\$21,802	\$25,759
Montana.....	52	61	61	85
North Dakota.....	885	1,626	1,848	2,314
South Dakota.....	16,001	18,216	21,700	28,838
Total.....	31,107	36,954	45,411	56,996
United States.....	1,116,697	1,166,626	1,336,901	1,616,145

	1909	1910	1911	1912
Minnesota.....	\$33,270	\$30,019	\$39,294	\$28,925
Montana.....	236	350	424	428
North Dakota.....	2,718	1,705	4,350	3,766
South Dakota.....	27,779	21,000	26,935	28,248
Total.....	64,003	53,074	71,003	61,367
United States.....	1,477,223	1,384,817	1,565,258	1,520,454

BARLEY.

	1900	1901	1902	1903	1904
Minnesota.....	\$2,765	\$9,756	\$9,604	\$10,280	\$10,279
Montana.....	97	365	337	425	324
North Dakota.....	670	2,904	5,710	4,489	4,905
South Dakota.....	479	2,739	3,393	3,517	3,132
Total.....	4,011	15,764	19,044	18,711	18,640
United States.....	24,075	49,705	61,899	60,166	58,652

	1905	1906	1907	1908
Minnesota.....	\$9,284	\$11,057	\$17,864	\$15,925
Montana.....	281	265	400	534
North Dakota.....	5,798	5,219	9,075	8,432
South Dakota.....	2,889	7,331	12,276	11,558
Total.....	18,252	23,872	39,615	36,449
United States.....	55,047	74,236	102,290	92,442

	1909	1910	1911	1912
Minnesota.....	\$14,852	\$16,191	\$26,904	\$17,227
Montana.....	1,197	903	728	755
North Dakota.....	8,913	2,985	17,404	12,307
South Dakota.....	8,960	10,633	4,847	9,686
Total.....	33,922	30,712	49,883	39,975
United States.....	93,971	93,785	139,182	223,824

TABLE 18.—Value of various crops—Minnesota, Montana, North and South Dakota—Continued.

RYE.

	1900	1901	1902	1903	1904
Minnesota.....	\$435	\$927	\$930	\$787	\$1,055
Montana.....		29	30	29	29
North Dakota.....	34	146	207	158	249
South Dakota.....	11	239	283	282	318
Total.....		1,341	1,450	1,256	1,651
United States.....	12,295	16,910	17,081	15,994	18,748

	1905	1906	1907	1908
Minnesota.....	\$845	\$854	\$1,079	\$1,026
Montana.....	24	32	32	27
North Dakota.....	208	204	227	281
South Dakota.....	296	280	336	330
Total.....	1,373	1,674	1,674	1,664
United States.....	17,414	19,671	23,068	23,455

	1909	1910	1911	1912
Minnesota.....	\$1,368	\$1,251	\$3,501	\$3,013
Montana.....	44	54	132	141
North Dakota.....	272	81	454	406
South Dakota.....	341	363	99	162
Total.....	2,025	1,749	4,186	3,722
United States.....	23,809	23,840	27,557	23,636

POTATOES.

	1900	1901	1902	1903	1904
Minnesota.....	\$2,591	\$49	\$5,769	\$5,466	\$4,059
Montana.....	340		881	999	1,148
North Dakota.....	753	9	822	976	885
South Dakota.....	1,451		1,035	1,559	953
Total.....	5,135		8,507	9,000	7,045
United States.....	90,811	8,523	134,111	151,638	150,673

	1905	1906	1907	1908
Minnesota.....	\$5,513	\$4,486	\$6,004	\$6,171
Montana.....	969	1,307	1,350	1,932
North Dakota.....	918	1,135	1,490	1,428
South Dakota.....	1,279	1,240	1,638	2,066
Total.....	8,679	8,168	10,482	11,597
United States.....	160,821	157,547	184,184	197,039

	1909	1910	1911	1912
Minnesota.....	\$6,440	\$6,442	\$15,008	\$9,261
Montana.....	2,295	2,550	2,997	2,442
North Dakota.....	1,980	1,306	2,772	1,864
South Dakota.....	2,520	2,057	2,822	2,344
Total.....	13,235	12,355	23,599	15,911
United States.....	206,545	187,985	233,778	212,550

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# NEW ORLEANS, LA.

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## NEW ORLEANS, LA.

### NEW ORLEANS, THE LOGICAL POINT FOR THE LOCATION OF THE REGIONAL BANK.

By SOL WEXLER.

In view of my active interest in the provisions of the Federal reserve act and my familiarity with the many problems which it embraces, I am sure no one realizes more than I do the grave difficulties with which you are beset and the tremendous responsibilities which have been thrust upon you as the organization committee charged with the inauguration and installation of an entirely new system of currency and banking in this country. I realize more than most men the excellence, the importance and beneficent results that will obtain from the Federal reserve act, and how much credit and gratitude is due the present Democratic administration and the chairman of this committee by the whole American people for its speedy enactment into law and for the excellence and soundness of its provisions.

In advocating the city of New Orleans as the only fitting and logical location for a regional bank to serve the vast territory embraced in what is known as the Gulf and contiguous States, I have given the most careful consideration to the claims of our sister cities and States for the definite purpose of ascertaining if I have been blinded by local patriotism in my conclusions, and with the full intention, if I found the claims of any other city in this territory superior to that of New Orleans, to lay aside civic ambition and yield our claims for the common good. No patriotic citizen of this country and no good adherent of the Democratic Party has the right to approach this subject from any other standpoint than that of disinterestedness and altruism, for the success of the system of banking and currency which we are about to install involves the welfare of this and future generations, the future success of our party, and the financial and commercial supremacy of the Nation.

But the consideration and study of the reasons for the location of a bank here, in connection with and in comparison with those of any city within a thousand miles of us, gives no cause for hesitation in placing before you the following important facts immediately bearing upon and pertinent to the subject.

We believe that the territory to be served by New Orleans should embrace all that territory radiating from Louisiana as the center westward to the line of New Mexico, thus taking in the State of Texas; east-

ward to the Atlantic Ocean, taking in the States of Mississippi, Alabama, Florida, and Georgia; and northward, taking in that part of the State of Tennessee lying west of the Tennessee River. This territory contains 860 national banks, with an aggregate capital and surplus of \$148,900,000, capable of furnishing a capital to the regional bank, based upon 6 per cent of \$8,900,000 and deposits based upon 5 per cent of an aggregate of \$473,500,000, without counting Government deposits of \$24,000,000.

We estimate that in the same territory, State banks and trust companies have an aggregate capital and surplus, according to the comptroller's report (all banks not being represented), of \$130,000,000, which, if 50 per cent of them came into the system, which I believe to be a conservative estimate, would give an additional capital of \$3,900,000 and additional deposits of \$8,000,000, or combined with the national banks, a regional bank with—

LIABILITIES.	
Capital.....	\$12,800,000
Deposits.....	32,000,000
Circulation.....	82,500,000
Discounts (profit and loss).....	760,000
	<hr/>
	128,060,000
RESOURCES.	
Gold against deposits (35 per cent of \$32,000,000).....	\$11,200,000
Gold against Federal reserve notes issued (40 per cent of \$82,500,000).....	33,000,000
Bills discounted.....	83,600,000
Balance gold on hand.....	260,000
	<hr/>
	128,060,000

And, as the total bills payable as shown by the comptroller's report of all of the banks in Texas, Louisiana, Mississippi, Alabama, Florida, and Georgia, for the last year, at the maximum period, only aggregate \$34,600,000, it can be readily seen that the statement that a regional bank located in New Orleans could not take care of the business is an absurdity.

N. B.—United States deposits are not included in this calculation.

In this territory the most remote city having a national bank to the west of us would be El Paso, Tex. (1,192 miles, or 36 hours); to the east Brunswick, Ga.

(689 miles, or 26 hours and 40 minutes); to the north Paris, Tenn. (529 miles, or 16 hours and 10 minutes). Such most western city would be nearer Houston by only 362 miles, farther from Atlanta by 857 miles; farther from Birmingham by 777 miles, farther from Memphis by 758 miles.

The territory above described is connected with New Orleans by Western Union and Postal Telegraph lines and long-distance telephone; as far as the mouth of the Rio Grande River by sea; and by rail by the Southern Pacific and its many connections; Texas & Pacific and its many connections; St. Louis & San Francisco and its many connections; New Orleans, Texas & Mexico and its many connections; Atchison, Topeka & Santa Fe and its many connections, and Louisiana Railway & Navigation Co. To the eastward by the Louisville & Nashville and its many connections; Southern Railway and its many connections; Mobile & Ohio and its many connections; Queen & Crescent system and its many connections; New Orleans, Mobile & Chicago (now building into New Orleans); New Orleans Great Northern, and Gulf & Ship Island. To the northward by the Illinois Central and its many connections; Yazoo & Mississippi Valley and its many connections; and Louisville & Nashville.

The entire territory is also in connection with New Orleans by steamboat and barge transportation through the Intercoastal Canal being built by the United States Government, now constructed from Texas almost to New Orleans, and proposed to be constructed from New Orleans eastward to Pensacola, which will put New Orleans in communication with points along the Sabine, Calcasieu, and Mermentau Rivers to the west without going into the open sea. At the present time New Orleans reaches the territory lying along the Pearl River, Amite River, Pascagoula River, Warrior and Alabama Rivers, all connected with the Mississippi River, through Lake Borgne Canal. The Mississippi River running through the city of New Orleans to the Gulf puts it in connection with the Red, Arkansas, White, Ohio, Missouri, and Illinois Rivers and with all of their tributaries, so that probably no city in this country affords such varied, extensive and competitive transportation facilities to the domestic territory it will serve by rail, sea, river, and canal, as the city of New Orleans.

But, if in your wisdom and as a result of your investigations you should see fit to exclude from this territory the State of Georgia on the east, you would reduce the capital of the regional bank located here, according to the Comptroller's figures, all banks not being represented, only \$2,421,000 and its deposits, \$4,532,000; and if in addition to Georgia you saw fit to exclude that part of Texas claimed by St. Louis, Denver, and Kansas City, lying west of Austin, you would reduce the capital of the regional bank \$1,133,000 and

the deposits \$2,774,000; and again, if you saw fit to exclude the part of Tennessee lying west of the Tennessee River, you would reduce the capital \$591,000, and the deposits \$1,657,000; or, if you eliminated all three of the last-named sections, the total reduction of capital arising from national and State banks would only be \$2,598,000, and deposits \$6,240,000, leaving, if one, two, or the three were eliminated, the following capital and deposits:

	National banks.		State banks.	
	Capital.	Deposits.	Capital.	Deposits.
Entire territory.....	\$3,900,000	\$24,000,000	\$3,900,000	\$8,000,000
Excluding—				
Georgia.....	7,430,000	20,800,000	2,949,000	6,668,000
West Texas.....	7,952,000	21,515,000	3,715,000	7,711,000
West Tennessee.....	8,720,000	23,445,000	3,489,000	6,897,000
Georgia and west Texas.....	6,482,000	18,315,000	2,764,000	6,379,000
Georgia and west Tennessee.....	7,250,000	20,245,000	2,538,000	5,567,000
West Texas and west Tennessee.....	7,772,000	20,960,000	3,304,000	6,608,000
Georgia, west Texas and west Tennessee.....	6,302,000	17,760,000	2,353,000	5,276,000

The present banking capital and surplus and deposits of New Orleans as compared with the cities of Atlanta, Houston, Birmingham, and Memphis are as follows:

City.	Capital and surplus and undivided profits.	Deposits.
New Orleans.....	\$18,797,000	\$86,032,110
Atlanta.....	15,000,000	33,000,000
Houston.....	13,400,000	42,000,000
Birmingham.....	7,083,100	27,289,000
Memphis.....	8,804,600	35,130,000

The comparative total resources are as follows:

New Orleans.....	\$110,000,000
Atlanta.....	51,000,000
Houston.....	57,000,000
Birmingham.....	35,510,000
Memphis.....	45,934,000

The capital and surplus of the regional bank to be located here, taking in the territory only embraced in the yellow lines shown on the map, will be \$8,655,000 capital and \$23,036,000 deposits.

A statement of the comparative distances of the principal cities from New Orleans is as follows:

	Miles.		Miles.
Mobile.....	1410	Memphis.....	396
Pensacola.....	243	Little Rock.....	487
Atlanta.....	495	Dallas.....	515
Montgomery.....	318	Austin.....	528
Birmingham.....	415	Houston.....	362
Chattanooga.....	498	San Antonio.....	571
Nashville.....	622	Galveston.....	412

The establishment under the old law of central reserve cities created an artificial flow of money into the central reserve cities not justified by the natural course of finance and of commerce, but which after many years came to be regarded as natural and which will invert to natural local channels just as soon as

the compulsory feature is removed; and as the natural channel to which money should flow is to the point from which it can be most readily and quickly obtained and to which the products grown, manufactured, and exported drift. The points from which a section purchases its supplies have an insignificant effect upon the trend of money, for the exchange created by the shipment of a carload of hay from a Texas point to North Carolina can be converted into cash more quickly by depositing it with its local bank and it in turn with the regional bank or with its nearest correspondent, which for the territory referred to would be New Orleans, though in respect to distribution of merchandise New Orleans is many millions in excess of any other city under consideration at this session.

This bill, as I understand its provisions, is intended to decentralize the control of money and credit under central control, and to attach to the city of St. Louis the great States of Texas, Mississippi, Louisiana, west Tennessee, in addition to its legitimate territory, would absolutely defeat the purpose of the bill and concentrate in one city a control never intended either by nature geographically nor by the framers of the bill. To place a regional bank in Birmingham, or in Memphis, or in Houston would be to create an impossibly weak bank in relatively small inland industrial cities, having neither knowledge nor experience in international trade, nor in the handling of the variety of merchandise, the production of our own country and that of every country on the globe, such as comes to the port of New Orleans, and could be properly compared to placing a regional bank in Albany instead of the city of New York, or in Milwaukee instead of Chicago.

New Orleans purchases now a considerable percentage of the foreign exchange arising from the exports of cotton from cotton exporters located in Houston and Galveston, and will purchase every dollar of exchange created in the entire territory whenever the facilities arising from the regional bank are at its disposal and its natural connections are not diverted by operation of law to other centers.

It has been said that New Orleans, being at times a rediscounting city, can not facilitate the territory, which statement surely arises from a misconception of conditions, as well as from a misunderstanding of the purposes of the regional bank. If the funds now carried by New Orleans banks in Chicago and New York as reserve were carried at home, New Orleans would never need to borrow a dollar and would have surplus funds to lend. There is never a time when the indebtedness of New Orleans banks to their correspondents is not less than the amounts which they have on deposit with them at the time; and if the reserves of the great States of Texas, Louisiana, Mississippi, Alabama, Georgia, Florida, and Tennessee, or the parts of these States referred to as an alternative territory, are kept in a regional bank here, where they belong,

not only will this bank be able to care for the requirements of its territory liberally, but it will be able to help out other sections in their time of need. In the panic of 1907 no one had nearly the trouble to draw funds from New Orleans as was experienced in some of the other cities. New Orleans exchange at no time went above \$2.50 per thousand, while Pittsburgh and St. Louis exchange was sold at \$10 per thousand discount. We bought foreign exchange in St. Louis with our balances to get the funds out of that city.

Furthermore, if I correctly understand the proper method of conducting a regional bank, its credit facilities should always be a reserve facility, used only when the general credit facility of the country for legitimate commercial purposes has been exhausted. Just in the same manner as the Bank of England maintains a rate of interest slightly in excess of the general private discount rate in order to force the stock of credit to be taken up first, and thus not compete with it, so do I understand the regional bank will see to it that its facilities will be kept in reserve, thereby preventing undue expansion and thereby being certain to have the credit facility when urgently needed. For this reason the great general credit facilities of the country will be just as available to banks as heretofore, and they are adequate in ordinary times, and when inadequate in times of great industry and large crops, and periodically at certain seasons of the year during the heavy marketing period, the reserve banks will supply the deficiency.

It has also been contended that a bank located in a section of great agricultural importance should be tied to a bank in a different territory, this contention having been made at the St. Louis hearing and it is much more specious than sound. There is no city of importance in this Union—other than New York, Boston, and Philadelphia—which does not serve an agricultural community to a greater or less degree; nor are there any crops of great volume or importance grown in the United States which do not move practically at the same time. Cotton, corn, wheat, oats, barley, sugar cane, sugar beets, rice, and fruits, constituting 80 per cent of our agricultural production, move in the fall of the year, practically at the same time; and no city properly serving such a community, whether it be St. Louis, Chicago, Minneapolis, or Kansas City, is any more free from strain at that period than is New Orleans; many of them borrow surreptitiously abroad or sell out of their portfolio to other cities, in order not to show the same in their bills payable, under the absurd idea that a bank should not employ the idle funds of another section when needed in its own, while New Orleans to serve its section openly uses its credit facilities and facilitates the stupendous volume of business which is naturally tributary to it.

The volume of foreign exchange against actual exports of merchandise handled in New Orleans last year aggregated \$174,207,400, this exchange being created locally and in Mississippi, Alabama, and Texas,

and being against the greatest variety of commodities shipped to almost every country on the globe.

In addition to the foreign exchange above referred to New Orleans issues commercial letters of credit for the importation of merchandise of approximately \$20,000,000 per annum, and which business shows a constant growth from year to year.

The volume of country checks cleared through New Orleans last year, drawn on points in the territory claimed as our legitimate territory, aggregated \$478,042,000, and come to us from all of the States in the Union; and, were it not for the "window-dressing" proclivities of some competitive cities, which handle business at a loss in order to swell figures and footings and which New Orleans has never done, it would be 10 times the amount, and as soon as the regional banks are established and the unfair embargo upon business imposed by some country banks for the service disappears the volume handled here will be equal to the entire volume of business in this territory.

The total clearings of New Orleans amounted to over \$1,000,000,000 last year, an increase of 100 per cent in the last five years.

In considering these clearings it must be remembered that New Orleans' clearings are settled each day in cash and not in cashiers' checks, a custom which prevails in other cities and which cashiers' checks are again sent through the clearing houses, thus creating a duplication which gives a fictitious amount and creates the impression of a much larger volume of business than is actually conducted.

New Orleans is the only port south of Philadelphia which has any number of regular sailings to foreign ports. Merchandise can be consigned to New Orleans for export to meet regular sailing days, while in nearly all of the other Gulf and South Atlantic ports this business is done by tramp steamers with no regular sailings. The steamship lines sending their ships to this port are shown on this map. To Panama and Central American Republics, we have almost daily sailings, furnished by three steamship lines having their main offices in New Orleans. The practically water-grade haul for railroads to the south, and the freedom from snow and ice throughout the year, make it certain that the port of New Orleans is the natural funnel through which the vast quantity of exports and imports of the entire territory between the Allegheny and the Rocky Mountains must find its way to and from foreign markets. New Orleans as a port is America's port and is so desirably located that it should be a national port and should be, and I believe will eventually be, developed by the National Government to enable it to care for economically the stupendous quantities of incoming and outgoing merchandise to and from the rest of the world, for which this city will be the depot. The trend of transportation will henceforth, with the opening of the Panama Canal, be north and south and no longer east and west. It is as inevitable and cer-

tain as the law of gravitation. To care for the present a regional bank for this territory must be established here; its management here will need to be as able in many respects as that of New York; its business will be as complex and its variety equally as great. As to the future, within a decade the regional bank at New Orleans will be second only to that of New York in size and importance, if we grasp our opportunities and do not allow Germany and England to capture the trade of South America, Central America, Australia, and the Orient.

I have made no mention of the variety of our agriculture and industries, and shall only enumerate them here to show the variety thereof, and that a regional bank established here will serve a greater variety of commodities than a regional bank in almost any other city.

The agriculture of the section shown on the map as being served by a regional bank located here is as follows: Cotton, oats, rice, tobacco, wheat, hay, strawberries, corn, sugar cane, citrus fruits, vegetables of every kind.

The mineral production is as follows: Iron, natural gas, building stone, coal, sulphur, oil, and salt.

The live-stock production is cattle, poultry, hogs, sheep.

The sea products are oysters, shrimp, fresh and salt-water fish.

The forest products are pine, gum, cypress, ash, white oak, poplar, and many other hardwood varieties.

The goods manufactured are cotton cloth, yarns, knitted goods, steel rails, wire, pipe and rolling-mill products generally, tin and galvanized-iron cans, tanks, culverts, stoves, cooperage, sash, doors, and blinds, crossties, furniture, wagons and carts, fertilizers, chemicals, acids, soap, lard compound, cottonseed oil, cottonseed meal and cake, mixed stock and poultry feed, cigars, cigarettes, and smoking tobacco, sauces, pickles, preserves, vinegar, molasses and sirups, jute and cotton bags, alcohol (natural and denatured), boats and boat oars, gasoline, naphtha, lubricating oils, paraffin, rosin, turpentine, tar, cement, roasted coffee, clothing for men, women, and children, and many more too numerous to mention, but sufficient, surely, to show that there need be no fear of an inadequate diversification of collateral.

It is indeed unfortunate that some of our sister cities can not see the manifold advantages of a great regional bank on the Gulf coast at New Orleans, and allow their petty trade jealousies to favor a more remote city, not realizing as they should that every dollar kept near home is as available to them as it would be if the regional bank were located in their own city.

Several gentlemen, experts in their line, will give you a few facts pertinent to the subject, and, when they have been heard, we will leave our case in your hands in full confidence that neither political influence, petty jealousy, nor ambition will sway your judgment.

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# OMAHA, NEBR.



## OMAHA, NEBR.

### BRIEF OF THE BANKS OF OMAHA AND SOUTH OMAHA.

SATURDAY, JANUARY 24, 1914.

Hon. WILLIAM G. MCADOO,  
*Secretary of the Treasury.*

Hon. DAVID F. HOUSTON,  
*Secretary of Agriculture.*

Hon. JOHN SKELTON WILLIAMS,  
*Comptroller of the Currency,*  
*Organization Committee.*

GENTLEMEN: The undersigned bankers of Omaha would respectfully submit for your consideration the claims of Omaha as the proper location for a Federal reserve bank under the new currency and banking act.

In offering this showing we do not exaggerate our claims so as to embrace territory which does not naturally belong to us and with which we have had no close association in the past.

We observe that this has been done by some of the cities which are desirous of being designated.

If it were the policy of the committee to form large districts, without special reference to "the convenient and customary course of business," then we submit that Omaha would be the natural center of the most productive agricultural section of the country—that section lying west of the Mississippi River and north of the State of Missouri.

Its peculiar location in the very center of the corn belt naturally places it in the front rank for everything having reference to that great cereal. The corn crop of this section, in its northern part, may at times be shortened by early frosts, and in its southern part may be affected at times by the hot winds of the south; but extending in this manner from the north to the south, this shows that, lying between the extremes of heat and cold, it is the only section which may be relied upon for a sure crop every year.

These facts, with its preeminence as a market for other grains, would seem to give Omaha an assured position as its financial center.

Assuming, however, that it is your intention to favor the organization of smaller districts in which the required amount of national bank capital and surplus may be obtained, and that in forming them you will make, as you have announced, "every effort to promote business convenience and normal movements of

trade and commerce," we shall limit our claims to conform to these considerations.

The trend of travel and business from the West and Southwest have centered at three conspicuous points on the Missouri River and the upper Mississippi. That from the Northwest section goes to St. Paul-Minneapolis, the Central West section goes to Omaha, and the Southwest to Kansas City. There can be no dispute concerning these three points—no rival claims can be advanced against them.

A due regard to the facts of the situation and the business interests of the tributary country would seem to dictate the designation of these three cities for Federal reserve banks.

The three districts, extended to where they will meet the districts assigned to the Pacific coast, contain each the required amount of national bank capital and surplus for the organization of a reserve bank.

Denver has been suggested for one of these banks, but we submit that if this would carry Nebraska or any part of it to that point, it would be an unnatural forcing of the business of a most important agricultural section of the country into channels it has never followed.

Sufficient national bank capital and surplus do not exist in the territory which might be assigned as tributary to Denver to permit of the organization of a reserve bank. To add to that district Nebraska and Kansas, or any part of them, in order to make up the deficiency, would meet with the unanimous disapproval of every business interest in the territory affected.

Nebraska is comparatively thickly settled with a population of 1,200,000 by the last United States census, and it extends for nearly 400 miles east of the arid lands which form the eastern boundary of Colorado.

Its products and business are entirely different from those of Colorado and the course of its trade and commerce has always been eastward—never westward.

The factory output and wholesale jobbing business of Omaha in 1913 alone amounted to more than \$350,000,000, and the value of Nebraska's crop of corn, wheat, oats, and hay for 1912 was alone over \$228,000,000. This does not include its cattle, hogs,

poultry, and other items, which greatly increase the figures. Its corn crop for 1912 in value exceeded the total gold production of the United States for the same year.

The figures of Colorado compared with these will show their insignificance.

To put these large interests into a district with Denver would not only subject to great inconvenience the banks dealing with the reserve bank, but would render more difficult the obtaining of the information concerning credits, which will form so important a part of a reserve bank's operations.

Such an arrangement as this would tend to impair the usefulness of and throw discredit upon the system of banking you are about to introduce, and in which we are earnestly interested and wish to make successful to the fullest extent possible.

The district which we ask for Omaha embraces a country with which it has been closely and for the most part intimately connected since the beginning of its settlement.

It contains one of the greatest agricultural producing territories in the world, and parts of it are still undeveloped. It is a reasonable estimate to believe that in its limits, and within 20 years, production will be more than doubled.

Nebraska alone has 49,000,000 acres of land, 28,000,000 of which are the most productive lands known to agricultural experts.

**BANKING RELATIONS.**

Taking up first the question of banking relations in the past and present, we would state that from the earliest settlement of this western country Omaha has always been an important banking town. Every bank which came into existence in the Territories (now States) west of us found it necessary to keep an account in Omaha.

This was occasioned not only because it was the end of overland travel before railroads came into being, but also for the fact that the first overland railroad made its start from Omaha, at an initial point fixed by President Abraham Lincoln, and also from the fact that it was the headquarters of the military department under whose direction was achieved the conquest of this great West from its savage inhabitants. The course of railroad construction followed the pioneer trails, and these lines, now many in number, have an unerring trend to Omaha.

The report of the comptroller for October 21, 1913, showed for the national banks of Omaha and South Omaha:

Capital and undivided profits.....	\$9,374,553
Individual deposits.....	34,996,297
Total deposits (including banks, excluding Government).....	59,087,679

The bank clearings increased 130 per cent in 10 years.

In 1913 they aggregated \$908,947,659.

The clearings of 1913 exceeded those of 1912 to the extent of \$48,066,102.

Omaha was the forty-first city in population in the United States by the census of 1910, but it was the sixteenth in bank clearings.

Denver, while the twenty-seventh in population, was the twenty-sixth in bank clearings.

In the territory which is contiguous to Omaha there are national and State banks as follows:

State.	Banks.		Capital and surplus.		Individual deposits.	
	National.	State.	National.	State.	National.	State.
Nebraska.....	245	721	\$24,623,080	\$17,750,342	\$94,583,916	\$89,228,695
Iowa.....	340	1,406	32,712,437	47,338,200	135,016,202	284,897,500
Colorado.....	127	194	18,580,854	8,600,600	86,059,943	35,637,500
Wyoming.....	30	70	2,912,500	1,765,000	14,047,563	5,702,500
Utah.....	23	88	5,047,200	6,000,000	19,730,645	33,097,700
Idaho.....	56	138	5,048,342	4,482,500	19,874,330	15,464,500
South Dakota (a part south and west of Missouri River).....	11	70	900,000	1,430,000	5,622,500	5,778,000

That portion of this territory which we think should be embraced in an Omaha district is as follows:

State.	National bank capital and surplus.
Nebraska.....	\$24,623,080
Colorado.....	18,580,854
Wyoming.....	2,912,500
Utah.....	5,047,200
Idaho.....	5,048,342
South Dakota (southwestern part).....	900,000
Iowa (western part).....	57,111,976
Total.....	13,000,000
	70,111,976

That Omaha holds at the present time a considerable part of the banking accounts in this district is shown in the Comptroller's report.

There was then due from Omaha and South Omaha to national and State banks \$24,091,382. These deposits were distributed as follows:

State.	Accounts.	Deposits.
Nebraska.....	1,952	\$14,298,600
Iowa.....	271	2,584,400
Colorado.....	58	1,898,700
Wyoming.....	121	2,191,400
Utah.....	22	294,500
Idaho.....	40	347,600
South Dakota (part of).....	87	658,300

With the view of obtaining the sentiment of the banks in this territory we sent circulars with a return card inclosed, reading as follows:

V. B. CALDWELL,

*President Omaha Clearing House Association.*

DEAR SIR: As between Omaha, Lincoln, and Denver for a Federal reserve bank, in a zone covering western Iowa, Nebraska, Colorado, Utah, Wyoming, Idaho, and the southwest portion of South Dakota, we favor

(Write in Omaha, Lincoln, or Denver.)

Responses have been returned as follows:

State.	Banks ad-dressed.	Answers received.	For Omaha.	For Lincoln.	For Denver.
Nebraska.....	950	910	845	65	None.
Iowa.....	775	406	400	None.	6
South Dakota.....	81	29	28	None.	1
Wyoming.....	75	50	33	None.	17
Idaho.....	175	56	38	None.	18
Utah.....	125	20	4	None.	16
Colorado.....	350	172	5	None.	167

**BUSINESS.**

Omaha is the third largest packing center in the world. It is the largest sheep market, third largest in cattle, third largest in hog receipts, and the second largest feeder market.

Total animals received, 1913..... 6,900,000  
 Total animals slaughtered, 1913..... 4,667,439

It is the second largest corn market in the United States.

It is the fourth primary grain market of the United States and has reached that position during the past 10 years.

It is the largest creamery butter producing center in the world.

It has the largest smelter of fine ores in the United States. Its business for 1913 was as follows:

Gold.....ounces.. 270,257  
 Silver.....do.... 18,550,140  
 Lead.....tons.. 126,399  
 Copper.....pounds.. 19,304,471  
 Total value..... \$30,715,820

The value of the output of manufacturers in Omaha for 1913 was \$193,385,671. Its jobbing wholesale business was \$161,626,639.

**RAILROADS AND MAIL SERVICE.**

We would direct your attention especially to the map we submit of the railroads running into Omaha.

It will be seen that every line west converges to Omaha, and the same is very nearly the case in Iowa.

The inconvenience that would exist for bankers west of Omaha should they be obliged to go to a junction point and wait for a train going west is too plain to require further reference.

Omaha is the direct line of transcontinental travel between New York, Chicago, San Francisco, Los Angeles, Portland, and Seattle. Denver is off the line of transcontinental travel.

Of the total transcontinental passenger traffic it is estimated that fully 49 per cent passes through Omaha, the remainder being divided between St. Paul and Kansas City.

There are 10 trunk lines with Omaha as a terminal, these trunk lines operating 20 separate and distinct lines, each tapping a separate territory and each territory having a distinct mail service.

The number of trains in and out of Omaha daily is 171, divided as follows:

Chicago, Burlington & Quincy:  
 Between Omaha and Denver..... 6  
 Between Omaha and Billings..... 4

**Chicago, Burlington & Quincy—Continued.**

Between Omaha and Sioux City..... 2  
 Between Omaha and Chicago..... 7  
 Between Omaha and points south..... 6  
 Between Omaha and St. Louis..... 2  
 Local..... 18  
 Total..... 45

**Chicago and Northwestern:**

Between Omaha and Sioux City..... 8  
 Between Omaha and Chicago..... 16  
 Between Omaha and Black Hills..... 2  
 Local..... 18  
 Total..... 44

**Chicago, Milwaukee & St. Paul:**

Between Omaha and Chicago..... 6  
 Between Omaha and South Dakota points..... 4  
 Total..... 10

**Chicago, Rock Island & Pacific:**

Between Omaha and Chicago..... 12  
 Between Omaha and Colorado points..... 6  
 Total..... 18

**Union Pacific..... 26**

Illinois Central: Between Omaha and Chicago..... 4

**Chicago Great Western:**

Between Omaha and Chicago..... 2  
 Between Omaha and points north..... 4  
 Total..... 6

Missouri Pacific: Between Omaha and points south..... 8

Chicago, St. Paul, Minneapolis & Omaha: To the north..... 6

Wabash: Between Omaha and St. Louis..... 4

Respectfully submitted.

By **FIRST NATIONAL BANK OF OMAHA,**  
 F. H. DAVIS, *Vice President.*

By **OMAHA NATIONAL BANK,**  
 J. H. MILLARD, *President.*

By **NEBRASKA NATIONAL BANK OF OMAHA,**  
 H. W. GATES, *President.*

By **MERCHANTS NATIONAL BANK OF OMAHA,**  
 L. DRAKE, *President.*

By **UNITED STATES NATIONAL BANK OF OMAHA,**  
 M. T. BARLOW, *President.*

By **STOCK YARDS NATIONAL BANK OF SOUTH OMAHA,**  
 H. C. BOSTWICK, *President.*

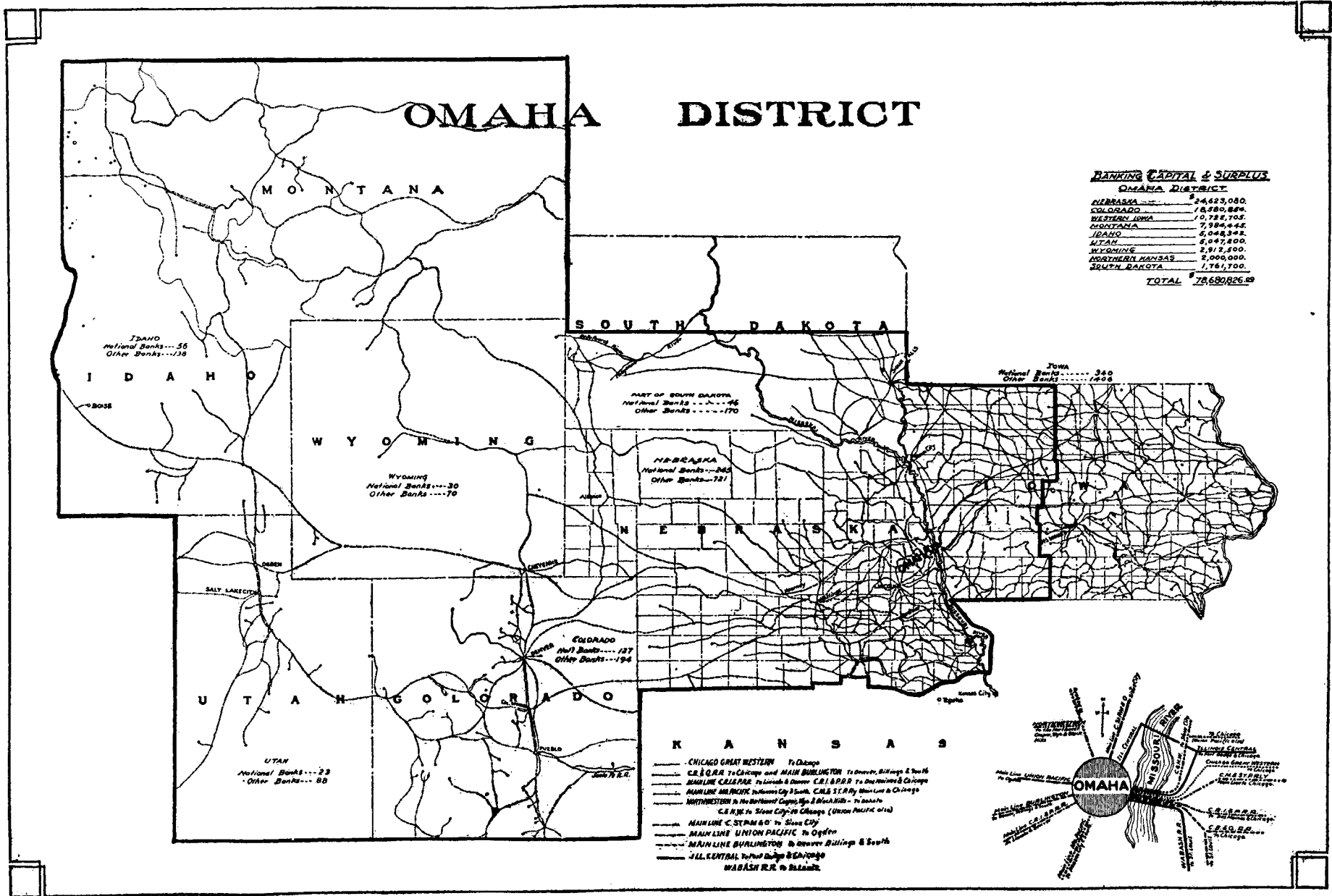
By **PACKERS NATIONAL BANK OF SOUTH OMAHA,**  
 JOHN F. COAD, Jr., *President.*

By **CITY NATIONAL BANK OF OMAHA,**  
 JOHN F. HECOX, *Vice President.*

By **CORN EXCHANGE NATIONAL BANK OF OMAHA,**  
 W. T. AULD, *President.*

By **LIVE STOCK NATIONAL BANK OF SOUTH OMAHA,**  
 C. F. MCGREW, *President.*

By **STATE BANK OF OMAHA,**  
 ALBERT L. SCHAUTZ, *President.*



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# PITTSBURGH, PA.

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## PITTSBURGH, PA.

### FINAL BRIEF.

PITTSBURGH, PA., *February 26, 1914.*  
*The Reserve Bank Organization Committee,*  
*Washington, D. C.*

SIRS: Availing ourselves of the opportunity extended by you for presenting further facts and arguments in favor of the establishment of a Federal reserve bank at Pittsburgh, we submit herewith our final brief.

Our chief concern is in the arrangement of the territory between Chicago and the Atlantic coast, and we want to call your attention again to the desirability of our plan as against any conflicting plan that has been submitted.

In asking that the territory comprised in our district No. 3 be assigned to a bank located in Pittsburgh, we believe we have done no injustice to any other section of the country. We have shown that there is enough banking capital practically in Pittsburgh to capitalize a Federal reserve bank, and that there is enough additional capital in the immediate neighborhood to make it a very strong bank; and we have also shown that this could not be diverted to any other section without doing violence to the ordinary course of business.

That the Pittsburgh banking institutions are strong, is evidenced by the fact that we have larger capital and surplus in proportion to deposits than any other city in the United States. Artificial methods sometimes attract deposits, but they never attract bank capital and surplus. If the business were not here, the money would not be here, and if you will analyze the industrial exhibit we filed at the time of our hearing in Washington, you will find it even more remarkable than the financial exhibit.

Our methods of handling bank accounts have frequently been criticized by some of our competitors, and it has been charged that we attract balances by paying excessive rates of interest and providing expensive facilities free, for our customers.

These charges certainly did not originate with the patrons of our Pittsburgh banks, for we have great difficulty in persuading them that our terms are as liberal as those offered by our competitors. Pittsburgh's method of handling bank accounts is more consistent than that employed by any other city in this section.

Because of a very active market, we figure that we can pay 3 per cent, or its equivalent, on bank balances, but we insist that this is the limit, and while we pay maximum interest and furnish maximum facilities, it is well understood by our correspondents that they can not have both at the same time. We give them their choice; some accept the maximum rate of interest and ask for practically nothing in the way of facilities, others want part interest and part facilities, and some of the largest balances in the Pittsburgh banks to-day draw no interest at all. The correspondents take their compensation entirely in facilities. And where the maximum rate of interest is paid, no expensive facilities are provided unless the correspondent reciprocates by furnishing facilities in return. And, as the result of careful investigation since our appearance in Washington, we are satisfied that the average cost to the Pittsburgh banks of bank balances, including interest and facilities, will not exceed 3 per cent.

Pittsburgh accumulates these bank balances because she is an industrial and financial center and the natural clearing house for all this section of the country. This can well be illustrated by showing the relation the banks in the State of West Virginia sustain to Pittsburgh. There are 310 banks in that State, but only 116 of them are national banks. Under their State law the State banks can carry their reserve in any city or town in that State, and in many instances they can get 4 per cent, but the State banks in West Virginia maintain over 200 accounts in Pittsburgh. These, of course, include duplicates, but it shows clearly that outsiders do not carry their balances here merely for the sake of interest.

As stated above, there are 310 banks in the State of West Virginia, and since our appearance in Washington we have ascertained that they maintain 351 accounts in Pittsburgh, and while there is some duplication in the list, it certainly shows that West Virginia finds it quite convenient to bank in Pittsburgh.

We have laid claim to a large part of West Virginia, and, while because of its peculiar shape, it would be impossible to devise any scheme that would be satisfactory to all the banks in that State, we believe as the evidence accumulates you will find yourselves fully justified in attaching all of it except the eastern Pan Handle to the Pittsburgh district.

In making a poll of the national banks of that State you will find a number of them expressing a preference for Baltimore, but please note that in our outline we put the eastern section in the Baltimore or Washington district, and with the exception of that section we do not believe you will find a large number of the banks asking for Baltimore in preference to Pittsburgh.

Cincinnati would be more convenient to the southern section of the State, and that city will doubtless receive a number of votes, but the larger institutions of the State, and particularly the State banks, all of which are qualified to enter the system, are located in the section of the State convenient to Pittsburgh.

Turning again to our contention that we have been fair in our demands, it might be asked why we include the city of Buffalo in our district. We admit that the western corner of New York, which we attach to district No. 3, is debatable territory, but Buffalo is not asking for a bank, and as she is three hours nearer Pittsburgh than New York, and as our business relations have been close and cordial, we were under the impression that that section might concur in our arrangement. But if they prefer other affiliations we have no desire to coerce them.

It is only 25 miles from Pittsburgh to the eastern line of the State of Ohio, and a large part of that State would naturally belong in the Pittsburgh district.

The question might be asked by what process of reasoning we included Cincinnati in the Pittsburgh district. We say frankly, this was done because some of our committee were afraid to interfere too much with State lines. We admit, however, that that city and the western tier of Ohio counties would be better served by a district farther south or west. But that a large part of the State of Ohio could be served in a very acceptable manner by Pittsburgh is clearly demonstrated by the fact that Ohio bankers are maintaining 413 accounts in this city. So, after eliminating all debatable territory, this still leaves a very strong district with Pittsburgh as the center and Cleveland as part of the circumference.

Having demonstrated the necessity of a Federal reserve bank in this section, the only remaining question appears to be shall it be located in Pittsburgh or Cleveland.

The contention of our neighbor that she is a larger city than Pittsburgh is based on the fact that she has assimilated the most of Cuyahoga County.

Now, by referring to the Government census of 1910, you will see that Cuyahoga County, in which Cleveland is located, has a population of 637,425, while Allegheny County, a territory of no greater extent, in which Pittsburgh is located, has a population of 1,018,463.

Having disposed of this, we turn for a moment to the national banking resources of the two cities. The last compilation made by the Government shows: Cleveland: 7 banks; capital, \$9,600,000; surplus, \$4,800,000; individual deposits, \$45,514,000. Pittsburgh: 22 banks; capital, \$25,900,000; surplus, \$22,614,000; and individual deposits, \$122,424,000.

If this comparison should be carried to the State institutions, the showing would be still more favorable to Pittsburgh; for Cleveland's one conspicuous institution, with an immense line of deposits, is merely a savings society, with no capital stock and no commercial business, and consequently could never qualify as a member of the system, while Pittsburgh has one State institution which is already eligible with a capital and surplus of \$31,500,000.

Cleveland is in no sense a "center" within the meaning of this act. She is not even a center of the surrounding country; she absorbed that some time ago. There is nothing north of her but water, and the territory west of her could be served better from Chicago, and to carry the entire Pittsburgh district to Cleveland in order to capitalize a bank there, would, in our judgment, be wrong.

The cities of Buffalo and Detroit, each as well located, and with claims just as good as Cleveland, recognized their geographical limitations and did not ask for a bank.

The Pittsburgh district as outlined, after eliminating all debatable territory, would be strong, evenly balanced, and self-supporting. While the bankers of this section recognize the fact that rediscounting is a legitimate function of the banking business, local conditions make it largely unnecessary. An examination of the reports in the Comptroller's office will show that at the time of the October call, the city banks with a borrowing capacity of \$25,000,000 showed only \$600,000 rediscounts, and that at the time of the January call this had dropped to \$530,000. The other national banks in the Pittsburgh district are even stronger in this respect than the city banks; and the last report made by the State banking institutions showed that with a borrowing capacity of \$96,000,000, their rediscounts were only \$77,500.

You will observe by these figures that Pittsburgh is not seeking financial aid, but we have always suffered, and are suffering to-day, from the lack of facilities. During these hearings you learned through witnesses from Oklahoma and other distant sections that Pittsburgh capital is developing oil and gas fields and opening mines and mills all over the United States. So we repeat, we are not asking for more money, but for better facilities, and we are looking for this new system to supply what the old system failed to furnish.

During the hearings in Washington a banker from another city remarked that nobody wanted Pittsburgh exchange. Unfortunately, this is true, and nobody regrets it more than the bankers of Pittsburgh, but it is the fault of the system under which we are operating and not the fault of the Pittsburgh bankers. New York carries Boston, Albany, and Philadelphia on its discretionary list, that is to say, they can and do accept checks and drafts on these points at par. But while the Pittsburgh banks have millions of dollars on deposit in New York, it would, under their clearing-house rule, cost a New York banker \$5,000 to cash a Pittsburgh draft without making an exchange charge of \$1 per thousand, even though the Pittsburgh banker was pledged to redeem it at par the next day.

