

December 2, 1948.

Chairman McCabe

M. S. Eccles.

I am attaching hereto a copy of a statement which I gave last evening in response to inquiries made by the press after Transamerica had filed a motion with the Board. I thought you might be interested in reading it.

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Copies also sent to  
Draper  
Vardaman  
Szymczak  
Clayton  
Evans

The following is a statement given to the press by Governor M. S. Eccles on Wednesday, December 1, 1948, at 7:40 p.m.:

I was informed this afternoon that a formal motion was filed by Transamerica, in the proceeding which the Federal Reserve Board has instituted under the Clayton Act, to disqualify me from participating in the Board's deliberations thereon.

I should like to make it clear that the Board has understood for sometime that I have disqualified myself from the proceeding for the reason that I am going to be a witness in the case. Ever since this proceeding was instituted, Transamerica has from time to time charged in the press that the proceeding itself came about as a result of my personal bias against A. P. Giannini and his associates in Transamerica. One of the reasons I agreed to the request of Counsel for the Board to appear as a witness in the case was in order to dispel once and for all the idea that there could be any truth in these charges. I am informed that upon taking the witness stand I subject myself to such examination as Counsel for Transamerica may see fit to conduct. Therefore, if there is any truth in these charges, Transamerica will have every opportunity to verify them.