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*Oscar W. Moyle*  
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*Salt Lake City, Utah*

June 21, 1939

Mr. Lawrence Clayton  
c/o Office Chairman  
Board of Governors  
Federal Reserve System  
Washington, D. C.

Dear Mr. Clayton:

We thank you for your letter of June 16, 1939 regarding The Western States Machine Company's application for a loan from the R. F. C. We appreciate very much your having given this matter your attention and the suggestions you make in the letter. They may be of benefit to us.

It would hardly seem fair for the R. F. C. to consider only our profits for last year or likely the profits for the present year, since during this period our company has expended over \$30,000.00 in perfecting our machinery and in the expense of getting it introduced in foreign countries. This amount, while shown as an expense and as a matter of fact is expense and perhaps can not be shown as a capital asset, is more than its value to the company and will no doubt produce results very favorable to the company and should, we feel, be taken into consideration in any question of making a loan.

Again thanking you for your interest in this matter and suggestions and with kind personal regards, we remain

Yours truly,

MOYLE & MOYLE

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By

*O. W. Moyle*