With our enormous pay rolls, all of which are made in currency, it is impossible for us to take care of our

reserve requirements in New York and make enough eastern exchange to meet our demands, and the result is the exchange rate always runs against us.

If we could have a Federal reserve bank here, then we know that Pittsburgh exchange would be worth 100 cents on the dollar anywhere in the United States, and that is the condition we so earnestly desire.

We sincerely hope that this new law will make the recurrence of a condition, such as prevailed in 1907, absolutely impossible.

Gentlemen, our case is in your hands, and we believe you will deal justly with us.

Respectfully submitted.

T. H. GIVEN,  
JOHN R. McCUNE,  
CHARLES McKNIGHT,  
*Committee.*



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RICHMOND, VA.

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## RICHMOND, VA.

### A NATURAL AND ECONOMIC TERRITORY FOR A FEDERAL RESERVE DISTRICT WITH RICHMOND AS THE LOCATION OF A FEDERAL RESERVE BANK.

Committee representing Richmond: Appointed by city of Richmond, Richmond Clearing House, Richmond trust companies, Richmond Chamber of Commerce, Richmond Business Men's Club, Post "A" Travelers' Protective Association, Richmond branch United Commercial Travelers, Richmond Retail Merchants' Association, Richmond Real Estate Exchange, Richmond Association of Credit Men, Richmond Tobacco Exchange, Richmond Rotary Club, Richmond Bar Association, Richmond Ministerial Union.]

By GEORGE J. SEAY.

The territory mapped out by nature as the most perfect geographical division of this continent lies south of the Potomac River, east of the Appalachian Mountains, and extends to the Gulf. By reason of superior facilities of communication and the consequent trade relations which have sprung up and become established, portions of contiguous States are now and long have been commercially allied with this territory.

It is therefore believed that one of the most sharply defined and perfect zones for the operation of a Federal reserve bank is embraced in the following-named States: Virginia, North Carolina, South Carolina, Georgia, Florida, the southern half of West Virginia, part of eastern Tennessee, and part of eastern Kentucky.

Since the organization committee has at all of its hearings sought and invited the expression of opinion, we now desire to express the conviction that the committee can render an inestimable service to the country, the value of which will grow with time, by defining the Federal reserve bank zones in harmony with commercial zones determined by natural boundaries so far as may be done in agreement with the act.

It has been recognized as desirable, for purposes of economic comparison, to cut the country into units or divisions.

Given a natural division of territory, and the conditions in it, financial and commercial, must always be more uniform than could otherwise be the case.

The comptroller has adopted 6 divisions, within State lines.

The Interstate Commerce Commission, for comparison of the operations of railways, has made 10 arbitrary divisions, within State lines.

Poor's Manual, a very high railroad authority of very long experience, makes 8 divisions, within State lines.

The United States Government has established 9 judicial circuits, 1 of which comprises the States of Maryland, West Virginia, Virginia, North Carolina, and South Carolina. Richmond was selected as the location of the court of appeals for this circuit, and the chief justice sits here.

There are no standard divisions.

Comparisons by States will always be desirable and necessary, but these divisions are too numerous for economic purposes.

The Federal reserve act marks an epoch in the commercial and financial history of the United States, and, while zones once determined may be readjusted, the service which can now be rendered to the country by the committee in fixing these zones, which need not be coterminous with States, and therefore are contemplated to be according to the natural divisions and trade relations of the country, is of the very highest order.

In fixing the zone which we have mapped out we have been guided by this principle, and in presenting an argument to prove that Richmond can better serve this zone than any other city in it, and that by reason of her commercial and financial preeminence she is entitled to be the location of a Federal reserve bank, we have endeavored to eliminate all irrelevant matter and have confined ourselves to the consideration of the following points, all of which are involved in the operation of the act:

1. The importance of Richmond's geographical position—her facilities of communication, her convenience of location and accessibility to members with whom we now do business, and her advantage of location in all banking transactions between the North and South.

2. The present trend of business—the present course of commercial transactions—the natural currents of exchange—the present banking and trade connections and banking customs of the people.

3. The natural advantages of Richmond's location with relation to other Federal reserve banks necessary to be established on the Atlantic seaboard, in a territory embracing one-half of the national banking capital of the United States and 41 per cent of the population.

4. Comparative commercial importance in the territory covered, measured by capital, deposits, and other banking transactions.

5. Diversity of industries and agriculture—in their effect upon seasonal demand for credit and currency.

6. Necessity of having capital resources to handle the business of the district.

7. The wishes and views of those engaged in banking and commerce in the district outlined as to the location of their regional bank.

In presenting our case we shall be compelled to state facts and figures which we know to be within the knowledge of the committee, and with which by now we fear they may be surfeited. We desire to bring these facts together and present them in such form and manner as will serve for convenient reference, and to make more clear their relations to each other and their bearing upon our position.

Addressing ourselves to these facts in their order:

#### 1. THE UNSURPASSED ADVANTAGE OF RICHMOND IN GEOGRAPHICAL POSITION.

Practically and effectively on the Atlantic seaboard, about midway of the entire coast—reaping the greatest advantages of the favoring curve—opposite the gap in the Appalachian Mountains giving the shortest, easiest, and quickest communication between the coast and the great centers of the Middle West; within one hour and a half of the greatest of Atlantic harbors—plans being now under way to make it the greatest naval base—in quick communication by rail and water with all other parts of the coast and easily accessible to the ocean commerce of the world. Rear Admiral Stanford has just made the following report on this harbor:

The most frequent mobilizations of the fleet are in Hampton Roads and large ships ordinarily assigned to other yards must pass this point proceeding to and from the Gulf to the West Indies. In view of this central location, and the use of Hampton Roads as a base of operations, there is greater possibility of unforeseen repairs being required for vessels than at any other coast point.

Richmond has three north and south trunk lines—the Atlantic Coast Line, the Seaboard Air Line, and the Southern Railway—and we may be pardoned for reminding the committee that the genius, brains, and energies of Richmond men were very prominent in the development of the last two, and are prominent in the management of the first.

Two of the most important east and west trunk lines—the Chesapeake & Ohio and the Norfolk & Western—connect Richmond with the finest coal area in the world and the greatest natural producing area on this continent, while into Norfolk, within two hours and a half travel from Richmond, run the Virginian Railway from the West and the Norfolk & Southern from the South.

All of which is well known to you, but necessary to be stated for the logical bearing of our argument.

We wish to impress upon the committee the natural advantages of the territory surrounding Hampton Roads, because it is generally regarded as inevitable that the heaviest population of the State will be divided between Richmond and that territory. Mr. O. P. Austin, for 15 years Chief of the Bureau of Statistics of the Department of Commerce, in a report on the zone which we have mapped out, which report fully

confirms our own argument and position and accompanies this brief, refers to “the possibilities of the great harbor at Hampton Roads becoming the natural gateway for the Mississippi Valley, with its enormous production for foreign markets, and consumption of foreign merchandise.” He also states that “the officers of the War Department in charge of the 105 river and harbor works on the water frontage from the upper Potomac to the western coast of Florida, report the value of the water-borne freight traffic at these places in 1912 at the enormous sum of \$1,680,000,000, about one-half of which is at Hampton Roads.”

We believe that this region must and will have an economic development which will far surpass any equal area in the Atlantic States—all of which has a practical and most intimate bearing upon Richmond as the location of a Federal reserve bank for the South Atlantic States.

Reverting to Richmond's railroad facilities—they place her within 18 hours of all the important cities within the district defined, with the exception of part of the most southern territory, and reference is made to the map and time table accompanying.

She is therefore in a position to ship with the greatest promptness and under the quickest schedule—currency—not only to the banks in her zone, but to the numerous cotton, tobacco, and peanut buyers—and a telegram received in Richmond before the close of banking hours would enable currency shipments to reach practically all important points on the next day, in most cases before the opening of bank, and few situations will appeal more strongly to practical country bankers than this.

Again, Richmond is within easier and quicker reach of all the eastern centers of trade and finance than any other important southern city, and is in the most exceptional position to act for the North in banking relations with the South, and for the South in dealing with the North.

No other city in the Atlantic Coast States occupies this advantageous position.

The numerous lines to the South and West are not only a guaranty of promptness and efficiency, but an insurance against disaster.

Into Washington and Baltimore and on to points beyond there is only one connecting line.

It is worth while to consider that a railway disaster, easily imaginable, to this line would cut off the South from any reserve centers placed north of Richmond, and should this occur at a critical time, might cause financial confusion and even disaster to the South Atlantic States, and, since this idea emanates from a railroad man, it is entitled to the greater consideration.

#### 2. PRESENT TREND OF BUSINESS.

It is a fact, certainly applicable to the Atlantic Coast States, that the trend of business, the course of

commercial transactions, and the currents of exchange are northward, or, in other words, from the outside toward the centers of finance and manufacture. This is the natural course of exchanges.

We believe that the operation of the Federal reserve act will revolutionize the existing method of using exchange in making settlements.

No act or rule will, however, reverse the natural course of settlements—where the money is due, there it must be paid.

Virginia, occupying the position of head of the Southern States, places Richmond in direct line with this natural trend, on the principal avenues of travel and transportation.

The railway lines from the South come into Virginia as into a funnel, Richmond being at the apex—the one line of railway being the tube leading to Washington and points north. She is a natural converging point.

The overwhelming volume of travel and transportation must go through this point.

3. THE NATURAL ADVANTAGES OF RICHMOND'S LOCATION WITH REFERENCE TO OTHER FEDERAL RESERVE BANKS ON THE ATLANTIC SEABOARD.

It is plainly contemplated in the act, and must so work out in its normal operation, that these Federal banks will act not only as clearing houses for members in their own zones, but between zones. The clearings between zones we believe will develop into enormous proportions, and the bank most advantageously located for clearing the transactions of any large section of country will have a great service to perform.

Time and distance must necessarily be most important factors in determining the location and selection of this bank for such a purpose.

To best perform it, the means of communication must be superior.

The bank should not only be readily accessible to members in its own district, but in the general line of trade and natural current of banking transactions of the entire section, so as to preserve the continuous trend toward the center of manufacture and finance where the greatest volume of settlements is made.

This essential principle is peculiarly applicable to the Atlantic Coast States, and can there be worked out to greater economic advantage than in any other part of the country.

It is axiomatic that quickness of communication is better assured by being on the lines of greatest frequency of travel, and all railroad schedules have been arranged with regard to the northward trend and with particular reference to the financial and business centers in line with that trend.

Therefore, to serve its own zone as a whole with the highest efficiency and economy, and at the same time to equally serve other zones in intimate relation with its own zone, a point midway along the line of quickest

and most frequent communication offers the ideal location, and Providence has placed Richmond in that position.

The Atlantic Coast States afford a distinct and peculiar problem in putting into effect the Federal reserve act.

It was recognized both before and during the framing of and debate upon the act that the problem in the East was to decentralize reserves—while the object in other parts of the country is to concentrate them.

The States bordering on the Atlantic Coast have about 41 per cent of the population and 52 per cent of the national banking capital of the country, as follows:

New England States—	
Maine.....	\$11,000,000
Vermont.....	7,000,000
New Hampshire.....	9,000,000
Massachusetts.....	96,000,000
Connecticut.....	31,000,000
Rhode Island.....	11,000,000
	165,000,000
Eastern States—	
New York.....	344,000,000
Pennsylvania.....	253,000,000
New Jersey.....	46,000,000
Delaware.....	3,000,000
Maryland.....	29,000,000
	675,000,000
Southern States—	
Virginia.....	29,000,000
North Carolina.....	11,000,000
South Carolina.....	8,000,000
Georgia.....	25,000,000
Florida.....	11,000,000
	84,000,000

Total, \$924,000,000, or about 52 per cent of the national banking capital of the United States.

In giving our views upon this situation, we are doing as we understand it, only that which the committee invites us to do, as before stated, and chiefly because it has an intimate relation with our own case. We therefore assume that the Atlantic Coast States, where the banking capital essential to the operation of the system is heavily concentrated, are entitled to and perhaps must have several reserve banks, located according to the density of banking operations, so as to carry out the purpose and spirit of the act, and not disrupt or disturb the natural course of business and financial settlements.

It is accordingly natural to assume, as we look upon it, that the greatest cities in that section will receive the first consideration, and these cities are, of course, in geographical order: Boston, New York, and Philadelphia. And if the selection of these cities will, as we believe, best accomplish the division of banking power aimed at, then a Federal reserve bank can not, in justice to the rest of the country, and without doing violence to the purpose of the act, be located in any other near-by city.

Among the 15 Atlantic Coast States named, Virginia ranks sixth. These 6 States rank in the order named—New York, Pennsylvania, Massachusetts, New Jersey, Connecticut, Virginia.

But Virginia exceeds Connecticut in national-bank gross deposits by \$40,000,000.

Virginia, therefore, ranks fifth in national banking importance among the 15 States.

For this reason as well as for her geographical position it follows that it is natural to look to Virginia to furnish the next location for a Federal reserve bank along the Atlantic coast, and again we affirm that a Federal reserve bank in Richmond will have the most decided advantage over any point in these Atlantic Coast States in clearing for member banks and reserve banks between the North and South, and no other location can offer such practical advantages in economy of time, which according to the accepted adage is synonymous with money.

One day's interest on the annual volume of exchanges between the northern and southern banks would mean a handsome profit to the Government. This one advantage alone is of such overwhelming importance that it justifies our statement that Richmond's natural advantage of location can not be overcome by any other consideration. It is difficult to name a feature of equal economic importance to the gain of a banking day in perpetuity.

It cuts the year in half, or doubles its length, according to whether it is operating for or against any point or points. Richmond would have that advantage over other large cities north of her in effecting these clearings between zones in the Atlantic States.

4. COMPARATIVE COMMERCIAL IMPORTANCE.

As to the comparative commercial importance of Richmond and of Virginia with relation to this district, measured by capital, deposits, and banking transactions:

Of the 15 Atlantic Coast States, Virginia, as we have stated, ranks fifth in natural banking importance.

There are only three other States on this side of the Mississippi which exceed Virginia in national banking capital, i. e., Illinois, Indiana, and Ohio.

Among the 26 States on this side of the Mississippi, Virginia, therefore, ranks eighth in importance in the present national banking system, measured by that standard.

She stands financially, as well as geographically, at the head of all the Southern States east of the Mississippi River.

The aggregate national-bank resources of these several States are as follows (comptroller's figures, Oct. 21, 1913):

Virginia.....	\$168,000,000
West Virginia.....	92,000,000
North Carolina.....	70,000,000
South Carolina.....	49,000,000
Georgia.....	113,000,000

Florida.....	\$61,000,000
Alabama.....	80,000,000
Mississippi.....	27,000,000
Louisiana.....	80,000,000
Tennessee.....	115,000,000

Virginia therefore leads by \$53,000,000 the State next highest in rank. Virginia maintains the same supremacy in the entire banking field.

The deposits in all classes of banks in these States are as follows:

Virginia.....	\$175,000,000
North Carolina.....	106,000,000
South Carolina.....	75,000,000
Georgia.....	152,000,000
Florida.....	76,000,000
Alabama.....	96,000,000
Mississippi.....	76,000,000
Louisiana.....	147,000,000
Tennessee.....	156,000,000

Virginia leads by about \$20,000,000 the State next highest in rank among the Southern States east of the Mississippi River.

As to Richmond, the national-bank deposits of Richmond are two-fifths of such deposits in the entire State, while her national banking capital is three-fifths of that of the State.

Richmond is not a reserve city under the national banking law, and Virginia has no reserve city.

Her bank deposits have not been built up because of any inducements which other competing cities do not offer.

She is a natural reserve city.

The law governing Virginia State banks requires no specified amount of liabilities to be kept either in vault or in other banks.

The business of Richmond has flowed to her from other Virginia points and from Southern and Western States as a result of natural causes governed by the trend of business, the numerous and unexcelled means of communication as well as by the attraction of capital.

The industrial and commercial relations and needs of this section have developed these banking relations.

The customary trend of business, free from all extraneous compelling influences, has developed these relations, and the established custom of keeping checking accounts has simply grown up as a natural result of everyday business transactions.

It is to be considered that the Federal reserve act will, with its new principles of credit and reserve, clearing and par of exchange, alter in a great measure the banking customs and practices which have grown up under the old law, and may, and probably will, revolutionize some of the practices of banking.

The trend and flow of exchanges will be altered to the extent that they have become artificial, and to the extent that they have been influenced by the location of reserve centers, the requirements of keeping reserve accounts, and the custom of sustaining balances in order to command credit.

It is altogether probable that results in many cases will be of an astonishing nature.

It is one of the purposes of the act to promote free banking relations, and under free banking relations it is clearly a justifiable conclusion that the service Richmond will have to perform will be a greater one because of being a natural trade, transportation, and banking center. The law of physics is the law of commerce—it will follow the lines of least resistance. We will develop this point further on.

To further illustrate the natural flow of business to Virginia and Richmond, the national banks of Richmond, on October 21, 1913, had deposits from other national banks of \$7,500,000; deposits from other State banks, etc., \$10,000,000; total, \$17,500,000; which compares with corresponding totals for Georgia of \$9,700,000; North Carolina, \$8,200,000; South Carolina, \$6,200,000.

These deposits were exceeded by no other Southern State east of the Mississippi River.

Illustrating the rapid growth and concentration of banking capital, the resources of Richmond banks were in 1890, \$14,000,000; 1903, \$32,000,000; 1913, \$74,000,000. Her clearings in 1900, \$175,000,000; 1912, \$424,000,000.

Richmond ranks in bank clearings among the first 30 cities in the United States and compares with other southern cities as follows: Washington, \$387,000,000; Richmond, \$424,000,000; Atlanta, \$693,000,000.

In the case of Richmond these clearings were for the city alone, while in the case of Atlanta they cover the State, with its 117 national and 669 State banks, with a few exceptions, and, as we understand, also points in adjoining States; and, furthermore, in addition to her local clearings, Richmond handled \$400,000,000 in checks and drafts on the Southern States named, making her clearings on the same principle, as we think, practically \$800,000,000.

Richmond's banking relations with States south of her show the great intimacy of trade relations with these States, and the statement following sets forth in the most illuminating manner the custom and trend of business under existing conditions and notwithstanding the present system of bank reserves:

[From Comptroller's report of 1912.]

Number of State and national banks in—	
Virginia.....	380
North Carolina.....	429
South Carolina.....	346
West Virginia.....	297
Georgia.....	760
Florida.....	204
Number of accounts carried in Richmond by banks from—	
Virginia.....	528
North Carolina.....	397
South Carolina.....	182
West Virginia.....	82
Georgia.....	85
Florida.....	18

Maximum deposits carried by other banks in Richmond—	
Virginia.....	\$5,467,697
North Carolina.....	4,465,455
South Carolina.....	926,779
West Virginia.....	1,793,838
Georgia.....	440,115
Florida.....	142,918
Maximum loans by Richmond to other banks in 1913—	
Virginia.....	1,459,080
North Carolina.....	2,200,480
South Carolina.....	2,423,915
West Virginia.....	90,700
Georgia.....	669,900
Florida.....	79,750
Maximum deposits in Richmond to credit of individuals, firms, and corporations in—	
North Carolina.....	3,225,369
South Carolina.....	1,416,997
Maximum loans made in Richmond in 1913 to individuals, firms, and corporations in—	
North Carolina.....	5,245,451
South Carolina.....	3,129,815
Maximum deposits of banks and individuals outside of Virginia in Richmond banks—	
North Carolina.....	7,690,820
South Carolina.....	2,343,776
Maximum loans by Richmond to banks and individuals in—	
North Carolina.....	7,445,931
South Carolina.....	5,553,730

So that banks, corporations, and individuals outside of Richmond carried on deposit in Richmond banks \$18,000,000.

It will be observed that in Virginia the number of bank accounts with Richmond greatly exceeds the number of banks in the State.

In North Carolina it nearly equals the number of banks, and in South Carolina and West Virginia the number of accounts in proportion to the number of banks is very large.

Richmond's loans to other Southern States, and to individuals and corporations in these States, aggregated nearly \$14,000,000, a sum not far short of the aggregate borrowings and rediscounts on October 21, 1913, of national banks in any six Southern States, excluding Texas.

Richmond lends practically all of this capital in the South outside of Virginia. She does not use it herself. She is a credit clearing house.

To meet the demands for crop and other purposes, Richmond during 1913 shipped \$14,000,000 in currency into this section.

In the volume of corporate capital, upon the income of which Virginia pays to the Government a tax, she ranks easily first among all the Southern States.

Virginia.....	\$942,000,000
Texas.....	873,000,000
Georgia.....	485,000,000

The amount Virginia pays to the support of the Government in internal-revenue taxes is exceeded

only by that of the State of North Carolina among all the Southern States.

Virginia.....	\$8,300,000
North Carolina.....	8,900,000
Georgia.....	541,000
Alabama.....	338,000
Louisiana.....	5,000,000
Tennessee.....	2,300,000

These comparisons are not given simply to show the commercial importance of the State of Virginia and of the city of Richmond, but rather to set forth the volume of business transactions centered in Richmond out of which grow banking transactions and customs of trade, and trend of commerce and exchanges, and exchange of credits.

The jobbing and the manufacturing business of Richmond are further practical illustrations that she is a trading and distributing center. Her jobbing business is \$80,000,000, and the value of her manufactures \$100,000,000.

#### 5. DIVERSITY OF INDUSTRY AND AGRICULTURE.

As to diversity of industry and agriculture in the district which Richmond could serve better than any other location, it can not perhaps be better illustrated than by giving the annual value of products of factories, farms, forests, and mines, which are the principal divisions of labor.

The business of the Southern States as represented by industry in these divisions is as follows:

Factories.....	\$1,391,000,000
Farms.....	1,197,000,000
Forests.....	266,000,000
Mines.....	106,000,000

Total values of all products as above. . . . . 2,960,000,000

Dr. S. C. Mitchell, in his admirable paper read to you at the hearing given Richmond, states that:

"The diversity of interests in this region are as striking as its natural and economic unity."

"Perhaps in no other division of the United States will you find so great a variety of interests."

The developing character of the district is of equal importance. Your committee shares with us the knowledge that it is within little more than two decades that this region began its real recovery from utter prostration, and that now its rate of progress exceeds that of any other portion of the country.

Mr. O. P. Austin, whom we have previously quoted, estimates the value of the merchandise handled in the district at \$5,000,000,000, or more than the entire incoming and outgoing foreign commerce of the United States.

Richmond is to-day and probably always will be the chief tobacco center of the United States.

Four governments, or their chief tobacco interests, maintain the headquarters of their buyers or handle their business through Richmond.

Forty per cent of the tobacco crop raised in Virginia, North Carolina, and South Carolina in 1913 came

directly to Richmond for rehandling and manufacturing, and Richmond banks supplied the tobacco trade of Richmond in exchange to the various tobacco markets, and paid out in Richmond in 1913 the enormous sum of \$53,000,000, or 88 per cent of the total value of the crop of North Carolina, South Carolina, and Virginia.

A considerable portion of this sum, however, was sent to Kentucky and West Virginia.

Of the total collections of internal revenue by the Government from tobacco in its various forms for the year 1912, 20 per cent was collected from territory within a radius of eight hours from Richmond.

As to diversity of crops of the district, in their effect upon the demands for credit and currency—Richmond being situated at the northern limit of the district, occupies this incontestible advantage as a Federal reserve bank location—the climatic differences of the Southern States in their effect upon crop development come in orderly rotation up to Virginia. The demands upon the Federal reserve bank of Richmond would be uniform and continuous.

The peak of the load would doubtless be in the fall, but that would be the case everywhere else, and it is the purpose of the new law to provide for it.

Further illustrating the diversity of crop and industrial conditions in this district, the railroads serving it are at present among the most prosperous in the country. We do not know how to account for it on any other basis than the diversity of interests and the consequent absence of any general depression.

Added to her advantages for assembling and manufacturing the products of industry, her facilities for distribution heretofore described are positively unsurpassed by any other southern city.

We will give you a very recent concrete instance.

One of the very large corporations of this country, with headquarters at St. Louis, has just selected Richmond as one of two depots on the Atlantic seaboard most advantageously located for the storage and distribution of its products, New York being the other point.

Richmond is a reserve center of products.

#### 6. CAPITAL RESOURCES OF THE DISTRICT.

As to the confines and capital resources of the district of which Richmond is the logical and most advantageous location for a Federal reserve bank, the rules laid down by the organization committee for their guidance are so just and wise that all men must acquiesce in and approve them.

Under the language of the law and the spirit and purpose of the act we believe that the natural territory of a district—considering geographical convenience, natural boundaries, ease and quickness of communication and transportation, as great diversity of industry and agriculture as may be found anywhere, natural trend of business and exchanges, the banking

customs and trade relations of a majority portion of the territory, the desires of a majority portion of the people—is embraced in the zone mapped out to be served by a Federal bank located in Richmond, namely, Virginia, North Carolina, South Carolina, Georgia, Florida, southern part of West Virginia, part of eastern Tennessee, part of eastern Kentucky.

These States have adequate national-bank resources to contribute the necessary capital and reserves for a regional bank.

They also have a strong system of State banks, which would add largely to resources should these banks elect to enter the system, which possibly may not be counted upon in time for organization of the Federal banks.

*National banking capital in the proposed district.*

[Comptroller's figures Oct. 21, 1913.]

	Capital and surplus.	Capital subscribed to Federal reserve banks.
Virginia.....	\$29,300,000	\$1,758,000
North Carolina.....	11,300,000	678,000
South Carolina.....	8,500,000	510,000
Georgia.....	22,900,000	1,374,000
Florida.....	10,600,000	636,000
West Virginia, one-half.....	8,300,000	498,000
East Tennessee.....	8,300,000	498,000
East Kentucky.....	1,300,000	78,000
Total.....	100,500,000	6,030,000

The total capital and surplus of the State banks in the States named, including one-half of West Virginia, omitting for the moment those portions of Kentucky and Tennessee included in the zone, is \$68,000,000.

Now, as to the net deposits requiring reserves:

	Net deposits.
Virginia.....	\$100,000,000
North Carolina.....	36,000,000
South Carolina.....	23,000,000
Georgia.....	50,000,000
Florida.....	33,000,000
West Virginia (say one-half).....	29,000,000
Total net deposits.....	271,000,000

Not taking into account the portions of Tennessee and Kentucky, included in the district, for lack of comptroller's figures.

Classifying these as country banks, the amount of reserve required to be kept in the Federal reserve bank under full operation of the act would be—

Say 5 per cent, or.....	\$13,000,000
Government deposits divided in proportion to the capital involved would probably be, say, 6 per cent, or.....	9,000,000
State banks might swell the amount, say.....	2,000,000
Full paid capital.....	6,000,000
Total probable resources.....	30,000,000

Omitting from consideration the note issuing powers of the bank, the resources would serve as a basis for the expansion of credit in the usual way to possibly \$75,000,000.

It is considered by many that the credit business of these banks will far overshadow the note-issue business, and we share that view.

Now, the banking power of these banks is not to be measured solely by capital resources, but by their ability to acquire gold, and to build up deposits and loans in the usual way upon their reserves as a base, and also by their note-issue power upon this base.

It is estimated that the floating supply of gold or its representative in this country not in banks is approximately \$800,000,000, doing duty as currency, or hoarded.

It is certainly not performing its greatest economic function as currency.

In Federal reserve banks it would serve as the basis for two and one-half times its volume in a safe and sound currency, and it is clear that here is a large source of gold supply.

It is probable that with stable banking conditions, as one beneficial result of the act, gold will to a large extent cease to be hoarded; and gradually come from hiding.

The total amount of borrowings and rediscounts of all the Southern States, excluding Texas, was on October 21, 1913, about \$40,000,000, and of the States named \$25,000,000.

It is clear that the resources of a Federal reserve bank in the district mapped out would be entirely adequate to serve the district.

Furthermore, it is to be borne in mind that the reserve figured upon is the minimum reserve, and if the banks make any use whatever of the Federal banks they will be compelled to keep more of their reserve with them.

The area covered would be about 250,000 square miles, and the population about 10,000,000.

7. WISHES AND VIEWS OF THE BANKS AND PEOPLE IN THE DISTRICT AND THEIR PRESENT BANKING CONNECTIONS.

In Virginia, out of a total of 437 banks, 404 have voted for Richmond as first choice.

In North Carolina, out of a total of 486 banks, 373 have voted for Richmond as first choice and 69 as second choice.

In South Carolina, out of a total of 405 banks, 82 have voted for Richmond as first choice, and 122 as second choice, Columbia being, of course, first choice; only 18 of the remaining banks in South Carolina voted, and these were scattered.

The capital and deposits of the South Carolina banks voting first for Richmond were greater than those voting first for their own city—Columbia.

So that, out of a total of 1,328 banks in three States, of the number voting 863 gave Richmond as first choice and 191 gave Richmond as second choice.

Eliminating Charlotte and Columbia, 1,052 banks out of a total of 1,328 in the three States regard Rich-



mond as the proper location of their Federal reserve bank.

In West Virginia, in the southern half of the State, 49 banks have selected Richmond as first choice, and 26 as second.

Richmond has been designated as the preferred location by firms and individuals, outside of Richmond as follows:

Virginia.....	1,063
North Carolina.....	870
South Carolina.....	141
West Virginia.....	154

We are therefore fully justified in the statement that there is a very strong feeling in Virginia, North Carolina, and South Carolina that they must be included together in any zone which may be formed, and that whatever territory may be incorporated in their zone, a Federal reserve bank located in Richmond would serve their interests better than if located in any other city.

The interests of these three States are too closely interwoven to be separated.

If any further corroboration can possibly be desired by the committee, we respectfully refer to the sentiments expressed by North Carolina, South Carolina, and also by West Virginia bankers at the hearing given Richmond in Washington on January 15, and to the exhibit of resolutions, petitions, letters, and telegrams accompanying this brief.

We respectfully submit that compliance with the letter and intent of the law, which declares that the Federal reserve districts shall be determined with due regard to the convenience and customary course of business, would demand that these three States shall be kept together in one district, so that their mutual trade and financial relations may not be disrupted or disturbed.

The district we have outlined is the most perfect geographical division of the country that can be carved out. Nature has placed her boundaries, sharply defining it. We believe it is an equally perfect economic unit. It is a political division equally sharply defined.

The inhabitants are more homogenous than in any other division or part of the United States. All of these considerations have a practical bearing.

Our crops and the credits based upon them are distinctive, and the management of the regional bank should bear the closest relation to, and have the closest familiarity with, the needs and customs of the district. For this reason, as well as for all the foregoing reasons, whatever territory may be added to this zone, the headquarters of any bank organized to serve the zone or any large part of it, should not be located north of Richmond.

This position and all of these conclusions are separately and independently confirmed by the learned and experienced authorities, Dr. S. C. Mitchell and

O. P. Austin, former Chief of the Bureau of Statistics of the Department of Commerce, whose papers have been filed with you.

Finally, why Richmond can better serve the zone mapped out than any city in it, or any city in territory north of Richmond which might be added to the zone, and why Richmond may therefore be entitled to the location of a Federal reserve bank.

In the entire zone mapped out Virginia is the dominating State financially, and Richmond clearly the dominating city. Since colonial times Virginia has been the dominating State in the South.

Richmond has played a part far ahead of any other city in the zone in its development from a banking point of view, an industrial point of view, and a railroad point of view.

Long ago Richmond found that in this zone she had a preferential freight rate territory, and that in this territory the cities north of her could not compete on equal terms with Richmond. This preferential territory extends through the zone described to southern Georgia and Alabama and the eastern State line of Mississippi.

It does not embrace the State of Florida because of water competition. The territory is more graphically portrayed on the map which accompanies.

The trade relations of Richmond in this territory, out of which spring banking relations and settlements, must continue to grow, and more and more exclude cities north of Richmond.

The average first-class rate in the territory gives Richmond an advantage over—we will say Baltimore, by way of illustration, that being the next large city of commercial importance north of Richmond—gives Richmond an advantage of 11.2 cents per hundred pounds, or approximately 13 per cent.

This relative proportion in favor of Richmond applies to all class and commodity rates, and in some instances it is greater in favor of Richmond.

For full details we refer to the statement of Mr. W. T. Reed, president of the Richmond Chamber of Commerce, which statement accompanies.

Commercial supremacy in this territory must go hand in hand with banking supremacy, particularly under the natural and free system of banking.

Granting the selection of this territory, or any large part of it, as a zone, the advantage of Richmond in point of time and distance in dealing with the members of the zone is so great as to exclude any city north of her from consideration; and the equal advantage of Richmond as a clearing point between zones, for the same reasons, would likewise exclude any northern city.

It is firmly to be borne in mind, as we understand, that the purpose of the Federal reserve act is to afford additional banking facilities to the people, and that Federal reserve banks shall be so placed as to best serve the people with reference to the operation of the

system as a whole. Should Federal banks be placed in the three great cities of the East which we have named, that fact in itself, we believe, would justly exclude from consideration the location of headquarters of another bank in any city north of Richmond.

They are not intended to be local, and for that reason branches are provided, and due consideration is not generally given to the power and facilities of these branches.

It goes without saying that this zone mapped out will be provided with these additional facilities, superior to any which they have heretofore enjoyed, by the location of a bank in Richmond, that branch banks will answer local needs, and that the zone will be more independent of the financial considerations which have bound it to large money centers in the East; and this, too, was intended, and can best be brought about by the location of a bank within the region described as a natural division of country.

Is there any man who doubts that, if State lines were obliterated and the country apportioned in these geographical divisions, Richmond would by acclaim be chosen the capital of this division?

Although resting our claims upon the financial strength and the economics of the situation, we have also those considerations in our favor which are most powerful in molding the character and ideals of a nation.

Richmond has a place in the affections of the South which no other city possesses.

She has a place in the annals of the Nation and the world which is imperishable.

The debt of the Nation to Virginia is inextinguishable.

It is difficult to see how this Republic could have been formed but for Virginia.

Richmond has that dignity of standing, that atmosphere of sentiment and history, that position in science and learning, which render her worthy of any honor or distinction that can be bestowed upon her, and the intelligent judgment of the whole country, having a knowledge of these considerations, would approve the location of a Federal reserve bank in Richmond.

The names of Virginians will be associated for all time in the financial history of this country with the Federal reserve act.

All of these considerations preeminently distinguish Richmond as the location of a Federal reserve bank.

#### THE SOUTH ATLANTIC COASTAL PLAIN.

**A distinct geographical and climatic unit—Its products, peculiar to its own soil and climate, should be financed by men acquainted with local conditions.**

By O. P. AUSTIN, 15 years Chief of the United States Bureau of Statistics; secretary of the National Geographic Society.

Nature has set aside the South Atlantic frontage of this continent as a distinct and peculiar section, and

has given to it a class of products which are peculiar to itself, and with the financing of which its own people are more closely acquainted than those of any other section are or can become. The Atlantic Coastal Plain, which in recent geological ages emerged from beneath the ocean, stretches from New York southward to the Gulf of Mexico, and is shut off from the West by great mountain ranges.

#### PECULIARITIES OF PRODUCING POWER.

At the northern end it is a narrow and sandy plain, but gradually widening toward the South. At about the point at which the Potomac crosses it, it suddenly broadens to a width of approximately 200 miles, and at that point enter two new and important factors in its producing power—a fertile soil and a genial climate.

#### EXPERT TESTIMONY AS TO SOILS.

Prof. Jay A. Bonsteel, a distinguished soil expert of the Department of Agriculture, in a general description of the soils of the United States, which appeared in the 1911 edition of the official publications of the Department of Agriculture, *The Agricultural Yearbook*, and in a similar discussion of the soils contributing to the trucking system of the South Atlantic coast, presented in the 1912 issue of that official publication, says:

The Norfolk fine sandy loam extends from eastern Virginia southward along the Atlantic coast to Florida and thence westward. Among all the truck soils in use or available along the Middle Atlantic coast, the Norfolk fine sandy loam easily occupies the premier place both with regard to its total extent and its wide range of possible products. It has been formed as a sedimentary deposit, laid down under the waters of a more extended marine occupation and later elevated to become a portion of the present land area.

#### AN IDEAL SOIL FOR MARKET GARDENING.

Physically it is almost ideally constituted for the intensive growing of crops. It is of prime importance for the production of vegetables and small fruit. In the eastern counties of Virginia and North Carolina it is also used for the production of corn, winter oats, peanuts, and bright cigarette tobacco, and from the southern boundary of Virginia to Texas it is highly prized as a cotton soil. Where local transportation facilities are adequate it is intensively farmed for the production of vegetables and small fruits for shipment to northern markets.

#### PRESENT PRODUCTS MAY BE MANY TIMES MULTIPLIED.

Soil surveys throughout this region have encountered a total area of 4,346,000 acres of this soil, and it is possible that 20,000,000 acres will be found to exist. Not one-tenth of 1 per cent of this total area is now occupied for truck farming, and it is probable that not 25 per cent is now used for any agricultural purposes other than grazing.

#### EXPERT TESTIMONY AS TO CLIMATE.

These extracts from official descriptions of the peculiar soil factor in the producing power of this section should be considered in conjunction with that other important factor, climatic conditions.

#### A GREAT OUT-OF-DOORS GREENHOUSE.

That the conditions of climate are as peculiar as those of soil and equally effective in developing a production different from that of other parts of the country is also indicated by Prof. Bonsteel in his 1912

discussion, in which he describes this coastal frontage as "a great out-of-doors greenhouse," and, in another place, "the great winter garden which supplies the cities of the Northeastern States with fresh vegetables demanded for consumption during the later months of winter and those of early spring."

#### THE GULF STREAM A FACTOR IN PRODUCING POWER.

This peculiar condition of climate and thus of producing power he attributes in part to the presence of the Gulf Stream, which, as is well known, flows close to the Atlantic coast as far north as Cape Hatteras, but leaves the coast at that point, moving in a north-eastwardly direction across the Atlantic.

#### A TROPICAL AND SUBTROPICAL CLIMATE.

The peculiarities of climate (and, therefore, of the producing power) of this section are also pointed out in the International Encyclopedia, edited by that great scholar and educator, the late Daniel Coit Gilman, for 25 years the president of Johns Hopkins University, which says:

The United States has been divided into eight (climatic) sections. Two of these are tropical, Florida and Texas; two are subtropical, including the coast States from Texas to Virginia and the California region; the other four sections are temperate or boreal.

#### ITS PRODUCTS REQUIRE FINANCING FROM WITHIN THIS AREA.

These statements from two distinguished authorities regarding the peculiar characteristics of the South Atlantic frontage in the great factors of production, soil, and climate, are presented with the purpose of sustaining the statement already made by us, that the chief products of this section, which must prove the basis of its requirements for credit and currency, are peculiar to this section and would be much better understood in their relation to credit and to currency requirements by the officers of a bank located within that section than would be possible elsewhere.

#### AN AREA OF PECULIAR AND VARIED PRODUCTION.

What are the products of this section which nature has thus set aside with a peculiar soil and climate, and, therefore, a class of products to itself? Beginning at the South we may name sea-island cotton, approximately \$7,000,000; phosphates, about \$10,000,000; peanuts, \$15,000,000; turpentine and rosin, \$30,000,000; cottonseed oil and cake, approximately \$45,000,000; fruits, \$15,000,000; tobacco, \$32,000,000; vegetables, exclusive of potatoes, \$36,000,000; sweet potatoes, \$15,000,000; products of the mines, \$100,000,000; animals, sold or slaughtered on farms, \$92,000,000; all cereals, \$167,000,000; cotton, \$255,000,000; all farm crops, \$690,000,000; all manufactures, \$987,000,000; these being in nearly all cases the figures of the census of 1909.

#### THE WORLD'S CHIEF PRODUCER OF IMPORTANT ARTICLES OF COMMERCE.

It will be seen that a large proportion of the articles produced in these six States are intensely local, the product of the peculiar soil and subtropical climate referred to by the distinguished scholars already quoted. The United States is now one of the principal sponge-producing and exporting countries of the world, and practically all of this produce is peculiar to the coast of Florida. We are the world's largest producers of turpentine and rosin, and practically all of our output is produced in Florida and Georgia. Our sea-island cotton is famed the world over and practically all of it is produced along the extreme South Atlantic coast. Of the \$23,000,000 worth of citrus fruits produced in the United States, nearly one-third are grown in Florida. The United States is the world's largest producer of rock phosphates, and most of this is now mined in the State of Florida. The value of peanuts produced in the United States increased from \$7,250,000 in 1899 to \$18,250,000 in 1909, and 78 per cent of these were produced in Virginia, North Carolina, Georgia, and Florida. Of the approximately \$120,000,000 worth of cottonseed oil and meal produced in the United States in 1909, more than one-third was the product of Virginia, North Carolina, South Carolina, and Georgia. Of the 1,000,000,000 pounds of tobacco grown in the United States in 1909, practically one-third was the product of the six States—Virginia, West Virginia, North and South Carolina, Georgia, and Florida.

#### VALUE OF ITS DISTINCTLY LOCAL PRODUCTS \$500,000,000 PER ANNUM.

The value of these distinctively tropical or subtropical products of this section is, stated in round terms, \$450,000,000 per annum; sea-island cotton, \$7,000,000; citrus fruits, \$6,000,000; sugar, \$3,000,000; dry peas, \$3,000,000; peanuts, \$15,000,000; sweet potatoes, \$15,000,000; turpentine and rosin, \$30,000,000; vegetables, \$36,000,000; fruits, \$15,000,000; small fruits, \$4,000,000; tobacco, \$32,000,000; cottonseed oil and meal, \$45,000,000; cotton, \$255,000,000; while if we add to these the phosphates and sponges of Florida and other land and water products peculiar to that section we get a grand total of approximately \$500,000,000 worth of products distinctly tropical or subtropical in character.

#### ITS PRODUCTS SHOULD BE FINANCED FROM WITHIN ITS OWN AREA.

The fact that the grand total of the production of this section is made up of a large number of articles not closely related to each other, but having for each a distinctive characteristic as to production and use, intensifies the importance of selecting some convenient point well within that section as the locus of the

reserve bank for the district. While the economic methods of the South as a whole have been criticized upon the ground that it does not sufficiently diversify its products, such charge can not be sustained with reference to the area which we are bringing to your attention. One of the speakers who appeared before your honorable body, a gentleman of high standing in the financial circles of the Capital City of the Nation, remarked that one of the objects of this law is to decentralize reserves as they now exist and distribute them among several reservoirs, each reservoir to be located with regard to the due convenience of a district wherein a great number of diversified industries are carried on, to build up every branch of industry and commerce; a suggestion which, we submit, applies with great force to the South Atlantic section as one having great diversity of production, and to Richmond as the natural center of the finance and commerce growing out of such production.

#### RICHMOND AN IDEAL FINANCIAL CENTER OF THE DISTRICT.

That this great mass of distinctively southern products can be more intelligently understood and financed from a distinctively southern city can not be doubted. Not only would Richmond be conveniently located for the prompt transmission of mails and expressage to the section in which this great mass of products originates, but the acquaintance of her people with the peculiar products in question—the phosphates, the naval stores, the peanut crop, the tropical fruits, the tobacco, the cottonseed oil and meal, and the sea island and upland cotton, their seasons of growth and preparation for market—all these would be better understood and the interests of their producers better served from Richmond than Washington, which has no active business relation with the producing, manufacturing, or commercial interests, or from Baltimore, which is still farther removed from the area of the chief production of these peculiar and distinctively "local" products.

#### VOLUME OF LOCAL BUSINESS REQUIRES A RESERVE BANK.

The section lying south of the Potomac and east of the Appalachians is amply sufficient in area, population, and the value of its products for the service of a regional bank. The population of the six States which we propose as that section—Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida—is, in round numbers, 11,000,000 by the census of 1910; the value of its farm property, \$2,500,000,000; its capital invested in manufactures, over \$1,000,000,000; the products of its manufactures, nearly \$1,000,000,000 in 1909, and now much more than \$1,000,000,000; the value of its farm crops, by the census of 1909, \$690,000,000; the product of its mines, \$100,000,000; the length of its railways,

29,000 miles; and the navigable mileage of its rivers over 5,000 miles, or one-fifth of the total of the United States. The officers of the War Department in charge of the 105 river and harbor works on its water frontage from the upper Potomac to the western coast of Florida, report the value of the water-borne freight traffic at those places in 1912 at the enormous sum of \$1,680,000,000, about one-half of which is at Hampton Roads.

#### VALUE OF MERCHANDISE HANDLED \$5,000,000,000 PER ANNUM.

The census of 1910 placed the value of the manufactures of this area at \$987,000,000; the farm crops, at \$688,000,000; the products of the mines, \$100,000,000; the farm animals slaughtered or sold, \$92,000,000; and, adding a reasonable estimate for the products of the forests and fisheries, the total production of the area in that year may be set down at nearly \$2,000,000,000, indicating that the annual value of its various products at the present time is more than \$2,500,000,000. Most of this \$2,500,000,000 worth of annual products is moved from the place of production to other parts of the country or to other sections of the world, and in their stead there is purchased about an equal value of other merchandise, suggesting that the value of the merchandise handled in this district in a single year is approximately \$5,000,000,000, or more than the entire foreign commerce of the United States.

