

Sears, Roebuck and Co.

Executive Offices
Chicago

R. E. Wood
President

November 2, 1937

Personal & Confidential

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

Dear Mr. Eccles:

What I had feared apparently seems to be coming to pass. As I wrote you a few weeks ago, if the fear, generated by the great decline in the stock market which had spread to the business men, did not reach the people we were all right, but apparently it is beginning to reach the people.

Confidentially and for your personal information, during the last two weeks our mail order sales all over the country are running 15% below last year. The sales in the cities are also beginning to fall off, though not to such a great extent. They will, in my opinion, fall off much more within the next three months.

I think our experience is similar to that of other retailers. As we cover the whole country it signifies the reduction of purchasing power by both the farmers and wage earners. In another direction, business men are tightening up and cutting their forces to the reduced volume of business which means, of course, more unemployment and a reversal of the trend of the last two years.

I am simply giving you the facts as they stand.

Sincerely yours,

