



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

LAWRENCE CLAYTON
MEMBER OF THE BOARD

July 9, 1948.

Dear Marriner:

At the Board meeting on Tuesday, July 6, the Chairman reported that Southard had formally accepted a position on the Board to be effective August 15.

It was also reported that Cameron Thompson had called regarding the meeting on holding company legislation and had suggested the first week in August. He had also suggested that Townsend was considered somewhat of a prosecutor type by some of the bankers and hence hinted it would be helpful if someone else rather than Townsend sat in. It was suggested by the Chairman that since Townsend would be quite busy in California it might be preferable to have Mr. Vest sit in. This provoked discussion and I urged very firmly that Townsend should most certainly be present, that the bankers were always hoping for a better deal and undoubtedly assumed that the change at the Board and the impending change in the administration offered promise of a lot easier ticket. The real reason they don't want Townsend present is that he is perfectly aware of the various arguments they have made previously and is likewise aware of certain understandings arrived at heretofore which, I suggested, the bankers would like to abandon now. At the conclusion of the discussion it was agreed that Leonard would be present but that the Chairman would caution him that the purpose of the meeting was more to draw out the various attitudes of the bankers and that, therefore, we would be mostly listeners. It was also decided that the first week in September would be a better time to hold such a meeting. Tentatively the group would comprise two representatives from the following: (1) reserve city bankers; (2) holding company bankers; (3) American Bankers Association; (4) Independent Bankers Association (both groups); and (5) National Association of State Bank Supervisors (in this case three representatives to be invited).

As to the New York matter, alternative drafts had been circulated to Messrs. Thurston, Vest, and Carpenter, but rather than take up these drafts in detail it was decided that since Messrs. Stevens and Rounds were due here the next day (Wednesday) it would be preferable to discuss the

matter with Mr. Stevens informally, etc. However, so much time was taken up discussing salaries at the New York Bank that there was no time for a discussion of the Stevens' letter. I rather welcome this situation since it makes it more necessary now that a written record be made. I presume, therefore, that the drafts referred to will be considered at the next Board meeting.

With best wishes, I am,

Sincerely,

Ferry.

Mr. Marriner S. Eccles,
Hotel Ben Lomond,
Ogden, Utah.

P.S. - I neglected to mention also that after discussion, it was agreed I should sit in on the holding company conference, because of my assignment.

Elliott told me today of his phone chat with you yesterday & that you seemed to be feeling fit & happy. I can think of several good reasons for that. I have decided to pass up Denver. To