#### BUSINESS OF THIS AREA IS RAPIDLY INCREASING.

That this enormous total of \$5,000,000,000 worth of merchandise annually handled in this section is likely to grow very rapidly, is apparent from the figures of actual growth during recent periods. The total value of the manufactures produced in these six States increased 123 per cent from 1899 to 1909, while the gain in all other parts of the country was but 80 per cent. The value of all farm crops in these States increased 120 per cent for the period from 1899 to 1909, while that in other parts of the country increased but 83 per cent. The coal production of this area increased 250 per cent in the 10-year period, while that of the country as a whole only doubled. The capital invested in manufacturing in these States increased 171 per cent from 1899 to 1909, while the gain in the whole manufacturing capital of the country was but 105 per cent. The wages and salaries paid in manufacturing increased 123 per cent, while that in other parts of the country increased but 80 per cent. The railroad mileage increased 70 per cent, from 1890 to 1911, and in the other portions of the country increased but 47 per cent. The internal revenue paid increased from \$10,500,000 in 1903 to \$21,000,000 in 1912, a gain of 100 per cent, while the gain in the other parts of the country was but 40 per cent in the same period. The estimated true value

of all property as shown by the United States census increased from \$4,000,000,000 in 1900 to over \$5,000,000,000 in 1904, an increase of 26 per cent, while the increase in other parts of the country was but 21 per cent. The total indebtedness less sinking fund of these six States was, according to the United States census, \$94,000,000 in 1890 and \$100,000,000 in 1902, an increase of less than 7 per cent, while the indebtedness of other States of the Union showed an increase of 64 per cent in the same period. The average per capita indebtedness of these six States fell from \$12.82 for each individual in 1890 to \$11.02 in 1902, while that of the country as a whole increased from \$18.16 per capita in 1890 to \$23.73 in 1902. The expenditures on public roads in these six States now aggregate about \$15,000,000 per annum, a fact which in itself promises great development of its agricultural power.

#### ALL GREAT INDUSTRIES REPRESENTED IN THIS REGION.

The value of the three great products of this section—agriculture, manufactures, and mining—are quite evenly distributed in proportion to the products of the entire United States. The farm crops of the section in question formed in 1909 about 12 per cent of those of the entire United States, the manufactures about 5 per cent, and the minerals approximately 5 per cent of those of the entire United States.

#### FOREIGN COMMERCE OF THIS AREA RAPIDLY GROWING.

The value of the foreign commerce of the frontage from the mouth of the Potomac to the western coast of Florida is now approximately \$150,000,000, and shows a rapid growth when compared with other sections of the country. At Norfolk and Newport News especially, lying as they do at that great natural harbor of the United States—Hampton Roads—the exports of the fiscal year 1913 show a remarkable growth, having practically doubled in the past two years.

#### A GATEWAY FOR THE PRODUCTS OF THE MISSISSIPPI VALLEY.

The possibilities of this great harbor in becoming the natural gateway for the Mississippi Valley, with its enormous production for foreign markets and consumption of foreign merchandise, are worthy of serious attention in considering the future possibilities and probabilities of the commerce and commercial requirements of this section. With two great railway lines now transporting to this port the merchandise of the upper Mississippi Valley, over remarkably easy grades and free from the interruption of a northern winter climate, it may be expected that the remarkable growth of recent years will be continued.

#### A SHIP CANAL POSSIBILITY.

Still another possibility of an enormous increase in the foreign commerce of Hampton Roads is found in

the suggestion of a ship canal to connect the Great Lakes with the Atlantic Ocean. Our experience at Panama has demonstrated the ability of our country and its engineers in opening a passageway for ocean vessels through a country where the natural obstacles are much greater than those which lie between the Atlantic and the Great Lakes, and if the Government of the United States should see fit to utilize for this great enterprise the men and machinery which have accomplished the work at Panama, the route from Hampton Roads, along the lines suggested by George Washington to the Ohio River and thence to the Great Lakes, would be worthy of serious consideration, and if adopted, make this the gateway for the outflow of the products of that greatest producing section of the world—the Mississippi Valley, and the route by which it would in turn receive its requirements from foreign countries.

#### PANAMA CANAL WILL INCREASE TRADE AND CURRENCY REQUIREMENTS.

The Panama Canal will, when opened to commerce, immediately stimulate the coastal trade of this section. At present a narrow strip of country along the Atlantic frontage sends its merchandise for the Pacific coast by water by way of the trans-Isthmian railways, which demand for their service one-third of the entire coast-to-coast charges, the annual volume of that trans-Isthmian traffic between the Atlantic and Pacific coasts being now more than \$100,000,000 per annum. With the possibility of passing the products of the eastern and western coasts across the Isthmus without the cost of rail movement, the volume of this traffic between the Atlantic and Pacific coasts will greatly increase. In addition to this, the export of our manufactures and agricultural products to the western coasts of South America, and, in fact, to all the countries fronting on the Pacific, may be expected to rapidly increase with the opening of the canal, and thus greatly enlarge the foreign commerce of this South Atlantic country, and the requirements of currency for that purpose.

#### SUMMARIZATION.

Now to sum up the great general facts as to the production, commerce, and commercial possibilities of the area in question.

The section of country lying south of the Potomac and east of the Appalachians is set aside by nature as a distinctive region by reason of its peculiar soil and climate and geographic surroundings, and has therefore products peculiar to itself.

Its total products, which aggregated nearly \$2,000,000,000 in value in 1910 and more than that at the present time, are distributed with remarkable uniformity among the three great industries, agriculture, mining, and manufactures, agricultural and mineral products forming about one half and manufactures the other half of this grand total.

The agricultural products represent an unusually large variety of articles which have their peculiar seasons of maturity, and thus cooperating with the manufacturing and mining industries in maintaining within the district a comparative uniformity and steadiness of demand for currency.

Approximately one-third of these three great articles of commerce—manufactures, farm crops, and minerals—are produced in the two northern States of the group—Virginia and West Virginia—and approximately two-thirds in the four States lying to the south—North Carolina, South Carolina, Georgia, and Florida; but as most of these products of the Southern States move toward the north, Richmond, which lies within 60 miles of the southern line of Virginia and on the natural line of the northward trend of commerce and communication, becomes the natural center for the trade and finance of both sections of this natural region.

The productions of this area may be expected to increase with great rapidity. Both manufacturing and agriculture showed in the period of 1900–1910 a much larger percentage of growth than that of all other parts of the country, and with the greatly increased use of water power through the cooperation of electricity the contribution of the rivers of this section to its manufacturing power will rapidly increase its industrial and commercial activities.

The foreign commerce of this section may be expected to rapidly increase. The value of the merchandise exported from the ports from the mouth of the Potomac to the western line of Florida is now approximately \$140,000,000,000 per annum, and those two cities at the great natural harbor—Hampton Roads—have actually doubled their exports in the last two years, suggesting that the possibilities of this section as the gateway for the surplus products of the Mississippi Valley should be given careful consideration in connection with the financing of its prospective business.

The value of the merchandise passing over the waters of the navigable rivers and harbors from the Potomac to the western boundary of Florida was \$1,750,000,000 in 1912, the total value of its own products in 1912 fully \$2,500,000,000, and the value of the commerce handled by it approximately \$5,000,000,000 per annum, and may be expected to increase with great rapidity in view of the rapid growth which has characterized recent years.

Richmond is the natural railway center for the movement of this commerce and its mail and express requirements with reference thereto, having three trunk lines from the South, two from the West, and two from the North, and a close communication with Norfolk with its western and southern lines.

#### MARYLAND AS A POSSIBLE FACTOR IN THE RESERVE ZONE.

While a portion of the State of Maryland lies geographically and geologically within the South Atlantic

coastal plain, the distinct area proposed as the basis of a banking district, that State has not been included in the proposed Federal reserve region, because of the fact that its products are, as a whole, not of the distinctively tropical or subtropical type which distinguishes those of the section farther south, where the presence of the Gulf Stream affects climatic conditions, and also because of the equally important fact that the trade currents carry most of the commerce and therefore the finances of that State toward the great commercial and financial centers at the North. On the other hand, it has been thought proper to include West Virginia in the proposed regional bank area, even though it lies outside the coastal plain region, because of the fact that the commerce and finances of a large part of the State, especially the southern half, are distinctly associated with those of the Atlantic coastal plain, and with the State of Virginia and the city of Richmond, a fact which is clearly shown in the discussion of present banking relations of Richmond with surrounding territory.

It is proper to add, however, that a careful comparison of the figures of industry, production, and commerce of the two States, Maryland and West Virginia, when considered article by article and item by item, show that a substitution of Maryland for West Virginia in the statement of products, manufactures, and business conducted would not materially change the total of the area as a whole or seriously affect the percentage of growth, or other evidence of prosperity of that area. The population of West Virginia in 1910 was 1,221,000 and that of Maryland was 1,295,000. The combined value of the products of farm, factory, and mine were, in West Virginia, \$274,000,000 and in Maryland \$366,000,000, and the value of all farm property in West Virginia \$314,000,000 and in Maryland \$286,000,000.

#### STATEMENT SHOWING FREIGHT RATES FROM RICHMOND TO SOUTHERN WEST VIRGINIA, EASTERN KENTUCKY, EASTERN TENNESSEE, NORTH AND SOUTH CAROLINA, AND GEORGIA; ALSO TONNAGE FROM VIRGINIA CITIES INTO NORTH AND SOUTH CAROLINA AND GEORGIA.

By Richmond Chamber of Commerce, WILLIAM T. REED, President.

The railroads serving the above-mentioned territory years ago recognized Richmond as the proper distributing point and the above as the natural territory to Richmond, owing to the fact that they were enabled to give quick service and from one to four days quicker delivery than Baltimore or any city north of us. In view of this fact the rates into this territory were fixed at an average, approximately, of 13 per cent lower than Baltimore. The average first-class rate in the territory designated by the railroads as the natural territory to Richmond is 75.2 cents per 100 pounds, while the average first-class rate to the same territory from Baltimore is 86.4 cents per 100 pounds, giving Richmond an advantage on the first-

class rate of 11.2 cents per 100 pounds, or approximately 13 per cent. This relative proportion in favor of Richmond applies to all class and commodity rates, and in some instances it is greater in favor of Richmond.

Attached herewith is a map clearly defining the territory recognized by the transportation companies as Richmond's territory and in which the above-mentioned freight rates favorable to Richmond apply. Attached also are the actual rates in groups of cities in this respective territory, giving the respective rates to these cities from Richmond and Baltimore. These cities are chosen with respect to their prominence, and also with respect to their proximity to the borders of the territory, as designated by the map. Some of the rates in the interior of this territory will even show greater advantage to Richmond.

The chamber begs to call attention further to the tonnage originating at and forwarded to this southern territory, North and South Carolina, Georgia, and Florida, from the Virginia cities—Richmond, Norfolk, Portsmouth, Suffolk, Petersburg, Lynchburg, Roanoke, Danville, and South Boston. The total tonnage from these cities for the year 1913 reaches the enormous amount of 2,228,908 tons freight, and of this amount the tonnage from Richmond into this territory was 629,495 tons.

Owing to the limited time, and also to the fact that the tonnage into eastern Tennessee, eastern Kentucky, and southern West Virginia had not been separated by the railroads from the tonnage to this territory and points beyond our territory, we are unable to give the actual tonnage to this portion of our territory.

We have been unable to get the tonnage from Baltimore into Richmond's territory, North and South Carolina, Georgia, and Florida, but from such information as we have received we feel assured that any statement Baltimore makes, that her tonnage exceeds or even approaches the amount of tonnage of Richmond in the territory mentioned, is a pretense, and inasmuch as Baltimore made this claim before the honorable committee at Washington, it is incumbent upon the Baltimore people to state their exact tonnage, as we have done, and which we are prepared to verify.

*Statement of rates from Baltimore and Richmond, showing differences in favor of Richmond.*

[The places are chosen with respect to their prominence and also with respect to their proximity to the borders of the territory designated on map.]

RALEIGH, N. C.; GOLDSBORO, N. C.; GREENSBORO, N. C.

	1	2	3	4	5	6	A	B	C	D	E	H	F
Baltimore.....	78	67	55	43	37	28	24	29	28	25	37	43	54
Richmond.....	61	51	42	32	28	21	17	22	21	18	28	32	42
	17	16	13	11	9	7	7	7	7	7	9	11	12

NEWBERN, N. C.

Baltimore.....	55	46	38	33	27	22	22	22	20	17	27	29	34
Richmond.....	46	36	30	26	21	17	17	16½	15	11	21	22	24
	9	10	8	7	6	5	5	5½	5	6	6	7	10

*Statement of rates from Baltimore and Richmond, showing differences in favor of Richmond—Continued.*

CHARLOTTE, N. C.; HAMLET, N. C.; ABERDEEN, N. C.

	1	2	3	4	5	6	A	B	C	D	E	H	F
Baltimore.....	85	74	61	49	42	32	25	31	30	27	42	49	58
Richmond.....	68	58	48	38	33	25	18	24	23	20	33	38	46
	17	16	13	11	9	7	7	7	7	7	9	11	12

FAYETTEVILLE, N. C.

Baltimore.....	85	74	61	49	39	26	24	20	19	16	39	39	36
Richmond.....	68	58	48	38	31	20	18	18	17	14	31	31	34
	17	16	13	11	8	6	6	2	2	2	8	8	2

LUMBERTON, N. C.

Baltimore.....	92	81	68	56	46	35	27	32½	32	27	47½	56	58
Richmond.....	80	70	60	50	40	32	22	28	25	22	41	47	50
	12	11	8	6	6	3	5	4½	7	5	6½	9	8

LANES, S. C.

Baltimore.....	92	81	68	56	46	36½	27	32½	32	27	47½	58½	58
Richmond.....	85	75	62	50	40	32	24	29	28	24	44	47	50
	7	6	6	6	6	4½	3	3½	4	3	3½	11½	8

ORANGEBURG, S. C.

Baltimore.....	92	81	68	56	46	35	27	32½	32	27	47½	56	58
Richmond.....	85	75	62	50	41	34	24	29	28	24	44	47	50
	7	6	6	6	5	1	3	3½	4	3	3½	9	8

COLUMBIA, S. C.

Baltimore.....	89	75	65	53	43	34	26	39	29	28	40	51	55
Richmond.....	76	64	59	50	41	34	18	27	24	20	36	48	44
	13	11	6	3	2	....	8	12	5	8	4	3	11

AUGUSTA, GA.

Baltimore.....	89	75	65	53	43	34	26	39	29	28	40	51	55
Richmond.....	76	64	56	45	35	27	16	30	28	23	28	42	50
	13	11	9	8	8	7	10	9	1	5	12	9	5

MACON, GA.

Baltimore.....	95	85	76	61	51	40	32	44	32	31	49	55	62
Richmond.....	84	79	64	52	43	40	24	34	28	27	45	55	55
	11	6	12	9	8	....	8	10	4	4	4	....	7

AMERICUS, GA.

Baltimore.....	98	87	78	63	52	41	34	45	37	36	55	57	72
Richmond.....	98	87	78	63	52	41	34	45	37	36	55	57	72
	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

CHARLESTON AND HUNTINGTON, W. VA.

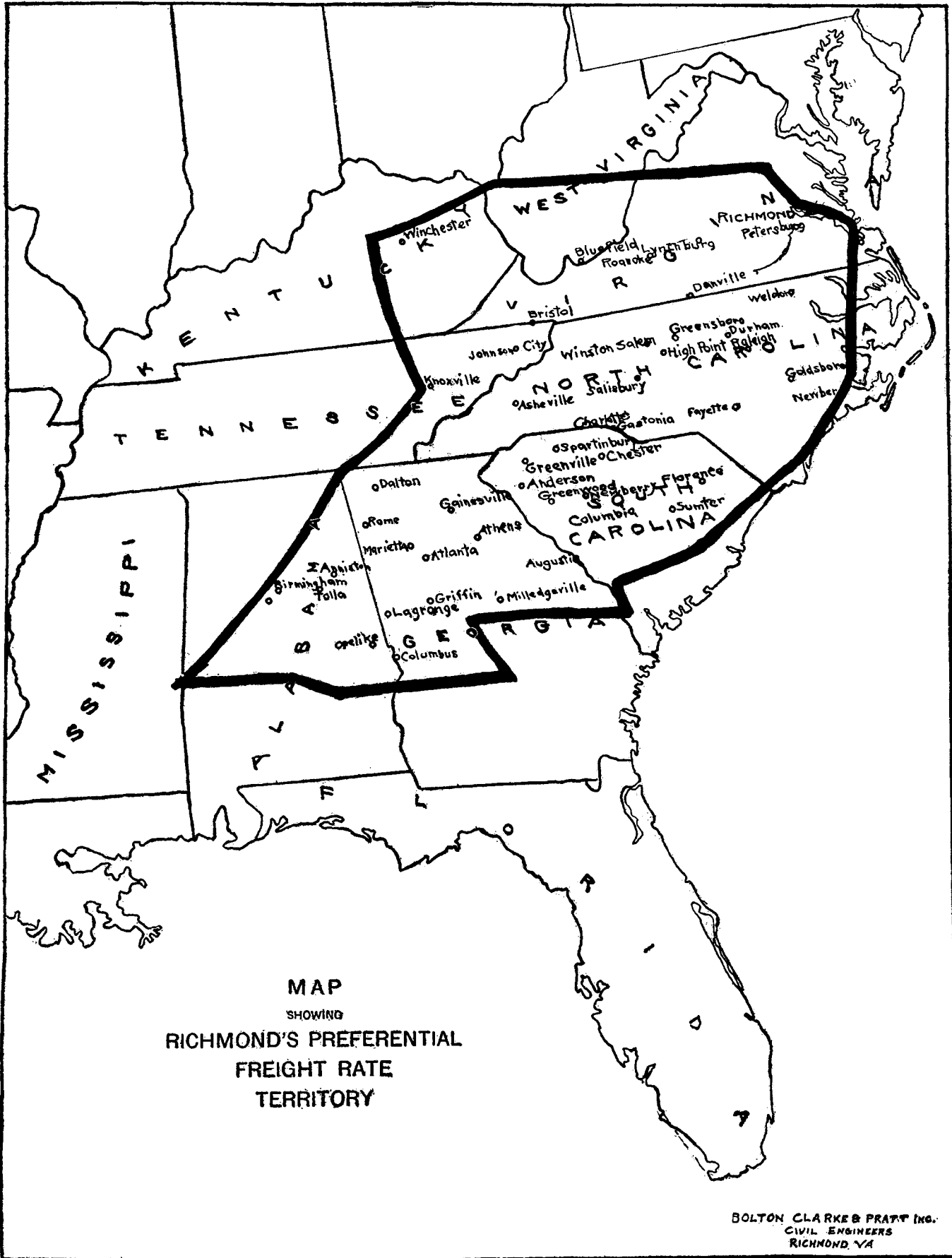
Baltimore.....	54	47	38	25	22	18	.....	.....	.....	.....	.....	.....	.....
Richmond.....	54	47	35½	24	20	16	.....	.....	.....	.....	.....	.....	.....
	.....	.....	2½	1	2	2	.....	.....	.....	.....	.....	.....	.....

LEXINGTON AND LOUISVILLE, KY.

Baltimore.....	59	51	43	29	25	20	.....	.....	.....	.....	.....	.....	.....
Richmond.....	54	47	38	25	22	18	.....	.....	.....	.....	.....	.....	.....
	5	4	5	4	3	2	.....	.....	.....	.....	.....	.....	.....

KNOXVILLE, TENN.

Baltimore.....	95	80	65	50	45	37	.....	.....	.....	.....	.....	.....	.....
Richmond.....	84	79	64	50	43	37	.....	.....	.....	.....	.....	.....	.....
	11	1	1	.....	2	.....	.....	.....	.....	.....	.....	.....	.....



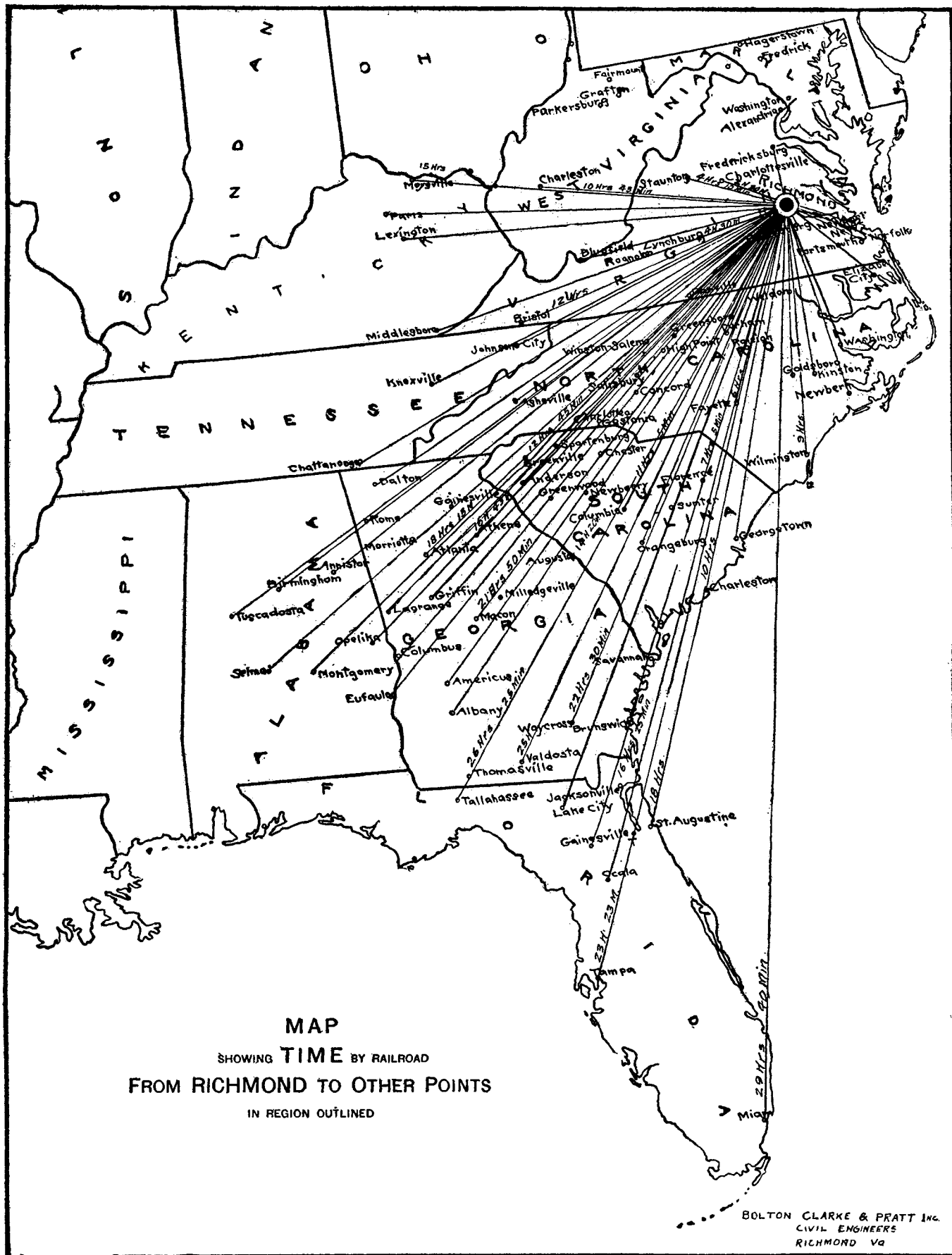
MAP  
 SHOWING  
 RICHMOND'S PREFERENTIAL  
 FREIGHT RATE  
 TERRITORY

BOLTON CLARKE & PRATT INC.  
 CIVIL ENGINEERS  
 RICHMOND, VA



*Distance and time to Richmond from the following cities.*

<b>Via S. A. L. Ry.</b>		Dist.	Time.	<b>Via Sou. Ry.</b>		Dist.	Time.
Petersburg (A. C. L.—N. & W.)	22	0.36		Danville	141	5.00	
Alberta (Virginian)	61	1.50		Greensboro	189	6.55	
Lacrosse (Sou.)	79	2.20		Salisbury	239	7.25	
Norlina	98	2.45		Charlotte	282	9.30	
Raleigh	157	4.40		Spartanburg	358	11.50	
Hamlet (N. & S. Car.)	254	7.45		Greenville	386	12.45	
Camden	327	10.05		Atlanta (C. of Ga.—S. A. L.)	550	18.15	
Columbia (A. C. L.—Sou.)	360	11.05		Salisbury—Ashville	380	15.10	
Denmark (A. C. L.)	394	12.00		Morristown	509	17.25	
Savannah	501	13.08		Knoxville (L. & N.—Tenn. Central)	509	17.25	
Jacksonville	639	16.58					
Ocala	775	20.45		<b>Via N. &amp; W. Ry.</b>			
Palmetto	911	27.29		Petersburg (S. A. L.)	22	0.36	
Hamlet—Chester	351	11.25		Burkeville (Sou.)	73	2.38	
Greenwood	425	13.14		Lynchburg (Sou.—C. & O.)	144	4.30	
Athens (C. of Ga.)	505	16.43		Roanoke (Virginian)	197	6.20	
Atlanta (C. of Ga.—Sou.)	550	18.15		Radford (Virginian)	241	7.45	
				Bristol	348	12.00	
				Bluefield	373	10.40	
<b>Via A. C. L. R. R.</b>				<b>Via C. &amp; O. Ry.</b>			
Petersburg (N. & W.—S. A. L.)	22	0.36		Doswell (R., F. & P.)	28	0.45	
Jarratts (Virginian)	52	1.00		Gordonsville (Sou.)	76	2.00	
Emporia (Southern)	62	1.35		Charlottesville (Sou.)	97	2.44	
Weldon (S. A. L.)	83	2.14		Basic (N. & W.)	123	3.44	
Rocky Mount	119	3.00		Staunton (B. & O.)	136	4.05	
Wilson	136	4.12		Clifton Forge	193	5.40	
Wilmington	244	9.00		Lynchburg	147	6.00	
Pembroke	286	9.05		Covington	205	6.08	
Florence	294	7.05		Hinton	272	8.10	
Charleston (Sou.)	396	10.00		Charleston	369	11.00	
Savannah (C. of Ga.—Sou.)	511	12.20		Huntington (B. & O.)	419	12.10	
Jesup (Sou.)	568	16.25					
Folkston (Ga.)	640	17.45		<b>Via R., F. &amp; P. Ry.</b>			
Jacksonville (F. E. C.—G. S. & F.—S. A. L.—Sou.)	683	16.25		Ashland	17	0.31	
St. Augustine	676	18.08		Doswell	24	0.45	
Palatka	694	20.42		Fredericksburg	62	1.27	
Tampa	846	23.36		Washington	116	2.44	
Augusta	443	14.20					



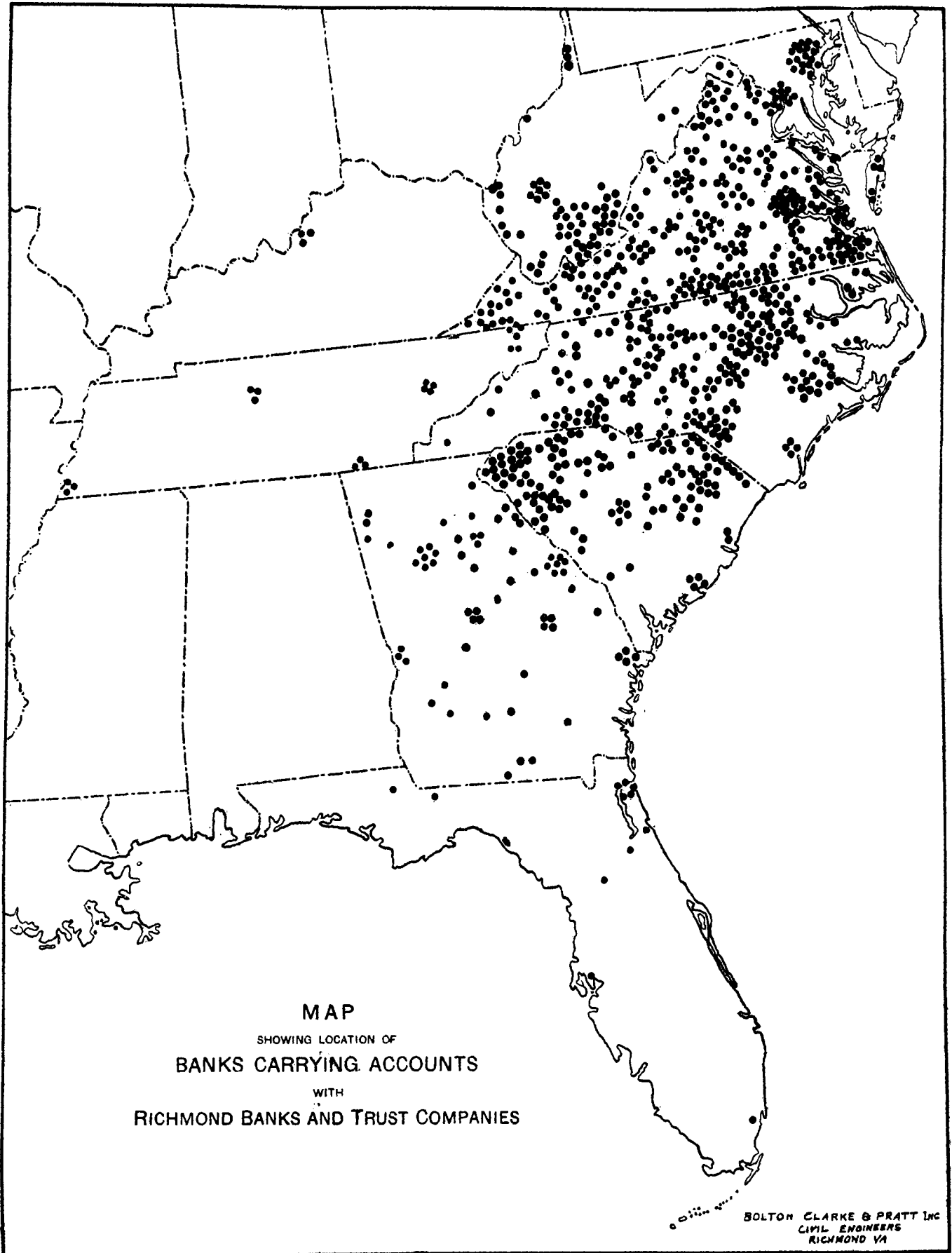
MAP  
 SHOWING TIME BY RAILROAD  
 FROM RICHMOND TO OTHER POINTS  
 IN REGION OUTLINED

BOLTON CLARKE & PRATT INC.  
 CIVIL ENGINEERS  
 RICHMOND VA

## LOCATION OF RESERVE DISTRICTS.

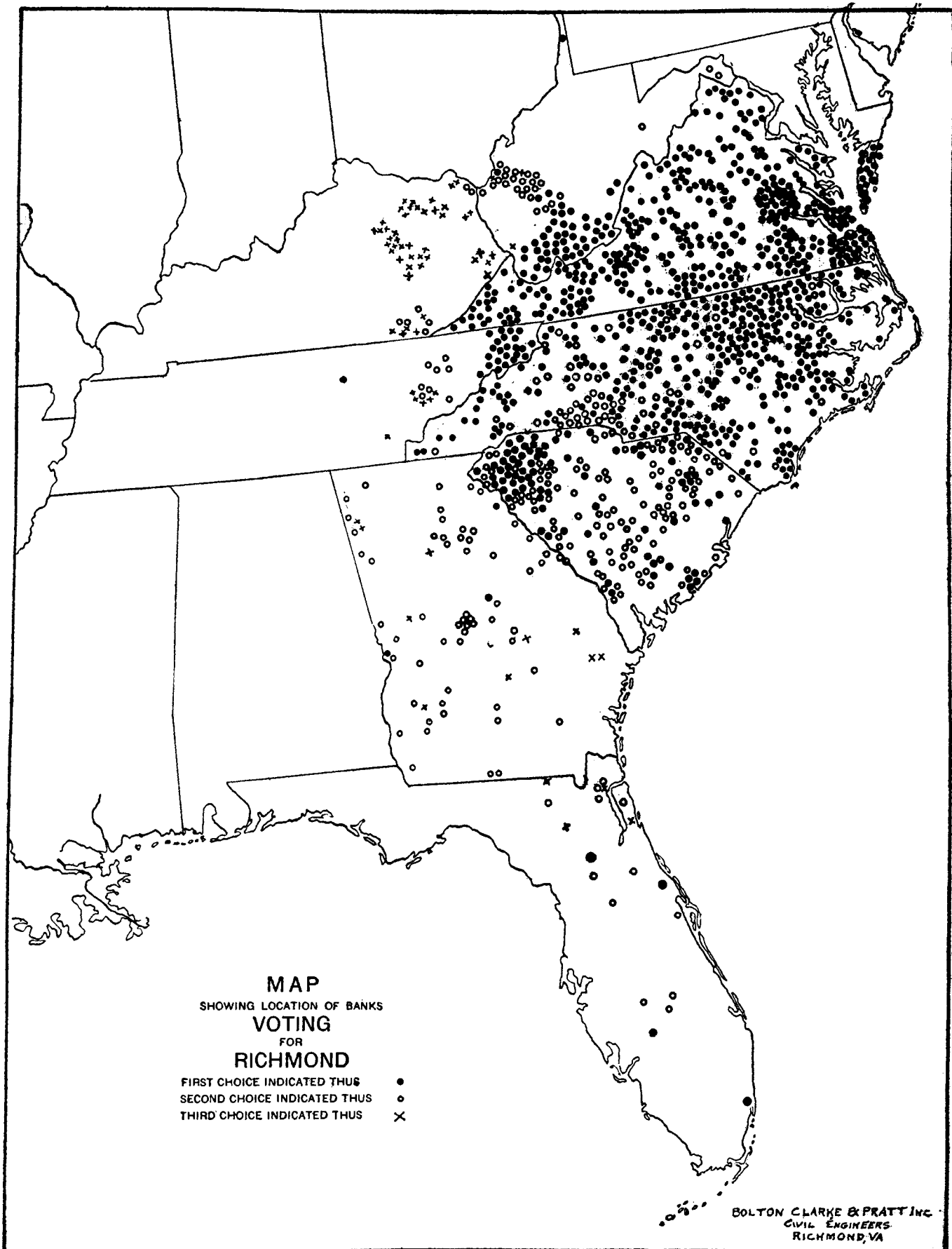
*National and State banks.*

States.	Number banking towns.	Number banks.	Number banks with accounts in Richmond.	Number bank accounts carried by banks in Richmond.
Virginia.....	266	437	288	500
North Carolina.....	308	486	229	403
South Carolina.....	222	405	122	181
West Virginia (16 cos.).....	40	95	61	82
Tennessee (10 cos.).....	24	41	13	20
Kentucky (35 cos.).....	57	111	3	3
Georgia.....	449	844	63	76
Florida.....	155	257	14	15



*Richmond poll of banks.*

	Choice.	Vir- ginia.	North Caro- lina.	South Caro- lina.	West Vir- ginia.	Ten- nessee.	Ken- tucky.	Geor- gia.	Flor- ida.	Total.
Richmond.....	1st.....	415	373	82	49	25	.....	4	4	952
	2d.....	3	69	122	26	10	7	56	12	305
	3d.....	.....	.....	.....	3	11	47	12	5	78
										} 1,335
Columbia.....	1st.....	.....	.....	102	.....	.....	.....	.....	.....	102
	2d.....	.....	.....	9	.....	.....	.....	.....	.....	9
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 111
Atlanta.....	1st.....	.....	.....	2	.....	6	.....	96	8	112
	2d.....	.....	8	4	.....	7	.....	22	8	49
	3d.....	.....	.....	.....	.....	2	.....	.....	.....	2
										} 163
Savannah.....	1st.....	.....	.....	1	.....	.....	.....	22	2	25
	2d.....	.....	3	2	.....	.....	.....	30	6	41
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 66
Charlotte.....	1st.....	.....	46	.....	.....	.....	.....	.....	.....	46
	2d.....	1	17	.....	.....	.....	.....	.....	.....	18
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 64
Birmingham.....	1st.....	.....	.....	.....	.....	.....	.....	1	.....	1
	2d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 1
Baltimore.....	1st.....	4	.....	1	4	.....	.....	.....	.....	9
	2d.....	11	55	7	11	.....	6	3	.....	93
	3d.....	.....	1	.....	1	.....	.....	.....	.....	2
										} 104
Washington.....	1st.....	1	.....	.....	.....	.....	.....	.....	.....	1
	2d.....	6	10	1	3	.....	.....	.....	.....	20
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 21
Cincinnati.....	1st.....	.....	.....	.....	28	9	22	.....	.....	59
	2d.....	3	.....	.....	9	6	24	.....	.....	42
	3d.....	.....	.....	.....	.....	1	.....	.....	.....	1
										} 102
Louisville.....	1st.....	.....	.....	.....	.....	2	31	.....	.....	33
	2d.....	1	.....	.....	.....	8	14	.....	.....	23
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 56
Jacksonville.....	1st.....	.....	.....	.....	.....	.....	.....	.....	9	9
	2d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	3d.....	.....	.....	.....	.....	.....	.....	.....	1	1
										} 10
Nashville.....	1st.....	.....	.....	.....	.....	3	.....	.....	.....	3
	2d.....	1	.....	.....	.....	1	.....	.....	.....	2
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 5
Pittsburgh.....	1st.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	2d.....	.....	.....	.....	3	.....	.....	.....	.....	3
	3d.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
										} 3



*Capital, surplus, profits, and deposits of banks voting for Richmond.*

State.	Choice.	Capital.	Surplus and profits.	Deposits.
Virginia.....	1st.....	\$30,041,097	\$23,151,500	\$163,645,126
North Carolina.....	1st.....	14,542,770	7,844,000	\$81,996,650
	2d.....	2,203,100	1,252,000	8,190,000
South Carolina.....	1st.....	4,909,800	2,966,000	18,743,000
	2d.....	5,269,714	2,753,800	8,058,000
Georgia.....	1st.....	730,300	278,000	538,000
	2d.....	5,334,900	3,482,200	19,147,500
	3d.....	570,000	653,000	1,412,000
Florida.....	1st.....	320,000	74,000	1,690,000
	2d.....	1,895,000	586,000	5,676,000
	3d.....	245,000	262,000	2,353,000
West Virginia (16 cos.).....	1st.....	2,561,000	1,641,000	4,084,000
	2d.....	2,909,175	1,859,000	12,775,000
	3d.....	350,000	35,000	597,000
Tennessee (10 cos.).....	1st.....	908,350	423,300	6,041,000
	2d.....	547,500	234,000	2,379,000
	3d.....	1,075,000	359,000	5,664,000
Kentucky (35 cos.).....	2d.....	450,000	118,000	1,502,000
	3d.....	5,725,000	3,113,372	17,140,000
Total.....		80,587,706	52,085,172	361,631,276

Total capital, surplus, and profits..... \$131,672,878  
Total deposits..... 361,631,276

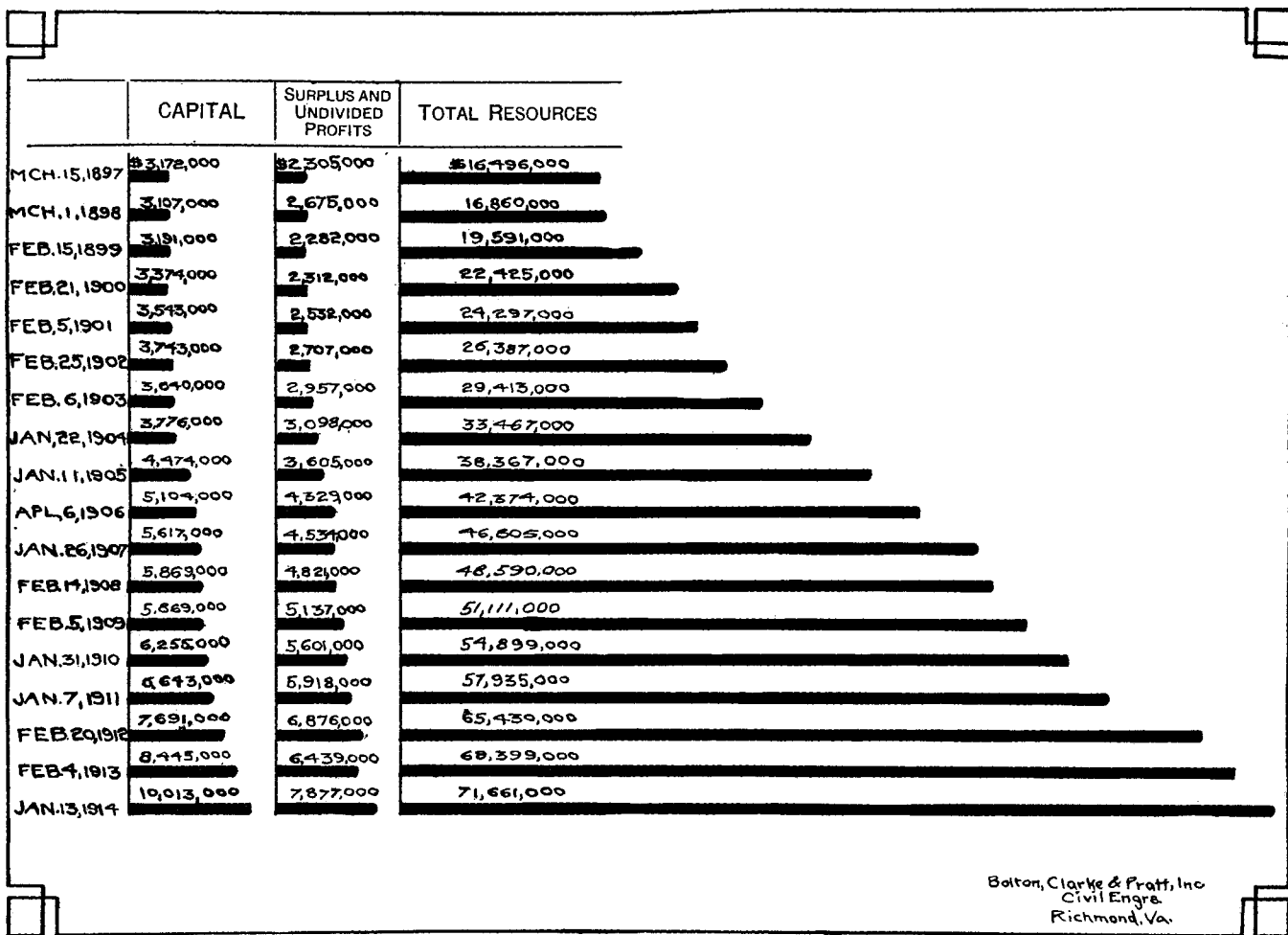


CHART SHOWING GROWTH OF RICHMOND BANKS.



