

TELEGRAM
LEASED WIRE SERVICE
RECEIVED AT WASHINGTON

1949 JAN 26 PM 6 15

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WX NEWYORK NY JAN 26 451P

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

MARRINER ECCLES, BOARD OF GOVERNORS OF FEDERAL
RESERVE SYSTEM

DALE DISTRIBUTING COMPANY, INC. OF WHICH I AM PRESIDENT, ARE
WHOLESALE DISTRIBUTORS OF NATIONALLY ADVERTISED REFRIGERATORS
WASHING MACHINES, RADIO AND TELEVISION RECEIVERS AND OTHER
MAJOR APPLIANCES. WE OPERATE COMPLETE BRANCHES IN NEW HAVEN,
CONNECTICUT AND NEWARK, NEW JERSEY. ANNUAL ~~VOLUME~~ VOLUME IN
THOSE TWO TERRITORIES APPROXIMATELY SIX MILLION DOLLARS.
WITH THE POSSIBLE EXCEPTION OF TELEVISION, SINCE THE
REINSTATEMENT OF REGULATION "W" THE MOVEMENT OF THESE
COMMODITIES FROM DEALERS' FLOORS TO CONSUMERS' HANDS HAS
DROPPED TO A DEGREE THAT IS FRIGHTENING. IN ALMOST EVERY
INSTANCE, IT IS THE MATURE JUDGMENT OF THE RETAILERS WHOM WE
SERVE THAT THIS SERIOUS DROP IN SALES IS A RESULT OF CREDIT
TERMS THAT ARE TOO STRINGENT TO SUPPORT PRESENT PRODUCTION
RATE TO WHICH OUR INDUSTRY IS GEARED. THIS IS NOT A FORM
TELEGRAM AND ~~ITXX~~ IS BEING DIRECTED SOLELY TO YOU IN THE HOPE
THAT YOU MIGHT RECOMMEND FURTHER STUDY OF THE EFFECT THAT
REGULATION "W" IS HAVING ON OUR INDUSTRY, AND IF CONDITIONS
WARRANT, MIGHT SPONSOR AN EASEMENT OF THE PRESENT SELLING
TERMS

MAURICE S DESPRES 40 E 32ND ST NEW YORK NY

610P

January 28, 1949.

Mr. Maurice S. Despres,
40 E. 32nd Street,
New York, New York.


Dear Mr. Despres:

Your very earnest and temperate telegram of January 26 with regard to Regulation W is being referred to the Board member, Mr. Evans, whose assignments include this subject.

I wanted you to know that I appreciated the spirit in which you state your views and that they will have earnest consideration. Congress intended this to be a flexible regulation and, speaking for myself, I would not wish to see it continued if there is a general downturn and a lowering of prices. On the other hand, I would not want to see it prematurely relaxed or removed. We are giving it the most thorough possible study.

Sincerely yours,

M. S. Eccles

 ST: [illegible]

MAURICE S. DESPRES

40 EAST 32ND STREET NEW YORK 16, N. Y.

February 4, 1949

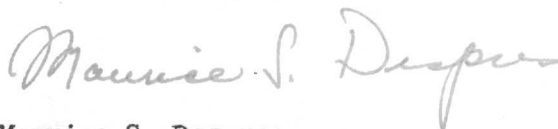
Mr. M. S. Eccles
Board of Governors
Federal Reserve System
Washington, D. C.

Dear Mr. Eccles:

I want to express my thanks to you for the courteous letter of January 28 in which you acknowledged receipt of my telegram of the 26th.

I am genuinely appreciative of your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Maurice S. Despres". The signature is written in dark ink and is positioned above the typed name.

Maurice S. Despres

MSD:s