*Partial list of maximum deposits and loans of Richmond banks in 1913.*

## MAXIMUM DEPOSITS OF BANKS FROM—

Virginia .....	\$5,467,679	North Carolina .....	\$4,465,455
West Virginia .....	1,793,838	South Carolina .....	926,779
Georgia .....	440,115	Florida .....	142,918

## MAXIMUM LOANS TO BANKS IN—

Virginia .....	\$1,459,080	North Carolina .....	\$2,200,480
West Virginia .....	90,700	South Carolina .....	2,423,915
Georgia .....	669,900	Florida .....	79,750

## MAXIMUM DEPOSITS TO CREDIT OF INDIVIDUALS, FIRMS, AND CORPORATIONS IN—

North Carolina .....	\$3,225,369	South Carolina .....	\$1,416,997
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## MAXIMUM LOANS TO INDIVIDUALS, FIRMS, AND CORPORATIONS IN—

North Carolina .....	\$5,245,451	South Carolina .....	\$3,129,815
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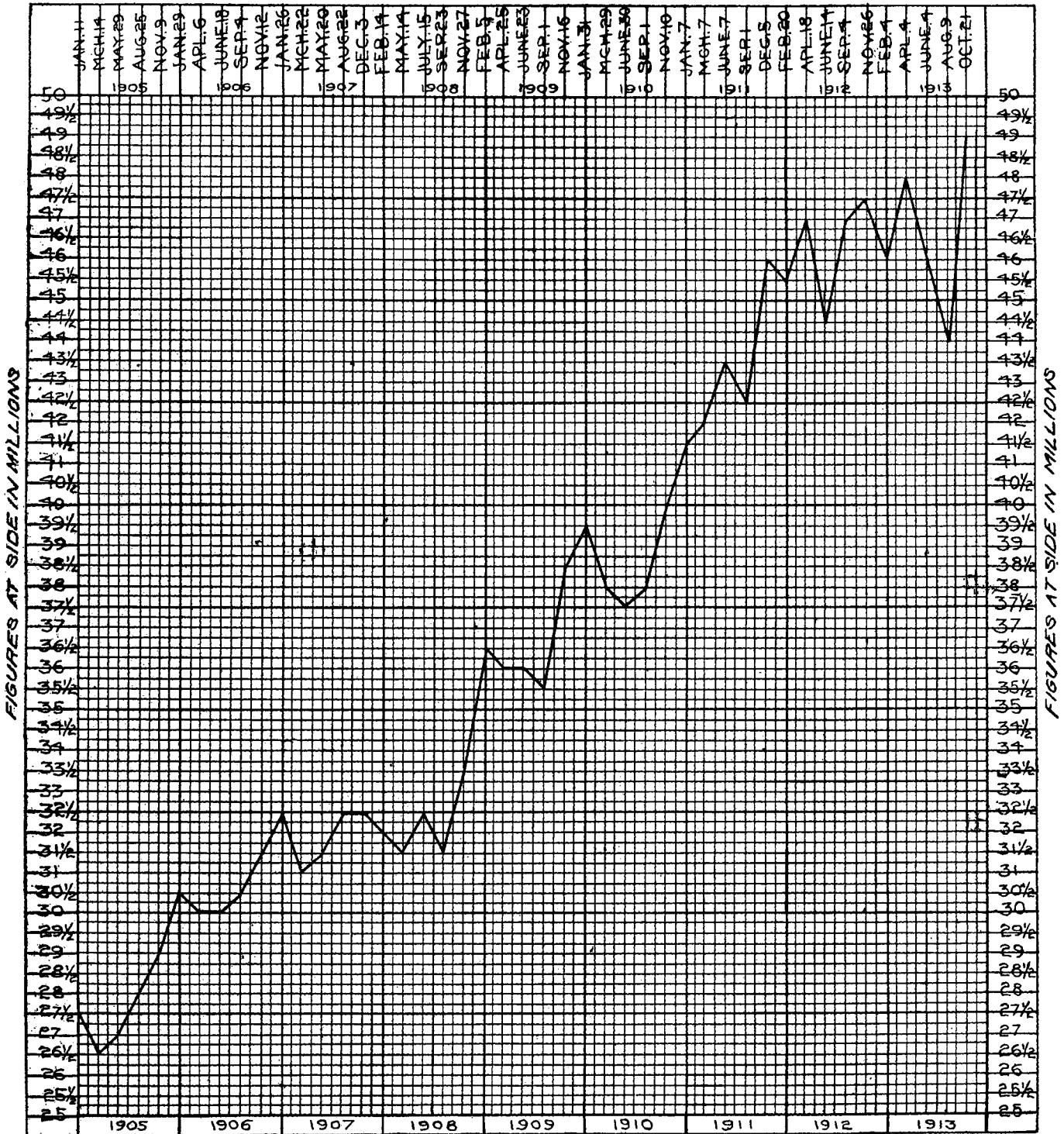
## MAXIMUM DEPOSITS OF BANKS AND INDIVIDUALS.

North Carolina .....	\$7,690,820	South Carolina .....	\$2,343,776
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## MAXIMUM LOANS TO BANKS AND INDIVIDUALS.

North Carolina .....	7,445,931	South Carolina .....	\$5,553,730
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DEPOSIT FLUCTUATIONS OF RICHMOND BANKS.

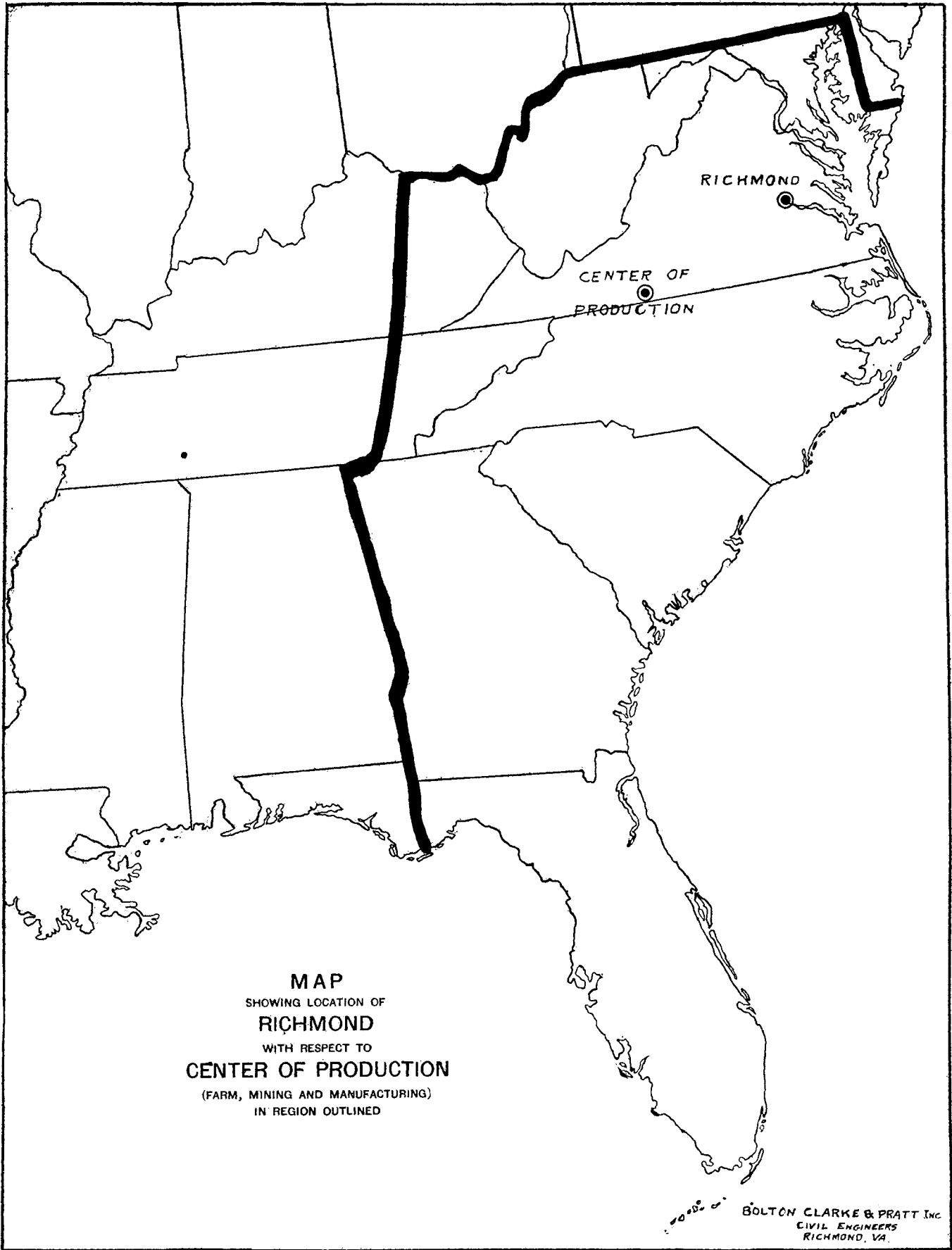


REPRODUCED FROM CHART PREPARED BY W.P. SHELTON BOLTON CLARKE & PRATT INC. CIVIL ENGINEERS RICHMOND, VA

## LOCATION OF RESERVE DISTRICTS.

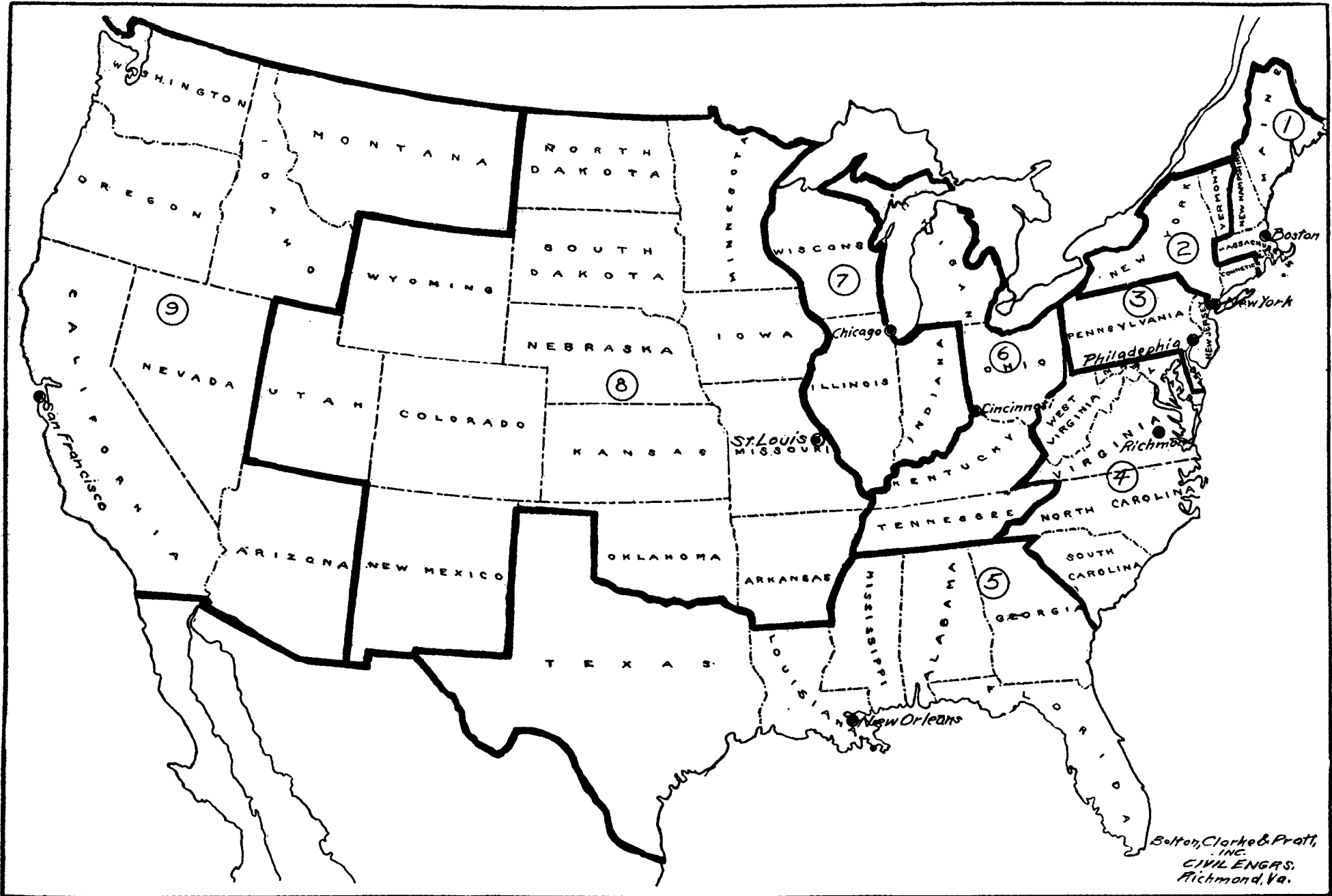
*Statement of capital, surplus, and deposits of the national banks located in the Southeastern States.*

	Capital.	Surplus.	Gross deposits.	
Virginia.....	\$17,600,000	\$11,600,000	\$113,000,000	
West Virginia.....	10,000,000	6,400,000	64,000,000	
North Carolina.....	8,400,000	2,800,000	46,000,000	
South Carolina.....	6,300,000	2,100,000	30,000,000	
Georgia.....	15,100,000	9,300,000	63,000,000	
Florida.....	7,500,000	3,000,000	40,000,000	
Alabama.....	10,200,000	5,800,000	50,000,000	
Mississippi.....	3,400,000	1,600,000	17,000,000	
Louisiana.....	3,000,000	2,300,000	17,000,000	
Kentucky.....	12,300,000	5,200,000	46,000,000	
Tennessee.....	13,200,000	5,500,000	78,000,000	
	Capital and surplus national banks.	Capital and surplus State banks.	Total.	Deposits.
Washington City.	\$11,500,000	\$16,200,000	\$27,500,000	\$83,000,000
Richmond, Va. . .	10,700,000	7,300,000	18,000,000	53,000,000
Atlanta, Ga. . . . .	9,700,000	7,300,000	17,000,000	35,000,000



MAP  
SHOWING LOCATION OF  
RICHMOND  
WITH RESPECT TO  
CENTER OF PRODUCTION  
(FARM, MINING AND MANUFACTURING)  
IN REGION OUTLINED

BOLTON CLARKE & PRATT INC.  
CIVIL ENGINEERS  
RICHMOND, VA.



MAP OF U. S. JUDICIAL CIRCUITS.

**BRIEF FILED ON BEHALF OF THE NORTH CAROLINA BANKERS' ASSOCIATION.**

By GEORGE A. HOLDERNESS, President.

When before the committee in Washington on the 15th of January, Mr. J. W. Norwood, of Greenville, S. C., and Mr. R. G. Rhett, of Columbia, S. C., stated that Maryland should be added to the district outlined by the Richmond committee, and from further study of the question it appears that this should be done, as well as all of West Virginia. And it is believed that this can be done without in any way interfering with the natural territory of any other district, since it appears to us that the North Atlantic States should be divided as follows:

Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and the eastern part of Connecticut, with Boston as the reserve city.

New York, western Connecticut, northern New Jersey, with New York as the reserve city.

Pennsylvania, southern New Jersey, and Delaware, with Philadelphia as the reserve city.

This leaves Maryland in the nature of a "floater."

With this added territory our district would embrace the following States: Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, the eastern part of eastern Tennessee, and the eastern part of eastern Kentucky, and the District of Columbia. This territory, with its diversified interests and banking capital, would be entirely independent and amply self-sustaining under not only normal conditions, but under almost any conditions.

Now, with this territory fixed upon, the next question is which city within this territory could best serve the whole territory. On this point we respectfully submit that Richmond is unquestionably the city. Ninety-one per cent of the banks in North Carolina, including all of the national banks except six, have already expressed themselves in favor of Richmond, and the banks so desiring Richmond represent 89 per cent of the capital, surplus, and profits of all of the banks of North Carolina, and 98 per cent of their deposits. Of the said 91 per cent of the banks voting for Richmond, 373 of them are expressly for Richmond as first choice, and the balance of 69 (except three for Baltimore) are equivalent to a first choice, as they name Charlotte or blank their first choice.

Not one of the North Carolina banks has expressed a first preference for Atlanta or Washington, and only three for Baltimore. South Carolina has expressed its preference for Richmond almost as strongly as North Carolina, and has given Atlanta only two first choice votes and Baltimore one.

The States of Virginia, North Carolina, and South Carolina, with national banking capital and surplus of \$48,800,000, are as unanimous for Richmond as the same number of institutions can be for any one thing.

Richmond, though not a reserve city, has been able to take care of its southern connections under past conditions, and Richmond's clearings for this district can be more fully seen by the fact that of the total deposits of the national banks of Richmond (not a reserve city) 30 per cent of them are deposits from out-of-town banks, whereas of the total deposits of the national banks of Washington (a reserve city) only 17 per cent of them are from other banks, and of the total deposits of the national banks of Baltimore (a reserve city) only 41 per cent of them are from other banks.

The above shows that Washington has done so little for this territory that this alone seems sufficient reason to eliminate Washington from this contest.

Atlanta must be eliminated because, the trend of business being northward, it can not make a territory for itself without taking in and doing violence to States north of it.

Of the banks in Maryland, District of Columbia, Virginia, West Virginia, North Carolina, and South Carolina, only 659 have accounts in the reserve city of Baltimore (as shown by Baltimore's evidence), whereas 726 have accounts in Richmond, as shown by the list filed by the Richmond committee.

We do not know what powers a branch bank will have, and therefore can not say what will be the difference between the services given from the parent bank and the branch bank, but, as the term implies, a branch can not be as large as the parent, and I think it is safe to assume that, while the directors of a branch bank will pass on paper under certain restrictions, the branch will not issue currency or keep a great amount of currency on hand.

Baltimore and the territory surrounding it, we submit, could be more conveniently served by a branch of the Richmond bank than Richmond, and the territory mapped out could be served by branches from Baltimore.

The capital and surplus of the national banks of Virginia are greater than those of Maryland, and with North Carolina and South Carolina they exceed that of Maryland by over \$20,000,000. And of the total capital and surplus of the national banks in Maryland, Baltimore city has all but \$8,000,000.

Richmond would be a thoroughly convenient place for a bank to serve Baltimore, and it is certainly more reasonable to require the few banks of Maryland outside of Baltimore, with only \$8,000,000 capital and surplus, to come to Richmond as the parent bank than to require the banks of Virginia, North Carolina, and South Carolina, representing capital and surplus of \$48,800,000, to have to go to Baltimore as the parent

bank at a great inconvenience, to say nothing of the territory farther south. A branch in Baltimore could better take care of the few banks in Maryland than branches of a Baltimore bank could take care of the many banks in Virginia, North Carolina, South Carolina, and the southern territory, where large amounts of currency are often needed and needed quickly.

As stated by Col. Bruton when before you in Washington, it is important to have a sufficient amount of currency within easy reach of the tobacco, cotton, and peanut sections of North Carolina, and this may

be said of South Carolina and the more distant southern points. As shown by the time-table filed with the Richmond brief, currency wired for from Richmond in the evening can reach the greater portion of this territory by business hours the next morning.

Richmond, as stated by Mr. Norwood when before you in Washington, is practically one business day nearer the majority of this territory than Baltimore is.

Respectfully submitted.

THE NORTH CAROLINA BANKERS' ASSOCIATION,  
By GEO. A. HOLDERNESS, *President*.

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ST. PAUL, MINN.

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## ST. PAUL, MINN.

### STATEMENT OF THE REASONS FOR ESTABLISHING A REGIONAL RESERVE BANK AT ST. PAUL, MINN.

#### NEED OF A NORTHWESTERN DISTRICT.

The first step in determining where regional reserve banks are to be established must be the division of the United States into suitable districts. The sole desire of your honorable body is to consult the best interests of the whole country, and to take such measures as will most facilitate its business and conduce to the successful operation of the new currency system. The purpose of the following statement is merely to set forth facts, necessarily unfamiliar to you by reason of their more or less local character, that may aid you in reaching conclusions; and first of all, it is desired to prove the propriety, possibly the necessity, of making the Northwest, popularly so called, an independent regional reserve district.

The term "Northwest" will be used throughout with two meanings—the first including the five States Minnesota, North Dakota, South Dakota, Montana, and Idaho; and the second covering seven States, adding to those just mentioned the States of Washington and Oregon. It may seem best to you, who have a national problem to consider, to include the entire Pacific coast from north to south in one district. It may seem best to you to make one district of the northern tier of States from the Mississippi River to the Pacific. These seven States are closely tied to one another by the fact that four transcontinental lines of railroad traverse them. The Great Northern, the Northern Pacific, the Chicago, Milwaukee & St. Paul, and Minneapolis, St. Paul & Sault Ste. Marie Railroads, running from St. Paul to Seattle, Tacoma, and Portland, unite them in a close community of interest and of business relations. Ties such as these may easily override geographical conditions, since the business of banks with one another depends so greatly upon abundant and quick intercommunication.

The figures given hereafter are all absolutely official, being taken either from the returns of the United States census or from official reports by heads of departments or business organizations. They are intended to serve your convenience whether you decide to make a northwestern division running east or west, or to include only the more compact territory ending with the Rocky Mountains.

The total area of the five States mentioned is 464,019 square miles, and of the seven, 629,845 square miles. This is from 15 to 20 per cent of the total area of the United States. The population of the five States increased from 2,877,211 in 1900 to 3,938,299 in 1910, and of the seven States, from 3,808,850 to 5,752,964. The increase in the former case was 36.9 per cent and in the latter 51 per cent, as compared with an increase in the United States for the same period of 21 per cent. You will undoubtedly, in delimiting reserve districts, take into consideration the ratio and probability of increase in population and in every kind of industry. When these districts have once been established, they can not easily be changed. A readjustment of any one would mean the rearrangement of others, with all the confusion incident to a transfer of banking relations and the possible removal of one or more regional reserve banks from one city to another. It can be avoided only by the creation in the Northwest of a separate district, for which there is abundant warrant in the existing volume of business and an absolute necessity in the certainty of coming development as measured by its past history and by the amount of its undeveloped resources.

#### SOIL PRODUCTION.

This being preeminently an agricultural region, the amount and value of soil products are indicative of present importance and their changes indicative of future growth. The increase in the value of all crops grown in the United States between 1899 and 1909 was 83 per cent. The increase in Minnesota was 67.2 per cent; in North Dakota, 234.3 per cent; in South Dakota, 184.1 per cent; in Montana, 177.9 per cent; in Idaho, 270.7 per cent; in Washington, 235.4 per cent, and in Oregon, 124.9 per cent. In North Dakota, Idaho, and Washington the crops of 1909 were more than three times as valuable as those of 1899. In North Dakota and also in South Dakota there was, in these 10 years, an increase of over 1,000,000 acres in the area of land devoted to crops. Agriculture, which your committee desires especially to serve and encourage, is increasing here at a rate which these figures show to be phenomenal. That rate of increase will be maintained substantially for many years to come. It

goes without saying that the marketing of these crops, valued in 1909 at \$563,666,657 for the five States and at \$691,634,435 for the seven demands ample banking facilities.

The annual reports of the grain inspection departments of Minnesota and Illinois for the "crop year" 1911-12 give the carload receipts of grain for their principal markets as follows: Chicago, 174,605; Minneapolis, 130,905; Duluth, 41,779. For the calendar year 1913 they were as follows: Chicago, 203,953 cars; Minneapolis, 160,554; Duluth, 87,920; the gain for the year 1913 bringing the total for the two grain markets of Minnesota to an amount considerably in excess of the Chicago receipts. In addition to the enormous grain receipts of our district a very large business is done by St. Paul with the Canadian Northwest, which will increase steadily with the development of that country and the inevitable relaxation of tariff restrictions.

#### VOLUME AND DISTRIBUTION OF BANKING BUSINESS.

The currency act provides that each national bank shall subscribe for stock to the amount of 6 per cent of its paid-in capital and surplus, and fixes the minimum capital of a regional reserve bank at \$4,000,000. By the report of the office of the Comptroller of the Currency as of October 21, 1913, the national banks of the five States mentioned have a combined capital and surplus of \$67,757,967, and those of the seven States \$98,849,316. Six per cent of the former amount is \$4,065,478, and of the latter \$5,930,958. Either district, therefore, can qualify under the law without calling for supplementary subscriptions as authorized in the law and the results arrived at do not include northern Wisconsin which is tributary and should be in the district.

A better basis for calculation in a case like this is the total amount of capital engaged in all kinds of banking business; and even more so, perhaps, the total number of banking institutions. With an eye to the future, the number of banks, indicating the needs already felt in a growing section, establishes the true relation of the territory considered to the whole country. In both respects, the claims of the Northwest and of St. Paul are statistically entitled to consideration.

According to the report of the Comptroller of the Currency, the number of national banks on July 7, 1913, in the United States was 7,490. The number in the five States was 631 and in the seven States was 792. The latter is almost one-ninth of the whole. The number of all financial institutions reporting, including State and savings banks and trust companies, by the same report was 25,963 for the United States, 2,883 for the five States, and 3,493 for the seven. The former is one-ninth of the whole, approximately, and the latter is nearly one-seventh. Beyond a doubt many of these institutions will apply for permission to come in under the new law. But merely on the

basis of the number of existing national banks, as related to the whole number, and as indicating immediate financial needs of a country in the full tide of growth, the claim of the Northwest to be constituted a separate district seems to be well founded. The total loans and discounts of all banks were, according to the comptroller's report, \$575,093,168 for the five States and \$798,502,331 for the seven.

For centralized banking purposes St. Paul and Minneapolis can be considered as one great city of more than half a million people. In addition to the other reasons contained in this statement why St. Paul is entitled to precedence, its present banking business shows a volume worthy of the establishment of a regional reserve bank. The total capital stock, surplus, and undivided profits of all its banking institutions is \$12,219,646. The Government deposits here, October 1, 1913, were over \$2,000,000, and the balances of country banks were over \$18,500,000. The exchange drawn in 1913 was \$459,653,732. All the accounts of the State treasurer of Minnesota in behalf of 23 State institutions and 29 State departments, with 3 exceptions, are kept with St. Paul banks. The transactions of the State with the 330 banks throughout the State with which it does business are conducted through St. Paul banks. The following statement of business done by the State treasurer of Minnesota during the year 1913 is more significant than any argument could be:

	Deposits.	Withdrawals.
St. Paul banks.....	\$18,933,165.76	\$18,403,914.29
Minneapolis banks.....	3,813,154.77	3,460,105.52

#### THE CAPITAL OF THE WHOLE NORTHWEST.

Business development as a rule follows the lines marked out and the channels worn by history. The Northwest is no exception. Three-quarters of a century have passed since the first settlement of St. Paul. For more than 60 years it has been the focal point for the financial, historical, and governmental development of all the upper portion of what was originally the Northwest Territory. From St. Paul have radiated lines of business that put and still keep the people of these States in close touch with their natural and original center. From St. Paul enterprising men have gone out to establish new centers of business throughout the tributary country. Everything has contributed to make and to keep this city the place to which the people of the Northwest naturally look for business leadership and business accommodation.

It will be in place merely to state, without elaboration, a few of the principal points which entitle St. Paul to consideration from a business point of view. It is the capital of the State, and in a real sense the capital as well as the gateway of the Northwest. It is the head of navigation on the Mississippi River and

known nationally as the most important railroad center west of Chicago and north of St. Louis. It is the leading jobbing center of this section, having in the staple lines such as dry goods, groceries, drugs, and hardware houses that are among the largest wholesale establishments in the country. It is the largest dry goods and gents' furnishing market in the Northwest, jobbing in these lines alone \$16,000,000 annually. It has the second largest wholesale toy and notion house and is fourth in rank in the distribution of millinery goods in the United States. It is one of the largest boot and shoe manufacturing centers in the country. It has one of the principal national livestock markets, so important that the details of this will be given separately. It has the largest law book publishing house, the largest art calendar house, the largest individual horse dealing concern, and the largest plants for the manufacture of grass carpets in the world. It leads the country in wholesale land trading. It leads the United States in the manufacture of high-class furs and high-grade refrigerators. It has one of the largest plants in the world for the making of gasoline fire engines. It has the largest public cold-storage plant in the Northwest. It has one of the six United States customs ports where tea is inspected. These are some of the principal items in a list which might be lengthened to a considerable extent.

#### FEDERAL IMPORTANCE OF ST. PAUL.

St. Paul is a sort of subcapital for the entire Northwest. The fiscal departments of the Government located here take in, through the customs and internal-revenue offices, in round numbers, \$4,600,000 a year. It is post office headquarters, all funds for the State being sent to this office. It is the headquarters of a Railway Mail Service for the tenth district. It is the headquarters for the Rural Carrier Service. Here is the seat of the Department of Justice, including the United States Circuit Court of Appeals, the United States district court, and the offices of the district attorney, marshal, and special agents. The War Department formerly had headquarters here, and since the rearrangement of the military departments of the country the purchasing agency of the Quartermaster's Department is still retained. It makes disbursements for Forts Yellowstone, Keogh, and Missoula, Mont., and Fort Snelling, Minn., aggregating \$500,000 annually. Supplies are also sent to Fort Brady, Mich. The Agricultural Department has headquarters at South St. Paul, with a large corps of inspectors for the stock received at that important market. Two departments of the United States Engineer Service have their headquarters here. When the garrison at Fort Snelling is at full strength the total annual disbursement on Army account will be \$850,000.

Since the business of the banks is coterminous with the postal service, on which so large a part of the credit system depends, a fair conception of the importance of the territory served from St. Paul may be had by remembering that the tenth division of the Railway Mail Service, with headquarters here, embraces the States of Minnesota, northern Michigan, Wisconsin, North and South Dakota, with jurisdiction also over mail service on lines extending into Montana, Iowa, and Nebraska. This sweeps in territory from Sault Ste. Marie on the east, Chicago on the southeast, Omaha on the south, and Rapid City on the southwest, westward along the lines of the four northern transcontinental systems. To the whole of this St. Paul has the relation of a commercial center. The total route mileage, or miles of lines over which mail cars ran, at the end of the fiscal year was 26,306, the total annual mileage 42,037,691, and the total number of mail clerks, including officials, at the present time is 1,722.

Without going into detail, the records show that 24 Federal offices, all, excepting the several agencies of the Department of Justice, representing distinct Federal governmental functions, are centered in St. Paul. Their activities radiate from this point in all directions from the Upper Peninsula of Michigan to the Pacific coast. All of these branches of the Government's work require large funds for disbursements, and many of them take in large receipts. The total list of Federal officials and employees in St. Paul, and under jurisdiction of the Federal headquarters in St. Paul, including the Army, numbers 5,802 persons. It would be tedious to give the separate items of their balance sheets, any or all of which can be furnished if desired. It is sufficient to state here that the receipts and disbursements of the St. Paul post office each range from \$4,000,000 to \$4,500,000 annually. Of the other Federal offices, 13 do not collect any money, but receive from the Government an annual total of \$1,571,968.74 for expenditures. This, added to the internal revenue, customs, and miscellaneous receipts, makes a total of \$6,377,078.78. Add the receipts and disbursements of the post office, and the total amount of Government money handled in St. Paul annually is above \$16,000,000, and constantly growing. The increase in postal receipts in the 10 years from 1904 to 1914 was 92.9 per cent. The money orders issued are well above a million and a half yearly, the money orders paid over two millions and a half. The St. Paul Postal Savings Bank has had high rank from the beginning. Its net deposits on January 1, 1914, were \$789,407.

All of the above is exclusively Federal money taken in and paid out in the course of transacting the Government's business. It may be added as a not unimportant detail in the establishment of the proposed Federal institution that there are now three large public

buildings in St. Paul owned by the United States Government in which a regional reserve bank can be accommodated without requiring the expenditure of any money for construction.

#### RAILROAD BUSINESS AND CONNECTIONS.

The development of railroads in the Northwest States is one of the chief factors of their past growth, the surest guaranty of their future progress, and an indispensable aid in binding them together as a unit for banking purposes. In 1880 the seven States above mentioned had 5,485 miles of railroad; in 1910 they had 30,363 miles; in the last 10 years their increase in mileage was 41.66 per cent, as compared with 24.34 per cent for the United States. St. Paul was the terminal of the first railroad built in Minnesota, and it remains the actual or potential terminal of the 10 railroad systems that now enter the city. These 10 systems had an aggregate mileage of 56,768 miles in October, 1913. Three of these systems have their general offices here. St. Paul is the acknowledged railroad center for the whole northwestern country. Upward of 10,000,000 passengers pass through its Union Depot every year.

The Minnesota Transfer, located in St. Paul, is the freight clearing house for business extending from the Mississippi River to the Pacific coast and for a very large volume of business to the east and south. In 1913 the cars handled at the Minnesota Transfer numbered 709,127 and the tonnage represented was almost 10,000,000 tons. From 1904 to 1913 the increase in the business was 70.7 per cent. The Transfer yards contain 91.77 miles of track, and besides the distribution of through freight cars, all of which takes place here, they serve 110 local industries which have trackage connections.

To the financial importance of a business of this magnitude and its need of home banking accommodations is added the abundance and best of communication with the whole northwestern territory. The number of trains carrying mail cars which arrive here daily is 64 and the number departing is 65. Two fast mail trains, handling mail exclusively, arrive and two depart daily from St. Paul. The Great Northern special fast mail trains make the run from St. Paul to Seattle, a distance of 1,814 miles, in 47 hours and 30 minutes, as compared with 50 hours and 35 minutes for the fast mail over the Union and Southern Pacific from Omaha to San Francisco. This Great Northern transcontinental mail train is the fastest long-distance train in the world. The through time schedule shows how quickly all intermediate points are served.

An average of 340 passenger trains operating in and out of the St. Paul Union Depot daily give abundant mail communication with every part of the territory. This service has grown up naturally in answer to the

demands of the West, and through it business connections which could not be disturbed without loss to all parties have linked together the several communities of this territory from St. Paul to the Pacific coast. Their sentiment in this matter has been doubtless made more or less familiar to you by direct expression. As mere incidental evidence of it you may be reminded here that the banks of a city so far distant as Butte, Mont., in reply to a request that they ally themselves with Seattle, Spokane, or Portland in the request for a regional reserve bank, replied that all their business connections were with St. Paul and that they preferred to be represented here. It is not less significant in another way that Duluth, the third city in size in the Northwest, and of particular importance in a commercial sense as the entrepôt of the enormous trade of the Great Lakes, expresses its opinion on the whole subject in the following language, quoted from the editorial columns of the Duluth News Tribune:

That the Northwest should have one of these banks should be conclusive without argument. Its development in the last 20 years has been phenomenal. It is finding itself rapidly and potentially. In its resources, its natural wealth, and its human energies it is the greatest region of all the States. It should be conceded one of these eight banks without question; and, all things considered, we believe this should be located at St. Paul.

#### MANUFACTURING AND JOBBING.

It is a matter for regret that no accurate statistics have been kept from year to year of the volume of the jobbing trade in the Northwest. It is, however, a fact well known even outside this region, and unquestioned within it, that St. Paul is its jobbing center. It has been the controlling point of the wholesale trade as long as it has been the railroad center, and for a similar reason. Its houses send their representatives and sell their goods all through the territory to the shores of Puget Sound. The most reliable estimate of the total trade in round numbers is \$400,000,000.

While the activity of a community in manufacturing is usually in proportion to its age, the Northwest is making great progress in that particular, having just reached the stage of growth where it is practicable to make at a profit a large share of the products formerly brought from points farther east. A reference to the census report on manufactures establishes this law, and exhibits the remarkable percentage of increase in the manufacturing business of the Northwest. The total value of manufactures in the five States at the last census was \$542,100,000; and in the seven States, \$855,851,000. St. Paul's manufactures are tenth in the country in their gain in number of wage earners, and tied for fourteenth place in gain in value of products. The increase between 1904 and 1909 in wage earners in St. Paul was 34.6 per cent, and in value of products, 53.9 per cent.

## BANKING AND THE CHANGE IN AGRICULTURE.

Having in view not only the business at present centered in St. Paul but its probable future increase, and the changes in its distribution, probably nothing is more impressive than its position as a live-stock market. The Northwest is primarily and must always remain, first of all, an agricultural region. Large and varied as are its mineral resources, at the head of Lake Superior and in the Rocky Mountains, and its lumber supply, the extent of fertile, arable land is so large and its productiveness so remarkable that primary and secondary products of the earth will always constitute its greatest source of wealth and the basis and measure of its financial transactions.

No law is better established than that which decrees a change from wheat production to a more diversified industry, and especially to the raising of live stock, as a region advances in years. Agriculture becomes more profitable by becoming more intensive. This means not only the substitution of farms for grazing land, but the growing of more live stock on farms. A considerable portion of the land previously used for wheat raising is devoted to the raising of coarse grains and fodder crops for the feeding of live stock, which is immensely more profitable. The United States census reports show a decrease of 15.8 per cent in the total wheat acreage from 1899 to 1909. This decrease took place in the older States. While there was a very large increase in North Dakota, Montana, Idaho, and Washington, the area fell off 50.18 per cent in Minnesota, 19.5 per cent in South Dakota, and 12.6 per cent in Oregon, these States being older and therefore following the law just stated. The same process is shown in a corresponding decrease of 48.2 per cent in the State of New York, 58.3 per cent in Michigan, 43 per cent in Ohio, and 74.8 per cent in Wisconsin. The day of the supremacy of wheat raising in the Northwest has passed. The wheat product, wheat receipts at primary markets, and all commercial and financial transactions based on wheat growing must progressively decline.

The substitution of live stock products for the leading cereal is proceeding more rapidly in the Northwest than anywhere else. In the United States the number of all cattle on farms decreased 5,915,544 in the 10 years between 1900 and 1910; but in the five Northwestern States the number increased 615,947, and in the seven States 648,096. Such a showing is possible only on the basis of a pronounced and permanent movement toward a change in the agricultural methods that has been proved economically desirable. It is just as significant that the entire increase in the value of all cattle on farms in the United States in 10 years is identical with the increase made in these seven States. Out of the twenty-four million odd dollars for the whole country, more than \$19,000,000 of the increase were in the first five States. One-ninth of the

entire increase of the value of all swine on farms took place in the same States. Nothing was more clearly brought out in the discussion in Congress on the terms of the currency law, and in the organization of your honorable committee, than the purpose to consult the interests of the farmer. Even if it were decided that only eight such banks should be established, the Northwest in this particular is clearly entitled to one, and it will now be shown that on this basis St. Paul is entitled to that one.

## ST. PAUL AS A LIVE-STOCK MARKET.

The South St. Paul live-stock market has become one of the greatest in the country, and in its growth from year to year it has really no rival. All the western markets showed a decrease in cattle receipts for 1913 compared with 1912 except South St. Paul and Kansas City. In hog receipts South St. Paul showed an increase of 27 per cent, three times the combined percentage of gains in all other markets. In sheep receipts South St. Paul was second only to Omaha. Both in absolute importance and in relative growth the South St. Paul stock market is one of the most important in the country. These live-stock receipts are distributed over all the States of the Northwest, more than 500,000 sheep coming from Montana alone. South St. Paul is by no means a feeding or transfer station for stock on the way to Chicago, as practically all calves, hogs, and horses, 92.5 per cent of the cattle and 50 per cent of the sheep received there are also sold there.

This is also a stocker and feeder market. Much of the live stock received is returned to the country to be fattened. More than one-half of the 531,000 head of cattle and calves received last year were bought for that purpose. This demands excellent banking facilities. Some of the farmers who come to that market to buy live stock have money, but many of them require to be financed.

Here enters an important relation of the live-stock market to the financial interests and the financial facilities centered in St. Paul. A great loan business to aid the live-stock trade has been built up quietly. It will require enormous expansion to meet future demands. The loans outstanding made in South St. Paul to farmers throughout the Northwest on live stock being prepared for market amount to \$4,500,000. These loans were made by 2 banks, 1 cattle loan company, 20 commission houses, and 15 brokers located in South St. Paul. The total loans for the year aggregated \$7,500,000. Capital so employed turns over quickly, and large credit resources are required. These loans were scattered through the States from the Mississippi River to the Rocky Mountains, including Iowa. It is estimated that \$800,000 of South St. Paul money was loaned in this way in Montana. A conservative estimate of the total amount of money

paid out for live stock in St. Paul during 1913 is \$40,000,000.

This item of the commercial and financial interests grouped in St. Paul has been treated in some detail for two reasons. It is not generally known to the public. It is only a beginning. Measured in dollars, it will become within a very few years probably the most important single interest in the Northwest; measured in value to the agricultural interest of the country, it can not be overestimated; measured in terms of finance, as related to the purpose contemplated in the passage of the new currency act, it is a powerful argument for the erection of the Northwest into a distinct district, and the establishment of a regional reserve bank at St. Paul.

#### CONCLUSION.

It would be easy to add to the foregoing a very large amount of facts and statistics bearing on both these questions. But the purpose of this statement is not to encumber the committee with details, but to draw

the broad lines of the natural argument for a north-western reserve district, centering naturally at St. Paul. The facts presented seem to warrant that arrangement; and, should any others be desired upon any topic not covered here, or should any documentary proof be called for of any of the statements contained herein, either will be furnished with pleasure. The bankers and business men of St. Paul, speaking for themselves and for the bankers, the business men, the farmers—for the whole people of this section, which is naturally just coming into its full development and prosperity, and which looks to St. Paul as its capital in a commercial and financial sense as truly as it is the political capital of Minnesota, the leading Commonwealth of the Northwest—respectfully request the establishment of such a district, with boundaries such as shall seem best to you to establish in view of the whole of the great task that has been committed to your hands, and for the location in St. Paul of one of the regional reserve banks which will minister so powerfully to that district's future growth.

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SAVANNAH, GA.

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## SAVANNAH, GA.

### WHY SAVANNAH SHOULD BE SELECTED AS LOCATION FOR FEDERAL RESERVE BANK OF THE SOUTHEAST.

By JOSEPH F. GRAY, executive officer, Savannah Chamber of Commerce.

#### TERRITORY SELECTED.

The territory selected by Savannah to be served by a Federal reserve bank comprises Georgia, Florida, Alabama, South Carolina, and North Carolina.

Map<sup>a</sup> introduced at the hearing shows the railway transportation facilities of the States named and the coastwise steamship facilities of the South Atlantic seaports and the Gulf ports in Florida and Alabama. It shows also the ports of the United Kingdom and Continent of Europe with which Savannah has direct communication by freight steamships. Savannah, of all the important ports of the Atlantic coast, lies farthest westward, and is, therefore, closet to the heart of this continent. It is on the western rim of the great curve of the South Atlantic shore.

Savannah's geographical location, together with the facilities afforded by trunk-line railways, enable her to offset the apparent noncentrality of location with relation to the territory selected for the Federal reserve bank. Whether two banks doing business with one another are 50 miles or 300 miles apart, the handling of the mails is what you might call an "overnight" or 12-hour proposition. Statement introduced at the hearing shows distances from Savannah in hours to the principal cities in the selected territory. Savannah is within 12 hours, or overnight mail distance, of all the territory selected, with the exception of a few points on the frontiers—13 to 18 hours away. Savannah is in about as easy reach of the territory as any other city in it.

Under the law, in order for this southeast section to have one of the banks, the territory to be served must embrace several States.

Within the section named is available the minimum capitalization required. The combined capital and surplus of the national banks of Georgia, Florida, Alabama, South Carolina, and North Carolina on June 14, 1912, was \$66,686,116, 6 per cent of which would more than exceed the \$4,000,000 minimum capitalization required by the law. The total resources—capital, surplus, and deposits—of the State banks of Georgia, Florida, Alabama, South Carolina, and North Carolina are about \$450,000,000.

<sup>a</sup>Not printed.

The overwhelmingly chief industry of the Southeast is and will always be agriculture. The largest percentage of its population is engaged in agricultural pursuits. The territory selected gives as well-balanced a section from the standpoint of varied industries as can be found in the entire South.

#### COMMERCE OF TERRITORY SELECTED.

The second map introduced at the hearing shows the basic commerce of the territory selected, chiefly cotton, lumber, and naval stores, in the order named.

Below the red line on this map are produced about 7,500,000 bales of cotton, valued at about \$475,000,000.

Below the black line are produced naval stores to the aggregate value of about \$35,000,000.

Below the blue line are produced approximately 6,500,000,000 feet of lumber, valued at about \$120,000,000.

*North Carolina.*—The bulk of North Carolina's commerce, in and out, is with the North and East and with foreign countries. The largest volume of it is handled through the ports of Norfolk and Wilmington. Strange as it may seem, however, Savannah gets some cotton from North Carolina. Neither Wilmington nor Norfolk are comparable with Savannah in exports.

*South Carolina.*—South Carolina's commerce, in and out, is with the North and East and abroad, and the largest volume of it is handled through the ports. The northern part of South Carolina is doubtless served by the ports of Norfolk and Wilmington, while Savannah divides with Charleston the commerce of the lower half of South Carolina. In exports Charleston does not compare with Savannah.

*Florida.*—Florida's cotton crop is confined chiefly to sea-island, a large part of which is marketed at Savannah, where the larger percentage of the entire crop of sea-island cotton of the United States is marketed. Notwithstanding Florida produces the naval stores of the Southeast, this important crop is marketed through Savannah, for the reason that Savannah is still the primary naval stores market of the world and fixes the prices on naval stores for all the world. Savannah is the second cotton port of the United States, and by



reason of this fact is prepared to furnish the tonnage for Florida's naval stores, and therefore Savannah controls the exports of naval stores from Florida.

The commerce of Florida is largely inbound and outbound, with the North and East and foreign, and moves through the ports of Jacksonville, Tampa, Pensacola, and Savannah. Florida's fruit and truck crops move out largely north by rail. This movement to the great cities of the North and East is much larger than to the West.

The peculiar outline of Florida—peninsular in form—which confines Jacksonville's activities largely to the State of Florida, and Savannah's location on the highway between the North and East and Florida, make Savannah the logical point to serve Florida, and we believe that our Florida friends will, upon reflection, agree with us in this view.

The exports of any or all of the ports of Florida are considerably less than those of Savannah.

*Alabama.*—I am satisfied it will be found, upon analysis, that the bulk of Alabama's commerce is also with the North, East, and foreign. This commerce is divided between the Gulf ports of New Orleans, Mobile, and Pensacola, and the Atlantic ports of Savannah, Charleston, and possibly Norfolk. I have no figures to show to what extent Savannah handles the commerce of Alabama, but I do know that Savannah gets a world of cotton from Alabama—Montgomery, Opelika, Eufaula, Andalusia, Columbia, Dothan, Ozark, Troy, etc.

Cotton seeks the port where tonnage is available. Savannah supplies the tonnage.

The exports of Mobile, Alabama's chief port, are not comparable with those of Savannah.

The statement has been made to me in writing by a fertilizer agency's company of Savannah that practically 50 per cent of the foreign fertilizer materials used in Alabama moves through the port of Savannah.

*Georgia.*—Agriculture is Georgia's principal industry, employing three-fifths of her population, and cotton is her chief crop. Georgia, in cotton, is away ahead of any of the other States named. In lumber products Georgia ranks only fourth, the lumber industry having moved largely to Florida and Alabama. In this connection, however, it might be stated that there is a very large acreage of hardwood timber in northeast Georgia, which must soon be cut and find its way to the markets of the world. In naval stores Georgia ranks next to Florida. I have already explained that while Florida produces the naval stores crop, Georgia's port, Savannah, finances and markets it. In capital invested in cotton mills, Georgia ranks third. In cotton oil mills products Georgia ranks first. In expenditures for fertilizers Georgia is overwhelmingly ahead of any of the other four States. Georgia's commerce is very much more largely with the North and East and foreign than it is with the West.

#### THE PORT OF SAVANNAH.

While it is true that a part of this commerce moves through the ports of Norfolk and Charleston, the overwhelming volume of it is handled through the ports of Savannah and Brunswick. With her magnificent fleet of coastwise steamships, and with her direct freight steamships plying between Savannah and the ports of the United Kingdom and the Continent of Europe, and not infrequently with the ports of Latin America and the Orient, Savannah has built up an export business which on June 30, 1912, aggregated over \$104,000,000, and which places Savannah among the ports of the Atlantic in the matter of exports, next to New York, and among the entire ports of the United States Savannah ranks fourth in exports. The figures given do not include exports moving through Savannah indirect via the eastern ports of New York, Boston, Baltimore, and Philadelphia, for which credit is not given Savannah in the Government statistics. Nor do these figures include any of the domestic commerce moving through Savannah between the Southeast and the North and East.

Savannah receives cotton from not only Georgia, Florida, Alabama, North Carolina, and South Carolina, but from Arkansas, Oklahoma, Mississippi, Tennessee, and even as far west as Texas.

Of the entire section selected by Savannah as the region to be served by a Federal reserve bank, with headquarters at Savannah—

(1) Georgia is the most important not only from the standpoint of basic commerce, but practically in every other respect.

(2) Savannah as a port handles for the section a larger volume not only of the basic commerce, but commerce of every other kind, than any other port that serves the section, and really more than most of the other ports combined.

(3) Savannah through her banks, her cotton and naval-stores factors, her lumber merchants, her fertilizer manufacturers, and her business men generally does more than any other port that serves the section or than any other individual city located in the section to finance the making and marketing of the basic commerce of the section.

The financing of cotton, lumber, and naval stores and other commerce—exports and domestic, and imports passing through the port of Savannah, in and out—is done in many varied ways—by the banks in shipments of currency and loans to interior banks and individuals, in purchases and sales of domestic and foreign exchange, loans to factors (cotton, naval-stores, and lumber) and fertilizer manufacturers, and by the factors in capital invested and in money borrowed, which is advanced to the producers, and by exporters through credit established for them in the interior by the Savannah banks, or through loans or banking facilities, and by the fertilizer manufacturers in capital

invested and in the value of annual output, which is sold to the producers on time, to be paid for when the crop is marketed.

Savannah's cotton receipts, using the figures for 1911-12 (1913 being a short crop year) were 2,392,181 bales. The value of this cotton at this year's prices, approximately \$70 a bale, is in round figures \$168,000,000. We know that Savannah financed either with actual cash or credit or otherwise the largest part of the money needed to make and market this cotton.

Savannah's fertilizer manufacturers do more than any interior bank or city, or probably many of them combined, to finance the cotton crop. I am reliably informed it is a fact that Savannah manufactures not only more fertilizers than any port or city in the South, but more fertilizers than is manufactured at any other one point in the world, with the possible exception of Baltimore. The aggregate capacity of her fertilizer factories is approximately 450,000 tons annually, which at \$25 per ton gives a value of \$11,250,000, large figures when it is considered that the total expenditures for fertilizers in Georgia, South Carolina, North Carolina, Alabama, and Florida aggregate about \$68,000,000. Apparently Savannah furnishes and finances more than one-sixth of the fertilizers used in the entire section, and these figures do not include large imports of fertilizers that move through the port of Savannah direct to interior manufacturers.

The value of the naval stores crop which Savannah finances annually is about \$12,500,000, striking figures when taken into consideration with the fact that the aggregate naval stores production of North Carolina, South Carolina, Georgia, Alabama, and Florida is a little over \$32,000,000. Savannah finances over one-third of the naval stores crop of the Southeast.

The purchases of domestic and foreign exchange by Savannah banks aggregate about \$250,000,000 annually.

The most satisfactory way, however, of determining the extent to which Savannah finances the commerce of this section is to consider her bank clearings. In this connection it should be clearly understood that in arriving at the figures given as the bank clearings of Savannah at this time, \$280,538,512 annually, only local transactions between the banks in Savannah, members of the clearing association, are included. The out-of-town items are not included as is done in Atlanta. In verification of this statement, attention is called to the fact that in 1906 Atlanta arrived at her bank clearings apparently in the same manner as Savannah now computes hers, and that Atlanta's bank clearings in 1906 were \$235,997,896 as against Savannah's \$242,524,626. It seems that in recent years Atlanta adopted the practice of including out-of-town items in her clearings. Savannah's clearings at the present time, on the Atlanta basis—that is,

out-of-town items included—would amount to \$903,825,796 annually. The difference between Savannah's clearings—not including out-of-town items, approximately \$280,000,000—and what Savannah's clearings would be with out-of-town items included, approximately \$900,000,000, is \$620,000,000, which latter amount can be fairly considered as the aggregate amount of money financed by Savannah in the making and moving of the crops and other commerce of this section.

Savannah's financial transactions are peculiar and distinctive, and as they aggregate, as we have already shown, more than the financial transactions of any other city or any other port in this section, Savannah is clearly entitled strictly on her merits to the Federal reserve bank for this section.

It is at Savannah more than at any other port in this section that the commerce of the section funnels, as it were. It is at Savannah more than at any other port or city in this section that this commerce is financed. It is at Savannah that the physical pressure and the financial pressure of this commerce are the strongest. It is at Savannah that exports meet the ocean and imports meet the land. It is at Savannah that rail transportation and water transportation unite for the handling of commerce of this section. It is at this great funnel of commerce—Savannah—that this magnificent financial power plant—the Federal reserve bank—should be established.

The point may be made that the foreign commerce of the Southeast should not be given as much weight in the consideration of this matter as purely domestic commerce. I have no way of determining just how the aggregate of purely domestic commerce compares with the aggregate of foreign commerce. I may be mistaken, but I think so far as the basic commerce is concerned, cotton, lumber, and naval stores, the aggregate value of foreign business will exceed that of domestic business. Be that as it may, it is all the same to the producers of this section whether it be domestic commerce or foreign commerce, as it is all financed practically in the same way. I am not here to say that the purely domestic commerce does not require large sums of money, but it does not require that money in the same way as the so-called foreign commerce. The manufacturer, the wholesaler, or the retailer is in a position to determine his financial needs well in advance. These needs are more or less stable and continuous and uniform. Cotton, however, is a cash crop. It is cash from the time it leaves the producer until it gets to the Eastern mills or across the Atlantic. When cotton begins to move, the money necessary for its expeditious transportation must be forthcoming at once. It is not an infrequent occurrence for Savannah to receive in excess of \$1,500,000 in cotton drafts per day during the cotton movement. It is not an infrequent occurrence for Savannah banks to

have to wire New York from day to day to place vast sums to their credit with which to move the crop. When the market is dull the Savannah banks are required to finance the cotton which accumulates at the port awaiting renewed market activity.

Naval stores is also a cash crop as between factors and exporters, and practically so between factors and producers, the factors advancing money to the producers to make the crop and settling finally with the producers immediately after sales have been made to the exporters.

This law was designed primarily to promote commerce—basic commerce—that is, the products of the soil, of the forests, and of the mines—the substructure, as it were, of the wealth of this entire section—the foundation upon which has been raised that superstructure which comprises our manufacturing, jobbing, retailing, and other businesses. If we want to increase the basic wealth of this section, we must devote our energies and our money to the soil, the forests, and the mines. Manufacturing and other industries will naturally and inevitably take care of themselves, and therefore do not have to be taken very much into account in the establishment of Federal reserve banks.

It is an economic truth that the agricultural industry is the measure of the banking interests of this southeastern section and that all other industries are of secondary importance. Should the question be raised that in a very largely agricultural district a Federal reserve bank would be active only a part of the year, namely, during the periods covering the movement of the crops, and that therefore the location of the bank at a point where industries would be more varied, securing more continuous activities for the bank, would be preferable, the answer on the part of Savannah would be that there is scarcely a day throughout the entire year when large sums of money are not borrowed either for producing the crops or moving them; Savannah is now borrowing from New York more largely for the purposes mentioned than any other port or city in the section. Under the changed conditions to be inaugurated by the new law Savannah will borrow from the Federal bank, and naturally, because of the reasons stated, Savannah feels that she should have the headquarters bank for this section.

Savannah does not now loan money in every part of the territory selected. Savannah does loan money, however, largely in South Carolina, Georgia, Florida, and Alabama. Savannah borrows greatly in order to loan greatly, and this condition is a more or less continuous one throughout the year, for the purpose either of making or marketing the products of this section. Large borrowing is essential to the rapid and expansive development of a distinctively agricultural section.

That part of the Southeast naturally tributary to Savannah is increasing in importance agriculturally and every other way by leaps and bounds, and Savan-

nah's importance as a port is increasing proportionately therewith. Large as is the extent to which Savannah finances the basic crops of this section at present, she will be expected to do and must do vastly more in the future.

With the rapidly developing agricultural and manufacturing importance of the section to be served by this Federal reserve bank, and with the completion of the Panama Canal and the bringing nearer commercially to this section of the countries of Latin America, the establishment of passenger steamships between Savannah and the ports of Europe and Latin America can be easily foreseen. A Federal reserve bank located at Savannah would then be in convenient and ready communication with its branches in Europe and Latin America.

In the entire section proposed to be served by the Federal reserve bank at Savannah the trend of agricultural development is toward the coast and not toward the mountain range, which extends from the northeast toward the southwest, through the western part of this section. It has been discovered that the soils near the coast are suitable not only for the production of the staple crops—cotton, corn, etc.—but also for truck crops. In the State of Georgia the trend of population is toward the southern part of the State, below a line drawn east and west through Macon. What does this mean? Simply that the not very distant future will see the larger part of the wealth of the proposed Federal reserve bank region concentrated in the coastal section.

The National Government has recognized in a very signal way the supreme commercial importance of the port of Savannah in that it has expended nearly \$9,000,000 on the improvement of the Savannah River and Harbor. For every dollar that has been expended on the Savannah River and Harbor and for every increased foot of depth of channel there have been corresponding benefits in greater tonnage capacity of vessels and reduced ocean freight rates, which benefits have been participated in by all consumers in the vast territory tributary to the port of Savannah. Commerce moves through the port of Savannah as far west as the Rocky Mountains—Pueblo, Denver, Colo., and Salt Lake City, Utah, etc.

The statement should not be omitted here that the railway and steamship lines at Savannah have expended millions of dollars in providing magnificent port terminals, that they have now under contemplation expenditures for improvements aggregating over a half million dollars, and that these terminal facilities have contributed very largely in attracting to the port of Savannah a large part of the commerce of the Southeast.

#### SUMMARY.

The section selected by Savannah is readily accessible to Savannah.

The trend of commerce from the entire section is to and from the North and East and foreign through the ports.

Georgia's supreme commercial importance as compared with the other States of the proposed section has been shown.

Savannah handles a larger volume of the commerce of this section than any other port.

Savannah handles a larger volume of financial transactions based on the commerce of this section than any other port or city.

Savannah finances the commerce of this section to a larger extent than any other port or city.

The purpose of the law is to do the greatest good to the greatest number, to benefit the people of the

country as a whole, to promote commerce, particularly basic commerce, which comprises chiefly the products of the soil, the forests, and the mines.

This committee is making a thoroughly conscientious effort to arrive at conclusions in the matter of establishing these Federal reserve banks from a broadly patriotic standpoint, which, correctly interpreted, means a sound, economic standpoint.

This committee will locate the reserve bank for this section at such a point and in such a city as will best enable that bank to subserve the public good, to meet the economic necessities of the section.

Savannah is just such a place, and meets with mathematical exactness the requirements of the situation.

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SEATTLE, WASH.

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# SEATTLE, WASH.

## BRIEF ON PACIFIC NORTHWEST.

By Seattle Chamber of Commerce and the Seattle Clearing House Association.

*The Federal Reserve Bank Organization Committee,  
Washington, D. C.*

SIRS: The joint committee of the Seattle Clearing House Association and the Seattle Chamber of Commerce beg to submit the following summary of reasons why a separate reserve district should be created for the States of Washington, Oregon, Idaho, and western Montana, with a Federal reserve bank located at Seattle.

### I.

The basic reasons for the creation of a separate Northwest reserve bank district are certain physical, geographical, and commercial conditions. These three fundamentals have created the clearest natural line of cleavage between the Northwestern and the Southwestern groups of States to be found anywhere in this country.

The Potomac River is the only other group and trade boundary that can be compared with the southern line of Oregon and Idaho; and the Potomac can not begin to compare with this latter isolated line as to the small volume of commerce crossing it. The more important fact is that while the percentage of commerce north and south of the Potomac which crosses that dividing line is increasing, that of the Northwestern and Southwestern groups of States of the Pacific coast is decreasing.

To find the reasons for the clear-cut separation of the two Pacific coast groups of States, it is only necessary to examine a few controlling physical features and to consult an atlas.

The Southwest States have their great world outlet at San Francisco Bay, with an undeveloped harbor at San Diego and a limited harbor at Los Angeles. The Northwest group have, in the Columbia River, an already developed world port, although restricted as to depth and by its yet uncontrolled shifting bar. The great world outlet of the Northwest group is Puget Sound, which is unrestricted as to depth and area, and contains the greatest group of natural harbors in the world. Seattle alone, with completion of the Lake Washington Canal in 1914, will have over 100 miles of dock frontage. To this we will merely

add the statement made by the Chamber of Commerce of the United States, in August last, as follows:

The most colossal change in the import and export history of the United States has, in the past two decades, centered about Puget Sound.

Ten separate transcontinental railway tracks and systems serve the Pacific Coast States. Five of these systems serve the Southwestern group and five the Northwestern States. Only one single-track railroad connects these two groups.

The proportion of 1 railroad line to 10 fairly represents the proportion of the interstate commerce between these two groups, as compared with their trade with the great Central and Eastern States and with foreign countries.

The coastwise trade between San Francisco and Puget Sound is only a circumstance compared to that on the Atlantic coast. When, in addition, we consider that there are three great trunk line railways carrying traffic across the Potomac River, compared with the one on the Pacific coast, it must be evident that nowhere else in the United States have nature, geography, and the currents of commerce combined to so clearly create the natural trade boundary between two adjacent groups of States; nowhere else is a natural district boundary so clearly indicated.

The provision that districts shall be created "with due regard to the convenience and customary course of business," if regarded as controlling by your committee, would naturally preclude the joining of two great geographical sections, only 10 per cent of whose commerce and trade is mutual. Based on either commerce or banking, there is five times as much reason why we should be attached to a Chicago district as there is for forcing the Northwest into a single Pacific coast district.

While San Francisco generously claims to control the foreign commerce of the Pacific coast, the answer of Federal Government records makes that claim absurd.

The total foreign commerce of San Francisco for 1913 was \$128,523,000, while that of Puget Sound was over 88 per cent of this sum, or \$114,022,000.

The foreign commerce of Puget Sound and the Columbia River together exceeded that of San Francisco in 1913 by over \$1,500,000. Federal statistics show that the clearance of net tonnage engaged in foreign trade from San Francisco for the fiscal year 1912-13 was 1,270,736. For the same year the net foreign tonnage clearing from Puget Sound was 3,058,504.

Moreover, the increase in Puget Sound foreign commerce from 1902 to 1912 was 124 per cent, while San Francisco's increase in the same period was only 48 per cent. At this rate of increase Puget Sound will within three years surpass San Francisco.

One of the controlling reasons for this great increase is that the distance from Chicago to Yokohama, via Puget Sound and the great circle route, is 1,285 miles less than that through San Francisco, following her steamers' customary route via Honolulu to the Orient. These facts confirm the declarations of all the big shipping lines that Puget Sound will soon be the chief foreign port of the Pacific coast.

Nature has created and the lines of commerce support these two world outlets on our western coast. It would seem proper that the regional bank divisions created by your committee should relate themselves normally with this great natural division, rather than to create an abnormally related district, tending to make one overshadowing financial center on the Pacific such as is New York on the Atlantic coast.

## II.

We believe that in order to carry out the spirit and intent of the Federal reserve act it will be necessary for your organization committee to create not less than 10 Federal reserve districts. This will be found necessary unless you are to radically divert the present currents of commerce and banking.

We maintain that when any district or group of States are found to constitute a separate natural district, such as these four Northwestern States, that district should be created irrespective of the amount of national banking capital immediately available. Whatever the particular reason may have been for inserting the provisions of section 2, it would at least seem clear that if any such natural district is found temporarily deficient in capital, your organization committee is fully authorized to allot to the United States such an amount of stock for that district as shall bring it up to the required minimum. And we have no hesitation in declaring that such action on your part to create a separate Northwest regional bank district would most normally and properly relate the banking operations of this great and separate section of the country to that of the reserve system as an interrelated whole. The deficit in capital for a Northwest district, if any, would be small, as many responsible citizens stand ready to subscribe for stock if a reserve bank is located on Puget Sound.

## III.

There are certain particular reasons why branch banks in the Northwest would not serve this region as well as a separate regional bank.

One special reason is found in the evident intent of Congress to have the reserve banks specially care for foreign commerce, as indicated by section 13 and other parts of the act. We maintain that this could be better done by a smaller regional bank located at the chief outlet of foreign commerce in the Northwest than by a branch of a San Francisco bank.

Among the many reasons for this conclusion we shall cite only the following:

A branch bank in Seattle would practically have available only the reserve funds of its immediate vicinity. California having the same general seasonal requirements as the Northwest, would not be able to give us any additional funds at the time we would require them; on the other hand, as a separate reserve district, we could normally and properly exchange rediscounts with a more powerful district, such as Chicago, whose seasonal requirements would vary from those of our own.

In view of the importance, repeatedly emphasized by your committee, of the value of a normal and habitual exchange of rediscounts, we believe it will appeal to your committee as desirable that the several reserve banks should have a more or less constant rediscount movement flowing from one reserve center to another, in accordance with seasonal requirements. This would seem highly important for the additional reason that such rediscounts from one reserve bank to another could not then be taken as meaning financial stringency in any menacing sense, nor become the occasion for financial alarm and disturbance of business conditions, as they certainly would if there were no custom of rediscounting between reserve banks.

If it be true that the Northwest would be better served by being made part of a larger bank at San Francisco, then the New York bankers were correct in saying that the district bank to be established in that city should have at least one-half of the entire capital of the reserve bank system of the country; in fact, to carry that principle to its logical conclusion, the New York bankers must have been correct in asking for a single bank with branches throughout the country.

However, Congress has created instead a system of regional banks, on the theory that each general business district should constitute a separate reserve district; and the West believes that is the proper system. It should, however, be clear to your committee that the Northwest States, unless permitted to form a separate district, will be more poorly served than if we were given branches of a single bank in New York City.

Some additional reasons why Northwest branches of a San Francisco bank will not serve this district as well as a separate reserve bank, are found in the fact that the actual controlling and managing directors of every reserve bank must necessarily live within one night's travel of its main office. If, for example, a resident of either Seattle or Spokane were chosen as a director in the San Francisco reserve bank, and he should leave his home every Monday by the fastest train, spend one day in the bank at San Francisco and return by the fastest train, he could have only Saturday of each week for contact with bankers and business men in his own vicinity; in other words, one-sixth of his business time would be given to the reserve bank, one-sixth to keeping in touch with the section he specially represents, and four-sixths to rail travel. This practically means that the San Francisco bank must be actually managed by residents of San Francisco. On the contrary, a reserve bank located in Seattle could have directors conveniently residing in Portland, Spokane, and Tacoma, inasmuch as it is only one night's travel from any one city to the other.

Other reasons why a branch bank, under the particular conditions existing on the Pacific coast, would not be satisfactory are that the directors of each branch are not selected by the local banks, but are chosen wholly by the reserve bank and the Federal Reserve Board. In other words, it is not a local institution, but is distinctly a branch of the central bank, which exercises absolute control. Under our conditions here, a Seattle branch would have only its own accumulation of reserve funds, and even that would be controlled by directors appointed by and responsible to the San Francisco board.

It is to be particularly noted that only Federal reserve banks may apply for Federal reserve notes, and that branch banks are not permitted to apply. It is certain that with the lack of common banking and commercial interests between the Northwest and California any action of the San Francisco bank for or against the taking out of Federal reserve notes would be governed by her own needs and conveniences, and not by the wishes of her Northwest branches. We are lacking in the identity of commercial interests necessary to protect us in any special needs that may arise in this separate part of the country.

#### IV.

There are apparently two principal bases for the creation of separate reserve districts; one of these is geographical distance and convenience of service, the other is separate commercial groupings or natural divisions of trade and banking. It is because of this latter reason that New England can be properly made a separate regional district, although Boston is only

distant six hours from New York. It is for the same reason that a separate district is planned for St. Louis, although it is only a night's run from Chicago.

Presumably both of these reasons would apply to the creation of a separate district surrounding Atlanta, even though that district, like our own, might be somewhat short of the required capital.

We believe your committee will recognize that both these reasons apply with special force to a Northwest district. From the standpoint of actual mail service, Seattle and Spokane are as distant from San Francisco as are St. Paul, Omaha, Kansas City, and New Orleans distant from New York.

We maintain that to place the Northwest States in a San Francisco district, in the absence of a reasonable degree of commercial identity, and with so much of remoteness and delay in communication, would be in violation of the spirit and intent of the Federal reserve act.

In all the Western States the trend of business and of banking connections is east and west and not north and south. It must follow, therefore, that a separate Northwest reserve bank, having its own rediscount relations with larger reserve banks in the East and with power to apply for Federal reserve notes in accordance with the particular needs of the Northwest, would much better serve this district than could any mere branches of a San Francisco bank.

#### V.

Concerning Alaska, we merely desire to add that 72 per cent of the commerce of that Territory flows through Puget Sound. The development of Alaska, by means of railroad, mining, and similar constructive policies of the present administration, will open for settlement a territory equal to one-fifth of the continental United States, and capable of supporting a population larger than that of Norway, Sweden, and Denmark combined. It would seem clear that this great empire, whose entire passenger and mail service is from Puget Sound, will best be served by a regional bank at this point rather than in San Francisco.

#### VI.

We have already filed with your committee an album of maps and compiled statements showing in part the great volume of agriculture, manufacturing, commerce, and banking in the Northwest.

We believe you recognize that the rate of increase here will be tremendously rapid, and will within a few years at most make it imperative that a separate Northwest district be formed.

Because the attaching of the Northwest and San Francisco would be an unnatural diversion of our



banking connections, it would necessarily create new and abnormal banking channels, making more difficult our final separation as a new reserve district.

We therefore believe it will appeal to you as more logical, far-sighted, and statesmanlike to establish the Federal reserve system in the Northwest, from its very beginning, on the only basis that could receive any thoughtful approval a few years from now, viz, a district consisting of the States of Washington, Oregon, Idaho, and western Montana, with a bank located at

their natural outlet and commercial center on Puget Sound.

Respectfully submitted.

M. F. BACKUS,  
 GEORGE DONWORTH,  
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Joint Committee for the Seattle Clearing House Association and the Seattle Chamber of Commerce.

**STATISTICAL TABLES—PACIFIC NORTHWEST AND PUGET SOUND.**

(Prepared for Reserve Bank Organization Committee by Seattle Chamber of Commerce and Seattle Clearing House Association.)

**AGRICULTURE.**

*Distribution of farming.*  
 [United States census, 1910.]

Areas.	Subdivisions.	Number of farms.	Value of farms.	Value of productions.
Sg. m. 15,601 8,930	Puget Sound counties.....	16,698	\$128,364,262	\$12,391,085
	Balance western Washington (outside Puget Sound counties).....	7,235	45,973,935	4,776,364
29,457	All western Washington.....	23,933	174,338,197	17,167,449
	Western Oregon.....	30,842	308,369,489	27,870,579
12,113	Washington and Oregon (west of Cascade Mountains).....	54,775	482,707,686	45,038,028
	Central Washington.....	7,514	103,645,640	9,123,954
325,897	All western and central Washington plus western Oregon.....	62,289	586,353,326	54,161,982
	Balance Pacific Northwest district.....	96,426	1,232,579,822	137,878,210

*Farming.*

[From United States census.]

State.	Number of farms, 1909.	Value of production, 1909.	Number of acres, 1909.	Rate of increase, 1899-1900.	Value of farm property, 1909.	Rate of increase, 1899-1900.
Washington.....	56,192	\$78,927,053	11,712,235	37.8	\$637,543,411	342.6
Oregon.....	45,502	49,040,725	11,685,110	16.0	528,243,782	205.8
Idaho.....	30,807	34,357,851	5,283,604	64.9	305,317,185	353.9
Montana.....	26,214	29,714,563	13,545,603	14.4	347,828,770	195.1
Pacific Northwest district..	158,715	192,040,192	42,226,552	25.6	1,818,933,148	262.4

*Value of crops, etc.*

State.	Valuation of farm property.		Per cent of increase.
	1900	1910	
Washington.....	144,040,547	637,543,411	342.6
Oregon.....	172,761,287	528,243,782	205.8
Idaho.....	67,271,202	305,317,185	353.9
Montana.....	117,859,823	347,828,770	195.1
Total.....	501,932,859	1,818,933,148	262.4

State.	Total production.		Per cent of increase.	Number of farms.		
	1899	1909		1890	1900	1910
Washington.....	23,532,150	78,927,053	235.4	18,056	33,202	56,192
Oregon.....	21,806,687	49,040,725	121.9	25,530	35,837	45,502
Idaho.....	9,267,261	34,357,851	270.7	6,603	17,471	30,807
Montana.....	10,692,515	29,714,563	177.9	5,603	13,370	26,214
Total.....	65,298,613	192,040,192	194.1	55,792	99,880	158,715

**ALASKA.**

*Steamship lines to Alaska.*

Company.	Vessels operated.
Alaska Steamship Co.....	13
Pacific Coast Steamship Co.....	3
Humboldt Steamship Co.....	1
Northland Steamship Co.....	2
W. F. Swan & Co.....	1
Pacific Alaska Navigation Co.....	3
Canadian Pacific Railway (out of Vancouver, British Columbia).....	3
Total.....	26

Number of sailings per annum to Alaska, 228.

NOTE.—In summer months E. J. Dodd Steamship Co. operate an occasional boat, but not at regular times.

*Comparison of Puget Sound with whole Pacific coast trade, not including gold, year ending June 30, 1913.*

[From Annual Summary of Commerce and Finance.]

**Imports from—**

Pacific coast.....	\$20,179,547
Puget Sound.....	\$16,554,896
Ratio of Puget Sound to whole Pacific coast.....	82

**Exports to—**

Pacific coast.....	\$24,014,556
Puget Sound.....	\$15,211,946
Ratio of Puget Sound to whole Pacific coast.....	63.34

**Total imports and exports:**

Pacific coast.....	\$44,194,103
Puget Sound.....	\$31,766,842
Ratio of Puget Sound to whole Pacific coast.....	71.88

The above does not include gold, which is a large item in the commerce of Alaska. The United States assay office at Seattle is maintained for the purpose of accommodating the gold fields of the north, and the bullion received at that office affords an additional reason for Seattle being the location for a regional bank.

The only considerable item of Alaska commerce going elsewhere than to Puget Sound is fish. San Francisco still has a substantial interest in the fisheries of the north, and some of the product goes to that port, and some of the supplies for fishing companies are still sent north from that port. Only a few years ago practically all of the Alaska fisheries were supervised, financed, and directed from San Francisco. The change which has come about is one more index of the shift of business, finance, and the lines of trade, to Puget Sound, notwithstanding the long-established custom of doing business with San Francisco.

APPROPRIATIONS.

Comparison between total appropriations, Oregon and Washington.

[From United States Engineers.]

Oregon:	
Mouth of Columbia River.....	\$12, 143, 424
Columbia and lower Willamette below Portland..	3, 380, 365
<b>Total.....</b>	<b>15, 523, 789</b>
Washington:	
Lake Washington Canal.....	2, 385, 219
Puget Sound and tributary waters.....	2, 492, 778
<b>Total.....</b>	<b>4, 877, 997</b>

The total expended on Puget Sound harbors and rivers and Lake Washington Canal will add to the port of Seattle approximately 100 miles of water front, nontidal, fresh-water harbor.

The Government has expended on the Columbia and Willamette Rivers up to Portland \$15,523,789 in an effort to maintain an open harbor, to retain and foster commerce through that channel. In the same period the Government has expended \$4,877,997 on all the rivers and harbors of Puget Sound, including Lake Washington Canal, not yet completed or even in use.

BANKING.

Resources of all banks.

[From National Monetary Commission tabulations.]

State.	June 30, 1900.	Apr. 28, 1909.	Per cent increase, 1900-1909.	June 4, 1913.	Per cent increase, 1909-1913.
Washington.....	\$41, 564, 915	\$198, 473, 825	377. 5	\$249, 180, 293	25. 5
Oregon.....	23, 368, 670	113, 888, 281	387. 3	163, 392, 993	43. 5
Idaho.....	5, 968, 606	42, 738, 242	614. 3	51, 434, 591	20. 3
Montana.....	30, 590, 141	69, 792, 276	128. 1	108, 103, 409	54. 9
<b>Total Pacific States<sup>1</sup>.....</b>	<b>506, 660, 598</b>	<b>1, 313, 922, 371</b>	<b>159. 3</b>	<b>1, 823, 328, 335</b>	<b>38. 8</b>

<sup>1</sup> Includes Washington, Oregon, California, Arizona, Nevada, Utah, and Idaho.

Comparison between Seattle, Tacoma, Seattle and Tacoma, and Portland and Spokane.

City.	Bank deposits, Oct. 21, 1913.	Bank clearings, calendar year 1913.	Number of banks.	Post-office receipts, calendar year 1913.	Building permits, calendar year 1913.
Seattle.....	\$81, 578, 418	\$664, 857, 000	30	\$1, 344, 248	\$9, 321, 115
Tacoma.....	21, 617, 472	133, 455, 000	8	283, 599	2, 474, 364
<b>Total.....</b>	<b>103, 195, 890</b>	<b>798, 312, 000</b>	<b>38</b>	<b>1, 627, 847</b>	<b>11, 795, 479</b>
Portland.....	74, 690, 186	627, 818, 000	25	1, 183, 544	12, 956, 915
Spokane.....	40, 976, 969	219, 265, 000	14	503, 694	3, 430, 935

BANKING.

[From official reports of June 4, 1913.]

	Deposits.	Capital and surplus.	Percentage of Washington.		Percentage of whole district.	
			Deposits.	Capital and surplus.	Deposits.	Capital and surplus.
Puget Sound financial zone.....	\$126, 538, 468	\$19, 231, 748	62.08	56.61	27.90	22.35
Percentage of whole district.						
			Deposits.		Capital and surplus.	
Washington.....	203, 842, 216	33, 974, 443	44.94	39.49		
Oregon.....	128, 873, 977	25, 043, 829	28.41	29.11		
Idaho.....	36, 973, 023	9, 611, 554	8.15	11.17		
Montana.....	83, 929, 155	17, 405, 271	18.50	20.23		
<b>Pacific Northwest district.....</b>	<b>453, 618, 371</b>	<b>86, 035, 097</b>	<b>100.00</b>	<b>100.00</b>		

Comparison between Seattle, Tacoma, Seattle and Tacoma, and Portland and Spokane—Continued.

BANKING—Continued.

	Deposits.	Capital and surplus.	Per cent of Washington.		Per cent of total district.	
			Deposits.	Capital and surplus.	Deposits.	Capital and surplus.
Puget Sound financial zone.....	\$126, 538, 468	\$19, 231, 748	62.08	56.61	27.90	22.35
Per cent of whole district.						
			Deposits.		Capital and surplus.	
Washington.....	203, 842, 216	33, 974, 443	44.94	39.49		
Oregon.....	128, 873, 977	25, 043, 829	28.41	29.11		
Idaho.....	36, 973, 023	9, 611, 554	8.15	11.17		
Montana.....	83, 929, 155	17, 405, 271	18.50	20.23		
<b>Total district.</b>	<b>453, 618, 371</b>	<b>86, 035, 097</b>				
Alaska (not included above).....	4, 341, 684	\$23, 000				

	Capital and surplus.	Due to banks.	Deposits, including due to banks.	Loans.	All resources.
Seattle.....	\$10, 458, 000	\$10, 842, 319	\$81, 677, 573	\$50, 102, 160	\$95, 269, 317
Tacoma.....	2, 905, 000	1, 502, 095	21, 989, 783	14, 226, 223	25, 936, 246
<b>Total.....</b>	<b>13, 363, 000</b>	<b>12, 344, 414</b>	<b>103, 667, 356</b>	<b>64, 328, 383</b>	<b>121, 205, 563</b>
Portland.....	12, 113, 941	11, 684, 132	74, 194, 378	46, 228, 863	90, 688, 092
Spokane.....	5, 937, 965	5, 279, 299	31, 427, 471	21, 438, 893	78, 654, 274

State and national banks.

State.	Capital.	Deposits.	Loans.	All resources.
1913.				
Washington.....	\$24, 931, 000	\$203, 842, 000	\$139, 549, 000	\$249, 180, 000
Oregon.....	17, 997, 000	128, 873, 000	85, 614, 000	163, 392, 000
Montana.....	13, 094, 000	83, 929, 000	64, 832, 000	108, 103, 000
Idaho.....	7, 280, 000	36, 973, 000	31, 183, 000	51, 434, 000
<b>Total.....</b>	<b>63, 282, 000</b>	<b>453, 618, 000</b>	<b>324, 178, 000</b>	<b>572, 111, 000</b>
1900.				
Washington.....	4, 600, 000	30, 458, 000	16, 141, 000	38, 884, 000
Oregon.....	2, 984, 000	17, 439, 000	10, 253, 000	23, 333, 000
Montana.....	3, 295, 000	21, 125, 000	14, 127, 000	28, 121, 000
Idaho.....	735, 000	4, 469, 000	1, 809, 000	5, 815, 000
<b>Total.....</b>	<b>11, 614, 000</b>	<b>73, 491, 000</b>	<b>42, 330, 000</b>	<b>96, 153, 000</b>
1890.				
Washington.....	7, 229, 000	19, 528, 000	19, 307, 000	30, 726, 000
Oregon.....	3, 457, 000	11, 557, 000	11, 775, 000	18, 670, 000
Montana.....	3, 455, 000	14, 041, 000	13, 809, 000	21, 022, 000
Idaho.....	400, 000	1, 436, 000	1, 088, 000	2, 244, 000
<b>Total.....</b>	<b>14, 541, 000</b>	<b>46, 562, 000</b>	<b>45, 979, 000</b>	<b>72, 662, 000</b>

Following is a summary of the capital stock and surplus of the national banks in the States indicated, taken from the Abstract of the Comptroller of the Currency, for the call of June 4, 1913.

The amounts given under the caption "State banks" are estimates of the capital and surplus in State banks that are eligible to become identified with the Federal reserve banking system, so far as capital stock requirements are concerned. The State bank figures are unofficial, but are believed to be conservative.

State.	National banks.	State banks.	Total.
Washington.....	\$17, 252, 170	\$11, 274, 000	\$28, 526, 170
Oregon.....	13, 737, 330	8, 192, 000	21, 929, 330
Montana.....	7, 828, 700	6, 951, 000	14, 779, 700
Idaho.....	4, 882, 111	3, 160, 000	8, 042, 111
<b>Total.....</b>	<b>43, 700, 311</b>	<b>29, 577, 000</b>	<b>73, 277, 311</b>

Recapitulation taken from reports of June 4, 1913.

State.	Capital and surplus.	Due to banks.	Deposits, including due to banks.	Loans.	All resources.
Washington...	\$33,974,443	\$19,308,243	\$203,842,216	\$139,781,748	\$249,180,293
Oregon.....	25,043,829	12,950,720	128,873,977	88,722,683	163,392,993
Montana.....	17,405,271	5,783,834	83,929,155	64,832,714	108,103,409
Idaho.....	9,611,554	1,996,894	36,973,023	31,182,929	51,434,591
Total.....	86,035,097	40,039,691	453,618,371	324,520,074	512,111,286
California.....	162,995,858	103,427,737	947,159,836	732,811,846	1,205,089,938
Nevada <sup>2</sup> .....	4,637,727	1,053,298	17,234,485	12,640,998	23,454,201
Arizona <sup>4</sup> .....	4,829,342	1,116,632	29,864,613	20,844,981	38,343,172

<sup>1</sup> Partially estimated State figures, June 14, 1912; national comptroller's report of June 4, 1913.  
<sup>2</sup> Between \$10,000,000 and \$11,000,000 of which is in branches of Bank of California in Seattle, Tacoma, and Portland, and should be credited to those cities instead of San Francisco.  
<sup>3</sup> Comptroller's report, June 4, 1913. Capital and surplus include undivided profits; segregation not available.  
<sup>4</sup> State bank examiner's summary, Oct. 21, 1913.

Increase of deposits and capital of all banks in States of the Pacific Northwest.

State.	Deposits, 1890.	1900		
		Deposits.	Capital without surplus.	Per cent of increase, deposits.
Washington.....	\$19,528,000	\$30,458,000	\$4,600,000	56.00
Oregon.....	11,557,000	17,439,000	2,984,000	50.90
Montana.....	14,041,000	21,125,000	3,295,000	50.45
Idaho.....	1,436,000	4,469,000	735,000	211.21
Pacific Northwest district.....	46,562,000	73,491,000	11,614,000	57.83

State.	1913			
	Deposits.	Capital without surplus.	Per cent of increase.	
			Deposits.	Capital.
Washington.....	\$203,842,216	\$24,931,000	569.26	441.98
Oregon.....	128,873,977	17,997,000	639.00	503.12
Montana.....	83,929,155	13,094,000	297.30	297.39
Idaho.....	36,973,023	7,260,000	727.32	887.76
Pacific Northwest district.....	453,618,371	63,282,000	517.24	444.88

COAL.

Coal production.

[From United States Geological Survey.]

State.	Production, 1911.		Estimated coal deposits.
	Tons.	Tons.	
Washington.....	3,190,013	19,909,100,000	
Oregon.....	41,662	969,800,000	
Idaho.....	1,626	599,930,300	
Montana.....	2,657,463	303,002,800,000	
Pacific Northwest district.....	5,890,764	324,481,630,300	

FISHERIES.

Canned salmon pack of world, 1913.<sup>1</sup>

[From Pacific Fisherman.]

District.	Cases.	Value.
Alaska.....	3,746,493	\$13,850,478
Puget Sound.....	2,583,463	13,329,168
Balance of Washington.....	63,344	313,357
Oregon:		
Columbia River.....	266,479	2,012,387
Balance of State.....	42,441	209,954
Total Pacific Northwest.....	6,702,220	29,724,344
British Columbia.....	1,353,901	8,803,213
California.....	7,326	36,334
Total.....	8,063,447	38,563,891

<sup>1</sup> Excluding Siberia and Kamshatka packs, total only 132,000 cases.

Pack of 1913.

[From Pacific Fisherman.]

	Cases.
Alaska Packers' Association (California interests).....	1,504,415
Alaska.....	3,746,493
Puget Sound.....	2,583,463
Columbia River.....	266,479
Sacramento River.....	950
Outside streams.....	112,161
	379,590
	6,709,546
British Columbia.....	1,353,901
Total, Pacific coast.....	8,063,447

Imports and exports.

District.	1890	1900	1912	1913
IMPORTS.				
Puget Sound.....	\$305,289	\$7,148,563	\$39,011,250	\$51,473,683
Columbia River.....	570,234	590,094	2,768,462	3,285,063
EXPORTS.				
Puget Sound.....	3,326,145	17,903,107	63,745,572	62,548,109
Columbia River.....	4,781,630	8,344,144	10,631,233	13,612,348

FOREIGN COMMERCE.

Foreign commerce of Puget Sound and Columbia River district.

[From United States customs service.]

Year ending June 30—	Imports and exports.	Per cent of increase, 5 years.	Imports and exports.	Per cent of increase, 5 years.
1884.....	\$2,092,552		\$5,040,643	
1889.....	4,430,013	111.7	6,122,380	21.5
1894.....	6,172,439	39.3	4,956,286	<sup>1</sup> 19.0
1899.....	22,440,058	263.6	10,470,279	111.3
1904.....	34,014,676	51.6	10,349,099	<sup>1</sup> 1.2
1909.....	52,748,366	55.1	12,173,241	17.6
1913.....	114,021,792	116.2	15,781,892	29.6

<sup>1</sup> Loss.

Astoria, averaging \$1,000,000 per year, not given in these figures. With that exception, table represents entire Columbia River.

Commerce of Puget Sound.

Year.	Value.	Increase.	Per cent of increase.
EXPORTS.			
1892.....	\$6,565,998		
1902.....	33,788,821	327,222,823	414
1912.....	63,745,572	29,956,751	88
IMPORTS.			
1892.....	572,637		
1902.....	11,970,799	11,398,162	1,990
1912.....	39,011,250	27,040,451	225

Foreign commerce of Pacific Northwest, year ending June 30, 1913.

State.	Foreign commerce.	Per cent to total Pacific Northwest district.	Per cent of growth since 1890.
Washington.....	\$114,021,786	82.57	3,040
Oregon.....	16,897,411	12.23	216
Idaho and Montana.....	7,178,316	5.20	
Total Pacific Northwest district.....	138,097,513		
California.....	134,729,625		55

*Comparison between Puget Sound and Portland in foreign exports of wheat and flour in terms of wheat bushels.*

[From United States Statistical Abstracts.]

Year.	Bushels of wheat.	Barrels of flour.	Total wheat bushels.	Value.	Ratio of increase, 6-year period (value).
<b>PUGET SOUND.</b>					
1900.....	3,566,719	1,037,583	8,235,847	\$5,044,651	171.47
1906.....	8,352,911	2,099,601	17,801,115	13,694,751	14.00
1912.....	3,191,983	2,676,080	15,234,343	13,163,429	
<b>PORTLAND.</b>					
1900.....	8,955,544	792,416	12,521,416	7,236,607	
1906.....	5,658,103	1,013,975	10,220,970	7,998,855	10.53
1912.....	6,829,943	770,970	10,299,308	8,969,985	12.14

<sup>1</sup> Loss.

Notwithstanding the fact that Portland had a "water-grade railroad haul" from the "Inland empire" before any railroad was built direct from eastern Washington to Puget Sound, and notwithstanding the intrenchment she thus obtained in handling wheat, the Sound has forged ahead in quantity of wheat received and in aggregate quantity of wheat shipped out in the shape of flour plus raw wheat by water.

*Comparison between foreign commerce of Puget Sound and Portland.*

[From United States customs service.]

Year ending June 30—	Exports.	Imports.	Total.	Per cent of growth, 5-year period.
<b>PUGET SOUND.</b>				
1884.....	\$1,954,581	\$137,971	\$2,092,552	
1889.....	4,068,511	361,502	4,430,013	111.7
1894.....	4,942,040	1,230,399	6,172,439	39.3
1899.....	15,200,340	7,239,718	22,440,058	263.6
1904.....	22,729,580	11,285,096	34,014,676	51.6
1909.....	25,788,475	26,959,891	52,748,366	55.1
1913.....	62,548,109	51,473,683	114,021,792	116.2
<b>PORTLAND.</b>				
1884.....	\$4,383,498	\$657,145	\$5,040,643	
1889.....	4,859,517	1,262,863	6,122,380	21.5
1894.....	4,076,397	879,889	4,956,286	19.0
1899.....	8,966,924	1,503,355	10,470,279	111.3
1904.....	7,886,293	2,462,801	10,349,099	11.2
1909.....	9,712,329	2,460,912	12,173,241	17.6
1913.....	12,577,253	3,203,639	15,780,892	29.6

<sup>1</sup> Loss.

*Foreign commerce of San Francisco, Los Angeles, and San Diego.*

Year.	Exports.	Imports.	Total.
<b>SAN FRANCISCO.</b>			
1884.....	\$37,050,598	\$35,857,698	\$72,908,296
1889.....	37,673,376	48,425,760	86,099,136
1894.....	24,903,009	38,146,626	63,049,635
1899.....	30,214,904	35,746,577	65,961,481
1904.....	32,547,181	37,542,978	70,090,159
1909.....	31,669,370	49,998,111	81,667,481
1913.....	66,021,385	62,501,681	128,523,066
<b>LOS ANGELES.</b>			
1884.....	125,212	216,113	341,325
1889.....	724	451,628	452,352
1894.....	102,943	445,966	548,909
1899.....	4,090	769,472	773,562
1904.....	503	1,292,560	1,293,063
1909.....	193,221	1,305,341	1,498,562
1913.....	253,562	2,747,601	3,001,163
<b>SAN DIEGO.</b>			
1884.....	127,966	135,889	263,855
1889.....	375,924	514,014	889,938
1894.....	379,586	383,399	762,985
1899.....	1,425,861	397,115	1,822,976
1904.....	317,830	459,786	777,616
1909.....	397,626	535,257	932,883
1913.....	1,137,116	1,022,904	2,160,020

**LUMBER.**

[From estimates of United States Forestry Service.]

State.	Lumber, cut.		Shingles.		Lumber and shingles, board feet.	Standing timber, billion board feet.
	Board feet.	Per cent of total cut in United States.	Number.	Per cent of total cut in United States.		
Washington.....	4,099,775,000	10.5	7,996,000,000	66.2	4,899,375,000	391.0
Oregon.....	1,916,160,000	4.9	271,000,000	2.2	1,943,260,000	545.8
Idaho.....	713,575,000	1.8	.....	.....	713,575,000	129.1
Montana.....	272,174,000	0.7	.....	.....	272,174,000	65.6
Total.....	7,001,684,000	17.9	8,267,000,000	68.6	7,828,384,000	1,131.5
United States.....	39,158,414,000	.....	12,037,685,000	.....	.....	2,826.0

*Lumber statistics, 1912.*

[From estimates of U. S. Forest Reserve.]

Material.	District.	Per cent of total cut in State of Washington.	Per cent of total cut in United States.
Lumber.....	Puget Sound.....	55.00	5.75
Do.....	All western Washington.....	90.00	9.50
Shingles.....	do.....	.....	65.00

**MAILS.**

[Figures supplied by United States Railway Mail Service.]

*Record of days each month on which mail from Eastern States has been ordered routed to Pacific coast post offices for forwarding to Orient and Australasia.*

**TO CHINA AND JAPAN.**

Month.	Puget Sound.		Via San Francisco.
	Via Seattle.	Via Tacoma.	
1913.			
July.....	22	2	7
August.....	25	2	4
September.....	20	4	6
October.....	20	2	9
November.....	19	.....	11
December.....	24	5	2

**TO PHILIPPINE ISLANDS.**

Month.	Puget Sound.		Via San Francisco.
	Via Seattle.	Via Tacoma.	
July.....	7	.....	24
August.....	17	2	12
September.....	14	4	12
October.....	12	5	14
November.....	19	.....	11
December.....	22	3	6

**TO AUSTRALIA AND NEW ZEALAND.**

Average for week period.....	8	20
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Average schedule sailings for the Orient per month: Puget Sound, 11; San Francisco, 6.

Alaska mails all forwarded from Seattle; sailings every 1.7 days.

*Mails from Seattle and San Francisco to the Orient and Australia.*

[Figures supplied by United States Railway Mail Service.]

	Seattle and Tacoma.			San Francisco.		
	Distance.	Number of mails from Seattle and Tacoma per month.	Time of transmission.	Distance.	Number of mails per month.	Time of transmission.
Yokohama.....	Miles. 4,282	2 from Tacoma.....	Days. 18	Miles. 5,485	6	Days. 17
Shanghai.....	5,327	6 from Seattle.....	11-17	6,530	6	24
Hongkong.....	5,867	2 from Tacoma.....	28	7,070	6	27
Manila.....	5,995	6 from Seattle.....	27-33	7,198	6	28
Auckland.....	6,229	2 from Tacoma.....	30-35	5,911	2	20
Sydney.....	7,513	6 from Seattle.....	30-35	.....	.....	.....
		1 from Seattle via Victoria.....	21	7,195	2	20
		do.....	25			

Mail service from Seattle to Alaskan points.

[Figures supplied by United States Railway Mail Service.]

From Seattle to—	Distance.	Number of mails per month.	Average time of transmission.
Ketchikan.....	Miles. 600	10 winter 18 summer	Days. 2
Wrangell.....	820	10 winter 18 summer	2
Juneau.....	1,040	14 winter 20 summer	3
Sitka.....	1,300	4	5
Skagway.....	1,167	10 winter 18 summer	4
Cordova.....	1,430	4 winter 6 summer	6
Valdez.....	1,530	4 winter 6 summer	6
Seward.....	1,671	4 winter 6 summer	7
Dawson City (Y. T.).....	1,500	10 winter 18 summer	10 winter 9 summer
Fairbanks.....	1,775	4	15 winter 16 summer
Iditarod.....	2,230	4	34 winter 15 summer
Nome.....	2,520	4	40 winter 8 summer

All mails for Alaska are forwarded via Seattle only.

Comparative statement showing time of transmission and practical business delivery of mails between Seattle and San Francisco, and New York and points in the Mississippi Valley, the South, and Rocky Mountain region.

	Time of transmission of mails. <sup>1</sup>
Between New York and—	
Chicago.....	M. 9.30 p. to T. 8.20 p.—22½ hrs. T. 3.03 a. to W. 1.20 a.—22½ hrs.
Omaha.....	M. 9.30 p. to W. 8.50 a.—35½ hrs. T. 3.05 a. to W. 1.45 p.—34½ hrs.
Denver.....	M. 9.30 p. to Th. 9.30 a.—60 hrs. T. 3.05 a. to Th. 9.30 a.—54½ hrs.
New York Central.....	M. 9.21 p. to Th. 12.15 p.—63 hrs. T. 2.45 a. to Th. 6.40 a.—52 hrs.
Pennsylvania R. R.....	M. 9.30 p. to W. 2.15 p.—40½ hrs. T. 3.05 a. to W. 2.15 p.—35½ hrs.
Kansas City.....	M. 9.21 p. to W. 2.15 p.—44 hrs. T. 2.45 a. to Th. 9.30 a.—54½ hrs.
Yew York Central.....	M. 9.30 p. to W. 7.15 a.—32½ hrs. T. 3.05 a. to W. 2.25 p.—35½ hrs.
Pennsylvania R. R.....	M. 9.30 p. to W. 2.25 p.—41 hrs. T. 3.05 a. to Th. 4.35 a.—49½ hrs.
St. Paul.....	M. 9.21 p. to W. 8.30 a.—35½ hrs. T. 2.45 a. to Th. 1.56 a.—47½ hrs.
Fargo.....	M. 9.21 p. to W. 7.45 p.—46½ hrs. T. 2.45 a. to Th. 1.05 a.—50½ hrs.
St. Louis.....	T. 4.26 a. to W. 6.25 a.—26 hrs. T. 4.26 a. to W. 8.30 p.—40 hrs.
Little Rock.....	T. 4.26 a. to Th. 11.55 a.—53½ hrs. M. 11.30 a. to T. 9.00 p.—33½ hrs.
Atlanta.....	
New Orleans.....	
Houston.....	
Between Seattle and San Francisco.....	
Between San Francisco and—	
Seattle.....	M. 8.20 p. to W. 2.10 p.—42 hrs.
Spokane.....	M. 8.20 p. to W. 9.45 p.—49½ hrs.
Boise.....	M. 8.20 p. to Th. 4.50 a.—50½ hrs.
Butte.....	M. 7.00 p. to Th. 7.00 a.—60 hrs.
	Time consumed in transmission of business mail, adding time for mailing and delivery in business hours.
Between New York and—	
Chicago.....	M. 6.00 p. to W. 9.00 a.—39 hrs. M. 6.00 p. to W. 9.00 a.—39 hrs.
Omaha.....	M. 6.00 p. to W. 10.00 a.—40 hrs. M. 6.00 p. to W. 3.00 p.—45 hrs.
Denver.....	M. 6.00 p. to Th. 11.00 a.—65 hrs. M. 6.00 p. to Th. 11.00 a.—65 hrs.
New York Central.....	M. 6.00 p. to Th. 2.00 p.—63 hrs. M. 6.00 p. to W. 3.00 p.—45 hrs.
Pennsylvania R. R.....	M. 6.00 p. to W. 3.00 p.—45 hrs. M. 6.00 p. to W. 3.00 p.—45 hrs.
Kansas City.....	M. 6.00 p. to W. 9.00 a.—39 hrs. M. 6.00 p. to Th. 11.00 a.—65 hrs.
New York Central.....	M. 6.00 p. to W. 3.00 p.—45 hrs. M. 6.00 p. to W. 3.00 p.—45 hrs.
Pennsylvania R. R.....	M. 6.00 p. to W. 3.00 p.—45 hrs. M. 6.00 p. to W. 3.00 p.—45 hrs.
St. Paul.....	M. 6.00 p. to W. 3.00 p.—45 hrs. M. 6.00 p. to W. 4.00 p.—46 hrs.
Fargo.....	M. 6.00 p. to Th. 9.00 a.—63 hrs. M. 6.00 p. to Th. 9.00 a.—63 hrs.
St. Louis.....	M. 6.00 p. to W. 10.00 a.—40 hrs. M. 6.00 p. to Th. 9.00 a.—63 hrs.
Little Rock.....	M. 6.00 p. to Th. 9.00 a.—63 hrs. M. 6.00 p. to Th. 9.00 a.—63 hrs.
Atlanta.....	M. 6.00 p. to Th. 12.00 a.—66 hrs. M. 6.00 p. to W. 9.00 a.—39 hrs.
New Orleans.....	M. 6.00 p. to Th. 9.00 a.—63 hrs. M. 6.00 p. to Th. 1.00 p.—67 hrs. <sup>2</sup>
Houston.....	
Between Seattle and San Francisco.....	
Between San Francisco and—	
Seattle.....	M. 6.00 p. to W. 4.00 p.—46 hrs. <sup>3</sup>
Spokane.....	M. 6.00 p. to Th. 9.00 a.—63 hrs.
Boise.....	M. 6.00 p. to Th. 9.00 a.—63 hrs.
Butte.....	M. 6.00 p. to Th. 9.00 a.—63 hrs.

<sup>1</sup> Data supplied by United States Railway Mail Service.  
<sup>2</sup> This schedule is such that unless mail is taken to the post office at 10.30 a. m. it in reality is a 63-hour schedule for mail posted the night before.  
<sup>3</sup> Shortest possible time for delivery. In practice, however, this schedule places mail in hands of Seattle banks and business concerns for attention not earlier than following morning, and therefore service in reality is 63 hours.  
 Abbreviations: M.=Monday; T.=Tuesday; W.=Wednesday; Th.=Thursday; a.=a. m.; p.=p. m.

MANUFACTURING.

[United States census, 1910.]

State.	Production.	Per cent.	Capital invested.	Per cent.
Washington.....	\$220,746,421	211.7	\$221,261,229	432.2
Oregon.....	93,004,845	154.2	89,081,873	214.1
Idaho.....	22,399,860	646.4	32,476,749	1,424.7
Montana.....	73,271,793	38.9	44,588,368	16.6
Total Pacific Northwest district.....	419,422,919	157.0	387,408,219	251.3
Alaska.....	11,340,105	170.4	13,060,116	265.9

Washington production, 52.65 per cent (over one-half) of Pacific Northwest.  
 Washington capital invested, 57.11 per cent (nearly six-tenths) of Pacific Northwest.

PRODUCTION.

State.	1899	1904	1909	Per cent of growth, 1899 to 1909.
Washington.....	\$70,831,000	\$128,822,000	\$220,746,421	211.7
Oregon.....	36,593,000	55,525,000	93,004,845	154.2
Idaho.....	3,001,000	8,769,000	22,399,860	646.4
Montana.....	52,745,000	66,415,000	73,271,793	38.9
Total.....	163,170,000	259,531,000	419,422,919	157.0
Alaska.....	4,194,000	8,245,000	11,340,105	170.4

British Columbia:

1900.....	\$19,447,778
1905.....	38,288,378
1910.....	65,204,235
Per cent of growth, 1900-1910.....	235.3

CAPITAL.

State.	1899	1904	1909	Per cent of growth, 1899 to 1909.
Washington.....	\$41,575,000	\$96,953,000	\$221,261,229	432.2
Oregon.....	28,359,000	44,023,000	89,081,873	214.1
Idaho.....	2,130,000	9,689,000	32,476,749	1,424.7
Montana.....	38,225,000	52,590,000	44,588,368	16.6
Total.....	110,289,000	205,265,000	387,408,219	251.3
Alaska.....	3,569,000	10,685,000	13,060,116	265.9

British Columbia:

1900.....	\$22,901,892
1905.....	53,022,033
1910.....	123,027,521
Per cent of growth, 1900-1910.....	437.2

Manufacturing development of Seattle, Tacoma, Seattle and Tacoma, and Portland, as shown by Federal census.

City.	Number of establishments.		Per cent increase.	Capital invested.		Per cent increase.
	1904	1909		1904	1909	
Seattle.....	467	751	60.8	\$22,344,000	\$46,472,000	108.0
Tacoma.....	236	276	17.0	11,769,000	21,533,000	83.0
Seattle and Tacoma.....	703	1,027	46.1	34,113,000	68,005,000	99.4
Portland.....	437	649	49.0	19,725,000	37,996,000	93.0

City.	Value of products.		Per cent increase.
	1904	1909	
Seattle.....	\$25,407,000	\$50,569,000	99.0
Tacoma.....	14,264,000	22,450,000	57.0
Seattle and Tacoma.....	39,671,000	73,019,000	84.1
Portland.....	28,651,000	46,861,000	64.0

In 1904 Portland exceeded Seattle in value of products by \$3,244,000; in 1909, Seattle exceeded Portland in value of products by \$3,708,000; and in 1909, Seattle and Tacoma exceeded Portland by \$26,158,000.

MINING.

Value of productions.

State.	1902	1909
Washington.....	\$5,393,659	\$10,826,503
Oregon.....	2,087,389	1,237,292
Idaho.....	8,214,671	8,749,650
Montana.....	28,265,085	54,991,961
Total.....	43,960,804	75,805,406

POPULATION.

The previous five census reports on Los Angeles, Seattle, Portland, and San Francisco are:

Year.	Los Angeles.	Seattle.	Portland.	San Francisco.
1860.....	4,385	250	2,874	56,802
1870.....	5,728	1,107	8,293	149,473
1880.....	11,183	3,533	17,577	233,959
1890.....	50,395	42,837	46,385	298,997
1900.....	102,479	80,671	90,426	342,782
1910.....	319,198	237,194	207,214	416,912

Tacoma, 1913, 83,743.

Population, in radial miles, of Seattle and Portland.

[Based on United States Census, 1910—Population by counties.]

SEATTLE.

Radial miles.	Population.		Increase in 10 years.	Per cent of increase.	Total, including part of British Columbia.
	1910	1900			
40	428,032	181,380	256,652	149.8	.....
75	588,640	249,294	339,352	136.1	.....
100	712,835	302,852	409,983	135.4	747,835
150	887,084	396,355	490,729	123.8	1,137,084
200	1,291,256	607,871	683,385	112.4	1,571,256
250	1,645,334	817,149	828,185	101.4	1,945,334

NOTE.—As radius from Seattle exceeds 150 miles it shows diminishing rate of total increase, owing to slower growth of Oregon.

PORTLAND.

Radial miles.	Population.		Increase in 10 years.	Per cent of increase.	Total, including part of British Columbia.
	1910	1900			
40	336,562	173,301	163,171	90.4	.....
75	455,857	251,638	204,219	81.2	.....
100	521,313	288,269	233,044	80.8	.....
150	842,815	404,712	438,103	108.3	.....
200	1,316,435	665,461	650,974	97.8	.....
250	1,487,756	731,007	756,749	103.5	1,522,756

NOTE.—As radius from Portland exceeds 150 miles, it shows higher rate of total increase, owing to rapid growth of Puget Sound.

Population of Washington and Oregon, 1850-1900.

State.	1850	1860	1870	1880
Washington.....	.....	11,594	23,955	75,116
Oregon.....	13,294	52,465	90,923	174,768

State.	1890	1900	1910	Area.
Washington.....	337,232	518,103	1,141,990	Sq. miles. 66,836
Oregon.....	317,704	413,536	672,765	95,607

Population.

[From U. S. Census, 1910.]

Square miles.		Population.	Per cent of population of Pacific north-west district.	Per cent of population of State.
8,945	25-mile zone bordering Puget Sound.....	607,194	24.13	53.17
15,586	Balance of western Washington.....	125,097	4.97	11.0
24,531	All western Washington.....	732,291	29.1	64.1
29,457	Western Oregon.....	529,895	21.0	78.8
12,113	West of Cascade Mountains.....	1,262,186	50.1	.....
	Central Washington.....	25,554	3.39	7.49
325,897	West of Cascade Mountains and central Washington.....	1,347,740	53.35	.....
	Balance of Pacific northwest district.....	1,168,662	46.45	.....

Population and per cent of growth.

State.	1890	1900	1910	Per cent of growth, 1890 to 1910	Per cent of growth, 1900 to 1910.	Per square mile.	Area.
Washington.....	357,232	518,103	1,141,990	219.7	120.4	17.1	66,836
Oregon.....	317,704	413,536	672,765	111.8	62.7	7.0	95,607
Idaho.....	88,548	161,772	325,594	267.7	101.3	3.9	83,354
Western Montana.....	125,240	204,525	270,070	115.6	32.0	4.8	55,857
Eastern Montana.....	.....	.....	105,983	.....	.....	.....	90,344
Total.....	888,724	1,297,936	2,516,402	171.2	85.7	.....	391,998
Alaska.....	32,052	63,592	64,356	100.8	1.2	.109	590,884
California.....	1,213,398	1,485,053	2,377,549	95.9	60.1	15.3	155,652
Nevada.....	47,355	42,335	81,875	72.9	93.4	.7	109,821
Arizona.....	88,243	122,931	204,354	131.6	66.2	1.8	113,810
Total.....	1,348,996	1,650,319	2,663,778	97.6	61.4	.....	379,483

RAILROADS.

[From U. S. Statistical Abstract.]

State.	Total miles.	Miles of line to 100 square miles of territory.	Miles of line to each 10,000 inhabitants.
Washington.....	5,287.5	7.91	43.90
Oregon.....	2,657.5	2.78	38.03
Montana.....	4,325.8	2.96	111.11
Idaho.....	2,437.8	2.95	71.85

Chronological record of traffic route connections—Portland and Puget Sound to eastern Washington and Oregon—Portland and Puget Sound transcontinental service.

- 1859-1883.....Traffic down Columbia River and tributaries, by steamer and alternating stretches of railroad, as far as Lewiston, Idaho, to Portland.
- 1880-1883.....O. R. & N. extended from Portland, by south bank Columbia River, to Wallula, Wash., affording "water-grade haul" from eastern Washington and Oregon.
- 1883.....Northern Pacific line completed from St. Paul to Wallula, Wash., there connecting with O. R. & N. to Portland, giving first transcontinental service in the North Pacific region. Northern Pacific operated via O. R. & N. to Portland; thence north to Puget Sound at Tacoma. Had benefit down-grade haul to Portland, which was first Pacific port reached.
- 1884.....Oregon Short Line and Utah Northern connected with O. R. & N. and gave through line to Portland, making additional and second transcontinental service to that city.
- 1885.....Northern Pacific made first extension to Seattle from Tacoma.
- 1886.....Canadian Pacific Railroad completed to Vancouver, B. C.
- 1887.....Northern Pacific line completed across Cascade Mountains, giving first direct transcontinental service to Puget Sound, transferring traffic from water-grade O. R. & N. haul to route across mountains.
- 1890.....Canadian Pacific makes railway connection at international boundary with Seattle, Lake Shore & Eastern (now Northern Pacific).
- 1893.....Great Northern completed to Puget Sound.
- 1894.....Chicago, Burlington & Quincy makes through traffic arrangements with Northern Pacific to Puget Sound.

- 1909..... Chicago, Milwaukee & St. Paul completed to Puget Sound. (Freight service inaugurated.)
- 1908..... North Bank Road (second water-grade haul line) completed from Spokane to Portland.
- 1910..... Harriman Lines (O. R. & N., Union Pacific and Southern Pacific connections) established first railway service to Puget Sound.
- 1911..... Chicago & Northwestern makes through traffic arrangements for service, by Northern Pacific, to Puget Sound.
- 1911..... Chicago, Milwaukee & St. Paul passenger service inaugurated.
- 1914..... Grand Trunk Pacific will complete transcontinental route to Prince Rupert, maintaining direct steamship connection, by its own lines, with Puget Sound. This will be followed later by direct railway connection.
- 1914 (September).... Canadian Northern Railway will be completed to coast, making third Canadian transcontinental line.
- Pacific Northwest land transportation chronology—Eastern Washington and Oregon to Willamette River and Puget Sound—Transcontinental lines to Willamette River and Puget Sound.*
- 1859..... Traffic down Columbia and tributaries, from Lewiston, Idaho, to Portland, via steamer and alternating stretches of railroad.
- 1880-1883..... Oregon Railway & Navigation extended Portland to Wallula, Wash., (initial water-grade haul).
- 1883..... Northern Pacific completed west to Wallula; thence via Oregon Railway & Navigation to Portland; thence north to Tacoma (first transcontinental service Pacific Northwest, water-grade route).
- 1884..... Oregon Short Line and Utah Northern connect Oregon Railway & Navigation to Portland; second transcontinental route.
- 1885..... Northern Pacific extends Tacoma to Seattle.
- 1886..... Canadian Pacific Railway completed to Vancouver, British Columbia.
- 1887..... Northern Pacific crosses Cascade Mountains; first direct transcontinental route to Puget Sound.
- 1890..... Canadian Pacific Railway connects with Seattle, Lake Shore & Eastern (now Northern Pacific Railway) at Canadian boundary.
- 1893..... Great Northern completed to Puget Sound.
- 1894..... Chicago, Burlington & Quincy reaches Puget Sound via Northern Pacific.
- 1908..... Spokane, Portland & Seattle (north bank) opened down Columbia to Portland (second water-grade haul).
- 1909..... Chicago, Milwaukee & St. Paul completed to Puget Sound.
- 1910..... Oregon-Washington (Union Pacific and Southern Pacific) connects Puget Sound.
- 1914..... Canadian Northern will complete road to coast.
- 1914..... Grand Trunk Pacific will complete road to coast; direct steamship service to Puget Sound.

*Cost of Duwamish waterway.*

County bond issue.....	\$600,000
Waterway district bonds.....	300,000
Direct contributions from city and county.....	50,000

Total estimated cost of improvement, including purchase by condemnation of right of way..... 1,550,000

Last issuance of bonds authorized provides for more than sufficient necessary to make total of \$1,500,000.

*Trade between Seattle and British Columbia.*

[Port of Seattle alone, not Puget Sound. Figures based on port warden's annual report for 1913.]

	1913	1912
Imports.....	\$2,562,298	\$1,697,698
Exports.....	8,378,507	7,850,098
Total.....	10,940,805	9,547,796

*Extent of Seattle harbor front upon completion of Lake Washington Canal, 1913.*

[Data supplied by port commission engineer.]

	Miles.
Salt-water tidal harbor.....	93
Fresh-water nontidal harbor.....	100
Total harbor front.....	193
Available for commercial uses.....	115
Present improved water front.....	12
Available for expansion of port.....	103

## SEATTLE.

*Steamship lines which have established on Puget Sound their supervising or directing traffic agencies for entire Pacific Coast.*

## In foreign commerce:

- Hamburg-American Line (German), Seattle.
- Royal Mail Steam Packet Co. (British), Seattle.
- Great Northern Steamship Co. (American), Seattle.
- Nippon Yusen Kaisha (Japanese), Seattle.
- Osaka Shosen Kaisha (Japanese), Tacoma.
- Blue Funnel Line (British), Tacoma.

## Alaska Steamship Co., Seattle.

## Pacific &amp; Alaska (former Alaska Pacific), Tacoma.

## Other lines with offices on Puget Sound and regular service:

- Pacific Coast Steamship Co.
- American-Hawaiian Steamship Co.
- Kosmos Line (German).
- Harrison Direct Line (British).
- W. R. Grace & Co.
- Robert Dollar Co.
- East Asiatic Co. (Danish).
- Matson Navigation Co.
- Hind, Rolph & Co.

Also numerous other lines, making total of 58.

*Table of expenditures by Government offices on Puget Sound (Seattle).*

[Compiled from official sources by M. A. Arnold, president First National Bank.]

	Receipts.	Disbursements.
Treasury Department:		
United States customs service.....	\$2,092,451.50	\$513,945.96
United States assay office.....		8,182,805.29
Internal-Revenue Service.....	1,587,973.09	43,402.71
Department of Agriculture.....	32,581.82	83,381.86
War Department.....	355,485.10	5,011,458.84
Navy Department.....	308,718.15	284,751.47
Post Office Department.....	10,245,057.53	10,245,057.53
Department of the Interior.....	40,000.00	197,023.40
Department of Justice.....	113,063.48	289,708.48
Department of Labor: Immigration Service.....	5,842.85	115,473.88
	14,781,173.52	24,967,009.42
United States shipping commissioner.....	948,240.03	948,240.03
Total.....	15,729,413.55	25,915,249.45

## WATER POWER.

State.	Developed power—steam and water, electrical horsepower.	Minimum potential power—electrical horsepower.	Ratio to Pacific Northwest district.		Ratio to entire United States—potential.
			Devel-oped.	Poten-tial.	
Washington.....	306,000	4,932,000	50.5	41.10	18.45
Oregon.....	95,000	3,148,000	15.6	26.25	11.70
Idaho.....	56,375	1,162,000	9.3	9.70	4.30
Montana.....	150,000	2,749,000	24.7	22.90	10.28
Pacific Northwest district.....	607,375	11,991,000			44.80
Whole United States.....		26,737,000			

NOTE.—Developed horsepower in Puget Sound zone data from reliable private sources more recent than the United States Government figures. Potential horsepower statistics from United States Bureau of Corporations.

## SUPPLEMENTAL DATA.

## BANKING.

Reserves carried in Seattle clearing-house banks by banks in the States of Washington, Oregon, Montana, Idaho, and the Territory of Alaska:

Washington.....	\$6,742,559.95
Oregon.....	698,393.85
Montana.....	199,852.59
Idaho.....	114,831.18
Alaska.....	674,670.16
Total.....	8,430,307.73

Due to banks from national banks as shown by last call:

Seattle.....	9,259,019.00
Portland.....	9,191,303.00

Balances carried in Seattle banks by Portland banks..... 307,400.00

## PACIFIC NORTHWEST AND CALIFORNIA.

The Bank of California National Association, of San Francisco, has branches in Seattle, Portland, and Tacoma, whose combined

deposits aggregate between \$10,000,000 and \$11,000,000, of which \$6,000,000 or more is in the branches in Seattle and Tacoma.

These amounts are credited in the comptroller's official reports to the parent bank, and consequently to San Francisco and not to the cities actually having the deposits in active use. In the tabulations prepared for the Regional Bank Organization Committee, by the joint committee of the Seattle Chamber of Commerce and the Seattle Clearing House Association, the deposits in the branches mentioned were credited to the cities in which such branches are in business.

The preceding explanations were inadvertently omitted from the tabulations.

*Steamship lines to Alaska operating exclusively out of Seattle.*

	Vessels.
Alaska Steamship Co.....	13
Pacific Coast Steamship Co.....	3
Alaska Pacific Steamship Co.....	2
Humboldt Steamship Co.....	1
Northland Steamship Co.....	2
W. F. Swan & Co.....	1

Approximate number of sailings for Alaska per annum from Seattle, 216.

*Coastwise lines running between Seattle and San Francisco.*

*Pacific Coast Steamship Co.*—Capitalized by New York. (Has office in New York.) President and officers live in Seattle. Has superintendent in San Francisco.

*Alaska Pacific Steamship Co.*—Capitalized by Tacoma and Portland, Me. Main office in Tacoma, but operates from Seattle. Operating company is the Pacific Alaska Navigation Co.

*Annual turnover of largest packing houses in Seattle and Portland, as indicated in testimony at reserve bank hearings.*

Frye & Co., Seattle.....	\$10,000,000
Union Meat Co., Portland.....	7,500,000



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VOTE FOR RESERVE-BANK CITIES.

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## VOTE FOR RESERVE-BANK CITIES.

### FIRST-CHOICE VOTE FOR RESERVE-BANK CITIES, BY DISTRICTS.

#### DISTRICT NO. 1.

	Maine.	New Hampshire.	Vermont.	Massachusetts.	Rhode Island.	Connecticut.	Total.
Boston.....	59	50	23	137	11	7	287
New York.....	2		19	17	4	64	106
Providence.....					1		1
<b>Total.....</b>	<b>61</b>	<b>50</b>	<b>42</b>	<b>154</b>	<b>16</b>	<b>71</b>	<b>394</b>

#### DISTRICT NO. 2.

	New York.
New York City.....	393
Buffalo.....	13
Albany.....	10
Boston.....	1
Brooklyn.....	1
Syracuse.....	1
New York or Albany.....	1
<b>Total.....</b>	<b>420</b>

#### DISTRICT NO. 3.

	Delaware.	New Jersey.	Pennsylvania, eastern district.	Total.
Philadelphia.....		65	417	505
New York.....	23	122	42	164
Pittsburgh.....			23	23
Baltimore.....	1		11	12
Boston.....		1	1	2
Buffalo.....			1	1
Washington.....			1	1
<b>Total.....</b>	<b>24</b>	<b>188</b>	<b>496</b>	<b>708</b>

#### DISTRICT NO. 4.

	West Virginia, northern district.	Kentucky, eastern district.	Ohio.	Pennsylvania, western district.	Total.
Cleveland.....			107	3	110
Cincinnati.....		34	160		194
Chicago.....			2		2
Columbus.....			36		36
New York.....	1		2	3	6
Pittsburgh.....	7		31	256	294
Toledo.....			1		1
Philadelphia.....				6	6
Louisville.....		31			31
Cincinnati or Cleveland.....			2		2
Cleveland or Pittsburgh.....			2		2
Louisville or Cincinnati.....		1			1
<b>Total.....</b>	<b>8</b>	<b>66</b>	<b>343</b>	<b>268</b>	<b>685</b>

### First-choice vote for reserve-bank cities, by districts—Cont'd.

#### DISTRICT NO. 5.

	Maryland.	District of Columbia.	West Virginia, southern district.	Virginia.	North Carolina.	South Carolina.	Total.
Richmond.....			16	96	44	11	167
Baltimore.....	95		21	11		1	128
Pittsburgh.....	1		34				35
Columbia.....						28	28
Cincinnati.....			26	1			27
Washington.....	1	12		9		2	25
Charlotte.....					18	1	19
New York.....	1			1			2
<b>Total.....</b>	<b>98</b>	<b>12</b>	<b>97</b>	<b>118</b>	<b>64</b>	<b>42</b>	<b>431</b>

#### DISTRICT NO. 6.

	Alabama.	Florida.	Georgia.	Tennessee, eastern district.	Mississippi, southern district.	Louisiana, southeastern district.	Total.
Atlanta.....	8	19	90	7			124
Birmingham.....	53	1					54
New Orleans.....	3	5			19	4	31
Savannah.....	3	3	18				24
Nashville.....				22			22
Cincinnati.....	1			14			15
Jacksonville.....		14					14
Chattanooga.....				11			11
Louisville.....				7			7
St. Louis.....	1			4			5
Montgomery.....	4						4
Richmond.....		1		2			3
Washington.....		1		1			2
Memphis.....				1			1
Baltimore.....				1			1
Nashville or Atlanta.....				1			1
<b>Total.....</b>	<b>73</b>	<b>44</b>	<b>108</b>	<b>71</b>	<b>19</b>	<b>4</b>	<b>319</b>

#### DISTRICT NO. 7.

	Iowa.	Wisconsin, southern district.	Illinois, northern district.	Indiana, northern district.	Michigan, southern district.	Total.
Chicago.....	256	36	274	105	43	714
Cincinnati.....				50		50
Detroit.....					22	22
Des Moines.....	17					17
Omaha.....	17					17
Indianapolis.....				14		14
St. Louis.....			9	1		10
Sioux City.....	5					5
Minneapolis.....	4					4
Cedar Rapids.....	2					2
Milwaukee.....		3				3
Clinton.....	1					1
Chicago or St. Louis.....			1			1
Twin Cities.....	1					1
<b>Total.....</b>	<b>303</b>	<b>39</b>	<b>284</b>	<b>170</b>	<b>65</b>	<b>861</b>

First-choice vote for reserve-bank cities, by districts—Continued.

DISTRICT NO. 8.

Table with columns: Arkansas, Missouri, Illinois, Indiana, Kentucky, Tennessee, Mississippi, Total. Rows include St. Louis, Louisville, Chicago, Kansas City, Memphis, Cincinnati, Indianapolis, Nashville, Dallas, Chicago or St. Louis, St. Louis or Kansas City, Birmingham.

DISTRICT NO. 9.

Table with columns: Montana, North Dakota, South Dakota, Minnesota, Wisconsin, Michigan, Total. Rows include Minneapolis, Chicago, St. Paul, Twin Cities, Milwaukee, Omaha, Spokane, Sioux City, Fargo, Detroit.

DISTRICT NO. 10.

Table with columns: Colorado, Kansas, Missouri, New Mexico, Oklahoma, Wyoming, Nebraska, Total. Rows include Kansas City, Mo., Denver, St. Louis, Lincoln, Omaha, Kansas City, Kans., or Kansas City, Mo., Kansas City, Kans., Chicago, Salt Lake City, Wichita, Sioux City, Oklahoma City, Twin Cities, Omaha or Lincoln.

DISTRICT NO. 11.

Table with columns: Texas, Arizona, New Mexico, Oklahoma, Louisiana, Total. Rows include Dallas, Kansas City, Houston, Fort Worth, St. Louis, New Orleans, Dallas or Houston, Dallas or Fort Worth, Dallas, Fort Worth, or Houston, San Francisco, Denver, El Paso, Waco, Galveston, New York, San Antonio, Oklahoma City, St. Louis or Kansas City.

First-choice vote for reserve-bank cities, by districts—Continued.

DISTRICT NO. 12.

Table with columns: Washington, Oregon, Idaho, California, Nevada, Utah, Arizona, Total. Rows include San Francisco, Portland, Seattle, Salt Lake, Spokane, Los Angeles, Chicago, New York, Omaha, Fresno, Minneapolis, Denver.

RECAPITULATION.

Summary table with columns: District, Total. Rows include District No. 1 through No. 12, and a grand total of 6,724.

FIRST-CHOICE VOTE FOR RESERVE-BANK CITIES BY CITIES.

Large summary table listing cities and their corresponding vote counts across various districts. Includes Albany, Atlanta, Baltimore, Birmingham, Boston, Brooklyn, Buffalo, Cedar Rapids, Charlotte, Chattanooga, Chicago, Cincinnati, Cleveland, Dallas, Denver, Des Moines, Detroit, El Paso, Fargo, Fort Worth, Fresno, Galveston, Houston, Indianapolis, Jacksonville, Kansas City, Mo., Kansas City, Kans., Lincoln, Los Angeles, Louisville, Memphis, Milwaukee, Minneapolis, St. Paul, Sioux City, St. Louis, Twin Cities, Wichita, Omaha, and Omaha or Lincoln.

First choice vote for reserve bank cities, by cities—Continued.

Table listing first choice votes for reserve bank cities by city and state, including Minneapolis, Savannah, St. Louis, St. Paul, and others.

ALTERNATIVES.

Table listing alternative votes for reserve bank cities, such as Chicago or St. Louis, Kansas City, etc.

RECAPITULATION.

Summary table of first choice votes for reserve bank cities, listing cities like Albany, Atlanta, Baltimore, etc.

First choice vote for reserve bank cities, by cities—Continued.

RECAPITULATION—Continued.

Summary table of first choice votes for reserve bank cities, including Louisville, Memphis, Milwaukee, etc.

FIRST, SECOND, AND THIRD CHOICE VOTES FOR RESERVE-BANK CITIES, BY STATES.

ALABAMA.

Table showing first, second, and third choice votes for reserve bank cities in Alabama.

ARIZONA.

Table showing first, second, and third choice votes for reserve bank cities in Arizona.

ARKANSAS.

Table showing first, second, and third choice votes for reserve bank cities in Arkansas.

CALIFORNIA.

Table showing first, second, and third choice votes for reserve bank cities in California.

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

COLORADO.

	First.	Second.	Third.
Chicago.....		20	12
Denver.....	112	1	
Kansas City.....	1	37	26
Lincoln.....		3	4
New York.....		1	
Omaha.....		26	26
Pueblo.....		1	
St. Louis.....		4	14
Salt Lake City.....		3	2
San Francisco.....			2
Total.....	113	95	87

CONNECTICUT.

	First.	Second.	Third.
Albany.....			2
Boston.....	7	38	3
Hartford.....		1	4
Middletown.....			1
New Haven.....		2	
New York.....	64	6	
Philadelphia.....		2	24
Springfield.....			1
Philadelphia or Pittsburgh.....			1
Total.....	71	49	36

DELAWARE.

	First.	Second.	Third.
Baltimore.....	1	3	4
Boston.....			1
New York.....		16	3
Philadelphia.....	23	1	
Washington.....			2
Total.....	24	20	10

DISTRICT OF COLUMBIA.

	First.	Second.	Third.
Baltimore.....		10	
New York.....		1	
Philadelphia.....		1	11
Washington.....	12		
Total.....	12	12	11

FLORIDA.

	First.	Second.	Third.
Atlanta.....	19	19	5
Baltimore.....		3	3
Birmingham.....	1		5
Jacksonville.....	14		2
New Orleans.....	5	4	3
Richmond.....	1	2	10
Savannah.....	3	15	10
Washington.....	1		
Total.....	44	43	38

GEORGIA.

	First.	Second.	Third.
Atlanta.....	90	15	1
Augusta.....			2
Baltimore.....		3	9
Birmingham.....		2	8
Chattanooga.....		9	
Cincinnati.....		1	1
Columbia.....			1
Jacksonville.....		2	
Louisville.....			3
Lincoln.....		1	
Montgomery.....			2
Nashville.....		1	
New Orleans.....			12
New York.....		2	
Philadelphia.....			1
Richmond.....		7	27
Savannah.....	18	48	3
Washington.....		2	1
Birmingham or Columbia.....			1
Columbia or Montgomery.....			2
Total.....	108	93	75

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

IDAHO.

	First.	Second.	Third.
Chicago.....	2	2	3
Denver.....	1	6	2
Kansas City.....		1	
Minneapolis.....	1	3	
New York.....		1	
Omaha.....	2	1	6
Portland.....	10	16	2
St. Paul.....		1	1
Salt Lake City.....	12	2	3
San Francisco.....	8	12	17
Spokane.....	9		3
Seattle.....			5
Twin Cities.....			1
Total.....	45	45	43

ILLINOIS.

	First.	Second.	Third.
Boston.....			2
Cairo.....			2
Chicago.....	305	93	1
Cincinnati.....		1	18
Cleveland.....		1	3
Davenport, Iowa.....		1	
Denver.....			2
Duluth.....			1
Evansville.....		3	1
Indianapolis.....		4	20
Joliet.....			2
Kansas City.....			10
Louisville.....			1
Milwaukee.....		3	
Minneapolis.....		2	2
New Orleans.....			1
New York.....		21	24
Omaha.....			1
Peoria.....		7	4
Pittsburgh.....			1
Rock Island.....			1
St. Louis.....	112	109	28
St. Paul.....		1	4
Springfield.....			2
Washington.....			1
Chicago or St. Louis.....	2		
Total.....	419	246	132

INDIANA.

	First.	Second.	Third.
Chicago.....	134	65	24
Cincinnati.....	63	57	39
Cleveland.....		2	4
Louisville.....	15	21	27
Indianapolis.....	19	28	14
Kansas City.....		1	
New York.....		5	3
Pittsburgh.....		1	2
St. Louis.....	3	21	55
Cincinnati or St. Louis.....		1	
Total.....	234	202	168

IOWA.

	First.	Second.	Third.
Boston.....			2
Cedar Rapids.....	2	5	
Chicago.....	256	34	8
Clinton.....	1		
Davenport.....			4
Denver.....			1
Des Moines.....	17	31	19
Dubuque.....		1	
Kansas City.....		8	13
Minneapolis.....	4	37	33
New York.....		6	2
Omaha.....	17	42	31
St. Louis.....		14	23
St. Paul.....		7	6
San Francisco.....			1
Sioux City.....	5	18	4
Des Moines or St. Louis.....		1	
St. Paul or Minneapolis.....		1	1
Twin Cities.....	1		
Total.....	303	305	153

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

KANSAS.

	First.	Second.	Third.
Chicago.....		52	61
Denver.....		1	4
Kansas City.....	8	8	1
Kansas City, Mo.....	179	9	.....
Lincoln.....		1	2
New York.....		1	5
Omaha.....		5	3
St. Joseph.....		3	1
St. Louis.....		74	44
St. Paul.....		1	1
Topeka.....		1	4
Wichita.....	2	3	1
Kansas City, Mo., or Kansas City, Kans.....	9	.....	.....
<b>Total.....</b>	<b>198</b>	<b>159</b>	<b>127</b>

KENTUCKY.

	First.	Second.	Third.
Atlanta.....			7
Baltimore.....		2	2
Birmingham.....			1
Chattanooga.....			1
Chicago.....		10	32
Cincinnati.....	34	51	12
Cleveland.....			1
Indianapolis.....			2
Knoxville.....			1
Louisville.....	93	32	1
Memphis.....			2
Nashville.....		5	4
New Orleans.....			3
New York.....		2	4
Richmond.....		1	15
St. Louis.....	1	16	18
<b>Total.....</b>	<b>128</b>	<b>119</b>	<b>106</b>

LOUISIANA.

	First.	Second.	Third.
Atlanta.....		2	6
Chicago.....		1	2
Dallas.....		2	3
Houston.....		2	1
Memphis.....		3	1
New Orleans.....	24	1	1
New York.....		1	.....
St. Louis.....	2	9	5
Shreveport.....			1
<b>Total.....</b>	<b>26</b>	<b>21</b>	<b>20</b>

MAINE.

	First.	Second.	Third.
Albany.....			1
Boston.....	59	2	.....
Chicago.....			3
Minneapolis.....			.....
New York.....	2	44	2
Philadelphia.....		1	25
Washington.....			1
<b>Total.....</b>	<b>61</b>	<b>47</b>	<b>32</b>

MARYLAND.

	First.	Second.	Third.
Baltimore.....	95	2	1
Boston.....			1
Cincinnati.....		1	.....
New York.....	1	14	14
Philadelphia.....		25	20
Pittsburgh.....	1	5	7
Richmond.....		1	3
Washington.....	1	24	14
<b>Total.....</b>	<b>98</b>	<b>72</b>	<b>60</b>

MASSACHUSETTS.

	First.	Second.	Third.
Albany.....			10
Boston.....	137	12	.....
Chicago.....			4
New York.....	17	77	2
Philadelphia.....			19
Providence.....		1	.....
Springfield.....		1	2
Washington.....			4
<b>Total.....</b>	<b>154</b>	<b>91</b>	<b>41</b>

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

MICHIGAN.

	First.	Second.	Third.
Boston.....			1
Chicago.....	72	22	1
Cincinnati.....			4
Cleveland.....		2	16
Detroit.....	23	27	2
Grand Rapids.....			4
Kalamazoo.....			1
Milwaukee.....		5	3
Minneapolis.....		3	2
Muskegon.....			1
New York.....		1	7
St. Paul.....			1
Twin Cities (St. Paul or Minneapolis).....			1
Toledo.....			1
<b>Total.....</b>	<b>95</b>	<b>60</b>	<b>45</b>

MINNESOTA.

	First.	Second.	Third.
Chicago.....	8	24	173
Dubuque.....			1
Duluth.....			8
Fargo.....			2
Mankato.....			2
Milwaukee.....			1
Minneapolis.....	188	50	1
New York.....			1
St. Louis.....			1
St. Paul.....	52	164	11
Sioux City.....		1	1
Winona.....			1
Minneapolis or St. Paul.....	11	1	.....
<b>Total.....</b>	<b>259</b>	<b>240</b>	<b>203</b>

MISSISSIPPI.

	First.	Second.	Third.
Atlanta.....		2	5
Birmingham.....	1	.....	3
Chicago.....		1	1
Cincinnati.....		1	5
Memphis.....	8	9	2
Mobile.....		1	2
Nashville.....			1
New Orleans.....	19	8	4
New York.....		1	.....
St. Louis.....	4	6	2
<b>Total.....</b>	<b>32</b>	<b>28</b>	<b>26</b>

MISSOURI.

	First.	Second.	Third.
Chicago.....	4	11	42
Kansas City, Mo.....	64	26	3
Kansas City, Kans.....		2	.....
New York.....		1	.....
Omaha.....			1
St. Louis.....	47	43	9
Springfield.....			3
St. Louis or Kansas City.....	1	.....	.....
<b>Total.....</b>	<b>116</b>	<b>83</b>	<b>58</b>

MONTANA.

	First.	Second.	Third.
Chicago.....	1	22	24
Denver.....			3
Minneapolis.....	18	10	.....
New York.....			1
Omaha.....		1	1
Portland.....			2
St. Louis.....			2
St. Paul.....	10	14	3
Seattle.....		2	1
Spokane.....	1		6
Twin Cities.....	20	2	.....
Spokane or Seattle.....			1
<b>Total.....</b>	<b>53</b>	<b>51</b>	<b>44</b>

NEBRASKA.

	First.	Second.	Third.
Chicago.....	5	110	54
Denver.....	2	7	7
Fremont.....			1
Kansas City.....	8	9	49
Lincoln.....	22	58	25
Minneapolis.....			9
New York.....			3
Omaha.....	181	32	3
St. Joseph.....			2
St. Louis.....		2	26
St. Paul.....			2
Sioux City.....	3	5	3
Omaha or Lincoln.....	2	.....	.....
<b>Total.....</b>	<b>223</b>	<b>223</b>	<b>184</b>

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

NEVADA.

	First.	Second.	Third.
Denver.....			3
Los Angeles.....		1	
Omaha.....			1
Salt Lake City.....	2	2	
San Francisco.....	5	2	
Total.....	7	5	4

NEW HAMPSHIRE.

	First.	Second.	Third.
Atlanta.....			1
Albany.....			1
Boston.....	50		
Chicago.....			1
Concord.....		1	
New York.....		28	
Philadelphia.....			10
Total.....	50	29	15

NEW JERSEY.

	First.	Second.	Third.
Albany.....			1
Atlanta.....			2
Baltimore.....			4
Boston.....	1	2	25
Buffalo.....			1
Chicago.....			2
Jersey City.....		1	3
Newark.....		4	2
New York.....	122	53	3
Paterson.....		2	
Philadelphia.....	65	60	6
Pittsburgh.....		1	1
Washington.....		1	4
Total.....	188	124	54

NEW MEXICO.

	First.	Second.	Third.
Dallas.....	3	6	6
Denver.....	9	9	3
Chicago.....			5
El Paso.....	1	1	
Fort Worth.....		1	1
Houston.....			1
Kansas City.....	20	10	2
St. Louis.....		2	6
San Francisco.....		1	1
Dallas or Fort Worth.....		1	
Denver or El Paso.....			1
Total.....	33	31	26

NEW YORK.

	First.	Second.	Third.
Albany.....	10	70	26
Atlanta.....			1
Boston.....	1	34	55
Buffalo.....	13	13	16
Brooklyn.....	1	1	
Chicago.....		9	4
Cleveland.....		6	1
Kingston.....			1
New York.....	393	16	4
Philadelphia.....		60	48
Pittsburgh.....		7	6
Rochester.....		2	9
San Francisco.....			3
Schenectady.....		1	
Syracuse.....	1	5	4
St. Louis.....			6
Troy.....		1	
Utica.....		1	4
Stamford.....			1
Washington.....		3	4
Baltimore or Washington.....			1
New York or Albany.....	1		
Total.....	420	229	194

NORTH CAROLINA.

	First.	Second.	Third.
Atlanta.....		1	2
Baltimore.....		23	17
Charlotte.....	18	8	6
Columbia.....		1	
New York.....		3	3
Philadelphia.....		3	7
Richmond.....	44	13	1

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

NORTH CAROLINA—Continued.

	First.	Second.	Third.
Washington.....	2	5	12
Wilmington.....		1	1
Baltimore or Washington.....		1	2
Washington or Baltimore.....		1	1
Total.....	64	60	52

NORTH DAKOTA.

	First.	Second.	Third.
Chicago.....	2	7	95
Duluth.....			3
Fargo.....	1		2
Minneapolis.....	97	19	1
St. Paul.....	19	92	2
Spokane.....		1	
Minneapolis or St. Paul.....	6		
St. Paul or Minneapolis.....		1	
Total.....	125	120	103

OHIO.

	First.	Second.	Third.
Baltimore.....		1	1
Chicago.....	2	37	33
Cincinnati.....	160	52	58
Cleveland.....	107	82	62
Columbus.....	36	46	29
Detroit.....		1	5
Indianapolis.....		3	6
Kansas City.....			1
Louisville.....		8	11
New Orleans.....			1
New York.....	2	1	9
Philadelphia.....			1
Pittsburgh.....	31	49	41
St. Louis.....			6
Toledo.....	1	1	1
Washington.....		1	1
Youngstown.....		1	1
New York or Chicago.....			1
Columbus or Cleveland.....			1
Cincinnati or Columbus.....			1
Cincinnati or Cleveland.....	2		
Cleveland or Pittsburgh.....	2		
Total.....	343	283	270

OKLAHOMA.

	First.	Second.	Third.
Chicago.....		6	65
Dallas.....	17	11	47
Des Moines.....			1
Fort Worth.....	1	2	7
Houston.....			2
Kansas City.....	202	63	9
Memphis.....			1
Muskogee.....			1
New Orleans.....			1
Oklahoma.....	3	8	15
Omaha.....			1
Philadelphia.....			1
St. Joseph.....			1
St. Louis.....	57	169	31
Tulsa.....			4
Wichita.....	1	3	1
St. Louis or Kansas City.....	1		
St. Louis or Dallas.....		1	
Dallas or Fort Worth.....	1		
Total.....	283	262	191

OREGON.

	First.	Second.	Third.
Chicago.....		1	1
Denver.....			3
Los Angeles.....			1
Minneapolis.....		1	
New York.....			1
Portland.....	56	11	
San Francisco.....	16	45	8
Seattle.....		8	32
Spokane.....	1	2	10
Total.....	73	68	56

PENNSYLVANIA.

	First.	Second.	Third.
Altoona.....			1
Baltimore.....	11	18	29
Boston.....	1	1	30
Buffalo.....	1	3	3

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

PENNSYLVANIA—Continued.

	First.	Second.	Third.
Chicago.....		1	77
Cincinnati.....		1	4
Cleveland.....	3	15	16
Harrisburg.....		1	1
Lancaster.....		1	1
New York.....	43	471	77
Philadelphia.....	420	117	71
Pittsburgh.....	282	29	40
Reading.....			1
Uniontown.....			1
Washington.....	1	8	37
Boston or Philadelphia.....	1		
Denver, Seattle, or San Francisco.....			1
Philadelphia or Washington.....		2	2
Philadelphia, Washington, or Baltimore.....			1
Philadelphia or Chicago.....			2
Washington, New York, or Chicago.....		1	
Philadelphia or Pittsburgh.....	1		
Washington or Baltimore.....			1
Total.....	764	667	396

RHODE ISLAND.

	First.	Second.	Third.
Boston.....	11	5	
New York.....	4	8	1
Philadelphia.....			5
Providence.....	1		
Total.....	16	13	6

SOUTH CAROLINA.

	First.	Second.	Third.
Atlanta.....		1	2
Baltimore.....	1	5	17
Charlotte.....	1	2	7
Columbia.....	28	5	2
Raleigh.....			1
Richmond.....	11	27	4
Savannah.....			2
Washington.....	1	2	8
Total.....	42	42	43
Baltimore or Richmond.....			1

SOUTH DAKOTA.

	First.	Second.	Third.
Chicago.....	25	26	38
Denver.....			5
Des Moines.....			1
Kansas City.....			1
Minneapolis.....	54	12	11
New York.....			3
Omaha.....	8	8	7
St. Paul.....	6	38	4
Sioux City.....	2	9	8
Minneapolis or St. Paul.....	4	2	
Sioux City or Omaha.....			1
Total.....	99	95	77

TENNESSEE.

	First.	Second.	Third.
Atlanta.....	7	14	13
Baltimore.....	1		2
Chattanooga.....	11	7	1
Chicago.....			3
Cincinnati.....	14	16	15
Knoxville.....		1	
Louisville.....	8	13	11
Memphis.....	8	6	3
Nashville.....	25	10	5
New Orleans.....			2
New York.....			2
Richmond.....	2	4	5
St. Louis.....	8	11	16
Washington.....	1		
Cincinnati or Atlanta.....		1	
Nashville or Atlanta.....	1		
Total.....	86	83	78

TEXAS.

	First.	Second.	Third.
Atlanta.....			1
Austin.....		1	8
Chicago.....		2	5
Denver.....		1	2
Dallas.....	212	121	30
El Paso.....			1

First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

TEXAS—Continued.

	First.	Second.	Third.
Fort Worth.....	84	69	30
Galveston.....	2	4	4
Houston.....	97	78	87
Kansas City.....	12	20	40
New Orleans.....		4	44
New York.....	1		
Oklahoma City.....		1	2
St. Louis.....	13	96	110
San Antonio.....	1	2	12
San Francisco.....			4
Waco.....	2	1	10
Wichita.....		1	1
Dallas or Fort Worth.....	3	1	
Dallas or Houston.....	7	1	
Dallas, Fort Worth, or Houston.....	3		
St. Louis or Kansas City.....	1		
Fort Worth or Dallas.....		1	
Chicago or Denver.....		4	
Total.....	438	408	391

UTAH.

	First.	Second.	Third.
Chicago.....	1	1	
Denver.....		5	6
Los Angeles.....			1
New York.....			1
Omaha.....		1	7
Salt Lake City.....	13		
San Francisco.....	6	11	2
Total.....	20	18	17

VERMONT.

	First.	Second.	Third.
Albany.....		4	4
Boston.....	23	14	2
Chicago.....			1
New York.....	19	17	2
Philadelphia.....			5
Total.....	42	35	14

VIRGINIA.

	First.	Second.	Third.
Baltimore.....	11	47	26
Atlanta.....			2
Cincinnati.....	1	1	3
Louisville.....			
New York.....	1	6	15
Philadelphia.....		7	9
Richmond.....	96	8	8
Washington.....	9	36	30
Total.....	118	106	93

WASHINGTON.

	First.	Second.	Third.
Chicago.....		5	11
Minneapolis.....		3	6
Portland.....	9	22	15
St. Louis.....			1
St. Paul.....		3	
San Francisco.....	8	18	21
Seattle.....	40	17	5
Spokane.....	16	5	6
Twin Cities.....			3
Seattle or Portland.....		1	
San Francisco or Twin Cities.....			1
Total.....	73	72	69

WEST VIRGINIA.

	First.	Second.	Third.
Baltimore.....	21	32	24
Chicago.....			1
Cincinnati.....	26	13	19
Cleveland.....			2
Columbus.....			1
New York.....	1	7	7
Philadelphia.....		1	6
Pittsburgh.....	41	13	8
Richmond.....	16	12	9
Washington.....		13	17
Wheeling.....		1	
Washington or Baltimore.....		2	2
Total.....	105	96	94



First, second, and third choice votes for reserve-bank cities, by States—  
Continued.

WISCONSIN.

	First.	Second.	Third.
Chicago.....	89	17	11
Cleveland.....			1
Dubuque.....			1
Madison.....			1
Milwaukee.....	13	28	2
Minneapolis.....	8	16	22
New York.....			1
St. Louis.....			3
St. Paul.....	7	9	7
Twin Cities.....	1	1	4
St. Louis or Minneapolis.....			1
Total.....	118	73	54

WYOMING.

	First.	Second.	Third.
Chicago.....		5	4
Denver.....	12	8	2
Kansas City.....			3
Omaha.....	10	11	4
St. Louis.....			1
Salt Lake City.....	4		1
St. Paul or Minneapolis.....	1		
Total.....	27	24	15

RECAPITULATION.

	First.	Second.	Third.
Alabama.....	73	67	64
Arizona.....	12	10	7
Arkansas.....	54	46	33
California.....	235	133	64
Colorado.....	113	95	87
Connecticut.....	71	49	36
Delaware.....	24	20	10
District of Columbia.....	12	12	11
Florida.....	44	43	38
Georgia.....	108	93	75
Idaho.....	45	45	43
Illinois.....	71	246	132
Indiana.....	234	202	108
Iowa.....	303	305	153
Kansas.....	198	159	127
Kentucky.....	128	119	106
Louisiana.....	26	21	20
Maine.....	61	47	32
Maryland.....	98	72	60
Massachusetts.....	154	91	41
Michigan.....	95	60	45
Minnesota.....	259	240	203
Mississippi.....	32	28	26
Missouri.....	116	83	58
Montana.....	53	51	44
Nebraska.....	223	223	184
Nevada.....	7	5	4
New Hampshire.....	50	29	15
New Jersey.....	188	124	54
New Mexico.....	33	31	26
New York.....	420	229	194
North Carolina.....	64	60	52
North Dakota.....	125	120	103
Ohio.....	343	283	270
Oklahoma.....	283	262	191
Oregon.....	73	68	56
Pennsylvania.....	764	667	396
Rhode Island.....	16	13	6
South Carolina.....	42	43	43
South Dakota.....	90	95	77
Tennessee.....	86	83	78
Texas.....	438	408	391
Utah.....	20	18	17
Vermont.....	42	35	14
Virginia.....	118	106	93
Washington.....	73	72	69
West Virginia.....	105	96	94
Wisconsin.....	118	73	54
Wyoming.....	27	24	15
Total.....	6,724	5,504	4,179

At the same time the several banks were requested to indicate the Federal reserve city with which they preferred to be connected such banks were asked to suggest the proper location for not less than 8 nor more than 12 Federal reserve cities. Samples of cards and circulars used are attached as exhibits.

In analyzing the suggestions received it was found, however, that in a large number of cases the cities voted for on this ballot received the greater proportion of votes from banks located entirely outside of the districts in which such cities were located; for example, out of 4,576 cards suggesting New Orleans as a proper location for a Federal reserve city only 222 banks making this suggestion were located in the territory contiguous to New Orleans and included in district No. 6, 4,354 of such banks being entirely outside of the district, 631 being located in Pennsylvania, 245 in Ohio, 280 in New York, 330 in Illinois, 162 in California, 187 in Indiana, 172 in Minnesota, 133 in New Jersey, 93 in Wisconsin, 90 in Massachusetts, and 207 in Iowa.

In the same manner, while Denver received 4,098 votes, only 426 came from the States within the district to which Denver has been assigned, whereas Kansas City has received 553 votes from the same district.

In the same manner, while 1,099 banks suggested Baltimore as a proper location for a Federal reserve city, only 128 of these were located in district No. 5, and of this number 95 were located in Maryland.

Cities suggested for location of Federal reserve banks.

State.	Atlanta.	Baltimore.	Boston.	Chicago.	Cincinnati.	Cleveland.	Dallas.	Denver.	Fort Worth.
Alabama.....	16	13	40	62	20	3	8	55	6
Arizona.....	6	11	11	11	2		1	8	
Arkansas.....	42	10	63	81	10	7	16	43	1
California.....	117	23	147	203	18	13	7	135	2
Colorado.....	57	15	72	101	15	5	5	102	2
Connecticut.....	37	5	38	52	3	3	2	40	
Delaware.....	20	6	22	23				20	1
District of Columbia.....	10		10	10	1			9	
Florida.....	23	13	28	31	8	1	3	21	1
Georgia.....	79	19	65	82	22	3	3	61	
Idaho.....	18	7	25	39	5	1		23	
Illinois.....	186	46	281	384	92	29	25	293	1
Indiana.....	124	31	149	216	138	23	21	175	3
Iowa.....	144	27	181	272	41	12	9	174	4
Kansas.....	75	18	109	147	23	8	5	45	2
Kentucky.....	64	22	82	107	46	15	13	89	5
Louisiana.....	9	5	14	23	5		2	16	
Maine.....	20	13	48	47	6			17	
Maryland.....	48	88	78	87	8	10	2	66	2
Massachusetts.....	76	24	113	111	12	6	5	81	1
Michigan.....	52	7	65	87	16	22	3	62	2
Minnesota.....	93	31	155	223	15	17	3	140	3
Mississippi.....	18	5	20	29	14	1	5	23	
Missouri.....	65	12	29	111	17	10	7	54	1
Montana.....	18	4	32	47	6	3		27	
Nebraska.....	105	48	148	202	17	7	11	27	2
Nevada.....	6	1	6	7				2	
New Hampshire.....	20	10	35	33	3	1	1	24	1
New Jersey.....	123	17	143	161	11	6	4	130	2
New Mexico.....	20	3	17	28	5		12	25	
New York.....	231	80	276	355	30	29	20	250	5
North Carolina.....	21	22	40	49	11		10	33	
North Dakota.....	61	12	77	113	8	9	6	75	1
Ohio.....	130	77	142	306	169	115	31	234	7
Oklahoma.....	143	33	153	242	43	21	33	157	16
Oregon.....	24	10	46	68	5	5	1	48	1
Pennsylvania.....	482	105	658	708	28	22	13	640	1
Rhode Island.....	6	3	10	10	1	1	1	7	
South Carolina.....	6	12	25	30	6		4	23	1
South Dakota.....	51	9	67	90	7	6	3	63	5
Tennessee.....	39	17	46	70	48	3	20	52	5
Texas.....	278	60	250	363	47	21	213	247	71
Utah.....	7	1	14	16		1		1	
Vermont.....	15	6	26	30		4	2	18	
Virginia.....	32	28	71	86	22	3	8	65	2
Washington.....	35	12	59	73	5	7	6	41	
West Virginia.....	38	61	73	84	50	1	8	76	
Wisconsin.....	69	23	64	109	19	12	8	75	3
Wyoming.....	7	5	18	25			3	16	
Total.....	3,366	1,099	4,341	5,844	1,079	467	632	4,098	162

VOTE FOR RESERVE-BANK CITIES.

State.	Houston.	Kansas City.	Los Angeles.	Louisville.	Memphis.	Minneapolis.	New Orleans.	New York.	Omaha.	Philadelphia.
Alabama	14	7	4	13	1	8	47	59	2	9
Arizona	2	7	3	1	1	4	10	11	3	3
Arkansas	13	49	2	2	6	17	62	76	4	24
California	14	38	26	2	4	74	162	201	23	62
Colorado	5	39	4	1	1	29	81	100	15	23
Connecticut	1	9	1	1	1	6	42	52	2	72
Delaware	1	1	1	1	1	15	21	25	1	22
District of Columbia	1	1	1	1	1	1	1	10	1	1
Florida	2	3	3	3	1	9	23	31	3	3
Georgia	7	10	2	6	3	8	51	89	9	17
Idaho	1	18	2	1	1	18	33	40	15	7
Illinois	29	101	18	4	8	125	330	379	19	105
Indiana	9	48	10	44	5	60	187	216	6	49
Iowa	26	90	20	1	3	143	207	250	64	70
Kansas	12	154	8	6	6	68	106	151	3	42
Kentucky	8	20	12	92	3	18	101	108	3	21
Louisiana	3	7	1	2	2	5	23	23	1	6
Maine	1	6	1	1	1	9	38	47	2	22
Maryland	1	5	1	1	1	20	82	91	9	20
Massachusetts	3	10	3	1	1	22	90	115	3	49
Michigan	3	15	6	1	1	38	74	85	5	31
Minnesota	12	48	17	1	4	177	172	217	8	59
Mississippi	2	6	1	4	9	2	26	27	1	8
Missouri	8	82	2	6	6	40	77	106	4	42
Montana	2	5	1	1	1	30	39	50	5	14
Nebraska	13	31	9	4	4	89	157	197	170	39
Nevada	1	3	2	1	1	4	7	7	2	2
New Hampshire	1	4	2	1	1	10	27	34	2	13
New Jersey	1	13	5	1	1	64	133	168	6	132
New Mexico	3	26	5	1	1	8	21	30	2	9
New York	13	36	10	3	3	54	280	364	16	142
North Carolina	2	8	1	3	3	11	48	50	3	12
North Dakota	3	23	6	1	1	99	77	113	3	21
Ohio	6	49	8	14	1	64	245	304	10	85
Oklahoma	16	218	7	2	12	65	148	243	9	67
Oregon	5	15	2	2	2	24	57	67	5	23
Pennsylvania	3	23	6	4	23	304	631	684	12	498
Rhode Island	2	3	1	1	1	2	10	11	1	6
South Carolina	2	3	1	1	1	9	25	31	2	12
South Dakota	5	29	4	16	10	69	68	83	23	12
Tennessee	9	10	4	16	10	7	52	69	3	12
Texas	101	72	7	7	16	58	140	358	32	77
Utah	2	5	1	1	1	5	12	16	7	5
Vermont	1	13	3	1	1	8	23	29	4	12
Virginia	7	4	2	7	3	13	76	84	2	20
Washington	4	14	1	1	1	36	63	72	6	13
West Virginia	3	5	4	2	4	7	74	84	3	12
Wisconsin	4	14	4	2	4	51	93	110	12	32
Wyoming	1	3	1	1	1	5	24	25	16	6
Total	382	1,399	228	232	149	2,011	4,576	5,792	557	1,998

State.	Pittsburg.	Portland.	Richmond.	St. Louis.	St. Paul.	Salt Lake.	San Francisco.	Seattle.	Spokane.	Washington.
Alabama	6	2	11	54	3	1	62	29	.....	23
Arizona	2	1	1	7	2	1	10	2	.....	2
Arkansas	7	10	6	72	16	3	73	25	.....	17
California	30	17	2	163	24	8	192	21	4	24
Colorado	18	10	3	83	17	3	93	20	1	11
Connecticut	4	8	1	42	7	1	45	17	1	5
Delaware	1	1	1	20	1	1	21	4	.....	3
District of Columbia	1	1	1	10	1	1	10	1	.....	10
Florida	3	3	10	29	6	1	31	10	2	6
Georgia	7	6	20	71	10	1	81	34	1	44
Idaho	3	14	7	30	6	9	41	3	11	6
Illinois	75	62	5	316	39	7	366	112	6	46
Indiana	47	27	7	168	34	5	204	82	2	37
Iowa	39	49	2	193	41	6	234	86	7	39
Kansas	22	26	1	112	33	10	140	37	2	42
Kentucky	26	8	28	87	10	1	96	33	.....	28
Louisiana	3	1	2	22	2	1	21	6	.....	8
Maine	2	7	4	44	2	1	47	15	.....	9
Maryland	17	6	4	72	10	3	85	33	.....	10
Massachusetts	15	13	4	97	9	2	107	46	2	26
Michigan	12	25	1	61	9	2	80	30	2	13
Minnesota	42	29	6	179	55	3	109	79	4	22
Mississippi	4	3	3	24	4	2	25	6	.....	7
Missouri	13	8	3	100	13	3	106	32	1	26
Montana	2	4	1	37	21	1	47	16	8	13
Nebraska	20	20	3	177	25	17	187	32	2	27
Nevada	1	1	1	6	2	3	7	2	.....	1
New Hampshire	1	4	1	28	1	1	32	11	.....	8
New Jersey	7	15	1	138	11	4	156	34	3	27
New Mexico	5	2	1	19	6	1	26	8	.....	5
New York	54	37	13	287	49	15	335	118	4	87
North Carolina	8	8	41	43	8	4	49	12	1	9
North Dakota	8	20	1	83	19	3	109	41	4	17
Ohio	70	31	15	238	27	1	263	101	4	60
Oklahoma	26	34	5	196	26	9	217	67	2	42
Oregon	8	53	1	45	12	1	65	3	.....	23
Pennsylvania	317	31	7	646	34	4	648	275	1	184
Rhode Island	2	2	1	8	2	1	9	3	.....	3
South Carolina	5	3	19	27	6	1	8	8	.....	6
South Dakota	12	10	1	60	14	3	86	33	1	14
Tennessee	5	4	12	67	4	1	62	18	.....	18
Texas	45	29	19	345	31	12	329	95	3	70
Utah	1	1	1	15	3	9	16	4	2	2
Vermont	4	5	1	25	1	4	27	16	.....	5
Virginia	12	1	75	81	4	1	84	30	2	19
Washington	11	12	1	62	17	2	68	38	14	19
West Virginia	68	3	27	71	9	1	81	54	.....	18
Wisconsin	21	28	1	90	20	2	106	47	1	2
Wyoming	1	4	1	21	8	5	24	6	.....	5
Total	1,107	697	360	4,871	709	170	5,320	1,835	98	1,148

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DECISION OF THE RESERVE BANK ORGANIZATION COMMITTEE  
DETERMINING THE FEDERAL RESERVE DISTRICTS AND THE  
LOCATION OF FEDERAL RESERVE BANKS UNDER FED-  
ERAL RESERVE ACT, APPROVED DECEMBER 23, 1913.

—  
APRIL 2, 1914.  
—

WITH STATEMENT OF THE COMMITTEE  
IN RELATION THERETO.

—  
APRIL 10, 1914.  
—

## DECISION OF THE RESERVE BANK ORGANIZATION COMMITTEE DETERMINING THE FEDERAL RESERVE DISTRICTS AND THE LOCATION OF THE FEDERAL RESERVE BANKS.

[Under the Federal reserve act, approved Dec. 23, 1913.]

The Federal reserve act directs the Reserve Bank Organization Committee to "designate not less than 8 nor more than 12 cities to be known as Federal reserve cities"; to "divide the continental United States, excluding Alaska, into districts, each district to contain only one of such Federal reserve cities"; and to apportion the districts "with due regard to the convenience and customary course of business." The act provides that the districts may not necessarily be coterminous with any State or States.

In determining the reserve districts and in designating the cities within such districts where Federal reserve banks shall be severally located, the organization committee has given full consideration to the important factors bearing upon the subject. The committee held public hearings in 18 of the leading cities from the Atlantic to the Pacific and from the Great Lakes to the Gulf, and was materially assisted thereby in determining the districts and the reserve cities.

Every reasonable opportunity has been afforded applicant cities to furnish evidence to support their claims as locations for Federal reserve banks.

More than 200 cities, through their clearing-house associations, chambers of commerce, and other representatives, were heard. Of these, 37 cities asked to be designated as the headquarters of a Federal reserve bank.

The majority of the organization committee, including its chairman and the Secretary of Agriculture, were present at all hearings, and stenographic reports of the proceedings were made for more deliberate consideration. Independent investigations were, in addition, made through the Treasury Department, and the preference of each bank as to the location of the Federal reserve bank with which it desired to be connected was ascertained by an independent card ballot addressed to each of the 7,471 national banks throughout the country which had formally assented to the provisions of the Federal reserve act.

Among the many factors which governed the committee in determining the respective districts and the selection of the cities which have been chosen were:

First. The ability of the member banks within the district to provide the minimum capital of \$4,000,000

required for the Federal reserve bank, on the basis of 6 per cent of the capital stock and surplus of member banks within the district.

Second. The mercantile, industrial, and financial connections existing in each district and the relations between the various portions of the district and the city selected for the location of the Federal reserve bank.

Third. The probable ability of the Federal reserve bank in each district, after organization and after the provisions of the Federal reserve act shall have gone into effect, to meet the legitimate demands of business, whether normal or abnormal, in accordance with the spirit and provisions of the Federal reserve act.

Fourth. The fair and equitable division of the available capital for the Federal reserve banks among the districts created.

Fifth. The general geographical situation of the district, transportation lines, and the facilities for speedy communication between the Federal reserve bank and all portions of the district.

Sixth. The population, area, and prevalent business activities of the district, whether agricultural, manufacturing, mining, or commercial, its record of growth and development in the past and its prospects for the future.

In determining the several districts the committee has endeavored to follow State lines as closely as practicable, and wherever it has been found necessary to deviate the division has been along lines which are believed to be most convenient and advantageous for the district affected.

The 12 districts and the 12 cities selected for the location of the Federal reserve banks are as follows:

### DISTRICT NO. 1.

*The New England States. Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut, with the city of Boston as the location of the Federal reserve bank.*

This district contains 445 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Boston, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$9,924,543.

## DISTRICT No. 2.

*The State of New York with New York City as the location of the Federal reserve bank.*

This district contains 477 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of New York, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$20,621,606; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$20,687,606.

## DISTRICT No. 3.

*The States of New Jersey and Delaware and all that part of Pennsylvania located east of the western boundary of the following counties: McKean, Elk, Clearfield, Cambria, and Bedford, with the Federal reserve bank in the city of Philadelphia.*

This district contains 757 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Philadelphia, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$12,488,138; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$12,500,738.

## DISTRICT No. 4.

*The State of Ohio; all that part of Pennsylvania lying west of district No. 3; the counties of Marshall, Ohio, Brooke, and Hancock, in the State of West Virginia; and all that part of the State of Kentucky located east of the western boundary of the following counties: Boone, Grant, Scott, Woodford, Jessamine, Garrard, Lincoln, Pulaski, and McCreary; with the city of Cleveland, Ohio, as the location of the Federal reserve bank.*

This district contains 767 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Cleveland, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$12,007,384; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$12,100,384.

## DISTRICT No. 5.

*The District of Columbia, and the States of Maryland, Virginia, North Carolina, South Carolina, and all of West Virginia except the counties of Marshall, Ohio, Brooke, and Hancock, with the Federal reserve bank located in the city of Richmond, Va.*

This district contains 475 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Richmond, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in

the district, will amount to \$6,303,301; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$6,542,713.

## DISTRICT No. 6.

*The States of Alabama, Georgia, and Florida; all that part of Tennessee located east of the western boundary of the following counties: Stewart, Houston, Wayne, Humphreys, and Perry; all that part of Mississippi located south of the northern boundary of the following counties: Issaquena, Sharkey, Yazoo, Kemper, Madison, Leake, and Neshoba; and all of the southeastern part of Louisiana located east of the western boundary of the following parishes: Pointe Coupee, Iberville, Assumption, and Terrebonne, with the city of Atlanta, Ga., as the location of the Federal reserve bank.*

This district contains 372 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Atlanta, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$4,641,193; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$4,702,558.

## DISTRICT No. 7.

*The State of Iowa; all that part of Wisconsin located south of the northern boundary of the following counties: Vernon, Sauk, Columbia, Dodge, Washington, and Ozaukee; all of the southern peninsula of Michigan, viz, that part east of Lake Michigan; all that part of Illinois located north of a line forming the southern boundary of the following counties: Hancock, Schuyler, Cass, Sangamon, Christian, Shelby, Cumberland, and Clark; and all that part of Indiana north of a line forming the southern boundary of the following counties: Vigo, Clay, Owen, Monroe, Brown, Bartholomew, Jennings, Ripley, and Ohio, with the Federal reserve bank located in the city of Chicago, Ill.*

This district contains 952 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Chicago, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$12,479,876; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$12,967,701.

## DISTRICT No. 8.

*The State of Arkansas; all that part of Missouri located east of the western boundary of the following counties: Harrison, Daviess, Caldwell, Ray, Lafayette, Johnson, Henry, St. Clair, Cedar, Dade, Lawrence, and Barry; all that part of Illinois not included in district No. 7; all that part of Indiana not included in district No. 7; all that part of Kentucky not included in district No. 4; all that part of Tennessee not included in district No. 6; and all that part of Mississippi not included in district No. 6, with the city of St. Louis, Mo., as the location of the Federal reserve bank.*

This district contains 458 national banks which have accepted the provisions of the Federal reserve act.

The capital stock of the Federal reserve bank of St. Louis, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$4,990,761; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$6,367,006.

## DISTRICT No. 9.

*The States of Montana, North Dakota, South Dakota, Minnesota; all that part of Wisconsin not included in district No. 7, and all that part of Michigan not included in district No. 7, with the city of Minneapolis, Minn., as the location of the Federal reserve bank.*

This district contains 687 national banks, which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Minneapolis, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$4,702,925.

## DISTRICT No. 10.

*The States of Kansas, Nebraska, Colorado, and Wyoming; all that part of Missouri not included in district No. 8; all that part of Oklahoma north of a line forming the southern boundary of the following counties: Ellis, Dewey, Blaine, Canadian, Cleveland, Pottawatomie, Seminole, Okfuskee, McIntosh, Muskogee, and Sequoyah; and all that part of New Mexico north of a line forming the southern boundary of the following counties: McKinley, Sandoval, Santa Fe, San Miguel, and Union, with the city of Kansas City, Mo., as the location of the Federal reserve bank.*

This district contains 836 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Kansas City, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$5,590,015; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$5,600,977.

## DISTRICT No. 11.

*The State of Texas; all that part of New Mexico not included in district No. 10; all that part of Oklahoma not included in district No. 10; all that part of Louisiana not included in district No. 6; and the following counties in the State of Arizona: Pima, Graham, Greenlee, Cochise, and Santa Cruz, with the city of Dallas, Tex., as the location of the Federal reserve bank.*

This district contains 731 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of Dallas,

on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$5,540,020; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$5,653,924.

## DISTRICT No. 12.

*The States of California, Washington, Oregon, Idaho, Nevada, and Utah, and all that part of Arizona not included in district No. 11, with the city of San Francisco, Cal., as the location of the Federal reserve bank.*

This district contains 514 national banks which have accepted the provisions of the Federal reserve act. The capital stock of the Federal reserve bank of San Francisco, on the basis of 6 per cent of the total capital stock and surplus of the assenting national banks in the district, will amount to \$7,825,375; and if there be added 6 per cent of the capital stock and surplus of the State banks and trust companies which have applied for membership up to April 1, 1914, the total capital stock will be \$8,115,494.

The committee was impressed with the growth and development of the States of Idaho, Washington, and Oregon, but on the basis of 6 per cent of the capital stock and surplus of national banks and State banks and trust companies which have applied for membership, that section could not provide the \$4,000,000 minimum capital stock required by the law. With the continued growth of that region it is reasonable to expect that in a few years the capital and surplus of its member banks will be sufficient to justify the creation of an additional Federal reserve district, at which time application may be made to the Congress for a grant of the necessary authority.

It is no part of the duty of the organization committee to locate branches of the Federal reserve banks. The law specifically provides that "each Federal reserve bank shall establish branch banks within the Federal reserve district in which it is located." All the material collected by the committee will be placed at the disposal of the Federal reserve banks and the Federal reserve board when they are organized and ready to consider the establishment of branch banks.

Reference is made to the map of the districts and to Tables A, B, C, D, E, and F hereto attached.

W. G. McADOO,

D. F. HOUSTON,

JNO. SKELTON WILLIAMS,

*Reserve Bank Organization Committee.*

WASHINGTON, D. C., April 2, 1914.

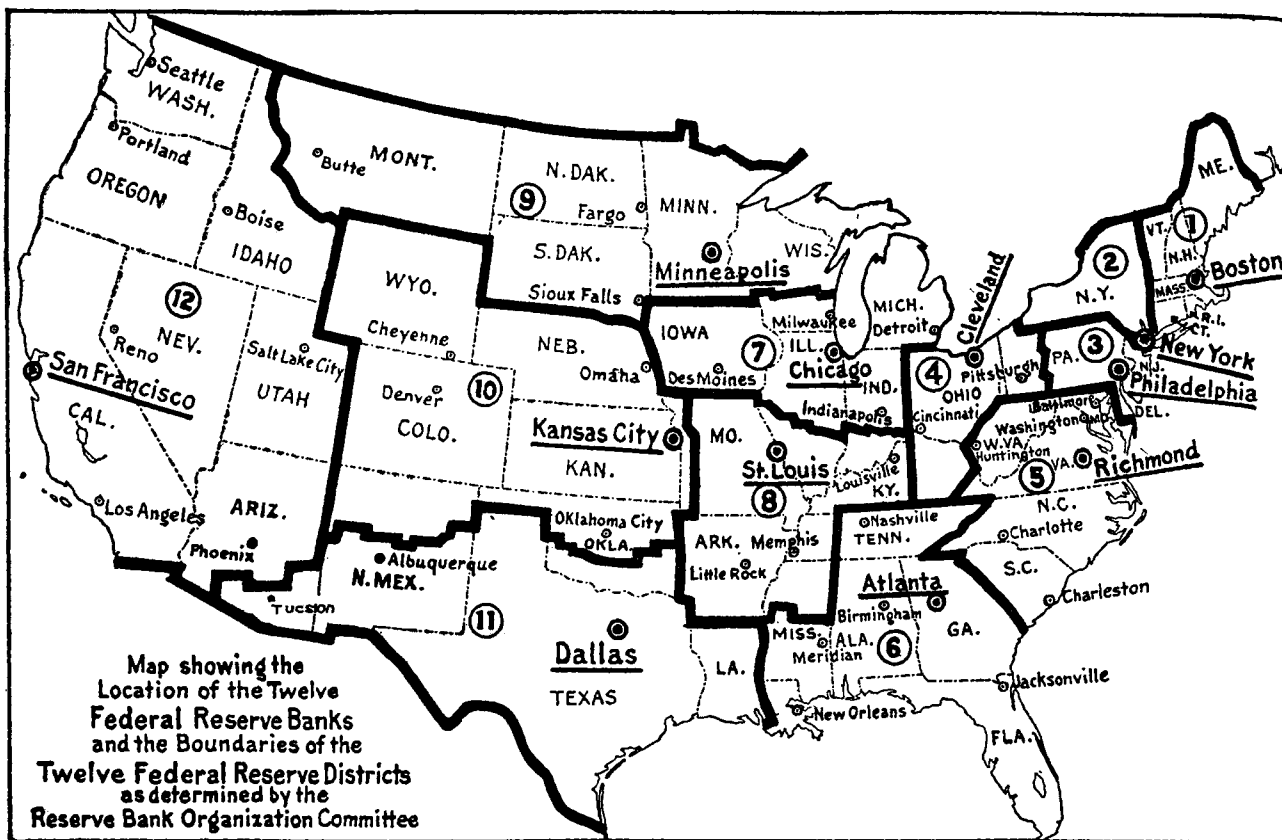


TABLE A (part 1).—Showing subscriptions to stock of Federal reserve banks by national banks, State banks, and trust companies, with area and population of each district.

District No.	Federal reserve cities.	Districts.		National banks Mar. 4, 1914.			Including State banks and trust companies that have applied for membership up to Apr. 1, 1914.		
		Land area in square miles. <sup>1</sup>	Population. <sup>1</sup>	Number of banks.	Capital and surplus.	6 per cent subscription.	Number of banks.	Capital and surplus.	6 per cent subscription.
1	Boston.....	61, 976	6, 552, 681	445	\$165, 409, 043	\$9, 924, 543	445	\$165, 409, 043	\$9, 924, 543
2	New York.....	47, 654	9, 113, 614	477	343, 693, 437	20, 621, 606	478	344, 793, 437	20, 687, 606
3	Philadelphia.....	40, 449	7, 932, 065	757	203, 135, 631	12, 488, 138	758	203, 345, 631	12, 500, 738
4	Cleveland.....	72, 693	8, 326, 668	767	200, 123, 060	12, 007, 384	769	201, 673, 060	12, 100, 384
5	Richmond.....	152, 931	8, 519, 310	475	105, 055, 023	6, 303, 301	484	109, 045, 223	6, 542, 713
6	Atlanta.....	233, 821	8, 677, 288	372	77, 353, 221	4, 641, 193	382	78, 375, 971	4, 702, 558
7	Chicago.....	171, 306	12, 348, 767	952	207, 997, 941	12, 479, 876	967	216, 128, 363	12, 967, 701
8	St. Louis.....	194, 787	8, 747, 662	458	83, 179, 348	4, 990, 761	469	106, 116, 764	6, 367, 006
9	Minneapolis.....	433, 281	5, 195, 886	687	78, 382, 081	4, 702, 925	687	78, 382, 081	4, 702, 925
10	Kansas City, Mo.....	450, 831	5, 671, 051	836	93, 166, 912	5, 590, 015	839	93, 349, 612	5, 600, 977
11	Dallas.....	430, 329	5, 797, 970	731	92, 333, 673	5, 540, 020	737	94, 232, 073	5, 653, 924
12	San Francisco.....	683, 852	5, 089, 304	514	130, 422, 921	7, 825, 375	529	135, 258, 231	8, 115, 494
	Total.....	2, 973, 890	91, 972, 266	7, 471	1, 785, 252, 291	107, 115, 137	7, 544	1, 831, 109, 489	109, 866, 569

<sup>1</sup> United States census of 1910.

TABLE A (part 2).—Showing amount due to and due from banks, amount of individual deposits and all deposits, also cash in vault, for all national banks in each Federal reserve district as of Mar. 4, 1914.

District No.	Federal reserve cities.	Total due to banks.	Total due from banks.	Net balance due to banks.	Net balance due from banks.	Individual deposits.	All deposits.	Per capita deposit.	Cash in vault.
1	Boston.....	\$125, 363, 123	\$125, 087, 628	\$275, 495	.....	\$500, 636, 637	\$631, 356, 974	\$96	\$53, 354, 398
2	New York.....	863, 414, 285	192, 806, 668	670, 607, 617	.....	1, 191, 533, 728	2, 061, 858, 058	226	359, 715, 324
3	Philadelphia.....	214, 326, 384	189, 222, 922	25, 103, 462	.....	718, 185, 010	937, 181, 166	118	77, 909, 120
4	Cleveland.....	186, 273, 482	170, 831, 707	15, 441, 775	.....	654, 985, 827	851, 157, 633	102	75, 287, 748
5	Richmond.....	71, 963, 378	72, 983, 655	.....	\$1, 020, 277	317, 659, 065	399, 579, 841	47	25, 524, 694
6	Atlanta.....	39, 603, 415	61, 442, 028	.....	21, 838, 613	215, 744, 303	262, 318, 818	30	18, 752, 412
7	Chicago.....	441, 078, 660	278, 661, 678	162, 416, 982	.....	811, 307, 271	1, 265, 208, 464	102	150, 414, 811
8	St. Louis.....	131, 446, 049	92, 813, 994	38, 632, 055	.....	241, 740, 690	378, 858, 307	43	40, 866, 167
9	Minneapolis.....	80, 671, 243	104, 873, 520	.....	24, 202, 277	389, 088, 959	475, 684, 697	92	34, 917, 883
10	Kansas City, Mo.....	146, 742, 582	134, 726, 219	12, 016, 363	.....	365, 978, 140	521, 318, 350	92	44, 118, 906
11	Dallas.....	51, 172, 553	78, 083, 730	.....	26, 911, 177	252, 490, 607	307, 130, 732	53	25, 979, 225
12	San Francisco.....	120, 188, 341	122, 927, 748	.....	2, 739, 407	444, 274, 574	573, 243, 051	113	60, 077, 300
	Total.....	2, 472, 243, 495	1, 624, 461, 497	924, 493, 749	76, 711, 751	6, 103, 624, 811	8, 664, 896, 091	94	966, 917, 988

TABLE B.—Number of national banks on Sept. 9, 1903, and Aug. 9, 1913, with increase or decrease; also amount of capital stock and surplus, loans and discounts, and individual deposits (in thousands), with amount and percentage of increase or decrease.

	Number of national banks.			Capital and surplus.				Loans and discounts.				Individual deposits.			
	1903	1913	Increase or decrease. <sup>1</sup>	1903	1913	Increase or decrease. <sup>1</sup>	Per cent.	1903	1913	Increase or decrease. <sup>1</sup>	Per cent.	1903	1913	Increase or decrease. <sup>1</sup>	Per cent.
New York, N. Y.	43	36	-7	\$173,185	\$249,305	\$76,120	44	\$631,565	\$936,908	\$305,343	48	\$450,732	\$636,544	\$185,812	41
Chicago, Ill.	12	9	-3	38,625	69,050	30,425	79	181,416	329,024	147,608	81	125,352	202,335	76,983	62
Philadelphia, Pa.	34	32	-2	45,630	62,065	16,435	36	142,378	218,746	76,368	53	122,387	182,437	60,050	33
Boston, Mass.	32	17	-15	46,836	48,081	1,245	2.7	156,869	189,872	33,003	21	118,670	171,327	52,657	45
Pittsburgh, Pa.	35	22	-13	45,200	48,514	3,314	7.3	115,086	129,802	14,716	13	86,146	113,796	27,650	32
San Francisco, Cal.	7	9	2	11,238	44,880	33,642	300	27,658	113,959	86,301	313	21,860	88,894	67,034	308
St. Louis, Mo.	7	7	-	25,910	29,140	3,230	13	89,312	109,161	19,849	22	46,752	61,380	14,628	32
Cincinnati, Ohio	13	8	-5	14,405	20,350	5,945	41.3	41,543	53,443	11,900	29	32,320	38,459	6,139	19
Baltimore, Md.	19	16	-3	18,926	19,760	834	4.4	47,222	63,703	16,481	35	32,191	44,547	12,356	38
Cleveland, Ohio	13	7	-6	15,372	14,400	-972	-6.5	49,155	60,945	11,790	24	27,656	46,110	18,454	67
Minneapolis, Minn.	5	6	1	6,120	13,710	7,590	124	20,898	55,281	34,383	164	13,590	42,930	29,340	216
Kansas City, Mo.	6	12	6	3,855	11,650	7,795	203	38,735	69,673	30,938	80	27,085	40,600	13,515	50
Washington, D. C.	11	11	-	6,102	11,165	5,063	83	14,343	26,834	12,491	89	18,699	26,319	7,620	40
St. Paul, Minn.	6	4	-2	5,036	9,600	4,564	91	14,870	34,188	19,318	130	14,990	29,712	14,722	99
Richmond, Va. <sup>2</sup>	5	8	3	2,970	9,484	6,514	219	11,372	34,732	23,360	207	9,668	24,391	14,723	152
Indianapolis, Ind.	7	5	-2	5,860	9,410	3,550	60	17,850	28,420	10,570	60	18,033	22,790	4,757	27
Atlanta, Ga. <sup>3</sup>	4	6	2	2,330	8,600	6,270	269	10,128	26,856	16,728	165	8,703	20,842	12,139	140
New Orleans, La.	6	5	-1	5,790	8,230	2,440	42	17,389	24,467	7,078	41	16,675	20,611	3,936	24
Louisville, Ky.	8	8	-	6,497	8,225	1,728	26.6	15,800	25,553	9,753	61	10,540	20,766	10,226	97
Denver, Colo.	5	6	1	3,250	7,538	4,288	132	15,292	29,212	13,920	91	29,691	35,587	5,896	20
Houston, Tex.	6	6	-	2,350	7,050	4,700	200	6,923	25,612	18,689	270	6,794	22,597	15,803	233
Portland, Oreg.	3	5	2	1,250	6,675	5,425	434	5,880	16,067	10,187	273	8,619	23,751	15,132	176
Omaha, Neb.	7	7	-	3,820	6,560	2,740	72	16,020	32,810	16,790	105	14,608	27,731	13,123	90
Dallas, Tex.	4	5	1	2,168	5,900	3,732	172	6,388	19,816	13,428	210	5,915	18,918	13,003	220
Seattle, Wash. <sup>3</sup>	5	6	1	1,460	5,560	4,100	281	8,616	25,857	17,241	200	12,297	28,931	16,634	135
Fort Worth, Tex. <sup>3</sup>	6	8	2	1,865	4,950	3,085	165	4,803	15,507	10,704	223	3,934	11,707	7,773	199
Columbus, Ohio	6	8	2	3,270	4,673	1,403	43	11,639	17,429	5,790	50	12,582	21,597	9,015	72
Nashville, Tenn. <sup>2</sup>	4	5	1	2,389	4,198	1,809	76	7,850	17,335	9,485	121	6,132	14,759	8,627	140
Spokane, Wash. <sup>3</sup>	4	5	1	890	4,172	3,282	370	4,847	16,056	11,209	230	6,366	16,436	10,070	158
Birmingham, Ala. <sup>2</sup>	2	2	-	815	3,114	2,299	282	4,629	9,697	5,068	110	5,367	9,604	4,237	79
Des Moines, Iowa.	4	4	-	1,060	3,055	1,995	190	5,071	13,485	8,414	166	2,803	6,669	3,866	138
Charlotte, N. C. <sup>2</sup>	4	5	1	1,167	1,850	683	58	3,354	6,364	3,010	90	2,435	4,421	1,986	83
Columbia, S. C. <sup>2</sup>	2	5	3	750	1,825	1,075	143	2,029	7,311	5,282	264	2,002	5,062	3,060	153
Savannah, Ga.	2	2	-	1,600	1,600	625	64	2,090	3,339	1,249	59.7	703	1,358	655	93
Memphis, Tenn. <sup>2</sup>	4	3	-1	1,600	1,590	-10	-0.6	7,990	5,523	-2,467	-31	6,869	4,276	-2,593	-37.7
Lincoln, Neb.	3	4	1	559	1,330	771	137	3,040	6,314	3,274	107	2,649	4,717	2,068	78
Kansas City, Kans.	2	2	-	1,470	800	-670	-45.5	4,225	4,263	38	1	2,306	2,765	459	20

<sup>1</sup> Minus (-) shows decrease; other changes show increase.<sup>2</sup> Nonreserve cities.<sup>3</sup> Not a reserve city in 1903.

TABLE C.—Total loans and discounts by geographical divisions, made by national banks in the cities named as of Jan. 13, 1914.

[Compiled from special statements submitted to the Comptroller of the Currency.]

	New England States.		Eastern States.		Southern States.		Middle Western States.		Western States.		Pacific States.	
	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.
New York.....	\$920,804,000	\$36,819,000 4.00	\$654,822,000 71.12	\$86,843,000 9.43	\$116,424,000 12.64	\$12,668,000 1.38	\$13,228,000 1.43					
Chicago.....	303,498,000	2,055,000 .68	7,027,000 2.31	17,736,000 5.85	257,427,000 84.82	11,358,000 3.74	7,895,000 2.60					
Philadelphia.....	219,044,000	3,789,000 1.73	188,594,000 86.10	9,398,000 4.29	16,013,000 7.31	580,000 .27	670,000 .30					
Boston.....	190,973,000	145,411,000 76.14	18,137,000 9.50	4,779,000 2.50	19,731,000 10.33	1,419,000 .74	1,496,000 .79					
Pittsburgh.....	126,358,000	785,000 .62	119,999,000 94.97	598,000 .47	4,410,000 3.49	382,000 .30	184,000 .15					
San Francisco.....	104,696,000	63,000 .06	1,125,000 1.08	30,000 .03	1,130,000 1.08	25,000 .02	102,323,000 97.73					
St. Louis.....	104,006,000	1,240,000 1.19	3,769,000 3.62	13,593,000 13.07	80,208,000 77.12	4,701,000 4.52	495,000 .48					
Kansas City, Mo.....	67,237,000	15,000 .02	304,000 .43	6,419,000 9.55	38,101,000 56.69	21,804,000 32.43	591,000 .88					
Cleveland.....	60,763,000	385,000 .63	3,566,000 5.87	186,000 .31	56,303,000 92.66	208,000 .34	115,000 .19					
Baltimore.....	59,435,000	278,000 .47	50,893,000 85.63	6,891,000 11.59	1,359,000 2.29	6,000 .01	8,000 .01					
Minneapolis.....	58,021,000	.....	332,000 .57	25,000 .04	52,657,000 90.76	4,745,000 8.18	262,000 .45					
Buffalo.....	55,084,000	660,000 1.20	49,061,000 89.07	314,000 .57	4,858,000 8.82	150,000 .27	41,000 .07					
Cincinnati.....	52,290,000	313,000 .60	2,145,000 4.10	4,017,000 7.68	45,699,000 87.40	56,000 .11	60,000 .11					
Los Angeles.....	47,985,000	.....	935,000 1.95	20,000 .04	231,000 .48	90,000 .19	46,709,000 97.34					
St. Paul.....	38,018,000	155,000 .40	1,306,000 3.43	187,000 .48	32,157,000 84.62	2,751,000 7.23	1,462,000 3.84					
Richmond.....	35,721,000	125,000 .35	1,619,000 4.53	33,473,000 93.71	489,000 1.37	5,000 .01	10,000 .03					
Omaha.....	31,536,000	125,000 .40	4,567,000 14.47	200,000 .63	2,172,000 6.89	28,212,000 89.46	260,000 .83					
Washington.....	27,790,000	11,000 .04	26,620,000 95.79	915,000 3.29	81,000 .29	24,000 .09	139,000 .50					
Atlanta.....	26,916,000	120,000 .45	277,000 1.03	28,117,000 97.03	397,000 1.47	5,000 .02	.....					
Louisville.....	26,452,000	.....	77,000 .29	25,342,000 95.80	1,026,000 3.88	7,000 .03	.....					
Providence.....	25,032,000	15,442,000 61.69	4,674,000 18.67	536,000 2.14	3,586,000 14.33	436,000 1.74	358,000 1.43					
Seattle.....	24,486,000	85,000 .35	568,000 2.32	161,000 .66	1,441,000 5.89	244,000 1.00	21,984,000 89.78					
Albany.....	23,950,000	778,000 3.25	22,134,000 92.42	180,000 .75	721,000 3.01	85,000 .35	52,000 .22					
Houston.....	23,659,000	.....	205,000 .87	23,391,000 98.86	25,000 .11	38,000 .16	.....					
Portland, Oreg.....	21,446,000	.....	47,000 .21	15,000 .08	382,000 1.78	8,000 .04	20,994,000 97.89					
Hartford.....	21,202,000	16,019,000 75.55	1,384,000 6.53	1,059,000 5.00	2,301,000 10.85	287,000 1.35	152,000 .73					
Dallas.....	19,731,000	10,000 .05	214,000 1.08	19,123,000 96.92	251,000 1.28	130,000 .66	3,000 .01					
New Orleans.....	19,677,000	.....	171,000 .87	19,477,000 98.98	20,000 .10	.....	9,000 .05					
Nashville.....	18,031,000	.....	25,000 .14	17,735,000 98.36	271,000 1.50	.....	.....					
Brooklyn.....	17,437,000	69,000 .39	16,659,000 95.54	17,000 .10	562,000 3.22	5,000 .03	125,000 .72					
Memphis.....	7,977,000	.....	6,000 .07	7,913,000 99.20	58,000 .73	.....	.....					

<sup>1</sup> \$7,457,000 less than abstract Jan. 13, which included report from branches.<sup>2</sup> Includes \$1,075,000 not localized.

NOTE.—The above statement has been compiled from special statements made to the Comptroller of the Currency showing all loans in the United States. Foreign loans are not included. The differences between this statement and the abstract of Jan. 13, 1914, are made up of foreign loans, bonds loaned and other minor items.

The above classification by geographical groups, which has been observed in the reports of the Comptroller's office for the past 13 years, is as follows: New England States: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. Eastern States: New York, New Jersey, Pennsylvania, Delaware, Maryland, and District of Columbia. Southern States: Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Arkansas, Kentucky, and Tennessee. Middle Western States: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, and Missouri. Western States: North Dakota, South Dakota, Nebraska, Kansas, Montana, Wyoming, Colorado, New Mexico, and Oklahoma. Pacific States: Washington, Oregon, California, Idaho, Utah, Nevada, Arizona, and Alaska.



TABLE D.—Showing bank and trust company credit balances with the national banks in some of the principal cities of the United States; also showing amounts loaned by the national banks in the same cities to their correspondent banks; also bought paper and collateral loans to noncustomers of the lending banks, securities owned, and cash reserve in vaults, as of dates named.

Cities.	Amount on deposit from all banks and trust companies throughout the United States, Feb. 14, 1914.	Amount loaned to all banks and trust companies on bills payable, and rediscounts, including indirect loans with guarantee of directors, etc., Jan. 13, 1914.	Per cent loaned banks Jan. 13, 1914, to bank deposits Feb. 14, 1914.	Bought paper, stock-exchange loans, etc., made by national banks to noncustomers throughout the United States, Jan. 13, 1914.	Bonds and securities (exclusive of bonds for circulation) held by national banks, Jan. 13, 1914.	Reserve in vaults (specie and legal tenders), Jan. 13, 1914.
New York	\$742,386,939	\$59,107,399	7.96	\$263,803,618	\$165,827,533	\$313,586,128
Chicago	278,824,567	25,663,706	9.20	29,716,830	31,734,647	88,732,480
Philadelphia	173,584,687	6,859,243	3.95	38,289,408	37,837,529	43,280,798
Boston	97,136,156	3,695,480	3.80	47,402,893	19,958,013	32,661,707
St. Louis	90,430,968	14,271,230	15.78	16,840,657	6,326,699	26,880,206
Pittsburgh	1,382,363,317	109,597,058	7.92	396,053,406	261,684,421	505,141,319
Kansas City, Mo.	79,314,345	710,415	.89	16,808,600	37,565,648	24,301,181
San Francisco <sup>1</sup>	54,835,438	18,844,099	34.36	4,869,204	4,035,117	8,703,544
Albany	45,859,188	3,296,431	7.19	13,850,432	17,859,369	18,683,813
Cleveland	39,528,280	3,276,052	8.27	1,815,045	8,340,938	4,756,442
Cincinnati	36,748,820	1,163,551	3.17	6,177,657	6,684,800	10,025,546
Minneapolis	32,593,282	1,955,816	6.00	7,675,667	13,281,317	8,859,630
Baltimore	31,316,864	2,620,504	8.37	3,649,749	7,365,849	7,365,849
Omaha	27,421,904	2,404,815	8.04	4,989,093	9,120,902	8,715,311
Los Angeles	18,533,959	5,768,762	31.12	3,507,878	2,675,062	4,596,702
St. Paul	16,290,131	1,374,958	8.44	2,267,638	5,212,186	8,178,093
Houston	16,002,069	792,594	4.95	12,637,337	8,036,166	6,425,836
Louisville	12,616,553	1,865,678	14.79	1,685,948	1,366,532	3,596,044
Buffalo	11,750,499	2,204,727	18.76	1,570,833	5,525,095	3,322,604
Richmond	11,388,536	109,557	.96	3,298,005	13,297,773	4,471,788
Portland, Oreg.	10,970,068	1,629,449	14.85	4,257,528	2,444,639	2,276,451
Seattle	8,427,674	572,100	6.79	1,574,059	5,437,032	5,387,374
New Orleans	7,518,865	602,937	8.02	3,064,295	4,937,661	4,654,524
Dallas	7,229,470	1,134,102	15.70	1,234,109	5,587,233	2,830,769
Nashville	6,237,357	1,385,687	22.21	587,558	1,293,061	2,546,927
Washington	5,536,719	1,158,622	20.91	489,888	91,632	1,164,930
Atlanta	5,516,705	495,978	8.99	3,266,983	9,790,823	4,053,193
Brooklyn	4,436,974	892,612	20.12	865,180	1,408,350	1,855,427
Memphis	4,017,811	10,000	.25	4,124,955	5,684,913	4,322,537
Providence	2,377,836	496,006	20.86	458,088	128,081	1,189,721
Hartford	1,983,787	125,000	6.30	13,518,890	6,336,469	1,804,614
	835,334			9,850,001	1,367,390	1,348,465

<sup>1</sup> Does not include loans and deposits from banks, in other cities, of branches of Bank of California, N. B. A.

The cities included in the above list are all either central reserve or reserve cities, except the cities of Buffalo, N. Y.; Providence, R. I.; Hartford, Conn.; Richmond, Va.; Atlanta, Ga.; Memphis and Nashville, Tenn., which are not reserve cities.

TABLE E.—Statement showing population, capital and surplus, individual deposits, and loans and discounts of all national banks, as of Mar. 4, 1914, in the 37 cities which asked to be designated as Federal reserve cities.

Location.	Population. <sup>1</sup>	Number of banks.	Capital and surplus.	Per capita.	Individual deposits.	Per capita.	Loans and discounts.	Per capita.
1. Boston	670,585	15	\$47,896,000	\$71	\$176,088,004	\$268	\$200,480,934	\$299
2. New York	4,766,883	35	248,505,000	52	771,724,999	161	1,082,272,650	227
3. Philadelphia	1,549,008	32	62,215,000	40	184,643,392	119	232,906,822	153
4. Cleveland	560,663	7	14,400,000	25	40,479,025	72	62,588,735	112
5. Cincinnati	363,591	8	20,350,000	56	39,154,843	108	55,761,638	153
6. Columbus	181,511	8	4,685,500	25	21,853,183	120	17,169,907	95
7. Pittsburgh	533,905	21	46,714,000	88	120,260,088	225	124,568,231	233
8. Wheeling	41,641	2	1,700,000	40	4,331,394	104	4,915,613	118
9. Baltimore	558,485	15	19,205,720	34	42,553,451	76	60,312,953	108
10. Washington	331,069	11	11,365,000	34	28,491,402	86	25,405,554	77
11. Richmond	127,628	7	9,314,392	73	25,705,866	201	35,593,044	279
12. Charlotte	34,014	5	1,850,000	54	4,578,573	135	6,785,057	199
13. Columbia	26,319	5	1,887,500	72	6,398,138	243	7,322,262	278
14. Atlanta	154,839	6	8,600,000	56	24,348,912	157	26,038,731	168
15. Savannah	65,064	2	1,600,000	24	1,443,161	22	3,244,938	50
16. Louisville	223,928	8	8,280,000	37	20,430,574	91	27,999,427	125
17. Birmingham	132,685	2	3,300,000	25	9,995,561	75	10,449,274	79
18. Montgomery	38,136	4	2,515,000	66	6,115,197	160	5,658,213	148
19. Chattanooga	44,604	3	2,975,000	66	10,109,930	226	11,565,519	259
20. Memphis	131,105	3	2,140,000	16	7,511,216	57	7,014,359	53
21. New Orleans	339,075	4	6,730,000	20	16,857,832	50	17,285,254	51
22. Chicago	2,185,283	9	69,050,000	31	211,558,247	97	335,820,233	154
23. St. Louis	687,029	7	29,140,000	42	61,685,925	90	102,138,744	149
24. Minneapolis	301,408	6	13,710,000	45	45,453,532	150	57,973,491	192
25. St. Paul	214,744	5	9,887,081	46	35,788,142	167	37,437,913	174
26. Kansas City, Mo.	248,381	12	11,660,000	47	40,415,210	162	66,205,054	267
27. Omaha	124,096	7	6,570,000	53	27,258,869	220	32,848,397	265
28. Denver	213,381	6	7,545,000	35	34,124,272	160	28,022,377	131
29. Lincoln	43,973	4	1,330,000	32	4,439,212	101	6,066,192	138
30. Dallas	92,104	5	5,900,000	64	18,551,847	201	18,622,564	202
31. Fort Worth	73,312	7	4,275,000	58	11,629,158	159	12,632,408	172
32. Houston	78,800	6	7,125,000	90	25,013,951	317	25,923,087	329
33. San Francisco	416,912	9	45,185,000	108	95,756,484	230	120,287,608	288
34. Seattle	237,194	6	5,596,500	23	29,498,646	124	23,948,338	101
35. Portland	207,214	5	6,780,000	32	22,595,277	109	20,173,774	97
36. Spokane	104,402	5	4,175,000	40	16,156,830	155	13,985,084	134
37. Salt Lake City	92,777	6	3,482,500	37	11,103,182	120	11,791,043	127

TABLE F.—Statement showing population, capital and surplus, individual deposits, and loans and discounts of all reporting banks (national, State, savings, and loan and trust companies), as of June 4, 1913, in the 37 cities which asked to be designated as Federal reserve cities.

Location.	Population. <sup>1</sup>	Number of banks and trust companies.	Capital and surplus.	Per capita.	Individual deposits.	Per capita.	Loans and discounts.	Per capita.
1. Boston.....	670,585	60	\$100,779,114	\$150	\$661,950,254	\$987	\$561,625,627	\$803
2. New York.....	4,766,833	142	563,221,701	118	2,866,351,069	601	2,306,503,682	483
3. Philadelphia.....	1,549,008	100	177,448,741	114	592,533,612	382	413,298,566	266
4. Cleveland.....	560,663	35	41,635,100	74	271,693,217	484	188,499,403	336
5. Cincinnati.....	363,591	39	31,813,107	87	98,178,794	270	88,845,791	244
6. Columbus.....	181,511	21	7,099,000	39	30,498,790	168	24,186,704	133
7. Pittsburgh.....	533,905	83	130,037,145	243	350,298,872	656	291,668,678	547
8. Wheeling.....	41,641	11	4,949,393	118	18,845,965	452	16,802,317	405
9. Baltimore.....	558,485	55	47,952,469	85	190,879,440	341	118,912,253	213
10. Washington.....	331,069	36	29,161,731	88	72,552,236	219	63,012,066	190
11. Richmond.....	127,628	26	16,810,955	131	35,372,126	277	50,004,572	393
12. Charlotte.....	34,014	7	2,680,000	76	8,616,642	194	9,242,936	271
13. Columbia.....	26,319	9	2,365,318	89	5,894,711	223	8,511,384	326
14. Atlanta.....	154,839	28	15,313,448	98	28,371,032	183	33,494,035	216
15. Savannah.....	65,064	16	8,129,605	125	20,022,523	316	28,061,700	431
16. Louisville.....	223,928	18	15,100,297	67	41,437,509	185	38,701,079	172
17. Birmingham.....	132,685	11	6,685,620	50	23,182,608	174	21,494,705	164
18. Montgomery.....	38,136	9	3,396,762	89	6,018,942	157	7,756,141	202
19. Chattanooga.....	44,604	10	4,294,114	96	15,166,950	340	16,355,760	366
20. Memphis.....	131,105	22	7,346,214	56	23,343,841	179	24,442,321	186
21. New Orleans.....	399,075	19	20,532,500	60	70,854,415	209	64,845,722	194
22. Chicago.....	2,185,283	88	151,882,559	69	682,498,992	312	690,799,087	315
23. St. Louis.....	687,029	44	72,222,500	105	205,443,737	299	233,385,655	339
24. Minneapolis.....	301,408	33	20,731,391	68	78,258,930	260	32,720,056	274
25. St. Paul.....	214,744	20	11,260,845	52	40,490,496	189	42,322,465	197
26. Kansas City, Mo.....	248,381	30	17,415,500	70	66,562,431	268	91,686,871	370
27. Omaha.....	124,096	14	8,165,000	65	28,038,694	226	34,939,699	282
28. Denver.....	213,381	31	11,489,551	53	57,371,171	269	41,365,143	194
29. Lincoln.....	43,973	15	2,042,000	46	7,253,010	165	8,696,240	198
30. Dallas.....	92,104	13	9,997,000	108	24,808,891	269	27,517,338	299
31. Fort Worth.....	73,312	18	6,667,724	90	14,375,274	196	16,861,831	231
32. Houston.....	78,800	13	13,599,100	172	26,551,714	329	32,775,530	415
33. San Francisco.....	416,912	45	73,623,325	176	313,153,942	752	281,447,424	675
34. Seattle.....	237,194	32	11,567,020	48	67,527,325	285	48,963,007	206
35. Portland.....	207,214	22	12,097,718	58	56,805,140	274	44,132,644	213
36. Spokane.....	104,402	18	7,660,876	73	25,821,751	249	23,235,697	223
37. Salt Lake City.....	92,777	18	7,838,696	84	33,623,153	362	30,676,029	330

<sup>1</sup> United States census of 1910.

## STATEMENT OF RESERVE BANK ORGANIZATION COMMITTEE RELATIVE TO ITS DECISION OF APRIL 2, 1914.

WASHINGTON, D. C., April 10, 1914.

Congress imposed on the committee the duty of dividing the country into not less than 8 nor more than 12 districts, and the location of a Federal reserve bank in each. Thirty-seven cities asked to be chosen. The committee could select at most only 12. Necessarily 25 cities had to be disappointed.

Following its policy declared at the very outset, the committee refused to be influenced by the purely local and selfish claims of cities or individuals, and discharged the duty imposed upon it by Congress after exhaustive investigation and study of the entire country, with unbiased minds and according to its best judgment. With so many conflicting claims, somebody had to judge. Congress constituted the committee a court and gave the Federal Reserve Board the power of review. Disappointed competitors should seek a remedy through the orderly processes the law prescribes.

Considerable comment has been occasioned by the failure of the committee to create districts suggested by New Orleans, with New Orleans as the location for a reserve bank; by Baltimore, with Baltimore as the location for a reserve bank; by Omaha, with Omaha as the location for a reserve bank; and by Denver, with Denver as the location for a reserve bank.

The committee realized that the division of the country into districts was far more important and complex than the designation of the reserve cities, and

that the latter duty was subsidiary and relatively simple, waiving considerations of local pride or prestige. In arranging the districts the consideration of the character and growth of industry, trade, and banking, no less than the traditions, habits, and common understandings of the people was much more intimately involved.

It became clear in the hearings that comparatively few people realized, or seemed to realize, what the act was intended to accomplish; what the nature and functions of the reserve banks were to be; and how little change would occur in the ordinary financial relations of the communities, the business establishments, and the individual banks.

Critics of the decision of the committee reveal misunderstanding in these directions, and either do not know, or appear not to know, that the Federal reserve banks are bankers' banks and not ordinary commercial banks; that they are to hold the reserves and to clear the checks of member banks, make rediscounts for them, and engage in certain open-market operations. As a matter of fact, the ordinary every day banking relations of the community, of business men, and of banks will not be greatly modified or altered. The purpose of the system is to remove artificiality, promote normal relations, and create better conditions under which everybody will transact business.

Every city can continue to do business with individuals, firms, or corporations, within its own limits,

or in its own region, or in any other part of the Union or the world in which it has heretofore done business.

Reserves are to be held in a new way and in new places, so far as this act controls them, but banking and business generally will no more be confined within districts than heretofore, and it is simply misleading for any city or individual to represent that the future of a city will be injuriously affected by reason of its failure to secure a Federal reserve bank. Every city which has the foundations for prosperity and progress will continue to grow and expand, whether it has such a reserve bank or not, and well-informed bankers, especially, are aware of this.

The facts which the committee had to consider will throw light on its decision in reference to these cities.

#### NEW ORLEANS' CLAIMS.

New Orleans selected a district extending from New Mexico to the Atlantic Ocean, including all of Texas, Louisiana, Mississippi, Alabama, Florida; Georgia, and that part of Tennessee south of the Tennessee River.

It was represented by Texas that it would do great violence to her trade to connect her with New Orleans. It was claimed, and evidence was submitted in support of the claim, that her trade was with her own cities or with Kansas City and St. Louis. In a poll of the banks of Texas made by the Comptroller of the Currency, 212 banks expressed a first choice, 121 a second choice, and 30 a third choice for Dallas. No bank in Texas expressed a first choice for New Orleans, only 4 a second choice, and 44 a third choice. The whole State protested against being related to New Orleans.

The banks of Alabama generally desired to be connected either with Birmingham or Atlanta, only 3 expressing a first choice for New Orleans. The banks of Georgia desired to be connected with Atlanta, none expressing a first or second choice for New Orleans, and only 12 a third choice. They represented that it would do violence to them to be connected with a city to the west and claimed that their relations were mainly with Atlanta or cities to the northeast. Of 44 banks in Florida 19 gave Atlanta as their first choice, 19 as their second choice, and 5 as their third choice. Only 5 expressed a first preference for New Orleans, and these were in the western corner, 4 a second choice, and 3 a third choice. No bank in Tennessee expressed a first or second choice for New Orleans, and only 2 a third choice, while 7 expressed a first choice for Atlanta, 14 a second choice, and 13 a third choice. Generally speaking, the only banks which desired to be connected with New Orleans and expressed a first preference for her were 25 of the 26 banks reporting in Louisiana, and 19 of the 32 in Mississippi. On a poll made from the comptroller's office of all banks

expressing their preference as to the location for a Federal reserve city, 124 expressed a first preference for Atlanta, 232 for Dallas, and only 52 for New Orleans. The views of the bankers were supported by chambers of commerce, other business organizations, and by many business men.

It will thus be seen that if the committee was to give weight to the views of business men and bankers in the section of the country affected, to consider the opposition of the States of Texas, Alabama, Georgia, Florida, and Tennessee, and to be guided by economic considerations, it could not have designated New Orleans as the location for a reserve bank to serve either the western or the eastern part of the district that city asked for. The course of business is not from the Atlantic seaboard toward New Orleans, nor largely from the State of Texas to that city, and if Dallas and Atlanta had been related to New Orleans a better grounded complaint could and would have been lodged by them against the committee's decision than that made by New Orleans.

Some of the banking statistics which the committee had to consider throw light on the problem. It should be borne in mind that the committee could consider primarily only the statistics with reference to assenting banks. In this section of the country, as in most others, the assenting banks were the national banks. In March, 1914, the capital stock and surplus, loans and discounts, and individual deposits of the national banks in the three cities named, as shown by the sworn reports to the Comptroller of the Currency, were as follows:

	Capital and surplus.	Loans and discounts.	Individual deposits.
Atlanta.....	\$8,600,000	\$26,038,000	\$24,348,000
Dallas.....	5,900,000	18,622,000	18,551,000
New Orleans.....	6,730,000	17,285,000	16,857,000

Even more significant are the statistics of growth from September, 1904, to March, 1914.

#### CAPITAL AND SURPLUS.

	September 1904.	March, 1914.	Percentage of increase.
Atlanta.....	\$2,410,000	\$8,600,000	256
Dallas.....	2,676,000	5,900,000	120
New Orleans.....	6,250,000	6,730,000	8

#### LOANS AND DISCOUNTS.

	September 1904.	March, 1914.	Percentage of increase.
Atlanta.....	\$10,329,000	\$26,038,000	152
Dallas.....	7,653,000	18,622,000	143
New Orleans.....	20,088,000	17,285,000	Decrease 13

#### INDIVIDUAL DEPOSITS.

	September 1904.	March, 1914.	Percentage of increase.
Atlanta.....	\$9,931,000	\$24,348,000	145
Dallas.....	7,157,000	18,551,000	159
New Orleans.....	19,425,000	16,857,000	Decrease 13

The loans and discounts in the national banks of New Orleans at the time of the report, March 4, 1914, were less than those of the national banks of either Atlanta or Dallas.

While the committee could not figure on the resources of other than assenting banks which are in this section, the national banks, the following statistics of all reporting banks, including national banks, State banks, and trust companies, as of June 4, 1913, were regarded as significant and were given consideration:

Atlanta reported capital stock and surplus \$15,313,000, or \$98 per capita; Dallas, \$9,997,000, or \$108 per capita; and New Orleans, \$20,532,000, or \$60 per capita. Individual deposits, per capita, Atlanta, \$183; Dallas, \$269; New Orleans, \$209.

The loans and discounts for all reporting banks for the three cities were as follows: Atlanta, \$33,494,000, or \$216 per capita; Dallas, \$27,517,000, or \$299 per capita; New Orleans, \$64,845,000, or \$194 per capita.

The committee found that the total loans and discounts made by national banks in the cities named in the 13 Southern States on January 13, 1914, were as follows:

Atlanta.....	\$26,117,000
Dallas.....	19,123,000
New Orleans.....	19,477,000

while the total loans made by the national banks of Dallas throughout the entire United States on the date mentioned exceeded the loans made by the national banks of New Orleans.

Special reports, made under oath to the Comptroller of the Currency, also show that on February 14, 1914, the credit balances of the banks and trust companies in the 13 Southern States with the national banks of Dallas exceeded in amount the credit balances of all banks and trust companies in these same States with the national banks of New Orleans.

In view of the comparisons and criticisms from New Orleans in connection with the designation of Dallas, Atlanta, and Richmond, and the omission of New Orleans and Baltimore, the following table is instructive:

*National bank statistics for States of Texas, Virginia, Maryland, Georgia, Louisiana, and Mississippi as of Mar. 4, 1914.*

[According to sworn reports made to the Comptroller of the Currency.]

	Area (square miles).	Population, census 1910.	Capital and surplus.	Individual deposits.	Loans and discounts.
State of Texas (including Dallas).....	265,780	3,896,542	\$76,785,584	\$197,663,338	\$215,114,326
State of Virginia (including Richmond).....	42,450	2,061,612	29,732,696	90,887,858	107,410,063
State of Maryland (including Baltimore).....	12,210	1,295,346	28,267,420	83,217,376	91,326,942
State of Georgia (including Atlanta).....	59,475	2,609,121	24,479,735	51,382,061	61,852,579
State of Louisiana (including New Orleans).....	48,720	1,656,388	12,128,866	32,000,521	34,804,354
State of Mississippi.....	46,810	1,797,114	5,168,192	17,045,324	13,669,200

From the above statement it will be seen that in each item, capital and surplus, individual deposits,

and loans and discounts, the national banks of Virginia, including Richmond, largely surpass the national banks of Maryland, including Baltimore.

The capital and surplus of the national banks of the State of Virginia are 60 per cent greater than the capital and surplus of the national banks of the States of Louisiana and Mississippi combined, including the city of New Orleans, while the loans and discounts by the national banks of Virginia are more than three times as great as the loans and discounts in the national banks of Louisiana, including New Orleans.

While the capital and surplus of the national banks of Georgia largely exceed the combined capital and surplus of the national banks of the States of both Mississippi and Louisiana, the loans and discounts made by the national banks of Georgia exceed by \$13,000,000 the loans and discounts of all the national banks of Louisiana and Mississippi combined, including the city of New Orleans.

The capital and surplus of the national banks of Texas amount to four times as much as the capital and surplus of the national banks of the States of Louisiana and Mississippi combined, and the individual deposits in the national banks of Texas also amount to about four times as much as the individual deposits of all national banks in Louisiana and Mississippi, the only States from which New Orleans received as much as half a dozen votes as first choice for the location for a Federal reserve bank.

#### KANSAS CITY DISTRICT.

The region in the middle and far West presented problems of difficulty. Careful consideration was given to the claims of Omaha, Lincoln, Denver, and Kansas City, which conflicted in this region. Denver asked for a district which included Idaho, Montana, Utah, Wyoming, Colorado, New Mexico, and the eastern two-thirds of Arizona and Texas, Kansas and Nebraska west of the one-hundredth meridian, and the Deadwood portion of South Dakota. The district gave approximately the minimum capital provided by law. Of the territory included in this district Montana unanimously requested to be connected with Minneapolis or Chicago, saying that she had little or no trade relations with Denver. Idaho desired to go to Portland or San Francisco; Arizona preferred San Francisco, and the greater part of New Mexico asked for Kansas City. Western Texas, Kansas, and Nebraska unanimously protested against going to Denver. Kansas desired Kansas City; Nebraska preferred Omaha or Lincoln; and Texas wanted either a Texas city or Kansas City or St. Louis.

In the poll of banks, Denver received 136 first-choice votes, of which 112 were from Colorado and 12 from Wyoming. With Montana, Idaho, Arizona, Texas, Kansas, and Nebraska in opposition, it was

clearly impossible to make a district with Denver as the location of a bank. Part of the territory asked to be assigned to San Francisco and the other part to Minneapolis or Kansas City.

Omaha asked for a district embracing western Iowa, all of Nebraska, part of South Dakota, part of Kansas, Colorado, Utah, Wyoming, Idaho, and Montana. All but eight of the banks in South Dakota insisted upon being connected with Minneapolis; Iowa desired to go to Chicago; Kansas practically unanimously voted for Kansas City; Montana protested against any other connection than Minneapolis or Chicago. The preferences of the other States have already been indicated.

Of the 218 banks which expressed a first preference for Omaha, 181 were from Nebraska. The committee had to consider the State of Oklahoma and part of Missouri in connection with this region, and in district No. 10, 497 banks expressed a first preference for Kansas City; western Missouri, Oklahoma, and Kansas, and part of New Mexico, especially asked for this connection. Thirty-seven banks in Colorado gave Kansas City as second choice, and 26 gave Omaha.

It seemed impossible to serve the great section from Kansas City to the mountains in any other way than by creating a district with Kansas City as the headquarters, or to provide for the northwestern section except by creating a district with Minneapolis as headquarters. The only other thing that could have been done with Nebraska under the conditions which presented themselves was to relate her to Chicago, and this seemed to be inadvisable in the circumstances. The Kansas City banks serve a very distinctive territory and will serve it more satisfactorily than St. Louis could have done. The relations of that territory on the whole are much more largely with Kansas City than with any other city in the Middle West with which it could have been connected. It will, of course, be recognized by those who are informed that of the four cities Kansas City is the most dominant banking and business center. The following statistics as of March, 1914, will throw light on the situation:

	Capital and surplus.	Loans and discounts.	Individual deposits.
Kansas City.....	\$11,660,000	\$66,205,000	\$40,415,000
Omaha.....	6,570,000	32,848,000	27,258,000
Denver.....	7,545,000	28,022,000	34,124,000
Lincoln.....	1,330,000	6,066,000	4,439,000

The statistics of growth during the nine years from September, 1904, to March, 1914, are significant:

CAPITAL AND SURPLUS.

	September, 1904.	March, 1914.	Percentage of increase.
Kansas City.....	\$3,900,000	\$11,660,000	199
Omaha.....	3,880,000	6,570,000	69
Denver.....	3,325,000	7,545,000	127
Lincoln.....	768,000	1,330,000	73

LOANS AND DISCOUNTS.

	September, 1904.	March, 1914.	Percentage of increase.
Kansas City.....	\$35,598,000	\$66,205,000	86
Omaha.....	16,218,000	32,848,000	102
Denver.....	14,146,000	28,022,000	98
Lincoln.....	3,820,000	6,066,000	58

INDIVIDUAL DEPOSITS.

	September, 1904.	March, 1914.	Percentage of increase.
Kansas City.....	\$30,730,000	\$40,415,000	31
Omaha.....	15,728,000	27,258,000	73
Denver.....	27,798,000	34,124,000	22
Lincoln.....	3,283,000	4,439,000	35

The loans and discounts of all reporting banks and trust companies in Kansas City on June 4, 1913, amounted to \$91,686,000, exceeding by about \$7,000,000 the total loans and discounts of all banks and trust companies in the cities of Omaha, Denver, and Lincoln combined.

The loans and discounts of the national banks alone in Kansas City also exceeded the sum total of the loans and discounts of all national banks in the cities of Omaha and Denver combined.

The great preponderance in the movement of trade in district No. 10 is to the east. In order to place the Federal reserve bank for that region in Denver it would have been necessary to disregard these facts and the opposition and earnest protests of banks, both National and State, throughout the district.

THE RICHMOND DISTRICT.

The committee named as cities for the location of Federal reserve banks New York, Chicago, Philadelphia, St. Louis, Boston, and Cleveland. In population these are the six largest cities in the United States; their geographical situation and all other considerations fully justified their selection.

San Francisco and Minneapolis were the first choice of the great majority of the national banks in their respective sections, and their financial, industrial, and commercial relations and other factors entitled them to be chosen. Their selection appears to have evoked no criticism, but to have received general approval. Conditions relating to the Kansas City, Dallas, and Atlanta districts have been dealt with.

For the territory from eastern Georgia to the Pennsylvania line, the committee, after fully considering all the facts, decided to create a district with the Federal reserve bank at Richmond. South Carolina and North Carolina had protested against being connected with a bank to the south or west. They said that their course of trade was northeast. It seemed undesirable to place a bank in the extreme northeastern corner or at Baltimore, not only because of its proximity to Philadelphia, but also because the industrial and banking relations of the greater part of

the district were more intimate with Richmond than with either Washington or Baltimore. The States of Maryland, Virginia, West Virginia, North and South Carolina, and the District of Columbia had to be considered. North Carolina, South Carolina, and Virginia preferred to be connected with Richmond. West Virginia was divided in its preferences; Maryland and the District of Columbia, of course, desired Baltimore or Washington. In the poll of banks made directly by the comptroller's office, Richmond received more first-choice ballots than any other city in the district—167 against 128 for Baltimore, 35 for Pittsburgh, 28 for Columbia, S. C., 37 for Cincinnati, and 25 for Washington, D. C. Of the remaining 21 votes, 19 were for Charlotte, N. C., and 2 for New York. Leaving out the States of Maryland and Virginia, Richmond received from the rest of the district three times as many first-choice votes as were cast for Baltimore.

District No. 5 is composed of the States of Maryland, Virginia, West Virginia (except four counties), North and South Carolina, and the District of Columbia. These States have always been closely bound together commercially and financially and their business dealings are large and intimate. The reports made to the Comptroller of the Currency on March 4, 1914, by all the national banks in each of these States show in every essential respect that the business of the national banks of Virginia, including Richmond, is greater than the business of the national banks of Maryland, including Baltimore, or any other of the five States embraced in district No. 5, as appears in the following table:

	Capital, surplus, and undivided profits.	Loans and discounts.	Total individual deposits.
Virginia.....	\$33,544,631	\$107,410,063	\$90,887,858
Maryland.....	31,390,057	91,326,942	53,217,376
West Virginia.....	18,209,346	56,789,538	61,421,332
North Carolina.....	13,527,086	44,051,033	36,051,154
South Carolina.....	10,332,439	28,860,456	23,330,916
District of Columbia.....	12,685,411	26,253,432	29,520,853

Advocates of New Orleans have criticized the decision of the organization committee and have given out comparative figures as to New Orleans, Richmond, and other cities which are incorrect and misleading. An analysis and study of the actual figures will be found instructive and can lend no support to the claims of New Orleans.

From the sworn special reports recently submitted to the Comptroller of the Currency, it appears that the national banks in Richmond were lending in the 13 Southern States, on January 13, 1914, more money than was being loaned in those States by the national banks of any other city in the country except New

York. The total loans and discounts in the 13 Southern States by the four cities referred to are as follows:

Richmond.....	\$33,473,000
Baltimore.....	6,891,000
New Orleans.....	19,477,000
Washington.....	915,000

The figures also show that in these portions of district No. 5 outside of the States of Virginia and Maryland the Richmond national banks are lending twice as much money as all the national banks in Baltimore and Washington combined. They also show that although Richmond is not a reserve city, the banks and trust companies in the 13 Southern States had on deposit in the national banks of Richmond on February 14, 1914, \$9,876,000, or slightly more than the banks of this section had on deposit in the city of Baltimore, and four times as much as they carried in Washington, although these two cities have long enjoyed the benefits of being reserve cities. That southern banks should carry larger balances in Richmond, where they could not be counted in their reserves, rather than in Baltimore or Washington, where they could be counted, is suggestive.

The figures show that the capital and surplus of all reporting banks—national, State, and savings, and trust companies—per capita, in Richmond, as of June 4, 1913, was \$131; in Baltimore, \$85; in Washington, \$88; and in New Orleans, \$60, while the loans and discounts made by all banks and trust companies in Richmond, on the same date, amounted to \$393 per capita, against \$190 in Washington, \$213 in Baltimore, and \$194 in New Orleans.

The amount of money which banks and trust companies in the various parts of the country carried on deposit with Richmond, a nonreserve city, on February 14, 1914, amounted to \$10,970,000, or nearly twice as much as the balances carried by outside banks with the national banks of Washington, which on the same day amounted to \$5,516,000, and one and one-half times as much as they carried on the same day with the national banks of New Orleans, a reserve city.

The statistics furnished the organization committee show that on March 4, 1914, the capital and surplus of the national banks of Richmond, per capita, amounted to more than twice as much as the capital and surplus, per capita, of the national banks of either Baltimore or Washington, and three and a half times as much as New Orleans, while the individual deposits of the national banks of Richmond amounted to \$201 per capita, against \$86 for Washington and \$76 for Baltimore and \$50 for New Orleans. The loans and discounts in the national banks of Richmond on the same date were reported at \$279 per capita, against \$77 for Washington, \$108 for Baltimore, and \$51 for New Orleans.

Especially significant are the following statistics showing the growth in capital and surplus, loans and discounts, and individual deposits of national banks in the four cities named:

## CAPITAL AND SURPLUS.

	September, 1904.	March, 1914.	Percentage of increase.
Richmond.....	\$3,115,000	\$9,314,000	199
Washington.....	6,215,000	11,365,000	83
Baltimore.....	18,262,000	19,205,000	5
New Orleans.....	6,250,000	6,730,000	8

## LOANS AND DISCOUNTS.

	September, 1904.	March, 1914.	Percentage of increase.
Richmond.....	\$12,946,000	\$35,593,000	175
Washington.....	15,018,000	25,405,000	69
Baltimore.....	48,755,000	60,312,000	23
New Orleans.....	20,088,000	17,285,000	Decrease 13

## INDIVIDUAL DEPOSITS.

	September, 1904.	March, 1914.	Percentage of increase.
Richmond.....	\$11,257,000	\$25,705,000	128
Washington.....	20,017,000	28,491,000	42
Baltimore.....	40,910,000	42,553,000	4
New Orleans.....	19,425,000	16,857,000	Decrease 13

In other words, the figures show that the national banks of Richmond were lending on March 4, 1914, twice as much money as all the national banks in the city of New Orleans, and 40 per cent more than all the national banks of Washington.

In the original decision of the committee the various economic and other factors which entered into and determined the committee's action were enumerated and need not be repeated here. This statement is made for the purpose of disclosing some of the details which influenced the committee's findings.

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INDEX OF WITNESSES AND EXHIBITS AT HEARINGS  
HELD BY RESERVE BANK ORGANIZA-  
TION COMMITTEE.

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**LIST OF EXHIBITS AND MEMORANDA ON FILE WITH THE ORGANIZATION COMMITTEE NOT INCLUDED IN THOSE TRANSMITTED HEREWITH.**

- ATLANTA:**  
Collection of briefs submitted by the Chamber of Commerce, Atlanta, officials of national banks, trade organizations, etc.  
Four files of letters, submitted as Exhibits A, B, C, and D.
- BALTIMORE:**  
Four collections of letters filed as exhibits.  
One file of exhibits consisting of brief by regional bank committee and letters from bankers, trade organizations, etc.
- BIRMINGHAM:**  
Collection of exhibits, largely statistical.
- BOSTON:**  
Collection of exhibits consisting of letters from boards of trade, bankers and others, and statistical matter.
- CHICAGO:**  
One file of exhibits consisting of letters from bankers and others.  
Several maps and pamphlets.
- CINCINNATI:**  
One file of exhibits consisting of briefs of bankers' associations, letters, etc.  
One large map of the United States.
- CLEVELAND:**  
One file of exhibits consisting of letter of Cleveland Chamber of Commerce and miscellaneous letters and telegrams.
- COLUMBIA:**  
Brief by B. F. Taylor, and several letters.
- COLUMBUS:**  
Briefs submitted by Ohio National Bank.
- DALLAS:**  
One file of letters from Texas bankers submitted as an exhibit.  
A collection of maps.
- DENVER:**  
Two files of letters, statements, etc., from various sources.
- EL PASO:**  
One file containing brief by El Paso Clearing House Association, letters and statements from bankers, chambers of commerce, and others.
- FORT WORTH:**  
One file consisting of miscellaneous statements and letters.
- KANSAS CITY:**  
Brief supplementing testimony at hearing in Kansas City.  
Resolutions and letters supporting claims.  
Resolution and letters refuting claims of J. G. Schneider.  
Two lots of post cards giving preference for reserve cities.
- LINCOLN:**  
Two files consisting of briefs, statistical matter, and letters.  
One lot of post cards giving preference of bankers.
- LOS ANGELES:**  
One file containing brief by John Perrin regarding the appointment of Federal reserve districts; also statistical matter.
- LOUISVILLE:**  
One map.
- MEMPHIS:**  
One file of letters.
- MONTGOMERY:**  
One file of statements and statistics, with map.
- NEW ORLEANS:**  
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- NEW YORK:**  
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Two boxes of postals and printed slips.
- St. LOUIS:**  
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- SAN FRANCISCO:**  
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- SEATTLE:**  
One "file of original letters in support of map showing trade zone."  
One file of statistical matter and letters.  
Several maps.  
Report of bureau of agriculture, labor, and industry, State of Montana.
- SPOKANE:**  
Brief of joint committee of chamber of commerce and clearing-house association.
- WASHINGTON:**  
One file containing statements of clearing-house association; also statistics, letters, and map.  
The above does not include a large number of resolutions, telegrams, and letters advocating certain cities and suggesting outlines for the various districts, which were addressed to the committee in Washington and were not filed as exhibits at any particular hearing.

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